

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No. 150009-EI
Submitted for Filing: May 1, 2015

**DUKE ENERGY FLORIDA, INC.'S NOTICE OF FILING
THE DIRECT TESTIMONY AND EXHIBITS OF THOMAS G. FOSTER**

Duke Energy Florida, Inc. ("DEF" or the "Company"), hereby gives notice of filing the Direct Testimony of Thomas G. Foster with Exhibit Nos. ___ (TGF-3) and (TGF-4) (redacted version) in support of DEF's Petition for Approval of Nuclear Costs to be Recovered During the Period January-December 2016 for the Levy Nuclear Project and Crystal River Unit 3 Uprate Project as Provided in Section 366.93(6), Florida Statutes, and Rule 25-6.0423(7), Florida Administrative Code.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic and U.S. Mail this 1st day of May, 2015.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Nuclear Cost Recovery
Clause**

DOCKET NO. 150009-EI

**Submitted for filing:
May 1, 2015**

REDACTED

**DIRECT TESTIMONY OF THOMAS G. FOSTER
IN SUPPORT OF LEVY ESTIMATED/ACTUAL AND PROJECTION COSTS
AND CR3 UPRATE ESTIMATED/ACTUAL AND PROJECTION COSTS**

**ON BEHALF OF
DUKE ENERGY FLORIDA, INC.**

IN RE: NUCLEAR COST RECOVERY CLAUSE

BY DUKE ENERGY FLORIDA, INC.

FPSC DOCKET NO. 150009-EI

DIRECT TESTIMONY OF THOMAS G. FOSTER
IN SUPPORT OF LEVY AND CR3 UPRATE ESTIMATED/ACTUAL AND
PROJECTION COSTS

1 I. INTRODUCTION AND QUALIFICATIONS.

2 Q. Please state your name and business address.

3 A. My name is Thomas G. Foster. My business address is 299 First Avenue
4 North, St. Petersburg, FL 33701.

5
6 Q. By whom are you employed and in what capacity?

7 A. I am employed by Duke Energy Business Services, LLC as Director, Rates
8 and Regulatory Planning.

9
10 Q. What are your responsibilities in that position?

11 A. I am responsible for regulatory planning and cost recovery for Duke
12 Energy Florida, Inc. ("DEF" or the "Company"). These responsibilities
13 include: preparing regulatory financial reports and analysis of state,
14 federal, and local regulations and their impact on DEF. In this capacity,
15 I am also responsible for the Levy Nuclear Project ("LNP") and the
16 Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") Project
17 ("CR3 Uprate") Cost Recovery filings, made as part of this Nuclear Cost

1 Recovery Clause ("NCRC") docket, in accordance with Rule 25-6.0423,
2 Florida Administrative Code ("F.A.C.").

3
4 **Q. Please describe your educational background and professional
5 experience.**

6 A. I joined the Company on October 31, 2005 as a Senior Financial Analyst in
7 the Regulatory group. In that capacity I supported the preparation of
8 testimony and exhibits associated with various Dockets. In late 2008, I was
9 promoted to Supervisor Regulatory Planning. In 2012, following the merger
10 with Duke Energy Corporation, I was promoted to my current position. Prior
11 to working at Duke Energy I was the Supervisor in the Fixed Asset group at
12 Eckerd Drug. In this role I was responsible for ensuring proper accounting
13 for all fixed assets as well as various other accounting responsibilities. I
14 have 6 years of experience related to the operation and maintenance of
15 power plants obtained while serving in the United States Navy as a nuclear
16 operator. I received a Bachelor's of Science degree in Nuclear Engineering
17 Technology from Thomas Edison State College. I received a Masters of
18 Business Administration with a focus on finance from the University of
19 South Florida and I am a Certified Public Accountant in the State of Florida.

20
21 **II. PURPOSE OF TESTIMONY.**

22 **Q. What is the purpose of your testimony?**

23 A. The purpose of my testimony is to present, for Florida Public Service
24 Commission ("FPSC" or the "Commission") review, DEF's expected 2015

1 and 2016 costs associated with the Levy and CR3 Uprate projects
2 consistent with Rule 25-6.0423(7), F.A.C., in support of setting 2016 rates
3 in the Capacity Cost Recovery Clause ("CCRC"). As discussed further in
4 the testimony of Witnesses Christopher Fallon and Mark Teague, at this
5 time there are certain Levy and EPU costs or credits that are not known or
6 knowable and DEF has not included these in our estimates.

7
8 **Q. Are you sponsoring any exhibits in support of your testimony?**

9 A. Yes. I am sponsoring sections of the following exhibits, which were
10 prepared under my supervision:

- 11 • Exhibit No. __ (TGF-3), reflects the actual and estimated costs
12 associated with the LNP and consists of: 2016 Revenue
13 Requirement Summary, 2015 Revenue Requirement Detail
14 Schedule, 2016 Revenue Requirement Detail Schedule, 2015 Long
15 Lead Equipment ("LLE") Deferred Balance Detail Schedule, 2016
16 LLE Deferred Balance Detail Schedule, 2016 Estimated Rate Impact
17 Schedule, and Appendices A through E, which reflect DEF's retail
18 revenue requirements for the LNP from January 2015 through
19 December 2016. Witness Fallon will be co-sponsoring portions of
20 the 2015 Actual/Estimated Revenue Requirement Detail Schedule
21 Lines 1 (a – e) and Lines 3 (a – e), 2016 Projection Revenue
22 Requirement Detail Schedule Lines 1 (a – e) and Lines 3 (a – e), and
23 sponsoring Appendices D and E.

- 1 • Exhibit No. __ (TGF-4), reflects the actual and estimated costs
2 associated with the CR3 Uprate project and consists of: 2016
3 Revenue Requirement Summary, 2015 Revenue Requirement Detail
4 Schedule, 2016 Revenue Requirement Detail Schedule, 2016
5 Estimated Rate Impact Schedule, and Appendices A through F,
6 which reflect DEF's retail revenue requirements for the project from
7 January 2015 through December 2016. Mark Teague will be co-
8 sponsoring portions of 2015 Actual/Estimated Revenue Requirement
9 Detail Schedule Lines 1 (a – d) and 2016 Projected Revenue
10 Requirement Detail Schedule Lines 1 (a - d) and sponsoring
11 Appendices D and E.

12 The 2015 and 2016 Revenue Requirement Detail Schedules for the LNP
13 and the CR3 Uprate project contain the same calculations provided in the
14 Nuclear Filing Requirement (“NFR”) Schedules prior to project cancellation
15 in a more concise manner.

16 These exhibits are true and accurate.

17
18 **Q. What are the 2015-2016 Detail Revenue Requirements Schedules and**
19 **the Appendices?**

- 20 **A.** • The 2015 Revenue Requirement Detail Schedule reflects the
21 actual/estimated calculations for the true-up of total retail revenue
22 requirements for the period.

- 1 • The 2016 Revenue Requirement Detail Schedule reflects the projection
2 calculations for the true-up of total retail revenue requirements for the
3 period.
- 4 • The 2015 LLE Deferred Balance Detail Schedule (Levy only) reflects the
5 revenue requirement calculations for the LLE deferred balance for the
6 period.
- 7 • The 2016 LLE Deferred Balance Detail Schedule (Levy only) reflects the
8 revenue requirement calculations for the LLE deferred balance for the
9 period.
- 10 • The 2016 Estimated Rate Impact Schedule reflects the estimated
11 Capacity Cost Recovery Factors for 2016.
- 12 • Appendix A (CR3 Uprate) reflects beginning balance explanations and
13 support for the 2015 and 2016 Regulatory Asset Amortization Amount.
- 14 • Appendix A (Levy) reflects beginning balance explanations and support
15 for the 2015 and 2016 Regulatory Asset Amortization Amount.
- 16 • Appendix B reflects Other Wind Down/Exit Cost variance explanations for
17 the period.
- 18 • Appendix C provides support for the appropriate rate of return consistent
19 with the provisions of Rule 25-6.0423(7), F.A.C.
- 20 • Appendix D describes Major Task Categories for expenditures and
21 variance explanations for the period.
- 22 • Appendix E reflects contracts executed in excess of \$1.0 million.
- 23 • Appendix F (CR3 Uprate) reflects a summary of the 2013-2019 Uprate
24 Amortization Schedule for the Uncollected Investment Balance.

1 III. CARRYING COST RATES AND SEPARATION FACTORS FOR BOTH
2 THE CR3 UPRATE PROJECT AND THE LEVY NUCLEAR PROJECT.

3 Q. What is the carrying cost rate used in the 2015 and 2016 Revenue
4 Requirement Detail Schedules?

5 A. DEF is using the rate specified in Rule 25-6.0423(7)(b), F.A.C. as follows:

6 "The amount recovered under this subsection will be the remaining
7 unrecovered Construction Work in Progress balance at the time of
8 abandonment and future payment of all outstanding costs and any other
9 prudent and reasonable exit costs. The unrecovered balance during the
10 recovery period will accrue interest at the utility's overall pretax weighted
11 average midpoint cost of capital on a Commission adjusted basis as
12 reported by the utility in its Earnings Surveillance Report filed in December
13 of the prior year, utilizing the midpoint of return on equity (ROE) range or
14 ROE approved for other regulatory purposes, as applicable."

15 This annual rate was also adjusted to a monthly rate consistent with
16 the Allowance for Funds Used During Construction ("AFUDC") rule, Rule
17 25-6.0141, Item (3), F.A.C. Support for the components of this rate is
18 shown in Appendix C of Exhibit Nos. ___(TGF-3) for the LNP and (TGF-4)
19 for the CR3 Uprate project.

20
21 Q. Has DEF changed how it is applying the carrying cost rate under Rule
22 25-6.0423(7)(b) since 2014?

23 A. Yes, initially DEF read the following language in the Rule --- "the
24 unrecovered balance during the recovery period will accrue interest at the

1 utility's overall pretax weighted average midpoint cost of capital on a
2 Commission adjusted basis as reported by the utility in its Earnings
3 Surveillance Report filed in December of the prior year, utilizing the
4 midpoint of return on equity (ROE) range or ROE approved for other
5 regulatory purposes, as applicable" --- to mean the rate would be frozen at
6 the level from the year prior to cancellation. After receiving questions from
7 Staff financial auditors and further consideration, DEF believes it is
8 reasonable to interpret this language in the Rule to mean DEF should
9 update the rate annually based on the prior year December surveillance
10 report. Consequently, DEF has applied this methodology and included an
11 adjustment that can be seen on Levy 2015 Revenue Requirement Detail
12 Schedule line 5e and on CR3 Uprate 2015 Revenue Requirement Detail
13 Schedule line 2j to recognize the impact of this change on reported 2014
14 carrying costs. The impact of this change reduces 2014 carrying costs by
15 \$242,632 (\$87,249 for Levy, and \$155,383 for EPU). Included in the
16 amount shown for EPU on line 2j is an adjustment to the Joint Owner credit
17 discussed later in my testimony. This change also reduces the carrying
18 costs in 2015 and 2016.

19
20 **Q. What was the source of the separation factors used in the 2015 and**
21 **2016 Revenue Requirement Detail Schedules?**

22 A. The jurisdictional separation factors are consistent with Exhibit 1 of the
23 Revised and Restated Stipulation and Settlement Agreement ("2013

1 Settlement Agreement”) approved by the Commission in Order No. PSC-
2 13-0598-FOF-EI in Docket No 130208-EI.

3
4 **IV. COST RECOVERY FOR THE LEVY COUNTY NUCLEAR PROJECT.**

5 **A. ACTUAL/ESTIMATED LNP COSTS.**

6 **Q. Have you provided schedules that reflect the Commission’s decision**
7 **on DEF’s Petition to End the Fixed Levy Nuclear Project Rate**
8 **Component of the Nuclear Cost Recovery Clause Charges consistent**
9 **with the 2013 Settlement Agreement and the nuclear cost recovery**
10 **statute and rule?**

11 A. Yes. These revenue requirements can be seen in the 2015 Revenue
12 Requirement Detail Schedule and on the 2015 Detail –LLE Deferred
13 Balance Schedule. They have been shown in two schedules for ease of
14 tracking. The schedules reflect collection of the revenue requirements
15 approved for collection through April 2015. Per the Commission’s vote on
16 April 16th on DEF’s Petition, as of May 2015 DEF has set the Levy billing
17 factors to zero and, therefore, DEF is not collecting any revenues for the
18 Levy project during the remainder of 2015.

19 DEF will collect 2015 period costs, as well as any true-ups, while
20 deferring \$54 million (System) which corresponds to the amount in dispute
21 under DEF’s claims in the WEC litigation, in accordance with the NCRC
22 statute and rule. At such time as the WEC litigation concludes, and there is
23 a final determination with respect to the DEF and WEC claims in that

1 litigation, DEF will submit any resulting costs or refunds to the Commission
2 for review and approval.

3
4 **Q. Has DEF calculated the 2015 and 2016 revenue requirements in its**
5 **LNP actual/estimated and projected cost schedules consistent with**
6 **the Commission's April 16th vote on DEF's Petition and the Nuclear**
7 **Cost Recovery Statute and Commission Rule?**

8 A. Yes. DEF's actual/estimated and projected LNP costs, including carrying
9 charges on the deferral of \$54 million equivalent to the LLE amount in
10 dispute in DEF's claims against WEC in the WEC litigation, reflect prudent
11 LNP costs that DEF is entitled to recover from customers pursuant to the
12 Commission's vote, prior NCRC Orders, the 2013 Settlement Agreement,
13 and Section 366.93, Florida Statutes, and Rule 25-6.0423, F.A.C.

14 The Commission granted DEF's Petition to end the fixed Levy
15 component of the NCRC charge, but it did not decide DEF's request in that
16 Petition that the Commission provide DEF direction with respect to the
17 available approaches to recover carrying charges on the \$54 million
18 adjustment to DEF's projected LNP costs pursuant to the Commission's
19 2014 NCRC Order. The Commission accepted Staff's recommendation
20 that the Commission did not need to approve the approach to recover these
21 carrying charges because the regulatory treatment for such prudently
22 incurred charges is provided in Section 366.93, Florida Statutes, and Rule
23 25-6.0423, F.A.C. DEF, accordingly, is including carrying charges on the
24 \$54 million in its 2015 actual/estimated and 2016 projected LNP costs in its

1 Schedules consistent with Section 366.93, Florida Statutes, and Rule 25-
2 6.0423, F.A.C.

3 The Commission decision to order a \$54 million downward
4 adjustment to DEF's projected expenses and subsequent approval to end
5 the fixed Levy charge results in a reduction in the amount of the prudent but
6 uncollected capital investment to be collected in the LNP project in 2015.
7 As a result, there will be an "unrecovered balance" of \$54 million until the
8 resolution of the \$54 million LLE claims in the WEC litigation. DEF,
9 accordingly, is including carrying charges on the \$54 million in its 2015
10 actual/estimated and 2016 projected LNP costs in its Schedules consistent
11 with Section 366.93, Florida Statutes, and Rule 25-6.0423, F.A.C.

12
13 **Q. Is this treatment of the carrying costs on the \$54 million also**
14 **consistent with the 2013 Settlement Agreement?**

15 A. Yes. The 2013 Settlement Agreement did not alter the provisions for
16 submittal, evaluation, and approval for recovery of the LNP costs under
17 Section 366.93, Florida Statutes, and Rule 25-6.0423, F.A.C.

18 The 2013 Settlement Agreement also expressly recognizes that DEF
19 is entitled to recover all prudently incurred costs, which includes carrying
20 costs on prudently incurred costs, for the LNP consistent with Section
21 366.93 and Rule 25-6.0423. Specifically, paragraphs 10 and 12c of the
22 2013 Settlement Agreement provides that DEF "shall" be permitted to
23 recover "all" costs "associated with the termination of the LNP, including but

1 not limited to the LNP EPC Agreement, through the NCRC” consistent with
2 Section 366.93 and Rule 25-6.0423.

3
4 **Q. What are the total estimated period revenue requirements for the LNP**
5 **for the calendar year ended December 2015?**

6 A. The total projected period revenue requirements for the LNP are \$6.1
7 million for the calendar year ended December 2015 as reflected on the two
8 2015 Revenue Requirement Detail Schedules. The \$2.9 million on the
9 2015 Revenue Requirement Detail Schedule Line 22 in Exhibit No. _(TGF-
10 3) includes \$0.2 million in exit/wind-down and disposition costs as can be
11 seen on Lines 5a and 19d, a credit to the 2015 revenue requirement of \$0.1
12 million due to DEF's decision to update the weighted average cost of capital
13 (“WACC”) used to calculate carrying cost in 2014 shown on Line 5e, and
14 \$2.8 million for the carrying costs on the unrecovered investment balance
15 shown on Line 8d. The \$3.2 million is reflected in 2015 Detail Schedule-
16 LLE Deferred Balance on Line 4 in Exhibit No. _(TGF-3). These amounts
17 were calculated in accordance with the provisions of Rule 25-6.0423, F.A.C.
18 and are exclusive of the amortization of prior period balances.

19
20 **B. EXIT & WIND-DOWN COSTS INCURRED IN 2015 FOR THE LEVY**
21 **NUCLEAR PROJECT.**

22 **Q. What are the exit and wind-down costs incurred for the Levy Nuclear**
23 **Project for the period January 2015 through December 2015?**

1 A. The 2015 Detail Revenue Requirement Schedule Exhibit No.__(TGF-3)
2 Lines 1e, Line 3e, and Line 12e show that total exit and wind-down
3 expenditures excluding carrying costs were approximately [REDACTED].
4

5 **Q. What do these costs include?**

6 A. The expenses included on Line 1e and 3e represent [REDACTED] related to
7 project management wind-down costs and anticipated sales proceeds of
8 [REDACTED] from the sale of some LLE as described in the testimony of Mr.
9 Fallon. There are no expenses anticipated at this time for Transmission
10 related wind-down costs. The expenses on line 12e, of approximately \$0.3
11 million, represent other exit and wind-down costs including regulatory and
12 legal on-going wind-down support costs that the Company expects to incur
13 in 2015 related to the LNP that DEF is seeking recovery of through the
14 NCRC.
15

16 **Q. How did these expenditures for January 2015 through December 2015**
17 **compare with DEF's projected costs for 2015?**

18 A. Appendix B, Line 4 shows that total Other Exit & Wind-Down Costs were
19 approximately \$0.3 million or \$0.1 million lower than estimated. As shown
20 in Appendix D, wind down and sale or salvage costs are approximately [REDACTED]
21 [REDACTED] lower than originally anticipated as DEF did not budget for project
22 management costs due to uncertainties around the Levy project. DEF also
23 did not project any sales or credits related to LLE equipment that occurred
24 in 2015. The sales proceeds of [REDACTED] was the driver for the net credit

1 in 2015 shown in the 2015 Revenue Requirement Detail Schedule Exhibit
2 No.__(TGF-3) Line 5a. There are no expenses anticipated at this time for
3 Transmission related wind-down costs.
4

5 **Q. Did you reflect any credits for the sale or other disposition efforts for**
6 **the Levy project assets for the calendar year 2015 or 2016, for which a**
7 **sale was made, but for which you have not yet received proceeds?**

8 A. Yes. Approximately [REDACTED] was recovered for the sale of Levy LLE
9 shown on line 1c in the 2015 Revenue Requirement Detail Schedule. This
10 recovery for Levy LLE disposition is further discussed by Mr. Fallon.
11

12 **Q. Did you project any other credits for the sale or other disposition**
13 **efforts that could result in credits for the Levy project assets?**

14 A. No. Value received from any future disposition of an LNP asset will be
15 credited against the uncollected investment at the time of disposition.
16

17 **Q. Have you continued to ensure that future costs related to the Levy**
18 **site COL are not included in the NCRC as of January 1, 2014?**

19 A. Yes, on a project team level DEF has always segregated project costs
20 incurred by specific project code and this process will not change for 2015
21 and 2016. The project team continues to charge Combined Operating
22 License ("COL")-related labor, Nuclear Regulatory Commission ("NRC")
23 fees, vendor invoices and all other COL-related cost items to the applicable
24 COL project codes. The Regulatory Accounting and Regulatory Strategy

1 groups, ensure that the COL-related project codes and associated costs
2 incurred in 2014 and beyond are not included in the Company's NCRC
3 Schedules, and thus not presented for nuclear cost recovery. We will
4 however continue to track the COL-related costs for accounting purposes
5 consistent with the 2013 Settlement Agreement.

6
7 **Q. What is the estimated true-up for 2015 expected to be?**

8 A. The 2015 true-up is expected to be an over-recovery of \$4.1 million as
9 reflected in Line 5 on the 2016 Summary Detail in Exhibit No. (TGF-3).

10
11 **C. LNP COST PROJECTIONS FOR 2016.**

12 **Q. What is included in the Total Revenue Requirements for the Period**
13 **2016?**

14 A. The total current-period revenue requirements of \$5.5 million in 2016
15 includes: period wind-down costs of \$0.2 million, \$0.2 million carrying costs
16 on the net \$5 million of the remaining LNP unrecovered investment balance
17 (exclusive of the \$54 million deferral), and \$5.1 million of current-period
18 carrying cost on the \$54 million LLE Deferred Balance.

19
20 **Q. What is included in the Total Return for the Period on the 2016**
21 **Revenue Requirement Detail Schedule, Line 8d and 2016 Detail**
22 **Deferred Balance Schedule, Line 3d?**

23 A. The Revenue Requirements of \$0.2 and \$5.1 million depicted on these
24 Schedules on Line 8d and 3d respectively represent carrying costs on the

1 average uncollected investment balance. The Schedules start with the 2016
2 beginning balance, add the monthly capital expenditures, remove the
3 previous month's capital expenditures, remove the monthly amortization of
4 the uncollected investment balance and compute the carrying charge on the
5 average monthly balance. The equity component of the return is grossed
6 up for taxes to cover the income taxes that will be paid upon recovery in
7 rates.

8
9 **Q. What are the exit and wind-down costs incurred for the Levy Nuclear**
10 **Project for the period January 2016 through December 2016?**

11 A. The 2016 Revenue Requirement Detail Schedule Exhibit No.__(TGF-3)
12 Lines 1e, 3e and Line 10e show that total exit and wind-down expenditures
13 excluding carrying costs are estimated at [REDACTED].

14
15 **Q. What is the total jurisdictional projected exit and wind-down costs that**
16 **will be incurred for the period January 2016 through December 2016?**

17 A. As shown on Line 5c and Line 17d of the 2016 Revenue Requirement
18 Detail Schedule in Exhibit No.__(TGF-3), total projected jurisdictional costs
19 for 2016 are \$0.2 million. The costs have been adjusted to a cash basis for
20 purposes of calculating the carrying charge and the appropriate
21 jurisdictional separation factor has been applied.
22

1 **Q. What are the total estimated revenue requirements, exclusive of the**
2 **revenue tax multiplier, for the LNP for the calendar year ended**
3 **December 2016?**

4 A. As can be seen in Exhibit No. _ (TGF-3), 2016 Summary Schedule Line 6,
5 the total estimated revenue requirements are \$13.5 million. This consists of
6 \$12.1 million associated with amortizing the remaining unrecovered
7 investment balance, exclusive of the \$54 million adjustment, \$5.5 million in
8 period carrying costs and recovery of current period exit and wind-down
9 activities, and \$4.1 million of prior period net over-recoveries.

10
11 **Q. Has DEF included all of its 2015 and 2016 LNP costs or credits in this**
12 **filing?**

13 A. No it has not. There are potential costs or credits that DEF has not included
14 in its actual/estimated 2015 and projected 2016 LNP costs because DEF is
15 unable to accurately estimate them, as explained in more detail by Mr.
16 Fallon.

17
18 **V. COST RECOVERY FOR THE CRYSTAL RIVER 3 UPRATE PROJECT.**

19 **Q. What are you requesting with respect to the CR3 Uprate project?**

20 A. DEF requests that the Commission approve recovery of the remaining
21 unrecovered investment in the CR3 Uprate project and the future payment
22 of all outstanding costs and any other reasonable and prudent exit costs
23 consistent with Section 366.93(6), Florida Statutes, and Rule 25-6.0423(7),
24 F.A.C. In support of this request, DEF has prepared Exhibit No. _ (TGF-4),

1 which shows the unrecovered investment and expected future payments
2 and exit costs through the end of 2016 for purposes of setting 2016 rates.
3 DEF requests that the Commission approve the revenue requirements for
4 2016 to be placed into the CCRC of \$56.5 million as shown on 2016
5 Revenue Requirement Summary Line 6 of Exhibit No. (TGF-4).

6
7 **Q. What is the total unrecovered investment in the CR3 Uprate project as**
8 **of year-end 2014?**

9 A. The total year-end 2014 unrecovered investment to be amortized is
10 approximately \$217.9 million as shown on lines 3a – 3b beginning balance
11 amount in the 2015 Revenue Requirement Detail Schedule of Exhibit
12 No. (TGF-4). This net amount represents the construction costs incurred
13 that have not been placed in service. This amount does not include prior
14 period over/under recoveries, prior period amortization, or period costs like
15 wind-down/exit costs.

16
17 **Q. How is DEF recovering this investment?**

18 A. DEF is continuing to recover this balance over the remaining five (5) year
19 period from 2015-2019 as approved by the Commission in the 2013
20 Settlement in Order PSC-13-0598-FOF-EI, Docket No. 130208-EI, which
21 allowed DEF to recover the estimated year-end 2013 balance over the
22 2013-2019 period.

1 **Q. Will DEF account for salvage or CR3 Uprate asset sales?**

2 A. Yes. To the extent DEF receives any salvage or re-sale value for the CR3
3 Uprate assets currently recovered through the NCRC, DEF will apply that
4 value to reduce the unrecovered balance.
5

6 **Q. How is DEF calculating the carrying cost collected over this
7 amortization period?**

8 A. DEF is using the rate specified in Rule 25-6.0423(7)(b), F.A.C. The
9 carrying cost rate used for this time period is 6.95 percent. On a pre-tax
10 basis, the rate is 10.08 percent. This rate is based on DEF's December
11 2014 Earnings Surveillance Report. This annual rate was also adjusted to
12 a monthly rate consistent with the AFUDC rule, Rule 25-6.0141, Item (3),
13 F.A.C. Support for the components of this rate is shown in Appendix C of
14 Exhibit No. _(TGF-4).
15

16 **Q. What are the total estimated period revenue requirements for the CR3
17 Uprate project for the calendar year ended December 2015?**

18 A. The total estimated period revenue requirements for the CR3 Uprate project
19 are \$19 million for the calendar year ended December 2015, as reflected on
20 page 4 line 22 of Exhibit No. _(TGF-4). This amount includes \$19 million for
21 the carrying costs on the unrecovered investment balance shown on Line
22 5d, \$0.3 million current period wind-down costs shown on Lines 2e and
23 16d, and net revenue requirement adjustments of \$0.2 million shown on

1 Line 2j. These amounts were calculated in accordance with the provisions
2 of Rule 25-6.0423, F.A.C.

3
4 **Q. What is the total estimated over or under recovery for the CR3 Uprate**
5 **project for the calendar year ended December 2015?**

6 A. The total estimated over-recovery is \$0.9 million as shown in Exhibit
7 No._(TGF-4), the 2015 Revenue Requirement Detail Schedule Line 24.

8
9 **Q. Did you reflect any credits for the sale or other disposition efforts for**
10 **the CR3 Uprate project assets that occurred in the calendar year 2014,**
11 **but for which receipt of payment did not occur in 2014?**

12 A. Yes. Settlement of the auction proceeds from the sale of EPU assets are
13 reflected in January 2015. Additionally, DEF has reflected receipt of the
14 final payment for the POD Cooling Tower equipment that was sold on April
15 30, 2014, as described in Mark Teague's March 2, 2015 testimony.

16
17 **Q. Did you project any other credits for the sale or other disposition**
18 **efforts for the CR3 Uprate project assets?**

19 A. No. DEF has not estimated the salvage or re-sale value for the remaining
20 CR3 Uprate assets at this time because that value is presently unknown
21 and uncertain. Value received from any future disposition of an EPU asset
22 will be credited against the uncollected investment at the time of disposition.

23

1 **Q. Were there any true-up adjustments that needed to be made to**
2 **calculate the total estimated revenue requirements for the CR3 Uprate**
3 **project for the calendar year ended December 2015?**

4 A. Yes. As can be seen in Exhibit No. _(TGF-4), 2015 Revenue Requirement
5 Detail Schedule Line 2j there is a credit of \$229,139. In 2015, DEF
6 recognized that an incorrect calculation was made regarding the joint owner
7 credit related to the previous year's sale of the POD asset. The current
8 year's revenue requirements were reduced to reflect the 2014 impact of this
9 adjustment of \$64,650 plus 2015 carrying costs (January through May
10 2015). As discussed previously in my testimony, we have also reflected a
11 reduction to the carrying costs in 2014. The current year's revenue
12 requirements reflect the 2014 impact of this adjustment of \$155,383 plus
13 2015 carrying costs (January through May 2015). Details of these
14 calculations can be seen in Exhibit No. ____ (TGF-4), Appendix A.

15
16 **Q. What are the total estimated revenue requirements, exclusive of the**
17 **revenue tax multiplier, for the CR3 Uprate project for the calendar year**
18 **ended December 2016?**

19 A. As can be seen in Exhibit No. _ (TGF-4), the 2016 Summary Schedule Line
20 6, the total estimated revenue requirements are \$56.5 million. This consists
21 primarily of \$43.7 million associated with amortizing the unrecovered
22 construction cost spend, \$14.9 million in period carrying costs and recovery
23 of current period exit and wind-down activities, and \$2.1 million of prior

1 period over-recoveries. These amounts are shown on lines 1, 2-4 and 5 of
2 the above-mentioned Schedule respectively.

3

4 **Q. Does this conclude your testimony?**

5 **A. Yes, it does.**

SCHEDULE APPENDIX

REDACTED

EXHIBIT (TGF-3)

DUKE ENERGY FLORIDA, INC.
LEVY NUCLEAR UNITS 1 & 2
COMMISSION SCHEDULES

JANUARY 2015 - DECEMBER 2016
DOCKET NO. 150009-EI

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Levy Nuclear Units 1 & 2
January 2015 - December 2016

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5	2016 Detail	2016 Detail Revenue Requirement Calculations	T. G. Foster / C. Fallon
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2016 Summary

12-Month Total

(1)	Amortization of Unrecovered Balance (excl. \$54M)	\$	12,084,506
(2)	Period Carrying Cost on Unrecovered Investment		5,302,187
(3)	Period Exit Costs		46,443
(4)	Period Other Exit / Wind-Down Costs incl. Interest		159,263
(5)	Prior Period Over/Under Recoveries		<u>(4,132,857)</u>
(6)	Total 2016 Revenue Requirement	\$	13,459,542
(7)	Revenue Tax Multiplier		1.00072
(8)	Total 2016 Projected Revenue Requirements	\$	<u><u>13,469,233</u></u>

2016 Detail Rev Req Calc. Line 6f.
 (2016 Detail Rev Req Calc Line 8d.) + (2016 Detail Rev Req Calc: LLE Deferred Balance Line 4.)
 2016 Detail Rev Req Calc Line 6a.
 2016 Detail Rev Req Calc Line 18.
 (2016 Detail Rev Req Calc Line 6g + Line 13) + (2016 Detail Rev Req Calc: LLE Deferred Balance Line 1b.)

Collection of the Fixed Levy Rate (\$3.45 Residential) ceases in May 2015
 LLE Adjustment of \$54M (System Amount) occurs in May 2015

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2
2015 Detail - Calculation of the Revenue Requirements
January 2015 through December 2015

Witness: T.G. Foster / C. Fallon
Docket No. 150009-EI
Exhibit: (TGF- 3)

Line	Description	Beginning of Period Amount	Actual January 2015	Actual February 2015	Projected March 2015	Projected April 2015	Projected May 2015	Projected June 2015	Projected July 2015	Projected August 2015	Projected September 2015	Projected October 2015	Projected November 2015	Projected December 2015	REDACTED		
															Period Total	End of Period Total	
1	Uncollected Investment - Generation																
a	Prior Period Construction Balance YE 2014																
b	Wind-Down Costs																
c	Sale or Salvage of Assets																
d	Disposition																
e	Total																
2	Adjustments																
a	Non-Cash Accruals																
b	Adjusted System Generation (Line 1e + Line 2a)																
c	Retail Jurisdictional Factor - Generation	92.885%															
d	Retail Uncollected Investment: Generation																
3	Uncollected Investment - Transmission																
a	Prior Period Construction Balance YE 2014																
b	Wind-Down Costs																
c	Sale or Salvage of Assets																
d	Disposition																
e	Total																
4	Adjustments																
a	Non-Cash Accruals																
b	Adjusted System Transmission (Line 3e + Line 4a)																
c	Retail Jurisdictional Factor - Transmission	70.203%															
d	Retail Uncollected Investment: Transmission																
5	Total Uncollected Investment																
a	Total Jurisdictional Uncollected Investment (2d + 4d)	224,062,889	10,416	3,461	7,901	7,901	(146,288)	7,901	7,901	7,901	7,901	7,901	7,901	7,901	(61,304)	224,001,584	
b	Retail Land Transferred to Land Held for Future Use (a)	(66,221,330)															(66,221,330)
c	LIJ Deferred Balance (c)	0					(50,275,957)									(50,275,957)	(50,275,957)
d	Total Jurisdictional Uncollected Investment	157,841,559	10,416	3,461	7,901	7,901	(50,422,245)	7,901	7,901	7,901	7,901	7,901	7,901	7,901		(50,337,261)	107,504,298
e	WACC Adjustment from 2014 (Adjustment to May 2015 Rev Req) (b)						(90,860)										
	Carrying Cost on Uncollected Investment Balance																
a	Uncollected Investment: Additions for the Period (Beg Balance: 2015 Detail Line 5d.)	157,841,559	10,416	3,461	7,901	7,901	(50,422,245)	7,901	7,901	7,901	7,901	7,901	7,901	7,901	(50,337,261)	107,504,298	
b	Plant-in-Service (a)	1,010,952	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,010,952
c	Period Recovered Wind-down / Exit Costs (2014)	9,816,636	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,816,636
d	Period Recovered Wind-down / Exit Costs (2015)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(61,304)
e	Additional Amortization of Uncollected Investment Balance (2014-2015)	(46,864,516)	(9,447,248)	(9,447,248)	(9,447,248)	(9,447,248)	0	0	0	0	0	0	0	0	0	0	(37,788,992)
f	Prior Period Carrying Charge Unrecovered Balance (a)	(11,381,362)	(10,432,915)	(9,484,468)	(8,536,021)	(7,587,574)	0	0	0	0	0	0	0	0	0	0	0
g	Prior Period Carrying Charge Recovered (a)	(11,381,362)	(948,447)	(948,447)	(948,447)	(948,447)	0	0	0	0	0	0	0	0	0	0	(7,587,574)
h	Over/Under Prior Period			(3,444)	(9,057)	(3,274)	(1,903)	3,454	44,439	44,801	45,167	45,534	45,904	46,278		304,554	
i	Net Investment	\$88,768,093	\$80,279,708	\$71,770,508	\$63,267,090	\$54,765,014	\$4,332,965	\$4,890,608	\$4,535,047	\$4,579,848	\$4,625,085	\$4,670,549	\$4,716,453	\$4,762,731		\$4,801,486	
	Average Net Investment		\$84,523,901	\$76,018,178	\$67,512,540	\$59,010,464	\$29,544,088	\$4,486,658	\$4,531,097	\$4,575,898	\$4,621,065	\$4,666,599	\$4,712,503	\$4,758,781			
	Return on Average Net Investment																
a	Equity Component	0.00403	340,631	306,353	272,076	237,812	119,063	18,081	18,260	18,441	18,623	18,806	18,991	19,178	1,406,315		
b	Equity Component Grossed Up For Taxes	1.62800	554,548	498,743	442,940	387,158	193,835	29,436	29,727	30,022	30,318	30,616	30,917	31,222	2,289,483		
c	Debt Component	0.00158	133,801	120,337	106,872	93,414	46,768	7,107	7,173	7,244	7,315	7,387	7,460	7,533	552,406		
d	Total Return for the Period		688,349	619,080	549,812	480,572	240,608	36,538	36,900	37,266	37,633	38,003	38,377	38,755	2,841,889		
	Revenue Requirements for the Period (Line 5e + 6a + 6b + 6d) (b)		698,765	622,541	557,713	488,473	3,454	44,439	44,801	45,167	45,534	45,904	46,278	46,656	2,689,725		
10	Projected Revenue Requirements for the Period (Order No. PSC 14-0701-FOF-EI)		702,209	631,598	560,987	490,377	0	0	0	0	0	0	0	0	2,385,171		
11	Over/Under Recovery For the Period		(3,444)	(9,057)	(3,274)	(1,903)	3,454	44,439	44,801	45,167	45,534	45,904	46,278	46,656	304,554		
12	Other Exit / Wind-Down																
a	Accounting		3,029	2,926	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	\$80,000
b	Corporate Planning		2,280	7,570	5,169	5,169	5,169	5,169	5,169	5,169	5,169	5,169	5,169	5,169	5,169	5,169	\$61,535
c	Legal		320	16,721	9,296	9,296	9,296	9,296	9,296	9,296	9,296	9,296	9,296	9,296	9,296	9,296	\$130,000
d	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Total Other Exit / Wind-Down Costs		5,629	27,217	21,869	21,869	21,869	21,869	21,869	21,869	21,869	21,869	21,869	21,869	21,869	21,869	\$251,535
13	Jurisdictional Factor (A&G)		0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	
14	Jurisdictional Amount		5,247	25,372	20,386	20,386	20,386	20,386	20,386	20,386	20,386	20,386	20,386	20,386	20,386	20,386	234,484
15	Prior Period Unrecovered Balance (a)		(179,385)	(164,436)	(149,488)	(134,539)	(119,590)	(119,590)	(119,590)	(119,590)	(119,590)	(119,590)	(119,590)	(119,590)	(119,590)	(119,590)	
16	Prior Period Costs Recovered (a)		(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	
17	Prior Month Period (Over/Under Recovery		0	(24,355)	(4,228)	(9,215)	(9,215)	20,375	20,375	20,376	20,378	20,379	20,381	20,382	20,382	20,382	
18	Unamortized Balance		(179,385)	(164,436)	(153,123)	(137,389)	(116,605)	(146,229)	(125,855)	(105,478)	(85,101)	(64,723)	(44,341)	(23,958)			
19	Projected Carrying Costs for the Period																
a	Balance Eligible for Interest		(169,287)	(144,276)	(156,175)	(145,455)	(147,196)	(156,412)	(136,036)	(115,661)	(95,285)	(74,907)	(54,528)	(34,147)			
b	Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
c	Interest Provision		(14)	(11)	(12)	(11)	(11)	(12)	(10)	(9)	(7)	(6)	(4)	(3)	(109)		
d	Total Costs and Interest (Line 14 + Line 19c)		5,233	25,361	20,375	20,376	20,375	20,375	20,376	20,378	20,379	20,381	20,382	20,384	234,375		
20	Recovered (Order No. PSC 14-0701-FOF-EI)		29,589	29,589	29,590	29,591	0	0	0	0	0	0	0	0	118,359		
21	Over/Under Recovery For the Period		(24,355)	(4,228)	(9,215)	(9,215)	20,375	20,375	20,376	20,378	20,379	20,381	20,382	20,384	116,016		
22	Revenue Requirements for the Period (Line 9 + Line 19d)		703,998	647,902	578,088	508,443	23,830	64,813	65,177	65,545	65,913	66,285	66,661	67,039	2,924,100		

(a) See Appendix A for Beginning Balance Support

(b) 2014 WACC Adjustment (Amount includes interest Jan-May 2015)

(c) This amount represents deferral of \$54,127,100 consistent with Order No. PSC-14-0617-FOF-EI, Section 366.93, Fla. Stat. and Rule 25-6.0423, F.A.C.

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2
2016 Detail - Calculation of the Revenue Requirements
January 2016 through December 2016

Witness: T.G. Foster / C. Fallon
Docket No. 150009-EL
Exhibit: [TGF- 3]

REDACTED

Line	Description	Beginning of Period Amount	Projected January 2016	Projected February 2016	Projected March 2016	Projected April 2016	Projected May 2016	Projected June 2016	Projected July 2016	Projected August 2016	Projected September 2016	Projected October 2016	Projected November 2016	Projected December 2016	Period Total	End of Period Total
1	Uncollected Investment - Generation															
	a Prior Period Construction Balance YE 2015															
	b Wind-Down Costs															
	c Sale or Salvage of Assets															
	d Disposition															
	e Total															
2	Adjustments															
	a Non-Cash Accruals															
	b Adjusted System Generation (Line 1e + Line 2a)															
	c Retail Jurisdictional Factor : Generation		92.885%													
	d Retail Uncollected Investment: Generation															
3	Uncollected Investment - Transmission															
	a Prior Period Construction Balance YE 2015															
	b Wind-Down Costs															
	c Sale or Salvage of Assets															
	d Disposition															
	e Total															
4	Adjustments															
	a Non-Cash Accruals															
	b Adjusted System Transmission (Line 3e + Line 4a)															
	c Retail Jurisdictional Factor : Transmission		70.203%													
	d Retail Uncollected Investment: Transmission															
5	Total Uncollected Investment															
	a Total Jurisdictional Uncollected Investment (2d + 4d)	173,725,628														173,725,628
	b Retail Land Transferred to Land Held for Future Use (a)	(66,221,330)														(66,221,330)
	c Total Jurisdictional Uncollected Investment	107,504,298	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	46,443	107,550,740
6	Carrying Cost on Uncollected Investment Balance															
	a Uncollected Investment: Additions for the Period (Beg Balance: Line 6a)	107,504,298	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	3,870	46,443	107,550,740
	b Plant-In-Service (a)	1,010,952	0	0	0	0	0	0	0	0	0	0	0	0	0	1,010,952
	c Period Recovered Wind-down / Exit Costs (2014 & 2015)	9,755,332	0	0	0	0	0	0	0	0	0	0	0	0	0	9,755,332
	d Amortization of Uncollected Investment (2014-2015)	(84,653,508)	0	0	0	0	0	0	0	0	0	0	0	0	0	(84,653,508)
	e Period Recovered Wind-down / Exit Costs (2016)	0	0	0	0	0	0	0	0	0	0	0	0	0	46,443	46,443
	f Amortization of Uncollected Investment Balance (2016)	0	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	1,007,042	12,084,506	(12,084,506)
	g Prior Period Carrying Charge Unrecovered Balance (a)	(7,283,020)	(6,676,102)	(6,069,183)	(5,462,265)	(4,855,347)	(4,248,428)	(3,641,510)	(3,034,592)	(2,427,673)	(1,820,755)	(1,213,837)	(606,918)	0	0	0
	h Prior Period Carrying Charge Recovered	(7,283,020)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	(606,918)	0	0
	i Uncollected Return from the Prior Period	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	j Net Investment	\$4,801,486	\$4,405,232	\$4,005,109	\$3,604,985	\$3,204,861	\$2,804,737	\$2,404,613	\$2,004,489	\$1,604,366	\$1,204,242	\$804,118	\$403,994	\$3,870		\$0
7	Average Net Investment		\$4,603,359	\$4,203,235	\$3,803,111	\$3,402,988	\$3,002,864	\$2,602,740	\$2,202,616	\$1,802,492	\$1,402,369	\$1,002,245	\$602,121	\$201,997		
8	Return on Average Net Investment															
	a Equity Component	0.00403	18,552	16,939	15,327	13,714	12,102	10,489	8,877	7,264	5,652	4,039	2,427	814	116,196	
	b Equity Component Grossed Up For Taxes	1.62800	30,203	27,577	24,952	22,326	19,702	17,076	14,452	11,826	9,201	6,575	3,951	1,325	189,167	
	c Debt Component	0.00158	7,287	6,654	6,020	5,387	4,754	4,120	3,487	2,853	2,220	1,587	953	320	45,642	
	d Total Return for the Period		37,490	34,231	30,972	27,713	24,456	21,196	17,939	14,679	11,421	8,162	4,904	1,645	234,809	
9	Revenue Requirements for the Period (Line 6a + Line 8d)		41,360	38,101	34,843	31,584	28,326	25,066	21,809	18,549	15,292	12,033	8,774	5,515	281,252	
10	Other Exit / Wind-Down															
	a Accounting		6,867	6,867	6,867	6,867	6,867	6,867	6,867	6,867	6,867	6,867	6,867	6,867	6,867	\$82,400
	b Corporate Planning		5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	\$63,381
	c Legal		2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	\$25,000
	d Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e Total Other Exit / Wind-Down Costs		14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	\$170,781
11	Jurisdictional Factor (A&G)	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	
12	Jurisdictional Amount	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	13,267	159,204
13	Prior Period Unrecovered Balance (a)	(3,574)	(3,276)	(2,979)	(2,681)	(2,383)	(2,085)	(1,787)	(1,489)	(1,191)	(894)	(596)	(298)	0	0	
14	Prior Period Costs Recovered (a)	(3,574)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	(298)	
15	Prior Month Period (Over)/Under Recovery		0	13,267	13,267	13,268	13,269	13,270	13,271	13,272	13,273	13,274	13,275	13,276	13,277	
16	Unamortized Balance	(3,574)	(3,276)	10,289	23,854	37,420	50,987	64,555	78,124	91,695	105,266	118,838	132,411	145,986		
17	Projected Carrying Costs for the Period															
	a Balance Eligible for Interest		3,208	3,506	17,071	30,636	44,202	57,770	71,338	84,907	98,477	112,048	125,621	139,194		
	b Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%		
	c Interest Provision		0	0	1	2	3	4	5	6	7	8	9	10		59
	d Total Costs and Interest (Line 12 + Line 17c)		13,267	13,267	13,268	13,269	13,270	13,271	13,272	13,273	13,274	13,275	13,276	13,277	13,277	159,263
18	Other Exit / Wind-Down Revenue Requirements for the Period		13,267	13,267	13,268	13,269	13,270	13,271	13,272	13,273	13,274	13,275	13,276	13,277	159,263	
19	Total Revenue Requirements for the Period (Line 9 + Line 18)		54,627	51,368	48,111	44,854	41,597	38,338	35,081	31,822	28,566	25,308	22,051	18,793	440,515	

(a) See Appendix A for Beginning Balance Support

DUKE ENERGY FLORIDA
 Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2
 2015 Detail - Calculation of the Revenue Requirements - LLE Deferred Balance
 January 2015 through December 2015

Witness: T.G. Foster
 Docket No. 150009-EI
 Exhibit: (TGF- 3)

Line	Description	Beginning of Period Amount	Actual January 2015	Actual February 2015	Projected March 2015	Projected April 2015	Projected May 2015	Projected June 2015	Projected July 2015	Projected August 2015	Projected September 2015	Projected October 2015	Projected November 2015	Projected December 2015	Period Total	End of Period Total
1	Uncollected Investment : LLE Deferred Balance															
a	Uncollected Investment: LLE Deferred Balance (\$54M System)		0	0	0	0	50,275,957	0	0	0	0	0	0	0	50,275,957	50,275,957
b	Prior Period Carrying Charge Unrecovered Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Prior Period Carrying Charge Recovered		0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Over/Under Prior Period						204,719	411,107	414,455	417,830	421,233	424,664	428,122	431,608	3,153,738	3,153,738
e	Net Investment	\$0	\$0	\$0	\$0	\$0	\$50,275,957	\$50,480,676	\$50,891,783	\$51,306,238	\$51,724,068	\$52,145,301	\$52,569,965	\$52,998,087	\$53,429,695	\$53,429,695
2	Average Net Investment	\$0	\$0	\$0	\$0	\$0	\$25,137,978	\$50,480,676	\$50,891,783	\$51,306,238	\$51,724,068	\$52,145,301	\$52,569,965	\$52,998,087		
3	Return on Average Net Investment															
a	Equity Component	0.00403	0	0	0	0	101,306	203,437	205,094	206,764	208,448	210,146	211,857	213,582	1,560,634	
b	Equity Component Grossed Up For Taxes	1.62800	0	0	0	0	164,926	331,196	333,893	336,612	339,354	342,118	344,904	347,712	2,540,715	
c	Debt Component	0.00158	0	0	0	0	39,793	79,911	80,562	81,218	81,879	82,546	83,218	83,896	613,023	
d	Total Return for the Period		0	0	0	0	204,719	411,107	414,455	417,830	421,233	424,664	428,122	431,608	3,153,738	
4	Revenue Requirements for the Period (Line 3d)		0	0	0	0	204,719	411,107	414,455	417,830	421,233	424,664	428,122	431,608	3,153,738	
5	Projected Revenue Collected for the Period		0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Over/Under Recovery For the Period		0	0	0	0	204,719	411,107	414,455	417,830	421,233	424,664	428,122	431,608	3,153,738	

DUKE ENERGY FLORIDA
 Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2
 2016 Detail - Calculation of the Revenue Requirements - LLE Deferred Balance
 January 2016 through December 2016

Witness: T. G. Foster
 Docket No. 150009-ET
 Exhibit: (TGF- 3)

Line	Description	Beginning of Period Amount	Actual January 2016	Actual February 2016	Projected March 2016	Projected April 2016	Projected May 2016	Projected June 2016	Projected July 2016	Projected August 2016	Projected September 2016	Projected October 2016	Projected November 2016	Projected December 2016	Period Total	End of Period Total
1	Uncollected Investment - LLE Deferred Balance															
a	Uncollected Investment - LLE Deferred Balance	50,275,957	0	0	0	0	0	0	0	0	0	0	0	0	0	50,275,957
b	Prior Period Carrying Charge Unrecovered Balance	3,153,738	2,890,926	2,628,115	2,365,303	2,102,492	1,839,680	1,576,869	1,314,057	1,051,246	788,434	525,623	262,811	0	0	0
c	Prior Period Carrying Charge Recovered	3,153,738	262,811	262,811	262,811	262,811	262,811	262,811	262,811	262,811	262,811	262,811	262,811	262,811	262,811	0
d	Over/Under Prior Period		0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Net Investment	\$53,429,695	\$53,166,883	\$52,904,072	\$52,641,260	\$52,378,449	\$52,115,637	\$51,852,826	\$51,590,014	\$51,327,203	\$51,064,391	\$50,801,580	\$50,538,768	\$50,275,957		\$50,275,957
2	Average Net Investment	53,429,695	53,298,289	53,035,477	52,772,666	52,509,854	52,247,043	51,984,231	51,721,420	51,458,608	51,195,797	50,932,986	50,670,174	50,407,363		
3	Return on Average Net Investment															
a	Equity Component	0.00403	214,792	213,733	212,674	211,615	210,556	209,496	208,437	207,378	206,319	205,260	204,201	203,142	2,507,603	
b	Equity Component Grossed Up For Taxes	1.62800	349,682	347,958	346,234	344,510	342,786	341,060	339,336	337,612	335,888	334,164	332,440	330,716	4,082,382	
c	Debt Component	0.00158	84,371	83,955	83,539	83,123	82,707	82,291	81,875	81,459	81,043	80,627	80,211	79,795	984,996	
d	Total Return for the Period		434,053	431,913	429,773	427,633	425,493	423,351	421,211	419,071	416,931	414,791	412,651	410,511	5,067,378	
4	Revenue Requirements for the Period (Line 3d)		434,053	431,913	429,773	427,633	425,493	423,351	421,211	419,071	416,931	414,791	412,651	410,511	5,067,378	
5	Projected Revenue Collected for the Period		434,053	431,913	429,773	427,633	425,493	423,351	421,211	419,071	416,931	414,791	412,651	410,511	5,067,378	
6	Over/Under Recovery For the Period		0	0	0	0	0	0	0	0	0	0	0	0	0	
7	Revenue Requirements for the Period		434,053	431,913	429,773	427,633	425,493	423,351	421,211	419,071	416,931	414,791	412,651	410,511	5,067,378	

Levy County Nuclear 1 and 2

Witness: T.G. Foster
 Docket No. 150009-EI
 Exhibit: (TGF- 3)

Projection Filing: Estimated Rate Impact

Schedule P-8

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: EXPLANATION: Using the billing determinants and allocation factors used in the previous year's cost recovery filings, provide an estimate of the rate impact by class of the costs requested for recovery.
 DOCKET NO.: 150009-EI Current billing determinants and allocation factors may be used, if available.
 Exhibit: TGF-3
 For the Year Ended: 12/31/2016
 Witness: T.G. Foster

Rate Class	(1) 12CP & 1/13 AD Demand Allocator (%)	(2) Production Demand Costs \$	(3) Effective Mwh's @ Secondary Level	(4) Capacity Cost Recovery Factor (c/Kwh)	(5) Capacity Cost Recovery Factor (\$/kw-Mo)
Residential					
RS-1, RST-1, RSL-1, RSL-2, RSS-1 Secondary	60.859%	\$8,197,212	19,495,155	0.042	
General Service Non-Demand					
GS-1, GST-1 Secondary			1,575,864	0.034	
Primary			8,616	0.034	
Transmission			3,564	0.033	
TOTAL GS	4.010%	\$540,157	1,588,044		
General Service					
GS-2 Secondary	0.284%	\$38,307	165,610	0.023	
General Service Demand					
GSD-1, GSDT-1, SS-1 Secondary			12,013,676		0.11
Primary			2,384,319		0.11
Transmission			10,895		0.11
TOTAL GSD	30.991%	\$4,174,287	14,408,890		
Curtable					
CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3 Secondary			-		0.08
Primary			121,778		0.08
Transmission			-		0.08
TOTAL CS	0.178%	\$24,019	121,778		
Interruptible					
IS-1, IST-1, IS-2, IST-2, SS-2 Secondary			89,382		0.10
Primary			1,588,841		0.10
Transmission			316,913		0.10
TOTAL IS	3.504%	\$471,954	1,995,136		
Lighting					
LS-1 Secondary	0.173%	\$23,297	385,378	0.006	
	100.000%	13,469,233	38,159,991	0.035	

2015						
Line No.	WACC Adjustment from 2014					
5e. Adjusted Dec Surveillance from 2012 to 2013- Staff Data Request LV-15-14						
	Beginning Balance	Jan	Feb	March	April	May Adjustment
	(87,249)	(87,249)	(87,960)	(88,676)	(89,398)	(90,126)
Equity	0 00403	(352)	(354)	(357)	(360)	(363)
Eq -G/U	1 62800	(572)	(577)	(582)	(587)	(591)
Debt	0 00158	(138)	(139)	(140)	(142)	(143)
Total		(711)	(716)	(722)	(728)	(734)
					\$	(90,860)

Unrecovered Investment Beginning Balance for Carrying Cost Calculation	
6f. Prior Period Unrecovered Balance	\$ (11,381,362)
Line 6f. 2014 Detail Prior Period Carrying Charge Unrecovered Balance	(4,647,273)
Line 11 2014 Detail	(6,734,088)
Other Exit & Wind-Down Costs	
15. Prior Period (Over)/Under Recovery	\$ (179,385)
Line 15 2014 Detail Prior Period (Over)/Under Recovery	(79,819)
Line 21 2014 Detail Over/Under Recovery For the Period	(99,566)

2016		Line No.			
Line No.	Unrecovered Investment Beginning Balance for Carrying Cost Calculation		6a	Uncollected Investment: Additions for the Period	107,504,298
			6b	Less: Plant-in-Service (a)	1,010,952
			6c	Less: Period Recovered Wind-down / Exit Costs (2014-2015)	9,755,332
			6d	Amortization of Uncollected Investment (2014-2015)	(84,853,508)
6f. Prior Period Unrecovered Balance	\$ 12,084,506		Total Uncollected Investment as of YE 2015		12,084,506
Monthly amount to recover	1,007,042		\$54M System -- LLE Deferred Balance		54,127,100
			Retail (92.885%)-- LLE Deferred Balance		50,275,957
			Retail Unrecovered Investment (excl Carrying Cost & Over/Under)		62,360,463
6g. Prior Period Unrecovered Balance	\$ (7,283,020)				
Monthly amount to recover	(606,918)				
Line 6f. 2015 Detail Prior Period Carrying Charge Unrecovered Balance		(7,587,574)			
Line 11 2015 Detail		304,554			
Other Exit & Wind-Down Costs					
13. Prior Period (Over)/Under Recovery	\$ (3,574)				
Line 15 2015 Detail Prior Period (Over)/Under Recovery		(119,590)			
Line 21 2015 Detail Over/Under Recovery For the Period		116,016			

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2

REDACTED

APPENDIX A
Witness: Thomas G. Foster
(TGF - 3)
(Page 2 of 3)

THIS SCHEDULE IS INCLUDED TO SUPPORT THE CALCULATION OF THE MONTHLY REVENUE REQUIREMENT FOR THE MONTHS (JANUARY 2015 - APRIL 2015)

Line	Description	Beginning of Period Amount	Projected January 2015	Projected February 2015	Projected March 2015	Projected April 2015	Projected May 2015	Projected June 2015	Projected July 2015	Projected August 2015	Projected September 2015	Projected October 2015	Projected November 2015	Projected December 2015	Period Total	End of Period Total
1	Unallocated Investment - Generation															
a	Prior Period Construction Balance YE 2014															
b	Wind-Down Costs															
c	Sale or Salvage of Assets															
d	Disposition															
e	Total															
2	Adjustments															
a	Non-Cash Accruals															
b	Adjusted System Generation (Line 1e + Line 2a)															
c	Retail Jurisdictional Factor - Generation	92.885%														
d	Retail Unallocated Investment - Generation															
3	Unallocated Investment - Transmission															
a	Prior Period Construction Balance YE 2014															
b	Wind-Down Costs															
c	Sale or Salvage of Assets															
d	Disposition															
e	Total															
4	Adjustments															
a	Non-Cash Accruals															
b	Adjusted System Transmission (Line 3e + Line 4a)															
c	Retail Jurisdictional Factor - Transmission	70.203%														
d	Retail Unallocated Investment - Transmission															
5	Total Unallocated Investment															
a	Total Jurisdictional Unallocated Investment (2d + 4f)	274,062,889														274,062,889
b	Retail Land Transferred to Land Held for Future Use (a)	(66,221,330)														(66,221,330)
c	Total Jurisdictional Unallocated Investment	157,841,559			0	0	0	0	0	0	0	0	0	0	0	157,841,559
6	Carrying Cost on Unallocated Investment Balance															
a	Unallocated Investment: Additions for the Period (Beg Balance: Line 5c. above)	157,841,559	0	0	0	0	0	0	0	0	0	0	0	0	0	157,841,559
b	Plant-in Service (a)	1,010,952	0	0	0	0	0	0	0	0	0	0	0	0	0	1,010,952
c	Period Recovered Wind-down / Exit Costs	9,816,636	0	0	0	0	0	0	0	0	0	0	0	0	0	9,816,636
d	Additional of Unallocated Investment (2015)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Additional Amortization of Unallocated Investment Balance	(46,864,516)	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	9,447,248	113,366,976	(160,231,492)
f	Prior Period Carrying Charge Unrecovered Balance (a)	(11,381,362)	(10,432,915)	(9,484,468)	(8,536,021)	(7,587,574)	(6,639,128)	(5,690,681)	(4,742,234)	(3,793,787)	(2,845,340)	(1,896,894)	(948,447)	0	0	0
g	Prior Period Carrying Charge Recovered (a)	(11,381,362)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	(948,447)	0
h	Over/Under Prior Period Net Investment	\$88,768,093	\$80,269,292	\$71,770,491	\$63,271,690	\$54,772,889	\$46,274,087	\$37,775,286	\$29,276,485	\$20,777,684	\$12,278,883	\$3,780,081	(\$4,718,720)	(\$13,217,521)	(\$13,217,521)	
7	Average Net Investment		\$84,518,691	\$76,019,892	\$67,521,090	\$59,022,289	\$50,523,488	\$42,024,687	\$33,525,886	\$25,027,084	\$16,528,283	\$8,029,482	(\$469,319)	(\$8,968,120)		
8	Return on Average Net Investment		2012 WACC in effect when 2015 Rates were Set													
a	Equity Component	0.00394	333,004	299,518	266,033	232,548	199,063	165,577	132,092	98,607	65,121	31,636	(1,849)	(35,334)	1,786,016	
b	Equity Component Grossed Up For Taxes	1.62800	542,131	487,616	433,102	378,589	324,075	269,560	215,046	160,532	106,017	51,503	(3,010)	(57,524)	2,907,637	
c	Debt Component	0.00189	160,078	143,982	127,885	111,788	95,693	79,595	63,498	47,401	31,305	15,208	(689)	(16,986)	858,556	
d	Total Return for the Period		702,209	631,598	560,987	490,377	419,766	349,155	278,544	207,933	137,322	66,711	(3,899)	(74,510)	3,766,193	
9	Revenue Requirements for the Period (Line 6a + 8d)		702,209	631,598	560,987	490,377	419,766	349,155	278,544	207,933	137,322	66,711	(3,899)	(74,510)	3,766,193	
10	Projected Revenue Requirements for the Period (Order No. PSC 14-0701-FOF-EI)		702,209	631,598	560,987	490,377	419,766	349,155	278,544	207,933	137,322	66,711	(3,899)	(74,510)	3,766,193	
11	Over/Under Recovery For the Period				0	0	0	0	0	0	0	0	0	0	0	0
10	Other Exit / Wind-Down															
a	Accounting	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	10,262	\$123,148
b	Corporate Planning	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	16,070	\$192,818
c	Legal	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	\$65,000
d	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Total Other Exit / Wind-Down Costs	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	31,749	\$380,986
11	Jurisdictional Factor (A&G)	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	
12	Jurisdictional Amount	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	29,597	355,159
13	Prior Period Unrecovered Balance (a)	(179,385)	(164,436)	(149,488)	(134,539)	(119,590)	(104,641)	(89,693)	(74,744)	(59,795)	(44,846)	(29,898)	(14,949)	(0)		
14	Prior Period Costs Recovered (a)		(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)	(14,949)		
15	Unamortized Balance	(179,385)	(164,436)	(149,488)	(134,539)	(119,590)	(104,641)	(89,693)	(74,744)	(59,795)	(44,846)	(29,898)	(14,949)	(0)		
16	Projected Carrying Costs for the Period															
a	Balance Eligible for Interest	(157,112)	(142,164)	(127,215)	(112,266)	(97,317)	(82,369)	(67,420)	(52,471)	(37,522)	(22,574)	(7,625)	7,324			
b	Monthly Commercial Paper Rate	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
c	Interest Provision	(8)	(7)	(5)	(6)	(5)	(4)	(3)	(3)	(2)	(1)	(0)	0		(45)	
d	Total Costs and Interest (Line 12 + Line 16c)	29,589	29,589	29,590	29,591	29,592	29,592	29,593	29,594	29,595	29,595	29,596	29,597	29,597	29,597	355,114
20	Recovered (Order No. PSC 14-0701-FOF-EI)		29,589	29,589	29,590	29,591	29,592	29,592	29,593	29,594	29,595	29,595	29,596	29,597	29,597	355,114
21	Over/Under Recovery For the Period				0	0	0	0	0	0	0	0	0	0	0	0
24	Revenue Requirements for the Period (Line 9 + Line 16d)		731,798	661,187	590,577	519,967	449,358	378,747	308,137	237,527	166,917	96,307	25,697	(44,913)		
25	2015 Capacity Cost Recovery		9,215,650	9,145,040	9,074,430	9,003,820	8,933,210	8,862,600	8,791,990	8,721,380	8,650,769	8,580,159	8,509,549	8,438,940	105,927,536	

(a) See Appendix A for Beginning Balance Support

THIS SCHEDULE IS INCLUDED TO SUPPORT THE CALCULATION OF THE MONTHLY REVENUE REQUIREMENT FOR THE MONTHS (JANUARY 2016 - APRIL 2016)

DEF Revenue Requirement Allocation Schedule

APPENDIX A

Witness: Thomas G. Foster

(TGF - 3)

(Page 3 of 3)

THIS SCHEDULE IS INCLUDED TO SUPPORT THE CALCULATION OF THE MONTHLY REVENUE REQUIREMENT FOR THE MONTHS (JANUARY 2015 - APRIL 2015)

Allocation of 2015 Revenue Requirements	Schedule	Amount	Amount Allocated / Amortized	Remaining Balance to Allocate	Unrecovered Balance
Amount to Allocate	2015 Est Rate Impact	\$106,003,803			
Revenue Tax Multiplier		1.00072			
Total Amount for the Projection Period Rev. Requirement		\$105,927,535			
Allocation Methodology					
• First to Allocate Current Period Carrying Costs					
Carrying Costs on Regulatory Asset	2015 Detail	3,766,192	3,766,192	\$ 102,161,343	-
• Second to any (over)/under recovery from Prior Periods (Note 1)	2015 Detail	(11,560,747)	(11,560,747)	113,722,090	-
• Third to Current Period Other Exit & Wind-down Costs	2015 Detail	355,114	355,114	113,366,976	-
• Fourth to Current Period Exit Costs	2015 Detail	-	-	113,366,976	-
• Fifth to Regulatory Asset Balance (Note 3)	2015 Detail	113,366,976	113,366,976		-
		\$105,927,535	\$105,927,535	\$0	
• Balance of Regulatory Asset (Note 3)		147,013,971	160,231,492		(\$13,217,521)
Net Unrecovered Balance at YE 2015					(\$13,217,521)

Note 1: Prior period over recoveries were applied against cost components identified above and reflected in the NFR schedules herein.

Note 2: The 2010 Retail Regulatory Asset has been fully amortized at YE 2014.

Note 3: The amount shown is the remaining balance at Year End 2015 (Retail).

LEVY COUNTY NUCLEAR 1 & 2

Estimated / Actual Filing: Other Exit / Wind-Down Expenditures Allocated or Assigned to Other Recovery Mechanisms

EXPLANATION: Provide variance explanations comparing the actual system total expenditures shown on 2015 Detail Schedule with the expenditures provided to the Commission in the 2015 Detail Projection Schedules.

Appendix B
 Witness: Thomas G. Foster
 Docket No. 150009-EI
 Exhibit: (TGF - 3)

COMPANY:
 Duke Energy Florida

DOCKET NO.:
 150009-EI

For Year Ended 12/31/2015

Line No.	Description	(A) System Projection	(B) System Estimated/Actual	(C) Variance Amount	(D) Explanation
Allocated or Assigned Other Exit / Wind-Down Expenditures					
1	Accounting	\$123,148	\$80,000	(\$43,148)	Minor variance from estimated amount.
2	Corporate Planning	\$192,838	\$61,535	(131,302)	DEF estimates fewer hours for wind-down activities than originally projected.
3	Legal	\$65,000	\$110,000	45,000	Minor variance from estimated amount.
4	Total	\$380,986	\$251,535	(\$129,451)	Overall minor variance from estimated amount.

Note:
 System Projection from May 1, 2014 Filing in Docket No. 140009-EI.

DUKE ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
December 2014

Appendix C
Witness: Thomas G. Foster
Docket No. 150009-EI
(TGF - 3)

	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	5,222,186,481	4,623,579,568	(812,717,155)	729,976,602	4,540,839,016	47.51%	9.50%	4.51%	10.50%	4.99%	11.50%	5.46%
Long Term Debt	4,640,661,936	4,108,713,810	(722,215,796)	0	3,386,498,014	35.44%	5.33%	1.89%	5.33%	1.89%	5.33%	1.89%
Short Term Debt *	83,881,000	74,265,919	(13,054,212)	164,565,046	225,776,753	2.36%	1.22%	0.03%	1.22%	0.03%	1.22%	0.03%
Customer Deposits											0	0
Active	216,296,806	216,296,806	(38,019,920)	0	178,276,886	1.87%	2.23%	0.04%	2.23%	0.04%	2.23%	0.04%
Inactive	1,651,583	1,651,583	(290,310)	0	1,361,273	0.01%						
Investment Tax Credits **	425,513	376,737	(66,222)	0	310,515	0.00%						
Deferred Income Taxes	2,119,038,625	1,876,138,228	(329,781,223)	(167,311,918)	1,379,045,088	14.43%						
FAS 109 DIT - Net	(212,931,026)	(188,523,245)	33,137,977	0	(155,385,267)	-1.63%						
Total	12,071,210,918	10,712,499,406	(1,883,006,858)	727,229,731	9,556,722,278	100.00%		6.47%		6.95%		7.42%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

Equity 4.99%
Debt 1.96%
Total 6.95%

LEVY COUNTY NUCLEAR 1 & 2
 Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance
 Estimated / Actual Filing: Description of Monthly Cost Additions

EXPLANATION: Provide a description of the major tasks performed within these Categories for the year.
 List generation expenses separate from transmission

Appendix D
 Witness: C. Fallon
 Exhibit: (TGF - 3)
 (Page 1 of 2)

COMPANY:
 Duke Energy Florida

DOCKET NO.:
 150009-EI

For Year Ended 12/31/2015

Line No.	Major Task & Description for amounts on 2015 Detail Schedule	Description
----------	---	-------------

Generation:

- | | | |
|---|---------------------------|--|
| 1 | Wind-Down Costs | Spend performed in accordance with Rule 25-6.0423(7). |
| 2 | Sale or Salvage of Assets | The amount of proceeds received from either selling, transferring or otherwise receiving salvage value for the nuclear assets. |
| 3 | Disposition | The cost of winding-down and exiting the nuclear project contracts |

Transmission:

- | | | |
|---|---------------------------|--|
| 1 | Wind-Down Costs | Spend performed in accordance with Rule 25-6.0423(7). |
| 2 | Sale or Salvage of Assets | The amount of proceeds received from either selling, transferring or otherwise receiving salvage value for the nuclear assets. |
| 3 | Disposition | The cost of winding-down and exiting the nuclear project contracts |

LEVY COUNTY NUCLEAR 1 & 2
 Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance
 Est/Act Filing: Regulatory Asset Category - Variance in Additions and Expenditures

REDACTED

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2015 Detail Schedule with the expenditures provided to the Commission on 2015 Projection Detail schedule. List the Generation expenses separate from Transmission in the same order appearing on 2015 Detail Schedule.

Appendix D
 Witness: C. Fallon
 Exhibit: (TGF - 3)
 (Page 2 of 2)

COMPANY:
 Duke Energy - FL

DOCKET NO.:
 150009-EI

For Year Ended 12/31/2015

Line No.	Major Task & Description for amounts on Schedule	(A) System Projection	(B) System Estimated / Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	Wind-Down Costs (a)				DEF did not project costs in the May 1, 2014 filing, due to uncertainties around the LNP
2	Sale or Salvage of Assets				DEF did not project sales / credits in the May 1, 2014 filing, due to uncertainties around the LNP
3	Disposition				
4	Total Generation Costs				
<u>Transmission:</u>					
1	Wind-Down Costs (b)				
2	Sale or Salvage of Assets				
3	Disposition				
4	Total Transmission Costs				

Note:
 System Projection from May 1, 2014 Filing in Docket No. 140009-EI

LEVY COUNTY NUCLEAR 1 & 2
Estimated/ Actual Filing: Contracts Executed

REDACTED

EXPLANATION: Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E
 Witness: C. Fallon
 Docket No. 150009-EI
 Exhibit: (TGF - 3)

COMPANY: Duke Energy Florida
 DOCKET NO.: 150009-EI

For Year Ended: 12/31/2015

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Term of Contract	Original Amount	Actual Expended as of Prior Year End (2014)	Estimated Amount to be Expended in 2015	Estimate of Final Contract Amount	Name of Contractor	Affiliation of Vendor	Method of Selection	Nature and Scope of Work
1	414310	Terminated: January 28, 2014				Note 1	Note 2	Westinghouse Electric Co. LLC.	Direct	Sole Source. Award based on vendor constructing the selected reactor technology.	To design, engineer, supply, equip, construct and install a fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site. Final contract amount includes change orders.
2	N/A	Note 2	Note 2	Note 2			Note 2	Carlton Fields Jordan Burt	Direct	Note 2	Legal Work – DEF Levy Units 1 & 2

Note 1: Costs or credits associated with terminating the EPC contract and related long lead equipment purchase orders are subject to litigation in federal court and are unknown at this time.

Note 2: Estimate of final contract amount cannot be determined at this time.

**LEVY COUNTY NUCLEAR 1 & 2
Projection Filing: Contracts Executed**

REDACTED

EXPLANATION: Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.
 COMPANY: Duke Energy Florida

Appendix E
 Witness: C. Fallon
 Docket No. 150009-EI
 Exhibit: (TGF - 3)

DOCKET NO.:
 150009-EI

For Year Ended: 12/31/2016

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Term of Contract	Original Amount	Estimated Expended as of Prior Year End (2015)	Estimated Amount to be Expended in 2016	Estimate of Final Contract Amount	Name of Contractor	Affiliation of Vendor	Method of Selection	Nature and Scope of Work
1	414310	Terminated: January 28, 2014				Note 1	Note 2	Westinghouse Electric Co. LLC.	Direct	Sole Source. Award based on vendor constructing the selected reactor technology.	To design, engineer, supply, equip, construct and install a fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site. Final contract amount includes change orders.
2	N/A	Note 2	Note 2	Note 2			Note 2	Carlton Fields Jordan Burt	Direct	Note 2	Legal Work – DEF Levy Units 1 & 2

Note 1: Costs or credits associated with terminating the EPC contract and related long lead equipment purchase orders are subject to litigation in federal court and are unknown at this time.

Note 2: Estimate of final contract amount cannot be determined at this time.

SCHEDULE APPENDIX

EXHIBIT (TGF-4)

**DUKE ENERGY FLORIDA, INC.
CRYSTAL RIVER UNIT 3 UPRATE
COMMISSION SCHEDULES**

**JANUARY 2015 - DECEMBER 2016
DOCKET NO. 150009-EI**

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Crystal River Unit 3 Uprate
January 2015 - December 2016

<u>Page(s)</u>	<u>Schedule</u>	<u>Description</u>	<u>Sponsor</u>
3	Summary	2016 Revenue Requirement Summary	T. G. Foster
4	2015 Detail	2015 Detail Revenue Requirement Calculations	T. G. Foster / M. Teague
5	2016 Detail	2016 Detail Revenue Requirement Calculations	T. G. Foster / M. Teague
6	2016 Rate Impact	2016 Estimated Rate Impact	T. G. Foster
7 - 9	Appendix A	Detail for 2015 & 2016 Beginning Balance & In-Service Project Rev Req Support	T. G. Foster
10	Appendix B	Other Exit / Wind-Down Expense Variance Explanation	T. G. Foster
11	Appendix C	Average Rate of Return - Capital Structure	T. G. Foster
12 - 13	Appendix D	Major Task Categories and Expense Variances	M. Teague
14	Appendix E	Summary of Contracts and Details over \$1 Million	M. Teague
15	Appendix F	2013 - 2019 Unrecovered Investment Amortization Schedule	T. G. Foster

**CR3 Uprate
2016 Revenue Requirement Summary
Duke Energy Florida**

Witness: Thomas G. Foster
Docket No. 150009-EI
Exhibit: (TGF- 4)

(1)	Amortization of Unrecovered Balance	43,681,007	See 2016 Detail line 3d
(2)	Period Carrying Cost on Unrecovered Investment	14,790,552	See 2016 Detail line 5d
(3)	Period Exit Costs	-	See 2016 Detail line 3c
(4)	Period Other Exit / Wind-Down Costs incl. Interest	73,763	See 2016 Detail line 13d
(5)	Prior Period Over/Under Recoveries	<u>(2,075,578)</u>	See 2016 Detail lines: 3e and 10
(6)	Total 2016 Revenue Requirement	56,469,745	
(7)	Revenue Tax Multiplier	1.00072	
(8)	Total 2016 Projected Revenue Requirements	<u><u>56,510,403</u></u>	

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - CR3 Uprate
2015 Detail - Calculation of the Revenue Requirements
January 2015 through December 2015

Witness: T.G. Foster / M. Teague
Docket No. 15009-El
Exhibit (TGF- 4)

Line	Description	Beginning of Period Amount	Actual January 15	Actual February 15	Estimated March 15	Estimated April 15	Estimated May 15	Estimated June 15	Estimated July 15	Estimated August 15	Estimated September 15	Estimated October 15	Estimated November 15	Estimated December 15	Period Total
1	Uncollected Investment														
a	EPU Construction & Wind-Down Costs	376,506,278	2,011	0	2,000	110,000	34,700	34,700	34,700	34,700	0	0	0	0	252,811
b	Sale or Salvage of Assets	(453,858)	(90,519)	0	(36,000)	0	0	0	0	0	0	0	0	0	(126,519)
c	Disposition	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Total	376,052,420	(88,508)	0	(34,000)	110,000	34,700	34,700	34,700	34,700	0	0	0	0	\$126,292
2	Adjustments														
a	Non-Cash Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0	50
b	Joint Owner Credit	(30,109,734)	7,275	0	(164)	(9,041)	(2,852)	(2,852)	(2,852)	(2,852)	0	0	0	0	(13,339)
c	Other (b)	(28,108,647)	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Adjusted System Generation Construction Cost Additions	317,834,039	(81,233)	0	(34,164)	100,959	31,848	31,848	31,848	11,848	0	0	0	0	\$112,953
e	Exit / Wind-down Costs														
f	Beginning Balance - pre 2013 Investment	279,911,057					29,582	29,582	29,582	29,582	0	0	0	0	105,349
g	Beginning Balance - post 2013 Investment	12,170,084	(75,453)	0	(31,301)	93,775	29,582	29,582	29,582	29,582	0	0	0	0	279,911,057
h	Collected 2014 Portion of Regulatory Asset	(44,202,846)													12,170,084
i	Total Jurisdictional Unrecovered Investment	247,878,294	(75,453)	0	(31,301)	93,775	29,582	29,582	29,582	29,582	0	0	0	0	(44,202,846)
j	WACC Adjustment from 2014 & I/O Adjustment 2014 (Adjust May 2015 Rev Req) (c)						(229,139)								247,883,643
3	Carrying Cost on Unrecovered Investment Balance														
a	Uncollected Investment: Costs for the Period (2)	247,878,294	(75,453)	0	(31,301)	93,775	29,582	29,582	29,582	29,582	0	0	0	0	247,883,643
b	Plant in Service	29,995,096	0	0	0	0	0	0	0	0	0	0	0	0	29,995,096
c	Period Recovered Wind-down / Exit Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	105,349
d	Amortization of Unrecovered Investment (a)	0	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(43,681,007)
e	Prior Period Carrying Charge Unrecovered Balance (a)	(1,170,549)	(1,173,008)	(1,175,466)	(1,177,924)	(1,180,382)	(1,182,840)	(1,185,298)	(1,187,756)	(1,190,214)	(1,192,672)	(1,195,130)	(1,197,588)	(1,200,047)	(1,200,047)
f	Prior Period Carrying Charge Recovered (a)	29,497	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458	2,458
g	Prior Period Under/(Over) Recovery (Prior Month)		(143,326)	(68,318)	(99,703)		25,670	(267,116)	(39,128)	(38,844)	(16,738)	(45,795)	(45,571)	(45,341)	(829,322)
h	Net Investment	\$216,712,648	\$212,994,653	\$209,284,238	\$205,542,077	\$201,924,907	\$198,243,842	\$194,334,184	\$190,652,514	\$186,971,128	\$183,287,266	\$179,593,929	\$175,905,816	\$172,217,933	\$172,172,822
4	Average Net Investment		\$214,853,651	\$211,105,509	\$207,378,998	\$203,699,291	\$200,050,322	\$196,140,664	\$192,458,994	\$188,777,608	\$185,103,537	\$181,415,200	\$177,727,087	\$174,039,204	
	Return on Average Net Investment														
a	Equity Component	0.00403	865,860	850,755	835,737	820,908	806,203	790,447	775,610	760,774	745,967	731,103	716,240	701,378	9,400,982
b	Equity Component Grossed Up For Taxes	1.62800	1,409,621	1,385,031	1,360,581	1,336,440	1,312,500	1,288,849	1,262,694	1,238,541	1,214,435	1,190,237	1,166,040	1,141,845	
c	Debt Component	0.00158	340,113	334,180	328,281	322,456	316,680	310,491	304,663	298,835	293,019	287,180	281,342	275,504	3,692,744
d	Total Return		1,749,734	1,719,211	1,688,862	1,658,896	1,629,180	1,597,340	1,567,357	1,537,376	1,507,454	1,477,417	1,447,382	1,417,349	18,997,557
6	Revenue Requirements for the Period (Lines 2) + 3a - 5d) (c)		\$1,674,281	\$1,719,211	\$1,657,561	\$1,752,671	\$1,429,622	\$1,626,922	\$1,596,939	\$1,566,958	\$1,507,454	\$1,477,417	\$1,447,382	\$1,417,349	\$18,873,768
	Projected Revenue Requirements for the Period (Order No. PSC 14-0701-FOF-EI)		\$1,817,508	\$1,787,529	\$1,757,265	\$1,727,001	\$1,696,738	\$1,666,050	\$1,635,783	\$1,583,696	\$1,553,250	\$1,522,987	\$1,492,723	\$1,462,459	\$19,703,090
8	Over/Under Recovery For the Period		(\$143,326)	(\$68,318)	(\$99,703)	\$25,670	(\$267,116)	(\$39,128)	(\$38,844)	(\$16,738)	(\$45,795)	(\$45,571)	(\$45,341)	(\$45,111)	(\$829,322)
	Other Exit / Wind-Down														
a	Accounting		3,029	2,926	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	2,405	80,000
b	Corporate Planning		0	4,620	5,370	5,370	5,370	5,370	5,370	5,370	5,370	5,370	5,370	5,370	58,320
c	Legal		4,126	3,636	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	4,224	50,000
d	Joint Owner Credit		(588)	(919)	(1,397)	(1,397)	(1,397)	(1,397)	(1,397)	(1,397)	(1,397)	(1,397)	(1,397)	(1,397)	(15,479)
e	Total Other Exit / Wind-Down Costs		6,567	10,263	15,601	15,601	15,601	15,601	15,601	15,601	15,601	15,601	15,601	15,601	172,841
10	Jurisdictional Factor (A&G)		0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	
11	Jurisdictional Amount		6,122	9,567	14,544	14,544	14,544	14,544	14,544	14,544	14,544	14,544	14,544	14,544	161,124
12	Prior Period Unrecovered Balance (a)	(424,777)	(390,872)	(356,967)	(323,062)	(289,157)	(255,253)	(221,348)	(187,443)	(153,538)	(119,634)	(85,729)	(51,824)	(17,919)	
13	Prior Period Costs Recovered (a)	(406,857)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	(33,905)	
14	Prior Month Period (Over)/Under Recovery	0	(9,667)	(6,218)	(1,242)	(1,241)	(1,241)	(1,241)	(1,240)	(1,240)	(1,239)	(1,239)	(1,239)	(1,238)	
15	Unamortized Balance	(424,777)	(390,872)	(366,634)	(338,948)	(306,285)	(273,622)	(240,958)	(208,293)	(175,629)	(142,963)	(110,298)	(77,631)	(44,965)	
16	Carrying Costs for the Period														
a	Balance Eligible for Interest	(404,763)	(378,803)	(348,629)	(315,965)	(283,302)	(250,638)	(217,974)	(185,309)	(152,644)	(119,978)	(87,312)	(54,645)		
b	Monthly Commercial Paper Rate	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%		
c	Interest Provision	(34)	(28)	(26)	(24)	(21)	(19)	(16)	(14)	(11)	(9)	(7)	(4)	(213)	
d	Total Costs and Interest (Line 11 + Line 16c)	6,088	9,539	14,517	14,520	14,522	14,525	14,527	14,530	14,532	14,535	14,537	14,539	160,911	
17	Recovered (Order No. PSC 14-0701-FOF-EI)	15,755	15,757	15,759	15,761	15,763	15,765	15,767	15,769	15,771	15,773	15,775	15,777	189,194	
18	Over/Under Recovery For the Period	(9,667)	(6,218)	(1,242)	(1,241)	(1,241)	(1,240)	(1,240)	(1,239)	(1,239)	(1,239)	(1,238)	(1,238)	(28,281)	
19	Other - Adjustments (a)	7,873	59	53	48	43	37	32	27	21	16	11	5	0	353
20	Recovered (Order No. PSC 14-0701-FOF-EI)	60	55	49	44	38	33	27	22	16	11	6	1	0	360
21	Over/Under Recovery For the Period	(3)	(1)	(1)	(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(7)	
22	Revenue Requirements for the Period	1,680,428	1,728,803	1,672,127	1,767,234	1,444,182	1,641,479	1,611,493	1,581,509	1,522,003	1,491,962	1,461,924	1,431,888	1,401,850	19,035,031
23	Period Costs Recovered (Order No. PSC 14-0701-FOF-EI)	1,833,423	1,803,341	1,773,073	1,742,806	1,712,540	1,681,848	1,651,578	1,599,487	1,569,037	1,538,771	1,508,504	1,478,236	1,447,968	19,892,643
24	Over/Under Recovery For the Period	(152,995)	(74,538)	(100,946)	24,428	(268,358)	(40,369)	(40,085)	(17,978)	(47,035)	(46,809)	(46,580)	(46,348)	(46,348)	(857,612)

(a) Please see Appendix A for Beginning Balance support and support of Amortization of Unrecovered Balance and Other Adjustments calculation.
 (b) Other line reflects cost of removal of previously existing assets.
 (c) 2014 WACC Adjustment and I/O Adjustment. (Amount includes interest Jan-May 2015). See Appendix A for calculation.

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - CR3 Uprate
2016 Detail - Calculation of the Revenue Requirements
January 2016 through December 2016

Witness: T.G. Foster / M. Teague
Docket No. 150009-EI
Exhibit: [TG- 4]

Line	Description	Beginning of Period Amount	Projected January 16	Projected February 16	Projected March 16	Projected April 16	Projected May 16	Projected June 16	Projected July 16	Projected August 16	Projected September 16	Projected October 16	Projected November 16	Projected December 16	Period Total
1	Uncollected Investment														
a	EPU Construction & Wind-Down Costs	376,759,089	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sale or Salvage of Assets	(580,377)	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Disposition	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Total	376,178,712	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Adjustments														
a	Non-Cash Accruals	0	0	0	0	0	0	0	0	0	0	0	0	0	\$0
b	Joint Owner Credit	(30,123,074)	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Other (b)	(28,108,647)	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Adjusted System Generation Construction Cost Additions	317,946,991	0	0	0	0	0	0	0	0	0	0	0	0	\$0
	Retail Jurisdictional Factor - Current Year Activity	92.885%													
	Retail Jurisdictional Factor: (Beg Bal YE 2012 only)	91.683%													
e	Exit / Wind-Down Costs for the Period		0	0	0	0	0	0	0	0	0	0	0	0	\$0
f	Beginning Balance - pre 2013 Investment	279,911,057													279,911,057
g	Beginning Balance - post 2013 Investment	12,170,084													12,170,084
h	Collected Reg Asset - 2014 & 2015	(87,883,854)													(87,883,854)
i	Total Jurisdictional Unrecovered Investment	204,197,287	0	0	0	0	0	0	0	0	0	0	0	0	204,197,287
3	Carrying Cost on Unrecovered Investment Balance														
a	Uncollected Investment: Costs for the Period (Beg Balance: 2i)	204,197,287	0	0	0	0	0	0	0	0	0	0	0	0	204,197,287
b	Plant-in-Service	29,995,096	0	0	0	0	0	0	0	0	0	0	0	0	29,995,096
c	Period Recovered Wind-down / Exit Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Amortization of Unrecovered Investment (a)	0	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(3,640,084)	(43,681,007)
e	Prior Period Carrying Charge Unrecovered Balance (a)	(2,029,376)	(1,860,261)	(1,691,146)	(1,522,032)	(1,352,917)	(1,183,803)	(1,014,688)	(845,573)	(676,459)	(507,344)	(338,229)	(169,115)	0	0
f	Prior Period Carrying Charge Recovered (a)	(2,029,376)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	(169,115)	0
g	Prior Period Under/(Over) Recovery (Prior Month)		0	0	0	0	0	0	0	0	0	0	0	0	0
h	Net Investment	\$172,172,815	\$168,701,845	\$165,230,876	\$161,759,907	\$158,288,938	\$154,817,968	\$151,346,999	\$147,876,030	\$144,405,060	\$140,934,091	\$137,463,122	\$133,992,152	\$130,521,183	\$130,521,183
4	Average Net Investment		\$170,437,330	\$166,966,361	\$163,495,391	\$160,024,422	\$156,553,453	\$153,082,484	\$149,611,514	\$146,140,545	\$142,669,576	\$139,198,606	\$135,727,637	\$132,256,668	
5	Return on Average Net Investment														
a	Equity Component	0.00403	686,862	672,874	658,886	644,898	630,910	616,922	602,934	588,946	574,958	560,970	546,982	532,994	7,319,136
b	Equity Component Grossed Up For Taxes	1.62800	1,118,212	1,095,440	1,072,667	1,049,895	1,027,123	1,004,350	981,578	958,805	936,033	913,260	890,488	867,715	15,000
c	Debt Component	0.00158	269,802	264,308	258,813	253,319	247,824	242,330	236,835	231,340	225,846	220,351	214,857	209,362	2,874,987
d	Total Return		1,388,014	1,359,748	1,331,480	1,303,214	1,274,947	1,246,680	1,218,413	1,190,145	1,161,879	1,133,611	1,105,345	1,077,077	14,790,552
6	Projected Revenue Requirements for the Period (3a + 5d)		\$1,388,014	\$1,359,748	\$1,331,480	\$1,303,214	\$1,274,947	\$1,246,680	\$1,218,413	\$1,190,145	\$1,161,879	\$1,133,611	\$1,105,345	\$1,077,077	\$14,790,552
7	Other Exit / Wind-Down														
a	Accounting		3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	3,433	41,200
b	Corporate Planning		2,503	2,503	2,503	2,503	2,503	2,503	2,503	2,503	2,503	2,503	2,503	2,503	30,035
c	Legal		1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
d	Joint Owner Credit		(591)	(591)	(591)	(591)	(591)	(591)	(591)	(591)	(591)	(591)	(591)	(591)	(7,088)
e	Total Other Exit / Wind-Down Costs		6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	6,596	79,147
8	Jurisdictional Factor (A&G)		0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	0.9322	
	Jurisdictional Amount		6,148	6,148	6,148	6,148	6,148	6,148	6,148	6,148	6,148	6,148	6,148	6,148	73,781
10	Prior Period Unrecovered Balance (a)	(46,202)	(42,352)	(38,502)	(34,652)	(30,802)	(26,951)	(23,101)	(19,251)	(15,401)	(11,551)	(7,700)	(3,850)	(0)	(3,850)
11	Prior Period Costs Recovered (a)	(46,202)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)	(3,850)
12	Unamortized Balance	(46,202)	(42,352)	(38,502)	(34,652)	(30,802)	(26,951)	(23,101)	(19,251)	(15,401)	(11,551)	(7,700)	(3,850)	(0)	
13	Projected Carrying Costs for the Period														
a	Balance Eligible for Interest		(41,203)	(37,353)	(33,503)	(29,652)	(25,802)	(21,952)	(18,102)	(14,252)	(10,401)	(6,551)	(2,701)	1,149	
b	Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
c	Interest Provision		(3)	(3)	(3)	(2)	(2)	(2)	(1)	(1)	(1)	(0)	(0)	0	(18)
d	Total Costs and Interest (Line 9 + Line 13c)		6,145	6,146	6,146	6,146	6,147	6,147	6,147	6,147	6,147	6,148	6,148	6,149	73,763
14	Projected Expenditures for the Period		6,145	6,146	6,146	6,146	6,147	6,147	6,147	6,147	6,148	6,148	6,148	6,149	73,763
15	Revenue Requirements for the Period		1,394,160	1,365,894	1,337,626	1,309,360	1,281,093	1,252,827	1,224,560	1,196,292	1,168,026	1,139,759	1,111,493	1,083,226	14,864,316

(a) Please see Appendix A for Beginning Balance support and support of Amortization of Unrecovered Balance and Other-Adjustments calculation.
(b) Other line reflects cost of removal of previously existing assets.

DUKE ENERGY FLORIDA
Nuclear Cost Recovery Clause (NCRC) - CR3 Uprate
2016 Projection Filing: Estimated Rate Impact

Witness: T. G. Foster
Docket No. 150009-EI
Exhibit: (TGF- 4)

Schedule P-8

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY:
DOCKET NO.: 150009-EI

EXPLANATION: Using the billing determinants and allocation factors used in the previous year's cost recovery filings, provide an estimate of the rate impact by class of the costs requested for recovery. Current billing determinants and allocation factors may be used, if available.

Exhibit: **TGF-4**
For the Year Ended: **12/31/2016**
Witness: **T.G. Foster**

Rate Class	(1) 12CP & 1/13 AD Demand Allocator (%)	(2) Production Demand Costs \$	(3) Effective Mwh's @ Secondary Level	(4) Capacity Cost Recovery Factor (c/kwh)	(5) Capacity Cost Recovery Factor (\$/kw-Mo)
Residential					
RS-1, RST-1, RSL-1, RSL-2, RSS-1					
Secondary	60.859%	\$34,391,548	19,495,155	0.176	
General Service Non-Demand					
GS-1, GST-1					
Secondary			1,575,864	0.143	
Primary			8,616	0.142	
Transmission			3,564	0.140	
TOTAL GS	4.010%	\$2,266,237	1,588,044		
General Service					
GS-2					
Secondary	0.284%	\$160,718	165,610	0.097	
General Service Demand					
GSD-1, GSDT-1, SS-1					
Secondary			12,013,676		0.47
Primary			2,384,319		0.47
Transmission			10,895		0.46
TOTAL GSD	30.991%	\$17,513,296	14,408,890		
Curtailable					
CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3					
Secondary					0.35
Primary			121,778		0.35
Transmission					0.34
TOTAL CS	0.178%	\$100,771	121,778		
Interruptible					
IS-1, IST-1, IS-2, IST-2, SS-2					
Secondary			89,382		0.41
Primary			1,588,841		0.41
Transmission			316,913		0.40
TOTAL IS	3.504%	\$1,980,090	1,995,136		
Lighting					
LS-1					
Secondary	0.173%	\$97,743	385,378	0.025	
	100.000%	\$6,510,403	38,159,991	0.148	

2015 Over/Under Recovery Beginning Balance Line.

2) WACC & I/O Adjustments

	May 2015 Adjustment	\$	(229,139)	
	(64,650)			DEF's Response PSC Audit No. CR 11-14 (adjusting I/O credit)
	(155,383)			DEF's Response PSC Audit No. CR 14-14 (adjusting WACC) 2014 Impact
	(220,033)			Total Adjustments Beginning Balance January 2015 on Appendix A (page 3 of 3)
	(9,107)			2015 Carrying Cost (Jan - May) calculated on Appendix A (page 3 of 3)
	(229,139)			Total Adjustment w/carrying cost reflected in May 2015 on Line 2)
3b	Transferred to Plant In-service	\$	29,995,096	Exhibit TGF-2 Filed March 2, 2015 Line 3b. Plant in Service
3e	Unrecovered Balance Carrying Cost	\$	(1,170,549)	
	Prior Period	(300,415)		Exhibit TGF-2 Filed March 2, 2015 Line 3e. Prior Period Carrying Charge Unrecovered Balance
	Current Period	(870,135)		Exhibit TGF-2 Filed March 2, 2015 Line 8 (Over)/Under for the Period
	Total	(1,170,549)		
3f	Prior Period Carrying Charge Recovered	\$	29,497	
	Prior Period	(308,287)		Please refer to Appendix A (page 2 of 3) Line 1
	Current Period	337,785		Please refer to Appendix A (page 2 of 3) Line 5
	Total	29,497		
Other Exit / Wind-Down				
12	Prior Period Unrecovered Balance	\$	(424,777)	
	Prior Period	(224,283)		Exhibit TGF-2 Filed March 2, 2015 Line 12 Prior Period Unrecovered Balance
	Current Period	(200,493)		Exhibit TGF-2 Filed March 2, 2015 Line 18 (Over)/Under for the Period
	Total	(424,777)		
13	Prior Period Costs Recovered	\$	(406,857)	
	Prior Period	(224,283)		Please refer to Appendix A (page 2 of 3) Line 2
	Current Period	(182,574)		Please refer to Appendix A (page 2 of 3) Line 6
	Total	(406,857)		
Other - Adjustments				
19	Other - Adjustments	\$	7,873	Appendix A (3 of 3) Line 3 adjustment for DTA Calculation

2016 Over/Under Recovery Beginning Balance

Regulatory Asset Carrying Cost

3e Unrecovered Balance Carrying Cost

		\$	(2,029,376)	
	Prior Period	(1,200,047)		Line 3e of 2015 Detail
	Current Period	(829,322)		Line 8 of 2015 Detail
	Current Period (Other - Adjustments) Line 21.	(7)		Line 21 of 2015 Detail Other - Adjustments (\$7 CC difference due to changing WACC in 2015 from Projection). DEF reflected the \$7 credit on this line for administrative purposes.
	Total	(2,029,376)		

Other Exit / Wind-Down

10 Prior Period (Over)/Under Recovery

		\$	(46,202)	
	Prior Period	(17,919)		Line 12 of 2015 Detail
	Current Period	(28,283)		Line 18 of 2015 Detail
	Total	(46,202)		

Annual Amortization Calculation

TGF-3 Filed March 1, 2014		YE 2013 - Actual
1 Net Investment	Lines 2f + 2g (TGF-4) 2015 Detail	292,081,140
2 Less: Transferred to Plant-in-Service	Line 3b (TGF-4) 2015 Detail	29,995,096
3 Investment to Amortize	(2015 through 2019)	262,086,044
4 Annual Amortization (2015 & 2016)	Line 3d (TGF-4) 2015 Detail & 2016 Detail	\$ 43,681,007
See Appendix F for Amortization Detail 2013-2019		
2015 BB Investment prior to CY Amort		217,883,198
2015 Additions		105,349
Total (Exclusive of Prior Period Over/Under Recoveries)		217,988,547
Less: 2015 Amortization		43,681,007
Less: Collection of Wind-Down / Exit Costs 2015		105,349
2015 EB Unrecovered Investment (Exclusive of Prior Period O/U Recoveries)		174,202,190
2015 (Over)/Under Recovery for the Period	(2015 Detail: Line 3e & 3g)	(2,029,369)
2015 EB Unrecovered Investment	(Period Total 2015 Detail: Line 3h)	\$172,172,822

Prior Period Over / (Under) Support Schedules
 DEF - CR3 Uprate

Appendix A
 Witness: Thomas G. Foster
 (TGF - 4)
 (Page 2 of 3)

	2013 True Up	2013 Est-Actual	Note 1 2015 Collection/ (Refund) *
1 Construction Carrying Cost Rev Req.	26,803,675	27,111,962	(308,287)
2 Recoverable O&M Revenue Req.	229,455	453,738	(224,283)
3 Inservice Rev Reqs/Base Refund	927	(6,946)	7,873
4 Total Revenue Requirement	<u>27,034,057</u>	<u>27,558,755</u>	<u>(524,697)</u>

Note 1: Per Order PSC-14-0617-FOF-EI, Docket No. 140009-EI, pg 40 (Issue 7)
 The final 2013 net over-recovery of \$524,697 should be included in setting the allowed 2015 NCRC recovery.

	2014 Est-Actual	2014 Projection	Note 2 2015 Collection/ (Refund) *
5 Construction Carrying Cost Rev Req.	24,516,716	24,178,932	337,785
6 Recoverable O&M Revenue Req.	214,326	396,900	(182,574)
7 Inservice Rev Reqs/Base Refund	(3,699)	(3,699)	-
8 Total Revenue Requirement	<u>24,727,343</u>	<u>24,572,133</u>	<u>155,210</u>

Note 2: Per Order PSC-14-0617-FOF-EI, Docket No. 140009-EI, pg 40 (Issue 8)

DEF
Other - Adjustments (2015 ONLY)
NO ADJUSTMENTS FOR 2016

Appendix A
Witness: Thomas G. Foster
(TGF - 4)
(Page 3 of 3)

	Beg Balance 2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1 Inservice Project Revenue Requirements	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Projected Inservice Project Revenue Requirements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 Prior Years Project Inservice Revenue Requirements	7,873	656	656	656	656	656	656	656	656	656	656	656	656	7,873
4 Under/(Over) Recovery	\$7,873	\$7,217	\$6,561	\$5,905	\$5,249	\$4,593	\$3,937	\$3,280	\$2,624	\$1,968	\$1,312	\$656	\$0	
5 Cumulative Under/(Over) Recovery	\$7,873	\$7,217	\$6,561	\$5,905	\$5,249	\$4,593	\$3,937	\$3,280	\$2,624	\$1,968	\$1,312	\$656	\$0	
6 Equity Component (a)	0.00403	\$29	\$26	\$24	\$21	\$19	\$16	\$13	\$11	\$8	\$5	\$3	\$0	\$175
7 Equity Component grossed up for taxes (b)	1.62800	47	43	39	34	30	26	22	17	13	9	4	0	264
8 Debt Component (c)	0.001583	11	10	9	8	7	6	5	4	3	2	1	0	69
9 Total Return on Under/(Over) Recovery (2015 Detail Line 21)		\$59	\$53	\$48	\$43	\$37	\$32	\$27	\$21	\$16	\$11	\$5	\$0	\$353

- Notes:
(a) The monthly Equity Component of 4.99% reflects an 10.5% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
(c) AFUDC actual monthly rate is calculated using the formula $M = [(1 + A/100)^{1/12} - 1] \times 100$; resulting in a monthly accrual rate of 0.00403 (Equity) and 0.001583 (Debt), which results in the annual rate of 6.95%.

DEF CR3 Uprate
Calculation for 2015 Carrying Costs to be applied to the 2014 Adjustments
WACC Adjustment from 2014 & J/O Adjustment 2014 - Line 2) (2015 Detail)

	Beg Balance 2015	Jan	Feb	Mar	Apr	May	May Adjustment	Total
1 DEF's Response PSC Audit No. CR 11-14 (adjusting J/O credit)	\$ (64,650)							
2 DEF's Response PSC Audit No. CR 14-14 (adjusting WACC) 2014 Impact	\$ (155,383)							
3 2014 Adjustment - Including Carrying Cost (Appendix A-2)	(220,033)	0	(1,792)	(1,807)	(1,821)	(1,836)	(1,851)	(9,107)
4 Under/(Over) Recovery	(220,033)	(\$220,033)	(\$221,825)	(\$223,631)	(\$225,452)	(\$227,288)	(\$229,139)	(220,033)
5 Cumulative Under/(Over) Recovery (Appendix A- 2)	(\$220,033)	(\$220,033)	(\$221,825)	(\$223,631)	(\$225,452)	(\$227,288)	(\$229,139)	(\$229,139)
6 Equity Component (a)	0.00403	(\$867)	(\$894)	(\$901)	(\$909)	(\$916)		(\$4,506)
7 Equity Component grossed up for taxes (b)	1.62800	(1,444)	(1,455)	(1,467)	(1,479)	(1,491)		(7,337)
8 Debt Component (c)	0.001583	(348)	(351)	(354)	(357)	(360)		(1,770)
9 Total Return on Under/(Over) Recovery		(\$1,792)	(\$1,807)	(\$1,821)	(\$1,836)	(\$1,851)		(\$9,107)

- Notes:
(a) The monthly Equity Component of 4.99% reflects an 10.5% return on equity.
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
(c) AFUDC actual monthly rate is calculated using the formula $M = [(1 + A/100)^{1/12} - 1] \times 100$; resulting in a monthly accrual rate of 0.00403 (Equity) and 0.001583 (Debt), which results in the annual rate of 6.95%.
* Transferred (\$229,139) to 2015 Detail Line 2).

CRYSTAL RIVER UNIT 3 UPRATE

Estimated / Actual Filing: Other Exit / Wind-Down Expenditures Allocated or Assigned to Other Recovery Mechanisms

EXPLANATION: Provide variance explanations comparing the actual system total expenditures shown on 2015 Detail Schedule with the expenditures provided to the Commission in the 2015 Detail Projection Schedules.

Appendix B
 Witness: Thomas G. Foster
 Docket No. 150009-EI
 Exhibit: (TGF - 4)

COMPANY:
 Duke Energy Florida

DOCKET NO.:
 150009-EI

For Year Ended 12/31/2015

Line No.	Description	(A) System Projection	(B) System Estimated/Actual	(C) Variance Amount	(D) Explanation
	Allocated or Assigned Other Exit / Wind-Down Expenditures				
1	Accounting	\$96,377	\$80,000	(\$16,377)	Minor variance from estimated amount.
2	Corporate Planning	\$84,910	\$58,320	(26,591)	Minor variance from estimated amount.
3	Legal	\$40,000	50,000	10,000	Minor variance from estimated amount.
4	Total	\$221,287	\$188,320	(\$32,967)	

Note:
 System Projection from May 1, 2014 Filing in Docket No. 140009-EI.

	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	5,222,186,481	4,623,579,568	(812,717,155)	729,976,602	4,540,839,016	47.51%	9.50%	4.51%	10.50%	4.99%	11.50%	5.46%
Long Term Debt	4,640,661,936	4,108,713,810	(722,215,796)	0	3,386,498,014	35.44%	5.33%	1.89%	5.33%	1.89%	5.33%	1.89%
Short Term Debt *	83,881,000	74,265,919	(13,054,212)	164,565,046	225,776,753	2.36%	1.22%	0.03%	1.22%	0.03%	1.22%	0.03%
Customer Deposits											0	0
Active	216,296,806	216,296,806	(38,019,920)	0	178,276,886	1.87%	2.23%	0.04%	2.23%	0.04%	2.23%	0.04%
Inactive	1,651,583	1,651,583	(290,310)	0	1,361,273	0.01%						
Investment Tax Credits **	425,513	376,737	(66,222)	0	310,515	0.00%						
Deferred Income Taxes	2,119,038,625	1,876,138,228	(329,781,223)	(167,311,918)	1,379,045,088	14.43%						
FAS 109 DIT - Net	(212,931,026)	(188,523,245)	33,137,977	0	(155,385,267)	-1.63%						
Total	12,071,210,918	10,712,499,406	(1,883,006,858)	727,229,731	9,556,722,278	100.00%		6.47%		6.95%		7.42%

* Daily Weighted Average

** Cost Rates Calculated Per IRS Ruling

Equity 4.99%
Debt 1.96%
Total 6.95%

CRYSTAL RIVER UNIT 3 UPRATE
Actual Estimated Filing: Construction Category - Description of Monthly Cost Additions

EXPLANATION: Provide a description of the major tasks performed within the Construction category for the year.
List generation expenses separate from transmission in the same order appearing on 2015 Detail Schedule.

Appendix D
Witness: M. Teague
Docket No. 150009-EI
Exhibit: (TGF - 4)
(Page 1 of 2)

COMPANY:
Duke Energy Florida

DOCKET NO.:
150009-EI

For Year Ended 12/31/2015

Line No.	Major Task & Description for amounts on 2015 Detail Schedule	Description
----------	---	-------------

Generation:

- | | | |
|---|------------------------------------|---|
| 1 | EPU Construction & Wind-Down Costs | Spend performed in accordance with Rule 25-6.0423(7). |
| 2 | Sale or Salvage of Assets | Net Value received in accordance with Duke Energy Procedure AI-9010 regarding Disposition of Assets |
| 3 | Disposition | Net Value received in accordance with Duke Energy Procedure AI-9010 regarding Disposition of Assets |

Transmission:

N/A

CRYSTAL RIVER UNIT 3 UPRATE
Estimated / Actual Filing: Construction Category - Variance in Additions and Expenditures

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2015 Detail Schedule with the expenditures provided to the Commission on 2015 Projection Detail schedule. List the Generation expenses separate from Transmission in the same order appearing on 2015 Detail Schedule.

COMPANY: Duke Energy Florida

Appendix D
 Witness: M. Teague
 Docket No. 150009-EI
 Exhibit: (TGF - 4)
 (Page 2 of 2)

DOCKET NO.: 150009-EI

For Year Ended 12/31/2015

Line No.	Construction Major Task & Description for amounts on 2015 Detail Schedule	(A) System Projection	(B) System Estimated /Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	EPU Wind-Down Costs	\$130,000	\$252,811	\$122,811	Costs included for preservation of assets and disposition efforts.
2	Sale or Salvage of Assets (1)	0	(\$126,519)	(\$126,519)	Proceeds from the auction held in 2014 and final payment from the sale of the POD.
3	Disposition	0	0	0	
4	Total Generation Costs	\$130,000	\$126,292	(\$3,708)	

Transmission:
 N/A

Note:
 System Projection from May 1, 2014 Filing in Docket No. 140009-EI.

CRYSTAL RIVER UNIT 3 UPRATE
Estimated/Actual & Projection Filing: Summary of Contracts Executed Over \$1 Million

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

COMPANY:

Duke Energy Florida

DOCKET NO.:

150009-EI

Appendix E
Witness: M. Teague
Docket No. 150009-EI
Exhibit: (TGF - 4)

For Year Ended 12/31/2016

All EPU-related contracts in excess of \$1 million have been closed as of December 31, 2013. No new contracts over \$1 million were executed after December 31, 2013.

CR3 Uprate Unrecovered Investment Amortization Schedule

Exclusive of Prior Period Carrying Cost (Over)/Under Impacts, Adjustments, & Other Exit / Wind-Down Activity

Appendix F

Witness: Thomas G. Foster

Docket No. 150009-EI

Exhibit: (TGF - 4)

From PSC Filed Exhibits	2013 Actual	2014 Actual (a)	2015 (b)	2016 (b)	2017 (b)	2018 (b)	2019 (c)
Line 2f + 2g	\$ 279,911,057	\$ 292,081,140	\$ 291,592,657	\$ 291,698,006	\$ 291,698,006	\$ 291,698,006	\$ 291,698,006
Line 3b	(29,985,613)	(29,995,096)	(29,995,096)	(29,995,096)	(29,995,096)	(29,995,096)	(29,995,096)
	Beginning Balance -- NCRC	\$ 249,925,444	\$ 262,086,044	\$ 261,597,561	\$ 261,702,910	\$ 261,702,910	\$ 261,702,910
	Prior Period Exit Cost Recoveries	0	0	488,483	383,135	383,135	383,135
Line 2h	Prior Period Amortization Recovery	0	0	(44,202,846)	(87,883,854)	(131,564,861)	(218,926,876)
Line 3a - 3b	Beginning Balance to be Recovered (Before O/U Recovery)	\$ 249,925,444	\$ 262,086,044	\$ 217,883,198	\$ 174,202,190	\$ 130,521,183	\$ 86,840,176
Line 3c	Exit Cost / Wind -Down Additions	12,170,084	(488,483)	105,349	0	0	0
Line 3b	Transfers to Base Rates	(9,483)	0	0	0	0	0
Line 3d	Period Amortization	0	(44,202,846)	(43,681,007)	(43,681,007)	(43,681,007)	(43,159,168)
	Ending Balance (Before Over/Under Recovery)	\$ 262,086,044	\$ 217,883,198	\$ 174,202,190	\$ 130,521,183	\$ 86,840,176	\$ 43,159,168

Line 3h	Ending Balance (as shown on Exhibits incl. O/U)	\$ 260,788,581	\$ 216,712,648	\$ 172,172,822	\$ 130,521,183		
<i>End of Period Carrying Cost (Over)/Under Impacts, Adjustments, & Other Exit / Wind-Down Activities, are not included in Amortization or Capital Recovery - shown for illustrative purposes only</i>							
	(Over)/Under	(1,297,463)	(1,170,549)	(2,029,369)	0		
Line 3e	(Over)/Under	(1,289,590)	(1,170,549)	(2,029,376)	0		
	Variance	7,873	(0)	(7)	0		
Appendix A	Other - Adjustments	7,873	0	(7)	0		
		0	(0)	0	0		

Note (a):

TGF-6 Filed May 1, 2013

	<u>For 2014 Rates</u>
Estimated YE 2013 Balance	\$ 265,009,070
Estimated 2014 Wind-down Costs	208,008
Total Amount to be Amortized	<u>265,217,078</u>
Annual Amortization (2014)	<u>\$ 44,202,846</u>

Note (b):

TGF-3 Filed March 3, 2014

	<u>YE 2013 - Actual</u>
Additions for the Period	\$ 292,081,140
Less: Transferred to Plant-in-Service	29,995,096
2013 Actual EB Investment to Amortize	<u>262,086,044</u>
Annual Amortization (2015-2018)	<u>\$ 43,681,007</u>

Note (c):

Estimated Amount of True-Up for 2019	\$ (521,839)
Annual Amortization (2019)	\$ 43,159,168