



December 20, 2012

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VIA HAND DELIVERY

John Slemkewicz
c/o Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: *Section 120.745, F.S. (2011), Legislative review of agency rules in effect on or before November 16, 2010; Docket No. 110303-OT*

Dear Mr. Slemkewicz:

Please find attached Progress Energy Florida, Inc.'s ("PEF") Responses to Staff's Survey Questions pertaining to **Rule 25-6.043, F.A.C.**, titled "Investor-Owned Electric Utility Minimum Filing Requirements; Commission Designee".

Thank you for the opportunity to respond. Should you have any questions, please don't hesitate to contact me at (727) 820-5184.

Respectfully,

John T. Burnett
John T. Burnett
Deputy General Counsel

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**PROGRESS ENERGY FLORIDA, INC.'S RESPONSES TO SURVEY QUESTIONS
 RULE 25-6.043, F.A.C.
 INVESTOR-OWNED ELECTRIC UTILITY MINIMUM FILING REQUIREMENTS; COMMISSION DESIGNEE**

Q1. What are the Company's estimated transactional costs (as defined in Subparagraph 120.541(2)(d), F.S.) resulting from the Company's compliance with Rule 25-6.043, F.A.C., for the five-year period beginning July 1, 2011? Include for example, the following items separated between internal costs and external costs:

- a. The costs of preparing the minimum filing requirements.
- b. Witness preparation and appearance before the Commission.
- c. Petition and testimony filings.
- d. Legal costs.
- e. Consultant costs.
- f. Other costs associated with the required filings – please identify each.

Response:

SUMMARY OF COMPLIANCE COSTS - RULE 25-6.043 F.A.C.

	External	Internal	Total
Preparing minimum filing requirements		450,000	450,000
Witness preparation and appearance before commission		2,610,000	2,610,000
Petition and testimony		337,500	337,500
Legal Costs	2,000,000		2,000,000
Consultant Costs	300,000		300,000
Other costs associated with required filings			-
Printing, Admin Support, Other	240,000		240,000
Travel	90,000		90,000
Corporate Communications		67,500	67,500
Total	2,630,000	3,465,000	6,095,000

- A) These numbers assume one base rate proceeding during the five period beginning July 2011.
- B) Estimates of external costs are based on rate case expenses filed on MFR C-10 in the 2009 Base Rate Proceeding (Docket 090079-EI)
- C) Internal costs are a high level estimate based on estimated FTE's and estimated average salaries. Internal costs are not separately tracked in the financial systems.

Q2. Of the costs provided in response to Question 1 above, which, if any, would be incurred by the Company if Rule 25-6.043, F.A.C., were not in effect?

Response: Of the costs provided in response to Question 1 above, most of these costs would still be incurred if Rule 25-6.043 were not in effect. Although the base rate

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process might be less prescribed without this rule, most of the work would still need to be done to support the Company's base rate request.

- Q3. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits on small businesses (as defined in Section 288.703, F.S.) located in the Company's service territory, resulting from the implementation of Rule 25-6.043, F.A.C., for the five-year period beginning July 1, 2011?**

Response: PEF does not believe that this rule causes any direct impact on small businesses. However, PEF does believe that this rule provides indirect benefits to PEF's customers in that the rule provides for an orderly and efficient process in which ratemaking proceedings can be administered.

- Q4. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits on small counties and small cities (as defined in Section 120.52, F.S.) located in the Company's service territory, resulting from the implementation of Rule 25-6.043, F.A.C., for the five-year period beginning July 1, 2011?**

Response: PEF does not believe that this rule causes any direct impact on small counties and cities. However, PEF does believe that this rule provides indirect benefits to PEF's customers in that the rule provides for an orderly and efficient process in which ratemaking proceedings can be administered.

- Q5. What is the Company's estimate of the likely impact, stated in terms of costs and/or benefits on entities located in the Company's service territory other than those specifically identified in Questions 3 and 4, resulting from the implementation of Rule 25-6.043, F.A.C., for the five-year period beginning July 1, 2011?**

Response: PEF does not believe that this rule causes any direct impact on PEF's customers. However, PEF does believe that this rule provides indirect benefits to PEF's customers in that the rule provides for an orderly and efficient process in which ratemaking proceedings can be administered.

- Q6. What does the Company believe is the expected impact of Rule 25-6.043, F.A.C., on economic growth, private sector job creation or employment, and private sector investment for the five-year period beginning July 1, 2011?**

Response: PEF does not believe that this rule causes any impact on economic growth, private sector job creation or employment, and private sector investment.

Q7. What does the Company believe is the expected impact of Rule 25-6.043, F.A.C., on business competitiveness, productivity , and innovation, including the ability of persons doing business in the Company’s service territory to compete with persons doing business in states other than Florida or other domestic markets for the five-year period beginning July 1, 2011?

Response: PEF does not believe that this rule causes any impact on business competitiveness.

Q8. What does the Company believe are the benefits associated with Rule 25-6.043, F.A.C.?

Response: PEF believes that the rule provides for an orderly and efficient process in which ratemaking proceedings can be administered.