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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DIRECT TESTIMONY OF

JAVIER J. PORTUONDO

ON BEHALF OF

PROGRESS ENERGY FLORIDA

DOCKET NO. 060007

AUGUST 4, 2006

Q. Please state your name and business address.

A. My name is Javier J. Portuondo. My business address is Post Office Box 1551,
Raleigh, NC 27601.

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

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

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

A. Yes, I have.

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

A. Yes.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present, for Commission review and approval, Progress Energy Florida's Estimated/Actual True-up costs associated with Environmental Compliance activities for the period January 2006 through December 2006.

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

A. Yes. I am sponsoring Exhibit No. __ (JP-2), which consists of PSC Forms 42-1E through 42-8E. These forms provide a summary and detail of the Estimated/Actual True-up O&M and Capital Environmental costs and revenue requirements for the period January 2006 through December 2006.

Q. What is the Estimated/Actual True-up amount for which PEF is requesting recovery for the period of January 2005 through December 2005?

A. The Estimated/Actual True-up amount for 2006 is an under-recovery, including interest, of \$16,770,646 as shown in Exhibit No. __ (JP-2), Form 42-1E, Line 4. This amount will be added to the final true-up under-recovery of \$237,170 for

1 2005 shown on Form 42-2E, Line 7-a., resulting in a net under-recovery of
2 \$17,007,817 as shown on Form 42-2E, Line 11. The detailed calculations
3 supporting the estimated true-up for 2006 are contained in Forms 42-1E through
4 42-8E.

5

6 **Q. Are any of the costs listed in Forms 42-1E through 42-8E attributable to**
7 **Environmental Compliance projects that have not previously been**
8 **approved by the Commission?**

9 A. Yes. The costs include projected expenditures associated with the Modular
10 Cooling Towers for which PEF is seeking approval in Docket No. 060162. A
11 revised petition was filed on July 13, 2006 seeking approval under the ECRC
12 Docket (originally submitted February 24, 2006). The Modular Cooling Tower
13 Project will allow compliance with environmental permit requirements that limit
14 the temperature of cooling water discharged from the Crystal River plant.

15

16 **Q. What 2006 costs are associated with the Modular Cooling Tower Project?**

17 A. PEF is projecting \$4,564,195 in O&M and \$446,353 in capital expenditures
18 (\$74,471 revenue requirements on capital investment) for 2006 associated with
19 the Modular Cooling Tower Project.

20

21 **Q. Are there any other new programs for which PEF is seeking recovery under**
22 **the Environmental Cost Recovery Clause?**

23 A. No.

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Q. How do the Estimated/Actual project expenditures for January 2006 through December 2006 compare with original projections?

A. As shown on Form 42-4E, total O&M project costs are projected to be \$17,223,446 or 100% higher than originally projected. Total recoverable capital investments itemized on Form 42-6E, are projected to be \$706,234 or 41% lower than originally projected. Below are variance explanations for those approved O&M projects and Capital Investment Projects with significant variances. Individual project variances are provided on Forms 42-4E and 42-6E. Return on Capital Investment, Depreciation and Taxes for each project for the Estimated/Actual period are provided on Form 42-8E, pages 1 through 10.

1. Substation Environmental Investigation, Remediation, and Pollution Prevention (Project #1) - O&M

Project expenditures are estimated to be \$2,436,252 or 210% higher than previously projected. This variance is primarily attributable to higher than anticipated remediation costs at the West Lake Wales substation site and a greater number of sites being remediated in 2006 than originally projected. This project is more fully discussed in Kent D. Hedrick's testimony.

2. Distribution System Environmental Investigation, Remediation, and Pollution Prevention (Project #2) - O&M

1 Project expenditures are estimated to be \$11,799,251 or 265% higher than
2 previously projected. This variance is primarily attributable to a higher
3 number of sites being remediated than originally anticipated in the 2006
4 work plan. This project is discussed in Kent D. Hedrick's testimony.

5

6 **3. Above Ground Storage Tank Secondary Containment (Project #4) -**

7 **Capital**

8 While project capital expenditures are estimated to be \$46,996 higher than
9 projected, project revenue requirements for 2006 are \$52,637 (13%) lower
10 than previously forecasted because PEF originally projected a commercial
11 in-service which was delayed, resulting in a decrease in depreciation and tax
12 expense for the period. This project is discussed in Patricia Q. West's
13 testimony.

14

15 **4. SO2 Emissions Allowances (Project #5) – O&M**

16 SO2 expenses are estimated to be \$942,147 or 10% lower than originally
17 projected. This variance is being driven by lower than projected average cost
18 and a decrease in projected tons of emissions. The decrease in tons is
19 attributable to lower SO2 content in fuel, as well as lower projected energy
20 requirements.

21

22 **5. SO2 Emissions Allowances (Project #5) – Capital**

1 SO2 revenue requirements on working capital balances for emission
2 allowances are estimated to be \$277,160 or 89% lower than originally
3 projected. This variance is primarily driven by a lower inventory balance
4 than projected due to the sale of 2.8% of the 2013 vintage allowances as
5 required by the EPA. The sale was not included in the original 2006
6 projections.

7

8 **6. Phase II Cooling Water Intake (Project #6) – O&M**

9 Project expenditures are estimated to be \$573,746 or 39% lower than
10 originally forecasted. This variance is primarily attributable to reduced study
11 work requirements and lower than projected contractor costs. This project is
12 further discussed in Patricia Q. West's testimony.

13

14 **7. CAIR/CAMR (Project #7) – Capital**

15 Project capital expenditures are estimated to be \$8.3 million lower than
16 originally projected, resulting in revenue requirements that are estimated to
17 be \$410,698 or 91% lower than originally projected. This variance is
18 primarily attributable to schedule delays at Anclote due to additional needed
19 studies, offset partially by changes in the compliance strategy for the
20 Combustion Turbine projects. This project is further discussed in Patricia Q.
21 West's testimony.

22

23 **8. Arsenic Groundwater Standard (Project #8) – O&M**

1 Project expenditures are estimated to be \$50,000 or 100% lower than
2 originally forecasted. This variance is due to the work being postponed until
3 2007. We are still awaiting finalization of the FDEP permit. This project is
4 further discussed in Patricia Q. West's testimony.

5

6 **9. Sea Turtle – Coastal Street Lighting (Project #9) – Capital**

7 Project revenue requirements are estimated to be \$25,522 or 76% lower than
8 originally forecasted. This variance is primarily attributable to a delay in the
9 commercial in-service date. PEF originally projected a commercial in-
10 service date of January 2006, which was delayed to October 2006, resulting
11 in a decrease in depreciation expense for the period.

12

13 **10. Underground Storage Tanks (Project #10) – Capital**

14 While project capital expenditures are estimated to be \$23,000 higher than
15 originally projected, project revenue requirements for 2006 are estimated to
16 be \$8,418 or 43% lower than previously forecasted because PEF projected a
17 commercial in-service date which was delayed, resulting in a decrease in
18 depreciation and tax expense for the period. This project is further discussed
19 in Patricia Q. West's testimony.

20

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

22 **A.** Yes, it does.

Docket No. 060007-EI
Progress Energy Florida, Inc.
Witness: J. Portuondo
Exhibit __ (JP-2)

EXHIBIT __ (JP-2)

ENVIRONMENTAL COST RECOVERY
COMMISSION FORMS 42-1E THROUGH 42-8E

JANUARY 2006 - DECEMBER 2006

Calculation of the Current Period Estimated/Actual Amount
Actuals for the period of January through June 2006
Estimated for the period of July through December 2006
DOCKET NO. 060007-EI

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated/Actual Amount
January 2006 through December 2006
(in Dollars)

Form 42-1E

<u>Line</u>	<u>Period Amount</u>
1 Over/(Under) Recovery for the Current Period (Form 42-2E, Line 5)	\$ (16,269,601)
2 Interest Provision (Form 42-2E, Line 6)	(501,045)
3 Sum of Current Period Adjustments (Form 42-2E, Line 10)	<u>0</u>
4 Current Period True-Up Amount to be Refunded/(Recovered) in the Projection Period January 2007 to December 2007 (Lines 1 + 2 +3)	<u>\$ (16,770,646)</u>

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

End-of-Period True-Up Amount
 (in Dollars)

Line	Description	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	ECRC Revenues (net of Revenue Taxes)	\$1,767,804	\$1,635,734	\$1,605,790	\$1,623,584	\$1,870,429	\$2,142,142	\$2,259,853	\$2,337,368	\$2,319,917	\$2,050,144	\$1,799,433	\$1,766,978	\$23,179,178
2	True-Up Provision	(\$5,960,421)	(496,702)	(496,702)	(496,702)	(496,702)	(496,702)	(496,701)	(496,702)	(496,702)	(496,702)	(496,702)	(496,702)	(5,960,420)
3	ECRC Revenues Applicable to Period (Lines 1 + 2)	1,271,102	1,139,033	1,109,088	1,126,882	1,373,727	1,645,441	1,763,152	1,840,666	1,823,216	1,553,443	1,302,731	1,270,277	17,218,758
4	Jurisdictional ECRC Costs													
a.	O & M Activities (Form 42-5E, Line 9)	1,396,747	913,601	1,562,873	2,448,419	2,625,555	3,908,812	4,592,725	1,841,515	1,861,317	4,625,477	3,712,438	3,145,839	32,635,318
b.	Capital Investment Projects (Form 42-7E, Line 9)	103,918	97,601	92,696	89,584	75,446	59,784	58,148	65,780	53,986	50,685	53,864	51,548	853,041
c.	Total Jurisdictional ECRC Costs	1,500,665	1,011,202	1,655,569	2,538,003	2,701,001	3,968,596	4,650,873	1,907,295	1,915,303	4,676,162	3,766,302	3,197,387	33,488,359
5	Over/(Under) Recovery (Line 3 - Line 4c)	(229,562)	127,830	(546,482)	(1,411,121)	(1,327,274)	(2,323,156)	(2,887,721)	(66,629)	(92,087)	(3,122,719)	(2,463,570)	(1,927,110)	(16,269,601)
6	Interest Provision (Form 42-3E, Line 10)	(22,255)	(21,264)	(20,852)	(23,862)	(28,111)	(34,879)	(46,335)	(52,435)	(50,851)	(56,374)	(67,771)	(76,056)	(501,045)
7	Beginning Balance True-Up & Interest Provision	(5,960,421)	(5,715,537)	(5,112,269)	(5,182,900)	(6,121,182)	(6,979,865)	(8,841,198)	(11,278,553)	(10,900,915)	(10,547,152)	(13,229,543)	(15,264,182)	(5,960,421)
a.	Deferred True-Up from January 2005 to December 2005 (Order No. PSC-05-1251-FOF-EI)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)	(237,170)
8	True-Up Collected/(Refunded) (see Line 2)	496,702	496,702	496,702	496,702	496,702	496,702	496,701	496,702	496,702	496,702	496,702	496,702	5,960,420
9	End of Period Total True-Up (Lines 5+6+7+7a+8)	(5,952,707)	(5,349,439)	(5,420,070)	(6,358,352)	(7,217,035)	(9,078,368)	(11,515,723)	(11,138,085)	(10,784,322)	(13,466,713)	(15,501,352)	(17,007,817)	(17,007,817)
10	Adjustments to Period Total True-Up Including Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
11	End of Period Total Net True-Up (Lines 9 + 10)	(\$5,952,707)	(\$5,349,439)	(\$5,420,070)	(\$6,358,352)	(\$7,217,035)	(\$9,078,368)	(\$11,515,723)	(\$11,138,085)	(\$10,784,322)	(\$13,466,713)	(\$15,501,352)	(\$17,007,817)	(\$17,007,817)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Interest Provision
 (in Dollars)

<u>Line</u>	<u>Description</u>	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Beginning True-Up Amount (Form 42-2E, Lines 7 + 7a + 10)	(\$6,197,591)	(\$5,952,707)	(\$5,349,439)	(\$5,420,070)	(\$6,358,352)	(\$7,217,035)	(\$9,078,368)	(\$11,515,723)	(\$11,138,085)	(\$10,784,322)	(\$13,466,713)	(\$15,501,352)	
2	Ending True-Up Amount Before Interest (Line 1 + Form 42-2E, Lines 5 + 8)	(5,930,451)	(5,328,175)	(5,399,218)	(6,334,490)	(7,188,924)	(9,043,489)	(11,469,388)	(11,085,650)	(10,733,471)	(13,410,339)	(15,433,581)	(16,931,761)	
3	Total of Beginning & Ending True-Up (Lines 1 + 2)	(12,128,042)	(11,280,881)	(10,748,657)	(11,754,561)	(13,547,276)	(16,260,524)	(20,547,756)	(22,601,373)	(21,871,556)	(24,194,661)	(28,900,294)	(32,433,113)	
4	Average True-Up Amount (Line 3 x 1/2)	(6,064,021)	(5,640,441)	(5,374,329)	(5,877,281)	(6,773,638)	(8,130,262)	(10,273,878)	(11,300,687)	(10,935,778)	(12,097,331)	(14,450,147)	(16,216,557)	
5	Interest Rate (First Day of Reporting Business Month)	4.30%	4.51%	4.53%	4.78%	4.96%	5.01%	5.29%	5.54%	5.60%	5.57%	5.62%	5.64%	
6	Interest Rate (First Day of Subsequent Business Month)	4.51%	4.53%	4.78%	4.96%	5.01%	5.29%	5.54%	5.60%	5.57%	5.62%	5.64%	5.62%	
7	Total of Beginning & Ending Interest Rates (Lines 5 + 6)	8.81%	9.04%	9.31%	9.74%	9.97%	10.30%	10.83%	11.14%	11.17%	11.18%	11.26%	11.26%	
8	Average Interest Rate (Line 7 x 1/2)	4.405%	4.520%	4.655%	4.870%	4.985%	5.150%	5.414%	5.568%	5.583%	5.592%	5.628%	5.630%	
9	Monthly Average Interest Rate (Line 8 x 1/12)	0.367%	0.377%	0.388%	0.406%	0.415%	0.429%	0.451%	0.464%	0.465%	0.466%	0.469%	0.469%	
10	Interest Provision for the Month (Line 4 x Line 9)	(\$22,255)	(\$21,264)	(\$20,852)	(\$23,862)	(\$28,111)	(\$34,879)	(\$46,335)	(\$52,435)	(\$50,851)	(\$56,374)	(\$67,771)	(\$76,056)	(\$501,045)

PROGRESS ENERGY FLORIDA

Form 42 4E

Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated/Actual Amount
January 2006 to December 2006

Variance Report of O&M Activities
(In Dollars)

<u>Line</u>	(1) Estimated/ Actual	(2) Original Projection	(3) Amount	(4) Variance Percent
1	Description of O&M Activities			
1	\$ 3,596,944	\$ 1,160,692	\$ 2,436,252	210%
2	16,250,943	4,451,692	11,799,251	265%
3a	708,331	717,000	(8,669)	-1%
4	3,310	5,000	(1,690)	-34%
5	8,381,256	9,323,403	(942,147)	-10%
6	893,003	1,466,749	(573,746)	-39%
8	0	50,000	(50,000)	-100%
9	108,767	108,767	0	0%
11	4,564,195	0	4,564,195	N/A
2	\$ 34,506,749	\$ 17,283,303	\$ 17,223,446	100%
3	\$ 8,381,256	\$ 9,323,403	\$ (942,147)	-10%
4	\$ 26,125,493	\$ 7,959,900	\$ 18,165,593	228%

Notes:

Column (1) is the End of Period Totals on Form 42-5E

Column (2) is the approved Projected amount in accordance with FPSC Order No. PSC-05-1251-FOF-EI.

Column (3) = Column (1) - Column (2)

Column (4) = Column (3) / Column (2)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Form 42-5E

O&M Activities
(in Dollars)

Line	Description	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total	Method of Classification Demand	Energy
1 Description of O&M Activities																
1	Transmission Substation Environmental Investigation, Remediation, and Pollution Prevention	56,718	111,511	179,905	1,482,001	(74,983)	446,357	84,978	84,978	84,978	84,978	84,978	84,978	2,711,398	\$ 2,711,398	\$ -
1a	Distribution Substation Environmental Investigation, Remediation, and Pollution Prevention	0	0	0	0	220,162	298,114	61,212	61,212	61,212	61,212	61,212	61,212	885,546	885,546	0
2	Distribution System Environmental Investigation, Remediation, and Pollution Prevention	682,613	228,061	843,087	784,638	1,250,276	2,007,706	2,373,000	0	0	3,181,500	2,765,000	2,135,000	16,250,943	16,250,943	0
3a	Pipeline Integrity Management, Review/Update Plan and Risk Assessments - Intrm	4,389	11,232	25,283	17,746	12,753	28,449	104,100	40,600	142,600	102,600	152,600	66,000	708,331	708,331	0
4	Above Ground Tank Secondary Containment - Intrm	0	0	0	300	450	0	0	0	1,250	0	0	1,250	3,310	3,310	0
5	SO2 Emissions Allowances - Energy	740,443	548,735	528,158	556,704	653,779	670,417	860,331	854,796	785,831	718,336	640,278	823,448	8,381,256	0	8,381,256
6	Phase II Cooling Water Intake - Base	0	67	803	732	354	376	0	0	0	10,000	10,000	10,000	32,331	32,331	0
	Phase II Cooling Water Intake - Intrm	(50,000)	86,724	52,741	65,805	22,528	82,936	72,990	93,990	98,990	125,990	132,990	74,990	860,671	860,671	0
8	Arsenic Groundwater Standard	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Sea Turtle - Coastal Street Lighting - Distrib	0	0	0	3,384	24,943	0	26,813	26,813	26,813	0	0	0	108,767	108,767	0
11	Modular Cooling Towers - Base	0	234	24,007	11,942	560,899	594,758	1,203,467	834,188	834,188	500,513	0	0	4,564,195	4,564,195	0
2	Total of O&M Activities	1,434,163	986,504	1,653,964	2,923,312	2,671,178	4,126,172	\$ 4,786,891	\$ 1,966,577	\$ 2,035,862	\$ 4,785,129	\$ 3,847,058	\$ 3,256,878	\$ 34,506,749	\$ 26,125,493	\$ 8,381,256
3	Recoverable Costs Allocated to Energy	740,443	548,735	528,158	556,704	653,779	670,417	860,331	854,796	785,831	718,336	640,278	823,448	8,381,256		
4	Recoverable Costs Allocated to Demand - Transm	56,718	111,511	179,905	1,482,001	(74,983)	446,357	84,978	84,978	84,978	84,978	84,978	84,978	2,711,398		
	Recoverable Costs Allocated to Demand - Distrib	682,613	228,061	843,087	788,022	1,465,381	2,305,879	2,461,025	88,025	88,025	3,242,712	2,826,212	2,196,212	17,245,256		
	Recoverable Costs Allocated to Demand - Prod-Base	0	301	24,809	12,674	561,253	565,134	1,203,467	834,188	834,188	510,513	10,000	10,000	4,596,526		
	Recoverable Costs Allocated to Demand - Prod-Intrm	(45,611)	97,956	78,004	83,910	35,729	111,385	177,090	134,500	242,840	228,590	285,590	142,240	1,572,313		
	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	0.96280	0.96590	0.96900	0.96940	0.97080	0.97120	0.94540	0.94220	0.94120	0.94180	0.94100	0.94320			
6	Retail Transmission Demand Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597			
	Retail Distribution Demand Jurisdictional Factor	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597	0.96597			
	Retail Production Demand Jurisdictional Factor - Base	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753			
	Retail Production Demand Jurisdictional Factor - Intrm	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046			
	Retail Production Demand Jurisdictional Factor - Peaking	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979			
7	Jurisdictional Energy Recoverable Costs (A)	712,898	530,023	511,257	536,113	634,688	651,109	813,357	805,389	739,024	670,529	602,502	776,676	7,993,165		
8	Jurisdictional Demand Recoverable Costs - Transm (B)	40,041	78,724	127,008	1,046,249	(52,921)	315,115	59,992	59,992	59,992	59,992	59,992	59,992	1,914,168		
	Jurisdictional Demand Recoverable Costs - Distrib (B)	679,862	227,142	839,690	784,847	1,489,355	2,266,587	2,451,107	87,670	87,670	3,229,044	2,814,822	2,187,301	17,175,757		
	Jurisdictional Demand Recoverable Costs - Prod-Base (B)	0	282	23,259	11,882	526,191	557,956	1,128,286	782,076	782,076	478,021	9,375	9,375	4,309,379		
	Jurisdictional Demand Recoverable Costs - Prod-Intrm (B)	(36,054)	77,430	61,659	66,328	28,242	88,045	139,083	106,388	191,655	180,091	225,747	112,435	1,242,840		
	Jurisdictional Demand Recoverable Costs - Prod-Peaking (B)	0	0	0	0	0	0	0	0	0	0	0	0			
9	Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	\$1,396,747	\$913,001	\$1,562,873	\$2,448,419	\$2,625,555	\$3,908,812	\$4,592,725	\$1,841,515	\$1,861,317	\$4,625,477	\$3,712,438	\$3,145,839	\$32,035,318		

Notes:

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

PROGRESS ENERGY FLORIDA

Form 42 6E

Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Variance Report of Capital Investment Activities
 (In Dollars)

Line	(1) Estimated/ Actual	(2) Original Projection	(3) Variance Amount	(4) Percent
1 Description of Capital Investment Activities				
3b Pipeline Integrity Management - Bartow/Anclote Pipeline	\$ 470,322	\$ 476,592	\$ (6,270)	-1%
4.1 Above Ground Tank Secondary Containment - Pkg	354,461	407,106	(52,645)	-13%
4.2 Above Ground Tank Secondary Containment - Base	5,722	5,714	8	0%
5 SO2 Emissions Allowances	34,866	312,026	(277,160)	-89%
7.1 CAIR/CAMR - Intrm	7,993	436,945	(428,952)	-98%
7.2 CAIR/CAMR - Pkg	31,454	13,200	18,254	138%
9 Sea Turtle - Coastal Street Lighting	8,201	33,723	(25,522)	-76%
10.1 Underground Storage Tanks-Base	8,963	13,200	(4,237)	-32%
10.2 Underground Storage Tanks-Intrm	2,421	6,602	(4,181)	-63%
11.0 Modular Cooling Towers - Base	74,471	0	74,471	N/A
2 Total Capital Investment Activities - Recoverable Costs	\$ 998,874	\$ 1,705,108	\$ (706,234)	-41%
3 Recoverable Costs Allocated to Energy	\$ 34,866	\$ 312,026	\$ (277,160)	-89%
4 Recoverable Costs Allocated to Demand	\$ 964,008	\$ 1,393,082	\$ (429,074)	-31%

Notes:

Column (1) is the End of Period Totals on Form 42-7E

Column (2) is the approved Projected amount in accordance with FPSC Order No. PSC-05-1251-FOF-EI.

Column (3) = Column (1) - Column (2)

Column (4) = Column (3) / Column (2)

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Capital Investment Projects-Recoverable Costs
 (in Dollars)

Line	Description	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Description of Investment Projects (A)													
3b	Pipeline Integrity Management - Bartow/Anclote Pipeline-Intermediate	\$39,672	\$39,585	\$39,498	\$39,411	\$39,324	\$39,237	\$39,150	\$39,063	\$38,976	\$38,889	\$38,802	\$38,715	\$470,322
4.1	Above Ground Tank Secondary Containment - Peaking	19,822	20,066	20,940	22,989	24,775	25,874	30,584	38,056	32,421	33,032	41,149	44,753	354,461
4.2	Above Ground Tank Secondary Containment - Base	484	482	482	480	479	478	476	475	474	472	471	469	5,722
5	SO2 Emissions Allowances - Energy	56,353	49,262	43,339	37,373	19,741	1,484	(6,935)	(16,369)	(25,392)	(33,665)	(41,137)	(49,188)	34,866
7.1	CAIR/CAMR - Intermediate	267	534	535	535	536	537	584	650	707	842	1,035	1,231	7,993
7.2	CAIR/CAMR - Peaking	0	0	14	96	193	319	1,072	2,285	3,636	6,254	8,328	9,257	31,454
9	Sea Turtle - Coastal Street Lighting -Distribution	0	0	0	0	0	0	230	691	1,151	2,049	2,043	2,037	8,201
10.1	Underground Storage Tanks-Base	0	0	0	27	110	171	396	638	726	1,337	2,167	3,391	8,963
10.2	Underground Storage Tanks-Intermediate	0	0	0	0	0	0	0	28	110	385	825	1,073	2,421
11	Modular Cooling Towers - Base	0	0	3	854	2,139	3,188	4,355	12,973	12,880	12,786	12,693	12,600	74,471
2	Total Investment Projects - Recoverable Costs	116,598	109,929	104,811	101,765	87,297	71,288	69,912	78,490	65,689	62,381	66,376	64,338	\$998,874
3	Recoverable Costs Allocated to Energy	56,353	49,262	43,339	37,373	19,741	1,484	(6,935)	(16,369)	(25,392)	(33,665)	(41,137)	(49,188)	34,866
	Recoverable Costs Allocated to Demand	0	0	0	0	0	0	230	691	1,151	2,049	2,043	2,037	8,201
4	Recoverable Costs Allocated to Demand - Production - Base	484	482	485	1,361	2,728	3,837	5,227	14,086	14,080	14,595	15,331	16,460	89,156
	Recoverable Costs Allocated to Demand - Production - Intermediate	39,939	40,119	40,033	39,946	39,860	39,774	39,734	39,741	39,793	40,116	40,662	41,019	480,736
	Recoverable Costs Allocated to Demand - Production - Peaking	19,822	20,066	20,964	23,085	24,968	26,193	31,656	40,341	36,057	39,286	49,477	54,010	385,915
5	Retail Energy Jurisdictional Factor	0.96280	0.96590	0.96800	0.96840	0.97080	0.97120	0.94540	0.94220	0.94120	0.94180	0.94100	0.94320	0.94320
	Retail Distribution Demand Jurisdictional Factor	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597
6	Retail Demand Jurisdictional Factor - Production - Base	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
	Retail Demand Jurisdictional Factor - Production - Intermediate	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046
	Retail Demand Jurisdictional Factor - Production - Peaking	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979
7	Jurisdictional Energy Recoverable Costs (B)	54,257	47,583	41,953	36,192	19,165	1,441	(6,557)	(15,422)	(23,899)	(31,706)	(38,710)	(46,394)	37,901
	Jurisdictional Demand Recoverable Costs - Distrib (B)	0	0	0	0	0	0	229	688	1,146	2,041	2,035	2,029	8,168
8	Jurisdictional Demand Recoverable Costs - Production - Base (C)	454	462	455	1,276	2,558	3,597	4,900	13,206	13,200	13,683	14,373	15,432	83,586
	Jurisdictional Demand Recoverable Costs - Production - Intermediate (C)	31,570	31,712	31,644	31,576	31,508	31,440	31,408	31,414	31,465	31,710	32,142	32,424	380,003
	Jurisdictional Demand Recoverable Costs - Production - Peaking (C)	17,637	17,855	18,645	20,541	22,216	23,306	28,167	35,895	32,083	34,956	44,024	48,058	343,383
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	\$103,918	\$97,601	\$92,696	\$89,584	\$75,446	\$59,784	\$58,148	\$65,780	\$53,986	\$50,685	\$53,864	\$51,548	\$853,041

Notes:

- (A) Each project's Total System Recoverable Expenses on Form 42-8E, Pages 1 - 10.
- (B) Line 3 x Line 5
- (C) Line 4 x Line 6

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

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

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	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)	\$2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	2,674,588	
3	Less: Accumulated Depreciation (C)	(89,938)	(90,780)	(103,623)	(110,405)	(117,308)	(124,150)	(130,993)	(137,835)	(144,678)	(151,520)	(158,363)	(165,205)	(172,048)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	\$2,684,650	2,577,807	2,570,965	2,564,122	2,557,280	2,550,437	2,543,595	2,536,752	2,529,910	2,523,067	2,516,225	2,509,382	2,502,540	
6	Average Net Investment		2,581,229	2,574,386	2,567,544	2,560,701	2,553,859	2,547,016	2,540,174	2,533,331	2,526,489	2,519,646	2,512,804	2,505,961	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D) 11.16%		24,005	23,942	23,878	23,815	23,751	23,687	23,624	23,560	23,496	23,433	23,369	23,305	\$283,865
b.	Debt Component (Line 6 x 2.57% x 1/12) 2.04%		4,388	4,376	4,365	4,353	4,342	4,330	4,318	4,307	4,295	4,283	4,272	4,260	51,889
8	Investment Expenses														
a.	Depreciation (E) 3.07%		6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	6,842	82,110
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		4,436	4,424	4,412	4,401	4,389	4,377	4,365	4,354	4,342	4,330	4,318	4,307	52,455
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		30,672	30,585	30,498	30,411	30,324	30,237	30,150	30,063	29,976	29,889	29,802	29,715	470,322
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		30,672	30,585	30,498	30,411	30,324	30,237	30,150	30,063	29,976	29,889	29,802	29,715	470,322
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Intermediate)		0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		31,359	31,200	31,222	31,153	31,084	31,015	30,947	30,878	30,809	30,740	30,671	30,603	371,771
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$31,359	\$31,200	\$31,222	\$31,153	\$31,084	\$31,015	\$30,947	\$30,878	\$30,809	\$30,740	\$30,671	\$30,603	\$371,771

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.028002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x 89% @ .021064 x 1/12 + 11% @ .017303 x 1/12. Ratio from Property Tax Administration Department, based on plant allocation reported and 2004 Actual Property Tax Mileage Rate.
- (E) Line 8 x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 4 x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - Peaking (Project 4.1)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$24,081	\$20,339	\$138,734	\$233,927	\$91,004	\$108,912	\$275,000	\$55,000	\$50,000	\$65,000	\$205,000	\$43,000	\$1,309,996
b.	Clearings to Plant		0	0	0	0	0	0	0	291,778	0	0	1,616,666	693,544	
c.	Retirements		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	
2	Plant-in-Service/Depreciation Base (B)	\$153,698	153,698	153,698	153,698	153,698	153,698	153,698	153,698	445,476	445,476	445,476	2,062,142	2,755,686	
3	Less: Accumulated Depreciation (C)	(15,333)	(15,383)	(15,433)	(15,483)	(15,533)	(15,583)	(15,632)	(18,300)	(24,648)	(26,304)	(27,959)	(34,182)	(41,482)	
4	CWIP - Non-Interest Bearing	1,824,892	1,649,074	1,669,412	1,808,146	2,042,073	2,133,077	2,241,989	2,516,989	2,280,211	2,330,211	2,395,211	983,545	333,001	
5	Net Investment (Lines 2 + 3 + 4)	\$1,763,357	1,787,389	1,807,678	1,946,361	2,180,239	2,271,193	2,380,055	2,652,387	2,701,039	2,749,383	2,812,728	3,011,505	3,047,205	
6	Average Net Investment		1,775,373	1,797,533	1,877,019	2,063,300	2,225,716	2,325,624	2,516,221	2,676,713	2,725,211	2,781,056	2,912,117	3,029,355	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	16,511	16,717	17,456	19,189	20,699	21,628	23,401	24,893	25,344	25,864	27,083	28,173	\$266,959
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	3,018	3,056	3,191	3,508	3,784	3,954	4,278	4,550	4,633	4,728	4,951	5,150	48,799
8	Investment Expenses														
a.	Depreciation (E)		50	50	50	50	50	50	2,668	6,348	1,656	1,656	6,223	7,300	26,149
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		243	243	243	243	242	242	238	2,264	788	785	2,894	4,130	12,554
e.	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		19,822	20,066	20,940	22,989	24,775	25,874	30,584	38,056	32,421	33,032	41,149	44,753	354,461
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		19,822	20,066	20,940	22,989	24,775	25,874	30,584	38,056	32,421	33,032	41,149	44,753	354,461
10	Energy Jurisdictional Factor		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
11	Demand Jurisdictional Factor - Production (Peaking)		0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		17,637	17,855	18,632	20,455	22,045	23,022	27,213	33,862	28,848	29,392	36,614	39,821	315,396
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$17,637	\$17,855	\$18,632	\$20,455	\$22,045	\$23,022	\$27,213	\$33,862	\$28,848	\$29,392	\$36,614	\$39,821	\$315,396

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
- (E) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - Base (Project 4.2)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	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)	(3,216)	(3,327)	(3,438)	(3,549)	(3,660)	(3,772)	(3,883)	(3,994)	(4,105)	(4,216)	(4,327)	(4,438)	(4,549)	(4,549)
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)	\$29,877	29,765	29,654	29,543	29,432	29,320	29,208	29,098	28,987	28,876	28,765	28,654	28,543	
6	Average Net Investment		29,821	29,709	29,598	29,487	29,376	29,265	29,154	29,043	28,931	28,820	28,709	28,598	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	277	276	275	274	273	272	271	270	269	268	267	266	\$3,290
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	51	51	50	50	50	50	50	49	49	49	49	49	596
8	Investment Expenses														
a.	Depreciation (E)		111	111	111	111	111	111	111	111	111	111	111	111	1,334
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		45	45	45	45	45	45	44	44	44	44	44	44	533
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		484	482	482	480	479	478	476	475	474	472	471	469	5,722
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		484	482	482	480	479	478	476	475	474	472	471	469	5,722
10	Energy Jurisdictional Factor	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	
11	Demand Jurisdictional Factor - Production (Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		454	452	452	450	449	448	446	445	444	443	442	440	5,365
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$454	\$452	\$452	\$450	\$449	\$448	\$446	\$445	\$444	\$443	\$442	\$440	\$5,365

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Milage rate.
- (E) Line 10 x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 8b x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA

Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Schedule of Amortization and Return
 Deferred Gain on Sales of Emissions Allowances - (Project 5)
 (In Dollars)

Line	Description	Beginning of Period Amount	January 06	February 06	March 06	April 06	May 06	June 06	July 06	August 06	September 06	October 06	November 06	December 06	Total
1	Working Capital Dr (C)	\$ 9,613,604	\$8,873,162	\$8,324,427	\$7,796,268	\$7,239,564	\$6,585,785	\$5,915,368	\$5,055,037	\$4,200,241	\$3,414,410	\$2,698,074	\$2,055,796	\$1,232,348	1,232,348
a.	1581001 SO2 Emission Allowance Inventory														
b.	25401FL Auctioned SO2 Allowance														
2	Total Working Capital	\$ 5,493,210	\$4,752,768	\$4,204,033	\$3,675,874	\$3,119,170	\$2,470,094	\$2,003,323	\$1,060,654	(\$1,915,450)	(\$2,701,281)	(\$3,419,617)	(\$4,059,895)	(\$4,883,343)	(\$4,883,343)
3	Average Net Investment	5,122,989	4,478,400	3,939,954	3,397,522	1,794,632	134,885	(630,489)	(1,488,052)	(2,308,366)	(3,060,449)	(3,739,756)	(4,471,619)		
4	Return on Average Net Working Capital Balance														
a.	Equity Component Grossed Up For Taxes (A)	47,644	41,649	36,642	31,597	16,690	1,254	(5,864)	(13,839)	(21,468)	(28,462)	(34,780)	(41,586)	\$29,478	
b.	Debt Component (Line 3 x 2.57% x 1/12)	8,709	7,613	6,698	5,776	3,051	229	(1,072)	(2,530)	(3,924)	(5,203)	(6,358)	(7,602)	5,388	
5	Total Return Component (D)	56,353	49,262	43,339	37,373	19,741	1,484	(6,935)	(16,369)	(25,392)	(33,665)	(41,137)	(49,188)	34,866	
6	Expense Dr (C)	740,443	548,735	528,158	556,704	653,779	670,417	860,331	854,796	785,831	718,336	640,278	823,448	8,381,256	
a.	509001 SO2 allowance expense														
7	Net Expense (E)	740,443	548,735	528,158	556,704	653,779	670,417	860,331	854,796	785,831	718,336	640,278	823,448	8,381,256	
8	Total System Recoverable Expenses (Lines 5 + 7)	796,796	597,997	571,498	594,077	673,520	671,901	853,396	838,427	760,439	684,671	599,141	774,260	8,416,123	
a.	Recoverable costs allocated to Energy	796,796	597,997	571,498	594,077	673,520	671,901	853,396	838,427	760,439	684,671	599,141	774,260	8,416,123	
b.	Recoverable costs allocated to Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Energy Jurisdictional Factor	0.96280	0.96590	0.96800	0.96840	0.97080	0.97120	0.94540	0.94220	0.94120	0.94180	0.94100	0.94320		
10	Demand Jurisdictional Factor	n/a	n/a	n/a	n/a	n/a	N/A	n/a	n/a	n/a	n/a	n/a	n/a		
11	Retail Energy-Related Recoverable Costs (B)	767,155	577,605	553,210	575,304	653,853	652,550	806,800	789,966	715,725	644,823	563,791	730,282	8,031,066	
12	Retail Demand-Related Recoverable Costs (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Total Jurisdictional Recoverable Costs (Lines 11 + 12)	767,155	577,605	553,210	575,304	653,853	652,550	806,800	789,966	715,725	644,823	563,791	730,282	8,031,066	

Notes:
 (A) Lines 3 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 Rate Case Settlement in Dkt. 050078-El.
 (B) Line 5 is reported on O&M Schedule
 (C) Line 7 is reported on O&M Schedule
 (D) Line 8a x Line 9.
 (E) Line 8b x Line 10.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: CAIR / CAMR - Intermediate (Project 7.1)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$48,503	\$138	\$27	\$0	\$162	\$0	\$8,495	\$3,500	\$9,065	\$17,549	\$17,553	\$18,081	\$120,973
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	48,503	48,641	48,668	48,668	48,830	48,830	57,325	60,825	67,790	85,339	102,892	120,973	
5	Net Investment (Lines 2 + 3 + 4)	\$0	48,503	48,641	48,668	48,668	48,830	48,830	57,325	60,825	67,790	85,339	102,892	120,973	
6	Average Net Investment		24,252	48,572	48,655	48,668	48,749	48,830	53,078	59,075	64,308	76,565	94,116	111,933	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	228	452	452	453	453	454	494	549	598	712	875	1,041	\$8,759
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	41	83	83	83	83	83	90	100	109	130	160	190	1,238
8	Investment Expenses														
a.	Depreciation (E)		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		0	0	0	0	0	0	0	0	0	0	0	0	0
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		267	534	535	535	536	537	584	650	707	842	1,035	1,231	7,993
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		267	534	535	535	536	537	584	650	707	842	1,035	1,231	7,993
10	Energy Jurisdictional Factor	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	N/A
11	Demand Jurisdictional Factor	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		211	422	423	423	424	424	462	514	559	666	818	973	6,318
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$211	\$422	\$423	\$423	\$424	\$424	\$462	\$514	\$559	\$666	\$818	\$973	\$6,318

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.028002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Mileage rate.
- (E) Line 8a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 8b x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: CAIR / CAMR - Peaking (Project 7.2)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$2,504	\$12,394	\$5,322	\$17,493	\$119,500	\$101,000	\$144,616	\$331,468	\$45,594	\$123,354	\$903,246
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	0	0	2,504	14,898	20,221	37,714	157,214	258,214	402,830	734,298	779,892	903,246	
5	Net Investment (Lines 2 + 3 + 4)	\$0	0	0	2,504	14,898	20,221	37,714	157,214	258,214	402,830	734,298	779,892	903,246	
6	Average Net Investment		0	0	1,252	8,701	17,559	28,967	97,464	207,714	330,522	568,594	757,095	841,596	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	0	0	12	81	163	269	906	1,932	3,074	5,288	7,041	7,827	\$26,592
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	0	0	2	15	30	49	166	353	562	967	1,287	1,431	4,861
8	Investment Expenses														
a.	Depreciation (E)		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		0	0	0	0	0	0	0	0	0	0	0	0	0
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	14	96	193	319	1,072	2,285	3,636	6,254	8,328	9,257	31,454
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		0	0	14	96	193	319	1,072	2,285	3,636	6,254	8,328	9,257	31,454
10	Energy Jurisdictional Factor		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
11	Demand Jurisdictional Factor		0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979	0.88979
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		0	0	12	85	172	284	954	2,033	3,235	5,565	7,410	8,237	27,987
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$0	\$0	\$12	\$85	\$172	\$284	\$954	\$2,033	\$3,235	\$5,565	\$7,410	\$8,237	\$27,987

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
- (E) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 9b x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Final True-up Amount
Return on Capital Investments, Depreciation and Taxes
For Project: CAIR/CAMR - Base - AFUDC (Project 7.3)
This Schedule Shown for Informational Purposes
(In Dollars)

Line	Description	Beginning of Period Amount	January 06	February 06	March 06	April 06	May 06	June 06	July 06	August 06	September 06	October 06	November 06	December 06	Total
1	Investments		\$253,004	\$672,286	\$798,204	\$840,061	\$882,154	\$950,724	\$3,317,086	\$4,644,667	\$4,356,231	\$3,775,420	\$5,322,989	\$9,130,576	
2	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	b. Changes to Plant		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
4	c. Retirements		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
5	d. Other (A) 8.49%		\$14,421	\$17,999	\$23,492	\$29,707	\$39,278	\$42,196	\$57,196	\$69,099	\$120,733	\$151,602	\$186,263	\$240,644	
6	Plant-in-Service/Depreciation Base (B)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
7	Less: Accumulated Depreciation (C)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
8	WIP-AFUDC Interest Bearing Accrual		\$1,829,277	2,096,762	2,789,867	3,008,663	4,479,052	5,397,483	6,080,404	8,464,637	14,166,204	18,673,168	22,000,190	28,109,422	37,489,942
9	Net Investment (Lines 2 + 3 + 4)		\$1,829,277	2,096,762	2,789,867	3,008,663	4,479,052	5,397,483	6,080,404	8,464,637	14,166,204	18,673,168	22,000,190	28,109,422	37,489,942
10	Return on Average Net Investment		1,963,020	2,441,875	3,197,835	4,043,868	4,938,298	5,743,944	7,777,520	11,830,421	16,434,686	20,636,679	25,354,806	32,798,182	
11	a. Equity Component Crossed Up For Taxes (D)		0	0	0	0	0	0	0	0	0	0	0	0	
12	b. Debt Component (Line 6 x 2.04% x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	
13	Investment Expenses		0	0	0	0	0	0	0	0	0	0	0	0	
14	a. Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	
15	b. Amortization		0	0	0	0	0	0	0	0	0	0	0	0	
16	c. Disarmament		0	0	0	0	0	0	0	0	0	0	0	0	
17	d. Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	
18	e. Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	
19	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	
20	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	
21	b. Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	
22	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
23	Demand Jurisdictional Factor		0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	
24	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	
25	Retail Demand-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	
26	Total Jurisdictional Recoverable Costs (Lines 22 + 23)		0	0	0	0	0	0	0	0	0	0	0	0	

(A) AFUDC calculation based on 2005 Rate Case Settlement in Dkt. 050078-EI.
 (B) Line 2 x rate x 1/12. Based on ROE of 11.75%. weighted cost of equity component of capital structure of 8.85%, and statutory income tax rate of 39.575% (expansion factor of 1.02802). Based on 2005 rate case settlement in Dkt. 050078-EI.
 (C) Line 2 x rate x 1/12. Depreciation rate based on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
 (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
 (E) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
 (F) Line 9b x Line 11

Notes:

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: SEA TURTLE - COASTAL STREET LIGHTING - (Project 0)
 (In Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$41,872	\$41,872	\$41,872	\$0	\$0	\$0	\$125,615
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	125,615	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	125,615	125,615	125,615	
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	(480)	(961)	(1,441)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	41,872	83,743	125,615	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	\$0	0	0	0	0	0	0	41,872	83,743	125,615	125,135	124,654	124,174	
6	Average Net Investment		0	0	0	0	0	0	20,936	62,807	104,679	125,375	124,894	124,414	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	0	0	0	0	0	0	195	584	974	1,186	1,162	1,157	\$5,237
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	0	0	0	0	0	0	36	107	178	213	212	212	957
8	Investment Expenses														
a.	Depreciation (E) 4.50%		0	0	0	0	0	0	0	0	0	480	480	480	1,441
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 0.019292		0	0	0	0	0	0	0	0	0	189	189	188	566
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	230	691	1,151	2,049	2,043	2,037	8,201
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		0	0	0	0	0	0	230	691	1,151	2,049	2,043	2,037	8,201
10	Energy Jurisdictional Factor		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Distribution		0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		0	0	0	0	0	0	229	688	1,146	2,041	2,035	2,029	8,168
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$0	\$0	\$0	\$0	\$0	\$0	\$229	\$688	\$1,146	\$2,041	\$2,035	\$2,029	\$8,168

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.028002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
- (E) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 9b x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: UNDERGROUND STORAGE TANKS - Base (Project 10.1)
(In Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$4,919	\$10,172	\$950	\$40,000	\$4,000	\$12,000	\$98,959	\$52,000	\$0	\$223,000
b.	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	223,000	
c.	Retirements		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	
2	Plant-in-Service/Depreciation Base (B)	\$0	0	0	0	0	0	0	0	0	0	0	0	0	223,000
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	(608)
4	CWIP - Non-Interest Bearing	0	0	0	0	4,919	15,001	16,041	56,041	60,041	72,041	171,000	223,000	0	
5	Net Investment (Lines 2 + 3 + 4)	\$0	0	0	0	4,919	15,001	16,041	56,041	60,041	72,041	171,000	223,000	222,392	
6	Average Net Investment		0	0	0	2,460	10,005	15,566	36,041	58,041	66,041	121,521	197,000	222,696	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	0	0	0	23	93	145	335	540	614	1,130	1,832	2,071	\$6,783
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	0	0	0	4	17	26	61	99	112	207	335	379	1,240
8	Investment Expenses														
a.	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	608
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		0	0	0	0	0	0	0	0	0	0	0	0	334
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	27	110	171	396	638	726	1,337	2,167	3,391	8,063
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		0	0	0	27	110	171	396	638	726	1,337	2,167	3,391	8,063
10	Energy Jurisdictional Factor	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	N/A
11	Demand Jurisdictional Factor - Production (Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		0	0	0	25	103	160	371	598	681	1,253	2,032	3,179	8,403
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	\$0	\$0	\$0	\$25	\$103	\$160	\$371	\$598	\$681	\$1,253	\$2,032	\$3,179	\$8,403	

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 7 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
- (E) Line 8 x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 9 x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: UNDERGROUND STORAGE TANKS - Intermediate (Project 10.2)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$10,000	\$40,000	\$40,000	\$5,000	\$100,000
b.	Clearings to Plant		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	
d.	Other (A)		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	
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	5,000	15,000	55,000	95,000	100,000	
5	Net Investment (Lines 2 + 3 + 4)	\$0	0	0	0	0	0	0	0	5,000	15,000	55,000	95,000	100,000	
6	Average Net Investment		0	0	0	0	0	0	0	2,500	10,000	35,000	75,000	97,500	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	0	0	0	0	0	0	0	23	93	326	698	907	\$2,046
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	0	0	0	0	0	0	0	4	17	60	128	166	374
8	Investment Expenses														
a.	Depreciation (E)		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		0	0	0	0	0	0	0	0	0	0	0	0	0
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	28	110	385	825	1,073	2,421
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		0	0	0	0	0	0	0	28	110	385	825	1,073	2,421
10	Energy Jurisdictional Factor		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
11	Demand Jurisdictional Factor - Production (Intermediate)		0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	0.79046	
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		0	0	0	0	0	0	0	22	87	304	652	848	1,914
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22	\$87	\$304	\$652	\$848	\$1,914

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 2005 rates on Exhibit 2 in the 2005 rate case settlement in Dkt. 050078-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
- (E) Line 9a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 6b x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.

PROGRESS ENERGY FLORIDA
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated/Actual Amount
 January 2006 to December 2006

Return on Capital Investments, Depreciation and Taxes
 For Project: MODULAR COOLING TOWERS - (Project 11)
 (in Dollars)

Line	Description	Beginning of Period Amount	Actual January 06	Actual February 06	Actual March 06	Actual April 06	Actual May 06	Actual June 06	Estimated July 06	Estimated August 06	Estimated September 06	Estimated October 06	Estimated November 06	Estimated December 06	End of Period Total
1	Investments														
a.	Expenditures/Additions		\$0	\$0	\$510	\$154,301	\$79,361	\$111,211	\$100,970	\$0	\$0	\$0	\$0	\$0	\$446,353
b.	Clearings to Plant		0	0	0	0	0	0	0	446,353	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	446,353	446,353	446,353	446,353	446,353	
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	(7,439)	(14,878)	(22,318)	(29,757)	(37,196)	
4	CWIP - Non-Interest Bearing	0	0	0	510	154,812	234,172	345,383	446,353	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	\$0	0	0	510	154,812	234,172	345,383	446,353	438,914	431,475	424,035	416,596	409,157	
6	Average Net Investment		0	0	255	77,661	194,492	289,778	395,868	442,633	435,194	427,755	420,316	412,876	
7	Return on Average Net Investment														
a.	Equity Component Grossed Up For Taxes (D)	11.16%	0	0	2	722	1,809	2,695	3,682	4,116	4,047	3,978	3,909	3,840	\$28,801
b.	Debt Component (Line 6 x 2.57% x 1/12)	2.04%	0	0	0	132	331	493	673	752	740	727	715	702	5,265
8	Investment Expenses														
a.	Depreciation (E) 20.00%		0	0	0	0	0	0	0	7,439	7,439	7,439	7,439	7,439	37,196
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 0.018008		0	0	0	0	0	0	0	664	653	642	631	619	3,210
e.	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	3	854	2,139	3,188	4,355	12,973	12,880	12,786	12,693	12,600	74,471
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		0	0	3	854	2,139	3,188	4,355	12,973	12,880	12,786	12,693	12,600	74,471
10	Energy Jurisdictional Factor	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	N/A
11	Demand Jurisdictional Factor - Production (Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
12	Retail Energy-Related Recoverable Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs		0	0	3	801	2,005	2,989	4,083	12,163	12,075	11,987	11,900	11,813	69,819
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	\$0	\$0	\$3	\$801	\$2,005	\$2,989	\$4,083	\$12,163	\$12,075	\$11,987	\$11,900	\$11,813	\$69,819	

Notes:

- (A) N/A
- (B) Line 6 x 11.16% x 1/12. Based on ROE of 11.75%, weighted cost of equity component of capital structure of 6.85%, and statutory income tax rate of 38.575% (expansion factor of 1.628002). Based on 2005 rate case settlement in Dkt. 050078-EI.
- (C) Line 2 x rate x 1/12. Depreciation rate based on 5 year life of project, as stated in Dkt. 060162-EI.
- (D) Line 2 + 3 x rate x 1/12. Based on 2004 Actual Property Tax Millage rate.
- (E) Line 8a x Line 10 x 1.00000 line loss multiplier. None for this period.
- (F) Line 8b x Line 11

Source:

Line 8c Based on 2005 Rate Case Settlement in Dkt. 050078-EI.