



May 15, 2015

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

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 March 31, 2015.

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 March 31, 2015. 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.

The report also includes Schedule 6, the CR3 Regulatory Asset Value provided quarterly (Docket 130208-EI).

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

Sincerely,

A handwritten signature in black ink that reads "Marcia Olivier".

Marcia Olivier  
Director Rates & Regulatory Planning

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

**DUKE ENERGY FLORIDA  
RATE OF RETURN REPORT SUMMARY  
MARCH 2015**

**SCHEDULE 1**

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. AVERAGE RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$ 632,434,895 (a)	\$ (18,104,624) (b)	\$ 614,330,271	\$ (188,611)	\$ 614,141,660
Average Rate Base	\$ 10,708,618,997	\$ (1,171,532,471)	\$ 9,537,086,526	\$ -	\$ 9,537,086,526
Average Rate of Return	5.91%		6.44%		6.44%
<b>I. YEAR END RATE OF RETURN (Jurisdictional)</b>					
Net Operating Income	\$ 629,419,312	\$ (15,089,041)	\$ 614,330,271		
Average Rate Base	\$ 10,915,087,572	\$ (1,217,063,470)	\$ 9,698,024,102		
Average Rate of Return	5.77%		6.33%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS					

<b>III. REQUIRED RATES OF RETURN</b>	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	6.68%	6.45%
Mid Point	7.17%	6.92%
High Point	7.65%	7.39%
Pro Forma Adjusted Basis		
Low Point	6.68%	6.45%
Mid Point	7.17%	6.92%
High Point	7.65%	7.39%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	4.37	(System Per Books Basis)
B. T.I.E without AFUDC	4.36	(System Per Books Basis)
C. AFUDC to Net Income	0.53%	(System Per Books Basis)
D. Internally Generated Funds	108.23%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	44.94%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	-1.40%	(FPSC Adjusted Basis)
F. Return on Common Equity	9.02%	(FPSC Adjusted Basis)
	9.01%	(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

Marcia Olivier  
Marcia Olivier, Director Rates & Regulatory Planning

5/15/15  
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
<b>System Per Books</b>	<b>\$13,841,599,580</b>	<b>\$5,112,773,921</b>	<b>\$8,728,825,659</b>	<b>\$121,138,467</b>	<b>\$310,001,679</b>	<b>\$9,159,965,804</b>	<b>\$2,557,198,533</b>	<b>\$11,717,164,337</b>
<b>Regulatory Base - Retail</b>	<b>\$12,555,884,124</b>	<b>\$4,739,637,118</b>	<b>\$7,816,247,006</b>	<b>\$105,010,091</b>	<b>\$270,004,164</b>	<b>\$8,191,261,261</b>	<b>\$2,517,357,735</b>	<b>\$10,708,618,997</b>
<b>FPSC Adjustments</b>								
ARO	(18,376,777)	(29,884,920)	11,508,143			11,508,143	(10,886,654)	621,488
ECCR	(39,358,001)	(5,117,222)	(34,240,780)		(8,059,176)	(42,299,956)	10,445,177	(31,854,778)
ECRC	(115,203,477)	(5,568,121)	(109,635,356)		(10,916,860)	(120,552,216)	(1,611,467)	(122,163,683)
FUEL	(28,969,382)	(28,101,628)	(867,755)			(867,755)	93,523,805	92,656,051
CCR							(40,187,110)	(40,187,110)
NUCLEAR					(16,786,849)	(16,786,849)	(347,298,550)	(364,085,399)
CR3 Removal							(1,298,448,954)	(1,298,448,954)
Derivatives							(11,969,908)	(11,969,908)
Employee Related							(547,861)	(547,861)
Investments Earning a Return							(145,002,111)	(145,002,111)
Jobbing Accounts							(1,176,284)	(1,176,284)
Non-Regulated and Miscellaneous	(30,253,897)	(46,700,418)	16,446,521			16,446,521	22,959,154	39,405,675
Retention Accounts							3,353,225	3,353,225
CWIP - AFUDC					(61,541,979)	(61,541,979)		(61,541,979)
Imputed Off Balance Sheet Obligations							770,705,020	770,705,020
Capital Lease	(160,612,890)		(160,612,890)			(160,612,890)	159,317,028	(1,295,862)
<b>Total FPSC Adjustments</b>	<b>(392,774,425)</b>	<b>(115,372,309)</b>	<b>(277,402,116)</b>		<b>(97,304,865)</b>	<b>(374,706,981)</b>	<b>(796,825,490)</b>	<b>(1,171,532,471)</b>
<b>FPSC Adjusted</b>	<b>\$12,163,109,699</b>	<b>\$4,624,264,809</b>	<b>\$7,538,844,890</b>	<b>\$105,010,091</b>	<b>\$172,699,299</b>	<b>\$7,816,554,281</b>	<b>\$1,720,532,245</b>	<b>\$9,537,086,526</b>

	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	
<b>System Per Books (a)</b>	<b>\$4,908,329,850</b>	<b>\$2,141,321,541</b>	<b>\$817,225,781</b>	<b>\$540,795,855</b>	<b>\$337,496,272</b>	<b>(138,954,049)</b>	<b>\$475,234,650</b>	<b>(1,016,750)</b>		<b>\$4,172,103,300</b>	<b>\$736,226,550</b>	
<b>Regulatory Base - Retail (b)</b>	<b>\$4,603,910,391</b>	<b>\$2,077,559,550</b>	<b>\$781,552,096</b>	<b>\$509,645,598</b>	<b>\$325,737,847</b>	<b>(116,078,504)</b>	<b>\$396,998,343</b>	<b>(923,850)</b>		<b>\$3,974,491,080</b>	<b>\$629,419,312</b>	
<b>FPSC Adjustments</b>												
ECCR	(120,204,662)		(101,293,865)	(4,307,668)		(5,633,157)				(111,234,690)	(8,969,972)	
ECRC	(77,761,695)		(52,695,452)	(5,418,356)	(1,049,567)	(7,174,302)				(66,337,677)	(11,424,018)	
FUEL	(1,741,581,930)	(1,734,189,772)	(1,097,354)			(2,428,221)				(1,737,715,347)	(3,866,584)	
CCR	(331,361,881)	(331,139,471)	(222,407)			(1)				(331,361,879)	(2)	
NUCLEAR	(171,908,349)		(118,249)	(159,287,787)		(4,822,767)				(164,228,803)	(7,679,546)	
NON-REGULATED AND MISCELLANEOUS			(3,910,310)	249,828		1,412,031				(2,248,451)	2,248,451	
CORPORATE AIRCRAFT ALLOCATION			(2,665,071)			1,028,051				(1,637,020)	1,637,020	
FRANCHISE FEE & GROSS RECEIPTS	(211,457,054)					(81,569,559)				(81,569,559)	(129,887,496)	
FRANCHISE FEES & GROSS REC TAX - TOI					(207,104,784)	79,890,670				(127,214,114)	127,214,114	
GAIN/LOSS ON DISPOSITION & OTHER						161,598			(418,920)	(257,322)	257,322	
INST./PROMOTIONAL ADVERTISING			(1,725,946)			665,784				(1,060,162)	1,060,162	
MISCELLANEOUS INTEREST EXPENSE			136,434			(52,629)				83,804	(83,804)	
REMOVE ASSOC/ORGANIZATION DUES			(19,032)			7,342				(11,690)	11,690	
REMOVE ECONOMIC DEVELOPMENT			(36,975)			14,263				(22,712)	22,712	
PARENT DEBT ADJUSTMENT						(9,032,292)				(9,032,292)	9,032,292	
DIRECTORS & OFFICERS PREMIUM			(1,810,119)			698,253				(1,111,865)	1,111,865	
INTEREST SYNCHRONIZATION - FPSC						(4,226,752)				(4,226,752)	4,226,752	
<b>Total FPSC Adjustments</b>	<b>(2,654,275,572)</b>	<b>(2,065,329,243)</b>	<b>(165,458,345)</b>	<b>(168,763,983)</b>	<b>(208,154,351)</b>	<b>(31,061,689)</b>			<b>(418,920)</b>	<b>(2,639,186,531)</b>	<b>(15,089,041)</b>	
<b>FPSC Adjusted</b>	<b>1,949,634,819</b>	<b>12,230,307</b>	<b>616,093,751</b>	<b>340,881,614</b>	<b>117,583,496</b>	<b>(147,140,193)</b>	<b>396,998,343</b>	<b>(923,850)</b>	<b>(418,920)</b>	<b>1,335,304,548</b>	<b>614,330,270</b>	
<b>Pro Forma Adjustments</b>												
Weather Normalization	(307,059)					(118,448)				(118,448)	(188,611)	
<b>Total Pro Forma Adjustments</b>	<b>(307,059)</b>					<b>(118,448)</b>				<b>(118,448)</b>	<b>(188,611)</b>	
<b>Pro Forma Adjusted</b>	<b>\$1,949,327,760</b>	<b>\$12,230,307</b>	<b>\$616,093,751</b>	<b>\$340,881,614</b>	<b>\$117,583,496</b>	<b>(147,258,641)</b>	<b>396,998,343</b>	<b>(923,850)</b>	<b>(418,920)</b>	<b>\$1,335,186,100</b>	<b>\$614,141,659</b>	
<b>Current Month</b>												
System Per Books	\$364,565,399	\$158,261,641	\$68,544,562	\$42,865,150	\$26,937,448	25,370,242	(6,650,537)	(12,167)		\$315,316,339	\$49,249,061	
FPSC Adjusted	\$149,570,304		\$54,116,459	\$28,683,288	\$10,081,184	26,997,004	(7,076,976)	(11,055)	(28,011)	\$112,761,892	\$36,808,412	
(a)	The addition of earnings from AFUDC charges would increase the System NOI by						3,462,302	pretax				
(b)	The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by						3,015,583	pretax				

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	621,488	621,488
	ECCR	F	(31,854,778)	(31,854,778)
	ECRC	F	(157,687,954)	(122,163,683)
	FUEL	F	92,589,581	92,656,051
	CCR	F	(40,187,110)	(40,187,110)
	NUCLEAR	F	(365,304,612)	(364,085,399)
	CR3 Removal	F	(1,298,448,954)	(1,298,448,954)
	Derivatives	F	(11,969,908)	(11,969,908)
	Employee Related	F	(547,696)	(547,861)
	Investments Earning a Return	F	(151,837,545)	(145,002,111)
	Jobbing Accounts	F	(1,320,287)	(1,176,284)
	Non-Regulated and Miscellaneous	F	40,453,038	39,405,675
	Retention Accounts	F	3,763,735	3,353,225
(1)	CWIP - AFUDC	F	(66,971,907)	(61,541,979)
(3)	Imputed Off Balance Sheet Obligations	F	829,741,099	770,705,020
(2)	Capital Lease - EPIS	F	(172,292,606)	(160,612,890)
(2)	Capital Lease - Working Capital	F	170,902,509	159,317,028
	<b>Total</b>		<b>(1,160,351,907)</b>	<b>(1,171,532,471)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,600,444)	5,632,121	(14,603,129)	5,633,157
	ECRC	F	(17,828,113)	6,877,195	(18,598,320)	7,174,302
	FUEL	F	(6,487,998)	2,502,745	(6,294,805)	2,428,221
	CCR	F	(3)	1	(3)	1
	NUCLEAR	F	(12,493,923)	4,819,531	(12,502,313)	4,822,767
	NON-REGULATED AND MISCELLANEOUS	F	3,944,838	(1,521,721)	3,660,481	(1,412,031)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,858,875	(1,102,811)	2,665,071	(1,028,051)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(211,457,054)	81,569,559	(211,457,054)	81,569,559
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	207,104,784	(79,890,670)	207,104,784	(79,890,670)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	451,010	(173,977)	418,920	(161,598)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,851,456	(714,199)	1,725,946	(665,784)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(146,355)	56,456	(136,434)	52,629
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	20,416	(7,875)	19,032	(7,342)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F		9,965,128		9,032,292
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,941,750	(749,030)	1,810,119	(698,253)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		4,226,752		4,226,752
	<b>Total</b>		<b>(44,801,098)</b>	<b>31,473,904</b>	<b>(46,150,730)</b>	<b>31,061,689</b>

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
<b>System Per Books</b>	<b>14,104,528,464</b>	<b>5,215,373,451</b>	<b>8,889,155,013</b>	<b>121,654,015</b>	<b>387,273,548</b>	<b>9,398,082,576</b>	<b>2,557,198,533</b>	<b>11,955,281,109</b>
<b>Regulatory Base - Retail</b>	<b>12,786,415,001</b>	<b>4,831,503,239</b>	<b>7,954,911,762</b>	<b>105,457,000</b>	<b>337,361,075</b>	<b>8,397,729,836</b>	<b>2,517,357,735</b>	<b>10,915,087,572</b>
<b>FPSC Adjustments</b>								
ARO	(20,823,344)	(29,202,809)	8,379,465			8,379,465	(10,886,654)	(2,507,190)
ECCR	(40,039,955)	(7,064,827)	(32,975,128)		(8,488,381)	(41,463,509)	10,445,177	(31,018,332)
ECRC	(136,531,267)	(7,089,387)	(129,441,880)		(1,911,897)	(131,353,777)	(1,611,467)	(132,965,244)
FUEL	(28,969,382)	(28,103,351)	(866,032)			(866,032)	93,523,805	92,657,773
CCR							(40,187,110)	(40,187,110)
NUCLEAR					(94,118)	(94,118)	(347,298,550)	(347,392,667)
CR3 Removal							(1,298,448,954)	(1,298,448,954)
Derivatives							(11,969,908)	(11,969,908)
Employee Related							(547,861)	(547,861)
Investments Earning a Return							(145,002,111)	(145,002,111)
Jobbing Accounts							(1,176,284)	(1,176,284)
Non-Regulated and Miscellaneous	(30,280,447)	(47,721,368)	17,440,921			17,440,921	22,959,154	40,400,075
Retention Accounts							3,353,225	3,353,225
CWIP - AFUDC					(115,588,993)	(115,588,993)		(115,588,993)
Imputed Off Balance Sheet Obligations							770,705,020	770,705,020
Capital Lease	(156,691,939)		(156,691,939)			(156,691,939)	159,317,028	2,625,089
<b>Total FPSC Adjustments</b>	<b>(413,336,335)</b>	<b>(119,181,742)</b>	<b>(294,154,592)</b>		<b>(126,083,388)</b>	<b>(420,237,980)</b>	<b>(796,825,490)</b>	<b>(1,217,063,470)</b>
<b>FPSC Adjusted</b>	<b>12,373,078,666</b>	<b>4,712,321,497</b>	<b>7,660,757,170</b>	<b>105,457,000</b>	<b>211,277,687</b>	<b>7,977,491,856</b>	<b>1,720,532,245</b>	<b>9,698,024,101</b>

	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
<b>System Per Books (a)</b>	<b>4,908,329,850</b>	<b>2,141,321,541</b>	<b>817,225,781</b>	<b>540,795,855</b>	<b>337,496,272</b>	<b>(138,954,049)</b>	<b>475,234,650</b>	<b>(1,016,750)</b>		<b>4,172,103,300</b>	<b>736,226,550</b>
<b>Regulatory Base - Retail (b)</b>	<b>4,603,910,391</b>	<b>2,077,559,550</b>	<b>781,552,096</b>	<b>509,645,598</b>	<b>325,737,847</b>	<b>(116,078,504)</b>	<b>396,998,343</b>	<b>(923,850)</b>		<b>3,974,491,080</b>	<b>629,419,312</b>
<b>FPSC Adjustments</b>											
ECCR	(120,204,662)		(101,293,865)	(4,307,668)		(5,633,157)				(111,234,690)	(8,969,972)
ECRC	(77,761,695)		(52,695,452)	(5,418,356)	(1,049,567)	(7,174,302)				(66,337,677)	(11,424,018)
FUEL	(1,741,581,930)	(1,734,189,772)	(1,097,354)			(2,428,221)				(1,737,715,347)	(3,866,584)
CCR	(331,361,881)	(331,139,471)	(222,407)			(1)				(331,361,879)	(2)
NUCLEAR	(171,908,349)		(118,249)	(159,287,787)		(4,822,767)				(164,228,803)	(7,679,546)
NON-REGULATED AND MISCELLANEOUS			(3,910,310)	249,828		1,412,031				(2,248,451)	2,248,451
CORPORATE AIRCRAFT ALLOCATION			(2,665,071)			1,028,051				(1,637,020)	1,637,020
FRANCHISE FEE & GROSS RECEIPTS	(211,457,054)					(81,569,559)				(81,569,559)	(129,887,496)
FRANCHISE FEES & GROSS REC TAX - TOI					(207,104,784)	79,890,670				(127,214,114)	127,214,114
GAIN/LOSS ON DISPOSITION & OTHER						161,598		(418,920)		(257,322)	257,322
INST./PROMOTIONAL ADVERTISING			(1,725,946)			665,784				(1,060,162)	1,060,162
MISCELLANEOUS INTEREST EXPENSE			136,434			(52,629)				83,804	(83,804)
REMOVE ASSOC/ORGANIZATION DUES			(19,032)			7,342				(11,690)	11,690
REMOVE ECONOMIC DEVELOPMENT			(36,975)			14,263				(22,712)	22,712
PARENT DEBT ADJUSTMENT						(9,032,292)				(9,032,292)	9,032,292
DIRECTORS & OFFICERS PREMIUM			(1,810,119)			698,253				(1,111,865)	1,111,865
INTEREST SYNCHRONIZATION - FPSC						(4,226,752)				(4,226,752)	4,226,752
<b>Total FPSC Adjustments</b>	<b>(2,654,275,572)</b>	<b>(2,065,329,243)</b>	<b>(165,458,345)</b>	<b>(168,763,983)</b>	<b>(208,154,351)</b>	<b>(31,061,689)</b>			<b>(418,920)</b>	<b>(2,639,186,531)</b>	<b>(15,089,041)</b>
<b>FPSC Adjusted</b>	<b>1,949,634,819</b>	<b>12,230,307</b>	<b>616,093,751</b>	<b>340,881,614</b>	<b>117,583,496</b>	<b>(147,140,193)</b>	<b>396,998,343</b>	<b>(923,850)</b>	<b>(418,920)</b>	<b>1,335,304,548</b>	<b>614,330,270</b>
(a) The addition of earnings from AFUDC charges would increase the System NOI by 3,462,302 pretax (b) The addition of earnings from AFUDC charges would increase the Jurisdictional NOI by 3,015,583 pretax											

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(2,507,190)	(2,507,190)
	ECCR	F	(31,018,332)	(31,018,332)
	ECRC	F	(176,244,186)	(132,965,244)
	FUEL	F	92,591,435	92,657,773
	CCR	F	(40,187,110)	(40,187,110)
	NUCLEAR	F	(347,399,877)	(347,392,667)
	CR3 Removal	F	(1,298,448,954)	(1,298,448,954)
	Derivatives	F	(11,969,908)	(11,969,908)
	Employee Related	F	(547,696)	(547,861)
	Investments Earning a Return	F	(151,837,545)	(145,002,111)
	Jobbing Accounts	F	(1,320,287)	(1,176,284)
	Non-Regulated and Miscellaneous	F	41,492,333	40,400,075
	Retention Accounts	F	3,763,735	3,353,225
(1)	CWIP - AFUDC	F	(123,596,019)	(115,588,993)
(3)	Imputed Off Balance Sheet Obligations	F	829,741,099	770,705,020
(2)	Capital Lease - EPIS	F	(168,086,524)	(156,691,939)
(2)	Capital Lease - Working Capital	F	170,902,509	159,317,028
	<b>Total</b>		<b>(1,214,672,516)</b>	<b>(1,217,063,470)</b>

Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,600,444)	5,632,121	(14,603,129)	5,633,157
	ECRC	F	(17,828,113)	6,877,195	(18,598,320)	7,174,302
	FUEL	F	(6,487,998)	2,502,745	(6,294,805)	2,428,221
	CCR	F	(3)	1	(3)	1
	NUCLEAR	F	(12,493,923)	4,819,531	(12,502,313)	4,822,767
	NON-REGULATED AND MISCELLANEOUS	F	3,944,838	(1,521,721)	3,660,481	(1,412,031)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	2,858,875	(1,102,811)	2,665,071	(1,028,051)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(211,457,054)	81,569,559	(211,457,054)	81,569,559
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	207,104,784	(79,890,670)	207,104,784	(79,890,670)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	451,010	(173,977)	418,920	(161,598)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,851,456	(714,199)	1,725,946	(665,784)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(146,355)	56,456	(136,434)	52,629
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	20,416	(7,875)	19,032	(7,342)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	39,664	(15,300)	36,975	(14,263)
(2)	PARENT DEBT ADJUSTMENT	F		9,965,128		9,032,292
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,941,750	(749,030)	1,810,119	(698,253)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		4,226,752		4,226,752
	<b>Total</b>		<b>(44,801,098)</b>	<b>31,473,904</b>	<b>(46,150,730)</b>	<b>31,061,689</b>

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









**A. TIMES INTEREST EARNED WITH AFUDC**

EARNINGS BEFORE INTEREST	\$ 755,493,410
AFUDC - DEBT	\$ 1,312,813
INCOME TAXES	\$ 352,205,804
TOTAL	\$ 1,109,012,026
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 253,710,003
TIE WITH AFUDC	<u>4.37</u>

**B. TIMES INTEREST EARNED WITHOUT AFUDC**

EARNINGS BEFORE INTEREST	\$ 755,493,410
AFUDC - EQUITY	(2,149,489)
INCOME TAXES	352,205,804
TOTAL	\$ 1,105,549,725
INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$ 253,710,003
TIE WITHOUT AFUDC	<u>4.36</u>

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

AFUDC DEBT	\$ 1,312,813
X (1- INCOME TAX RATE)	0.61425
SUBTOTAL	\$ 806,395
AFUDC -EQUITY	\$ 2,149,489
TOTAL	\$ 2,955,884
NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS	\$ 552,781,217
PERCENT AFUDC TO AVAILABLE NET INCOME	<u>0.53%</u>

**D. PERCENT INTERNALLY GENERATED FUNDS\***

NET INCOME	\$ 552,781,169
COMMON DIVIDENDS	\$ (350,000,000)
AFUDC (EQUITY)	\$ (2,149,490)
DEPRECIATION & AMORTIZATION	\$ 552,984,056
DEFERRED INCOME TAXES	\$ 380,719,685
INVESTMENT TAX CREDITS	\$ (1,016,750)
DEFERRED FUEL NET	\$ -
OTHER - INC NUCLEAR DECOMMISSIONING	\$ (74,276,499)
OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(249,688,859)
TOTAL FUNDS PROVIDED	<u>\$ 809,353,312</u>
CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)	<u>\$ 747,827,193</u>
PERCENTAGE INTERNALLY GENERATED FUNDS	<b>108.23%</b>

\*Updated quarterly as of December 2014

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

Common Equity	\$ 4,654,864,516
Preferred Stock	\$ -
Long Term Debt	\$ 3,704,398,958
Short Term Debt	\$ (115,384,238)
TOTAL	<u>\$ 8,243,879,236</u>
% LONG TERM DEBT TO TOTAL	<b>44.94%</b>
% SHORT TERM DEBT TO TOTAL	<b>-1.40%</b>

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

	Pro Forma	FPSC
FPSC AVERAGE		
EARNED RATE OF RETURN	6.44%	6.44%
LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:		
LONG TERM DEBT	2.00%	2.00%
SHORT TERM DEBT	0.00%	0.00%
CUSTOMER DEPOSITS	0.04%	0.04%
DEFERRED INCOME TAXES		
INVESTMENT TAX CREDITS		
DEFERRED INCOME TAX (FAS 109)		
SUBTOTAL	<u>2.04%</u>	<u>2.04%</u>
TOTAL	4.40%	4.40%
DIVIDED BY COMMON EQUITY RATIO	48.81%	48.81%
JURISDICTIONAL RETURN ON COMMON EQUITY	<u>9.01%</u>	<u>9.02%</u>

DUKE ENERGY FLORIDA  
Earnings Surveillance Report  
CR3 Regulatory Asset Value  
March 2015  
(In Millions)

Schedule 6

Line No.	Pre or Post Retirement Component Classification	category	Subject to Cap	Dry Cask Storage	Total Regulatory Asset
1					
2	Electric Plant In Service	a	846		846
3	Less Accumulated Depreciation	b	431		431
4	Net plant balance	fallout	415		415
5	Write-Down	b	(295)		(295)
6	Construction Work In Progress (CWIP)				
7	Steam Generator Replacement (SGR) Project	a	360		360
8	Delam Repair Project	b	167		167
9	License Amendment Request (LAR)	b	20		20
10	Dry Cask Storage	d	-	37	37
11	Fukushima	d	2		2
12	Building Stabilization Project	c	24		24
13	Other - CWIP	d	54		54
14	Nuclear Fuel Inventories	a	256		256
15	Nuclear Materials and Supplies Inventories	a	50		50
16	Deferred expenses	e	94		94
17	Cumulative AFUDC (6.00%)	fallout	136	6	142
18	Cost of Removal Reg Asset - CR3 Portion (Order No. PSC 10-0398-S-EI)	b	108		108
19	Total CR3 Regulatory Asset	fallout	1,391	43	1,434

category

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

Note

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