

January 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 November 30, 2014.

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

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

Sincerely,

Javier Portuondo

Director Rates & Regulatory Strategy

Muca dun Fir Javier Portuondo

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Attachment

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

	 (1) Actual Per Books	(2) FPSC Adjustments		(3) FPSC Adjusted	(4) Pro Forma Adjustments		(5) Pro Forma Adjusted
. AVERAGE RATE OF RETURN (Jurisdictional)							
Net Operating Income	\$ 656,588,645 (a)	\$ (50,550,578) (b)	\$	606,038,067	\$	8,132,900	\$ 614,170,967
Average Rate Base	\$ 10,476,321,816	\$ (1,293,724,661)	\$	9,182,597,155	\$	-	\$ 9,182,597,155
Average Rate of Return	6.27%			6.60%			6.69%
I. YEAR END RATE OF RETURN (Jurisdictional)							
Net Operating Income	\$ 654,140,552	\$ (48,102,485)	\$	606,038,067			
Average Rate Base	\$ 10,614,573,914	\$ (1,150,764,666)	\$	9,463,809,248			
Average Rate of Return	6.16%			6.40%			
(a) INCLUDES AFUDC EARNINGS							
(b) INCLUDES REVERSAL OF AFUDC EARNINGS							

	Average	End of Period
III. REQUIRED RATES OF RETURN	Capital Structure	Capital Structure
FPSC Adjusted Basis		
Low Point	6.41%	6.34%
Mid Point	6.88%	6.81%
High Point	7.34%	7.27%
Pro Forma Adjusted Basis		
Low Point	6.41%	6.34%
Mid Point	6.88%	6.81%
High Point	7.34%	7.27%
IV. FINANCIAL INTEGRITY INDICATORS	_	
A. T.I.E. with AFUDC	4.20	(System Per Books
B. T.I.E without AFUDC	4.19	(System Per Books I
C. AFUDC to Net Income	0.54%	(System Per Books B
D. Internally Generated Funds	69.36%	(System Per Books B
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	43.68%	(FPSC Adjusted Basi
ST Debt to Total Investor Funds	1.89%	(FPSC Adjusted Basi
F. Return on Common Equity	9.91%	(FPSC Adjusted Basi
	10.10%	(Pro Forma Adjusted
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-El Or

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 Olux For Javier Portuge 1/14/15
Javier Portuge 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	\$13,677,060,198	\$5,041,279,036	\$8,635,781,163	\$120,899,894	\$282,288,225	\$9,038,969,281	\$2,422,245,257	\$11,461,214,539
Regulatory Base - Retail	\$12,408,242,663	\$4,674,435,979	\$7,733,806,684	\$104,803,282	\$243,864,658	\$8,082,474,623	\$2,393,847,193	\$10,476,321,816
FPSC Adjustments								
ARO	(17,151,554)	(29,324,881)	12,173,328			12,173,328	(11,552,333)	620,994
ECCR	(38,371,446)		(34,467,219)		(8,299,840)	(42,767,059)	6,459,220	(36,307,839)
ECRC	(286,860,141)	(22,115,726)	(264,744,415)		(11,963,060)	(276,707,475)	(14,108,566)	(290,816,041)
FUEL	(28,969,382)	(28,101,068)	(868,315)			(868,315)	146,381,395	145,513,080
CCR							(38,291,883)	(38,291,883)
NUCLEAR					(26,877,148)	(26,877,148)	(375,505,489)	(402,382,637)
CR3 Removal							(1,281,356,635)	(1,281,356,635)
Derivatives							(4,725,044)	(4,725,044)
Employee Related							(909,503)	(909,503)
Investments Earning a Return							(141,450,636)	(141,450,636)
Jobbing Accounts							(1,325,539)	(1,325,539)
Non-Regulated and Miscellaneous	(30,243,220)	(46,956,427)	16,713,207			16,713,207	4,717,607	21,430,813
Rate Case Regulatory Asset							(4,166)	(4,166)
Retention Accounts							3,200,812	3,200,812
CWIP - AFUDC					(38,933,358)	(38,933,358)		(38,933,358)
Imputed Off Balance Sheet Obligations							773,093,930	773,093,930
Capital Lease	(163,748,577)		(163,748,577)			(163,748,577)	162,667,568	(1,081,009)
Total FPSC Adjustments	(565,344,321)	(130,402,330)	(434,941,991)		(86,073,406)	(521,015,397)	(772,709,263)	(1,293,724,661)
FPSC Adjusted	\$11,842,898,342	\$4,544,033,650	\$7,298,864,693	\$104,803,282	\$157,791,251	\$7,561,459,226	\$1,621,137,930	\$9,182,597,156

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	4,908,108,696	2,128,473,647	819,021,984	516,148,475	346,225,274	14,593,847	326,413,885	(1,293,658)		4,149,583,454	758,525,242
Regulatory Base - Retail (b)	4,608,343,047	2,067,344,359	782,483,171	485,435,035	333,608,759	12,261,405	274,245,224	(1,175,456)		3,954,202,495	654,140,552
Regulatory Base - Retail (b)	4,000,343,047	2,007,344,335	702,400,171	403,403,003	333,000,733	12,201,403	214,240,224	(1,110,400)	i	0,50 1,202,130	001,110,002
FPSC Adjustments		-									
ECCR	(128,504,083)		(109,540,059)	(4,020,320)		(5,764,534)				(119,324,913)	(9,179,170)
ECRC	(92,424,136)		(52,375,169)	(6,535,465)	(1,764,310)	(12,247,251)				(72,922,195)	(19,501,941)
FUEL		(1,719,256,900)	(1,073,291)			(6,514,900)				(1,726,845,092)	(10,374,018)
CCR	(336,082,727)	(335,857,152)	(225,576)							(336,082,727)	-
NUCLEAR	(172,210,572)		(155,549)	(156,913,339)		(5,840,905)				(162,909,793)	(9,300,779)
CORPORATE AIRCRAFT ALLOCATION			(2,801,405)			1,080,642				(1,720,763)	1,720,763
FRANCHISE FEE & GROSS RECEIPTS	(210,457,758)					(81,184,080)				(81,184,080)	(129,273,678)
FRANCHISE FEES & GROSS REC TAX - TOI					(206,213,791)	79,546,970				(126,666,821)	126,666,821
GAIN/LOSS ON DISPOSITION & OTHER						195,256			(506,172)	(310,916)	310,916
INST./PROMOTIONAL ADVERTISING			(676,489)			260,956				(415,533)	415,533
INTEREST ON TAX DEFICIENCY			(285,124)			109,987				(175,137)	175,137
MISCELLANEOUS INTEREST EXPENSE			139,798			(53,927)				85,871	(85,871)
REMOVE ASSOC/ORGANIZATION DUES			(87,944)			33,924				(54,019)	54,019
PARENT DEBT ADJUSTMENT						(9,212,292)				(9,212,292)	9,212,292
DIRECTORS & OFFICERS PREMIUM			(1,517,566)			585,401				(932,165)	932,165
INTEREST SYNCHRONIZATION - FPSC						9,874,675				9,874,675	(9,874,675)
Total FPSC Adjustments	(2,676,898,387)	(2,055,114,052)	(168,598,374)	(167,469,124)	(207,978,101)	(29,130,079)			(506,172)	(2,628,795,902)	(48,102,485)
FPSC Adjusted	1,931,444,661	12,230,307	613,884,797	317,965,910	125,630,658	(16,868,674)	274,245,224	(1,175,456)	(506,172)	1,325,406,593	606,038,067
Pro Forma Adjustments											
Weather Normalization	13,240,374					5,107,474				5,107,474	8,132,900
Total Pro Forma Adjustments	13,240,374					5,107,474				5,107,474	8,132,900
Pro Forma Adjusted	1,944,685,035	12,230,307	613,884,797	317,965,910	125,630,658	(11,761,200)	274,245,224	(1,175,456)	(506,172)	1,330,514,068	614,170,967
Current Month											
System Per Books	364,354,031	164,044,999	63,029,926	44,628,621	26,127,340	995,133	18,179,535	(108,916)		316,896,638	47,457,393
FPSC Adjusted	137,568,065	107,077,333	54,751,490	28,806,635	9,400,030	1,034,056	18,890,614	(98,964)			24,812,551
						1.3.					
(a)	The addition of ear	rnings from AFUD	C charges would	increase the Sy	stem NOI by		2,833,817	pretax			
(b)	The addition of ear	rnings from AFUD	C charges would	increase the Ju	risdictional NOI	by	2,448,093	pretax			

DUKE ENERGY FLORIDA Average Rate of Return - Adjustments November 2014

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	620,994	620,994
	ECCR	F	(36,307,839)	(36,307,839)
	ECRC	F	(335,098,994)	(290,816,041)
	FUEL	F	145,446,567	145,513,080
	CCR	F	(38,291,883)	(38,291,883)
	NUCLEAR	F	(404,335,781)	(402,382,637)
	CR3 Removal	F	(1,281,356,635)	(1,281,356,635)
	Derivatives	F	(4,725,044)	(4,725,044)
	Employee Related	F	(909,136)	(909,503)
	Investments Earning a Return	F	(148,030,504)	(141,450,636)
	Jobbing Accounts	F	(1,487,815)	(1,325,539)
	Non-Regulated and Miscellaneous	F	22,519,408	21,430,813
	Rate Case Regulatory Asset	F	(4,166)	(4,166)
	Retention Accounts	F	3,592,663	3,200,812
(1)	CWIP - AFUDC	F	(43,800,426)	(38,933,358)
(3)	Imputed Off Balance Sheet Obligations	F	832,313,000	773,093,930
(2)	Capital Lease - EPIS	F	(175,656,319)	(163,748,577)
(2)	Capital Lease - Working Capital	F	174,496,700	162,667,568
	Total		(1,291,015,210)	(1,293,724,661)

			Syst	tem	Reta	ail
Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,940,706)	5,763,377	(14,943,704)	5,764,534
	ECRC	F	(30,827,909)	11,891,866	(31,749,192)	12,247,251
	FUEL	F	(16,888,918)	6,514,900	(16,888,918)	6,514,900
	CCR	F				
	NUCLEAR	F	(15,133,278)	5,837,662	(15,141,684)	5,840,905
(2)	CORPORATE AIRCRAFT ALLOCATION	F	3,005,123	(1,159,226)	2,801,405	(1,080,642)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(210,457,758)	81,184,080	(210,457,758)	81,184,080
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	206,213,791	(79,546,970)	206,213,791	(79,546,970)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	544,945	(210,213)	506,172	(195,256)
(1)	INST./PROMOTIONAL ADVERTISING	F	725,683	(279,932)	676,489	(260,956)
(1)	INTEREST ON TAX DEFICIENCY	F	305,858	(117,985)	285,124	(109,987)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(149,964)	57,849	(139,798)	53,927
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	94,339	(36,391)	87,944	(33,924)
(2)	PARENT DEBT ADJUSTMENT	F		10,163,718		9,212,292
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,627,923	(627,971)	1,517,566	(585,401)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(9,874,675)		(9,874,675)
	Total		(75,880,871)	29,560,089	(77,232,563)	29,130,079

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

(2) Docket No. 090079-El, Order No. PSC 10-0131-FOF-El

(3) Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

DUKE ENERGY FLORIDA End of Period Rate of Return - Rate Base November 2014

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	13,946,471,718	5,179,952,156	8,766,519,562	120,899,848	326,099,837	9,213,519,247	2,422,245,257	11,635,764,504
Regulatory Base - Retail	12,644,186,488	4,815,711,160	7,828,475,328	104,803,242	287,448,151	8,220,726,721	2,393,847,193	10,614,573,914
FPSC Adjustments								
ARO	(20,873,786)	(31,364,418)	10,490,632			10,490,632	(11,552,333)	(1,061,701)
ECCR	(40,174,654)	(5,786,968)	(34,387,686)		(7,830,209)	(42,217,895)	6,459,220	(35,758,675)
ECRC	(125,443,151)	(6,527,688)	(118,915,463)		(16,865,856)	(135,781,319)	(14,108,566)	(149,889,885)
FUEL	(28,969,382)	(28,103,276)	(866,106)		, , , , ,	(866,106)	146,381,395	145,515,289
CCR		, , , , , , ,					(38,291,883)	(38,291,883)
NUCLEAR					98,998	98,998	(375,505,489)	(375,406,491)
CR3 Removal							(1,281,356,635)	(1,281,356,635)
Derivatives							(4,725,044)	(4,725,044)
Employee Related							(909,503)	(909,503)
Investments Earning a Return							(141,450,636)	(141,450,636)
Jobbing Accounts							(1,325,539)	(1,325,539)
Non-Regulated and Miscellaneous	(30,257,750)	(47,369,337)	17,111,587			17,111,587	4,717,607	21,829,194
Rate Case Regulatory Asset							(4,166)	(4,166)
Retention Accounts							3,200,812	3,200,812
CWIP - AFUDC					(68,344,541)	(68,344,541)		(68,344,541)
Imputed Off Balance Sheet Obligations							773,093,930	773,093,930
Capital Lease	(158,546,759)		(158,546,759)			(158,546,759)	162,667,568	4,120,809
Total FPSC Adjustments	(404,265,483)	(119,151,688)	(285,113,795)		(92,941,608)	(378,055,403)	(772,709,263)	(1,150,764,666)
FPSC Adjusted	12,239,921,005	4,696,559,472	7,543,361,533	104,803,242	194,506,542	7,842,671,318	1,621,137,930	9,463,809,248

	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
								(1 222 222			
System Per Books (a)	4,908,108,696	2,128,473,647	819,021,984	516,148,475	346,225,274	14,593,847	326,413,885			4,149,583,454	758,525,242
Regulatory Base - Retail (b)	4,608,343,047	2,067,344,359	782,483,171	485,435,035	333,608,759	12,261,405	274,245,224	(1,175,456)	· · · · · · · · · · · · · · · · · · ·	3,954,202,495	654,140,552
FPSC Adjustments								<u> </u>			
ECCR	(128,504,083)		(109,540,059)	(4,020,320)		(5,764,534)				(119,324,913)	
ECRC	(92,424,136)		(52,375,169)	(6,535,465)	(1,764,310)					(72,922,195)	
FUEL		(1,719,256,900)				(6,514,900)				(1,726,845,092)	
CCR	(336,082,727)	(335,857,152)	(225,576)							(336,082,727)	
NUCLEAR	(172,210,572)		(155,549)	(156,913,339)		(5,840,905)				(162,909,793)	(9,300,779)
CORPORATE AIRCRAFT ALLOCATION			(2,801,405)			1,080,642				(1,720,763)	1,720,763
FRANCHISE FEE & GROSS RECEIPTS	(210,457,758)					(81,184,080)				(81,184,080)	(129,273,678)
FRANCHISE FEES & GROSS REC TAX - TOI					(206,213,791)	79,546,970				(126,666,821)	126,666,821
GAIN/LOSS ON DISPOSITION & OTHER						195,256			(506,172)	(310,916)	310,916
INST./PROMOTIONAL ADVERTISING			(676,489)			260,956				(415,533)	415,533
INTEREST ON TAX DEFICIENCY			(285,124)			109,987				(175,137)	175,137
MISCELLANEOUS INTEREST EXPENSE			139,798			(53,927)				85,871	(85,871)
REMOVE ASSOC/ORGANIZATION DUES			(87,944)			33,924				(54,019)	54,019
PARENT DEBT ADJUSTMENT			, , , , , ,			(9,212,292)				(9,212,292)	9,212,292
DIRECTORS & OFFICERS PREMIUM			(1,517,566)			585,401				(932,165)	932,165
INTEREST SYNCHRONIZATION - FPSC						9,874,675				9,874,675	(9,874,675)
Total FPSC Adjustments	(2,676,898,387)	(2,055,114,052)	(168,598,374)	(167,469,124)	(207,978,101)	(29,130,079)			(506,172)	(2,628,795,902)	(48,102,485)
FPSC Adjusted	1,931,444,661	12,230,307		317,965,910			274,245,224	(1.175.456)		1,325,406,593	
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(a)	The addition of earn	ings from AFUDO	charges would	l increase the S	vstem NOI by		2,833,817	pretax			
	The addition of earn)l by	2,448,093				
(6)	THE EGGILLON OF EAT	iiigs ii oiii Ai obc	charges would	increase the si	ar isarctional ive	7. 5,	2,440,033	pictus			

Notes	Rate Base Adjustments	P=ProForma F=FPSC	System	Retail
	ARO	F	(1,061,701)	(1,061,701)
	ECCR	F	(35,758,675)	(35,758,675)
	ECRC	F	(189,791,519)	(149,889,885)
	FUEL	F	145,448,945	145,515,289
	CCR	F	(38,291,883)	(38,291,883)
	NUCLEAR	F	(375,398,908)	(375,406,491)
	CR3 Removal	F	(1,281,356,635)	(1,281,356,635)
	Derivatives	F	(4,725,044)	(4,725,044)
	Employee Related	F	(909,136)	(909,503)
	Investments Earning a Return	F	(148,030,504)	(141,450,636)
	Jobbing Accounts	F	(1,487,815)	(1,325,539)
	Non-Regulated and Miscellaneous	F	22,917,789	21,829,194
	Rate Case Regulatory Asset	F	(4,166)	(4,166)
	Retention Accounts	F	3,592,663	3,200,812
(1)	CWIP - AFUDC	F	(72,867,832)	(68,344,541)
(3)	Imputed Off Balance Sheet Obligations	F	832,313,000	773,093,930
(2)	Capital Lease - EPIS	F	(170,076,227)	(158,546,759)
(2)	Capital Lease - Working Capital	F	174,496,700	162,667,568
	Total		(1,140,990,948)	(1,150,764,666)

			Syst	tem	Reta	ail
Notes	Income Statement Adjustments (to NOI)	P=ProForma F=FPSC	Amount	Income Tax Effect	Amount	Income Tax Effect
	ECCR	F	(14,940,706)	5,763,377	(14,943,704)	5,764,534
	ECRC	F	(30,827,909)	11,891,866	(31,749,192)	12,247,251
	FUEL	F	(16,888,918)	6,514,900	(16,888,918)	6,514,900
	CCR	F				
	NUCLEAR	F	(15,133,278)	5,837,662	(15,141,684)	5,840,905
(2)	CORPORATE AIRCRAFT ALLOCATION	F	3,005,123	(1,159,226)	2,801,405	(1,080,642)
(1)	FRANCHISE FEE & GROSS RECEIPTS	F	(210,457,758)	81,184,080	(210,457,758)	81,184,080
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	206,213,791	(79,546,970)	206,213,791	(79,546,970)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	544,945	(210,213)	506,172	(195,256)
(1)	INST/PROMOTIONAL ADVERTISING	F	725,683	(279,932)	676,489	(260,956)
(1)	INTEREST ON TAX DEFICIENCY	F	305,858	(117,985)	285,124	(109,987)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(149,964)	57,849	(139,798)	53,927
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	94,339	(36,391)	87,944	(33,924)
(2)	PARENT DEBT ADJUSTMENT	F		10,163,718		9,212,292
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,627,923	(627,971)	1,517,566	(585,401)
(1)	INTEREST SYNCHRONIZATION - FPSC	F		(9,874,675)		(9,874,675)
	Tot	al	(75,880,871)	29,560,089	(77,232,563)	29,130,079

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

⁽²⁾ Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

⁽³⁾ Docket No. 130208-EI, Order No. PSC 13-0598-FOF-EI

DUKE ENERGY FLORIDA Average - Capital Structure Pro Forma Adjusted Basis November 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	4,952,494,618	4,518,817,074	(979,025,305)	743,988,901	4,283,780,670	46.65%	9.50%	4.43%	10.50%	4.90%	11.50%	5.37%
Long Term Debt	4,809,615,229	4,388,449,275	(950,780,441)		3,437,668,835	37.44%	5.12%	1.92%	5.12%	1.92%	5.12%	1.92%
Short Term Debt *	(99,013,730)	(90,343,346)	19,573,357	219,870,232	149,100,244	1.62%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	212,388,993	212,388,993	(46,015,184)		166,373,809	1.81%	2.27%	0.04%	2.27%	0.04%	2.27%	0.04%
Inactive	1,584,420	1,584,420	(343,273)		1,241,147	0.01%						
Investment Tax Credits **	1,195,281	1,090,613	(236,287)		854,326	0.01%						
Deferred Income Taxes	1,799,036,370	1,641,499,263	(355,639,383)	11,722,325	1,297,582,205	14.13%						
FAS 109 DIT - Net	(216,086,642)	(197,164,477)	42,716,713		(154,447,764)	-1.68%						
Total	11,461,214,539	10,476,321,816	(2,269,749,802)	975,581,458	9,182,153,473	100.00%		6.41%		6.88%		7.34%
Daily Weighted Average												
** Cost Rates Calculated Per IRS	Ruling											

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

	System Per	Retail Per	Pro Rata	Specific	Adjusted	Сар	Lov	w-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	5,205,152,938	4,663,745,646	(984,335,204)	738,705,623	4,418,116,066	46.68%	9.50%	4.44%	10.50%	4.90%	11.50%	5.37%
Long Term Debt	4,881,087,062	4,373,387,066	(923,051,807)		3,450,335,259	36.46%	5.05%	1.84%	5.05%	1.84%	5.05%	1.84%
Short Term Debt *	(206,108,061)	(184,669,996)	38,976,649	326,345,491	180,652,144	1.91%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	215,322,119	215,322,119	(45,446,119)		169,875,999	1.80%	2.23%	0.04%	2.23%	0.04%	2.23%	0.04%
Inactive	1,576,289	1,576,289	(332,693)		1,243,596	0.01%						
Investment Tax Credits **	534,430	478,842	(101,065)		377,777							
Deferred Income Taxes	1,937,595,723	1,736,059,195	(366,414,533)	24,507,678	1,394,152,340	14.73%						
FAS 109 DIT - Net	(213,535,909)	(191,325,246)	40,381,313		(150,943,932)	-1.59%						
Total	11,821,624,591	10,614,573,914	(2,240,323,458)	1,089,558,792	9,463,809,248	100.00%		6.34%		6.81%		7.27%
* Daily Weighted Average												
** Cost Rates Calculated Per I	RS Ruling					_						

DUKE ENERGY FLORIDA Average - Capital Structure FPSC Adjusted Basis November 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	4,952,494,618	4,518,817,074	(979,025,305)	743,988,901	4,283,780,670	46.65%	9.50%	4.43%	10.50%	4.90%	11.50%	5.37%
Long Term Debt	4,809,615,229	4,388,449,275	(950,780,441)		3,437,668,835	37.44%	5.12%	1.92%	5.12%	1.92%	5.12%	1.92%
Short Term Debt *	(99,013,730)	(90,343,346)	19,573,357	219,870,232	149,100,244	1.62%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	212,388,993	212,388,993	(46,015,184)		166,373,809	1.81%	2.27%	0.04%	2.27%	0.04%	2.27%	0.04%
Inactive	1,584,420	1,584,420	(343,273)		1,241,147	0.01%						
Investment Tax Credits **	1,195,281	1,090,613	(236,287)		854,326	0.01%						
Deferred Income Taxes	1,799,036,370	1,641,499,263	(355,639,383)	11,722,325	1,297,582,205	14.13%						
FAS 109 DIT - Net	(216,086,642)	(197,164,477)	42,716,713		(154,447,764)	-1.68%						
Total	11,461,214,539	10,476,321,816	(2,269,749,802)	975,581,458	9,182,153,473	100.00%		6.41%		6.88%		7.34%
 Daily Weighted Average 												
** Cost Rates Calculated Pe	r IRS Ruling											

DUKE ENERGY FLORIDA End of Period - Capital Structure FPSC Adjusted Basis November 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	5,205,152,938	4,663,745,646	(984,335,204)	738,705,623	4,418,116,066	46.68%	9.50%	4.44%	10.50%	4.90%	11.50%	5.37%
Long Term Debt	4,881,087,062	4,373,387,066	(923,051,807)		3,450,335,259	36.46%	5.05%	1.84%	5.05%	1.84%	5.05%	1.84%
Short Term Debt *	(206,108,061)	(184,669,996)	38,976,649	326,345,491	180,652,144	1.91%	1.22%	0.02%	1.22%	0.02%	1.22%	0.02%
Customer Deposits												
Active	215,322,119	215,322,119	(45,446,119)		169,875,999	1.80%	2.23%	0.04%	2.23%	0.04%	2.23%	0.04%
Inactive	1,576,289	1,576,289	(332,693)		1,243,596	0.01%						
Investment Tax Credits **	534,430	478,842	(101,065)		377,777							
Deferred Income Taxes	1,937,595,723	1,736,059,195	(366,414,533)	24,507,678	1,394,152,340	14.73%						
FAS 109 DIT - Net	(213,535,909)	(191,325,246)	40,381,313		(150,943,932)	-1.59%						
Total	11,821,624,591	10,614,573,914	(2,240,323,458)	1,089,558,792	9,463,809,248	100.00%		6.34%		6.81%		7.27%
* Daily Weighted Average				,								
** Cost Rates Calculated Pe	er IRS Ruling											

A. TIMES INTEREST EARNED WITH AF	UDC	D. PERCENT INTERNALLY GENERATED FUNDS*		
EARNINGS BEFORE INTEREST	\$ 724,658,824	NET INCOME	\$ 529,592,859	
AFUDC - DEBT	\$ 1,385,034	COMMON DIVIDENDS	(225,000,000)	
INCOME TAXES	\$ 332,361,455	AFUDC (EQUITY)	(3,517,762)	
TOTAL	\$ 1,058,405,312	DEPRECIATION & AMORTIZATION	507,981,177	
INTEREST CHARGES	₩ 1,000, 100,01E	DEFERRED INCOME TAXES	334,183,407	
(before deducting AFUDC-Debt & CR3 reg		DEI ENTIED INVOCAME TAXES	004,100,407	
asset carrying charge)	\$ 252,006,109	INVESTMENT TAX CREDITS	(1,293,658)	
TIE WITH AFUDC	4.20	DEFERRED FUEL NET	(1,230,030)	
TIE WITH APODC	4.20		(00 = 10 00=)	
		OTHER - INC NUCLEAR DECOMMISSIONING	(69,510,925)	
TIMES INTEREST EARNED WITHOU	T AFUDC	OTHER FUNDS - INCLUDING CHANGE IN WORKING CAPITAL	(591,237,297)	
		TOTAL FUNDS PROVIDED	\$ 481,197,801	
EARNINGS BEFORE INTEREST	\$ 724,658,824			
AFUDC - EQUITY	(1,448,783)	CONSTRUCTION EXPENDITURES		
INCOME TAXES	332,361,455	(EXCLUDING AFUDC EQUITY & DEBT)	\$ 693,742,186	
		(EXOLODING ALODO EGOLLI & DEDI)	¥ 000,172,100	
TOTAL	\$ 1,055,571,495	REPORTITAGE INTERNALLY OF MEDITED ELINISC	00.000/	
NTEREST CHARGES		PERCENTAGE INTERNALLY GENERATED FUNDS	69.36%	
(before deducting AFUDC-Debt & CR3 reg				
asset carrying charge)	\$ 252,006,109	*Updated quarterly as of September 2014		
TIE WITHOUT AFUDC	4.19			
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		
			.	
FUDC DEBT	\$ 1,385,034	Common Equity	\$ 4,283,780,670	
ESS: DIT		Preferred Stock	\$ -	
JBTOTAL	\$ 1,385,034	Long Term Debt	\$ 3,437,668,835	
FUDC -EQUITY	\$ 1,448,783	Short Term Debt	\$ 149,100,244	
OTAL	\$ 2,833,817	TOTAL	\$ 7,870,549,749	
ET INCOME AVAILABLE FOR				
OMMON STOCKHOLDERS	\$ 523,534,053			
ERCENT AFUDC TO AVAILABLE	Ψ 320,304,030	% LONG TERM DEBT TO TOTAL	43.68%	
	0.540/		1.89%	
ET INCOME	0.54%	% SHORT TERM DEBT TO TOTAL	1.89%	
		F. FPSC ADJUSTED AVERAGE		
		F. FPSC ADJUSTED AVERAGE JURISDICTIONAL AND PROFORMA		
			Pro Forma	FPSC
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY	Pro Forma	FPSC
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE		
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY	Pro Forma 6.69%	
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN		6.60%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT	6.69%	6.60% 1.92%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT	6.69% 1.92% 0.02%	6.60% 1.92% 0.02%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS	6.69%	6.60% 1.92% 0.02%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES	6.69% 1.92% 0.02%	6.60% 1.92% 0.02%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES INVESTMENT TAX CREDITS	6.69% 1.92% 0.02%	6.60% 1.92% 0.02%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES	6.69% 1.92% 0.02%	6.60% 1.92% 0.02% 0.04%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES INVESTMENT TAX CREDITS DEFERRED INCOME TAX (FAS 109)	6.69% 1.92% 0.02% 0.04%	6.60% 1.92% 0.02% 0.04%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES INVESTMENT TAX CREDITS DEFERRED INCOME TAX (FAS 109) SUBTOTAL	6.69% 1.92% 0.02% 0.04%	1.92% 0.02% 0.04% 1.98% 4.62%
		JURISDICTIONAL AND PROFORMA RETURN ON COMMON EQUITY FPSC AVERAGE EARNED RATE OF RETURN LESS RETAIL WEIGHTED AVERAGE COST RATES FOR: LONG TERM DEBT SHORT TERM DEBT CUSTOMER DEPOSITS DEFERRED INCOME TAXES INVESTMENT TAX CREDITS DEFERRED INCOME TAX (FAS 109) SUBTOTAL	1.92% 0.02% 0.04% 1.98% 4.71%	1.92% 0.02% 0.04% 1.98% 4.62% 4.65%