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July 14, 2011

Mr. John Slemkewicz,
Public Utility Supervisor
Electric and Gas Accounting Section
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report. Attached please find the new format used to prepare the May 2011 Surveillance Report. We are currently working on the new format for the months of December, January and February and will send them when available.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended May 31, 2011. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with Docket No. 090079-EI, Order No. PSC-10-0131-FOF-EI.

If you have any questions, please feel free to contact Cindy Lee at (727) 820-5535.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Will Garrett'.

Will Garrett
Controller, Progress Energy Florida

dc
Attachment
xc: Mr. J. R. Kelly, Office of the Public Counsel

REGULATION
JUL 15 12:03

PROGRESS ENERGY FLORIDA
Rate of Return Report Summary
May 2011

Schedule 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
Net Operating Income (a) (b)	\$631,829,259	(\$118,873,100)	\$512,956,159	(\$53,371,183)	\$459,584,976
Average Rate Base	\$9,089,077,664	(\$2,208,660,612)	\$6,880,417,052	\$0	\$6,880,417,052
Average Rate of Return	6.95%		7.46%		6.68%
II. Year End Rate of Return (Jurisdictional)					
Net Operating Income	\$631,829,259	(\$118,873,100)	\$512,956,159	(\$53,371,183)	\$459,584,976
Year End Rate Base	\$9,757,706,411	(\$2,373,706,213)	\$7,384,000,199	\$0	\$7,384,000,199
Year End Rate of Return	6.48%		6.95%		6.22%

Footnotes

- (a) Column (1) includes AFUDC earnings
(b) Column (2) includes reversal of AFUDC earnings

III. Required Rates of Return	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	7.08%	6.86%
Mid Point	7.54%	7.31%
High Point	8.00%	7.75%
Pro Forma Adjusted Basis		
Low Point	7.08%	6.86%
Mid Point	7.54%	7.31%
High Point	8.00%	7.75%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.58	(System Per Books Basis)
B. T.I.E. without AFUDC	3.44	(System Per Books Basis)
C. AFUDC to Net Income	9.05%	(System Per Books Basis)
D. Internally Generated Funds	101.57%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	47.38%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.00%	(FPSC Adjusted Basis)
F. Return on Common Equity	10.33%	(FPSC Adjusted Basis)
	8.65%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

I am aware that Section 837-06, Florida Statutes, provides

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084



Will Garrett, Controller Progress Energy Florida

7/13/11
Date

PROGRESS ENERGY FLORIDA
Average Rate of Return - Rate Base
May 2011

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Average Rate Base
System Per Books	\$13,108,107,490	\$4,846,649,414	\$8,261,458,076	\$35,781,780	\$952,492,847	\$190,762,891	\$9,440,495,594	\$667,089,500	\$10,107,585,094
Regulatory Base - Retail	11,957,447,284	\$4,522,236,301	\$7,435,210,983	\$26,825,958	862,477,370	\$171,077,260	\$8,495,591,570	593,486,094	\$9,089,077,664
FPSC Adjustments									
ARO	(21,787,488)	(44,608,248)	22,820,760	-	-	-	22,820,760	(1,146,854)	21,673,906
ECCR	(1,619,066)	(766,924)	(852,141)	-	(1,732,922)	-	(2,585,064)	(461,714)	(3,046,777)
ECRC	(1,155,524,492)	(29,489,426)	(1,126,035,066)	-	(268,268)	-	(1,126,303,334)	6,573,927	(1,119,729,408)
FUEL	(32,738,780)	(30,707,657)	(2,031,123)	-	-	-	(2,031,123)	(143,099,852)	(145,130,975)
CCR	-	-	-	-	-	-	-	35,120,673	35,120,673
NUCLEAR	-	-	-	-	-	-	-	(200,442,094)	(200,442,094)
Derivatives	-	-	-	-	-	-	-	(164,481,788)	(164,481,788)
Employee Related	-	-	-	-	-	-	-	565,852	565,852
Investments Earning a Return	-	-	-	-	-	-	-	(40,520,477)	(40,520,477)
Jobbing Accounts	-	-	-	-	-	-	-	(2,933,184)	(2,933,184)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,271,166)	(2,271,166)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(2,003,088)	(2,003,088)
Retention Accounts	-	-	-	-	-	-	-	37,663,698	37,663,698
CWIP - AFUDC	-	-	-	-	(625,775,005)	-	(625,775,005)	-	(625,775,005)
CAPITAL LEASE	(208,288,268)	-	(208,288,268)	-	-	-	(208,288,268)	208,651,214	362,946
NUC. DECOM. UNFUNDED - WHOLESALE	-	(2,286,276)	2,286,276	-	-	-	2,286,276	-	2,286,276
Total FPSC Adjustments	(1,419,958,093)	(107,858,532)	(1,312,099,562)	-	(627,776,195)	-	(1,939,875,757)	(268,784,855)	(2,208,660,612)
FPSC Adjusted	\$10,537,489,191	\$4,414,377,770	\$6,123,111,421	\$26,825,958	\$234,701,174	\$171,077,260	\$6,555,715,813	\$324,701,238	\$6,880,417,052

PROGRESS ENERGY FLORIDA
Average Rate of Return - Income Statement
May 2011

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$5,008,787,355	\$2,469,241,338	\$929,108,649	\$322,234,924	\$355,378,244	(\$67,396,922)	\$333,676,130	(\$1,453,081)	\$0	\$4,340,789,283	\$667,998,072
Less Recoverable:											
ARO	0	0	0	0	0	0	0	0	0	0	0
ECCR											
ECRC			1,523,606	2,230,270		(1,486,633)	0	0	0	2,367,243	(2,367,243)
FUEL	156,431,895	158,542,007				813,976	0	0	0	159,355,983	(2,924,088)
NUCLEAR			1,311,763			(506,013)	0	0	0	805,750	(805,750)
SCRC						(410,156)	0	0	0	(410,156)	410,156
Regulatory Base - System	\$4,852,355,460	\$2,310,699,331	\$926,173,280	\$320,004,654	\$355,378,244	(\$65,808,096)	\$333,676,130	(\$1,453,081)	\$0	\$4,178,670,462	\$673,684,998
Regulatory Base - Retail	\$4,632,033,675	2,290,762,035	870,991,545	291,288,264	\$343,225,057	(\$61,785,902)	\$303,044,661	(\$1,281,036)	\$0	\$4,036,244,624	\$595,789,051
FPSA Adjustments											
ARO				(110,006)		42,435	0	0	0	(67,571)	67,571
ECCR	(97,121,098)		(96,169,450)	(323,244)	(34,956)	(228,923)	0	0	0	(96,756,572)	(364,526)
ECRC	(207,927,029)		(50,543,452)	(18,743,702)	(12,234,650)	(48,760,812)	0	0	0	(130,282,825)	(77,644,404)
FUEL	(1,848,876,856)	(1,873,431,882)			(771,288)	(1,612,389)	10,391,605	0	0	(1,865,423,955)	16,547,098
CCR	(390,552,161)	(390,252,034)				(115,774)	0	0	0	(390,367,808)	(184,353)
NUCLEAR	(190,546,905)		(1,796,476)	(135,279,135)	(191,540)	(20,552,665)	0	0	0	(157,819,817)	(32,727,089)
SCRC	569		(1,538)			813	0	0	0	(725)	1,294
CORPORATE AIRCRAFT ALLOCATION	0	0	(3,599,267)	0	0	1,388,417	0	0	0	(2,210,850)	2,210,850
FRANCHISE FEE & GROSS REC TAX REVENUE	(217,914,265)	0	0	0	0	(84,060,428)	0	0	0	(84,060,428)	(133,853,637)
FRANCHISE FEES & GROSS REC TAX - TOI	0	0	0	0	(217,488,327)	83,896,122	0	0	0	(133,592,205)	133,592,205
GAIN/LOSS ON DISPOSITION & OTHER	0	0	0	0	0	5,112,714	0	0	(13,253,957)	(8,141,243)	8,141,243
INST PROMOTIONAL ADVERTISING	0	0	(2,810,535)	0	0	1,084,164	0	0	0	(1,726,371)	1,726,371
INTEREST ON TAX DEFICIENCY	0	0	2,218,809	0	0	(855,905)	0	0	0	1,362,903	(1,362,903)
MISCELLANEOUS INTEREST EXPENSE	0	0	223,311	0	0	(86,142)	0	0	0	137,169	(137,169)
REMOVE ASSOC ORGANIZATION DUES	0	0	(86,008)	0	0	33,177	0	0	0	(52,830)	52,830
REMOVE ECONOMIC DEVELOPMENT	0	0	(18,069)	0	0	6,970	0	0	0	(11,099)	11,099
PARENT DEBT ADJUSTMENT	0	0	0	0	0	(17,469,426)	0	0	0	(17,469,426)	17,469,426
SEBRING - RIDER REVENUE	(870)	0	0	0	0	(336)	0	0	0	(336)	(534)
DIRECTORS & OFFICERS PREMIUM			(2,413,949)			931,181				(1,482,768)	1,482,768
INTEREST SYNCHRONIZATION - FPSA	0	0	0	0	0	17,860,833	0	0	0	17,860,833	(17,860,833)
Total FPSA Adjustments	(2,952,938,616)	(2,263,683,917)	(154,996,633)	(155,227,376)	(231,561,862)	(51,381,980)	0	0	(13,253,957)	(2,870,105,724)	(82,832,892)
FPSA Adjusted	\$1,679,095,058	\$27,078,118	\$715,994,912	\$136,060,888	\$111,663,195	(\$113,167,882)	\$303,044,661	(\$1,281,036)	(\$13,253,957)	\$1,166,138,899	\$512,956,159
Pro Forma Adjustments											
Weather Normalization	(86,888,373)	0	0	0	0	(33,517,190)	0	0	0	(33,517,190)	(53,371,183)
Total Pro Forma Adjustments	(86,888,373)	0	0	0	0	(33,517,190)	0	0	0	(33,517,190)	(53,371,183)
Pro Forma Adjusted	\$1,592,206,685	\$27,078,118	\$715,994,912	\$136,060,888	\$111,663,195	(\$146,685,071)	\$303,044,661	(\$1,281,036)	(\$13,253,957)	\$1,132,621,710	\$459,584,976
Footnotes:											
(a) The addition of earnings from AFUDC charges would increase the system NOI by			\$39,893,965								
and Jurisdictional NOI by			\$36,040,208								
Current Month											
	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$407,851,915	\$191,368,233	\$75,174,214	\$35,485,812	\$30,151,596	\$58,557,945	\$21,248,770	(\$110,250)	\$0	\$411,876,321	(\$4,024,406)
Jurisdictional Per Books											
Excluding AFUDC Earnings and Recoverable	\$310,141,703	\$653,577	\$53,143,801	\$22,247,848	\$10,759,237	\$96,561,864	\$19,298,133	(\$97,196)	\$0	\$202,567,264	\$107,574,439

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$21,673,906	\$21,673,906
	ECCR	F	(\$3,046,777)	(\$3,046,777)
	ECRC	F	(\$1,222,146,236)	(\$1,119,729,408)
	FUEL	F	(\$145,130,975)	(\$145,130,975)
	CCR	F	\$35,120,673	\$35,120,673
	NUCLEAR	F	(\$200,442,094)	(\$200,442,094)
	Derivatives	F	(\$164,481,788)	(\$164,481,788)
	Employee Related	F	\$565,852	\$565,852
	Investments Earning a Return	F	(\$40,520,477)	(\$40,520,477)
	Jobbing Accounts	F	(\$2,933,184)	(\$2,933,184)
	Non-Regulated and Miscellaneous	F	(\$2,271,166)	(\$2,271,166)
	Rate Case Regulatory Asset	F	(\$2,003,088)	(\$2,003,088)
	Retention Accounts	F	\$37,663,698	\$37,663,698
(1)	CWIP - AFUDC	F	(\$685,329,154)	(\$625,775,005)
(2)	CAPITAL LEASE-EPS	F	(208,288,268)	(208,288,268)
(2)	CAPITAL LEASE-WORKING CAPITAL	F	208,651,214	208,651,214
(1)	NUC. DECOM. UNFUNDED - WHOLESALE	F	2,266,276	2,266,276
	Total		(\$2,370,631,590)	(\$2,208,660,612)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	(\$110,006)	\$42,435	(\$110,006)	\$42,435
	ECCR	F	593,449	(228,923)	593,449	(228,923)
	ECRC	F	184,101,321	(71,017,084)	126,405,216	(48,760,812)
	FUEL	F	(15,131,183)	5,836,854	(26,938,703)	10,391,605
	CCR	F	300,127	(115,774)	300,127	(115,774)
	NUCLEAR	F	58,690,561	(22,636,026)	53,279,754	(20,552,665)
	SCRC	F	(2,107)	813	(2,107)	813
(2)	CORPORATE AIRCRAFT ALLOCATION	F	(\$3,896,407)	\$1,503,039	(\$3,599,267)	\$1,388,417
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	217,914,265	(84,060,428)	217,914,265	(84,060,428)
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	(217,488,327)	83,896,122	(217,488,327)	83,896,122
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	(13,253,957)	5,112,714	(13,253,957)	5,112,714
(1)	INST./PROMOTIONAL ADVERTISING	F	(3,042,561)	1,173,668	(2,810,535)	1,084,164
(1)	INTEREST ON TAX DEFICIENCY	F	2,438,492	(940,648)	2,218,809	(855,905)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	260,470	(100,476)	223,311	(86,142)
(1)	REMOVE ASSOC./ORGANIZATION DUES	F	(93,108)	35,918	(86,008)	33,177
(1)	REMOVE ECONOMIC DEVELOPMENT	F	(18,069)	6,970	(18,069)	6,970
(2)	PARENT DEBT ADJUSTMENT	F	0	(19,512,371)	0	(17,469,426)
(1)	SEBRING - RIDER REVENUE	F	870	(336)	870	(336)
(2)	DIRECTORS & OFFICERS PREMIUM	F	(2,413,949)	931,181	(2,413,949)	931,181
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	20,102,508	0	17,860,833
	Total		\$208,839,880	(\$79,969,847)	\$134,214,872	(\$51,381,980)

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

PROGRESS ENERGY FLORIDA
 End of Period Rate of Return - Rate Base
 May 2011

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$13,265,373,358	\$4,834,555,803	\$8,430,817,555	\$35,791,002	\$1,017,545,198	\$206,511,827	\$9,690,665,582	\$667,089,500	\$10,357,755,082
Regulatory Base - Retail	\$12,073,420,467	\$4,520,534,707	\$7,552,885,760	\$26,832,872	921,733,777	\$185,293,610	\$8,686,746,019	\$1,070,960,392	\$9,757,706,411
FPSC Adjustments									
ARO	(11,742,813)	(44,498,428)	32,755,614	-	-	-	32,755,614	(1,146,854)	31,608,760
ECCR	(1,793,569)	(926,997)	(866,572)	-	(1,837,501)	-	(2,704,073)	(461,714)	(3,165,787)
ECRC	(1,171,205,545)	44,354,849	(1,215,560,394)	-	(268,268)	-	(1,215,828,662)	6,573,927	(1,209,254,735)
FUEL	(32,738,780)	(31,093,304)	(1,645,476)	-	-	-	(1,645,476)	(143,099,852)	(144,745,328)
CCR	-	-	-	-	-	-	-	35,120,673	35,120,673
NUCLEAR	-	-	-	-	-	-	-	(200,442,094)	(200,442,094)
Derivatives	-	-	-	-	-	-	-	(164,481,788)	(164,481,788)
Employee Related	-	-	-	-	-	-	-	565,852	565,852
Investments Earning a Return	-	-	-	-	-	-	-	(40,520,477)	(40,520,477)
Jobbing Accounts	-	-	-	-	-	-	-	(2,933,184)	(2,933,184)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,271,166)	(2,271,166)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(2,003,088)	(2,003,088)
Retention Accounts	-	-	-	-	-	-	-	37,663,698	37,663,698
CWIP - AFUDC	-	-	-	-	(713,416,176)	-	(713,416,176)	-	(713,416,176)
CAPITAL LEASE	(206,368,861)	-	(206,368,861)	-	-	-	(206,368,861)	208,651,214	2,282,353
NUC. DECOM. UNFUNDED - WHOLESALE	-	(2,286,276)	2,286,276	-	-	-	2,286,276	-	2,286,276
Total FPSC Adjustments	(1,423,849,568)	(34,450,156)	(1,389,399,413)	-	(715,521,945)	-	(2,104,921,357)	(268,784,855)	(2,373,706,213)
FPSC Adjusted	\$10,649,570,899	\$4,486,084,551	\$6,163,486,347	\$26,832,872	\$206,211,832	\$185,293,610	\$6,581,824,662	\$802,175,537	\$7,384,000,199

PROGRESS ENERGY FLORIDA
End of Period - Income Statement
May 2011

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$5,008,787,355	\$2,469,241,338	\$929,108,649	\$322,234,924	\$355,378,244	(\$67,396,922)	\$333,676,130	(\$1,453,081)	\$0	\$4,340,789,283	\$667,998,072
Regulatory Base - Retail	\$4,632,033,675	\$2,290,762,035	\$870,991,545	291,288,264	\$343,225,057	(\$61,785,902)	\$303,044,661	(\$1,281,036)	\$0	\$4,036,244,624	\$595,789,051
FPSC Adjustments											
ARO				(110,006)		42,435	0	0	0	(67,571)	67,571
ECCR	(97,121,098)		(96,169,450)	(323,244)	(34,956)	(228,923)	0	0	0	(96,756,572)	(364,526)
ECRC	(207,927,029)		(50,543,462)	(18,743,702)	(12,234,650)	(48,760,812)	0	0	0	(130,282,625)	(77,644,404)
FUEL	(1,848,876,856)	(1,873,431,882)		(771,288)	(1,612,389)	10,391,605	0	0	0	(1,865,423,955)	16,547,098
CCR	(390,552,161)	(390,252,034)				(115,774)	0	0	0	(390,367,808)	(184,353)
NUCLEAR	(190,546,905)		(1,796,476)	(135,279,135)	(191,540)	(20,552,665)	0	0	0	(157,819,817)	(32,727,089)
SCRC	569		(1,538)			813	0	0	0	(725)	1,294
CORPORATE AIRCRAFT ALLOCATION	-	-	(3,599,267)	-	-	1,388,417	0	0	0	(2,210,850)	2,210,850
FRANCHISE FEE & GROSS REC TAX REVENUE	(217,914,265)	0	0	0	0	(84,060,428)	0	0	0	(84,060,428)	(133,853,837)
FRANCHISE FEES & GROSS REC TAX - TOI	0	0	0	0	(217,488,327)	83,896,122	0	0	0	(133,592,205)	133,592,205
GAIN/LOSS ON DISPOSITION & OTHER	0	0	0	0	0	5,112,714	0	0	(13,253,957)	(8,141,243)	8,141,243
INST./PROMOTIONAL ADVERTISING	0	0	(2,810,535)	0	0	1,084,164	0	0	0	(1,726,371)	1,726,371
INTEREST ON TAX DEFICIENCY	0	0	2,218,809	0	0	(655,905)	0	0	0	1,362,903	(1,362,903)
MISCELLANEOUS INTEREST EXPENSE	0	0	223,311	0	0	(86,142)	0	0	0	137,169	(137,169)
REMOVE ASSOC/ORGANIZATION DUES	0	0	(86,008)	0	0	33,177	0	0	0	(52,830)	52,830
REMOVE ECONOMIC DEVELOPMENT	0	0	(18,069)	0	0	6,970	0	0	0	(11,099)	11,099
PARENT DEBT ADJUSTMENT	0	0	0	0	0	(17,469,426)	0	0	0	(17,469,426)	17,469,426
SEBRING - RIDER REVENUE	(870)	0	0	0	0	(336)	0	0	0	(336)	(534)
DIRECTORS & OFFICERS PREMIUM			(2,413,949)			931,181				(1,482,768)	1,482,768
INTEREST SYNCHRONIZATION - FPSC	0	0	0	0	0	17,860,833	0	0	0	17,860,833	(17,860,833)
Total FPSC Adjustments	(2,952,938,616)	(2,263,683,917)	(154,996,633)	(155,227,376)	(231,561,862)	(51,381,980)	0	0	(13,253,957)	(2,870,105,724)	(82,832,892)
FPSC Adjusted	\$1,679,095,058	\$27,078,118	\$715,994,912	\$136,060,888	\$111,663,195	(\$113,167,882)	\$303,044,661	(\$1,281,036)	(\$13,253,957)	\$1,166,138,899	\$512,956,159

Footnotes

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$39,893,965 and Jurisdictional NOI by \$36,040,208

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$31,608,760	\$31,608,760
	ECCR	F	(3,165,787)	(3,165,787)
	ECRC	F	(1,216,372,753)	(1,209,254,735)
	FUEL	F	(144,745,328)	(144,745,328)
	CCR	F	35,120,673	35,120,673
	NUCLEAR	F	(200,442,094)	(200,442,094)
	Derivatives	F	(114,630,547)	(114,630,547)
	Employee Related	F	270,356	270,356
	Investments Earning a Return	F	(43,154,510)	(43,154,510)
	Jobbing Accounts	F	(7,550,883)	(7,550,883)
	Non-Regulated and Miscellaneous	F	(2,262,060)	(2,262,060)
	Rate Case Regulatory Asset	F	(1,678,997)	(1,678,997)
	Retention Accounts	F	19,163,123	19,163,123
(1)	CWIP - AFUDC	F	(\$780,547,252)	(713,416,176)
(2)	CAPITAL LEASE-EPSC	F	(206,368,861)	(206,368,861)
(2)	CAPITAL LEASE-WORKING CAPITAL	F	208,651,214	208,651,214
(1)	NUC. DECOM. UNFUNDED - WHOLESALE	F	2,286,276	2,286,276
	Total		(\$2,423,818,670)	(\$2,349,569,576)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	(\$110,006)	\$42,435	(\$110,006)	\$42,435
	ECCR	F	593,449	(228,923)	593,449	(228,923)
	ECRC	F	184,101,321	(71,017,084)	126,405,216	(48,760,812)
	FUEL	F	(15,131,183)	5,836,854	(26,938,703)	10,391,605
	CCR	F	300,127	(115,774)	300,127	(115,774)
	NUCLEAR	F	58,680,561	(22,636,026)	53,279,754	(20,552,665)
	SCRC	F	(2,107)	813	(2,107)	813
(2)	CORPORATE AIRCRAFT ALLOCATION	F	(\$3,896,407)	\$1,503,039	(\$3,599,267)	\$1,388,417
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	217,914,265	(84,060,428)	217,914,265	(84,060,428)
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	(217,488,327)	83,896,122	(217,488,327)	83,896,122
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	(13,253,957)	5,112,714	(13,253,957)	5,112,714
(1)	INST./PROMOTIONAL ADVERTISING	F	(3,042,561)	1,173,668	(2,810,535)	1,084,164
(1)	INTEREST ON TAX DEFICIENCY	F	2,438,492	(940,648)	2,218,809	(855,905)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	260,470	(100,476)	223,311	(86,142)
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	(93,108)	35,916	(86,008)	33,177
(1)	REMOVE ECONOMIC DEVELOPMENT	F	(18,069)	6,970	(18,069)	6,970
(2)	PARENT DEBT ADJUSTMENT	F	0	(19,512,371)	0	(17,469,426)
(1)	SEBRING - RIDER REVENUE	F	870	(336)	870	(336)
(2)	STORM COSTS 2004	F	(2,413,949)	931,181	(2,413,949)	931,181
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	20,102,508	0	17,860,833
	Total		\$208,839,880	(\$79,969,847)	\$134,214,872	(\$51,381,980)

Notes (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
Pro Forma Adjusted Basis
May 2011

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,753,400,805	(\$4,147,521)	(\$1,102,664,961)	\$3,646,588,323	\$3,190,978,972	46.38% ***	9.50%	4.41%	10.50%	4.87%	11.50%	5.33%
Preferred Stock	33,496,700		(7,777,146)	25,719,554	22,506,120	0.33%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,306,712,502		(999,917,396)	3,306,795,107	2,893,639,950	42.06%	5.97%	2.51%	5.97%	2.51%	5.97%	2.51%
Short Term Debt *	11,338,786	(11,338,786)	-	-	-	0.00%	0.36%	0.00%	0.36%	0.00%	0.36%	0.00%
Customer Deposits												
Active	208,263,752		(48,353,947)	159,909,805	159,909,805	2.32%	6.26%	0.15%	6.26%	0.15%	6.26%	0.15%
Inactive	1,217,002		(282,559)	934,442	934,442	0.01%						
Investment Tax Credit												
Post '70 Total	5,564,790		(1,292,014)	4,272,777								
Equity **					1,967,374	0.03%	7.55%	0.00%	8.34%	0.00%	9.13%	0.00%
Debt **					1,771,557	0.03%	4.76%	0.00%	4.76%	0.00%	4.76%	0.00%
Deferred Income Taxes	991,623,752	114,225,829	(256,752,275)	849,097,306	743,010,016	10.80%						
FAS 109 DIT - Net	(199,885,474)		46,408,708	(153,476,766)	(134,301,185)	-1.95%						
Total	\$10,111,732,615	\$98,739,522	(\$2,370,631,590)	\$7,839,840,547	\$6,880,417,052	100.00%		7.08%		7.54%		8.00%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

49.81%

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
May 2011

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,652,419,854	(\$3,671,593)	(\$1,083,365,964)	\$3,565,382,296	\$3,294,784,529	44.62% ***	9.50%	4.24%	10.50%	4.69%	11.50%	5.13%
Preferred Stock	33,496,700		(7,806,227)	25,690,473	23,740,672	0.32%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,420,646,823		(1,030,208,142)	3,390,438,681	3,133,118,410	42.43%	5.82%	2.47%	5.82%	2.47%	5.82%	2.47%
Short Term Debt *	37,756,614	(37,756,614)	-	(0)	0	0.00%	0.36%	0.00%	0.36%	0.00%	0.36%	0.00%
Customer Deposits												
Active	214,981,494		(50,100,290)	164,881,205	164,881,205	2.23%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	907,284		(211,438)	695,847	695,847	0.01%						
Investment Tax Credit												
Post '70 Total	4,863,266		(1,133,358)	3,729,907								
Equity **					1,772,939	0.02%	7.13%	0.00%	7.87%	0.00%	8.62%	0.00%
Debt **					1,673,884	0.02%	4.38%	0.00%	4.38%	0.00%	4.38%	0.00%
Deferred Income Taxes	1,144,780,092	137,791,688	(298,896,506)	983,675,274	909,018,390	12.31%						
FAS 109 DIT - Net	(205,553,968)		47,903,255	(157,650,713)	(145,685,676)	-1.97%						
Total	\$10,304,298,160	\$96,363,481	(\$2,423,818,670)	\$7,976,842,970	\$7,384,000,199	100.00%		6.86%		7.31%		7.75%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

40.00%

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
May 2011

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,753,400,805	(\$4,147,521)	(\$1,102,664,961)	\$3,646,588,323	\$3,190,978,972	46.38% ***	9.50%	4.41%	10.50%	4.87%	11.50%	5.33%
Preferred Stock	33,496,700		(7,777,146)	25,719,554	22,506,120	0.33%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,306,712,502	0	(999,917,396)	3,306,795,107	2,893,639,950	42.06%	5.97%	2.51%	5.97%	2.51%	5.97%	2.51%
Short Term Debt *	11,338,786	(11,338,786)	-	-	-	0.00%	0.36%	0.00%	0.36%	0.00%	0.36%	0.00%
Customer Deposits												
Active	208,263,752		(48,353,947)	159,909,805	159,909,805	2.32%	6.26%	0.15%	6.26%	0.15%	6.26%	0.15%
Inactive	1,217,002		(282,559)	934,442	934,442	0.01%						
Investment Tax Credit												
Post '70 Total	5,564,790		(1,292,014)	4,272,777								
Equity **					1,967,374	0.03%	7.55%	0.00%	8.34%	0.00%	9.13%	0.00%
Debt **					1,771,557	0.03%	4.76%	0.00%	4.76%	0.00%	4.76%	0.00%
Deferred Income Taxes	991,623,752	114,225,829	(256,752,275)	849,097,306	743,010,016	10.80%						
FAS 109 DIT - Net	(199,885,474)		46,408,708	(153,476,766)	(134,301,185)	-1.95%						
Total	\$10,111,732,615	\$98,739,522	(\$2,370,631,590)	\$7,839,840,547	\$6,880,417,052	100.00%		7.08%		7.54%		8.00%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

41.26%

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Adjusted Basis
May 2011

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,652,419,854	(\$3,671,593)	(\$1,083,365,964)	\$3,565,382,296	\$3,294,784,529	44.62% ***	9.50%	4.24%	10.50%	4.69%	11.50%	5.13%
Preferred Stock	33,496,700		(7,806,227)	25,690,473	23,740,672	0.32%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,420,646,823	0	(1,030,208,142)	3,390,438,681	3,133,118,410	42.43%	5.82%	2.47%	5.82%	2.47%	5.82%	2.47%
Short Term Debt *	37,756,614	(37,756,614)	-	(0)	0	0.00%	0.36%	0.00%	0.36%	0.00%	0.36%	0.00%
Customer Deposits				-								
Active	214,981,494		(50,100,290)	164,881,205	164,881,205	2.23%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	907,284		(211,438)	695,847	695,847	0.01%						
Investment Tax Credit				-								
Post '70 Total	4,863,266		(1,133,358)	3,729,907								
Equity **				-	1,772,939	0.02%	7.13%	0.00%	7.87%	0.00%	8.62%	0.00%
Debt **				-	1,673,864	0.02%	4.38%	0.00%	4.38%	0.00%	4.38%	0.00%
Deferred Income Taxes	1,144,780,092	137,791,688	(298,896,506)	983,675,274	909,018,390	12.31%						
FAS 109 DIT - Net	(205,553,968)		47,903,255	(157,650,713)	(145,685,676)	-1.97%						
Total	\$10,304,298,160	\$96,363,481	(\$2,423,818,670)	\$7,976,842,970	\$7,384,000,199	100.00%		6.86%		7.31%		7.75%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

40.00%

PROGRESS ENERGY FLORIDA
Financial Integrity Indicators
May 2011

Schedule 5

A: TIMES INTEREST EARNED WITH AFUDC

Earnings Before Interest	\$702,937,416
AFUDC - Debt	\$13,356,126
Income Taxes	\$265,106,993
Total	\$981,400,535
Interest Charges (before deducting AFUDC-Debt)	\$273,970,840
T.I.E. with AFUDC	3.58

B: TIMES INTEREST EARNED WITHOUT AFUDC

Earnings Before Interest	\$702,937,416
AFUDC - Equity	(\$26,537,839)
Income Taxes	\$265,106,993
Total	\$941,506,570
Interest Charges (before deducting AFUDC-Debt)	\$273,970,840
T.I.E. without AFUDC	3.44

C: PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON SHAREHOLDERS

AFUDC - Debt	\$13,356,126
Less: DIT	\$0
Subtotal	\$13,356,126
AFUDC - Other	\$26,537,839
Total AFUDC	\$39,893,965
Net Income Available For Common Shareholders	\$440,810,843
Percent AFUDC to Available Net Income	9.05%

D: PERCENT INTERNALLY GENERATED FUNDS

Net Income	\$442,322,703
Common Dividends	(\$400,000,000)
Preferred Dividends	(\$1,511,860)
AFUDC (Debt & ECS Other)	(\$39,893,965)
Depreciation & Amortization	\$336,369,057
Deferred Income Taxes	\$335,664,801
Investment Tax Credits	(\$1,453,081)
Deferred Fuel (Net)	\$16,751,974
Nuclear Fuel Amortization	\$0
Nuclear Refueling	\$10,217,292
Other - Incl Nuclear Decommissioning	(\$33,396,639)
Funds Provided from Operations	\$665,070,282
Other Funds Provided - Incl Change in Working Capital	\$262,771,319
Total Funds Provided	\$927,841,601
Construction Expenditures (excluding AFUDC)	\$913,457,835
Percentage Internally Generated Funds	101.57%

E: SHORT TERM DEBT / LONG TERM DEBT AS

PERCENT OF TOTAL INVESTOR CAPITAL - FPSC

Common Equity	\$3,190,978,972
Preferred Stock	\$22,506,120
Long Term Debt - Fixed Rate	\$2,893,639,950
Short Term Debt	\$0
Total	\$6,107,125,043

% Long Term Debt - Fixed Rate	47.38%
% Short Term Debt	0.00%

FPSC ADJUSTED AVERAGE

JURISDICTIONAL AND PRO FORMA

F: RETURN ON COMMON EQUITY	Pro Forma	FPSC
Average Earned Rate of Return	6.68%	7.46%
Less Reconciled Average		
Retail Weighted Cost Rates for:		
Preferred Stock	0.01%	0.01%
Long Term Debt - Fixed Rate	2.51%	2.51%
Short Term Debt	0.00%	0.00%
Customer Deposits	0.15%	0.15%
Investment Tax Credit (at Midpoint)		
Equity	0.00%	0.00%
Debt	0.00%	0.00%
Subtotal	2.67%	2.67%
Total	4.01%	4.79%
Divided by Common Equity Ratio	46.38%	46.38%
Jurisdictional Return on Common Equity	8.65%	10.33%