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May 15, 2009

Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

**Regarding: *Florida Power Corporation*;
Informational Filing with the 2009 Annual Update
for the OATT Formula Transmission Rate;
Docket No. ER09-____-000**

Dear Secretary Bose:

Florida Power Corporation, doing business as Progress Energy Florida, Inc. ("PEF"), hereby makes an informational filing with the Commission for PEF's 2009 Annual Update for its OATT formula transmission rate.

Consistent with PEF's Schedule 10.1 Formula Rate Implementation Protocols accepted by this Commission, **this informational filing should not be publicly noticed by the Commission in a notice of filing and the Commission does not need to accept or approve of this informational filing.**¹ This filing is submitted to the Commission strictly for informational purposes only.

PEF notes that the Commission issued an order accepting last year's annual update as an informational filing. Upon the request of PEF and its customers, the Commission agreed to rescind that order. By notice filed at the Commission, PEF committed to inform the Commission when last year's annual update procedures have

¹ See page 3 of this filing letter for a complete explanation as to why this informational filing should not be publicly noticed by the Commission in a notice of filing and the Commission does not need to accept or approve of this informational filing.

concluded.² PEF notes that it is in the final stages of concluding last year's annual update procedures with its customers. Therefore, in the near future, PEF expects that it will be able to notify the Commission that last year's annual update procedures have concluded so that the Commission may terminate the docket in that proceeding.

Similarly, with respect to this 2009 Annual Update, PEF commits to inform the Commission when the 2009 Annual Update procedures have concluded with its customers and the Commission may terminate the docket in this proceeding.

1. BACKGROUND

PEF, a wholly-owned subsidiary of Progress Energy, Inc., is an investor-owned utility engaged in the generation, transmission, distribution and sale of electric power to retail and wholesale customers in the State of Florida. PEF provides open access transmission services pursuant to its OATT.

On October 29, 2007 in Docket No. ER08-105-000, PEF submitted to the Commission an OATT formula transmission rate filing and settlement agreement with certain PEF customers that provided for a comprehensive and complete resolution of all issues in PEF's OATT formula transmission rate filing. By letter order dated December 17, 2007, the Commission accepted the OATT formula transmission rate filing and settlement agreement for filing and granted the requested effective date of January 1, 2008.

The settlement agreement included a Schedule 10.1 Formula Rate Implementation Protocols (the "Protocols"), which describes the Annual Update procedures for PEF's OATT formula transmission rate.³ According to these Protocols, on May 15th of each year, PEF will calculate updated OATT formula transmission rates with the latest FERC Form No. 1 information and also post the completed formula and

² See PEF's August 1, 2008 notice filed at the Commission in PEF's 2008 annual update, Docket No. ER08-959-000.

³ For an entire copy of the Protocols, see Original Sheet Nos. 191A through 191O of the PEF tariff, FERC Electric Tariff, Third Revised Volume No. 6, and the Carolina Power & Light Company tariff, FERC Electric Tariff, Fourth Revised Volume No. 3. As a result of a merger, PEF has a joint OATT with its affiliated transmission provider, Carolina Power & Light Company, doing business as Progress Energy Carolinas, Inc. ("PEC"). The joint OATT includes rates for PEF's and PEC's transmission services. Accordingly, the joint OATT has been filed at the Commission as a PEF tariff and a PEC tariff. Therefore, to revise PEF's OATT formula transmission rates, PEF submitted, and the Commission accepted, revised rate sheets for the two copies of the joint OATT that are on file with the Commission.

updated rates on its OASIS and file the information at the Commission as an informational filing (the "Annual Update").⁴

Consistent with PEF's Protocols, PEF's informational filings for the Annual Update of the PEF OATT formula rate should not be noticed for filing and will not require action or an order by the Commission.⁵ In fact, Section 1(b)(ii) of the Protocols provides that if the Commission issues a notice of filing in response to the informational filing, the parties shall advise the Commission of the challenge process in the Protocols and seek an abeyance of the Commission proceeding to permit that challenge process to proceed. The Commission also has publicly recognized that the parties to this process have decided that the annual update should not be publicly noticed for filing.⁶

The Protocols include detailed procedures for customer review, data requests and dispute resolution concerning PEF's Annual Updates.

2. THE INSTANT INFORMATIONAL FILING

In this 2009 Annual Update, PEF calculates the PEF OATT formula rates for the period June 1, 2009 through May 31, 2010 based on PEF's latest FERC Form No. 1 data that reflects 2008 actual costs.⁷ Attachment 1 of this filing includes PEF's OATT formula rate template⁸ populated with the latest PEF FERC Form No. 1 data that reflects 2008 actual costs. The annual rates for the period June 1, 2009 through May 31, 2010 will be placed into effect beginning on June 1, 2009.⁹ In accordance with the Protocols, in PEF's Annual Update next year, a true-up also will be performed such that

⁴ See Section 1(b) of the Protocols.

⁵ See Section 1(b) of the Protocols.

⁶ See July 8, 2008 Letter Order in *Florida Power Corporation*, Docket No. ER08-959-000, at fn. 1 ("We note that this information filing was not published in the Federal Register, as the parties to the agreement decided that the annual update should not be noticed for filing. See Exhibit D, Section 1b (ii) of Schedule 10.1 of the Settlement Agreement.")

⁷ See Section 1(a)(ii) of the Protocols.

⁸ For the blank version of PEF's OATT formula rate template, see Original Sheet Nos. 191P through 191DD of the PEF tariff, FERC Electric Tariff, Third Revised Volume No. 6, and Original Sheet Numbers 255A through 255R of the PEC tariff, FERC Electric Tariff, Fourth Revised Volume No. 3. See also footnote 2 herein.

⁹ See Section 1(a)(ii) of the Protocols.

the amounts billed for 2009 service will be trued-up to reflect actual 2009 costs (using FERC Form No. 1 data that reflects 2009 costs as well as actual 2009 load data).¹⁰

3. LIST OF PERSONS ON WHOM THIS FILING IS BEING SERVED

Pursuant to 18 C.F.R. § 385.2010(f)(i) of the Commission's Regulations, a copy of this filing is being served by electronic means to the Florida Public Service Commission ("FPSC") and PEF's and PEC's OATT transmission customers. Specifically, on the date of this filing, PEF will submit an e-mail that notifies the FPSC and PEF's and PEC's OATT transmission customers that its informational filing (in pdf format) and a full-functioning Excel file of the Annual Update for the PEF OATT formula transmission rate is available from PEF's OASIS site at <http://www.oatioasis.com/FPC/>, on the Open Access Transmission Tariff (OATT) Information page,¹¹ as well as Progress Energy's corporate website at <http://www.progress-energy.com/aboutenergy/ferc/index.asp>.

4. MISCELLANEOUS

There are no costs included in this informational filing that have been alleged or adjudged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs, nor has any expense or cost been demonstrated to be the product of discriminatory employment practices.

5. PERSONS TO WHOM CORRESPONDENCE SHOULD BE ADDRESSED

The following persons should receive communications regarding this filing:

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And

¹⁰ See Section 1(a)(iii) of Protocols.

¹¹ In accordance with Section 1(b)(i) of the Protocols, PEF is required to post the Annual Update in a Portable Document Format and full-functioning Excel file on PEF's OASIS.

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Please contact the undersigned if you have any questions.

Respectfully submitted,

BRUDER, GENTILE & MARCOUX, L.L.P.

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Counsel for Florida Power Corporation

ATTACHMENT 1

PEF'S 2009 ANNUAL UPDATE

PROGRESS ENERGY FLORIDA, INC.
OATT Transmission Non-Levelized Rate Formula Template Using Form-1 Data

Summary of Rates

Line		Reference	Total	Allocator		OATT Transmission
1	Gross PEF Revenue Requirement	Page 3, Line 35				197,107,277
	Revenue Credits:					
2	Acct 454 - Transmission Related	Exhibit PEF - 3	2,943,186	D/A	1.00000	2,943,186
3	Acct 456 - NF + STF Service (x/ Ancillaries)	Exhibit PEF - 3	8,001,233	D/A	1.00000	8,001,233
4	Total Revenue Credits		<u>10,944,419</u>			<u>10,944,419</u>
5	Interest Disbursed with Network Prepayment Refunds					0
6	Revenue Req't - Customer Owned Facilities					0
7	Net Revenue Requirements (Line 1 - Line 4 + Line 5 + Line 6)					186,162,858
8	Divisor - Sum of Monthly MW Transmission System Peaks (Excludes STF)	p.5, line 15 Total				125,862
9	Trans. Rev Req't Rate \$/MW-Mon.	Line 7 / Line 8				1,479
10	Storm Reserve Adder	Page 5, Line 9				<u>140</u>
11	Total Firm Monthly Trans. \$/MW-Month	Line 9 + Line 10				1,620
12	Annual Firm Trans \$/MW-year	Line 11 * 12				19,435
13	Weekly Firm/Non-Firm P-t-P Rate \$/MW-Week	Line 12 / 52				373.75
	Daily Firm/Non-Firm P-t-P Rates (\$/MW):					
14	On-Peak Days	Line 13 / 5				74.75
15	Off-Peak Days	Line 13 / 7				53.39
	Non-Firm Hourly P-t-P Rates (\$/MWh):					
16	On-Peak Hours	Line 14 / 16				4.67
17	Off-Peak Hours	Line 15 / 24				2.22

PROGRESS ENERGY FLORIDA, INC.
DATT Transmission Non-Levelized Rate Formula Template Using Form-1 Data

Development of Rate Base and Capital Structure

Line	RATE BASE:	Reference	Beginning Balance	Ending Balance	B/E Average	Allocator	OATT Transmission
Gross Plant in Service (Note A):							
1	Production Plant	205.46.b&g	4,400,161,166	4,470,390,769	4,435,275,968	N/A	
2	Transmission Plant	207.58.b&g	1,317,323,606	1,508,154,773	1,412,739,190	TP 0.92619	1,308,467,724
3	Distribution Plant	207.75.b&g	3,534,697,873	3,707,979,640	3,621,338,757	N/A	
4	General Plant	207.99.b&g	377,235,688	360,051,574	368,643,631	OATT LABOR 0.07630	28,128,726
5	Intangible Plant	205.5.b&g	133,958,493	132,901,880	133,430,187	OATT LABOR 0.07630	10,181,164
6	Total Gross Plant				<u>9,971,427,731</u>	GP = 0.13506	<u>1,346,777,614</u>
Accumulated Depreciation:							
7	Production Depr. Reserve	219.20 thru 24.c	2,542,914,653	2,557,992,051	2,550,453,352	N/A	
8	Transmission Depr. Reserve	219.25.c	467,787,323	475,762,867	471,775,095	TP 0.92619	436,954,315
9	Distribution Depr. Reserve	219.26.c	1,314,366,808	1,400,066,245	1,357,216,527	N/A	
10	General Depr. Reserve	219.28.c	96,782,843	128,973,740	112,878,292	OATT LABOR 0.07630	8,612,986
11	Intangible Amort. Reserve	200.21.c	120,611,757	122,980,014	121,795,886	OATT LABOR 0.07630	9,293,428
12	Total Accumulated Depr.				<u>4,614,119,151</u>		<u>454,860,730</u>
Net Plant in Service							
13	Net Production Plant	Line 1 - Line 7			1,884,822,616		
14	Net Transmission Plant	Line 2 - Line 8			940,964,095		871,513,409
15	Net Distribution Plant	Line 3 - Line 9			2,264,122,230		
16	Net General Plant	Line 4 - Line 10			255,765,340		19,515,740
17	Net Intangible Plant	Line 5 - Line 11			<u>11,634,301</u>		<u>887,736</u>
18	Total Net Plant				<u>5,357,308,581</u>	NP = 0.16649	<u>891,916,884</u>
Adjustments to Rate Base - Deferred Taxes							
19	ADIT - 190	234.8.b&c	458,534,900	642,773,374	550,654,137	Exhibit PEF - 5	19,431,109
20	ADIT - 281 (Negative)	273.8.b&k	(6,186,000)	(4,083,000)	(5,134,500)	Exhibit PEF - 5	0
21	ADIT - 282 (Negative)	275.2.b&k	(441,093,000)	(547,273,147)	(494,183,074)	Exhibit PEF - 5	(86,668,046)
22	ADIT - 283 (Negative)	277.9.b&k	(370,172,542)	(649,870,342)	(510,021,442)	Exhibit PEF - 5	(10,079,431)
23	Accum Deferred ITC - 255 (Negative)	267.8.b&h	(17,446,508)	(11,506,508)	<u>(14,476,508)</u>	NP 0.16649	<u>(2,410,136)</u>
24	Total Deferred Tax Adjustments				<u>(473,161,387)</u>		<u>(79,726,504)</u>
25	Net 182.1 (+) / Storm Reserve (-) - Wholesale Transmission (Note B)	230a.5.f	15,658,702	13,668,566	14,663,634	p. 5, l. 16 3.02833	44,406,337
26	Plant Held for Future Use	214.47.d	6,192,322	6,192,322	6,192,322	Note C	6,192,322
27	Transmission Related CWIP - Identified Projects		145,131,156	185,950,232	165,540,694	0.50000	82,770,347
Rate Base Adjustments - Network Upgrade Prepayments (Note O):							
28	Outstanding Balance - Cash Network Prepayments (252)		0	0	0	D/A (1.00000)	0
29	Interest Accrued/Capitalized on Network Prepayments		0	0	0	D/A 1.00000	0
30	Total Network Upgrade Prepayment Adjustments						<u>0</u>
Working Capital:							
31	Cash Working Capital (1/8 O&M)	Page 3, line 17					5,653,059
32	M&S - Transmission	227.8.b&c	1,528,817	4,422,282	2,975,550	TP 0.92619	2,755,930
33	M&S - Stores Expense	227.16.b&c	33,546,843	22,069,958	27,808,401	OATT LABOR 0.07630	2,121,873
34	Prepayments (Note L)	111.57.c&d	3,615,876	8,240,691	5,928,284	GP 0.13506	800,696
35	Total Working Capital						<u>11,331,557</u>
36	Rate Base (Sum of Lines 18, 24 thru 27, 30, and 35)						<u>956,890,944</u>
AVERAGE CAPITALIZATION:							
37	Long Term Debt	112.24.c&d	3,219,210,101	4,181,893,644	3,700,551,873		
38	Less Loss on Reacquired Debt	111.81.c&d	24,853,429	20,969,828	22,911,629		
39	Plus Gain on Reacquired Debt	113.61.c&d	0	0	0		
40	Less Securitization Bonds	Note I	0	0	0		
41	Net Long Term Debt				<u>3,677,640,244</u>		
42	Preferred Stock	112.3.c&d	33,496,700	33,496,700	33,496,700		
Common Stock Development:							
43	Proprietary Capital	112.16.c&d	3,035,004,439	3,433,028,549	3,234,016,494		
44	Less Preferred Stock	112.3.c&d	33,496,700	33,496,700	33,496,700		
45	Less Account 216.1	112.12.c&d	(60)	5,490	2,715		
46	Common Stock				<u>3,200,517,079</u>		
47	Total Capitalization (Sum of Lines 41, 42, and 46)				<u>6,911,654,023</u>		

PROGRESS ENERGY FLORIDA, INC.
OATT Transmission Non-Levelized Rate Formula Template Using Form-1 Data

Development of Revenue Requirements

Line	EXPENSES:	Reference	Total	Allocator	OATT Transmission
O&M Expense					
1	TOTAL Transmission Expenses	321.112.b	37,628,730		
2	Less Account 561	321.84-92.b	4,755,756		
3	Less Account 565	321.96.b	0		
4	Net Transmission O&M	Note H	<u>32,872,974</u>	TExp 0.95132	<u>31,272,780</u>
5	Total Admin & General Expenses	323.197.b	256,097,678		
6	Less (924) Property Insurance	323.185.b	75,934,878		
7	Less (928) Regulatory Commission Expenses	323.189.b	381,186		
8	Less (930.1) General Advertising Expenses	323.191.b	2,089,820		
9	Less Industry Dues and R&D Expense	335.1-3.b	<u>3,696,646</u>		
10	Net Labor Related A&G		173,995,148	OATT LABOR 0.07630	13,276,404
11	(924) Property Insurance	323.185.b	75,934,878		
12	Less system storm reserve funding		<u>(71,718,698)</u>		
13	Net Allocated Property Insurance		4,216,180	GP 0.13506	569,453
14	Trans. Related Regulatory Expense	Note D		D/A 1.00000	0
15	Trans. Related Advertising Exp.	Note D		D/A 1.00000	0
16	Adj. to Imputed Whse PBOP Exp. - System	Page 6	1,387,000	OATT LABOR 0.07630	105,833
17	Total O&M (Sum of Lines 4, 10, and 13 thru 16)				<u>45,224,470</u>
Depreciation Expense					
18	Transmission Depr. Expense	336.7.f	31,442,612	TP 0.92619	29,121,895
19	General Depr. Expense	336.10.f	14,459,370	OATT LABOR 0.07630	1,103,298
20	Intangible Amortization (Note E)	336.1.f	<u>5,071,433</u>	OATT LABOR 0.07630	<u>386,967</u>
21	Total Depreciation		50,973,415		<u>30,612,160</u>
Taxes Other Than Income (Note F)					
22	Labor Related	263.i	20,916,779	OATT LABOR 0.07630	1,596,019
23	Property Related	263.i	<u>92,305,320</u>	GP 0.13506	<u>12,467,095</u>
24	Total Other Taxes		113,222,099		<u>14,063,114</u>
Return:					
25	Rate Base (Page 2, Line 36) * Rate of Return (Page 4, Line 27)				<u>78,633,247</u>
Income Taxes:					
26	State of Florida	Note M	5.50%		
27	Federal	Note M	<u>35.00%</u>		
28	Composite T = State + Federal * (1 - State)		38.58%		
29	Tax Rev.Req't Factor = T / (1 - T) * (1 - Wtd.Debt.Cost/R ₀)		38.39%		
30	ITC Gross Up Factor = 1 / (1 - T)		1.628		
31	Amortized ITC (Negative)	266.8.f	(5,940,000)		
32	Income Taxes Calculated (Line 25 * Line 29)				30,184,261
33	ITC Adjustment (Line 30 * Line 31)		(9,670,330)	NP 0.16649	<u>(1,609,975)</u>
34	Total Income Taxes				<u>28,574,286</u>
35	TOTAL REVENUE REQUIREMENT (Sum of Lines 17, 21, 24, 25, and 34)				<u>197,107,277</u>

PROGRESS ENERGY FLORIDA, INC.
OATT Transmission Non-Levelized Rate Formula Template Using Form-1 Data

Supporting Allocation Factor and Return Calculations

Line		Reference	Total
	B/E Avg. Transmission Plant Included in OATT Rate:		
1	Total Transmission Plant	p 2, line 2	1,412,739,190
2	Less Gen. Step-up Transformers In 353	Exhibit PEF - 4	65,586,894
3	Less Interconnection Facilities (Order 2003)	Exhibit PEF - 4	3,182,579
4	Less Energy Control Center	Note G	<u>35,501,993</u>
5	Avg.Trans Plant for OATT Rate		1,308,467,724
6	TP Allocator (Line 5 / Line 1)	Note H	0.92619
7	Add Back ECC (Line 4 + Line 5)		1,343,969,717
8	TExp Allocator (Expenses excluding 561 and 565) (Line 7 / Line 1)		0.95132
	Labor Allocation Factor		
9	Total Direct Payroll - O&M Labor	354.28.b	285,593,676
10	A&G Labor	354.27.b	57,967,379
11	Adj. - RCO Labor In A&G Labor		<u>1,480,186</u>
12	Adjusted Labor w/o A&G (Line 9 - Line 10 + Line 11)		229,106,483
13	Transmission O&M Labor	354.21.b	18,874,684
14	Trans Labor Factor (Line 13 / Line 12)		0.08238
15	OATT LABOR Allocator (Line 6 * Line 14)	Note H	0.07630
	Return and Average Capitalization:		
16	Long Term Interest Expense	117.62 thru 66.c	220,802,761
17	Less Interest on Securitization Bonds	Note I	<u>0</u>
18	Net Long Term Interest Expense		220,802,761
19	Preferred Dividends (positive)	118.29.c	1,511,860
20	Long Term Debt	p.2, line 41	3,677,640,244
21	Preferred Stock	p.2, line 42	33,496,700
22	Common Stock	p.2, line 46	<u>3,200,517,079</u>
23	Total Capitalization (sum Lines 20, 21, 22)		6,911,654,023
	SUMMARY CAP STRUCTURE		
		<u>Weight</u>	<u>Cost</u>
24	Long term Debt	53.21%	6.00%
25	Preferred Stock	0.48%	4.51%
26	Common Equity	46.31%	10.80%
27	Overall Return: $R_0 =$		<u>8.22%</u>

PROGRESS ENERGY FLORIDA, INC.
OATT Transmission Non-Levelized Rate Formula Template Using Form-1 Data

Wholesale Storm Reserve Funding and Explanatory Notes

Line	Reference	Total	Allocator	OATT Transmission
1	Whlse Extraordinary Property Loss	230a.5.b	16,963,061	
2	Trans. Related Pct of Whlse Loss	Note J	0.92011	WEPL-T
3	Whlse Trans. Extraordinary Property Loss		15,607,957	TP2006 0.92366 14,416,446
Components of Storm Amortization/Reserve Funding Adder (2008-2012 Rate Years only - Note N):				
4	Balance 2004 Loss as of Jan 1, 2008	230a.5.f	15,658,702	Fixed 0.84987 13,307,907
Rebuild Reserve Equivalent to \$130MM Retail:				
5	Whlse Portion of \$6MM Funding	ER95-469	434,000	Fixed 0.07233
6	System Total Reserve Req't = 130MM/(1 - Line 5 %)		140,136,543	
7	Whlse Reserve Needed = Line 6 - \$130MM		10,136,543	Fixed 0.84987 8,614,774
8	Whlse Portion of Existing Storm Accrual	ER95-469	434,000	Fixed 0.84987 368,845
9	Levelized Storm Reserve Funding Rate \$/MW-Month (PEF - 6, Page 2)			140
Denominator for Wholesale Transmission:				
10	Firm Network Service for Self	400.17.e	90,540	0.00000 0
11	Firm Network Service for Others (Note K)	400.17.f	2,427	1.00000 2,427
12	Long-Term Firm P-t-P Reservations	400.17.g	1,738	1.00000 1,738
13	Other Long-Term Firm Service	400.17.h	31,103	1.00000 31,103
14	Contract Demand Adjustment		54	1.00000 54
15	Total System Long Term Firm Transmission Load		125,862	35,322
16	Gross-up Factor for OATT Wholesale Reserve - System Basis (Total Load/Whlse Load * 0.84987)			3.02833

- Note A: Excludes Asset Retirement Obligations from plant balances
- Note B: Because the Page 2 Rate Base amounts are total system numbers, the wholesale specific loss/reserve balance is grossed up using the relationship between system and wholesale only transmission demands times the percent of the balance applicable to the OATT. See also Notes H and J.
- Note C: FERC Form 1 page 214 excluding non-transmission related items
- Note D: Analysis of Company books. Regulatory expense excludes charges by FERC pursuant to 18 CFR § 382.201
- Note E: Excludes Retail ECCR and Sebring amortizations from Form-1 reported value
- Note F: Excludes all income and gross receipts taxes. Labor related other taxes include FICA and unemployment taxes. Property related taxes include county and local property, highway use, and intangible taxes.
- Note G: Investment In Transmission Energy Control Center included In Schedule 1 Ancillary Service cost
- Note H: The allocator "TP" is the percent of gross transmission plant that is OATT related, i.e., after removal of ECC, interconnections and generator step-up transformer investment. It also serves as the basis for deriving OATT-related transmission labor from the Form-1 reported value
- Note I: To the extent PEF is authorized by the Florida Public Service Commission and issues bonds for distribution facilities to securitize retail recovery of extraordinary property losses, associated principal and interest expense are excluded in capitalization and return basis.
- Note J: Functionalized Transmission part 182.1 Extraordinary Property Losses balance only, "WEPL-T." Consistent with the process described in Note H above, the OATT-related amount of the transmission loss is then derived using the TP allocation factor
- Note K: Includes Network Integration Service and Network Contract Demand Service
- Note L: There is no prepaid pension component in the Form-1 A/C 165 balances.
- Note M: If income tax rates change during a calendar year, the income tax rates will be pro-rated based on the number of days each income tax rate was in effect.
- Note N: Pursuant to the settlement agreement, annual amounts included in line 11 will be adjusted and reversed as necessary to ensure no overfunding of the wholesale reserve; i.e., the year-end reserve balance for OATT rates will not exceed the \$8,614,774 shown on line 7
- Note O: Payments by PEF to an Affected System Operator pursuant to Orders 2003 or 2006 (including rehearing orders) are not to be included in the formula rate regardless of the accounting.
- Note P: Target percentages are fixed for 2008 - 2012 and were derived from projected OATT LTF billing MW-months and the MW-month equivalent billings for STF and non-firm transmission revenues in the September 2007 PEF financial forecast.
- Note Q: Actual LTF OATT MW-Months are the sum of Lines 11 and 12 above, as reported in Form-1 for Firm Network Service for Others and Long Term Firm Point-to-Point Service
- Note R: Actual STF/Non-Firm equivalent "MW-Months" are equal to monthly STF/Non-firm transmission service revenue divided by the same "Total Firm Monthly Trans. \$/MW-Month" rate (Page 1, Line 11) from which the STF/Non-firm billing rates were derived

PROGRESS ENERGY FLORIDA, INC.
OATT Transmission Non-Levelized Rate Formula Template Using Form-1 Data

Adjustment to Per Books PBOP Expenses

Reference for System Amount Basis in Wholesale Rates:

FLORIDA POWER CORPORATION
FERC Docket No. ER97-4573-000
Part A-T&D Services Cost Support
Section B
Supplemental Workpaper
Page 2 of 4

FLORIDA POWER CORPORATION

PBOPs

In the Company's last wholesale rate case, Docket No. ER95-469-000, accrual amounts of \$1,331,000 for wholesale jurisdictional business and \$22,892,000 for retail jurisdictional business were presented for the test period of calendar year 1995 on the basis of a study performed by Hewitt Associates (See attached sheet Page 3A, lines 63 & 64 for year 1995. The wholesale amount was included in the settlement cost of service for wholesale business.

A fundamental difference between the wholesale and retail components is the recognition that the wholesale component is funded in accordance with Docket No. PL93-1-000, but the retail component is not funded in accordance with Florida Public Service Commission determination.

Since the expense item needs to be stated on a system basis reflecting fully wholesale ratemaking practice for input to the transmission cost of service formula, the appropriate system figure is that imputed by dividing the wholesale component amount by the wholesale wage ratio reflected in Docket No. ER95-469-000 (See attached sheet Page 3B, line 16, total at issue). This imputation is as follows:

$$\$1,331,000 / 0.05998 = \$ 22,191,000 \text{ (Nearest thousand)}$$

It is the Company's understanding that this amount shall remain the same for purposes of wholesale ratemaking until such time the Company makes a filing which is accepted by FERC that supports a revised wholesale accrual amount.

2008 Per Book Amount:	20,804,000
vs. Imputed Amount	22,191,000
==> PBOP Expense Adjustment	1,387,000

PROGRESS ENERGY FLORIDA, INC.
Transmission Rate Formula Support - Revenue Credits
Account 454

	<u>Account 454</u>	<u>Transmission</u>	<u>Notes</u>
Joint Use Pole Attachments - Distrib	11,574,260		
Joint Use Transmission Portion	185,833	185,833	
Transmission Tower Attachments	1,475,430	1,475,430	
Lighting Fixtures & Poles	58,579,189		
SECI Equip Rental	86,509	86,509	
Cogen Equip Rental	660,408	660,408	
Wheelabrator Pinellas Cogen (non-CSS)	42,000	42,000	
Primary Metering & Prem Distb Svc	6,828,506		
Premier Power Service	333,973		
Reclass Premier Power Service to 456	(166,987)		
Georgia Power Joint Owner-11 Rent Common Plant	295,915		
Nuclear Participants Rent	985,524		
Lease Agreement for Antennae Use at Anclote	4,450		
Rent - Transmission - Level 3 & Tower Lease	393,330	393,330	
Corporate Allocation Sublease Revenue	421,864	32,190	Allocated by LABOR
General Leases - Real Estate	624,436	47,647	Allocated by LABOR
Parking Lot Rent & Building Rent	259,998	19,839	Allocated by LABOR
Miscellaneous Other	(1,463)		
	-----	-----	
Total Account 454	82,583,176	2,943,186	

PROGRESS ENERGY FLORIDA, INC.
Transmission Rate Formula Support - Revenue Credits
Account 456.1

Form 1 Reference	Payment by (Column (b))	Classification (Col (d))	Rate Schedule (Col (e))	Total Revenues (Column (n))
328, line1	City of Alachua-Gainesville	LFP	T6/72	10,773
328, line2	City of Bartow	FNO	T6/136	1,184,780
328, line3	Caipine Energy Services	NF	T6/106	56,516
328, line4	Cargill Power Markets, LLC.	NF	T6/230C	205,674
328, line5	Cobb Electric Membership	NF	T6/114	19,888
328, line6	Conoco, Inc.	NF	T6/232C	0
328, line7	Duke Energy Trading & Mktng	NF	T6/202C	130,284
328, line8	Eagle Energy Partners	NF	T6/257C	9,297
328, line9	Florida Municipal Power Authority	NF	T6/31	2,041
328, line10	Florida Power & Light Co.	NF	T6/7C	696
328, line11	Fortis Energy Marketing Trading	NF	T6/285C	17,384
328, line12	Gainesville Regional Utilities	LFP	T6/73	194,588
328, line13	Georgia Power Company	OLF	FERC No. 105	848,871
328, line14	City of Homestead	LFP	T6/130	572,175
328, line15	City of Homestead	NF	T6/52	50,309
328, line16	Kissimmee Utility Auth	LFP	T6/74	93,347
328, line17	Lakeland Utilites	NF	T6/56	5,383
328, line18	City of Mt. Dora	FNO	T6/133	394,278
328, line19	Utilities Comm of New Smyrna Beach	LFP	T6/75	79,092
328, line20	Utilities Comm of New Smyrna Beach	NF	T6/12	4,758
328, line21	Oglethorpe Power Corp	NF	T6/187C	6,202
328, line22	Orange Cogen LP	LFP	T6/77	422,093
328, line23	Orlando Utilities Commission	LFP	T6/76	221,492
328, line24	Orlando Utilities Commission	NF	T6/10	31,785
328, line25	City of Quincy	FNO	T6/137	412,591
328, line26	Rainbow Energy Marketing Corp.	NF	T6/35C	(16,257)
328, line27	Reedy Creek Improvement Dist.	NF	T6/14	21,614
328, line28	Reliant Energy Services	LFP	T6/92	0
328, line29	Reliant Energy Services	NF	T6/3	24,192
328, line30	Seminole Electric Coop	SFP	T6/24	219,394
328, line31	Seminole Electric Coop	NF	T6/23	19,952
328, line32	Southern Company of Florida	NF	T6/29C	876
328, line33	City of Tallahassee	LFP	T6/96	321,084
328, line34	City of Tallahassee	LFP	T6/97	99,219
328.1,line1	City of Tallahassee	NF	T6/19	560
328.1,line2	Tampa Electric Company	SFP	T6/25	5,072,995
328.1,line3	Tampa Electric Company	NF	T6/160C	59,285
328.1,line4	Tampa Electric Company	FNO	T6/98	275,045
328.1,line5	The Energy Authority	LFP	T6/116	874,706
328.1,line6	The Energy Authority	SFP	T6/62	448,318
328.1,line7	The Energy Authority	NF	T6/68C	200,763
328.1,line8	City of Williston	FNO	T6/125	136,502
328.1,line9	City of Winter Park	FNO	T6/124	1,679,748
328.1,line10	City of Homestead	SFP	T6/53	2,195
328.1,line11	Florida Municipal Power Auth-OS	OS	T6/31	4,352,207
328.1,line12	Reedy Creek-OS	OS	T6	1,853,811
328.1,line13	Seminole Electric Cooperative inc.	OS	T6	22,612,995
328.1,line14	Southeastern Poer Admin-OS	OS	T6	306,573
328.1,line15	Constellation Power Source	NF	T8	2,115
328.1,line16	Alabama Electric Coop	OS	T6	1,220
328.1,line17	City of New Symrna	NF	T6	157
328.1,line18	Pa-NJ-Maryland Int (PJM)	NF	T6	59,618
328.1,line19	Tennessee Valley Authority	NF	T6/70	15,848
328.1,line20	Carolina Power & Light	NF	T8	3,623
Total Transmission for Others				43,622,655
Non-Firm - Revenue Credit				932,563
Short Term Firm - Revenue Credit				5,742,902
FPC Marketer Trans Revenue Not included Above				2,947,749
Total 456.1 NF + STF Revenue				9,623,214
Less Associated Ancillaries				(737,250)
Less Imputed Storm Adder				(884,731)
Net OATT Transmission Rate Revenue Credit				8,001,233

PROGRESS ENERGY FLORIDA, INC.
Transmission Rate Formula Support - Account 353 Generator Step-up Transformers

Plant	Bank	Peaker/ Unit	Book Cost	Vintage
Bayboro Pk	BK 5	Peaker #1,3	\$261,250	1994
			26,873	1994
	BK 6	Peaker #2,4	616,305	1994
			91,063	1994
			<u>995,491</u>	
Suwannee 230kv	BK 5	Peaker #1,2	624,845	1980
	BK 6	Peaker #3	624,845	1980
			<u>1,249,690</u>	
Bartow	BK 1a	Unit #1	170,986	1958
			6,609	1980
	BK 1a	Replacement	948,774	2005
	BK 1b	Unit #1	170,986	1958
			6,609	1980
	BK 2a	Unit #2	198,703	1961
			6,609	1980
	BK 2b	Unit #2	198,703	1961
			6,609	1980
	Bk 2	Replacement	1,021,431	2007
	BK 3a	Unit #3	164,577	1963
			12,585	1980
	BK 3b	Unit #3	163,995	1963
			13,326	1980
			12,571	2000
BK 4	Peaker #1,2	185,875	1972	
BK 5	Peaker #3,4	185,875	1972	
			<u>3,474,823</u>	
Higgins Pk	BK 4	Peaker #1,2	159,328	1969
			7,685	1983
	BK 5	Peaker #3,4	186,947	1973
			10,068	1984
			186,947	1973
			<u>550,975</u>	
Suwannee Plant	BK 1	Unit #1	182,984	1953
	BK 2	Unit #2	139,629	1954
	BK 3	Unit #3	225,390	1956
			<u>548,003</u>	
Rio Pinar	BK 3	Peaker #1	68,993	1970
			<u>68,993</u>	
Intercession City	BK 5	Peaker #1,2	228,101	1974
			15,981	1986
	BK 6	Peaker #3,4	228,101	1974
	BK 7	Peaker #5,6	228,101	1974
	BK 8	Peaker #7	901,511	1993
	BK 9	Peaker #8	901,511	1993
	BK 10	Peaker #9	901,511	1993
	BK 11	Peaker #10	901,510	1993
		Peaker #12-14	1,802,223	2000
				<u>6,108,550</u>
P11 Seimens	BK 12	Peaker #11	901,156	1997
			<u>901,156</u>	

PROGRESS ENERGY FLORIDA, INC.
Transmission Rate Formula Support - Account 353 Generator Step-up Transformers

Plant	Bank	Peaker/ Unit	Book Cost	Vintage	
Crystal River	Bk 1a	Unit #1	270,367	1966	
			176,546	2000	
	Bk 1b	Unit #1	276,955	1966	
			177,625	2000	
	Bk 2	Unit #2	541,256	1969	
	Bk 3	Unit #3	14,219,073	2008	
	Bk 4	Unit #4	1,843,364	1982	
			145,500	1998	
	8k 5	Unit #5	3,539,182	1984	
			(50,360)	1990	
			11,682	1997	
		Spare	3,430,323	1998	
		<u>24,581,513</u>			
Anclote	Bk 1	Unit #1	585,564	1974	
			15,319	1984	
			149,851	1992	
			566,430	2008	
	Bk 2	Unit #2	600,028	1974	
			149,851	1992	
			<u>2,067,043</u>		
Debary	Bk 1	Peaker #1,2	364,638	1975	
	Bk 2	Peaker #4,6	364,639	1975	
	Bk 3	Peaker #3,5	364,638	1975	
	Bk 7	Peaker #7	869,053	1992	
	Bk 8	Peaker #8	869,053	1992	
	Bk 9	Peaker #9	869,053	1992	
	Bk 10	Peaker #10	869,053	1992	
			<u>4,570,127</u>		
	Turner Pk	Bk 5	Peaker #1,2	113,598	1970
				45,831	1991
BK 6		Peaker #3,4	292,778	1974	
			<u>452,207</u>		
Avon Park Pk	Bk 6	Peaker #1,2	158,609	1968	
			1,615	1992	
			191	1998	
			<u>160,415</u>		
Univ of Fla	Bk 4	Peaker #1	490,250	1993	
			37,398	1992	
			8,927	1993	
			<u>536,575</u>		
Hines PB1		ST1S	1,890,000	1999	
		CT1A	945,000	1999	
		CT1B	945,000	1999	
Hines PB2		ST1S	1,875,467	2003	
		CT1A	937,733	2003	
		CT1B	937,733	2003	
Hines PB3		ST1S	1,882,733	2005	
		CT1A	941,367	2005	
		CT1B	941,367	2005	
Hines PB4		All	2,844,990	2007	
		Spare	816,533	2002	
			<u>14,957,922</u>		
Tiger Bay		CT1	971,486	1997	
		ST1	971,486	1997	
			<u>1,942,972</u>		
CC/CT System Spares		CT's	689,047	2003	
		CC's	1,731,392	2002	
			<u>2,420,439</u>		
Total			<u>\$65,586,894</u>		

PROGRESS ENERGY FLORIDA, INC.

Transmission Rate Formula Support - Interconnection Facilities
Generation In-Service After March 15, 2000 per FERC Order 2003

<u>Unit(s)</u>	<u>Description</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>B/E Average</u>
Intercession City P12-P14	Breaker and 1/2 Scheme	445,684	445,684	445,684
Hines 2	Breaker and 1/2 Scheme	1,094,758	1,094,758	1,094,758
Hines 3	Breaker and 1/2 Scheme	1,094,758	1,094,758	1,094,758
Hines 4	Breaker and 1/2 Scheme	0	1,094,758	547,379
Total Interconnection Facilities		2,635,200	3,729,958	3,182,579

PROGRESS ENERGY FLORIDA, INC.
Accumulated Deferred Tax Detail - Prior Year

Account	Description	Accumulated Deferred Tax at 12/31/2007	Allocator	Factor	Result
190	Accumulated Provision for Uncollect Accounts	4,014,000	Retail	0.00000	0
190	Inventory Reserve	526,000	NP	0.16649	87,572
190	Interest On Income Tax Deficiency	(1,562,000)	Other	0.00000	0
190	Deferred Rent - Exit Costs	29,000	LABOR	0.07630	2,213
190	St.Pete Headquarters 467 lease for tax	543,000	LABOR	0.07630	41,433
190	Deferred Cr FASB 146 Exit Costs - ST	93,000	LABOR	0.07630	7,096
190	Curr & Accr Liab - FPC LTD	269,000	NP	0.16649	44,785
190	Curr & Accr Liab - Severance	147,000	LABOR	0.07630	11,217
190	Curr & Accr Liab Workers Comp	1,141,000	LABOR	0.07630	87,062
190	IRU Indemnification - ST	227,000	LABOR	0.07630	17,321
190	Misc C&A MICP/ECIP/RCIP	8,591,000	LABOR	0.07630	655,522
190	Cap Lease Oblig CUR - SH	2,252,000	LABOR	0.07630	171,835
190	Offset To derivatives for tax -ST	(737,000)	PROD	0.00000	0
190	Emmission Allowances	(4,686,000)	PROD	0.00000	0
190	Unbilled Revenue - Service Charge /Equip Rent	1,435,000	Retail	0.00000	0
190	Refund Retail	5,471,000	Retail	0.00000	0
190	Unbilled Revenue - Recovery Clauses	40,054,000	Retail	0.00000	0
190	Accrued Vacation Pay	5,273,000	LABOR	0.07630	402,347
190	Sales Tax Reserve - Audit reserves	2,652,000	Other	0.00000	0
190	State Income Tax - Federal Timing	1,671,000	NP	0.16649	278,198
190	Deferred Expenses - Sebring	(298,000)	Retail	0.00000	0
190	Amort Interest On Income Tax Deficiency	243,000	Other	0.00000	0
190	Unfunded - Storm Damage Expense	24,477,000	Retail	0.00000	0
190	Workman's Comp Reserve	5,838,000	LABOR	0.07630	445,459
190	Claims Reserve	984,000	NP	0.16649	163,822
190	SERP/Deferred SERP/MIC Plan	16,519,000	LABOR	0.07630	1,260,454
190	FPC LONG TERM DISABILITY PLAN	1,763,000	LABOR	0.07630	134,523
190	Last Core Nuclear Fuel	2,971,000	PROD	0.00000	0
190	EOL Nuclear M&S	4,051,000	PROD	0.00000	0
190	Nuclear Refuel Outage #16	693,000	PROD	0.00000	0
190	2000 Class Deferred Compensation	516,000	LABOR	0.07630	39,373
190	Perferred Shared Sub Plan	247,000	DIST	0.00000	0
190	Environmental Cleanup Reserve	18,350,000	GP	0.13506	2,478,418
190	Mngmnt Incentv Award Deferred Comp	830,000	LABOR	0.07630	63,332
190	Offset to derivatives for tax -LT	(6,363,000)	PROD	0.00000	0
190	Other Defer CR Stranded Cost	1,148,000	PROD	0.00000	0
190	IRU Indemnification - LT	2,952,000	LABOR	0.07630	225,247
190	Interest on Income Tax Deficiency - LT	9,106,000	Other	0.00000	0
190	Reg Liab Nuc Decom Trust Ureal Gains	62,729,000	PROD	0.00000	0
190	Reg Liab Deriv - MTM Oil	64,064,000	Prod	0.00000	0
190	Nuclear Fuel DOE D&D (CY Activity only)	23,000	PROD	0.00000	0
190	Wholesale QF Energy	82,000	PROD	0.00000	0
190	Regulatory Liability FAS 109	14,958,000	Other	0.00000	0
190	Unamortized Investment Tax Credit	6,730,000	NP	0.16649	1,120,451
190	Nuclear Decommissioning Qualified Fund	32,325,000	PROD	0.00000	0
190	Self Insured Medical Reserve	111,652,000	LABOR	0.07630	8,519,416
190	Other Def Cr Miscellaneous	308,000	NP	0.16649	51,278
190	Interest Rate Hedge	5,354,000	NP	0.16649	891,366
190	Restricted Stock	1,713,000	LABOR	0.07630	130,708
190	Liability for Nuclear DOE D&D	(23,000)	PROD	0.00000	0
190	PSSP Stock Plan	3,050,000	LABOR	0.07630	232,725
190	Nonqualified Stock Options	35,000	LABOR	0.07630	2,671
190	Investment in Inflexion	(21,000)	LABOR	0.07630	(1,602)
190	Interest Rate Lock Settlement	(59,000)	NP	0.16649	(9,823)
190	State Income Taxes	2,138,000	NP	0.16649	355,947
190	Nuclear Decommissioning tax Exempt Inc	545,000	PROD	0.00000	0
190	Tie in to Financials	1,500,900	NP	0.16649	249,879
190	Difference	1,000	NP	0.16649	166
	Balance in Account 190	458,534,900			18,160,409

PROGRESS ENERGY FLORIDA, INC.
Accumulated Deferred Tax Detail - Prior Year

Account	Description	Accumulated Deferred Tax at 12/31/2007	Allocator	Factor	Result
281	Electric Plant - Pollution Control	(6,186,000)	PROD	0.00000	0
	Balance in Account 281	(6,186,000)			0
282	Electric Plant - Utility	(441,093,000)	NP	0.16649	(73,435,810)
	Balance in Account 282	(441,093,000)			(73,435,810)
283	Derivative Asset - PEF - MTM Oil	(23,277,000)	PROD	0.00000	0
283	Misc C&A Liab Benefits-Current	1,213,000	LABOR	0.07630	92,556
283	Recovery Clause - Deferred Expense PY	(3,563,000)	Other	0.00000	0
283	IRS Audit Reserve / FIN 48 - ST	(2,884,000)	Other	0.00000	0
283	CR#3-Qual Unreal Gains/Losses	(62,374,000)	PROD	0.00000	0
283	CR#3-Non Qual Unreal Gains/Losses	(355,000)	PROD	0.00000	0
283	Reg Asset - Derivative MTM	(33,687,000)	PROD	0.00000	0
283	Reg Asset - Minimum Pension Liab	(43,780,000)	Other	0.00000	0
283	Deferred GPIF Asset	(234,000)	PROD	0.00000	0
283	Accrued ECRC - Deferred Expense Bk	(11,515,000)	Retail	0.00000	0
283	Pension Reserve	12,681,000	LABOR	0.07630	967,602
283	Prepaid Pension - per book	(85,085,000)	Other	0.00000	0
283	Pension Restoration	(6,000)	LABOR	0.07630	(458)
283	Benefit Reserve - Current Contra	(1,213,000)	LABOR	0.07630	(92,556)
283	Proceeds from Auctioned SO2 Allowances	779,000	PROD	0.00000	0
283	Amort Loss Reacquired Debt	(9,587,000)	NP	0.16649	(1,596,101)
283	Spare Parts Credit to EPIS	(376,000)	NP	0.16649	(62,599)
283	Amortization OID	(410,000)	NP	0.16649	(68,259)
283	Regulatory Asset FAS 109	(49,528,000)	Other	0.00000	0
283	Deferred Storm Cost -Wholesale	(6,041,000)	STORM	0.84987	(5,134,082)
283	IRS Audit Reserve "Paul Matthews"	2,884,000	NP	0.16649	480,146
283	State NOL Carryforward	83,000	NP	0.16649	13,818
283	Rounding/Interest on Tax Deficience	(751,000)	NP	0.16649	(125,031)
283	Self Insured Medical Reserve	(1,287,000)	LABOR	0.07630	(98,202)
283	State Income Tax Federal Timng	1,516,000	NP	0.16649	252,393
283	Electric Plt FIN 48 Adjs	(49,466,000)	NP	0.16649	(8,235,397)
283	State Income FIN 48 adjs	(2,570,000)	NP	0.16649	(427,869)
283	Tie in to Financials	(1,339,543)	NP	0.16649	(223,015)
	Balance in Account 283	(370,172,543)			(14,257,055)
Total Accumulated Deferred Income Tax - Prior Year		(358,916,643)			(69,532,456)

PROGRESS ENERGY FLORIDA, INC.
Accumulated Deferred Tax Detail - Current Year

Account	Description	Accumulated Deferred Tax at 12/31/2008	Allocator	Factor	Result
190	Accumulated Provision for Uncollect Accounts	4,191,000	Retail	0.00000	0
190	Inventory Reserve	418,000	NP	0.16649	69,591
190	Interest On Income Tax Deficiency	4,719,000	Other	0.00000	0
190	Deferred Rent - Exit Costs	652,000	LABOR	0.07630	49,750
190	Curr & Accr Liab - FPC LTD	273,000	NP	0.16649	45,451
190	Curr & Accr Liab - Severance	1,568,000	LABOR	0.07630	119,644
190	Curr & Accr Liab Workers Comp	987,000	LABOR	0.07630	75,311
190	IRU Indemnification - ST	247,000	LABOR	0.07630	18,847
190	Misc C&A MICP/ECIP/RCIP	9,777,000	LABOR	0.07630	746,017
190	Emmission Allowances	(4,235,000)	PROD	0.00000	0
190	Unbilled Revenue - Service Charge /Equip Rent	1,438,000	Retail	0.00000	0
190	Unbilled Revenue - Recovery Clauses	41,406,000	Retail	0.00000	0
190	Accrued Vacation Pay	5,492,000	LABOR	0.07630	419,058
190	Sales Tax Reserve - Audit reserves	749,000	Other	0.00000	0
190	Retail Unfunded - Storm Damage	53,558,000	Retail	0.00000	0
190	Workman's Comp Reserve	6,318,000	LABOR	0.07630	482,084
190	Claims Reserve	1,262,000	NP	0.16649	210,105
190	SERP/Deferred SERP/MIC Plan	16,173,000	LABOR	0.07630	1,234,053
190	FPC LONG TERM DISABILITY PLAN	1,803,000	LABOR	0.07630	137,575
190	Last Core Nuclear Fuel	3,395,000	PROD	0.00000	0
190	EOL Nuclear M&S	4,629,000	PROD	0.00000	0
190	Nuclear Refuel Outage	5,430,000	PROD	0.00000	0
190	2000 Class Deferred Compensation	355,000	LABOR	0.07630	27,088
190	Perferred Shared Sub Plan	208,000	DIST	0.00000	0
190	Environmental Cleanup Reserve	14,326,000	GP	0.13506	1,934,922
190	Mngmnt Incntv Award Deferred Comp	772,000	LABOR	0.07630	58,906
190	Other Defer CR Stranded Cost	599,000	PROD	0.00000	0
190	IRU Indemnification - LT	2,749,000	LABOR	0.07630	209,758
190	Reg Liab Nuc Decom Trust Ureal Gains	2,776,000	PROD	0.00000	0
190	Reg Liab Deriv - MTM Oil	10,014,000	Prod	0.00000	0
190	Wholesale QF Energy	36,000	PROD	0.00000	0
190	Regulatory Liability FAS 109	12,215,000	Other	0.00000	0
190	Unamortized Investment Tax Credit	4,439,000	NP	0.16649	739,031
190	Self Insured Medical Reserve	113,544,000	LABOR	0.07630	8,663,782
190	Other Def Cr Miscellaneous	222,000	NP	0.16649	36,960
190	Interest Rate Hedge	(380,000)	NP	0.16649	(63,265)
190	Restricted Stock	2,842,000	LABOR	0.07630	216,854
190	PSSP Stock Plan	1,889,000	LABOR	0.07630	144,137
190	Nonqualified Stock Options	35,000	LABOR	0.07630	2,671
190	Investment in Inflexion	(203,000)	LABOR	0.07630	(15,490)
190	State Income Taxes	2,353,000	NP	0.16649	391,742
190	Pension	61,106,000	LABOR	0.07630	4,662,590
190	Regulatory Liability Asbestos SFAS 143	1,751,000	Other	0.00000	0
190	Regulatory Nuc Deco SFAS 143	27,472,000	Other	0.00000	0
190	Derivative Asset/Liabilities	220,672,000	PROD	0.00000	0
190	Fleet Hedging	366,000	Other	0.00000	0
190	Deferred Fuel Wholesale	1,857,000	PROD	0.00000	0
190	Tie in to Financials	508,374	NP	0.16649	84,637
	Balance in Account 190	642,773,374			20,701,809

PROGRESS ENERGY FLORIDA, INC.
Accumulated Deferred Tax Detail - Current Year

Account	Description	Accumulated Deferred Tax at 12/31/2008	Allocator	Factor	Result
281	Electric Plant - Pollution Control	(4,083,000)	PROD	0.00000	0
	Balance In Account 281	(4,083,000)			0
282	Electric Plant - Utility	(600,046,000)	NP	0.16649	(99,899,259)
282	Electric Plant -Nuclear Cost Recovery	67,001,000	Retail	0.00000	0
282	Electric Plant-Nuc Decommissioning	(14,222,000)	PROD	0.00000	0
282	Tie to Balance Sheet	(6,147)	NP	0.16649	(1,023)
	Balance in Account 282	(547,273,147)			(99,900,283)
283	Derivative Asset/Liability - PEF - MTM Oil	1,113,000	PROD	0.00000	0
283	Recovery Clause - Deferred Fuel	(56,044,000)	Other	0.00000	0
283	Recovery Clause - Environmental	(5,328,000)	Retail	0.00000	0
283	Recovery Clause - Capacity - Nuclear	(73,096,000)	Retail	0.00000	0
283	CR#3-Qual Unreal Gains/Losses	(5,327,000)	PROD	0.00000	0
283	CR#3-Non Qual Unreal Gains/Losses	2,551,000	PROD	0.00000	0
283	Reg Asset - Derivative MTM	(231,798,000)	PROD	0.00000	0
283	Reg Asset - Minimum Pension Liab	(211,264,000)	Other	0.00000	0
283	Deferred GPIF Asset	(836,000)	PROD	0.00000	0
283	Accrued ECRC - Deferred Expense Bk	(8,223,000)	Retail	0.00000	0
283	Pension Restoration	32,000	LABOR	0.07630	2,442
283	Proceeds from Auctioned SO2 Allowances	796,000	PROD	0.00000	0
283	Amort Loss Reacquired Debt	(8,088,000)	NP	0.16649	(1,346,539)
283	Spare Parts Credit to EPIS	(376,000)	NP	0.16649	(62,599)
283	Amortization OID	(406,000)	NP	0.16649	(67,593)
283	Regulatory Asset FAS 109	(62,712,000)	Other	0.00000	0
283	Deferred Storm Cost -Wholesale	(882,000)	Other	0.00000	0
283	Deferred Storm Cost- Transmission	(4,391,000)	OATT	1.00000	(4,391,000)
283	Deferred Storm Costs (2008) deducted per Tax	(3,768,000)	Retail	0.00000	0
283	FAS 143 ARO Liability	20,734,000	Other	0.00000	0
283	Regulatory Asset Asbestos	(2,338,000)	Other	0.00000	0
283	State NOL Carryforward	27,000	NP	0.16649	4,495
283	Tie In to Financials	(246,342)	NP	0.16649	(41,012)
	Balance in Account 283	(649,870,342)			(5,901,807)
Total Accumulated Deferred Income Tax - Current Year		(558,453,115)			(87,641,680)

PROGRESS ENERGY FLORIDA, INC.
Transmission Rate Formula Support - List of Inputs from FERC Form-1

Page	Row	Column	Description	Reference	Beginning Balance	Ending Balance or Annual Value
111	57	c&d	Prepayments	111.57.c&d	3,615,876	8,240,691
111	81	c&d	Loss on Reacquired Debt	111.81.c&d	24,853,429	20,969,828
112	3	c&d	Preferred Stock Issued	112.3.c&d	33,496,700	33,496,700
112	12	c&d	Account 216.1	112.12.c&d	(60)	5,490
112	16	c&d	Proprietary Capital	112.16.c&d	3,035,004,439	3,433,028,549
112	24	c&d	Long Term Debt	112.24.c&d	3,219,210,101	4,181,893,644
113	61	c&d	Gain on Reacquired Debt	113.61.c&d	0	0
117	62 thru 66	c	Long Term Interest Expense	117.62 thru 66.c		220,802,761
118	29	c	Preferred Dividends (positive)	118.29.c		1,511,860
200	21	c	Intangible Amort. Reserve	200.21.c		122,980,014
205	5	b&g	Intangible Plant	205.5.b&g	133,958,493	132,901,880
205	46	b&g	Production Plant	205.46.b&g	4,400,161,166	4,470,390,769
207	58	b&g	Transmission Plant	207.58.b&g	1,317,323,606	1,508,154,773
207	75	b&g	Distribution Plant	207.75.b&g	3,534,697,873	3,707,979,640
207	99	b&g	General Plant	207.99.b&g	377,235,688	360,051,574
214	47	d	Plant Held for Future Use (Trans. Only)	214.47.d		6,192,322
219	20 thru 24	c	Production Depr. Reserve	219.20 thru 24.c		2,557,992,051
219	25	c	Transmission Depr. Reserve	219.25.c		475,762,867
219	26	c	Distribution Depr. Reserve	219.26.c		1,400,066,245
219	28	c	General Depr. Reserve	219.28.c		128,973,740
227	8	b&c	M&S - Transmission	227.8.b&c	1,528,817	4,422,282
227	16	b&c	M&S - Stores Expense	227.16.b&c	33,546,843	22,069,958
230a	5	b	Total Extraordinary Property Loss - Wholesale	230a.5.b		16,963,061
230a	5	e	Total Extraordinary Property Loss - Wholesale	230a.5.e		1,990,136
230a	5	f	Extraordinary Property Losses - Balance	230a.5.f		13,668,566
234	8	b&c	ADIT - 190	234.8.b&c	458,534,900	642,773,374
263	3	i	Other Taxes - FICA	263.3.i		20,916,779
263	4	i	Other Taxes - Federal Unemployment	263.4.i		0
263	7	i	Other Taxes - Highway Use	263.7.i		0
263	15	i	Other Taxes - State Unemployment	263.15.i		0
263	16	i	Other Taxes - Intangibles	263.16.i		0
263	22	i	Other Taxes - Property County & Local	263.22.i		92,305,320
266	8	f	Amortized ITC (Negative)	266.8.f		(5,940,000)
267	8	b&h	Accum Deferred ITC - 255 (Negative)	267.8.b&h	(17,446,508)	(11,506,508)
273	8	b&k	ADIT - 281 (Negative)	273.8.b&k	(6,186,000)	(4,083,000)
275	2	b&k	ADIT - 282 (Negative)	275.2.b&k	(441,093,000)	(547,273,147)
277	9	b&k	ADIT - 283 Excluding FAS 109 (Neg.)	277.9.b&k	(370,172,542)	(649,870,342)
321	84 thru 92	b	(561) Transmission Op Exp - Sch&Disp	321.84 thru 92.b		4,755,756
321	96	b	(565) Transmission of Electricity by Others	321.96.b		0
321	112	b	TOTAL Transmission Expenses	321.112.b		37,628,730
323	185	b	(924) Property Insurance	323.185.b		75,934,878
323	189	b	(928) Regulatory Commission Expenses	323.189.b		381,186
323	191	b	(930.1) General Advertising Expenses	323.191.b		2,089,820
323	197	b	Total Admin & General Expenses	323.197.b		256,097,678
335	1	b	Industry Association Dues	335.1.b		3,696,646
336	1	f	Intangible Amortization	336.1.f		2,230,057
336	7	f	Transmission Depr. Expense	336.7.f		31,442,612
336	10	f	General Depr. Expense	336.10.f		14,459,370
354	21	b	Transmission O&M Labor	354.21.b		18,874,684
354	27	b	A&G Labor	354.27.b		57,967,379
354	28	b	Total Direct Payroll - O&M Labor	354.28.b		285,593,676
400	17	e	Firm Network Service for Self	400.17.e		91,212
400	17	f	Firm Network Service for Others	400.17.f		2,427
400	17	g	Long-Term Firm P-t-P Reservations	400.17.g		1,738
400	17	h	Other Long-Term Firm Service	400.17.h		30,431
400	17	i	Short-Term Firm P-t-P Reservations	400.17.i		3,096

Rate Base Items from Prior Year Form 1 (Year End Value Where Not Available as Beginning Balance Above)

200	21	c	Intangible Amort. Reserve	200.21.c		120,611,757
214	47	d	Plant Held for Future Use (Trans Only)	214.47.d		6,192,322
219	20 thru 24	c	Production Depr. Reserve	219.20 thru 24.c		2,542,914,653
219	25	c	Transmission Depr. Reserve	219.25.c		467,787,323
219	26	c	Distribution Depr. Reserve	219.26.c		1,314,366,808
219	28	c	General Depr. Reserve	219.28.c		96,782,843
230a	5	f	Extraordinary Property Losses - Balance	230a.5.f		15,658,702

PROGRESS ENERGY FLORIDA, INC.
OATT Settlement - 2004 Storm Treatment

Line No.

1	Determination of Levelized Storm Damage Recovery Adder						
2							
3	Total Funding Requirements						
4							
5	Total Funding Requirements						
6	Amortize Existing Loss (PEF-2, Page 5, Line 4)	\$13,307,907					
7	Rebuild Reserve (PEF-2, Page 5, Line 7)	<u>8,614,774</u>					
8	Total 2008-2012	\$21,922,681					
9	Less:						
10	Amount assumed to be collected from non-OATT service:						
11	Annual Amount (PEF-2, Page 5, Line 8)	\$368,845					
12	Five-Year Total (Line 11 * 5)	\$1,844,224					
13							
14	Net 5-Year Requirement (Line 8 - Line 12)	\$20,078,457					
15							
16	Annual Recovery Requirements	2008	2009	2010	2011	2012	Total
17							
18	Projected Billing Units (MW-months)						
19	LTF on OATT (Projected and Fixed)	6,593	13,904	30,194	37,331	39,889	127,912
20	STF/Non-Firm on OATT (Projected and Fixed)	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>15,000</u>
21	Total Projected Billing Units	9,593	16,904	33,194	40,331	42,889	142,912
22							
23	Annual Percentages (Fixed - Note P)	6.71%	11.83%	23.23%	28.22%	30.01%	100.0%
24							
25	Annual Recovery Requirements						
26	Amortize Existing Loss (Ln 23 * Ln 6 / Ln 8 * Ln 14)	\$818,184	\$1,441,693	\$2,831,030	\$3,439,662	\$3,657,824	\$12,188,392
27	Rebuild Reserve (Ln 23 * Ln 7 / Ln 8 * Ln 14)	<u>529,645</u>	<u>933,269</u>	<u>1,832,646</u>	<u>2,226,639</u>	<u>2,367,865</u>	<u>7,890,064</u>
28	Total	\$1,347,829	\$2,374,963	\$4,663,676	\$5,666,301	\$6,025,688	\$20,078,457
29							
30	Levelized Storm Damage Recovery						
31	Adder (\$/MW-mo) (Line 28 / Line 21)	<u>\$140</u>	<u>\$140</u>	<u>\$140</u>	<u>\$140</u>	<u>\$140</u>	<u>\$140</u>
32							
33	Example Application of Levelized Adder and Annual True-Up						
34							
35	Actual Billing Units (MW-months) (Notes Q and R)						
36	LTF on OATT (Actual MW-Months)	6,923	14,599	31,704	39,197	41,883	134,307
37	STF/Non-Firm on OATT (Actual Equiv. MW-Months)	<u>3,150</u>	<u>3,150</u>	<u>3,150</u>	<u>3,150</u>	<u>3,150</u>	<u>15,750</u>
38	Total Billing Units (Line 36 + Line 37)	10,073	17,749	34,854	42,347	45,033	150,057
39							
40	Actual Recoveries of Existing Loss & Reserve Replenishment						
41	LTF on OATT (Line 31 * Line 36)	\$972,659	\$2,051,150	\$4,454,299	\$5,507,054	\$5,884,412	\$18,869,573
42	STF/Non-Firm on OATT (Line 31 * Line 37)	<u>442,561</u>	<u>442,561</u>	<u>442,561</u>	<u>442,561</u>	<u>442,561</u>	<u>2,212,806</u>
43	Total Collections (Line 41 + Line 42)	\$1,415,220	\$2,493,711	\$4,896,860	\$5,949,616	\$6,326,973	\$21,082,379
44							
45	Over(Under) Recovery to Be Reflected						
46	In Annual True-Ups (Line 43 - Line 28)	<u>67,391</u>	<u>118,748</u>	<u>233,184</u>	<u>283,315</u>	<u>301,284</u>	<u>1,003,923</u>
47							
48							
49							
50	Storm Reserve Balance Tracking:						2013 'til Extraordinary Loss
51							
52	Beginning Balance	(13,307,907)	(11,591,233)	(8,847,426)	(3,814,905)	2,220,241	8,614,774
53							
54	Funding From OATT Adder (Line 28)	1,347,829	2,374,963	4,663,676	5,666,301	6,025,688	
55	Existing Wholesale Accrual (Line 11)	368,845	368,845	368,845	368,845	368,845	
56							
57	Ending Balance	(11,591,233)	(8,847,426)	(3,814,905)	2,220,241	8,614,774	8,614,774
58							
59	Maximum Reserve per Settlement	8,614,774	8,614,774	8,614,774	8,614,774	8,614,774	8,614,774
60							
61	Adjustment:	0	0	0	0	(0)	(0)

**PROGRESS ENERGY FLORIDA
PREPAYMENTS FOR NETWORK UPGRADES**

252 Customer advances for construction.

This account shall include advances by customers for construction which are to be refunded either wholly or in part. When a customer is refunded the entire amount to which he is entitled, according to the agreement or rule under which the advance was made the balance, if any, remaining in this account shall be credited to the respective plant account.

EXAMPLE

DESCRIPTION	FERC	DEBIT	CREDIT
NETWORK UPGRADE COST		\$ 1,000,000	
DEPRECIABLE LIFE	40-YRS		
ANNUAL FERC INTEREST RATE	ANNUALLY	6%	
REFUND OVER 5 -YRS	ANNUALLY	\$ 200,000	
ELEC. PLNT IN-SVC	101	\$ 1,000,000	\$ 1,000,000
CUSTOMER ADVANCES	252		

SCENARIO 1:

YEAR OF IN-SERVICE:			
DESCRIPTION	FERC	DEBIT	CREDIT
ELEC. PLNT IN-SVC	101	\$ 1,000,000	\$ 1,000,000
CUSTOMER ADVANCES	252		
1st REFUND:			
DESCRIPTION	FERC	DEBIT	CREDIT
CASH	130		\$ 260,000
CUSTOMER ADVANCES	252	\$ 200,000	
INTEREST EXP	431	\$ 60,000	
RATE BASE EXPENSE			
FORMULA INPUT - EPIS _{YR-1}		\$ 1,000,000	
BEGINNING BAL.		\$ (1,000,000)	
INTEREST EXPENSE _{YR-1}		\$ (60,000)	\$ 60,000
REFUND _{YR-1}		\$ 260,000	
FORMULA INPUT _{YR-1}		\$ (800,000)	\$ 60,000
FORMULA INPUT - EPIS _{YR-2}		\$ 1,000,000	
FORMULA ACCUM. DEP _{YR-2}		\$ (25,000)	
BEGINNING BAL.		\$ (800,000)	
INTEREST EXPENSE _{YR-2}		\$ (48,000)	\$ 48,000
REFUND _{YR-2}		\$ (648,000)	\$ 48,000

SCENARIO 2:

RECOVERY OF INTEREST: PER AGREEMENT WITH CUSTOMERS, INTEREST WILL BE RECOVERED UPON PAYMENT AND NOT AS ACCRUED. THIS WILL CREATE A REGULATORY ASSET TO RECOGNIZE THE DEFERRED COST RECOVERY.

YEAR OF IN-SERVICE:			
DESCRIPTION	FERC	DEBIT	CREDIT
ELEC. PLNT IN-SVC	101	\$ 1,000,000	\$ 1,000,000
CUSTOMER ADVANCES	252		
YR-1 NO REFUND:			
DESCRIPTION	FERC	DEBIT	CREDIT
CUSTOMER ADVANCES	252		\$ 60,000
INTEREST ACCRUED	431	\$ 60,000	
REG ASSET (INTEREST ACCRUED)	182.3	\$ 60,000	
INTEREST ACCRUED DEFERRAL	407.4		\$ 60,000
YR-5 WITH REFUND:			
DESCRIPTION	FERC	DEBIT	CREDIT
CUSTOMER ADVANCES	252	\$ 1,338,226	
CASH	131		\$ 1,338,226
REG ASSET (INTEREST ACCRUED)	182.3		\$ 338,226
INTEREST ACCRUED DEFERRAL	407.3	\$ 338,226	
RATE BASE EXPENSE			

IF NOT REFUNDED UNTIL YR 5, THAN:

BEGINNING BAL.		\$ (1,000,000)	
INTEREST ACCRUED _{YR-1}		\$ (60,000)	\$ (60,000)
REG. ASSET (INTEREST ACCRUED) _{YR-1}		\$ 60,000	\$ 60,000
FORMULA INPUT _{YR-1}		\$ (1,000,000)	\$ -
INTEREST ACCRUED _{YR-2}		\$ (63,600)	\$ (63,600)
REG. ASSET (INTEREST ACCRUED) _{YR-2}		\$ 63,600	\$ 63,600
FORMULA INPUT _{YR-2}		\$ (1,000,000)	\$ -
INTEREST ACCRUED _{YR-3}		\$ (67,416)	\$ (67,416)
REG. ASSET (INTEREST ACCRUED) _{YR-3}		\$ 67,416	\$ 67,416
FORMULA INPUT _{YR-3}		\$ (1,000,000)	\$ -
INTEREST ACCRUED _{YR-4}		\$ (71,461)	\$ (71,461)
REG. ASSET (INTEREST ACCRUED) _{YR-4}		\$ 71,461	\$ 71,461
FORMULA INPUT _{YR-4}		\$ (1,000,000)	\$ -
INTEREST ACCRUED _{YR-5}		\$ (75,749)	\$ (75,749)
REG. ASSET (INTEREST ACCRUED) _{YR-5}		\$ 75,749	\$ 75,749
REFUND _{YR-5}		\$ 1,000,000	\$ 338,226
FORMULA INPUT _{YR-5}		\$ -	\$ 338,226