

**REDACTED**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Petition to Establish  
Discovery Docket Regarding  
Actual and Projected Costs for  
Levy Nuclear Project, by Progress  
Energy Florida, Inc.**

DOCKET NO. 080149

Submitted for filing:  
April 22, 2008

CMP 1  
COM 5  
CTR 1  
ECR 4  
GCL 2  
OPC \_\_\_\_\_  
RCA 2  
SCR \_\_\_\_\_  
SGA \_\_\_\_\_  
SEC \_\_\_\_\_  
OTH \_\_\_\_\_

**DIRECT TESTIMONY  
OF WILL GARRETT**

**ON BEHALF OF  
PROGRESS ENERGY FLORIDA**

R. ALEXANDER GLENN  
JOHN BURNETT  
PROGRESS ENERGY SERVICE  
COMPANY, LLC  
P.O. Box 14042  
St. Petersburg, Florida 33733  
Telephone: (727) 820-5180  
Facsimile: (727) 820-5519

JAMES MICHAEL WALLS  
Florida Bar No. 706272  
DIANNE M. TRIPLETT  
Florida Bar No. 0872431  
CARLTON FIELDS, P.A.  
Post Office Box 3239  
Tampa, FL 33601  
Telephone: (813) 223-7000  
Telecopier: (813) 229-4133

DOCUMENT NUMBER DATE

03251 APR 22 08

FPSC-COMMISSION CLERK

**IN RE: PETITION TO ESTABLISH DISCOVERY DOCKET  
REGARDING ACTUAL AND PROJECTED COSTS FOR LEVY  
NUCLEAR PROJECT BY PROGRESS ENERGY FLORIDA, INC.**

**BY PROGRESS ENERGY FLORIDA**

**FPSC DOCKET NO. 080149**

**DIRECT TESTIMONY OF WILL GARRETT**

**I. INTRODUCTION AND QUALIFICATIONS**

1  
2 **Q. Please state your name and business address.**

3 **A.** My name is Will Garrett. My business address is 299 First Avenue North, St.  
4 Petersburg, FL 33701.

5  
6 **Q. By whom are you employed and in what capacity?**

7 **A.** I am employed by Progress Energy Service Company, LLC as Controller of  
8 Progress Energy Florida.

9  
10 **Q. What are your responsibilities in that position?**

11 **A.** As legal entity Controller for Progress Energy Florida (“PEF” or “the  
12 Company”), I am responsible for all accounting matters that impact the  
13 reported financial results of this Progress Energy entity. I have direct  
14 management and oversight of the employees involved in PEF Regulatory  
15 Accounting, Property Plant and Materials Accounting, and PEF Financial  
16 Reporting and General Accounting. In this capacity, I am also responsible for

DOCKET NUMBER CASE

03251 APR 22 08

FPSC-COMMISSION CLERK

1 the Levy County Nuclear Project Cost Recovery True-Up filing, made as part  
2 of this discovery docket, in accordance with Rule 25-6.0423, Florida  
3 Administrative Code (F.A.C.).  
4

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

6 **A.** The purpose of my testimony is to present for Commission review and approval,  
7 costs associated with Progress Energy Florida's Levy County activities for the  
8 period January through December 2007. Pursuant to Rule 25-6.0423, F.A.C., PEF  
9 is presenting testimony and exhibits for the Commission's determination of  
10 prudence for actual expenditures and associated carrying costs.  
11

12 **Q. Are you sponsoring any exhibits in support of your testimony?**

13 **A.** Yes. I am sponsoring sections of the following exhibit, which was prepared under  
14 my supervision:

- 15 • Exhibit No. \_\_\_\_ (WG-1), consisting of Schedules T-1 through T-10, which  
16 reflect PEF's retail revenue requirements for the Levy Nuclear Filing from  
17 January 2007 through December 2007; however, I will only be sponsoring  
18 Schedules T-1 through T-6B , T-9, and T-10. Gary Miller will be  
19 sponsoring Schedules T-7 through T-8B. Schedules T-2, T-4, T-5, T-6B, T-  
20 9, and T-10 in Exhibit No. \_\_\_\_ (WG-1), are shown for informational  
21 purposes only and show no activity as they are not applicable to the Levy  
22 County Filing during the reporting period.

1 This exhibit is true and accurate.

2  
3 **Q. What are Schedules T-1 through T-6A and Schedules T-9 through T-10?**

- 4 **A.**
- 5 • Schedule T-1 reflects the actual true-up of total retail revenue requirements  
6 for the period.
  - 7 • Schedule T-2 reflects the calculation of the true-up of preconstruction costs  
8 for the period.
  - 9 • Schedule T-3 reflects the calculation of the true-up of carrying costs on  
10 construction expenditures for the period.
  - 11 • Schedule T-3A reflects a calculation of actual deferred tax carrying costs for  
12 the period.
  - 13 • Schedule T-3B reflects the calculation of the actual construction period  
14 interest for the period.
  - 15 • Schedule T-4 reflects CCRC recoverable Operations and Maintenance  
16 (O&M) expenditures for the period.
  - 17 • Schedule T-5 reflects other recoverable O&M expenditures for the period.
  - 18 • Schedule T-6 reflects actual monthly expenditures for preconstruction and  
19 construction costs for the period.
  - 20 • Schedule T-6A reflects descriptions of the major tasks.
  - 21 • Schedule T-6B reflects annual variance explanations.
  - 22 • Schedule T-7 reflects technology selected for the Levy County Nuclear  
Project.

SCHEDULE APPENDIX

REDACTED

EXHIBIT A (WG - 1)

PROGRESS ENERGY FLORIDA, INC.  
Levy County Nuclear Filing  
COMMISSION SCHEDULES (T-1 Through T-10)

JANUARY 2007 - DECEMBER 2007  
FINAL TRUE-UP  
DOCKET NO. 080149-EI

DOCUMENT NUMBER DATE  
03251 APR 22 08

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.a.]

Schedule T-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 080149-EI

Witness:

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars								
1.	Preconstruction Revenue Requirements (Schedule T-2, line 7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 7)	-	-	-	-	-	-	-
3.	Recoverable O&M Revenue Requirements (Schedule T-4, line 24)	-	-	-	-	-	-	-
4.	Deferred Tax Asset Carrying Cost (Schedule T-3A, line 8)	-	-	-	-	-	-	-
5.	Other Adjustments	-	-	-	-	-	-	-
6.	Total Period Revenue Requirements (Lines 1 through 5)	-	-	-	-	-	-	-
7.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
8.	Difference (Line 6 - Line 7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DOCUMENT NUMBER DATE  
 03251 APR 22 8  
 FPSC-COMMISSION CLEAR

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.a.]

Schedule T-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 080149-EI

Witness:

Line No.	(H)	(I)	(J)	(K)	(L)	(M)	(N)
	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
Jurisdictional Dollars							
1.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	-	-	224,666	460,558	483,321	544,738	1,711,284
3.	-	-	-	-	-	-	-
4.	-	-	(70)	(285)	(581)	(904)	(1,841)
5.	-	-	-	-	-	-	-
6.	-	-	224,596	460,273	482,739	543,835	1,711,443
7.	-	-	-	-	-	-	-
8.	\$ -	\$ -	\$ 224,596	\$ 460,273	\$ 482,739	\$ 543,835	\$ 1,711,443

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Preconstruction Costs**

[Section (5)(c)1.a.]

Schedule T-2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of preconstruction costs based on actual preconstruction expenditures for the prior year and previously filed expenditures for such prior year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Line No.	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars							
1.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
a.	-	-	-	-	-	-	-
b.	-	-	-	-	-	-	-
c.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-
9.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.



**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Preconstruction Costs**

[Section (5)(c)1.a.]

Schedule T-2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of preconstruction costs based on actual preconstruction expenditures for the prior year and previously filed expenditures for such prior year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Line No.		(I)	(J)	(K)	(L)	(M)	(N)	(O)
		Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
Jurisdictional Dollars								
1.	Actual Nuclear CWIP Additions (Schedule T-6, line 24)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Unamortized CWIP Base Eligible for Return	-	-	-	-	-	-	-
3.	Amortization of CWIP Base Eligible for Return	-	-	-	-	-	-	-
4.	Average Net Unamortized CWIP Base Eligible for Return	-	-	-	-	-	-	-
5.	Return on Average Net Unamortized CWIP Eligible for Return (c)							
a.	Equity Component (a)	-	-	-	-	-	-	-
b.	Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
c.	Debt Component	-	-	-	-	-	-	-
6.	Total Return Requirements (Line 5b + 5c)	-	-	-	-	-	-	-
7.	Total Costs to be Recovered	-	-	-	-	-	-	-
8.	CWIP Additions & Amortization from prior year Actual/Estimated	-	-	-	-	-	-	-
9.	Over / (Under) Recovery (Line 7 - Line 8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction**

[Section (5)(c)1.a.]

Schedule T-3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs on construction expenditures for the prior year and previously filed carrying costs on construction expenditures for such prior year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
Jurisdictional Dollars								
1.	Nuclear CWIP Additions (Schedule T-6, line 44)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Transfers to Plant in Service	-	-	-	-	-	-	-
3.	Other Adjustments (d)	-	-	-	-	-	-	-
4.	CWIP Base Eligible for Return (PM CWIP Bal. + Line 1 - 2 + 3)	-	-	-	-	-	-	-
5.	Average Net CWIP Additions	-	-	-	-	-	-	n/a
6.	Return on Average Net CWIP Additions (c)	-	-	-	-	-	-	-
a.	Equity Component (a)	-	-	-	-	-	-	-
b.	Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
c.	Debt Component	-	-	-	-	-	-	-
7.	Total Return Requirements (Line 6b + 6c)	-	-	-	-	-	-	-
8.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
9.	Difference (Line 7 - Line 8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Return on average net Construction Work In Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction**

[Section (5)(c)1.a.]

Schedule T-3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs on construction expenditures for the prior year and previously filed carrying costs on construction expenditures for such prior year.

COMPANY:

Progress Energy - FL

For the Year Ended 12/31/2007

DOCKET NO.:

080149-EI

Witness:

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Jurisdictional Dollars								
1.		\$ -	\$ -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 9,148,386	\$ 55,561,072
2.		-	-	-	-	-	-	-
3.		-	-	-	151,395	310,354	325,693	787,441
4.		-	-	42,706,524	44,689,020	46,874,434	56,348,513	56,348,513
5.		-	-	21,353,262	43,773,469	45,936,904	51,774,320	n/a
6.		-	-	-	-	-	-	-
a.		-	-	116,674	239,178	250,999	282,895	889,747
b.		-	-	189,946	389,383	408,627	460,553	1,448,509
c.		-	-	34,720	71,176	74,693	84,185	264,775
7.		-	-	224,666	460,558	483,321	544,738	1,713,284
8.		-	-	-	-	-	-	-
9.		\$ -	\$ -	\$ 224,666	\$ 460,558	\$ 483,321	\$ 544,738	\$ 1,713,284

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Return on average net Construction Work In Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Deferred Tax Carrying Costs**

[Section (5)(c)1.a.]

Schedule T-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
Jurisdictional Dollars								
1.	Construction Period Interest (Schedule T-3B, Line 7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Recovered Costs Excluding AFUDC (Schedule T-2, Line 1+ Line 3)	-	-	-	-	-	-	-
3.	Other Adjustments (d)	-	-	-	-	-	-	-
4.	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	-	-	-	-	-	-	-
5.	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	-	-	-	-	-	-	n/a
6.	Average Accumulated DTA	-	-	-	-	-	-	-
7.	Carrying Costs on DTA (c)	-	-	-	-	-	-	-
a.	Equity Component (a)	-	-	-	-	-	-	-
b.	Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
c.	Debt Component (Line 6 x 2.04% x 1/12)	-	-	-	-	-	-	-
8.	Total Return Requirements (Line 7b + 7c)	-	-	-	-	-	-	-
9.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
10.	Difference (Line 8 - Line 9)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Deferred Tax Carrying Costs**

[Section (5)(c)1.a.]

Schedule T-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Jurisdictional Dollars								
1.		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.		-	-	-	-	-	-	-
3.		-	-	(34,720)	(71,176)	(74,693)	(84,185)	(264,775)
4.		-	-	(34,720)	(105,896)	(180,589)	(264,775)	n/a
5.		-	-	(13,393)	(40,849)	(69,662)	(102,137)	n/a
6.		-	-	(6,697)	(27,121)	(55,256)	(85,900)	
7.								
a.		-	-	(37)	(148)	(302)	(469)	(956)
b.		-	-	(60)	(241)	(492)	(764)	(1,556)
c.		-	-	(11)	(44)	(90)	(140)	(285)
8.		-	-	(70)	(285)	(581)	(904)	(1,841)
9.		-	-	-	-	-	-	-
10.		\$ -	\$ -	\$ (70)	\$ (285)	\$ (581)	\$ (904)	\$ (1,841)

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Period Interest**

[Section (5)(c)1.a.]

Schedule T-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual Construction Period Interest for the current year.

For the Year Ended 12/31/2007

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 080149-EI

Witness:

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
Jurisdictional Dollars								
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Additions Site Selection & Preconstruction (Schedule T-2, line 1)	-	-	-	-	-	-	-
3.	Additions Construction (Schedule T-3, line 1)	-	-	-	-	-	-	-
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Average Balance Eligible for CPI	-	-	-	-	-	-	-
6.	Monthly CPI Rate (a)	-	-	-	-	-	-	-
7.	Construction Period Interest for Tax (CPI)	-	-	-	-	-	-	-
8.	Ending Balance Excluding CPI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a) CPI is not calculated until construction starts for tax purposes.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Period Interest**

[Section (5)(c)1.a.]

Schedule T-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual Construction Period Interest for the current year.

For the Year Ended 12/31/2007

COMPANY:  
Progress Energy - FL

DOCKET NO.:  
080149-EI

Witness:

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Jurisdictional Dollars								
1.	Beginning Balance	\$ -	\$ -	\$ 42,493,547	\$ 42,706,524	\$ 44,537,625	\$ 46,412,685	
2.	Additions Site Selection & Preconstruction (Schedule T-2, line 1)	-	-	-	-	-	-	-
3.	Additions Construction (Schedule T-3, line 1)	-	42,493,547	212,977	1,831,101	1,875,060	9,148,386	55,561,072
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Average Balance Eligible for CPI	-	21,246,774	42,600,036	43,622,075	45,475,155	50,986,878	
6.	Monthly CPI Rate (a)	-	-	-	-	-	-	-
7.	Construction Period Interest for Tax (CPI)	-	-	-	-	-	-	-
8.	Ending Balance Excluding CPI	\$ -	\$ -	\$ 42,493,547	\$ 42,706,524	\$ 44,537,625	\$ 46,412,685	\$ 55,561,072

(a) CPI is not calculated until construction starts for tax purposes.

Levy County Nuclear Filing  
 Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
 True-up Filing: Recoverable O&M Monthly Expenditures

[Section (5)(c)1.a.]  
 [Section (8)(e)]

Schedule T-4

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the CCRC Recoverable O&M actual monthly expenditures by function for the prior year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

Witness:

DOCKET NO.:

080149-EI

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1.	Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3.	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5.	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7.	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9.	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10.	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11.	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12.	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13.	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14.	Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15.	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16.	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670
17.	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	0.99597
18.	Jurisdictional Factor (Nucl - 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
19.	Jurisdictional Factor (Transmission)	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
20.	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21.	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22.	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23.	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24.	Total Jurisdictional CCRC Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25.	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26.	Difference (Line 24-25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Other Recoverable O&M Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(e)]

Schedule T-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the Other O&M actual monthly expenditures by function for the prior year.

COMPANY: Progress Energy - FL  
 DOCKET NO.: 080149-EI

For the Year Ended 12/31/2007

Witness:

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1.	Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3.	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5.	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7.	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9.	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10.	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11.	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12.	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13.	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14.	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-
15.	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16.	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670
17.	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	0.99597
18.	Jurisdictional Factor (Nuclear - 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
19.	Jurisdictional Factor (Transmission)	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
20.	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21.	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22.	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23.	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24.	Total Jurisdictional CCRC Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25.	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26.	Difference (Line 24 - 25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: This schedule is for informational purposes only and the data is excluded from the revenue requirements calculation.  
 Note 2: Progress Energy incurred O&M costs in base rates during 2007; however, financial procedures to capture these costs were put into place effective January 2008.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(d)]

Schedule T-6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the actual monthly expenditures by major tasks performed within Site Selection and Construction categories for the prior year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
<b>Preconstruction:</b>													
<b>Generation:</b>													
1. License Application	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Engineering & Design	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Permitting	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Clearing, Grading and Excavation	-	-	-	-	-	-	-	-	-	-	-	-	-
5. On-Site Construction Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Total Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Less Adjustments:													
8. Non-Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Net Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. 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	0.93753
12. Total Jurisdictional Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transmission:</b>													
13. Line Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14. Substation Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Clearing	-	-	-	-	-	-	-	-	-	-	-	-	-
16. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Total Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18. Less Adjustments:													
19. Non-Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
20. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
21. Net Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22. 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	0.70597
23. Total Jurisdictional Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24. Total Jurisdictional Preconstruction Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Construction:</b>													
<b>Generation:</b>													
25. Real Estate Acquisitions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,325,000	\$ 227,168	\$ 1,953,112	\$ 2,000,000	\$ 3,024,979	\$ 52,530,259
26. Project Management	-	-	-	-	-	-	-	-	-	-	-	-	-
27. Permanent Staff/Training	-	-	-	-	-	-	-	-	-	-	-	-	-
28. Site Preparation	-	-	-	-	-	-	-	-	-	-	-	-	-
29. On-Site Construction Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
30. Power Block Engineering, Procurement, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
31. Non-Power Block Engineering, Procurement, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
32. Total Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,325,000	\$ 227,168	\$ 1,953,112	\$ 2,000,000	\$ 3,024,979	\$ 52,530,259
33. Less Adjustments:													
34. Non-Cash Accruals	-	-	-	-	-	-	-	45,325,000	(45,325,000)	-	-	-	-
35. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
36. Net Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,552,168	\$ 1,953,112	\$ 2,000,000	\$ 3,024,979	\$ 52,530,259
37. 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	0.93753
38. Total Jurisdictional Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 2,836,009	\$ 49,248,694
<b>Transmission:</b>													
39. Line Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40. Substation Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-
41. Real Estate Acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-
42. Line Construction	-	-	-	-	-	-	-	-	-	-	-	8,941,425	8,941,425
43. Substation Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
44. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
45. Total Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,941,425	\$ 8,941,425
46. Less Adjustments:													
47. Non-Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
48. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
49. Net Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,941,425	\$ 8,941,425
50. 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	0.70597
51. Total Jurisdictional Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,312,378	\$ 6,312,378
52. Total Jurisdictional Construction Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 9,148,386	\$ 55,561,072

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Monthly Expenditures**

[Section (5)(c)1.a.]

Schedule T-6A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a description of the major tasks performed within Site Selection, Preconstruction and Construction categories for the prior year.

COMPANY: Progress Energy - FL  
 DOCKET NO.: 080149-EI

For the Year Ended 12/31/2007

Witness:

Line No.	Major Task	Description - Includes, but is not limited to:
----------	------------	--

**Pre-Construction:**

**Generation:**

License Application	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
Engineering & Design	Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.
Permitting	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)
Clearing, Grading and Excavation	Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.
On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.

**Transmission:**

Line Engineering	Internal engineering labor, contracted engineering labor, survey and all other costs associated with engineering transmission lines.
Substation Engineering	Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.
Clearing	Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with building access roads to the ROW to ensure access for construction, operating and maintenance of transmission lines.
Other	Project Management, overhead costs and other miscellaneous costs associated with transmission pre-construction.

**Construction:**

**Generation:**

Real Estate Acquisition	Land, Survey, Legal fees and commissions.
Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
Permanent Staff/Training	Obtain and train qualified staff by Fuel Load date.
Site Preparation	Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
Power Block Engineering, Procurement	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
Non-Power Block Engineering, Procurement	Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.)

**Transmission:**

Line Engineering	See description on Line 10.
Substation Engineering	See description on Line 11.
Real Estate Acquisition	Land, route siting, survey, appraisal, title commitments, acquisition, permitting, eminent domain support and ordinance review costs.
Line Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.
Substation Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.
Other	See description on Line 14.

Levy County Nuclear Filing  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Variance Explanations

[Section (8)(d)]

Schedule T-6B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide annual variance explanations comparing the actual expenditures to the most recent projections for the prior period filed with the Commission.

For the Year Ended 12/31/2007

COMPANY: Progress Energy - FL  
DOCKET NO.: 080149-EI

Witness:

Line No.	(A) Total Actual	(B) Total Actual/Estimated	(C) Total Variance	(D) Explanation
<b>Pre-Construction:</b>				
<u>Generation:</u>				
License Application	\$ -	\$ -	\$ -	N/A
Engineering & Design	-	-	-	N/A
Permitting	-	-	-	N/A
Clearing, Grading and Excavation	-	-	-	N/A
On-Site Construction Facilities	-	-	-	N/A
Total Generation Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	N/A
<u>Transmission:</u>				
Line Engineering	\$ -	\$ -	\$ -	N/A
Substation Engineering	-	-	-	N/A
Clearing	-	-	-	N/A
Other	-	-	-	N/A
Total Transmission Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	N/A
<b>Construction:</b>				
<u>Generation:</u>				
Real Estate Acquisitions	\$ 52,530,259	\$ -	\$ (52,530,259)	Note 1
Project Management	-	-	-	N/A
Permanent Staff/Training	-	-	-	N/A
Site Preparation	-	-	-	N/A
On-Site Construction Facilities	-	-	-	N/A
Power Block Engineering, Procurement, etc	-	-	-	N/A
Non-Power Block Engineering, Procurement	-	-	-	N/A
Total Generation Costs	<u>\$ 52,530,259</u>	<u>\$ -</u>	<u>\$ (52,530,259)</u>	Note 1
<u>Transmission:</u>				
Line Engineering	\$ -	\$ -	\$ -	N/A
Substation Engineering	-	-	-	N/A
Real Estate Acquisition	8,941,425	-	(8,941,425)	Note 1
Line Construction	-	-	-	N/A
Substation Construction	-	-	-	N/A
Other	-	-	-	N/A
Total Transmission Costs	<u>\$ 8,941,425</u>	<u>\$ -</u>	<u>\$ (8,941,425)</u>	Note 1

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Technology Selected**

[Section (8)(b)]

Schedule T-7

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a description of the nuclear technology selected that includes, but is not limited to, a review of the technology and the factors leading to its selection.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

Progress Energy Inc. Florida ("PEF") performed a methodical, detailed quantitative and qualitative evaluation of commercially available advanced reactor technologies. PEF issued RFPs to the three vendors that had advanced reactor designs: General Electric ("GE"); Westinghouse; and Areva, for the GE Economic Simplified Boiling Water Reactor ("ESBWR"), the Westinghouse AP-1000 advanced passive pressurized water reactor, and the Areva European Pressurized Reactor ("EPR"), respectively. PEF completed a thorough and extensive evaluation of the vendor proposal responses associated with technical and operational requirements for licensing, design, construction, and capability input by the vendors. Following nearly a year of detailed evaluation, PEF initially selected the Westinghouse AP-1000 design as the best advanced technology for PEF. Since the preliminary selection of the Westinghouse AP-1000 design in January 2006, PEF continued to monitor industry changes, advanced reactor technology developments, and other information that might affect PEF's technology selection, or the assumptions PEF used in its initial analysis. The Westinghouse AP-1000 design is a standardized, advanced passive pressurized water nuclear reactor. It is an advanced generation nuclear technology that employs "passive" rather than traditional "active" safety systems. In other words, the design uses gravity and natural recirculation of air and water in emergency situations that do not require engines or pumps to power key safety systems. The result is an extremely safe and much simpler design that requires significantly less cable, pumps, valves, and other equipment than existing nuclear power reactors. In addition, PEF is still in negotiations with the Consortium on the terms and conditions of an acceptable EPC contract, including price structure. PEF expects to finalize and execute the EPC contract by the end of 2008.

**Levy County Nuclear Filing  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed**

Schedule T-8

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

COMPANY: Progress Energy Florida

For the Year Ended 12/31/2007

PROJECT NO.:  
080149-EI

Witness:

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2006)	Estimate of amount to be Expended in Current Year (2007)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection	Work Description
1	N/A	Complete			\$45,000,000	\$450,000	\$46,551,088	\$47,001,088	Purchase Agreement for Rayonier Forest Resources	Purchase based on final results from site down select analysis that determined most suitable site to locate the plant.	Purchase Land for LNP. Final contact amount includes costs to complete title search, recording fees, and documentary stamps.
2	N/A	Complete			\$39,000,000	\$0	\$40,335,305	\$40,335,305 (a)	Contract for Sale & Purchase for JH Lybass Jr Family LLC, TG Lybass LLP and Oregon Lybass	Acquisition supports specific needs for the Levy Nuclear Plant and is adjacent to Rayonier property.	Purchase Land. Costs were distributed between NCG, Transmission and Land For Future Use. Final contact amount includes costs to complete title search, recording fees, and documentary stamps.
3	293651	Complete							Duncan Company	Approved Nominee Agreement	Provide an array of diverse commercial real estate services for proposed baseload power generation plant.

i) \$12.7 M of Lybass land purchase was allocated to Levy Project, the remainder of \$27.7 M was allocated to Land held for future use.

Note 1: Method of Selection column should specify: (1) Lease, Buy or Make Considerations for goods (or) In house or external for resources.

Note 2: Method of Selection column should (2) RFP or Sole Source.

Note 3: Method of Selection column should specify (3) Lowest Cost Bidder Accepted/Not Accepted.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

Schedule T-8A

FLORIDA PUBLIC SERVICE COM COMPANY: Progress Energy - FL DOCKET NO.: 080149-EI	EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.	For the Year Ended 12/31/2007  Witness:
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**Contract No.:** N/A

**Major Task or Tasks Associated With:** Purchase of property to site the Levy Nuclear Plant

**Vendor Identity:** Rayonier Forest Resources, L.P. (seller)

**Vendor Affiliation (specify 'direct' or 'indirect'):** Indirect (Vertical Integration (buyer) on behalf of Progress Energy)

**Number of Vendors Solicited:** Purchased based on results of site downselect analysis that determined the most suitable site for the plant.

**Number of Bids Received:** N/A

**Brief Description of Selection Process:** Property was selected based on the site selection process analysis to determine most suitable site for the

**Dollar Value:** \$45,000,000

**Contract Status:** Completed

**Term Begin:**

**Term End:**

**Nature and Scope of Work:** Purchase and Sale Agreement. The seller was Rayonier Forest Resources, LP. Sold Approximately 3,000 acres to Progress Energy for siting Levy Nuclear Plant.

Levy County Nuclear Filing  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

Schedule T-8A

FLORIDA PUBLIC SERVICE COM COMPANY: Progress Energy - FL DOCKET NO.: 080149-EI	EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.	For the Year Ended 12/31/2007  Witness:
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**Contract No.:** N/A

**Major Task or Tasks Associated With:** Purchase of property to support specific needs of the Levy Nuclear Power Plant.

**Vendor Identity:** JH Lybass Jr. Family LLC, Lybass LP, Oregon Lybass (sellers)

**Vendor Affiliation (specify 'direct' or 'indirect'):** Direct

**Number of Vendors Solicited:** Purchased based on supporting specific needs of Levy Nuclear Plant. Lybass property is adjacent to property purchased to site Levy Nuclear Plant.

**Number of Bids Received:** N/A

**Brief Description of Selection Process:** Property was chosen based on several key advantages: (1) Adjacent to property previously purchased for Levy Nuclear Plant. Levy Count is the best overall siting location based on the completed siting analysis. (2) Cooling Water lines must cross property to reach Cross Florida Barge Canal. (3) Supports Transmission Deliverability Analysis for key transmission corridor. (4) Heavy Haul Path from the barge canal to transport major components to the site. (5) Accommodates a multi-lane construction entrance to the site. (6) Close proximity to an abundant cooling water source that is not a fresh water consumption source.

**Dollar Value:** \$39,000,000

**Contract Status:** Completed

**Term Begin:**

**Term End:**



**Nature and Scope of Work:** Purchase and Sale Agreement. The seller was Lybass family members. Sold 2,159 acres to Progress Energy to support siting of the Levy Nuclear Plant, Transmission and meet potential future generation requirements.



**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

Schedule T-8A

FLORIDA PUBLIC SERVICE COM  COMPANY: Progress Energy - FL DOCKET NO.: 080149-EI	EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.	For the Year Ended 12/31/2007   Witness:
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**Contract No.:** 293651

**Major Task or Tasks Associated With:** Provide services, supplies, tools, equipment, and transportation necessary to provide an array of diverse commercial real estate services for the sole purpose of acquiring land parcels for proposed baseload generation plants.

**Vendor Identity:** The Duncan Companies, Inc.

**Vendor Affiliation (specify 'direct' or 'indirect'):** Direct

**Number of Vendors Solicited:** Approved Nominee Agreement

**Number of Bids Received:** N/A

**Brief Description of Selection Process:** Nominee Agreement to act as Progress' agent in locating, investigating, negotiating and contracting for the purchase (collectively, the "Purchase Contract(s)") of real property (the "Property") throughout Florida for the potential siting of a new power plant.

**Dollar Value:** [REDACTED]

**Contract Status:** Completed

**Term Begin:** [REDACTED]

**Term End:** [REDACTED]

**Nature and Scope of Work:** (1) Perform fatal flaw analysis on properties identified by the owner and also include identification of alternative sites for consideration by owner. (2) Implementation of the acquisition process. (3) Complete due diligence evaluation activities for each proposed site.

Levy County Nuclear Filing  
Pre-Construction Costs and Carrying Costs on Constr  
True-up Filing: Contracts Executed

Schedule T-8B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a list of contracts executed in excess of \$200,000 including: vendor identity, product or service, term begin, term end and dollar value.

For the Year Ended 12/31/2007

COMPANY:  
Progress Energy - FL  
DOCKET NO.:  
080149-EI

Witness:

Line No.	(A) Vendor Identity	(B) Product or Service	(C) Term Begin	(D) Term End	(E) Dollar Value
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**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Final True-up Amount for the Period**

Schedule T-9

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:

For the Year Ended 12/31/2007

Progress Energy - FL

DOCKET NO.: 080149-EI

Witness:

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	True-Up Provision	-	-	-	-	-	-	-
3	NFR Revenues Applicable to Period (Lines 1 + 2)	-	-	-	-	-	-	-
4	Jurisdictional NFR Costs	-	-	-	-	-	-	-
5	Over/Under Recovery true-up provision (Line 3 - Line 4c)	-	-	-	-	-	-	-
6	Interest Provision	-	-	-	-	-	-	-
7	Beginning Balance True-up & Interest Provision	-	-	-	-	-	-	-
a	Deferred True-up	-	-	-	-	-	-	-
8	True-Up Collected (Refunded) (See Line 2)	-	-	-	-	-	-	-
9	End of Period True-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Note 2: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Final True-up Amount for the Period**

Schedule T-9

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:

For the Year Ended 12/31/2007

Progress Energy - FL

DOCKET NO.: 080149-EI

Witness:

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	True-Up Provision	-	-	-	-	-	-	-
3	NFR Revenues Applicable to Period (Lines 1 + 2)	-	-	-	-	-	-	-
4	Jurisdictional NFR Costs	-	-	224,596	460,273	482,739	543,835	1,711,443
5	Over/Under Recovery true-up provision (Line 3 - Line 4c)	-	-	(224,596)	(460,273)	(482,739)	(543,835)	(1,711,443)
6	Interest Provision	-	-	-	-	-	-	-
7	Beginning Balance True-up & Interest Provision	-	-	-	-	-	-	-
a	Deferred True-up	-	-	-	-	-	-	-
8	True-Up Collected (Refunded) (See Line 2)	-	-	-	-	-	-	-
9	End of Period True-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Note 2: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**

Schedule T-10

**True-up Filing: Calculation of the Net Interest for Final True-up Amount for the Period**

[section (5)(c)4.]

FLORIDA PUBLIC SERVICE COMMISSION      EXPLANATION:      Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:      Progress Energy - FL      For the Year Ended 12/31/2007

DOCKET NO.:      080149-EI      Witness:

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Projected April	(E) Projected May	(F) Projected June	(G) 6 Month Total
1	Beginning Monthly Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Ending Monthly Balance	-	-	-	-	-	-	-
3	Average Monthly Balance	-	-	-	-	-	-	-
4	Beginning of Month interest	-	-	-	-	-	-	-
5	Ending of Month Interest	-	-	-	-	-	-	-
6	Average Interest	-	-	-	-	-	-	-
7	Average Monthly Interest	-	-	-	-	-	-	-
8	Monthly Interest Amount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

**Levy County Nuclear Filing**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**

Schedule T-10

**True-up Filing: Calculation of the Net Interest for Final True-up Amount for the Period**

[section (5)(c)4.]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:

For the Year Ended 12/31/2007

Progress Energy - FL

DOCKET NO.:

Witness:

Line No.	Description	(H) Projected July	(I) Projected August	(J) Projected September	(K) Projected October	(L) Projected November	(M) Projected December	(N) 12 Month Total
1	Beginning Monthly Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Ending Monthly Balance	-	-	-	-	-	-	-
3	Average Monthly Balance	-	-	-	-	-	-	-
4	Beginning of Month interest	-	-	-	-	-	-	-
5	Ending of Month Interest	-	-	-	-	-	-	-
6	Average Interest	-	-	-	-	-	-	-
7	Average Monthly Interest	-	-	-	-	-	-	-
8	Monthly Interest Amount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.