



June 13, 2014

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

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DIVISION OF
ACCOUNTING & FINANCE

Dear Mr. Fletcher:

Pursuant to Commission Rule 25-6.1352, enclosed please find Duke Energy Florida, Inc.'s Earnings Surveillance Report for the twelve months ended April 30, 2014.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended April 30, 2014. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with the Stipulation & Settlement Agreement, Order No. PSC-13-0598-FOF-EI.

If you have any questions, please feel free to contact Marcia Olivier at (727) 820-5653.

Sincerely,

Javier Portuondo
Director Rates & Regulatory Strategy

dc
Attachment
xc: Mr. J. R. Kelly, Office of the Public Counsel

**DUKE ENERGY FLORIDA
RATE OF RETURN REPORT SUMMARY
APRIL 2014**

SCHEDULE 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. AVERAGE RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$ 690,753,619 (a)	\$ (70,439,633) (b)	\$ 620,313,985	\$ 3,956,938	\$ 624,270,924
Average Rate Base	\$ 10,063,217,220	\$ (1,638,030,060)	\$ 8,425,187,159	\$ -	\$ 8,425,187,159
Average Rate of Return	6.86%		7.36%		7.41%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$ 682,842,466	\$ (62,528,481)	\$ 620,313,985		
Average Rate Base	\$ 10,151,595,578	\$ (871,432,469)	\$ 9,280,163,109		
Average Rate of Return	6.73%		6.68%		

(a) INCLUDES AFUDC EARNINGS

(b) INCLUDES REVERSAL OF AFUDC EARNINGS

III. REQUIRED RATES OF RETURN	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	6.64%	6.34%
Mid Point	7.12%	6.80%
High Point	7.61%	7.26%
Pro Forma Adjusted Basis		
Low Point	6.64%	6.34%
Mid Point	7.12%	6.80%
High Point	7.61%	7.26%
IV. FINANCIAL INTEGRITY INDICATORS		
A. T.I.E. with AFUDC	2.88	(System Per Books Basis)
B. T.I.E without AFUDC	2.84	(System Per Books Basis)
C. AFUDC to Net Income	3.03%	(System Per Books Basis)
D. Internally Generated Funds	102.79%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	43.13%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.82%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	10.99%	(FPSC Adjusted Basis)
	11.09%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

I am aware that Section 837-06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775-084


Javier Portuondo, Director Rates & Regulatory Strategy

6-13-14
Date

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Average Rate Base
System Per Books	13,358,380,390	4,893,171,697	8,465,208,693	120,900,131	292,523,392	8,878,632,216	2,210,016,055	11,088,648,271
Regulatory Base - Retail	12,003,697,663	4,482,761,575	7,520,936,088	104,803,488	239,521,490	7,865,261,066	2,197,956,153	10,063,217,220
FPSC Adjustments								
ARO	(17,243,050)	(27,179,111)	9,936,061			9,936,061	(10,131,873)	(195,812)
ECCR	(30,914,851)	(2,122,795)	(28,792,057)		(13,959,179)	(42,751,236)	(1,761,378)	(44,512,613)
ECRC	(843,927,877)	(75,947,959)	(767,979,918)		(5,938,151)	(773,918,070)	(25,293,887)	(799,211,956)
FUEL	(28,969,101)	(28,099,981)	(869,120)			(869,120)	318,055,544	317,186,425
CCR							(44,646,697)	(44,646,697)
NUCLEAR					(51,226,072)	(51,226,072)	(403,955,712)	(455,181,784)
CR3 Removal							(1,268,297,553)	(1,268,297,553)
Derivatives							(19,932,187)	(19,932,187)
Employee Related							(2,025,923)	(2,025,923)
Investments Earning a Return							(107,955,738)	(107,955,738)
Jobbing Accounts							(3,287,304)	(3,287,304)
Non-Regulated and Miscellaneous	(30,236,164)	(32,210,044)	1,973,880			1,973,880	20,813,807	22,787,687
Rate Case Regulatory Asset							(149,985)	(149,985)
Retention Accounts							2,125,864	2,125,864
CWIP - AFUDC					(28,327,561)	(28,327,561)		(28,327,561)
Imputed Off Balance Sheet Obligations							794,335,816	794,335,816
Capital Lease	(169,448,189)		(169,448,189)			(169,448,189)	168,707,450	(740,739)
Total FPSC Adjustments	(1,120,739,232)	(165,559,889)	(955,179,343)		(99,450,963)	(1,054,630,306)	(583,399,754)	(1,638,030,060)
FPSC Adjusted	10,882,958,431	4,317,201,685	6,565,756,746	104,803,488	140,070,527	6,810,630,760	1,614,556,399	8,425,187,159

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	4,657,961,252	1,995,435,535	819,274,046	438,458,385	316,407,285	(86,586,441)	420,391,122	(1,307,002)		3,902,072,930	755,888,322
Regulatory Base - Retail (b)	4,363,168,888	1,931,162,790	735,165,135	409,542,689	305,799,626	(77,777,233)	377,620,997	(1,187,581)		3,680,326,422	682,842,466
FPSC Adjustments											
ECCR	(108,584,319)		(100,369,338)	(2,771,924)		(2,099,659)				(105,240,921)	(3,343,398)
ECRC	(151,725,145)		(38,924,183)	(30,673,983)	(6,951,510)	(28,998,937)				(105,548,613)	(46,176,532)
FUEL	(1,552,817,460)	(1,557,124,608)	(1,011,142)			2,051,530				(1,556,084,219)	3,266,760
CCR	(374,267,408)	(374,038,182)	(291,909)			24,180				(374,305,911)	38,503
NUCLEAR	(153,730,448)		(678,372)	(128,723,180)		(9,384,871)				(138,786,424)	(14,944,024)
CORPORATE AIRCRAFT ALLOCATION			(2,835,104)			1,093,641				(1,741,462)	1,741,462
FRANCHISE FEE & GROSS RECEIPTS	(198,169,907)					(76,444,042)				(76,444,042)	(121,725,865)
FRANCHISE FEES & GROSS REC TAX - TOI					(195,465,826)	75,400,942				(120,064,884)	120,064,884
GAIN/LOSS ON DISPOSITION & OTHER						253,682		(657,633)		(403,951)	403,951
INST./PROMOTIONAL ADVERTISING			(123,778)			47,747				(76,030)	76,030
INTEREST ON TAX DEFICIENCY			(492,483)			189,975				(302,508)	302,508
MISCELLANEOUS INTEREST EXPENSE			153,746			(59,308)				94,438	(94,438)
REMOVE ASSOC/ORGANIZATION DUES			(133,875)			51,642				(82,233)	82,233
PARENT DEBT ADJUSTMENT						(9,401,434)				(9,401,434)	9,401,434
DIRECTORS & OFFICERS PREMIUM			(1,771,248)			683,259				(1,087,989)	1,087,989
INTEREST SYNCHRONIZATION - FPSC						12,709,977				12,709,977	(12,709,977)
Total FPSC Adjustments	(2,539,294,686)	(1,931,162,790)	(146,477,685)	(162,169,087)	(202,417,336)	(33,881,674)			(657,633)	(2,476,766,205)	(62,528,481)
FPSC Adjusted	1,823,874,202		588,687,450	247,373,602	103,382,290	(111,658,907)	377,620,997	(1,187,581)	(657,633)	1,203,560,217	620,313,985
Pro Forma Adjustments											
Weather Normalization	6,441,902					2,484,964				2,484,964	3,956,938
Total Pro Forma Adjustments	6,441,902					2,484,964				2,484,964	3,956,938
Pro Forma Adjusted	1,830,316,104		588,687,450	247,373,602	103,382,290	(109,173,943)	377,620,997	(1,187,581)	(657,633)	1,206,045,181	624,270,924
Current Month											
System Per Books	348,057,332	146,242,122	67,686,002	58,971,176	10,819,494	(6,437,757)	31,256,348	(108,917)		308,428,468	39,628,864
FPSC Adjusted	326,029,531		60,737,172	55,082,112	10,456,767	(5,782,787)	28,076,362	(98,965)		290,901,134	35,799,298
							9,661,752	pretax			
							7,911,153	pretax			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	616,581	(195,812)
	ECCR	F	(44,512,613)	(44,512,613)
	ECRC	F	(858,178,876)	(799,211,956)
	FUEL	F	317,119,850	317,186,425
	CCR	F	(44,646,697)	(44,646,697)
	NUCLEAR	F	(459,105,706)	(455,181,784)
	CR3 Removal	F	(1,268,297,553)	(1,268,297,553)
	Derivatives	F	(19,932,187)	(19,932,187)
	Employee Related	F	(2,025,107)	(2,025,923)
	Investments Earning a Return	F	(110,627,503)	(107,955,738)
	Jobbing Accounts	F	(3,287,304)	(3,287,304)
	Non-Regulated and Miscellaneous	F	22,787,687	22,787,687
	Rate Case Regulatory Asset	F	(149,985)	(149,985)
	Retention Accounts	F	2,386,118	2,125,864
(1)	CWIP - AFUDC	F	(39,255,920)	(28,327,561)
(3)	Imputed Off Balance Sheet Obligations	F	855,182,016	794,335,816
(2)	Capital Lease - EPIS	F	(181,770,405)	(169,448,189)
(2)	Capital Lease - Working Capital	F	180,975,800	168,707,450
	Total		(1,652,721,805)	(1,638,030,060)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(5,443,057)	2,099,659	(5,443,057)	2,099,659
	ECRC	F	(75,175,469)	28,998,937	(75,175,469)	28,998,937
	FUEL	F	5,318,290	(2,051,530)	5,318,290	(2,051,530)
	CCR	F	62,683	(24,180)	62,683	(24,180)
	NUCLEAR	F	(24,328,896)	9,384,871	(24,328,896)	9,384,871
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,835,104	(1,093,641)	2,835,104	(1,093,641)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(198,169,907)	76,444,042	(198,169,907)	76,444,042
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	195,465,826	(75,400,942)	195,465,826	(75,400,942)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	738,142	(284,738)	657,633	(253,682)
(1)	INST./PROMOTIONAL ADVERTISING	F	123,778	(47,747)	123,778	(47,747)
(1)	INTEREST ON TAX DEFICIENCY	F	492,483	(189,975)	492,483	(189,975)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(153,746)	59,308	(153,746)	59,308
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	133,875	(51,642)	133,875	(51,642)
(2)	PARENT DEBT ADJUSTMENT	F		10,346,709		9,401,434
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,771,248	(683,259)	1,771,248	(683,259)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(12,709,977)		(12,709,977)
	Total		(96,329,646)	34,795,893	(96,410,155)	33,881,674

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI
(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	13,624,198,721	5,020,080,391	8,604,118,330	120,899,848	269,980,319	8,994,998,497	2,210,016,055	11,205,014,552
Regulatory Base - Retail	12,231,177,917	4,608,226,026	7,622,951,891	104,803,242	225,884,291	7,953,639,425	2,197,956,153	10,151,595,578
FPSC Adjustments								
ARO	(16,841,368)	(28,975,149)	12,133,781			12,133,781	(10,131,873)	2,001,909
ECCR	(37,850,408)	(3,433,240)	(34,417,168)		(8,665,947)	(43,083,115)	(1,761,378)	(44,844,493)
ECRC	(30,546,835)	(8,320,642)	(22,226,193)		(10,689,839)	(32,916,032)	(25,293,887)	(58,209,919)
FUEL	(28,969,387)	(28,100,410)	(868,977)			(868,977)	318,055,544	317,186,567
CCR							(44,646,697)	(44,646,697)
NUCLEAR					(47,765,715)	(47,765,715)	(403,955,712)	(451,721,426)
CR3 Removal							(1,268,297,553)	(1,268,297,553)
Derivatives							(19,932,187)	(19,932,187)
Employee Related							(2,025,923)	(2,025,923)
Investments Earning a Return							(107,955,738)	(107,955,738)
Jobbing Accounts							(3,287,304)	(3,287,304)
Non-Regulated and Miscellaneous	(30,235,670)	(32,686,423)	2,450,753			2,450,753	20,813,807	23,264,559
Rate Case Regulatory Asset							(149,985)	(149,985)
Retention Accounts							2,125,864	2,125,864
CWIP - AFUDC					(11,410,258)	(11,410,258)		(11,410,258)
Imputed Off Balance Sheet Obligations							794,335,816	794,335,816
Capital Lease	(166,573,151)		(166,573,151)			(166,573,151)	168,707,450	2,134,299
Total FPSC Adjustments	(311,016,819)	(101,515,863)	(209,500,956)		(78,531,759)	(288,032,715)	(583,399,754)	(871,432,469)
FPSC Adjusted	11,920,161,097	4,506,710,163	7,413,450,935	104,803,242	147,352,532	7,665,606,709	1,614,556,399	9,280,163,109

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	2,814,301	2,001,909
	ECCR	F	(44,844,493)	(44,844,493)
	ECRC	F	(59,427,444)	(58,209,919)
	FUEL	F	317,120,003	317,186,567
	CCR	F	(44,646,697)	(44,646,697)
	NUCLEAR	F	(455,380,285)	(451,721,426)
	CR3 Removal	F	(1,268,297,553)	(1,268,297,553)
	Derivatives	F	(19,932,187)	(19,932,187)
	Employee Related	F	(2,025,107)	(2,025,923)
	Investments Earning a Return	F	(110,627,503)	(107,955,738)
	Jobbing Accounts	F	(3,287,304)	(3,287,304)
	Non-Regulated and Miscellaneous	F	23,264,559	23,264,559
	Rate Case Regulatory Asset	F	(149,985)	(149,985)
	Retention Accounts	F	2,386,118	2,125,864
(1)	CWIP - AFUDC	F	(15,694,343)	(11,410,258)
(3)	Imputed Off Balance Sheet Obligations	F	855,182,016	794,335,816
(2)	Capital Lease - EPIS	F	(178,686,295)	(166,573,151)
(2)	Capital Lease - Working Capital	F	180,975,800	168,707,450
	Total		(821,256,399)	(871,432,469)

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(5,443,057)	2,099,659	(5,443,057)	2,099,659
	ECRC	F	(75,175,469)	28,998,937	(75,175,469)	28,998,937
	FUEL	F	5,318,290	(2,051,530)	5,318,290	(2,051,530)
	CCR	F	62,683	(24,180)	62,683	(24,180)
	NUCLEAR	F	(24,328,896)	9,384,871	(24,328,896)	9,384,871
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,835,104	(1,093,641)	2,835,104	(1,093,641)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(198,169,907)	76,444,042	(198,169,907)	76,444,042
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	195,465,826	(75,400,942)	195,465,826	(75,400,942)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	738,142	(284,738)	657,633	(253,682)
(1)	INST./PROMOTIONAL ADVERTISING	F	123,778	(47,747)	123,778	(47,747)
(1)	INTEREST ON TAX DEFICIENCY	F	492,483	(189,975)	492,483	(189,975)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(153,746)	59,308	(153,746)	59,308
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	133,875	(51,642)	133,875	(51,642)
(2)	PARENT DEBT ADJUSTMENT	F		10,346,709		9,401,434
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,771,248	(683,259)	1,771,248	(683,259)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(12,709,977)		(12,709,977)
	Total		(96,329,646)	34,795,893	(96,410,155)	33,881,674

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI
(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

DUKE ENERGY FLORIDA
Average - Capital Structure
Pro Forma Adjusted Basis
April 2014

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	4,823,113,371	4,368,334,567	(1,119,637,750)	853,484,804	4,102,181,621	48.69%	9.50%	4.63%	10.50%	5.11%	11.50%	5.60%
Long Term Debt	4,686,086,718	4,244,228,369	(1,087,828,377)		3,156,399,992	37.46%	5.23%	1.96%	5.23%	1.96%	5.23%	1.96%
Short Term Debt *	(37,257,544)	(33,744,473)	8,648,968	85,264,760	60,169,255	0.71%	1.22%	0.01%	1.22%	0.01%	1.22%	0.01%
Customer Deposits												
Active	211,956,649	211,956,649	(54,326,120)		157,630,530	1.87%	2.27%	0.04%	2.27%	0.04%	2.27%	0.04%
Inactive	1,580,097	1,580,097	(404,991)		1,175,106	0.01%						
Investment Tax Credits **	1,954,619	1,770,315	(453,745)		1,316,570	0.02%						
Deferred Income Taxes	1,621,435,136	1,468,547,515	(376,400,024)	2,500,354	1,094,647,845	12.99%						
FAS 109 DIT - Net	(220,220,775)	(199,455,818)	51,122,060		(148,333,758)	-1.76%						
Total	11,088,648,271	10,063,217,220	(2,579,279,978)	941,249,918	8,425,187,159	100.00%		6.64%		7.12%		7.61%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
Average - Capital Structure
FPSC Adjusted Basis
April 2014

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	4,823,113,371	4,368,334,567	(1,119,637,750)	853,484,804	4,102,181,621	48.69%	9.50%	4.63%	10.50%	5.11%	11.50%	5.60%
Long Term Debt	4,686,086,718	4,244,228,369	(1,087,828,377)		3,156,399,992	37.46%	5.23%	1.96%	5.23%	1.96%	5.23%	1.96%
Short Term Debt *	(37,257,544)	(33,744,473)	8,648,968	85,264,760	60,169,255	0.71%	1.22%	0.01%	1.22%	0.01%	1.22%	0.01%
Customer Deposits												
Active	211,956,649	211,956,649	(54,326,120)		157,630,530	1.87%	2.27%	0.04%	2.27%	0.04%	2.27%	0.04%
Inactive	1,580,097	1,580,097	(404,991)		1,175,106	0.01%						
Investment Tax Credits **	1,954,619	1,770,315	(453,745)		1,316,570	0.02%						
Deferred Income Taxes	1,621,435,136	1,468,547,515	(376,400,024)	2,500,354	1,094,647,845	12.99%						
FAS 109 DIT - Net	(220,220,775)	(199,455,818)	51,122,060		(148,333,758)	-1.76%						
Total	11,088,648,271	10,063,217,220	(2,579,279,978)	941,249,918	8,425,187,159	100.00%		6.64%		7.12%		7.61%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

DUKE ENERGY FLORIDA
End of Period - Capital Structure
FPSC Adjusted Basis
April 2014

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Low-Point		Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	4,814,038,741	4,289,449,087	(836,898,658)	824,297,916	4,276,848,344	46.09%	9.50%	4.38%	10.50%	4.84%	11.50%	5.30%
Long Term Debt	4,878,190,714	4,346,610,368	(848,051,186)		3,498,559,182	37.70%	5.03%	1.89%	5.03%	1.89%	5.03%	1.89%
Short Term Debt *	(124,802,347)	(111,202,535)	21,696,318	275,902,147	186,395,930	2.01%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	211,415,809	211,415,809	(41,248,562)		170,167,247	1.83%	2.28%	0.04%	2.28%	0.04%	2.28%	0.04%
Inactive	1,955,679	1,955,679	(381,565)		1,574,114	0.02%						
Investment Tax Credits **	1,296,846	1,155,527	(225,451)		930,077	0.01%						
Deferred Income Taxes	1,802,072,590	1,605,699,297	(313,282,093)	9,008,000	1,301,425,204	14.02%						
FAS 109 DIT - Net	(217,150,745)	(193,487,654)	37,750,666		(155,736,989)	-1.68%						
Total	11,367,017,287	10,151,595,578	(1,980,640,532)	1,109,208,063	9,280,163,109	100.00%		6.34%		6.80%		7.26%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS Ruling												

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST	\$ 502,097,580
AFUDC - DEBT	3,576,303
INCOME TAXES	212,606,227
TOTAL	<u>\$ 718,280,109</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 249,178,989
TIE WITH AFUDC	<u>2.88</u>

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST	\$ 502,097,580
AFUDC - EQUITY	(6,085,449)
INCOME TAXES	212,606,227
TOTAL	<u>\$ 708,618,357</u>
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 249,178,989
TIE WITHOUT AFUDC	<u>2.84</u>

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

AFUDC DEBT	\$ 3,576,303
LESS: DIT	-
SUBTOTAL	\$ 3,576,303
AFUDC - EQUITY	\$ 6,085,449
TOTAL	<u>\$ 9,661,752</u>
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 319,360,129
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>3.03%</u>

D. PERCENT INTERNALLY GENERATED FUNDS*

NET INCOME	\$ 319,360,129
COMMON DIVIDENDS	(450,000,000)
AFUDC (EQUITY)	(6,085,449)
DEPRECIATION & AMORTIZATION	413,693,180
DEFERRED INCOME TAXES	359,897,206
INVESTMENT TAX CREDITS	(1,307,002)
DEFERRED FUEL NET	-
OTHER - INC NUCLEAR DECOMMISSIONING	-
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	256,609,132
TOTAL FUNDS PROVIDED	<u>\$ 892,167,196</u>

CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 867,963,269</u>
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PERCENTAGE INTERNALLY GENERATED FUNDS **102.79%**

*Updated quarterly as of March 2014

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

Common Equity	\$ 4,102,181,621
Preferred Stock	\$ -
Long Term Debt	\$ 3,156,399,992
Short Term Debt	\$ 60,169,255
TOTAL	<u>\$ 7,318,750,868</u>
% LONG TERM DEBT TO TOTAL	43.13%
% SHORT TERM DEBT TO TOTAL	0.82%

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	<u>7.41%</u>	<u>7.36%</u>
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	1.96%	1.96%
SHORT TERM DEBT	0.01%	0.01%
CUSTOMER DEPOSITS	0.04%	0.04%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>2.01%</u>	<u>2.01%</u>
TOTAL	5.40%	5.35%
DIVIDED BY COMMON EQUITY RATIO	<u>48.69%</u>	<u>48.69%</u>
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>11.09%</u>	<u>10.99%</u>