Progress Energy

RECEIVED-FPSC
12 AUG -1 PM 2:38
COMMISSION CLERK

August 1, 2012

VIA HAND DELIVERY

Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: *Fuel and purchased power cost recovery clause and Generating Performance Incentive Factor; Docket No. 120001-EI*

Dear Ms. Cole:

Please find enclosed on behalf of Progress Energy Florida, Inc. ("PEF") the original and fifteen (15) copies of the following:

DN 05216-12

- PEF's Petition regarding the Actual/Estimated True-up for the period January 2012 through December 2012;
- Direct Testimony of Marcia Olivier with Exhibit No. ___ (MO-1);
- PEF's 2013 Risk Management Plan; and

DN 05212-12

- PEF's Request for Confidential Classification for portions of Exhibit No. __ (MO-1) of the testimony of Marcia Olivier and certain information contained in PEF's Risk Management Plan, along with a package containing two (2) redacted copies of the confidential documents and a separate envelope labeled "Confidential" containing one (1) unredacted copy of the exhibits with the confidential information highlighted in yellow.

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-5184 should you have any questions.

Respectfully,

John T. Burnett LMR

John T. Burnett

COM 5
AFD 5
APA 1
ECO 1
ENG 1
GCL 1
IDM
TEL
CLK 1-Ct Rep

JTB/lmr
Attachments

cc: Parties of Record

DOCUMENT NUMBER-DATE
05216 AUG-1 12
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via regular U.S. mail (* via hand delivery) to the following this 1st day of August, 2012.

John T. Burnett LMR
Attorney

Martha Barrera, Esq. * Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 mbarrera@psc.state.fl.us	Beth Keating Gunster, Yoakley & Stewart, P.A. 215 S. Monroe St., Ste 618 Tallahassee, FL 32301 bkeating@gunster.com
James D. Beasley, Esq. Jeffry Wahlen, Esq. Ausley & McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com	J.R.Kelly/Charles Rehwinkel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, #812 Tallahassee, FL 32399 Kelly.jr@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us
John T. Butler, Esq. Florida Power & Light Co. 700 Universe Boulevard Juno Beach, FL 33408 John.butler@fpl.com	Tom Geoffroy Florida Public Utilities Company P.O. Box 3395 West Palm Beach, FL 33402-3395 tgeoffroy@cfgas.com
Ken Hoffman Florida Power & Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859 Ken.hoffman@fpl.com	James W. Brew, Esq. c/o Brickfield Law Firm 1025 Thomas Jefferson St., NW 8th Floor, West Tower Washington, DC 20007 jbrew@bbrslaw.com
Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs & Lane Law Firm P.O. Box 12950 Pensacola, FL 32591 jas@beggslane.com rab@beggslane.com srg@beggslane.com	Keefe Law Firm Vicki Gordon Kaufman/Jon C. Moyle, Jr. 118 North Gadsden Street Tallahassee, FL 32301 vkaufman@kagmlaw.com jmoyle@kagmlaw.com
Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com	Florida Retail Federation Robert Scheffel Wright/John T. LaVia, c/o Gardner, Bist, Wiener Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 schef@gbwlegal.com
Ms. Susan D. Ritenour Gulf Power Company One Energy Place Pensacola, FL 32520-0780 sdriteno@southernco.com	Capt. Samuel Miller c/o AFLSA/JACL-ULT 139 Barnes Drive, Suite 1 Tyndall AFB, FL 32403-5319 samuel.miller@tyndall.af.mil

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and purchased power cost recovery clause and Generating Performance Incentive Factor.	)))	Docket No. 120001-EI Filed: August 1, 2012

PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST RECOVERY ACTUAL/ESTIMATED TRUE-UP FOR THE PERIOD <u>JANUARY 2012 THROUGH DECEMBER 2012</u>

Progress Energy Florida, Inc. ("PEF") hereby petitions the Commission for approval of its actual/estimated Fuel and Purchased Power Cost Recovery True-up of $145,366,912 under-recovery, and approval of its actual/estimated Capacity Cost Recovery true-up of $10,485,622 under- recovery for the period January 2012 through December 2012. In support of this petition, PEF states the following:

1. By Order No. PSC-99-2512-FOF-EI, dated December 22, 1999, utilities are directed to file current year estimated true-up data at least 90 days prior to each annual Fuel and Capacity Cost Recovery hearing. The hearing in this docket is scheduled for November 5, 2012.

2. The actual/estimated under-recovery of $145,366,912 in the fuel cost recovery for the period January 2012 through December 2012 was calculated in accordance with the methodology set forth in Schedule 1, attached to Order 10093, dated June 19, 1981. It is based on actual data for the period January through June 2012 and re-estimated data for the period July through December 2012. The supporting documentation is contained in the prepared direct testimony and exhibit of PEF witness Marcia Olivier which is being filed together with this Petition.

3. PEF's total fuel under-recovery to be carried forward and included in the fuel factor for January through December 2013 is $145,366,912. This consists of the $55,996,082 over-recovery for 2012 reduced by the final true-up under-recovery of $201,362,994 for the period ending December 2011 that was filed on March 1, 2012.

4. The actual/estimated $10,485,622 capacity under-recovery for the period January through December 2012 was calculated in accordance with the methodology set forth in Order No. 25773 dated February 24, 1992. It is based on actual data for the period January through June 2012 and re-estimated data for the period July through December 2012. The supporting documentation is contained in the prepared direct testimony and exhibit of PEF witness Marcia Olivier.

5. PEF's net capacity under-recovery is $10,485,622. This consists of the $6,096,072 actual/estimated under-recovery for 2012 increased by the final true-up under-recovery of $4,389,550 for the period ending December 2011 that was filed on March 1, 2012. Also included is $85,951,036 of 2012 recoverable expenses associated with the nuclear projects approved in Order No.PSC-11-0547-FOF-EI.

WHEREFORE, Progress Energy Florida, Inc. respectfully requests the Commission to approve the $145,366,912 under-recovery as the actual/estimated fuel cost recovery true-up amount for the period January through December 2012 and to approve the $10,485,622 under-recovery as the actual/estimated capacity cost recovery true-up amount for the period January through December 2012.

Respectfully,

John T. Burnett LMR

R. ALEXANDER GLENN
General Counsel
JOHN T. BURNETT
Associate General Counsel
Progress Energy Service Company, LLC
Post Office Box 14042
St. Petersburg, Florida 33733-4042
Phone (727) 820-5587 / Fax: (727) 820-5249

Attorneys for
PROGRESS ENERGY FLORIDA, INC.

PROGRESS ENERGY FLORIDA

DOCKET NO. 120001-EI

Fuel and Capacity Cost Recovery
Estimated/Actual True-Up Amounts
January through December 2012

DIRECT TESTIMONY OF
MARCIA OLIVIER

August 1, 2012

Q. Please state your name and business address.

A. My name is Marcia Olivier. My business address is 299 1st Avenue North, St. Petersburg, Florida 33701.

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

A. I am employed by Progress Energy Service Company, LLC as the Supervisor of PEF Regulatory Planning Strategy.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present, for Commission approval, Progress Energy Florida's (PEF or the Company) estimated/actual fuel and capacity cost recovery true-up amounts for the period of January through December 2012.

Q. Do you have an exhibit to your testimony?

A. Yes. I have prepared Exhibit No.__ (MO-1), which is attached to my prepared testimony, consisting of two parts. Part 1 consists of Schedules E1-B through E9, which include the calculation of the 2012 estimated/actual fuel and purchased power true-up balance, and a schedule to support the capital structure components and cost rates relied upon to calculate the return requirements on all capital projects recovered through the fuel clause as required per Order No. PSC-12-0061-PCO-EI. Part 2 consists of Schedules E12-A through E12-C, which include the calculation of the 2012 estimated/actual capacity true-up balance. The calculations in my exhibit are based on actual data from January through June 2012 and estimated data from July through December 2012.

FUEL COST RECOVERY

Q. What is the amount of PEF's 2012 estimated fuel true-up balance and how was it developed?

A. PEF's estimated fuel true-up balance is an under-recovery of $145,366,912. The calculation begins with the actual under-recovered balance of $317,325,152 taken from Schedule A2, page 2 of 2, line 13, for the month of June 2012. This balance, less a projected over-recovery for the months of July through December 2012, comprise the estimated $145,366,912 under-recovered balance at year-end. The projected December 2012 true-up balance includes interest which is estimated from July through December 2012 based on the average of the beginning and ending commercial paper rate applied in June. That rate is 0.010% per month.

Q. How does the current fuel price forecast for July through December 2012 compare with the same period forecast used in the Company's 2012 projection filing approved in Order No.PSC-11-0579-FOF-EI?

A. Natural gas costs decreased by $1.19/mmbtu (18%), coal costs decreased by $.05/mmbtu (1%), heavy oil costs decreased by $.68/mmbtu (5%) and light oil decreased by $.44/mmbtu (2%).

Q. Have you made any adjustments to your estimated fuel costs for the period July through December 2012?

A. Yes, we made one adjustment to reduce fuel costs by $10,928,571 for Nuclear Electric Insurance Limited (NEIL) replacement power proceeds that PEF has received from NEIL. This adjustment is included on Schedule E1-B (sheet 2), line A5, in the December column.

Last year, PEF assumed that it would receive additional funds from NEIL in 2012 and PEF included an estimated amount of proceeds in its projection filing to reduce projected fuel costs. PEF has not received those projected funds in 2012 and PEF does not expect to receive any additional funds from NEIL in 2012 given that PEF expects to enter into mediation with NEIL in the fourth quarter of this year. Accordingly, PEF now assumes that it will receive further funds from NEIL sometime in 2013, and PEF will include an estimate of those funds in its 2013 projection filing to reduce projected fuel costs as it did last year.

Q. Does PEF expect to exceed the three-year rolling average gain on non-separated power sales in 2012?

A. No, PEF estimates the total gain on non-separated sales during 2012 will be $384,706, which does not exceed the three-year rolling average of $896,041.

CAPACITY COST RECOVERY

Q. What is the amount of PEF's 2012 estimated capacity true-up balance and how was it developed?

A. PEF's estimated capacity true-up balance is an under-recovery of $10,485,622. The estimated true-up calculation begins with the actual under-recovered balance of $11,914,476 for the month of June 2012. This balance plus the estimated July through December 2012 monthly true-up calculations comprise the estimated $10,485,622 under-recovered balance at year-end. The projected December 2012 true-up balance includes interest which is estimated from July through December 2012 based on the average of the beginning and ending commercial paper rate applied in June. That rate is .010% per month.

Q. What are the primary drivers of the estimated year-end 2012 capacity under-recovery?

A. The $10,485,622 under-recovery is primarily attributable to $1,567,550 of lower than projected capacity revenues, the 2011 final true-up under-recovery of $4,389,550, and higher projected retail jurisdictional capacity costs of $4,510,499.

Q. Has PEF included the costs approved in Order No. PSC 11-0547-FOF-EI

A. Yes, PEF has included $85,951,036 of 2012 recoverable expenses associated with the Levy and CR-3 Uprate projects approved in Order No. PSC 11-0547-FOF-EI.

Q. Does this conclude your testimony?

A. Yes.

Docket 120001-EI
Exhibit No. ____(MO-1)
Part 1

PROGRESS ENERGY FLORIDA

FUEL COST RECOVERY

ESTIMATED / ACTUAL TRUE-UP

JANUARY THROUGH DECEMBER 2012

CALCULATION OF ESTIMATED TRUE-UP
(6 MONTHS ACTUAL, 6 MONTHS ESTIMATED)
Progress Energy Florida
For the Period of January through December 2012

			JAN ACTUAL	FEB ACTUAL	MAR ACTUAL	APR ACTUAL	MAY ACTUAL	JUN ACTUAL	6 MONTH SUB-TOTAL
A	1	Fuel Cost of System Generation	$ 113,629,995	$ 104,776,815	$ 112,516,110	$ 120,647,828	$ 132,375,786	$ 135,652,337	$ 719,598,872
	2	Fuel Cost of Power Sold	(2,275,653)	(3,535,730)	(3,055,736)	(3,550,599)	(3,411,215)	(4,230,684)	(20,059,618)
	3	Fuel Cost of Purchased Power	6,347,196	4,383,223	14,816,554	12,467,362	14,867,278	10,363,076	63,264,688
	3a	Demand and Non-Fuel Cost of Purchased Power							-
	3b	Energy Payments to Qualified Facilities	15,476,728	12,589,025	13,377,966	14,013,369	16,763,902	16,429,228	88,650,219
	4	Energy Cost of Economy Purchases	717,993	245,257	383,160	504,791	2,619,526	2,076,208	6,546,935
	5	Adjustments to Fuel Cost	(873,300)	(1,651,656)	(945,422)	(1,001,760)	(828,442)	(903,010)	(6,203,590)
	6	TOTAL FUEL & NET POWER TRANSACTIONS (Sum of Lines A1 Through A5)	133,022,960	116,806,934	137,092,631	143,080,991	162,386,835	159,407,155	851,797,507
B	1	Jurisdictional KWH Sales	2,673,803	2,498,543	2,606,591	2,796,554	2,936,035	3,374,793	16,886,318
	2	Non-Jurisdictional KWH Sales	23,750	19,139	11,587	12,519	14,067	24,353	105,414
	3	TOTAL SALES (Lines B1 + B2)	2,697,553	2,517,682	2,618,178	2,809,072	2,950,102	3,399,146	16,991,733
	4	Jurisdictional % of Total Sales (Line B1/B3)	99.12%	99.24%	99.56%	99.55%	99.52%	99.28%	99.38%
C	1	Jurisdictional Fuel Recovery Revenue (Net of Revenue Taxes)	134,033,596	124,924,977	130,556,678	141,076,732	149,685,445	173,220,800	853,498,227
	1a	Adjustments to Fuel Revenue	-	-	-	-	-	-	-
	2	True-Up Provision	(10,263,267)	(10,263,267)	(10,263,267)	(10,263,267)	(10,263,267)	(10,263,267)	(61,579,602)
	2a	Incentive Provision	248,341	248,341	248,341	248,341	248,341	248,341	1,490,046
	3	FUEL REVENUE APPLICABLE TO PERIOD (Sum of Lines C1 Through C2a)	124,018,670	114,910,051	120,541,752	131,061,806	139,670,519	163,205,874	793,408,671
	4	Fuel & Net Power Transactions (Line A6)	133,022,960	116,806,934	137,092,631	143,080,991	162,386,835	159,407,155	851,797,507
	5	Jurisdictional Total Fuel Costs & Net Power Transactions (Line A6 * Line B4 * Line Loss Multiplier)	132,163,530	116,060,623	136,655,941	142,610,900	161,804,539	158,452,500	847,748,032
	6	Over/(Under) Recovery (Line 3 - Line 5)	(8,144,860)	(1,150,571)	(16,114,189)	(11,549,095)	(22,134,020)	4,753,374	(54,339,361)
	7	Interest Provision	(19,408)	(31,787)	(25,296)	(28,776)	(32,634)	(32,481)	(170,382)
	8	TOTAL ESTIMATED TRUE-UP FOR THE PERIOD	(8,164,268)	(1,182,358)	(16,139,485)	(11,577,871)	(22,166,655)	4,720,893	(54,509,743)
	9	Plus: Prior Period Balance	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)
	10	Plus: Cumulative True-Up Provision	10,263,267	20,526,534	30,789,801	41,053,068	51,316,335	61,579,602	61,579,602
	11	Subtotal Prior Period True-up	(314,258,930)	(303,995,663)	(293,732,396)	(283,469,129)	(273,205,862)	(262,942,595)	(262,942,595)
	12	Regulatory Accounting Adjustment	-	-	127,186	-	-	-	127,186
	13	TOTAL TRUE-UP BALANCE	($322,423,197)	(313,342,288)	($319,091,321)	($320,405,925)	($332,309,312)	($317,325,152)	(317,325,152)

Docket No. 120001-EI
Exhibit MO-1, Part 1
Schedule E1-B (Sheet 2)

CALCULATION OF ESTIMATED TRUE-UP
(6 MONTHS ACTUAL, 6 MONTHS ESTIMATED)
Progress Energy Florida
For the Period of January through December 2012

			JUL ESTIMATED	AUG ESTIMATED	SEPT ESTIMATED	OCT ESTIMATED	NOV ESTIMATED	DEC ESTIMATED	12 MONTH PERIOD
A	1	Fuel Cost of System Generation	$ 131,700,599	$ 132,257,655	$ 121,489,696	$ 111,141,122	$ 87,515,137	$ 98,256,685	$ 1,401,959,766
	2	Fuel Cost of Power Sold	(3,476,650)	(4,050,407)	(3,677,551)	(4,360,256)	(2,388,067)	(2,088,516)	(40,101,064)
	3	Fuel Cost of Purchased Power	28,808,464	30,127,624	24,545,617	21,267,512	13,708,416	8,723,986	190,446,307
	3a	Demand and Non-Fuel Cost of Purchased Power							0
	3b	Energy Payments to Qualified Facilities	14,184,021	14,185,046	13,572,173	11,732,938	13,364,810	15,284,982	170,974,188
	4	Energy Cost of Economy Purchases	891,055	968,670	787,965	704,151	642,551	543,939	11,085,266
	5	Adjustments to Fuel Cost	0	0	0	0	0	(10,928,571)	(17,132,161)
	6	TOTAL FUEL & NET POWER TRANSACTIONS (Sum of Lines A1 Through A5)	172,107,488	173,488,588	156,717,901	140,485,467	112,842,847	109,792,504	1,717,232,302
B	1	Jurisdictional KWH Sales	3,601,965	3,778,360	3,717,309	3,228,460	2,911,308	2,749,668	36,873,388
	2	Non-Jurisdictional KWH Sales	18,844	21,217	22,671	20,565	17,272	13,975	219,958
	3	TOTAL SALES (Lines B1 + B2)	3,620,809	3,799,577	3,739,980	3,249,025	2,928,580	2,763,643	37,093,347
	4	Jurisdictional % of Total Sales (Line B1/B3)	99.48%	99.44%	99.39%	99.37%	99.41%	99.49%	99.41%
C	1	Jurisdictional Fuel Recovery Revenue (Net of Revenue Taxes)	186,011,317	195,120,641	191,967,869	166,722,913	150,344,669	141,997,317	1,885,662,954
	1a	Adjustments to Fuel Revenue	-	-	-	-	-	-	-
	2	True-Up Provision	(10,263,267)	(10,263,267)	(10,263,267)	(10,263,267)	(10,263,267)	(10,263,265)	(123,159,202)
	2a	Incentive Provision	248,341	248,341	248,341	248,341	248,341	248,339	2,980,090
	3	FUEL REVENUE APPLICABLE TO PERIOD (Sum of Lines C1 Through C2a)	175,996,391	185,105,715	181,952,943	156,707,987	140,329,743	131,982,392	1,765,483,842
	4	Fuel & Net Power Transactions (Line A6)	172,107,488	173,488,588	156,717,901	140,485,467	112,842,847	109,792,504	1,717,232,302
	5	Jurisdictional Total Fuel Costs & Net Power Transactions (Line A6 * Line B4 * Line Loss Multiplier)	171,421,408	172,727,522	155,951,951	139,770,721	112,313,931	109,365,826	1,709,299,392
	6	Over/(Under) Recovery (Line 3 - Line 5)	4,574,983	12,378,193	26,000,992	16,937,266	28,015,813	22,616,564	56,184,450
	7	Interest Provision	(30,984)	(29,113)	(26,170)	(23,001)	(19,730)	(16,174)	(315,553)
	8	TOTAL ESTIMATED TRUE-UP FOR THE PERIOD	4,543,999	12,349,080	25,974,821	16,914,265	27,996,083	22,600,391	55,868,896
	9	Plus: Prior Period Balance	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)	(324,522,197)
	10	Plus: Cumulative True-Up Provision	71,842,869	82,106,136	92,369,403	102,632,670	112,895,937	123,159,202	123,159,202
	11	Subtotal Prior Period True-up	(252,679,328)	(242,416,061)	(232,152,794)	(221,889,527)	(211,626,260)	(201,362,995)	(201,362,995)
	12	Regulatory Accounting Adjustment	-	-	-	-	-	-	127,186
	13	TOTAL TRUE-UP BALANCE	($302,517,886)	($279,905,539)	($243,667,451)	($216,489,918)	($178,230,568)	($145,366,912)	(145,366,912)

COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR

Progress Energy Florida

January Through December 2012

		DOLLARS				MWH				c/KWH			
		ESTIMATED/ ACTUAL	ESTIMATED ORIGINAL	DIFFERENCE AMOUNT	DIFFERENCE %	ESTIMATED	ESTIMATED ORIGINAL	DIFFERENCE AMOUNT	DIFFERENCE %	ESTIMATED	ESTIMATED ORIGINAL	DIFFERENCE AMOUNT	DIFFERENCE %
1	Fuel Cost of System Net Generation (E3)	1,401,959,766	1,605,097,411	(203,137,646)	-13%	33,037,241	34,526,745	(1,489,504)	-4%	4.244	4.649	-0.405	-9%
2	Nuclear Fuel Disposal Costs	0	0	-	0%	0	0	-	0%	0.000	0.000	0.000	0%
3	Coal Car Investment	51,948	12,108	39,840	329%			-		0.000	0.000	0.000	
4	Adjustments to Fuel Cost (E2)	(17,184,109)	(118,285,714)	101,101,605	0%			-		0.000	0.000	0.000	
5	TOTAL COST OF GENERATED POWER	1,384,827,604	1,486,823,805	(101,996,201)	-7%	33,037,241	34,526,745	(1,489,504)	-4%	4.192	4.306	-0.115	-3%
6	Fuel Cost of Purchased Power	190,446,307	242,324,799	(51,878,492)	-21%	4,046,772	3,979,414	69,358	2%	4.704	6.089	-1.386	-23%
	(Exclusive of Economy) (E7)			-				-		0.000	0.000	0.000	
7	Energy Cost of Sched C & X Econ Purch (Broker) (E9)									0.000	0.000	0.000	
8	Energy Cost of Other Econ Purch (Non-Broker) (E9)	11,085,266	14,547,829	(3,462,563)	-24%	214,882	262,834	(47,952)	-18%	5.159	5.535	-0.376	
9	Energy Cost of Sched E Economy Purchases (E9)			-				-		0.000	0.000	0.000	
10	Capacity Cost of Sched E Economy Purchases			-				-		0.000	0.000	0.000	
11	Energy Payments to Qualifying Facilities (E8)	170,974,188	184,587,542	(13,613,354)	-7%	3,822,548	3,804,882	17,666	0%	4.473	4.851	-0.379	-8%
12	TOTAL COST OF PURCHASED POWER	372,505,762	441,460,170	(68,954,408)	-16%	8,086,202	8,047,130	39,072	0%	4.607	5.486	-0.879	-16%
13	TOTAL AVAILABLE MWH (LINE 5 + LINE 12)			-		41,123,443	42,573,875	(1,450,432)	-3%	0.000	0.000	0.000	
14	Fuel Cost of Economy Sales (E6)	(2,685,112)	(2,314,799)	(370,313)	16%	(86,119)	(58,457)	(27,662)	47%	3.118	3.960	-0.842	-21%
15	Gain on Economy Sales (E6)	(384,706)	(254,628)	(130,078)	51%	(86,119)	(58,457)	(27,662)	47%	0.447	0.436	0.011	3%
16	Fuel Cost of Unit Power Sales (E6)			-				-		0.000	0.000	0.000	
17	Fuel Cost of Other Power Sales	(37,031,247)	(101,826,174)	64,794,928	-64%	(1,276,696)	(2,173,200)	896,504	-41%	2.901	4.686	-1.785	-38%
18	TOTAL FUEL COST AND GAINS OF POWER SALES	(40,101,064)	(104,395,601)	64,294,537	-62%	(1,362,815)	(2,231,657)	868,842	-39%	2.943	4.678	-1.735	-37%
	(LINES 14 + 15 + 16 + 17)			-				-		0.000	0.000	0.000	
19	Net Inadvertent Interchange			-				-		0.000	0.000	0.000	
20	TOTAL FUEL & NET POWER TRANSACTIONS	1,717,232,302	1,823,888,374	(106,656,072)	-6%	39,760,628	40,342,218	(581,590)	-1%	4.319	4.521	-0.202	-4%
	(LINES 5 + 12 + 18 + 19)							-		0.000	0.000	0.000	
21	Net Unbilled Sales					(158,498)	(5,824)	(152,674)	2621%	0.000	0.000	0.000	
22	Company Use					(144,000)	(144,000)	-	0%	0.000	0.000	0.000	
23	T & D Losses					(2,364,783)	(2,406,109)	41,326	-2%	0.000	0.000	0.000	
24	SYSTEM KWH SALES	1,717,232,302	1,823,888,374	(106,656,072)	-6%	37,093,347	37,786,285	(692,938)	-2%	4.629	4.827	-0.197	-4%
25	Wholesale KWH Sales	(10,165,842)	(42,014,672)	31,848,830	-76%	(219,958)	(873,034)	653,076	-75%	4.622	4.812	-0.191	-4%
26	Jurisdictional KWH Sales	1,707,066,459	1,781,873,702	(74,807,243)	-4%	36,873,388	36,913,251	(39,863)	0%	4.630	4.827	-0.198	-4%
26a	Jurisdictional Loss Multiplier	1.00122	1.00236	(0)	0%	1.00122	1.00236	(0)	0%			0.000	
27	Jurisdictional KWH Sales Adjusted for Line Losses	1,709,299,391	1,786,078,923	(76,779,532)	-4%	36,873,388	36,913,251	(39,863)	0%	4.636	4.839	-0.203	-4%
28	TRUE-UP **	123,159,202	123,159,202	-	0%	36,873,388	36,913,251	(39,863)	0%	0.334	0.334	0.000	0%
29	TOTAL JURISDICTIONAL FUEL COST	2,033,821,588	1,909,238,125	124,583,463	7%	36,873,388	36,913,251	(39,863)	0%	5.516	5.172	0.343	7%
30	Revenue Tax Factor	1,464,352	1,374,651	89,700	7%			-				0.000	
31	Fuel Factor Adjusted for Taxes	2,035,285,939	1,910,612,776	124,673,163	7%	36,873,388	36,913,251	(39,863)	0%	5.520	5.176	0.344	7%
32	GPIF **	(2,980,090)	(2,980,090)	-	0%	36,873,388	36,913,251	(39,863)	0%	(0.008)	(0.008)	0.000	0%
33	Fuel Factor Adjusted for Taxes Including GPIF	2,032,305,849	1,907,632,686	124,673,163	7%	36,873,388	36,913,251	(39,863)	0%	5.512	5.168	0.344	7%
34	FUEL FACTOR ROUNDED TO NEAREST .001 c/KWH									5.512	5.168	0.344	7%

* Included for Informational Purposes Only

** Calculation Based on Jurisdictional KWH Sales

Docket No. 120001-EI
Exhibit MO-1, Part 1
Schedule E2

Progress Energy Florida
Fuel and Purchased Power Cost Recovery Clause
Estimated for the Period of : January through December 2012

			Actual Jan-12	Actual Feb-12	Actual Mar-12	Actual Apr-12	Actual May-12	Actual Jun-12	Estimated Jul-12	Estimated Aug-12	Estimated Sep-12	Estimated Oct-12	Estimated Nov-12	Estimated Dec-12	TOTAL
1	Fuel Cost of System Net Generation		$113,629,995	$104,776,815	$112,518,110	$120,647,828	$132,375,786	$135,652,337	$131,700,599	$132,257,655	$121,489,696	$111,141,122	$87,515,137	$96,256,685	$1,401,959,766
1a	Nuclear Fuel Disposal Cost		0	0	0	0	0	0	0	0	0	0	0	0	0
1b	Adjustments to Fuel Cost		(873,300)	(1,651,656)	(945,422)	(1,001,760)	(828,442)	(903,010)	0	0	0	0	0	(10,928,571)	(17,132,161)
2	Fuel Cost of Power Sold		(107,715)	(103,959)	(78,045)	(284,621)	(96,710)	(94,760)	(144,359)	(503,842)	(44,337)	(1,026,405)	(122,176)	(76,183)	(2,685,112)
2a	Gains on Power Sales		(33,124)	11,986	(19,204)	(35,515)	(30,422)	(29,177)	(16,768)	(65,500)	(5,764)	(133,433)	(15,883)	(9,904)	(384,706)
2b	Fuel Cost of Stratified Sales		(2,134,815)	(3,443,758)	(2,958,487)	(3,230,463)	(3,282,082)	(4,106,748)	(3,313,525)	(3,481,065)	(3,627,450)	(3,200,418)	(2,250,008)	(2,002,429)	(37,031,247)
3	Fuel Cost of Purchased Power (Excl Economy)		6,347,196	4,383,223	14,816,554	12,467,362	14,867,278	10,383,076	26,608,464	30,127,624	24,545,617	21,267,512	13,708,416	8,723,986	190,446,307
3a	Energy Payments to Qualifying Facilities		15,476,728	12,589,025	13,377,966	14,013,369	16,763,902	16,429,228	14,184,021	14,185,046	13,572,173	11,732,938	13,364,810	15,284,982	170,974,188
4	Energy Cost of Economy Purchases		717,993	245,257	383,160	504,791	2,619,526	2,076,208	891,055	968,670	787,965	704,151	642,551	543,939	11,065,266
5	Total System Fuel & Net Power Transactions		$133,022,960	$116,806,934	$137,092,631	$143,080,991	$162,386,835	$159,407,155	$172,107,488	$173,468,566	$156,717,901	$140,485,467	$112,842,847	$109,792,504	$1,717,232,302
6	Jurisdictional MWH Sold		2,673,803	2,498,543	2,606,591	2,796,554	2,936,035	3,374,793	3,601,965	3,776,360	3,717,309	3,228,460	2,911,308	2,749,668	36,873,386
7	Jurisdictional % of Total Sales		99.12%	99.24%	99.56%	99.55%	99.52%	99.28%	99.48%	99.44%	99.39%	99.37%	99.41%	99.49%	99.41%
8	Jurisdicitonal Fuel & Net Power Transactions		131,852,358	115,919,201	136,489,424	142,437,127	161,607,378	156,259,423	171,212,529	172,517,051	155,761,922	139,600,409	112,177,075	109,232,563	1,707,066,459
9	Jurisdictional Loss Multiplier		1.00236	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122
10	Jurisdictional Fuel & Net Power Transactions		132,163,530	116,060,623	136,655,941	142,610,900	161,804,539	156,452,500	171,421,408	172,727,522	155,951,951	139,770,721	112,313,931	109,365,826	1,709,299,392
11	Adjusted System Sales	MWH	2,697,553	2,517,662	2,616,178	2,809,072	2,950,102	3,399,146	3,620,809	3,799,577	3,739,980	3,249,025	2,928,580	2,763,643	37,093,347
12	System Cost per KWH Sold	c/kwh	4.9312	4.6395	5.2362	5.0936	5.5044	4.6897	4.7533	4.5660	4.1903	4.3239	3.8532	3.9727	4.6295
13	Jurisdictional Loss Multiplier	x	1.00236	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122	1.00122
14	Jurisdictional Cost per KWH Sold	c/kwh	4.9429	4.6451	5.2427	5.0995	5.5110	4.6952	4.7591	4.5715	4.1953	4.3293	3.8579	3.9774	4.6356
15	Prior Period True-Up	+	1.0114	1.0824	1.0375	0.9670	0.9211	0.8013	0.7508	0.7156	0.7275	0.8377	0.9289	0.9835	0.8801
16	Total Jurisdictional Fuel Expense	c/kwh	5.9543	5.7275	6.2802	6.0666	6.4321	5.4965	5.5099	5.2872	4.9228	5.1670	4.7868	4.9609	5.5157
17	Revenue Tax Multiplier	x	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072
18	Recovery Factor Adjusted for Taxes	c/kwh	5.9586	5.7316	6.2847	6.0709	6.4367	5.5005	5.5139	5.2910	4.9263	5.1707	4.7902	4.9645	5.5197
19	GPIF	+	-0.0093	-0.0098	-0.0095	-0.0089	-0.0085	-0.0074	-0.0069	-0.0066	-0.0067	-0.0077	-0.0085	-0.0090	-0.0081
20	Total Recovery Factor (rounded .001)	c/kwh	5.949	5.722	6.275	6.062	6.428	5.493	5.507	5.284	4.920	5.163	4.782	4.955	5.512

Progress Energy Florida
Generating System Comparative Data by Fuel Type
Estimated for the Period of : January through December 2012

			Act	Act	Act	Act	Act	Act	
			Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Subtotal
	FUEL COST OF SYSTEM NET GENERATION ($)								
1	HEAVY OIL		876,206	9,328	298,629	566,560	742,586	13,254	2,506,564
2	LIGHT OIL		1,352,544	1,763,754	1,483,959	1,564,890	1,179,939	1,763,155	9,108,242
3	COAL		23,269,641	29,359,063	39,374,654	41,090,878	40,989,444	39,171,368	213,255,048
4	GAS		88,131,604	73,644,670	71,358,867	77,425,499	89,463,817	94,704,561	494,729,018
5	NUCLEAR		0	0	0	0	0	0	0
6	OTHER		0	0	0	0	0	0	0
7	TOTAL	$	113,629,995	104,776,815	112,516,110	120,647,828	132,375,786	135,652,337	719,598,872
	SYSTEM NET GENERATION (MWH)								
8	HEAVY OIL		5,697	76	2,123	3,988	4,952	98	16,935
9	LIGHT OIL		5,861	7,280	6,089	6,536	5,083	7,124	37,973
10	COAL		533,270	675,142	926,119	982,317	1,025,755	946,413	5,089,017
11	GAS		2,113,720	1,753,912	1,568,526	1,581,154	1,994,469	2,119,124	11,130,903
12	NUCLEAR		0	0	0	0	0	0	0
13	OTHER		0	0	0	0	0	0	0
14	TOTAL	MWH	2,658,548	2,436,410	2,502,858	2,573,996	3,030,258	3,072,759	16,274,828
	UNITS OF FUEL BURNED								
15	HEAVY OIL	BBL	11,245	172	3,762	7,332	9,815	191	32,517
16	LIGHT OIL	BBL	12,305	15,849	13,090	14,240	10,499	15,683	81,666
17	COAL	TON	244,490	309,909	417,107	433,696	447,389	442,379	2,294,970
18	GAS	MCF	15,705,482	13,384,978	13,473,170	13,320,532	15,670,368	16,346,179	87,900,709
19	NUCLEAR	MMBTU	0	0	0	0	0	0	0
20	OTHER	BBL	0	0	0	0	0	0	0
	BTUS BURNED (MMBTU)								
21	HEAVY OIL		71,748	1,130	24,024	46,723	62,624	1,247	207,496
22	LIGHT OIL		71,417	91,864	76,076	82,297	60,786	90,644	473,083
23	COAL		5,817,562	7,338,301	9,790,143	10,221,252	10,612,910	10,285,434	54,065,602
24	GAS		15,901,756	13,551,004	13,635,927	13,520,074	15,851,142	16,564,166	89,024,070
25	NUCLEAR		0	0	0	0	0	0	0
26	OTHER		0	0	0	0	0	0	0
27	TOTAL	MMBTU	21,862,483	20,982,299	23,526,171	23,870,346	26,587,462	26,941,491	143,770,252
	GENERATION MIX (% MWH)								
28	HEAVY OIL		0.21%	0.00%	0.09%	0.16%	0.16%	0.00%	0.10%
29	LIGHT OIL		0.22%	0.30%	0.24%	0.25%	0.17%	0.23%	0.23%
30	COAL		20.06%	27.71%	37.00%	38.16%	33.85%	30.80%	31.27%
31	GAS		79.51%	71.99%	62.67%	61.43%	65.82%	68.97%	68.39%
32	NUCLEAR		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
33	OTHER		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
34	TOTAL	%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	FUEL COST PER UNIT								
35	HEAVY OIL	$/BBL	77.92	54.23	79.38	77.27	75.66	69.39	77.08
36	LIGHT OIL	$/BBL	109.92	111.28	113.37	109.89	112.39	112.42	111.53
37	COAL	$/TON	95.18	94.73	94.40	94.75	91.62	88.55	92.92
38	GAS	$/MCF	5.61	5.50	5.30	5.81	5.71	5.79	5.63
39	NUCLEAR	$/MMBTU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
40	OTHER	$/BBL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	FUEL COST PER MMBTU ($/MMBTU)								
41	HEAVY OIL		12.21	8.26	12.43	12.13	11.86	10.63	12.08
42	LIGHT OIL		18.94	19.20	19.51	19.02	19.41	19.45	19.25
43	COAL		4.00	4.00	4.02	4.02	3.86	3.81	3.94
44	GAS		5.54	5.44	5.23	5.73	5.64	5.72	5.56
45	NUCLEAR		0.00	0.00	0.00	0.00	0.00	0.00	0.00
46	OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00
47	TOTAL	$/MMBTU	5.20	4.99	4.78	5.05	4.98	5.04	5.01
	BTU BURNED PER KWH (BTU/KWH)								
48	HEAVY OIL		12,594	14,785	11,315	11,715	12,646	12,736	12,253
49	LIGHT OIL		12,185	12,618	12,493	12,591	11,959	12,724	12,458
50	COAL		10,909	10,869	10,571	10,405	10,346	10,868	10,624
51	GAS		7,523	7,726	8,693	8,551	7,948	7,817	7,998
52	NUCLEAR		0	0	0	0	0	0	0
53	OTHER		0	0	0	0	0	0	0
54	TOTAL	BTU/KWH	8,223	8,612	9,400	9,274	8,774	8,768	8,834
	GENERATED FUEL COST PER KWH (C/KWH)								
55	HEAVY OIL		15.38	12.21	14.06	14.21	14.99	13.54	14.80
56	LIGHT OIL		23.08	24.23	24.37	23.94	23.21	24.75	23.99
57	COAL		4.36	4.35	4.25	4.18	4.00	4.14	4.19
58	GAS		4.17	4.20	4.55	4.90	4.49	4.47	4.44
59	NUCLEAR		0.00	0.00	0.00	0.00	0.00	0.00	0.00
60	OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00
61	TOTAL	C/KWH	4.27	4.30	4.50	4.69	4.37	4.41	4.42

Progress Energy Florida
Generating System Comparative Data by Fuel Type
Estimated for the Period of : January through December 2012

			Est	Est	Est	Est	Est	Est	
			Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total
	FUEL COST OF SYSTEM NET GENERATION ($)								
1	HEAVY OIL		542,686	859,877	372,470	262,235	123,408	114,125	4,781,365
2	LIGHT OIL		2,484,042	3,041,978	1,514,725	1,552,762	868,152	1,141,006	19,710,906
3	COAL		36,079,652	35,127,268	30,581,723	28,095,877	20,408,037	24,683,308	388,230,913
4	GAS		92,594,219	93,228,532	89,020,778	81,230,248	66,115,540	72,318,246	989,236,581
5	NUCLEAR		0	0	0	0	0	0	0
6	OTHER		0	0	0	0	0	0	0
7	TOTAL	$	131,700,599	132,257,655	121,489,696	111,141,122	87,515,137	98,256,685	1,401,959,766
	SYSTEM NET GENERATION (MWH)								
8	HEAVY OIL		3,909	5,922	2,510	1,739	838	730	32,583
9	LIGHT OIL		5,568	6,855	3,017	1,982	749	1,071	57,215
10	COAL		901,215	875,466	780,784	721,126	518,524	685,985	9,572,117
11	GAS		2,276,660	2,324,240	2,137,778	1,936,108	1,732,356	1,837,281	23,375,326
12	NUCLEAR		0	0	0	0	0	0	0
13	OTHER		0	0	0	0	0	0	0
14	TOTAL	MWH	3,187,352	3,212,483	2,924,089	2,660,955	2,252,467	2,525,067	33,037,241
	UNITS OF FUEL BURNED								
15	HEAVY OIL	BBL	6,917	10,965	4,751	3,346	1,575	1,457	61,528
16	LIGHT OIL	BBL	19,436	24,017	11,433	11,505	6,129	8,210	162,396
17	COAL	TON	405,845	394,616	353,300	326,314	226,011	298,820	4,299,876
18	GAS	MCF	17,638,781	18,125,245	16,478,725	14,905,887	13,185,708	13,833,270	182,068,325
19	NUCLEAR	MMBTU	0	0	0	0	0	0	0
20	OTHER	BBL	0	0	0	0	0	0	0
	BTUS BURNED (MMBTU)								
21	HEAVY OIL		45,322	71,842	31,130	21,926	10,321	9,547	397,584
22	LIGHT OIL		112,646	139,207	66,270	66,681	35,527	47,588	941,002
23	COAL		9,669,674	9,413,601	8,396,840	7,756,469	5,415,911	7,054,419	101,772,516
24	GAS		17,638,781	18,125,245	16,478,725	14,905,887	13,185,708	13,833,270	183,191,686
25	NUCLEAR		0	0	0	0	0	0	0
26	OTHER		0	0	0	0	0	0	0
27	TOTAL	MMBTU	27,466,423	27,749,895	24,972,965	22,750,963	18,647,467	20,944,824	286,302,789
	GENERATION MIX (% MWH)								
28	HEAVY OIL		0.12%	0.18%	0.09%	0.07%	0.04%	0.03%	0.10%
29	LIGHT OIL		0.18%	0.21%	0.10%	0.07%	0.03%	0.04%	0.17%
30	COAL		28.28%	27.25%	26.70%	27.10%	23.02%	27.17%	28.97%
31	GAS		71.43%	72.35%	73.11%	72.76%	76.91%	72.76%	70.75%
32	NUCLEAR		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
33	OTHER		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
34	TOTAL	%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	FUEL COST PER UNIT								
35	HEAVY OIL	$/BBL	78.46	78.42	78.40	78.37	78.35	78.33	77.71
36	LIGHT OIL	$/BBL	127.81	126.66	132.49	134.96	141.65	138.98	121.38
37	COAL	$/TON	88.90	89.02	86.56	86.10	90.30	82.60	90.29
38	GAS	$/MCF	5.25	5.14	5.40	5.45	5.01	5.23	5.43
39	NUCLEAR	$/MMBTU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
40	OTHER	$/BBL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	FUEL COST PER MMBTU ($/MMBTU)								
41	HEAVY OIL		11.97	11.97	11.97	11.96	11.96	11.95	12.03
42	LIGHT OIL		22.05	21.85	22.86	23.29	24.44	23.98	20.95
43	COAL		3.73	3.73	3.64	3.62	3.77	3.50	3.82
44	GAS		5.25	5.14	5.40	5.45	5.01	5.23	5.40
45	NUCLEAR		0.00	0.00	0.00	0.00	0.00	0.00	0.00
46	OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00
47	TOTAL	$/MMBTU	4.80	4.77	4.87	4.89	4.69	4.69	4.90
	BTU BURNED PER KWH (BTU/KWH)								
48	HEAVY OIL		11,594	12,131	12,402	12,608	12,316	13,078	12,202
49	LIGHT OIL		20,231	20,307	21,966	33,643	47,433	44,433	16,447
50	COAL		10,730	10,753	10,754	10,756	10,445	10,284	10,632
51	GAS		7,748	7,798	7,708	7,699	7,611	7,529	7,837
52	NUCLEAR		0	0	0	0	0	0	0
53	OTHER		0	0	0	0	0	0	0
54	TOTAL	BTU/KWH	8,617	8,638	8,540	8,550	8,279	8,295	8,666
	GENERATED FUEL COST PER KWH (C/KWH)								
55	HEAVY OIL		13.88	14.52	14.84	15.08	14.73	15.63	14.67
56	LIGHT OIL		44.61	44.38	50.21	78.34	115.91	106.54	34.45
57	COAL		4.00	4.01	3.92	3.90	3.94	3.60	4.06
58	GAS		4.07	4.01	4.16	4.20	3.82	3.94	4.23
59	NUCLEAR		0.00	0.00	0.00	0.00	0.00	0.00	0.00
60	OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00
61	TOTAL	C/KWH	4.13	4.12	4.15	4.18	3.89	3.89	4.24

Progress Energy Florida
System Net Generation and Fuel Cost
Estimated for the Month of: Jul-12

	(A) PLANT/UNIT		(B) NET CAPACITY (MW)	(C) NET GENERATION (MWH)	(D) CAPACITY FACTOR (%)	(E) EQUIV AVAIL FACTOR (%)	(F) OUTPUT FACTOR (%)	(G) AVG. NET HEAT RATE (BTU/KWH)	(H) FUEL TYPE	(I) FUEL BURNED (UNITS)	(J) FUEL HEAT VALUE (BTU/UNIT)	(K) FUEL BURNED (MMBTU)	(L) AS BURNED FUEL COST ($)	(M) FUEL COST PER KWH (C/KWH)
1	CRYS RIV NUC	3	789	0	0	0.00	0	0	NUCLEAR	0 MMBTU		0	0	0.00
2	CRYSTAL RIVER	1	375	111,115	39.8	91.76	42.1	11,056	COAL	49,249 TONS	24.94	1,228,455	5,625,760	5.06
3	CRYSTAL RIVER	2	494	148,147	40.3	91.93	42.7	10,850	COAL	64,440 TONS	24.94	1,607,399	7,361,148	4.97
4	CRYSTAL RIVER	4	722	320,671	59.7	90.87	63.8	10,528	COAL	144,325 TONS	23.39	3,375,910	11,408,031	3.56
5	CRYSTAL RIVER	5	700	321,282	61.7	96.35	62.7	10,763	COAL	147,831 TONS	23.39	3,457,910	11,684,713	3.64
6	ANCLOTE	1	501	299	1.1	90.81	29.5	12,759	HEAVY OIL	582 BBLS	6.55	3,815	45,681	15.28
7	ANCLOTE	2	510	3,610	27.1	93.66	28.2	11,498	HEAVY OIL	6,335 BBLS	6.55	41,507	497,005	13.77
8	SUWANNEE	1	30	0	0.0	94.84	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
9	SUWANNEE	2	30	0	0.0	93.23	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
10	SUWANNEE	3	71	0	0.0	95.16	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
11	ANCLOTE	1	501	3,696	1.1	0.00	29.5	12,773	GAS	47,208 MCF	1.00	47,208	571,106	15.45
12	ANCLOTE	2	510	99,093	27.1	0.00	28.2	11,498	GAS	1,139,407 MCF	1.00	1,139,407	5,290,498	5.34
13	AVON PARK	1-2	49	475	1.3	85.16	49.9	15,783	GAS	7,497 MCF	1.00	7,497	50,468	10.62
14	BARTOW	1-4	177	3,330	2.5	93.15	23.7	14,079	GAS	46,883 MCF	1.00	46,883	256,803	7.71
15	BARTOW CC	1	1,159	657,781	76.3	92.30	82.4	7,338	GAS	4,826,944 MCF	1.00	4,826,944	25,917,903	3.94
16	DEBARY	1-10	645	14,793	3.2	96.00	10.3	13,112	GAS	193,964 MCF	1.00	193,964	1,018,857	6.89
17	HIGGINS	1-4	113	2,338	2.8	88.95	23.8	15,485	GAS	36,205 MCF	1.00	36,205	192,591	8.24
18	HINES CC	1-4	1,912	1,226,725	86.2	93.34	22.7	7,114	GAS	8,726,509 MCF	1.00	8,726,509	45,840,478	3.74
19	INT CITY	1-14	987	58,198	8.3	89.75	7.3	12,763	GAS	742,781 MCF	1.00	742,781	3,760,696	6.46
20	SUWANNEE	1	52	13,082	33.8	93.87	46.8	13,031	GAS	170,478 MCF	1.00	170,478	893,276	6.83
21	SUWANNEE	2	50	13,165	35.4	97.42	37.9	12,167	GAS	160,183 MCF	1.00	160,183	812,643	6.17
22	SUWANNEE	3	51	33,078	87.2	98.39	91.6	11,422	GAS	377,822 MCF	1.00	377,822	1,789,209	5.41
23	TIGER BAY CC	1	204	119,262	78.6	90.32	95.1	7,283	GAS	868,538 MCF	1.00	868,538	4,566,276	3.83
24	UNIV OF FLA. CC	1	46	31,644	92.5	94.52	97.9	9,302	GAS	294,362 MCF	1.00	294,362	1,633,415	5.16
25	AVON PARK	1-2	49	14	1.3	85.16	998.0	17,286	LIGHT OIL	42 BBLS	5.76	242	5,527	39.48
26	BARTOW	1-4	177	23	2.5	93.15	1894.4	15,391	LIGHT OIL	61 BBLS	5.80	354	7,656	33.29
27	BAYBORO	1-4	174	835	0.6	94.03	18.5	14,630	LIGHT OIL	2,109 BBLS	5.79	12,216	278,905	33.40
28	DEBARY	1-10	645	660	3.2	96.00	114.1	14,535	LIGHT OIL	1,655 BBLS	5.80	9,593	222,280	33.68
29	HIGGINS	1-4	113	0	0.0	88.95	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
30	OTHER		0	0	0.0	0.00	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
31	INT CITY	1-14	987	2,454	8.3	89.75	77.8	14,981	LIGHT OIL	6,342 BBLS	5.80	36,763	836,628	34.09
32	RIO PINAR	1	12	0	0.0	98.06	0.0	0	LIGHT OIL	0 BBLS		0	224	0.00
33	SUWANNEE	1-3	153	853	0.7	96.56	3.9	13,712	LIGHT OIL	2,018 BBLS	5.80	11,696	251,956	29.54
34	TURNER	1-4	149	38	0.0	94.84	0.0	16,711	LIGHT OIL	110 BBLS	5.77	635	16,343	43.01
35	OTHER - START UP		-	691	-	0.00	0.0	59,547	LIGHT OIL	7,099 BBLS	5.80	41,147	864,523	125.11
36	TOTAL			3,187,352								27,466,423	131,700,599	4.13

Progress Energy Florida
System Net Generation and Fuel Cost
Estimated for the Month of: Aug-12

(A)		(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT		NET CAPACITY (MW)	NET GENERATION (MWH)	CAPACITY FACTOR (%)	EQUIV AVAIL FACTOR (%)	OUTPUT FACTOR (%)	AVG. NET HEAT RATE (BTU/KWH)	FUEL TYPE	FUEL BURNED (UNITS)	FUEL HEAT VALUE (BTU/UNIT)	FUEL BURNED (MMBTU)	AS BURNED FUEL COST ($)	FUEL COST PER KWH (C/KWH)
1 CRYS RIV NUC	3	789	0	0	0.00	0	0	NUCLEAR	0 MMBTU		0	0	0.00
2 CRYSTAL RIVER	1	375	109,335	39.2	94.33	40.6	11,099	COAL	48,575 TONS	24.98	1,213,457	5,529,002	5.06
3 CRYSTAL RIVER	2	494	149,972	40.8	93.36	42.5	10,857	COAL	65,180 TONS	24.98	1,628,273	7,419,072	4.95
4 CRYSTAL RIVER	4	722	310,796	57.9	89.93	62.8	10,554	COAL	140,183 TONS	23.40	3,280,139	11,070,065	3.56
5 CRYSTAL RIVER	5	700	305,363	58.6	92.37	62.1	10,780	COAL	140,678 TONS	23.40	3,291,732	11,109,129	3.64
6 ANCLOTE	1	501	4,260	26.2	89.71	28.0	12,399	HEAVY OIL	8,062 BBLS	6.55	52,819	632,191	14.84
7 ANCLOTE	2	510	1,662	3.1	95.73	33.4	11,446	HEAVY OIL	2,903 BBLS	6.55	19,023	227,686	13.70
8 SUWANNEE	1	30	0	0.0	94.52	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
9 SUWANNEE	2	30	0	0.0	93.55	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
10 SUWANNEE	3	71	0	0.0	95.48	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
11 ANCLOTE	1	501	93,255	26.2	0.00	28.0	12,399	GAS	1,156,251 MCF	1.00	1,156,251	5,269,634	5.65
12 ANCLOTE	2	510	10,268	3.1	0.00	33.4	11,447	GAS	117,541 MCF	1.00	117,541	865,504	8.43
13 AVON PARK	1-2	49	607	1.7	84.52	50.4	15,792	GAS	9,586 MCF	1.00	9,586	58,719	9.67
14 BARTOW	1-4	177	4,285	3.3	92.98	23.8	14,056	GAS	60,228 MCF	1.00	60,228	309,590	7.22
15 BARTOW CC	1	1,159	674,315	78.2	94.47	82.4	7,341	GAS	4,950,079 MCF	1.00	4,950,079	26,049,153	3.86
16 DEBARY	1-10	645	17,420	3.8	96.00	10.6	13,052	GAS	227,359 MCF	1.00	227,359	1,144,745	6.57
17 HIGGINS	1-4	113	3,239	3.9	89.60	23.7	15,509	GAS	50,233 MCF	1.00	50,233	249,137	7.69
18 HINES CC	1-4	1,912	1,233,199	86.7	93.43	22.6	7,090	GAS	8,742,992 MCF	1.00	8,742,992	45,203,743	3.67
19 INT CITY	1-14	987	64,362	9.1	90.02	7.5	12,726	GAS	819,079 MCF	1.00	819,079	4,024,048	6.25
20 SUWANNEE	1	52	17,121	44.3	94.84	46.8	13,002	GAS	222,604 MCF	1.00	222,604	1,100,485	6.43
21 SUWANNEE	2	50	13,253	35.6	97.10	38.1	12,142	GAS	160,920 MCF	1.00	160,920	802,796	6.06
22 SUWANNEE	3	51	34,691	91.4	99.35	95.8	11,434	GAS	396,640 MCF	1.00	396,640	1,838,398	5.30
23 TIGER BAY CC	1	204	126,473	83.3	88.39	95.4	7,246	GAS	916,481 MCF	1.00	916,481	4,699,225	3.72
24 UNIV OF FLA. CC	1	46	31,752	92.8	94.84	97.8	9,299	GAS	295,252 MCF	1.00	295,252	1,613,355	5.08
25 AVON PARK	1-2	49	10	1.7	84.52	1259.2	16,000	LIGHT OIL	28 BBLS	5.71	160	3,795	37.95
26 BARTOW	1-4	177	47	3.3	92.98	1223.7	14,191	LIGHT OIL	115 BBLS	5.80	667	14,415	30.67
27 BAYBORO	1-4	174	721	0.6	93.15	18.0	14,670	LIGHT OIL	1,824 BBLS	5.80	10,577	243,290	33.74
28 DEBARY	1-10	645	660	3.8	96.00	121.9	14,658	LIGHT OIL	1,669 BBLS	5.80	9,674	223,986	33.94
29 HIGGINS	1-4	113	0	0.0	89.60	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
30 OTHER		0	0	0.0	0.00	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
31 INT CITY	1-14	987	2,785	9.1	90.02	76.4	14,918	LIGHT OIL	7,169 BBLS	5.80	41,548	939,343	33.73
32 RIO PINAR	1	12	5	0.1	97.74	41.7	17,800	LIGHT OIL	15 BBLS	5.93	89	2,100	42.00
33 SUWANNEE	1-3	153	950	0.8	97.10	3.4	13,978	LIGHT OIL	2,291 BBLS	5.80	13,279	285,844	30.09
34 TURNER	1-4	149	81	0.1	95.89	13.6	16,605	LIGHT OIL	232 BBLS	5.80	1,345	31,374	38.73
35 OTHER - START UP		-	1,596	-	0.00	0.0	38,764	LIGHT OIL	10,674 BBLS	5.80	61,868	1,297,831	81.32
36 TOTAL			3,212,483								27,749,895	132,257,655	4.12

Progress Energy Florida
System Net Generation and Fuel Cost
Estimated for the Month of: Sep-12

(A)		(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT		NET CAPACITY (MW)	NET GENERATION (MWH)	CAPACITY FACTOR (%)	EQUIV AVAIL FACTOR (%)	OUTPUT FACTOR (%)	AVG. NET HEAT RATE (BTU/KWH)	FUEL TYPE	FUEL BURNED (UNITS)	FUEL HEAT VALUE (BTU/UNIT)	FUEL BURNED (MMBTU)	AS BURNED FUEL COST ($)	FUEL COST PER KWH (C/KWH)
1 CRYS RIV NUC	3	789	0	0	0.00	0	0	NUCLEAR	0 MMBTU		0	0	0.00
2 CRYSTAL RIVER	1	375	43,399	16.1	41.59	38.1	11,172	COAL	19,387 TONS	25.01	484,847	2,198,746	5.07
3 CRYSTAL RIVER	2	494	137,369	38.6	93.92	39.7	10,921	COAL	59,985 TONS	25.01	1,500,165	6,803,140	4.95
4 CRYSTAL RIVER	4	722	303,331	58.4	91.06	61.4	10,578	COAL	137,075 TONS	23.41	3,208,519	10,798,672	3.56
5 CRYSTAL RIVER	5	700	296,685	58.9	94.53	60.9	10,797	COAL	136,853 TONS	23.41	3,203,309	10,781,165	3.63
6 ANCLOTE	1	501	2,079	24.7	89.45	26.7	12,545	HEAVY OIL	3,981 BBLS	6.55	26,082	312,071	15.01
7 ANCLOTE	2	510	431	1.4	95.14	29.7	11,712	HEAVY OIL	770 BBLS	6.56	5,048	60,399	14.01
8 SUWANNEE	1	30	0	0.0	94.00	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
9 SUWANNEE	2	30	0	0.0	95.67	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
10 SUWANNEE	3	71	0	0.0	95.67	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
11 ANCLOTE	1	501	86,938	24.7	0.00	26.7	12,545	GAS	1,090,630 MCF	1.00	1,090,630	5,174,739	5.95
12 ANCLOTE	2	510	4,571	1.4	0.00	29.7	11,703	GAS	53,494 MCF	1.00	53,494	603,043	13.19
13 AVON PARK	1-2	49	199	0.6	84.83	45.8	15,899	GAS	3,164 MCF	1.00	3,164	32,027	16.09
14 BARTOW	1-4	177	1,664	1.3	93.83	22.9	14,160	GAS	23,562 MCF	1.00	23,562	158,101	9.50
15 BARTOW CC	1	1,159	659,889	79.1	94.19	83.5	7,316	GAS	4,827,602 MCF	1.00	4,827,602	26,342,455	3.99
16 DEBARY	1-10	645	6,768	1.5	88.66	10.3	13,157	GAS	89,049 MCF	1.00	89,049	573,327	8.47
17 HIGGINS	1-4	113	1,068	1.3	88.08	23.1	15,622	GAS	16,684 MCF	1.00	16,684	109,702	10.27
18 HINES CC	1-4	1,912	1,163,736	84.5	93.10	22.1	7,121	GAS	8,286,843 MCF	1.00	8,286,843	44,664,379	3.84
19 INT CITY	1-14	987	47,133	6.7	90.05	6.9	12,861	GAS	606,162 MCF	1.00	606,162	3,223,283	6.84
20 SUWANNEE	1	52	10,374	27.7	93.67	44.9	13,044	GAS	135,319 MCF	1.00	135,319	753,179	7.26
21 SUWANNEE	2	50	13,067	36.3	96.67	37.9	12,140	GAS	158,630 MCF	1.00	158,630	819,774	6.27
22 SUWANNEE	3	51	30,542	83.2	99.00	86.9	11,346	GAS	346,527 MCF	1.00	346,527	1,684,184	5.51
23 TIGER BAY CC	1	204	97,465	66.4	92.33	94.2	7,258	GAS	707,435 MCF	1.00	707,435	3,931,971	4.03
24 UNIV OF FLA. CC	1	46	14,364	43.4	95.00	97.9	9,303	GAS	133,624 MCF	1.00	133,624	950,614	6.62
25 AVON PARK	1-2	49	3	0.6	84.83	0.0	20,333	LIGHT OIL	11 BBLS	5.55	61	1,732	57.73
26 BARTOW	1-4	177	0	0.0	93.83	0.0	0	LIGHT OIL	0 BBLS		0	0	0.00
27 BAYBORO	1-4	174	336	0.3	93.00	16.1	14,560	LIGHT OIL	844 BBLS	5.80	4,892	122,307	36.40
28 DEBARY	1-10	645	348	1.5	88.66	91.9	14,221	LIGHT OIL	854 BBLS	5.80	4,949	125,035	35.93
29 HIGGINS	1-4	113	0	0.0	88.08	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
30 OTHER		0	0	0.0	0.00	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
31 INT CITY	1-14	987	827	6.7	90.05	180.0	14,909	LIGHT OIL	2,128 BBLS	5.79	12,330	319,264	38.61
32 RIO PINAR	1	12	0	0.0	98.67	0.0	0	LIGHT OIL	0 BBLS		0	224	0.00
33 SUWANNEE	1-3	153	381	0.3	96.44	2.8	13,627	LIGHT OIL	895 BBLS	5.80	5,192	113,751	29.86
34 TURNER	1-4	149	8	0.0	95.50	0.0	18,875	LIGHT OIL	26 BBLS	5.81	151	6,137	76.71
35 OTHER - START UP		-	1,114	-	0.00	0.0	34,735	LIGHT OIL	6,675 BBLS	5.80	38,695	826,276	74.17
36 TOTAL			2,924,089								24,972,965	121,489,696	4.15

Progress Energy Florida
System Net Generation and Fuel Cost
Estimated for the Month of: Oct-12

(A) PLANT/UNIT		(B) NET CAPACITY (MW)	(C) NET GENERATION (MWH)	(D) CAPACITY FACTOR (%)	(E) EQUIV AVAIL FACTOR (%)	(F) OUTPUT FACTOR (%)	(G) AVG. NET HEAT RATE (BTU/KWH)	(H) FUEL TYPE	(I) FUEL BURNED (UNITS)	(J) FUEL HEAT VALUE (BTU/UNIT)	(K) FUEL BURNED (MMBTU)	(L) AS BURNED FUEL COST ($)	(M) FUEL COST PER KWH (C/KWH)
1 CRYS RIV NUC	3	789	0	0	0.00	0	0	NUCLEAR	0 MMBTU		0	0	0.00
2 CRYSTAL RIVER	1	375	29,608	10.6	72.69	36.1	11,236	COAL	13,292 TONS	25.03	332,681	1,504,561	5.08
3 CRYSTAL RIVER	2	494	132,889	36.2	93.76	37.6	10,983	COAL	58,311 TONS	25.03	1,459,461	6,600,461	4.97
4 CRYSTAL RIVER	4	722	314,953	58.6	91.25	61.2	10,575	COAL	142,231 TONS	23.42	3,330,490	11,160,925	3.54
5 CRYSTAL RIVER	5	700	243,676	46.8	90.42	60.2	10,809	COAL	112,460 TONS	23.42	2,633,837	8,829,930	3.62
6 ANCLOTE	1	501	1,739	24.3	89.91	26.1	12,608	HEAVY OIL	3,346 BBLS	6.55	21,926	262,235	15.08
7 ANCLOTE	2	510	0	0.0	25.98	0.0	0	HEAVY OIL	0 BBLS		0	0	0.00
8 SUWANNEE	1	30	0	0.0	93.23	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
9 SUWANNEE	2	30	0	0.0	93.87	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
10 SUWANNEE	3	71	0	0.0	95.81	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
11 ANCLOTE	1	501	88,971	24.3	0.00	26.1	12,807	GAS	1,121,623 MCF	1.00	1,121,623	5,409,851	6.08
12 ANCLOTE	2	510	0	0.0	0.00	0.0	0	GAS	0 MCF		0	299,737	0.00
13 AVON PARK	1-2	49	107	0.3	87.42	46.1	16,075	GAS	1,720 MCF	1.00	1,720	22,541	21.07
14 BARTOW	1-4	177	1,157	0.9	92.42	21.9	14,213	GAS	16,445 MCF	1.00	16,445	119,038	10.29
15 BARTOW CC	1	1,159	671,158	77.8	95.02	81.6	7,330	GAS	4,919,839 MCF	1.00	4,919,839	26,532,099	3.95
16 DEBARY	1-10	645	5,530	1.2	89.99	9.7	13,206	GAS	73,031 MCF	1.00	73,031	479,777	8.68
17 HIGGINS	1-4	113	812	1.0	89.19	23.2	15,644	GAS	12,703 MCF	1.00	12,703	87,284	10.75
18 HINES CC	1-4	1,912	991,376	69.7	78.93	21.9	7,094	GAS	7,032,613 MCF	1.00	7,032,613	38,657,694	3.90
19 INT CITY	1-14	987	36,096	5.0	96.89	6.8	12,904	GAS	465,799 MCF	1.00	465,799	2,563,320	7.10
20 SUWANNEE	1	52	3,112	8.0	92.58	61.1	13,147	GAS	40,912 MCF	1.00	40,912	313,835	10.08
21 SUWANNEE	2	50	13,237	35.6	95.48	37.9	12,141	GAS	160,712 MCF	1.00	160,712	830,235	6.27
22 SUWANNEE	3	51	30,001	79.1	97.42	82.5	11,332	GAS	339,974 MCF	1.00	339,974	1,676,362	5.59
23 TIGER BAY CC	1	204	78,567	51.8	75.02	93.3	7,276	GAS	571,668 MCF	1.00	571,668	3,266,230	4.16
24 UNIV OF FLA. CC	1	46	15,984	46.7	40.89	97.9	9,312	GAS	148,848 MCF	1.00	148,848	972,245	6.08
25 AVON PARK	1-2	49	6	0.3	87.42	0.0	16,000	LIGHT OIL	17 BBLS	5.65	96	2,518	41.97
26 BARTOW	1-4	177	7	0.9	92.42	0.0	14,143	LIGHT OIL	17 BBLS	5.82	99	2,213	31.61
27 BAYBORO	1-4	174	89	0.1	94.52	12.8	14,079	LIGHT OIL	216 BBLS	5.80	1,253	42,727	48.01
28 DEBARY	1-10	645	98	1.2	89.99	872.6	13,337	LIGHT OIL	226 BBLS	5.78	1,307	46,773	47.73
29 HIGGINS	1-4	113	0	0.0	89.19	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
30 OTHER		0	0	0.0	0.00	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
31 INT CITY	1-14	987	708	5.0	96.89	186.4	14,277	LIGHT OIL	1,745 BBLS	5.79	10,108	282,726	39.93
32 RIO PINAR	1	12	4	0.0	99.03	0.0	17,750	LIGHT OIL	12 BBLS	5.92	71	1,773	44.33
33 SUWANNEE	1-3	153	338	0.3	95.16	3.7	13,399	LIGHT OIL	781 BBLS	5.80	4,529	100,871	29.84
34 TURNER	1-4	149	33	0.0	95.00	0.0	16,212	LIGHT OIL	92 BBLS	5.82	535	14,613	44.28
35 OTHER - START UP		-	699	-	0.00	0.0	69,647	LIGHT OIL	8,399 BBLS	5.80	48,683	1,058,548	151.44
36 TOTAL			2,660,955								22,750,963	111,141,122	4.18

Progress Energy Florida
System Net Generation and Fuel Cost
Estimated for the Month of: Nov-12

(A) PLANT/UNIT		(B) NET CAPACITY (MW)	(C) NET GENERATION (MWH)	(D) CAPACITY FACTOR (%)	(E) EQUIV AVAIL FACTOR (%)	(F) OUTPUT FACTOR (%)	(G) AVG. NET HEAT RATE (BTU/KWH)	(H) FUEL TYPE	(I) FUEL BURNED (UNITS)	(J) FUEL HEAT VALUE (BTU/UNIT)	(K) FUEL BURNED (MMBTU)	(L) AS BURNED FUEL COST ($)	(M) FUEL COST PER KWH (C/KWH)
1 CRYS RIV NUC	3	804	0	0	0.00	0	0	NUCLEAR	0 MMBTU		0	0	0.00
2 CRYSTAL RIVER	1	376	63,171	23.3	94.24	43.2	10,846	COAL	27,359 TONS	25.04	685,175	3,092,778	4.90
3 CRYSTAL RIVER	2	500	112,622	31.3	92.75	39.6	10,764	COAL	48,405 TONS	25.04	1,212,260	5,471,960	4.86
4 CRYSTAL RIVER	4	732	342,731	65.0	93.42	67.5	10,266	COAL	150,247 TONS	23.42	3,518,476	11,826,168	3.45
5 CRYSTAL RIVER	5	712	0	0.0	100.00	0.0	0	COAL	0 TONS		0	17,131	0.00
6 ANCLOTE	1	517	838	23.6	91.04	1.1	12,316	HEAVY OIL	1,575 BBLS	6.55	10,321	123,408	14.73
7 ANCLOTE	2	521	0	0.0	92.82	0.0	0	HEAVY OIL	0 BBLS		0	0	0.00
8 SUWANNEE	1	30	0	0.0	92.33	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
9 SUWANNEE	2	30	0	0.0	93.33	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
10 SUWANNEE	3	73	0	0.0	93.00	0.0	0	HEAVY OIL	0 BBLS	0	0	0	0.00
11 ANCLOTE	1	517	87,098	23.6	0.00	1.1	12,322	GAS	1,073,200 MCF	1.00	1,073,200	4,620,098	5.30
12 ANCLOTE	2	521	0	0.0	0.00	0.0	0	GAS	0 MCF		0	290,809	0.00
13 AVON PARK	1-2	69	0	0.0	85.33	0.0	0	GAS	0 MCF		0	14,681	0.00
14 BARTOW	1-4	228	107	0.1	92.67	735.3	13,421	GAS	1,436 MCF	1.00	1,436	48,567	45.39
15 BARTOW CC	1	1,279	530,457	57.6	70.92	60.8	7,296	GAS	3,870,346 MCF	1.00	3,870,346	19,605,300	3.70
16 DEBARY	1-10	785	1,703	0.3	96.40	89.5	12,760	GAS	21,731 MCF	1.00	21,731	230,246	13.52
17 HIGGINS	1-4	129	21	0.0	88.08	0.0	15,667	GAS	329 MCF	1.00	329	29,844	142.11
18 HINES CC	1-4	2,204	1,019,413	64.2	73.64	25.7	7,062	GAS	7,198,832 MCF	1.00	7,198,832	35,456,324	3.48
19 INT CITY	1-14	1,186	22,096	2.6	96.52	17.6	12,395	GAS	273,888 MCF	1.00	273,888	1,541,535	6.98
20 SUWANNEE	1	67	271	0.6	96.67	404.5	12,528	GAS	3,395 MCF	1.00	3,395	137,267	50.65
21 SUWANNEE	2	66	12,723	26.8	97.00	28 7	11,966	GAS	152,241 MCF	1.00	152,241	709,196	5.57
22 SUWANNEE	3	67	25,635	53.1	97.33	57.1	11,103	GAS	284,628 MCF	1.00	284,628	1,271,762	4.96
23 TIGER BAY CC	1	225	0	0.0	0.00	0.0	0	GAS	0 MCF		0	641,624	0.00
24 UNIV OF FLA. CC	1	47	32,832	97.0	45.00	100.0	9,310	GAS	305,682 MCF	1.00	305,682	1,518,287	4 62
25 AVON PARK	1-2	69	0	0.0	85.33	0.0	0	LIGHT OIL	0 BBLS		0	0	0.00
26 BARTOW	1-4	228	0	0.0	92.67	0.0	0	LIGHT OIL	0 BBLS		0	0	0.00
27 BAYBORO	1-4	231	0	0.0	94 83	0.0	0	LIGHT OIL	0 BBLS		0	14,714	0.00
28 DEBARY	1-10	785	0	0.0	96.40	0.0	0	LIGHT OIL	0 BBLS		0	18,129	0.00
29 HIGGINS	1-4	129	0	0.0	88.08	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
30 OTHER		0	0	0.0	0.00	0.0	0	LIGHT OIL	0 BBLS	0	0	0	0.00
31 INT CITY	1-14	1,186	16	2 6	96.52	0.0	15,938	LIGHT OIL	44 BBLS	5.80	255	59,121	369.50
32 RIO PINAR	1	16	0	0.0	99.00	0.0	0	LIGHT OIL	0 BBLS		0	224	0.00
33 SUWANNEE	1-3	200	152	0.1	97.00	6.9	11,375	LIGHT OIL	298 BBLS	5.80	1,729	38,773	25.51
34 TURNER	1-4	199	0	0.0	95.25	0.0	0	LIGHT OIL	0 BBLS		0	2,879	0.00
35 OTHER - START UP		-	581	-	0.00	0.0	57,733	LIGHT OIL	5,787 BBLS	5.80	33,543	734,312	126.39
36 TOTAL			2,252,467								18,647,467	87,515,137	3.89

Progress Energy Florida
System Net Generation and Fuel Cost
Estimated for the Month of: Dec-12

(A) PLANT/UNIT		(B) NET CAPACITY (MW)	(C) NET GENERATION (MWH)	(D) CAPACITY FACTOR (%)	(E) EQUIV AVAIL FACTOR (%)	(F) OUTPUT FACTOR (%)	(G) AVG. NET HEAT RATE (BTU/KWH)	(H) FUEL TYPE	(I) FUEL BURNED (UNITS)		(J) FUEL HEAT VALUE (BTU/UNIT)	(K) FUEL BURNED (MMBTU)	(L) AS BURNED FUEL COST ($)	(M) FUEL COST PER KWH (C/KWH)
1 CRYS RIV NUC	3	804	0	0	0.00	0	0	NUCLEAR	0	MMBTU		0	0	0.00
2 CRYSTAL RIVER	1	376	12,805	4.6	92.85	46.0	10,798	COAL	5,518	TONS	25.06	138,267	622,754	4.86
3 CRYSTAL RIVER	2	500	67,796	18.2	94.97	45.7	10,625	COAL	28,749	TONS	25.06	720,339	3,244,401	4.79
4 CRYSTAL RIVER	4	732	391,638	71.9	94.32	74.5	10,174	COAL	170,131	TONS	23.42	3,984,459	13,381,736	3.42
5 CRYSTAL RIVER	5	712	213,746	40.4	94.11	68.4	10,346	COAL	94,422	TONS	23.42	2,211,354	7,434,417	3.48
6 ANCLOTE	1	517	730	19.4	90.99	20.6	13,078	HEAVY OIL	1,457	BBLS	6.55	9,547	114,125	15.63
7 ANCLOTE	2	521	0	0.0	95.55	0.0	0	HEAVY OIL	0	BBLS		0	0	0.00
8 SUWANNEE	1	30	0	0.0	95.48	0.0	0	HEAVY OIL	0	BBLS	0	0	0	0.00
9 SUWANNEE	2	30	0	0.0	94.84	0.0	0	HEAVY OIL	0	BBLS	0	0	0	0.00
10 SUWANNEE	3	73	0	0.0	95.16	0.0	0	HEAVY OIL	0	BBLS	0	0	0	0.00
11 ANCLOTE	1	517	74,031	19.4	0.00	20.6	13,070	GAS	967,555	MCF	1.00	967,555	4,451,193	6.01
12 ANCLOTE	2	521	0	0.0	0.00	0.0	0	GAS	0	MCF		0	285,226	0.00
13 AVON PARK	1-2	69	38	0.1	84.03	55.1	15,789	GAS	600	MCF	1.00	600	17,261	45.42
14 BARTOW	1-4	228	287	0.2	93.06	21.0	13,282	GAS	3,812	MCF	1.00	3,812	59,152	20.61
15 BARTOW CC	1	1279	597,784	62.8	48.70	66.5	7,247	GAS	4,331,852	MCF	1.00	4,331,852	22,594,137	3.78
16 DEBARY	1-10	785	1,568	0.3	95.97	9.2	12,816	GAS	20,096	MCF	1.00	20,096	228,906	14.60
17 HIGGINS	1-4	129	170	0.2	90.24	22.0	16,512	GAS	2,807	MCF	1.00	2,807	40,576	23.87
18 HINES CC	1-4	2,204	1,077,193	65.7	83.33	21.6	7,050	GAS	7,593,896	MCF	1.00	7,593,896	39,025,774	3.62
19 INT CITY	1-14	1,186	8,626	1.0	96.94	5.4	12,910	GAS	111,363	MCF	1.00	111,363	906,031	10.50
20 SUWANNEE	1	67	715	1.4	96.45	88.9	13,387	GAS	9,572	MCF	1.00	9,572	164,700	23.03
21 SUWANNEE	2	66	13,379	27.2	95.81	28.7	11,948	GAS	159,853	MCF	1.00	159,853	781,484	5.84
22 SUWANNEE	3	67	25,236	50.6	98.06	53.2	11,195	GAS	282,522	MCF	1.00	282,522	1,336,747	5.30
23 TIGER BAY CC	1	225	3,694	2.2	68.25	96.6	7,508	GAS	27,733	MCF	1.00	27,733	760,844	20.60
24 UNIV OF FLA. CC	1	47	34,560	98.8	96.77	102.1	9,306	GAS	321,609	MCF	1.00	321,609	1,666,215	4.82
25 AVON PARK	1-2	69	0	0.0	84.03	0.0	0	LIGHT OIL	0	BBLS		0	0	0.00
26 BARTOW	1-4	228	0	0.0	93.06	0.0	0	LIGHT OIL	0	BBLS		0	0	0.00
27 BAYBORO	1-4	231	0	0.0	95.08	0.0	0	LIGHT OIL	0	BBLS		0	14,714	0.00
28 DEBARY	1-10	785	15	0.0	95.97	201.7	16,200	LIGHT OIL	42	BBLS	5.79	243	23,485	156.57
29 HIGGINS	1-4	129	0	0.0	90.24	0.0	0	LIGHT OIL	0	BBLS	0	0	0	0.00
30 OTHER		0	0	0.0	0.00	0.0	0	LIGHT OIL	0	BBLS	0	0	0	0.00
31 INT CITY	1-14	1,186	206	1.0	96.94	148.9	14,393	LIGHT OIL	512	BBLS	5.79	2,965	127,343	61.82
32 RIO PINAR	1	16	0	0.0	99.03	0.0	0	LIGHT OIL	0	BBLS		0	224	0.00
33 SUWANNEE	1-3	200	134	0.1	96.77	2.9	11,821	LIGHT OIL	273	BBLS	5.80	1,584	35,521	26.51
34 TURNER	1-4	199	0	0.0	96.61	0.0	0	LIGHT OIL	0	BBLS		0	2,879	0.00
35 OTHER - START UP		-	716	-	0.00	0.0	59,771	LIGHT OIL	7,383	BBLS	5.80	42,796	936,839	130.84
36 TOTAL			2,525,067									20,944,824	98,256,685	3.89

Progress Energy Florida
Inventory Analysis
Estimated for the Period of : January through December 2012

			Act	Act	Act	Act	Act	Act	
	HEAVY OIL		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Subtotal
1	PURCHASES:								
2	UNITS	BBL	(26,564)	(48)	6,863	0	124	130	(19,495)
3	UNIT COST	$/BBL	89.52	(10,773.38)	(58.21)	0.00	(3,430.00)	(2,169.31)	172.91
4	AMOUNT	$	(2,377,989)	517,122	(399,500)	(403,106)	(425,320)	(282,010)	(3,370,802)
5	BURNED:								
6	UNITS	BBL	11,245	172	3,762	7,332	9,815	191	32,517
7	UNIT COST	$/BBL	77.92	54.23	79.38	77.27	75.66	69.39	77.08
8	AMOUNT	$	876,206	9,328	298,629	566,560	742,586	13,254	2,506,564
9	ENDING INVENTORY:								
10	UNITS	BBL	695,371	695,151	698,252	688,952	679,261	679,200	
11	UNIT COST	$/BBL	76.86	77.62	76.27	75.70	75.03	74.60	
12	AMOUNT	$	53,446,764	53,954,557	53,256,422	52,151,785	50,963,677	50,668,409	
	LIGHT OIL								
13	PURCHASES:								
14	UNITS	BBL	40,245	0	0	1,135	(263)	34,391	75,508
15	UNIT COST	$/BBL	137.18	0.00	0.00	180.71	-280.71	122.31	140.08
16	AMOUNT	$	5,520,671	363,217	207,806	205,108	73,826	4,206,217	10,576,845
17	BURNED:								
18	UNITS	BBL	12,305	15,849	13,090	14,240	10,499	15,683	81,666
19	UNIT COST	$/BBL	109.92	111.28	113.37	109.89	112.39	112.42	111.53
20	AMOUNT	$	1,352,544	1,763,754	1,483,959	1,564,890	1,179,939	1,763,155	9,108,242
21	ENDING INVENTORY:								
22	UNITS	BBL	1,079,742	1,063,890	1,050,800	1,039,377	1,028,574	1,047,280	
23	UNIT COST	$/BBL	106.16	106.42	106.53	106.56	106.60	107.03	
24	AMOUNT	$	114,622,440	113,221,573	111,945,171	110,754,961	109,643,328	112,086,008	
	COAL								
25	PURCHASES:								
26	UNITS	TON	251,154	240,138	351,468	423,311	410,471	342,436	2,018,978
27	UNIT COST	$/TON	110.51	93.93	86.83	90.95	84.44	77.49	89.42
28	AMOUNT	$	27,755,654	22,557,317	30,517,307	38,501,261	34,659,719	26,536,196	180,527,454
29	BURNED:								
30	UNITS	TON	244,490	309,909	417,107	433,696	447,389	442,379	2,294,970
31	UNIT COST	$/TON	95.18	94.73	94.40	94.75	91.62	88.55	92.92
32	AMOUNT	$	23,269,641	29,359,063	39,374,654	41,090,878	40,989,444	39,171,368	213,255,048
33	ENDING INVENTORY:								
34	UNITS	TON	1,286,479	1,216,709	1,151,069	1,140,685	1,103,767	1,003,824	
35	UNIT COST	$/TON	100.16	100.31	98.34	96.97	94.47	91.29	
36	AMOUNT	$	128,855,324	122,053,578	113,196,231	110,606,613	104,276,888	91,641,715	
	GAS								
37	BURNED:								
38	UNITS	MCF	15,705,482	13,384,978	13,473,170	13,320,532	15,670,368	16,346,179	87,900,709
39	UNIT COST	$/MCF	5.61	5.50	5.30	5.81	5.71	5.79	5.63
40	AMOUNT	$	88,131,604	73,644,670	71,358,867	77,425,499	89,463,817	94,704,561	494,729,018
	NUCLEAR								
41	BURNED:								
42	UNITS	MMBTU	0	0	0	0	0	0	0
43	UNIT COST	$/MMBTU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
44	AMOUNT	$	0	0	0	0	0	0	0

Progress Energy Florida
Inventory Analysis
Estimated for the Period of : January through December 2012

			Est Jul-12	Est Aug-12	Est Sep-12	Est Oct-12	Est Nov-12	Est Dec-12	Total
	HEAVY OIL								
1	PURCHASES:								
2	UNITS	BBL	6,917	10,965	4,751	3,346	1,575	1,457	9,516
3	UNIT COST	$/BBL	78.46	78.42	78.40	78.37	78.35	78.33	-115.17
4	AMOUNT	$	542,686	859,877	372,470	262,235	123,408	114,125	(1,096,001)
5	BURNED:								
6	UNITS	BBL	6,917	10,965	4,751	3,346	1,575	1,457	61,528
7	UNIT COST	$/BBL	78.46	78.42	78.40	78.37	78.35	78.33	77.71
8	AMOUNT	$	542,686	859,877	372,470	262,235	123,408	114,125	4,781,365
9	ENDING INVENTORY:								
10	UNITS	BBL	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	
11	UNIT COST	$/BBL	78.46	78.42	78.40	78.37	78.35	78.33	
12	AMOUNT	$	86,302,480	86,262,220	86,238,020	86,209,970	86,189,730	86,161,680	
	LIGHT OIL								
13	PURCHASES:								
14	UNITS	BBL	19,436	24,017	11,433	11,505	6,129	8,210	156,238
15	UNIT COST	$/BBL	127.81	126.66	132.49	134.96	141.65	138.98	135.56
16	AMOUNT	$	2,484,042	3,041,978	1,514,725	1,552,762	868,152	1,141,006	21,179,509
17	BURNED:								
18	UNITS	BBL	19,436	24,017	11,433	11,505	6,129	8,210	162,396
19	UNIT COST	$/BBL	127.81	126.66	132.49	134.96	141.65	138.98	121.38
20	AMOUNT	$	2,484,042	3,041,978	1,514,725	1,552,762	868,152	1,141,006	19,710,906
21	ENDING INVENTORY:								
22	UNITS	BBL	883,900	883,900	883,900	883,900	883,900	883,900	
23	UNIT COST	$/BBL	127.81	126.66	132.49	134.96	141.65	138.98	
24	AMOUNT	$	112,971,259	111,954,774	117,107,911	119,291,144	125,204,435	122,844,422	
	COAL								
25	PURCHASES:								
26	UNITS	TON	405,845	394,616	353,300	326,314	226,011	298,820	4,023,884
27	UNIT COST	$/TON	88.90	89.02	86.56	86.10	90.30	82.60	88.35
28	AMOUNT	$	36,079,652	35,127,268	30,581,723	28,095,877	20,408,037	24,683,308	355,503,319
29	BURNED:								
30	UNITS	TON	405,845	394,616	353,300	326,314	226,011	298,820	4,299,876
31	UNIT COST	$/TON	88.90	89.02	86.56	86.10	90.30	82.60	90.29
32	AMOUNT	$	36,079,652	35,127,268	30,581,723	28,095,877	20,408,037	24,683,308	388,230,913
33	ENDING INVENTORY:								
34	UNITS	TON	768,000	768,000	768,000	768,000	768,000	768,000	
35	UNIT COST	$/TON	88.90	89.02	86.56	86.10	90.30	82.60	
36	AMOUNT	$	68,275,277	68,364,518	66,478,234	66,125,338	69,347,866	63,438,797	
	GAS								
37	BURNED:								
38	UNITS	MCF	17,638,781	18,125,245	16,478,725	14,905,887	13,185,708	13,833,270	182,068,325
39	UNIT COST	$/MCF	5.25	5.14	5.40	5.45	5.01	5.23	5.43
40	AMOUNT	$	92,594,219	93,228,532	89,020,778	81,230,248	66,115,540	72,318,246	989,236,581
	NUCLEAR								
41	BURNED:								
42	UNITS	MMBTU	0	0	0	0	0	0	0
43	UNIT COST	$/MMBTU	0.00	0.00	0.00	0.00	0.00	0.00	0.00
44	AMOUNT	$	0	0	0	0	0	0	0

Progress Energy Florida
Fuel Cost of Power Sold
Estimated for the Period of : January through December 2012

(1) MONTH	(2) SOLD TO	(3) TYPE & SCHED	(4) TOTAL MWH SOLD	(5) MWH WHEELED FROM OTHER SYSTEMS	(6) MWH FROM OWN GENERATION	(7) C/KWH (A) FUEL COST	(7) C/KWH (B) TOTAL COST	(8) TOTAL $ FOR FUEL ADJ (6) x (7)(A)	(9) TOTAL COST $ (6) x (7)(B)	(10) REFUNDABLE GAIN ON POWER SALES $
Jan-12	ECONSALE	--	4,215		4,215	2.556	3.341	107,715	140,839	33,124
Act	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	70,304		70,304	3.037	3.037	2,134,815	2,134,815	0
	TOTAL		74,519		74,519	3.009	3.054	2,242,530	2,275,653	33,124
Feb-12	ECONSALE	--	3,688		3,688	2.819	2.494	103,959	91,972	(11,986)
Act	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	99,717		99,717	3.454	3.454	3,443,758	3,443,758	0
	TOTAL		103,405		103,405	3.431	3.419	3,547,717	3,535,730	(11,986)
Mar-12	ECONSALE	--	2,496		2,496	3.127	3.896	78,045	97,249	19,204
Act	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	111,600		111,600	2.651	2.651	2,958,487	2,958,487	0
	TOTAL		114,096		114,096	2.661	2.678	3,036,532	3,055,736	19,204
Apr-12	ECONSALE	--	7,710		7,710	3.692	4.152	284,621	320,136	35,515
Act	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	117,592		117,592	2.747	2.747	3,230,463	3,230,463	0
	TOTAL		125,302		125,302	2.805	2.834	3,515,084	3,550,599	35,515
May-12	ECONSALE	--	3,883		3,883	2.542	3.326	98,710	129,133	30,422
Act	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	104,722		104,722	3.134	3.134	3,282,082	3,282,082	0
	TOTAL		108,605		108,605	3.113	3.141	3,380,793	3,411,215	30,422
Jun-12	ECONSALE	--	3,675		3,675	2.578	3.372	94,760	123,937	29,177
Act	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	134,961		134,961	3.043	3.043	4,106,748	4,106,748	0
	TOTAL		138,636		138,636	3.031	3.052	4,201,507	4,230,684	29,177
Jan	ECONSALE	--	25,667		25,667	2.991	3.519	767,810	903,266	135,456
THRU	ECONOMY	C	0		0	0.000	0.000	0	0	0
Jun-12	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	638,897		638,897	2.998	2.998	19,156,352	19,156,352	0
	TOTAL		664,564		664,564	2.998	3.018	19,924,162	20,059,618	135,456

Progress Energy Florida
Fuel Cost of Power Sold
Estimated for the Period of : January through December 2012

(1) MONTH	(2) SOLD TO	(3) TYPE & SCHED	(4) TOTAL MWH SOLD	(5) MWH WHEELED FROM OTHER SYSTEMS	(6) MWH FROM OWN GENERATION	(7) C/KWH (A) FUEL COST	(7) C/KWH (B) TOTAL COST	(8) TOTAL $ FOR FUEL ADJ (6) x (7)(A)	(9) TOTAL COST $ (6) x (7)(B)	(10) REFUNDABLE GAIN ON POWER SALES $
Jul-12	ECONSALE	--	4,243		4,243	3.402	3.845	144,359	163,125	18,766
Est	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	123,167		123,167	2.690	2.690	3,313,525	3,313,525	0
	TOTAL		127,410		127,410	2.714	2.729	3,457,884	3,476,650	18,766
Aug-12	ECONSALE	--	13,824		13,824	3.645	4.119	503,842	569,342	65,500
Est	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	129,271		129,271	2.693	2.693	3,481,065	3,481,065	0
	TOTAL		143,095		143,095	2.785	2.831	3,984,907	4,050,407	65,500
Sep-12	ECONSALE	--	1,477		1,477	3.002	3.392	44,337	50,101	5,764
Est	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	130,842		130,842	2.772	2.772	3,627,450	3,627,450	0
	TOTAL		132,319		132,319	2.775	2.779	3,671,787	3,677,551	5,764
Oct-12	ECONSALE	--	33,698		33,698	3.046	3.442	1,026,405	1,159,838	133,433
Est	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	114,420		114,420	2.797	2.797	3,200,418	3,200,418	0
	TOTAL		148,118		148,118	2.854	2.944	4,226,823	4,360,256	133,433
Nov-12	ECONSALE	--	4,490		4,490	2.721	3.075	122,176	138,059	15,883
Est	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	76,778		76,778	2.931	2.931	2,250,008	2,250,008	0
	TOTAL		81,268		81,268	2.919	2.939	2,372,184	2,388,067	15,883
Dec-12	ECONSALE	--	2,720		2,720	2.801	3.165	76,183	86,087	9,904
Est	ECONOMY	C	0		0	0.000	0.000	0	0	0
	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	63,321		63,321	3.162	3.162	2,002,429	2,002,429	0
	TOTAL		66,041		66,041	3.147	3.162	2,078,612	2,088,516	9,904
Jan-11	ECONSALE	--	86,119		86,119	3.118	3.565	2,685,112	3,069,818	384,706
THRU	ECONOMY	C	0		0	0.000	0.000	0	0	0
Dec-12	EXCESS GAIN	--	0		0	0.000	0.000	0	0	0
	SALE OTHER	--	0		0	0.000	0.000	0	0	0
	STRATIFIED	--	1,276,696		1,276,696	2.901	2.901	37,031,247	37,031,247	0
	TOTAL		1,362,815		1,362,815	2.914	2.943	39,716,358	40,101,064	384,706

Progress Energy Florida
Purchased Power
(Exclusive of Economy & QF Purchases)
Estimated for the Period of : January through December 2012

(1) MONTH	(2) NAME OF PURCHASE	(3) TYPE & SCHEDULE	(4) TOTAL MWH PURCHASED	(5) MWH FOR OTHER UTILITIES	(6) MWH FOR INTERRUPTIBLE	(7) MWH FOR FIRM	(8) C/KWH (A) FUEL COST	(8) C/KWH (B) TOTAL COST	(9) TOTAL $ FOR FUEL ADJ (7) x (8)(B)
Jan-12	OTHER	--	0			0	0.000	0.000	0
Act	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	18,753			18,753	6.993	6.993	1,311,417
	SOCO Franklin	--	34,450			34,450	6.585	6.585	2,268,555
	SOCO Scherer	--	35,040			35,040	4.309	4.309	1,510,024
	Vandolah (Reliant)	--	18,707			18,707	6.720	6.720	1,257,199
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		106,950	0	0	106,950	5.935	5.935	6,347,196
Feb-12	OTHER	--	0			0	0.000	0.000	0
Act	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	38,483			38,483	6.325	6.325	2,434,007
	SOCO Franklin	--	18,650			18,650	9.694	9.694	1,807,945
	SOCO Scherer	--	3,504			3,504	-1.834	-1.834	(64,274)
	Vandolah (Reliant)	--	5,164			5,164	3.980	3.980	205,546
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		65,801	0	0	65,801	6.661	6.661	4,383,223
Mar-12	OTHER	--	0			0	0.000	0.000	0
Act	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	108,659			108,659	6.030	6.030	6,551,696
	SOCO Franklin	--	113,161			113,161	3.378	3.378	3,822,243
	SOCO Scherer	--	4,526			4,526	-5.833	-5.833	(264,020)
	Vandolah (Reliant)	--	78,867			78,867	5.968	5.968	4,706,636
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		305,213	0	0	305,213	4.854	4.854	14,816,554
Apr-12	OTHER	--	0			0	0.000	0.000	0
Act	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	63,497			63,497	6.587	6.587	4,182,846
	SOCO Franklin	--	132,549			132,549	3.108	3.108	4,120,052
	SOCO Scherer	--	4,454			4,454	7.561	7.561	336,763
	Vandolah (Reliant)	--	64,137			64,137	5.968	5.968	3,827,701
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		264,637	0	0	264,637	4.711	4.711	12,467,362
May-12	OTHER	--	0			0	0.000	0.000	0
Act	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	80,356			80,356	6.905	6.905	5,548,713
	SOCO Franklin	--	172,967			172,967	2.454	2.454	4,244,073
	SOCO Scherer	--	9,264			9,264	3.127	3.127	289,677
	Vandolah (Reliant)	--	71,773			71,773	6.667	6.667	4,784,815
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		334,360	0	0	334,360	4.446	4.446	14,867,278
Jun-12	OTHER	--	0			0	0.000	0.000	0
Act	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	44,953			44,953	7.167	7.167	3,221,931
	SOCO Franklin	--	138,406			138,406	2.588	2.588	3,582,421
	SOCO Scherer	--	0			0	0.000	0.000	13,487
	Vandolah (Reliant)	--	50,462			50,462	7.065	7.065	3,565,237
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		233,821	0	0	233,821	4.441	4.441	10,383,076
Jan-12	OTHER	--	0			0	0.000	0.000	0
THRU	Calpine	--	0			0	0.000	0.000	0
Jun-12	SHADY HILLS	--	354,701			354,701	6.555	6.555	23,250,610
	SOCO Franklin	--	610,183			610,183	3.252	3.252	19,845,289
	SOCO Scherer	--	56,788			56,788	3.208	3.208	1,821,656
	Vandolah (Reliant)	--	289,110			289,110	6.346	6.346	18,347,134
	Vandolah (NSG)	--	0			0	0.000	0.000	0
	TOTAL		1,310,782	0	0	1,310,782	4.826	4.826	63,264,688

Progress Energy Florida
Purchased Power
(Exclusive of Economy & QF Purchases)
Estimated for the Period of : January through December 2012

(1) MONTH	(2) NAME OF PURCHASE	(3) TYPE & SCHEDULE	(4) TOTAL MWH PURCHASED	(5) MWH FOR OTHER UTILITIES	(6) MWH FOR INTERRUPTIBLE	(7) MWH FOR FIRM	(8) C/KWH (A) FUEL COST	(8) C/KWH (B) TOTAL COST	(9) TOTAL $ FOR FUEL ADJ (7) x (8)(B)
Jul-12	OTHER	--	0			0	0.000	0.000	0
Est	Calpine	--	49,600			49,600	4.590	4.590	2,276,640
	SHADY HILLS	--	94,531			94,531	6.547	6.547	6,189,230
	SOCO Franklin	--	210,939			210,939	3.012	3.012	6,353,372
	SOCO Scherer	--	32,716			32,716	3.274	3.274	1,071,268
	Vandolah (Reliant)	--	0			0	0.000	0.000	0
	Vandolah (NSG)	--	249,930			249,930	5.169	5.169	12,917,954
	TOTAL		637,716	0	0	637,716	4.517	4.517	28,808,464
Aug-12	OTHER	--	0			0	0.000	0.000	0
Est	Calpine	--	49,600			49,600	4.590	4.590	2,276,640
	SHADY HILLS	--	107,818			107,818	6.332	6.332	6,827,063
	SOCO Franklin	--	207,445			207,445	3.056	3.056	6,340,090
	SOCO Scherer	--	33,966			33,966	3.247	3.247	1,102,943
	Vandolah (Reliant)	--	0			0	0.000	0.000	0
	Vandolah (NSG)	--	270,358			270,358	5.023	5.023	13,580,888
	TOTAL		669,187	0	0	669,187	4.502	4.502	30,127,624
Sep-12	OTHER	--	0			0	0.000	0.000	0
Est	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	80,438			80,438	6.966	6.966	5,603,679
	SOCO Franklin	--	183,219			183,219	3.129	3.129	5,733,165
	SOCO Scherer	--	33,362			33,362	3.244	3.244	1,082,134
	Vandolah (Reliant)	--	0			0	0.000	0.000	0
	Vandolah (NSG)	--	224,217			224,217	5.408	5.408	12,126,639
	TOTAL		521,236	0	0	521,236	4.709	4.709	24,545,617
Oct-12	OTHER	--	0			0	0.000	0.000	0
Est	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	60,346			60,346	7.244	7.244	4,371,568
	SOCO Franklin	--	199,035			199,035	3.080	3.080	6,131,159
	SOCO Scherer	--	26,031			26,031	3.427	3.427	892,144
	Vandolah (Reliant)	--	0			0	0.000	0.000	0
	Vandolah (NSG)	--	175,836			175,836	5.615	5.615	9,872,641
	TOTAL		461,248	0	0	461,248	4.611	4.611	21,267,512
Nov-12	OTHER	--	0			0	0.000	0.000	0
Est	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	28,262			28,262	7.797	7.797	2,203,537
	SOCO Franklin	--	151,079			151,079	3.585	3.585	5,416,923
	SOCO Scherer	--	0			0	0.000	0.000	192,604
	Vandolah (Reliant)	--	0			0	0.000	0.000	0
	Vandolah (NSG)	--	105,924			105,924	5.566	5.566	5,895,352
	TOTAL		285,265	0	0	285,265	4.806	4.806	13,708,416
Dec-12	OTHER	--	0			0	0.000	0.000	0
Est	Calpine	--	0			0	0.000	0.000	0
	SHADY HILLS	--	6,494			6,494	16.860	16.860	1,094,914
	SOCO Franklin	--	101,754			101,754	4.283	4.283	4,358,305
	SOCO Scherer	--	20,964			20,964	3.615	3.615	757,768
	Vandolah (Reliant)	--	0			0	0.000	0.000	0
	Vandolah (NSG)	--	34,126			34,126	7.364	7.364	2,512,999
	TOTAL		163,338	0	0	163,338	5.341	5.341	8,723,986
Jan-12	OTHER	--	0			0	0.000	0.000	0
THRU	Calpine	--	99,200			99,200	4.590	4.590	4,553,280
Dec-12	SHADY HILLS	--	732,590			732,590	6.762	6.762	49,540,601
	SOCO Franklin	--	1,663,654			1,663,654	3.257	3.257	54,178,303
	SOCO Scherer	--	203,827			203,827	3.395	3.395	6,920,517
	Vandolah (Reliant)	--	289,110			289,110	6.346	6.346	18,347,134
	Vandolah (NSG)	--	1,060,391			1,060,391	5.367	5.367	56,906,473
TOTAL			4,048,772	0	0	4,048,772	4.704	4.704	190,446,307

Progress Energy Florida
Energy Payments to Qualifying Facilities
Estimated for the Period of : January through December 2012

(1) MONTH	(2) NAME OF PURCHASE	(3) TYPE & SCHEDULE	(4) TOTAL MWH PURCHASED	(5) MWH FOR OTHER UTILITIES	(6) MWH FOR INTERRUPTIBLE	(7) MWH FOR FIRM	(8) C/KWH (A) ENERGY COST	(8) C/KWH (B) TOTAL COST	(9) TOTAL $ FOR FUEL ADJ (7) x (8)(A)
Jan-12 Act	QUAL. FACILITIES	COGEN	332,440			332,440	4.655	12.473	15,476,728
Feb-12 Act	QUAL. FACILITIES	COGEN	297,382			297,382	4.233	12.970	12,589,025
Mar-12 Act	QUAL. FACILITIES	COGEN	314,566			314,566	4.253	12.513	13,377,966
Apr-12 Act	QUAL. FACILITIES	COGEN	323,201			323,201	4.336	12.395	14,013,369
May-12 Act	QUAL. FACILITIES	COGEN	352,748			352,748	4.752	12.137	16,763,902
Jun-12 Act	QUAL. FACILITIES	COGEN	346,020			346,020	4.748	12.276	16,429,228
Jul-12 Est	QUAL. FACILITIES	COGEN	318,062			318,062	4.460	12.649	14,184,021
Aug-12 Est	QUAL. FACILITIES	COGEN	318,051			318,051	4.460	12.650	14,185,046
Sep-12 Est	QUAL. FACILITIES	COGEN	307,797			307,797	4.409	12.872	13,572,173
Oct-12 Est	QUAL. FACILITIES	COGEN	259,718			259,718	4.518	14.547	11,732,938
Nov-12 Est	QUAL. FACILITIES	COGEN	306,519			306,519	4.360	12.858	13,364,810
Dec-12 Est	QUAL. FACILITIES	COGEN	346,044			346,044	4.417	11.944	15,284,982
TOTAL	QUAL. FACILITIES	COGEN	3,822,548			3,822,548	4.473	12.645	170,974,188

Progress Energy Florida
Economy Energy Purchases
Estimated for the Period of : January through December 2012

(1) MONTH	(2) PURCHASE	(3) TYPE & SCHED	(4) TOTAL MWH PURCHASED	(5) TRANSACTION COST ENERGY COST C/KWH	(6) TRANSACTION COST TOTAL COST C/KWH	(7) TOTAL $ FOR FUEL ADJ (4) x (5)	(8) COST IF GENERATED (A) C/KWH	(8) COST IF GENERATED (B) $	(9) FUEL SAVINGS (8)(B) - (7)
Jan-12	ECONPURCH	--	9,421	7.621	7.621	717,993	4.940	465,369	(252,624)
Act	SEPA	--	0	0.000	0.000	0	0.000	0	0
	TOTAL		9,421	7.621	7.621	717,993	4.940	465,369	(252,624)
Feb-12	ECONPURCH	--	1,268	19.342	19.342	245,257	2.987	37,871	(207,386)
Act	SEPA	--	0	0.000	0.000	0	0.000	0	0
	TOTAL		1,268	19.342	19.342	245,257	2.987	37,871	(207,386)
Mar-12	ECONPURCH	--	2,924	7.937	7.937	232,086	5.001	146,236	(85,851)
Act	SEPA	--	3,229	4.678	4.678	151,074	4.678	151,074	0
	TOTAL		6,153	6.227	6.227	383,160	4.832	297,310	(85,850)
Apr-12	ECONPURCH	--	2,157	9.914	9.914	213,851	7.474	161,217	(52,634)
Act	SEPA	--	6,460	4.504	4.504	290,941	4.504	290,941	0
	TOTAL		8,617	5.858	5.858	504,791	5.248	452,158	(52,634)
May-12	ECONPURCH	--	61,776	4.077	4.077	2,518,671	4.540	2,804,492	285,821
Act	SEPA	--	2,257	4.469	4.469	100,855	4.469	100,855	(0)
	TOTAL		64,033	4.091	4.091	2,619,526	4.537	2,905,347	285,821
Jun-12	ECONPURCH	--	50,764	4.090	4.090	2,076,208	2.925	1,484,704	(591,504)
Act	SEPA	--	0	0.000	0.000	0	0.000	0	0
	TOTAL		50,764	4.090	4.090	2,076,208	2.925	1,484,704	(591,504)
Jan-12	ECONPURCH	--	128,310	4.679	4.679	6,004,066	3.97	5,099,888	(904,178)
THRU	SEPA	--	11,946	4.544	4.544	542,869	4.54	542,870	1
Jun-12									
	TOTAL		140,256	4.668	4.668	6,546,935	4.023	5,642,758	(904,177)

Progress Energy Florida
Economy Energy Purchases
Estimated for the Period of : January through December 2012

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		(9)
				TRANSACTION COST		TOTAL $	COST IF GENERATED		
MONTH	PURCHASE	TYPE & SCHED	TOTAL MWH PURCHASED	ENERGY COST C/KWH	TOTAL COST C/KWH	FOR FUEL ADJ (4) x (5)	(A) C/KWH	(B) $	FUEL SAVINGS (8)(B) - (7)
Jul-12	ECONPURCH	--	11,884	6.497	6.497	772,148	8.966	1,065,564	293,416
Est	SEPA	--	3,227	3.685	3.685	118,907	3.685	118,907	0
	TOTAL		15,111	5.897	5.897	891,055	7.838	1,184,471	293,416
Aug-12	ECONPURCH	--	11,210	7.580	7.580	849,763	10.461	1,172,673	322,910
Est	SEPA	--	3,227	3.685	3.685	118,907	3.685	118,907	0
	TOTAL		14,437	6.710	6.710	968,670	8.946	1,291,580	322,910
Sep-12	ECONPURCH	--	11,773	5.716	5.716	672,894	7.887	928,594	255,700
Est	SEPA	--	3,123	3.685	3.685	115,071	3.685	115,071	0
	TOTAL		14,896	5.290	5.290	787,965	7.006	1,043,665	255,700
Oct-12	ECONPURCH	--	7,982	7.332	7.332	585,244	10.118	807,637	222,393
Est	SEPA	--	3,227	3.685	3.685	118,907	3.685	118,907	0
	TOTAL		11,209	6.282	6.282	704,151	8.266	926,544	222,393
Nov-12	ECONPURCH	--	7,861	6.710	6.710	527,480	9.260	727,922	200,442
Est	SEPA	--	3,123	3.685	3.685	115,071	3.685	115,071	0
	TOTAL		10,984	5.850	5.850	642,551	7.675	842,993	200,442
Dec-12	ECONPURCH	--	4,762	8.925	8.925	425,032	12.317	586,544	161,512
Est	SEPA	--	3,227	3.685	3.685	118,907	3.685	118,907	0
	TOTAL		7,989	6.809	6.809	543,939	8.830	705,451	161,512
Jan-12	ECONPURCH	--	183,782	5.352	5.352	9,836,627	5.653	10,388,822	552,195
THRU	SEPA	--	31,100	4.015	4.015	1,248,639	4.015	1,248,640	1
Dec-12									
	TOTAL		214,882	5.159	5.159	11,085,266	5.416	11,637,462	552,196

Capital Structure and Cost Rates Applied to Capital Projects
Progress Energy Florida
For the period of January through December 2012

	Adjusted Retail $000's	Ratio	Cost Rate	Weighted Cost
Common Equity	2,945,782	46.74%	10.50%	4.91%
Long Term Debt	2,846,460	45.17%	6.18%	2.79%
Short Term Debt	41,666	0.66%	3.72%	0.03%
Preferred Stock	21,456	0.34%	4.51%	0.02%
Customer Deposits - Active	145,590	2.31%	5.95%	0.14%
Customer Deposits - Inactive	1,472	0.02%	0.00%	0.00%
Deferred Tax	420,125	6.67%	0.00%	0.00%
Deferred Tax (FAS 109)	(124,168)	-1.97%	0.00%	0.00%
ITC	3,896	0.06%	8.36%	0.01%
	6,302,278	100.00%		7.88%

Total Debt	2.95%
Total Equity	4.93%

Reference: Docket No. 090079-EI, PSC Order No. 10-0131-FOF-EI, page 172

Docket 120001-EI
Exhibit No. ____(MO-1)
Part 2

PROGRESS ENERGY FLORIDA

CAPACITY COST RECOVERY

ESTIMATED / ACTUAL TRUE-UP

JANUARY THROUGH DECEMBER 2012

Schedule E12-A – Purchased Power Capacity Cost (Projected)

Schedule E12-B – Purchased Power Capacity Cost (Re-Projected)

Schedule E12-C – Variance Analysis (Re-projected vs. Projected)

REDACTED

Progress Energy Florida, Inc.
Risk Management Plan for
Fuel Procurement and Wholesale Power Purchases
For 2013

Progress Energy Florida, Inc. (PEF) is submitting its 2013 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 and further clarified in Order No. PSC-08-0667-PAA-EI of Docket No. 080001-EI

Several groups play key roles in the management, monitoring, and execution of the activities outlined in PEF's Risk Management Plan. These groups include Fuels and System Optimization (FSO), Energy Supply Analytics, Global Risk Management (GRM), which includes Enterprise and Regulated Risk Management (Risk Management), Regulated Accounting, Internal Audit, Legal and Information Technology. The activities supported by these groups include the following: procuring competitively priced fuel, performing active asset optimization and portfolio management, executing PEF's hedging strategy, monitoring and reporting against established oversight limits for credit and margin limits, 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 to capture, track and account for these activities.

Based on the July 2012 Fuels and Operations Forecast (FOF), PEF's estimated fuel consumption and economy transaction projections for 2013 are as follows:

Coal
Based on current projections, PEF forecasts to burn approximately [redacted] tons of coal in 2013. PEF's forecasted coal requirements for 2013 will primarily be purchased 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 to supplement the term purchases.

Heavy Oil
Based on current projections, PEF forecasts to burn approximately [redacted] barrels of heavy oil in 2013. PEF's forecasted heavy oil requirements

REDACTED

for 2013 are expected to be met with existing inventory. Although not anticipated, if needed PEF will make spot market purchases

Light Oil
Based on current projections, PEF forecasts to burn approximately [redacted] barrels of light oil in 2013. PEF's forecasted light fuel oil requirements for 2013 are expected to be purchased primarily under term supply agreements with flexible at indexed market prices. Spot market purchases will be made as needed to supplement term purchases.

Natural Gas
Based on current projections, PEF forecasts to burn approximately [redacted] of natural gas in 2013, comprised of approximately [redacted] at PEF's generating plants and [redacted] at gas-tolling purchased power facilities where PEF has the responsibility to provide the natural gas. PEF's forecasted natural gas requirements for 2013 are expected to be purchased primarily under term supply agreements based on market index pricing, with supplemental monthly and daily purchases of natural gas being made as needed.

Economy Power Purchases and Sales
Based on current projections, PEF forecasts to purchase approximately [redacted] of economy power and sell approximately [redacted] of economy power in 2013. PEF actively seeks to purchase and sell economy power 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 identified 2013 Risk Management Plan Objectives 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 to reduce price risk and provide greater costs certainty for PEF's customers. These items are discussed further in Item 8.

Item 2. Identify the minimum quantity of fuel to be hedged and the activities to be executed during the remainder of 2012 and during 2013

PEF utilizes a phased hedging program where hedge transactions are executed over time with the objective of reducing price risk and providing

REDACTED

greater cost certainty for PEF's customers. The hedging program includes executing approved agreements over a rolling 36-month period through time for natural gas, heavy oil, and light oil. Natural gas hedging activity represents the largest component of PEF's hedging program as natural gas represents the largest fuel cost component of PEF's overall generation fuel costs.

The volumes hedged over time represent a portion of PEF's forecasted burns with higher hedging target ranges in the near term and lower hedging target ranges in the outer period. The hedge percentage target ranges outlined provide a framework for consistently executing the layered hedging strategy over time. PEF cannot predict future prices and PEF's hedging program does not involve speculation or trying to "out-guess" the market. All hedges are executed at the prevailing market price for any given period that exists at the time the hedging transactions are executed. The results of hedging activities may or may not result in net fuel cost savings due to differences between the monthly settlement prices and the actual hedge price of the transactions that were executed over time. The volumes hedged for each fuel type over time are based on periodic updated fuel forecasts and the actual hedge percentages for any month, rolling period, or calendar annual period may come in higher or lower than the target minimum hedge percentages and hedging ranges because of actual fuel burns versus forecasted fuel burns. Actual burns can deviate from forecasted burns because of dynamic variables such as weather, unforeseen unit outages, actual load and changing fuel prices. PEF's multi-year approach to executing fixed price transactions over time is a reasonable and prudent approach to reduce price risk and provide greater costs certainty for PEF's customers.

Outlined below for each fuel type and exposure are the targeted minimum hedge percentages to be hedged for the remainder of 2012 and 2013:

Natural Gas
Natural gas represents PEF's largest fuel cost component and represents the largest component of PEF's hedging activities. PEF plans to continue to execute its existing phased hedging program over a rolling 36-month period through time for natural gas through the remainder of 2012 and during 2013. The currently approved rolling hedge percentage that is outlined in PEF's Fuels and Power Optimization Risk Management Guidelines are as follows:

- [redacted]
-
-

PEF will target to hedge a minimum of [redacted] and [redacted] of forecasted natural gas burns for the rolling 36-month time period through time, respectively, during the remainder of 2012 and 2013. Given PEF's hedging

REDACTED

strategy, PEF will continue to participate in spot natural gas prices for a portion of its estimated natural gas needs.

Light Oil and Heavy Oil
With respect to light oil forecasted to be burned at PEF's owned generation facilities for calendar year 2013, during the balance of 2012 and during 2013, PEF will target to hedge a minimum of [redacted] of its forecasted light oil burns for the 2013 calendar period.

As outlined in the 2012 Risk Management Plan, due to the decline in overall forecasted heavy oil usage for future periods, PEF made the decision not to execute heavy oil hedges for periods beyond 2012.

Coal Rail and River Transportation Fuel Surcharges
During the balance of 2012 and during 2013, with respect to coal river and rail transportation estimated fuel surcharge exposure, PEF will target to hedge between [redacted] to [redacted] of the estimated fuel surcharge exposure for calendar year 2013, and a minimum of [redacted] of the of the estimated fuel surcharge exposure for calendar year 2014.

Summary
As PEF moves through the remainder of 2012 and during 2013, PEF will continue monitor its fuel forecast and will continue to execute hedges over time to attempt to manage to the hedge percentage targets outlined for a portion of its projected burns for natural gas, light oil, heavy oil, and estimated coal rail and river transportation fuel surcharge exposure. This hedging approach is consistent with PEF's existing strategy and allows PEF to continue to monitor the market and fuel forecast updates. The hedging targets for each of the respective periods are included in PEF's Risk Management Guidelines in **Attachment A**.

Item 3. Identify and quantify each risk, general and specific, that the utility may encounter with its fuel procurement.

PEF has identified specific and general risks associated with the procurement of fuels and power optimization activities. The specific risks include fuel price risk, supplier performance and default risk, liquidity risk, credit risk, product availability risk, and changes in forecasted volumes. The general risks include weather related events such as hurricanes, extreme weather variations from forecast, business continuity, and changes in environmental rules and regulations. Described below are the specific and general risks that PEF is exposed to and the activities that PEF undertakes to manage overall exposure to these risks. In addition, the processes that PEF has in place to monitor and quantify these risks are also described.

Fuel Price Risk

PEF's customers are exposed to the risk of fuel price movements, which could result in significant variability in projected and actual fuel costs. For natural gas, heavy oil and light oil, the physical fuel is procured under standard industry contracts that are based on published market index pricing that exists during the time periods the fuel is delivered. The published market index prices paid by PEF for these fuels will fluctuate with daily changes in market prices until the respective first of the month market index or daily-published market index price settles and the product is delivered. For coal, PEF executes standard industry supply agreements to fix and/or collar the price of the underlying coal, but is exposed to fuel surcharges in the transportation agreements. Absent hedging as defined by Order No. PSC-02-1484-FOF-EI (i.e. the Hedging Order), Order No. PSC-08-0667-PAA-EI (i.e. Clarifying Hedge Order), and PSC-09-0349-CO-EI (i.e. Transportation Surcharges), and fixed price coal supply contracts, the projected fuel costs for coal, natural gas, heavy oil, and light oil fuel purchases could vary significantly due to changing market prices over time.

PEF manages and reduces fuel price risks for a portion of its forecasted natural gas and fuel oil burns, and estimated coal rail and river transportation surcharges by utilizing financial transactions over time. As outlined above, PEF enters into standard industry coal supply agreements to fix the price of the underlying commodity exposure. Because of these actions, PEF reduces its overall exposure to changes in projected fuel costs for its customers as agreements have been executed that fixed and/or collar the costs.

With respect to monitoring and quantifying fuel price risk, Risk Management independently monitors and reports on the percentage of projected fuel burns that have been hedged under physical and financial agreements as compared to the established procurement targets for each respective product and period. In addition, the Company performs multiple periodic fuel and purchased power cost forecasts updates each year, which incorporate any updates needed for financial and physical hedge positions, fuel and emission prices, unit maintenance schedules, load forecasts, and other operating parameters. The updated fuel and purchased power forecasts are point in time estimates and are summarized and published to ensure there is a regular review of projected fuel and purchased power costs. Lastly, as needed, Risk Management performs standard statistical stress tests, portfolio analysis, and value-at-risk calculations to determine potential impacts of changing and volatile prices.

Supplier Performance and Default Risk

Supplier performance and default risk represents the risk of financial loss and/or supply loss that PEF could incur if a supplier defaults on a physical or financial obligation and is not able to fulfill the terms of an agreement. The estimated aggregate dollar amount of supplier performance and default risk for the portfolio is based on the volume, duration and price of the agreements as compared to the current estimated market value of the agreements.

PEF reduces supplier performance risk by engaging in business with a number of approved suppliers, executing agreements within contract approval limits and credit parameter limits, monitoring delivery performance of suppliers and, if possible, incorporating contractual provisions that allow for non-performance remedies in the case of default. In addition, if a supplier defaults, PEF also maintains on-site inventories for coal, heavy oil and light oil. For activities associated with hedging under financial agreements, the Credit function within Risk Management monitors all open positions and reviews the estimated exposure for each third party company on a daily basis to ensure that PEF has the appropriate collateral balances as compared to contractual threshold established.

With respect to monitoring and quantifying the level of supplier performance and default risk in fuel agreements, Energy Supply Analytics independently calculates, and the Credit function within Risk Management monitors and reports on the amount of default risk associated with coal, natural gas and fuel oil financial and physical agreements. The review is based on contractual volumes, duration and prices as compared to the current estimated value of the open positions in the agreements that have yet to be delivered or financially settled. See **Attachment B** for PEF's estimated Portfolio Default Exposure Report as of July 13, 2012.

<u>Liquidity Risk</u>
Liquidity risk represents the risk that PEF could not meet the collateral requirements generated from fuel hedging agreements if fuel prices fall substantially. As discussed above, PEF manages fuel price risk for a portion of its forecasted fuel costs through the use physical and financial hedging agreements. To manage default risk, most of these agreements contain provisions that require the posting of collateral if contractual thresholds are surpassed. The collateral requirements of the portfolio are based on the volume, duration, prices, and collateral threshold levels of the agreements as compared to the current estimated market value of the agreements.

PEF manages and reduces liquidity risk by conducting business with a number of counterparties to maximize the collateral threshold levels in individual agreements. In addition, PEF has been utilizing hedging agreements with non-marginable provisions that have less impact on collateral requirements and do not require the posting of margin. For activities associated with hedging under financial agreements, the Credit function within Risk Management monitors all open positions and reviews the estimated market exposure for each third party company on a daily basis to ensure that PEF only posts the appropriate collateral balances as compared to contractual thresholds.

With respect to monitoring and quantifying the level of liquidity risk in fuel agreements, Risk Management independently calculates, monitors and reports on the amount of liquidity risk associated with coal, natural gas and fuel oil financial and physical agreements. The review is based on contractual volumes, duration and prices as compared to the current estimated value of the open positions in the agreements that have yet to be delivered or financially settled. Risk Management performs standard statistical stress tests, portfolio analysis and Value at Risk calculations to determine potential impacts on liquidity risk of changing and volatile commodity prices on marginable positions.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") provides for the comprehensive regulation of swaps and security-based swaps, applying in respects to the bilateral and over-the-counter (OTC) derivatives markets. Generally, the Dodd-Frank Act provides for certain exemptions from the mandatory clearing and exchange trading requirements for certain participants (such as end-users that are not swap dealers) that engage in hedging activities to mitigate or hedge physical risk. As of the previous update, there was uncertainty as timing of the implementation of the Dodd-Frank Act because a "swap" under the regulations had yet to be defined. Accordingly, the CFTC had extended the effective date deadline for significant aspects of the legislation until the earlier of December 31, 2012, or issuance and effectiveness of final implementing regulations. On July 10, 2012, the CFTC issued its final rule defining a "swap." This rule will become effective sixty (60) days after it is published in the Federal Register, and upon its effectiveness, the other rules will also begin to take effect. PEF is continuing to study the issued rules and timing of their implementation to prepare for applicable compliance requirements. PEF is also studying the impact of the rules on its hedging transactions; however, it is difficult to predict how the market will adjust to the new regulations. In general, the proposed regulations are anticipated to cause some changes to the Over the Counter (OTC) derivatives markets that may affect market makers and companies that trade or hedge using financial products, such as the requirement to clear OTC derivatives through a central clearinghouse or exchange. Given that we enter into commodity and interest rate hedges to mitigate commercial risk and/or hedge physical positions, rather than as part of a regular swap business, we do not believe we meet the definitions of "swap dealer" or "major swap participant" under the rules. Therefore, we expect that we will be exempt from the law's mandatory clearing and trading provisions, subject to certain reporting requirements. Nevertheless, this requirement could raise the incremental cost of hedging activities as it may require these counterparties to post additional margin and maintenance margin for OTC derivatives, which would then increase the liquidity requirements needed to support these activities. Currently, PEF has credit collateral thresholds in place with its counterparties that do not require the posting of collateral unless the market value of its hedges drops below the negotiated threshold dollar value. Additionally, PEF has negotiated several bi-lateral non-margin hedging agreements with counterparties where margin posting is not required on certain transactions. Even assuming PEF is considered exempt from certain mandatory clearing of OTC derivatives and more stringent collateral requirements under the proposed regulation because its hedging activities are for the purpose of managing its commercial risk for customers and not for speculative trading purposes, PEF may yet be subject to higher incremental costs for hedging transactions because of the margining requirements imposed to counterparties it transacts with. If some of PEF's counterparties are subject to higher liquidity requirements due to the proposed regulation, PEF could be subject to higher incremental costs for hedging transactions in the form of 1) potential increases in bid / offer spreads on market hedge transactions, 2) potential reduction by certain counterparties in the use of non marginable OTC transactions and 3) potential reduction in the number of counterparties who will be available for hedging transactions with PEF.

Credit Risk

On a daily basis, the Credit function within Risk Management calculates, monitors, and reports on the Company's overall credit risk. The Credit function utilizes industry-specific credit evaluation practices and has specific criteria that are used to measure credit risk and ensure counterparties' credit is monitored and reviewed. The Credit function monitors all positions and reviews the mark-to-market exposure for each third party company to ensure that based on the current market value of open hedge positions and the credit quality of the third party companies the appropriate level of collateral is posted or received as compared to the contractually established threshold. To date, PEF has not experienced any credit losses with respect to its hedging program activities.

With respect to financial transactions, prior to executing any financial transaction with a third party company, two activities take place. First, PEF and the third party company must have an International Swap Dealer Agreement (ISDA) in place. The ISDA is a standard industry contract that is used by industry participants to enter into Over the Counter bi-lateral transactions (OTC transactions). All ISDA agreements are negotiated by the Legal group and reviewed as needed with Credit, FSO and Accounting to ensure the appropriate terms and conditions are included. As part of the process of setting up a new financial agreement, a credit evaluation is performed on the third party company by the Credit function. There are universal principles of credit strength that are evaluated before credit is granted. Among these principles are company size, industry characteristics and trends, profitability, liquidity, cash flow, interest and fixed charge coverage and capital structure. In addition, industry specific internal evaluation models are used to evaluate third party companies' credit. This model provides an enhancement to the other components of the evaluation. PEF evaluates counterparties using a consistent analytical approach and the credit ratings are based on both external ratings and the evaluation of key counterparty attributes identified as leading indicators for financial performance. The credit rating process includes obtaining counterparty background information, identifying any existing Standard & Poor's (S&P) and/or Moody's ratings for the counterparty, and performing a financial statement analysis. The financial statement analysis includes, but is not limited to, a review of revenue trends, metric calculations and trends evaluation for Free Funds from Operations, Total Debt to Tangible Net Worth, Funded Debt to Capital, Interest Coverage, Operating Cash Flow and Liquidity. If the counterparty is a bank, the Tier I, Tier II and Total Capital Ratios are also reviewed. In addition, company financial information is entered into the Company's proprietary credit model, which generates a score that helps validate existing agency ratings and provides a means to determine if any necessary internal rating adjustments are needed. Once the credit evaluation is complete, a credit rating is assigned to the third party company and, if appropriate, a credit line is extended. The assigned credit rating and credit limit dictate the size and duration of financial hedging transactions that PEF can enter into with a third party company.

As described, on a daily basis the Credit function independently monitors, calculates and reports on collateral exposure. In addition, with respect to monitoring agreements that require the posting of margin based on established contractual thresholds, the company may ask for margin or send out margin to the third party company to ensure exposures are within established contractual thresholds. See **Attachment C** for the PEF collateral report as of July 13, 2012.

<u>Product Availability and Changes in Forecasted Volumes</u>
PEF must have access to needed physical fuel supplies, adequate product delivery capabilities and inventory to meet projected fuel requirements. Without access to needed fuel supply and inventory, PEF is exposed to the risk of not being able to economically and reliably dispatch the generation fleet for its customers.

PEF manages and reduces this risk by entering into physical supply contracts, as well as needed pipeline, railroad, barge and trucking agreements for the purchase and delivery of coal, natural gas, heavy oil and light oil that provide the ability to meet projected burns. In addition, PEF maintains on-site inventory for coal, heavy oil and light oil to provide fuel supplies to support on-going operations and ensure supplies are available if unexpected delivery delays, storm curtailments, and events that could affect fuel supply availability. PEF also holds off-site high deliverability natural gas storage capacity that provides additional access for a portion of its natural gas needs when natural gas supplies are curtailed. In addition, PEF has firm transportation on Gulfstream Natural Gas, Florida Gas Transmission (FGT) and Southern Natural Gas (Sonat), and has access to onshore gas supplies via contractual volumes delivered on Southeast Supply Header, the Transco Mobile Bay South Lateral and purchase for LNG volumes that are delivered out of Elba Island into FGT via the Sonat Cypress Pipeline. PEF monitors actual fuel burns, forecasted fuel burns, and fuel inventory levels. Based on these reviews, PEF may make procurement adjustments to manage any changes to the volume and delivery timing of contracted supplies because of actual burns, changes to forecasted fuel burns and inventory levels that can be caused by economic factors, weather deviations, fuel-switching trends, plant outages, and purchased power opportunities.

With respect to monitoring and quantifying the level of risk associated with ensuring adequate fuel supply, Risk Management independently monitors and reports on the amount of fuel procured versus projected burns. In addition, the front office performs analyses that quantify the amount of fuel and transportation needed to support projected burns and inventory needs. Lastly, the Company performs periodic forecast for fuel burns and purchased power and produces summary reports for review and monitoring of projected fuel burns.

General Risk

PEF is subject to weather events and hurricanes. As detailed above, PEF reduces the overall risks associated with weather events, storms and other potential fuel delivery curtailments and delays by maintaining on-site inventories and off-site inventories and continuing to diversify its natural gas supply to more secure onshore locations as the Company's overall gas generation has grown. PEF is also subject to events that could require FSO employees to perform required work functions at locations other than their normal work location. With respect to this risk, the FSO Department has business continuity plans in place that are reviewed and tested periodically to ensure that offsite locations are functional. Lastly, PEF is subject to changes in environmental rules and regulations.

Item 4. Describe the company's oversight of its fuel procurement activities.

The Finance and Risk Management Committee (FRMC) of the Board of Directors as well as the Company's Senior Management, defined as the Chief Executive Officer (CEO) and his/her direct reports, provide guidance and oversight to Duke Energy's financial risks. The Chief Risk Officer (CRO) updates the FRMC of any material risks or risk taking activities of the enterprise at every regularly scheduled Board meeting. The Transaction and Risk Committee (TRC) is responsible for oversight of the Corporation's Risk Management activities. The TRC is comprised of senior executives from varying functional areas. The TRC is responsible for annually reviewing and approving the corporate Commodity Risk Policy and Corporate Credit Policy, reviewing corporate risks and resulting mitigation decisions including fuel hedging and procurement activities. The Committee also reviews transactions that exceed individual senior management committee approval authorities. Senior management committee approval authorities are outlined in the Company's Approval of Business Transaction policy (ABT).

Specific risk and credit guidelines including limits and hedging targets that apply to PEF are recommended jointly by Front Office and Risk Management and approved by the Chief Risk Officer (CRO) or the Chief Financial Officer (CFO) as per the Commodity Risk Policy. Following the closing of the merger with Duke Energy, PEF is continuing to operate under their existing Risk and Credit Guidelines.

PEF has included the Company's Duke Energy Commodity Risk Policy and Duke Energy Credit Policy as **Attachments E and F**.

With respect to day-to-day independent oversight and controls in place to oversee FSO's activities, the company uses the "three-office" structure which includes FSO and Energy Supply Analytics (Front Office), Risk Management (Middle Office) and Regulated Accounting (Back Office) to provide the necessary independent oversight and monitoring of its fuel procurement, power optimization and hedging activities.

The "three-office" structure is an accepted industry practice with the Front Office, Middle Office, and Back Office each functioning as independent departments, which ensures the required segregation of duties and the existence of independent oversight and controls over key activities. In addition, the Legal organization provides critical contractual support to ensure that the Front Office contracts are reviewed with FSO and contain legal provisions to that reduce risks that could affect the Company. The IT Enterprise Application Solution Support organization provides on-going support related to trading system operations and functioning. Treasury and Disbursement Services provide appropriate support when disbursing funds to counterparties via checks, wires or automated clearinghouse payments. These support organizations are independent from the Front Office.

<u>Front Office</u>
PEF has a structured procurement process where Requests for Proposals are issued periodically to procure needed competitive fuel supply. As noted above, the fuel procurement contracting and settlement activity is supported by the Legal and Regulated Accounting function. Front Office management is responsible for ensuring employees are authorized before they are allowed to trade commodities on the Company's behalf. In addition, there is a corporate Energy Supply Bulk Power Marketing & Trading Delegation of Authorities as

well as a corporate Approval of Business Transactions Delegation of Authorities, which provides the required approvals for fuel related procurement activity based on estimated costs and duration of fuel related contracts. Front Office management is also responsible for ensuring that employees have signed the Risk Management Employee Acknowledgement form stating that they have read the risk policies/guidelines and understand them before they are allowed to trade commodities on the Company's behalf. PEF has included the PEF Risk Management Guidelines, Duke Energy Commodity Risk Policy, Duke Energy Credit Policy, and PEF Credit Risk Management Guidelines, in **Attachments A, E, F, and G.** In addition, the Duke Energy Supply Bulk Power Marketing & Trading Delegation of Authorities, the Duke Energy Commodities Approval Matrix from the ABT, the PEF Trader Authorization Form, and the Risk Management Employee Acknowledgment Form are included as **Attachments H, D, J, and I** respectively.

<u>Middle Office</u>

Risk Management monitors Front Office activity by quantifying, monitoring, and reporting risks associated with fuel procurement, power optimization and hedging activities. Risk Management is accountable to the enterprise for independent oversight, measurement, and reporting of Front Office activities to management. Risk Management monitors and reports on Front Office activities and will report immediately any non-compliance as required within the reporting and control limit structures as defined by the Risk Management Guidelines. Lastly, Risk Management publishes credit limit and exposure reports to ensure that counterparty credit limits are monitored and adhered to and administers margin activity as required under agreements with counterparties to reduce credit and default risk.

<u>Regulated Accounting</u>

Accounting is also independent from Front Office and performs the following control functions, among other things, on a daily, weekly or monthly basis: deal validation, transaction confirmations, close accounting, general ledger balance sheet account reconciliations, settlements/cash transfers, processing payments/receipts, accounting for hedging activities and derivatives, and performing certain compliance activities as defined and/or required by various regulatory agencies (e.g. Securities and Exchange Commission, Financial Accounting Standards Board, Federal Energy Regulatory Commission, Public Service Commission). Related to accounting for hedging activities and derivatives, Progress Energy's Derivatives policy is followed. This policy is reviewed and updated as necessary at least annually.

Item 5. Verify that the utility provides its fuel procurement activities with independent and unavoidable oversight.

As described in Item 4, the Company has a robust independent oversight culture and organizational design with processes in place to ensure the identification, monitoring, and reporting of risks accompanying independent controls for monitoring and reporting on fuel procurement, power optimization, and hedging activities. The key components of the oversight functions and processes are further described below.

The Finance and Risk Management Committee of the Board of Directors (FRMC)
The FRMC is primarily responsible for the oversight of risk at the Company. This oversight function includes, but is not limited to reviews of Duke Energy's risk exposure as related to the overall company portfolio and impact on earnings; and reviewing the financial exposures undertaken by the company in light of the approved Corporate Risk Management Policies. Such exposures include physical and financial positions in the commodities markets. The Committee is comprised of a minimum of two or more members of the Board.

Transaction and Risk Committee (TRC)
The TRC is responsible for oversight of the Corporation's Risk Management activities as well as reviewing proposed business transactions and risk management activities of the Corporation that require approval by the President and Chief Executive Officer, the Board of Directors or a committee of the Board of Directors in accordance with the Approval of Business Transactions Policy. The membership of the Committee shall consist of the following officers of the Corporation:

- Chief Financial Officer (Chair).
- Chief Legal Officer
- Vice President and Chief Risk Officer
- Vice President and Treasurer
- Vice President, Internal Audit, Ethics and Compliance

In addition to the members listed above, three members from the Senior Management Committee, other than the Chief Financial Officer and Chief Legal Officer who are permanent members, serve on the Committee on a rotational basis. These members will be selected on an annual basis by the President and Chief Executive Officer.

Enterprise and Regulated Risk Management (Risk Management)
The Company has an independent Risk Management section, which is overseen by the Director of Enterprise Portfolio and Risk Management who reports to the CRO. The Risk Management group is comprised of a Corporate Credit function and FE&G Market Risk Management function. Risk Management's credit function provides independent credit evaluation of trading and procurement counterparties, performs credit reviews of the company's suppliers and customers, and assists in drafting and reviewing credit language in various agreements, and monitors and reports on credit exposures daily. Risk Management's market risk function independently reports on fuel procurement and hedging activities and performs independent analysis as required. Risk Management independently develops the methodologies for measuring and evaluating risk.

Guidelines
As part of the overall risk management structure and oversight process at the company, the risk management and credit risk management guidelines are recommended jointly by Front Office and Risk Management and approved by the CRO or the CFO as per the Commodity Risk Policy. Following the closing of the merger with Duke Energy, PEF is continuing to operate under their existing Risk and Credit Guidelines.

PEF's Risk Management Guidelines provide the methods to assess, quantify, report, and monitor the activities associated with fuel procurement contracts, fuel hedging activities, and power activities. In addition, these Guidelines outline approved products, approved periods, and risk parameters such as reporting and control limits for margin capital, credit exposure, Value at Risk (VAR), and annual hedging targets. PEF's Credit Risk Management Guidelines provide the methodology to evaluate, measure, mitigate, and report credit associated with FSO activities. In addition, the Credit Risk Management Guidelines outline specific contract duration criteria for counterparties based on standard industry credit metrics and methods.

Internal Audit
Internal Audit provides independent assurance and consulting services that ensure compliance, effective corporate governance, adherence to established procedures and operational effectiveness for all major areas of the Company. With respect to FSO activities, Audit Services performs periodic audits that focus on items such as compliance with established procedures, off premise activity, payment terms under fuel contracts and other trading and procurement activities.

Legal and Regulated Back Office
Legal is involved with performs contract reviews with the Front Office during drafting and prior to final execution. In addition, Regulated Back Office performs, among other things, on a daily, weekly or monthly basis, deal validation, transaction confirmations, close accounting, general ledger balance sheet account reconciliations, settlements/cash transfers, processing payments/receipts, accounting for hedging activities and derivatives, and performing compliance activities as defined and required.

Item 6. Describe the utility's corporate risk policy regarding fuel procurement activities.

The utility risk policy requires the oversight of the Company's business and financial risks. As described in detail in item 4 the company has developed management oversight functions and processes, specific guidelines, approval processes and procedures that must be followed with respect to fuel procurement, power optimization and hedging activities. PEF has included the Duke Energy Commodity Risk Policy, Duke Energy Credit Policy, the Duke Energy Supply Bulk Power Marketing & Trading Delegation of Authority, and the Duke Energy Commodities Approval Matrix from the ABT as **Attachments E, F, H and D.** The fuel purchase and related activities are identified under the Energy Supply Bulk Power Marketing & Trading Delegation of Authority and the Commodities Approval Matrix.

Item 7. Verify that the utility's corporate risk policy clearly delineates individual and group transaction limits and authorizations for all fuel procurement and hedging activities.

The utility has approval requirements, guidelines and trader authorizations in place that outline authorizations for fuel procurement and hedging activities. PEF has included the PEF's Risk Management Guidelines and corporate Duke Energy Commodity Risk Policy in **Attachment A and E**. These policies and guidelines outline roles and responsibilities of each group, deal execution processes, and allowed products, as well as control limits such as volumetric, tenor and liquidity limits and deal validation and valuation processes. Additionally, the Duke Energy Supply Bulk Power Marketing & Trading Delegation of Authority and the Duke Energy Commodities Approval Matrix from the ABT outline the approval requirements for procurement activities for respective individuals and management levels based on the tenor and estimated dollar amounts of agreement, subject to the requirements of the Approval of Business Transactions policy. Lastly, the trader authorization forms identify the trader level approval limits with approved products, approved commodities and periods. The Duke Energy Supply Bulk Power Marketing & Trading Delegation of Authority, the Duke Energy Commodities

Approval Matrix from the ABT and the Trader Authorization Form are included in **Attachments, H, D, and I** respectively.

Item 8. <u>Describe the utility's strategy to fulfill its risk management objectives.</u>

As outlined in Item 1, PEF's 2013 Risk Management Plan objectives 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 to reduce price risk and provide greater costs certainty for PEF's customers. Outlined below is the strategy to fulfill the risk management objectives.

First, the strategy is executed by experienced professionals who conduct and execute their activities to achieve the objectives of the plan.

One of the components of PEF's Risk Management Plan objectives is to engage is competitive fuel procurement practices. Examples of the strategy executed to fulfill this objective include the issuance of periodic RFP's to solicit competitive term supply bids for coal, natural gas and fuel oil. In addition, PEF actively manages its day-to-day fuel needs and participates in the short-term market place to access competitive supply and work closely with suppliers as needed. With respect to the strategy executed to achieve the objective of performing active asset optimization and portfolio management activities, the Portfolio Management Unit within FSO performs daily forecast to determine optimal unit commitment and dispatch based on generations costs and market prices, and together with the Power Trading Unit within FSO, monitors the hourly cost to dispatch the generation fleet compared to available market opportunities. The Power Unit actively seeks opportunities to execute economic purchases and sales that reduce costs for the customers. Lastly, with respect to the strategy executed to fulfill the objectives of the hedging program, PEF by virtue of locking in fixed price for a portion of forecasted usage over time via its hedging program, achieves this objective as a portion of PEF's fuel costs are no longer subject to changing fuel markets.

Along with the examples noted above, PEF's Risk Management Plan activities, are governed by independent controls and audits, strong processes, appropriate organizational design and oversight, deal approval requirements, and the existence of the needed guidelines and procedures. The Company has established controls, guidelines, procedures and organizations to support and independently monitor fuel procurement, hedging and power optimization activities. As noted in items 4 and 5, the Company has a robust oversight culture and processes that includes oversight by the TRC, periodic audits by Audit Services, and independent reporting and credit monitoring by Risk Management to ensure adherence to established guidelines and procedures.

Item 9. Verify that the utility has sufficient policies and procedures to implement its strategy.

PEF maintains sufficient guidelines and procedures to implement its strategy. Please see **Attachment K** for a summary listing of the applicable guidelines and procedures.

Item 13. Describe the utilities reporting system for fuel procurement activities.

The Company utilizes multiple systems and applications to track, record, account, and report on executed fuel procurement activities. Descriptions of the primary systems, software and other tools are provided below.

Forecasted fuel burns are prepared by the Company using a production cost simulation model called GenTrader. Fuel and other commodity price forecasts, load forecasts, purchased power deal information, generating unit operating characteristics, maintenance schedules, and other pertinent data are input into GenTrader which then simulates the system and computes a projected fuel burn requirement.

Aligne is a software application used by the Company to capture natural gas physical procurement transactions as well as financial natural gas, heavy oil and light oil transactions. In addition to deal capture, Aligne is used for deal valuation, position management, mark-to-market calculations and settlements. Aligne is integrated with the Gas Management System (GMS) which is a natural gas scheduling tool used to match supply and deliveries. Once volumes are updated in GMS with actual volumes, there is a process that systematically updates the physical deals in Aligne.

The GMS is a software application used by the company to match supply, transport and deliveries for natural gas purchases, sales and transport activity and the administration of associated contracts. The system is integrated with Aligne as outlined above, which provides for greater efficiency and controls for gas related activities.

Fuelworx is a software application used by the company to capture and track physical procurement activity for coal and fuel oil. The system assists with administering contract terms and conditions, maintaining inventory levels, capturing fuel consumption information, and issuing monthly closeout processes, including invoicing, and settlements.

Front Office, Risk Management and Accounting utilize other programs such as Business Objects and Excel to summarize, evaluate and report on fuel procurement transactions, and counterparty credit evaluations. In addition, Energy Supply Analytics and Risk Management utilize Matlab, a computer programming language, to calculate VAR and run other scenarios as needed by the business units.

Lastly, the Company has agreements with vendors to provide real time pricing feeds to monitor real-time natural gas, fuel oil and power market prices.

Item 14. Verify the utility's reporting system and other tools consistently and comprehensively identifies, measures and monitors all forms of risk associated with fuel procurement activities.

As outlined in the response to item 13, the Company utilizes several applications to ensure procurement and hedging activities are captured, measured, monitored, confirmed, accounted for and reported. The company uses standard industry reporting templates, valuation techniques and applications. The current applications utilized by the company provide the necessary functionality for capturing deals, summarizing fuel positions, calculating mark-to-market valuations, calculating credit and collateral exposures, generating confirmations, supporting billing and payment requirements, and maintaining needed historical information such as prices and trade data.

Item 15. If the utility has current limitations in implementing certain hedging techniques that would provide a net benefit to ratepayers, provide the details of a plan detailing the resources, policies, and procedures for acquiring the ability to use effectively the hedging techniques.

PEF does not believe that there are any current limitations to execute its hedging strategy in a reasonable and prudent manner.

Progress Energy Florida
Calculation of Projected Capacity Costs
For the Year 2012 - As filed on 9/1/11 in Docket 110001-EI

		EST Jan-12	EST Feb-12	EST Mar-12	EST Apr-12	EST May-12	EST Jun-12	EST Jul-12	EST Aug-12	EST Sep-12	EST Oct-12	EST Nov-12	EST Dec-12	TOTAL
1	**Base Production Level Capacity Costs**													
2	Auburndale Power Partners, L.P. (AUBRDLFC)	775,370	775,370	775,370	775,370	775,370	775,370	775,370	775,370	775,370	775,370	775,370	775,370	9,304,440
3	Auburndale Power Partners, L.P. (AUBSET)	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	41,248,746
4	Lake County (LAKCOUNT)	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	8,722,530
5	Lake Cogen Limited (LAKORDER)	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	42,639,179
6	Metro-Dade County (METRDADE)	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	16,016,640
7	Orange Cogen (ORANGECO)	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	33,763,214
8	Orlando Cogen Limited (ORLACOGL)	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	32,889,409
9	Pasco County Resource Recovery (PASCOUNT)	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	15,734,760
10	Pinellas County Resource Recovery (PINCOUNT)	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	37,455,570
11	Polk Power Partners, L.P. (MULBERRY/ROYSTER)	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	65,182,551
12	Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	9,611,349
13	Southern Scherer	944,620	944,620	944,620	944,620	944,620	944,620	944,620	944,620	944,620	944,620	944,620	944,620	11,335,440
14	Subtotal - Base Level Capacity Costs	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	26,991,986	323,903,829
15	Base Production Jurisdictional Responsibility	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	92.792%	
16	Base Level Jurisdictional Capacity Costs	25,046,403	25,046,402	25,046,402	25,046,402	25,046,402	25,046,403	25,046,403	25,046,403	25,046,403	25,046,403	25,046,403	25,046,403	300,556,835
17	**Intermediate Production Level Capacity Costs**													
18	Southern Franklin	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	25,956,000
19	Schedule H Capacity Sales - NSB & RC/D	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(11,489)	(137,869)
20	Subtotal - Intermediate Level Capacity Costs	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	2,151,511	25,818,131
21	Intermediate Production Jurisdictioinal Responsibility	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	72.541%	
22	Intermediate Level Jurisdictional Capacity Costs	1,560,728	1,560,728	1,560,728	1,560,728	1,560,729	1,560,728	1,560,728	1,560,728	1,560,728	1,560,728	1,560,728	1,560,728	18,728,733
23	**Peaking Production Level Capacity Costs**													
24	Chattahoochee	12,231	12,231	12,231	12,231	12,231	12,231	12,231	12,231	12,231	12,231	12,231	12,231	146,774
25	Shady Hills Power Company LLC	1,951,009	1,951,009	1,393,578	1,393,578	1,951,009	4,180,734	4,180,734	4,180,734	1,951,009	1,393,578	1,393,578	1,951,009	27,871,560
26	Vandolah (RRI)	1,418,840	1,418,840	1,014,360	1,014,360	1,418,840	-	-	-	-	-	-	-	6,285,240
27	Vandolah (NSG)	-	-	-	-	-	5,400,864	5,384,448	5,340,672	2,520,403	1,838,592	1,882,368	2,676,173	25,043,520
28	Subtotal - Peaking Level Capacity Costs	3,382,080	3,382,080	2,420,169	2,420,169	3,382,080	9,593,829	9,577,413	9,533,637	4,483,644	3,244,401	3,288,177	4,639,413	59,347,094
29	Peaking Production Jurisdictional Responsibility	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	91.972%	
30	Peaking Level Jurisdictional Capacity Costs	3,110,567	3,110,567	2,225,878	2,225,878	3,110,567	8,823,637	8,808,538	8,768,277	4,123,697	2,983,941	3,024,202	4,266,961	54,582,709
31	**Other Capacity Costs**													
32	Retail Wheeling	(4,711)	(4,356)	(657)	(959)	(397)	(356)	(589)	(1,066)	(411)	(5,889)	(2,758)	(1,027)	(23,178)
33	Other Jurisdictional Capacity Costs	(4,711)	(4,356)	(657)	(959)	(397)	(356)	(589)	(1,066)	(411)	(5,889)	(2,758)	(1,027)	(23,178)
34	Total Capacity Costs (line 16+23+30+33)	29,712,987	29,713,341	28,832,351	28,832,049	29,717,300	35,430,411	35,415,061	35,374,340	30,730,417	29,585,183	29,628,575	30,873,065	373,845,099
35	Estimated/Actual True-Up Provision - Jan - Dec 2011													(20,667,503)
36	Total Capacity Costs w/ True-Up													353,177,596
37	Revenue Tax Multiplier													1.00072
38	Total Recoverable Capacity Costs													353,431,884
39	Nuclear Cost Recovery Clause													85,951,036
40	Revenue Tax Multiplier													1.00072
41	Total Recoverable Nuclear Costs													86,012,921
42	Total Recoverable Capacity & Nuclear Costs (line 38+41)													439,444,805

Progress Energy Florida
Calculation of Estimated/Actual True-up
For the Year 2012

Docket No. 120001-EI
Exhibit__MO-2, Part 2
Schedule E12-B

		ACT	ACT	ACT	ACT	ACT	ACT	EST	EST	EST	EST	EST	EST	
		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	TOTAL
1	**Base Production Level Capacity Costs**													
2	Auburndale Power Partners, L.P. (AUBRDLFC)	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$775,370	$9,304,440
3	Auburndale Power Partners, L.P. (AUBSET)	$3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	3,437,396	41,248,751
4	Lake County (LAKCOUNT)	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	726,878	8,722,533
5	Lake Cogen Limited (LAKORDER)	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	3,553,265	42,639,180
6	Metro-Dade County (METRDADE)	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	1,334,720	16,016,640
7	Orange Cogen (ORANGECO)	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	2,813,601	33,763,214
8	Orlando Cogen Limited (ORLACOGL)	2,682,226	2,675,846	2,676,295	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	2,740,784	32,701,423
9	Pasco County Resource Recovery (PASCOUNT)	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	1,311,230	15,734,760
10	Pinellas County Resource Recovery (PINCOUNT)	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	3,121,298	37,455,573
11	Polk Power Partners, L.P. (MULBERRY/ROYSTER)	5,431,880	5,431,880	5,431,880	5,431,880	5,431,880	5,431,880	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	5,431,879	65,182,551
12	Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	800,946	9,611,351
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
14	UPS Purchase (414 total mw) - Southern	-	-	(230,855)	-	-	-	-	-	-	-	-	-	(230,855)
15	Southern - Scherer	1,666,586	1,661,304	1,663,945	1,663,945	2,237,943	1,558,717	1,528,620	1,528,620	1,528,620	1,528,620	1,528,620	1,528,620	19,624,160
16	Subtotal - Base Level Capacity Costs	27,655,394	27,643,732	27,415,967	27,711,312	28,285,309	27,606,083	27,575,987	27,575,987	27,575,987	27,575,987	27,575,987	27,575,987	331,773,720
17	Base Production Jurisdictional Responsibility	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	91.683%	
18	Base Level Jurisdictional Capacity Costs	25,355,295	25,344,603	25,135,781	25,406,562	25,932,820	25,310,086	25,282,492	25,282,492	25,282,492	25,282,492	25,282,492	25,282,492	304,180,099
19	**Intermediate Production Level Capacity Costs**													
20	TECO Power Purchase (70 mw)	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Southern - Franklin	2,163,000	2,163,000	2,163,000	2,768,640	3,289,165	2,291,019	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	2,163,000	27,815,823
22	Schedule H Capacity Sales - NSB & RCID	(11,552)	(10,807)	(11,552)	(11,179)	(11,307)	(10,942)	(10,942)	(10,942)	(10,942)	(10,942)	(10,942)	(10,942)	(132,992)
23	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Subtotal - Intermediate Level Capacity Costs	2,151,448	2,152,193	2,151,448	2,757,461	3,277,858	2,280,077	2,152,058	2,152,058	2,152,058	2,152,058	2,152,058	2,152,058	27,682,832
25	Intermediate Production Jurisdictional Responsibility	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	64.519%	
26	Intermediate Level Jurisdictional Capacity Costs	1,388,093	1,388,574	1,388,093	1,779,086	2,114,841	1,471,083	1,388,486	1,388,486	1,388,486	1,388,486	1,388,486	1,388,486	17,860,687
27	**Peaking Production Level Capacity Costs**													
28	Chattahoochee	12,500	11,513	13,064	12,634	12,366	12,634	12,634	12,634	12,634	12,634	12,634	12,634	150,537
29	Vandolah (RRI)	1,418,840	1,418,840	1,014,360	1,014,360	1,418,840	5,599,810	-	-	-	-	-	-	11,885,050
30	Shady Hills Power Company LLC	1,965,615	1,965,615	1,404,011	1,362,100	1,908,900	3,879,900	4,183,488	4,183,488	1,952,294	1,394,496	1,394,496	1,952,294	27,546,699
31	Vandolah (NSG)	-	-	-	-	-	(1,734)	5,384,448	5,340,672	2,520,403	1,838,592	1,882,368	2,676,173	19,640,922
32	Other	-	-	-	-	-	(47,292)	-	-	-	-	-	-	(47,292)
33	Subtotal - Peaking Level Capacity Costs	3,396,955	3,395,968	2,431,455	2,389,095	3,340,106	9,443,318	9,580,570	9,536,794	4,485,332	3,245,722	3,289,498	4,641,102	59,175,916
34	Peaking Production Jurisdictional Responsibility	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	95.339%	
35	Peaking Level Jurisdictional Capacity Costs	3,238,623	3,237,682	2,318,125	2,277,739	3,184,423	9,003,165	9,134,020	9,092,284	4,276,271	3,094,439	3,136,175	4,424,760	56,417,727
36	**Other Capacity Costs**													
37	Retail Wheeling	(2,932)	(1,199)	(455)	(3,033)	(1,120)	(2,803)	(6,413)	(20,895)	(2,233)	(50,935)	(6,787)	(4,111)	(102,915)
38	Other Jurisdictional Capacity Costs	(2,932)	(1,199)	(455)	(3,033)	(1,120)	(2,803)	(6,413)	(20,895)	(2,233)	(50,935)	(6,787)	(4,111)	(102,915)
39	**Subtotal Jurisd Capacity Costs (Line 18+26+35+38)**	29,979,079	29,969,660	28,841,544	29,460,354	31,230,965	35,781,531	35,798,585	35,742,367	30,945,017	29,714,482	29,800,367	31,091,847	378,355,598
40	**Nuclear Cost Recovery Clause Costs**													
41	Levy Costs	6,337,833	7,810,874	6,296,044	6,291,658	6,519,755	6,194,943	6,226,912	6,313,327	7,128,277	7,180,333	7,034,232	7,022,526	80,356,714
42	CR3 Uprate Costs	465,111	465,187	465,298	465,445	465,628	465,848	466,105	466,399	466,731	467,101	467,510	467,959	5,594,322
43	**Total NCRC Costs - Order No. PSC-11-0547-FOF-EI**	6,802,944	8,276,061	6,761,342	6,757,103	6,985,383	6,660,791	6,693,017	6,779,726	7,595,008	7,647,434	7,501,742	7,490,485	85,951,036
44	**Total Jurisdictional Capacity Costs (Line 39+43)**	36,782,023	38,245,721	35,602,886	36,217,457	38,216,348	42,442,322	42,491,602	42,522,093	38,540,025	37,361,916	37,302,109	38,582,132	464,306,634
45	**Capacity Revenues**													
46	Capacity Cost Recovery Revenues (net of tax)	31,537,269	29,146,074	30,584,102	32,837,024	34,730,095	40,480,643	42,935,423	45,038,051	44,310,323	38,483,243	34,702,791	32,776,043	437,561,083
47	Prior Period True-Up Provision Over/(Under) Recovery	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	1,722,292	20,667,503
48	**Current Period Revenues (net of tax)**	33,259,561	30,868,366	32,306,394	34,559,316	36,452,387	42,202,935	44,657,715	46,760,343	46,032,615	40,205,535	36,425,083	34,498,334	458,228,586
49	**True-Up Provision**													
50	True-Up Provision - Over/(Under) Recov (Line 48-44)	(3,522,462)	(7,377,356)	(3,296,492)	(1,658,140)	(1,763,960)	(239,387)	2,166,113	4,238,250	7,492,591	2,843,619	(877,025)	(4,083,797)	(6,078,046)
51	Interest Provision for the Month	860	648	(46)	(430)	(821)	(1,093)	(610)	(1,100)	(2,043)	(2,577)	(3,551)	(7,264)	(18,026)
52	Current Cycle Balance - Over/(Under)	(3,521,602)	(10,898,309)	(14,194,847)	(15,853,417)	(17,618,198)	(17,858,678)	(15,693,175)	(11,456,025)	(3,965,477)	(1,124,435)	(2,005,011)	(6,096,072)	(6,096,072)
53	Prior Period Balance - Over/(Under) Recovered	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953	16,277,953
54	Prior Period Cumulative True-Up Collected/(Refunded)	(1,722,292)	(3,444,584)	(5,166,876)	(6,889,168)	(8,611,460)	(10,333,752)	(12,056,043)	(13,778,335)	(15,500,627)	(17,222,919)	(18,945,211)	(20,667,503)	(20,667,503)
55	Prior Period True-up Balance - Over/(Under)	14,555,661	12,833,369	11,111,077	9,388,785	7,666,493	5,944,201	4,221,910	2,499,618	777,326	(944,966)	(2,667,258)	(4,389,550)	(4,389,550)
56	**Net Capacity True-up Over/(Under) (Line 52+55)**	$11,034,059	$1,935,060	($3,083,770)	($6,464,632)	($9,951,704)	($11,914,476)	($11,471,266)	($8,956,408)	($3,188,152)	($2,069,401)	($4,672,269)	($10,485,622)	($10,485,622)

REDACTED

Progress Energy Florida
Calculation of Projected Capacity Costs
For the Year 2012

Docket No. 120001-EI
Exhibit__MO-1, Part 2
Schedule E12-B
Page 2 of 2

Contract Data:

	Name	Start Date	Expiration Date	Type	Purchase/Sa	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	TECO Power Purchase	Mar-93	Feb-11	Other	Purch	70.00
13	Southern - Franklin	Jun-10	May-16	Other	Purch	350.00
14	Southern - Scherer	Jun-10	May-16	Other	Purch	74.00
15	Schedule H Capacity - New Smyma Beach	Nov-85	see note (1)	Other	Sale	[redacted]
16	Schedule H Capacity - Reedy Creek Improvement District	Sep-89	see note (2)	Other	Sale	
17	Chattahoochee	Jan-03	Dec-17	Other	Purch	
18	Vandolah (NSG)	Jun-12	May-27	Other	Puch	
19	Shady Hills Tolling Agreement	Apr-07	Apr-24	Other	Purch	

(1) The New Smyma 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.

Progress Energy Florida
Variance Analysis
For the Year 2012

Docket No. 120001-EI
Exhibit__MO-1, Part 2
Schedule E12-C

Line		Re-Projection Total	Original Projection Total	Variance Total
1	**Capacity Revenues**			
2	Capacity Cost Recovery Revenues (net of tax)	$437,561,083	$439,128,632	($1,567,550)
3	Prior Period True-Up Provision Over/(Under) Recovery	20,667,503	20,667,503	0
4	**Current Period Revenues (net of tax)**	458,228,586	459,796,135	1,567,550
5				
6	**Capacity Costs**			
7	**Base Production Level Capacity Costs**			
8	Auburndale Power Partners, L.P. (AUBRDLFC)	9,304,440	9,304,440	0
9	Auburndale Power Partners, L.P. (AUBSET)	41,248,751	41,248,748	3
10	Lake County (LAKCOUNT)	8,722,533	8,722,530	3
11	Lake Cogen Limited (LAKORDER)	42,639,180	42,639,179	2
12	Metro-Dade County (METRDADE)	16,016,640	16,016,640	0
13	Orange Cogen (ORANGECO)	33,763,214	33,763,214	0
14	Orlando Cogen Limited (ORLACOGL)	32,701,423	32,889,409	(187,986)
15	Pasco County Resource Recovery (PASCOUNT)	15,734,760	15,734,760	0
16	Pinellas County Resource Recovery (PINCOUNT)	37,455,573	37,455,570	3
17	Polk Power Partners, L.P. (MULBERRY/ROYSTER)	65,182,551	65,182,551	(0)
18	Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	9,611,351	9,611,349	2
19	UPS Purchase (414 total mw) - Southern	(230,855)	0	(230,855)
20	Southern - Sherer	19,624,160	11,335,440	8,288,720
21	Subtotal - Base Level Capacity Costs	331,773,720	323,903,829	7,869,891
22	Base Production Jurisdictional Responsibility	91.683%	92.792%	1.109%
23	Base Level Jurisdictional Capacity Costs	304,180,099	300,556,835	3,623,264
24				
25	**Intermediate Production Level Capacity Costs**			
26	TECO Power Purchase (70 mw)	0	0	0
27	Southern - Franklin	27,815,823	25,956,000	1,859,823
28	Schedule H Capacity Sales - NSB & RCID	(132,992)	(137,869)	4,877
29	Subtotal - Intermediate Level Capacity Costs	27,682,832	25,818,131	1,864,701
30	Intermediate Production Jurisdictional Responsibility	64.519%	72.541%	-8.022%
31	Intermediate Level Jurisdictional Capacity Costs	17,860,687	18,728,733	(868,045)
32				
33	**Peaking Production Level Capacity Costs**			
34	Chattahoochee	150,537	146,774	3,763
35	Vandolah (RRI)	11,885,050	6,285,240	5,599,810
36	Shady Hills Power Company LLC	27,546,699	25,043,520	2,503,179
37	Subtotal - Peaking Level Capacity Costs	39,582,286	31,475,534	8,106,752
38	Peaking Production Jurisdictional Responsibility	95.339%	91.972%	3.367%
39	Peaking Level Jurisdictional Capacity Costs	56,417,727	54,582,709	1,835,017
40				
41	**Other Capacity Costs**			
42	Retail Wheeling	(102,915)	(23,178)	(79,737)
43	Other Jurisdictional Capacity Costs	(102,915)	(23,178)	(79,737)
44				
45	**Subtotal Jurisdictional Capacity Costs (Line 23+31+39+43)**	378,355,598	373,845,099	4,510,499
46				
47	**Nuclear Cost Recovery Clause Costs**			
48	Levy Costs	80,356,714	80,356,714	0
49	CR3 Uprate Costs	5,594,322	5,594,322	0
50	**Total NCRC Costs - Order No. PSC-11-0547-FOF-EI**	85,951,036	85,951,036	0
51				
52	**Total Jurisdictional Capacity Costs (Line 45+50)**	464,306,634	459,796,135	4,510,499
53				
54	**True-Up Provision**			
55	True-Up Provision - Over/(Under) Recov (Line 4-52)	(6,078,046)	0	(6,078,046)
56	Interest Provision for the Month	(18,026)	0	(18,026)
57	Current Cycle Balance - Over/(Under)	(6,096,072)	0	(6,096,072)
58				
59	Prior Period Balance - Over/(Under) Recovered	16,277,953	20,667,503	(4,389,550)
60	Prior Period Cumulative True-Up Collected/(Refunded)	(20,667,503)	(20,667,503)	(0)
61	Prior Period True-up Balance - Over/(Under)	(4,389,550)	0	(4,389,550)
62				
63	**Net Capacity True-up Over/(Under) (Line 57+61)**	($10,485,622)	$0	($10,485,622)

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

Report Date: 7/13/2012
As of: 7/11/2012

Progress Energy Florida, Inc.
$ in millions

Commodity	2012	2013	2014	2015	2016	2017	2018	2019	Total
Gas[A]	[redacted]								
Fixed Price Physical									
Fixed Swaps									
Financial Options									
Oil[B]									
Fixed Swaps No.6									
Financial Options No.6									
Fixed Swaps No.2									
Financial Options No.2									
Coal[D]									
Fixed Priced									
Collar Priced									
Market Priced									
Ammonia[E]									
Fuel Surcharge[F]									
Barge									
Rail									
PEF Total									

Notes

[redacted]

Attachment C

REDACTED

PEF Collateral Summary

(1 page)

Attachment D

REDACTED

Authority Limit Matrix

(2 pages)

Attachment E

REDACTED

Duke Energy's Commodity Risk Policy

(6 pages)

Attachment F

REDACTED

Duke Energy's Credit Policy

(5 pages)

Attachment G

REDACTED

PEF Fuels and Power Optimization Credit Risk Management Guidelines

(ERM-SUBS-00020)

(12 pages)

Attachment H

REDACTED

Delegation of Authority Matrix

(2 pages)

Trader Authorization – Gas and Emissions

________________________________ is permitted to trade the following:

Commodity:

Natural gas ________

* Emissions (SO2 & NOx) - As currently, emissions transactions are physical in nature. Approval of emissions purchases and/or sales must be consistent with fuel related procurement activities for RFD. ________

*Renewable Energy Credits (REC's) have been approved as a product but any transactions/trades involving REC's need explicit management approval prior to execution. ________

Duration: ________

Cash Trading - Intraday, Next Day, Next Week, Balance of Month ________

Prompt Month ________

Prompt Quarter ________

Current Year ________

Forward year 1 ________

Forward year 2 ________

Rolling 36 Months ________

Hedging activity are based on approved hedging program contained in the effective Risk Management Guidelines ________

For further clarification, for natural gas supply procured through periodic short-term and long-term competitive Request for Proposal's solicitations, the gas traders and/or gas supply representatives should follow the Corporate approval matrix with respect to required signatures (effective 4/11).

Products:

Gas Capacity (Transportation) ________

Delivered Natural Gas ________

Storage ________

Futures (Exchange(s)) NYMEX ________

Exchange Options (Puts / Calls) ________

OTC Options ________

Physical Gas (Index or Fixed Price) ________

Trigger (Floating Volume, Price) ________

Swaps (Fixed/Float, Float/Float, Basis) ________

Gas Swing Swap ________

EFP Transactions ________

Notional Limits:

NYMEX equivalent contracts (current year) ________

NYMEX equivalent contracts (Forward: 13 months and beyond) ________

Trader Authorization – Gas and Emissions

VaR:
Current Year ____________
Forward: 13 month and beyond ____________

Stop Loss Limits:
Current Year ____________
Forward: 13 month and beyond ____________

Venue:
Directly with Counterparty ____________
Broker ____________
Online Trading Services ____________

Brokers: Approved Brokers with Credit and Approved Contract
OTC: ____________
Approved ISDA's, Credit and established collateral thresholds ____________

Nymex (Exchange)
Clearing Broker: Calyon Financials, Inc. (formally Carr Futures) ____________

Entity:
CP&L d/b/a Progress Energy Carolinas, Inc. ____________
FPC d/b/a Progress Energy Florida, Inc. ____________

____
Employee Name / Title

____
Employee Signature

____
Date

____
Supervisor Signature

____
Date

Attachement J

Employee Name:____

(Please print)

RISK MANAGEMENT EMPLOYEE ACKNOWLEDGEMENT

Corporate Risk Management has a combination of Policies, Risk Limits, Guidelines and procedures referred to as the "Risk Documents" that contain certain information regarding the governance and procedures of certain Duke Energy activities. Please read and review the appropriate Risk Documents. If you have any questions regarding the Risk Documents, you are to contact your immediate supervisor. It is very important that you understand how the Risk Documents apply to your current position. After reading and understanding the appropriate Risk Documents, please check the Risk Documents read and understood below and sign the Risk Management Employee Acknowledgment as instructed in the last line below.

Check all that apply:

- Duke Energy Commodity Risk Policy (applies across all entities) .... ☐
- Duke Energy Credit Risk Policy (applies across all entities) .... ☐
- Model Review and Approval Process (applies across all entities) .... ☐
- Duke Energy Regulated Portfolio Optimization Risk Management Control Manual .... ☐
- Duke Energy Franchised Electric Risk Limits .... ☐
- Duke Energy Franchised Electric Credit Limits .... ☐
- PEC Fuels & Power Optimization Risk Management Guidelines .... ☐
- PEC Fuels & Power Optimization Credit Risk Management Guidelines .... ☐
- PEF Fuels & Power Optimization Risk Management Guidelines .... ☐
- PEF Fuels & Power Optimization Credit Risk Management Guidelines .... ☐
- PEC Efficiency and Innovative Technology Risk Management Guidelines .... ☐
- PEC Efficiency and Innovative Technology Credit Risk Management Guidelines .... ☐
- PEF Efficiency and Innovative Technology Risk Management Guidelines .... ☐
- PEF Efficiency and Innovative Technology Credit Risk Management Guidelines .... ☐
- Delegation of Authority – Regulated Portfolio Optimization/Fuels & Power Optimization ☐

I have read the Risk Documents as indicated above outlining Duke Energy's expectations of me. I understand and acknowledge these Risk Documents apply to my position. I acknowledge and agree that it is my responsibility to comply with all aspects of the Risk Documents as well as any future revisions made to the Risk Documents. If I encounter a

situation in which I do not know how the Risk Documents applies, I will contact my immediate supervisor.
I further acknowledge and agree that I will contact my immediate supervisor should my responsibilities at Duke Energy change and questions arise regarding the application of the Risk Documents to my new position and/or responsibilities.

I understand and acknowledge that my failure to comply with the Risk Documents will result in corrective action, up to and including termination.

I ACKNOWLEDGE AND UNDERSTAND THAT NEITHER THE RISK DOCUMENTS EMPLOYEE ACKNOWLEDGMENT NOR ANY OF DUKE ENERGY'S POLICIES OR PROCEDURES, INDIVIDUALLY OR TOGETHER, CONSTITUTE A GUARANTEE OF CONTINUED EMPLOYMENT, CREATE A CONTRACT OF EMPLOYMENT OR ALTER THE AT-WILL NATURE OF MY EMPLOYMENT IN ANY WAY.

____________________________________/______________

Employee Signature / Date

____

Employee Title

____

Print Full Name

Attachment K

Company Guidelines and Procedures

Document Number	Document Title	Document Summary
ADM-FPOX-00004	Coal Replenishment Process	This document covers the activities necessary to ensure that, Inventory levels are monitored to determine if coal purchases are necessary. Monthly coal shipments are scheduled to plants to support projected burn and inventory requirements. Coal inventory plans are updated as necessary.
ADM-SUBS-00046	Fuelworx User Access & Security	This procedure outlines the process required to obtain access to the Fuelworx system.
Duke Policy	Delegation of Authority Policy	This policy establishes the approval authority limits for all employees within the organization below the Direct Reports to the President and Chief Executive Officer (CEO). Approval authority limits for the Board of Directors, President and CEO, and Direct Reports to the President and CEO are defined in the Approval of Business Transactions (ABT) Policy. Employees based outside of the United States are covered by the Delegation of Authority Policy – International Employees.
Duke Policy	Authority Limit Matrix from the Approval of Business Transactions Policy	Duke approval limits for specific employees for purchase or sale of commodities, storage, transportation or capacity or other sales.
Duke Policy	Duke Energy Commodity Risk Policy	The purpose of the Commodity Risk Policy ("the Policy") is to provide clear and consistent directives in the identification, quantification, management and communication of commodity risk across the Enterprise . This Policy covers all sales or purchases of commodities, storage, transport, capacity or fuel procurement and related services, and contracts with embedded commodity exposure. Approved commodities include both standardized products as well as structured contractual products and must be listed in the Approved Commodities section of the applicable risk limits for each Business Unit.
Duke Policy	Duke Energy Credit Policy	Extending and monitoring credit to customers and counterparties is integral to all of Duke Energy Corporation's businesses. Corporate Risk Management (CRM) has established standards of practice related to Credit Risk Management across Duke Energy Corporation and its subsidiaries ("Duke Energy"). This policy governs the extension of credit related to wholesale business activity (including fuel procurement), enterprise sourcing (including major construction projects), and other business activities as described herein.
Duke Policy	Duke Energy Supply Bulk Power Marketing & Trading Delegation of Authority	Delegation of Authority approval limits for specific employees
Duke Policy	Model Review and Approval Process	Model risk, the risk originating from using models for valuation and hedging, can be significant for any company with exposure to complex assets and financial positions. At Duke Energy, the vast majority of positions are marked-to-model. Very few positions are truly marked-to-market; that is, liquid market prices are seldom available. As such, model risk becomes extremely important. Model risk may be thought of as originating from three sources: 1) poor or incorrect modeling, including input estimation errors and poor data, 2) trade limitations such as lack of liquidity and transaction costs, and 3) improper use of an otherwise valid model. In such a situation, the review or vetting of models and their use becomes crucial to the business as a way of reducing model risk . This document is a description of the review process at Duke Energy.
EMG-PGNF-00002	Fuel Oil Emergency Procedure - PEF	This procedure outlines the process required when a fuel oil emergency occurs.
ERM-FPOF-00003	Fuels and Power Optimization Florida Standard Credit Analysis and Rating Procedure	There are universal principles of credit strength that should be evaluated before credit is granted. Among these are company size, industry characteristics and trends, profitability, liquidity, cash flow, interest and fixed charge coverage and capital structure. Both external (third party) and internal evaluations should be used to qualify counterparties for credit.
ERM-FPOF-00004	Fuels and Power Optimization Florida Credit Line Violation Procedure	Credit violations occur when credit exposure exceeds defined counterparty credit limits, and transactions are executed which exceed defined maturity limits.
ERM-FPOF-00005	Fuels and Power Optimization Florida Credit Exposure and Risk Measurement Procedure	Credit exposure and risk is measured to determine and assess compliance with defined counterparty corporate credit limits and to evaluate the stability of the credit portfolio.
ERM-FPOF-00006	Fuels and Power Optimization Florida Credit Mitigation Tool Procedure	Credit mitigation is a process whereby credit enhancements are obtained to reduce or transfer counterparty credit exposure.
ERM-FPOF-00007	Fuels and Power Optimization Florida Credit reporting Procedure	Credit risk management reporting is a mechanism used to monitor and communicate credit risk exposures to Fuels and Power Optimization Florida commercial operations (PEF FPO) management, Treasury - Enterprise Risk Management (ERM) and the Risk Management Committee.
ERM-FPOF-00009	Fuels and Power Optimization Florida Credit Review Procedure	Credit reviews are conducted by Corporate Credit to affirm existing external and Progress Energy (PE) equivalent ratings and corresponding credit lines.
ERM-FPOF-00013	Fuels and Power Optimization Florida Enhanced Credit Analysis Procedure	This procedure defines the universal principles of credit strength that should be evaluated before credit is granted.
ERM-FPOF-00014	Fuels and Power Optimization Florida Credit Line Exception Procedure	Credit exceptions are initiated when PEF FPO personnel desires credit in excess of maximum credit lines and/or maximum maturities. Exceptions may also be requested to obtain credit for counterparties who do not meet defined credit criteria.
ERM-FPOF-00015	Fuels and Power Optimization ICE Management Procedures	IntercontinentalExchange ("ICE") is an electronic trading platform for energy trading and price discovery.
ERM-FPOF-00017	Fuels and Power Optimization Florida Credit Request Procedure	PEF FPO personnel are responsible for requesting and obtaining a credit line from Corporate Credit prior to entering into energy trading transactions with a counterparty.

Attachment K

Company Guidelines and Procedures

Document Number	Document Title	Document Summary
ERM-FPOF-00018	Fuels and Power Optimization Florida Default Exposure and Risk Measurement Procedure	This procedure defines how the default exposure and risk is measured to determine the operation risks that could result from counterparties defaulting on an "in-the-money" contract.
ERM-FPOF-00019	Fuels and Power Optimization Florida Corporate Credit Non-Standard Credit Analysis and Rating Procedure	There are companies that fall outside the energy industry or do not have the same financial information as standard energy trading companies that must be evaluated before credit is granted. To that end, credit analysis should follow the generally accepted financial ratio analysis methods for determining creditworthiness.
ERM-SUBS-00015	PEF Fuels & Power Optimization Risk Management Guidelines	The objective of these guidelines is to provide a methodology to assess, report and mitigate the applicable risks as referenced and identified in the Risk Management Committee guidelines.
ERM-SUBS-00020	PEF Fuels and Power Optimization Credit Risk Management Guidelines	The objective of these guidelines is to provide Progress Energy Florida (PEF) with a methodology to evaluate, measure, mitigate, and report credit risk associated with Fuels and Power Optimization (FPO) trading, marketing, and procurement activities.
MCP-FPOX-00005	Coal Procurement Procedures	To describe the coal purchasing process.
MKT-FPOF-00045	FPO Long-Term Firm Natural Gas Transportation Process – Florida	This procedure defines the process by which Progress Energy Florida ("PEF") procures reliable and competitively priced long-term firm transportation for PEF for a term of one year or greater to meet projected long-term needs for owned generation facilities and tolled generation facilities where PEF has responsibility for the natural gas supply.
MKT-FPOF-00052	FPO – PEF Short-Term Gas Procurement and RFP Procedure	The purpose of this procedure is to ensure Progress Energy Florida (PEF) is procuring competitively priced natural gas to meet its shorter-term projected fuel needs at its owned and tolled gas generation facilities. For clarity, short-term procurement activities typically are for the current year and the following year for which natural gas supplies are projected to be needed to meet PEF's annual, seasonal, monthly, and/or daily needs at its owned and tolled gas generation facilities. There may be instances due to timing and business needs that there is an overlap between activities that are defined as the short-term and long-term activities. In following this procedure, it may also be necessary for PEF to have related capacity release activities that need to be followed which are outlined in the Short-Term Transportation Capacity Procedure (MKT-FPOF-00057).
MKT-FPOF-00057	FPO-PEF Short-Term Transportation Capacity Procedure	This procedure defines the process by which the Gas Trader procures short-term capacity based on projected need and ensures compliance with FERC capacity release regulations.
MKT-FPOF-00073	FPO - PEF Long-Term Gas Supply Process	The purpose of this process is to ensure that PEF is procuring a reliable and competitively priced long-term natural gas supply via a structured solicitation approach over time to meet forecasted gas-fired generation needs.
MKT-FPOF-00087	FPO - PEF Long-Term Oil Procurement & RFP Process	The purpose of this process is to ensure that appropriate volumes of competitively priced fuel oil and transportation are available for Progress Energy Florida (PEF) native load oil-fired generation in order to meet peaking and baseload fuel oil requirements, utilizing approved processes and procedures.
MKT-FPOF-00088	FPO - Spot Market PEF Oil Procurement Process	To ensure that appropriate volumes of competitively priced fuel oil are available for Progress Energy Florida (PEF) native load oil-fired generation in order to meet peaking and base load fuel oil requirements, utilizing approved processes and procedures. The purpose of this Spot Market PEF Oil Procurement Process is to describe the process to acquire fuel oil in addition to what is available under long term contracts.
MKT-FPOX-00016	FPO Power Trading Deal Confirmation Procedure	Document the confirmation requirements for power transactions executed on recorded telephone lines or recorded instant messenger platforms to ensure that all regulatory or procedurally required deal attributes are permanently captured.
MKT-FPOX-00023	FPO Trader Authorization and Removal Procedure	The Trader Authorization form has been developed to ensure that Gas, Oil and Power Traders understand their authorized trading boundaries, including limitations specifically placed by the FERC on PEC's and PEF's wholesale power sales.
MKT-FPOX-00024	FPO Simultaneous Power Purchase and Sale Procedure	This procedure describes the appropriate use of Network Transmission Service. It specifically addresses appropriate trading activity during periods when Progress Energy is importing purchased energy and exporting energy through opportunity sales.
MKT-FPOX-00025	FPO Designation of Network Resources Procedure	This procedure describes the procedures for the designation of Network Resources; the circumstances in which a seller of energy may designate the sold energy as a Designated Network Resource (DNR); the circumstances in which a purchaser of energy from a third party may designate the purchase as a DNR; the requirements for Firm Designated Network Transmission service utilization; and the procedures for dedesignating and re-designating Network Resources.
MKT-FPOX-00026	FPO NERC E-Tag for Physical Power Deals	Define process developed to ensure compliance with NERC Interchange (INT) Standards; specifically, those related to the completion and validation of NERC E-Tag electronic documents for physical power transactions.
MKT-FPOX-00028	FPO Energy Trade Ticket Process	Ensure that energy transaction tickets are completed in a manner that captures all relevant and required transaction attributes. The trade ticket is the primary source document and permanent physical record of the energy transaction. Trade tickets, capture the critical attributes of a transaction for data entry into the Electronic Trade System.
MKT-FPOX-00029	FPO Forward Sale Procedure for Excess Generation	This procedure applies to forward power sales of PEC and PEF excess generation beyond one month and out to twelve months. This procedure defines the methodology and modeling used to determine MW availability and costs of excess generation, the execution strategy, and reporting requirements to ensure Compliance with the PEF Fuels & Power Optimization Risk Management Guidelines.
MKT-FPOX-00035	FPO – Power Real Time Trading Process	This procedure defines the tasks necessary to complete System Power Transactions

Attachment K

Company Guidelines and Procedures

Document Number	Document Title	Document Summary
MKT-FPOX-00090	FPO Operational Communications	The purpose of this procedure is to establish processes for routine daily / hourly communications between the Fuels and System Optimization (FSO) Department as they interact with Transmission System Operations and Planning personnel at the respective Energy Control Centers (ECCs), System Operations Center (SOC) and Hydro Central.
MKT-FPOX-00091	Operational Post Analysis and Transaction Costing Process	This procedure establishes the process for Operational Post Analysis and after-the-fact costing (Recosting) of excess generation sales and economy purchases.
MKT-FPOX-00092	FPO Credit Monitoring Procedure	Counterparty Credit exposure is a significant part of trading risk and must be carefully monitored to insure the company avoids unnecessary exposure. This procedure provides detailed operational procedures for the monitoring of credit exposure with trading counterparties.
MKT-FPOX-00093	FPO – PEC and PEF Gas Trading Procedure for Off-Premise Transactions	This procedure defines the process in which off-premise gas procurement, scheduling and trading shall be conducted.
MKT-FPOX-00094	FPO – PEC and PEF Oil Procurement Procedure for Off-Premise Transactions	This procedure defines the process in which off-premise oil procurement (physical spot purchase) shall be conducted with a supplier not under current contract.
MKT-SUBS-00026	Mid-Term Marketing Compliance Guidelines	This procedure provides Mid-Term Marketing compliance guidelines for Fuels and Power Optimization Department (FPO) and Efficiency and Innovative Technology Department (EIT). This procedure is designed to provide a deal structuring and approval process that meets the decision and approval timeline requirements of the short term market. This procedure provides the minimum approval requirements. Specific transaction details may warrant the utilization of the Term Marketing Compliance Guidelines at management discretion.
MNT-SUBS-00003	Generating Unit Maintenance Scheduling	This procedure establishes the process for the development and revision of the Generating Unit Maintenance Schedule (GMS). The GMS process focuses on mid-term optimization for system economics, market opportunities, and craft resources given necessary constraints for system reserve levels, budget, and regulatory constraints. GMS revision process includes the semi-annual optimization and Outage Change Request (OCR) processes.
OPS-FPOX-00001	GenTrader Schedule of Authorities	The purpose of this document is to define the responsibilities of Portfolio Management (PM), and Information Technology and Telecommunications (IT&T) positions related to management and use of the Fuels & Power Optimization (FPO) GenTrader (GT) system.
OPS-FPOX-00003	GenTrader Usage Procedure	The purpose of this document is to describe the procedures to be followed when using the Fuels & Power Optimization (FPO) GenTrader (GT) system used by Portfolio Management (PM) groups.
OPS-SUBS-00012	Operating Plan Development and Implementation	This procedure establishes the roles and responsibilities for Transmission Operations and Planning (TOP) Energy Control Center (ECC) personnel, Fuels and Power Optimization Department (FPO), Power Generation Department Carolinas and Florida. Specifically, this procedure defines the functions of these organizations and the communications necessary to support economic optimization of all resources while considering operational constraints and reserve margins requires for system reliability.
OPS-SUBS-00018	Constrained Operations Application	This procedure establishes the roles and responsibilities for use of the Constrained Operation Application by System Operations Energy Control Center (ECC) and System Operations Center (SOC) personnel, Fuels and System Optimization (FSO), Short Term Planning (STP), Power Generation Carolinas and Florida personnel. Specifically, this procedure defines the functions of these organizations and the communications necessary to support the planning and implementation of unit constraints, including testing, maintenance, and derates, in an economic manner, considering operational constraints and margins required for system reliability.
OPS-SUBS-00030	Generation and Fuel Forecast	This procedure establishes the roles, responsibilities, and process for the Generation and Fuel Forecast (GFF). The primary objective of the GFF is to provide updates to the 20-year planning horizon of planned generation and resource additions.
OPS-SUBS-00102	Generating Unit Heat Rates	This Procedure establishes the processes and administrative controls for receiving I/O data for each generating unit in the generation fleet and how that data is used to develop heat rate performance information.
REG-SUBS-00001	Standards of Conduct – Posting Requirements	Pursuant to Federal Energy Regulatory Commission (FERC) Regulations, Progress Energy and its subsidiaries and affiliates are required to post certain information related to the FERC Standards of Conduct.
REG-SUBS-00006	PE ERO Corporate Governance	This procedure establishes the corporate standards for compliance initiatives with the Federal Energy Regulatory Commission (FERC) regulation of Bulk Electric System reliability through the FERC-approved Electric Reliability Organization (ERO).
REG-SUBS-00029	FERC Compliance Governance	This procedure establishes the corporate standards for compliance with the Federal Energy Regulatory Commission (FERC) regulations.

Note: These policies and procedures are as of July 12, 2012