



August 16, 2012

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 June 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 June 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 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

PROGRESS ENERGY FLORIDA
Rate of Return Report Summary
June 2012

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)	\$509,272,440	(\$127,948,438)	\$381,326,001	\$173,863,492	\$555,189,493
Average Rate Base	\$9,511,285,119	(\$1,986,316,944)	\$7,524,968,174	\$345,572,478	\$7,870,540,650
Average Rate of Return	5.35%		5.07%		7.05%
II. Year End Rate of Return (Jurisdictional)					
Net Operating Income	\$509,272,440	(\$127,948,438)	\$381,326,001	\$173,863,492	\$555,189,493
Year End Rate Base	\$9,651,407,868	(\$2,081,436,994)	\$7,569,970,874	\$0	\$7,569,970,874
Year End Rate of Return	5.28%		5.04%		7.33%

Footnotes

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

	Average Capital Structure	End of Period Capital Structure
III. Required Rates of Return		
FPSC Adjusted Basis		
Low Point	6.82%	6.97%
Mid Point	7.28%	7.46%
High Point	7.73%	7.94%
Pro Forma Adjusted Basis		
Low Point	6.92%	6.89%
Mid Point	7.40%	7.37%
High Point	7.87%	7.85%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	1.62	(System Per Books Basis)
B. T.I.E. without AFUDC	1.43	(System Per Books Basis)
C. AFUDC to Net Income	15.53%	(System Per Books Basis)
D. Internally Generated Funds	59.96%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	46.20%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.75%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	5.66%	(FPSC Adjusted Basis)
	9.77%	(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

8/16/12
Date

PROGRESS ENERGY FLORIDA
Average Rate of Return - Rate Base
June 2012

	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	\$13,436,942,907	\$5,052,748,109	\$8,384,194,797	\$36,284,934	\$1,155,942,745	\$221,042,415	\$9,797,464,891	\$895,957,241	\$10,693,422,132
Regulatory Base - Retail	12,085,661,354	\$4,596,547,758	\$7,489,113,596	\$25,986,907	974,252,673	\$199,660,328	\$8,889,013,504	822,271,615	\$9,511,285,119
FPSC Adjustments									
ARO	(11,742,813)	(23,511,586)	11,768,773	-	-	-	11,768,773	(11,147,021)	621,752
ECCR	(1,815,374)	(1,079,782)	(735,592)	-	(9,746,508)	-	(10,482,100)	6,016,083	(4,466,017)
ECRC	(1,168,097,037)	(60,781,607)	(1,107,315,430)	-	(315,850)	-	(1,107,631,280)	(22,186,514)	(1,129,817,794)
FUEL	(32,738,780)	(31,518,308)	(1,220,474)	-	-	-	(1,220,474)	(77,149,852)	(78,370,326)
CCR	-	-	-	-	-	-	-	15,024,511	15,024,511
NUCLEAR	-	-	-	-	-	-	-	(112,608,409)	(112,608,409)
Derivatives	-	-	-	-	-	-	-	(123,622,586)	(123,622,586)
Employee Related	-	-	-	-	-	-	-	1,095,941	1,095,941
Investments Earning a Return	-	-	-	-	-	-	-	(41,177,847)	(41,177,847)
Jobbing Accounts	-	-	-	-	-	-	-	(4,921,829)	(4,921,829)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,441,637)	(2,441,637)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(1,303,291)	(1,303,291)
Retention Accounts	-	-	-	-	-	-	-	4,131,143	4,131,143
CWIP - AFUDC	-	-	-	-	(738,897,602)	-	(738,897,602)	-	(738,897,602)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	230,381,651	230,381,651
Capital Lease	(198,890,827)	-	(198,890,827)	-	-	-	(198,890,827)	198,946,221	55,394
Total FPSC Adjustments	(1,413,284,832)	(116,891,282)	(1,296,393,550)	-	(748,959,959)	-	(2,046,363,509)	59,036,665	(1,986,316,944)
FPSC Adjusted	\$10,672,376,522	\$4,479,656,476	\$6,192,720,046	\$25,986,907	\$225,292,714	\$199,660,328	\$8,643,659,995	\$881,308,180	\$7,524,968,174
Pro Forma Adjustments									
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	345,572,476	345,572,476
Total Pro Forma Adjustments	-	-	-	-	-	-	-	345,572,476	345,572,476
Pro Forma Adjusted	\$10,672,376,522	\$4,479,656,476	\$6,192,720,046	\$25,986,907	\$225,292,714	\$199,660,328	\$8,643,659,995	\$1,226,880,656	\$7,870,540,650

PROGRESS ENERGY FLORIDA
Average Rate of Return - Income Statement
June 2012

	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)	\$4,337,771,915	\$2,213,814,344	\$665,294,166	\$208,961,704	\$355,516,226	(\$22,767,797)	\$201,098,893	(\$1,323,000)	\$0	\$3,920,604,535	\$617,167,380
Regulatory Base - Retail	\$4,042,940,734	2,117,888,805	602,229,764	166,157,165	\$342,008,096	(\$23,197,626)	\$186,242,927	(\$1,185,792)	\$0	\$3,674,143,340	\$468,797,394
FPSC Adjustments											
ARO	-	-	-	(283,197)	-	109,243	-	-	-	(173,954)	173,954
ECCR	(95,218,388)	-	(92,623,461)	(363,181)	(40,156)	(845,406)	-	-	-	(93,872,204)	(1,346,184)
ECRC	(186,450,523)	-	(49,252,810)	(5,337,133)	(10,138,203)	(46,954,407)	-	-	-	(111,682,554)	(74,767,970)
FUEL	(1,803,349,253)	(1,819,604,767)	-	(599,035)	(1,530,043)	7,091,856	-	-	-	(1,814,641,989)	11,292,736
CCR	(325,034,213)	(324,733,499)	-	-	-	(118,000)	-	-	-	(324,849,500)	(184,713)
NUCLEAR	(123,538,216)	-	(1,463,387)	(65,859,533)	(128,976)	(21,635,298)	-	-	-	(89,087,194)	(34,451,022)
SCRC	312	-	787	-	-	(183)	-	-	-	604	(292)
CORPORATE AIRCRAFT ALLOCATION	-	-	(3,447,077)	-	-	1,329,710	-	-	-	(2,117,367)	2,117,367
FRANCHISE FEE & GROSS REC TAX REVENUE	(204,194,890)	-	-	-	-	(78,768,179)	-	-	-	(78,768,179)	(125,426,711)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(203,468,262)	78,487,882	-	-	-	(124,980,380)	124,980,380
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	604,071	-	-	(2,084,438)	(1,280,365)	1,280,365
INST./PROMOTIONAL ADVERTISING	-	-	(1,215,153)	-	-	468,745	-	-	-	(746,408)	746,408
INTEREST ON TAX DEFICIENCY	-	-	(14,408,389)	-	-	5,558,036	-	-	-	(8,850,353)	8,850,353
MISCELLANEOUS INTEREST EXPENSE	-	-	166,307	-	-	(64,153)	-	-	-	102,154	(102,154)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(212,520)	-	-	81,979	-	-	-	(130,540)	130,540
REMOVE ECONOMIC DEVELOPMENT	-	-	(19,413)	-	-	7,489	-	-	-	(11,925)	11,925
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(14,997,653)	-	-	-	(14,997,653)	14,997,653
DIRECTORS & OFFICERS PREMIUM	-	-	(2,369,457)	-	-	914,018	-	-	-	(1,455,439)	1,455,439
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	17,229,462	-	-	-	17,229,462	(17,229,462)
Total FPSC Adjustments	(2,737,785,171)	(2,144,338,266)	(164,844,572)	(72,442,080)	(215,305,640)	(51,298,787)	-	-	(2,084,433)	(2,680,313,778)	(87,471,393)
FPSC Adjusted	\$1,305,155,563	(\$26,449,461)	\$637,388,192	\$83,715,085	\$126,702,456	(\$74,496,413)	\$180,242,927	(\$1,185,792)	(\$2,084,433)	\$923,829,662	\$381,326,001
Pro Forma Adjustments											
Weather Normalization	(6,377,880)	-	-	-	-	(2,460,267)	-	-	-	(2,460,267)	(3,917,613)
Interest Synchronization	-	-	-	-	-	(877,105)	-	-	-	(877,105)	877,105
Fuel Replacement Power	288,000,000	-	-	-	-	10,198,613	100,897,387	-	-	111,096,000	176,904,000
Total Pro Forma Adjustments	281,622,120	-	-	-	-	6,861,241	100,897,387	-	-	107,758,628	173,863,492
Pro Forma Adjusted	\$1,586,777,683	(\$26,449,461)	\$637,388,192	\$83,715,085	\$126,702,456	(\$67,635,172)	\$281,140,314	(\$1,185,792)	(\$2,084,433)	\$1,031,588,190	\$555,189,493
Footnotes:											
(a) The addition of earnings from AFUDC charges would increase the system NOI by			\$48,024,496								
and Jurisdictional NOI by			\$40,475,045								
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)	\$429,454,863	\$207,177,819	\$117,936,400	\$30,997,904	\$32,144,250	(\$5,101,034)	\$15,026,178	(\$110,250)	\$0	\$398,071,267	\$31,383,596
Jurisdictional Per Books											
Excluding AFUDC Earnings and Recoverable	144,707,707	(\$7,307,713)	90,788,682	19,206,047	10,722,910	(\$4,569,182)	\$13,467,813	(\$98,816)	\$0	\$122,189,742	\$22,617,965

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$621,752	\$621,752
	ECCR	F	(\$4,466,017)	(\$4,466,017)
	ECRC	F	(\$1,211,011,337)	(\$1,129,817,794)
	FUEL	F	(\$78,370,326)	(\$78,370,326)
	CCR	F	\$15,024,511	\$15,024,511
	NUCLEAR	F	(\$112,608,409)	(\$112,608,409)
	Derivatives	F	(\$123,622,586)	(\$123,622,586)
	Employee Related	F	\$1,095,941	\$1,095,941
	Investments Earning a Return	F	(\$41,177,847)	(\$41,177,847)
	Jobbing Accounts	F	(\$4,921,829)	(\$4,921,829)
	Non-Regulated and Miscellaneous	F	(\$2,441,637)	(\$2,441,637)
	Rate Case Regulatory Asset	F	(\$1,303,291)	(\$1,303,291)
	Retention Accounts	F	\$4,131,143	\$4,131,143
(1)	CWIP - AFUDC	F	(\$871,357,793)	(\$738,897,602)
(3)	Imputed Off Balance Sheet Obligations	F	66,036,154	57,595,413
(2)	Capital Lease - EPIS	F	(198,890,827)	(198,890,827)
(2)	Capital Lease - Working Capital	F	198,946,221	198,946,221
	Total		(\$2,364,318,175)	(\$2,169,103,182)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$283,197	(\$109,243)	\$283,197	(\$109,243)
	ECCR	F	(2,191,590)	845,406	(2,191,590)	845,406
	ECRC	F	(148,573,499)	57,312,227	(121,722,377)	46,954,407
	FUEL	F	(16,401,848)	6,327,013	(18,384,592)	(7,091,856)
	CCR	F	(300,714)	116,000	(300,714)	116,000
	NUCLEAR	F	(55,966,173)	21,588,951	(55,086,320)	21,635,298
	SCRC	F	(475)	183	(475)	183
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$3,737,681	(\$1,441,811)	\$3,447,077	(\$1,329,710)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(204,194,890)	78,768,179	(204,194,890)	78,768,179
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	203,468,262	(78,487,882)	203,468,262	(78,487,882)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	2,356,957	(909,196)	2,064,436	(804,071)
(1)	INST /PROMOTIONAL ADVERTISING	F	1,317,596	(508,283)	1,215,153	(488,745)
(1)	INTEREST ON TAX DEFICIENCY	F	15,834,960	(6,108,336)	14,408,389	(5,558,036)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	19,318	(7,452)	(166,307)	64,153
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	230,436	(88,891)	212,520	(81,979)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	19,413	(7,489)	19,413	(7,489)
(2)	PARENT DEBT ADJUSTMENT	F	0	17,651,556	0	14,997,653
(1)	SEBRING - RIDER REVENUE	F	0	0	0	0
(2)	DIRECTORS & OFFICERS PREMIUM	F	2,369,457	(914,018)	2,369,457	(914,018)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	(19,105,462)	0	(17,229,462)
	Total		(\$197,991,911)	\$74,921,484	(\$175,639,361)	\$81,288,787

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
(3) Docket No. 120022-EI

PROGRESS ENERGY FLORIDA
 End of Period Rate of Return - Rate Base
 June 2012

	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	\$13,579,222,961	\$5,161,686,754	\$8,417,536,207	\$42,212,117	\$1,302,592,583	\$246,284,874	\$10,008,625,780	\$898,957,241	\$10,904,583,021
Regulatory Base - Retail	\$12,210,112,041	\$4,683,925,972	\$7,526,186,069	\$30,231,896	1,050,257,279	\$222,461,009	\$8,829,136,253	\$822,271,615	\$9,651,407,868
FPSC Adjustments									
ARO	(11,742,813)	(23,484,073)	11,741,259	-	-	-	11,741,259	(11,147,021)	594,238
ECCR	(1,823,207)	(1,211,960)	(611,247)	-	(14,179,904)	-	(14,791,151)	6,016,083	(8,775,069)
ECRC	(1,162,818,981)	(73,767,738)	(1,089,051,243)	-	(393,021)	-	(1,089,444,264)	(22,186,514)	(1,111,630,778)
FUEL	(32,738,780)	(31,756,617)	(982,163)	-	-	-	(982,163)	(77,149,852)	(78,132,015)
CCR	-	-	-	-	-	-	-	15,024,511	15,024,511
NUCLEAR	-	-	-	-	-	-	-	(112,608,409)	(112,608,409)
Derivatives	-	-	-	-	-	-	-	(123,622,586)	(123,622,586)
Employee Related	-	-	-	-	-	-	-	1,095,941	1,095,941
Investments Earning a Return	-	-	-	-	-	-	-	(41,177,847)	(41,177,847)
Jobbing Accounts	-	-	-	-	-	-	-	(4,921,829)	(4,921,829)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,441,637)	(2,441,637)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(1,303,291)	(1,303,291)
Retention Accounts	-	-	-	-	-	-	-	4,131,143	4,131,143
CWIP - AFUDC	-	-	-	-	(851,823,497)	-	(851,823,497)	-	(851,823,497)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	230,381,651	230,381,651
Capital Lease	(195,173,743)	-	(195,173,743)	-	-	-	(195,173,743)	198,946,221	3,772,478
Total FPSC Adjustments	(1,404,297,524)	(130,220,388)	(1,274,077,137)	-	(866,396,422)	-	(2,140,473,559)	59,036,565	(2,081,436,994)
FPSC Adjusted	\$10,805,814,517	\$4,553,705,584	\$6,252,108,932	\$30,231,896	\$183,860,857	\$222,461,009	\$6,688,662,694	\$881,308,180	\$7,569,970,874

PROGRESS ENERGY FLORIDA
End of Period - Income Statement
June 2012

	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)	\$4,337,771,915	\$2,213,814,344	\$865,294,166	\$208,961,704	\$355,516,226	(\$22,757,797)	\$201,098,893	(\$1,323,000)	\$0	\$3,820,604,635	\$517,167,380
Regulatory Base - Retail	\$4,042,940,734	\$2,117,868,805	802,229,764	156,157,165	\$342,008,096	(\$23,197,626)	\$180,242,927	(\$1,185,792)	\$0	\$3,574,143,340	\$468,797,394
FPSC Adjustments											
ARO	-	-	-	(283,197)	-	109,243	-	-	-	(173,954)	173,954
ECCR	(95,218,388)	-	(92,623,461)	(363,181)	(40,156)	(845,406)	-	-	-	(93,872,204)	(1,346,184)
ECRC	(186,450,523)	-	(49,252,810)	(5,337,133)	(10,138,203)	(46,954,407)	-	-	-	(111,682,554)	(74,767,970)
FUEL	(1,803,349,253)	(1,819,604,767)	-	(599,035)	(1,530,043)	7,091,856	-	-	-	(1,814,641,989)	11,292,730
CCR	(325,034,213)	(324,733,499)	-	-	-	(116,000)	-	-	-	(324,849,500)	(184,713)
NUCLEAR	(123,538,216)	-	(1,463,387)	(65,859,533)	(128,976)	(21,635,298)	-	-	-	(89,087,194)	(34,451,022)
SCRC	312	-	787	-	-	(183)	-	-	-	604	(292)
CORPORATE AIRCRAFT ALLOCATION	-	-	(3,447,077)	-	-	1,329,710	-	-	-	(2,117,367)	2,117,367
FRANCHISE FEE & GROSS REC TAX REVENUE	(204,194,890)	-	-	-	-	(78,768,179)	-	-	-	(78,768,179)	(125,426,711)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(203,468,262)	78,487,882	-	-	-	(124,980,380)	124,980,380
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	804,071	-	-	(2,084,436)	(1,280,365)	1,280,365
INST /PROMOTIONAL ADVERTISING	-	-	(1,215,153)	-	-	468,745	-	-	-	(746,408)	746,408
INTEREST ON TAX DEFICIENCY	-	-	(14,408,389)	-	-	5,558,036	-	-	-	(8,850,353)	8,850,353
MISCELLANEOUS INTEREST EXPENSE	-	-	166,307	-	-	(64,153)	-	-	-	102,154	(102,154)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(212,520)	-	-	81,979	-	-	-	(130,540)	130,540
REMOVE ECONOMIC DEVELOPMENT	-	-	(19,413)	-	-	7,489	-	-	-	(11,925)	11,925
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(14,997,653)	-	-	-	(14,997,653)	14,997,653
SEBRING - RIDER REVENUE	-	-	-	-	-	-	-	-	-	-	-
DIRECTORS & OFFICERS PREMIUM	-	-	(2,389,457)	-	-	914,018	-	-	-	(1,455,439)	1,455,439
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	17,229,462	-	-	-	17,229,462	(17,229,462)
Total FPSC Adjustments	(2,737,785,171)	(2,144,338,266)	(164,844,572)	(72,442,080)	(215,305,640)	(51,298,787)	-	-	(2,084,436)	(2,650,313,781)	(87,471,390)
FPSC Adjusted	\$1,305,155,563	(\$26,449,461)	\$637,385,192	\$83,715,085	\$126,702,456	(\$74,496,413)	\$180,242,927	(\$1,185,792)	(\$2,084,436)	\$923,829,559	\$381,326,004

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$48,024,496 and Jurisdictional NOI by \$40,475,045

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$594,238	\$594,238
	ECCR	F	(8,775,069)	(8,775,069)
	ECRC	F	(1,211,011,337)	(1,111,630,776)
	FUEL	F	(78,132,015)	(78,132,015)
	CCR	F	15,024,511	15,024,511
	NUCLEAR	F	(112,608,409)	(112,608,409)
	Derivatives	F	(112,870,130)	(112,870,130)
	Employee Related	F	784,905	784,905
	Investments Earning a Return	F	(41,438,700)	(41,438,700)
	Jobbing Accounts	F	(14,149,852)	(14,149,852)
	Non-Regulated and Miscellaneous	F	(2,355,600)	(2,355,600)
	Rate Case Regulatory Assot	F	(974,901)	(974,901)
	Retention Accounts	F	598,013	598,013
(1)	CWIP - AFUDC	F	(\$1,004,764,017)	(851,823,497)
(3)	Imputed Off Balance Sheet Obligations	F	(858,470,000)	(748,740,365)
(2)	Capital Lease - EPIS	F	(195,173,743)	(195,173,743)
(2)	Capital Lease - Working Capital	F	198,946,221	198,946,221
	Total		(\$3,424,777,986)	(\$3,062,727,270)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$283,197	(\$109,243)	\$283,197	(\$109,243)
	ECCR	F	(2,191,590)	845,406	(2,191,590)	845,406
	ECRC	F	(148,573,499)	57,312,227	(121,722,377)	46,954,407
	FUEL	F	(16,401,848)	6,327,013	(16,384,582)	(7,091,856)
	CCR	F	(300,714)	116,000	(300,714)	116,000
	NUCLEAR	F	(55,966,173)	21,568,951	(56,066,320)	21,635,298
	SCRC	F	(475)	183	(475)	183
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$3,737,681	(\$1,441,811)	\$3,447,077	(\$1,328,710)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(204,194,890)	78,768,179	(204,194,890)	78,768,179
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	203,468,262	(78,487,882)	203,468,262	(78,487,882)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	2,356,957	(909,196)	2,084,436	(804,071)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,317,596	(508,263)	1,215,153	(488,745)
(1)	INTEREST ON TAX DEFICIENCY	F	15,834,960	(8,108,336)	14,408,389	(5,558,036)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	19,318	(7,452)	(166,307)	64,153
(1)	REMOVE ASSOCIATION DUES	F	230,436	(88,891)	212,520	(81,979)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	19,413	(7,489)	19,413	(7,489)
(2)	PARENT DEBT ADJUSTMENT	F	-	17,651,586	-	14,997,653
(1)	SEBRING - RIDER REVENUE	F	-	-	-	-
(2)	STORM COSTS 2004	F	2,369,457	(914,018)	2,369,457	(914,018)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	-	(19,105,462)	-	(17,229,462)
	Total		(\$197,991,911)	\$74,921,464	(\$175,539,361)	\$41,298,787

Notes: (1) Docket No. 910690-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
June 2012

	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	\$4,736,978,946	657,273,323	(\$1,125,979,421)	\$4,268,272,848	\$3,738,119,128	47.50%	9.50%	4.51%	10.50%	4.99%	11.50%	5.46%
Preferred Stock	33,496,700		(6,991,997)	26,504,703	23,212,606	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,381,912,754		(914,666,823)	3,467,245,931	3,036,586,178	38.58%	5.85%	2.26%	5.85%	2.26%	5.85%	2.26%
Short Term Debt *	243,487,543	(172,810,833)	(14,752,836)	55,923,874	48,977,680	0.62%	0.68%	0.00%	0.68%	0.00%	0.68%	0.00%
Customer Deposits												
Active	215,475,694		(44,977,725)	170,497,968	170,497,968	2.17%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,140,181		(237,988)	902,183	902,183	0.01%						
Investment Tax Credit												
Post '70 Total	4,091,516		(854,050)	3,237,465								
Equity **					1,568,815	0.02%	7.96%	0.00%	8.79%	0.00%	9.63%	0.00%
Debt **					1,266,531	0.02%	4.92%	0.00%	4.92%	0.00%	4.92%	0.00%
Deferred Income Taxes	1,292,372,845	145,804,239	(300,200,606)	1,137,976,479	996,630,673	12.66%						
FAS 109 DIT - Net	(212,445,831)		44,345,281	(168,100,550)	(147,221,114)	-1.87%						
Total	\$10,696,510,347	\$630,266,729	(\$2,364,316,175)	\$8,962,460,901	\$7,870,540,650	100.00%		6.92%		7.40%		7.87%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
June 2012

	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	\$4,718,630,734	\$855,753,100	(\$1,640,716,665)	\$3,933,667,168	\$3,620,760,614	47.83%	9.50%	4.54%	10.50%	5.02%	11.50%	5.50%
Preferred Stock	33,496,700		(9,859,133)	23,637,567	21,757,298	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,429,822,893		(1,303,836,345)	3,125,986,548	2,877,327,565	38.01%	5.79%	2.20%	5.79%	2.20%	5.79%	2.20%
Short Term Debt *	386,679,544	(282,212,040)	(30,748,075)	73,719,429	67,855,360	0.90%	0.68%	0.01%	0.68%	0.01%	0.68%	0.01%
Customer Deposits												
Active	214,721,473		(63,199,290)	151,522,183	151,522,183	2.00%	6.28%	0.13%	6.28%	0.13%	6.28%	0.13%
Inactive	1,092,927		(321,683)	771,244	771,244	0.01%						
Investment Tax Credit												
Post '70 Total	3,430,016		(1,009,562)	2,420,454								
Equity **					1,244,696	0.02%	6.00%	0.00%	6.63%	0.00%	7.26%	0.00%
Debt **					983,221	0.01%	3.67%	0.00%	3.67%	0.00%	3.67%	0.00%
Deferred Income Taxes	1,336,567,663	154,883,332	(438,980,984)	1,052,470,010	968,750,481	12.80%						
FAS 109 DIT - Net	(217,080,932)		63,893,753	(153,187,179)	(141,001,788)	-1.86%						
Total	\$10,907,361,016	\$728,424,391	(\$3,424,777,985)	\$8,211,007,422	\$7,569,970,874	100.00%		6.89%		7.37%		7.85%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
June 2012

	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	\$4,736,978,946	261,056,400	(\$1,081,091,513)	\$3,916,943,833	\$3,431,190,581	45.60%	9.50%	4.33%	10.50%	4.79%	11.50%	5.24%
Preferred Stock	33,496,700		(7,245,447)	26,251,253	22,995,748	0.31%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,381,912,754	0	(947,822,166)	3,434,090,588	3,008,217,575	39.98%	5.85%	2.34%	5.85%	2.34%	5.85%	2.34%
Short Term Debt *	243,487,543	(172,810,833)	(15,287,605)	55,389,105	48,520,117	0.64%	0.68%	0.00%	0.68%	0.00%	0.68%	0.00%
Customer Deposits												
Active	215,475,694		(46,608,103)	168,867,591	168,867,591	2.24%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,140,181		(246,625)	893,556	893,556	0.01%						
Investment Tax Credit												
Post '70 Total	4,091,516		(885,008)	3,206,507								
Equity **					1,501,348	0.02%	7.82%	0.00%	8.64%	0.00%	9.46%	0.00%
Debt **					1,307,510	0.02%	4.83%	0.00%	4.83%	0.00%	4.83%	0.00%
Deferred Income Taxes	1,292,372,845	145,804,239	(311,082,442)	1,127,094,643	987,319,882	13.12%						
FAS 109 DIT - Net	(212,445,831)		45,952,733	(166,493,098)	(145,845,734)	-1.94%						
Total	\$10,696,510,347	\$234,049,806	(\$2,364,316,175)	\$8,566,243,978	\$7,524,968,174	100.00%		6.82%		7.28%		7.73%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
 End of Period - Capital Structure
 Adjusted Basis
 June 2012

	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	\$4,718,630,734	\$855,753,100	(\$1,640,716,865)	\$3,933,667,168	\$3,820,760,614	48.73%	9.50%	4.63%	10.50%	5.12%	11.50%	5.60%
Preferred Stock	33,496,700		(9,859,133)	23,637,567	21,757,298	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,429,822,893	0	(1,303,836,345)	3,125,986,548	2,877,327,565	38.01%	5.79%	2.20%	5.79%	2.20%	5.79%	2.20%
Short Term Debt *	386,679,544	(282,212,040)	(30,748,075)	73,719,429	0	0.00%	0.68%	0.00%	0.68%	0.00%	0.68%	0.00%
Customer Deposits				-								
Active	214,721,473		(63,199,290)	151,522,183	151,522,183	2.00%	6.28%	0.13%	6.28%	0.13%	6.28%	0.13%
Inactive	1,092,927		(321,683)	771,244	771,244	0.01%						
Investment Tax Credit				-								
Post '70 Total	3,430,016		(1,009,562)	2,420,454								
Equity **				-	1,244,696	0.02%	6.00%	0.00%	6.63%	0.00%	7.26%	0.00%
Debt **				-	983,221	0.01%	3.67%	0.00%	3.67%	0.00%	3.67%	0.00%
Deferred Income Taxes	1,336,567,663	154,883,332	(438,980,984)	1,052,470,010	988,750,481	12.80%						
FAS 109 DIT - Net	(217,080,932)		63,893,753	(153,187,179)	(141,001,788)	-1.86%						
Total	\$10,907,361,016	\$728,424,391	(\$3,424,777,985)	\$8,211,007,422	\$7,569,970,874	100.00%		6.97%		7.46%		7.94%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
Financial Integrity Indicators
June 2012

Schedule 5

A: TIMES INTEREST EARNED WITH AFUDC

Earnings Before Interest	\$218,877,615
AFUDC - Debt	\$16,081,437
Income Taxes	\$179,825,750
Total	\$414,784,802
Interest Charges (before deducting AFUDC-Debt)	\$256,317,079
T.I.E. with AFUDC	1.62

B: TIMES INTEREST EARNED WITHOUT AFUDC

Earnings Before Interest	\$218,877,615
AFUDC - Equity	(\$31,943,059)
Income Taxes	\$179,825,750
Total	\$366,760,306
Interest Charges (before deducting AFUDC-Debt)	\$256,317,079
T.I.E. without AFUDC	1.43

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

AFUDC - Debt	\$16,081,437
Less: DIT	\$0
Subtotal	\$16,081,437
AFUDC - Other	\$31,943,059
Total AFUDC	\$48,024,496
Net Income Available For Common Shareholders	\$309,280,668
Percent AFUDC to Available Net Income	15.53%

D: PERCENT INTERNALLY GENERATED FUNDS

Net Income	\$310,782,528
Common Dividends	(\$280,000,000)
Preferred Dividends	(\$1,511,860)
AFUDC (Debt & ECS Other)	(\$48,024,496)
Depreciation & Amortization	\$226,229,260
Deferred Income Taxes	\$195,080,749
Investment Tax Credits	(\$1,323,000)
Deferred Fuel (Net)	(\$127,255,392)
Nuclear Fuel Amortization	\$7,090
Nuclear Refueling	(\$16,273,112)
Other - Incl Nuclear Decommissioning	\$166,844,424
Funds Provided from Operations	\$424,366,191
Other Funds Provided - Incl Change in Working Capital	\$20,538,469
Total Funds Provided	\$444,904,660
Construction Expenditures (excluding AFUDC)	\$742,054,614
Percentage Internally Generated Funds	59.96%

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

Common Equity	\$3,431,190,581
Preferred Stock	\$22,995,748
Long Term Debt - Fixed Rate	\$3,008,217,575
Short Term Debt	\$48,520,117
Total	\$6,510,924,022

% Long Term Debt - Fixed Rate	46.20%
% Short Term Debt	0.75%

**FPSC ADJUSTED AVERAGE
JURISDICTIONAL AND PRO FORMA**

F: RETURN ON COMMON EQUITY	Pro Forma	FPSC
Average Earned Rate of Return	7.05%	5.07%
Less Reconciled Average		
Retail Weighted Cost Rates for:		
Preferred Stock	0.01%	0.01%
Long Term Debt - Fixed Rate	2.26%	2.34%
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%
Subtotal	2.41%	2.49%
Total	4.64%	2.58%
Divided by Common Equity Ratio	47.60%	45.60%
Jurisdictional Return on Common Equity	9.77%	5.66%