

December 15, 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

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 October 31, 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 October 31, 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

Marcia Olivin Ber Davier Portuendo

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Attachment

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

## DUKE ENERGY FLORIDA RATE OF RETURN REPORT SUMMARY OCTOBER 2014

	(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	\$ 651,911,666 (	a) \$ (53,331,579) (b)	\$ 598,580,087	\$ 6,339,789	\$ 604,919,876
Average Rate Base	\$ 10,447,410,025	\$ (1,325,524,952)	\$ 9,121,885,073	\$	\$ 9,121,885,073
Average Rate of Return	6.24%		6.56%		6.63%
I. YEAR END RATE OF RETURN (Jurisdictional)					
Net Operating Income	\$ 647,185,708	\$ (48,605,621)	\$ 598,580,087		
Average Rate Base	\$ 10,588,455,047	\$ (1,111,471,012)	\$ 9,476,984,035		
Average Rate of Return	6.11%		6.32%		
(a) INCLUDES AFUDC EARNINGS					
(b) INCLUDES REVERSAL OF AFUDC EARNINGS		<u>.</u>			
	Average	End of Period			
III. REQUIRED RATES OF RETURN	Capital Structure	Capital Structure			
FPSC Adjusted Basis					
Low Point	6.43%	6.34%			
Mid Point	6.90%	6.80%			
High Point	7.36%	7.27%			
Pro Forma Adjusted Basis					
Low Point	6.43%	6.34%			
Mid Point	6.90%	6.80%			
High Point	7.36%	7.27%			
IV. FINANCIAL INTEGRITY INDICATORS					
A. T.I.E. with AFUDC	4.21	(System Per Books Basi	is)		
B. T.I.E without AFUDC	4.19	(System Per Books Basi	is)		
C. AFUDC to Net Income	1.04%	(System Per Books Basi	is)		
D. internally Generated Funds	69.36%	(System Per Books Basi	is)		
E. STD/LTD to Total Investor Funds					
LT Debt-Fixed to Total Investor Funds	43.67%	(FPSC Adjusted Basis)			
ST Debt to Total Investor Funds	1.68%	(FPSC Adjusted Basis)			
F. Return on Common Equity	9.79%	(FPSC Adjusted Basis)			
	9.93%	(Pro Forma Adjusted Ba	sis)		
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-El 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 Olivis for Jave Polivalo 12/15/14

Javier Portuondo, Director Rates & Regulatory Strategy

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	\$13,630,559,088	\$5,019,271,872	\$8,611,287,216	\$120,900,140	\$279,575,289	\$9,011,762,645	\$2,385,263,909	\$11,397,026,554
Regulatory Base - Retail	\$12,354,583,620	\$4,613,364,226	\$7,741,219,393	\$104,803,496	\$241,899,838	\$8,087,922,727	\$2,359,487,298	\$10,447,410,025
FPSC Adjustments								
ARO	(16,841,368)	(28,991,960)	12,150,593			12,150,593	(11,529,598)	620,994
ECCR	(37,899,391)	(3,605,905)	(34,293,486)		(8,813,263)	(43,106,749)	5,093,217	(38,013,532)
ECRC	(372,480,000)	(30,055,534)	(342,424,466)		(8,525,769)	(350,950,235)	(16,194,444)	(367,144,679)
FUEL	(28,969,382)	(28,100,839)	(868,543)			(868,543)	163,603,557	162,735,014
CCR							(38,587,392)	(38,587,392)
NUCLEAR					(42,358,553)	(42,358,553)	(379,919,476)	(422,278,029)
CR3 Removal							(1,275,068,778)	(1,275,068,778)
Derivatives							24,536,986	24,536,986
Employee Related							(1,180,207)	(1,180,207)
Investments Earning a Return							(136,436,598)	(136,436,598)
Jobbing Accounts							(1,388,208)	(1,388,208)
Non-Regulated and Miscellaneous	(30,241,261)	(46,881,610)	16,640,349			16,640,349	(3,050,841)	13,589,508
Rate Case Regulatory Asset							(12,499)	(12,499)
Retention Accounts							3,057,880	3,057,880
CWIP - AFUDC					(25,054,253)	(25,054,253)		(25,054,253)
Imputed Off Balance Sheet Obligations							776,128,483	776,128,483
Capital Lease	(164,489,165)		(164,489,165)			(164,489,165)	163,459,522	(1,029,643)
Total FPSC Adjustments	(650,920,567)	(137,635,848)	(513,284,719)		(84,751,838)	(598,036,556)	(727,488,396)	(1,325,524,952)
FPSC Adjusted	\$11,703,663,053	\$4,475,728,378	\$7,227,934,675	\$104,803,496	\$157,148,001	\$7,489,886,171	\$1,631,998,902	\$9,121,885,073

	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 Pecks (s)	4,890,754,089	2 446 400 E44	823,035,277	507,708,203	345,684,117	98,930,536	250,596,384	(1,280,317)		4,140,782,714	749,971,375
System Per Books (a)  Regulatory Base - Retail (b)	4,590,906,907	2,116,108,514 2,055,477,700	785,959,305	476,770,746	333,240,209	83,054,654	210,381,919	(1,163,334)		3,943,721,199	647,185,708
Regulatory Base - Retail (b)	4,390,900,907	2,033,477,700	705,959,505	470,770,740	333,240,209	03,034,034	210,301,919	(1,103,334)		3,343,721,133	047,103,700
FPSC Adjustments											
ECCR	(126,509,838)		(117,012,816)	(3,940,277)		(2,143,514)				(123,096,608)	(3,413,230)
ECRC	(100,172,344)		(50,604,380)	` '	(2,568,361)	(15,637,367)				(75,272,141)	(24,900,202)
FUEL	(1,719,280,369)	(1,701,332,075)	(1,061,808)	` ,	(=,===,===,	(6,513,962)				(1,708,907,845)	(10,372,524)
CCR	(342,144,962)	(341,915,318)	(229,645)			(2,2 2,2 2,				(342,144,963)	-
NUCLEAR	(169,652,588)	(= ,= =,= =,	(193,060)			(6,262,857)				(159,679,912)	(9,972,676)
CORPORATE AIRCRAFT ALLOCATION	, , ,		(2,847,751)	, , ,		1,098,520				(1,749,231)	1,749,231
FRANCHISE FEE & GROSS RECEIPTS	(209,699,316)		( , , , ,			(80,891,511)				(80,891,511)	
FRANCHISE FEES & GROSS REC TAX - TOI	, , ,				(205,533,674)	` ′				(126,249,059)	,
GAIN/LOSS ON DISPOSITION & OTHER						207,148			(537,002)	(329,853)	329,853
INST./PROMOTIONAL ADVERTISING			(548,309)			211,510				(336,799)	336,799
INTEREST ON TAX DEFICIENCY			(285,124)			109,987				(175,137)	175,137
MISCELLANEOUS INTEREST EXPENSE			140,427			(54,170)				86,257	(86,257)
REMOVE ASSOC/ORGANIZATION DUES			(93,209)			35,955				(57,254)	57,254
PARENT DEBT ADJUSTMENT			-			(9,268,956)				(9,268,956)	9,268,956
DIRECTORS & OFFICERS PREMIUM			(1,536,653)			592,764				(943,889)	943,889
INTEREST SYNCHRONIZATION - FPSC						10,163,105				10,163,105	(10,163,105)
Total FPSC Adjustments	(2,667,459,417)	(2,043,247,393)	(174,272,328)	(163,626,305)	(208,102,035)	(29,068,734)			(537,002)	(2,618,853,797)	(48,605,621)
FPSC Adjusted	1,923,447,489	12,230,307	611,686,977	313,144,441	125,138,173	53,985,920	210,381,919	(1,163,334)	(537,002)	1,324,867,402	598,580,087
Pro Forma Adjustments											
Weather Normalization	10,321,186					3,981,397				3,981,397	6,339,789
Total Pro Forma Adjustments	10,321,186					3,981,397				3,981,397	6,339,789
Pro Forma Adjusted	1,933,768,675	12,230,307	611,686,977	313,144,441	125,138,173	57,967,318	210,381,919	(1,163,334)	(537,002)	1,328,848,799	604,919,876
Current Month											
System Per Books	410,903,212	183,059,932	62,468,675	45,348,244	27,746,624	(74,322,456)		(108,917)		348,508,909	62,394,303
FPSC Adjusted	155,855,629		44,335,383	28,601,996	8,985,404	(57,861,387)	81,212,535	(98,965)	(39,607)	105,135,360	50,720,269
(2)	The addition of ear	nings from AFLID	charges would	increase the Su	tom NOI by		E 462 017	protay			
	The addition of ear				•	hv	5,462,017				
(D)	The addition of ear	IIIIIgs ITUITI AFUDO	charges would	increase the Jur	isulctional NOI	υy	4,725,958	pretax			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	620,994	620,994
	ECCR	F	(38,013,532)	(38,013,532)
	ECRC	F	(418,201,225)	(367,144,679)
	FUEL	F	162,668,483	162,735,014
	CCR	F	(38,587,392)	(38,587,392)
	NUCLEAR	F	(425,522,699)	(422,278,029)
	CR3 Removal	F	(1,275,068,778)	(1,275,068,778)
	Derivatives	F	24,536,986	24,536,986
	Employee Related	F	(1,179,800)	(1,180,207)
	Investments Earning a Return	F	(142,443,202)	(136,436,598)
	Jobbing Accounts	F	(1,558,156)	(1,388,208)
	Non-Regulated and Miscellaneous	F	14,678,103	13,589,508
	Rate Case Regulatory Asset	F	(12,499)	(12,499)
	Retention Accounts	F	3,432,234	3,057,880
(1)	CWIP - AFUDC	F	(30,438,598)	(25,054,253)
(3)	Imputed Off Balance Sheet Obligations	F	835,580,000	776,128,483
(2)	Capital Lease - EPIS	F	(176,450,762)	(164,489,165)
(2)	Capital Lease - Working Capital	F	175,346,244	163,459,522
	Total		(1,330,613,597)	(1,325,524,952)

			Syst	tem	Reta	ail
Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	Amount	Income Tax Effect 2,142,361 15,197,443 ( 6,513,962 ( 6,259,663 ( (1,178,404) 80,891,511 (2 (79,284,615) 2 (223,016) (226,891)	Amount	Income Tax Effect
	ECCR	F	(5,553,756)	2,142,361	(5,556,745)	2,143,514
	ECRC	F	(39,397,131)	15,197,443	(40,537,570)	15,637,367
	FUEL	F	(16,886,487)	6,513,962	(16,886,487)	6,513,962
	CCR	F				
	NUCLEAR	F	(16,227,252)	6,259,663	(16,235,533)	6,262,857
(2)	CORPORATE AIRCRAFT ALLOCATION	F	3,054,839	(1,178,404)	2,847,751	(1,098,520)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(209,699,316)	80,891,511	(209,699,316)	80,891,511
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	205,533,674	(79,284,615)	205,533,674	(79,284,615)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	578,136	(223,016)	537,002	(207,148)
(1)	INST./PROMOTIONAL ADVERTISING	F	588,182	(226,891)	548,309	(211,510)
(1)	INTEREST ON TAX DEFICIENCY	F	305,858	(117,985)	285,124	(109,987)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(150,639)	58,109	(140,427)	54,170
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	99,987	(38,570)	93,209	(35,955)
(2)	PARENT DEBT ADJUSTMENT	F		10,226,234		9,268,956
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,648,398	(635,870)	1,536,653	(592,764)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(10,163,105)		(10,163,105)
	Tota	I	(76,105,507)	29,420,827	(77,674,355)	29,068,734

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI

<sup>(2)</sup> Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

<sup>(3)</sup> 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
Sustam Bar Backs	12 956 006 020	E 446 0E0 074	0 740 752 660	120 000 040	250 044 022	0.404 567 540	2 205 262 000	44 E76 924 4E9
System Per Books  Regulatory Base - Retail	13,866,006,039 12,548,956,200	5,146,252,371	8,719,753,668 7,813,215,593	120,899,848 104,803,242	350,914,033	9,191,567,549	2,385,263,909	11,576,831,458
Regulatory Base - Retail	12,546,956,200	4,735,740,606	7,613,213,393	104,603,242	310,948,913	8,228,967,749	2,359,487,298	10,588,455,047
FPSC Adjustments								
ARO	(16,841,368)	(31,023,094)	14,181,726			14,181,726	(11,529,598)	2,652,128
ECCR	(40,174,649)	(5,432,543)	(34,742,106)		(7,672,003)	(42,414,109)	5,093,217	(37,320,892)
ECRC	(114,114,691)	(6,317,867)	(107,796,824)		(12,699,033)	(120,495,857)	(16,194,444)	(136,690,301)
FUEL	(28,969,382)	(28,098,901)	(870,481)			(870,481)	163,603,557	162,733,076
CCR							(38,587,392)	(38,587,392)
NUCLEAR					(42,291,079)	(42,291,079)	(379,919,476)	(422,210,555)
CR3 Removal							(1,275,068,778)	(1,275,068,778)
Derivatives							24,536,986	24,536,986
Employee Related							(1,180,207)	(1,180,207)
Investments Earning a Return							(136,436,598)	(136,436,598)
Jobbing Accounts							(1,388,208)	(1,388,208)
Non-Regulated and Miscellaneous	(30,257,750)	(47,302,181)	17,044,431			17,044,431	(3,050,841)	13,993,590
Rate Case Regulatory Asset							(12,499)	(12,499)
Retention Accounts							3,057,880	3,057,880
CWIP - AFUDC					(50,556,990)	(50,556,990)		(50,556,990)
Imputed Off Balance Sheet Obligations							776,128,483	776,128,483
Capital Lease	(158,580,257)		(158,580,257)			(158,580,257)	163,459,522	4,879,264
Total FPSC Adjustments	(388,938,097)	(118,174,587)	(270,763,511)		(113,219,105)	(383,982,616)	(727,488,396)	(1,111,471,012)
FPSC Adjusted	12,160,018,102	4,617,566,020	7,542,452,083	104,803,242	197,729,808	7,844,985,133	1,631,998,902	9,476,984,035

	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
Overton Day Day La (c)	4 000 75 4 000	0.440.400.544	000 005 077	F07 700 000	045 004 447	00 000 500	050 500 004	(4 000 047)		4 4 4 0 7 0 0 7 4 4	740.074.075
System Per Books (a)	4,890,754,089	2,116,108,514		507,708,203 476,770,746			250,596,384	• • • •		4,140,782,714	749,971,375
Regulatory Base - Retail (b)	4,590,906,907	2,055,477,700	785,959,305	476,770,746	333,240,209	83,054,654	210,381,919	(1,163,334)		3,943,721,199	647,185,708
FPSC Adjustments											
ECCR	(126,509,838)		(117,012,816)	(3,940,277)		(2,143,514)				(123,096,608)	(3,413,230)
ECRC	(100,172,344)		(50,604,380)	(6,462,033)	(2,568,361)	, , , , ,				(75,272,141)	(24,900,202)
FUEL	, , ,	(1,701,332,075)		, , ,	(, , ,	(6,513,962)				(1,708,907,845)	, ,
CCR	(342,144,962)	(341,915,318)	(229,645)							(342,144,963)	,
NUCLEAR	(169,652,588)	,		(153,223,995)		(6,262,857)				(159,679,912)	(9,972,676)
CORPORATE AIRCRAFT ALLOCATION	,		(2,847,751)			1,098,520				(1,749,231)	1,749,231
FRANCHISE FEE & GROSS RECEIPTS	(209,699,316)					(80,891,511)				(80,891,511)	(128,807,805)
FRANCHISE FEES & GROSS REC TAX - TOI					(205,533,674)	79,284,615				(126,249,059)	126,249,059
GAIN/LOSS ON DISPOSITION & OTHER						207,148			(537,002)	(329,853)	329,853
INST./PROMOTIONAL ADVERTISING			(548,309)			211,510				(336,799)	336,799
INTEREST ON TAX DEFICIENCY			(285,124)			109,987				(175,137)	175,137
MISCELLANEOUS INTEREST EXPENSE			140,427			(54,170)				86,257	(86,257)
REMOVE ASSOC/ORGANIZATION DUES			(93,209)			35,955				(57,254)	57,254
PARENT DEBT ADJUSTMENT						(9,268,956)				(9,268,956)	9,268,956
DIRECTORS & OFFICERS PREMIUM			(1,536,653)			592,764				(943,889)	943,889
INTEREST SYNCHRONIZATION - FPSC						10,163,105				10,163,105	(10,163,105)
Total FPSC Adjustments	(2,667,459,417)	(2,043,247,393)	(174,272,328)	(163,626,305)	(208,102,035)	(29,068,734)			(537,002)	(2,618,853,797)	(48,605,621)
FPSC Adjusted	1,923,447,489	12,230,307	611,686,977	313,144,441	125,138,173	53,985,920	210,381,919	(1,163,334)	(537,002)	1,324,867,402	598,580,087
(a)	(a) The addition of earnings from AFUDC charges would increase the System NOI by							pretax			
, ,	The addition of earn				·	)I by	4,725,958	•			
(5)	The addition of cur		2 3.131 BC3 11 Out			,	1,723,330	pretax			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	2,652,128	2,652,128
	ECCR	F	(37,320,892)	(37,320,892)
	ECRC	F	(175,836,562)	(136,690,301)
	FUEL	F	162,666,397	162,733,076
	CCR	F	(38,587,392)	(38,587,392)
	NUCLEAR	F	(425,450,056)	(422,210,555)
	CR3 Removal	F	(1,275,068,778)	(1,275,068,778)
	Derivatives	F	24,536,986	24,536,986
	Employee Related	F	(1,179,800)	(1,180,207)
	Investments Earning a Return	F	(142,443,202)	(136,436,598)
	Jobbing Accounts	F	(1,558,156)	(1,388,208)
	Non-Regulated and Miscellaneous	F	15,082,185	13,993,590
	Rate Case Regulatory Asset	F	(12,499)	(12,499)
	Retention Accounts	F	3,432,234	3,057,880
(1)	CWIP - AFUDC	F	(58,332,227)	(50,556,990)
(3)	Imputed Off Balance Sheet Obligations	F	835,580,000	776,128,483
(2)	Capital Lease - EPIS	F	(170,112,161)	(158,580,257)
(2)	Capital Lease - Working Capital	F	175,346,244	163,459,522
	Tota	I	(1,106,605,550)	(1,111,471,012)

			Sys	tem	Reta	ail	
Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	Amount	Income Tax Effect	Amount	Income Tax Effect	
	ECCR	F	(5,553,756)	2,142,361	(5,556,745)	2,143,514	
	ECRC	F	(39,397,131)	15,197,443	(40,537,570)	15,637,367	
	FUEL	F	(16,886,487)	6,513,962	(16,886,487)	6,513,962	
	CCR	F					
	NUCLEAR	F	(16,227,252)	6,259,663	(16,235,533)	6,262,857	
(2)	CORPORATE AIRCRAFT ALLOCATION	F	3,054,839	(1,178,404)	2,847,751	(1,098,520)	
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(209,699,316)	80,891,511	(209,699,316)	80,891,511	
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	205,533,674	(79,284,615)	205,533,674	(79,284,615)	
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	578,136	(223,016)	537,002	(207,148)	
(1)	INST./PROMOTIONAL ADVERTISING	F	588,182	(226,891)	548,309	(211,510)	
(1)	INTEREST ON TAX DEFICIENCY	F	305,858	(117,985)	285,124	(109,987)	
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(150,639)	58,109	(140,427)	54,170	
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	99,987	(38,570)	93,209	(35,955)	
(2)	PARENT DEBT ADJUSTMENT	F		10,226,234		9,268,956	
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,648,398	(635,870)	1,536,653	(592,764)	
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(10,163,105)		(10,163,105)	
	Total		(76,105,507)	29,420,827	(77,674,355)	29,068,734	

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI

<sup>(2)</sup> Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

<sup>(3)</sup> Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

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

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Сар	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	4,926,687,858	4,508,347,089	(991,570,509)	747,109,480	4,263,886,060	46.74%	9.50%	4.44%	10.50%	4.91%	11.50%	5.38%
Long Term Debt	4,791,974,036	4,385,072,248	(964,457,314)		3,420,614,934	37.50%	5.14%	1.93%	5.14%	1.93%	5.14%	1.93%
Short Term Debt *	(94,365,991)	(86,353,074)	18,992,584	214,906,927	147,546,437	1.62%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	212,059,194	212,059,194	(46,640,518)		165,418,676	1.81%	2.27%	0.04%	2.27%	0.04%	2.27%	0.04%
Inactive	1,586,301	1,586,301	(348,893)		1,237,408	0.01%						
Investment Tax Credits **	1,302,145	1,191,576	(262,076)		929,499	0.01%						
Deferred Income Taxes	1,774,216,219	1,623,561,865	(357,087,871)	10,014,532	1,276,488,526	13.99%						
FAS 109 DIT - Net	(216,433,208)	(198,055,174)	43,560,459		(154,494,715)	-1.69%						
Total	11,397,026,555	10,447,410,025	(2,297,814,138)	972,030,939	9,121,626,826	100.00%		6.43%		6.90%		7.36%
* Daily Weighted Average												
** Cost Rates Calculated Per IRS	Ruling											

DUKE ENERGY FLORIDA End of Period - Capital Structure Pro Forma Adjusted Basis October 2014

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Cap	Lov	w-Point	Mid	-Point	Higl	h-Point
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	5,173,962,093	4,689,438,916	(1,019,283,103)	747,232,107	4,417,387,920	46.61%	9.50%	4.43%	10.50%	4.89%	11.50%	5.36%
Long Term Debt	4,880,626,151	4,423,572,843	(961,495,210)		3,462,077,633	36.53%	5.04%	1.84%	5.04%	1.84%	5.04%	1.84%
Short Term Debt *	(317,715,500)	(287,962,572)	62,590,726	419,890,155	194,518,309	2.05%	1.22%	0.03%	1.22%	0.03%	1.22%	0.03%
Customer Deposits												
Active	215,034,789	215,034,789	(46,739,350)		168,295,439	1.78%	2.24%	0.04%	2.24%	0.04%	2.24%	0.04%
Inactive	1,520,398	1,520,398	(330,469)		1,189,929	0.01%						
Investment Tax Credits **	643,346	583,098	(126,741)		456,358							
Deferred Income Taxes	1,920,544,164	1,740,692,023	(378,351,867)	22,883,196	1,385,223,352	14.62%						
FAS 109 DIT - Net	(214,512,813)	(194,424,449)	42,259,545		(152,164,904)	-1.61%						
Total	11,660,102,628	10,588,455,047	(2,301,476,469)	1,190,005,457	9,476,984,035	100.00%		6.34%		6.80%		7.27%
* Daily Weighted Average												
** Cost Rates Calculated Per I	RS Ruling											

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

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Сар	Low	-Point	Mid-	Point	High	n-Point
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	4,926,687,858	4,508,347,089	(991,570,509)	747,109,480	4,263,886,060	46.74%	9.50%	4.44%	10.50%	4.91%	11.50%	5.38%
Long Term Debt	4,791,974,036	4,385,072,248	(964,457,314)		3,420,614,934	37.50%	5.14%	1.93%	5.14%	1.93%	5.14%	1.93%
Short Term Debt *	(94,365,991)	(86,353,074)	18,992,584	214,906,927	147,546,437	1.62%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	212,059,194	212,059,194	(46,640,518)		165,418,676	1.81%	2.27%	0.04%	2.27%	0.04%	2.27%	0.04%
Inactive	1,586,301	1,586,301	(348,893)		1,237,408	0.01%						
Investment Tax Credits **	1,302,145	1,191,576	(262,076)		929,499	0.01%						
Deferred Income Taxes	1,774,216,219	1,623,561,865	(357,087,871)	10,014,532	1,276,488,526	13.99%						
FAS 109 DIT - Net	(216,433,208)	(198,055,174)	43,560,459		(154,494,715)	-1.69%						
Total	11,397,026,555	10,447,410,025	(2,297,814,138)	972,030,939	9,121,626,826	100.00%		6.43%		6.90%		7.36%
* Daily Weighted Average												
** Cost Rates Calculated Pe	r iks kuling											

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

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Сар	Lov	v-Point	Mic	Mid-Point		High-Point	
	Books	Books	Adjustments	Adjustments	Retail	Ratio	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	
Common Equity	5,173,962,093	4,689,438,916	(1,019,283,103)	747,232,107	4,417,387,920	46.61%	9.50%	4.43%	10.50%	4.89%	11.50%	5.36%	
Long Term Debt	4,880,626,151	4,423,572,843	(961,495,210)		3,462,077,633	36.53%	5.04%	1.84%	5.04%	1.84%	5.04%	1.84%	
Short Term Debt *	(317,715,500)	(287,962,572)	62,590,726	419,890,155	194,518,309	2.05%	1.22%	0.03%	1.22%	0.03%	1.22%	0.03%	
Customer Deposits													
Active	215,034,789	215,034,789	(46,739,350)		168,295,439	1.78%	2.24%	0.04%	2.24%	0.04%	2.24%	0.04%	
Inactive	1,520,398	1,520,398	(330,469)		1,189,929	0.01%							
Investment Tax Credits **	643,346	583,098	(126,741)		456,358								
Deferred Income Taxes	1,920,544,164	1,740,692,023	(378,351,867)	22,883,196	1,385,223,352	14.62%							
FAS 109 DIT - Net	(214,512,813)	(194,424,449)	42,259,545		(152,164,904)	-1.61%							
Total	11,660,102,628	10,588,455,047	(2,301,476,469)	1,190,005,457	9,476,984,035	100.00%		6.34%		6.80%		7.27%	
* Daily Weighted Average													
** Cost Rates Calculated Pe	r IRS Ruling												

A. TIMES INTEREST EARNED WITH A	FUDC	D. PERCENT INTERNALLY GENERATED FUNDS*		
EARNINGS BEFORE INTEREST AFUDC - DEBT INCOME TAXES TOTAL INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge) TIE WITH AFUDC	\$ 724,456,949 \$ 2,309,629 \$ 333,127,712 \$ 1,059,894,290 \$ 251,528,319 4.21	NET INCOME COMMON DIVIDENDS AFUDC (EQUITY) DEPRECIATION & AMORTIZATION DEFERRED INCOME TAXES INVESTMENT TAX CREDITS DEFERRED FUEL NET	\$ 529,592,859 (225,000,000) (3,517,762) 507,981,177 334,183,407 (1,293,658)	
B. TIMES INTEREST EARNED WITHOU	JT AFUDC	OTHER - INC NUCLEAR DECOMMISSIONING OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(69,510,925) (591,237,297)	
EARNINGS BEFORE INTEREST AFUDC - EQUITY INCOME TAXES TOTAL INTEREST CHARGES (before deducting AFUDC-Debt & CR3 reg asset carrying charge) TIE WITHOUT AFUDC	\$ 724,456,949 (3,152,388) 333,127,712 \$ 1,054,432,273 \$ 251,528,319 4.19	TOTAL FUNDS PROVIDED  CONSTRUCTION EXPENDITURES (EXCLUDING AFUDC EQUITY & DEBT)  PERCENTAGE INTERNALLY GENERATED FUNDS  *Updated quarterly as of September 2014	\$ 481,197,801 \$ 693,742,186 69.36%	
C. PERCENT AFUDC TO NET INCOME FOR COMMON SHAREHOLDERS	AVAILABLE	E. SHORT TERM DEBT/LONG TERM DEBT AS AS A A PERCENT OF TOTAL INVESTOR CAPITAL		
AFUDC DEBT LESS: DIT SUBTOTAL AFUDC -EQUITY TOTAL NET INCOME AVAILABLE FOR	\$ 2,309,629 \$ 2,309,629 \$ 3,152,388 \$ 5,462,017	Common Equity Preferred Stock Long Term Debt Short Term Debt TOTAL	\$ 4,263,886,060 \$ - \$ 3,420,614,934 \$ 147,546,437 \$ 7,832,047,431	
COMMON STOCKHOLDERS PERCENT AFUDC TO AVAILABLE NET INCOME	\$ 526,248,788 1.04%	% LONG TERM DEBT TO TOTAL % SHORT TERM DEBT TO TOTAL	43.67% 1.88%	
		F. FPSC ADJUSTED AVERAGE JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE	Pro Forma	FPSC
		EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR:	6.63%	6.56%
		LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES INVESTMENT TAX CREDITS DEFERRED INCOME TAX (FAS 109)	1.93% 0.02% 0.04%	1.93% 0.02% 0.04%
		SUBTOTAL	1.99%	1.99%
		TOTAL	4.64%	4.57%
		DIVIDED BY COMMON EQUITY RATIO	46.74%	46.74%
		JURISDICTIONAL RETURN ON COMMON EQUITY	9.93%	9.79%