



January 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 for the twelve months ended November 30, 2011.

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 November 30, 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 black ink that reads 'Will Garrett'.

Will Garrett  
Controller, Progress Energy Florida

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

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**PROGRESS ENERGY FLORIDA**  
**Rate of Return Report Summary**  
**November 2011**

Schedule 1

|   | (1)<br>Actual<br>Per Books | (2)<br>FPSC<br>Adjustments | (3)<br>FPSC<br>Adjusted | (4)<br>Pro Forma<br>Adjustments | (5)<br>Pro Forma<br>Adjusted |
|---|----------------------------|----------------------------|-------------------------|---------------------------------|------------------------------|
| <b>I. Average Rate of Return (Jurisdictional)</b>   |                            |                            |                         |                                 |                              |
| Net Operating Income (a) (b)                        | \$653,930,818              | (\$113,718,045)            | \$540,212,773           | (\$34,856,211)                  | \$505,356,562                |
| Average Rate Base                                   | \$9,359,295,654            | (\$2,271,677,335)          | \$7,087,618,319         | \$0                             | \$7,087,618,319              |
| Average Rate of Return                              | 6.99%                      |                            | 7.62%                   |                                 | 7.13%                        |
| <b>II. Year End Rate of Return (Jurisdictional)</b> |                            |                            |                         |                                 |                              |
| Net Operating Income                                | \$653,930,818              | (\$113,718,045)            | \$540,212,773           | (\$34,856,211)                  | \$505,356,562                |
| Year End Rate Base                                  | \$9,469,897,151            | (\$2,350,842,305)          | \$7,119,054,846         | \$0                             | \$7,119,054,846              |
| Year End Rate of Return                             | 6.91%                      |                            | 7.59%                   |                                 | 7.10%                        |

Footnotes

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

| <b>III. Required Rates of Return</b> | Average<br>Capital Structure | End of Period<br>Capital Structure |
|--------------------------------------|------------------------------|------------------------------------|
| FPSC Adjusted Basis                  |                              |                                    |
| Low Point                            | 6.90%                        | 6.80%                              |
| Mid Point                            | 7.35%                        | 7.25%                              |
| High Point                           | 7.81%                        | 7.70%                              |
| Pro Forma Adjusted Basis             |                              |                                    |
| Low Point                            | 6.90%                        | 6.80%                              |
| Mid Point                            | 7.35%                        | 7.25%                              |
| High Point                           | 7.81%                        | 7.70%                              |

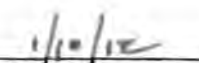
**IV. FINANCIAL INTEGRITY INDICATORS**

|   |                                       |        |   |
|---|---------------------------------------|--------|---|
| A | T.I.E. with AFUDC                     | 3.90   | (System Per Books Basis)                  |
| B | T.I.E. without AFUDC                  | 3.72   | (System Per Books Basis)                  |
| C | AFUDC to Net Income                   | 9.76%  | (System Per Books Basis)                  |
| D | Internally Generated Funds            | 59.09% | (System Per Books Basis)                  |
| E | STD/LTD to Total Investor Funds       |        |   |
|   | LT Debt-Fixed to Total Investor Funds | 47.37% | (FPSC Adjusted Basis)                     |
|   | ST Debt to Total Investor Funds       | 0.00%  | (FPSC Adjusted Basis)                     |
| F | Return on Common Equity               | 11.08% | (FPSC Adjusted Basis)                     |
|   |                                       | 10.01% | (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

  
Date 1/10/12

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Rate Base  
November 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 |
|---------------------------------|-------------------------|------------------------|------------------------|---------------------------------|------------------------|----------------------|------------------------|----------------------|-------------------------|
| <b>System Per Books</b>         | \$13,254,157,577        | \$4,908,833,432        | \$8,345,324,145        | \$35,790,802                    | \$1,039,826,046        | \$204,634,249        | \$9,625,575,242        | \$771,464,122        | \$10,397,039,364        |
| <b>Regulatory Base - Retail</b> | <b>12,062,807,424</b>   | <b>\$4,541,598,907</b> | <b>\$7,521,208,517</b> | <b>\$26,832,722</b>             | <b>933,989,077</b>     | <b>\$183,280,060</b> | <b>\$8,665,310,376</b> | <b>693,985,278</b>   | <b>\$9,359,295,654</b>  |
| <b>FPSC Adjustments</b>         |                         |                        |                        |                                 |                        |                      |                        |                      |                         |
| ARO                             | (13,177,208)            | (23,491,566)           | 10,314,358             | -                               | -                      | -                    | 10,314,358             | (9,690,919)          | 623,439                 |
| ECCR                            | (1,759,920)             | (927,811)              | (832,110)              | -                               | (4,477,191)            | -                    | (5,309,301)            | 4,179,940            | (1,129,361)             |
| ECRC                            | (1,168,382,706)         | (44,251,511)           | (1,124,131,194)        | -                               | (268,268)              | -                    | (1,124,399,462)        | (1,079,997)          | (1,125,479,459)         |
| FUEL                            | (32,738,780)            | (31,093,304)           | (1,645,476)            | -                               | -                      | -                    | (1,645,476)            | (141,010,714)        | (142,656,190)           |
| CCR                             | -                       | -                      | -                      | -                               | -                      | -                    | -                      | 42,835,097           | 42,835,097              |
| NUCLEAR                         | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (151,090,345)        | (151,090,345)           |
| Derivatives                     | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (134,640,731)        | (134,640,731)           |
| Employee Related                | -                       | -                      | -                      | -                               | -                      | -                    | -                      | 637,371              | 637,371                 |
| Investments Earning a Return    | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (41,320,550)         | (41,320,550)            |
| Jobbing Accounts                | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (4,750,332)          | (4,750,332)             |
| Non-Regulated and Miscellaneous | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (2,326,278)          | (2,326,278)             |
| Rate Case Regulatory Asset      | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (1,678,997)          | (1,678,997)             |
| Retention Accounts              | -                       | -                      | -                      | -                               | -                      | -                    | -                      | 17,877,067           | 17,877,067              |
| CWIP - AFUDC                    | -                       | -                      | -                      | -                               | (728,816,001)          | -                    | (728,816,001)          | -                    | (728,816,001)           |
| CAPITAL LEASE                   | (203,869,361)           | -                      | (203,869,361)          | -                               | -                      | -                    | (203,869,361)          | 204,107,294          | 237,934                 |
| <b>Total FPSC Adjustments</b>   | <b>(1,419,927,975)</b>  | <b>(99,764,192)</b>    | <b>(1,320,163,783)</b> | <b>-</b>                        | <b>(733,561,460)</b>   | <b>-</b>             | <b>(2,053,725,243)</b> | <b>(217,952,092)</b> | <b>(2,271,677,335)</b>  |
| <b>FPSC Adjusted</b>            | <b>\$10,642,879,449</b> | <b>\$4,441,834,715</b> | <b>\$6,201,044,734</b> | <b>\$26,832,722</b>             | <b>\$200,427,617</b>   | <b>\$183,280,060</b> | <b>\$6,611,585,133</b> | <b>\$476,033,186</b> | <b>\$7,087,618,319</b>  |

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Income Statement  
November 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)                  | \$4,751,466,367        | \$2,340,106,426        | \$893,412,914        | \$235,619,205        | \$355,355,891           | (\$111,939,848)        | \$379,146,234             | (\$1,341,583)               | \$0                              | \$4,090,359,240          | \$661,107,127        |
| Regulatory Base - Retail              | \$4,436,038,421        | 2,201,686,036          | 837,234,697          | 184,807,799          | \$342,348,409           | (\$87,068,224)         | \$344,340,610             | (\$1,182,740)               | \$0                              | \$3,822,166,587          | \$613,871,833        |
| <b>FPSC Adjustments</b>               |                        |                        |                      |                      |                         |                        |                           |                             |                                  |                          |                      |
| ARO                                   |                        |                        |                      | (96,850)             |                         | 37,360                 | 0                         | 0                           | 0                                | (59,490)                 | 59,490               |
| ECCR                                  | (100,557,923)          |                        | (98,541,842)         | (353,780)            | (39,160)                | (626,127)              | 0                         | 0                           | 0                                | (99,560,909)             | (997,014)            |
| ECRC                                  | (184,786,951)          |                        | (53,747,590)         | 5,943,223            | (10,727,120)            | (48,703,045)           | 0                         | 0                           | 0                                | (107,234,532)            | (77,552,419)         |
| FUEL                                  | (1,800,859,638)        | (1,826,195,370)        |                      | (771,288)            | (1,525,690)             | 10,659,318             | 0                         | 0                           | 0                                | (1,817,833,030)          | 16,973,392           |
| CCR                                   | (318,154,842)          | (317,873,945)          |                      |                      |                         | (108,356)              | 0                         | 0                           | 0                                | (317,982,301)            | (172,541)            |
| NUCLEAR                               | (167,807,087)          |                        | (1,500,105)          | (113,339,267)        | (154,726)               | (20,368,753)           | 0                         | 0                           | 0                                | (135,372,851)            | (32,434,236)         |
| SCRC                                  | 1,082                  |                        | (1,637)              |                      |                         | 1,049                  | 0                         | 0                           | 0                                | (588)                    | 1,670                |
| CORPORATE AIRCRAFT ALLOCATION         | 0                      | 0                      | (3,248,531)          | 0                    | 0                       | 1,253,121              | 0                         | 0                           | 0                                | (1,995,410)              | 1,995,410            |
| FRANCHISE FEE & GROSS REC TAX REVENUE | (209,182,149)          | 0                      | 0                    | 0                    | 0                       | (80,692,014)           | 0                         | 0                           | 0                                | (80,692,014)             | (128,490,135)        |
| FRANCHISE FEES & GROSS REC TAX - TOI  | 0                      | 0                      | 0                    | 0                    | (208,359,576)           | 80,374,706             | 0                         | 0                           | 0                                | (127,984,869)            | 127,984,869          |
| GAIN/LOSS ON DISPOSITION & OTHER      | 0                      | 0                      | 0                    | 0                    | 0                       | 4,939,852              | 0                         | 0                           | (12,805,839)                     | (7,865,987)              | 7,865,987            |
| INST./PROMOTIONAL ADVERTISING         | 0                      | 0                      | (2,373,732)          | 0                    | 0                       | 915,667                | 0                         | 0                           | 0                                | (1,458,065)              | 1,458,065            |
| INTEREST ON TAX DEFICIENCY            | 0                      | 0                      | (14,055,123)         | 0                    | 0                       | 5,421,764              | 0                         | 0                           | 0                                | (8,633,359)              | 8,633,359            |
| MISCELLANEOUS INTEREST EXPENSE        | 0                      | 0                      | 165,390              | 0                    | 0                       | (63,799)               | 0                         | 0                           | 0                                | 101,591                  | (101,591)            |
| REMOVE ASSOC/ORGANIZATION DUES        | 0                      | 0                      | (86,008)             | 0                    | 0                       | 33,177                 | 0                         | 0                           | 0                                | (52,830)                 | 52,830               |
| REMOVE ECONOMIC DEVELOPMENT           | 0                      | 0                      | (17,794)             | 0                    | 0                       | 6,864                  | 0                         | 0                           | 0                                | (10,930)                 | 10,930               |
| PARENT DEBT ADJUSTMENT                | 0                      | 0                      | 0                    | 0                    | 0                       | (16,756,345)           | 0                         | 0                           | 0                                | (16,756,345)             | 16,756,345           |
| SEBRING - RIDER REVENUE               | (493)                  | 0                      | 0                    | 0                    | 0                       | (190)                  | 0                         | 0                           | 0                                | (190)                    | (303)                |
| DIRECTORS & OFFICERS PREMIUM          |                        |                        | (3,145,998)          |                      |                         | 1,213,569              |                           |                             |                                  | (1,932,429)              | 1,932,429            |
| INTEREST SYNCHRONIZATION - FPSC       | 0                      | 0                      | 0                    | 0                    | 0                       | 17,635,599             | 0                         | 0                           | 0                                | 17,635,599               | (17,635,599)         |
| <b>Total FPSC Adjustments</b>         | <b>(2,781,348,000)</b> | <b>(2,144,069,314)</b> | <b>(176,552,970)</b> | <b>(108,617,962)</b> | <b>(220,816,272)</b>    | <b>(44,826,583)</b>    | <b>0</b>                  | <b>0</b>                    | <b>(12,805,839)</b>              | <b>(2,707,688,940)</b>   | <b>(73,659,060)</b>  |
| <b>FPSC Adjusted</b>                  | <b>\$1,654,690,420</b> | <b>\$57,616,721</b>    | <b>\$660,681,728</b> | <b>\$76,189,838</b>  | <b>\$121,532,137</b>    | <b>(\$131,894,807)</b> | <b>\$344,340,610</b>      | <b>(\$1,182,740)</b>        | <b>(\$12,805,839)</b>            | <b>\$1,114,477,647</b>   | <b>\$540,212,773</b> |
| <b>Pro Forma Adjustments</b>          |                        |                        |                      |                      |                         |                        |                           |                             |                                  |                          |                      |
| Weather Normalization                 | (56,745,969)           | 0                      | 0                    | 0                    | 0                       | (21,889,757)           | 0                         | 0                           | 0                                | (21,889,757)             | (34,856,211)         |
| <b>Total Pro Forma Adjustments</b>    | <b>(56,745,969)</b>    | <b>0</b>               | <b>0</b>             | <b>0</b>             | <b>0</b>                | <b>(21,889,757)</b>    | <b>0</b>                  | <b>0</b>                    | <b>0</b>                         | <b>(21,889,757)</b>      | <b>(34,856,211)</b>  |
| <b>Pro Forma Adjusted</b>             | <b>\$1,597,944,452</b> | <b>\$57,616,721</b>    | <b>\$660,681,728</b> | <b>\$76,189,838</b>  | <b>\$121,532,137</b>    | <b>(\$153,784,564)</b> | <b>\$344,340,610</b>      | <b>(\$1,182,740)</b>        | <b>(\$12,805,839)</b>            | <b>\$1,092,587,890</b>   | <b>\$505,356,562</b> |

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$44,599,182 and Jurisdictional NOI by \$40,058,985

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)                     | \$332,641,095      | \$159,614,774          | \$74,615,954 | \$34,950,177 | \$21,820,229            | \$877,128            | \$7,339,572               | (\$110,250)                 | \$0                              | \$299,107,584            | \$33,533,511         |
| Jurisdictional Per Books                 |                    |                        |              |              |                         |                      |                           |                             |                                  |                          |                      |
| Excluding AFUDC Earnings and Recoverable | 113,776,495        | \$525,699              | 54,943,614   | 23,737,532   | 5,245,518               | \$830,358            | \$6,665,799               | (\$97,196)                  | \$0                              | \$91,851,325             | \$21,925,170         |

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Adjustments  
November 2011

Schedule 2  
Page 3 of 3

| Notes | Rate Base Adjustments           | P=Pro Forma<br>F=FPSC | System                   | Retail                   |
|-------|---------------------------------|-----------------------|--------------------------|--------------------------|
|       | ARO                             | F                     | \$623,439                | \$623,439                |
|       | ECCR                            | F                     | (\$1,129,361)            | (\$1,129,361)            |
|       | ECRC                            | F                     | (\$1,217,132,458)        | (\$1,125,479,459)        |
|       | FUEL                            | F                     | (\$142,656,190)          | (\$142,656,190)          |
|       | CCR                             | F                     | \$42,835,097             | \$42,835,097             |
|       | NUCLEAR                         | F                     | (\$151,090,345)          | (\$151,090,345)          |
|       | Derivatives                     | F                     | (\$134,640,731)          | (\$134,640,731)          |
|       | Employee Related                | F                     | \$637,371                | \$637,371                |
|       | Investments Earning a Return    | F                     | (\$41,320,550)           | (\$41,320,550)           |
|       | Jobbing Accounts                | F                     | (\$4,750,332)            | (\$4,750,332)            |
|       | Non-Regulated and Miscellaneous | F                     | (\$2,326,278)            | (\$2,326,278)            |
|       | Rate Case Regulatory Asset      | F                     | (\$1,678,997)            | (\$1,678,997)            |
|       | Retention Accounts              | F                     | \$17,877,067             | \$17,877,067             |
| (1)   | CWIP - AFUDC                    | F                     | (\$799,513,718)          | (\$728,816,001)          |
| (2)   | CAPITAL LEASE-EPS               | F                     | (203,869,361)            | (203,869,361)            |
| (2)   | CAPITAL LEASE-WORKING CAPITAL   | F                     | 204,107,294              | 204,107,294              |
|       | <b>Total</b>                    |                       | <b>(\$2,434,028,051)</b> | <b>(\$2,271,677,335)</b> |

| Notes | Income Statement Adjustments (to NOI) | P=Pro Forma<br>F=FPSC | System                 |                     | Retail                 |                     |
|-------|---------------------------------------|-----------------------|------------------------|---------------------|------------------------|---------------------|
|       |                                       |                       | Amount                 | Income Tax Effect   | Amount                 | Income Tax Effect   |
|       | ARO                                   | F                     | \$96,850               | (\$37,360)          | \$96,850               | (\$37,360)          |
|       | ECCR                                  | F                     | (1,623,141)            | 626,127             | (1,623,141)            | 626,127             |
|       | ECRC                                  | F                     | (131,800,103)          | 50,841,890          | (126,255,464)          | 48,703,045          |
|       | FUEL                                  | F                     | 26,663,596             | (10,285,482)        | 27,632,710             | (10,659,318)        |
|       | CCR                                   | F                     | (280,897)              | 108,356             | (280,897)              | 108,356             |
|       | NUCLEAR                               | F                     | (55,939,468)           | 21,578,650          | (52,802,988)           | 20,368,753          |
|       | SCRC                                  | F                     | 2,719                  | (1,049)             | 2,719                  | (1,049)             |
| (2)   | CORPORATE AIRCRAFT ALLOCATION         | F                     | \$3,516,715            | (\$1,356,573)       | \$3,248,531            | (\$1,253,121)       |
| (1)   | FRANCHISE FEE & GROSS REC TAX REVENUE | F                     | (209,182,149)          | 80,692,014          | (209,182,149)          | 80,692,014          |
| (1)   | FRANCHISE FEES & GROSS REC TAX - TOI  | F                     | 208,359,576            | (80,374,706)        | 208,359,576            | (80,374,706)        |
| (1)   | GAIN/LOSS ON DISPOSITION & OTHER      | F                     | 12,930,769             | (4,988,044)         | 12,805,839             | (4,939,852)         |
| (1)   | INST/PROMOTIONAL ADVERTISING          | F                     | 2,569,697              | (991,261)           | 2,373,732              | (915,667)           |
| (1)   | INTEREST ON TAX DEFICIENCY            | F                     | 15,446,718             | (5,958,571)         | 14,055,123             | (5,421,764)         |
| (1)   | MISCELLANEOUS INTEREST EXPENSE        | F                     | (100,300)              | 38,691              | (165,390)              | 63,799              |
| (1)   | REMOVE ASSOC/ORGANIZATION DUES        | F                     | 93,108                 | (35,916)            | 86,008                 | (33,177)            |
| (1)   | REMOVE ECONOMIC DEVELOPMENT           | F                     | 17,794                 | (6,864)             | 17,794                 | (6,864)             |
| (2)   | PARENT DEBT ADJUSTMENT                | F                     | 0                      | 18,715,899          | 0                      | 16,756,345          |
| (1)   | SEBRING - RIDER REVENUE               | F                     | (493)                  | 190                 | (493)                  | 190                 |
| (2)   | DIRECTORS & OFFICERS PREMIUM          | F                     | 3,145,998              | (1,213,569)         | 3,145,998              | (1,213,569)         |
| (1)   | INTEREST SYNCHRONIZATION - FPSC       | F                     | 0                      | (19,713,928)        | 0                      | (17,635,599)        |
|       | <b>Total</b>                          |                       | <b>(\$126,083,010)</b> | <b>\$47,638,493</b> | <b>(\$118,485,643)</b> | <b>\$44,826,583</b> |

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

|                                 | 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 |
|---------------------------------|-------------------------|------------------------|------------------------|---------------------------------|------------------------|----------------------|------------------------|----------------------|----------------------------|
| <b>System Per Books</b>         | \$13,414,521,353        | \$5,078,211,838        | \$8,336,309,515        | \$35,791,002                    | \$1,091,649,073        | \$213,098,660        | \$9,676,848,250        | \$771,464,122        | \$10,448,312,372           |
| <b>Regulatory Base - Retail</b> | \$12,204,166,595        | \$4,625,694,831        | \$7,578,471,764        | \$26,832,872                    | 979,746,053            | \$190,861,184        | \$8,775,911,873        | \$693,985,278        | \$9,469,897,151            |
| <b>FPSC Adjustments</b>         |                         |                        |                        |                                 |                        |                      |                        |                      |                            |
| ARO                             | (11,742,813)            | (23,601,735)           | 11,858,921             | -                               | -                      | -                    | 11,858,921             | (9,690,919)          | 2,168,002                  |
| ECCR                            | (1,805,641)             | (1,107,281)            | (698,360)              | -                               | (9,657,441)            | -                    | (10,355,801)           | 4,179,940            | (6,175,861)                |
| ECRC                            | (1,173,781,925)         | (58,889,329)           | (1,114,892,596)        | -                               | (268,268)              | -                    | (1,115,160,864)        | (1,079,997)          | (1,116,240,861)            |
| FUEL                            | (32,738,780)            | (31,478,950)           | (1,259,830)            | -                               | -                      | -                    | (1,259,830)            | (141,010,714)        | (142,270,544)              |
| CCR                             | -                       | -                      | -                      | -                               | -                      | -                    | -                      | 42,835,097           | 42,835,097                 |
| NUCLEAR                         | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (151,090,345)        | (151,090,345)              |
| Derivatives                     | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (134,640,731)        | (134,640,731)              |
| Employee Related                | -                       | -                      | -                      | -                               | -                      | -                    | -                      | 637,371              | 637,371                    |
| Investments Earning a Return    | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (41,320,550)         | (41,320,550)               |
| Jobbing Accounts                | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (4,750,332)          | (4,750,332)                |
| Non-Regulated and Miscellaneous | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (2,326,278)          | (2,326,278)                |
| Rate Case Regulatory Asset      | -                       | -                      | -                      | -                               | -                      | -                    | -                      | (1,678,997)          | (1,678,997)                |
| Retention Accounts              | -                       | -                      | -                      | -                               | -                      | -                    | -                      | 17,877,067           | 17,877,067                 |
| CWIP - AFUDC                    | -                       | -                      | -                      | -                               | (818,764,459)          | -                    | (818,764,459)          | -                    | (818,764,459)              |
| CAPITAL LEASE                   | (199,208,180)           | -                      | (199,208,180)          | -                               | -                      | -                    | (199,208,180)          | 204,107,294          | 4,899,114                  |
| <b>Total FPSC Adjustments</b>   | <b>(1,419,277,339)</b>  | <b>(115,077,295)</b>   | <b>(1,304,200,045)</b> | <b>-</b>                        | <b>(828,690,168)</b>   | <b>-</b>             | <b>(2,132,890,213)</b> | <b>(217,952,092)</b> | <b>(2,350,842,305)</b>     |
| <b>FPSC Adjusted</b>            | <b>\$10,784,889,256</b> | <b>\$4,510,617,536</b> | <b>\$6,274,271,719</b> | <b>\$26,832,872</b>             | <b>\$151,055,885</b>   | <b>\$190,861,184</b> | <b>\$6,643,021,660</b> | <b>\$476,033,186</b> | <b>\$7,119,054,846</b>     |

PROGRESS ENERGY FLORIDA  
End of Period - Income Statement  
November 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)                  | \$4,751,466,367        | \$2,340,106,426        | \$893,412,914        | \$235,619,205        | \$355,355,891           | (\$111,939,848)        | \$379,146,234             | (\$1,341,583)               | \$0                              | \$4,090,359,240          | \$661,107,127        |
| Regulatory Base - Retail              | \$4,436,038,421        | \$2,217,105,341        | 837,234,697          | 184,807,799          | \$342,348,409           | (\$87,068,224)         | \$344,340,610             | (\$1,182,740)               | \$0                              | \$3,837,585,893          | \$598,452,528        |
| FPSC Adjustments                      |                        |                        |                      |                      |                         |                        |                           |                             |                                  |                          |                      |
| ARO                                   |                        |                        |                      | (96,850)             |                         | 37,360                 | 0                         | 0                           | 0                                | (59,490)                 | 59,490               |
| ECCR                                  | (100,557,923)          |                        | (98,541,842)         | (353,780)            | (39,160)                | (626,127)              | 0                         | 0                           | 0                                | (99,560,909)             | (997,014)            |
| ECRC                                  | (184,786,951)          |                        | (53,747,590)         | 5,943,223            | (10,727,120)            | (48,703,045)           | 0                         | 0                           | 0                                | (107,234,532)            | (77,552,419)         |
| FUEL                                  | (1,800,859,638)        | (1,826,195,370)        |                      | (771,288)            | (1,525,690)             | 10,659,318             | 0                         | 0                           | 0                                | (1,817,833,030)          | 16,973,392           |
| CCR                                   | (318,154,842)          | (317,873,945)          |                      |                      |                         | (108,356)              | 0                         | 0                           | 0                                | (317,982,301)            | (172,541)            |
| NUCLEAR                               | (167,807,087)          |                        | (1,500,105)          | (113,339,267)        | (164,726)               | (20,368,753)           | 0                         | 0                           | 0                                | (135,372,851)            | (32,434,236)         |
| SCRC                                  | 1,082                  |                        | (1,637)              |                      |                         | 1,049                  | 0                         | 0                           | 0                                | (588)                    | 1,670                |
| CORPORATE AIRCRAFT ALLOCATION         | -                      | -                      | (3,248,531)          | -                    | -                       | 1,253,121              | 0                         | 0                           | 0                                | (1,995,410)              | 1,995,410            |
| FRANCHISE FEE & GROSS REC TAX REVENUE | (209,182,149)          | 0                      | 0                    | 0                    | 0                       | (80,692,014)           | 0                         | 0                           | 0                                | (80,692,014)             | (128,490,135)        |
| FRANCHISE FEES & GROSS REC TAX - TOI  | 0                      | 0                      | 0                    | 0                    | (208,359,576)           | 80,374,706             | 0                         | 0                           | 0                                | (127,984,869)            | 127,984,869          |
| GAIN/LOSS ON DISPOSITION & OTHER      | 0                      | 0                      | 0                    | 0                    | 0                       | 4,939,852              | 0                         | 0                           | (12,805,839)                     | (7,865,987)              | 7,865,987            |
| INST./PROMOTIONAL ADVERTISING         | 0                      | 0                      | (2,373,732)          | 0                    | 0                       | 915,667                | 0                         | 0                           | 0                                | (1,458,065)              | 1,458,065            |
| INTEREST ON TAX DEFICIENCY            | 0                      | 0                      | (14,055,123)         | 0                    | 0                       | 5,421,764              | 0                         | 0                           | 0                                | (8,633,359)              | 8,633,359            |
| MISCELLANEOUS INTEREST EXPENSE        | 0                      | 0                      | 165,390              | 0                    | 0                       | (63,799)               | 0                         | 0                           | 0                                | 101,591                  | (101,591)            |
| REMOVE ASSOC/ORGANIZATION DUES        | 0                      | 0                      | (86,008)             | 0                    | 0                       | 33,177                 | 0                         | 0                           | 0                                | (52,830)                 | 52,830               |
| REMOVE ECONOMIC DEVELOPMENT           | 0                      | 0                      | (17,794)             | 0                    | 0                       | 6,864                  | 0                         | 0                           | 0                                | (10,930)                 | 10,930               |
| PARENT DEBT ADJUSTMENT                | 0                      | 0                      | 0                    | 0                    | 0                       | (16,756,345)           | 0                         | 0                           | 0                                | (16,756,345)             | 16,756,345           |
| SEBRING - RIDER REVENUE               | (493)                  | 0                      | 0                    | 0                    | 0                       | (190)                  | 0                         | 0                           | 0                                | (190)                    | (303)                |
| DIRECTORS & OFFICERS PREMIUM          |                        |                        | (3,145,998)          |                      |                         | 1,213,569              |                           |                             |                                  | (1,932,429)              | 1,932,429            |
| INTEREST SYNCHRONIZATION - FPSC       | 0                      | 0                      | 0                    | 0                    | 0                       | 17,635,599             | 0                         | 0                           | 0                                | 17,635,599               | (17,635,599)         |
| <b>Total FPSC Adjustments</b>         | <b>(2,781,348,000)</b> | <b>(2,144,069,314)</b> | <b>(176,552,970)</b> | <b>(108,617,962)</b> | <b>(220,816,272)</b>    | <b>(44,826,583)</b>    | <b>0</b>                  | <b>0</b>                    | <b>(12,805,839)</b>              | <b>(2,707,688,940)</b>   | <b>(73,659,060)</b>  |
| <b>FPSC Adjusted</b>                  | <b>\$1,654,690,420</b> | <b>\$73,036,027</b>    | <b>\$660,681,728</b> | <b>\$76,189,838</b>  | <b>\$121,532,137</b>    | <b>(\$131,894,807)</b> | <b>\$344,340,610</b>      | <b>(\$1,182,740)</b>        | <b>(\$12,805,839)</b>            | <b>\$1,129,896,953</b>   | <b>\$524,793,467</b> |

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$44,599,182 and Jurisdictional NOI by \$40,058,985

| Notes | Rate Base Adjustments           | P=Pro Forma<br>F=FPSC | System                   | Retail                   |
|-------|---------------------------------|-----------------------|--------------------------|--------------------------|
|       | ARO                             | F                     | \$2,168,002              | \$2,168,002              |
|       | ECCR                            | F                     | (6,175,861)              | (6,175,861)              |
|       | ECRC                            | F                     | (1,203,648,917)          | (1,116,240,861)          |
|       | FUEL                            | F                     | (142,270,544)            | (142,270,544)            |
|       | CCR                             | F                     | 42,835,097               | 42,835,097               |
|       | NUCLEAR                         | F                     | (151,090,345)            | (151,090,345)            |
|       | Derivatives                     | F                     | (143,673,744)            | (143,673,744)            |
|       | Employee Related                | F                     | 832,092                  | 832,092                  |
|       | Investments Earning a Return    | F                     | (39,887,403)             | (39,887,403)             |
|       | Jobbing Accounts                | F                     | (1,925,598)              | (1,925,598)              |
|       | Non-Regulated and Miscellaneous | F                     | (2,489,709)              | (2,489,709)              |
|       | Rate Case Regulatory Asset      | F                     | (1,354,029)              | (1,354,029)              |
|       | Retention Accounts              | F                     | 1,619,455                | 1,619,455                |
| (1)   | CWIP - AFUDC                    | F                     | (\$903,039,365)          | (818,764,459)            |
| (2)   | CAPITAL LEASE-EPS               | F                     | (199,208,180)            | (199,208,180)            |
| (2)   | CAPITAL LEASE-WORKING CAPITAL   | F                     | 204,107,294              | 204,107,294              |
|       | <b>Total</b>                    |                       | <b>(\$2,543,201,754)</b> | <b>(\$2,371,518,792)</b> |

| Notes | Income Statement Adjustments (to NOI) | P=Pro Forma<br>F=FPSC | System                 |                     | Retail                 |                     |
|-------|---------------------------------------|-----------------------|------------------------|---------------------|------------------------|---------------------|
|       |                                       |                       | Amount                 | Income Tax Effect   | Amount                 | Income Tax Effect   |
|       | ARO                                   | F                     | \$96,850               | (\$37,360)          | \$96,850               | (\$37,360)          |
|       | ECCR                                  | F                     | (1,623,141)            | 626,127             | (1,623,141)            | 626,127             |
|       | ECRC                                  | F                     | (131,800,103)          | 50,841,890          | (126,255,464)          | 48,703,045          |
|       | FUEL                                  | F                     | 26,663,596             | (10,285,482)        | 27,632,710             | (10,659,318)        |
|       | CCR                                   | F                     | (280,897)              | 108,356             | (280,897)              | 108,356             |
|       | NUCLEAR                               | F                     | (55,939,468)           | 21,578,650          | (52,802,988)           | 20,368,753          |
|       | SCRC                                  | F                     | 2,719                  | (1,049)             | 2,719                  | (1,049)             |
| (2)   | CORPORATE AIRCRAFT ALLOCATION         | F                     | \$3,516,715            | (\$1,356,573)       | \$3,248,531            | (\$1,253,121)       |
| (1)   | FRANCHISE FEE & GROSS REC TAX REVENUE | F                     | (209,182,149)          | 80,692,014          | (209,182,149)          | 80,692,014          |
| (1)   | FRANCHISE FEES & GROSS REC TAX - TOI  | F                     | 208,359,576            | (80,374,706)        | 208,359,576            | (80,374,706)        |
| (1)   | GAIN/LOSS ON DISPOSITION & OTHER      | F                     | 12,930,769             | (4,988,044)         | 12,805,839             | (4,939,852)         |
| (1)   | INST./PROMOTIONAL ADVERTISING         | F                     | 2,569,697              | (991,261)           | 2,373,732              | (915,667)           |
| (1)   | INTEREST ON TAX DEFICIENCY            | F                     | 15,446,718             | (5,958,571)         | 14,055,123             | (5,421,764)         |
| (1)   | MISCELLANEOUS INTEREST EXPENSE        | F                     | (100,300)              | 38,691              | (165,390)              | 63,799              |
| (1)   | REMOVE ASSOC/ORGANIZATION DUES        | F                     | 93,108                 | (35,916)            | 86,008                 | (33,177)            |
| (1)   | REMOVE ECONOMIC DEVELOPMENT           | F                     | 17,794                 | (6,864)             | 17,794                 | (6,864)             |
| (2)   | PARENT DEBT ADJUSTMENT                | F                     | 0                      | 18,715,899          | 0                      | 16,756,345          |
| (1)   | SEBRING - RIDER REVENUE               | F                     | (493)                  | 190                 | (493)                  | 190                 |
| (2)   | STORM COSTS 2004                      | F                     | 3,145,998              | (1,213,569)         | 3,145,998              | (1,213,569)         |
| (1)   | INTEREST SYNCHRONIZATION - FPSC       | F                     | 0                      | (19,713,928)        | 0                      | (17,635,599)        |
|       | <b>Total</b>                          |                       | <b>(\$126,083,010)</b> | <b>\$47,638,493</b> | <b>(\$118,485,543)</b> | <b>\$44,826,583</b> |

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  
November 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          | \$4,775,996,702         | (\$3,690,291)        | (\$1,112,071,557)        | \$3,660,234,854        | \$3,229,384,501        | 45.56% ***     | 9.50%     | 4.33%         | 10.50%    | 4.78%         | 11.50%     | 5.24%         |
| Preferred Stock        | 33,496,700              |                      | (7,805,603)              | 25,691,097             | 22,666,969             | 0.32%          | 4.51%     | 0.01%         | 4.51%     | 0.01%         | 4.51%      | 0.01%         |
| Long Term Debt - Fixed | 4,325,572,852           |                      | (1,007,971,015)          | 3,317,601,837          | 2,927,083,201          | 41.30%         | 5.87%     | 2.42%         | 5.87%     | 2.42%         | 5.87%      | 2.42%         |
| Short Term Debt *      | 79,970,934              | (79,970,934)         | -                        | -                      | -                      | 0.00%          | 0.36%     | 0.00%         | 0.36%     | 0.00%         | 0.36%      | 0.00%         |
| Customer Deposits      |                         |                      |                          |                        |                        |                |           |               |           |               |            |               |
| Active                 | 213,242,217             |                      | (49,690,985)             | 163,551,232            | 163,551,232            | 2.31%          | 6.27%     | 0.14%         | 6.27%     | 0.14%         | 6.27%      | 0.14%         |
| Inactive               | 1,164,315               |                      | (271,316)                | 892,999                | 892,999                | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credit  |                         |                      |                          |                        |                        |                |           |               |           |               |            |               |
| Post '70 Total         | 4,864,695               |                      | (1,133,600)              | 3,731,094              |                        |                |           |               |           |               |            |               |
| Equity **              |                         |                      |                          |                        | 1,732,514              | 0.02%          | 7.46%     | 0.00%         | 8.25%     | 0.00%         | 9.03%      | 0.00%         |
| Debt **                |                         |                      |                          |                        | 1,559,389              | 0.02%          | 4.63%     | 0.00%         | 4.63%     | 0.00%         | 4.63%      | 0.00%         |
| Deferred Income Taxes  | 1,171,652,056           | 128,237,539          | (302,908,095)            | 996,981,500            | 879,625,688            | 12.41%         |           |               |           |               |            |               |
| FAS 109 DIT - Net      | (205,230,814)           |                      | 47,824,119               | (157,406,695)          | (138,878,176)          | -1.96%         |           |               |           |               |            |               |
| <b>Total</b>           | <b>\$10,400,729,656</b> | <b>\$44,576,314</b>  | <b>(\$2,434,028,051)</b> | <b>\$8,011,277,919</b> | <b>\$7,087,618,319</b> | <b>100.00%</b> |           | <b>6.90%</b>  |           | <b>7.35%</b>  |            | <b>7.81%</b>  |

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

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

40.70%

PROGRESS ENERGY FLORIDA  
End of Period - Capital Structure  
Pro Forma Adjusted Basis  
November 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          | \$4,835,146,661         | (\$3,157,074)          | (\$1,148,918,405)        | \$3,683,071,182        | \$3,206,441,937        | 45.04% ***     | 9.50%     | 4.28%         | 10.50%    | 4.73%         | 11.50%     | 5.18%         |
| Preferred Stock        | 33,496,700              |                        | (7,964,623)              | 25,532,077             | 22,227,950             | 0.31%          | 4.51%     | 0.01%         | 4.51%     | 0.01%         | 4.51%      | 0.01%         |
| Long Term Debt - Fixed | 4,326,415,598           |                        | (1,028,706,378)          | 3,297,709,220          | 2,870,949,980          | 40.33%         | 5.87%     | 2.37%         | 5.87%     | 2.37%         | 5.87%      | 2.37%         |
| Short Term Debt *      | 248,545,120             | (248,545,120)          | -                        | 0                      | 0                      | 0.00%          | 0.36%     | 0.00%         | 0.36%     | 0.00%         | 0.36%      | 0.00%         |
| Customer Deposits      |                         |                        |                          |                        |                        |                |           |               |           |               |            |               |
| Active                 | 215,731,906             |                        | (51,295,300)             | 164,436,606            | 164,436,606            | 2.31%          | 6.27%     | 0.14%         | 6.27%     | 0.14%         | 6.27%      | 0.14%         |
| Inactive               | 1,195,990               |                        | (284,375)                | 911,616                | 911,616                | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credit  |                         |                        |                          |                        |                        |                |           |               |           |               |            |               |
| Post '70 Total         | 4,201,766               |                        | (999,068)                | 3,202,698              |                        |                |           |               |           |               |            |               |
| Equity **              |                         |                        |                          |                        | 1,475,877              | 0.02%          | 7.48%     | 0.00%         | 8.26%     | 0.00%         | 9.05%      | 0.00%         |
| Debt **                |                         |                        |                          |                        | 1,312,357              | 0.02%          | 4.64%     | 0.00%         | 4.64%     | 0.00%         | 4.64%      | 0.00%         |
| Deferred Income Taxes  | 1,347,807,777           | 146,272,474            | (355,252,483)            | 1,138,827,768          | 991,451,138            | 13.93%         |           |               |           |               |            |               |
| FAS 109 DIT - Net      | (211,204,813)           |                        | 50,218,878               | (160,985,935)          | (140,152,614)          | -1.97%         |           |               |           |               |            |               |
| <b>Total</b>           | <b>\$10,801,336,705</b> | <b>(\$105,429,719)</b> | <b>(\$2,543,201,754)</b> | <b>\$8,152,705,231</b> | <b>\$7,119,054,846</b> | <b>100.00%</b> |           | <b>6.80%</b>  |           | <b>7.25%</b>  |            | <b>7.70%</b>  |

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

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

40.25%

PROGRESS ENERGY FLORIDA  
Average Rate of Return - Capital Structure  
FPSC Adjusted Basis  
November 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          | \$4,775,996,702         | (\$3,690,291)        | (\$1,112,071,557)        | \$3,660,234,854        | \$3,229,384,501        | 45.56% ***     | 9.50%     | 4.33%         | 10.50%    | 4.78%         | 11.50%     | 5.24%         |
| Preferred Stock        | 33,496,700              |                      | (7,805,603)              | 25,691,097             | 22,666,969             | 0.32%          | 4.51%     | 0.01%         | 4.51%     | 0.01%         | 4.51%      | 0.01%         |
| Long Term Debt - Fixed | 4,325,572,852           | 0                    | (1,007,971,015)          | 3,317,601,837          | 2,927,083,201          | 41.30%         | 5.87%     | 2.42%         | 5.87%     | 2.42%         | 5.87%      | 2.42%         |
| Short Term Debt *      | 79,970,934              | (79,970,934)         | -                        | -                      | -                      | 0.00%          | 0.36%     | 0.00%         | 0.36%     | 0.00%         | 0.36%      | 0.00%         |
| Customer Deposits      |                         |                      |                          |                        |                        |                |           |               |           |               |            |               |
| Active                 | 213,242,217             |                      | (49,690,985)             | 163,551,232            | 163,551,232            | 2.31%          | 6.27%     | 0.14%         | 6.27%     | 0.14%         | 6.27%      | 0.14%         |
| Inactive               | 1,164,315               |                      | (271,316)                | 892,999                | 892,999                | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credit  |                         |                      |                          |                        |                        |                |           |               |           |               |            |               |
| Post '70 Total         | 4,864,695               |                      | (1,133,600)              | 3,731,094              |                        |                |           |               |           |               |            |               |
| Equity **              |                         |                      |                          |                        | 1,732,514              | 0.02%          | 7.46%     | 0.00%         | 8.25%     | 0.00%         | 9.03%      | 0.00%         |
| Debt **                |                         |                      |                          |                        | 1,559,389              | 0.02%          | 4.63%     | 0.00%         | 4.63%     | 0.00%         | 4.63%      | 0.00%         |
| Deferred Income Taxes  | 1,171,652,056           | 128,237,539          | (302,908,095)            | 996,981,500            | 879,625,688            | 12.41%         |           |               |           |               |            |               |
| FAS 109 DIT - Net      | (205,230,814)           |                      | 47,824,119               | (157,406,695)          | (138,878,176)          | -1.96%         |           |               |           |               |            |               |
| <b>Total</b>           | <b>\$10,400,729,656</b> | <b>\$44,576,314</b>  | <b>(\$2,434,028,051)</b> | <b>\$8,011,277,919</b> | <b>\$7,087,618,319</b> | <b>100.00%</b> |           | <b>6.90%</b>  |           | <b>7.35%</b>  |            | <b>7.81%</b>  |

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

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

40.70%

PROGRESS ENERGY FLORIDA  
End of Period - Capital Structure  
Adjusted Basis  
November 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          | \$4,835,146,661         | (\$3,157,074)          | (\$1,148,918,405)        | \$3,683,071,182        | \$3,206,441,937        | 45.04% ***     | 9.50%     | 4.28%         | 10.50%    | 4.73%         | 11.50%     | 5.18%         |
| Preferred Stock        | 33,496,700              |                        | (7,964,623)              | 25,532,077             | 22,227,950             | 0.31%          | 4.51%     | 0.01%         | 4.51%     | 0.01%         | 4.51%      | 0.01%         |
| Long Term Debt - Fixed | 4,326,415,598           | 0                      | (1,028,706,378)          | 3,297,709,220          | 2,870,949,980          | 40.33%         | 5.87%     | 2.37%         | 5.87%     | 2.37%         | 5.87%      | 2.37%         |
| Short Term Debt *      | 248,545,120             | (248,545,120)          | -                        | -                      | 0                      | 0.00%          | 0.36%     | 0.00%         | 0.36%     | 0.00%         | 0.36%      | 0.00%         |
| Customer Deposits      |                         |                        |                          | -                      |                        |                |           |               |           |               |            |               |
| Active                 | 215,731,906             |                        | (51,295,300)             | 164,436,606            | 164,436,606            | 2.31%          | 6.27%     | 0.14%         | 6.27%     | 0.14%         | 6.27%      | 0.14%         |
| Inactive               | 1,195,990               |                        | (284,375)                | 911,616                | 911,616                | 0.01%          |           |               |           |               |            |               |
| Investment Tax Credit  |                         |                        |                          | -                      |                        |                |           |               |           |               |            |               |
| Post '70 Total         | 4,201,766               |                        | (999,068)                | 3,202,698              |                        |                |           |               |           |               |            |               |
| Equity **              |                         |                        |                          | -                      | 1,475,877              | 0.02%          | 7.48%     | 0.00%         | 8.26%     | 0.00%         | 9.05%      | 0.00%         |
| Debt **                |                         |                        |                          | -                      | 1,312,357              | 0.02%          | 4.64%     | 0.00%         | 4.64%     | 0.00%         | 4.64%      | 0.00%         |
| Deferred Income Taxes  | 1,347,807,777           | 146,272,474            | (355,252,483)            | 1,138,827,768          | 991,451,138            | 13.93%         |           |               |           |               |            |               |
| FAS 109 DIT - Net      | (211,204,813)           |                        | 50,218,878               | (160,985,935)          | (140,152,614)          | -1.97%         |           |               |           |               |            |               |
| <b>Total</b>           | <b>\$10,801,336,705</b> | <b>(\$105,429,719)</b> | <b>(\$2,543,201,754)</b> | <b>\$8,152,705,231</b> | <b>\$7,119,054,846</b> | <b>100.00%</b> |           | <b>6.80%</b>  |           | <b>7.25%</b>  |            | <b>7.70%</b>  |

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

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

40.25%

**PROGRESS ENERGY FLORIDA**  
**Financial Integrity Indicators**  
**November 2011**

Schedule 5

**A: TIMES INTEREST EARNED WITH AFUDC**

|   |                      |
|---|----------------------|
| Earnings Before Interest                          | \$698,052,924        |
| AFUDC - Debt                                      | \$14,328,863         |
| Income Taxes                                      | \$276,810,408        |
| <b>Total</b>                                      | <b>\$989,192,195</b> |
| Interest Charges<br>(before deducting AFUDC-Debt) | \$253,940,985        |
| <b>T.I.E. with AFUDC</b>                          | <b>3.90</b>          |

**B: TIMES INTEREST EARNED WITHOUT AFUDC**

|   |                      |
|---|----------------------|
| Earnings Before Interest                          | \$698,052,924        |
| AFUDC - Equity                                    | (\$30,270,319)       |
| Income Taxes                                      | \$276,810,408        |
| <b>Total</b>                                      | <b>\$944,593,013</b> |
| Interest Charges<br>(before deducting AFUDC-Debt) | \$253,940,985        |
| <b>T.I.E. without AFUDC</b>                       | <b>3.72</b>          |

**C: PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON SHAREHOLDERS**

|   |                     |
|---|---------------------|
| AFUDC - Debt                                    | \$14,328,863        |
| Less: DIT                                       | \$0                 |
| <b>Subtotal</b>                                 | <b>\$14,328,863</b> |
| AFUDC - Other                                   | \$30,270,319        |
| <b>Total AFUDC</b>                              | <b>\$44,599,182</b> |
| Net Income Available<br>For Common Shareholders | \$456,928,942       |
| <b>Percent AFUDC to Available Net Income</b>    | <b>9.76%</b>        |

**D: PERCENT INTERNALLY GENERATED FUNDS**

|  |                      |
|--|----------------------|
| Net Income   | \$458,440,802        |
| Common Dividends   | (\$510,000,000)      |
| Preferred Dividends                                      | (\$1,511,860)        |
| AFUDC (Debt & ECS Other)                                 | (\$44,599,182)       |
| Depreciation & Amortization                              | \$244,502,851        |
| Deferred Income Taxes                                    | \$382,472,650        |
| Investment Tax Credits                                   | (\$1,341,583)        |
| Deferred Fuel (Net)                                      | (\$49,483,796)       |
| Nuclear Fuel Amortization                                | \$7,090              |
| Nuclear Refueling  | \$5,939,843          |
| Other - Incl Nuclear Decommissioning                     | (\$69,257,631)       |
| <b>Funds Provided from Operations</b>                    | <b>\$415,169,184</b> |
| Other Funds Provided -<br>Incl Change in Working Capital | \$75,075,299         |
| <b>Total Funds Provided</b>                              | <b>\$490,244,483</b> |
| Construction Expenditures (excluding AFUDC)              | \$829,710,228        |
| <b>Percentage Internally Generated Funds</b>             | <b>59.09%</b>        |

**E: SHORT TERM DEBT / LONG TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL - FPSC**

|                                      |                        |
|--------------------------------------|------------------------|
| Common Equity                        | \$3,229,384,501        |
| Preferred Stock                      | \$22,866,969           |
| Long Term Debt - Fixed Rate          | \$2,927,083,201        |
| Short Term Debt                      | \$0                    |
| <b>Total</b>                         | <b>\$6,179,134,671</b> |
| <b>% Long Term Debt - Fixed Rate</b> | <b>47.37%</b>          |
| <b>% Short Term Debt</b>             | <b>0.00%</b>           |

**FPSC ADJUSTED AVERAGE JURISDICTIONAL AND PRO FORMA**

| <b>F: RETURN ON COMMON EQUITY</b>             | <b>Pro Forma</b> | <b>FPSC</b>   |
|---|------------------|---------------|
| Average Earned Rate of Return                 | 7.13%            | 7.62%         |
| Less Reconciled Average                       |                  |               |
| Retail Weighted Cost Rates for:               |                  |               |
| Preferred Stock                               | 0.01%            | 0.01%         |
| Long Term Debt - Fixed Rate                   | 2.42%            | 2.42%         |
| Short Term Debt                               | 0.00%            | 0.00%         |
| Customer Deposits                             | 0.14%            | 0.14%         |
| Investment Tax Credit (at Midpoint)           |                  |               |
| Equity  | 0.00%            | 0.00%         |
| Debt  | 0.00%            | 0.00%         |
| <b>Subtotal</b>                               | <b>2.57%</b>     | <b>2.57%</b>  |
| <b>Total</b>                                  | <b>4.56%</b>     | <b>5.05%</b>  |
| <b>Divided by Common Equity Ratio</b>         | <b>45.56%</b>    | <b>45.56%</b> |
| <b>Jurisdictional Return on Common Equity</b> | <b>10.01%</b>    | <b>11.08%</b> |