



Dianne M. Triplett
ASSOCIATE GENERAL COUNSEL

May 25, 2016

VIA ELECTRONIC FILING

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

Re: Docket Numbers 150171-EI and 150148-EI

Dear Ms. Stauffer:

Pursuant to Ordering Paragraph 72 in Order No. PSC-15-0537-FOF-EI, enclosed for filing please find Duke Energy Florida, LLC's draft combined Issuance Advice Letter and True-Up Adjustment Letter. DEF notes that the draft assumes a June 21, 2016 closing date.

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Respectfully,

/s/ Dianne M. Triplett

Dianne M. Triplett
Associate General Counsel

DMT/db

cc: Parties of Record
Bond Team Members

CERTIFICATE OF SERVICE
Dockets 150171-EI and 150148-EI

I HEREBY CERTIFY that a true and correct copy of Duke Energy Florida, LLC's draft combined Issuance Advice Letter and True-Up Adjustment Letter has been furnished via electronic mail to the following this 25th day of May, 2016.

/s/ Dianne M. Triplett

Attorney

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Draft
May 25, 2016

(assumes a June 21, 2016 closing date)

[Letterhead of Duke Energy Florida, LLC]

[], 2016

[]
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Duke Energy Florida's Petition for Issuance of a Nuclear Asset-Recovery Financing Order; Docket No. 150171-EI
Issuance Advice Letter and Form of True-Up Adjustment Letter

Dear []:

Pursuant to the financing order in the above-captioned Docket ("Financing Order"), Duke Energy Florida, LLC (the "Company") hereby transmits for filing this combined Issuance Advice Letter and Form of True-Up Adjustment Letter. Any terms not defined herein shall have the meanings ascribed thereto in the Financing Order or Section 366.95, Florida Statutes.

In the Financing Order, the Commission requires the Company to file a combined Issuance Advice Letter and Form of True-Up Adjustment Letter following pricing of a series of Nuclear Asset-Recovery Bonds.

The terms of pricing and issuance of the first series of Nuclear Asset-Recovery Bonds are as follows:

Name of Nuclear Asset-Recovery Bonds: Series A Senior Secured Bonds

Name of Issuer: Duke Energy Florida Project Finance, LLC

Name of Trustee: The Bank of New York Mellon Trust Company, National Association

Expected Closing Date: [June 21, 2016]

Preliminary Bond Ratings: Moody's, [Aaa]; Standard & Poor's, [AAA]; [Fitch, AAA]
(final ratings to be received prior to closing)

Total Principal Amount of Nuclear Asset-Recovery Bonds to be Issued (i.e., the sum of Nuclear Asset-Recovery Costs plus up-front bond issuance costs incurred in connection with the issuance of the Series A Senior Secured Bonds):

[\$1,294,200,000] (See Attachment 1)

Estimated up-front bond issuance costs: \$[16,025,000] (See Attachment 2)

Interest Rates and Expected Sinking Fund Schedule: (See Attachment 3)

Distributions to Investors: Semiannually

Weighted Average Coupon Rate¹: []%

Annualized Weighted Average Yield²: []%

Initial Balance of Capital Subaccount: \$[6,470,000]

Estimated/Actual Annual Ongoing Financing Costs for first year of Nuclear Asset-Recovery Bonds: \$[1,161,650] (See Attachment 4)

The initial Nuclear Asset-Recovery Charge (the “Initial Charge”) has been calculated in accordance with the methodology described in the Financing Order and based upon the structuring and pricing terms of the Nuclear Asset-Recovery Bonds set forth in this combined Issuance Advice Letter and Form of True-Up Adjustment Letter.

Attachment 5 provides the Revenue Requirements for calculating the Initial Charge. Attachment 6 calculates the Initial Charge by rate class based upon the cost allocation formula approved in the Financing Order. Attachment 7 provides the estimated savings to customers when compared to the traditional method of cost recovery. Attachment 8 provides a (i) statement of actions taken by the Bond Team and/or the Company in the marketing of the Nuclear Asset-Recovery Bonds; (ii) comparison of the pricing relative to an independent benchmark versus other similar securities historically and at the time of pricing; (iii) list of the amount of orders received and investors that placed the orders (on a confidential basis). Also attached are the calculations and supporting data for such tables. The Company’s certification is Attachment 9.

Pursuant to the Financing Order, the transaction may proceed and the Initial Charge will take effect unless **a stop order is issued by the Commission at the meeting to be held on [, 20] (3 days after pricing)**]; and the Company, as servicer, or any successor servicer and on behalf of the trustee as assignee of the Issuer, is required to apply at least every six months for a true-up adjustment to the Nuclear Asset-Recovery Charges. The Initial Charge shall remain in effect until changed in accordance with the provisions of finding of fact 29 of the Financing Order.

The Company’s certification required by the Financing Order is set forth on Attachment 9, which also includes the statement setting forth the Company’s observations as to the efforts made to assist the Bond Team in achieving the lowest overall cost standard in accordance with ordering paragraph 73 of the Financing Order.

Respectfully submitted,

Duke Energy Florida, LLC

¹ Weighted by modified duration and principal amount of each WAL designation.

² Weighted by modified duration and principal amount, calculated including selling commissions.

By: _____

Attachment 1

TOTAL PRINCIPAL AMOUNT OF NUCLEAR ASSET-RECOVERY BONDS TO BE ISSUED (TOTAL AMOUNT OF NUCLEAR ASSET-RECOVERY COSTS AND UP-FRONT BOND ISSUANCE COSTS TO BE FINANCED)

Adjusted CR3 Regulatory Asset balance, as of December 31, 2015 ^(a)	\$1,246,370,522
Adjusted carry charges accruing at 6.0% per annum on the CR3 Regulatory Asset, subsequent to December 31, 2015 ^(b)	31,776,394
Estimated Up-front Bond Issuance Costs (refer to attachment 2)	16,025,000
Financeable Balance	1,294,171,916
Total Nuclear Asset-Recovery Bond Issuance (rounded up)	[\$1,294,200,000]

^(a) Adjusted CR3 Regulatory Asset, as of December 31, 2015 represents the balance of the CR3 Regulatory Asset as of December 31, 2015 as allowed under the Financing Order minus \$35,894,547.00, which pursuant to the Commission's Final Order PSC-16-0138-FOF-EI issued on April 5, 2016, shall not be included in, recovered, or further trued-up as part of, the CR3 Regulatory Asset.

^(b) Adjusted Carrying charges on the CR3 Regulatory Asset, subsequent to December 31, 2015 represent the CR3 Regulatory Asset balance as of December 31, 2015 (adjusted as described in Note (a) above) from December 31, 2015 through June [20], 2016.

Attachment 2^[1]**ESTIMATED UP-FRONT BOND ISSUANCE COSTS**

Underwriters' Fees and Expenses	\$[6,848,716]
Servicer Set-up Fee (including Information Technology Programming Costs)	[395,000]
Legal Fees and expenses	[3,654,501]
Rating Agency Fees and Expenses	[1,600,000]
Commission's Financial Advisor Fees and Expenses	[1,600,000]
Commission's Legal Fees and Expenses	[1,150,000]
Accounting Fees and Expenses	[40,000]
The Company's Structuring Advisor Fee and Expenses	[400,000]
SEC Registration Fees	[135,000]
Issuer Set-up Fee	[60,000]
Marketing and Miscellaneous Fees and Expenses	[91,783]
Printing / Edgarizing Expenses	[25,000]
Trustee/Trustee Counsel Fee and Expenses	[25,000]
Original Issue Discount	[to come]
Other Ancillary Agreements	-
TOTAL ESTIMATED UP-FRONT BOND ISSUANCE COSTS	\$[16,025,000]

^[1] Pursuant to Section 366.95(2)(c)5. and the Financing Order, the Company is required to file with the Commission the actual Up-Front Bond Issuance Costs within 120 days of the Closing Date. The Commission may not make adjustments to the Nuclear Asset-Recovery Charges for any such excess Up-Front Bond Issuance Costs.

Attachment 3**INTEREST RATES AND EXPECTED SINKING FUND SCHEDULE****A. General Terms**

Series A Bonds	Principal Amount	Price	Coupon	Fixed/ Floating	Expected Weighted Average Life (Years)	Scheduled Final Payment Date	Legal Final Maturity Date
Series A 2018	[\$178,800,000]	[]%	[]%	Fixed	[2.0]	[03/01/2020]	[03/01/2022]
Series A 2021	[\$153,000,000]	[]%	[]%	Fixed	[5.0]	[09/01/2022]	[09/01/2024]
Series A 2026	[\$444,800,000]	[]%	[]%	Fixed	[10.0]	[09/01/2029]	[09/01/2031]
Series A 2033	[\$517,600,000]	[]%	[]%	Fixed	[16.9]	[09/01/2036]	[09/01/2038]

B. Scheduled Sinking Fund Requirement

Series A 2018					
Payment Date	Beginning Principal Balance	Interest	Principal	Total Payment	Ending Principal Balance
Issuance Date	[\$178,800,000]				
03/01/2017					
09/01/2017					
03/01/2018					
09/01/2018					
03/01/2019					
09/01/2019					
03/01/2020					

Series A 2021					
Semi Annual Payment Date	Beginning Principal Balance	Interest	Principal	Total Payment	Ending Principal Balance
Issuance Date	[\$153,000,000]				
03/01/2017					
09/01/2017					
03/01/2018					
09/01/2018					
03/01/2019					
09/01/2019					
03/01/2020					
09/01/2020					
03/01/2021					
09/01/2021					
03/01/2022					
09/01/2022					

Series A 2026

Semi Annual Payment Date	Beginning Principal Balance	Interest	Principal	Total Payment	Ending Principal Balance
Issuance Date	[\$444,800,000]				
03/01/2017					
09/01/2017					
03/01/2018					
09/01/2018					
03/01/2019					
09/01/2019					
03/01/2020					
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03/01/2021					
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03/01/2027					
09/01/2027					
03/01/2028					
09/01/2028					
03/01/2029					
09/01/2029					

Series A 2033					
Semi Annual Payment Date	Beginning Principal Balance	Interest	Principal	Total Payment	Ending Principal Balance
Issuance Date	[\$517,600,000]				
03/01/2017					
09/01/2017					
03/01/2018					
09/01/2018					
03/01/2019					
09/01/2019					
03/01/2020					
09/01/2020					
03/01/2021					
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03/01/2036					
09/01/2036					

[

Attachment 4**ESTIMATED/ACTUAL ANNUAL ONGOING FINANCING COSTS**

	Annual Amount
Servicing Fee ¹	\$(645,526)
Return on Invested Capital	[246,591]
Administration Fee	[50,000]
Auditor Fees	[50,000]
Regulatory Assessment Fees	[72,833]
Legal Fees	[30,000]
Rating Agency Surveillance Fees	[50,000]
Trustee Fees	[10,000]
Independent Manager Fees	[5,000]
Miscellaneous Fees and Expenses	[1,700]
TOTAL ESTIMATED ANNUAL ONGOING FINANCING COSTS	\$(1,161,650)

¹ Assumes the Company is the servicer (0.05%).

Attachment 5
REVENUE REQUIREMENT AND INPUT VALUES

Initial Payment Period from Issuance Date to February 28, 2017	Total
Forecasted retail kWh sales	[26,451,781]
Percent of billed amounts expected to be charged-off	[0.270]%
Forecasted % of billings paid in the applicable period	[99.730]%
Forecasted retail kWh sales billed and collected	[23,944,566]
Nuclear Asset-Recovery Bond principal payment	[\$ []
Nuclear Asset-Recovery Bond interest payment	[\$ []
Forecasted ongoing financing costs (excluding principal and interest)	[\$ []
Total collection requirement for applicable period	[\$ []

Attachment 6

INITIAL NUCLEAR ASSET-RECOVERY CHARGE AND ALLOCATION BY RATE CLASS

Month New Charge Goes Into Effect: 7/1/16
 Period End Date: 3/1/17
 Collection Period Length (months): 8
 Revenue Requirement: \$61,013,100

Month	Residential RS-1, RST-1, RSL-1, RSL-2, RSS-1	Lighting LS-1	GenServ Demand GSD-1, GS-1, GST-1	GenServ Non-Demand GS-1, GST-1	GenServ GS-2	Interruptible IS-1, IST-1, IS-2, IST-2, SS-2	Curtable CS-1, CST-1, CS-2, CST-2, CS-2, CST-3, SS-3	Total
Rate Class Allocator	0.6188	0.0018	0.3023	0.0425	0.0028	0.0303	0.0016	1.0000
Collection Curve 0	12.965%	12.965%	12.965%	12.965%	12.965%	12.965%	12.965%	
Collection Curve 1	86.765%	86.765%	86.765%	86.765%	86.765%	86.765%	86.765%	
Writeoff	0.270%	0.270%	0.270%	0.270%	0.270%	0.270%	0.270%	
Secondary Metering %	100.00%	100.00%	83.56%	99.22%	100.00%	4.66%	0.00%	88.35%
Primary Metering %	0.00%	0.00%	16.33%	0.55%	0.00%	62.55%	100.00%	9.85%
Transmission Metering %	0.00%	0.00%	0.11%	0.23%	0.00%	32.79%	0.00%	1.80%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Prior Charge - Secondary C/kWh
 Prior Charge - Primary C/kWh
 Prior Charge - Transmission C/kWh

Billing Forecast (MWH)	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Total
	-	-	-	-	-	-	-	-	-	-
		2,027,505	34,092	1,299,659	166,667	15,493	169,611	11,189	3,724,216	
		2,076,222	34,720	1,324,445	170,330	15,883	164,763	10,892	3,797,255	
		2,069,866	36,527	1,346,881	173,576	15,930	168,194	11,211	3,822,185	
		1,838,802	34,348	1,274,614	163,669	14,998	168,041	11,169	3,505,641	
		1,396,595	30,994	1,136,402	145,787	13,243	153,833	10,284	2,887,138	
		1,344,550	29,138	1,079,508	137,804	12,540	155,284	10,325	2,769,149	
		1,675,687	29,710	1,111,911	142,090	13,082	156,138	10,235	3,138,853	
		1,449,272	27,894	1,026,233	130,835	11,915	151,249	9,946	2,807,344	
		13,878,499	257,423	9,599,653	1,230,758	113,084	1,287,113	85,251	26,451,781	

Collectable (MWH)	Collect Month Billed	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Total
		262,864	269,180	268,356	238,399	181,067	174,320	217,251	482,841
		4,420	4,501	4,736	4,453	4,018	3,778	3,852	492,310
		168,499	171,713	174,622	165,252	147,333	139,957	144,158	495,542
		21,608	22,083	22,504	21,220	18,901	17,866	18,422	454,503
		2,009	2,059	2,065	1,944	1,717	1,626	1,696	374,315
		21,990	21,361	21,806	21,786	19,944	20,132	20,243	359,017
		1,451	1,412	1,453	1,448	1,333	1,339	1,327	406,949

	Feb-17	187,897	3,616	133,050	16,963	1,545	19,609	1,289	363,969	
		1,799,334	33,375	1,244,585	159,567	14,661	166,873	11,053	3,429,447	
Collect Month Billed+1	Jul-16	-	-	-	-	-	-	-	-	
	Aug-16	1,759,167	29,580	1,127,650	144,609	13,443	147,163	9,708	3,231,320	
	Sep-16	1,801,436	30,125	1,149,156	147,787	13,781	142,957	9,450	3,294,692	
	Oct-16	1,795,921	31,693	1,168,623	150,603	13,822	145,934	9,727	3,316,323	
	Nov-16	1,595,438	29,802	1,105,920	142,008	13,013	145,801	9,691	3,041,673	
	Dec-16	1,211,757	26,892	986,000	126,492	11,490	133,473	8,923	2,505,028	
	Jan-17	1,166,600	25,282	936,636	119,566	10,880	134,732	8,958	2,402,655	
	Feb-17	1,453,912	25,778	964,751	123,285	11,351	135,473	8,880	2,723,429	
			10,784,231	199,151	7,438,736	954,349	87,779	985,534	65,338	20,515,119
	MWH at Prior Charge		-	-	-	-	-	-	-	-
MWH at New Charge		12,583,565	232,526	8,683,322	1,113,916	102,441	1,152,406	76,391	23,944,566	
Calculation of New Charge:										
Collections Required		\$37,753,518	\$107,057	\$18,443,637	\$2,591,357	\$168,895	\$1,848,791	\$99,846	\$61,013,100	
Less Collections at Prior Charge		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Collections at New Charge		\$37,753,518	\$107,057	\$18,443,637	\$2,591,357	\$168,895	\$1,848,791	\$99,846	\$61,013,100	
MWH Collected at New Charge		12,583,565	232,526	8,683,322	1,113,916	102,441	1,152,406	76,391	23,944,566	
MWH at Effective Secondary Meter:										
Secondary		12,583,565	232,526	7,255,984	1,105,270	102,441	53,739	-	21,333,525	
Primary		-	-	1,403,506	6,038	-	713,598	75,627	2,198,770	
Transmission		-	-	9,461	2,495	-	370,304	-	382,260	
Total		12,583,565	232,526	8,668,952	1,113,804	102,441	1,137,641	75,627	23,914,555	
New Charge - Secondary C/kWh		0.300	0.046	0.213	0.233	0.165	0.163	0.132	0.255	
New Charge - Primary C/kWh		0.297	0.046	0.211	0.231	0.163	0.161	0.131		
New Charge - Transmission C/kWh		0.294	0.045	0.209	0.228	0.162	0.160	0.129		
Estimated Dollars Collected:										
Estimated Dollars Collected:	Jul-16	\$788,592	\$2,033	\$358,346	\$50,342	\$3,314	\$35,352	\$1,900	\$1,239,880	
(Diff from revenue requirement	Aug-16	6,085,041	15,677	2,763,343	388,355	25,578	270,929	14,568	9,563,491	
due to charges rounded to	Sep-16	6,209,376	16,036	2,815,265	396,740	26,146	264,882	14,284	9,742,730	
three decimals)	Oct-16	6,102,960	16,627	2,836,739	400,309	26,014	269,636	14,640	9,666,925	
	Nov-16	5,329,517	15,557	2,665,282	374,881	24,304	266,461	14,442	8,690,444	
	Dec-16	4,158,230	14,108	2,394,563	336,323	21,642	246,945	13,443	7,185,252	
	Jan-17	4,151,554	13,401	2,298,515	321,480	20,751	249,147	13,474	7,068,322	
	Feb-17	4,925,425	13,521	2,334,682	326,744	21,277	249,319	13,323	7,884,292	
		\$37,750,694	\$106,962	\$18,466,736	\$2,595,175	\$169,027	\$1,852,671	\$100,072	\$61,041,336	

Attachment 7
ESTIMATED SAVINGS

Based on current market conditions, the total estimated cumulative revenue requirement would be \$[] million lower than the total estimated cumulative revenue requirement under the traditional recovery method the Company is entitled to recover under the Revised and Restated Stipulation and Settlement Agreement approved by the Commission pursuant to its order (No. PSC-13-0598-FOF-EI) issued on November 13, 2013, detail for which is shown in the table below.

[Workpapers attached on next page]

Nuclear Asset-Recovery Charge											
Principal Payment	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]
Interest on Bonds	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]
Ongoing Costs	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]
Total Nuclear Asset-Recovery Charge	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]
Retail MWH Sales ⁽³⁾											
Retail Rate - Avg. (C/kWh) ⁽³⁾	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]
	Aug'27- Jul'28	Aug'28- Jul'29	Aug'29- Jul'30	Aug'30- Jul'31	Aug'31- Jul'32	Aug'32- Jul'33	Aug'33- Jul'34	Aug'34- Jul'35	Aug'35- Jul'36		Total
Nuclear Asset-Recovery Bonds											
Beginning Balance	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		
Principal Payment	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		
Ending Balance	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		
Nuclear Asset-Recovery Charge											
Principal Payment	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		\$[]
Interest on Bonds	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		\$[]
Ongoing Costs	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		\$[]
Total Nuclear Asset-Recovery Charge	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		\$[]
Retail MWH Sales ⁽³⁾											
Retail Rate - Avg. (C/kWh) ⁽³⁾	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]	\$[]		

⁽³⁾ Bond payments are assumed in Mar & Sep. First annual period is Jul '16 - Jul '17 and remaining annual periods are Aug-Jul to more closely mirror collections.

Retail MWH sales and average annual retail rates (C/kWh) do not represent collections and are reflected as of the end of each annual period.

Attachment 8

The Bond Team and/or the Company have taken the following actions in the marketing of the Nuclear Asset-Recovery Bonds:

- Structured the financing so that the Series A Senior Secured Bonds would not be asset backed securities within the meaning of Item 1101(c) of Regulation AB;
- Registered the Series A Senior Secured Bonds as corporate securities with the Securities and Exchange Commission;
- Ensured the Registration Statement contained proper disclosures to communicate the superior credit features of the Nuclear Asset-Recovery Bonds;
- Worked to select key transaction participants, including lead underwriters and co-managers through an RFI process to determine that they have relevant experience and execution capabilities, and who were aligned with the Bond Team's objectives, namely broad distribution to investors and willingness to market the bonds in a manner consistent with the superior credit quality and uniqueness of the bonds;
- Hired a diverse group of underwriters, including underwriters with international and mid-tier expertise in order to attract a wide variety of potential investors;
- Reviewed detailed marketing plans submitted by each lead underwriter;
- Developed all bond transaction documents, marketing materials and legal opinions in a plain English manner while balancing SEC disclosure requirements, in an effort to ensure investors could more easily understand the high-quality nature of the bond offering;
- Allowed sufficient time for investors to review the primer and transaction summary and preliminary prospectus and to ask questions regarding the transaction;
- Attended in person and telephonic pre-marketing investor meetings throughout 2016, including attending and actively meeting with investors at the ABS-West conference in a well-coordinated fashion with representatives of Commission staff and their financial advisor;
- During the period that the bonds were marketed, held numerous market update discussions with the underwriting team, the Commission's designated representative(s) and Commission's financial advisor to develop recommendation for pricing;
- Developed and implemented a marketing plan designed to encourage each of the underwriters to aggressively market the bonds to a broad base of prospective investors, including investors who have not previously purchased this type of security;
- Conducted in person roadshow with [XX] investors in [X] cities;
- Provided other potential investors with access to an internet roadshow for viewing on repeated occasions at investors' convenience;
- Adapted the bond offering to market conditions and investor demand at the time of pricing consistent with the guidelines outlined within the Financing Order. Variables impacting the final structure of the transaction were evaluated including the length of the

average lives and maturity of the bonds and the interest rate requirements at the time of pricing so that the structure of the transaction would correspond to investor preferences and rating agency requirements for the highest rating possible; and

- Worked with the Commission's financial advisor and underwriters to develop a marketing strategy to aggressively market the bonds to their customers and to reach out to a broad base of potential investors, including investors who have not previously purchased this type of security;

Comparison of pricing relative to an independent benchmark versus other similar securities

[To come]

The number of orders received and names of investors that placed the orders
(Provided confidential basis)

[To come]

Attachment 9
Form of Company Certification

[Letterhead of Duke Energy Florida, LLC]

[], 2016

TO: Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Attachment 9; Company Certification

Duke Energy Florida, LLC (the “Company”) submits this Certification pursuant to an ordering paragraph 73 of the Financing Order in *Petition for issuance of a nuclear asset-recovery financing order by Duke Energy Florida, Inc.*, Docket No. 150171-EI (the “Financing Order”). All capitalized terms not defined in this letter shall have the meanings ascribed to them in the Financing Order.

In its issuance advice and form of true-up adjustment letter dated [], 2016], the Company has set forth the following particulars of the Nuclear Asset-Recovery Bonds:

Name of Nuclear Asset-Recovery Bonds: Series A Senior Secured Bonds

Name of Issue: Duke Energy Florida Project Finance, LLC

Name of Trustee: The Bank of New York Mellon Trust Company National Association

Expected Closing Date: [June 21, 2016]

Preliminary Bond Ratings: Moody’s [Aaa]; Standard & Poor’s [AAA]; [Fitch AAA]
(final ratings to be received prior to closing)

Total Principal Amount of Nuclear Asset-Recovery Bonds to be Issued: \$[1,294,175,000]
(See Attachment 1)

Estimated up-front bond issuance costs: \$[16,025,000] (See Attachment 2)

Interest Rates and Expected Sinking Fund Schedule: (See Attachment 3)

Distributions to Investors: Semiannually

Weighted Average Coupon Rate¹: %

Annualized Weighted Average Yield²: %

Initial Balance of Capital Subaccount: \$[6,470,000]

Estimated/Actual Ongoing Financing Costs for first year of Nuclear Asset-Recovery Bonds: \$[1,161,650]

¹ Weighted by modified duration and principal amount of each WAL designation.

² Weighted by modified duration and principal amount, calculated including selling commissions.

As required by the Financing Order, a Bond Team comprised of representatives of the Company, the Commission and their designated advisors and legal counsel was established to ensure that the structuring, pricing and financing costs of the nuclear asset-recovery bonds have a significant likelihood of resulting in lower overall costs or would avoid or significantly mitigate rate impacts to customers as compared with the traditional method of cost recovery.

Beginning in October of 2015, the Bond Team began meeting to address the details of the nuclear asset-recovery bond issuance in accordance with the terms of the Commission's Financing Order. In contemplation of a negotiated sale of the bonds, the Bond Team evaluated alternative structures and extensively explored whether the bonds could be issued and sold as asset-backed securities or as corporate securities, whether fixed rate or variable rate bonds should be offered and what ongoing reporting investors would require. The Bond Team also undertook efforts to convince the rating agencies to rate the bonds as corporate securities, not as structured finance securities.

In accordance with the procedures set forth in the Financing Order, the following actions were taken to assist the Bond Team in achieving the lowest overall cost standard:

- Included credit enhancements in the form of the true-up mechanism and an equity contribution to Duke Energy Florida Project Finance, LLC of 0.50% of the original principal amount of the bonds;
- Structured the financing so that the Series A Senior Secured Bonds would not be asset backed securities within the meaning of Item 1101(c) of Regulation AB;
- Registered the Series A Senior Secured Bonds as corporate securities with the Securities and Exchange Commission to facilitate greater liquidity;
- Ensured the Registration Statement contained proper disclosures to communicate the superior credit features of the Nuclear Asset-Recovery Bonds;
- Developed rating agency presentations and worked actively with the rating agencies during the rating agency process to achieve [Aaa/AAA/AAA] from [each of the three] major rating agencies;
- Worked to select key transaction participants, including underwriters, that have relevant experience and execution capabilities, and who were aligned with the Bond Team's objectives, namely broad distribution to investors and willingness to market the bonds in a manner consistent with the superior credit quality and uniqueness of the bonds;
- Developed all bond transaction documents, marketing materials and legal opinions in a plain English manner while balancing SEC disclosure requirements, in an effort to ensure investors could more easily understand the high-quality nature of the bond offering;
- Allowed sufficient time for investors to review the primer and transaction summary and preliminary prospectus and to ask questions regarding the transaction;
- Attended in person and telephonic pre-marketing investor meetings throughout 2016, including attending and actively meeting with investors at the ABS-West conference in a well-coordinated fashion with representatives of Commission staff and their financial advisor;

- Arranged issuance of rating agency pre-sale reports during the marketing period;
- During the period that the bonds were marketed, held numerous market update discussions with the underwriting team, the Commission's designated representative(s) and Commission's financial advisor to develop recommendation for pricing;
- Had multiple conversations with all of the members of the underwriting team during the marketing phase in which we stressed the requirements of the Financing Order;
- Developed and implemented a marketing plan designed to encourage each of the underwriters to aggressively market the bonds to a broad base of prospective investors, including investors who have not previously purchased this type of security;
- Conducted in person roadshow with [XX] investors in [X] cities;
- Provided other potential investors with access to an internet roadshow for viewing at investors' convenience;
- Adapted the bond offering to market conditions and investor demand at the time of pricing consistent with the guidelines outlined within the Financing Order. Variables impacting the final structure of the transaction were evaluated including the length of the average lives and maturity of the bonds and the interest rate requirements at the time of pricing so that the structure of the transaction would correspond to investor preferences and rating agency requirements for the highest rating possible; and
- Worked with the Commission's financial advisor to develop bond allocations, underwriter compensation and preliminary price guidance designed to achieve customer savings;

Based upon information known or reasonably available to the Company, its officers, agents and employees: (i) the structuring, pricing and financing costs of the nuclear asset-recovery bonds and the imposition of the proposed nuclear asset-recovery charges have a significant likelihood of resulting in lower overall costs or significantly mitigate rate impacts to customers as compared with the traditional method of financing and recovering nuclear asset-recovery costs and (ii) on a reasonably comparable basis, the costs incurred in the issuance of the nuclear asset-recovery bonds resulted in the lowest overall costs that were reasonably consistent with market conditions at the time of the issuance and the terms of the financing order.

This certification is being provided to the Commission by the Company in accordance with the terms of the Financing Order, and no one other than the Commission shall be entitled to rely on the certification provided herein for any purpose.

Duke Energy Florida, LLC

By: _____

Name:

Title:

DUKE ENERGY FLORIDA, LLC

Form of Standard True-Up Letter

[name]

[Title]

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399-0850

**Re: Docket No. 150171-EI
Routine Nuclear Asset-Recovery Charge True-Up Adjustment Request**

Dear [_____]:

Pursuant to Section 366.95, F.S., and Order No. PSC-15-0537-FOF-EI, known as the “Financing Order,” Duke Energy Florida, LLC (“DEF”) as Servicer of the Series A Senior Secured Bonds (“nuclear asset-recovery bonds”) hereby gives notice of an adjustment to the nuclear asset-recovery bond charges (“nuclear asset-recovery charges”).

This adjustment is intended to satisfy Section 366.95(2)(c), F.S., and the Financing Order, which requires that the nuclear asset-recovery charges recover amounts sufficient to timely provide all payments of debt service and other required amounts and charges in connection with the nuclear asset-recovery bonds during the upcoming Remittance Period. The calculation of the revised factors is in accordance with the Financing Order.

This filing modifies the variables used in the nuclear asset-recovery charges and provides the resulting adjusted nuclear asset-recovery charges. Attachment A-1 shows the resulting values of the nuclear asset-recovery charges for each rate class, as calculated in accordance with the Financing Order, such charges to be effective as of [insert date], the first day of the billing cycle. Pursuant to 366.95(2)(c), F.S., the allocation of nuclear asset-recovery charges has been made in accordance with the Financing Order dated November 19, 2015. The calculations and supporting data for charges are appended to Attachment A-1.

Consistent with the Financing Order, the proposed adjustments to the charges will be effective on [insert date], the first day of the billing cycle (i.e., 60 days after the filing of this routine nuclear asset-recovery charge true-up adjustment request).

DEF is also submitting for administrative approval the [TBD] Revised Sheet No. 6.105, which reflects the revised nuclear asset-recovery bond charge factors. Attachment A-2 includes this tariff sheet in clean and legislative formats. Consistent with Commission practice, the administratively approved tariff sheet should be returned to Javier Portuondo, DEF's Director of Rates & Regulatory Strategy, 299 First Avenue North, St. Petersburg, Florida 33701.

If you have any questions regarding this filing, please do not hesitate to contact me at 727-820-4560. Thank you for your assistance.

Respectfully submitted,

DUKE ENERGY FLORIDA, LLC

By: _____
Name: _____
Title: _____

Attachments

ATTACHMENT A-1

[Calculations and Supporting Data]

ATTACHMENT A-2

[Revised Tariff Sheet No. 6.105]

[Clean and legislative formats]