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| State of FloridapscSEAL | Public Service CommissionCapital Circle Office Center ● 2540 Shumard Oak BoulevardTallahassee, Florida 32399-0850-M-E-M-O-R-A-N-D-U-M- |
| DATE: | October 1, 2015 |
| TO: | Office of Commission Clerk (Stauffer) |
| FROM: | Division of Accounting and Finance (Archer, Buys, Cicchetti)Office of the General Counsel (Barrera) |
| RE: | Docket No. 150188-EI – Application for authority to issue and sell securities during 12 months ending December 31, 2016, by Duke Energy Florida, LLC. |
| AGENDA: | 10/13/15 - Consent Agenda - Final Action - Interested Persons May Participate |
| COMMISSIONERS ASSIGNED: | All Commissioners |
| PREHEARING OFFICER: | Administrative |
| CRITICAL DATES: | None |
| SPECIAL INSTRUCTIONS: | None |

Please place the following securities application on the consent agenda for approval.

Docket No. 150188-EI – Application for authority to issue and sell securities during 12 months ending December 31, 2016, by Duke Energy Florida, LLC.

Application of Duke Energy Florida, Inc. (DEF or company) seeks authority to issue, sell or otherwise incur during 2016 up to $1.5 billion of any combination of equity securities, long-term debt securities and other long-term obligations. The total excludes amounts related to the potential issuance of any nuclear-asset-recovery bonds (i.e., the potential debt securitization of Crystal River 3 regulatory asset), which will be addressed by the Commission in Docket No. 150171-EI. If approved by the Commission and executed, the nuclear asset-recovery bonds will not be issued through DEF; instead, they will be issued through a special purpose entity. Additionally, the company requests authority to issue, sell, or otherwise incur during 2016 and 2017 up to $1.5 billion outstanding at any time of short-term debt securities and other obligations.

In connection with this application, DEF confirms that the capital raised pursuant to this application will be used in connection with the activities of DEF and not the unregulated activities of its unregulated subsidiaries or affiliates.

Staff has reviewed the company’s projected capital expenditures. The amount requested by the company exceeds its expected capital expenditures. The additional amount requested exceeding the projected capital expenditures allows for financial flexibility with regard to unexpected events such as hurricanes, financial market disruptions, and other unforeseen circumstances. Staff believes the requested amounts are appropriate. Staff recommends DEF’s petition to issue securities be approved.

For monitoring purposes, this docket should remain open until April 28, 2017, to allow the company time to file the required Consummation Report.

Discussion of Issues