100001-EI

REDACTED

Exhibit B

REDACTED

COM ____
APA ____
ECR 1
GCL ____
RAD ____
SSC ____
ADM ____
OPC ____
CLK ____

REDACTED

Progress Energy Florida
Calculation of Estimated/Actual True-up
For the Year 2010

Contract Data:

	Name	Start Date	Expiration Date	Type	Purchase/Sale	MW	
1	Auburndale Power Partners, L.P. (AUBRDLFC)	Jan-95	Dec-13	QF	Purch	17.00	
2	Auburndale Power Partners, L.P. (AUBSET)	Aug-94	Dec-13	QF	Purch	114.18	
3	Lake County (LAKCOUNT)	Jan-95	Jun-14	QF	Purch	12.75	
4	Lake Cogen Limited (LAKORDER)	Jul-93	Jul-13	QF	Purch	110.00	
5	Metro-Dade County (METRDADE)	Nov-91	Nov-13	QF	Purch	43.00	
6	Orange Cogen (ORANGECO)	Jul-95	Dec-24	QF	Purch	74.00	
7	Orlando Cogen Limited (ORLACOGL)	Sep-93	Dec-23	QF	Purch	79.20	
8	Pasco County Resource Recovery (PASCOUNT)	Jan-95	Dec-24	QF	Purch	23.00	
9	Pinellas County Resource Recovery (PINCOUNT)	Jan-95	Dec-24	QF	Purch	54.75	
10	Polk Power Partners, L. P. (MULBERY/ROYSTER)	Aug-94	Aug-24	QF	Purch	115.00	
11	Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	Aug-94	Dec-23	QF	Purch	39.60	
12	UPS Purchase - Southern	Jul-88	May-10	Other	Purch	414.00	
13	Southern - Scherer	Jun-10	May-16	Other	Purch	74.00	
14	TECO Power Purchase	Mar-93	Feb-11	Other	Purch	70.00	
15	Southern - Franklin	Jun-10	May-16	Other	Purch	350.00	
16	Schedule H Capacity - New Smyrna Beach	Nov-85	see note (1)	Other	Sale	[redacted]	1
17	Schedule H Capacity - Reedy Creek Improvement District	Sep-89	see note (2)	Other	Sale	[redacted]	2
18	Chattahoochee	Jan-03	Dec-17	Other	Purch	[redacted]	3
19	FP&L	Jan-10	Jan-10	Other	Purch	500.00	
20	Vandolah (RRI) (3)	May-10	May-12	Other	Purch	see note (3)	
21	Shady Hills Tolling Agreement	Apr-07	Apr-24	Other	Purch	[redacted]	4
22	Indian River Tolling Agreement	Jul-10	Sep-10	Other	Purch	[redacted]	5

(1) The New Smyrna Beach (NSB) Schedule H contract is in effect until cancelled by either Progress Energy Florida or NSB upon 1 year's written notice.
(2) The Reedy Creek Improvement District Schedule H contract is 5 years with 1 year renewal increments.
[redacted] 6

Progress Energy Florida, Inc.
Risk Management Plan for
Fuel Procurement and Wholesale Power Purchases
For 2011

As required by Order No. PSC-02-1484-FOF-EI in Docket No. 011605-EI, Progress Energy Florida, Inc. (PEF) is submitting its 2011 Risk Management Plan for review by the Florida Public Service Commission. The Risk Management Plan includes the required items as outlined in Attachment A of Order No. PSC-02-1484-FOF-EI and specifically items 1 through 9, and items 13 through 15 as set forth in Exhibit TFB-4 to the prefiled testimony of Todd F. Bohrmann of Docket No. 011605-EI.

Several groups play key roles in the management, monitoring and analyzing of the activities outlined in PEF's Risk Management Plan. These groups include Fuels and Power Optimization (FPO), Enterprise Risk Management (ERM) which includes Corporate Credit and Risk Analytics and Reporting, Back Office, Accounting, Regulatory Contracts and Fuel Accounting, Financial Services, Audit Services, Legal and IT Development and Support. The activities supported by these groups include procuring competitive priced fuel, performing active asset optimization and portfolio management, executing PEF's hedging strategy, monitoring and reporting against established oversight limits for credit, hedging and procurement, performing credit evaluations and monitoring credit and default exposure, performing deal validation, volume actualization, preparing and reviewing transactions and contracts, preparing journal entries to account for fuel and power related activities, performing billing and payments under the various fuel and purchased power contracts, performing audits, and maintaining and supporting needed systems.

PEF's current fuel burn and economy purchase and sales activity projections for 2011 based on the July 2010 Fuels and Operation Forecast are as follows:

Coal

Based on current projections, PEF is forecasted to burn approximately [redacted] tons of coal in 2011. PEF's forecasted coal requirements for 2011will be purchased primarily under term coal supply agreements. The coal supply will be delivered to PEF's plants via railroad and barge transportation agreements. Spot purchases will be made as needed.

Heavy Oil
Based on current projections, PEF is forecasted to burn approximately [redacted] barrels of heavy oil in 2011. PEF's forecasted heavy oil requirements for 2010 will be purchased primarily under term supply agreements with flexible volume provisions at indexed market prices. Spot market purchases will be made as needed.

Light Oil
Based on current projections, PEF is forecasted to burn approximately [redacted] barrels of light oil in 2011. PEF's forecasted light fuel oil requirements for 2011 will be purchased under term supply agreements with flexible volume provisions at indexed market prices. Spot market purchases will be made as needed.

Natural Gas
Based on current projections, PEF is forecasted to burn approximately [redacted] of natural gas in 2011 that is comprised of approximately [redacted] at PEF's generating plants and [redacted] at gas tolling purchased power facilities where PEF has the responsibility to purchase the natural gas. Estimates of usage at gas tolling facilities are generated through the normal course of the production cost modeling process. A majority of PEF's forecasted natural gas requirements for 2011 will be purchased primarily under term supply agreements that are based on market index pricing. In addition, daily and monthly purchases of natural gas will be made as needed.

Economy Power Purchases and Sales
Based on current projections, PEF is forecasted to purchase approximately [redacted] of economy power and sell approximately [redacted] of economy power in 2011. PEF actively seeks to purchase and sell economy power and transmission as opportunities arise based on market prices, dispatch costs, and available transmission capacity.

Item 1. Identify the company's overall quantitative and qualitative Risk Management Plan Objectives.

PEF's overall Risk Management Plan Objectives for 2011 are to effectively manage its overall fuel and purchased power costs for its customers by engaging in competitive fuel procurement practices and activities, performing active asset optimization and portfolio management activities, and continuing to execute the company's hedging program which reduces the impacts of fuel price volatility.

Item 2. Identify the minimum quantity of fuel to be hedged for 2011 and the activities to be executed

Natural Gas:
PEF's hedging target ranges are [redacted] to [redacted] of its forecasted burns for calendar year 2011.The current expectation is for PEF to hedge approximately [redacted] of its forecasted natural gas burns for calendar year 2011. Hedging at the lower end of the range will allow PEF to monitor actual fuel burns, review updated fuel forecasts throughout the year and to make adjustments if needed to remain in the targeted range. The 2011 natural gas burn projections are estimates of natural gas burns at PEF's owned generation facilities and two gas tolling purchased power agreements where PEF has the responsibility for purchasing the natural gas for delivery to the facilities. The tolling power purchase facilities are Shady Hills and Vandolah. A gas tolling purchased power agreement is where the buyer has the right to all or a portion of the seller's generation resource at the facility via a contractual relationship. The natural gas volumes associated with tolling purchased power agreements are included in PEF's natural gas usage forecasts and the annual hedge targets for natural gas.

Light oil and Heavy Oil:
With respect to light oil forecasted to be burned at PEF's owned generation facilities for calendar year 2011, PEF will target to hedge a minimum of [redacted] of its forecasted light oil burns. With respect to heavy oil forecasted to be burned at PEF's owned generation facilities, PEF hedging targets are [redacted] to [redacted] of its forecasted burns for calendar year 2011. The current expectation is for PEF to hedge a minimum of [redacted] of its forecasted heavy oil burns for calendar year 2011. PEF is targeting to hedge a lower minimum percentage of forecasted light oil and heavy oil as light oil and heavy oil fuel burns can experience greater percentage deviations due to, but not limited to, economics, weather and load deviations, and purchase power opportunities. PEF will monitor actual light and heavy oil burns, review updated fuel forecasts throughout the year and make adjustments if needed to remain in the targeted range.

Coal rail and river transportation fuel surcharges:
With respect to coal river and rail transportation estimated fuel surcharges, for calendar year 2011, PEF will target to hedge between [redacted] to [redacted] of the estimated fuel surcharge exposure based on contractual provisions in the coal rail and river barge transportation agreements.

The target annual hedge percentage ranges are outlined in the Progress Energy Florida Fuels and Power Optimization Risk Management Guidelines, which are reviewed at least annually to ensure the Guidelines meet the Company's objectives, provide the needed oversight and independent checks

Attachment A

REDACTED

PEF Fuels & Power Optimization Risk Management Guidelines

(ERM-SUBS-00015)

(25 pages)

Attachment B

REDACTED

Regulated Fuels Hedging Portfolio
Total Default Exposure (MtM) by commodity

As of: 7/7/2010

Progress Energy Florida, Inc.
$ in millions

Commodity	
[redacted]	[redacted]
Fixed Price Physical	
Fixed Swaps	
Financial Options	
[redacted]	
Fixed Swaps No.6	
Financial Options No.6	
Fixed Swaps No.2	
Financial Options No.2	
[redacted]	
Fixed Priced	
Collar Priced	
Market Priced	
[redacted]	
PEF Total	

Notes

[redacted]

Attachment C

REDACTED

PEF Collateral Summary

(1 page)

Attachment E

REDACTED

Risk Management Committee Guidelines

(4 pages)

Attachment F

REDACTED

Fuels and Power Optimization Credit Risk Management Guidelines

(12 pages)