



April 14, 2012

Mr. John Slemkewicz,  
Public Utility Supervisor  
Electric and Gas Accounting Section  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report for the twelve months ended February 29, 2011. ✓

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 February 29, 2011. ✓ The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with Docket No. 090079-EI, Order No. PSC-10-0131-FOF-EI.

If you have any questions, please feel free to contact Cindy Lee at (727) 820-5535.

Sincerely,



Will Garrett  
Controller, Progress Energy Florida

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

1387  
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**PROGRESS ENERGY FLORIDA  
Rate of Return Report Summary  
February 2012**

Schedule 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. Average Rate of Return (Jurisdictional)</b>					
Net Operating Income (a) (b)	\$499,043,246	(\$115,751,176)	\$383,292,070	\$172,589,280	\$555,881,351
Average Rate Base	\$9,472,907,917	(\$2,235,540,309)	\$7,237,367,609	\$0	\$7,237,367,609
Average Rate of Return	5.27%		5.30%		7.68%
<b>II. Year End Rate of Return (Jurisdictional)</b>					
Net Operating Income	\$499,043,246	(\$115,751,176)	\$383,292,070	\$172,589,280	\$555,881,351
Year End Rate Base	\$9,580,905,165	(\$2,349,628,404)	\$7,231,276,761	\$0	\$7,231,276,761
Year End Rate of Return	5.21%		5.30%		7.69%

Footnotes

- (a) Column (1) includes AFUDC earnings.  
(b) Column (2) includes reversal of AFUDC earnings.

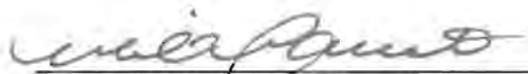
<b>III. Required Rates of Return</b>	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	6.81%	6.75%
Mid Point	7.26%	7.20%
High Point	7.71%	7.64%
Pro Forma Adjusted Basis		
Low Point	6.81%	6.75%
Mid Point	7.26%	7.20%
High Point	7.71%	7.64%

**IV. FINANCIAL INTEGRITY INDICATORS**

A. T.I.E. with AFUDC	1.75	(System Per Books Basis)
B. T.I.E. without AFUDC	1.57	(System Per Books Basis)
C. AFUDC to Net Income	14.23%	(System Per Books Basis)
D. Internally Generated Funds	71.51%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.90%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.00%	(FPSC Adjusted Basis)
F. Return on Common Equity	6.13%	(FPSC Adjusted Basis)
	11.44%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI 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



Will Garrett, Controller Progress Energy Florida

4/17/2012

Date

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Rate Base  
February 2012

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Average Rate Base
<b>System Per Books</b>	\$13,332,289,999	\$4,963,032,453	\$8,369,257,545	\$35,790,998	\$1,085,660,335	\$211,966,641	\$9,702,675,520	\$812,616,123	\$10,515,291,643
<b>Regulatory Base - Retail</b>	<b>12,131,570,568</b>	<b>\$4,588,502,379</b>	<b>\$7,543,068,189</b>	<b>\$26,832,869</b>	<b>975,213,255</b>	<b>\$189,847,296</b>	<b>\$8,734,961,609</b>	<b>737,946,309</b>	<b>\$9,472,907,917</b>
<b>FPSC Adjustments</b>									
ARO	(11,742,813)	(23,485,509)	11,742,696	-	-	-	11,742,696	(11,120,233)	622,463
ECCR	(1,805,312)	(992,353)	(812,960)	-	(6,451,677)	-	(7,264,637)	5,489,007	(1,775,630)
ECRC	(1,172,850,611)	(51,622,976)	(1,121,227,635)	-	(283,018)	-	(1,121,510,653)	(9,082,368)	(1,130,593,021)
FUEL	(32,738,780)	(31,286,127)	(1,452,653)	-	-	-	(1,452,653)	(110,331,568)	(111,784,222)
CCR	-	-	-	-	-	-	-	30,061,231	30,061,231
NUCLEAR	-	-	-	-	-	-	-	(131,307,957)	(131,307,957)
Derivatives	-	-	-	-	-	-	-	(138,220,532)	(138,220,532)
Employee Related	-	-	-	-	-	-	-	833,097	833,097
Investments Earning a Return	-	-	-	-	-	-	-	(41,318,237)	(41,318,237)
Jobbing Accounts	-	-	-	-	-	-	-	(4,767,533)	(4,767,533)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,369,545)	(2,369,545)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(1,519,936)	(1,519,936)
Retention Accounts	-	-	-	-	-	-	-	11,508,233	11,508,233
CWIP - AFUDC	-	-	-	-	(715,073,352)	-	(715,073,352)	-	(715,073,352)
CAPITAL LEASE	(201,779,411)	-	(201,779,411)	-	-	-	(201,779,411)	201,944,041	164,629
<b>Total FPSC Adjustments</b>	<b>(1,420,916,928)</b>	<b>(107,386,964)</b>	<b>(1,313,529,963)</b>	<b>-</b>	<b>(721,808,046)</b>	<b>-</b>	<b>(2,035,338,010)</b>	<b>(200,202,299)</b>	<b>(2,235,540,309)</b>
<b>FPSC Adjusted</b>	<b>\$10,710,653,640</b>	<b>\$4,481,115,415</b>	<b>\$6,229,538,226</b>	<b>\$26,832,869</b>	<b>\$253,405,209</b>	<b>\$189,847,296</b>	<b>\$6,699,623,599</b>	<b>\$537,744,010</b>	<b>\$7,237,367,609</b>

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Income Statement  
February 2012

	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
<b>System Per Books (a)</b>	\$4,306,992,394	\$2,255,001,997	\$867,409,873	\$148,200,941	\$348,379,894	(\$15,568,357)	\$186,339,631	(\$1,323,000)	\$0	\$3,788,440,980	\$518,551,414
<b>Regulatory Base - Retail</b>	<b>\$4,016,019,823</b>	<b>2,142,854,440</b>	<b>812,075,203</b>	<b>117,392,002</b>	<b>\$335,385,818</b>	<b>(\$18,455,682)</b>	<b>\$169,233,653</b>	<b>(\$1,166,357)</b>	<b>\$0</b>	<b>\$3,557,319,076</b>	<b>\$458,700,747</b>
<b>FPSC Adjustments</b>											
ARO				(205,883)		79,419	0	0	0	(126,464)	126,464
ECCR	(97,011,589)		(94,843,586)	(360,872)	(39,777)	(681,757)	0	0	0	(95,925,992)	(1,085,597)
ECRC	(180,130,462)		(51,644,507)	8,230,029	(10,125,859)	(48,832,141)	0	0	0	(102,372,477)	(77,757,984)
FUEL	(1,762,522,526)	(1,787,501,644)		(771,288)	(1,490,122)	10,508,034	0	0	0	(1,779,255,020)	16,732,494
CCR	(307,090,895)	(306,803,416)				(110,895)	0	0	0	(306,914,311)	(176,584)
NUCLEAR	(149,110,622)		(1,594,998)	(91,298,124)	(149,797)	(21,628,116)	0	0	0	(114,671,035)	(34,439,587)
SCRC	638		787			(58)	0	0	0	730	(92)
CORPORATE AIRCRAFT ALLOCATION	0	0	(3,374,671)	0	0	1,301,779	0	0	0	(2,072,891)	2,072,891
FRANCHISE FEE & GROSS REC TAX REVENUE	(202,517,550)	0	0	0	0	(78,121,145)	0	0	0	(78,121,145)	(124,396,405)
FRANCHISE FEES & GROSS REC TAX - TOI	0	0	0	0	(201,630,056)	77,778,794	0	0	0	(123,851,262)	123,851,262
GAIN/LOSS ON DISPOSITION & OTHER	0	0	0	0	0	4,879,976	0	0	(12,650,619)	(7,770,643)	7,770,643
INST./PROMOTIONAL ADVERTISING	0	0	(1,900,154)	0	0	732,984	0	0	0	(1,167,170)	1,167,170
INTEREST ON TAX DEFICIENCY	0	0	(14,539,239)	0	0	5,608,512	0	0	0	(8,930,728)	8,930,728
MISCELLANEOUS INTEREST EXPENSE	0	0	201,571	0	0	(77,756)	0	0	0	123,815	(123,815)
REMOVE ASSOC/ORGANIZATION DUES	0	0	(212,863)	0	0	82,112	0	0	0	(130,751)	130,751
REMOVE ECONOMIC DEVELOPMENT	0	0	(19,613)	0	0	7,566	0	0	0	(12,047)	12,047
PARENT DEBT ADJUSTMENT	0	0	0	0	0	(16,232,838)	0	0	0	(16,232,838)	16,232,838
SEBRING - RIDER REVENUE	(218)	0	0	0	0	(84)	0	0	0	(84)	(134)
DIRECTORS & OFFICERS PREMIUM			(2,944,634)			1,135,893				(1,808,742)	1,808,742
INTEREST SYNCHRONIZATION - FPSC	0	0	0	0	0	16,264,508	0	0	0	16,264,508	(16,264,508)
<b>Total FPSC Adjustments</b>	<b>(2,698,383,224)</b>	<b>(2,094,305,060)</b>	<b>(170,871,907)</b>	<b>(84,406,138)</b>	<b>(213,435,610)</b>	<b>(47,305,213)</b>	<b>0</b>	<b>0</b>	<b>(12,650,619)</b>	<b>(2,622,974,547)</b>	<b>(75,408,676)</b>
<b>FPSC Adjusted</b>	<b>\$1,317,636,599</b>	<b>\$48,549,380</b>	<b>\$641,203,296</b>	<b>\$32,985,863</b>	<b>\$121,950,207</b>	<b>(\$65,760,896)</b>	<b>\$169,233,653</b>	<b>(\$1,166,357)</b>	<b>(\$12,650,619)</b>	<b>\$934,344,529</b>	<b>\$383,292,070</b>
<b>Pro Forma Adjustments</b>											
Weather Normalization	(7,024,370)	0	0	0	0	(2,709,651)	0	0	0	(2,709,651)	(4,314,720)
Fuel Replacement Power	288,000,000					10,198,613	100,897,387			111,096,000	176,904,000
<b>Total Pro Forma Adjustments</b>	<b>280,975,630</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,488,962</b>	<b>100,897,387</b>	<b>0</b>	<b>0</b>	<b>108,386,349</b>	<b>172,589,280</b>
<b>Pro Forma Adjusted</b>	<b>\$1,598,612,228</b>	<b>\$48,549,380</b>	<b>\$641,203,296</b>	<b>\$32,985,863</b>	<b>\$121,950,207</b>	<b>(\$58,271,934)</b>	<b>\$270,131,040</b>	<b>(\$1,166,357)</b>	<b>(\$12,650,619)</b>	<b>\$1,042,730,878</b>	<b>\$555,881,351</b>
<b>Footnotes:</b>											
(a) The addition of earnings from AFUDC charges would increase the system NOI by			\$44,909,829								
and Jurisdictional NOI by			\$40,342,500								
<b>Current Month</b>											
	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
<b>System Per Books (a)</b>	\$319,836,862	\$153,761,584	\$65,455,318	\$28,726,940	\$26,572,963	(\$1,198,624)	\$10,114,946	(\$110,250)	\$0	\$283,322,877	\$36,513,985
<b>Jurisdictional Per Books</b>											
Excluding AFUDC Earnings and Recoverable	109,264,536	\$112,766,378	48,743,393	23,650,454	10,783,896	(\$46,240,151)	\$9,186,394	(\$97,196)	\$0	\$158,793,168	(\$49,528,632)

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$622,463	\$622,463
	ECCR	F	(\$1,775,630)	(\$1,775,630)
	ECRC	F	(\$1,218,514,208)	(\$1,130,593,021)
	FUEL	F	(\$111,784,222)	(\$111,784,222)
	CCR	F	\$30,061,231	\$30,061,231
	NUCLEAR	F	(\$131,307,957)	(\$131,307,957)
	Derivatives	F	(\$138,220,532)	(\$138,220,532)
	Employee Related	F	\$833,097	\$833,097
	Investments Earning a Return	F	(\$41,318,237)	(\$41,318,237)
	Jobbing Accounts	F	(\$4,767,533)	(\$4,767,533)
	Non-Regulated and Miscellaneous	F	(\$2,369,545)	(\$2,369,545)
	Rate Case Regulatory Asset	F	(\$1,519,936)	(\$1,519,936)
	Retention Accounts	F	\$11,508,233	\$11,508,233
(1)	CWIP - AFUDC	F	(\$787,097,062)	(\$715,073,352)
(2)	CAPITAL LEASE-EPS	F	(201,779,411)	(201,779,411)
(2)	CAPITAL LEASE-WORKING CAPITAL	F	201,944,041	201,944,041
	<b>Total</b>		<b>(\$2,395,485,206)</b>	<b>(\$2,235,540,309)</b>

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$205,883	(\$79,419)	\$205,883	(\$79,419)
	ECCR	F	(1,767,354)	681,757	(1,767,354)	681,757
	ECRC	F	(182,026,291)	70,216,642	(126,590,125)	48,832,141
	FUEL	F	(47,606,824)	18,364,332	27,240,528	(10,508,034)
	CCR	F	(287,480)	110,895	(287,480)	110,895
	NUCLEAR	F	(55,934,444)	21,576,712	(56,067,703)	21,628,116
	SCRC	F	(149)	58	(149)	58
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$3,653,269	(\$1,409,249)	\$3,374,671	(\$1,301,779)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(202,517,550)	78,121,145	(202,517,550)	78,121,145
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	201,630,056	(77,778,794)	201,630,056	(77,778,794)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	12,901,855	(4,976,894)	12,650,619	(4,879,976)
(1)	INST./PROMOTIONAL ADVERTISING	F	2,057,023	(793,496)	1,900,154	(732,984)
(1)	INTEREST ON TAX DEFICIENCY	F	15,978,766	(6,163,809)	14,539,239	(5,608,512)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(141,646)	54,640	(201,571)	77,756
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	230,436	(88,891)	212,863	(82,112)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	19,613	(7,566)	19,613	(7,566)
(2)	PARENT DEBT ADJUSTMENT	F	0	18,131,172	0	16,232,838
(1)	SEBRING - RIDER REVENUE	F	(218)	84	(218)	84
(2)	DIRECTORS & OFFICERS PREMIUM	F	2,944,634	(1,135,893)	2,944,634	(1,135,893)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	(18,151,668)	0	(16,264,508)
	<b>Total</b>		<b>(\$250,660,410)</b>	<b>\$96,671,757</b>	<b>(\$122,713,890)</b>	<b>\$47,305,213</b>

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

PROGRESS ENERGY FLORIDA  
End of Period Rate of Return - Rate Base  
February 2012

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$13,499,630,638	\$5,112,949,489	\$8,386,681,149	\$35,791,002	\$1,196,819,352	\$227,998,789	\$9,847,290,292	\$812,616,123	\$10,659,906,415
Regulatory Base - Retail	\$12,277,998,313	\$4,743,888,984	\$7,534,109,329	\$26,832,872	1,077,810,215	\$204,206,440	\$8,842,958,856	\$737,946,309	\$9,580,905,165
<b>FPSC Adjustments</b>									
ARO	(11,742,813)	(23,582,598)	11,839,784	-	-	-	11,839,784	(11,120,233)	719,551
ECCR	(1,844,071)	(1,090,239)	(753,832)	-	(10,826,648)	-	(11,580,480)	5,469,007	(6,091,473)
ECRC	(1,175,424,764)	(66,159,744)	(1,109,265,020)	-	(325,172)	-	(1,109,590,192)	(9,082,368)	(1,118,672,560)
FUEL	(32,738,780)	(31,671,773)	(1,067,007)	-	-	-	(1,067,007)	(110,331,568)	(111,398,575)
CCR	-	-	-	-	-	-	-	30,061,231	30,061,231
NUCLEAR	-	-	-	-	-	-	-	(131,307,957)	(131,307,957)
Derivatives	-	-	-	-	-	-	-	(138,220,532)	(138,220,532)
Employee Related	-	-	-	-	-	-	-	833,097	833,097
Investments Earning a Return	-	-	-	-	-	-	-	(41,318,237)	(41,318,237)
Jobbing Accounts	-	-	-	-	-	-	-	(4,767,533)	(4,767,533)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,369,545)	(2,369,545)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(1,519,936)	(1,519,936)
Retention Accounts	-	-	-	-	-	-	-	11,508,233	11,508,233
CWIP - AFUDC	-	-	-	-	(841,252,394)	-	(841,252,394)	-	(841,252,394)
CAPITAL LEASE	(197,775,817)	-	(197,775,817)	-	-	-	(197,775,817)	201,944,041	4,168,224
Total FPSC Adjustments	(1,419,526,245)	(122,504,354)	(1,297,021,892)	-	(852,404,214)	-	(2,149,426,106)	(200,202,299)	(2,349,628,404)
FPSC Adjusted	\$10,858,472,068	\$4,621,384,630	\$6,237,087,437	\$26,832,872	\$225,406,001	\$204,206,440	\$6,693,532,751	\$537,744,010	\$7,231,276,761

PROGRESS ENERGY FLORIDA  
End of Period - Income Statement  
February 2012

	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
<b>System Per Books (a)</b>	\$4,306,992,394	\$2,255,001,997	\$867,409,873	\$148,200,941	\$348,379,894	(\$15,568,357)	\$186,339,631	(\$1,323,000)	\$0	\$3,788,440,980	\$518,551,414
<b>Regulatory Base - Retail</b>	<b>\$4,016,019,823</b>	<b>\$2,142,854,440</b>	<b>812,075,203</b>	<b>117,392,002</b>	<b>\$335,385,818</b>	<b>(\$18,455,682)</b>	<b>\$169,233,653</b>	<b>(\$1,166,357)</b>	<b>\$0</b>	<b>\$3,557,319,076</b>	<b>\$458,700,747</b>
<b>FPSC Adjustments</b>											
ARO				(205,883)		79,419	0	0	0	(126,464)	126,464
ECCR	(97,011,589)		(94,843,586)	(360,872)	(39,777)	(681,757)	0	0	0	(95,925,992)	(1,085,597)
ECRC	(180,130,462)		(51,644,507)	8,230,029	(10,125,859)	(48,832,141)	0	0	0	(102,372,477)	(77,757,984)
FUEL	(1,762,522,526)	(1,787,501,644)		(771,288)	(1,490,122)	10,508,034	0	0	0	(1,779,255,020)	16,732,494
CCR	(307,090,895)	(306,803,416)				(110,895)	0	0	0	(306,914,311)	(176,584)
NUCLEAR	(149,110,822)		(1,594,998)	(91,298,124)	(149,797)	(21,628,116)	0	0	0	(114,671,035)	(34,439,587)
SCRC	638		787			(58)	0	0	0	730	(92)
CORPORATE AIRCRAFT ALLOCATION	-	-	(3,374,671)	-	-	1,301,779	0	0	0	(2,072,891)	2,072,891
FRANCHISE FEE & GROSS REC TAX REVENUE	(202,517,550)	0	0	0	0	(78,121,145)	0	0	0	(78,121,145)	(124,396,405)
FRANCHISE FEES & GROSS REC TAX - TOI	0	0	0	0	(201,630,056)	77,778,794	0	0	0	(123,851,262)	123,851,262
GAIN/LOSS ON DISPOSITION & OTHER	0	0	0	0	0	4,879,976	0	0	(12,650,619)	(7,770,643)	7,770,643
INST./PROMOTIONAL ADVERTISING	0	0	(1,900,154)	0	0	732,984	0	0	0	(1,167,170)	1,167,170
INTEREST ON TAX DEFICIENCY	0	0	(14,539,239)	0	0	5,808,512	0	0	0	(8,930,728)	8,930,728
MISCELLANEOUS INTEREST EXPENSE	0	0	201,571	0	0	(77,756)	0	0	0	123,815	(123,815)
REMOVE ASSOC./ORGANIZATION DUES	0	0	(212,883)	0	0	82,112	0	0	0	(130,751)	130,751
REMOVE ECONOMIC DEVELOPMENT	0	0	(19,613)	0	0	7,566	0	0	0	(12,047)	12,047
PARENT DEBT ADJUSTMENT	0	0	0	0	0	(16,232,838)	0	0	0	(16,232,838)	16,232,838
SEBRING - RIDER REVENUE	(218)	0	0	0	0	(84)	0	0	0	(84)	(134)
DIRECTORS & OFFICERS PREMIUM			(2,944,634)			1,135,893				(1,808,742)	1,808,742
INTEREST SYNCHRONIZATION - FPSC	0	0	0	0	0	16,264,508	0	0	0	16,264,508	(16,264,508)
<b>Total FPSC Adjustments</b>	<b>(2,698,383,224)</b>	<b>(2,094,305,060)</b>	<b>(170,871,907)</b>	<b>(84,406,138)</b>	<b>(213,435,610)</b>	<b>(47,305,213)</b>	<b>0</b>	<b>0</b>	<b>(12,650,619)</b>	<b>(2,622,974,547)</b>	<b>(75,408,676)</b>
<b>FPSC Adjusted</b>	<b>\$1,317,636,599</b>	<b>\$48,549,380</b>	<b>\$641,203,296</b>	<b>\$32,985,863</b>	<b>\$121,950,207</b>	<b>(\$65,760,896)</b>	<b>\$169,233,653</b>	<b>(\$1,166,357)</b>	<b>(\$12,650,619)</b>	<b>\$934,344,529</b>	<b>\$383,292,070</b>

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$44,909,829 and Jurisdictional NOI by \$40,342,500

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$719,551	\$719,551
	ECCR	F	(6,091,473)	(6,091,473)
	ECRC	F	(1,205,698,564)	(1,118,672,560)
	FUEL	F	(111,398,575)	(111,398,575)
	CCR	F	30,061,231	30,061,231
	NUCLEAR	F	(131,307,957)	(131,307,957)
	Derivatives	F	(165,764,829)	(165,764,829)
	Employee Related	F	120,514	120,514
	Investments Earning a Return	F	(41,986,714)	(41,986,714)
	Jobbing Accounts	F	(2,412,597)	(2,412,597)
	Non-Regulated and Miscellaneous	F	(2,393,643)	(2,393,643)
	Rate Case Regulatory Asset	F	(1,191,546)	(1,191,546)
	Retention Accounts	F	3,360,739	3,360,739
(1)	CWIP - AFUDC	F	(\$928,580,076)	(\$841,252,394)
(2)	CAPITAL LEASE-EPS	F	(197,775,817)	(197,775,817)
(2)	CAPITAL LEASE-WORKING CAPITAL	F	201,944,041	201,944,041
	<b>Total</b>		<b>(\$2,558,395,714)</b>	<b>(\$2,384,042,028)</b>

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$205,883	(\$79,419)	\$205,883	(\$79,419)
	ECCR	F	(1,767,354)	681,757	(1,767,354)	681,757
	ECRC	F	(182,026,291)	70,216,642	(126,590,125)	48,832,141
	FUEL	F	(47,606,824)	18,364,332	27,240,528	(10,508,034)
	CCR	F	(287,480)	110,895	(287,480)	110,895
	NUCLEAR	F	(55,934,444)	21,576,712	(56,067,703)	21,628,116
	SCRC	F	(149)	58	(149)	58
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$3,653,269	(\$1,409,249)	\$3,374,671	(\$1,301,779)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(202,517,550)	78,121,145	(202,517,550)	78,121,145
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	201,630,056	(77,778,794)	201,630,056	(77,778,794)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	12,901,865	(4,976,894)	12,650,619	(4,879,976)
(1)	INST./PROMOTIONAL ADVERTISING	F	2,057,023	(793,496)	1,900,154	(732,984)
(1)	INTEREST ON TAX DEFICIENCY	F	15,978,766	(6,163,809)	14,539,239	(5,608,512)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(141,646)	54,640	(201,571)	77,756
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	230,436	(88,891)	212,863	(82,112)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	19,613	(7,566)	19,613	(7,566)
(2)	PARENT DEBT ADJUSTMENT	F	0	18,131,172	0	16,232,838
(1)	SEBRING - RIDER REVENUE	F	(218)	84	(218)	84
(2)	STORM COSTS 2004	F	2,944,634	(1,135,893)	2,944,634	(1,135,893)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	(18,151,668)	0	(16,264,508)
	<b>Total</b>		<b>(\$250,660,410)</b>	<b>\$96,671,757</b>	<b>(\$122,713,890)</b>	<b>\$47,305,213</b>

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

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Capital Structure  
Pro Forma Adjusted Basis  
February 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,730,557,020	(\$3,413,738)	(\$1,077,169,719)	\$3,649,973,564	\$3,246,107,585	44.85% ***	9.50%	4.26%	10.50%	4.71%	11.50%	5.16%
Preferred Stock	33,496,700		(7,632,862)	25,863,838	23,002,030	0.32%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,376,485,557		(997,265,671)	3,379,219,886	3,005,312,535	41.52%	5.77%	2.40%	5.77%	2.40%	5.77%	2.40%
Short Term Debt *	139,664,004	(139,664,004)	-	-	-	0.00%	0.65%	0.00%	0.65%	0.00%	0.65%	0.00%
Customer Deposits												
Active	214,763,910		(48,938,051)	165,825,859	165,825,859	2.29%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,153,136		(262,764)	890,372	890,372	0.01%						
Investment Tax Credit												
Post '70 Total	4,532,516		(1,032,820)	3,499,695								
Equity **					1,621,658	0.02%	7.51%	0.00%	8.29%	0.00%	9.08%	0.00%
Debt **					1,490,800	0.02%	4.57%	0.00%	4.57%	0.00%	4.57%	0.00%
Deferred Income Taxes	1,226,446,277	136,923,542	(310,669,806)	1,052,700,013	936,219,794	12.94%						
FAS 109 DIT - Net	(208,393,740)		47,486,487	(160,907,253)	(143,103,024)	-1.98%						
<b>Total</b>	<b>\$10,518,705,380</b>	<b>(\$6,154,199)</b>	<b>(\$2,395,485,206)</b>	<b>\$8,117,065,975</b>	<b>\$7,237,367,609</b>	<b>100.00%</b>		<b>6.81%</b>		<b>7.26%</b>		<b>7.71%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

\*\*\*Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

40.44%

PROGRESS ENERGY FLORIDA  
End of Period - Capital Structure  
Pro Forma Adjusted Basis  
February 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,713,335,440	(\$2,964,358)	(\$1,138,263,185)	\$3,572,107,897	\$3,209,859,614	44.39% ***	9.50%	4.22%	10.50%	4.66%	11.50%	5.10%
Preferred Stock	33,496,700		(8,094,492)	25,402,208	22,826,164	0.32%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,397,960,105		(1,062,768,939)	3,335,191,166	2,996,968,664	41.44%	5.74%	2.38%	5.74%	2.38%	5.74%	2.38%
Short Term Debt *	272,692,543	(268,421,362)	(1,032,133)	3,239,048	2,910,576	0.04%	0.65%	0.00%	0.65%	0.00%	0.65%	0.00%
Customer Deposits												
Active	215,713,949		(52,127,368)	163,586,581	163,586,581	2.26%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,393,528		(336,747)	1,056,782	1,056,782	0.01%						
Investment Tax Credit												
Post '70 Total	3,871,016		(935,433)	2,935,583								
Equity **					1,368,848	0.02%	7.17%	0.00%	7.93%	0.00%	8.68%	0.00%
Debt **					1,269,036	0.02%	4.35%	0.00%	4.35%	0.00%	4.35%	0.00%
Deferred Income Taxes	1,283,976,119	150,484,312	(346,637,976)	1,087,822,455	977,506,130	13.52%						
FAS 109 DIT - Net	(214,361,539)		51,800,557	(162,560,981)	(146,075,635)	-2.02%						
<b>Total</b>	<b>\$10,708,077,862</b>	<b>(\$120,901,409)</b>	<b>(\$2,558,395,714)</b>	<b>\$8,028,780,739</b>	<b>\$7,231,276,761</b>	<b>100.00%</b>		<b>6.75%</b>		<b>7.19%</b>		<b>7.63%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

\*\*\*Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure) 39.98%

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Capital Structure  
FPSC Adjusted Basis  
February 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,730,557,020	(\$3,413,738)	(\$1,077,169,719)	\$3,649,973,564	\$3,246,107,585	44.85% ***	9.50%	4.26%	10.50%	4.71%	11.50%	5.16%
Preferred Stock	33,496,700		(7,632,862)	25,863,838	23,002,030	0.32%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,376,485,557	0	(997,265,671)	3,379,219,886	3,005,312,535	41.52%	5.77%	2.40%	5.77%	2.40%	5.77%	2.40%
Short Term Debt *	139,664,004	(139,664,004)	-	-	-	0.00%	0.65%	0.00%	0.65%	0.00%	0.65%	0.00%
Customer Deposits												
Active	214,763,910		(48,938,051)	165,825,859	165,825,859	2.29%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,153,136		(262,764)	890,372	890,372	0.01%						
Investment Tax Credit												
Post '70 Total	4,532,516		(1,032,820)	3,499,695								
Equity **					1,621,658	0.02%	7.51%	0.00%	8.29%	0.00%	9.08%	0.00%
Debt **					1,490,800	0.02%	4.57%	0.00%	4.57%	0.00%	4.57%	0.00%
Deferred Income Taxes	1,226,446,277	136,923,542	(310,669,806)	1,052,700,013	936,219,794	12.94%						
FAS 109 DIT - Net	(208,393,740)		47,486,487	(160,907,253)	(143,103,024)	-1.98%						
<b>Total</b>	<b>\$10,518,705,380</b>	<b>(\$6,154,199)</b>	<b>(\$2,395,485,206)</b>	<b>\$8,117,065,975</b>	<b>\$7,237,367,609</b>	<b>100.00%</b>		<b>6.81%</b>		<b>7.26%</b>		<b>7.71%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

\*\*\*Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

40.44%

PROGRESS ENERGY FLORIDA  
 End of Period - Capital Structure  
 Adjusted Basis  
 February 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,713,335,440	(\$2,964,358)	(\$1,138,263,185)	\$3,572,107,897	\$3,209,859,614	44.43% ***	9.50%	4.22%	10.50%	4.67%	11.50%	5.11%
Preferred Stock	33,496,700		(8,094,492)	25,402,208	22,826,164	0.32%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,397,960,105	0	(1,062,768,939)	3,335,191,166	2,996,968,664	41.44%	5.74%	2.38%	5.74%	2.38%	5.74%	2.38%
Short Term Debt *	272,692,543	(268,421,362)	(1,032,133)	3,239,048	0	0.00%	0.65%	0.00%	0.65%	0.00%	0.65%	0.00%
Customer Deposits				-								
Active	215,713,949		(52,127,368)	163,586,581	163,586,581	2.26%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,393,528		(336,747)	1,056,782	1,056,782	0.01%						
Investment Tax Credit				-								
Post '70 Total	3,871,016		(935,433)	2,935,583								
Equity **				-	1,368,848	0.02%	7.17%	0.00%	7.93%	0.00%	8.68%	0.00%
Debt **				-	1,269,036	0.02%	4.35%	0.00%	4.35%	0.00%	4.35%	0.00%
Deferred Income Taxes	1,283,976,119	150,484,312	(346,637,976)	1,087,822,455	977,506,130	13.52%						
FAS 109 DIT - Net	(214,361,539)		51,800,557	(162,560,981)	(146,075,635)	-2.02%						
<b>Total</b>	<b>\$10,708,077,862</b>	<b>(\$120,901,409)</b>	<b>(\$2,558,395,714)</b>	<b>\$8,028,780,739</b>	<b>\$7,231,276,761</b>	<b>100.00%</b>		<b>6.75%</b>		<b>7.20%</b>		<b>7.64%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

\*\*\*Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

40.04%

**PROGRESS ENERGY FLORIDA**  
**Financial Integrity Indicators**  
**February 2012**

Schedule 5

**A: TIMES INTEREST EARNED WITH AFUDC**

Earnings Before Interest	\$245,247,433
AFUDC - Debt	\$14,764,512
Income Taxes	\$181,826,789
<b>Total</b>	<b>\$441,838,734</b>
Interest Charges (before deducting AFUDC-Debt)	\$252,225,999
<b>T.I.E. with AFUDC</b>	<b>1.75</b>

**B: TIMES INTEREST EARNED WITHOUT AFUDC**

Earnings Before Interest	\$245,247,433
AFUDC - Equity	(\$30,145,317)
Income Taxes	\$181,826,789
<b>Total</b>	<b>\$396,928,905</b>
Interest Charges (before deducting AFUDC-Debt)	\$252,225,999
<b>T.I.E. without AFUDC</b>	<b>1.57</b>

**C: PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON SHAREHOLDERS**

AFUDC - Debt	\$14,764,512
Less: DIT	\$0
<b>Subtotal</b>	<b>\$14,764,512</b>
AFUDC - Other	\$30,145,317
<b>Total AFUDC</b>	<b>\$44,909,829</b>
Net Income Available For Common Shareholders	\$315,512,520
<b>Percent AFUDC to Available Net Income</b>	<b>14.23%</b>

**D: PERCENT INTERNALLY GENERATED FUNDS**

Net Income	\$317,024,380
Common Dividends	(\$225,000,000)
Preferred Dividends	(\$1,511,860)
AFUDC (Debt & ECS Other)	(\$44,909,829)
Depreciation & Amortization	\$159,905,836
Deferred Income Taxes	\$195,566,063
Investment Tax Credits	(\$1,323,000)
Deferred Fuel (Net)	(\$193,149,322)
Nuclear Fuel Amortization	\$7,090
Nuclear Refueling	\$4,362,888
Other - Incl Nuclear Decommissioning	\$270,798,759
<b>Funds Provided from Operations</b>	<b>\$481,771,004</b>
Other Funds Provided - Incl Change in Working Capital	\$70,187,449
<b>Total Funds Provided</b>	<b>\$551,958,453</b>
Construction Expenditures (excluding AFUDC)	\$771,902,338
<b>Percentage Internally Generated Funds</b>	<b>71.51%</b>

**E: SHORT TERM DEBT / LONG TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL - FPSC**

Common Equity	\$3,246,107,585
Preferred Stock	\$23,002,030
Long Term Debt - Fixed Rate	\$3,005,312,535
Short Term Debt	\$0
<b>Total</b>	<b>\$6,274,422,151</b>

<b>% Long Term Debt - Fixed Rate</b>	<b>47.90%</b>
<b>% Short Term Debt</b>	<b>0.00%</b>

**FPSC ADJUSTED AVERAGE JURISDICTIONAL AND PRO FORMA**

<b>F: RETURN ON COMMON EQUITY</b>	<b>Pro Forma</b>	<b>FPSC</b>
Average Earned Rate of Return	7.68%	5.30%
Less Reconciled Average Retail Weighted Cost Rates for:		
Preferred Stock	0.01%	0.01%
Long Term Debt - Fixed Rate	2.40%	2.40%
Short Term Debt	0.00%	0.00%
Customer Deposits	0.14%	0.14%
Investment Tax Credit (at Midpoint)		
Equity	0.00%	0.00%
Debt	0.00%	0.00%
<b>Subtotal</b>	<b>2.55%</b>	<b>2.55%</b>
<b>Total</b>	<b>5.13%</b>	<b>2.75%</b>
<b>Divided by Common Equity Ratio</b>	<b>44.85%</b>	<b>44.85%</b>
<b>Jurisdictional Return on Common Equity</b>	<b>11.44%</b>	<b>6.13%</b>