



Matthew R. Bernier
ASSOCIATE GENERAL COUNSEL

May 1, 2019

VIA ELECTRONIC DELIVERY

Mr. Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Energy Conservation Cost Recovery Clause/* Docket No. 20190002-EG

Dear Mr. Teitzman:

On behalf of Duke Energy Florida, LLC (“DEF”), please find enclosed for electronic filing in the above-referenced docket:

- DEF’s Petition for Approval of True-Up Amount for the period January 2018 through December 2018; and
- Direct Testimony of Lori 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.

Sincerely,

s/ Matthew R. Bernier

Matthew R. Bernier

MRB/mw
Enclosures

cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Energy Conservation Cost
Recovery Clause

Docket No. 20190002-EG

Filed: May 1, 2019

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

Pursuant to Order No. PSC-2019-0082-PCO-EG, issued February 26, 2019 in the above-referenced docket, Duke Energy Florida, LLC (“DEF” or “the Company”) petitions the Florida Public Service Commission (“Commission”) for approval of an under-recovery of \$2,335,393 as DEF’s adjusted net true-up amount for the period January 2018 through December 2018. 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
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299 1st Avenue North
St. Petersburg, FL 33701
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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 under-recovery of \$2,335,393 as the adjusted net true-up amount for the period January 2018 through December 2018. DEF's final adjusted net true-up amount for the period January 2018 through December 2018 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 2018 through December 2018 is an under-recovery of \$2,335,393, which is the difference of the actual true-up over-recovery of \$5,979,386 and the estimated/actual true-up over-recovery of \$8,314,779.

WHEREFORE, DEF respectfully requests that the Commission approve an under-recovery of \$2,335,393 as the final adjusted net true-up amount for the period January 2018 through December 2018.

Respectfully submitted,

/s/ Matthew R. Bernier

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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 1st day of May, 2019, to all parties of record as indicated below.

/s/ Matthew R. Bernier

Attorney

<p>Margo DuVal Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 mduval@psc.state.fl.us</p> <p>J. Beasley / J. Wahlen / M. Means Ausley McMullen P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com mmeans@ausley.com</p> <p>Russell A. Badders Gulf Power Company One Energy Place Pensacola, FL 32520-0780 russell.badders@nexteraenergy.com</p> <p>Holly Henderson Gulf Power Company 215 S. Monroe St., Ste. 618 Tallahassee, FL 32301 holly.henderson@nexteraenergy.com</p> <p>C. Rehwinkel / J. R. Kelly / T. David / P. Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 rehwinkel.charles@leg.state.fl.us kelly.jr@leg.state.fl.us david.tad@leg.state.fl.us christensen.patty@leg.state.fl.us</p>	<p>James W. Brew / Laura A. Wynn Stone Law Firm 1025 Thomas Jefferson Street, N.W. Eighth Floor, West Tower Washington, D.C. 20007 jbrew@smxblaw.com law@smxblaw.com</p> <p>Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com</p> <p>Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p> <p>Kenneth A. Hoffman Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1858 ken.hoffman@fpl.com</p> <p>Mike Cassel Florida Public Utilities Company 1750 S. 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com</p>	<p>Steven R. Griffin Beggs & Lane P.O. Box 12950 Pensacola, FL 32591 srg@beggslane.com</p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com mqualls@moylelaw.com</p> <p>Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p> <p>Kenneth A. Hoffman Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1858 ken.hoffman@fpl.com</p> <p>Maria Moncada Florida Power & Light Company 700 Universe Boulevard (LAW/JB) Juno Beach, FL 33408-0420 maria.moncada@fpl.com</p>
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DUKE ENERGY FLORIDA, LLC
DOCKET No. 20190002-EG

**Energy Conservation and Cost Recovery Final True-up
for the Period January through December 2018**

**DIRECT TESTIMONY OF
Lori J. Cross**

May 1, 2019

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 2018 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 2018 through December 2018. 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 • Load Management (Residential and Commercial)
- 22 • Business Energy Check
- 23 • Better Business

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- Florida Custom Incentive
- Standby Generation
- Interruptible Service
- Curtailable Service
- 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 2018 through December 2018." 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 2018 through December 2018. 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 variances versus projections, and a program progress summary over the twelve-month period ending December 2018. Schedule CT-6 is DEF's capital structure and cost rates.

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

2 A. Yes. Schedule CT-1 line 14 shows that DEF's actual end-of-period ECCR
3 true-up for December 31, 2018 was an under-recovery of \$2,335,393,
4 including principal and interest.

5
6 **Q. What does Schedule CT-2 show?**

7 A. The four pages of Schedule CT-2 provide an annual summary of
8 conservation program revenues as well as itemized conservation program
9 costs for the period January 2018 through December 2018 detailing actual,
10 estimated and variance calculations by program. These costs are directly
11 attributable to DEF's Commission-approved programs.

12
13 **Q. Would you please discuss Schedule CT-3?**

14 A. Yes. Page one of Schedule CT-3 provides actual conservation program
15 costs by month for the period January 2018 through December 2018. Page
16 two of Schedule CT-3 presents program revenues by month offset by
17 expenses, and a calculation of the end of period net true-up for each month
18 and the total for the year. Page three provides the monthly interest
19 calculation. Pages four and five of Schedule CT-3 provide conservation
20 account numbers for the 2018 calendar year.

21

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

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

3

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

5 A. Yes. Schedule CT-5 provides a brief summary of each conservation
6 program that includes a program description, program accomplishments,
7 annual program expenditures, significant program cost variances versus
8 projections, and a program progress summary for the 2018 calendar year.

9

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

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

13

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

15 A. The actual data used in calculating the actual true-up amounts is from DEF's
16 records, unless otherwise indicated. These records are kept in the regular
17 course of DEF's business in accordance with general accounting principles
18 and practices, provisions of the Uniform System of Accounts as prescribed
19 by the Federal Energy Regulatory Commission, and any accounting rules
20 and orders established by this Commission. Pursuant to Rule 25-17.015(3),
21 Florida Administrative Code, DEF provides a list of all account numbers
22 used for conservation cost recovery during the period January 2018 through
23 December 2018 on Schedule CT-3 pages 4 and 5.

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

2 A. Yes.

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DUKE ENERGY FLORIDA, LLC

ENERGY CONSERVATION ADJUSTED NET TRUE-UP
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

**LINE
NO.**

1	ACTUAL END OF PERIOD TRUE-UP (OVER) / UNDER RECOVERY		
2	BEGINNING BALANCE	(\$5,894,546)	
3	PRINCIPAL (CT 3, PAGE 2 of 5)	(5,885,861)	
4	INTEREST (CT 3, PAGE 3 of 5)	(93,525)	
5	PRIOR TRUE-UP REFUND	5,894,546	
6	ADJUSTMENTS	<u>0</u>	(\$5,979,386)
7	LESS: ESTIMATED TRUE-UP FROM AUGUST 2018		
8	PROJECTION FILING (OVER) / UNDER RECOVERY		
9	BEGINNING BALANCE	(\$5,894,546)	
10	PRINCIPAL	(8,207,237)	
11	INTEREST	(107,540)	
12	PRIOR TRUE-UP REFUND	5,894,544	
13	ADJUSTMENTS	<u>0</u>	<u>(\$8,314,779)</u>
14	VARIANCE TO PROJECTION		<u><u>\$2,335,393</u></u>

DUKE ENERGY FLORIDA, LLC

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL VS. ESTIMATED
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

LINE NO.	PROGRAM	ACTUAL	ESTIMATED	DIFFERENCE
1	DEPRECIATION AMORT. & RETURN	12,962,878	13,283,521	(320,643)
2	PAYROLL AND BENEFITS	12,881,862	13,794,314	(912,452)
3	MATERIALS AND SUPPLIES	464,408	436,800	27,608
4	OUTSIDE SERVICES	4,799,669	4,340,416	459,253
5	ADVERTISING	2,076,922	1,860,062	216,861
6	INCENTIVES	78,703,016	76,169,900	2,533,116
7	VEHICLES	264,957	287,298	(22,341)
8	OTHER	709,621	810,982	(101,361)
9	PROGRAM REVENUES	0	0	0
10	TOTAL PROGRAM COSTS	112,863,333	110,983,292	1,880,041
11	LESS:			
12	CONSERVATION CLAUSE REVENUES	112,854,648	113,295,985	(441,337)
13	PRIOR TRUE-UP	5,894,546	5,894,546	0
14	TRUE-UP BEFORE INTEREST	(5,885,861)	(8,207,239)	2,321,378
15	AUDIT & REV DECOUPLING ADJUSTMENT			
16	INTEREST PROVISION	(93,525)	(107,540)	14,015
17	END OF PERIOD TRUE-UP	(5,979,386)	(8,314,779)	2,335,393

() 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 2018 THROUGH DECEMBER 2018**

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	15,024	2,573,561	92,465	975,467	156,740	480,362	448,570	110,500	4,852,689	0	4,852,689
2	RESIDENTIAL INCENTIVE PROGRAM	0	2,158,842	81,980	259,213	29,709	58,504	5,644,553	34,788	8,267,588	0	8,267,588
3	BUSINESS ENERGY CHECK	4,119	411,069	8,606	63,920	5,564	14,213	18,358	19,235	545,085	0	545,085
4	BETTER BUSINESS	0	1,148,067	8,424	113,376	28,075	33,913	1,812,269	24,734	3,168,858	0	3,168,858
5	TECHNOLOGY DEVELOPMENT	0	229,844	3	11,934	184,695	0	0	11,324	437,800	0	437,800
6	FLORIDA CUSTOM INCENTIVE PROGRAM	0	209,006	627	164,099	947	104,865	269,984	13,454	762,982	0	762,982
7	INTERRUPTIBLE SERVICE	15,522	216,400	965	403	1,848	0	36,723,684	4,322	36,963,144	0	36,963,144
8	CURTAILABLE SERVICE	0	36,570	0	0	0	0	2,141,043	187	2,177,800	0	2,177,800
9	LOAD MANAGEMENT (RESIDENTIAL & COMMERCIAL)	12,915,763	1,751,033	60,332	2,398,936	(24,974)	1,244,103	25,564,439	71,196	43,980,828	0	43,980,828
10	LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM	0	126,682	0	1,704	0	24,000	98,808	8,670	259,865	0	259,865
11	STANDBY GENERATION	12,450	300,041	5,633	13,207	18,545	0	4,266,854	3,079	4,619,809	0	4,619,809
12	QUALIFYING FACILITY	0	1,098,223	3,339	72,651	101	0	0	26,987	1,201,302	0	1,201,302
13	NEIGHBORHOOD ENERGY SAVER	0	210,933	1,399	260,992	1,772	116,962	1,714,454	26,576	2,333,088	0	2,333,088
14	CONSERVATION PROGRAM ADMIN	0	2,411,591	1,183	463,767	61,385	0	0	354,568	3,292,495	0	3,292,495
15	TOTAL ALL PROGRAMS	12,962,878	12,881,862	264,957	4,799,669	464,408	2,076,922	78,703,016	709,621	112,863,333	0	112,863,333

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	(228,004)	(5,664)	(65,767)	54,536	(196,092)	(41,295)	(25,769)	(508,055)	0	(508,055)
2	RESIDENTIAL INCENTIVE PROGRAM	0	(174,286)	1,896	69,117	22	35,032	424,432	(2,326)	353,887	0	353,887
3	BUSINESS ENERGY CHECK	0	(13,207)	203	34,311	107	(924)	(6,096)	(3,252)	11,141	0	11,141
4	BETTER BUSINESS	0	(79,165)	(2,297)	19,793	22,413	5,000	252,251	2,725	220,719	0	220,719
5	TECHNOLOGY DEVELOPMENT	0	(8,777)	0	(200,247)	165,983	0	0	(4,698)	(47,739)	0	(47,739)
6	FLORIDA CUSTOM INCENTIVE PROGRAM	0	61,773	292	16,811	(4,542)	67,130	104,194	11,205	256,863	0	256,863
7	INTERRUPTIBLE SERVICE	(4,553)	(65,165)	(858)	335	533	0	1,185,274	849	1,116,415	0	1,116,415
8	CURTAILABLE SERVICE	0	(4,244)	0	0	0	0	146,318	0	142,074	0	142,074
9	LOAD MANAGEMENT (RESIDENTIAL & COMMERCIAL)	(316,023)	(127,537)	(10,446)	771,775	(97,814)	274,269	1,030,098	9,225	1,533,548	0	1,533,548
10	LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM	0	(6,522)	0	(575)	0	(10,000)	(37,738)	(2,385)	(57,221)	0	(57,221)
11	STANDBY GENERATION	(67)	(23,748)	(1,061)	7,716	(106,411)	0	329,767	(2,789)	203,408	0	203,408
12	QUALIFYING FACILITY	0	(64,869)	(509)	42,651	(101)	0	0	(2,587)	(25,415)	0	(25,415)
13	NEIGHBORHOOD ENERGY SAVER	0	(3,603)	511	(71,610)	883	42,446	(854,089)	3,423	(882,039)	0	(882,039)
14	CONSERVATION PROGRAM ADMIN	0	(175,098)	(4,409)	(165,055)	(8,000)	0	0	(84,983)	(437,545)	0	(437,545)
15	TOTAL ALL PROGRAMS	(320,643)	(912,452)	(22,341)	459,253	27,608	216,861	2,533,116	(101,361)	1,880,041	0	1,880,041

** 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 2018 THROUGH DECEMBER 2018

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	15,024	2,801,565	98,129	1,041,233	102,204	676,453	489,866	136,269	5,360,744	0	5,360,744
2	RESIDENTIAL INCENTIVE PROGRAM	0	2,333,127	80,084	190,096	29,687	23,472	5,220,121	37,114	7,913,701	0	7,913,701
3	BUSINESS ENERGY CHECK	4,119	424,277	8,403	29,610	5,458	15,138	24,454	22,486	533,945	0	533,945
4	BETTER BUSINESS	0	1,227,232	10,721	93,583	5,662	28,913	1,560,019	22,010	2,948,139	0	2,948,139
5	TECHNOLOGY DEVELOPMENT	0	238,621	3	212,181	18,712	0	0	16,022	485,539	0	485,539
6	FLORIDA CUSTOM INCENTIVE PROGRAM	0	147,233	335	147,288	5,489	37,735	165,790	2,249	506,119	0	506,119
7	INTERRUPTIBLE SERVICE	20,075	281,565	1,823	68	1,314	0	35,538,410	3,473	35,846,729	0	35,846,729
8	CURTAILABLE SERVICE	0	40,814	0	0	0	0	1,994,725	187	2,035,726	0	2,035,726
9	LOAD MANAGEMENT (RESIDENTIAL & COMMERCIAL)	13,231,786	1,878,570	70,778	1,627,161	72,840	969,833	24,534,341	61,971	42,447,280	0	42,447,280
10	LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM	0	133,205	0	2,279	0	34,000	136,546	11,056	317,086	0	317,086
11	STANDBY GENERATION	12,517	323,789	6,694	5,491	124,956	0	3,937,087	5,868	4,416,401	0	4,416,401
12	QUALIFYING FACILITY	0	1,163,092	3,848	30,000	203	0	0	29,574	1,226,716	0	1,226,716
13	NEIGHBORHOOD ENERGY SAVER	0	214,536	888	332,602	889	74,517	2,568,542	23,153	3,215,127	0	3,215,127
14	CONSERVATION PROGRAM ADMIN	0	2,586,688	5,592	628,823	69,386	0	0	439,551	3,730,040	0	3,730,040
15	TOTAL ALL PROGRAMS	13,283,521	13,794,314	287,298	4,340,416	436,800	1,860,062	76,169,900	810,982	110,983,292	0	110,983,292

DUKE ENERGY FLORIDA, LLC

ACTUAL CONSERVATION PROGRAM COSTS BY MONTH
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

LINE NO.	PROGRAM TITLE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1	HOME ENERGY CHECK	327,207	505,211	460,997	443,106	474,892	500,408	332,918	368,806	332,637	482,165	304,022	320,319	4,852,689
2	RESIDENTIAL INCENTIVE PROGRAM	551,993	681,115	707,143	691,103	704,335	755,512	648,138	812,534	701,708	608,430	804,145	601,432	8,267,588
3	BUSINESS ENERGY CHECK	40,053	40,214	42,967	44,292	57,689	43,902	39,177	49,640	51,290	55,167	41,684	39,009	545,085
4	BETTER BUSINESS	202,110	226,603	227,179	343,237	224,834	302,902	345,331	317,401	254,079	254,480	279,345	191,358	3,168,858
5	TECHNOLOGY DEVELOPMENT	121,044	(53,961)	5,604	22,480	27,303	31,169	27,368	76,371	18,547	10,478	25,402	125,993	437,800
6	FLORIDA CUSTOM INCENTIVE PROGRAM	43,045	36,879	37,106	29,553	62,243	52,227	69,495	30,510	30,981	88,167	132,677	150,098	762,982
7	INTERRUPTIBLE SERVICE	2,680,409	2,824,139	2,900,923	2,927,236	3,043,820	3,338,185	3,369,012	3,440,377	3,213,193	3,138,841	3,160,921	2,926,088	36,963,144
8	CURTAILABLE SERVICE	173,649	197,120	320,041	16,427	158,070	180,970	176,130	216,029	167,909	124,704	263,010	183,741	2,177,800
9	LOAD MANAGEMENT (RESIDENTIAL & COMMERCIAL)	3,872,981	4,043,243	3,647,423	3,013,016	3,039,336	3,511,786	3,507,469	3,562,796	3,702,948	3,736,084	4,324,790	4,018,956	43,980,828
10	LOW INCOME WEATHERIZATION ASSISTANCE PROGRAM	39,637	19,632	30,996	24,704	17,531	19,345	23,251	15,043	18,401	14,108	20,173	17,044	259,865
11	STANDBY GENERATION	327,388	325,698	341,424	396,878	350,136	357,388	548,800	369,330	373,337	464,789	38,523	726,119	4,619,809
12	QUALIFYING FACILITY	90,056	91,353	98,027	98,466	102,345	105,455	123,449	121,319	104,599	106,008	111,753	48,471	1,201,302
13	NEIGHBORHOOD ENERGY SAVER	181,596	303,043	184,910	281,382	(41,415)	472,461	124,473	39,297	161,190	216,886	199,384	209,881	2,333,088
14	CONSERVATION PROGRAM ADMIN	367,444	402,108	501,570	202,124	361,441	60,095	445,183	320,312	502,253	271,807	332,461	(474,305)	3,292,495
15	TOTAL ALL PROGRAMS	9,018,614	9,642,397	9,506,310	8,534,005	8,582,559	9,731,805	9,780,194	9,739,766	9,633,074	9,572,113	10,038,291	9,084,205	112,863,333
16	LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0	0	0	0
17	NET RECOVERABLE (CT-3,PAGE 2)	9,018,614	9,642,397	9,506,310	8,534,005	8,582,559	9,731,805	9,780,194	9,739,766	9,633,074	9,572,113	10,038,291	9,084,205	112,863,333

DUKE ENERGY FLORIDA, LLC
ENERGY CONSERVATION ADJUSTMENT
CALCULATION OF TRUE-UP
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

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	8,332,326	8,855,241	8,443,318	8,027,967	8,322,867	9,924,426	10,898,995	10,729,324	10,999,563	10,613,617	9,314,309	8,392,695	112,854,648
3	TOTAL REVENUES	8,332,326	8,855,241	8,443,318	8,027,967	8,322,867	9,924,426	10,898,995	10,729,324	10,999,563	10,613,617	9,314,309	8,392,695	112,854,648
4	PRIOR PERIOD TRUE-UP OVER/(UNDER)	(5,894,546)	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	5,894,546
5	CONSERVATION REVENUES APPLICABLE TO PERIOD	8,823,539	9,346,453	8,934,531	8,519,179	8,814,080	10,415,638	11,390,207	11,220,536	11,490,775	11,104,829	9,805,521	8,883,907	118,749,194
6	CONSERVATION EXPENSES (CT-3,PAGE 1, LINE 37)	9,018,614	9,642,397	9,506,310	8,534,005	8,582,559	9,731,805	9,780,194	9,739,766	9,633,074	9,572,113	10,038,291	9,084,205	112,863,333
7	TRUE-UP THIS PERIOD (O)/U	195,075	295,944	571,779	14,826	(231,520)	(683,833)	(1,610,013)	(1,480,770)	(1,857,702)	(1,532,715)	232,770	200,298	(5,885,861)
8	CURRENT PERIOD INTEREST	(7,032)	(6,188)	(5,659)	(4,829)	(4,245)	(4,347)	(5,572)	(7,320)	(9,815)	(12,760)	(13,343)	(12,415)	(93,525)
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	(5,894,546)	(5,215,290)	(4,434,322)	(3,376,990)	(2,875,781)	(2,620,334)	(2,817,302)	(3,941,675)	(4,938,552)	(6,314,857)	(7,369,120)	(6,658,481)	(5,894,546)
11	PRIOR TRUE-UP REFUNDED/ (COLLECTED)	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	491,212	5,894,546
12	END OF PERIOD NET TRUE-UP	(5,215,290)	(4,434,322)	(3,376,990)	(2,875,781)	(2,620,334)	(2,817,302)	(3,941,675)	(4,938,552)	(6,314,857)	(7,369,120)	(6,658,481)	(5,979,386)	(5,979,386)

DUKE ENERGY FLORIDA, LLC

CALCULATION OF INTEREST PROVISION
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

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)	(5,894,546)	(5,215,290)	(4,434,322)	(3,376,990)	(2,875,781)	(2,620,334)	(2,817,302)	(3,941,675)	(4,938,552)	(6,314,857)	(7,369,120)	(6,658,481)	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	(5,208,258)	(4,428,134)	(3,371,331)	(2,870,952)	(2,616,089)	(2,812,955)	(3,936,103)	(4,931,232)	(6,305,042)	(7,356,360)	(6,645,138)	(5,966,971)	
3 TOTAL BEGINNING & ENDING TRUE-UP	(11,102,804)	(9,643,425)	(7,805,653)	(6,247,942)	(5,491,870)	(5,433,289)	(6,753,404)	(8,872,907)	(11,243,594)	(13,671,217)	(14,014,258)	(12,625,451)	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(5,551,402)	(4,821,712)	(3,902,827)	(3,123,971)	(2,745,935)	(2,716,644)	(3,376,702)	(4,436,453)	(5,621,797)	(6,835,608)	(7,007,129)	(6,312,726)	
5 INTEREST RATE: FIRST DAY REPORTING BUSINESS MONTH	1.58%	1.46%	1.62%	1.86%	1.85%	1.86%	1.98%	1.98%	1.98%	2.21%	2.27%	2.30%	
6 INTEREST RATE: FIRST DAY SUBSEQUENT BUSINESS MONTH	1.46%	1.62%	1.86%	1.85%	1.86%	1.98%	1.98%	1.98%	2.21%	2.27%	2.30%	2.42%	
7 TOTAL (LINE 5 AND LINE 6)	3.04%	3.08%	3.48%	3.71%	3.71%	3.84%	3.96%	3.96%	4.19%	4.48%	4.57%	4.72%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	1.52%	1.54%	1.74%	1.86%	1.86%	1.92%	1.98%	1.98%	2.10%	2.24%	2.29%	2.36%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	(7,032)	(6,188)	(5,659)	(4,829)	(4,245)	(4,347)	(5,572)	(7,320)	(9,815)	(12,760)	(13,343)	(12,415)	(93,525)

Duke Energy Florida, LLC
 Conservation Account Numbers
 For the Period January 2018 - December 2018

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	SSHEI	Residential Incentive Program
2	0909000	SSHEI	Residential Incentive Program (Advertising)
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)
5	0908000	TECDEV	Technology Development
5	0908000	TECDEV	Technology Development (Energy Efficiency Research)
6	0908000	NRPRSC	Florida Custom Incentive
6	0909000	NRPRSC	Florida Custom Incentive (Advertising)
7	0908000	IRRSVC	Interruptible Service
7	0403002	IRRSVC	Interruptible Service (Equipment Depreciation)
8	0908000	PWRSHR	Curtable Service

Duke Energy Florida, LLC
Conservation Account Numbers
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

Line No.	Account	Product	Program Title
9	0908000	PWRMGR	Energy Management - Residential
9	0908002	PWRMGR	Energy Management - Residential (Amortization of Load Mgmt Switches)
9	0909000	PWRMGR	Energy Management - Residential (Advertising)
9	0403002	PWRMGR	Energy Management - Residential (Equipment Depreciation)
9	0182398	PWRMGR	Other accounts included with Energy Management - Residential (Switch installation)
10	0908000	COMLM	Energy Management - Commercial
11	0908000	WZELEC	Low Income Weatherization Asst
11	0909000	WZELEC	Low Income Weatherization Asst (Advertising)
12	0908000	STBGEN	Standby Generation
12	0403002	STBGEN	Standby Generation (Equipment Depreciation)
13	0908000	PPCOGN	Qualifying Facility
13	0908000	PPCOGN	Qualifying Facility - COGEN contract maintenance
14	0908000	HWLI	Neighborhood Energy Saver
14	0909000	HWLI	Neighborhood Energy Saver (Advertising)
15	0908000	NOPROD	Conservation Program Admin
15	0909000	NOPROD	Conservation Program Admin (Advertising)

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1 ENERGY CONSERVATION ADMIN														
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														
18 INTERRUPTIBLE SERVICE														
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	0	165	0	0	0	0	0	0	0	0	0	165
21 DEPRECIATION BASE		63,838	63,838	63,756	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673
22														
23 DEPRECIATION EXPENSE		1,064	1,064	1,063	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	12,740
24														
25 CUMM. NET INVEST	63,838	63,838	63,838	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673	63,673
26 LESS: ACC. NET DEPR	23,758	24,822	25,886	26,784	27,845	28,906	29,967	31,028	32,089	33,150	34,211	35,272	36,333	36,333
27 NET INVESTMENT	40,080	39,016	37,952	36,889	35,828	34,767	33,706	32,645	31,584	30,523	29,462	28,401	27,340	27,340
28 AVERAGE INVESTMENT		39,548	38,484	37,421	36,359	35,298	34,237	33,176	32,115	31,054	29,993	28,932	27,871	27,871
29 RETURN ON AVG INVEST		221	216	209	203	197	192	183	177	171	165	159	154	2,247
30														
31 RETURN REQUIREMENTS		274	267	259	251	244	237	227	219	212	204	197	191	2,782
32														
33 PROGRAM TOTAL		1,338	1,331	1,322	1,312	1,305	1,298	1,288	1,280	1,273	1,265	1,258	1,252	15,522
34														
35 BUSINESS ENERGY CHECK														
36 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
37 RETIREMENTS		0	0	0	69,415	0	0	0	0	0	0	0	0	69,415
38 DEPRECIATION BASE		69,415	69,415	69,415	34,708	0	0	0	0	0	0	0	0	0
39														
40 DEPRECIATION EXPENSE		1,157	1,157	1,157	596	0	0	0	0	0	0	0	0	4,067
41														
42 CUMM. NET INVEST	69,415	69,415	69,415	69,415	0	0	0	0	0	0	0	0	0	0
43 LESS: ACC. NET DEPR	65,348	66,505	67,662	68,819	0	0	0	0	0	0	0	0	0	0
44 NET INVESTMENT	4,067	2,910	1,753	596	0	0	0	0	0	0	0	0	0	0
45 AVERAGE INVESTMENT		3,488	2,331	1,174	298	0	0	0	0	0	0	0	0	0
46 RETURN ON AVG INVEST		20	13	7	2	0	0	0	0	0	0	0	0	42
47														
48 RETURN REQUIREMENTS		25	16	9	2	0	0	0	0	0	0	0	0	52
49														
50 PROGRAM TOTAL		1,182	1,173	1,166	598	0	0	0	0	0	0	0	0	4,119

- Jan - Jun return on average investment is calculated using an annual rate of 6.71% based on May 2017 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-EI.
- Jul - Dec return on average investment is calculated using an annual rate of 6.62% based on May 2018 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-EI.
- Return Requirements are calculated using a combined statutory tax rate of 25.345%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1 HOME ENERGY CHECK														
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	37,330	38,312	39,294	40,276	41,258	42,240	43,222	44,204	45,186	46,168	47,150	48,132	49,114	49,114
10 NET INVESTMENT	45,132	44,150	43,168	42,186	41,204	40,222	39,240	38,258	37,276	36,294	35,312	34,330	33,348	33,348
11 AVERAGE INVESTMENT		44,641	43,659	42,677	41,695	40,713	39,731	38,749	37,767	36,785	35,803	34,821	33,839	
12 RETURN ON AVG INVEST		250	244	239	233	227	223	214	208	203	198	192	186	2,617
13														
14 RETURN REQUIREMENTS		309	302	296	288	281	276	265	258	252	245	238	230	3,240
15														
16 PROGRAM TOTAL		1,291	1,284	1,278	1,270	1,263	1,258	1,247	1,240	1,234	1,227	1,220	1,212	15,024
17														
18 RESIDENTIAL INCENTIVE PROGRAM														
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														
35 LOAD MANAGEMENT SWITCHES														
36 INVESTMENTS		791,351	611,611	903,634	983,421	611,854	1,067,446	316,488	899,279	863,814	1,070,889	415,682	678,592	9,214,061
37 RETIREMENTS		45,307	27,438	28,990	22,550	28,922	23,246	12,183	17,719	39,975	31,979	20,040	14,694	313,044
38 INVESTMENTS BOOKED TO CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
39 CLOSING TO PLANT		0	0	0	0	0	0	0	0	0	0	0	0	0
40 DEPRECIATION BASE		24,211,300	24,966,279	25,549,676	26,427,539	27,385,224	27,970,994	29,020,725	29,322,263	30,192,694	31,020,532	32,065,411	32,463,726	
41														
42 AMORTIZATION EXPENSE		403,530	416,113	425,836	440,468	456,430	466,193	483,688	488,714	503,222	517,019	534,434	541,073	5,676,720
43														
44 CUMM. NET INVEST	24,233,953	24,979,998	25,564,171	26,438,814	27,399,685	27,982,617	29,026,817	29,331,122	30,212,682	31,036,521	32,075,431	32,471,073	33,134,971	33,134,971
45 LESS: ACC. NET DEPR	7,265,070	7,623,293	8,011,968	8,408,814	8,826,731	9,254,239	9,697,187	10,168,691	10,639,686	11,102,933	11,587,973	12,102,367	12,628,746	12,628,746
46 CUMM. CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47 NET INVESTMENT	16,968,883	17,356,704	17,552,202	18,030,000	18,572,953	18,728,378	19,329,630	19,162,430	19,572,996	19,933,588	20,487,458	20,368,706	20,506,225	20,506,225
48 AVERAGE INVESTMENT		17,162,794	17,454,453	17,791,101	18,301,477	18,650,665	19,029,004	19,246,030	19,367,713	19,753,292	20,210,523	20,428,082	20,437,465	
49 RETURN ON AVG INVEST		96,031	97,663	99,546	102,402	104,356	106,473	106,146	106,817	108,943	111,465	112,665	112,716	1,265,223
50														
51 RETURN REQUIREMENTS		118,837	120,856	123,186	126,721	129,139	131,759	131,468	132,299	134,932	138,056	139,542	139,605	1,566,400
52														
53 PROGRAM TOTAL		522,367	536,969	549,022	567,189	585,569	597,952	615,156	621,013	638,154	655,075	673,976	680,678	7,243,120

- Jan - Jun return on average investment is calculated using an annual rate of 6.71% based on May 2017 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-EI.

- Jul - Dec return on average investment is calculated using an annual rate of 6.62% based on May 2018 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-EI.

- Return Requirements are calculated using a combined statutory tax rate of 25.345%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1 TECHNOLOGY DEVELOPMENT														
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														
18 STANDBY GENERATION														
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	0	43,836	0	0	0	0	0	0	0	0	0	43,836
21 DEPRECIATION BASE		91,374	91,374	69,456	47,538	47,538	47,538	47,538	47,538	47,538	47,538	47,538	47,538	
22														
23 DEPRECIATION EXPENSE		1,523	1,523	1,158	792	792	792	792	792	792	792	792	792	11,332
24														
25 CUMM. NET INVEST	91,374	91,374	91,374	47,538	47,538	47,538	47,538	47,538	47,538	47,538	47,538	47,538	47,538	47,538
26 LESS: ACC. NET DEPR	71,512	73,035	74,558	31,880	32,672	33,464	34,256	35,048	35,840	36,632	37,424	38,216	39,008	39,008
27 NET INVESTMENT	19,862	18,339	16,816	15,658	14,866	14,074	13,282	12,490	11,698	10,906	10,114	9,322	8,530	8,530
28 AVERAGE INVESTMENT		19,101	17,578	16,237	15,262	14,470	13,678	12,886	12,094	11,302	10,510	9,718	8,926	
29 RETURN ON AVG INVEST		107	99	91	86	81	77	71	67	63	58	54	50	904
30														
31 RETURN REQUIREMENTS		132	122	113	106	100	95	88	83	78	72	67	62	1,118
32														
33 PROGRAM TOTAL		1,655	1,645	1,271	898	892	887	880	875	870	864	859	854	12,450
34														
35 BETTER BUSINESS														
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		0	0	0	0	0	0	0	0	0	0	0	0	0
39														
40 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
41														
42 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	0	0
46 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
47														
48 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
49														
50 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0

NOTE: - Jan - Jun return on average investment is calculated using an annual rate of 6.71% based on May 2017 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-E
- Jul - Dec return on average investment is calculated using an annual rate of 6.62% based on May 2018 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-E
- Return Requirements are calculated using a combined statutory tax rate of 25.345%.

DUKE ENERGY FLORIDA, LLC

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
FOR THE PERIOD JANUARY 2018 THROUGH DECEMBER 2018

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1	RESIDENTIAL ENERGY MANAGEMENT - SMARTGRID AMI METERS (D)													
2		0	0	0	0	0	0	0	0	0	0	0	0	0
3		0	0	0	0	0	0	0	0	0	0	0	0	0
4		0	0	0	0	0	0	0	0	0	0	0	0	0
5		0	0	0	0	0	0	0	0	0	0	0	0	0
6		0	0	0	0	0	0	0	0	0	0	0	0	0
7		<hr/>												
8		0	0	0	0	0	0	0	0	0	0	0	0	0
9		<hr/>												
10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		0	0	0	0	0	0	0	0	0	0	0	0	0
15		0	0	0	0	0	0	0	0	0	0	0	0	0
16		<hr/>												
17		0	0	0	0	0	0	0	0	0	0	0	0	0
18		<hr/>												
19		0	0	0	0	0	0	0	0	0	0	0	0	0
20		<hr/>												
21	RESIDENTIAL ENERGY MANAGEMENT - NON-SMARTGRID RESIDENTIAL PROJECTS (D)													
22		0	0	0	0	0	0	0	0	0	0	0	0	0
23		0	0	33,526	0	0	0	0	0	0	0	0	0	33,526
24		0	0	0	0	0	0	0	0	0	0	0	0	0
25		0	0	0	0	0	0	0	0	0	0	0	0	0
26		33,526	33,526	16,763	0	0	0	0	0	0	0	0	0	0
27		<hr/>												
28		559	559	2,183	0	0	0	0	0	0	0	0	0	3,301
29		<hr/>												
30	33,526	33,526	33,526	0	0	0	0	0	0	0	0	0	0	0
31	30,225	30,784	31,343	0	0	0	0	0	0	0	0	0	0	0
32	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	3,301	2,742	2,183	0	0	0	0	0	0	0	0	0	0	0
34		3,022	2,463	1,092	0	0	0	0	0	0	0	0	0	0
35		17	14	6	0	0	0	0	0	0	0	0	0	37
36		<hr/>												
37		21	17	7	0	0	0	0	0	0	0	0	0	45
38		<hr/>												
39		580	576	2,190	0	0	0	0	0	0	0	0	0	3,346
		<hr/>												

NOTE: - Jan - Jun return on average investment is calculated using an annual rate of 6.71% based on May 2017 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-EI.
- Jul - Dec return on average investment is calculated using an annual rate of 6.62% based on May 2018 DEF Surveillance Report capital structure & costs rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Docket 20120002-EI.
- Return Requirements are calculated using a combined statutory tax rate of 25.345%.

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 2018 - December 2018:

34,900 customers participated in the Home Energy Check Program.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$4,852,689.

Program Progress Summary:

946,505 participants have participated in the Home Energy Check Program since inception. DEF will continue to leverage this program to educate customers about cost-effective energy efficiency measures they can implement and incentives available for home energy improvements for which they may be eligible.

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 2018 - December 2018:

26,201 measures were implemented through this program resulting in a savings of 7.8 Summer MW's, 15.3 Winter MW's and 11.2 GWH's.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$8,267,588.

Program Progress Summary:

1,040,726 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 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 who have participated in the program. These home energy reports provide information about energy efficiency and continue the engagement with customers around low-cost energy saving measures that can deliver additional energy and bill savings.

Program Accomplishments - January 2018 - December 2018:

Energy efficiency measures were installed on 4,486 homes and home energy reports were provided to 16,420 customers.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$2,333,088.

Program Progress Summary:

Since program inception, DEF has installed energy efficiency measures on 38,002 homes and has provided 47,972 home energy reports to customers.

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 2018 - December 2018:

892 weatherization measures were installed on 204 residential homes.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$259,865.

Program Progress Summary:

25,285 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 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 2018 - December 2018:

6,426 residential customers were added to the program in 2018. The commercial program has been closed to new participants since July 2000.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for the residential/commercial energy management program were \$43,980,828.

Program Progress Summary:

There were approximately 435,000 residential participants and 58 commercial participants at year-end 2018.

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 2018 - December 2018:

668 commercial energy audits were completed in 2018.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$545,085.

Program Progress Summary:

42,862 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 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 2018 - December 2018:

Incentives were provided to customers for 550 commercial energy efficiency measures through this program in 2018.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$3,168,858.

Program Progress Summary:

Incentives have been provided to customers for 21,514 commercial energy efficiency measures through this program since inception.

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 2018 - December 2018:

Incentives were provided to 29 customers who participated in this program in 2018.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$762,982.

Program Progress Summary:

246 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 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 2018 - December 2018:

DEF added 12 customers to this program in 2018.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$4,619,809.

Program Progress Summary:

There were 178 participants at year-end 2018 providing 82 MW's of load control.

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 2018 - December 2018:

42 accounts were added to the program.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$36,963,144.

Program Progress Summary:

73 customers currently participate in this program providing 294 winter MW's and 310 summer MW's of load control.

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 2018 - December 2018:

No accounts were added to this program.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$2,177,800.

Program Progress Summary:

There were 2 customers and 4 accounts participating in this program in 2018 providing 8.2 MWs of load control.

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 2018 - December 2018:

Several research and development projects continued and/or launched in 2018.

- 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, HVAC thermostats and electric vehicle chargers (EVSE). The purpose of the project is to understand the potential to utilize the CTA-2045 device to support load management programs. DEF plans to continue to collect and analyze field pilot data for the design of potential cost-effective demand response programs.
- Completed a project with the University of South Florida for commercial building energy efficiency and demand response utilizing control systems that interface with existing customer building management systems. A final report for this project was produced in 2018. Duke is investigating the cost-effectiveness of a potential Custom Program for this technology.
- Completed a 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. Significant improvements in energy efficiency have been documented at these sites. A final report was produced in 2018. Preliminary cost-effectiveness proved to be marginal due to the high initial cost of the Variable Capacity Heat Pump systems.
- Completed the Renewable SEEDS project. This project consisted of two sites with PV systems integrated with energy storage. Both sites have demonstrated smoothing, energy shifting and demand response capabilities. A final report summarizing the results was completed.
- Continued a project with the University of South Florida to leverage customer-sited solar PV and energy storage at the USF 5th Avenue Garage Microgrid. The system provides load smoothing, islanding and demand response. A publicly available dashboard that shows live data, project specific facts and the capability of downloading data for further study is available for the site at <https://dashboards.epri.com/duke-usfsp-parking>. Results of this research may be used for design of a potential cost-effective demand response program.
- Continued the EPRI Solar DPV project for data collection to document customer solar resources with a focus on larger PV arrays with and without energy storage. This project also provides the data stream for the dashboard mentioned above.
- Continued participation in an EPRI project to study the potential of using customer demand response to compensate for variable loads and intermittent renewable generation resources.
- Continued the Energy Management Circuit Breaker Project. This project continued to explore the potential for developing a program for customer circuit breakers that includes communication, metering, and remote operation for potential applications including energy efficiency, demand response, and integration of distributed energy resources. A field pilot program has been installed and operational data is being collected from appliances in 10 customer homes. This data will be used to document the operation of these breakers and assess

the cost-effectiveness for potential EE and DR programs.

- Partnered with EPRI on a project to assess the demand response opportunities for new and existing variable capacity heat pump systems for potential future load management programs. We continued implementation of a pilot to use manufacturer cloud communications to control existing variable-capacity heat pumps. This pilot will assess the viability of communications and impacts of variable capacity heat pumps for demand response and energy efficiency.
- Launched a project to gather robust data about residential customers that drive electric vehicles. The project will determine what type of hardware the customer uses to charge their vehicle, where they do their charging (at home, work or public charging station, in/out of DEF service territory, etc.) and how much power and energy are consumed by EV charging. The project will also assess the capability of EVs to be a demand response resource.
- Launched a project that will provide knowledge in methods to utilize customer Wi-Fi infrastructure to develop a dedicated, durable and secure utility communication channel to connected devices. The project will also provide knowledge on the effectiveness of Wi-Fi signal strength improvement technology. This technology could lead to lower costs and improved cost-effectiveness for existing and future demand response and energy efficiency programs.
- Partnered with EPRI and other research organizations to evaluate energy efficiency, energy storage, and alternative energy / innovative technologies.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$437,800.

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 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 2018 - December 2018:

Avoided cost and interconnection service activity with renewable and distributed resource (DR) developers continued in 2018. DEF provided QF, renewable, or DR related information to many 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 evolving 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. As of December 31, 2018, DEF had over 6,000 MW of solar projects in its various grid interconnection queues representing over 80 potential projects. The QF purchased power contracts produced more than 3 Million-MWhs for DEF customers during 2018. On April 20, 2018, the Commission approved DEF's petition for approval to terminate a QF PPA Agreement with Florida Power Development, LLC under Docket No. 20170274-EQ which is estimated to save customers between \$38 million and \$59 million in net present value. On October 30, 2018 the Commission approved DEF's petition for approval to terminate a QF Agreement with Ridge Generating Station under Docket No. 20180152-EQ which is estimated to save customers between \$30 million and \$35 million in net present value.

Program Fiscal Expenditures - January 2018 - December 2018:

Expenses for this program were \$1,201,302.

Program Progress Summary:

As of December 31, 2018, DEF administered total firm capacity contracts from in-service QFs of approximately 451 MW and five As-Available energy contracts with active deliveries to DEF. There is a placeholder of 250 MW of executed As-Available energy contracts for future

service. Finally, as of December 31, 2018, there were a total of 5,138 MW of potential QF pre-application interconnection requests completed for state jurisdictional interconnection service and a total of 293 MW of potential QF state jurisdictional interconnection requests in process.

**Duke Energy Florida, LLC
Energy Conservation Cost Recovery
Capital Structure and Cost Rates
January 2018 - December 2018**

Class of Capital	Retail Amount	Ratio	Cost Rate	Weighted Cost Rate	PreTax Weighted Cost Rate
CE	\$4,711,485,475	44.73%	10.50%	4.70%	6.29%
LTD	3,931,532,102	37.33%	5.29%	1.97%	1.97%
STD	102,874,989	0.98%	0.21%	0.00%	0.00%
CD-Active	191,024,808	1.81%	2.26%	0.04%	0.04%
CD-Inactive	1,455,315	0.01%	0.00%	0.00%	0.00%
Deferred Tax	1,772,932,910	16.83%	0.00%	0.00%	0.00%
FAS 109	(180,390,549)	-1.71%	0.00%	0.00%	0.00%
ITC	1,967,889	0.02%	0.00%	0.00%	0.00%
Total	\$10,532,882,939	100%		6.71%	8.31%

Total Debt	2.02%	2.02%
Total Equity	4.70%	6.29%

Used to Calculate January 2018 - June 2018

May 2017 DEF Surveillance Report capital structure and cost rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Dockets 20120001-EI, 20120002-EI & 20120007-EI.

Class of Capital	Retail Amount	Ratio	Cost Rate	Weighted Cost Rate	PreTax Weighted Cost Rate
CE	\$5,022,459,234	44.29%	10.50%	4.65%	6.23%
LTD	4,497,051,945	39.66%	4.90%	1.94%	1.94%
STD	(193,058,184)	-1.70%	0.88%	-0.01%	-0.01%
CD-Active	179,648,841	1.58%	2.35%	0.04%	0.04%
CD-Inactive	1,597,098	0.01%	0.00%	0.00%	0.00%
Deferred Tax	1,826,908,909	16.11%	0.00%	0.00%	0.00%
ITC	5,239,408	0.05%	7.85%	0.00%	0.00%
Total	\$11,339,847,250	100.00%		6.62%	8.20%

Total Debt	1.97%	1.97%
Total Equity	4.65%	6.23%

Used to Calculate July 2018 - December 2018

May 2018 DEF Surveillance Report capital structure and cost rates. See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU, Dockets 20120001-EI, 20120002-EI & 20120007-EI.