



Matthew R. Bernier  
SENIOR COUNSEL  
Duke Energy Florida, LLC

April 27, 2017

**Via ELECTRONIC DELIVERY**

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

Re: *Energy Conservation Cost Recovery Clause; Docket No. 170002-EG*

Dear Ms. Stauffer:

Please find enclosed for filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's 2016 Actual True-up Testimony and Schedules. The filing includes the following:

- DEF's True-up Petition; and
- Direct Testimony of Lori J. Cross with attached Exhibit No. \_\_\_\_ (LJC-1T)

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

Respectfully,

s/ Matthew R. Bernier  
Matthew R. Bernier

MRB/at  
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Energy Conservation Cost  
Recovery Clause

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Docket No. 170002-EG

Filed: April 27, 2017

**DUKE ENERGY FLORIDA, LLC**  
**PETITION FOR APPROVAL OF TRUE-UP AMOUNT**

Pursuant to Order No. PSC-17-0111-PCO-EG, issued March 27, 2017 in the above-referenced docket, Duke Energy Florida, LLC (“DEF” or “the Company”) petitions the Florida Public Service Commission (“Commission”) for approval of an over-recovery of \$3,391,426 as DEF’s adjusted net true-up amount for the period January 2016 through December 2016. In support of this petition, DEF states:

1. The name and address of the affected agency are:

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

2. The Petitioner’s name and address are:

Duke Energy Florida, LLC  
299 First Avenue North  
St. Petersburg, Florida 33701

Notices, orders, pleadings and correspondence to be served upon DEF in this proceeding should be directed to:

Dianne M. Triplett  
Associate General Counsel  
Duke Energy Florida  
299 1<sup>st</sup> Avenue North  
St. Petersburg, FL 33701  
(727) 820-4692 telephone  
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3. DEF is a public utility subject to the Commission's jurisdiction pursuant to Chapter 366, Florida Statutes. Pursuant to Section 366.82, Florida Statutes, and Rule 25-17.015, Florida Administrative Code, DEF recovers its reasonable and prudent unreimbursed costs for conservation audits, conservation programs and implementation of DEF's conservation plan through the Energy Conservation Cost Recovery ("ECCR") clause. DEF has substantial interests in the proper calculation and recovery of its ECCR factor and the final true-up which is used in the computation of the ECCR factor.

4. DEF seeks Commission approval of an over-recovery of \$3,391,426 as the adjusted net true-up amount for the period January 2016 through December 2016. DEF's final adjusted net true-up amount for the period January 2016 through December 2016 was calculated consistently with the methodology set forth in Schedule 1 attached to Commission Order No. 10093, dated June 19, 1981. This calculation and supporting documentation are contained in Exhibit No. \_\_ (LJC-1T), an exhibit attached to the prefiled testimony of DEF's witness Lori J. Cross, which is being filed in conjunction with this petition.

5. As reflected on Schedule CT-1 of Exhibit No. \_\_ (LJC-1T) to Ms. Cross' testimony, the adjusted net true-up for the period January 2016 through December 2016 is an over-recovery of \$3,391,426, which is the difference of the actual true-up over-recovery of \$7,271,001 and the estimated/actual true-up over-recovery of \$3,879,575.

WHEREFORE, DEF respectfully requests that the Commission approve an over-recovery of \$3,391,426 as the final adjusted net true-up amount for the period January 2016 through December 2016.

Respectfully submitted,

*/s/ Matthew R. Bernier*

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299 1<sup>st</sup> Avenue North  
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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following by electronic mail this 27<sup>th</sup> day of April, 2017, to all parties of record as indicated below.

*/s/ Matthew R. Bernier*  
\_\_\_\_\_  
Attorney

<p>Kelly Corbari Stephanie Cuello Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 <a href="mailto:kcorbari@psc.state.fl.us">kcorbari@psc.state.fl.us</a> <a href="mailto:scuello@psc.state.fl.us">scuello@psc.state.fl.us</a></p> <p>James Beasley / J. Jeffry Wahlen Ausley &amp; McMullen P.O. Box 391 Tallahassee, FL 32302 <a href="mailto:jbeasley@ausley.com">jbeasley@ausley.com</a> <a href="mailto:jwahlen@ausley.com">jwahlen@ausley.com</a></p> <p>Jeffrey Stone / Russell Badders / Steven Griffin Beggs &amp; Lane P.O. Box 12950 Pensacola, FL 32591 <a href="mailto:jas@beggslane.com">jas@beggslane.com</a> <a href="mailto:rab@beggslane.com">rab@beggslane.com</a> <a href="mailto:srg@beggslane.com">srg@beggslane.com</a></p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 <a href="mailto:jmoyle@moylelaw.com">jmoyle@moylelaw.com</a></p> <p>Kenneth Rubin / John Butler / Maria Moncada Florida Power &amp; Light Company 700 Universe Blvd. Juno Beach, FL 33408-0420 <a href="mailto:ken.rubin@fpl.com">ken.rubin@fpl.com</a> <a href="mailto:maria.moncada@fpl.com">maria.moncada@fpl.com</a> <a href="mailto:john.butler@fpl.com">john.butler@fpl.com</a></p> <p>James W. Brew / Laura A. Wynn Stone Mattheis Xenopoulos &amp; Brew, P.C. 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, D.C. 20007 <a href="mailto:jbrew@smxblaw.com">jbrew@smxblaw.com</a> <a href="mailto:law@smxblaw.com">law@smxblaw.com</a></p>	<p>Mr. Robert L. McGee Jr. Regulatory and Pricing Manager Gulf Power Company One Energy Place Pensacola, FL 32520-0780 <a href="mailto:rlmcgee@southernco.com">rlmcgee@southernco.com</a></p> <p>Beth Keating Gunster, Yoakley &amp; Stewart, P.A. 215 S. Monroe St., Suite 601 Tallahassee, FL 32301 <a href="mailto:bkeating@gunster.com">bkeating@gunster.com</a></p> <p>Mike Cassel, Director, Regulatory Affairs Florida Public Utilities Company 1750 S 14<sup>th</sup> Street, Suite 200 Fernandina Beach, FL 32034 <a href="mailto:mcassel@fpuc.com">mcassel@fpuc.com</a></p> <p>Paula K. Brown Manager, Regulatory Coordination Tampa Electric Company P.O. Box 111 Tampa, FL 33601 <a href="mailto:regdept@tecoenergy.com">regdept@tecoenergy.com</a></p> <p>Kenneth Hoffman Vice President, Regulatory Affairs Florida Power &amp; Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1858 <a href="mailto:Ken.hoffman@fpl.com">Ken.hoffman@fpl.com</a></p> <p>Charles J. Rehwinkel J. R. Kelly Patricia A. Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 <a href="mailto:rehwinkel.charles@leg.state.fl.us">rehwinkel.charles@leg.state.fl.us</a> <a href="mailto:kelly.jr@leg.state.fl.us">kelly.jr@leg.state.fl.us</a> <a href="mailto:christensen.patty@leg.state.fl.us">christensen.patty@leg.state.fl.us</a></p>
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**DUKE ENERGY FLORIDA, LLC**

**DOCKET No. 170002-EG**

**Energy Conservation and Cost Recovery Final True-up  
for the Period January through December 2016**

**DIRECT TESTIMONY OF**

**Lori J. Cross**

**April 27, 2017**

1 **Q. Please state your name and business address.**

2 A. My name is Lori Cross. My business address is 299 First Avenue North, St.  
3 Petersburg, FL 33701.

4

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

6 A. I am employed by Duke Energy Business Services, LLC, as Strategy &  
7 Collaboration Director in the Customer Programs Department. Duke Energy  
8 Business Services and Duke Energy Florida, LLC ("DEF" or the "Company")  
9 are both wholly owned subsidiaries of Duke Energy Corporation.

10

11 **Q. What are your duties and responsibilities in that position?**

12 A. My responsibilities include regulatory planning, support and compliance of  
13 the Company's energy efficiency and demand-side management ("DSM")  
14 programs. This includes support for development, implementation and  
15 training, budgeting and accounting functions related to these programs.

16

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

2 A. The purpose of my testimony is to compare DEF's 2016 actual energy  
3 conservation program costs with actual revenues collected through the  
4 Company's Energy Conservation Cost Recovery ("ECCR") Clause during  
5 the period January 2016 through December 2016. The Company relies upon  
6 the information presented in my testimony and exhibit in the conduct of its  
7 affairs.

8

9 **Q. For what programs does Duke Energy Florida seek recovery?**

10 A. DEF seeks recovery through the ECCR Clause for conservation programs  
11 approved by the Commission as part of the Company's DSM Plan, as well as  
12 for Conservation Program Administration (i.e., those common administration  
13 expenses not specifically assigned to an individual program). Notably, DEF  
14 seeks recovery of costs for conservation programs approved by the  
15 Commission on August 20, 2015 (see Order No. PSC-15-0332-PAA-EG), as  
16 follows:

- 17 • Home Energy Check
- 18 • Residential Incentive
- 19 • Neighborhood Energy Saver
- 20 • Low-Income Weatherization Assistance Program
- 21 • Energy Management (Residential and Commercial)
- 22 • Business Energy Check
- 23 • Better Business

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- Florida Custom Incentive
- Standby Generation
- Interruptible Service
- Curtailable Service
- Solar Water Heating with Energy Management Pilot
- Residential Solar Photovoltaic Pilot
- Photovoltaic for Schools Pilot
- Technology Development
- Qualifying Facility

**Q. Do you have any exhibits to your testimony?**

A. Yes, Exhibit No. (LJC-1T) entitled, "Duke Energy Florida, LLC Energy Conservation Adjusted Net True-Up for the Period January 2016 through December 2016." There are six (6) schedules included in this exhibit.

**Q. Will you please explain your exhibit?**

A. Yes. Exhibit No. (LJC-1T) presents Schedules CT-1 through CT-6. Schedules CT-1 to CT-4 set out actual costs incurred for all programs during the period from January 2016 through December 2016. These schedules also illustrate variances between actual costs and previously projected values for the same time period. Schedule CT-5 provides a brief summary of each conservation program that includes a program description, program accomplishments, annual program expenditures, significant program cost

1 variances versus projections, and a program progress summary over the  
2 twelve-month period ending December 2016. Schedule CT-6 is DEF's capital  
3 structure and cost rates.

4  
5 **Q. Would you please discuss Schedule CT-1?**

6 A. Yes. Schedule CT-1 line 14 shows that DEF's actual end-of-period ECCR  
7 true-up for December 31, 2016 was an over-recovery of \$3,391,426, including  
8 principal and interest.

9  
10 **Q. What does Schedule CT-2 show?**

11 A. The four pages of Schedule CT-2 provide an annual summary of  
12 conservation program revenues as well as itemized conservation program  
13 costs for the period January 2016 through December 2016 detailing actual,  
14 estimated and variance calculations by program. These costs are directly  
15 attributable to DEF's Commission-approved programs.

16  
17 **Q. Would you please discuss Schedule CT-3?**

18 A. Yes. Page one of Schedule CT-3 provides actual conservation program  
19 costs by month for the period January 2016 through December 2016. Page  
20 two of Schedule CT-3 presents program revenues by month offset by  
21 expenses, and a calculation of the end of period net true-up for each month  
22 and the total for the year. Page three provides the monthly interest

1 calculation. Pages four and five of Schedule CT-3 provide conservation  
2 account numbers for the 2016 calendar year.

3

4 **Q. What is the purpose of Schedule CT-4?**

5 A. The five pages of Schedule CT-4 show monthly capital investment,  
6 depreciation and return for each conservation program.

7

8 **Q. Would you please discuss Schedule CT-5?**

9 A. Yes. Schedule CT-5 provides a brief summary report of each conservation  
10 program that includes a program description, program accomplishments,  
11 annual program expenditures, significant program cost variances versus  
12 projections, and a program progress summary for the 2016 calendar year.

13

14 **Q. What is the purpose of Schedule CT-6?**

15 A: Schedule CT-6 is the capital structure and cost rates used to calculate the  
16 return for each applicable conservation program.

17

18 **Q. What is the source of data used to calculate the true-up amount.**

19 A. The actual data used in calculating the actual true-up amounts is from DEF's  
20 records, unless otherwise indicated. These records are kept in the regular  
21 course of DEF's business in accordance with general accounting principles  
22 and practices, provisions of the Uniform System of Accounts as prescribed  
23 by the Federal Energy Regulatory Commission, and any accounting rules

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and orders established by this Commission. Pursuant to Rule 25-17.015(3), Florida Administrative Code, DEF provides a list of all account numbers used for conservation cost recovery during the period January 2016 through December 2016 on Schedule CT-3 pages 4 and 5.

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

A. Yes.

DUKE ENERGY FLORIDA, LLC

ENERGY CONSERVATION ADJUSTED NET TRUE-UP  
 FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

**LINE  
 NO.**

1	<b>ACTUAL END OF PERIOD TRUE-UP (OVER) / UNDER RECOVERY</b>		
2	BEGINNING BALANCE	(\$6,293,328)	
3	PRINCIPAL (CT 3, PAGE 2 of 5)	(7,244,131)	
4	INTEREST (CT 3, PAGE 3 of 5)	(26,870)	
5	PRIOR TRUE-UP REFUND	6,293,328	
6	ADJUSTMENTS	0	(\$7,271,001)
7	<b>LESS: ESTIMATED TRUE-UP FROM SEPTEMBER 2016</b>		
8	<b>PROJECTION FILING (OVER) / UNDER RECOVERY</b>		
9	BEGINNING BALANCE	(\$6,293,328)	
10	PRINCIPAL	(3,861,385)	
11	INTEREST	(18,190)	
12	PRIOR TRUE-UP REFUND	6,293,328	
13	ADJUSTMENTS	0	(\$3,879,575)
14	VARIANCE TO PROJECTION		(\$3,391,426)

DUKE ENERGY FLORIDA, LLC

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
ACTUAL VS. ESTIMATED  
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

LINE NO.	PROGRAM	ACTUAL	ESTIMATED	DIFFERENCE
1	DEPRECIATION AMORT. & RETURN	14,819,894	15,099,824	(279,930)
2	PAYROLL AND BENEFITS	12,666,509	13,420,792	(754,283)
3	MATERIALS AND SUPPLIES	521,503	428,442	93,060
4	OUTSIDE SERVICES	4,401,728	4,708,065	(306,337)
5	ADVERTISING	3,412,604	3,741,546	(328,942)
6	INCENTIVES	72,496,489	72,092,690	403,799
7	VEHICLES	253,086	254,707	(1,621)
8	OTHER	583,626	636,553	(52,927)
9	PROGRAM REVENUES	0	0	0
10	TOTAL PROGRAM COSTS	109,155,438	110,382,619	(1,227,181)
11	LESS:			
12	CONSERVATION CLAUSE REVENUES	110,106,241	107,950,675	2,155,566
13	PRIOR TRUE-UP	6,293,328	6,293,328	0
14	TRUE-UP BEFORE INTEREST	(7,244,131)	(3,861,385)	(3,382,746)
15	AUDIT & REV DECOUPLING ADJUSTMENT			
16	INTEREST PROVISION	(26,870)	(18,190)	(8,680)
17	END OF PERIOD TRUE-UP	(7,271,001)	(3,879,575)	(3,391,426)

( ) REFLECTS OVERRECOVERY

\*\* Certain schedules may not foot/crossfoot due to rounding of decimals in files.

DUKE ENERGY FLORIDA, LLC

Actual Energy Conservation Program Costs per Program  
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

Line No.	Program	Depreciation Amortization & Return	Payroll & Benefits	Vehicles	Outside Services	Materials & Supplies	Advertising	Incentives	Other	Sub-Total	Program Revenues (credit)	Total
1	HOME ENERGY CHECK	18,126	2,693,819	98,668	202,083	57,115	1,093,397	568,972	71,250	4,803,430	0	4,803,430
2	RESIDENTIAL INCENTIVE PROGRAM (HEI & NEW CONSTR.)	0	1,764,610	55,134	145,054	18,387	879,948	5,962,894	23,694	8,849,722	0	8,849,722
3	BUSINESS ENERGY CHECK	16,404	405,856	14,745	9,432	1,963	3,215	18,150	14,077	483,840	0	483,840
4	BETTER BUSINESS (Incl: C/I NEW CONSTRUCTION)	307	1,067,253	13,363	60,102	2,554	49,625	1,571,659	(7,762)	2,757,101	0	2,757,101
5	TECHNOLOGY DEVELOPMENT	0	178,261	3,248	77,516	2,450	0	420	10,289	272,184	0	272,184
6	SOLAR WATER HEATING W/EM	0	1,121	0	0	0	0	(5,026)	0	(3,905)	0	(3,905)
7	PHOTOVOLTAIC FOR SCHOOLS PILOT	0	0	0	0	0	0	19,982	0	19,982	0	19,982
8	RESIDENTIAL SOLAR PHOTOVOLTAIC	0	1,681	0	10	0	0	(34,815)	0	(33,123)	0	(33,123)
9	FLORIDA CUSTOM INCENTIVE	0	113,706	980	53,094	7,084	2,367	8,310	(24,839)	160,703	0	160,703
10	INTERRUPTABLE SERVICE	14,605	127,747	3,622	1,098	24,279	0	30,665,347	3,015	30,839,712	0	30,839,712
11	CURTAILABLE SERVICE	0	23,024	0	0	0	6,414	2,160,018	0	2,189,456	0	2,189,456
12	RESIDENTIAL ENERGY MANAGEMENT	14,724,241	1,789,214	39,296	2,236,180	137,079	1,178,025	23,065,864	43,208	43,213,106	0	43,213,106
13	COMMERCIAL ENERGY MANAGEMENT	0	0	0	0	0	0	539,060	0	539,060	0	539,060
14	LOW INCOME	0	112,305	67	200	9	24,168	136,212	19,971	292,931	0	292,931
15	STANDBY GENERATION	46,211	205,423	5,179	9,540	6,925	0	6,276,629	4,553	6,554,460	0	6,554,460
16	QUALIFYING FACILITY	0	1,034,206	5,192	9,567	6,774	0	0	37,573	1,093,311	0	1,093,311
17	NEIGHBORHOOD ENERGY SAVER	0	243,104	1,385	376,939	1,378	175,445	1,542,813	23,499	2,364,563	0	2,364,563
18	CONSERVATION PROGRAM ADMIN	0	2,905,179	12,209	1,220,913	255,505	0	0	365,099	4,758,906	0	4,758,906
19												
20	Total All Programs	14,819,894	12,666,509	253,086	4,401,728	521,503	3,412,604	72,496,489	583,626	109,155,438	0	109,155,438

\*\* Certain schedules may not foot/crossfoot due to rounding of decimals in files.

DUKE ENERGY FLORIDA, LLC

Variance in Energy Conservation Program Costs  
12 Months Actual vs. 12 Months Estimated

Line No.	Program	Depreciation Amortization & Return	Payroll & Benefits	Vehicles	Outside Services	Materials & Supplies	Advertising	Incentives	Other	Sub-Total	Program Revenues (credit)	Total
1	HOME ENERGY CHECK	0	(270,773)	(2,826)	(42,635)	(41,162)	518	(37,101)	29,090	(364,890)	0	(364,890)
2	RESIDENTIAL INCENTIVE PROGRAM (HEI & NEW CONSTR.)	0	99,005	12,381	(14,833)	7,900	(314,711)	936,916	(14,157)	712,500	0	712,500
3	BUSINESS ENERGY CHECK	0	(153,219)	(1,059)	(65,568)	(2,165)	(19,155)	(51,850)	(10,618)	(303,634)	0	(303,634)
4	BETTER BUSINESS (Incl: C/I NEW CONSTRUCTION)	0	(215,529)	(4,247)	31,155	(424)	766	192,514	(732)	3,502	0	3,502
5	TECHNOLOGY DEVELOPMENT	0	(147,413)	(942)	(148,463)	(92,663)	0	420	(32,423)	(421,484)	0	(421,484)
6	SOLAR WATER HEATING W/EM	0	0	0	0	0	0	(2,444)	0	(2,444)	0	(2,444)
7	PHOTOVOLTAIC FOR SCHOOLS PILOT	0	0	0	0	0	0	90,335	0	90,335	0	90,335
8	RESIDENTIAL SOLAR PHOTOVOLTAIC	0	0	0	0	0	0	0	0	0	0	0
9	FLORIDA CUSTOM INCENTIVE	0	43,106	465	8,939	6,229	(42,993)	(90,000)	(25,855)	(100,109)	0	(100,109)
10	INTERRUPTABLE SERVICE	(385)	15,117	(328)	169	(6,013)	0	(528,978)	(803)	(521,221)	0	(521,221)
11	CURTAILABLE SERVICE	0	23,024	0	0	0	6,414	581,894	0	611,333	0	611,333
12	RESIDENTIAL ENERGY MANAGEMENT	(279,041)	(93,968)	2,891	(597,198)	106,244	(18,087)	(241,765)	(6,624)	(1,127,549)	0	(1,127,549)
13	COMMERCIAL ENERGY MANAGEMENT	0	0	0	0	0	0	(94,392)	0	(94,392)	0	(94,392)
14	LOW INCOME	0	(6,042)	67	0	0	(10,192)	(3,847)	3,768	(16,246)	0	(16,246)
15	STANDBY GENERATION	(504)	5,411	958	8,635	(1,194)	0	(20,013)	(2,864)	(9,572)	0	(9,572)
16	QUALIFYING FACILITY	0	(6,061)	(903)	5,245	(302)	0	0	(4,573)	(6,594)	0	(6,594)
17	NEIGHBORHOOD ENERGY SAVER	0	(59,572)	(219)	5,987	508	68,499	(327,889)	(524)	(313,209)	0	(313,209)
18	CONSERVATION PROGRAM ADMIN	0	12,633	(7,859)	502,230	116,102	0	0	13,389	636,494	0	636,494
19												
20	Total All Programs	(279,930)	(754,283)	(1,621)	(306,337)	93,060	(328,942)	403,799	(52,927)	(1,227,180)	0	(1,227,180)

\*\* Certain schedules may not foot/crossfoot due to rounding of decimals in files.

DUKE ENERGY FLORIDA, LLC

Estimated Energy Conservation Program Costs per Program  
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

Line No.	Program	Depreciation Amortization & Return	Payroll & Benefits	Vehicles	Outside Services	Materials & Supplies	Advertising	Incentives	Other	Sub-Total	Program Revenues (credit)	Total
1	HOME ENERGY CHECK	18,126	2,964,593	101,494	244,718	98,277	1,092,879	606,073	42,160	5,168,319	0	5,168,319
2	RESIDENTIAL INCENTIVE PROGRAM (HEI & NEW CONSTR.)	0	1,665,606	42,752	159,887	10,487	1,194,660	5,025,979	37,851	8,137,222	0	8,137,222
3	BUSINESS ENERGY CHECK	16,404	559,075	15,804	75,000	4,128	22,369	70,000	24,695	787,474	0	787,474
4	BETTER BUSINESS (Incl: C/I NEW CONSTRUCTION)	307	1,282,781	17,610	28,948	2,978	48,859	1,379,145	(7,030)	2,753,599	0	2,753,599
5	TECHNOLOGY DEVELOPMENT	0	325,674	4,190	225,978	95,114	0	0	42,712	693,668	0	693,668
6	SOLAR WATER HEATING W/EM	0	1,121	0	0	0	0	(2,582)	0	(1,461)	0	(1,461)
7	PHOTOVOLTAIC FOR SCHOOLS PILOT	0	0	0	0	0	0	(70,353)	0	(70,353)	0	(70,353)
8	RESIDENTIAL SOLAR PHOTOVOLTAIC	0	1,681	0	10	0	0	(34,815)	0	(33,123)	0	(33,123)
9	FLORIDA CUSTOM INCENTIVE	0	70,601	515	44,155	855	45,360	98,310	1,017	260,812	0	260,812
10	INTERRUPTABLE SERVICE	14,990	112,630	3,950	929	30,292	0	31,194,325	3,818	31,360,933	0	31,360,933
11	CURTAILABLE SERVICE	0	0	0	0	0	0	1,578,124	0	1,578,124	0	1,578,124
12	RESIDENTIAL ENERGY MANAGEMENT	15,003,282	1,883,182	36,405	2,833,378	30,835	1,196,112	23,307,629	49,832	44,340,654	0	44,340,654
13	COMMERCIAL ENERGY MANAGEMENT	0	0	0	0	0	0	633,452	0	633,452	0	633,452
14	LOW INCOME	0	118,347	0	200	9	34,360	140,058	16,203	309,177	0	309,177
15	STANDBY GENERATION	46,715	200,012	4,221	905	8,119	0	6,296,643	7,417	6,564,032	0	6,564,032
16	QUALIFYING FACILITY	0	1,040,267	6,094	4,322	7,076	0	0	42,146	1,099,905	0	1,099,905
17	NEIGHBORHOOD ENERGY SAVER	0	302,676	1,604	370,952	869	106,946	1,870,702	24,023	2,677,772	0	2,677,772
18	CONSERVATION PROGRAM ADMIN	0	2,892,547	20,068	718,683	139,404	0	0	351,710	4,122,412	0	4,122,412
19												
20	Total All Programs	15,099,824	13,420,792	254,707	4,708,065	428,442	3,741,546	72,092,690	636,553	110,382,619	0	110,382,619

\*\* Certain schedules may not foot/crossfoot due to rounding of decimals in files.



DUKE ENERGY FLORIDA, LLC  
ENERGY CONSERVATION ADJUSTMENT  
CALCULATION OF TRUE-UP  
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

LINE NO.		January	February	March	April	May	June	July	August	September	October	November	December	Total for The Period
1	OTHER CONSERVATION REVENUES	0	0	0	0	0	0	0	0	0	0	0	0	0
2	CONSERVATION CLAUSE REVENUES	7,931,919	8,070,791	7,834,963	7,650,065	9,011,534	10,174,924	11,170,360	11,427,103	10,820,179	9,633,971	8,831,415	7,549,016	110,106,241
3	TOTAL REVENUES	7,931,919	8,070,791	7,834,963	7,650,065	9,011,534	10,174,924	11,170,360	11,427,103	10,820,179	9,633,971	8,831,415	7,549,016	110,106,241
4	PRIOR PERIOD TRUE-UP OVER/(UNDER)	(6,293,328)	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	6,293,328
5	CONSERVATION REVENUES APPLICABLE TO PERIOD	8,456,363	8,595,235	8,359,407	8,174,509	9,535,978	10,699,368	11,694,804	11,951,547	11,344,623	10,158,415	9,355,859	8,073,460	116,399,569
6	CONSERVATION EXPENSES (CT-3,PAGE 1, LINE 29)	7,789,588	9,392,394	9,804,021	8,212,988	9,146,611	9,186,488	9,069,988	9,263,641	9,407,994	9,005,530	9,364,154	9,512,043	109,155,438
7	TRUE-UP THIS PERIOD (O)/U	(666,775)	797,158	1,444,615	38,478	(389,367)	(1,512,880)	(2,624,817)	(2,687,907)	(1,936,629)	(1,152,886)	8,295	1,438,583	(7,244,131)
8	CURRENT PERIOD INTEREST	(2,121)	(1,974)	(1,481)	(932)	(735)	(909)	(1,517)	(2,347)	(3,157)	(3,776)	(3,797)	(4,124)	(26,870)
9	ADJUSTMENTS PER AUDIT	0	0	0	0	0	0	0	0	0	0	0	0	0
10	TRUE-UP & INTEREST PROVISIONS BEGINNING OF PERIOD (O)/U	(6,293,328)	(6,437,780)	(5,118,152)	(3,150,574)	(2,588,584)	(2,454,242)	(3,443,587)	(5,545,476)	(7,711,286)	(9,126,628)	(9,758,845)	(9,229,903)	(6,293,328)
11	PRIOR TRUE-UP REFUNDED/ (COLLECTED)	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	524,444	6,293,328
12	END OF PERIOD NET TRUE-UP	(6,437,780)	(5,118,152)	(3,150,574)	(2,588,584)	(2,454,242)	(3,443,587)	(5,545,476.30)	(7,711,286)	(9,126,628)	(9,758,845)	(9,229,903)	(7,271,001)	(7,271,001)

DUKE ENERGY FLORIDA, LLC

CALCULATION OF INTEREST PROVISION  
FOR THE PERIOD JANUARY 2016 - DECEMBER 2016

LINE NO.	January	February	March	April	May	June	July	August	September	October	November	December	Total for The Period
1 BEGINNING TRUE-UP AMOUNT (CT-3,PAGE 2, LINE 9 & 10)	(6,293,328)	(6,437,780)	(5,118,152)	(3,150,574)	(2,588,584)	(2,454,242)	(3,443,587)	(5,545,476)	(7,711,286)	(9,126,628)	(9,758,845)	(9,229,903)	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	(6,435,659)	(5,116,178)	(3,149,093)	(2,587,652)	(2,453,507)	(3,442,678)	(5,543,959)	(7,708,939)	(9,123,471)	(9,755,069)	(9,226,106)	(7,266,877)	
3 TOTAL BEGINNING & ENDING TRUE-UP	(12,728,987)	(11,553,958)	(8,267,245)	(5,738,226)	(5,042,091)	(5,896,920)	(8,987,546)	(13,254,415)	(16,834,757)	(18,881,697)	(18,984,952)	(16,496,780)	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(6,364,493)	(5,776,979)	(4,133,622)	(2,869,113)	(2,521,046)	(2,948,460)	(4,493,773)	(6,627,208)	(8,417,378)	(9,440,848)	(9,492,476)	(8,248,390)	
5 INTEREST RATE: FIRST DAY REPORTING BUSINESS MONTH	0.40%	0.40%	0.42%	0.44%	0.34%	0.36%	0.38%	0.43%	0.42%	0.48%	0.48%	0.48%	
6 INTEREST RATE: FIRST DAY SUBSEQUENT BUSINESS MONTH	0.40%	0.42%	0.44%	0.34%	0.36%	0.38%	0.43%	0.42%	0.48%	0.48%	0.48%	0.72%	
7 TOTAL (LINE 5 AND LINE 6)	0.80%	0.82%	0.86%	0.78%	0.70%	0.74%	0.81%	0.85%	0.90%	0.96%	0.96%	1.20%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	0.40%	0.41%	0.43%	0.39%	0.35%	0.37%	0.41%	0.43%	0.45%	0.48%	0.48%	0.60%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	(2,121)	(1,974)	(1,481)	(932)	(735)	(909)	(1,517)	(2,347)	(3,157)	(3,776)	(3,797)	(4,124)	(26,870)

Duke Energy Florida, LLC  
 Conservation Account Numbers  
 For the Period January 2016 - December 2016

Line No.	Account	Product	Program Title
1	0908000	HEHC	Home Energy Check
1	0909000	HEHC	Home Energy Check (Advertising)
1	0403002	HEHC	Home Energy Check (Equipment Depreciation)
2	0908000	RSIP	Residential Incentive Program
2	0909000	RSIP	Residential Incentive Program (Advertising)
2	0403002	RSIP	Residential Incentive Program (Equipment Depreciation)
3	0908000	NRAOS	Business Energy Check
3	0909000	NRAOS	Business Energy Check (Advertising)
3	0403002	NRAOS	Business Energy Check (Equipment Depreciation)
4	0908000	NRBBUS	Better Business
4	0909000	NRBBUS	Better Business (Advertising)
4	0403002	NRBBUS	Better Business (Equipment Depreciation)
5	0908000	TECDEV	Technology Development
5	0908000	TECDEV	Technology Development (Energy Efficiency Research)
6	0908000	PVWHEM	Solar Water Heating w/EM
7	0908000	PVSCHP	Photovoltaic for Schools Pilot
8	0908000	PVRES	Residential Solar Photovoltaic
8	0908000	PVRES	Residential Solar Photovoltaic - CSS Input
9	0908000	NRPRSC	Florida Custom Incentive
10	0908000	IRRSVC	Interruptible Service
10	0403002	IRRSVC	Interruptible Service (Equipment Depreciation)
11	0908000	PWRSHR	Curtable Service

Duke Energy Florida, LLC  
Conservation Account Numbers  
FOR THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016

Line No.	Account	Product	Program Title
12	0908000	PWRMGR	Energy Management - Residential
12	0908002	PWRMGR	Energy Management - Residential (Amortization of Load Mgmt Switches)
12	0909000	PWRMGR	Energy Management - Residential (Advertising)
12	0403002	PWRMGR	Energy Management - Residential (Equipment Depreciation)
12	0908000	20078837	Other accounts included with Energy Management - Residential (SG DLC Switch Uplift)
12	0909000	20078837	Other accounts included with Energy Management - Residential (SG DLC Switch Uplift)
12	0908000	20078851	Other accounts included with Energy Management - Residential (PEF NAN-AMI)
12	0908000	20078944	Other accounts included with Energy Management - Residential (PEF ODS)
12	0908000	20078945	Other accounts included with Energy Management - Residential (NAN Telecom)
12	0908000	20079302	Other accounts included with Energy Management - Residential (NAN APP DEV)
12	0908000	20088588	Other accounts included with Energy Management - Residential (PEF LMS)
12	0908000	20091753	Other accounts included with Energy Management - Residential (PEF Pole Make Ready)
12	0908000	20091844	Other accounts included with Energy Management - Residential (NAN Telecom S1)
12	0908000	20091884	Other accounts included with Energy Management - Residential (NAN Telecom S4)
12	0908000	20091885	Other accounts included with Energy Management - Residential (NAN Telecom S5)
12	0908000	20091886	Other accounts included with Energy Management - Residential (NAN Telecom S6)
12	0908000	20091887	Other accounts included with Energy Management - Residential (NAN Telecom S7)
12	0908000	20091888	Other accounts included with Energy Management - Residential (NAN Telecom S8)
12	0908000	20092701	Other accounts included with Energy Management - Residential (PEF LLC Telecom)
12	0908000	20103953	Other accounts included with Energy Management - Residential (DEF PLAN B RDR)
12	0908000	20103955	Other accounts included with Energy Management - Residential (PEF PLAN B LMS)
12	0908000	20103959	Other accounts included with Energy Management - Residential (PEF PLAN B DLC TELECOM)
12	0908000	SGFRDRPSO	Other accounts included with Energy Management - Residential (SG DEF RDR Pre Scale Deployment)
12	0908000	SGFRDRSSO	Other accounts included with Energy Management - Residential (SG DEF RDR Switch Selection)
12	0908000	PWRMGR	Other accounts included with Energy Management - Residential (Switch installation)
13	0908000	COMLM	Energy Management - Commercial
14	0908000	WZELEC	Low Income Weatherization Asst
14	0909000	WZELEC	Low Income Weatherization Asst (Advertising)
15	0908000	STBGEN	Standby Generation
15	0403002	STBGEN	Standby Generation (Equipment Depreciation)
16	0908000	PPCOGN	Qualifying Facility
16	0908000	PPCOGN	Qualifying Facility - COGEN contract maintenance
17	0908000	HWLI	Neighborhood Energy Saver
17	0909000	HWLI	Neighborhood Energy Saver (Advertising)
18	0908000	NOPROD	Conservation Program Admin
18	0909000	NOPROD	Conservation Program Admin (Advertising)
18	0908000	NOPROD	Other accounts included with Conservation Program Admin (ECCR Maintenance)
18	0908000	NOPROD	Other accounts included with Conservation Program Admin (ECCR Planning)

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
FOR THE PERIOD JANUARY 2016 - DECEMBER 2016

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>1 ENERGY CONSERVATION ADMIN</b>														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0	0
5														
6 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
7														
8 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	0	0
12 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
13														
14 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
15														
16 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
17														
<b>18 INTERRUPTIBLE SERVICE</b>														
19 INVESTMENTS		44,502	0	0	0	48	0	0	0	0	0	0	0	44,550
20 RETIREMENTS		78,111	0	39	0	0	0	0	0	0	0	0	0	78,150
21 DEPRECIATION BASE		46,413	51,860	51,840	51,821	51,821	51,869	51,869	51,869	51,869	51,869	51,869	51,869	
22														
23 DEPRECIATION EXPENSE		715	864	864	864	864	865	865	865	865	865	865	865	10,226
24														
25 CUMM. NET INVEST	85,469	51,860	51,860	51,821	51,821	51,869	51,869	51,869	51,869	51,869	51,869	51,869	51,869	51,869
26 LESS: ACC. NET DEPR	79,710	2,314	3,178	4,003	4,867	5,731	6,596	7,461	8,326	9,191	10,056	10,921	11,786	11,786
27 NET INVESTMENT	5,759	49,546	48,682	47,818	46,954	46,138	45,273	44,408	43,543	42,678	41,813	40,948	40,083	40,083
28 AVERAGE INVESTMENT		27,652	49,114	48,250	47,386	46,546	45,706	44,841	43,976	43,111	42,246	41,381	40,516	40,516
29 RETURN ON AVG INVEST		165	293	287	282	278	272	252	247	242	237	233	227	3,015
30														
31 RETURN REQUIREMENTS		242	425	416	409	403	394	366	359	352	344	339	330	4,379
32														
33 PROGRAM TOTAL		957	1,289	1,280	1,273	1,267	1,259	1,231	1,224	1,217	1,209	1,204	1,195	14,605
34														
<b>35 BUSINESS ENERGY CHECK</b>														
36 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
37 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
38 DEPRECIATION BASE		69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	
39														
40 DEPRECIATION EXPENSE		1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	13,884
41														
42 CUMM. NET INVEST	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415	69,415
43 LESS: ACC. NET DEPR	37,580	38,737	39,894	41,051	42,208	43,365	44,522	45,679	46,836	47,993	49,150	50,307	51,464	51,464
44 NET INVESTMENT	31,835	30,678	29,521	28,364	27,207	26,050	24,893	23,736	22,579	21,422	20,265	19,108	17,951	17,951
45 AVERAGE INVESTMENT		31,256	30,099	28,942	27,785	26,628	25,471	24,314	23,157	22,000	20,843	19,686	18,529	18,529
46 RETURN ON AVG INVEST		186	179	172	166	159	152	137	130	123	118	111	104	1,737
47														
48 RETURN REQUIREMENTS		270	259	249	241	231	220	199	189	179	171	161	151	2,520
49														
50 PROGRAM TOTAL		1,427	1,416	1,406	1,398	1,388	1,377	1,356	1,346	1,336	1,328	1,318	1,308	16,404

- Jan - Jun return on average investment is calculated using an annual rate of 7.15% based on May 2015 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 120007-EI.  
- Jul - Dec return on average investment is calculated using an annual rate of 6.74% based on May 2016 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 120007-EI.  
- Return Requirements are calculated using a combined statutory tax rate of 38.575%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
FOR THE PERIOD JANUARY 2016 - DECEMBER 2016

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>1 HOME ENERGY CHECK</b>														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	
5														
6 DEPRECIATION EXPENSE		982	982	982	982	982	982	982	982	982	982	982	982	11,784
7														
8 CUMM. NET INVEST	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462	82,462
9 LESS: ACC. NET DEPR	13,762	14,744	15,726	16,708	17,690	18,672	19,654	20,636	21,618	22,600	23,582	24,564	25,546	25,546
10 NET INVESTMENT	68,700	67,718	66,736	65,754	64,772	63,790	62,808	61,826	60,844	59,862	58,880	57,898	56,916	56,916
11 AVERAGE INVESTMENT		68,209	67,227	66,245	65,263	64,281	63,299	62,317	61,335	60,353	59,371	58,389	57,407	
12 RETURN ON AVG INVEST		406	401	395	388	383	377	350	345	339	334	328	323	4,369
13														
14 RETURN REQUIREMENTS		589	581	573	563	555	547	509	501	493	485	477	469	6,342
15														
16 PROGRAM TOTAL		1,571	1,563	1,555	1,545	1,537	1,529	1,491	1,483	1,475	1,467	1,459	1,451	18,126
17														
<b>18 RESIDENTIAL INCENTIVE PROGRAM (HEI &amp; NEW CONSTR.)</b>														
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
21 DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0	0
22														
23 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
24														
25 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	0	0
29 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
30														
31 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
32														
33 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
34														
<b>35 LOAD MANAGEMENT SWITCHES</b>														
36 INVESTMENTS		148,238	100,449	347,636	148,538	716,048	519,146	546,159	478,289	494,594	400,226	780,483	436,751	5,116,560
37 RETIREMENTS		210,012	214,840	282,790	236,598	248,366	441,577	253,728	314,133	125,163	59,975	89,024	91,903	2,568,110
38 INVESTMENTS BOOKED TO CWIP		2,464	0	0	0	0	0	0	0	0	0	0	0	2,464
39 CLOSING TO PLANT		9,206,210	0	0	0	0	0	0	0	0	0	0	0	9,206,210
40 DEPRECIATION BASE		7,607,991	16,750,013	16,601,647	16,689,589	16,595,645	16,966,722	17,138,216	17,400,444	17,659,084	18,061,109	18,386,837	19,076,857	
41														
42 AMORTIZATION EXPENSE		101,844	279,172	276,700	278,165	276,600	282,784	285,643	290,013	294,324	301,025	306,453	317,954	3,290,677
43														
44 CUMM. NET INVEST	7,712,997	16,857,433	16,743,042	16,807,888	16,719,828	17,187,511	17,265,080	17,557,511	17,721,666	18,091,097	18,431,349	19,122,808	19,467,656	19,467,656
45 LESS: ACC. NET DEPR	4,101,995	3,993,827	4,058,159	4,052,069	4,093,636	4,121,870	3,963,077	3,994,992	3,970,871	4,140,032	4,381,082	4,598,511	4,824,562	4,824,562
46 CUMM. CWIP	9,203,746	0	0	0	0	0	0	0	0	0	0	0	0	0
47 NET INVESTMENT	12,814,747	12,863,606	12,684,883	12,755,819	12,626,192	13,065,641	13,302,003	13,562,519	13,750,795	13,951,065	14,050,267	14,524,297	14,643,094	14,643,094
48 AVERAGE INVESTMENT		12,839,177	12,774,245	12,720,351	12,691,006	12,845,916	13,183,822	13,432,261	13,656,657	13,850,930	14,000,666	14,287,282	14,583,696	
49 RETURN ON AVG INVEST		76,456	76,069	75,748	75,574	76,496	78,508	75,433	76,693	77,784	78,625	80,234	81,899	929,519
50														
51 RETURN REQUIREMENTS		111,588	110,295	109,830	109,577	110,914	113,831	109,647	111,479	113,065	114,287	116,626	119,046	1,350,185
52														
53 PROGRAM TOTAL		213,432	389,467	386,530	387,742	387,514	396,615	395,290	401,492	407,389	415,312	423,079	437,000	4,640,862

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- Jul - Dec return on average investment is calculated using an annual rate of 6.74% based on May 2016 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 120007-EI.

- Return Requirements are calculated using a combined statutory tax rate of 38.575%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
FOR THE PERIOD JANUARY 2016 - DECEMBER 2016

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>1 TECHNOLOGY DEVELOPMENT</b>														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0	0
5														
6 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
7														
8 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	0	0
12 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
13														
14 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
15														
16 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
17														
<b>18 STANDBY GENERATION</b>														
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	176,498	0	126	4,000	0	10,800	0	0	0	0	0	191,425
21 DEPRECIATION BASE		366,050	277,801	189,552	189,489	187,426	185,426	180,026	174,625	174,625	174,625	174,625	174,625	
22														
23 DEPRECIATION EXPENSE		5,705	4,630	3,159	3,158	3,124	3,090	3,000	2,910	2,910	2,910	2,910	2,910	40,416
24														
25 CUMM. NET INVEST	366,050	366,050	189,552	189,552	189,426	185,426	185,426	174,625	174,625	174,625	174,625	174,625	174,625	174,625
26 LESS: ACC. NET DEPR	286,802	292,507	120,639	123,798	126,830	125,954	129,044	121,243	124,153	127,063	129,973	132,883	135,793	135,793
27 NET INVESTMENT	79,248	73,543	68,913	65,754	62,596	59,472	56,382	53,382	50,472	47,562	44,652	41,742	38,832	38,832
28 AVERAGE INVESTMENT		76,396	71,228	67,334	64,175	61,034	57,927	54,882	51,927	49,017	46,107	43,197	40,287	
29 RETURN ON AVG INVEST		455	424	401	382	363	345	309	292	275	259	242	226	3,973
30														
31 RETURN REQUIREMENTS		689	615	581	554	526	500	449	425	400	376	352	328	5,795
32														
33 PROGRAM TOTAL		6,394	5,245	3,740	3,712	3,650	3,590	3,449	3,335	3,310	3,286	3,262	3,238	46,211
34														
<b>35 BETTER BUSINESS</b>														
36 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
37 RETIREMENTS		10,820	0	0	0	0	0	0	0	0	0	0	0	10,820
38 DEPRECIATION BASE		5,410	0	0	0	0	0	0	0	0	0	0	0	
39														
40 DEPRECIATION EXPENSE		305	0	0	0	0	0	0	0	0	0	0	0	305
41														
42 CUMM. NET INVEST	10,820	0	0	0	0	0	0	0	0	0	0	0	0	0
43 LESS: ACC. NET DEPR	10,515	0	0	0	0	0	0	0	0	0	0	0	0	0
44 NET INVESTMENT	305	0	0	0	0	0	0	0	0	0	0	0	0	0
45 AVERAGE INVESTMENT		152	0	0	0	0	0	0	0	0	0	0	0	
46 RETURN ON AVG INVEST		1	0	0	0	0	0	0	0	0	0	0	0	1
47														
48 RETURN REQUIREMENTS		2	0	0	0	0	0	0	0	0	0	0	0	2
49														
50 PROGRAM TOTAL		307	0	0	0	0	0	0	0	0	0	0	0	307

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- Jul - Dec return on average investment is calculated using an annual rate of 6.74% based on May 2016 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 120007-EI.  
- Return Requirements are calculated using a combined statutory tax rate of 38.575%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
FOR THE PERIOD JANUARY 2016 - DECEMBER 2016

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>1 RESIDENTIAL ENERGY MANAGEMENT - SUMMARY (Itemized below) (D)</b>														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	25,172	0	0	0	0	1,271	0	0	0	0	175,024	201,468
4 INVESTMENTS BOOKED TO CWIP		156,851	15,263	70,128	0	0	0	0	0	0	0	0	0	242,243
5 CLOSINGS TO PLANT		11,758,700	15,263	70,128	0	0	0	0	0	0	0	0	0	11,844,091
6 DEPRECIATION BASE		39,285,754	51,031,867	51,034,544	51,104,672	51,104,672	51,104,672	51,104,036	51,103,401	51,103,401	51,103,401	51,103,401	51,015,889	
7														
8 DEPRECIATION EXPENSE		334,129	533,228	533,272	534,441	534,441	534,441	534,431	534,420	534,420	534,420	534,420	533,984	6,210,047
9														
10 CUMM. NET INVEST	39,285,754	51,044,453	51,034,544	51,104,672	51,104,672	51,104,672	51,104,672	51,103,401	51,103,401	51,103,401	51,103,401	51,103,401	50,928,377	50,928,377
11 LESS: ACC. NET DEPR	9,711,286	10,045,415	10,553,471	11,086,743	11,621,184	12,155,625	12,690,066	13,223,225	13,757,645	14,292,065	14,826,485	15,360,905	15,719,865	15,719,865
12 CWIP	11,601,848	0	0	0	0	0	0	0	0	0	0	0	0	0
13 NET INVESTMENT	41,176,316	40,999,038	40,481,074	40,017,930	39,483,489	38,949,048	38,414,607	37,880,176	37,345,756	36,811,336	36,276,916	35,742,496	35,208,512	35,208,512
14 AVERAGE INVESTMENT		41,087,677	40,740,056	40,249,502	39,750,709	39,216,268	38,681,827	38,147,391	37,612,966	37,078,546	36,544,126	36,009,706	35,475,504	
15 RETURN ON AVG INVEST		244,672	242,602	239,682	236,711	233,529	230,346	214,229	211,227	208,225	205,224	202,223	199,223	2,667,893
16														
17 RETURN REQUIREMENTS		355,312	351,757	347,523	343,215	338,601	333,985	311,397	307,033	302,669	298,309	293,946	289,585	3,873,332
18														
19 PROGRAM TOTAL		689,441	884,985	880,795	877,656	873,042	868,426	845,828	841,453	837,089	832,729	828,366	823,569	10,083,379
20														
<b>21 RESIDENTIAL ENERGY MANAGEMENT - SMARTGRID HARDWARE FOR ODS, LMS, APPDEV, &amp; TELECOM (D)</b>														
22 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
23 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
24 INVESTMENTS BOOKED TO CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
25 CLOSINGS TO PLANT		469,833	0	0	0	0	0	0	0	0	0	0	0	469,833
26 DEPRECIATION BASE		10,117,558	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	
27														
28 DEPRECIATION EXPENSE		117,745	122,689	122,689	122,689	122,689	122,689	122,689	122,689	122,689	122,689	122,689	122,689	1,467,324
29														
30 CUMM. NET INVEST	10,117,558	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391	10,587,391
31 LESS: ACC. NET DEPR	2,996,842	3,114,587	3,237,276	3,359,965	3,482,654	3,605,343	3,728,032	3,850,721	3,973,410	4,096,099	4,218,788	4,341,477	4,464,166	4,464,166
32 Accum CWIP	469,833	0	0	0	0	0	0	0	0	0	0	0	0	0
33 NET INVESTMENT	7,590,549	7,472,804	7,350,115	7,227,426	7,104,737	6,982,048	6,859,359	6,736,670	6,613,981	6,491,292	6,368,603	6,245,914	6,123,225	6,123,225
34 AVERAGE INVESTMENT		7,531,677	7,411,460	7,288,771	7,166,082	7,043,393	6,920,704	6,798,015	6,675,326	6,552,637	6,429,948	6,307,259	6,184,570	
35 RETURN ON AVG INVEST		44,850	44,134	43,404	42,673	41,943	41,212	38,177	37,487	36,798	36,109	35,420	34,732	476,939
36														
37 RETURN REQUIREMENTS		65,045	63,991	62,933	61,873	60,814	59,754	55,493	54,490	53,488	52,487	51,486	50,485	692,339
38														
39 PROGRAM TOTAL		182,790	186,680	185,622	184,562	183,503	182,443	178,182	177,179	176,177	175,176	174,175	173,174	2,159,663
40														
<b>41 RESIDENTIAL ENERGY MANAGEMENT - SMARTGRID SOFTWARE FOR ODS, LMS, APPDEV (D)</b>														
42 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
43 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
44 INVESTMENTS BOOKED TO CWIP		156,851	15,263	70,128	0	0	0	0	0	0	0	0	0	242,243
45 CLOSINGS TO PLANT		11,288,866	15,263	70,128	0	0	0	0	0	0	0	0	0	
46 DEPRECIATION BASE		6,524,778	17,813,644	17,828,907	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	
47														
48 DEPRECIATION EXPENSE		102,396	296,900	297,154	298,323	298,323	298,323	298,323	298,323	298,323	298,323	298,323	298,323	3,381,357
49														
50 CUMM. NET INVEST	6,524,778	17,813,644	17,828,907	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,035	17,899,036	17,899,036
51 LESS: ACC. NET DEPR	2,777,222	2,879,618	3,176,518	3,473,672	3,771,995	4,070,318	4,368,641	4,666,964	4,965,287	5,263,610	5,561,933	5,860,256	6,158,579	6,158,579
52 Accum CWIP	11,132,015	0	0	0	0	0	0	0	0	0	0	0	0	0
53 NET INVESTMENT	14,879,571	14,934,026	14,652,389	14,425,363	14,127,040	13,828,717	13,530,394	13,232,071	12,933,748	12,635,425	12,337,102	12,038,779	11,740,456.65	11,740,457
54 AVERAGE INVESTMENT		14,906,798	14,793,208	14,538,876	14,276,202	13,977,879	13,679,556	13,381,233	13,082,910	12,784,587	12,486,264	12,187,941	11,889,618	
55 RETURN ON AVG INVEST		88,768	88,092	86,578	85,013	83,237	81,460	75,146	73,471	71,795	70,120	68,445	66,769	938,894
56														
57 RETURN REQUIREMENTS		129,272	127,728	125,532	123,263	120,688	118,111	109,230	106,795	104,359	101,925	99,490	97,054	1,363,447
58														
59 PROGRAM TOTAL		231,668	424,628	422,686	421,586	419,011	416,434	407,553	405,118	402,682	400,248	397,813	395,377	4,744,804

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- Jul - Dec return on average investment is calculated using an annual rate of 6.74% based on May 2016 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 120007-EI.  
- Return Requirements are calculated using a combined statutory tax rate of 38.575%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
FOR THE PERIOD JANUARY 2016 - DECEMBER 2016

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
<b>1 RESIDENTIAL ENERGY MANAGEMENT - SMARTGRID AMI METERS (D)</b>														
2	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
3	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	175,024	175,024
4	INVESTMENTS BOOKED TO CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
5	CLOSINGS TO PLANT	0	0	0	0	0	0	0	0	0	0	0	0	0
6	DEPRECIATION BASE	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,453,500	
7														
8	DEPRECIATION EXPENSE	112,281	112,142	112,142	112,142	112,142	112,142	112,142	112,142	112,142	112,142	112,142	111,706	1,345,407
9														
10	CUMM. NET INVEST	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,541,012	22,365,988	22,365,988
11	LESS: ACC. NET DEPR	3,860,807	3,973,088	4,085,230	4,197,372	4,309,514	4,421,656	4,533,798	4,645,940	4,758,082	4,870,224	4,982,366	5,094,508	5,031,190
12	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
13	NET INVESTMENT	18,680,205	18,567,924	18,455,782	18,343,640	18,231,498	18,119,356	18,007,214	17,895,072	17,782,930	17,670,788	17,558,646	17,446,504	17,334,798
14	AVERAGE INVESTMENT		18,624,064	18,511,853	18,399,711	18,287,569	18,175,427	18,063,285	17,951,143	17,839,001	17,726,859	17,614,717	17,502,575	17,390,651
15	RETURN ON AVG INVEST		110,905	110,236	109,569	108,901	108,233	107,565	100,810	100,180	99,550	98,920	98,291	97,662
16														1,250,822
17	RETURN REQUIREMENTS		160,779	159,835	158,868	157,899	156,931	155,962	146,535	145,619	144,703	143,788	142,873	141,959
18														1,815,751
19	PROGRAM TOTAL		273,060	271,977	271,010	270,041	269,073	268,104	258,677	257,761	256,845	255,930	255,015	253,665
20														3,161,158
<b>21 RESIDENTIAL ENERGY MANAGEMENT - NON-SMARTGRID RESIDENTIAL PROJECTS (D)</b>														
22	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
23	RETIREMENTS	0	25,172	0	0	0	0	1,271	0	0	0	0	0	26,443
24	INVESTMENTS BOOKED TO CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
25	CLOSINGS TO PLANT	0	0	0	0	0	0	0	0	0	0	0	0	0
26	DEPRECIATION BASE	102,406	89,820	77,234	77,234	77,234	77,234	76,598	75,963	75,963	75,963	75,963	75,963	75,963
27														
28	DEPRECIATION EXPENSE	1,707	1,497	1,287	1,287	1,287	1,287	1,277	1,266	1,266	1,266	1,266	1,266	15,959
29														
30	CUMM. NET INVEST	102,406	102,406	77,234	77,234	77,234	77,234	75,963	75,963	75,963	75,963	75,963	75,963	75,963
31	LESS: ACC. NET DEPR	76,415	78,122	54,447	55,734	57,021	58,308	59,595	59,600	60,866	62,132	63,398	64,664	65,930
32	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
33	NET INVESTMENT	25,991	24,284	22,787	21,500	20,213	18,926	17,639	16,362	15,096	13,830	12,564	11,298	10,032
34	AVERAGE INVESTMENT		25,138	23,536	22,144	20,857	19,570	18,283	17,001	15,729	14,463	13,197	11,931	10,665
35	RETURN ON AVG INVEST		149	140	131	124	116	109	96	89	82	75	67	60
36														1,238
37	RETURN REQUIREMENTS		216	203	190	180	168	158	139	129	119	109	97	87
38														1,795
39	PROGRAM TOTAL		1,923	1,700	1,477	1,467	1,455	1,445	1,416	1,395	1,385	1,375	1,363	1,353
														17,754

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- Jul - Dec return on average investment is calculated using an annual rate of 6.74% based on May 2016 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 120007-EI.  
- Return Requirements are calculated using a combined statutory tax rate of 38.575%.

## **Program Description and Progress**

**Program Title:** Home Energy Check Program

**Program Description:** The Home Energy Check Program is a residential energy audit program that provides customers with an analysis of their energy consumption as well as educational information on how to reduce energy usage and save money. The audit provides Duke Energy Florida, LLC (DEF) an opportunity to promote and directly install cost-effective measures in customer homes, and educate and encourage customers to implement energy-saving practices. The Home Energy Check Program is the foundation for other residential Demand Side Management Programs and offers the following types of energy audits:

- Type 1: Free Walk-Through (computer assisted)
- Type 2: Customer Online (Internet Option)
- Type 3: Customer Phone Assisted
- Type 4: Home Energy Rating (BERS/HERS) Audit

The Home Energy Check Program provides residential customers with energy efficiency tips and examples of easily installed energy efficiency measures. The program promotes continued customer involvement by demonstrating sustainable and measurable reductions in energy usage through the implementation of low cost energy efficiency measures and energy saving recommendations. Participants in the program may receive a residential Energy Efficiency Kit that contains energy saving measures that can be easily installed and utilized by the customer. Contents of this kit are evaluated periodically and may change over time.

**Program Accomplishments - January 2016 - December 2016:**  
32,172 customers participated in the Home Energy Check Program.

**Program Fiscal Expenditures - January 2016 - December 2016:**  
Expenses for this program were \$4,803,430.

**Program Progress Summary:**

874,546 participants have participated in the Home Energy Check Program since inception. DEF will continue to use this program to inform customers about cost-effective energy efficiency measures they can implement and incentives on home energy improvements for which they may be eligible.

## **Program Description and Progress**

**Program Title:** Residential Incentive Program

**Program Description:** The Residential Incentive Program provides incentives to customers for energy efficiency improvements for both existing and new homes. The Residential Incentive Program includes incentives for measures such as duct testing, duct repair, attic insulation, replacement windows, high efficiency heat pump replacing resistance heat, high efficiency heat pump replacing a heat pump, and newly constructed Energy Star homes.

**Program Accomplishments - January 2016 - December 2016:**

33,128 measures were implemented through this program resulting in a savings of 9.5 Summer MW's, 17.7 Winter MW's and 14.7 GWH's.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$8,849,722.

**Program Progress Summary:**

988,335 measures have been implemented through this program. This program will continue to be offered to residential customers to provide opportunities for improving the energy efficiency of existing and new homes.

## **Program Description and Progress**

**Program Title:** Neighborhood Energy Saver Program

**Program Description:** DEF's Neighborhood Energy Saver program is designed to provide energy saving education and assistance to low income customers. This program targets neighborhoods that meet certain income eligibility requirements. DEF installs energy saving measures in approximately 4,500 homes and provides home energy reports to approximately 15,000 customers annually through this program. These home energy reports provide information about energy efficiency and remind customers about low cost energy saving measures.

**Program Accomplishments - January 2016 - December, 2016:**

39,626 energy efficiency measures were installed on 4,752 homes and 15,034 customers received home energy reports.

**Program Fiscal Expenditures - January 2016 - December, 2016:**

Expenses for this program were \$2,364,563.

**Program Progress Summary:**

Since program inception, DEF has installed energy efficiency measures in 28,863 homes and 15,034 customers received home energy reports through year-end 2016.

## **Program Description and Progress**

**Program Title:** Low-Income Weatherization Assistance Program

**Program Description:** The Low-Income Weatherization Assistance Program (LIWAP) is designed to integrate DEF's DSM program measures with assistance provided by the Florida Department of Economic Opportunity (DEO) and local weatherization providers to deliver energy efficiency measures to income eligible families. Through this partnership, DEF assists local weatherization agencies by providing energy education materials and financial incentives to weatherize the homes of low-income families.

**Program Accomplishments - January 2016 - December 2016:**

1,808 weatherization measures were installed on 392 residential homes.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$292,931.

**Program Progress Summary:**

23,146 measures have been implemented through this program. DEF participates in local, state-wide and national agency meetings to promote the delivery of this program. Meetings with weatherization and other low income agencies are conducted throughout DEF's territory to encourage customer participation in energy efficiency programs. This program was recently modified to align the eligibility with that of agencies who provide weatherization services. This change is intended to expand the network of agencies that DEF can partner with.

## **Program Description and Progress**

**Program Title:** Residential/Commercial Energy Management Program

**Program Description:** The Residential/Commercial Energy Management Program is a voluntary demand response program that provides monthly bill credits to customers who allow DEF to reduce peak demand by controlling service to selected electric equipment through various devices and communication options installed on the customer's premises. These interruptions are at DEF's option, during specified time periods, and generally coincident with hours of peak demand. Residential customers must have a minimum average monthly usage of 600 kwh's to be eligible to participate in this program.

**Program Accomplishments - January 2016 - December 2016:**

8,634 residential customers were added to the program in 2016. The commercial program has been closed to new participants since July 2000.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for the residential program were \$43,213,106. Expenses for the commercial program were \$539,060.

**Program Progress Summary:**

There were 424,403 residential participants and 63 commercial participants at year-end 2016.

## **Program Description and Progress**

**Program Title:** Business Energy Check Program

**Program Description:** The Business Energy Check Program is a commercial energy audit program that provides commercial customers with an analysis of their energy usage and information about energy-saving practices and cost-effective measures that they can implement at their facilities. The Business Energy Check Program serves as the foundation for the Better Business Program.

**Program Accomplishments - January 2016 - December 2016:**

699 commercial energy audits were completed in 2016.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$483,840.

**Program Progress Summary:**

41,657 non-residential customers have participated in the Business Energy Check Program since inception. This program continues to educate and inform commercial customers about cost-effective energy efficiency improvements.

## **Program Description and Progress**

**Program Title:** Better Business Program

**Program Description:** This umbrella efficiency program provides incentives to existing commercial, industrial and governmental customers for heating, air conditioning, ceiling and roof insulation upgrades, duct leakage and repair, demand-control ventilation, cool roof coating, high efficiency energy recovery ventilation and HVAC optimization qualifying measures.

**Program Accomplishments - January 2016 - December 2016:**

Incentives were provided to customers for 760 commercial energy efficiency measures through this program in 2016.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$2,757,101.

**Program Progress Summary:**

Incentives have been provided to customers for 20,329 commercial energy efficiency measures through this program since inception.

## **Program Description and Progress**

**Program Title:** Florida Custom Incentive Program

**Program Description:** The Florida Custom Incentive Program is designed to encourage commercial and industrial customers to make capital investments for energy efficiency measures which reduce peak demand and provide energy savings. This program provides incentives for individual custom projects which are cost effective, but not otherwise addressed through DEF's prescriptive incentive programs. Examples of energy efficient technologies that would be considered under this program include, but are not limited to, new construction measures and new thermal energy storage systems.

**Program Accomplishments - January 2016 - December 2016:**

4 customers participated in the program in 2016 resulting in a savings of 61 SMW's, 17 WMW's and .10 GWH's.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$160,703.

**Program Progress Summary:**

213 projects have received incentives through this program since inception. This program continues to target customer specific energy efficiency measures not covered through DEF's prescriptive commercial programs.

## **Program Description and Progress**

**Program Title:** Standby Generation

**Program Description:** The Standby Generation Program is a demand control program that allows DEF to reduce system demand by dispatching the customer's stand-by generator. This is a voluntary program available to commercial and industrial customers who have on-site generation capability.

**Program Accomplishments - January 2016 - December 2016:**

Due to changes in environmental requirements, the Emergency Standby Program was closed in 2016. DEF added 147 customers who provided documentation that their generator was compliant with the new environmental requirements of the Non-Emergency Program.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$6,554,460.

**Program Progress Summary:**

There were 147 participants at year-end 2016 providing 75.6 MW's of load control.

## **Program Description and Progress**

**Program Title:** Interruptible Service Program

**Program Description:** The Interruptible Service Program is a direct load control program that reduces DEF's system demand at times of capacity shortage during peak or emergency conditions.

**Program Accomplishments - January 2016 - December 2016:**

1 account was added to the program.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$30,839,712.

**Program Progress Summary:**

73 customers currently participate in this program providing 314 winter MW's and 334 summer MW's of load control.

### **Program Description and Progress**

**Program Title:** Curtailable Service Program

**Program Description:** The Curtailable Service Program is an indirect load control program that reduces DEF's system demand at times of capacity shortage during peak or emergency conditions.

**Program Accomplishments - January 2016 - December 2016:**

No accounts were added to this program.

**Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$2,189,456.

**Program Progress Summary:**

There were 2 customers and 4 accounts participating in this program in 2016 providing 8.2 MWs of load control.

### **Program Description and Progress**

**Program Title:** Solar Water Heating with Energy Management Program

**Program Description:** This program provided residential customers who installed a solar thermal water heating system and signed up to participate in the Residential Energy Management Program with a \$550 one-time upfront incentive. The program also required that the customer's heating, air conditioning and water heating systems be on the Residential Energy Management Program for a minimum of three years. Customers who participated in this program are eligible to receive 25% of the otherwise applicable residential load management credits for the life of their account. Customers who withdraw from the load management program prior to meeting the 3 year commitment are required to reimburse DEF for portion of the solar thermal water heating incentive. This program was closed to new participants at year-end 2015.

**Program Accomplishments - January, 2016 - December, 2016:**

No accounts were added to this program.

**Program Fiscal Expenditures - January, 2016 - December, 2016:**

Credits to this program of \$3,905 represent reimbursements from customers who withdrew from the Residential Energy Management Program prior to fulfilling the minimum three year commitment.

**Program Progress Summary:**

This program was implemented in 2011. This program was closed to new participants at year-end 2015.

### **Program Description and Progress**

**Program Title:** Residential Solar Photovoltaic Pilot

**Program Description:** This pilot program provided incentives to residential customers to install new solar photovoltaic (PV) systems on their home. The pilot program included an annual reservation process for pre-approval to ensure incentive funds were available to participants. Participants were eligible to receive a rebate of \$2.00 per Watt of the PV dc power rating up to a \$20,000 maximum for installing a new PV system. This program was implemented in 2011 along with a new online application process and continued to be offered in DEF's service territory through 2016.

**Program Accomplishments - January, 2016 - December, 2016:**

No accounts were added to this program.

**Program Fiscal Expenditures - January, 2016 - December, 2016:**

Credits to this program of \$33,123 represent the reversal of a prior year accrual.

**Program Progress Summary:**

This pilot program was implemented in 2011 along with an online application process. This program ended at year-end 2015.

## **Program Description and Progress**

**Program Title:** Photovoltaic for Schools Pilot

**Program Description:** This pilot program was part of DEF's Demand-Side Renewable Portfolio and was designed to promote energy education and provide participating public schools with new solar photovoltaic (PV) systems at no cost to the school. The pilot program was limited to an annual target of one system with a rating up to 100 kW installed on a post-secondary school and up to ten (10) 10 kW systems with a battery backup option installed on K-12 schools, preferably those serving as emergency shelters. This pilot program was implemented in 2011 and continued to be offered in DEF's service territory through 2016.

**Program Accomplishments - January, 2016 - December, 2016:**

6 installations that had been started in 2015 were completed in February 2016.

**Program Fiscal Expenditures - January, 2016 - December, 2016:**

Expenses for this program were \$19,982. These costs were incurred to complete projects that were started in the prior year.

**Program Progress Summary:**

This pilot program was implemented in 2011. Since inception PV systems were installed on 38 K-12 schools and 5 post-secondary public schools. This program ended at year-end 2015.

## **Program Description and Progress**

**Program Title:** Technology Development

**Program Description:** The Technology Development Program is designed to allow DEF to investigate technologies that support the development of new demand response and energy efficiency programs. This program includes, but is not limited to, technological research, field demonstration projects, research on load behavior and demand-side management measures and other market related research.

### **Program Accomplishments - January 2016 - December 2016:**

Several research and development projects continued and/or launched in 2016.

- Continued a project for appliance energy efficiency and demand response using the CTA-2045 modular communications interface including field pilot projects for CTA-2045-enabled retrofit water heater switches, resistance and heat-pump water heaters, pool pumps, and HVAC thermostats.
- Continued to collaborate with the University of South Florida on a project for commercial building energy efficiency and demand response utilizing control systems that interface with existing customer building management systems.
- Continued demonstration of technologies that utilize Variable Speed Heat Pumps with the potential of eliminating strip heat as a back-up heat source for heat pumps
- Continued data collection to document solar resource on distribution feeders associated with our solar PV monitoring project.
- Participated in a EPRI project to study the potential of using customer demand response to provide benefits to compensate for variable loads and intermittent renewable generation resources.
- Continued a project to improve the efficacy of commercial energy audits through analysis of available customer data to identify candidates that are likely to benefit from energy efficiency measures.
- Began a field pilot test of Energy Management Circuit Breakers that have the potential to improve energy efficiency and provide demand response capabilities for customer appliances.
- Partnered with EPRI and other research organizations to evaluate energy efficiency, energy storage, and alternative energy / innovative technologies.

### **Program Fiscal Expenditures - January 2016 - December 2016:**

Expenses for this program were \$272,184.

### **Program Progress Summary:**

DEF continued to focus on researching and testing new technologies which have the potential to provide new programs and create new customer offerings.

## Program Description and Progress

**Program Title:** Qualifying Facility

**Program Description:** The purpose of this program is to meet the objectives and obligations established by Section 366.051, Florida Statutes, and the Commission's rules contained within Chapter 25-17, Florida Administrative Code, regarding the purchase of as-available energy and firm energy and capacity from Qualifying Facilities (QFs), including those that utilize renewable sources as defined in Section 366.91, Florida Statutes, pursuant to an as-available tariff, standard offer contract, or negotiated contracts.

Under the QF program, DEF facilitates and administers the power purchases from qualifying facilities and state jurisdictional interconnections. This Program develops standard offer contracts, negotiates, enters into, amends and restructures non-firm energy, and firm energy and capacity contracts entered into with qualifying cogeneration, small power producers, and renewable facilities.

### **Program Accomplishments - January, 2016 - December, 2016:**

Avoided cost and interconnection service activity with renewable and distributed resource (DR) developers steadily increased in 2016. DEF provided QF, renewable, or DR related information to several interested parties who are exploring distributed generation options in Florida. Numerous calls and meetings were held with parties interested in the advancement of these distributed resource technologies, their markets and pricing changes. DEF continued developing its analytics and business processes that are required to support good faith QF purchased power negotiations and interconnection service.

Meetings were held with current QFs to discuss extending existing purchase agreements. The contracts under development are monitored for construction milestones, financing status, permitting, transmission studies and agreements, insurance and performance security.

DEF successfully administered all existing QF purchased power contracts that are in-service for contractual compliance and added one additional QF on the non-firm as-available Tariff. The state jurisdictional QF interconnection activity was managed by adding 658 MW's of pre-application interconnection requests and 135 MW's of interconnection studies to the state queue throughout 2016. The QF purchased power contracts produced more than 3.0 Million mWh's for DEF customers during 2016.

### **Program Fiscal Expenditures - January, 2016 - December, 2016:**

Expenses for this program were \$1,093,311.

### **Program Progress Summary:**

As of December 31, 2016, DEF administered total firm capacity contracts from in-service QFs of approximately 511 MW's and seven As-Available energy contracts with active delivery to DEF; There are 60 MW's of firm capacity and a placeholder of 250 MW of As-Available energy contracts under development for future service. In addition, as of December 31, 2016, there were a total of 968 MW's of potential QF pre-application requests for state jurisdictional interconnection service, a total of 163 MW's of potential QF state jurisdictional interconnection requests in process, and a total of 1,592 MW's of potential QF FERC jurisdictional interconnection requests in the FERC interconnection queue under study.

**Duke Energy Florida, LLC  
Energy Conservation Cost Recovery  
Capital Structure and Cost Rates  
January 2016 - December 2016**

FPSC Docket No. 170002-EG  
Duke Energy Florida, LLC  
Witness: Lori J. Cross  
Exhibit No. \_\_\_(LJC-1T)  
Schedule CT-6  
Page 1 of 1  
April 27, 2017

Class of Capital	Retail Amount	Ratio	Cost Rate	Weighted Cost Rate	PreTax Weighted Cost Rate
CE	\$4,681,853	48.76%	0.10500	5.120%	8.335%
PS	0	0.00%	0.00000	0.000%	0.000%
LTD	3,672,596	38.25%	0.05187	1.984%	1.984%
STD	(90,568)	-0.94%	0.00170	-0.002%	-0.002%
CD-Active	182,163	1.90%	0.02306	0.044%	0.044%
CD-Inactive	1,306	0.01%	0.00000	0.000%	0.000%
ADIT	1,318,615	13.73%	0.00000	0.000%	0.000%
FAS 109	(164,391)	-1.71%	0.00000	0.000%	0.000%
ITC	498	0.01%	0.00000	0.000%	0.000%
<b>Total</b>	<b>\$9,602,073</b>	<b>100.00%</b>		<b>7.146%</b>	<b>10.361%</b>
			<b>Total Debt</b>	<b>2.03%</b>	<b>2.026%</b>
			<b>Total Equity</b>	<b>5.12%</b>	<b>8.335%</b>

May 2015 DEF Surveillance Report capital structure and cost rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Dockets 120001-EI, 120002-EI & 120007-EI.

Class of Capital	Retail Amount	Ratio	Cost Rate	Weighted Cost Rate	PreTax Weighted Cost Rate
CE	\$4,664,905	46.35%	0.10500	4.867%	7.924%
PS	0	0.00%	0.00000	0.000%	0.000%
LTD	3,327,189	33.06%	0.05470	1.809%	1.809%
STD	373,704	3.71%	0.00580	0.022%	0.022%
CD-Active	182,948	1.82%	0.02300	0.042%	0.042%
CD-Inactive	1,367	0.01%	0.00000	0.000%	0.000%
ADIT	223	0.00%	0.00000	0.000%	0.000%
FAS 109	(161,369)	-1.60%	0.00000	0.000%	0.000%
ITC	1,674,675	16.64%	0.00000	0.000%	0.000%
<b>Total</b>	<b>\$10,063,642</b>	<b>100.00%</b>		<b>6.739%</b>	<b>9.796%</b>
			<b>Total Debt</b>	<b>1.87%</b>	<b>1.872%</b>
			<b>Total Equity</b>	<b>4.87%</b>	<b>7.924%</b>

May 2016 DEF Surveillance Report capital structure and cost rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Dockets 120001-EI, 120002-EI & 120007-EI.