Hopping Green & Sams

Attorneys and Counselors

October 17, 2012

BY HAND-DELIVERY

Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No. 120007-EI

Dear Ms. Cole:

Per agreement of the parties at the pre-hearing conference in the above-docket, I enclose for filing the original and fifteen (15) copies of a revised version of the direct testimony of Thomas G. Foster originally filed on August 28, 2012, as well as a revised version of Exhibit No. __ (TGF-3).

By copy of this letter, the enclosed documents have been furnished to the parties on the attached certificate of service.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning it to me. If you have any questions regarding this filing, please give me of us a call at 222-7500.

Foster - DN 07087-12

Very truly yours,

HOPPING GREEN & SAMS, P.A.

By: Gary V. Perko

Attorneys for PROGRESS ENERGY FLORIDA, INC.

cc: Certificate of Service

COM	
AFD	10
APA	1
ECO	1
ENG	1
GCL	1
IDM	1
TEL	
CLK	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via e-mail and regular U.S. Mail this 17th day of August, 2012 to all parties of record as indicated below.

GARY V. PERKO

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Witness: T.G. Foster
Exhibit __ (TGF-3)

Progress Energy Florida, Inc.
Environmental Cost Recovery
Commission Forms 42-1P Through 42-8P

January 2013 - December 2013
Calculation for the Projected Period Amount
January through December 2013

DOCKET NO. 120007-EI

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Total Jurisdictional Amount to be Recovered
For the Projected Period
JANUARY 2013 - DECEMBER 2013
(in Dollars)

Form 42-1P - REVISED 10/18/12

Line		Energy ($)	Transmission Demand ($)	Distribution Demand ($)	Production Demand ($)	Total ($)
1	Total Jurisdictional Rev. Req. for the projected period					
a	Projected O&M Activities (Form 42-2P, Lines 7 through 9)	$ 30,123,995	$ 931,596	$ 1,204,461	$ 459,923	$ 32,719,975
b	Projected Capital Projects (Form 42-3P, Lines 7 through 9)	160,217,975	0	1,565	2,426,138	162,645,678
c	Total Jurisdictional Rev. Req. for the projected period (Lines 1a + 1b)	190,341,970	931,596	1,206,026	2,886,061	195,365,653
2	True-up for Estimated Over/(Under) Recovery for the current period January 2012 - December 2012 (Form 42-2E, Line 5 + 6 + 10)	15,911,372	(1,468,949)	681,587	(491,037)	14,632,974
3	Final True-up for the period January 2011 - December 2011 (Form 42-1A, Line 3)	(1,547,647)	1,392,796	(187,845)	(1,345,855)	(1,688,551)
4	Total Jurisdictional Amount to Be Recovered/(Refunded) in the Projection period January 2013 - December 2013 (Line 1 - Line 2 - Line 3)	175,978,244	1,007,749	712,284	4,722,952	182,421,230
5	Total Projected Jurisdictional Amount Adjusted for Taxes (Line 4 x Revenue Tax Multiplier of 1.00072)	$ 176,104,949	$ 1,008,475	$ 712,797	$ 4,726,353	$ 182,552,573

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Form 42-2P

O&M Activities
(in Dollars)

Line	Description	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Description of O&M Activities													
1	Transmission Substation Environmental Investigation, Remediation, and Pollution Prevention	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$110,583	$1,326,996
1a	Distribution Substation Environmental Investigation, Remediation, and Pollution Prevention	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	$85,056	1,020,672
2	Distribution System Environmental Investigation, Remediation, and Pollution Prevention	0	0	0	0	0	0	0	0	12,000	174,600	0	0	186,600
3	Pipeline Integrity Management, Review/Update Plan and Risk Assessments - Intm	41,500	79,000	79,000	41,500	41,500	61,500	41,500	41,500	41,500	41,500	41,500	41,500	593,000
4	Above Ground Tank Secondary Containment - Pkg	0	0	0	0	0	0	0	0	0	0	0	0	0
5	SO2/NOx Emissions Allowances	213,484	173,434	175,397	205,724	291,898	307,538	351,617	396,578	298,123	249,871	114,536	144,947	2,923,146
6	Phase II Cooling Water Intake 316(b) - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
6a	Phase II Cooling Water Intake 316(b) - Intm	0	0	0	0	0	0	0	0	0	0	0	0	0
7.2	CAIR/CAMR - Peaking	0	36,500	31,600	0	0	0	0	0	0	0	0	0	68,100
7.4	CAIR/CAMR Crystal River - Base	1,280,925	1,168,890	2,088,339	2,163,238	1,432,107	1,535,080	1,342,407	1,494,017	1,116,163	1,199,782	1,147,797	1,057,454	17,026,199
7.4	CAIR/CAMR Crystal River - Energy	609,747	841,019	768,761	776,364	907,208	969,352	950,457	984,941	956,723	955,276	855,588	1,122,056	10,697,492
7.4	CAIR/CAMR Crystal River - A&G	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	184,271
7.5	Best Available Retrofit Technology (BART) - Energy	0	0	16,000	0	0	0	0	0	0	0	0	0	16,000
8	Arsenic Groundwater Standard - Base	0	0	10,000	0	0	7,500	0	7,500	0	6,000	0	0	31,000
9	Sea Turtle - Coastal Street Lighting - Distrib	208	208	208	208	208	208	208	208	208	208	208	208	2,500
11	Modular Cooling Towers - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Greenhouse Gas Inventory and Reporting - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Mercury Total Daily Maximum Loads Monitoring - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Hazardous Air Pollutants (HAPs) ICR Program - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Effluent Limitation Guidelines ICR Program - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
16	National Pollutant Discharge Elimination System - Energy	20,000	29,310	89,000	48,290	33,000	77,000	27,000	36,310	27,000	36,290	27,000	27,000	477,200
17	Mercury & Air Toxic Standards (MATS) CR4 & CR5 - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
17.1	Mercury & Air Toxic Standards (MATS) Anclote - Energy	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total of O&M Activities	2,376,860	2,539,356	3,469,300	3,446,320	2,916,916	3,169,173	2,924,183	3,172,049	2,662,712	2,874,522	2,397,624	2,604,161	34,553,176
	Recoverable Costs Allocated to Energy	843,231	1,043,763	1,049,158	1,030,378	1,232,107	1,353,890	1,329,073	1,417,829	1,281,846	1,241,436	997,123	1,294,003	14,113,838
	Recoverable Costs Allocated to Demand - Transm	110,583	110,583	110,583	110,583	110,583	110,583	110,583	110,583	110,583	110,583	110,583	110,583	1,326,996
	Recoverable Costs Allocated to Demand - Distrib	85,264	85,264	85,264	85,264	85,264	85,264	85,264	85,264	97,264	259,864	85,264	85,264	1,209,772
	Recoverable Costs Allocated to Demand - Prod-Base	1,280,925	1,168,890	2,098,339	2,163,238	1,432,107	1,542,580	1,342,407	1,501,517	1,116,163	1,205,782	1,147,797	1,057,454	17,057,199
	Recoverable Costs Allocated to Demand - Prod-Intm	41,500	79,000	79,000	41,500	41,500	61,500	41,500	41,500	41,500	41,500	41,500	41,500	593,000
	Recoverable Costs Allocated to Demand - Prod-Peaking	0	36,500	31,600	0	0	0	0	0	0	0	0	0	68,100
	Recoverable Costs Allocated to Demand - A&G	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	15,356	184,271
	Retail Energy Jurisdictional Factor	0.99450	0.99640	0.99770	0.99810	0.99800	0.99790	0.99710	0.99680	0.99670	0.99660	0.99680	0.99720	
	Retail Transmission Demand Jurisdictional Factor	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	0.70203	
	Retail Distribution Demand Jurisdictional Factor	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	
	Retail Production Demand Jurisdictional Factor - Base	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
	Retail Production Demand Jurisdictional Factor - Intm	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	
	Retail Production Demand Jurisdictional Factor - Peaking	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	
	Retail Production Demand Jurisdictional Factor - A&G	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	
	Jurisdictional Energy Recoverable Costs (A)	838,593	1,040,006	1,046,745	1,028,420	1,229,642	1,351,047	1,325,219	1,413,292	1,277,615	1,237,215	993,933	1,290,380	14,072,107
	Jurisdictional Demand Recoverable Costs - Transm (B)	77,633	77,633	77,633	77,633	77,633	77,633	77,633	77,633	77,633	77,633	77,633	77,633	931,596
	Jurisdictional Demand Recoverable Costs - Distrib (B)	84,890	84,890	84,890	84,890	84,890	84,890	84,890	84,890	96,837	258,724	84,890	84,890	1,204,461
	Jurisdictional Demand Recoverable Costs - Prod-Base (B)	1,189,787	1,085,723	1,949,042	2,009,324	1,330,212	1,432,825	1,246,894	1,394,684	1,036,748	1,119,991	1,066,131	982,216	15,843,577
	Jurisdictional Demand Recoverable Costs - Prod-Intm (B)	30,172	57,435	57,435	30,172	30,172	44,712	30,172	30,172	30,172	30,172	30,172	30,172	431,130
	Jurisdictional Demand Recoverable Costs - Prod-Peaking (B)	0	35,012	30,312	0	0	0	0	0	0	0	0	0	65,324
	Jurisdictional Demand Recoverable Costs - A&G (B)	14,315	14,315	14,315	14,315	14,315	14,315	14,315	14,315	14,315	14,315	14,315	14,315	171,780
	Total Jurisdictional Recoverable Costs for O&M Activities (Lines 7 + 8)	$2,235,390	$2,395,014	$3,260,372	$3,244,754	$2,766,864	$3,005,422	$2,779,123	$3,014,986	$2,533,320	$2,738,050	$2,267,074	$2,479,606	$32,719,975

:s:
(A) Line 3 x Line 5
(B) Line 4 x Line 6

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.__(TGF-3R)
Page 3 of 44

Form 42 3P - REVISED 10/18/12

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Capital Investment Projects-Recoverable Costs
(in Dollars)

	Description	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Description of Investment Projects (A)													
3.1	Pipeline Integrity Management - Bartow/Anclote Pipeline - Intermediate	$ 35,709	$ 35,640	$ 35,570	$ 35,501	$ 35,431	$ 35,361	$ 35,292	$ 35,223	$ 35,153	$ 35,084	$ 35,014	$ 34,944	$ 423,922
4.1	Above Ground Tank Secondary Containment - Peaking	126,294	126,009	125,726	125,442	125,158	124,875	124,591	124,307	124,024	123,740	123,456	123,172	1,496,794
4.2	Above Ground Tank Secondary Containment - Base	30,123	30,072	30,021	29,969	29,917	29,865	29,814	29,762	29,710	29,659	29,607	29,555	358,074
4.3	Above Ground Tank Secondary Containment - Intermediate	2,859	2,854	2,850	2,845	2,840	2,836	2,831	2,827	2,822	2,818	2,813	2,809	34,004
5	SO2/NOX Emissions Allowances - Energy	182,055	180,401	178,910	177,281	175,154	172,592	169,775	166,577	163,608	161,265	159,707	158,598	2,045,923
7.1	CAIR/CAMR Anclote- Intermediate	0	0	0	0	0	0	0	0	0	0	0	0	0
7.2	CAIR CT's - Peaking	19,804	19,774	19,744	19,714	19,683	19,653	19,623	19,593	19,562	19,532	19,502	19,471	235,655
7.3	CAMR Crystal River - Base	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	2,472	29,664
7.4	CAIR/CAMR Crystal River AFUDC - Base (D)	13,885,065	13,948,000	13,937,034	13,921,598	13,902,330	13,883,061	13,864,008	13,845,168	13,826,327	13,807,487	13,788,647	13,769,627	166,378,352
7.4	CAIR/CAMR Crystal River AFUDC - Energy	7,363	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	87,169
9	Sea Turtle - Coastal Street Lighting -Distribution	122	124	126	127	129	130	131	134	135	137	138	139	1,572
10.1	Underground Storage Tanks - Base	1,638	1,637	1,634	1,632	1,629	1,626	1,624	1,621	1,619	1,616	1,613	1,611	19,500
10.2	Underground Storage Tanks - Intermediate	792	791	789	787	785	784	781	780	779	776	775	773	9,392
11	Modular Cooling Towers - Base	0	0	0	0	0	0	0	0	0	0	0	0	0
11.1	Crystal River Thermal Discharge Compliance Project - Base	3,703	3,699	3,695	3,690	3,686	3,682	3,677	3,673	3,669	3,665	3,660	3,656	44,155
16	National Pollutant Discharge Elimination System (NPDES) - Intermediate	29,023	29,829	29,985	29,927	29,868	29,810	29,752	29,693	29,635	29,577	29,518	29,460	356,073
17	MATS - Crystal River 4 & 5 - Energy	10,779	10,950	11,121	11,505	12,104	14,540	29,500	50,871	65,831	78,654	89,767	95,323	480,945
17.1	MATS - Anclote Conversion - Energy	0	0	0	0	0	213,352	401,291	400,722	400,153	399,584	399,016	612,180	2,826,298
	Total Investment Projects - Recoverable Costs	$ 14,337,801	$ 14,399,507	$ 14,386,932	$ 14,369,745	$ 14,348,441	$ 14,541,894	$ 14,722,416	$ 14,720,678	$ 14,712,754	$ 14,703,321	$ 14,692,960	$ 14,891,045	$ 174,827,493
	Recoverable Costs Allocated to Energy	200,197	198,606	197,288	196,041	194,513	407,739	607,821	625,425	636,847	646,759	655,745	873,356	5,440,335
	Recoverable Costs Allocated to Distribution Demand	122	124	126	127	129	130	131	134	135	137	138	139	1,572
	Recoverable Costs Allocated to Demand - Production - Base	13,923,001	13,985,880	13,974,856	13,959,361	13,940,034	13,920,706	13,901,595	13,882,696	13,863,797	13,844,899	13,825,999	13,806,921	166,829,745
	Recoverable Costs Allocated to Demand - Production - Intermediate	68,383	69,114	69,194	69,060	68,924	68,791	68,656	68,523	68,389	68,255	68,120	67,986	823,391
	Recoverable Costs Allocated to Demand - Production - Peaking	146,098	145,783	145,470	145,156	144,841	144,528	144,214	143,900	143,586	143,272	142,958	142,643	1,732,449
	Retail Energy Jurisdictional Factor	0.99450	0.99640	0.99770	0.99810	0.99800	0.99790	0.99710	0.99680	0.99670	0.99660	0.99680	0.99720	
	Retail Distribution Demand Jurisdictional Factor	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	
	Retail Demand Jurisdictional Factor - Production - Base	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
	Retail Demand Jurisdictional Factor - Production - Intermediate	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	
	Retail Demand Jurisdictional Factor - Production - Peaking	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	
	Jurisdictional Energy Recoverable Costs (B)	199,096	197,891	196,832	195,669	194,124	406,883	606,058	623,424	634,746	644,560	653,646	870,911	5,423,839
	Jurisdictional Demand Recoverable Costs - Distribution (B)	121	123	125	126	128	129	130	133	134	136	137	138	1,565
	Jurisdictional Demand Recoverable Costs - Production - Base (C)	12,932,379	12,990,785	12,980,545	12,966,152	12,948,201	12,930,248	12,912,497	12,894,942	12,877,388	12,859,834	12,842,279	12,824,559	154,959,809
	Jurisdictional Demand Recoverable Costs - Production - Intermediate (C)	49,716	50,248	50,306	50,208	50,110	50,013	49,915	49,818	49,721	49,623	49,525	49,428	598,630
	Jurisdictional Demand Recoverable Costs - Production - Peaking (C)	140,143	139,841	139,541	139,239	138,937	138,637	138,336	138,035	137,733	137,432	137,131	136,829	1,661,834
	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	$ 13,321,457	$ 13,378,888	$ 13,367,349	$ 13,351,395	$ 13,331,500	$ 13,525,910	$ 13,706,936	$ 13,706,352	$ 13,699,722	$ 13,691,586	$ 13,682,719	$ 13,881,864	$ 162,645,678

(A) Each project's Total System Recoverable Expenses on Form 42-8E, Line 9; Form 42-8E, Line 5 for Projects 5 - Allowances and Project 7. 4 - Reagents
(B) Line 3 x Line 5
(C) Line 4 x Line 6
(D) January amount differs from the Form 42 4P p9 balance due to a $79,548 credit to reflect a correction to the depreciation expense for CAIR projects 7.4e and 7.4k in the 2012 Estimated / Actual filing.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: PIPELINE INTEGRITY MANAGEMENT - Bartow/Anclote Pipeline (Project 3.1)
(in Dollars)

Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
Investments															
a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	3,719,068	
Less: Accumulated Depreciation		(848,871)	(856,999)	(865,127)	(873,255)	(881,383)	(889,511)	(897,639)	(905,767)	(913,895)	(922,023)	(930,151)	(938,279)	(946,407)	
CWIP - Non-Interest Bearing		0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Investment (Lines 2 + 3 + 4)		$2,870,197	$2,862,069	$2,853,941	$2,845,813	$2,837,685	$2,829,557	$2,821,429	$2,813,301	$2,805,173	$2,797,045	$2,788,917	$2,780,789	$2,772,661	
Average Net Investment			$2,866,133	$2,858,005	$2,849,877	$2,841,749	$2,833,621	$2,825,493	$2,817,365	$2,809,237	$2,801,109	$2,792,981	$2,784,853	$2,776,725	
Return on Average Net Investment (B)															
a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		5,876	5,859	5,842	5,826	5,809	5,792	5,776	5,759	5,742	5,726	5,709	5,692	69,408
b. Equity Component Grossed Up For Taxes	7.80%		18,625	18,573	18,520	18,467	18,414	18,361	18,308	18,256	18,203	18,150	18,097	18,044	220,018
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	8,128	97,536
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			0	0	0	0	0	0	0	0	0	0	0	0	0
d. Property Taxes (D)			3,080	3,080	3,080	3,080	3,080	3,080	3,080	3,080	3,080	3,080	3,080	3,080	36,960
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$35,709	$35,640	$35,570	$35,501	$35,431	$35,361	$35,292	$35,223	$35,153	$35,084	$35,014	$34,944	423,922
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$35,709	$35,640	$35,570	$35,501	$35,431	$35,361	$35,292	$35,223	$35,153	$35,084	$35,014	$34,944	423,922
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Intermediate)			0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	
Retail Energy-Related Recoverable Costs (E)			0	0	0	0	0	0	0	0	0	0	0	0	0
Retail Demand-Related Recoverable Costs (F)			25,962	25,911	25,860	25,810	25,759	25,709	25,658	25,608	25,557	25,507	25,456	25,405	308,204
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$25,962	$25,911	$25,860	$25,810	$25,759	$25,709	$25,658	$25,608	$25,557	$25,507	$25,456	$25,405	$308,204

es:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Depreciation calculated in Pipeline Integrity Management section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Property tax calculated in Pipeline Integrity Management section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

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

Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
Investments															
a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	11,301,803	
Less: Accumulated Depreciation		(1,609,334)	(1,642,525)	(1,675,716)	(1,708,907)	(1,742,098)	(1,775,289)	(1,808,480)	(1,841,671)	(1,874,862)	(1,908,053)	(1,941,244)	(1,974,435)	(2,007,626)	
CWIP - Non-Interest Bearing		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
Net Investment (Lines 2 + 3 + 4)		$9,692,469	$9,659,278	$9,626,087	$9,592,896	$9,559,705	$9,526,514	$9,493,323	$9,460,132	$9,426,941	$9,393,750	$9,360,559	$9,327,368	$9,294,177	
Average Net Investment			$9,675,873	$9,642,682	$9,609,491	$9,576,300	$9,543,109	$9,509,918	$9,476,727	$9,443,536	$9,410,345	$9,377,154	$9,343,963	9,310,772	
Return on Average Net Investment (B)															
a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		19,836	19,767	19,699	19,631	19,563	19,495	19,427	19,359	19,291	19,223	19,155	19,087	233,533
b. Equity Component Grossed Up For Taxes	7.80%		62,878	62,662	62,447	62,231	62,015	61,800	61,584	61,368	61,153	60,937	60,721	60,505	740,301
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			33,191	33,191	33,191	33,191	33,191	33,191	33,191	33,191	33,191	33,191	33,191	33,191	398,292
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			0	0	0	0	0	0	0	0	0	0	0	0	0
d. Property Taxes (D)			10,389	10,389	10,389	10,389	10,389	10,389	10,389	10,389	10,389	10,389	10,389	10,389	124,668
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$126,294	$126,009	$125,726	$125,442	$125,158	$124,875	$124,591	$124,307	$124,024	$123,740	$123,456	$123,172	1,496,794
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$126,294	$126,009	$125,726	$125,442	$125,158	$124,875	$124,591	$124,307	$124,024	$123,740	$123,456	$123,172	1,496,794
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Peaking)			0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	
Retail Energy-Related Recoverable Costs (E)			0	0	0	0	0	0	0	0	0	0	0	0	0
Retail Demand-Related Recoverable Costs (F)			121,146	120,873	120,601	120,329	120,057	119,785	119,513	119,240	118,969	118,696	118,424	118,152	1,435,785
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$121,146	$120,873	$120,601	$120,329	$120,057	$119,785	$119,513	$119,240	$118,969	$118,696	$118,424	$118,152	$1,435,785

otes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Depreciation calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Property tax calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

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

e Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
Investments															
a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	2,886,271	
Less: Accumulated Depreciation		(288,410)	(294,456)	(300,502)	(306,548)	(312,594)	(318,640)	(324,686)	(330,732)	(336,778)	(342,824)	(348,870)	(354,916)	(360,962)	
CWIP - Non-Interest Bearing		0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Investment (Lines 2+ 3 + 4)		$2,597,861	$2,591,815	$2,585,769	$2,579,723	$2,573,677	$2,567,631	$2,561,585	$2,555,539	$2,549,493	$2,543,447	$2,537,401	$2,531,355	$2,525,309	
Average Net Investment			$2,594,838	$2,588,792	$2,582,746	$2,576,700	$2,570,654	$2,564,608	$2,558,562	$2,552,516	$2,546,470	$2,540,424	$2,534,378	$2,528,332	
Return on Average Net Investment															
a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		5,319	5,307	5,295	5,282	5,270	5,257	5,245	5,233	5,220	5,208	5,195	5,183	63,014
b. Equity Component Grossed Up For Taxes (B)	7.80%		16,862	16,823	16,784	16,745	16,705	16,666	16,627	16,587	16,548	16,509	16,470	16,430	199,756
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	6,046	72,552
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d. Property Taxes (D)			1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896	1,896	22,752
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$30,123	$30,072	$30,021	$29,969	$29,917	$29,865	$29,814	$29,762	$29,710	$29,659	$29,607	$29,555	358,074
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$30,123	$30,072	$30,021	$29,969	$29,917	$29,865	$29,814	$29,762	$29,710	$29,659	$29,607	$29,555	358,074
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Base)			0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
Retail Energy-Related Recoverable Costs (E)			0	0	0	0	0	0	0	0	0	0	0	0	0
Retail Demand-Related Recoverable Costs (F)			27,980	27,932	27,885	27,837	27,788	27,740	27,693	27,644	27,596	27,549	27,500	27,452	332,597
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$27,980	$27,932	$27,885	$27,837	$27,788	$27,740	$27,693	$27,644	$27,596	$27,549	$27,500	$27,452	$332,597

otes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Depreciation calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2010 rate case Order PSC-10-0131-FOF-EI.
(D) Property tax calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.__(TGF-3R)
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PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: ABOVE GROUND TANK SECONDARY CONTAINMENT - Intermediate (Project 4.3)
(in Dollars)

Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
Investments															
a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	290,297	
Less: Accumulated Depreciation		(41,370)	(41,902)	(42,434)	(42,966)	(43,498)	(44,030)	(44,562)	(45,094)	(45,626)	(46,158)	(46,690)	(47,222)	(47,754)	
CWIP - Non-Interest Bearing		0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Investment (Lines 2+ 3 + 4)		$248,928	$248,396	$247,864	$247,332	$246,800	$246,268	$245,736	$245,204	$244,672	$244,140	$243,608	$243,076	$242,544	
Average Net Investment			$248,662	$248,130	$247,598	$247,066	$246,534	$246,002	$245,470	$244,938	$244,406	$243,874	$243,342	$242,810	
Return on Average Net Investment (B)															
a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		510	509	508	506	505	504	503	502	501	500	499	498	6,045
b. Equity Component Grossed Up For Taxes	7.80%		1,616	1,612	1,609	1,606	1,602	1,599	1,595	1,592	1,588	1,585	1,581	1,578	19,163
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			532	532	532	532	532	532	532	532	532	532	532	532	6,384
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d. Property Taxes (D)			201	201	201	201	201	201	201	201	201	201	201	201	2,412
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$2,859	$2,854	$2,850	$2,845	$2,840	$2,836	$2,831	$2,827	$2,822	$2,818	$2,813	$2,809	34,004
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$2,859	$2,854	$2,850	$2,845	$2,840	$2,836	$2,831	$2,827	$2,822	$2,818	$2,813	$2,809	34,004
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Intermediate)			0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	
Retail Energy-Related Recoverable Costs (E)			0	0	0	0	0	0	0	0	0	0	0	0	0
Retail Demand-Related Recoverable Costs (F)			2,079	2,075	2,072	2,068	2,065	2,062	2,058	2,055	2,052	2,049	2,045	2,042	24,722
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$2,079	$2,075	$2,072	$2,068	$2,065	$2,062	$2,058	$2,055	$2,052	$2,049	$2,045	$2,042	$24,722

otes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Depreciation calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Property tax calculated in Above Ground Tank Secondary Containment section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.___(TGF-3R)
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PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Schedule of Amortization and Return
DEFERRED GAIN ON SALES OF EMISSION ALLLOWANCES (Project 5)
(in Dollars)

e	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Working Capital Dr (Cr)															
	a. 1581001 SO_2 Emission Allowance Inventory		4,487,131	$4,462,278	$4,441,345	$4,420,648	$4,390,289	$4,353,741	$4,319,774	$4,282,556	$4,243,568	$4,215,641	$4,192,007	$4,184,006	$4,173,869	$4,173,869
	b. 25401FL Auctioned SO_2 Allowance		(1,043,366)	(1,003,903)	(964,440)	(924,978)	(885,131)	(845,572)	(806,013)	(766,455)	(726,896)	(687,337)	(647,778)	(608,220)	(568,661)	($568,661)
	c. 1581002 NOx Emission Allowance Inventory		17,959,819	17,731,725	17,539,762	17,345,599	17,130,387	16,835,478	16,522,349	16,168,391	15,771,243	15,461,487	15,195,692	15,049,599	14,875,230	14,875,230
	d. Other															0
	Total Working Capital		$21,403,584	$21,190,100	$21,016,666	$20,841,269	$20,635,545	$20,343,647	$20,036,109	$19,684,493	$19,287,914	$18,989,791	$18,739,921	$18,625,385	$18,480,438	$18,480,438
	Average Net Investment			$21,296,842	$21,103,383	$20,928,968	$20,738,407	$20,489,596	$20,189,878	$19,860,301	$19,486,204	$19,138,853	$18,864,856	$18,682,653	$18,552,912	
	Return on Average Net Working Capital Balance (A)															
	a. Debt Component (Line 3 x 2.46% x 1/12)	2.46%		43,659	43,262	42,904	42,514	42,004	41,389	40,714	39,947	39,235	38,673	38,299	38,033	490,633
	b. Equity Component Grossed Up For Taxes	7.80%		138,396	137,139	136,006	134,767	133,150	131,203	129,061	126,630	124,373	122,592	121,408	120,565	1,555,290
	Total Return Component (B)			$182,055	$180,401	$178,910	$177,281	$175,154	$172,592	$169,775	$166,577	$163,608	$161,265	$159,707	$158,598	2,045,923
	Expense Dr (Cr)															
	a. 5090001 SO_2 Allowance Expense			24,853	20,933	20,697	30,359	36,548	33,967	37,218	38,989	27,926	23,634	8,001	10,136	313,262
	b. 4074004 SO_2 Amortization Expense			(39,463)	(39,463)	(39,463)	(39,847)	(39,559)	(39,559)	(39,559)	(39,559)	(39,559)	(39,559)	(39,559)	(39,559)	(474,705)
	c. 5090003 NOx Allowance Expense			228,094	191,963	194,162	215,212	294,909	313,129	353,958	397,148	309,755	265,795	146,093	174,369	3,084,589
	d. Other															0
	Net Expense (C)			213,484	173,434	175,397	205,724	291,898	307,538	351,617	396,578	298,123	249,871	114,536	144,947	2,923,146
	Total System Recoverable Expenses (Lines 5 + 7)			$395,539	$353,835	$354,307	$383,005	$467,052	$480,130	$521,392	$563,155	$461,731	$411,136	$274,243	$303,545	4,969,069
	a. Recoverable costs allocated to Energy			395,539	353,835	354,307	383,005	467,052	480,130	521,392	563,155	461,731	411,136	274,243	303,545	4,969,069
	b. Recoverable costs allocated to Demand			0	0	0	0	0	0	0	0	0	0	0	0	0
	Energy Jurisdictional Factor			0.99450	0.99640	0.99770	0.99810	0.99800	0.99790	0.99710	0.99680	0.99670	0.99660	0.99680	0.99720	
	Demand Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	Retail Energy-Related Recoverable Costs (D)			$393,364	$352,561	$353,492	$382,277	$466,118	$479,121	$519,880	$561,353	$460,207	$409,738	$273,365	$302,695	4,954,171
	Retail Demand-Related Recoverable Costs (E)			0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Jurisdictional Recoverable Costs (Lines 11 + 12)			$ 393,364	$ 352,561	$ 353,492	$ 382,277	$ 466,118	$ 479,121	$ 519,880	$ 561,353	$ 460,207	$ 409,738	$ 273,365	$ 302,695	$ 4,954,171

tes:
(A) Line 3 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(B) Line 5 is reported on Capital Schedule
(C) Line 7 is reported on O&M Schedule
(D) Line 8a x Line 9
(E) Line 8b x Line 10

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

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

Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
Investments															
a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	1,936,108	
Less: Accumulated Depreciation		(218,544)	(222,088)	(225,632)	(229,176)	(232,720)	(236,264)	(239,808)	(243,352)	(246,896)	(250,440)	(253,984)	(257,528)	(261,072)	
CWIP - Non-Interest Bearing		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
Net Investment (Lines 2 + 3 + 4)		$1,717,564	$1,714,020	$1,710,476	$1,706,932	$1,703,388	$1,699,844	$1,696,300	$1,692,756	$1,689,212	$1,685,668	$1,682,124	$1,678,580	$1,675,036	
Average Net Investment			$1,715,792	$1,712,248	$1,708,704	$1,705,160	$1,701,616	$1,698,072	$1,694,528	$1,690,984	$1,687,440	$1,683,896	$1,680,352	$1,676,808	
Return on Average Net Investment (B)															
a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		3,517	3,510	3,503	3,496	3,488	3,481	3,474	3,467	3,459	3,452	3,445	3,437	41,729
b. Equity Component Grossed Up For Taxes	7.80%		11,150	11,127	11,104	11,081	11,058	11,035	11,012	10,989	10,966	10,943	10,920	10,897	132,282
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			3,544	3,544	3,544	3,544	3,544	3,544	3,544	3,544	3,544	3,544	3,544	3,544	42,528
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d. Property Taxes (D)			1,593	1,593	1,593	1,593	1,593	1,593	1,593	1,593	1,593	1,593	1,593	1,593	19,116
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$19,804	$19,774	$19,744	$19,714	$19,683	$19,653	$19,623	$19,593	$19,562	$19,532	$19,502	$19,471	235,655
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$19,804	$19,774	$19,744	$19,714	$19,683	$19,653	$19,623	$19,593	$19,562	$19,532	$19,502	$19,471	235,655
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Peaking)			0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	0.95924	
Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
Retail Demand-Related Recoverable Costs (F)			18,997	18,968	18,939	18,910	18,881	18,852	18,823	18,794	18,765	18,736	18,707	18,677	226,050
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$18,997	$18,968	$18,939	$18,910	$18,881	$18,852	$18,823	$18,794	$18,765	$18,736	$18,707	$18,677	$226,050

lotes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Depreciation calculated in CAIR CTs section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2010 rate case Order PSC-10-0131-FOF-EI.
(D) Property tax calculated in CAIR CTs section of Capital Program Detail file only on assets placed inservice. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: CAMR - Crystal River - Base (Project 7.3 - Continuous Mercury Monitoring Systems)
(in Dollars)

Line	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
1	Investments															
	a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base		0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Less: Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0	
4	CWIP - Non-Interest Bearing		289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	289,107	
5	Net Investment (Lines 2 + 3 + 4)		$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	
6	Average Net Investment			$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	$289,107	
7	Return on Average Net Investment (B)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		593	593	593	593	593	593	593	593	593	593	593	593	$7,116
	b. Equity Component Grossed Up For Taxes	7.80%		1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	1,879	22,548
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses															
	a. Depreciation (C) 2.10%			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D) 0.007880			0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	29,664
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand			$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	$2,472	29,664
10	Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Base)			0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
12	Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
13	Retail Demand-Related Recoverable Costs (F)			2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	2,296	27,553
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$2,296	$27,553

Notes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.__(TGF-3R)
Page 11 of 44

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: CAIR/CAMR - Base (Project 7.4 - Crystal River FGD and SCR)
(in Dollars)
(CAIR Assets In-Service by Year End 2013)

Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	Period Total
Investments															
a. Expenditures/Additions			$0	$700,000	$406,568	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,106,568
b. Clearings to Plant			0	0	1,906,568	0	0	0	0	0	0	0	0	0	
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		1,267,660,945	1,267,660,945	1,267,660,945	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	1,269,567,513	
Less: Accumulated Depreciation		(91,215,996)	(93,586,272)	(95,956,548)	(98,328,786)	(100,702,987)	(103,077,188)	(105,451,389)	(107,825,590)	(110,199,791)	(112,573,992)	(114,948,193)	(117,322,394)	(119,696,595)	
CWIP - Non-Interest Bearing		800,000	800,000	1,500,000	0	0	0	0	0	0	0	0	0	0	
Net Investment (Lines 2 + 3 + 4)		$1,177,244,949	$1,174,874,673	$1,173,204,397	$1,171,238,727	$1,168,864,526	$1,166,490,325	$1,164,116,124	$1,161,741,923	$1,159,367,722	$1,156,993,521	$1,154,619,320	$1,152,245,119	$1,149,870,918	
Average Net Investment			$1,176,059,811	$1,174,039,535	$1,172,221,562	$1,170,051,626	$1,167,677,425	$1,165,303,224	$1,162,929,023	$1,160,554,822	$1,158,180,621	$1,155,806,420	$1,153,432,219	$1,151,058,018	
Return on Average Net Investment (B)															
a. Debt Component (Line 6 x 2.95% x 1/12)	2.95%		2,893,475	2,888,504	2,884,031	2,878,693	2,872,851	2,867,010	2,861,169	2,855,327	2,849,486	2,843,645	2,837,804	2,831,962	34,363,957
b. Equity Component Grossed Up For Taxes	8.02%		7,863,349	7,849,841	7,837,686	7,823,177	7,807,303	7,791,428	7,775,554	7,759,680	7,743,805	7,727,931	7,712,057	7,696,182	93,387,993
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			2,370,276	2,370,276	2,372,238	2,374,201	2,374,201	2,374,201	2,374,201	2,374,201	2,374,201	2,374,201	2,374,201	2,374,201	28,480,599
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d. Property Taxes (D)			832,429	832,429	833,681	833,681	833,681	833,681	833,681	833,681	833,681	833,681	833,681	833,681	10,001,668
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$13,959,529	$13,941,050	$13,927,636	$13,909,752	$13,888,036	$13,866,320	$13,844,605	$13,822,889	$13,801,173	$13,779,458	$13,757,743	$13,736,026	$166,234,217
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$13,959,529	$13,941,050	$13,927,636	$13,909,752	$13,888,036	$13,866,320	$13,844,605	$13,822,889	$13,801,173	$13,779,458	$13,757,743	$13,736,026	$166,234,217
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Base)			0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
Retail Demand-Related Recoverable Costs (F)			12,966,309	12,949,144	12,936,685	12,920,073	12,899,902	12,879,731	12,859,561	12,839,390	12,819,220	12,799,050	12,778,880	12,758,708	154,406,652
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$12,966,309	$12,949,144	$12,936,685	$12,920,073	$12,899,902	$12,879,731	$12,859,561	$12,839,390	$12,819,220	$12,799,050	$12,778,880	$12,758,708	$154,406,652

s:
A) N/A
B) Line 6 x 10.98% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 4.93%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on 2010 rate case Order PSC-10-0131-FOF-EI and restated in Order PSC-12-0425-PAA-EU.
C) Depreciation calculated only on assets placed in-service which appear in CAIR Crystal River section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
D) Property taxes calculated only on assets placed in-service which appear in CAIR Crystal River section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2010 Effective Tax Rate on original cost.
E) Line 9a x Line 10
F) Line 9b x Line 11
G) Beginning Balance differs from Form 42 8E p9 ending balance due to a correction to the depreciation expense for CAIR projects 7.4e and 7.4k in the 2012 Estimated / Actual filing in Exhibit (TGF-1).

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: CAIR/CAMR - Base (Project 7.4 - Crystal River FGD and SCR)
(in Dollars)
(CAIR Assets Not In-Service by Year End 2013)

Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
Investments															
a. Expenditures/Additions			$150,000	$286,364	$286,364	$286,364	$286,364	$286,364	$336,364	$336,364	$336,364	$336,364	$336,364	$294,364	$3,558,000
b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
Plant-in-Service/Depreciation Base		0	0	0	0	0	0	0	0	0	0	0	0	0	
Less: Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0	
CWIP - Non-Interest Bearing		519,750	669,750	956,114	1,242,477	1,528,841	1,815,205	2,101,568	2,437,932	2,774,296	3,110,659	3,447,023	3,783,386	4,077,750	
Net Investment (Lines 2 + 3 + 4)		$519,750	$669,750	$956,114	$1,242,477	$1,528,841	$1,815,205	$2,101,568	$2,437,932	$2,774,296	$3,110,659	$3,447,023	$3,783,386	$4,077,750	
Average Net Investment			$594,750	$812,932	$1,099,296	$1,385,659	$1,672,023	$1,958,386	$2,269,750	$2,606,114	$2,942,477	$3,278,841	$3,615,205	$3,930,568	
Return on Average Net Investment (B)															
a. Debt Component (Line 6 x 2.95% x 1/12)	2.46%		1,219	1,667	2,254	2,841	3,428	4,015	4,653	5,343	6,032	6,722	7,411	8,058	53,643
b. Equity Component Grossed Up For Taxes	7.80%		3,865	5,283	7,144	9,005	10,866	12,726	14,750	16,936	19,122	21,307	23,493	25,543	170,040
c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Expenses															
a. Depreciation (C)			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
d. Property Taxes (D)			0	0	0	0	0	0	0	0	0	0	0	0	0
e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
Total System Recoverable Expenses (Lines 7 + 8)			$5,084	$6,950	$9,398	$11,846	$14,294	$16,741	$19,403	$22,279	$25,154	$28,029	$30,904	$33,601	$223,683
a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
b. Recoverable Costs Allocated to Demand			$5,084	$6,950	$9,398	$11,846	$14,294	$16,741	$19,403	$22,279	$25,154	$28,029	$30,904	$33,601	$223,683
Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Demand Jurisdictional Factor - Production (Base)			0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
Retail Demand-Related Recoverable Costs (F)			4,722	6,456	8,729	11,003	13,277	15,550	18,022	20,694	23,364	26,035	28,705	31,210	207,768
Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$4,722	$6,456	$8,729	$11,003	$13,277	$15,550	$18,022	$20,694	$23,364	$26,035	$28,705	$31,210	$207,768

tes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Depreciation calculated only on assets placed in-service which appear in CAIR Crystal River section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Property taxes calculated only on assets placed in-service which appear in CAIR Crystal River section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2010 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Schedule of Amortization and Return
For Project: CAIR/CAMR - Energy (Project 7.4 - Reagents and By-products)
(in Dollars)

ıe	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Working Capital Dr (Cr)															
	a. 1544001 Ammonia Inventory		41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390	$41,390
	b. 1544004 Limestone Inventory (F)		832,642	$807,311	807,311	807,311	807,311	807,311	807,311	807,311	807,311	807,311	807,311	807,311	807,311	807,311
	Total Working Capital		874,032	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701
	Average Net Investment			861,367	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	848,701	
	Return on Average Net Working Capital Balance (A)															
	a. Debt Component (Line 3 x 2.46% x 1/12)	2.46%		1,766	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	$20,904
	b. Equity Component Grossed Up For Taxes	7.80%		5,598	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515	5,515	66,265
	Total Return Component (B)			7,363	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	7,255	87,169
	Expense Dr (Cr)															
	a. 5020011 Ammonia Expense (G)			(174,734)	162,863	145,753	150,561	165,856	173,727	174,491	181,227	172,577	176,371	157,299	204,741	1,690,733
	b. 5020012 Limestone Expense			456,888	394,955	351,375	364,210	431,211	451,039	451,271	467,057	443,929	452,562	405,993	521,411	5,191,901
	c. 5020013 Dibasic Acid Expense			0	0	20,000	0	0	20,000	0	0	20,000	0	0	20,000	80,000
	d. 5020003 Gypsum Disposal/Sale			233,411	201,775	179,416	186,198	220,578	230,776	230,877	239,133	227,360	231,752	207,766	266,983	2,656,027
	e. 5020014 Bottom/Fly Ash Reagents Expense			94,182	81,426	72,217	75,394	89,563	93,810	93,817	97,524	92,856	94,591	84,530	108,921	1,078,831
	f. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
	Net Expense (C)			609,747	841,019	768,761	776,364	907,208	969,352	950,457	984,941	956,723	955,276	855,588	1,122,056	10,697,492
	Total System Recoverable Expenses (Lines 5 + 7)			$617,110	$848,274	$776,016	$783,619	$914,464	$976,607	$957,712	$992,196	$963,978	$962,531	$862,843	$1,129,311	$10,784,661
	a. Recoverable costs allocated to Energy			617,110	848,274	776,016	783,619	914,464	976,607	957,712	992,196	963,978	962,531	862,843	1,129,311	10,784,661
	b. Recoverable costs allocated to Demand			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Energy Jurisdictional Factor			0.99450	0.99640	0.99770	0.99810	0.99800	0.99790	0.99710	0.99680	0.99670	0.99660	0.99680	0.99720	
	Demand Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	Retail Energy-Related Recoverable Costs (D)			613,716	845,221	774,231	782,130	912,635	974,557	954,934	989,021	960,797	959,258	860,082	1,126,149	10,752,730
	Retail Demand-Related Recoverable Costs (E)			0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Jurisdictional Recoverable Costs (Lines 11 + 12)			$ 613,716	$ 845,221	$ 774,231	$ 782,130	$ 912,635	$ 974,557	$ 954,934	$ 989,021	$ 960,797	$ 959,258	$ 860,082	$ 1,126,149	$ 10,752,730

otes:
(A) Line 3 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(B) Line 5 is reported on Capital Schedule
(C) Line 7 is reported on O&M Schedule
(D) Line 8a x Line 9
(E) Line 8b x Line 10
(F) Adjustment to reduce 2012 Estimated Limestone Inventory in January 2013 approx. $25K.
(G) Adjustment to reduce 2012 Estimated (July-Dec) Ammonia Expense amount in January 2013 approx. $350K.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: SEA TURTLE - COASTAL STREET LIGHTING - (Project 9)
(in Dollars)

ine	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
1	Investments															
	a. Expenditures/Additions			$208	$208	$208	$208	$208	$208	$208	$208	$208	$208	$208	$208	$2,500
	b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base		10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	
3	Less: Accumulated Depreciation		(1,636)	(1,662)	(1,688)	(1,714)	(1,740)	(1,766)	(1,792)	(1,818)	(1,844)	(1,870)	(1,896)	(1,922)	(1,948)	
4	CWIP - Non-Interest Bearing		1,700	1,908	2,117	2,325	2,533	2,742	2,950	3,158	3,367	3,575	3,783	3,992	4,200	
5	Net Investment (Lines 2 + 3 + 4)		$10,263	$10,445	$10,628	$10,810	$10,992	$11,175	$11,357	$11,539	$11,722	$11,904	$12,086	$12,269	$12,451	
6	Average Net Investment			10,354	10,537	10,719	10,901	11,084	11,266	11,448	11,631	11,813	11,995	12,178	12,360	
7	Return on Average Net Investment (B)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		21	22	22	22	23	23	23	24	24	25	25	25	$279
	b. Equity Component Grossed Up For Taxes	7.80%		67	68	70	71	72	73	74	76	77	78	79	80	885
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses															
	a. Depreciation (C) 3.10%			26	26	26	26	26	26	26	26	26	26	26	26	312
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D) 0.009674			8	8	8	8	8	8	8	8	8	8	8	8	96
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$122	$124	$126	$127	$129	$130	$131	$134	$135	$137	$138	$139	$1,572
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand			$122	$124	$126	$127	$129	$130	$131	$134	$135	$137	$138	$139	$1,572
10	Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - (Distribution)			0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	0.99561	
12	Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
13	Retail Demand-Related Recoverable Costs (F)			121	123	125	126	128	129	130	133	134	136	137	138	1,565
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$121	$123	$125	$126	$128	$129	$130	$133	$134	$136	$137	$138	$1,565

Notes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002).
Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

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

ine	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
1	Investments															
	a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base		168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	168,941	
3	Less: Accumulated Depreciation		(24,688)	(24,984)	(25,280)	(25,576)	(25,872)	(26,168)	(26,464)	(26,760)	(27,056)	(27,352)	(27,648)	(27,944)	(28,240)	
4	CWIP - Non-Interest Bearing		0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)		$144,253	$143,957	$143,661	$143,365	$143,069	$142,773	$142,477	$142,181	$141,885	$141,589	$141,293	$140,997	$140,701	
6	Average Net Investment			144,105	143,809	143,513	143,217	142,921	142,625	142,329	142,033	141,737	141,441	141,145	140,849	
7	Return on Average Net Investment (B)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		295	295	294	294	293	292	292	291	291	290	289	289	$3,505
	b. Equity Component Grossed Up For Taxes	7.80%		936	935	933	931	929	927	925	923	921	919	917	915	11,111
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses															
	a. Depreciation (C) 2.10%			296	296	296	296	296	296	296	296	296	296	296	296	3,552
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D) 0.007880			111	111	111	111	111	111	111	111	111	111	111	111	1,332
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$1,638	$1,637	$1,634	$1,632	$1,629	$1,626	$1,624	$1,621	$1,619	$1,616	$1,613	$1,611	$19,500
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand			$1,638	$1,637	$1,634	$1,632	$1,629	$1,626	$1,624	$1,621	$1,619	$1,616	$1,613	$1,611	$19,500
10	Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Base)			0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
12	Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
13	Retail Demand-Related Recoverable Costs (F)			1,521	1,521	1,518	1,516	1,513	1,510	1,508	1,506	1,504	1,501	1,498	1,496	18,113
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$1,521	$1,521	$1,518	$1,516	$1,513	$1,510	$1,508	$1,506	$1,504	$1,501	$1,498	$1,496	$18,113

Notes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002).
Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12. Depreciation rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.___(TGF-3R)
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PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

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

ne	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
l	Investments															
	a. Expenditures/Additions			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
	Plant-in-Service/Depreciation Base		76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	76,006	
	Less: Accumulated Depreciation		(14,477)	(14,680)	(14,883)	(15,086)	(15,289)	(15,492)	(15,695)	(15,898)	(16,101)	(16,304)	(16,507)	(16,710)	(16,913)	
	CWIP - Non-Interest Bearing		0	0	0	0	0	0	0	0	0	0	0	0	0	
	Net Investment (Lines 2 + 3 + 4)		$61,529	$61,326	$61,123	$60,920	$60,717	$60,514	$60,311	$60,108	$59,905	$59,702	$59,499	$59,296	$59,093	
	Average Net Investment			61,428	61,225	61,022	60,819	60,616	60,413	60,210	60,007	59,804	59,601	59,398	59,195	
	Return on Average Net Investment (B)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		126	126	125	125	124	124	123	123	123	122	122	121	1,484
	b. Equity Component Grossed Up For Taxes	7.80%		399	398	397	395	394	393	391	390	389	387	386	385	4,704
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
	Investment Expenses															
	a. Depreciation (C) 3.20%			203	203	203	203	203	203	203	203	203	203	203	203	2,436
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D) 0.010140			64	64	64	64	64	64	64	64	64	64	64	64	768
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
	Total System Recoverable Expenses (Lines 7 + 8)			$792	$791	$789	$787	$785	$784	$781	$780	$779	$776	$775	$773	$9,392
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand			$792	$791	$789	$787	$785	$784	$781	$780	$779	$776	$775	$773	$9,392
l	Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	Demand Jurisdictional Factor - Production (Intermediate)			0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	
	Retail Energy-Related Recoverable Costs (E)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
	Retail Demand-Related Recoverable Costs (F)			576	575	574	572	571	570	568	567	566	564	563	562	6,828
	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$576	$575	$574	$572	$571	$570	$568	$567	$566	$564	$563	$562	$6,828

otes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: CRYSTAL RIVER THERMAL DISCHARGE COMPLIANCE PROJECT - AFUDC - Base (Project 11.1)
(in Dollars)

Line	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Investments															
	a. Expenditures/Additions			17,495	17,495	17,495	17,495	17,495	17,495	17,495	17,495	17,495	17,495	17,495	17,495	209,940
	b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			110,984	111,780	112,581	113,387	114,198	115,014	115,835	116,661	117,493	118,329	119,171	120,018	
	Plant-in-Service/Depreciation Base		361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	361,735	
	Less: Accumulated Depreciation		(20,866)	(21,378)	(21,890)	(22,402)	(22,914)	(23,426)	(23,938)	(24,450)	(24,962)	(25,474)	(25,986)	(26,498)	(27,010)	
	CWIP - AFUDC Bearing		17,901,488	18,029,967	18,159,242	18,289,318	18,420,200	18,551,893	18,684,402	18,817,733	18,951,889	19,086,877	19,222,701	19,359,367	19,496,880	
	Net Investment (Lines 2 + 3 + 4)		$18,242,358	$18,370,325	$18,499,088	$18,628,652	$18,759,022	$18,890,203	$19,022,200	$19,155,018	$19,288,663	$19,423,138	$19,558,451	$19,694,605	$19,831,605	
	Average Net Investment (B)			$340,614	$340,102	$339,590	$339,078	$338,566	$338,054	$337,542	$337,030	$336,518	$336,006	$335,494	$334,982	
	Return on Average Net Investment (C)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		698	697	696	695	694	693	692	691	690	689	688	687	8,310
	b. Equity Component Grossed Up For Taxes	7.80%		2,213	2,210	2,207	2,203	2,200	2,197	2,193	2,190	2,187	2,184	2,180	2,177	26,341
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
	Investment Expenses															
	a. Depreciation (D)			512	512	512	512	512	512	512	512	512	512	512	512	6,144
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			0	0	0	0	0	0	0	0	0	0	0	0	N/A
	d. Property Taxes (E)			280	280	280	280	280	280	280	280	280	280	280	280	3,360
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$3,703	$3,699	$3,695	$3,690	$3,686	$3,682	$3,677	$3,673	$3,669	$3,665	$3,660	$3,656	$44,155
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand			$3,703	$3,699	$3,695	$3,690	$3,686	$3,682	$3,677	$3,673	$3,669	$3,665	$3,660	$3,656	$44,155
10	Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Base)			0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
12	Retail Energy-Related Recoverable Costs (F)			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
13	Retail Demand-Related Recoverable Costs (G)			3,440	3,436	3,432	3,427	3,424	3,420	3,415	3,412	3,408	3,404	3,400	3,396	41,013
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$3,440	$3,436	$3,432	$3,427	$3,424	$3,420	$3,415	$3,412	$3,408	$3,404	$3,400	$3,396	$41,013

otes:
(A) AFUDC rate reflected within Docket 120022-EI per Order PSC-12-0104-PAA-EI.
(B) Line represents the Average Net Investment excluding AFUDC interest-bearing CWIP projects. Refer to Capital Program Detail for Average Net Investment Return on which Line 7 is calculated.
(C) Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(D) Depreciation calculated only on assets placed in-service which appear in CR Thermal Discharge Project section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(E) Property taxes calculated only on assets placed in-service which appear in CR Thermal Discharge Project section of Capital Program Detail file. Calculated on that schedule as Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(F) Line 9a x Line 10
(G) Line 9b x Line 11

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.___(TGF-3R)
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PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: NPDES (Project 16)
(in Dollars)

e	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13
	Investments								
	a. Expenditures/Additions			$110,000	$50,000	$0	$0	$0	$0
	b. Clearings to Plant			110,000	50,000	0	0	0	0
	c. Retirements			0	0	0	0	0	0
	d. Other (A)			0	0	0	0	0	0
	Plant-in-Service/Depreciation Base		2,323,361	2,433,361	2,483,361	2,483,361	2,483,361	2,483,361	2,483,361
	Less: Accumulated Depreciation		(3,195)	(9,887)	(16,716)	(23,545)	(30,374)	(37,204)	(44,033)
	CWIP - Non-Interest Bearing		0	0	0	0	0	0	0
	Net Investment (Lines 2 + 3 + 4)		$2,320,166	$2,423,474	$2,466,645	$2,459,816	$2,452,987	$2,446,157	$2,439,328
	Average Net Investment			2,371,820	2,445,060	2,463,230	2,456,401	2,449,572	2,442,743
	Return on Average Net Investment (B)								
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		4,862	5,012	5,050	5,036	5,022	5,008
	b. Equity Component Grossed Up For Taxes	7.80%		15,413	15,889	16,007	15,963	15,918	15,874
	c. Other			0	0	0	0	0	0
	Investment Expenses								
	a. Depreciation (C)	3.30%		6,692	6,829	6,829	6,829	6,829	6,829
	b. Amortization			0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.010140		2,056	2,098	2,098	2,098	2,098	2,098
	e. Other			0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$29,023	$29,829	$29,985	$29,927	$29,868	$29,810
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand			$29,023	$29,829	$29,985	$29,927	$29,868	$29,810
10	Energy Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A
11	Demand Jurisdictional Factor - Production (Intermediate))			0.72703	0.72703	0.72703	0.72703	0.72703	0.72703
12	Retail Energy-Related Recoverable Costs (E)			0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (f)			21,101	21,686	21,800	21,758	21,715	21,673
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$21,101	$21,686	$21,800	$21,758	$21,715	$21,673

e	Description	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Investments							
	a. Expenditures/Additions	$0	$0	$0	$0	$0	$0	160,000
	b. Clearings to Plant	0	0	0	0	0	0	
	c. Retirements	0	0	0	0	0	0	
	d. Other (A)	0	0	0	0	0	0	
	Plant-in-Service/Depreciation Base	2,483,361	2,483,361	2,483,361	2,483,361	2,483,361	2,483,361	
	Less: Accumulated Depreciation	(50,862)	(57,691)	(64,521)	(71,350)	(78,179)	(85,008)	
	CWIP - Non-Interest Bearing	0	0	0	0	0	0	
	Net Investment (Lines 2 + 3 + 4)	$2,432,499	$2,425,670	$2,418,840	$2,412,011	$2,405,182	$2,398,353	
	Average Net Investment	2,435,913	2,429,084	2,422,255	2,415,426	2,408,596	2,401,767	
	Return on Average Net Investment (B)							
	a. Debt Component (Line 6 x 2.46% x 1/12)	4,994	4,980	4,966	4,952	4,938	4,924	59,744
	b. Equity Component Grossed Up For Taxes	15,830	15,785	15,741	15,697	15,652	15,608	189,377
	c. Other	0	0	0	0	0	0	0
	Investment Expenses							
	a. Depreciation (C)	6,829	6,829	6,829	6,829	6,829	6,829	81,813
	b. Amortization	0	0	0	0	0	0	0
	c. Dismantlement	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	2,098	2,098	2,098	2,098	2,098	2,098	25,139
	e. Other	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	$29,752	$29,693	$29,635	$29,577	$29,518	$29,460	$356,073
	a. Recoverable Costs Allocated to Energy	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand	$29,752	$29,693	$29,635	$29,577	$29,518	$29,460	$356,073
10	Energy Jurisdictional Factor	N/A	N/A	N/A	N/A	N/A	N/A	
11	Demand Jurisdictional Factor - Production (Intermediate))	0.72703	0.72703	0.72703	0.72703	0.72703	0.72703	
12	Retail Energy-Related Recoverable Costs (E)	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (f)	21,630	21,587	21,545	21,503	21,460	21,418	258,876
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	$21,630	$21,587	$21,545	$21,503	$21,460	$21,418	$258,876

otes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: Mercury & Air Toxic Standards (MATS) - Energy (Crystal River 4 & 5) (Project 17)
(in Dollars)

e	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Investments															
	a. Expenditures/Additions			$20,000	$20,000	$20,000	$70,000	$70,000	$500,000	$3,000,000	$2,000,000	$1,500,000	$1,500,000	$1,100,000	$200,000	10,000,000
	b. Clearings to Plant			0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			0	0	0	0	0	0	0	0	0	0	0	0	
	Plant-in-Service/Depreciation Base		0	0	0	0	0	0	0	0	0	0	0	0	0	
	Less: Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0	
	CWIP - Non-Interest Bearing		1,250,930	1,270,930	1,290,930	1,310,930	1,380,930	1,450,930	1,950,930	4,950,930	6,950,930	8,450,930	9,950,930	11,050,930	11,250,930	
	Net Investment (Lines 2 + 3 + 4)		$1,250,930	$1,270,930	$1,290,930	$1,310,930	$1,380,930	$1,450,930	$1,950,930	$4,950,930	$6,950,930	$8,450,930	$9,950,930	$11,050,930	$11,250,930	
	Average Net Investment			$1,260,930	$1,280,930	$1,300,930	$1,345,930	$1,415,930	$1,700,930	$3,450,930	$5,950,930	$7,700,930	$9,200,930	$10,500,930	$11,150,930	
	Return on Average Net Investment (B)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		2,585	2,626	2,667	2,759	2,903	3,487	7,074	12,199	15,787	18,862	21,527	22,859	115,335
	b. Equity Component Grossed Up For Taxes	7.80%		8,194	8,324	8,454	8,746	9,201	11,053	22,426	38,672	50,044	59,792	68,240	72,464	365,610
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
	Investment Expenses															
	a. Depreciation (C) 2.50%			0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D) 0.00831			0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$10,779	$10,950	$11,121	$11,505	$12,104	$14,540	$29,500	$50,871	$65,831	$78,654	$89,767	$95,323	$480,945
	a. Recoverable Costs Allocated to Energy			10,779	10,950	11,121	11,505	12,104	14,540	29,500	50,871	65,831	78,654	89,767	95,323	480,945
	b. Recoverable Costs Allocated to Demand			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10	Energy Jurisdictional Factor			0.99450	0.99640	0.99770	0.99810	0.99800	0.99790	0.99710	0.99680	0.99670	0.99660	0.99680	0.99720	
11	Demand Jurisdictional Factor - Production (Intermediate)			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
12	Retail Energy-Related Recoverable Costs (E)			10,720	10,911	11,095	11,483	12,080	14,509	29,414	50,708	65,614	78,387	89,480	95,056	479,457
13	Retail Demand-Related Recoverable Costs (f)			0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$10,720	$10,911	$11,095	$11,483	$12,080	$14,509	$29,414	$50,708	$65,614	$78,387	$89,480	$95,056	$479,457

lotes:
(A) N/A
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12. Depreciation Rate based on approved rates in Order PSC-10-0131-FOF-EI.
(D) Line 2 x rate x 1/12. Based on 2011 Effective Tax Rate on original cost.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2013 through December 2013

Return on Capital Investments, Depreciation and Taxes
For Project: Mercury & Air Toxic Standards (MATS) - Energy - (Anclote Gas Conversion) (Project 17.1)
(in Dollars)

e	Description		Beginning of Period Amount	Projected January 13	Projected February 13	Projected March 13	Projected April 13	Projected May 13	Projected June 13	Projected July 13	Projected August 13	Projected September 13	Projected October 13	Projected November 13	Projected December 13	End of Period Total
	Investments															
	a. Expenditures/Additions			$3,211,333	$6,151,314	$3,908,867	$4,426,070	$4,806,458	$3,148,449	$1,924,562	$3,594,500	$2,589,943	$2,685,105	$3,006,208	$8,426,812	47,879,621
	b. Clearings to Plant			0	0	0	0	0	36,287,646	0	0	0	0	0	36,352,419	
	c. Retirements			0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)			146,544	175,487	206,695	232,918	261,989	287,404	86,789	103,853	123,013	139,563	157,459	0	
	Plant-in-Service/Depreciation Base		0	0	0	0	0	0	36,287,646	36,287,646	36,287,646	36,287,646	36,287,646	36,287,646	72,640,065	
	Less: Accumulated Depreciation		0	0	0	0	0	0	(33,264)	(99,791)	(166,318)	(232,846)	(299,373)	(365,900)	(465,751)	
	CWIP - AFUDC Interest Bearing		22,838,730	26,196,608	32,523,409	36,638,970	41,297,958	46,366,405	13,514,612	15,525,963	19,224,316	21,937,272	24,761,940	27,925,607	0	
	Net Investment (Lines 2 + 3 + 4)		$22,838,730	$26,196,608	$32,523,409	$36,638,970	$41,297,958	$46,366,405	$49,768,994	$51,713,818	$55,345,643	$57,992,072	$60,750,213	$63,847,353	$72,174,314	
	Average Net Investment (Excluding AFUDC Eligible)			$0	$0	$0	$0	$0	$18,127,191	$36,221,119	$36,154,591	$36,088,064	$36,021,537	$35,955,009	$54,048,030	
	Return on Average Net Investment (B)															
	a. Debt Component (Line 6 x 2.46% x 1/12)	2.46%		0	0	0	0	0	37,161	74,253	74,117	73,981	73,844	73,708	110,798	517,862
	b. Equity Component Grossed Up For Taxes	7.80%		0	0	0	0	0	117,798	235,381	234,948	234,516	234,084	233,651	351,228	1,641,607
	c. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
	Investment Expenses															
	a. Depreciation (C)	2.20%		0	0	0	0	0	33,264	66,527	66,527	66,527	66,527	66,527	99,850	465,751
	b. Amortization			0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Dismantlement			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.008310		0	0	0	0	0	25,129	25,129	25,129	25,129	25,129	25,129	50,303	201,078
	e. Other			0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)			$0	$0	$0	$0	$0	$213,352	$401,291	$400,722	$400,153	$399,584	$399,016	$612,180	$2,826,298
	a. Recoverable Costs Allocated to Energy			0	0	0	0	0	213,352	401,291	400,722	400,153	399,584	399,016	612,180	2,826,298
	b. Recoverable Costs Allocated to Demand			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
10	Energy Jurisdictional Factor			0.99450	0.99640	0.99770	0.99810	0.99800	0.99790	0.99710	0.99680	0.99670	0.99660	0.99680	0.99720	
11	Demand Jurisdictional Factor			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
12	Retail Energy-Related Recoverable Costs (E)			0	0	0	0	0	212,904	400,127	399,440	398,833	398,226	397,739	610,466	2,817,734
13	Retail Demand-Related Recoverable Costs (F)			0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)			$0	$0	$0	$0	$0	$212,904	$400,127	$399,440	$398,833	$398,226	$397,739	$610,466	$2,817,734

otes:
(A) AFUDC rate reflected within Docket 120022-EI per Order PSC-12-0104-PAA-EI. (AFUDC Monthly Compound Rate) 0.5995%
(B) Line 6 x 10.26% x 1/12. Based on ROE of 10.50%, weighted cost of equity component of capital structure of 4.79%, and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). Based on PEF's May 2012 Surveillance report per Order PSC-12-0425-PAA-EU.
(C) Line 2 x rate x 1/12.
(D) Line 2 x rate x 1/12.
(E) Line 9a x Line 10
(F) Line 9b x Line 11

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Project Title: **Substation Environmental Investigation, Remediation, and Pollution Prevention**
Project No. 1

Project Description:
Chapter 376, Florida Statutes, requires that any person discharging a prohibited pollutant shall undertake to contain, remove, and abate the discharge to the satisfaction of the Florida Department of Environmental Protection (FDEP). Similarly, Chapter 403, Florida Statutes provides that it is prohibited to cause pollution so as to harm or injure human health or welfare, animal, plant, or aquatic life or property. For PEF to continue to comply with these statutes, it is conducting environmental investigation, remediation, and pollution prevention activities associated with its substation facilities to determine the existence of pollutant discharges, and if present, their removal and remediation. Activities also include development and implementation of best management and pollution prevention measures at these facilities.

Project Accomplishments:
PEF completed environmental remediations at 10 substations during 2012. Soil and groundwater sampling continue as well as remediation report writing. 245 remediations are completed out of 279 slated for completion. PEF is continuing to work with the FDEP on remaining remediations.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: Project expenditures are estimated to be approximately $1.2 million higher than originally projected. This variance is primarily due to multiple sites containing more contamination than originally projected as well as scheduling conflicts that resulted in sites being rescheduled from 2011 into 2012.

Project Progress Summary:
PEF continues to remediate substation sites in accordance with the approved Substation Assessment and Remedial Action Plan (SARAP).

Project Projections:
Estimated project expenditures for 2013 are expected to be approximately $2.3 million.

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Project Title: **Distribution System Environmental Investigation, Remediation, and Pollution Prevention**
Project No. 2

Project Description:
Chapter 376, Florida Statutes, requires that any person discharging a prohibited pollutant shall undertake to contain, remove, and abate the discharge to the satisfaction of the Florida Department of Environmental Protection (FDEP). Similarly, Chapter 403, Florida Statutes provides that it is prohibited to cause pollution so as to harm or injure human health or welfare, animal, plant, or aquatic life or property. For Progress Energy Florida to continue to comply with these statutes, it is conducting environmental investigation, remediation, and pollution prevention activities associated with its distribution system facilities to determine the existence of pollutant discharges, and if present, their removal and remediation. Activities also include development and implementation of best management and pollution prevention measures at these facilities.

Project Accomplishments:
In 2012, PEF completed all of the remaining identified abatement sites for the Transformer Replacement & Inspection Program (TRIP) program and completed deviation sampling on 9 sites. The cost for deviation sampling and potential remediation work at these 9 sites are included in the 2013 estimated TRIP costs. All TRIP remediations have been conducted in accordance with the FDEP approved Environmental Remediation Strategy.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: Project expenditures are estimated to be approximately $0.2 million higher than originally projected as a result of the 5 carryover abatement sites and delayed submittal of invoices to PEF from vendors.

Project Progress Summary:
This project is on schedule according to the approved Distribution System Investigation, Remediation and Pollution Prevention Program.

Project Projections:
Estimated project expenditures for 2013 are expected to be approximately $0.2 million.

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Project Title: **Pipeline Integrity Management, Review/Update Plan and Risk Assessments**
Project No. 3

Project Description:
The U.S. Department of Transportation ("USDOT") Regulation 49 CFR Part 195, as amended effective February 15, 2002 and the new regulation published at 67 Federal Register 2136 on January 16, 2002, requires PEF to implement a Pipeline Integrity Management Program. Prior to the February 15, 2002 amendments, the USDOT's pipeline integrity management regulations applied only to operators with 500 miles or more of hazardous liquid and carbon dioxide pipelines that could affect high consequence areas. The amendments which became effective on February 15, 2002 extended the requirements for implementing integrity management to operators who have less than 500 miles of regulated pipelines. As such, PEF must improve the integrity of pipeline systems in order to protect public safety and the environment, as well as comply with continual assessment and evaluation of pipeline systems integrity through inspection or testing, data integration and analysis, and follow up with remedial, preventative, and mitigative actions.

Effective February 2010, amendments to 49 CFR 195 were finalized to improve opportunities to reduce risk through more effective control of pipelines. Compliance with these amendments will enhance pipeline safety by coupling strengthened control room management with improved controller training and fatigue management. On June 16, 2011, USDOT published in the Federal Register (V0l. 76, 35130-35136), a final rule effective August 15, 2011 that expedites the program implementation deadlines in the Control Room Management/Human Factors regulations in order to realize the safety benefits sooner than established in the original rule. This final rule amends the program implementation deadlines for different procedures to no later than October 21, 2011, and August 1, 2012.

PEF owns one hazardous liquid pipeline that is subject to the new regulation and must comply with the new requirements for the Bartow/Anclote 14-inch hot oil pipeline, extending 33.3 miles from the Company's Bartow Plant north of St. Petersburg to the Anclote Plant in Holiday.

Project Accomplishments:

PEF has developed pipeline control room management procedures and trained Pipeline Terminal Operators on said procedures. PEF has also procured a pipeline operations simulator to be used to train Pipeline Terminal Operators. PEF completed the second In Line Inspection (Smart Pig) in late 2009. Smart pig data validation, corrosion rate calculations, anomaly ranking, repair planning, inspection interval determination, risk analysis updates, spill consequence updates, data alignment, and biennial review activities are ongoing. Since mid-2010 PEF has completed repairs and validations based on the Smart Pig findings. These findings required completion of three immediate repairs, one 60-Day repair, one 180-Day repair, and six other repairs along with several risk reduction projects. Risk reduction coordination is ongoing for third party projects at U.S. Highway 19 and Haines Bayshore Road, 9th Street and Gandy Boulevard, 118th Avenue, Progress Energy Trail, and Spruce Street. In June 2011, a sinkhole opened up in close proximity to the pipeline. Geotechnical testing was undertaken along a two mile length of the pipeline that is located in an active sinkhole area. Two large voids were found under the pipeline that required injection grouting to prevent collapse.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: O&M project expenditures are estimated to be approximately $0.1 million lower than originally projected .

Project Progress Summary:
Ongoing Smart Pig anomaly evaluation, data validation, corrosion rate calculations, repair ranking, repair implementation, program biennial review activities, and third party project coordination continue. This compliance work will continue through the end of 2012. 2013 O&M costs are to comply with the Pipeline Integrity Management regulations (49 CFR Part 195). These costs include general program management and oversight of the performance of program activities.

Project Projections:
For 2013 O&M expenditures are expected to be approximately $0.6M. There are no expected capital expenditures.

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Project Title: **Above Ground Storage Tank Secondary Containment**
Project No. 4

Project Description:
Florida Department of Environmental Protection Rule 62-761.510(3) states that the Company is required to make improvements to many of its above ground petroleum storage tanks in order to comply with those provisions. Subsection (d) of that rule requires all internally lined single bottom above ground storage tanks to be upgraded with secondary containment, including secondary containment for piping in contact with the soil. Rule 62-761.500(1)(e) also requires that dike field area containment for pre-1998 tanks be upgraded, if needed, to comply with the requirement.

Project Accomplishments:
PEF has completed work at: DeBary 1, Turner 7, Turner 8, Higgins 1, and Bartow 6 as well as Turner P-1 and P-2 piping work. DeBary 2 was completed in 2011.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: There are no projected O&M project expenditures for this project in 2012. Capital expenditures are projected to be approximately $5,000 to finalize the project.

Project Progress Summary:
PEF will continually evaluate its compliance program, including project prioritization, schedule, and technology applications.

Project Projections:
PEF projects no expenditures in 2013 related to this program.

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Project Title: **Integrated Clean Air Compliance Plan - SO_2 and NOx Emissions Allowances**
Project No. 5

Project Description:
In accordance with the Acid Raint Program inTitle IV of the Clean Air Act, CFR 40 Part 73 and Part 76, and Florida Administrative Code Rule 62-214 and the Clean Air Interstate Rule (CAIR), PEF manages sulfur dioxide (SO2) and nitrogen oxide (NOx) emissions allowance inventories for the purpose of offsetting SO2 and NOx emission. On 7/6/11, the EPA issued the Cross-State Air Pollution Rule (CSAPR) to replace CAIR. CSAPR would significantly alter the SO2 and NOx allowance programs. Under CAIR, Florida is required to comply with annual SO2 and NOx emission requirements and seasonal requirements regulating NOx emissions during the ozone season. Under CSAPR, Florida would no longer included in the group of states required to comply with annual emissions requirements; it would only be covered by the seasonal ozone requirements. However, on 8/21/12, the U.S. Court of Appeals for the District of Columbia vacated CSAPR, leaving CAIR in effect until EPA adopts a valid replacement. Further discussion of CSAPR is included in the testimony of Patricia Q. West.

Project Accomplishments:
For purposes of compliance with an affected unit's sulfur dioxide (SO_2) and nitrogen oxides (NOx) emissions requirements under the Acid Rain Program, air quality compliance costs are administered by an authorized account representative who evaluates a variety of resources and options. Activities performed include purchases of SO_2 and NO_X emissions allowances as well as auctions and transfers of SO_2 emissions allowances.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: Project expenditures are estimated to be approximately $3 million lower than originally projected. This variance is driven by lower actual NOx allowance expense due to usage than the estimated 2012 NOx allowance expense resulting from the 3yr amortization calculation presented in Docket No. 110007-EI.

Project Progress Summary:
PEF continually evaluates the status of CSARP and CAIR rules to maximize the cost effectiveness of its compliance strategy.

Project Projections:
For 2013 SO_2 expenditures are expected to be approximately $0.3 million and NOx expenses are expected to be approximately $3.1 million.

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Project Title: **Phase II Cooling Water Intake**
Project No. 6

Project Description:

Section 316(b) of the Federal Clean Water Act, requires that "the location, design, construction, and capacity of cooling water intake structures reflect the best technology available for minimizing adverse environmental impact." 33 U.S.C. Section 1326. In the past, EPA and the state regulatory agency implemented Section 316(b) on a case-by-case basis. In the new Phase II rules, EPA has established "national performance standards" for determining compliance with Section 316(b) at certain existing electric generating facilities. See 40 CFR 125.94(b). The process of compliance involves planning and scheduling efforts, conducting certain biological studies, and evaluation of options for compliance. These compliance options involve engineering measures, operational measures, restorative measures and/or cost assessment measures. See generally 40 CFR 125.94 and 125.95. The EPA is expected to final new Phase II rules in June 2013.

Project Accomplishments:

PEF facilities subject to EPA's new Phase II rules include Anclote, Bartow, Crystal River and Suwannee plants. Early in 2004 PEF requested competitive bids for an environmental consultant to support the development of a Compliance Strategy and Implementation Plan (CSIP); that contract was secured and the CSIP is now complete. The consultant completed a Proposals for Information Collection (PICs) for Anclote & Bartow, Crystal River, and Suwannee and they have been submitted and approved by the FDEP.

Project Fiscal Expenditures:

January 1, 2012 - December 31, 2012: Due to a federal courts vacatur of the Phase II rules, the estimated project O&M expenditures for the period January 2012 through December 2012 are projected to be $0.

Project Progress Summary:

As a result of the July 17, 2012 second amendment to the settlement agreement among the U.S. Environmental Protection Agency (EPA) and plaintiffs, EPA is expected to issue a final rule establishing cooling water intake standards pursuant to Section 316(b) of the Clean Water Act rule in June 2013. The proposed rule would establish standards for impingement mortality that can be achieved in either one of two ways: 1) modify traveling intake screens with fish collection and return systems that demonstrate that 88% of the fish collected will survive the process or 2) reduce the intake flow velocity to 0.5 feet per second. The proposed 316(b) rules would establish that state permitting authorities (FDEP in Florida) determine requirements for entrainment mortality on a case-by-case, site specific basis. The permittee must collect data, conduct studies and submit information that would be used by the state permitting authorities to make its decision. Permittees would also be required to include an evaluation of a closed-cycle, re-circulating cooling system (cooling towers) retrofit as part of their entrainment studies. PEF is assessing several options that may be required to comply with the rule. The options under consideration may change once the final rule is issued and its impacts better understood, therefore the exact costs that PEF will incur under 316(b) cannot be predicted.

Project Projections:
For the period January 2013 through December 2013 PEF does not expect any expenditures.

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Project Title: **Integrated Clean Air Compliance Plan - Clean Air Interstate Rule (CAIR)**
Project Nos. (7.2, 7.3, & 7.4)

Project Description:
Clean Air Interstate Rule (CAIR), 40 CFR 24, 262, imposes significant new restrictions on emissions of sulfur dioxide ("SO_2") and nitrogen oxides ("NOx") from power plants in 28 eastern states, including Florida, and the District of Columbia. The CAIR rule apportions region-wide SO_2 and NOx emission reduction requirements to the individual states, and further required each affected state to revise its State Implementation Plans (SIP) to include measures necessary to achieve its emission reduction budget within prescribed deadlines.

Project Accomplishments:
During 2012, the project team focused on completing the installation of the Hydrated Lime Injection System.

Project Fiscal Expenditures:
January 1, 2013 - December 31, 2013: PEF's capital expenditures for CAIR will be approximately $23.2 million lower than PEF's 2012 Projection filing. The difference is primarily attributable to the completion of the Hydrated Lime and SO3 probes projects in 2012.

Project Progress Summary:

For FGD Blowdown treatment, a wastewater treatment study is currenltly being performed by CH2MHill; the study is estimated to complete in October 2012. The study is being conducted in accordance with Conditions of Certification Modification P which requires the submission of an evaluation of alternative(s) to manage FGD blowdown.

Project Projections:
PEF expects approximately $27.9 million in O&M expenses and approximately $4.7 million in capital expenditures for this program.

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Project Title: **Integrated Clean Air Compliance Plan - Best Available Retrofit Technology (BART)**
Project No. 7.5

Project Description:
On May 25, 2012, the Environmental Protection Agency (EPA) proposed a partial disapproval of Florida's proposed Regional Haze State Implementation Plan (SIP) because the proposed SIP relies on CAIR to satisfy BART requirements for SO2 and NOx emissions. Although CAIR remains in effect while litigation against the Cross State Air Pollution Rule (CSAPR) proceeds, the EPA is requiring states to incorporate the Cross State Air Pollution Rule (CSAPR) in place of CAIR in their Regional Haze SIPs. PEF has been working with the FDEP to develop a specific BART and Reasonable Progress permits for affected units that will be incorporated into Florida's revised SIP submittal, which is due to be submitted to EPA by July 31, 2012.

Project Accomplishments:
Performed required emissions modeling and associated BART analysis for Crystal River Units 1 & 2 and Anclote plants, developed and submitted Reasonable Progress evaluation for Crystal River Units 4 & 5, developed and submitted necessary BART Implementation Plans and air construction permit applications needed in support of the Florida Department of Environmental Protection's (FDEP) ongoing work to amend its State Implementation Plan as directed by the EPA.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: PEF expects O&M project expenditures for the year of $27,000.

Project Progress Summary:
Performed required emissions modeling and associated BART analysis for Crystal River Units 1 & 2 and Anclote plants, developed and submitted Reasonable Progress evaluation for Crystal River Units 4 & 5, developed and submitted necessary BART Implementation Plans and air construction permit applications needed in support of the FDEP ongoing work to amend its State Implementation Plan as directed by the EPA.

Project Projections:
For the period January 2013 through December 2013 PEF expects $16,000 of O&M expenditures.

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Project Title: **Arsenic Groundwater Standard**
Project No. 8

Project Description:
On January 22, 2001, the U.S. Environmental Protection Agency (USEPA) adopted a new maximum contaminant level (MCL) for arsenic in drinking water, replacing the previous standard of 0.050 mg/L (50ppb) with a new MCL of 0.010 mg/L (10ppb). Effective January 1, 2005, FDEP established the USEPA MCL as Florida's drinking water standard. See Rule 62-550, F.A.C. The new standard has implications for land application and water reuse projects in Florida because the drinking water standard has been established as the groundwater standard by Rule 62-520.420(1), F.A.C. Lowering the arsenic standard will require new analytical methods for sampling groundwater at numerous PEF sites.

Project Accomplishments:
Routine quarterly sampling of existing monitoring wells continues as required by the Industrial Wastewater Permit No. FLA016960. A groundwater plan of study (POS), involving the investigation of sources of arsenic, will continue through 2012.

Project Fiscal Expenditures:
January 1, 2012 - December 31, 2012: PEF is not expecting to spend any dollars on this project in 2012.

Project Progress Summary:
PEF will finsh and submit results of the POS during the first quarter, 2013. Next steps will likely involve submittal of a parameter exemption petition to FDEP.

Project Projections:
PEF expects approximately $31,000 in expenditures for this project in 2013 to finish the groundwater POS and to complete a parameter exemption petition submittal.

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Project Title: **Sea Turtle - Coastal Street Lighting**
Project No. 9

Project Description:
PEF owns and leases high pressure sodium streetlights throughout its service territory, including areas along the Florida coast. Pursuant to Section 161.163, Florida Statutes, the Florida Department of Environmental Protection (FDEP), in collaboration with the Florida Fish and Wildlife Conservation Commission (FFWCC) and the U.S. Fish & Wildlife Service (USFWS), has developed a model Sea Turtle lighting ordinance. The model ordinance is used by the local governments to develop and implement ordinances within their jurisdiction. To date, Sea Turtle lighting ordinances have been adopted in Franklin County, Gulf County, City of Mexico Beach in Bay County and Pinellas County, all of which are within PEF's service territory. Since 2004, officials from the various local governments, as well as FDEP, FFWC, and USFWS, have advised PEF that lighting it owns and leases is affecting turtle nesting areas that fall within the scope of these ordinances. As a result, the local governments are requiring PEF to take additional measures to satisfy new criteria being applied to ensure compliance with the sea turtle ordinances.

Project Accomplishments:
PEF continues working with Franklin County, Gulf County, City of Mexico Beach and Pinellas County to mitigate any potential sea turtle nesting issues by retrofitting existing street lights, placing amber shields on existing HPS street lights and monitoring street lights for effectiveness in complying with sea turtle ordinances.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: Project expenditures are estimated to be approximately $2,500 lower than originally projected. This variance is primarily due to installing amber shields on a smaller quantity of street lights to prevent turtle disorientation than intially anticipated.

Project Progress Summary:
PEF is on schedule with the activities identified for this program.

Project Projections:
Estimated project expenditures for 2013 are expected to be approximately $5,000.

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Project Title: **Underground Storage Tanks**
Project No. 10

Project Description:
FDEP rules require that underground pollutant storage tanks and small diameter piping be upgraded with secondary containment by December 31, 2009. See Rule 62-761.510(5), F.A.C. PEF has identified four tanks that must comply with this rule: two at the Crystal River power plant and two at the Bartow power plant.

Project Accomplishments:
Work on Crystal River and Bartow USTs was completed in the fourth quarter 2006.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: $0 was projected to be spent in 2012.

Project Projections:
PEF expects no expenditures for this project in 2013.

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Project Title: **Modular Cooling Towers**
Project No. 11

Project Description:
The project involves installation and operation of modular cooling towers in the summer months to minimize "de-rates" of PEF's Crystal River Units 1 and 2 necessary to comply with the NPDES permit limit for the temperature of cooling water discharged from the units.

Project Accomplishments:
Vendors of modular cooling towers were evaluated regarding cost of installation and operation. The Florida Department of Environmental Protection reviewed the project and approved operation. A vendor was selected and the towers were installed during the second quarter of 2006.

Project Fiscal Expenditures:

January 1, 2012 to December 31, 2012: Project O&M costs are $0.9 million higher than projected.

Project Progress Summary:
Modular cooling towers began operation in June 2006 and have successfully minimized de-rates of Units 1 and 2. Towers were removed during the first half of 2012. This project is complete.

Project Projections:
PEF projects no expenditures in 2013 related to this program.

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Project Title: **Crystal River Thermal Discharge Compliance Project**
Project No. 11.1

Project Description:
This project will evaluate and implement the best long term solution to maintain compliance with the thermal discharge limit in FDEP industrial wastewater permit for Crystal River 1, 2 & 3 that is currently being addressed in the short term by the Modular Cooling Towers approved in Docket No. 060162- EI for ECRC recovery.

Project Accomplishments:
The Study phase of the project is complete. The recommendation is to replace the modular cooling towers in coordination with the cooling solution for the CR3 Extended Power Uprate (EPU) discharge canal cooling solution. The new cooling tower associated with the CR3 EPU will be sized to mitigate both the increased temperatures from the EPU as well as serve to replace the modular cooling towers, which were removed in 2012. This project will be impacted by both the final form of new environmental regulations and the repair plan and timing of completing the Crystal River Unit 3 delamination work.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: Project costs are $0.6 million higher than projected; PEF did not file estimated costs for this project in the 2012 Projection filing.

Project Progress Summary:
The design contract for the CR3 EPU cooling tower has been awarded and a cooling tower supplier has been selected.

Project Projections:
Cost estimates for this project will be impacted by both the final form of new environmental regulations, and the repair plan and timing of completing Crystal River 3 delamination work. Current estimates are presented in schedule 42-4P p 14 of 17.

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Project Title: **Integrated Clean Air Compliance Plan - Greenhouse Gas Inventory and Reporting**
Project No. 12

Project Description:
The Greenhouse Gas (GHG) Inventory and Reporting Program was created in response to Chapter 2008-277, Florida Laws, which established the Florida Climate Protection Act, to be codified at section 403.44, Florida Statutes. Among other things, this legislation authorizes FDEP to establish a cap and trade program to GHG emissions from electric utilities. Utilities subject to the program, including PEF, will be required to use The Climate Registry for purposes of GHG emission registration and reporting.

The requirement to report to The Climate Registry was repealed during the 2010 legislative session; however, EPA's GHG Reporting Rule (40 CFR 98) does require that PEF submit 2010 GHG data to the EPA by March 31, 2011.

Project Accomplishments:
In 2009, Progress Energy joined The Climate Registry and submitted the 2008 GHG inventory data. The 2009 data was submitted during the third quarter of 2010. Both 2008 and 2009 data was validated by a third party as required by The Climate Registry. The 2010 GHG inventory data will be submitted to EPA by September 30, 2011 and validation by a third party is not a requirement.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: $0 was projected to be spent in 2012.

Project Progress Summary:
The 2010 GHG inventory data was submitted to EPA on September 30, 2011.

Project Projections:
PEF expects no expenditures for this project in 2013.

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Project Title: **Mercury Total Daily Maximum Loads Monitoring (TMDL)**
Project No. 13

Project Description:
Section 303(d) of the federal Clean Water Act requires each state to identify state waters not meeting water quality standards and establish a TMDL for the pollutant or pollutants causing the failure to meet standards. Under a 1999 federal consent decree, TMDLs for over 100 Florida water bodies listed as impaired for mercury must be established by September 12, 2012. DEP has initiated a research program to provide the necessary information for setting the appropriate TMDLs for mercury. Among other things, the study will assess the relative contributions of mercury-emitting sources, such as coal-fired power plants, to mercury levels in surface waters.

Project Accomplishments:
Atmospheric & Environmental Research, Inc (AER) completed the literature review on mercury deposition in Florida; this document was sent to the FDEP Division of Air Resource Management and the TMDL team for review in February 2009. In addition, the Florida Electric Power Coordinating Group (FCG) Mercury Task Force met with the FDEP Division of Air Resource Management to discuss the review in January 2010. AER performed the Florida mercury deposition modeling for the Division of Air Resource Management. The FCG Mercury Task Force contracted with Tetra Tech to conduct aquatic field sampling, including an aquatics modeling report, to develop a "Conceptual Model for the Florida Mercury TMDL." This document was finalized and submitted to the FDEP in December 2010. Key personnel from AER were employed by Environ in 2011 and FCG established a contract with Environ to ensure continuity of the project. FCG used Environ and Tetra Tech to review and critique the FDEP's aquatic cycling and atmospheric modeling analyses. The FDEP has developed a draft mercury TMDL report, and it is scheduled to issue a proposed TMDL in September, 2012.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: $0 was projected to be spent in 2012.

Project Progress Summary:
The project is expected to conclude in 2012.

Project Projections:
PEF expects no expenditures for this project in 2013.

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Project Title: **Integrated Clean Air Compliance Plan - Hazardous Air Pollutants (HAPs) ICR Program**
Project No. 14

Project Description:

In 2009, the U.S. Environmental Protection Agency (EPA) initiated efforts to develop an Information Collection Request ("ICR"), which requires that owners/operators of all coal- and oil-fired electric utility steam generating units provide information that will allow the EPA to assess the emissions of hazardous air pollutants from each such unit. The intention of the ICR is to assist the Administrator of the EPA in developing national emission standards for hazardous air pollutants under Section 112(d) of the Clean Air Act, 42 U.S.C. 7412. Pursuant to those efforts, by letter dated December 24, 2009, the EPA formally requested that PEF comply with certain data collection and emissions testing requirements for several of its steam electric generating units. The EPA letter states that initial submittal of existing information must be made within 90 days, and that the remaining data must be submitted within 8 months. Collection and submittal of the requested information is mandatory under Section 114 of the Clean Air Act, 42 U.S.C. 7414.

Project Accomplishments:
PEF completed and submitted the ICR to EPA during 2010. The HAPS ICR project is complete.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: No project expenditures for 2012 were incurred or budgeted.

Project Progress Summary:
PEF completed and submitted the ICR to EPA during 2010.

Project Projections:
PEF expects no expenditures for this project in 2013.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2013 - DECEMBER 2013
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: **Effluent Limitation Guidelines ICR Program**
Project No. 15

Project Description:
The Effluent Limitation Guidelines ICR Program was created in response to Section 304 of the federal Clean Water Act which directs the U.S. EPA to develop and periodically review regulations, called effluent guidelines, to limit the amount of pollutants that are discharged to surface waters from various point source categories. 33 U.S.C. §13 14(b). In October 2009, EPA announced that it intended to update the effluent guidelines for the steam electric power generating point source category, which were last updated in 1982. PEF is required to complete the ICR and submit responses to U.S. EPA within 90 days. Collection and submittal of the requested information is mandatory under Section 308 of the Clean Water Act.

Project Accomplishments:
PEF completed and submitted the ICR to EPA in September 2010. The Effluent Limitation Guidelines ICR Program is complete.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: No project expenditures for 2012 were incurred or budgeted.

Project Progress Summary:
PEF completed and submitted the ICR to EPA in September 2010.

Project Projections:
PEF expects no expenditures for this project in 2013.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2013 - DECEMBER 2013
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: **National Pollutant Discharge Elimination System (NPDES) - Energy**
Project No. 16

Project Description:
Pursuant to the federal Clean Water Act, 33 U.S.C. § 1342, all point source discharges to navigable waters from industrial facilities must obtain permits under the NPDES Program. The Florida Department of Environmental Protection (FDEP) administers the NPDES program in Florida. PEF's Anclote, Bartow, and Crystal River North, Crystal River South, and Suwannee NPDES permits were issued on January 19, 2011, February 14, 2011, July 21, 2011, March 9, 2012 and November 28, 2011 respectively. All facilities are required to meet new permitting conditions. In Docekt No. 110007-EI, the Commission approved recovery of costs associated with new requirements included or expected to be included in the new renewal permits, including: thermal studies, aquatic organism return studies and implementation, whole effluent toxicity testing, dissolved oxygen studies (Bartow only), and freeboard limitation related studies (Bartow only). As noted in PEF's February 8, 2012, program update, on December 14, 2011, FDEO issued a final NPDES renewal permit and associated Administrative Order for the Suwannee Plant. The Administrative Order includes a new requirement to

Project Accomplishments:
PEF has begun performing thermal studies, whole effluent toxicity testing, dissolved oxygen studies and freeboard limitation related studies and evaluations to comply with new permit requirements.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: O&M project variances for the 2012 were approximately $0.4 million due to reduced monitoring and cost, and regulatory delays.

Project Progress Summary:
PEF has begun complying with the requirements of the NPDES permits. Aquatic organism return study requirements have been postponed to align with the final EPA 316(b) rule requirements (Bartow/Anclote Plants). The aquatic organism return requirement is not a requirement in the Crystal River North plant NPDES permit.

Project Projections:
Estimated O&M and capital project expenditures for the period January 2013 through December 2013 are expected to be approximately $0.5 million in O&M costs and approximately $0.2 million in capital expenditures to ensure ongoing compliance with NPDES permits.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2013 - DECEMBER 2013
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: **Integrated Clean Air Compliance Plan - Mercury & Air Toxic Standards (MATS) - Energy CR 4 & CR 5**
Project No. 17

Project Description:
In Order No. PSC-11-0553-FOF-EI Docket No. 110007-EI dated 12/7/11, the Commission approved ECRC recovery of PEF's costs associated with emissions testing and related analysis necessary to develop PEF's strategy for achieving compliance with new hazardous air pollutant standards (now known as MATS) at Crystal River Units 4&5. The final Mercury and Air Toxics Rule (MATS) was issued by the EPA on 12/21/11. PEF will utilize the co-benefits of the existing FGD and SCR systems as the primary MATS compliance measure for CR4&5, but additional analyses are ongoing to determine whether more control measures will be necessary for those units.

Project Accomplishments:
PEF completed initial MATS emission testing at Crystal River Unit 4 in August 2011. PEF is conducting more detailed emissions testing to adequately assess potential mercury control strategies through the use of carbon traps that will allow continuous monitoring and trending of mercury emissions from these Units 4 and 5.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: PEF expects that total O&M project expenditure variance for the year will be approximately $0.3 million and capital investment variance of $0.1 million. This variance is primarily attributable to the change in strategy for Crystal River Units 4 and 5 as described in the May 14, 2012 program update (e.g., use of carbon traps rather than control optimization and testing, stack emissions testing, and varying unit operational parameters).

Project Progress Summary:
PEF completed initial MATS emission testing at Crystal River Unit 4 in August 2011. PEF is conducting more detailed emissions testing to adequately assess potential mercury control strategies through the use of carbon traps that will allow continuous monitoring and trending of mercury emissions from these Units 4 and 5.

Project Projections:
PEF expects to spend $10 million in capital in 2013. These costs are preliminary and PEF anticipates the installation and maintenance of continuous mercury emissions monitors on Crystal River Units 4 and 5. The costs and scope of work will be refined as PEF continues development of its compliance strategy.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
JANUARY 2013 - DECEMBER 2013
Description and Progress Report for
Environmental Compliance Activities and Projects

Project Title: **Integrated Clean Air Compliance Plan - Mercury & Air Toxic Standards (MATS) - Energy**
Project No. 17.1 **Anclote Gas Conversion**

Project Description:
Convert existing Anclote Units to use 100% natural gas to be in compliance with Mercury and Air Toxics Standards (MATS) finaled by the EPA 12/16/11.

Project Accomplishments:
The project's major accomplishments to date are: finalized contract with OEM, finalized natural gas contract, and a draft air permit for public comment has been issued.

Project Fiscal Expenditures:
January 1, 2012 to December 31, 2012: PEF expects no O&M project expenditure variance for the year and capital investment variance of $22.2 million. This is a new project and therefore no projected spend amount was provided in Docket 110007-EI.

Project Progress Summary:
This project is on schedule with balance of plant engineering in progress and the development and insurance of the RFP for

Project Projections:
Estimated project expenditures for the period January 2013 through December 2013 are expected to be approximately $47.9 million.

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % by Rate Class
JANUARY 2013 - DECEMBER 2013

Rate Class	(1) Average 12CP Load Factor at Meter (%)	(2) Sales at Meter (mWh)	(3) Avg 12 CP at Meter (MW) (2)/(8760hrsx(1))	(4) NCP Class Max Load Factor	(5) Delivery Efficiency Factor	(6) Sales at Source (Generation) (mWh) (2)/(5)	(7) Avg 12 CP at Source (MW) (3)/(5)	7(a) Sales at Source (Distrib Svc Only) (mWh)	(8) Class Max MW at Source Level (Distrib Svc) (7a)/(8760hrs/(4))	(9) mWh Sales at Source Energy Allocator (%)	(10) 12CP Demand Transmission Allocator (%)	(11) 12CP & 1/13 AD Demand Allocator (%)	(12) NCP Distribution Allocator (%)
Residential													
RS-1, RST-1, RSL-1, RSL-2, RSS-1													
Secondary	0.519	19,052,365	4,190.79	0.405	0.9406868	20,253,675	4,455.03	20,253,675	5,704.9	51.168%	61.694%	60.884%	61.181%
General Service Non-Demand													
GS-1, GST-1													
Secondary	0.652	1,231,321	215.55	0.452	0.9406868	1,308,960	229.14	1,308,960	330.8	3.307%	3.173%	3.183%	3.547%
Primary	0.652	3,357	0.59	0.452	0.9726000	3,452	0.60	3,452	0.9	0.009%	0.008%	0.008%	0.009%
Transmission	0.652	4,001	0.70	0.452	0.9826000	4,072	0.71	0	0.0	0.010%	0.010%	0.010%	0.000%
										3.326%	3.191%	3.202%	3.557%
General Service													
GS-2 Secondary	1.000	122,218	13.95	1.000	0.9406868	129,924	14.83	129,924	14.8	0.328%	0.205%	0.215%	0.159%
General Service Demand													
GSD-1, GSDT-1													
Secondary	0.774	12,089,141	1,782.97	0.611	0.9406868	12,851,399	1,895.39	12,851,399	2,399.9	32.467%	26.248%	26.726%	25.737%
Primary	0.774	2,335,710	344.48	0.611	0.9726000	2,401,511	354.19	2,401,511	448.5	6.067%	4.905%	4.994%	4.809%
Transm Del/ Primary Mtr	0.774	2,020	0.30	0.611	0.9726000	2,077	0.31	0	0.0	0.005%	0.004%	0.004%	0.000%
Transmission	0.774	0	0.00	0.611	0.9826000	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
SS-1 Primary	1.483	9	0.00	0.111	0.9726000	9	0.00	9	0.0	0.000%	0.000%	0.000%	0.000%
Transm Del/ Transm Mtr	1.483	9,797	0.75	0.111	0.9826000	9,970	0.77	0	0.0	0.025%	0.011%	0.012%	0.000%
Transm Del/ Primary Mtr	1.483	2,571	0.20	0.111	0.9726000	2,643	0.20	0	0.0	0.007%	0.003%	0.003%	0.000%
										38.572%	31.170%	31.739%	30.546%
Curtailable													
CS-1, CST-1, CS-2, CST-2, SS-3													
Secondary	1.186	0	0.00	0.465	0.9406868	0	0.00	0	0.0	0.000%	0.000%	0.000%	0.000%
Primary	1.186	87,952	8.46	0.465	0.9726000	90,430	8.70	90,430	22.2	0.228%	0.121%	0.129%	0.238%
SS-3 Primary	0.814	16,770	2.35	0.012	0.9726000	17,242	2.42	17,242	168.2	0.044%	0.033%	0.034%	1.804%
										0.272%	0.154%	0.163%	2.042%
Interruptible													
IS-1, IST-1, IS-2, IST-2													
Secondary	0.963	95,523	11.33	0.699	0.9406868	101,546	12.04	101,546	16.6	0.257%	0.167%	0.174%	0.178%
Sec Del/Primary Mtr	0.963	4,345	0.52	0.699	0.9726000	4,467	0.53	4,467	0.7	0.011%	0.007%	0.008%	0.008%
Primary Del / Primary Mtr	0.963	1,207,091	143.12	0.699	0.9726000	1,241,097	147.15	1,241,097	202.7	3.135%	2.038%	2.122%	2.173%
Primary Del / Transm Mtr	0.963	13,492	1.60	0.699	0.9826000	13,731	1.63	13,731	2.2	0.035%	0.023%	0.023%	0.024%
Transm Del/ Transm Mtr	0.963	297,859	35.32	0.699	0.9826000	303,134	35.94	0	0.0	0.766%	0.498%	0.518%	0.000%
Transm Del/ Primary Mtr	0.963	279,244	33.11	0.699	0.9726000	287,111	34.04	0	0.0	0.725%	0.471%	0.491%	0.000%
SS-2 Primary	0.859	13,454	1.79	0.331	0.9726000	13,833	1.84	13,833	4.8	0.035%	0.025%	0.026%	0.051%
Transm Del/ Transm Mtr	0.859	74,361	9.89	0.331	0.9826000	75,678	10.06	0	0.0	0.191%	0.139%	0.143%	0.000%
Transm Del/ Primary Mtr	0.859	59,627	7.93	0.331	0.9726000	61,307	8.15	0	0.0	0.155%	0.113%	0.116%	0.000%
										5.310%	3.481%	3.622%	2.434%
Lighting													
LS-1 (Secondary)	6.141	381,146	7.09	6.141	0.9406868	405,178	7.53	405,178	7.5	1.024%	0.104%	0.175%	0.081%
		37,383,374	6,812.77			39,582,447	7,221.21	38,836,455	9,324.6	100.000%	100.000%	100.000%	100.000%

Notes:

(1) Average 12CP load factor based on load research study filed July 31, 2012
(2) Projected kWh sales for the period January 2013 to December 2013
(3) Calculated: Column 2 / (8,760 hours x Column 1)
(4) NCP load factor based on load research study filed July 31, 2009
(5) Based on system average line loss analysis for 2011
(6) Column 2 / Column 5
(7) Column 3 / Column 5
(7a) Column 6 excluding transmission service
(8) Calculated: Column 7a / (8,760 hours/ Column 4)
(9) Column 6/ Total Column 6
(10) Column 7/ Total Column 7
(11) Column 9 x 1/13 + Column 10 x 12/13
(12) Column 8/ Total Column 8

PROGRESS ENERGY FLORIDA
Environmental Cost Recovery Clause (ECRC)
Calculation of Environmental Cost Recovery Clause Rate Factors by Rate Class
January 2013 - December 2013

Rate Class		(1) mWh Sales at Source Energy Allocator (%)	(2) 12CP Transmission Demand Allocator (%)	(3) 12CP & 1/13th AD Demand Allocator (%)	(4) NCP Distribution Allocator (%)	(5) Energy-Related Costs ($)	(6) Transmission Demand Costs ($)	(7) Distribution Demand Costs ($)	(8) Production Demand Costs ($)	(9) Total Environmental Costs ($)	(10) Projected Effective Sales at Meter Level (mWh)	(11) Environmental Cost Recovery Factors (cents/kWh)
Residential												
RS-1, RST-1, RSL-1, RSL-2, RSS-1												
	Secondary	51.168%	61.694%	60.884%	61.181%	$90,109,954	$622,165	$436,097	$2,877,593	$94,045,809	19,052,365	**0.494**
General Service Non-Demand												
GS-1, GST-1												
	Secondary										1,231,321	**0.490**
	Primary										3,323	**0.485**
	Transmission										3,921	**0.480**
	TOTAL GS	3.326%	3.191%	3.202%	3.557%	$5,857,121	$32,185	$25,352	$151,328	$6,065,986	1,238,565	
General Service												
GS-2	Secondary	0.328%	0.205%	0.215%	0.159%	$578,042	$2,071	$1,134	$10,154	$591,401	122,218	**0.484**
General Service Demand												
GSD-1, GSDT-1, SS-1												
	Secondary										12,089,141	**0.485**
	Primary										2,314,907	**0.480**
	Transmission										9,601	**0.475**
	TOTAL GSD	38.572%	31.170%	31.739%	30.546%	$67,926,617	$314,342	$217,733	$1,500,116	$69,958,808	14,413,649	
Curtailable												
CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3												
	Secondary										-	**0.485**
	Primary										103,675	**0.480**
	Transmission										-	**0.475**
	TOTAL CS	0.272%	0.154%	0.163%	2.042%	$479,041	$1,553	$14,554	$7,706	$502,854	103,675	
Interruptible												
IS-1, IST-1, IS-2, IST-2, SS-2												
	Secondary										95,523	**0.474**
	Primary										1,548,123	**0.469**
	Transmission										377,998	**0.465**
	TOTAL IS	5.310%	3.481%	3.622%	2.434%	$9,351,509	$35,107	$17,351	$171,183	$9,575,150	2,021,644	
Lighting												
LS-1	Secondary	1.024%	0.104%	0.175%	0.081%	$1,802,666	$1,052	$576	$8,272	$1,812,566	381,146	**0.476**
		100.000%	100.000%	100.000%	100.000%	$176,104,949	$1,008,475	$712,797	$4,726,353	$182,552,573	37,333,263	**0.489**

Notes:

(1)	From Form 42-6P, Column 9
(2)	From Form 42-6P, Column 10
(3)	From Form 42-6P, Column 11
(4)	From Form 42-6P, Column 12
(5)	Column 1 x Total Energy Jurisdictional Dollars from Form 42-1P, line 5
(6)	Column 2 x Total Transmission Demand Jurisdictional Dollars from Form 42-1P, line 5
(7)	Column 4 x Total Distribution Demand Jurisdictional Dollars from Form 42-1P, line 5
(8)	Column 3 x Total Production Demand Jurisdictional Dollars from Form 42-1P, line 5
(9)	Column 5 + Column 6 + Column 7 + Column 8
(10)	Projected kWh sales at secondary voltage level for the period January 2013 to December 2013
(11)	(Column 9/ Column 10)/10

PROGRESS ENERGY FLORIDA

Environmental Cost Recovery Clause (ECRC)

Calculation of the Current Period Estimated/Actual Amount

January 2013 through December 2013

Form 42-8P

Progress Energy Florida Capital Structure and Cost Rates

(In Thousands)

Class of Capital	Retail Amount	Ratio	Cost Rate	Weighted Cost Rate	PreTax Weighted Cost Rate
CE	$ 3,384,964	45.48%	0.10500	4.7800%	7.78%
PS	23,017	0.31%	0.04513	0.0100%	0.02%
LTD	3,010,543	40.45%	0.05730	2.3200%	2.32%
STD	20,229	0.27%	0.00650	0.0000%	0.00%
CD-Active	168,807	2.27%	0.06270	0.1400%	0.14%
CD-Inactive	882	0.01%	0.00000	0.0000%	0.00%
ADIT	976,720	13.12%	0.00000	0.0000%	0.00%
FAS 109	(145,373)	-1.95%	0.00000	0.0000%	0.00%
ITC- Debt	1,354	0.02%	0.04726	0.0000%	0.00%
ITC - Equity	1,533	0.02%	0.08630	0.0000%	0.00%
Total	$ 7,442,678	100.00%		7.25%	10.26%
			Total Debt	2.46%	2.46%
			Total Equity	4.79%	7.80%

Source: Per 13-Month Average Rate of Return - Capital Structure worksheet - - PEF's May 2012 Earning Surveillance Report

Rationale: The Company is using its May 2012 Earnings Surveillance Report in accordance with the 2012 WACC Stipulation & Settlement PAA Order No. PSC-12-0425-PAA-EU, August 16, 2012, in Docket Nos. 120001-EI, 120002-EI, 120007-EI.

Docket No. 12007-EI
Progress Energy Florida
Witness: T.G. Foster
Exhibit No.___(TGF-3R)
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