



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** June 1, 2010  
**TO:** Mark Laux, Senior Analyst, Division of Economic Regulation  
**FROM:** Dale N. Mailhot, Director, Office of Auditing and Performance Analysis *DM*  
**RE:** Docket No.: 100009-EI  
Company Name: Progress Energy Florida, Inc.  
Company Code: EI801  
Audit Purpose: Nuclear Cost Recovery Clause – CR3 Uprate  
Audit Control No: 10-006-2-2

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Attached is the final audit report for the utility stated above. I am sending the utility a copy of this memo and the audit report. If the utility desires to file a response to the audit report, it should send a response to the Office of Commission Clerk. There were confidential work papers associated with this audit.

DNM/ip

Attachment: Audit Report

cc: (With Attachment)  
Office of Auditing and Performance Analysis (Mailhot, File Folder)  
Office of Commission Clerk  
Office of the General Counsel

(Without Attachment)  
Office of Auditing and Performance Analysis (Harvey, Tampa District Office, Miami District Office, Tallahassee District Office)

DOCUMENT NO. DATE

04553-10 6/1/10  
FPSC - COMMISSION CLERK



**FLORIDA PUBLIC SERVICE COMMISSION**  
**OFFICE OF AUDITING AND PERFORMANCE ANALYSIS**  
**BUREAU OF AUDITING**

*Tampa District Office*

**PROGRESS ENERGY FLORIDA, INC.**  
**NUCLEAR COST RECOVERY CLAUSE**  
**CRYSTAL RIVER UNIT THREE - UPRATE**

**AS OF DECEMBER 31, 2009**

**DOCKET NO. 100009-EI**  
**AUDIT CONTROL NO. 10-006-2-2**

Handwritten signature of Jeffery A. Small in black ink.

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*Jeffery A. Small, Audit Manager*

Handwritten signature of Daniel Acheampong in black ink.

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*Daniel Acheampong, Staff*

Handwritten signature of Jocelyn Y. Stephens in black ink.

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*Jocelyn Y. Stephens, Professional  
Accountant Specialist*

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<sup>1</sup> Schedules included in the company's filing that did not contain information reviewed by the audit staff are not incorporated in this report.

**OFFICE OF AUDITING AND PERFORMANCE ANALYSIS  
AUDITOR'S REPORT**

**MAY 21, 2010**

**TO: FLORIDA PUBLIC SERVICE COMMISSION**

We have performed the procedures described later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request dated January 6, 2010. We have applied these procedures to the attached schedules prepared by Progress Energy Florida, Inc. in support of its 2009 filing for Nuclear Cost Recovery Clause relief in Docket No. 100009-EI.

This audit was performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. This report is based on agreed upon procedures and the report is intended only for internal Commission use.

## OBJECTIVES AND PROCEDURES

### GENERAL

To verify that the company's 2009 Nuclear Cost Recovery Clause (NCRC) filings in Docket No. 100009-EI are consistent and in compliance with Section 366.93, F.S. and Rule 25-6.0423, F.A.C.

### SPECIFIC

- Objective:* Verify that the company's filing is properly recorded on its books and records according to the Code of Federal Regulations (CFR) Uniform System of Accounts. (USoA)

*Procedures:* We reconciled the company's filing to the general ledger and verified that the costs incurred were posted to the proper account.
- Objective:* Verify that Schedule T-1 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2009 NCRC filing.

*Procedures:* We reconciled and recalculated a sample of the monthly revenue requirement accruals displayed on Schedule T-1 to the supporting schedules in the company's 2009 NCRC filing.
- Objective:* Verify that Schedule T-2.3, which rolls forward to Schedule T-1, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2009 NCRC filing.

*Procedures:* We reconciled the monthly construction cost balances displayed on Schedule T-2.3 to the supporting schedules in the company's 2009 NCRC filing. We recalculated the schedule and reconciled the Allowance for Funds Used During Construction (AFUDC) rates applied by the company to the rates approved in Order No. PSC-05-0945-FOF-EI, issued September 28, 2005.
- Objective:* Verify that the Deferred Tax Return Requirement amounts displayed on Schedule T-3A.3 which rolls forward to Schedule T-1, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2009 NCRC filing.

*Procedures:* We reconciled the monthly carrying cost on deferred tax accruals for construction cost balances displayed on Schedule T-3A.3 to the supporting schedules in the company's 2009 NCRC filing. We recalculated a sample of the monthly carrying cost balances for deferred tax assets based on the equity and debt components established in Order No. PSC-05-0945-FOF-EI.
- Objective:* Verify that the Construction Period Interest (CPI) amount displayed on Schedule T-3B.3, which rolls forward to Schedule T-3A.3, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2009 NCRC filing.

*Procedures:* We reconciled and recalculated a sample of the monthly CPI accruals displayed on Schedule T-3B.3 to the supporting schedules in the company's 2009 NCRC filing. We recalculated the company's CPI rate and reconciled the component balances to the company's general ledger.

6. *Objective:* Verify that the recoverable Operation and Maintenance Expense Costs (O&M) displayed on Schedule T-4, which rolls forward to Schedule T-1, are accurately calculated and are supported by original source documentation.

*Procedures:* We recalculated a sample of the monthly recoverable O&M expenditures displayed on Schedule T-4 of the company's 2009 filing. We sampled and verified the O&M cost accruals and traced the invoiced amounts to supporting documentation. We verified the company's salary expense accruals and recalculated the respective overhead burdens the company applied. We reconciled the jurisdictional factors applied by the company to the eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 22, 2006, in Docket No. 060007-EI.

7. *Objective:* Verify that the recoverable nuclear construction amounts, displayed on Schedule T-6.3 of the company's 2009 filing, which rolls forward to Schedule T-2.3, are accurately calculated and are supported by original source documentation.

*Procedures:* We recalculated a sample of monthly jurisdictional nuclear construction accruals displayed on Schedule T-6 of the company's 2009 NCRC filing. We sampled and verified the monthly construction cost additions and traced the invoiced amounts to supporting documentation. We sampled the company's salary expense accruals and the respective overhead burdens the company applied. We recalculated and verified the joint owner billings that reduced the company's eligible carrying cost for the CR3 Uprate project. We reconciled the jurisdictional factors applied by the company to the eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 22, 2006.

**AUDIT FINDING NO. 1**

**SUBJECT: FILING ERRORS**

**AUDIT ANALYSIS:** In the course of our audit work, we requested additional information and supporting documentation for items in the company’s filing identified as “Other Adjustments”.

The company’s response identified an error in the current filing which is discussed below. Additionally, in its response, the company proposed to correct the error next year in its 2010 NCRC Uprate filing.

The error was located on Schedule T-6, Line 16, and the company’s response was,

The line “Other” on T-6.3 represents the Cost of Removal of the assets which the Uprate assets are replacing. A summary supporting schedule ... is attached ... September Cost of Removal is overstated by \$2,486,389 because the charge type Original Cost-Retirement was incorrectly included due to oversight. This charge type represents the Net Book Value of the asset being replaced and retired and is not a cost of removal expenditure. A corrected schedule is attached with associated corrected T-2.3, T-3A.3 and T-3B.3 schedules. PEF proposes that the incremental change to the return of \$87,009 on T-2.3 and \$279 on T-3A.3 be included as an addition in the Other Adjustment line in the 2010 True-Up filing.

We verified and recalculated the company’s revised filing pages. See Schedules A through E that follows. The difference between the original and the revised Final True-Up amounts for the 12-month period ending December 31, 2009 are displayed below.

Schedule T-1

Original Filing - Final True-Up Amount	See Exhibit 1, Page 2 of 2 of this report.	(\$244,764)
Proposed Revision - Final True-Up Amount	See Schedule A that follows.	<u>(\$157,477)</u>
Difference (rounding)	See above. \$87,009 + \$279	(\$87,288)

(Under)/Over Recovery Amount

**EFFECT ON FILING:** None. However, if the difference was included in this year’s filing the Final True-Up amount for the historical 2009 period would be reduced by \$87,288 or 35.662 percent. (\$87,288/\$244,764) We are providing this as additional information for the staff in Tallahassee to consider.

Schedule A – Revised T-1

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-up Filing: Summary of Jurisdictional Recovery Amounts**

Schedule T-1

**EXPLANATION:** Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection and estimated true-up amounts for the reported year and identify such orders. (25-6.0423(5)(c)1.a.,F.A..C.] [25-6.0423 (8)(d),F.A..C.]

**COMPANY:**

Progress Energy - FL

**DOCKET NO.:**

100009-EI

For Year Ended 12/31/2009

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Final Site Selection Costs for the Period [25-6.0423(2)(f),F.A..C.]							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
e. Total Site Selection Amount (Lines 1.a through 1.d)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6.0423(2)(g),F.A..C.]							
a. Additions (Schedule T-2.2, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.2, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.2, line 12)	0	0	0	0	0	0	0
d. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
e. Total Preconstruction Amount (Lines 2.a through 2.d)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. Final Construction Costs for the Period [25-6.0423(2)(i),F.A..C.]							
Avg. Net Additions Balance (Schedule T-2.3, line 8)	\$112,218,384	\$117,719,348	\$125,281,545	\$132,875,081	\$140,768,071	\$141,165,194	
a. Carrying Costs on Additions (Schedule T-2.3, line 10)	1,180,895	1,238,572	1,318,137	1,398,032	1,481,077	1,485,258	14,176,885
b. Carrying Costs on Deferred Tax Asset (Schedule T-3A.3, line 12)	22,364	24,920	27,567	30,398	33,455	36,604	261,998
c. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
d. Total Construction Amount (Lines 3.a through 3.c)	\$1,203,078	\$1,263,493	\$1,345,704	\$1,428,430	\$1,514,533	\$1,521,860	\$14,438,883
4. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	\$42,411	\$23,534	\$35,067	\$82,037	\$19,002	\$392,703	\$762,529
5. Other Adjustments (Note 1)	\$7,470	\$28,519	\$51,778	\$52,416	\$53,094	\$203,795	396,018
6. Total Final Period Amount (Lines 1.e + 2.e + 3.d + 4 + 5)	\$1,252,960	\$1,315,546	\$1,432,546	\$1,562,884	\$1,586,630	\$2,118,358	\$15,597,429
7. Projected Amount for the Period (Order No. PSC 08-0749-FOF-EI)	\$1,264,150	\$1,341,289	\$1,419,516	\$1,519,375	\$1,624,601	\$1,731,765	\$15,224,694
8. Estimated / Actual True-up Amount for the Period (Order No. PSC 09-0783-FOF-EI)	\$1,224,315	\$1,299,307	\$1,370,613	\$1,487,142	\$1,626,880	\$2,530,412	\$15,754,906
9. Final True-up Amount for the Period (Line 6 - line 8)	\$28,645	\$16,239	\$61,933	\$75,742	(\$40,050)	(\$412,054)	(\$157,477)

Note 1: The amounts represent the revenue requirements associated with various inservice projects for the Uprate as presented in Appendix C.



Schedule B – Revised T-2.3

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs**

Schedule T-2.3

**EXPLANATION:** Provide the calculation of the monthly over/under recovery of applicable carrying charges for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the under/over recovery calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
 [25-6.0423 (2)(f),F.A.C.]  
 [25-6.0423 (5)(b),F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 100009-EI

For Year Ended 12/31/2009

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Construction Cost: Plant Additions for the Period (Schedule T 6.3 Line 35)	\$9,235,725	\$5,836,424	\$13,799,456	\$3,058,991	\$14,052,878	\$6,904,193	\$165,785,200
2. Transfers to Plant in Service	12,251	2,838,324	421,791	10,158	57,730	18,796,203	30,684,747
3. Other Adjustments	0	0	0	0	0	0	
4. Prior Period Under/(Over) Recovery (Prior Month Line 12)	(35,670)	(32,156)	(48,020)	(42,048)	(51,334)	(76,778)	
5. Prior Period Under/(Over) Carrying Charge Unrecovered Balance	2,954,441	2,376,774	1,799,108	1,221,441	643,774	66,107	
6. Prior Period Carrying Charge Recovered	577,667	577,667	577,667	577,667	577,667	577,667	6,932,002
7. Plant Eligible for Return (Prior Mo. Balance + Line 1 - 2 + 3 + 4 - 6)	<u>\$116,541,288</u>	<u>\$118,929,565</u>	<u>\$131,681,544</u>	<u>\$134,110,864</u>	<u>\$147,478,811</u>	<u>\$134,930,356</u>	
8. Average Net Plant Additions	\$112,218,384	\$117,719,348	\$125,281,545	\$132,875,061	\$140,788,071	\$141,165,194	
9. Return on Average Net Plant Additions (a)							
a. Equity Component (b)	613,161	643,219	684,538	728,029	769,157	771,327	7,362,375
b. Equity Comp. grossed up for taxes (c)	996,228	1,047,161	1,114,430	1,181,977	1,252,188	1,255,721	11,985,959
c. Debt Component	182,467	191,412	203,708	216,055	228,689	229,535	2,190,926
10. Construction Carrying Cost for the Period (Line 9b + 9c)	<u>\$1,180,695</u>	<u>\$1,238,572</u>	<u>\$1,318,137</u>	<u>\$1,398,032</u>	<u>\$1,481,077</u>	<u>\$1,485,256</u>	<u>\$14,176,885</u>
11. Projected Construction Carrying Cost Plant Additions for the Period (Order No. PSC 06-0748-FOF-EI)	\$1,212,851	\$1,286,592	\$1,360,183	\$1,449,366	\$1,657,656	\$1,659,977	\$14,587,810
12. Under/(Over) Recovery (Line 10 - Line 11)	<u>(\$32,156)</u>	<u>(\$48,020)</u>	<u>(\$42,048)</u>	<u>(\$51,334)</u>	<u>(\$76,778)</u>	<u>(\$174,721)</u>	<u>(\$410,925)</u>

Notes:

- (a) 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%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal income Tax rate of 38.575%.

Schedule C – Revised T-3A.3

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-up Filing: Construction Category - Carrying Cost on Deferred Tax Asset**

Schedule T-3A.3

EXPLANATION: Provide the calculation of the monthly under/over recovery of applicable carrying charges on Deferred Tax Asset (DTA) for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the under/over recovery calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
 [25-6.0423 (2)(f),F.A.C.]  
 [25-6.0423 (5)(b),F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 100009-EI

For Year Ended 12/31/2009

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. Construction Cost - Construction Period Interest (Schedule T-3B.2, Line 7)		\$553,983	\$575,478	\$610,800	\$670,152	\$725,953	\$718,888	\$6,627,417
2. Construction Costs Recovered Excluding AFUDC		0	0	0	0	0	0	0
3. Other Adjustments (d)		89,274	89,274	89,274	89,274	89,274	89,274	
4. Tax Basis Less Book Basis (Line 1 + 2 + 3)		<u>\$614,267</u>	<u>\$664,752</u>	<u>\$700,074</u>	<u>\$759,426</u>	<u>\$815,227</u>	<u>\$807,962</u>	
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	<u>\$236,953</u>	<u>\$248,129</u>	<u>\$258,428</u>	<u>\$282,949</u>	<u>\$314,474</u>	<u>\$311,671</u>	
6. Prior Period Construction Unrecovered Balance		\$25,992	\$20,461	\$14,930	\$9,399	\$3,868	(\$1,663)	
7. Prior Period Construction Expenses Recovered		5,531	5,531	5,531	5,531	5,531	5,531	
8. Prior Month Under(Over) Recovery (Prior Month Line 14)		(5,373)	(5,917)	(6,524)	(7,215)	(7,925)	(8,602)	
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)		2,246,062	2,491,042	2,749,041	3,029,244	3,330,262	3,627,800	
10. Average Balance Eligible for Return		2,127,450	2,368,552	2,620,041	2,889,142	3,179,753	3,479,031	
11. Construction Carrying Cost on DTA (a)								
a. Equity Component (b)		11,624	12,942	14,316	15,786	17,374	19,009	136,061
b. Equity Comp. grossed up for taxes (c)		18,925	21,069	23,306	25,700	28,285	30,947	221,508
c. Debt Component		3,459	3,851	4,260	4,698	5,170	5,657	40,490
12. Construction Carrying Cost on DTA for the Period (Line 11b + 11c)		<u>\$22,384</u>	<u>\$24,920</u>	<u>\$27,567</u>	<u>\$30,398</u>	<u>\$33,455</u>	<u>\$36,604</u>	<u>\$261,998</u>
13. Projected Construction Carrying Cost on DTA for the Period (Order No. PSC 08-0749-FOF-EI)		\$28,301	\$31,445	\$34,781	\$38,323	\$42,058	\$45,972	\$332,755
14. Under(Over) Recovery (Line 12 - Line 13)		<u>(\$5,917)</u>	<u>(\$6,524)</u>	<u>(\$7,215)</u>	<u>(\$7,925)</u>	<u>(\$8,602)</u>	<u>(\$9,368)</u>	<u>(\$70,757)</u>

(a) 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%.  
 (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.  
 (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
 (d) Balance represents the prior period debt component that was recorded as a deferred tax liability until its recovery in rates and is being amortized over twelve months.

Schedule D – Revised T-3B.3

CRYSTAL RIVER UNIT 3 UPRATE

Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
 Final True-up Filing: Construction Category - Construction Period Interest for Deferred Tax Asset Calculations

Schedule T-3B.3

EXPLANATION: Provide the calculation of the monthly construction period interest on costs included in the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(i), F.A.C.]  
 [25-6.0423 (5)(b), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 100009-EI

For Year Ended 12/31/2009

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 (Prior Month Line 4)	\$115,775,942	\$120,581,736	\$124,955,600	\$135,652,196	\$150,279,498	\$159,460,655	
2.	Additions (Schedule T-6.3 (Line 12 + 15 + 16) x Line 18)		4,818,044	7,170,187	11,081,515	14,836,674	9,254,658	83,730,885
3.	Other Adjustments		(12,251)	(2,796,323)	(384,918)	(9,374)	(73,498)	(19,251,733)
4.	Ending Balance Excluding Current Year CPI (Line 1 + 2 + 3)	<u>\$115,775,942</u>	<u>\$120,581,736</u>	<u>\$124,955,600</u>	<u>\$135,652,196</u>	<u>\$150,279,498</u>	<u>\$159,460,655</u>	<u>\$147,179,640</u>
5.	Average Balance Eligible for CPI		<u>\$118,178,639</u>	<u>\$122,788,668</u>	<u>\$130,303,898</u>	<u>\$142,965,846</u>	<u>\$154,870,076</u>	<u>\$153,320,147</u>
6.	Monthly CPI Rate (a)		0.0046875	0.0046875	0.0046875	0.0046875	0.0046875	
7.	Construction Period Interest for Tax (CPI)		<u>\$553,963</u>	<u>\$575,478</u>	<u>\$610,800</u>	<u>\$670,152</u>	<u>\$726,953</u>	<u>\$718,688</u>
								<u>\$6,627,417</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

Schedule E – Revised T-6.3

**CRYSTAL RIVER UNIT 3 UPRATE**  
 Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
 Final True-up Filing: Construction Category - Monthly Capital Additions/Expenditures

Schedule T-6.3

**EXPLANATION:** Provide the monthly plant additions by major tasks performed within Construction category for the year.  
 All Construction costs also included in Site Selection costs or Preconstruction costs must be identified.  
 List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
 [25-6.0423 (2)(i),F.A.C.]  
 [25-6.0423 (5)(b),F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

**COMPANY:**  
 Progress Energy - FL  
**DOCKET NO.:**  
 100009-EI

For Year Ended: 12/31/2009

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	(O) Ending Balance
<b>1 Construction Additions:</b>									
<b>2 Generation:</b>									
3	License Application	\$215,198	\$548,167	\$257,838	\$289,549	\$838,375	\$656,207	\$20,016,839	\$20,016,839
4	Real Estate Acquisitions	0	0	0	0	0	0	0	0
5	Project Management	1,857,130	1,564,783	2,658,261	3,438,732	3,806,277	1,689,365	21,164,156	31,339,070
6	Permanent Staff/Training	0	0	0	0	0	0	0	0
7	Site Preparation	0	0	0	0	0	0	0	0
8	Permitting	35,988	(2,534)	183,529	43,031	9,671	137,501	882,003	882,003
9	On-Site Construction Facilities	(227,416)	62,749	99,263	221,394	119,886	66,151	1,203,955	1,203,955
10	Power Block Engineering, Procurement, etc.	1,854,233	7,185,318	10,578,294	19,804,518	9,384,120	8,051,140	71,243,000	168,565,451
11	Non-Power Block Engineering, Procurement, etc.	483,056	309,444	162,324	1,251,708	222,859	496,826	3,640,540	4,091,087
12	<b>Total System Generation Preconstruction Cost Additions [Note 1]</b>	<b>\$4,198,189</b>	<b>\$9,678,905</b>	<b>\$13,920,307</b>	<b>\$25,048,929</b>	<b>\$14,191,189</b>	<b>\$11,097,180</b>	<b>\$118,140,493</b>	<b>\$224,098,385</b>
<b>13 Adjustments:</b>									
14	Non-Cash Accruals	\$4,712,042	(\$1,422,635)	\$2,899,044	(\$12,349,134)	\$5,117,939	(\$70,958)	\$8,462,646	(\$8,418,688)
15	Joint Owner Credit	(302,477)	(763,811)	(1,097,505)	(1,854,621)	(1,242,910)	(846,861)	(9,240,705)	(17,757,792)
16	Other	1,243,371	(1,267,338)	(1,002,838)	(7,582,355)	(3,076,961)	(2,815,135)	(19,589,916)	(20,090,018)
17	<b>Adjusted System Generation Construction Cost Additions [Note 2]</b>	<b>\$9,851,125</b>	<b>\$6,225,320</b>	<b>\$14,718,949</b>	<b>\$3,262,819</b>	<b>\$14,989,257</b>	<b>\$7,364,238</b>	<b>\$95,772,518</b>	<b>\$176,831,889</b>
18	Jurisdictional Factor	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
19	<b>Jurisdictional Generation Construction Capital Additions</b>	<b>\$9,235,725</b>	<b>\$5,838,424</b>	<b>\$13,799,456</b>	<b>\$3,058,991</b>	<b>\$14,052,878</b>	<b>\$6,904,193</b>	<b>\$89,789,609</b>	<b>\$165,785,201</b>
<b>20 Transmission:</b>									
21	Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Substation Engineering	0	0	0	0	0	0	0	0
23	Real Estate Acquisition	0	0	0	0	0	0	0	0
24	Line Construction	0	0	0	0	0	0	0	0
25	Substation Construction	0	0	0	0	0	0	0	0
26	Other	0	0	0	0	0	0	0	0
27	<b>Total System Transmission Preconstruction Cost Additions [Note 1]</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>28 Adjustments:</b>									
29	Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Joint Owner Credit	0	0	0	0	0	0	0	0
31	Other	0	0	0	0	0	0	0	0
32	<b>Adjusted System Transmission Preconstruction Cost Additions [Note 2]</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
33	Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
34	<b>Jurisdictional Transmission Construction Capital Additions</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
35	<b>Total Jurisdictional Construction Cost Additions (Lines 17 + 32)</b>	<b>\$9,235,725</b>	<b>\$5,838,424</b>	<b>\$13,799,456</b>	<b>\$3,058,991</b>	<b>\$14,052,878</b>	<b>\$6,904,193</b>	<b>\$89,789,609</b>	<b>\$165,785,201</b>

Note 1: Lines 12 and 27 represent capital expenditures on an accrual basis, gross of joint owner billings and exclude AFUDC.  
 Note 2: Lines 17 and 32 represent capital expenditures on a cash basis, net of joint owner billings.

**AUDIT FINDING NO. 2**

**SUBJECT: JOINT OWNER COSTS**

**AUDIT ANALYSIS:** The company’s filing on Schedule T-6.3 indicates that the total construction cost to date for the CR3 Uprate project is \$224,098,385 based on the following annual additions. Included in the company’s filings are the following annual credits that were charged to the joint-owners of CR3. The credits reflect the joint-owners obligations under the terms of the company’s contract with the joint-owners consortium. The joint-owner credits effectively reduced the NCRC recoverable balance for construction expenditures by \$17,757,792 as of December 31, 2009.

	2006	2007	2008	2009	Total
Total Cost	\$2,299,673	\$38,520,916	\$65,137,303	\$118,140,493	\$224,098,385
JO Credit	(\$189,019)	(\$3,133,543)	(\$5,194,252)	(\$9,240,705)	(\$17,757,519)

We have determined that the joint-owners of CR3 were not charged an allocation for \$4,629,157 in uprate capital additions in 2009. The company stated that a provision in its contract with the joint-owners consortium precludes it from charging an allocation for capital asset activities located “outside the fence” that surrounds the perimeter of the CR3 reactor complex.<sup>2</sup> The capital additions excluded, per the contract, from joint-owner participation in the filing are for capital project costs incurred for administrative site facilities and “point of discharge” (POD) cooling towers and related facilities. The company states that it will recover these costs once the assets are placed in service through a monthly use charge which is contained within the same provision of the joint-owner contract.

Had the joint-owners been charged for the POD capital project costs as incurred, the recoverable CR3 uprate year-to-date construction cost balance would have been \$380,489 less.

Description	Capital Asset Transactions	Capital Assets Included in Uprate	Joint-Owner Percent	Joint-Owner Credit Excluded from Uprate
a POD Facilities	\$10,957,037	\$3,944,173	8.2194%	\$324,187
b Site Facilities	684,984	684,984	8.2194%	56,302
	\$11,642,021	\$4,629,157		\$380,489

- a The CR3 Uprate project receives 36 percent of the total POD costs incurred. The remaining 64 percent is charged to and recovered from the company's Environmental Cost Recovery program.
- b The CR3 Uprate project receives 100 percent of the total site facility cost incurred for the project.

The effect would reduce the carrying charge for the uprates construction cost balance by \$2,659 if the correction is applied in December 2009. Our calculations can be found in the work papers that support our audit work for this docket.

**EFFECT ON THE FILING:** None. However, if the adjustment was included in December of this year’s filing, the Final True-Up amount for the historical 2009 period would be reduced by \$2,659 or 1.086 percent. (\$2,659/\$244,764) We are providing this as additional information for the staff in Tallahassee to consider.

<sup>2</sup> Crystal River Unit 3, Participation Agreement, Article 16 - Common and External Facilities, page 36-37 and Appendix H, dated July 31, 1975

### AUDIT FINDING NO. 3

#### SUBJECT: SALVAGE VALUE

**AUDIT ANALYSIS:** The prefiled testimony of Jon Franke, included with the filing, identified fifteen components that were installed for the uprate during the fall 2009 service outage of Crystal River Three.<sup>3</sup> We requested information from the company that identified whether the component that was installed for the uprate was new, replaced, or refurbished during the outage. We also asked the company to provide for each component its actual or estimated salvage value. The company's response is summarized below.

Item	Plant Asset	New	Replaced	Salvage	Amount
1	Installation of 4 Moisture Separator Reheaters		yes	no	
2	Installation of 2 Secondary Cooling Heat Exchangers		yes	yes	\$4,500 a
3	Installation of 4 Moisture Separator Reheater Shell Side Drain Heat Exchangers	yes		no	
4	Installation of 4 Turbine Bypass Valves and Mufflers		yes	no	
5	Modification of the Turbine Generator Electrical Output Buss Duct Cooling System		yes	yes	Included in Line 7 a
6	Installation of 2 Condensate Heaters		yes	no	
7	Replacement of the Turbine Generator Exciter		yes	yes	\$42,419 a
8	Turbine Generator Electrical Stator Rewind		yes	yes	\$88,988 a
9	Rescaled Integrated Control System				
10	Installation of fiber optic "backbone" to interface with new turbine monitoring equipment	yes		no	
11	Installation of 2 Secondary Cooling Pumps and Motors		yes	yes	\$2,500 e
12	Installation of a Turbine Lube Oil Cooler		yes	yes	\$29,553 a
13	Installation of Heater Drain Valves		yes	no	
14	Plant computer updates		Information not requested		
15	Facilities		Information not requested		
Total Actual/Estimated/Salvage Received					<u>\$167,960</u>
a	Actual				
e	Estimate				

We have determined that the \$167,960 salvage received for the replaced components is not included in the company's 2009 Uprate filing.

The effect would reduce the carrying charge for the uprates construction cost balance by \$1,610 if the correction is applied in December 2009. Our calculations can be found in the work papers that support our audit work for this docket.

**EFFECT ON THE FILING:** None. However, if the adjustment was included in December of this year's filing, the Final True-Up amount for the historical 2009 period would be reduced by \$1,610 or 0.658 percent. (\$1,610/\$244,764) We are providing this as additional information for the staff in Tallahassee to consider.

<sup>3</sup> Direct Testimony of Jon Franke, page 12, Commission Document Number 01337-10

**AUDIT FINDING NO. 4**

**SUBJECT: OBSOLETE INVENTORY**

**AUDIT ANALYSIS:** The company's filing on Schedule T-4 includes the following Incremental O&M expense balances for the 12-month period ending December 31, 2009.

Description	12-Month Total	Jurisdictional Total
A&G	\$417,941	\$383,127
Nuclear Generation	403,832	378,605
Totals (Net of joint-owner credit)	\$821,773	\$761,731

*Rounded to nearest dollar*

Included in the Nuclear Generation cost identified above was a journal entry for \$375,802. (\$344,914 net of joint-owner credit) The journal entry was a year end accrual which was used to write-off existing plant inventory that became obsolete when the corresponding plant assets were replaced during the December 2009 outage.

This issue was initially addressed in the direct testimony of Thomas Foster filed in Docket No. 090009-EI, on May 1, 2009.<sup>4</sup> The issue was also addressed at the September 2009 NCRC hearing, where witness Foster provided testimony and exhibits (EX140) that revised the projected 2009 Incremental O&M expense balance to \$117,638 (\$772,528 jurisdictional). The final order for the NCRC docket approved the company's revised amounts.<sup>5</sup> Included in the revised amount was an estimate of \$637,509 for obsolete inventory.<sup>6</sup> We could not determine if the approved revised obsolete inventory amount is net of joint-owner credits from the documents that we reviewed.

The company's obsolete inventory adjustment represents approximately 42.5 percent of the requested jurisdictional Incremental O&M expense balance for the 12-month period ending December 31, 2009. ( $\$344,914 \times 93.753\%$  jurisdictional factor) / \$761,731))

**EFFECT ON FILING:** None. We are providing this as additional information for the staff in Tallahassee to consider.

<sup>4</sup> Direct Testimony of Thomas G. Foster in Support of Estimated/Actual, Projection and True-Up to Original Cost, page 22, Commission Document Number 04082-09.

<sup>5</sup> Order Number PSC-09-0783-FOF-EI, Docket No. 090009-EI, page 35, issued November 19, 2009.

<sup>6</sup> Response to Citizens Fourth Set of Interrogatories, Question Number 54, with attachment, Docket No. 090009-EI, Bates Number 09NC-OPCROG4-54-000001.

**AUDIT FINDING NO. 5**

**SUBJECT: INTERNAL AUDITS**

**AUDIT ANALYSIS:** The company’s internal audit group performed the following two audits of the Crystal River Unit 3 Uprate project.

<u>Report Title</u>	<u>Report Number</u>	<u>Report Date</u>	<u>Overall Audit Opinion</u>
CR3 Uprate Project	20010456 A816	12/12/2008	Effective
CR3 Power Uprate 2009	20013334 A906	07/02/2009	Needs Improvement

The company provided the following summaries of the objectives and scopes for the two internal audits listed above.

CR3 Uprate Project

*The audit focused on the overall project funding, project and cost management practices and Phase II implementation. The primary objective was to evaluate the project management, contract administration, financial controls and communications, associated with the CR3 Uprate project. The scope of the audit included accessing the overall project, construction and cost management process effectiveness, contract administration and payments and financial and management reporting.*

The overall audit opinion was “effective” and all action plans to address the audit recommendations have been completed. However, the audit identified eleven corrective action plans to address refinements to the CR3 Uprate’s project management, cost control, contract administration and record retention processes. We did not observe or encounter any of the issues raised by the audit in the course of our investigation.

CR3 Power Uprate 2009

*The audit focused on the overall project funding, in addition to project and cost management practices. The primary objective was evaluation of project management, contract administration, financial controls and communications associated with the CR3 Extended Power Uprate (EPU) major project. The scope included assessing CR3 EPU major project activities in 2009.*

The overall audit opinion was “needs improvement” and all action plans to address the audit recommendations have been completed. The audit recognized the “constructive advancements” since the prior CR3 EPU audit. However, the audit identified three additional areas in need of improvement that included: risk management, earned value analysis and integrated change controls. We did not observe or encounter any of the issues raised by the audit in the course of our audit investigation.

**EFFECT ON THE FILING:** None. The recurring nature of the internal audit departments findings are being provided as additional information for the staff in Tallahassee to consider.



CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Summary of Jurisdictional Recovery Amounts

Schedule 1-1

**EXPLANATION:** Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved Progress Energy - FL DOCKET NO: 10009-El

For Year Ended 12/31/2009

Line No.	January	February	March	April	May	June	5 Month Total
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(G)

1. Final Site Selection Costs for the Period [25-6-0423(2)(M),F.A.C.]							
(Lines 1a through 1d)							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
e. Total Site Selection Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6-0423(2)(G),F.A.C.]							
(Lines 2a through 2d)							
a. Additions (Schedule T-2.2, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.2, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.2, line 12)	0	0	0	0	0	0	0
d. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
e. Total Preconstruction Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0

3. Final Construction Costs for the Period [25-6-0423(2)(F),F.A.C.]							
a. Avg. Net Additions Balance (Schedule T-2.3, line 8)	583,344,448	\$92,370,920	\$85,253,924	\$98,751,799	\$104,909,120	\$105,775,495	6,075,116
b. Carrying Costs on Additions (Schedule T-2.3, line 10)	676,899	974,871	1,002,206	1,039,007	1,072,227	1,112,906	8,669
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.3, line 12)	9,249	14,217	13,289	15,381	17,610	19,944	86,669
d. Total Construction Amount	\$689,148	\$983,096	\$1,010,543	\$1,054,388	\$1,089,837	\$1,132,850	\$8,161,785
e. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
f. Total Final Period Amount	\$689,148	\$983,096	\$1,010,543	\$1,054,388	\$1,089,837	\$1,132,850	\$8,161,785

4. Other Adjustments (Note 1)							
a. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	\$5,808	\$23,418	\$26,878	\$20,661	\$55,892	\$39,120	\$167,773
b. Other Adjustments (Note 1)	(\$9,974)	\$0	\$0	\$0	\$2,649	\$6,272	(\$1,053)
c. Total Final Period Amount	\$81,983	\$1,008,516	\$1,042,358	\$1,075,050	\$1,148,378	\$1,174,242	\$8,328,506
d. Projected Amount for the Period (Order No. PSC 08-0749-FOF-EI)	\$897,838	\$977,632	\$1,032,301	\$1,077,532	\$1,139,997	\$1,198,698	\$6,323,998
e. Estimated / Actual True-up Amount for the Period (Order No. PSC 08-0783-FOF-EI)	\$887,449	\$963,830	\$1,021,216	\$1,055,992	\$1,130,365	\$1,167,465	\$6,216,427
f. Final True-up Amount for the Period (Line 6 - line 8)	\$14,534	\$22,885	\$21,002	\$19,088	\$18,013	\$16,777	\$112,088

Note 1: The amounts represent the revenue requirements associated with various inservice projects for the Uprate as presented in Appendix C.

EXHIBIT 1

Page 2 of 2

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Summary of Jurisdictional Recovery Amounts

Schedule T-1

EXPLANATION: Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection and estimated true-up amounts for the reported year and identify such orders.

COMPANY: Progress Energy - FL  
DOCKET NO.: 100009-EI

[25-6.0423(5)(c)1.a.,F.A.,C.]  
[25-6.0423 (8)(d),F.A.,C.]  
For Year Ended 12/31/2009

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Final Site Selection Costs for the Period [25-6.0423(2)(f),F.A.,C.]							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
e. Total Site Selection Amount (Lines 1.a through 1.d)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6.0423(2)(g),F.A.,C.]							
a. Additions (Schedule T-2.2, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.2, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.2, line 12)	0	0	0	0	0	0	0
d. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
e. Total Preconstruction Amount (Lines 2.a through 2.d)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. Final Construction Costs for the Period [25-6.0423(2)(h),F.A.,C.]							
Avg. Net Additions Balance (Schedule T-2.3, line 8)	\$112,218,384	\$117,719,348	\$124,116,013	\$130,631,753	\$138,400,088	\$138,772,297	
a. Carrying Costs on Additions (Schedule T-2.3, line 10)	1,180,695	1,238,572	1,305,874	1,373,377	1,456,163	1,480,079	14,089,876
b. Carrying Costs on Deferred Tax Asset (Schedule T-3A.3, line 12)	22,384	24,920	27,555	30,353	33,366	36,470	281,719
c. Allocated or Assigned O&M Amounts	0	0	0	0	0	0	0
d. Total Construction Amount (Lines 3.a through 3.c)	\$1,203,078	\$1,263,493	\$1,333,430	\$1,403,730	\$1,489,529	\$1,496,549	\$14,351,595
4. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	\$42,411	\$23,534	\$35,067	\$82,037	\$19,002	\$392,703	\$762,529
5. Other Adjustments (Note 1)	\$7,470	\$28,519	\$51,776	\$52,416	\$53,094	\$203,795	396,018
6. Total Final Period Amount (Lines 1.e + 2.e + 3.d + 4 + 5)	\$1,252,960	\$1,315,546	\$1,420,272	\$1,538,184	\$1,561,626	\$2,093,047	\$15,510,142
7. Projected Amount for the Period (Order No. PSC 08-0749-FOF-EI)	\$1,264,150	\$1,341,289	\$1,419,516	\$1,519,375	\$1,624,601	\$1,731,765	\$15,224,694
8. Estimated / Actual True-up Amount for the Period (Order No. PSC 09-0783-FOF-EI)	\$1,224,315	\$1,299,307	\$1,370,613	\$1,487,142	\$1,626,680	\$2,530,412	\$15,754,906
9. Final True-up Amount for the Period (Line 6 - line 8)	\$28,645	\$16,239	\$49,659	\$51,042	(\$68,054)	(\$437,365)	(\$244,764)

Note 1: The amounts represent the revenue requirements associated with various inservice projects for the Uprate as presented in Appendix C.

**EXHIBIT 2**  
Page 1 of 2

**CRYSTAL RIVER UNIT 3 UPRATE**  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs

Schedule T-2.3

**EXPLANATION:** Provide the calculation of the monthly over/under recovery of applicable carrying charges for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the under/over recovery calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (8)(c)1.a., F.A.C.]  
[25-6.0423 (2)(i), F.A.C.]  
[25-6.0423 (5)(b), F.A.C.]  
[25-6.0423 (8)(d), F.A.C.]

COMPANY: Progress Energy - FL  
DOCKET NO.: 100009-EI

For Year Ended 12/31/2009

Line No.	Beginning Balance	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars								
1. Construction Cost: Plant Additions for the Period (Schedule T 6.3 Line 35)	\$75,995,591	\$17,082,809	\$2,161,222	\$4,709,806	\$3,428,325	\$4,479,857	\$5,069,923	\$112,897,533
2. Transfers to Plant in Service	7,872,244	29,358	0	16,167	(3,284)	452,890	180,945	8,548,290
3. Other Adjustments		0	0	0	0	0	0	
4. Prior Period Under(Over) Recovery (Prior Month Line 12)		0	11,903	33,240	12,917	5,685	(13,948)	
5. Prior Period Under(Over) Carrying Charge Unrecovered Balance (d)	6,998,109	6,420,442	5,842,776	5,265,109	4,687,442	4,109,775	3,532,108	
6. Prior Period Carrying Charge Recovered (d)	6,932,002	577,667	577,667	577,667	577,667	577,667	577,667	3,468,001
7. Plant Eligible for Return (Prior Mo. Balance + Line 1 - 2 + 3 + 4 - 5)	<u>\$75,121,456</u>	<u>\$91,667,240</u>	<u>\$93,162,698</u>	<u>\$97,311,910</u>	<u>\$100,178,770</u>	<u>\$103,633,786</u>	<u>\$107,931,150</u>	
8. Average Net Plant Additions		\$83,344,348	\$92,370,920	\$95,263,924	\$98,751,799	\$101,909,120	\$106,775,495	
9. Return on Average Net Plant Additions (a)								
a. Equity Component (b)		455,394	504,715	520,467	539,580	556,831	577,987	3,154,944
b. Equity Comp. grossed up for taxes (c)		741,381	821,876	847,322	878,437	908,522	940,915	5,136,264
c. Debt Component		136,519	150,195	154,883	160,570	165,704	171,991	938,882
10. Construction Carrying Cost for the Period (Line 9b + 9c)		<u>\$876,899</u>	<u>\$971,871</u>	<u>\$1,002,205</u>	<u>\$1,039,007</u>	<u>\$1,072,227</u>	<u>\$1,112,906</u>	<u>\$6,075,116</u>
11. Projected Construction Carrying Cost Plant Additions for the Period (Order No. PSC 06-0749-FOF-EI)		\$864,996	\$939,632	\$989,287	\$1,033,323	\$1,088,172	\$1,148,577	\$6,060,967
12. Under(Over) Recovery (Line 10 - Line 11)		<u>\$11,903</u>	<u>\$33,240</u>	<u>\$12,917</u>	<u>\$6,685</u>	<u>(\$13,945)</u>	<u>(\$36,670)</u>	<u>\$14,129</u>

**Notes:**

(a) 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 6.848%.

(b) The monthly Equity Component of 6.86% reflects an 11.75% return on equity.

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

(d) Line 8 and Line 6 Beginning Balances include:	2007 - 2008 Actual/Estimate	2007 - 2008 True Ups
2007 Construction (T-1, Line 2)	\$925,842	\$925,842
2008 Construction (AE-1/T-1, Line 2)	\$6,006,160	\$6,072,267
	\$6,932,002	\$6,998,109

**EXHIBIT 2**  
Page 2 of 2

**CRYSTAL RIVER UNIT 3 UPRATE**  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs

Schedule T-2.3

**EXPLANATION:** Provide the calculation of the monthly over/under recovery of applicable carrying charges for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the undertover recovery calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.a., F.A.C.]  
[25-6.0423 (2)(i), F.A.C.]  
[25-6.0423 (5)(e), F.A.C.]  
[25-6.0423 (8)(d), F.A.C.]

**COMPANY:** Progress Energy - FL  
**DOCKET NO.:** 100009-E1

For Year Ended 12/31/2009

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Construction Cost: Plant Additions for the Period (Schedule T 6.3 Line 35)	\$9,235,725	\$5,636,424	\$11,468,392	\$3,068,991	\$14,052,878	\$6,904,193	\$163,454,136
2. Transfers to Plant in Service	12,251	2,638,324	421,791	10,158	57,730	18,796,203	30,684,747
3. Other Adjustments	0	0	0	0	0	0	
4. Prior Period Under(Over) Recovery (Prior Month Line 12)	(35,670)	(32,156)	(48,020)	(54,309)	(75,989)	(101,693)	
5. Prior Period Under(Over) Carrying Charge Unrecovered Balance	2,954,441	2,376,774	1,798,108	1,221,441	643,774	68,107	
6. Prior Period Carrying Charge Recovered	577,667	577,667	577,667	577,667	577,667	577,667	6,932,002
7. Plant Eligible for Return (Prior Mo. Balance + Line 1 - 2 + 3 + 4 - 6)	\$116,541,288	\$116,929,565	\$129,350,480	\$131,767,336	\$145,108,829	\$132,537,469	
8. Average Net Plant Additions	\$112,218,384	\$117,719,348	\$124,116,013	\$130,631,753	\$138,400,068	\$138,772,297	
9. Return on Average Net Plant Additions (a)							
a. Equity Component (b)	613,161	643,219	678,170	713,226	756,218	788,262	7,317,189
b. Equity Comp. grossed up for taxes (c)	999,226	1,047,161	1,104,062	1,161,132	1,231,124	1,234,435	11,912,396
c. Debt Component	182,467	191,412	201,813	212,245	225,039	226,644	2,177,490
10. Construction Carrying Cost for the Period (Line 9b + 9c)	\$1,182,855	\$1,238,672	\$1,305,874	\$1,373,377	\$1,456,163	\$1,480,078	\$14,089,876
11. Projected Construction Carrying Cost Plant Additions for the Period (Order No. PSC 08-0749-FOF-E1)	\$1,212,851	\$1,289,592	\$1,360,183	\$1,449,366	\$1,557,856	\$1,669,977	\$14,587,810
12. Under(Over) Recovery (Line 10 - Line 11)	(32,156)	(548,020)	(554,309)	(576,989)	(510,693)	(519,899)	(549,934)

**Notes:**

- (a) 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 6.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

**EXHIBIT 3**  
Page 1 of 2

**CRYSTAL RIVER UNIT 3 UPRATE**  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Construction Category - Carrying Cost on Deferred Tax Asset

Schedule T-3A.3

**EXPLANATION:** Provide the calculation of the monthly under/over recovery of applicable carrying charges on Deferred Tax Asset (DTA) for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the under/over recovery calculation applicable Commission approved projection amounts for the reported year and identify such orders.

**COMPANY:** Progress Energy - FL  
**DOCKET NO.:** 100009-EI

[25-8-0423 (8)(c)1], F.A.C.]  
[25-8-0423 (2)(f)], F.A.C.]  
[25-8-0423 (8)(b)], F.A.C.]  
[25-8-0423 (8)(d)], F.A.C.]  
For Year Ended 12/31/2009

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 Cost - Construction Period Interest (Schedule T-3B.2, Line 7)		\$408,651	\$424,280	\$444,217	\$471,047	\$489,194	\$524,893	\$2,772,382	
2. Construction Costs Recovered Excluding AFUDC		0	0	0	0	0	0	0	
3. Other Adjustments (d)		89,274	89,274	89,274	89,274	89,274	89,274		
4. Tax Basis Less Book Basis (Line 1 + 2 + 3)		\$1,089,285	\$497,925	\$513,554	\$533,491	\$560,321	\$588,468	\$814,267	
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	\$721,077	\$192,075	\$198,104	\$205,794	\$216,144	\$227,002	\$236,953	
6. Prior Period Construction Unrecovered Balance (e)		\$54,708	\$59,177	\$53,846	\$48,115	\$42,584	\$37,053	\$31,923	
7. Prior Period Construction Expenses Recovered (e)		69,371	5,531	5,531	5,531	5,531	5,531	5,531	
8. Prior Month Under(Over) Recovery (Prior Month Line 14)		0	(3,124)	(3,509)	(3,939)	(4,394)	(4,867)		
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)		785,785	972,328	1,161,777	1,356,531	1,565,205	1,782,282	2,006,837	
10. Average Balance Eligible for Return			879,057	1,087,053	1,260,184	1,461,868	1,673,743	1,895,559	
11. Construction Carrying Cost on DTA (a)									
a. Equity Component (b)			4,803	5,830	6,885	7,988	9,143	10,357	43,009
b. Equity Comp. grossed up for taxes (c)			7,820	9,462	11,210	13,004	14,899	16,862	73,275
c. Debt Component			1,429	1,735	2,049	2,377	2,722	3,082	13,364
12. Construction Carrying Cost on DTA for the Period (Line 11b + 11c)			\$9,249	\$11,227	\$13,259	\$15,381	\$17,610	\$19,944	\$86,669
13. Projected Construction Carrying Cost on DTA for the Period (Order No. PSC 08-0749-FOF-EI)			\$12,373	\$14,736	\$17,186	\$19,774	\$22,477	\$25,317	\$111,875
14. Under(Over) Recovery (Line 12 - Line 13)			(\$3,124)	(\$3,509)	(\$3,939)	(\$4,394)	(\$4,867)	(\$5,373)	(\$25,206)

(a) 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 0.00464 (Equity) and 0.001626 (Debt), which results in the annual rate of 5.68%.

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

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

(d) Balance represents the prior period debt component that was recorded as a deferred tax liability until its recovery in rates and is being amortized over twelve months.

(e) Line 6 and Line 7 Beginning Balances include:

	2007 - 2008 Actuals Estimate	2007 - 2008 True Ups
2007 DTA Carrying Cost (T-1, Line 4)	\$3,053	\$3,053
2008 DTA Carrying Cost (AET-1, Line 4)	\$63,218	\$61,855
	\$66,271	\$64,708

EXHIBIT 3  
Page 2 of 2

CRYSTAL RIVER UNIT 3 UPRATE

Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance

Final True-up Filing: Construction Category - Carrying Cost on Deferred Tax Asset

Schedule T-3A.3

EXPLANATION: Provide the calculation of the monthly under/over recovery of applicable carrying charges on Deferred Tax Asset (DTA) for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the under/over recovery calculation applicable Commission approved projection amounts for the reported year and identify such orders.

(25-6.0423 (5)(c)1, a., F.A.C.)  
(25-6.0423 (2)(i), F.A.C.)  
(25-6.0423 (5)(b), F.A.C.)  
(25-6.0423 (6)(d), F.A.C.)

COMPANY: Progress Energy - FL  
DOCKET NO.: 100008-EI

For Year Ended 12/31/2009

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. Construction Cost - Construction Period Interest (Schedule T-3E.2, Line 7)		\$553,963	\$575,478	\$605,338	\$659,226	\$715,027	\$707,761	\$6,589,173
2. Construction Costs Recovered Excluding AFUDC		0	0	0	0	0	0	0
3. Other Adjustments (d)		89,274	89,274	89,274	89,274	89,274	89,274	
4. Tax Basis Less Book Basis (Line 1 + 2 + 3)		\$614,237	\$664,752	\$694,610	\$748,500	\$804,301	\$797,035	
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.576%	\$236,953	\$248,129	\$266,428	\$287,946	\$288,734	\$310,299	\$307,456
6. Prior Period Construction Unrecovered Balance		\$25,992	\$20,461	\$14,930	\$9,399	\$3,868	(\$1,863)	
7. Prior Period Construction Expenses Recovered		5,531	5,531	5,531	5,531	5,531	5,531	
8. Prior Month Under/Over Recovery (Prior Month Line 14)		(\$3,373)	(\$5,917)	(\$8,524)	(\$7,226)	(\$7,970)	(\$6,691)	
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)		2,246,062	2,491,042	2,746,935	3,022,910	3,319,669	3,612,903	
10. Average Balance Eligible for Return		2,127,450	2,368,552	2,618,988	2,844,022	3,171,289	3,468,289	
11. Construction Carrying Cost on DTA (a)								
a. Equity Component (b)		11,624	12,042	14,310	15,783	17,328	18,940	135,917
b. Equity Comp. grossed up for taxes (c)		18,925	21,069	23,297	25,663	28,210	30,834	221,272
c. Debt Component		3,459	3,851	4,256	4,691	5,157	5,636	40,447
12. Construction Carrying Cost on DTA for the Period (Line 11b + 11c)		\$22,364	\$24,920	\$27,555	\$30,353	\$33,366	\$36,470	\$351,719
13. Projected Construction Carrying Cost on DTA for the Period (Order No. PSC 08-0748-FOP-EI)		\$28,301	\$31,446	\$34,781	\$38,323	\$42,058	\$45,972	\$332,755
14. Under/Over Recovery (Line 12 - Line 13)		(\$5,937)	(\$6,524)	(\$7,226)	(\$7,970)	(\$8,691)	(\$9,502)	(\$71,036)

(a) 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 0.001826 (Debt), which results in the annual rate of 6.548%.

(b) The monthly Equity Component of 6.89% reflects an 11.78% return on equity.

(c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.576%.

(d) Balance represents the prior period debt component that was recognized as a deferred tax liability with its recovery in rates and is being amortized over twelve months.

**EXHIBIT 4**  
Page 1 of 2

**CRYSTAL RIVER UNIT 3 UPRATE**  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Construction Category - Construction Period Interest for Deferred Tax Asset Calculations

Schedule T-3B.3

EXPLANATION: Provide the calculation of the monthly construction period interest on costs included in the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
[25-6.0423 (2)(i),F.A.C.]  
[25-6.0423 (5)(b),F.A.C.]  
[25-6.0423 (5)(d),F.A.C.]

COMPANY: Progress Energy - FL  
DOCKET NO.: 100009-EI

For Year Ended 12/31/2009

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
1.	Beginning Balance (Prior Month Line 4)	\$86,653,097	\$87,704,748	\$93,321,491	\$96,211,264	\$104,766,616	\$108,220,859	
2.	Additions (Schedule T-6.3 (Line 12 + 15 + 16) x Line 18)	1,081,009	5,616,743	2,905,940	8,554,068	3,905,102	7,736,028	29,796,890
3.	Other Adjustments	(29,358)	0	(16,167)	3,284	(452,860)	(180,945)	
4.	Ending Balance Excluding Current Year CPI (Line 1 + 2 + 3)	<u>\$88,653,097</u>	<u>\$87,704,748</u>	<u>\$93,321,491</u>	<u>\$96,211,264</u>	<u>\$104,766,616</u>	<u>\$108,220,859</u>	<u>\$118,775,942</u>
5.	Average Balance Eligible for CPI	<u>\$87,178,922</u>	<u>\$90,513,119</u>	<u>\$94,766,377</u>	<u>\$100,489,940</u>	<u>\$106,494,738</u>	<u>\$111,898,400</u>	
6.	Monthly CPI Rate (a)	0.0046875	0.0046875	0.0046875	0.0046875	0.0046875	0.0046875	
7.	Construction Period Interest for Tax (CPI)	<u>\$406,651</u>	<u>\$424,280</u>	<u>\$444,217</u>	<u>\$471,047</u>	<u>\$499,194</u>	<u>\$524,993</u>	<u>\$2,772,382</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

**EXHIBIT 4**

Page 2 of 2

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-up Filing: Construction Category - Construction Period Interest for Deferred Tax Asset Calculations**

Schedule T-3B.3

**EXPLANATION:** Provide the calculation of the monthly construction period interest on costs included in the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels. Identify supporting schedule and line.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(f), F.A.C.]  
 [25-6.0423 (5)(b), F.A.C.]  
 [25-6.0423 (5)(d), F.A.C.]

COMPANY: Progress Energy - FL

For Year Ended 12/31/2009

DOCKET NO.: 100009-EI

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 (Prior Month Line 4)	\$115,775,942	\$120,581,736	\$124,955,800	\$133,321,132	\$147,948,432	\$157,129,591	
2.	Additions (Schedule T-4.3 (Line 12 + 15 + 16) x Line 18)	4,818,044	7,170,187	8,750,451	14,636,674	9,254,656	6,970,717	81,399,620
3.	Other Adjustments	(12,251)	(2,796,323)	(384,918)	(9,374)	(73,498)	(19,251,733)	
4.	Ending Balance Excluding Current Year CPI (Line 1 + 2 + 3)	<u>\$115,775,942</u>	<u>\$120,581,736</u>	<u>\$124,955,600</u>	<u>\$133,321,132</u>	<u>\$147,948,432</u>	<u>\$157,129,591</u>	<u>\$144,848,575</u>
5.	Average Balance Eligible for CPI	<u>\$118,178,839</u>	<u>\$122,768,868</u>	<u>\$129,138,366</u>	<u>\$140,834,782</u>	<u>\$152,639,012</u>	<u>\$180,989,083</u>	
6.	Monthly CPI Rate (a)	0.0046875	0.0046875	0.0046875	0.0046875	0.0046875	0.0046875	
7.	Construction Period Interest for Tax (CPI)	<u>\$553,963</u>	<u>\$575,478</u>	<u>\$805,336</u>	<u>\$659,226</u>	<u>\$715,027</u>	<u>\$707,751</u>	<u>\$6,589,173</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.





EXHIBIT 6  
Page 1 of 2

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Construction Category - Monthly Capital Additions/Expenditures

Schedule T-4.3

EXPLANATION: Provide the monthly plant additions by major tasks performed within Construction category for the year.  
All Construction costs also included in Site Selection costs or Preconstruction costs must be identified.  
List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1.a., F.A.C.]  
[25-6.0423 (2)(i), F.A.C.]  
[25-6.0423 (5)(b), F.A.C.]  
[25-6.0423 (8)(d), F.A.C.]

COMPANY: Progress Energy - FL  
DOCKET NO.: 100009-EI

For Year Ended: 12/31/2009

Line No.	Description	(A) Beginning Balance	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total Additions
<b>1 Construction Additions:</b>									
<b>2 Generation:</b>									
3	License Application	\$0	\$30,619	\$1,722,961	\$14,283,461	\$111,338	(\$20,496)	\$1,082,823	\$17,210,707
4	Real Estate Acquisitions	0	0	0	0	0	0	0	0
5	Project Management	10,184,914	457,871	622,108	1,319,732	1,143,648	1,327,464	1,467,817	6,338,629
6	Permanent Staff/Training	0	0	0	0	0	0	0	0
7	Site Preparation	0	0	0	0	0	0	0	0
8	Permitting	0	15,343	24,047	307,374	93,515	61,442	(6,903)	494,818
9	On-Site Construction Facilities	0	3,468	80,504	186,850	39,083	182,692	369,330	861,927
10	Power Block Engineering, Procurement, etc.	\$6,322,461	800,749	4,767,721	(11,184,416)	8,799,482	3,786,463	7,426,380	14,365,380
11	Non-Power Block Engineering, Procurement, etc.	490,827	41,056	(325)	62,684	431,614	29,961	169,433	734,323
12	Total System Generation Preconstruction Cost Additions (Note 1)	\$106,957,892	\$1,349,107	\$7,207,016	\$4,975,585	\$10,618,880	\$5,347,516	\$10,607,879	\$40,008,783
<b>13 Adjustments:</b>									
14	Non-Cash Accruals	(\$15,881,334)	\$17,036,042	(\$3,885,772)	\$1,924,062	(\$5,467,284)	\$613,062	(\$2,843,764)	\$7,576,348
15	Joint Owner Credit	(8,517,087)	(107,927)	(592,841)	(341,062)	(836,878)	(578,827)	(675,327)	(3,132,680)
16	Other	(\$90,100)	(88,141)	(823,174)	(1,634,952)	(657,958)	(903,380)	(1,681,063)	(5,088,656)
17	Adjusted System Generation Construction Cost Additions (Note 2)	\$81,069,371	\$18,189,081	\$2,305,229	\$5,023,633	\$3,666,763	\$4,778,361	\$5,407,744	\$39,360,812
18	Jurisdictional Factor	0.93763	0.93783	0.93763	0.93783	0.93763	0.93763	0.93763	0.93753
19	Jurisdictional Generation Construction Capital Additions	\$75,995,692	\$17,052,809	\$2,161,222	\$4,709,806	\$3,428,325	\$4,479,857	\$5,069,923	\$36,901,942
<b>20 Transmission:</b>									
21	Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Substation Engineering	0	0	0	0	0	0	0	0
23	Real Estate Acquisition	0	0	0	0	0	0	0	0
24	Line Construction	0	0	0	0	0	0	0	0
25	Substation Construction	0	0	0	0	0	0	0	0
26	Other	0	0	0	0	0	0	0	0
27	Total System Transmission Preconstruction Cost Additions (Note 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>28 Adjustments:</b>									
29	Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Joint Owner Credit	0	0	0	0	0	0	0	0
31	Other	0	0	0	0	0	0	0	0
32	Adjusted System Transmission Preconstruction Cost Additions (Note 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
34	Jurisdictional Transmission Construction Capital Additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Total Jurisdictional Construction Cost Additions (Lines 17 - 32)	\$75,995,692	\$17,052,809	\$2,161,222	\$4,709,806	\$3,428,325	\$4,479,857	\$5,069,923	\$36,901,942

Note 1: Lines 12 and 27 represent capital expenditures on an accrual basis, gross of joint owner billings and exclude AFUDC.  
Note 2: Lines 17 and 32 represent capital expenditures on a cash basis, net of joint owner billings.

EXHIBIT 6  
Page 2 of 2

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-up Filing: Construction Category - Monthly Capital Additions/Expenditures

Schedule T-4.3

EXPLANATION: Provide the monthly plant additions by major tasks performed within Construction category for the year.  
All Construction costs also included in Site Selection costs or Preconstruction costs must be identified.  
List generation related expenses separate from transmission related expenses.

[26-6.0423 (8)(c)1.a., F.A.C.]  
[26-6.0423 (2)(i), F.A.C.]  
[26-6.0423 (6)(b), F.A.C.]  
[26-6.0423 (8)(d), F.A.C.]

COMPANY: Progress Energy - FL  
DOCKET NO.: 100009-ET

For Year Ended: 12/31/2009

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	(O) Ending Balance
<b>1 Construction Additions:</b>									
<b>2 Generation:</b>									
3	License Application	\$215,198	\$549,167	\$257,636	\$289,549	\$838,375	\$656,207	\$20,016,839	\$20,016,839
4	Real Estate Acquisitions	0	0	0	0	0	0	0	0
5	Project Management	1,867,130	1,864,763	2,858,281	3,438,732	3,606,277	1,689,365	21,154,166	31,339,070
6	Permanent Staff/Training	0	0	0	0	0	0	0	0
7	Site Preparation	0	0	0	0	0	0	0	0
8	Permitting	35,988	(2,534)	163,629	43,031	9,671	137,501	882,003	882,003
9	On-Site Construction Facilities	(227,415)	62,749	99,263	221,394	119,886	66,161	1,203,856	1,203,856
10	Power Block Engineering, Procurement, etc.	1,854,233	7,195,316	10,578,294	19,804,516	9,394,120	5,051,140	71,243,000	166,565,451
11	Non-Power Block Engineering, Procurement, etc.	463,056	308,444	182,324	1,251,708	222,658	498,828	3,640,540	4,091,067
12	Total System Generation Preconstruction Cost Additions (Note 1)	\$4,198,189	\$9,678,905	\$13,920,307	\$25,048,829	\$14,191,189	\$11,097,190	\$118,140,493	\$224,098,385
<b>13 Adjustments:</b>									
14	Non-Cash Accruals	\$4,712,042	(\$1,422,635)	\$2,898,044	(\$12,349,134)	\$5,117,938	(\$70,956)	\$8,462,846	(\$8,416,688)
15	Joint Owner Credit	(392,477)	(783,811)	(1,097,565)	(1,864,821)	(1,242,910)	(846,861)	(9,240,704)	(17,747,792)
16	Other	1,243,371	(1,267,339)	(3,469,227)	(7,582,366)	(3,076,961)	(2,816,135)	(22,076,306)	(22,876,405)
17	Adjusted System Generation Construction Cost Additions (Note 2)	\$9,851,125	\$6,225,320	\$12,232,560	\$3,282,819	\$14,889,257	\$7,364,236	\$93,266,129	\$174,345,500
18	Jurisdictional Factor	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
19	Jurisdictional Generation Construction Capital Additions	\$9,236,726	\$6,836,424	\$11,468,392	\$3,068,991	\$14,052,878	\$6,904,193	\$87,458,546	\$163,454,137
<b>20 Transmission:</b>									
21	Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Substation Engineering	0	0	0	0	0	0	0	0
23	Real Estate Acquisition	0	0	0	0	0	0	0	0
24	Line Construction	0	0	0	0	0	0	0	0
25	Substation Construction	0	0	0	0	0	0	0	0
26	Other	0	0	0	0	0	0	0	0
27	Total System Transmission Preconstruction Cost Additions (Note 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>28 Adjustments:</b>									
29	Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Joint Owner Credit	0	0	0	0	0	0	0	0
31	Other	0	0	0	0	0	0	0	0
32	Adjusted System Transmission Preconstruction Cost Additions (Note 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
34	Jurisdictional Transmission Construction Capital Additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Total Jurisdictional Construction Cost Additions (Lines 17 + 32)	\$9,236,726	\$6,836,424	\$11,468,392	\$3,068,991	\$14,052,878	\$6,904,193	\$87,458,546	\$163,454,137

Note 1: Lines 12 and 27 represent capital expenditures on an accrual basis, gross of joint owner billings and exclude AFUDC.

Note 2: Lines 17 and 32 represent capital expenditures on a cash basis, net of joint owner billings.