**Mulberry and Orange Cogen Event on October 31, 2011**

According to FPSC Rule 25-17.086, “Periods During Which Purchases are Not Required”, Progress Energy Florida (PEF) is providing notice to the Florida Public Service Commission that PEF reduced the output of the Mulberry and Orange Cogen facilities on 10/31/2011. The Mulberry Cogen and Orange Cogen facilities are interconnected to the PEF transmission system at PEF’s Mulberry Substation and at Orange Switching substation respectively.

The event began at 1059 hours on 10/31/2011 when the Homeland to Pembroke Tap 69 kV transmission line was forced out of service due to the failure of the “A” phase conductor. This transmission line contributes significant transmission capacity for transporting the output of the Mulberry Cogen and Orange Cogen facilities. With this line out, the remaining two 69 kV lines are insufficient to carry all of the Mulberry and Orange Cogen output under first contingency conditions. The loss of one of the remaining lines causes the other line to overload.

Prudent operating practice as well NERC standards require that PEF mitigate first contingency System Operating Limit Violations (SOLVs), such as the one for this event, on a pre-contingency basis. After executing contingency studies and identifying the constraining parameters, at 1114 PEF contacted Mulberry Cogen and requested that the unit reduce output by 16 MW. At 1136 hours PEF contacted Orange Cogen and requested that the unit reduce output by 66 MW. PEF took this action in its capacity as Transmission Operator in order to ensure the reliability of the transmission system and prevent equipment damage. The MW amounts were discussed with both cogens and, with their input, were determined to be the best way to achieve the total output reductions required. After execution of the requests, post contingency loading of the monitored elements (remaining line) were reduced to acceptable levels.

At 1445 hours the load in the local area increased such that it eliminated the need to reduce the output of the Mulberry Cogen, and Mulberry Cogen was released to full load and their output reduction was terminated. At 1637 hours the fault on the 69 kV line Homeland to Pembroke Tap was cleared and the line was switched back in service. As a result, at 1642 hours Orange Cogen was released to full load and their output reduction was terminated.