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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
DIRECT TESTIMONY OF
JAVIER PORTUONDO
ON BEHALF OF
PROGRESS ENERGY FLORIDA
DOCKET NO. 040007-EI
SEPTEMBER 3, 2004

Q. Please state your name and business address,

A. My name is Javier J. Portuondo. My business address is Post Office Box 14042,
St. Petersburg, Florida 33733.

Q. By whom are you employed and in what capacity?

A. I am employed by Progress Energy Service Company, LLC as Director of
Regulatory Services - Florida.

**Q. Have your duties and responsibilities remained the same since you last filed
testimony in this proceeding?**

A. Yes.

**Q. Have you previously filed testimony before this Commission in connection
with Progress Energy Florida's Environmental Cost Recovery Clause
(ECRC?**

1 **A.** Yes, I have.

2

3 **Q.** **What is the purpose of your testimony?**

4 **A.** The purpose of my testimony is to present, for Commission review and
5 approval, Progress Energy Florida's calculation of the revenue requirements and
6 its Environmental Cost Recovery (ECRC) factors for application on customer
7 billings during the period January 2005 through December 2005. My testimony
8 addresses the capital and operating and maintenance ("O&M") expenses
9 associated with PEF's environmental compliance activities for the year 2005.

10

11 **Q.** **Have you prepared or caused to be prepared under your direction,**
12 **supervision or control any exhibits in this proceeding?**

13 **A.** Yes. I am sponsoring Exhibit No. __ (JP-3), which consists of PSC Forms 42-
14 1P through 42-7P. These forms provide a summary and detail of the projected
15 O&M and capital environmental cost recovery factors for the period January
16 2005 through December 2005.

17

18 **Q.** **What is the total true-up to be applied in the period January 2005 through**
19 **December 2005?**

20 **A.** The total true-up applicable for this period is an under-recovery of \$18,075,829.
21 This consists of the final true-up over-recovery of \$951,437 for the period from
22 January 2003 through December 2003 and an estimated true-up under-recovery
23 of \$19,027,266 for the current period of January 2004 through December 2004.

1 The detailed calculation supporting the estimated true-up was provided on
2 Forms 42-1E through 42-8E of Revised Exhibit No. __ (JP-2) filed with the
3 Commission on September 3, 2004.

4

5 **Q. Are all the costs listed in Forms 42-1P through 42-7P attributable to**
6 **Environmental Compliance projects previously approved by the**
7 **Commission?**

8 **A. The Substation and Distribution System O&M programs (Nos. 1 and 2) were**
9 **previously approved by the Commission in Order No. PSC-02-1735-FOF-EI.**

10

11 The SO₂ Emissions Allowances (No. 5) were moved to the ECRC Docket from
12 Docket 030001 beginning January 1, 2004 at the request of Staff to be
13 comparative with the other Florida IOUs. Recovery of SO₂ Emission
14 Allowances was previously approved in Order No. PSC-95-0450-FOF-EI. For
15 2005, we project \$21,435,145 in SO₂ Emission Allowance costs, based on a
16 projected average market price of \$351 per allowance.

17

18 The Pipeline Integrity Management Program (No. 3) and the Above Ground
19 Tank Secondary Containment Program (No. 4) were previously approved in
20 Order No. PSC-03-11348-FOF-EI.

21

22 On May 18, 2004, PEF filed a Petition for Approval of Environmental Cost
23 Recovery for a new environmental program, the Phase II Cooling Water Intake

1 Program (No. 6). Discussion on this new program is included in the testimony
2 of Patricia Q. West.

3
4 On May 25th, the Commission assigned Docket No. 040472-EI to the Petition.
5 The Commission currently is scheduled to consider the Petition during the
6 agenda conference on September 21, 2004. Consistent with the Petition, PEF
7 has included projected O&M costs of \$313,132 for the Phase II Cooling Water
8 Intake Program for the period of January 2005 through December 2005.

9
10 **Q. Have you prepared schedules showing the calculation of the recoverable
11 capital project costs for 2005?**

12 **A.** Yes. Form 42-3P contained in Exhibit No. __ (JP-3), summarizes the cost
13 estimates projected for these projects. Form 42-4P, pages 1 through 6, shows
14 the calculations of these costs that result in recoverable jurisdictional capital
15 costs of \$903,410.

16
17 **Q. Have you prepared schedules showing the calculation of the recoverable
18 O&M project costs for 2005?**

19 **A.** Yes. Form 42-2P contained in Exhibit No. __ (JP-3), summarizes the
20 recoverable O&M cost estimates for these projects in the amount of
21 \$29,601,039.

22

1 **Q. Have you prepared schedules providing the description and progress**
2 **reports for all environmental compliance activities and projects?**

3 **A.** Yes. Form 42-5P, pages 1 through 6, contained in Exhibit No. ___ (JP-3),
4 provides each project description and progress, as well as the projected
5 recoverable cost estimates.

6

7 **Q. What are the total projected jurisdictional costs for environmental**
8 **compliance activities in the year 2005?**

9 **A.** The total jurisdictional capital and O&M costs to be recovered through the
10 ECRC are calculated on Form 42-1P, contained in Exhibit No. ___ (JP-3). These
11 costs total \$30,504,449.

12

13 **Q. Please describe how the proposed ECRC factors were developed.**

14 **A.** The ECRC factors were calculated as shown on Forms 42-6P and 42-7P contained
15 in Exhibit No. ___ (JP-3). The demand allocation factors were calculated by
16 determining the percentage each rate class contributes to the monthly system peaks
17 and then adjusted for losses for each rate class. The energy allocation factors were
18 calculated by determining the percentage each rate class contributes to total
19 kilowatt-hour sales and then adjusted for losses for each rate class. This
20 information was obtained from Progress Energy Florida's July 2003 load research
21 study. Form 42-7P presents the calculation of the proposed ECRC billing factors
22 by rate class.

23

1 **Q. What are Progress Energy Florida's proposed 2005 ECRC billing factors by**
2 **the various rate classes and delivery voltages?**

3 A. The computation of Progress Energy Florida's proposed ECRC factors for
4 customer billings in 2005 is shown on Form 42-7P, contained in Exhibit No. __
5 (JP-3). In summary, these factors are as follows:

6	<u>Rate Class</u>	<u>ECRC Factor</u>
7	Residential	0.127 cents/kWh
8	General Service Non-Demand	
9	@ Secondary Voltage	0.124 cents/kWh
10	@ Primary Voltage	0.123 cents/kWh
11	@ Transmission Voltage	0.122 cents/kWh
12	General Service 100% Load Factor	0.103 cents/kWh
13	General Service Demand	
14	@ Secondary Voltage	0.115 cents/kWh
15	@ Primary Voltage	0.114 cents/kWh
16	@ Transmission Voltage	0.113 cents/kWh
17	Curtable	
18	@ Secondary Voltage	0.125 cents/kWh
19	@ Primary Voltage	0.124 cents/kWh
20	Interruptible	
21	@ Secondary Voltage	0.106 cents/kWh
22	@ Primary Voltage	0.105 cents/kWh
23	@ Transmission Voltage	0.104 cents/kWh
24	Lighting	0.115 cents/kWh

25

1 **Q. When is Progress Energy Florida requesting that the proposed ECRC billing**
2 **factors be made effective?**

3 **A.** PEF is requesting that its proposed ECRC billing factors be made effective with
4 the first bill group for January 2005 and continuing through the last bill group for
5 December 2005.

6

7 **Q. Please summarize your testimony.**

8 **A.** My testimony supports the approval of an average environmental billing factor of
9 0.121 cents per kWh which includes projected capital and O&M revenue
10 requirements of \$30,504,449 associated with a total of 6 environmental projects
11 and a true-up under-recovery provision of \$18,075,829. My testimony also
12 demonstrates that the projected environmental expenditures for 2005 are
13 appropriate for recovery through the ECRC.

14

15 **Q. Does this conclude your testimony?**

16 **A.** Yes, it does.

EXHIBIT No. __ (JP-3)

ENVIRONMENTAL COST RECOVERY
COMMISSION FORMS 42-1P THROUGH 42-7P

CALCULATION OF PROJECTED PERIOD AMOUNT
JANUARY 2005 - DECEMBER 2005

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Total Jurisdictional Amount to Be Recovered

Form 42-1P

For the Projected Period
JANUARY 2005 - DECEMBER 2005

<u>Line</u>	Energy (\$)	Transmission Demand (\$)	Distribution Demand (\$)	Production Demand (\$)	Total (\$)
1 Total Jurisdictional Rev. Req. for the projected period					
a Projected O&M Activities (Form 42-2P, Lines 7 through 9)	\$20,306,133	\$811,112	\$7,320,107	\$1,163,688	\$29,601,039
b Projected Capital Projects (Form 42-3P, Lines 7 through 9)	451,579	0	0	451,831	903,410
c Total Jurisdictional Rev. Req. for the projected period (Lines 1a + 1b)	<u>\$20,757,712</u>	<u>\$811,112</u>	<u>\$7,320,107</u>	<u>\$1,615,519</u>	<u>\$30,504,449</u>
2 True-up for Estimated Over/(Under) Recovery for the current period January 2004 - December 2004 (Form 42-2E, Line 5 + 6 + 10)	(12,821,172)	(145,415)	(5,478,161)	(582,518)	(\$19,027,266)
3 Final True-up for the period January 2003 - December 2003 (Form 42-1A, Line 3)	0	26,513	924,924	0	<u>\$951,437</u>
4 Total Jurisdictional Amount to Be Recovered/(Refunded) in the Projection period January 2005 - December 2005 (Line 1 - Line 2 - Line 3)	<u>\$33,578,884</u>	<u>\$930,014</u>	<u>\$11,873,344</u>	<u>\$2,198,036</u>	<u>\$48,580,278</u>
5 Total Projected Jurisdictional Amount Adjusted for Taxes (Line 4 x Revenue Tax Multiplier of 1.00072)	<u>\$33,603,061</u>	<u>\$930,683</u>	<u>\$11,881,893</u>	<u>\$2,199,619</u>	<u>\$48,615,256</u>

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

Form 42-2P

O&M Activities
 (in Dollars)

Line	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total	Method of Classification Demand	Energy
1 Description of O&M Activities															
1 Substation Environmental Investigation, Remediation, and Pollution Prevention	95,481	95,481	95,481	95,581	95,581	95,581	97,117	95,581	95,581	95,581	95,581	97,121	1,149,748	1,149,748	0
1a Substation Environmental Investigation, Remediation, and Pollution Prevention - Costs included in Base Rates	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(2,083)	(25,000)	(25,000)	0
2 Distribution System Environmental Investigation, Remediation, and Pollution Prevention	612,565	612,565	612,565	612,664	612,664	612,664	614,200	612,664	612,664	612,664	612,664	614,204	7,354,748	7,354,748	0
3a Pipeline Integrity Management, Review/Update Plan and Risk Assessments - Intrm	102,833	111,333	122,333	103,833	105,133	185,633	158,133	79,633	24,633	20,833	20,833	20,833	1,056,000	1,056,000	0
4 Above Ground Tank Secondary Containment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 SO ₂ Emissions Allowances	377,083	351,706	368,303	665,181	1,106,012	1,496,833	1,995,961	2,440,504	2,704,318	3,038,742	3,479,211	3,411,290	21,435,145	0	21,435,145
6 Phase II Cooling Water Intake - Base	4,270	3,745	3,745	4,270	3,745	3,745	4,270	3,745	3,745	4,270	3,745	3,737	47,032	47,032	0
Phase II Cooling Water Intake - Intrm	46,484	45,959	45,959	46,484	45,959	45,959	46,484	45,959	45,959	46,484	45,959	45,951	553,600	553,600	0
6a Phase II Cooling Water Intake - Base Costs included in Base Rates	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(23,125)	(277,500)	(277,500)	0
Phase II Cooling Water Intake - Intrm Costs included in Base Rates	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(833)	(10,000)	(10,000)	0
2 Total of O&M Activities	1,212,675	1,194,748	1,222,345	1,501,971	1,943,053	2,414,373	2,890,124	3,252,045	3,460,859	3,792,533	4,231,952	4,167,095	31,283,773	\$9,848,627	\$21,435,145
3 Recoverable Costs Allocated to Energy	377,083	351,706	368,303	665,181	1,106,012	1,496,833	1,995,961	2,440,504	2,704,318	3,038,742	3,479,211	3,411,290	21,435,149		
4 Recoverable Costs Allocated to Demand - Transm	93,398	93,398	93,398	93,497	93,497	93,497	95,034	93,497	93,497	93,497	93,497	95,038	1,124,748		
Recoverable Costs Allocated to Demand - Distrib	612,565	612,565	612,565	612,664	612,664	612,664	614,200	612,664	612,664	612,664	612,664	614,204	7,354,748		
Recoverable Costs Allocated to Demand - Prod-Base	(18,855)	(19,380)	(19,380)	(18,855)	(19,380)	(19,380)	(18,855)	(19,380)	(19,380)	(18,855)	(19,380)	(19,388)	(230,468)		
Recoverable Costs Allocated to Demand - Prod-Intrm	148,484	156,459	167,459	149,484	150,259	230,759	203,784	124,759	69,759	66,484	65,959	65,951	1,599,600		
Recoverable Costs Allocated to Demand - Prod-Peaking	0	0	0	0	0	0	0	0	0	0	0	0	0		
5 Retail Energy Jurisdictional Factor	0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609			
6 Retail Transmission Demand Jurisdictional Factor	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115	0.72115			
Retail Distribution Demand Jurisdictional Factor	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529	0.99529			
Retail Production Demand Jurisdictional Factor - Base	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957			
Retail Production Demand Jurisdictional Factor - Intrm	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574			
Retail Production Demand Jurisdictional Factor - Peaking	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562			
7 Jurisdictional Energy Recoverable Costs (A)	357,015	333,997	347,815	628,350	1,045,049	1,422,365	1,902,310	2,323,970	2,568,399	2,877,172	3,272,303	3,227,387	20,306,133		
8 Jurisdictional Demand Recoverable Costs - Transm (B)	67,354	67,354	67,354	67,426	67,426	67,426	68,534	67,426	67,426	67,426	67,426	68,536	811,112		
Jurisdictional Demand Recoverable Costs - Distrib (B)	609,680	609,680	609,680	609,778	609,778	609,778	611,307	609,778	609,778	609,778	609,778	611,311	7,320,107		
Jurisdictional Demand Recoverable Costs - Prod-Base (B)	(18,093)	(18,596)	(18,596)	(18,093)	(18,596)	(18,596)	(18,093)	(18,596)	(18,596)	(18,093)	(18,596)	(18,604)	(221,150)		
Jurisdictional Demand Recoverable Costs - Prod-Intrm (B)	128,549	135,453	144,976	129,414	130,085	199,777	176,424	108,009	60,393	57,558	57,103	57,096	1,384,838		
Jurisdictional Demand Recoverable Costs - Prod-Peaking (B)	0	0	0	0	0	0	0	0	0	0	0	0	0		
9 Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	\$1,144,504	\$1,127,888	\$1,151,228	\$1,416,876	\$1,833,742	\$2,280,750	\$2,740,483	\$3,090,587	\$3,287,400	\$3,593,842	\$3,988,014	\$3,945,727	\$29,601,039		

Notes:

- (A) Line 3 x Line 5
- (B) Line 4 x Line 6

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

Form 42-3P

Capital Investment Projects-Recoverable Costs
 (in Dollars)

Line	Description of Investment Projects (A)	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	End of	Method of Classification		
		Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total	Demand	Energy
3b	Pipeline Integrity Management - Bartow/Ancote Pipeline-Intm	26,687	26,622	26,557	26,492	26,427	26,362	26,297	26,232	26,167	26,102	26,037	25,971	315,953	\$315,953	\$0
4a	Above Ground Tank Secondary Containment - Turner CTs-Pkg	8,467	8,441	8,415	8,390	8,364	8,338	8,312	8,286	8,260	8,234	8,208	8,182	99,897	99,897	0
4b	Above Ground Tank Secondary Containment - Bartow CTs-Pkg	2,645	2,636	2,626	2,617	2,607	2,597	2,588	2,578	2,569	2,559	2,550	2,540	31,112	31,112	0
4c	Above Ground Tank Secondary Containment - Crystal River 1&2-Base	542	540	539	537	535	533	531	529	528	526	524	522	6,386	6,386	0
4d	Above Ground Tank Secondary Containment - Intercession City CTs-Pkg	694	2,081	3,469	4,856	6,244	7,631	9,019	10,406	11,794	13,181	14,569	15,956	99,900	99,900	0
5	SO ₂ Emissions Allowances - Deferred Gain	10,910	6,865	15,203	34,133	48,970	59,191	64,473	64,517	60,630	53,422	41,914	16,005	476,234	0	476,234
2	Total Investment Projects - Recoverable Costs	49,945	47,185	56,809	77,025	93,147	104,652	111,220	112,548	109,948	104,024	93,802	69,176	1,029,482	\$553,248	\$476,234
3	Recoverable Costs Allocated to Energy	10,910	6,865	15,203	34,133	48,970	59,191	64,473	64,517	60,630	53,422	41,914	16,005	476,234		
4	Recoverable Costs Allocated to Demand - Production - Base	542	540	539	537	535	533	531	529	528	526	524	522	6,386		
	Recoverable Costs Allocated to Demand - Production - Intermediate	26,687	26,622	26,557	26,492	26,427	26,362	26,297	26,232	26,167	26,102	26,037	25,971	315,953		
	Recoverable Costs Allocated to Demand - Production - Peaking	11,806	13,158	14,510	15,863	17,215	18,566	19,919	21,270	22,623	23,974	25,327	26,678	230,909		
5	Retail Energy Jurisdictional Factor	0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609			
6	Retail Demand Jurisdictional Factor - Production - Base	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957		
	Retail Demand Jurisdictional Factor - Production - Intermediate	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574		
	Retail Demand Jurisdictional Factor - Production - Peaking	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562		
7	Jurisdictional Energy Recoverable Costs (B)	10,329	6,520	14,357	32,243	46,271	56,246	61,447	61,436	57,582	50,582	39,422	15,143	451,579		
8	Jurisdictional Demand Recoverable Costs - Production - Base (C)	520	518	517	515	513	511	510	508	507	505	503	501	6,128		
	Jurisdictional Demand Recoverable Costs - Production - Intermediate (C)	23,104	23,048	22,991	22,935	22,879	22,823	22,766	22,710	22,654	22,598	22,541	22,484	273,533		
	Jurisdictional Demand Recoverable Costs - Production - Peaking (C)	8,803	9,811	10,819	11,828	12,836	13,843	14,852	15,859	16,868	17,875	18,884	19,892	172,170		
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	\$42,756	\$39,896	\$48,685	\$67,522	\$82,499	\$93,423	\$99,575	\$100,513	\$97,611	\$91,560	\$81,350	\$58,019	\$903,410		

- Notes:
 (A) Each project's Total System Recoverable Expenses on Form 42-4P, Line 9
 (B) Line 3 x Line 5
 (C) Line 4 x Line 6

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

Form 42-4P
 Page 1 of 6

Return on Capital Investments, Depreciation and Taxes
 For Project: PIPELINE INTEGRITY MANAGEMENT - Bartow/Anclote Pipeline (Project 3b)
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b.	Clearings to Plant		1,682,700	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	\$0	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	1,682,700	
3	Less: Accumulated Depreciation (C)	0	(5,048)	(10,096)	(15,144)	(20,192)	(25,241)	(30,289)	(35,337)	(40,385)	(45,433)	(50,481)	(55,529)	(60,577)	
4	CWIP - Non-Interest Bearing	1,682,700	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$1,682,700	1,677,652	1,672,604	1,667,556	1,662,508	1,657,460	1,652,411	1,647,363	1,642,315	1,637,267	1,632,219	1,627,171	1,622,123	
6	Average Net Investment		1,680,176	1,675,128	1,670,080	1,665,032	1,659,984	1,654,935	1,649,887	1,644,839	1,639,791	1,634,743	1,629,695	1,624,647	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	10.75%	15,052	15,006	14,961	14,916	14,871	14,825	14,780	14,735	14,690	14,645	14,599	14,554	\$177,634
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.57%	3,698	3,588	3,577	3,566	3,556	3,544	3,534	3,523	3,512	3,501	3,490	3,479	42,467
8	Investment Expenses														
a.	Depreciation (E) 3.60%		5,048	5,048	5,048	5,048	5,048	5,048	5,048	5,048	5,048	5,048	5,048	5,048	60,577
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (I)		2,989	2,980	2,971	2,962	2,953	2,944	2,935	2,926	2,917	2,908	2,899	2,890	35,271
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		26,687	26,622	26,557	26,492	26,427	26,362	26,297	26,232	26,167	26,102	26,037	25,971	315,948
a.	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand		26,687	26,622	26,557	26,492	26,427	26,362	26,297	26,232	26,167	26,102	26,037	25,971	315,953
10	Energy Jurisdictional Factor		0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609	
11	Demand Jurisdictional Factor - Production (Intermediate)		0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	0.86574	
12	Retail Energy-Related Recoverable Costs (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (H)		23,104	23,048	22,991	22,935	22,879	22,823	22,766	22,710	22,654	22,598	22,541	22,484	273,533
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 23,104	\$ 23,048	\$ 22,991	\$ 22,935	\$ 22,879	\$ 22,823	\$ 22,766	\$ 22,710	\$ 22,654	\$ 22,598	\$ 22,541	\$ 22,484	\$ 273,533

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for Bartow/Anclote Pipeline project. None for this period.
- (B) Applicable beginning of period and end of period depreciable base by Bartow/Anclote Pipeline.
- (C) Adjustments to Reserve for Gross Salvage (none for this period) and Other Recoveries (none for this period) and Cost of Removal based on Depreciation Rate for Bartow/Anclote Pipeline.
- (D) Line 6 x 10.7500% x 1/12. Based on ROE of 12.00%, weighted cost of equity component of capital structure of 6.61%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI).
- (E) Line 2 x 3.60% x 1/12. Depreciation rate based on 1997 Depreciation Study (Order No. PSC-98-1723-FOF-EI).
- (F) Description and reason for 'Other' adjustments to investment expenses for Bartow/Anclote Pipeline project. None for this period.
- (G) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (H) Line 9b x Line 11
- (I) Lines 2 + 3 x 89% @ .021659 x 1/12 + 11% @ .0191036 x 1/12. Ratio from Property Tax Administration Department, based on plant allocation reported and 2003 Actual Property Tax Millage Rate.

Source:

Line 8c Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

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Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - TURNER CTs (Project 4a)
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b.	Clearings to Plant		502,700	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	\$0	502,700	502,700	502,700	502,700	502,700	502,700	502,700	502,700	502,700	502,700	502,700	502,700	
3	Less: Accumulated Depreciation (C)	0	(2,011)	(4,022)	(6,032)	(8,043)	(10,054)	(12,065)	(14,076)	(16,086)	(18,097)	(20,108)	(22,119)	(24,130)	
4	CWIP - Non-Interest Bearing	502,700	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$502,700	500,689	498,678	496,668	494,657	492,646	490,635	488,624	486,614	484,603	482,592	480,581	478,570	
6	Average Net Investment		501,695	499,684	497,673	495,662	493,651	491,641	489,630	487,619	485,608	483,597	481,587	479,576	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D) 10.75%		4,494	4,476	4,458	4,440	4,422	4,404	4,386	4,368	4,350	4,332	4,314	4,296	\$52,743
b.	Debt Component (Line 6 x 2.57% x 1/12) 2.57%		1,074	1,070	1,066	1,062	1,057	1,053	1,049	1,044	1,040	1,036	1,031	1,027	12,609
8	Investment Expenses														
a.	Depreciation (E) 4.80%		2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	2,011	24,130
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (I)		888	884	880	877	873	870	866	863	859	856	852	848	10,416
e.	Other (F)														
9	Total System Recoverable Expenses (Lines 7 + 8)	8,467	8,441	8,415	8,390	8,364	8,338	8,312	8,286	8,260	8,234	8,208	8,182	8,156	99,898
a.	Recoverable Costs Allocated to Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand	8,467	8,441	8,415	8,390	8,364	8,338	8,312	8,286	8,260	8,234	8,208	8,182	8,156	99,898
10	Energy Jurisdictional Factor	0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609		
11	Demand Jurisdictional Factor - Production (Peaking)	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	
12	Retail Energy-Related Recoverable Costs (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (H)	6,313	6,294	6,274	6,256	6,236	6,217	6,198	6,178	6,159	6,139	6,120	6,101	6,081	74,485
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	\$ 6,313	\$ 6,294	\$ 6,274	\$ 6,256	\$ 6,236	\$ 6,217	\$ 6,198	\$ 6,178	\$ 6,159	\$ 6,139	\$ 6,120	\$ 6,101	\$ 6,081	\$ 74,485

- Notes:**
- (A) Description and reason for 'Other' adjustments to net investment for Above Ground Tank Secondary Containment - Turner CTs project. None for this period.
 - (B) Applicable beginning of period and end of period depreciable base by Above Ground Tank Secondary Containment - Turner CTs.
 - (C) Adjustments to Reserve for Gross Salvage (none for this period) and Other Recoveries (none for this period) and Cost of Removal based on Depreciation Rate for Above Ground Tank Secondary Containment - Turner CTs.
 - (D) Line 6 x 10.7500% x 1/12. Based on ROE of 12.00%, weighted cost of equity component of capital structure of 6.61%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI).
 - (E) Line 2 x 4.80% x 1/12. Depreciation rate based on 1997 Depreciation Study (Order No. PSC-98-1723-FOF-EI).
 - (F) Description and reason for 'Other' adjustments to investment expenses for Above Ground Tank Secondary Containment - Turner CTs project. None for this period.
 - (G) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
 - (H) Line 9b x Line 11
 - (I) Lines 2 + 3 x .0212735 x 1/12. Based on 2003 Actual Property Tax Millage Rate.

Source:
 Line 8c Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

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Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - BARTOW CTs (Project 4b)
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	\$153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	
3	Less: Accumulated Depreciation (C)	(6,571)	(7,301)	(8,031)	(8,761)	(9,491)	(10,221)	(10,951)	(11,681)	(12,412)	(13,142)	(13,872)	(14,602)	(15,332)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$147,127	146,397	145,667	144,937	144,207	143,477	142,747	142,017	141,286	140,556	139,826	139,096	138,366	
6	Average Net Investment		146,762	146,032	145,302	144,572	143,842	143,112	142,382	141,652	140,921	140,191	139,461	138,731	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	10.75%	1,315	1,308	1,302	1,295	1,289	1,282	1,276	1,269	1,262	1,256	1,249	1,243	\$15,345
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.57%	314	313	311	310	308	306	305	303	302	300	299	297	3,669
8	Investment Expenses														
a.	Depreciation (E) 5.70%		730	730	730	730	730	730	730	730	730	730	730	730	8,761
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (I)		286	285	283	282	280	279	277	276	275	273	272	270	3,338
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,645	2,636	2,626	2,617	2,607	2,597	2,588	2,578	2,569	2,559	2,550	2,540	31,113
a.	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand		2,645	2,636	2,626	2,617	2,607	2,597	2,588	2,578	2,569	2,559	2,550	2,540	31,113
10	Energy Jurisdictional Factor		0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609	
11	Demand Jurisdictional Factor - Production (Peaking)		0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	
12	Retail Energy-Related Recoverable Costs (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (H)		1,972	1,965	1,958	1,951	1,944	1,936	1,930	1,922	1,915	1,908	1,901	1,894	23,198
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 1,972	\$ 1,965	\$ 1,958	\$ 1,951	\$ 1,944	\$ 1,936	\$ 1,930	\$ 1,922	\$ 1,915	\$ 1,908	\$ 1,901	\$ 1,894	\$ 23,198

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for Above Ground Tank Secondary Containment - Bartow CTs project. None for this period.
- (B) Applicable beginning of period and end of period depreciable base by Above Ground Tank Secondary Containment - Bartow CTs.
- (C) Adjustments to Reserve for Gross Salvage (none for this period) and Other Recoveries (none for this period) based on Depreciation Rate for Above Ground Tank Secondary Containment - Bartow CTs.
- (D) Line 6 x 10.7500% x 1/12. Based on ROE of 12.00%, weighted cost of equity component of capital structure of 6.61%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI).
- (E) Line 2 x 5.70% x 1/12. Depreciation rate based on 1997 Depreciation Study (Order No. PSC-98-1723-FOF-EI).
- (F) Description and reason for 'Other' adjustments to investment expenses for Above Ground Tank Secondary Containment - Bartow CTs project. None for this period.
- (G) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (H) Line 9b x Line 11
- (I) Lines 2 + 3 x .023445 x 1/12. Based on 2003 Actual Property Tax Millage Rate.

Source:
 Line 8c Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

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Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - CRYSTAL RIVER 1 & 2 (Project 4c)
 (In Dollars)

Line	Description	Beginning of Period Amount	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	\$33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092	33,092
3	Less: Accumulated Depreciation (C)	(1,462)	(1,608)	(1,754)	(1,900)	(2,047)	(2,193)	(2,339)	(2,485)	(2,631)	(2,777)	(2,924)	(3,070)	(3,216)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	\$31,630	31,484	31,338	31,192	31,045	30,899	30,753	30,607	30,461	30,315	30,168	30,022	29,876	
6	Average Net Investment		31,557	31,411	31,265	31,118	30,972	30,826	30,680	30,534	30,388	30,242	30,095	29,948	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D) 10.75%		283	281	280	279	277	276	275	274	272	271	270	268	\$3,306
b.	Debt Component (Line 6 x 2.57% x 1/12) 2.57%		68	67	67	67	66	66	66	65	65	65	64	64	790
8	Investment Expenses														
a.	Depreciation (E) 5.30%		146	146	146	146	146	146	146	146	146	146	146	146	1,754
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (I)		46	46	45	45	45	45	44	44	44	44	44	43	535
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		542	540	539	537	535	533	531	529	528	526	524	522	6,385
a.	Recoverable Costs Allocated to Energy		-	-	-	-	-	-	-	-	-	-	-	-	-
b.	Recoverable Costs Allocated to Demand		542	540	539	537	535	533	531	529	528	526	524	522	6,386
10	Energy Jurisdictional Factor		0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609	
11	Demand Jurisdictional Factor - Production (Base)		0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	0.95957	
12	Retail Energy-Related Recoverable Costs (G)		-	-	-	-	-	-	-	-	-	-	-	-	-
13	Retail Demand-Related Recoverable Costs (H)		520	518	517	515	513	511	510	508	507	505	503	501	6,128
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 520	\$ 518	\$ 517	\$ 515	\$ 513	\$ 511	\$ 510	\$ 508	\$ 507	\$ 505	\$ 503	\$ 501	\$ 6,128

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for Above Ground Tank Secondary Containment - Crystal River 1&2 project. None for this period.
- (B) Applicable beginning of period and end of period depreciable base by Above Ground Tank Secondary Containment - Crystal River 1&2.
- (C) Adjustments to Reserve for Gross Salvage (none for this period) and Other Recoveries (none for this period) and Cost of Removal based on Depreciation Rate for Above Ground Tank Secondary Containment - Crystal River 1&2.
- (D) Line 6 x 10.7500% x 1/12. Based on ROE of 12.00%, weighted cost of equity component of capital structure of 6.61%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI).
- (E) Line 2 x 5.30% x 1/12. Depreciation rate based on 1997 Depreciation Study (Order No. PSC-98-1723-FDF-EI).
- (F) Description and reason for 'Other' adjustments to investment expenses for Above Ground Tank Secondary Containment - Crystal River 1&2 project. None for this period.
- (G) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (H) Line 9b x Line 11
- (I) Lines 2 + 3 x .017436 x 1/12. Based on 2003 Actual Property Tax Millage Rate.

Source:

Line 8c Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - INTERCESSION CITY CTs (Project 4d)
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$1,500,000
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d.	Other (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non-Interest Bearing	0	125,000	250,000	375,000	500,000	625,000	750,000	875,000	1,000,000	1,125,000	1,250,000	1,375,000	1,500,000	
5	Net Investment (Lines 2 + 3 + 4)	\$0	125,000	250,000	375,000	500,000	625,000	750,000	875,000	1,000,000	1,125,000	1,250,000	1,375,000	1,500,000	
6	Average Net Investment		62,500	187,500	312,500	437,500	562,500	687,500	812,500	937,500	1,062,500	1,187,500	1,312,500	1,437,500	
7	Return on Average Net Investment														
a.	Equity Component Crossed Up For Taxes (D) 10.75%		560	1,680	2,799	3,919	5,039	6,159	7,279	8,398	9,518	10,638	11,758	12,878	\$80,625
b.	Debt Component (Line 6 x 2.57% x 1/12) 2.57%		134	402	669	937	1,205	1,472	1,740	2,008	2,276	2,543	2,811	3,079	19,275
8	Investment Expenses														
a.	Depreciation (E) 3.70%		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Amortization		0	0	0	0	0	0	0	0	0	0	0	0	0
c.	Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d.	Property Taxes (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
e.	Other (F)														
9	Total System Recoverable Expenses (Lines 7 + 8)		694	2,081	3,469	4,856	6,244	7,631	9,019	10,406	11,794	13,181	14,569	15,956	99,901
a.	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b.	Recoverable Costs Allocated to Demand		694	2,081	3,469	4,856	6,244	7,631	9,019	10,406	11,794	13,181	14,569	15,956	99,900
10	Energy Jurisdictional Factor		0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609	
11	Demand Jurisdictional Factor - Production (Peaking)		0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	0.74562	
12	Retail Energy-Related Recoverable Costs (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (H)		517	1,552	2,587	3,621	4,656	5,690	6,725	7,759	8,794	9,828	10,863	11,897	74,487
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$ 517	\$ 1,552	\$ 2,587	\$ 3,621	\$ 4,656	\$ 5,690	\$ 6,725	\$ 7,759	\$ 8,794	\$ 9,828	\$ 10,863	\$ 11,897	\$ 74,487

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for Above Ground Tank Secondary Containment - Intercession City CTs project. None for this period.
- (B) Applicable beginning of period and end of period depreciable base by Above Ground Tank Secondary Containment - Intercession City CTs.
- (C) Adjustments to Reserve for Gross Salvage (none for this period) and Other Recoveries (none for this period) and Cost of Removal based on Depreciation Rate for Above Ground Tank Secondary Containment - Intercession City CTs.
- (D) Line 6 x 10.7500% x 1/12. Based on ROE of 12.00%, weighted cost of equity component of capital structure of 6.61%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI).
- (E) Line 2 x 3.70% x 1/12. Depreciation rate based on 1997 Depreciation Study (Order No. PSC-98-1723-FOF-EI).
- (F) Description and reason for 'Other' adjustments to investment expenses for Above Ground Tank Secondary Containment - Intercession City CTs project. None for this period.
- (G) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (H) Line 9b x Line 11
- (I) Lines 2 + 3 x .015989 x 1/12. Based on 2003 Actual Property Tax Millage Rate.

Source:

Line 8c Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
JANUARY 2005 - DECEMBER 2005

Form 42-4P
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Schedule of Amortization and Return
 Deferred Gain on Sales of Emissions Allowances
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected Jan-05	Projected Feb-05	Projected Mar-05	Projected Apr-05	Projected May-05	Projected Jun-05	Projected Jul-05	Projected Aug-05	Projected Sep-05	Projected Oct-05	Projected Nov-05	Projected Dec-05	End of Period Total
1	Working Capital Dr (Cr)														
a.	1581001 SO ₂ Emission Allowance Inventory	\$3,569,255	\$3,192,172	\$2,840,466	\$4,694,385	\$6,251,426	\$7,367,636	\$8,093,026	\$8,319,287	\$8,101,005	\$7,618,909	\$6,802,389	\$5,545,400	\$2,134,110	\$2,134,110
b.	25401FL Auctioned SO ₂ Allowance	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)	(2,397,821)
2	Total Working Capital	\$ 1,171,434	\$794,352	\$442,646	\$2,296,565	\$3,853,606	\$4,969,815	\$5,695,205	\$5,921,467	\$5,703,185	\$5,221,089	\$4,404,569	\$3,147,579	(\$263,711)	\$ (263,711)
3	Average Net Investment		982,893	618,499	1,369,605	3,075,085	4,411,711	5,332,510	5,808,336	5,812,326	5,462,137	4,812,829	3,776,074	1,441,934	
4	Return on Average Net Working Capital Balance														
a.	Equity Component Grossed Up For Taxes (A) 10.75%		8,805	5,541	12,269	27,548	39,522	47,770	52,033	52,069	48,932	43,115	33,827	12,917	\$384,348
b.	Debt Component (Line 6 x 2.57% x 1/12) 2.57%		2,105	1,325	2,933	6,586	9,448	11,420	12,440	12,448	11,698	10,307	8,087	3,088	91,886
5	Total Return Component (D)		10,910	6,865	15,203	34,133	48,970	59,191	64,473	64,517	60,630	53,422	41,914	16,005	476,234
6	Expense Dr (Cr)														
a.	5090001 SO ₂ Allowance Expense		\$377,083	\$351,706	\$368,303	\$665,181	\$1,106,012	\$1,496,833	\$1,995,961	\$2,440,504	\$2,704,318	\$3,038,742	\$3,479,211	\$3,411,290	\$21,435,145
7	Net Expense (E)		377,083	351,706	368,303	665,181	1,106,012	1,496,833	1,995,961	2,440,504	2,704,318	3,038,742	3,479,211	3,411,290	21,435,145
8	Total System Recoverable Expenses (Lines 5 + 7)		387,993	358,571	383,506	699,314	1,154,982	1,556,023	2,060,433	2,505,021	2,764,948	3,092,165	3,521,126	3,427,295	
a.	Recoverable costs allocated to Energy		387,993	358,571	383,506	699,314	1,154,982	1,556,023	2,060,433	2,505,021	2,764,948	3,092,165	3,521,126	3,427,295	
b.	Recoverable costs allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	
9	Energy Jurisdictional Factor		0.94678	0.94965	0.94437	0.94463	0.94488	0.95025	0.95308	0.95225	0.94974	0.94683	0.94053	0.94609	
10	Demand Jurisdictional Factor - n/a		0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
11	Retail Energy-Related Recoverable Costs (B)		367,344	340,517	362,172	660,593	1,091,320	1,478,611	1,963,758	2,385,406	2,625,982	2,927,754	3,311,724	3,242,530	20,757,712
12	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Total Jurisdictional Recoverable Costs (Lines 11 + 12)		\$ 367,344	\$ 340,517	\$ 362,172	\$ 660,593	\$ 1,091,320	\$ 1,478,611	\$ 1,963,758	\$ 2,385,406	\$ 2,625,982	\$ 2,927,754	\$ 3,311,724	\$ 3,242,530	\$ 20,757,712

Notes:

- (A) Line 3 x 10.7500% x 1/12. Based on ROE of 12.00%, weighted cost of equity component of capital structure of 6.61%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2002 Rate Case Settlement (Order No. PSC-02-0655-AS-EI).
- (B) Line 8a times Line 9
- (C) Line 8b times Line 10
- (D) Line 5 is reported on Capital Schedule
- (E) Line 7 is reported on O&M Schedule

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2005 - DECEMBER 2005
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: Substation Environmental Investigation, Remediation, and Pollution Prevention
Project No. 1

Project Description:

Chapter 376, Florida Statutes, requires that any person discharging a prohibited pollutant shall undertake to contain, remove, and abate the discharge to the satisfaction of the Florida Department of Environmental Protection. Similarly, Chapter 403, Florida Statutes provides that it is prohibited to cause pollution so as to harm or injure human health or welfare, animal, plant, or aquatic life or property. For Progress Energy Florida to continue to comply with these statutes, it is conducting environmental investigation, remediation, and pollution prevention activities associated with its substation facilities to determine the existence of pollutant discharges, and if present, their removal and remediation. Activities also include development and implementation of best management and pollution prevention measures at these facilities.

Project Accomplishments:

Progress Energy Florida (PEF) has completed environmental investigations and necessary remediations at six substations in 2003. In addition, PEF began negotiating with the FDEP on the inspection, assessment and remediation procedures. These negotiations continued into 2004 and were completed in the 2nd quarter. The substation site inspections were completed subsequent to obtaining FDEP plan approval. PEF has produced a priority list of substation sites based on these inspections and agency assessment criteria. This list has been submitted to the FDEP for review and approval. This approval is necessary before site remediation activities can begin. PEF has also implemented the Best Management Practices which were required by the FDEP. The extended timeframe to complete the FDEP negotiations delayed the beginning of site remediation. The current schedule is to start site remediation sometime during the 4th quarter, 2004. This revised schedule resulted in a reduced scope of work originally projected at 52 sites, down to the reprojected estimate of 9 sites by end of year 2004.

Project Fiscal Expenditures:

January 1, 2004 to December 31, 2004: Project expenditures are estimated to be \$432,669 or 57% lower than originally projected. This variance resulted from a reduced scope of work associated with the remediation activities in Substations.

Project Progress Summary:

PEF is on schedule according to the approved Substation Inspection Plan and the Substation Assessment and Remedial Action Plan, and has already identified a total of 66 substation sites for 2005 requiring remediation.

Project Projections:

Estimated project expenditures for the period January 2005 through December 2005 are expected to be \$1,149,748 for remediation activity.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2005 - DECEMBER 2005
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: Distribution System Environmental Investigation, Remediation, and Pollution Prevention
Project No. 2

Project Description:

Chapter 376, Florida Statutes, requires that any person discharging a prohibited pollutant shall undertake to contain, remove, and abate the discharge to the satisfaction of the Florida Department of Environmental Protection. Similarly, Chapter 403, Florida Statutes provides that it is prohibited to cause pollution so as to harm or injure human health or welfare, animal, plant, or aquatic life or property. For Progress Energy Florida to continue to comply with these statutes, it is conducting environmental investigation, remediation, and pollution prevention activities associated with its distribution system facilities to determine the existence of pollutant discharges, and if present, their removal and remediation. Activities also include development and implementation of best management and pollution prevention measures at these facilities.

Project Accomplishments:

Progress Energy completed remediation on 1,613 distribution padmount transformer sites in 2003. In 2004, PEF has targeted site remediation at a total of 709 distribution remediation sites consisting of 345 three-phase sites and 364 single-phase sites, of which a total of 244 sites have been completed.

Project Fiscal Expenditures:

January 1, 2004 to December 31, 2004: Project expenditures are estimated to be \$2,930,034 or 57% higher than originally projected. This variance resulted from an increased cost estimate on three-phased sites based on actual costs experienced in 2004 and an increase of 364 single-phase sites targeted for the associated investigation and remediation activities.

Project Progress Summary:

This project is on schedule according to the approved Distribution System Investigation, Remediation and Pollution Prevention Program. PEF has identified a total of 784 distribution sites requiring remediation for 2005.

Project Projections:

Estimated project expenditures for the period January 2005 through December 2005 are expected to be \$7,354,748 for remediation activity.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2005 - DECEMBER 2005
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: Pipeline Integrity Management, Review/Update Plan and Risk Assessments
Project No. 3a

Project Description:

The U.S. Department of Transportation ("USDOT") Regulation 49 CFR Part 195, as amended effective February 15, 2002 and the new regulation published at 67 Federal Register 2136 on January 16, 2002 requires PEF to implement a Pipeline Integrity Management Program. Prior to the February 15, 2002 amendments, the USDOT's pipeline integrity management regulations applied only to operators with 500 miles or more of hazardous liquid and carbon dioxide pipelines that could affect high consequence areas. The amendments which became effective on February 15, 2002 extended the requirements for implementing integrity management to operators to those who have less than 500 miles of regulated pipelines. As such, PEF must improve the integrity of pipeline systems in order to protect public safety and the environment, as well as complying with continual assessment and evaluation of pipeline systems integrity through inspection or testing, data integration and analysis and follow up remedial, preventative, and mitigative actions.

PEF owns one hazardous liquid pipeline that is subject to the new regulation and must comply with the new requirements for the Bartow/Anclote 14-inch hot oil pipeline which extends for 33.3 miles from the Company's Bartow Plant north of St. Petersburg in Pinellas County, to its Anclote Plant near Holiday in Pasco County.

Project Accomplishments:

During 2004, PEF continued work on the PIM program. This effort included performing the baseline integrity assessment, initiating the baseline assessment of the Bartow aboveground piping segment, and reviewing the results of the assessment. In recognition of the responsibility and increased workload associated with the PIM program, PEF created a new position solely devoted to oversight of the program. Based upon the results of the required risk assessments, PEF has also identified various remedial, preventative, and mitigative actions along the pipeline; these identified actions will be completed by the end of 2004.

Project Fiscal Expenditures:

January 1, 2004 to December 31, 2004: O&M project expenditures are estimated to be \$745,000 or 304% higher than originally projected. This variance primarily resulted from more current estimates of the costs associated with required preventative measures, based on the results of pipeline inspections. Capital expenditures increased \$211,060 for pipeline leak detection system plus \$525,940 of expenses which were erroneously charged to non-recoverable O&M.

Project Progress Summary:

Review and updates to the integrity management plan and risk analyses continue on target. Compliance work will continue through the end of 2004, and will continue into the future.

Project Projections:

Estimated project O&M expenditures for the period January 2005 through December 2005 are expected to be \$1,056,000.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2005 - DECEMBER 2005
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: Above Ground Tank Secondary Containment
Project No. 4

Project Description:

Florida Department of Environmental Protection Rule 62-761.510(3) states that the Company is required to make improvements to many of its aboveground petroleum storage tanks in order to comply with those provisions. Subsection (d) of that rule requires all internally lined single bottom aboveground storage tanks to be upgraded with secondary containment, including secondary containment for piping in contact with the soil. Rule 62-761.500(1)(e) also requires that dike field area containment for pre-1998 tanks be upgraded, if needed, to comply with the requirement.

Project Accomplishments:

Activities during 2004 included upgrading of piping at the Bartow plant and installations of a secondary tank bottom at the Turner, Bartow, and Crystal River 1 & 2 plants.

Project Fiscal Expenditures:

January 1, 2004 to December 31, 2004: Project expenditures are basically flat when compared to the original projection.

Project Progress Summary:

PEF will continually evaluate its compliance program, including project prioritization, schedule, and technology applications.

Project Projections:

Estimated project expenditures for the period January 2005 through December 2005 are expected to be \$1,500,000.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2005 - DECEMBER 2005
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: SO₂ Emissions Allowances
Project No. 5

Project Description:

In accordance with the Clean Air Act Title IV Statute, Code of Federal Regulations Chapter 40, Part 73 and Florida State Regulation 62-214, PEF sponsors and operates activities associated with the SO₂ Emissions Allowance Inventory for the purpose of compliance of offsetting excess sulfur dioxide emissions as set forth by the Federal Acid Rain Program.

Project Accomplishments:

For purposes of compliance with an affected unit's sulfur dioxide Acid Rain emissions limitation requirements pursuant to Title IV of the Act, the environmental air quality compliance costs are administered by a designated and authorized account representative to evaluate the full range of resources in order to meet those rules governed by the Federal and State. Activities performed include purchases, auctions, and transfers in accordance to the EPA allowances and deemed in compliance with those requirements.

Project Fiscal Expenditures:

January 1, 2004 to December 31, 2004: Project expenditures are estimated to be \$15,502,833 or 352% higher than originally projected. This variance was driven by both increases in projected tons of SO₂ emissions, and by higher market prices for allowances. The price variance is due in part to increased demand in the marketplace due to uncertainty associated with pending legislation on the Clean Air Interstate Ruling. The price of allowances increased from the previously projected average price of \$160 per ton, to the current projected average price of \$400 - \$600 per ton. The increase in projected tons is driven by higher natural gas prices which have resulted in more residual oil in the 2004 projected generation plan.

Project Progress Summary:

Effective with the 2004 Projection, PEF has transitioned this compliance regulation costs from the Fuel Adjustment Clause over to the ECRC Clause. Previously PEF did not have the ECRC Clause therefore, these costs were included with the Fuel Adjustment Clause.

Project Projections:

Estimated project expenditures for the period January 2005 through December 2005 are expected to be \$21,435,145.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2005 - DECEMBER 2005
Description and Progress Report for
Environmental Compliance Activities and Projects

Docket No. 040007-EI
Progress Energy Florida
Exhibit No. _____ (JP-3)
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Form 42-5P
Page 6 of 6

Project Title: Phase II Cooling Water Intake
Project No. 6

Project Description:

Section 316(b) of the Federal Clean Water Act, requires that "the location, design, construction, and capacity of cooling water intake structures reflect the best technology available for minimizing adverse environmental impact." 33 U.S.C. Section 1326. In the past, EPA and the state regulatory agency implemented Section 316(b) on a case-by-case basis. In the new Phase II rules, EPA has established "national performance standards" for determining compliance with Section 316(b) at certain existing electric generating facilities. See 40 CFR 125.94(b). The process of compliance involves planning and scheduling efforts, conducting certain biological studies, and evaluation of options for compliance. These compliance options involve engineering measures, operational measures, restorative measures and/or cost assessment measures. See generally 40 CFR 125.94 and 125.95.

Project Accomplishments:

PEF facilities subject to EPA's new Phase II rules include Anclote, Bartow, Crystal River and Suwannee plants. Early in 2004 PEF competitively bid environmental consultant support for the development of a Compliance Strategy and Implementation Plan (CSIP); that contract was secured and the CSIP is now complete. Work with the consultant has begun on the development of a Proposal for Information Collection.

Project Fiscal Expenditures:

PEF projected approximately \$50,000 to \$100,000 of O&M for activities necessary to develop the Compliance Strategy and Implementation Plan, and development of the Proposal for Information Collection during 2004.

Project Progress Summary:

Although environmental studies were conducted at Anclote, Bartow and Crystal River in the past, the results of the studies are not expected to sufficiently address the requirements of the new 316(b) Phase II rule, in particular those of the Comprehensive Demonstration Study (CDS). With the assistance of an environmental consultant, PEF has completed a Compliance Strategy and Implementation Plan (CSIP), and is now beginning work on development of the Proposal for Information Collection (PIC). The PIC will be submitted to the FDEP as the basis for discussions regarding field studies and data collection to occur in 2005. According to guidance recently issued by EPA, PEF may need to perform or initiate environmental studies at more than one site in 2005. PEF will actively work with FDEP / EPA to specify the required actions and associated schedules.

Project Projections:

Estimated project expenditures for the period January 2005 through December 2005 are expected to be \$600,632 for one site plus development of the Company's PIC.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Energy & Demand Allocation % by Rate Class
JANUARY 2005 - DECEMBER 2005

Form 42-6P

Rate Class	(1) Average 12CP Load Factor at Meter (%)	(2) Sales at Meter (mWh)	(3) Avg 12 CP at Meter (MW) (2)(8760hrs(1))	(4) NCP Class Max Load Factor	(5) Delivery Efficiency Factor	(6) Sales at Source (Generation) (mWh) (2)(5)	(7) Avg 12 CP at Source (MW) (3)(5)	7(a) Sales at Source (Distrib Svc Only) (mWh)	(8) Class Max MW at Source Level (Distrib Svc) (7a)(8760hrs(4))	(9) mWh Sales at Source Energy Allocator (%)	(10) 12CP Demand Transmission Allocator (%)	(11) 12CP & 1/13 AD Demand Allocator (%)	(12) NCP Distribution Allocator (%)
Residential													
RS-1, RST-1, RSL-1, RSL-2, RSS-1 (Secondary)	0.548	20,046,231	4,175.88	0.40979	0.9421658	21,276,755	4,432.21	21,276,755	5,927.0	49.929%	56.915%	56.377%	58.011%
General Service Non-Demand													
GS-1, GST-1													
Secondary	0.609	1,333,086	249.88	0.43381	0.9421658	1,414,917	265.22	1,414,917	372.3	3.320%	3.406%	3.399%	3.644%
Primary	0.609	9,250	1.73	0.43381	0.9664000	9,572	1.79	9,572	2.5	0.022%	0.023%	0.023%	0.025%
Transmission	0.609	2,205	0.41	0.43381	0.9764000	2,258	0.42	0	0.0	0.005%	0.005%	0.005%	0.000%
General Service													
GS-2 (Secondary)	1.000	85,275	9.73	1.00000	0.9421658	90,510	10.33	90,510	10.3	0.212%	0.133%	0.139%	0.101%
General Service Demand													
GSD-1 Transmission	0.698	156	0.03	0.56422	0.9764000	160	0.03	0	0.0	0.000%	0.000%	0.000%	0.000%
SS-1 Primary	3.733	9,174	0.28	0.18621	0.9664000	9,493	0.29	9,493	5.8	0.022%	0.004%	0.005%	0.057%
Transmission	3.733	8,332	0.25	0.18621	0.9764000	8,533	0.26	0	0.0	0.020%	0.003%	0.005%	0.000%
GSD-1 Secondary	0.698	12,851,526	2,101.82	0.56422	0.9421658	13,640,408	2,230.84	13,640,408	2,759.8	32.009%	28.646%	28.905%	27.012%
Primary	0.698	2,762,073	451.73	0.56422	0.9664000	2,858,105	467.43	2,858,105	578.3	6.707%	6.002%	6.057%	5.660%
Curtailable													
CS-1, CST-1, CS-2, CST-2, SS-3													
Secondary	0.779	375	0.05	0.56424	0.9421658	398	0.06	398	0.1	0.001%	0.001%	0.001%	0.001%
Primary	0.779	202,249	29.64	0.56424	0.9664000	209,281	30.67	209,281	42.3	0.491%	0.394%	0.401%	0.414%
SS-3 (Primary)	0.480	4,310	1.03	0.02458	0.9664000	4,460	1.06	4,460	20.7	0.010%	0.014%	0.013%	0.203%
Interruptible													
IS-1, IST-1, IS-2, IST-2													
Secondary	0.940	147,996	17.97	0.67161	0.9421658	157,081	19.08	157,081	26.7	0.369%	0.245%	0.254%	0.261%
Primary	0.940	1,899,879	230.72	0.67161	0.9664000	1,965,934	238.75	1,965,934	334.2	4.613%	3.066%	3.185%	3.271%
Transmission	0.940	451,210	54.80	0.67161	0.9764000	462,116	56.12	0	0.0	1.084%	0.721%	0.749%	0.000%
SS-2 Primary	0.748	80,926	12.35	0.17340	0.9664000	83,740	12.78	83,740	55.1	0.197%	0.164%	0.167%	0.540%
Transmission	0.748	74,811	11.42	0.17340	0.9764000	76,619	11.69	0	0.0	0.180%	0.150%	0.152%	0.000%
Lighting													
LS-1 (Secondary)	4.650	323,633	7.95	0.47900	0.9421658	343,499	8.43	343,499	81.9	0.806%	0.108%	0.162%	0.801%
		40,292,697	7,357.67			42,613,838	7,787.47	42,064,152	10,217.1	100.000%	100.000%	100.000%	100.000%

- Notes:
- (1) Average 12CP load factor based on load research study filed July 31, 2003
 - (2) Projected kWh sales for the period January 2005 to December 2005
 - (3) Calculated: Column 2 / (8,760 hours x Column 1)
 - (4) NCP load factor based on load research study filed July 31, 2003
 - (5) Based on system average line loss analysis for 2003
 - (6) Column 2 / Column 5
 - (7) Column 3 / Column 5
 - (7a) Column 6 excluding transmission service
 - (8) Calculated: Column 7a / (8,760 hours/ Column 4)
 - (9) Column 6/ Total Column 6
 - (10) Column 7/ Total Column 7
 - (11) Column 9 x 1/13 + Column 10 x 12/13
 - (12) Column 8/ Total Column 8

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of Environmental Cost Recovery Clause Rate Factors by Rate Class
JANUARY 2005 - DECEMBER 2005

Form 42-7P

Rate Class	(1) mWh Sales at Source Energy Allocator (%)	(2) 12CP Demand Transmission Allocator (%)	(3) 12CP & 1/13 AD Demand Allocator (%)	(4) NCP Distribution Allocator (%)	(5) Energy- Related Costs (\$)	(6) Transmission Demand Costs (\$)	(7) Distribution Demand Costs (\$)	(8) Production Demand Costs (\$)	(9) Total Environmental Costs (\$)	(10) Projected Effective Sales at Meter Level (mWh)	(11) Environmental Cost Recovery Factors (cents/kWh)
Residential											
RS-1, RST-1, RSL-1, RSL-2, RSS-1 (Secondary)	49.929%	56.915%	56.377%	58.011%	\$16,777,745	\$529,696	\$6,892,809	\$1,240,087	\$25,440,336	20,046,231	0.127
General Service Non-Demand											
GS-1, GST-1											
Secondary	3.320%	3.406%	3.399%	3.644%	\$1,115,730	\$31,697	\$432,997	\$74,769	\$1,655,193	1,333,086	0.124
Primary	0.022%	0.023%	0.023%	0.025%	\$7,548	\$214	\$2,929	\$506	\$11,197	9,158	0.123
Transmission	0.005%	0.005%	0.005%	0.000%	\$1,781	\$51	\$0	\$119	\$1,951	2,161	0.122
TOTAL GS					\$1,125,058	\$31,962	\$435,926	\$75,394	\$1,668,340	1,344,405	
General Service											
GS-2 (Secondary)	0.212%	0.133%	0.139%	0.101%	\$71,371	\$1,235	\$12,016	\$3,053	\$87,675	85,275	0.103
General Service Demand											
GSD-1 Transmission	0.000%	0.000%	0.000%	0.000%	\$126	\$3	\$0	\$7	\$137	153	0.113
SS-1 Primary	0.022%	0.004%	0.005%	0.057%	\$7,486	\$35	\$6,768	\$113	\$14,402	9,082	0.114
Transmission	0.020%	0.003%	0.005%	0.000%	\$6,729	\$31	\$0	\$102	\$6,862	8,165	0.113
GSD-1 Secondary	32.009%	28.646%	28.905%	27.012%	\$10,756,118	\$266,608	\$3,209,490	\$635,804	\$14,868,019	12,851,526	0.115
Primary	6.707%	6.002%	6.057%	5.660%	\$2,253,754	\$55,863	\$672,492	\$133,221	\$3,115,329	2,734,452	0.114
TOTAL GSD					\$13,024,212	\$322,540	\$3,888,749	\$769,248	\$18,004,749	15,603,379	
Curtailable											
CS-1, CST-1, CS-2, CST-2, SS-3											
Secondary	0.001%	0.001%	0.001%	0.001%	\$314	\$7	\$94	\$17	\$431	375	0.125
Primary	0.491%	0.394%	0.401%	0.414%	\$165,028	\$3,665	\$49,240	\$8,827	\$226,761	200,227	0.124
SS-3 (Primary)	0.010%	0.014%	0.013%	0.203%	\$3,517	\$127	\$24,088	\$294	\$28,025	4,267	0.124
TOTAL CS					\$168,859	\$3,799	\$73,422	\$9,138	\$255,217	204,868	
Interruptible											
IS-1, IST-1, IS-2, IST-2											
Secondary	0.369%	0.245%	0.254%	0.261%	\$123,866	\$2,280	\$31,050	\$5,597	\$162,793	147,996	0.106
Primary	4.613%	3.066%	3.185%	3.271%	\$1,550,234	\$28,533	\$388,607	\$70,054	\$2,037,428	1,880,880	0.105
Transmission	1.084%	0.721%	0.749%	0.000%	\$364,401	\$6,707	\$0	\$16,467	\$387,575	442,186	0.104
SS-2 Primary	0.197%	0.164%	0.167%	0.540%	\$66,033	\$1,527	\$64,112	\$3,665	\$135,337	80,117	0.105
Transmission	0.180%	0.150%	0.152%	0.000%	\$60,418	\$1,397	\$0	\$3,353	\$65,168	73,315	0.104
TOTAL IS					\$2,164,951	\$40,444	\$483,769	\$99,136	\$2,788,300	2,624,494	
Lighting											
LS-1 (Secondary)	0.806%	0.108%	0.162%	0.801%	\$270,865	\$1,008	\$95,202	\$3,563	\$370,638	323,633	0.115
	100.000%	100.000%	100.000%	100.000%	\$33,603,061	\$930,683	\$11,881,893	\$2,199,619	\$48,615,256	40,232,285	0.121

Notes: (1) From Form 42-6P, Column 9
 (2) From Form 42-6P, Column 10
 (3) From Form 42-6P, Column 11
 (4) From Form 42-6P, Column 12
 (5) Column 1 x Total Energy Jurisdictional Dollars from Form 42-1P, line 5
 (6) Column 2 x Total Transmission Demand Jurisdictional Dollars from Form 42-1P, line 5
 (7) Column 4 x Total Distribution Demand Jurisdictional Dollars from Form 42-1P, line 5
 (8) Column 3 x Total Production Demand Jurisdictional Dollars from Form 42-1P, line 5
 (9) Column 5 + Column 6 + Column 7 + Column 8
 (10) Projected kWh sales at effective voltage level for the period January 2005 to December 2005
 (11) Column 7/Column 8 x 100