



**Florida Power**

A Progress Energy Company

**ORIGINAL**

**JAMES A. MCGEE**  
ASSOCIATE GENERAL COUNSEL

October 3, 2002

Ms. Blanca S. Bayó, Director  
Division of the Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

DISTRIBUTION CENTER  
02 OCT -4 AM 9:49

Re: Docket No. 020002-EG

Dear Ms. Bayó:

Enclosed for filing in the subject docket on behalf of Florida Power Corporation are an original and fifteen copies of the Direct Testimony of John Masiello.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in Word format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc  
Enclosure

- AUS
- CAF
- CMP
- COM
- CTR
- ECR
- GCL
- OPC
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- SEC
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cc: Parties of record

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110728 OCT -4 02  
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**FLORIDA POWER CORPORATION**

**DOCKET NO. 020002**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the direct testimony and exhibits of John A. Masiello has been furnished to the following individuals by regular U.S. Mail this 3<sup>rd</sup> day of October 2002.

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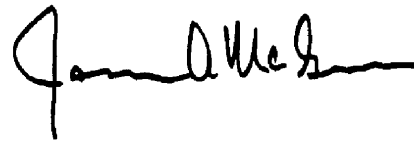
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A handwritten signature in black ink, appearing to read "James A. McInnis". The signature is written in a cursive style with a long horizontal stroke at the end.

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Associate General Counsel

**FLORIDA POWER CORPORATION**

**DOCKET No. 020002**

**DIRECT TESTIMONY OF  
JOHN A. MASIELLO**

1 **Q. State your name and business address.**

2 A. My name is John A. Masiello. My business address is Florida Power  
3 Corporation, 3300 Exchange Place, Lake Mary, FL 32746.

4

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Florida Power Corporation (FPC) as Manager of Program  
7 Development & Administration.

8

9 **Q. Have your duties and responsibilities remained the same since you**  
10 **last testified in this proceeding.**

11 A. Yes.

12

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to describe the components and costs of  
15 the Company's Demand-Side Management Plan as approved by the Florida  
16 Public Service Commission. I will detail the projected costs for  
17 implementing each program in that plan, explain how these costs are  
18 presented in the attached exhibit, and show the resulting conservation  
19 adjustment factors (in \$/1,000 kWh).

1 **Q. Do you have any Exhibits to your testimony?**

2 A. Yes, Exhibit No. (JAM-1) consists of five schedules (C-1 through C-5) which  
3 support the Energy Conservation Cost Recovery Clause Calculations for the  
4 period January 2003 through December 2003.

5  
6 **Q. For what programs does FPC seek recovery?**

7 A. FPC is seeking to recover those costs allowed pursuant to Rule 25-17.015  
8 of the Florida Administrative Code, as adopted by the Florida Public Service  
9 Commission, for each of the following Commission-approved conservation  
10 programs, as well as for Conservation Program Administration (those  
11 common administration expenses not specifically linked to an individual  
12 program).

- 13 • Home Energy Check
- 14 • Home Energy Improvement
- 15 • Residential New Construction
- 16 • Low-Income Weatherization Assistance
- 17 • Energy Management (Includes Residential and Commercial Energy  
18 Management and Load Management Switches.)
- 19 • Business Energy Check
- 20 • Better Business
- 21 • Commercial/Industrial New Construction
- 22 • Innovation Incentive
- 23 • Standby Generation
- 24 • Interruptible Service
- 25 • Curtailable Service

- Technology Development
- Qualifying Facility

**Q. What is included in your Exhibit?**

A. Exhibit No. (JAM-1) consists of Schedules C-1 through C-5. Schedule C-1 provides a summary of cost recovery clause calculations and information by retail rate schedule. Schedule C-2 provides annual and monthly conservation program cost estimates during the January 2003 through December 2003 projection period for each conservation program as well as for common administration expenses. Additionally, Schedule C-2 presents program costs by specific category (i.e. payroll, materials, incentives, etc.) and includes a schedule of estimated capital investments, depreciation and return for the projection period.

Schedule C-3 contains a detailed breakdown of conservation program costs by specific category and by month for the actual/estimated period of January through July 2002 (actual) and August 2002 through December 2002 (estimated). In addition, Schedule C-3 presents a schedule of capital investment, depreciation and return, an energy conservation adjustment calculation of true-up, and a calculation of interest provision for the actual/estimated period of January 2002 through December 2002. Schedule C-4 projects Energy Conservation Cost Recovery (ECCR) revenues during the January 2002 through December 2002 projection period. Schedule C-5 presents a brief description of each program, as well as a summary of progress and projected expenditures for each program for

1 which FPC seeks cost recovery as part of the Energy Conservation Cost  
2 Recovery Clause.

3

4 **Q. Would you please summarize the major results from your Exhibit?**

5 A. Schedule C-2, Page 1 of 5, Line 20, shows total net program costs of  
6 \$65,884,394 for the January 2003 through December 2003 projection  
7 period.

8

9 The following table presents the projected conservation cost recovery  
10 charge in dollars per 1,000 kilowatt-hours by retail rate class for the time  
11 period January 2003 through December 2003, as contained in Schedule C-  
12 1, Page 1 of 4, Lines 16 – 19.

13

**Conservation Adjustment Factors (\$/1,000 kWh)**

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<u>Retail Rate Schedule</u>	<u>Secondary</u> <u>Voltage</u>	<u>Primary</u> <u>Voltage</u>	<u>Transmission</u> <u>Voltage</u>
Residential	\$1.89	N/A	N/A
General Service Non-Demand	\$1.50	\$1.49	\$1.47
General Service 100% Load Factor	\$1.19	N/A	N/A
General Service Demand	\$1.34	\$1.33	\$1.31
Curtable	\$1.05	\$1.04	\$1.03
Interruptible	\$1.17	\$1.16	\$1.15
Lighting	\$0.58	N/A	N/A

**Q. Does this conclude your direct testimony?**

A. Yes.

FLORIDA POWER CORPORATION  
ENERGY CONSERVATION ADJUSTMENT  
SUMMARY OF COST RECOVERY CLAUSE CALCULATIONS  
FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO. 020002-EG  
FLORIDA POWER CORPORATION  
JOHN A MASIELLO  
EXHIBIT NO \_\_\_\_\_ (JAM-1)  
SCHEDULE C - 1  
PAGE 1 OF 4 10/03/2002 11:23

RETAIL RATE SCHEDULES

LINE NO.	RESIDENTIAL	GENERAL SER NON-DEMAND	GENERAL SER 100% L F.	GENERAL SER. DEMAND	CURTAILABLE	INTERRUPTIBLE	LIGHTING	TOTAL
1 DEMAND ALLOCATION PERCENTAGE	61.396%	2.891%	0.140%	30.638%	0.271%	4.517%	0.147%	100.000%
2 DEMAND RELATED INCREMENTAL COSTS	\$32,206,473	\$1,516,531	\$73,440	\$16,071,762	\$142,158	\$2,369,481	\$77,112	\$52,456,956
3 DEMAND PORTION OF PERIOD END TRUE UP (O)/U RECOVERY	(\$2,826,780)	(\$133,107)	(\$6,446)	(\$1,410,627)	(\$12,477)	(\$207,971)	(\$6,768)	(\$4,604,176)
4 TOTAL DEMAND RELATED INCREMENTAL COSTS	\$29,379,693	\$1,383,424	\$66,994	\$14,661,135	\$129,681	\$2,161,510	\$70,344	\$47,852,780
5 ENERGY ALLOCATION PERCENTAGE	50.308%	3.158%	0.209%	38.399%	0.469%	6.700%	0.757%	100.000%
6 ENERGY RELATED INCREMENTAL COSTS	\$6,755,076	\$424,038	\$28,063	\$5,156,002	\$62,975	\$899,638	\$101,646	\$13,427,438
7 ENERGY PORTION OF PERIOD END TRUE UP (O)/U RECOVERY	(\$504,665)	(\$31,680)	(\$2,097)	(\$385,200)	(\$4,705)	(\$67,211)	(\$7,594)	(\$1,003,151)
8 TOTAL ENERGY RELATED INCREMENTAL COSTS	\$6,250,411	\$392,358	\$25,966	\$4,770,802	\$58,270	\$832,427	\$94,052	\$12,424,287
9 TOTAL INCREMENTAL COSTS (LINE 2 + 6)	\$38,961,549	\$1,940,569	\$101,503	\$21,227,764	\$205,133	\$3,269,119	\$178,758	\$65,884,394
10 ECCR TRUE UP (O)/U RECOVERY (LINE 3+7)	(\$3,331,445)	(\$164,767)	(\$8,543)	(\$1,795,827)	(\$17,182)	(\$275,182)	(\$14,362)	(\$5,607,327)
11 TOTAL (LINE 9+10)	\$35,630,104	\$1,775,782	\$92,960	\$19,431,937	\$187,951	\$2,993,937	\$164,396	\$60,277,067
12 RETAIL SALES MWH(@ EFFECTIVE VOLTAGE LEVEL SEE P. 4)	18,858,249	1,184,211	78,224	14,452,759	179,799	2,567,279	283,625	37,604,146
13 COST PER 1,000 KWH - ENERGY & DEMAND (LINE 12/13)	\$1.8894	\$1.4995	\$1.1884	\$1.3445	\$1.0453	\$1.1662	\$0.5796	
14 REGULATORY ASSESSMENT TAX EXPANSION FACTOR (IN ACCORDANCE WITH ORDER NO. PSC 95-0398-FOF-EG)	1.000232	1.000232	1.000232	1.000232	1.000232	1.000232	1.000232	
15 ADJUSTMENT FACTOR ADJUSTED FOR TAXES	1.8898	1.4998	1.1887	1.3448	1.0455	1.1665	0.5797	
16 CONSERVATION ADJUSTMENT FACTOR \$/1,000 KWH								
17 @ SECONDARY VOLTAGE	\$1.89	\$1.50	\$1.19	\$1.34	\$1.05	\$1.17	\$0.58	
18 @ PRIMARY VOLTAGE (1% REDUCTION FACTOR)	N/A	\$1.49	N/A	\$1.33	\$1.04	\$1.16	N/A	
19 @ TRANSMISSION VOLTAGE (2% REDUCTION FACTOR)	N/A	\$1.47	N/A	\$1.31	\$1.03	\$1.15	N/A	



CALCULATION OF AVERAGE 12 CP AND ANNUAL AVERAGE DEMAND

FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO 020002-EG  
 FLORIDA POWER CORPORATION  
 JOHN A MASIELLO  
 EXHIBIT NO. \_\_\_\_\_ (JAM-1)  
 SCHEDULE C - 1  
 PAGE 2 OF 4 10/03/2002 10 13

RATE CLASS	(1) MWH SALES @ METER LEVEL	(2) 12 CP LOAD FACTOR	(3) 12 CP MW @ METER LEVEL (1)/8760hrs/(2)	(4) DELIVERY EFFICIENCY FACTOR	(5) AVERAGE CP MW @ SOURCE LEVEL (3)/(4)	(6) MWH SALES @ METER LEVEL	(7) DELIVERY EFFICIENCY FACTOR	(8) SOURCE LEVEL MWH (6)/(7)	(9) ANNUAL AVERAGE DEMAND (8)/8760hrs
I RESIDENTIAL SERVICE	18,858,249	0.517	4,163.96	0.9373812	4,442.12	18,858,249	0.9373812	20,118,015	2,296.58
II GENERAL SERVICE NON-DEMAND									
TRANSMISSION	2,037	0.705	0.33	0.9779000	0.34	2,037	0.9779000	2,083	0.24
PRIMARY	7,023	0.705	1.14	0.9679000	1.18	7,023	0.9679000	7,256	0.83
SECONDARY	1,175,262	0.705	190.30	0.9373812	203.01	1,175,262	0.9373812	1,253,772	143.12
TOTAL	1,184,322		191.77		204.53	1,184,322		1,263,111	144.19
III GS - 100% L.F.	78,224	1.000	8.93	0.9373812	9.53	78,224	0.9373812	83,450	9.53
IV. GENERAL SERVICE DEMAND									
GSD-1 - TRANSMISSION	5,066	0.820	0.71						
SS-1 - TRANSMISSION	6,022	0.888	0.77						
SUBTOTAL - TRANSMISSION	11,088		1.48	0.9779000	1.51	11,088	0.9779000	11,339	1.29
GSD - PRIMARY	2,698,048	0.820	375.61						
SS-1 - PRIMARY	211	0.888	0.03						
SUBTOTAL - PRIMARY	2,698,259		375.64	0.9679000	388.10	2,698,259	0.9679000	2,787,746	318.24
GSD - SECONDARY	11,770,617	0.820	1,638.63	0.9373812	1,748.09	11,770,617	0.9373812	12,556,916	1,433.44
TOTAL	14,479,964		2,015.75		2,137.70	14,479,964		15,356,001	1,752.97
V. CURTAILABLE SERVICE									
CS - PRIMARY	179,654	1.169	17.54						
SS3 - PRIMARY	1,405	N/A	0.00						
SUBTOTAL - PRIMARY	181,059		17.54	0.9679000	18.12	181,059	0.9679000	187,064	21.35
CS - SECONDARY	551	1.169	0.05	0.9373812	0.05	551	0.9373812	588	0.07
TOTAL	181,610		17.59		18.17	181,610		187,652	21.42
VI. INTERRUPTIBLE SERVICE									
IS - TRANSMISSION	487,834	0.975	57.12			487,834			
SS-2 - TRANSMISSION	70,033	1.196	6.68			70,033			
SUBTOTAL - TRANSMISSION	557,867		63.80	0.9779000	65.24	557,867	0.9779000	570,474	65.12
IS - PRIMARY	1,892,941	0.975	221.63			1,892,941			
SS-2 - PRIMARY	142,446	1.196	13.60			142,446			
SUBTOTAL - PRIMARY	2,035,387		235.23	0.9679000	243.03	2,035,387	0.9679000	2,102,890	240.06
SECONDARY	5,536	0.975	0.65	0.9373812	0.69	5,536	0.9373812	5,906	0.67
TOTAL	2,598,790		299.68		308.96	2,598,790		2,679,270	305.85
VII LIGHTING SERVICE	283,625	5.042	6.42	0.9373812	6.85	283,625	0.9373812	302,572	34.54
TOTAL RETAIL	37,664,784				7,127.86	37,664,784		39,990,071	4,565.08

CALCULATION OF DEMAND AND ENERGY ALLOCATORS  
 FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

RATE CLASS	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	AVERAGE 12 CP DEMAND MW	%	ANNUAL AVERAGE DEMAND MW	%	12/13 OF 12 CP 12/13*(2)	1/13 OF AVG DEMAND 1/13 * (4)	DEMAND ALLOCATOR (5)+(6)
I. RESIDENTIAL SERVICE	4,442.12	62.320%	2,296.58	50.308%	57.526%	3.870%	61.396%
II. GENERAL SERVICE NON-DEMAND							
TRANSMISSION	0.34	0.005%	0.24	0.005%	0.005%	0.000%	0.005%
PRIMARY	1.18	0.017%	0.83	0.018%	0.016%	0.001%	0.017%
SECONDARY	203.01	2.848%	143.12	3.135%	2.629%	0.241%	2.870%
TOTAL	204.53	2.869%	144.19	3.158%	2.648%	0.243%	2.891%
III. GS - 100% L.F.	9.53	0.134%	9.53	0.209%	0.124%	0.016%	0.140%
IV. GENERAL SERVICE DEMAND							
TRANSMISSION	1.51	0.021%	1.29	0.028%	0.019%	0.002%	0.021%
PRIMARY	388.10	5.445%	318.24	6.971%	5.026%	0.536%	5.562%
SECONDARY	1,748.09	24.525%	1,433.44	31.400%	22.638%	2.415%	25.053%
TOTAL	2,137.70	29.991%	1,752.97	38.399%	27.684%	2.954%	30.638%
V. CURTAILABLE SERVICE							
PRIMARY	18.12	0.254%	21.35	0.468%	0.234%	0.036%	0.270%
SECONDARY	0.05	0.001%	0.07	0.002%	0.001%	0.000%	0.001%
TOTAL	18.17	0.255%	21.42	0.469%	0.235%	0.036%	0.271%
VI. INTERRUPTIBLE SERVICE							
TRANSMISSION	65.24	0.915%	65.12	1.426%	0.845%	0.110%	0.955%
PRIMARY	243.03	3.410%	240.06	5.259%	3.148%	0.405%	3.553%
SECONDARY	0.69	0.010%	0.67	0.015%	0.009%	0.001%	0.010%
TOTAL	308.96	4.335%	305.85	6.700%	4.002%	0.515%	4.517%
VII. LIGHTING SERVICE	6.85	0.096%	34.54	0.757%	0.089%	0.058%	0.147%
TOTAL RETAIL	7,127.86	100.000%	4,565.08	100.000%	92.308%	7.692%	100.000%

PROJECTED MWH SALES  
 AT EFFECTIVE VOLTAGE LEVEL  
 FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

RATE CLASS	(1) MWH SALES @ METER LEVEL	(2) VOLTAGE ADJUSTMENT	(3) MWH SALES @ EFFECTIVE LEVEL
I. RESIDENTIAL SERVICE	18,858,249	100%	18,858,249
II. GENERAL SERVICE NON-DEMAND			
TRANSMISSION	2,037	98%	1,996
PRIMARY	7,023	99%	6,953
SECONDARY	1,175,262	100%	1,175,262
TOTAL	<u>1,184,322</u>		<u>1,184,211</u>
III. GS - 100% L.F.	78,224	100%	78,224
IV. GENERAL SERVICE DEMAND			
SS-1/GSD - TRANSMISSION	11,088	98%	10,866
GSD - PRIMARY	2,698,048	99%	2,671,067
SS-1 - PRIMARY	211	99%	209
SUBTOTAL - PRIMARY	2,698,259		2,671,276
GSD - SECONDARY	11,770,617	100%	11,770,617
TOTAL	<u>14,479,964</u>		<u>14,452,759</u>
V. CURTAILABLE SERVICE			
PRIMARY	181,059	99%	179,248
SECONDARY	551	100%	551
TOTAL	<u>181,610</u>		<u>179,799</u>
VI. INTERRUPTIBLE SERVICE			
IS - TRANSMISSION	487,834	98%	478,077
SS-2 - TRANSMISSION	70,033	98%	68,632
SUBTOTAL - TRANSMISSION	557,867		546,709
IS - PRIMARY	1,892,941	99%	1,874,012
SS-2 - PRIMARY	142,446	99%	141,022
SUBTOTAL - PRIMARY	2,035,387		2,015,034
IS-1 - SECONDARY	5,536	100%	5,536
TOTAL	<u>2,598,790</u>		<u>2,567,279</u>
VII. LIGHTING SERVICE	283,625	100%	283,625
TOTAL RETAIL	37,664,784		37,604,146

FLORIDA POWER CORPORATION

ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO. 020002-EG  
FLORIDA POWER CORPORATION  
WITNESS: J. A. MASIELLO  
EXHIBIT NO: \_\_\_\_\_ (JAM -1)  
SCHEDULE C - 2  
PAGE 1 OF 5  
OCTOBER 4, 2003

LINE NO.	PROGRAM TITLE Demand (D) or Energy (E)	12 MONTH TOTAL		
1	BETTER BUSINESS (20015937) (E)	\$ 213,151		
2	RESIDENTIAL NEW CONSTRUCT (20015933) (E)	1,725,724		
3	HOME ENERGY IMPROVEMENT (20015934) (E)	3,209,300		
4	C/I NEW CONSTRUCTION (20015938) (E)	80,262		
5	HOME ENERGY CHECK (20015932) (E)	3,646,777		
6	LOW INCOME (20021329) (E)	153,585		
7	BUSINESS ENERGY CHECK (20015936) (E)	608,427		
8	CONSERVATION PROGRAM ADMIN (20015935) (E)	3,068,535		
9	CONSERVATION PROGRAM ADMIN (20015935) (D)	338,466		
10	QUALIFYING FACILITY (20025062) (E)	427,044		
11	INNOVATION INCENTIVE (20015940) (E)	68,285		
12	TECHNOLOGY DEVELOPMENT (20015939) (E)	226,348		
13	STANDBY GENERATION (20021332) (D)	765,638		
14	INTERRUPTIBLE SERVICE (20015941) (D)	20,206,063		
15	CURTAILABLE SERVICE (20015942) (D)	700,000		
16	RES ENERGY MANGMNT-ADMIN (20015943) (D)	28,886,908		
17	LOAD MANAGEMENT SWITCHES (9080120) (D)	837,821		
18	COM ENERGY MANGMNT-ADMIN (20015944) (D)	722,060		
19				
20	NET PROGRAM COSTS	<u>\$ 65,884,394</u>		
21				
22	<u>SUMMARY OF DEMAND &amp; ENERGY</u>			
23				
24		12 Months Total	Prior Period True - up	Total Costs with True - up
25				
26	ENERGY	\$ 13,427,438	\$ (1,003,151)	\$ 12,424,287
27				
28	DEMAND	52,456,956	(4,604,176)	47,852,780
29				
30	TOTAL	<u>\$ 65,884,394</u>	<u>\$ (5,607,327)</u>	<u>\$ 60,277,067</u>

FLORIDA POWER CORPORATION  
ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO 020002-EG  
FLORIDA POWER CORPORATION  
WITNESS J A MASIELLO  
EXHIBIT NO \_\_\_\_\_ (JAM -1)  
SCHEDULE C - 2  
PAGE 2 OF 5  
OCTOBER 4, 2003

LINE NO	PROGRAM TITLE Demand (D) or Energy (E)	ESTIMATED												TOTAL
		Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	
1	BETTER BUSINESS (20015937) (E)	\$ 18,739	\$ 17,287	\$ 17,617	\$ 17,921	\$ 17,398	\$ 17,348	\$ 17,921	\$ 18,322	\$ 17,921	\$ 17,348	\$ 17,348	\$ 17,983	\$ 213,151
2	RESIDENTIAL NEW CONSTRUCT (20015933) (E)	129,699	135,176	127,477	109,827	131,843	139,291	152,580	154,071	134,060	161,427	161,314	189,159	1,725,724
3	HOME ENERGY IMPROVEMENT (20015934) (E)	199,838	210,373	210,473	234,474	234,374	298,229	298,429	324,418	362,334	298,436	277,244	260,679	3,209,900
4	C/I NEW CONSTRUCTION (20015938) (E)	6,603	6,603	6,603	6,637	6,637	6,637	6,637	6,995	6,637	6,637	6,637	7,002	80,262
5	HOME ENERGY CHECK (20015932) (E)	400,050	278,947	274,638	272,107	275,842	283,298	288,927	354,745	300,817	285,870	276,345	355,194	3,846,777
6	LOW INCOME (20021329) (E)	11,364	6,364	11,564	6,292	10,092	16,742	13,442	21,044	17,092	15,392	10,842	13,358	153,585
7	BUSINESS ENERGY CHECK (20015938) (E)	46,027	46,603	45,465	46,040	55,237	50,252	49,522	62,768	48,147	47,754	48,812	61,801	608,427
8	CONSERVATION PROGRAM ADMIN (20015935) (E)	209,655	196,982	584,018	204,770	228,547	241,024	211,173	266,467	236,282	222,936	204,260	262,421	3,068,535
9	CONSERVATION PROGRAM ADMIN (20015935) (D)	23,169	21,744	84,730	22,582	25,217	26,585	23,253	29,380	26,010	24,512	22,419	28,865	338,466
10	QUALIFYING FACILITY (20025062) (E)	32,034	32,034	32,034	33,458	33,458	33,458	33,458	48,310	33,458	33,458	33,458	48,430	427,044
11	INNOVATION INCENTIVE (20015940) (E)	5,538	5,538	5,538	5,599	5,599	5,599	5,599	6,238	5,599	5,599	5,599	6,238	68,265
12	TECHNOLOGY DEVELOPMENT (20015939) (E)	37,498	16,299	18,999	16,711	16,711	18,686	16,686	18,705	16,286	16,486	15,672	17,607	226,348
13	STANDBY GENERATION (20021332) (D)	62,047	62,047	71,682	62,107	62,107	66,924	62,107	62,737	66,924	62,107	62,107	62,742	765,638
14	INTERRUPTIBLE SERVICE (20015941) (D)	1,924,611	1,844,093	1,832,191	1,790,287	1,850,973	1,689,779	1,484,968	1,368,428	1,653,790	1,551,098	1,684,787	1,701,055	20,206,063
15	CURTAILABLE SERVICE (20015942) (D)	49,168	47,750	49,725	59,114	67,570	70,047	70,047	70,047	58,193	58,193	50,042	50,104	700,000
16	RES ENERGY MANGMNT-ADMIN (20015943) (D)	3,475,650	2,711,489	2,026,434	1,977,941	2,009,632	2,536,878	2,553,497	2,605,960	2,593,679	2,141,304	2,194,283	2,060,160	28,886,908
17	LOAD MANAGEMENT SWITCHES (9080120) (D)	74,387	73,751	71,503	69,014	67,967	67,777	67,100	66,343	67,471	69,140	70,808	72,560	837,821
18	COM ENERGY MANGMNT-ADMIN (20015944) (D)	55,263	68,322	39,164	78,102	49,180	70,921	58,853	65,494	64,473	62,234	56,108	53,945	722,060
19														
20	NET PROGRAM COSTS	<u>\$ 6,761,339</u>	<u>\$ 5,781,401</u>	<u>\$ 5,489,853</u>	<u>\$ 5,012,983</u>	<u>\$ 4,978,184</u>	<u>\$ 5,639,474</u>	<u>\$ 5,414,198</u>	<u>\$ 5,550,472</u>	<u>\$ 5,709,173</u>	<u>\$ 5,079,931</u>	<u>\$ 5,198,084</u>	<u>\$ 5,269,302</u>	<u>\$ 65,884,394</u>
21														
22														
23	SUMMARY OF DEMAND & ENERGY													
24														
25	ENERGY	\$ 1,097,044	\$ 952,205	\$ 1,334,425	\$ 953,835	\$ 1,015,537	\$ 1,110,563	\$ 1,094,373	\$ 1,282,082	\$ 1,178,632	\$ 1,111,342	\$ 1,057,529	\$ 1,239,872	\$ 13,427,438
26														
27	DEMAND	5,664,295	4,829,196	4,155,428	4,059,148	3,962,647	4,528,912	4,319,825	4,268,390	4,530,541	3,968,589	4,140,555	4,029,430	52,456,956
28														
29	TOTAL	<u>\$ 6,761,339</u>	<u>\$ 5,781,401</u>	<u>\$ 5,489,853</u>	<u>\$ 5,012,983</u>	<u>\$ 4,978,184</u>	<u>\$ 5,639,474</u>	<u>\$ 5,414,198</u>	<u>\$ 5,550,472</u>	<u>\$ 5,709,173</u>	<u>\$ 5,079,931</u>	<u>\$ 5,198,084</u>	<u>\$ 5,269,302</u>	<u>\$ 65,884,394</u>

FLORIDA POWER CORPORATION

ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO. 020002-EG  
FLORIDA POWER CORPORATION  
WITNESS J A MASIELLO  
EXHIBIT NO. \_\_\_\_\_ (JAM -1)  
SCHEDULE C - 2  
PAGE 3 OF 5  
OCTOBER 4, 2003

LINE NO	PROGRAM TITLE Demand (D) or Energy (E)	DEPRECIATION, AMORTIZATION &RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	PROGRAM REVENUES (CREDITS)	TOTAL
1	BETTER BUSINESS (20015937) (E)	\$ -	\$ 16,333	\$ 566	\$ -	\$ 41,556	\$ 150,000	\$ 1,567	\$ 3,129	\$ -	\$ 213,151
2	RESIDENTIAL NEW CONSTRUCT (20015933) (E)	-	541,633	21,111	76,650	419,264	486,620	33,905	146,542	-	1,725,724
3	HOME ENERGY IMPROVEMENT (20015934) (E)	-	679,999	4,586	10,000	315,374	2,128,500	34,515	36,325	-	3,209,300
4	C/I NEW CONSTRUCTION (20015938) (E)	-	9,277	-	-	-	70,000	986	-	-	80,262
5	HOME ENERGY CHECK (20015932) (E)	681	1,919,868	181,490	128,300	947,268	-	142,400	326,769	-	3,646,777
6	LOW INCOME (20021329) (E)	-	47,245	-	-	10,741	65,000	5,099	25,500	-	153,585
7	BUSINESS ENERGY CHECK (20015936) (E)	-	468,148	10,788	-	41,556	-	36,252	51,683	-	608,427
8	CONSERVATION PROGRAM ADMIN (20015935) (E)	22,299	2,143,174	160,037	107,679	157,495	-	174,972	302,879	-	3,068,535
9	CONSERVATION PROGRAM ADMIN (20015935) (D)	-	238,130	17,782	11,963	17,496	-	19,441	33,653	-	338,466
10	QUALIFYING FACILITY (20025062) (E)	-	384,785	6,993	-	-	-	24,396	10,870	-	427,044
11	INNOVATION INCENTIVE (20015940) (E)	-	16,533	-	-	-	50,000	1,752	-	-	68,285
12	TECHNOLOGY DEVELOPMENT (20015939) (E)	-	57,468	3,385	140,000	2,000	12,000	8,524	2,971	-	226,348
13	STANDBY GENERATION (20021332) (D)	-	16,318	18,346	27,996	-	690,000	1,975	11,004	-	765,638
14	INTERRUPTIBLE SERVICE (20015941) (D)	-	158,518	5,242	9,840	-	20,000,000	3,200	29,264	-	20,206,063
15	CURTAILABLE SERVICE (20015942) (D)	-	-	-	-	-	700,000	-	-	-	700,000
16	RES ENERGY MANGMNT-ADMIN (20015943) (D)	127,526	1,870,717	173,392	3,549,637	208,521	22,550,000	190,575	216,540	-	28,886,908
17	LOAD MANAGEMENT SWITCHES (9080120) (D)	837,821	-	-	-	-	-	-	-	-	837,821
18	COM ENERGY MANGMNT-ADMIN (20015944) (D)	-	21,731	-	-	-	700,000	329	-	-	722,060
19											
20	NET PROGRAM COSTS	\$ 988,327	\$ 8,589,877	\$ 603,718	\$ 4,062,065	\$ 2,161,271	\$ 47,602,120	\$ 679,886	\$ 1,197,129	\$ -	\$ 65,884,394
21											
22											
23	SUMMARY OF DEMAND & ENERGY										
24											
25	ENERGY	\$ 22,980	\$ 6,284,464	\$ 388,957	\$ 462,629	\$ 1,935,254	\$ 2,962,120	\$ 464,367	\$ 906,667	\$ -	\$ 13,427,438
26											
27	DEMAND	965,347	2,305,413	214,761	3,599,436	226,017	44,640,000	215,519	290,461	-	52,456,956
28											
29	TOTAL	\$ 988,327	\$ 8,589,877	\$ 603,718	\$ 4,062,065	\$ 2,161,271	\$ 47,602,120	\$ 679,886	\$ 1,197,129	\$ -	\$ 65,884,394

FLORIDA POWER CORPORATION

SCHEDULE OF ESTIMATED CAPITAL INVESTMENTS, DEPRECIATION & RETURN  
FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO. 020002-EG  
FLORIDA POWER CORPORATION  
WITNESS J A MASIELLO  
EXHIBIT NO. \_\_\_\_\_ (JAM -1)  
SCHEDULE C - 2  
PAGE 4 OF 5  
OCTOBER 4, 2003

LINE NO	PROGRAM TITLE	BEGINNING BALANCE	ESTIMATED												TOTAL
			Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	
1	HOME ENERGY CHECK														
2	INVESTMENT		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
3	RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4	DEPRECIATION BASE		2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
5															
6	DEPRECIATION EXPENSE		41	41	41	41	41	41	41	41	41	41	41	41	41
7															492
8	CUMULATIVE INVESTMENT	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
9	LESS ACC DEPRECIATION	544	585	626	667	708	749	790	831	872	913	954	995	1,036	1,036
10	NET INVESTMENT	1,891	1,850	1,809	1,768	1,727	1,686	1,645	1,604	1,563	1,522	1,481	1,440	1,399	1,399
11	AVERAGE INVESTMENT		1,871	1,830	1,789	1,748	1,707	1,666	1,625	1,584	1,543	1,502	1,461	1,420	1,420
12	RETURN ON AVERAGE INVESTMENT		13	13	13	12	12	12	11	11	11	10	10	10	138
13															
14	RETURN REQUIREMENTS		18	18	18	16	16	16	15	15	15	14	14	14	189
15															
16	PROGRAM TOTAL		\$ 59	\$ 59	\$ 59	\$ 57	\$ 57	\$ 57	\$ 56	\$ 56	\$ 56	\$ 55	\$ 55	\$ 55	\$681
17															
18	CONSERV PRORAM ADMIN														
19	INVESTMENT		\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$ 6,331	\$75,971
20	RETIREMENTS		0	0	0	8,922	24	0	781	54	0	0	0	0	9,781
21	DEPRECIATION BASE		65,501	71,832	78,163	80,033	81,891	88,210	94,151	100,064	106,368	112,699	119,030	125,361	
22															
23	DEPRECIATION EXPENSE		1,092	1,197	1,303	1,334	1,365	1,470	1,569	1,668	1,773	1,878	1,984	2,089	18,722
24															
25	CUMULATIVE INVESTMENT	62,336	68,667	74,998	81,329	78,738	85,045	91,376	96,926	103,202	109,533	115,864	122,195	128,526	128,526
26	LESS ACC. DEPRECIATION	61,102	62,194	63,391	64,694	57,106	58,447	59,917	60,705	62,319	64,092	65,970	67,954	70,043	70,043
27	NET INVESTMENT	1,234	6,473	11,607	16,635	21,632	26,598	31,459	36,221	40,883	45,441	49,894	54,241	58,483	58,483
28	AVERAGE INVESTMENT		3,853	9,040	14,121	19,133	24,115	29,028	33,840	38,552	43,162	47,668	52,068	56,362	56,362
29	RETURN ON AVERAGE INVESTMENT		26	63	98	134	168	203	236	268	301	332	363	393	2,585
30															
31	RETURN REQUIREMENTS		36	87	136	185	233	281	326	371	417	459	502	544	3,577
32															
33	PROGRAM TOTAL		\$ 1,128	\$ 1,284	\$ 1,439	\$ 1,519	\$ 1,598	\$ 1,751	\$ 1,895	\$ 2,039	\$ 2,190	\$ 2,337	\$ 2,486	\$ 2,633	\$22,299
34															
35	RESIDENTIAL ENERGY MANAGEMENT														
36	INVESTMENT		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
37	RETIREMENTS		0	0	0	0	0	0	19,952	0	0	0	0	0	4,899
38	DEPRECIATION BASE		480,741	480,741	480,741	480,741	480,741	480,741	470,765	460,789	460,789	460,789	460,789	460,789	458,340
39															
40	DEPRECIATION EXPENSE		8,012	8,012	8,012	8,012	8,012	8,012	7,846	7,680	7,680	7,680	7,680	7,639	94,277
41															
42	CUMULATIVE INVESTMENT	480,741	480,741	480,741	480,741	480,741	480,741	480,741	460,789	460,789	460,789	460,789	460,789	455,890	455,890
43	LESS ACC DEPRECIATION	146,104	154,116	162,128	170,140	178,152	186,164	194,176	182,070	189,750	197,430	205,110	212,790	215,530	215,530
44	NET INVESTMENT	334,637	326,625	318,613	310,601	302,589	294,577	286,565	278,719	271,039	263,359	255,679	247,999	240,360	240,360
45	AVERAGE INVESTMENT		330,631	322,619	314,607	306,595	298,583	290,571	282,642	274,879	267,199	259,519	251,839	244,180	244,180
46	RETURN ON AVERAGE INVESTMENT		2,306	2,251	2,194	2,138	2,083	2,027	1,971	1,917	1,864	1,810	1,757	1,703	24,021
47															
48	RETURN REQUIREMENTS		3,192	3,116	3,037	2,959	2,883	2,806	2,728	2,654	2,580	2,505	2,432	2,357	33,249
49															
50	PROGRAM TOTAL		\$ 11,204	\$ 11,128	\$ 11,049	\$ 10,971	\$ 10,895	\$ 10,818	\$ 10,574	\$ 10,334	\$ 10,260	\$ 10,185	\$ 10,112	\$ 9,996	\$127,526

FLORIDA POWER CORPORATION  
 SCHEDULE OF ESTIMATED INVESTMENT, AMORTIZATION & RETURN  
 ON LOAD CONTROL EQUIPMENT  
 FOR THE PERIOD JANUARY 2003 THROUGH DECEMBER 2003

FPSC DOCKET NO 020002-EG  
 FLORIDA POWER CORPORATION  
 WITNESS: J. A. MASIELLO  
 EXHIBIT NO \_\_\_\_\_ (JAM -1)  
 SCHEDULE C - 2  
 PAGE 5 of 5  
 OCTOBER 4, 2003

LINE NO	PROGRAM TITLE	BEGINNING BALANCE	ESTIMATED												TOTAL	
			Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03		
1	LOAD MANAGEMENT SWITCHES (9080120) (D)															
2	LOAD CONTROL RECEIVERS, SWITCHES,															
3	AND HARDWARE - INVESTMENT		\$ 100,982	\$ 100,982	\$ 100,982	\$ 113,166	\$ 113,166	\$ 113,166	\$ 113,166	\$ 113,166	\$ 113,161	\$ 113,161	\$ 113,161	\$ 111,741	\$1,320,000	
4	RETIREMENTS		150,008	174,617	345,522	226,031	194,568	124,316	254,370	135,402	28,612	69,582	27,444	55,976	1,786,449	
5	AMORTIZATION BASE		3,691,111	3,629,781	3,470,693	3,291,991	3,194,857	3,148,581	3,072,403	2,990,684	3,021,840	3,085,904	3,150,551	3,221,292		
6																
7	AMORTIZATION EXPENSE		61,519	60,496	57,845	54,867	53,248	52,476	51,207	49,845	50,364	51,432	52,509	53,688	649,496	
8																
9	CUMULATIVE INVESTMENT	3,715,624	3,666,598	3,592,963	3,348,423	3,235,558	3,154,156	3,143,005	3,001,802	2,979,566	3,064,115	3,107,693	3,193,410	3,249,175	3,249,175	
10	LESS ACC AMORTIZATION	2,402,463	2,313,974	2,199,853	1,912,176	1,741,012	1,599,692	1,527,851	1,324,689	1,239,132	1,260,883	1,242,733	1,267,798	1,265,510	1,265,510	
11	NET INVESTMENT	1,313,161	1,352,624	1,393,110	1,436,247	1,494,546	1,554,464	1,615,154	1,677,113	1,740,434	1,803,231	1,864,960	1,925,612	1,983,665	1,983,665	
12	AVERAGE INVESTMENT		1,332,893	1,372,867	1,414,679	1,465,397	1,524,505	1,584,809	1,646,134	1,708,774	1,771,833	1,834,096	1,895,286	1,954,639		
13	RETURN ON AVERAGE INVESTMENT		9,297	9,576	9,867	10,221	10,634	11,054	11,482	11,919	12,359	12,793	13,220	13,634	136,056	
14																
15	RETURN REQUIREMENTS		12,868	13,255	13,658	14,147	14,719	15,301	15,893	16,498	17,107	17,708	18,299	18,872	188,325	
16																
17	TOTAL AMORTIZATION AND RETURN		\$ 74,387	\$ 73,751	\$ 71,503	\$ 69,014	\$ 67,967	\$ 67,777	\$ 67,100	\$ 66,343	\$ 67,471	\$ 69,140	\$ 70,808	\$ 72,560	\$837,821	
18																
19																
20	<u>SUMMARY OF DEMAND &amp; ENERGY</u>															
21																
22	ENERGY		\$ 1,187	\$ 1,343	\$ 1,498	\$ 1,576	\$ 1,655	\$ 1,808	\$ 1,951	\$ 2,095	\$ 2,246	\$ 2,392	\$ 2,541	\$ 2,688	\$ 22,980	
23																
24	DEMAND		85,591	84,879	82,552	79,985	78,882	78,595	77,674	76,677	77,731	79,325	80,920	82,556	965,347	
25																
26	TOTAL DEPRECIATION AND RETURN		\$ 86,778	\$ 86,222	\$ 84,050	\$ 81,561	\$ 80,517	\$ 80,403	\$ 79,625	\$ 78,772	\$ 79,977	\$ 81,717	\$ 83,461	\$ 85,244	\$ 988,327	

NOTE DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF 0166867  
 OR 20% ANNUALLY RETURN ON AVERAGE INVESTMENT IS CALCULATED USING  
 A MONTHLY RATE OF 006975 (8.37% ANNUALLY, AUTHORIZED BY THE FPSC  
 IN DOCKET NO 910890-EI) RETURN REQUIREMENTS ARE CALCULATED  
 USING A COMBINED STATUTORY TAX RATE OF 38.575%



FLORIDA POWER CORPORATION  
 CONSERVATION PROGRAM COSTS  
 JANUARY through JULY, 2002 ACTUAL  
 AUGUST through DECEMBER, 2002 ESTIMATED

FPSC DOCKET NO 020002-EG  
 FLORIDA POWER CORPORATION  
 WITNESS J. A MASIELLO  
 EXHIBIT NO. \_\_\_\_\_ (JAM - 1)  
 SCHEDULE C - 3  
 PAGE 1 OF 7  
 OCTOBER 4, 2003

LINE NO.	PROGRAM TITLE	DEPRECIATION AMORTIZATION & RETURN	OPERATING AND MAINTENANCE COSTS						PROGRAM REVENUES (CREDITS)	TOTAL	
			PAYROLL & BENEFITS	VEHICLES	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES			OTHER
1	BETTER BUSINESS										
2	A. ACTUAL	\$ -	\$ 9,766	\$ -	\$ -	\$ 14	\$ 375	\$ 122,393	\$ 143	\$ -	\$ 132,691
3	B. ESTIMATED	-	11,329	395	-	-	-	116,669	(553)	-	127,840
4											
5	C. TOTAL	-	21,095	395	-	14	375	239,062	(410)	-	260,531
6											
7	RESIDENTIAL NEW CONSTRUCTION										
8	A. ACTUAL	-	249,112	-	18,092	5,359	35,474	100,115	55,315	-	463,467
9	B. ESTIMATED	-	165,123	14,797	11,441	7,573	145,838	114,588	32,847	-	492,207
10											
11	C. TOTAL	-	414,235	14,797	29,533	12,932	181,312	214,703	88,162	-	955,674
12											
13	HOME ENERGY IMPROVEMENT										
14	A. ACTUAL	-	250,577	-	-	1,981	(46,909)	1,411,008	99,321	-	1,715,978
15	B. ESTIMATED	-	314,996	16,206	2,088	3,698	125,000	1,104,169	6,739	-	1,572,896
16											
17	C. TOTAL	-	565,573	16,206	2,088	5,679	78,091	2,515,177	106,060	-	3,288,874
18											
19	COMM / IND NEW CONSTRUCTION										
20	A. ACTUAL	-	3,829	60	-	164	-	-	61	-	4,114
21	B. ESTIMATED	-	941	36	-	-	-	37,500	(408)	-	38,069
22											
23	C. TOTAL	-	4,770	96	-	164	-	37,500	(347)	-	42,183
24											
25	HOME ENERGY CHECK										
26	A. ACTUAL	441	976,126	7,027	63,194	126,300	47,761	-	150,214	-	1,371,063
27	B. ESTIMATED	303	1,050,445	80,475	10,838	4,147	395,835	-	44,942	-	1,586,985
28											
29	C. TOTAL	744	2,026,571	87,502	74,032	130,447	443,596	-	195,156	-	2,958,048
30											
31	LOW INCOME										
32	A. ACTUAL	-	18,924	124	1,175	616	-	4,355	9,844	-	35,038
33	B. ESTIMATED	-	16,227	270	904	-	-	27,088	5,709	-	50,198
34											
35	C. TOTAL	-	35,151	394	2,079	616	-	31,443	15,553	-	85,236

FLORIDA POWER CORPORATION  
 CONSERVATION PROGRAM COSTS  
 JANUARY through JULY, 2002 ACTUAL  
 AUGUST through DECEMBER, 2002 ESTIMATED

FPSC DOCKET NO 020002-EG  
 FLORIDA POWER CORPORATION  
 WITNESS J A MASIELLO  
 EXHIBIT NO \_\_\_\_\_ (JAM - 1)  
 SCHEDULE C - 3  
 PAGE 2 QF 7  
 OCTOBER 4, 2003

LINE NO.	PROGRAM TITLE	DEPRECIATION AMORTIZATION & RETURN	OPERATING AND MAINTENANCE COSTS							PROGRAM REVENUES (CREDITS)	TOTAL
			PAYROLL & BENEFITS	VEHICLES	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OTHER		
1	BUSINESS ENERGY CHECK										
2	A. ACTUAL	-	250,533	96	65	4,819	128	-	(13,032)	-	242,609
3	B. ESTIMATED	-	190,338	12,001	-	-	-	-	14,725	-	217,064
4											
5	C. TOTAL	-	440,871	12,097	65	4,819	128	-	1,693	-	459,673
6											
7	QUALIFYING FACILITY										
8	A. ACTUAL	575	89,809	-	5,225	472	-	-	263,359	-	359,440
9	B. ESTIMATED	-	134,931	530	1,750	1,330	-	-	10,051	-	148,592
10											
11	C. TOTAL	575	224,740	530	6,975	1,802	-	-	273,410	-	508,032
12											
13	INNOVATION INCENTIVE										
14	A. ACTUAL	-	1,600	-	-	-	-	-	-	-	1,600
15	B. ESTIMATED	-	7,051	366	-	-	-	20,838	266	-	28,521
16											
17	C. TOTAL	-	8,651	366	-	-	-	20,838	266	-	30,121
18											
19	TECHNOLOGY DEVELOPMENT										
20	A. ACTUAL	-	19,287	58	3,729	495	-	6,050	7,292	-	36,911
21	B. ESTIMATED	-	22,358	463	62,500	-	-	-	3,331	-	88,652
22											
23	C. TOTAL	-	41,645	521	66,229	495	-	6,050	10,623	-	125,563
24											
25	STANDBY GENERATION										
26	A. ACTUAL	-	9,333	206	10,419	192	-	342,849	4,408	-	367,407
27	B. ESTIMATED	-	6,336	316	-	-	-	225,000	(178)	-	231,474
28											
29	C. TOTAL	-	15,669	522	10,419	192	-	567,849	4,230	-	598,881
30											
31	INTERRUPT LOAD MANAGEMENT										
32	A. ACTUAL	-	41,357	129	926	3,033	-	10,319,408	2,521	-	10,367,374
33	B. ESTIMATED	-	6,336	-	-	-	-	8,541,665	469	-	8,548,470
34											
35	C. TOTAL	-	47,693	129	926	3,033	-	18,861,073	2,990	-	18,915,844



FLORIDA POWER CORPORATION  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	BEGINNING BALANCE	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL
1	QUALIFYING FACILITY													
2	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
3	RETIREMENTS	0	687	0	0	0	0	5,010	0	0	0	0	0	5,697
4	DEPRECIATION BASE	5,697	5,354	5,010	5,010	5,010	5,010	2,505	0	0	0	0	0	
5														
6	DEPRECIATION EXPENSE	95	89	84	84	84	84	39	0	0	0	0	0	559
7														
8	CUMM NET INVEST	5,697	5,697	5,010	5,010	5,010	5,010	5,010	0	0	0	0	0	0
9	LESS ACC NET DEPR	5,138	5,233	4,635	4,719	4,803	4,887	4,971	0	0	0	0	0	0
10	NET INVESTMENT	559	464	375	291	207	123	39	0	0	0	0	0	0
11	AVERAGE INVESTMENT		512	420	333	249	165	81	20	0	0	0	0	
12	RETURN ON AVG INVEST		3	3	2	2	1	0	0	0	0	0	0	11
13														
14	RETURN REQUIREMENTS		4	4	3	3	2	0	0	0	0	0	0	16
15														
16	PROGRAM TOTAL		99	93	87	87	85	84	39	0	0	0	0	575
17														
18	UNUSED													
19	INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0
20	RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0
21	DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0
22														
23	DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0
24														
25	CUMM NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0
26	LESS ACC NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0
27	NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
28	AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	
29	RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0
30														
31	RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0
32														
33	PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0
34														
35	LOAD MANAGEMENT ASSETS													
36	INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0
37	RETIREMENTS		0	0	0	0	0	0	0	0	27,295	0	0	27,295
38	DEPRECIATION BASE		508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	494,389	480,741	480,741	
39														
40	DEPRECIATION EXPENSE		8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,240	8,012	8,012	100,467
41														
42	CUMM NET INVEST	508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	508,036	480,741	480,741	480,741	480,741
43	LESS ACC NET DEPR	80,944	88,411	97,878	106,345	114,812	123,279	131,746	140,213	148,680	157,147	138,092	146,104	154,116
44	NET INVESTMENT	427,092	418,625	410,158	401,691	393,224	384,757	376,290	367,823	359,356	350,889	342,649	334,637	326,625
45	AVERAGE INVESTMENT		422,859	414,392	405,925	397,458	388,991	380,524	372,057	363,590	355,123	346,769	338,643	330,631
46	RETURN ON AVG INVEST		2,949	2,890	2,831	2,772	2,714	2,655	2,595	2,536	2,477	2,419	2,362	31,506
47														
48	RETURN REQUIREMENTS		4,082	4,000	3,919	3,837	3,756	3,675	3,592	3,510	3,428	3,348	3,269	43,608
49														
50	PROGRAM TOTAL		12,549	12,467	12,386	12,304	12,223	12,142	12,059	11,977	11,895	11,811	11,729	144,075

NOTE DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF 0166667 OR 20% ANNUALLY RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF 006975 (8.37% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 910890-EI) RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

FLORIDA POWER CORPORATION  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO	BEGINNING BALANCE	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL
1 HOME ENERGY CHECK														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS			0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
5														
6 DEPRECIATION EXPENSE		41	41	41	41	41	41	41	41	41	41	41	41	492
7														
8 CUMM NET INVEST	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435	2,435
9 LESS ACC NET DEPR	52	93	134	175	216	257	298	339	380	421	462	503	544	544
10 NET INVESTMENT	2,938	2,342	2,301	2,260	2,219	2,178	2,137	2,096	2,055	2,014	1,973	1,932	1,891	1,891
11 AVERAGE INVESTMENT		2,640	2,322	2,281	2,240	2,199	2,158	2,117	2,076	2,035	1,994	1,953	1,912	1,912
12 RETURN ON AVG INVEST		18	16	16	16	15	15	15	15	15	14	13	13	181
13														
14 RETURN REQUIREMENTS		25	22	22	22	21	21	21	21	21	20	18	18	252
15														
16 PROGRAM TOTAL		66	63	63	63	62	62	62	62	62	61	59	59	744
17														
18 CONSERV PROGRAM ADMIN														
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	0	0	0	0	0	0	0	0	671	0	0	671
21 DEPRECIATION BASE		63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	62,672	62,336	62,336	63,007
22														
23 DEPRECIATION EXPENSE		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,045	1,039	1,039	12,573
24														
25 CUMM NET INVEST	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	63,007	62,336	62,336	62,336	62,336
26 LESS ACC NET DEPR	49,200	50,250	51,300	52,350	53,400	54,450	55,500	56,550	57,600	58,650	59,024	60,063	61,102	61,102
27 NET INVESTMENT	13,807	12,757	11,707	10,657	9,607	8,557	7,507	6,457	5,407	4,357	3,312	2,273	1,234	1,234
28 AVERAGE INVESTMENT		13,282	12,232	11,182	10,132	9,082	8,032	6,982	5,932	4,882	3,835	2,793	1,754	1,754
29 RETURN ON AVG INVEST		93	85	76	70	64	56	49	41	34	26	20	12	628
30														
31 RETURN REQUIREMENTS		129	118	106	97	88	77	68	57	47	36	28	16	859
32														
33 PROGRAM TOTAL		1,179	1,168	1,158	1,147	1,138	1,127	1,118	1,107	1,097	1,081	1,067	1,055	13,442
34														
35 LOAD MANAGEMENT														
36														
37 LOAD CONTROL RECEIVERS, SWITCHES & HARDWARE - INVESTMENTS		41,549	18,296	17,149	13,764	16,900	12,908	23,799						144,365
38														
39 RETIREMENTS		152,933	131,867	88,044	455,964	398,984	415,656	371,948	97,663	95,824	404,360	133,578	439,366	3,185,817
40 AMORTIZATION BASE		6,701,574	6,589,287	6,497,054	6,240,506	5,828,359	5,435,938	5,060,490	4,837,584	4,740,840	4,490,748	4,221,779	3,935,307	6,701,574
41														
42 AMORTIZATION EXPENSE		111,693	109,822	108,284	104,009	97,140	90,599	84,342	80,627	79,014	74,846	70,363	65,589	1,076,328
43														
44 CUMULATIVE INVEST.	6,757,076	6,646,072	6,532,501	6,461,606	6,019,406	5,637,312	5,234,564	4,886,415	4,788,752	4,692,928	4,288,568	4,154,990	3,715,624	3,715,624
45 LESS ACC AMORT	4,511,952	4,471,092	4,449,047	4,469,287	4,117,332	3,815,478	3,490,421	3,202,815	3,185,779	3,168,969	2,839,455	2,776,240	2,402,463	2,402,463
46 NET INVESTMENT	2,245,124	2,174,980	2,083,454	1,992,319	1,902,074	1,821,834	1,744,143	1,683,600	1,602,973	1,523,959	1,449,113	1,378,750	1,313,161	1,313,161
47 AVERAGE INVESTMENT		2,210,052	2,129,217	2,037,887	1,947,197	1,861,954	1,782,989	1,713,872	1,643,287	1,563,466	1,466,536	1,413,932	1,345,956	1,345,956
48 RETURN ON AVG INVEST		15,415	14,852	14,214	13,582	12,987	12,436	11,855	11,462	10,905	10,369	9,862	9,388	147,427
49														
50 RETURN REQUIREMENTS		21,337	20,557	19,674	18,799	17,976	17,213	16,548	15,865	15,094	14,352	13,651	12,995	204,061
51														
52 PROGRAM TOTAL		133,030	130,379	127,958	122,808	115,116	107,812	100,890	96,492	94,108	89,198	84,014	78,584	1,280,389

NOTE DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF 0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF 006875 (8.37% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO 910890-EI) RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%

FLORIDA POWER CORPORATION  
 ENERGY CONSERVATION ADJUSTMENT  
 CALCULATION OF TRUE-UP  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO.	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL FOR THE PERIOD
1A BETTER BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0
1B HOME ENERGY IMPROVEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
1C HOME ENERGY CHECK	0	0	0	0	0	0	0	0	0	0	0	0	0
1D SUBTOTAL - FEES	0	0	0	0	0	0	0	0	0	0	0	0	0
2 CONSERVATION CLAUSE REVENUES	5,279,814	4,345,954	4,468,821	4,592,311	5,856,042	5,513,758	5,586,761	6,124,219	6,594,300	5,793,920	4,879,097	4,880,172	63,915,169
2A CURRENT PERIOD GRT REFUND	0.00	0	0	0	0	0	0	0	0	0	0	0	0
3 TOTAL REVENUES	5,279,814	4,345,954	4,468,821	4,592,311	5,856,042	5,513,758	5,586,761	6,124,219	6,594,300	5,793,920	4,879,097	4,880,172	63,915,169
4 PRIOR PERIOD TRUE-UP OVER/(UNDER)	6,787,137	550,867	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,594	6,772,411
5 CONSERVATION REVENUES APPLICABLE TO PERIOD	5,830,681	4,911,549	5,034,416	5,157,906	6,421,637	6,079,353	6,152,356	6,689,814	7,159,895	6,359,515	5,444,692	5,445,766	70,687,580
6 CONSERVATION EXPENSES (CT-3,PAGE 1, LINE 73)	5,467,043	5,104,981	6,116,611	3,924,689	5,424,195	4,616,172	5,505,176	5,720,743	5,834,384	5,770,147	5,854,551	5,848,590	65,187,282
7 TRUE-UP THIS PERIOD (OJU)	(363,638)	193,432	1,082,195	(1,233,217)	(997,442)	(1,463,181)	(647,180)	(969,071)	(1,325,511)	(589,368)	409,859	402,824	(5,500,298)
8 CURRENT PERIOD INTEREST	(9,879)	(9,116)	(7,427)	(6,713)	(7,473)	(8,459)	(9,085)	(9,341)	(10,129)	(10,702)	(10,039)	(8,658)	(107,031)
9 ADJUSTMENTS PER AUDIT \ RDC Order	14,728	0	0	0	0	0	0	0	0	0	0	0	14,728
10 TRUE-UP & INTEREST PROVISIONS BEGINNING OF PERIOD (OJU)	(6,787,137)	(6,595,059)	(5,845,148)	(4,204,785)	(4,879,120)	(5,318,440)	(6,224,485)	(6,315,155)	(6,727,972)	(7,498,017)	(7,532,492)	(6,567,077)	(6,787,137)
10 A CURRENT PERIOD GRT REFUNDED	0	0	0	0	0	0	0	0	0	0	0	0	0
11 PRIOR TRUE-UP REFUNDED/ (COLLECTED)	550,867	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,595	565,594	6,772,411
12 END OF PERIOD NET TRUE-UP	(6,595,059)	(5,845,148)	(4,204,785)	(4,879,120)	(5,318,440)	(6,224,485)	(6,315,155)	(6,727,972)	(7,498,017)	(7,532,492)	(6,567,077)	(5,607,327)	(5,607,327)

FLORIDA POWER CORPORATION  
 CALCULATION OF INTEREST PROVISION  
 FOR THE PERIOD JANUARY 2002 THROUGH DECEMBER 2002

LINE NO	JAN 02	FEB 02	MAR 02	APR 02	MAY 02	JUN 02	JUL 02	AUG 02	SEP 02	OCT 02	NOV 02	DEC 02	TOTAL FOR THE PERIOD
1 BEGINNING TRUE-UP AMOUNT (CT-3,PAGE 2, LINE 9 & 10)	(6,772,409)	(6,595,059)	(5,845,148)	(4,204,785)	(4,879,120)	(5,318,440)	(6,224,485)	(6,315,155)	(6,727,972)	(7,498,017)	(7,532,492)	(6,567,077)	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	(6,585,180)	(5,836,032)	(4,197,358)	(4,872,407)	(5,310,967)	(6,216,026)	(6,306,070)	(6,718,631)	(7,487,888)	(7,521,790)	(6,557,038)	(5,598,659)	
3 TOTAL BEGINNING & ENDING TRUE-UP	(13,357,589)	(12,431,091)	(10,042,506)	(9,077,192)	(10,190,087)	(11,534,466)	(12,530,554)	(13,033,785)	(14,215,859)	(15,019,806)	(14,089,529)	(12,165,735)	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(6,678,795)	(6,215,546)	(5,021,253)	(4,538,596)	(5,095,044)	(5,767,233)	(6,265,277)	(6,516,893)	(7,107,930)	(7,509,903)	(7,044,765)	(6,082,868)	
5 INTEREST RATE FIRST DAY REPORTING BUSINESS MONTH	1.78%	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.71%	1.71%	1.71%	
6 INTEREST RATE FIRST DAY SUBSEQUENT BUSINESS MONTH	1.77%	1.75%	1.80%	1.75%	1.77%	1.75%	1.73%	1.71%	1.71%	1.71%	1.71%	1.71%	
7 TOTAL (LINE 5 AND LINE 6)	3.55%	3.52%	3.55%	3.55%	3.52%	3.52%	3.48%	3.44%	3.42%	3.42%	3.42%	3.42%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	1.775%	1.760%	1.775%	1.775%	1.760%	1.760%	1.740%	1.720%	1.710%	1.710%	1.710%	1.710%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	(9,879)	(9,116)	(7,427)	(6,713)	(7,473)	(8,459)	(9,085)	(9,341)	(10,125)	(10,702)	(10,039)	(8,658)	(107,031)

CALCULATION OF ENERGY CONSERVATION COST RECOVERY (ECCR) REVENUES  
FOR THE PERIOD: JANUARY 2003 THROUGH DECEMBER 2003

MONTH	JURISDICTIONAL MWH SALES	BASE REVENUES	CLAUSE REVENUE NET OF REVENUE TAXES
JANUARY	2,951,199	\$0	\$4,752,515
FEBRUARY	2,818,811	\$0	\$4,540,327
MARCH	2,684,238	\$0	\$4,267,273
APRIL	2,689,942	\$0	\$4,243,358
MAY	2,798,032	\$0	\$4,410,368
JUNE	3,424,957	\$0	\$5,478,477
JULY	3,553,457	\$0	\$5,738,046
AUGUST	3,763,400	\$0	\$6,087,487
SEPTEMBER	3,813,738	\$0	\$6,161,162
OCTOBER	3,379,016	\$0	\$5,418,759
NOVEMBER	2,905,540	\$0	\$4,581,209
DECEMBER	<u>2,882,454</u>	<u>\$0</u>	<u>\$4,570,821</u>
TOTAL	<u>37,664,784</u>	<u>\$0</u>	<u>\$60,249,802</u>



## Program Description and Progress

**Program Title:** Home Energy Check

**Program Description:** The new Home Energy Check program is a comprehensive residential energy evaluation (audit) program. The program provides Florida Power Corporation's (FPC) residential customers with an analysis of energy consumption and recommendations on energy efficiency improvements. It acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures. It serves as the foundation of the residential Home Energy Improvement program and is a program requirement for participation. There are various versions of this audit: the free walk-thru, the paid walk-thru (\$15 charge), the energy rating (Energy Gauge) a mail-in audit, and an online audit.

**Program Projections for January 2003 through December 2003:** It is estimated that 25,000 customers will participate in this program during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$3,646,777.

**Program Progress Summary:** The Home Energy Check will continue to inform and motivate consumers on cost effective energy efficiency improvements which result in implementation of energy efficiency measures.

### Program Description and Progress

**Program Title:** Home Energy Improvement

**Program Description:** This umbrella efficiency program provides existing residential customers incentives for energy efficient heating, air conditioning, water heating, ceiling insulation upgrade and duct leakage repair.

**Program Projections for January 2003 through December 2003:** It is estimated that 22,000 completions will be performed in this program during the projected period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$3,209,300.

**Program Progress Summary:** Year-to-date 2002 completions are exceeding projections.

### Program Description and Progress

**Program Title:** Residential New Construction

**Program Description:** This program is designed to encourage single, multi, and manufactured home builders to construct more energy efficient homes by choosing from a menu of energy saving measures such as duct sealing, duct layout, attic insulation, high efficiency heat pump, heat recovery water heating or dedicated heat pump. This is also an educational program that strives to teach builders, realtors, HVAC dealers, and homebuyers the importance of energy efficiency. Incentives are awarded to the builder based on the level of efficiency they choose.

**Program Projections for January 2003 through December 2003:** It is estimated that 10,000 homes representing 300 builders will participate in this program during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$1,725,724.

**Program Progress Summary:** This program is tied to the building industry. Economic forces will dictate the number of homes built during this period. Participation has increased each year since its inception.

## Program Description and Progress

**Program Title:** Low-Income Weatherization Assistance Program

**Program Description:** The program goal is to integrate FPC's DSM program measures with the Department of Community Affairs (DCA) and local weatherization providers to deliver energy efficiency measures to low-income families. Through this partnership Florida Power will assist local weatherization agencies by providing energy education materials and financial incentives to weatherize the homes of low-income families.

**Program Projections for January 2003 through December 2003:** It is estimated that 200 participants representing 12 agencies will receive services during 2003.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$153,585.

**Program Progress Summary:** To promote the delivery of efficiency programs to low-income families, a statewide agency meeting was held in September 2002 to all participating agencies. Individual meetings with weatherization providers are conducted throughout FPC territory to encourage participation.

### Program Description and Progress

**Program Title:** Energy Management (Residential & Commercial)

**Program Description:** The Load Management Program incorporates direct radio control of selected customer equipment to reduce system demand during peak capacity periods and/or emergency conditions by temporarily interrupting selected customer appliances for specified periods of time. Customers have a choice of options and receive a credit on their monthly electric bills depending on the options selected and their monthly kWh usage.

**Program Projections for January 2003 through December 2003:** During this period we anticipate installing 5,500 new participants to the program.

**Program Fiscal Expenditures for January 2003 through December 2003:** Program expenditures during this period are projected to be \$29,608,968.

**Program Progress Summary:** As of September 1, 2002 there are 430,047 customers participating in the Load Management program.

### Program Description and Progress

**Program Title:** Business Energy Check

**Program Description:** The Business Energy Check is an audit for non-residential customers, and has two parts. The free audit provides a no-cost energy audit for non-residential facilities. The paid audit provides a more thorough energy analysis for non-residential facilities. For each, a qualified energy auditor determines which energy-reducing actions apply to a customer's facility and operation. The cost of implementing recommended measures and the resulting savings are estimated in writing based on industry averages. The auditor also explains other Florida Power programs and incentives available to encourage implementation of the conservation recommendations.

**Program Projections for January 2003 through December 2003:** It is estimated that 1,500 customers will participate in this program during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$608,427.

**Program Progress Summary:** The program is required for participation in most of the company's other DSM Business incentive programs.

### Program Description and Progress

**Program Title:** Better Business

**Program Description:** This umbrella efficiency program provides incentives to existing commercial and industrial customers for heating, air conditioning, motors, water heating, roof insulation upgrade, duct leakage and repair, and window film.

**Program Projections for January 2003 through December 2003:** It is estimated that 100 customers will participate during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$213,151.

**Program Progress Summary:** There have been 55 Better Business program completions in 2002 to date.

### Program Description and Progress

**Program Title:** Commercial/Industrial New Construction

**Program Description:** This umbrella efficiency program provides incentives for the design and construction of energy efficient commercial and industrial facilities. Incentives are provided for energy efficient heating, air conditioning, motors, water heating, window film, insulation and leak free ducts.

**Program Projections for January 2003 through December 2003:** It is estimated that 10 customers will participate in the program during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$80,262.

**Program Progress Summary:** There has been 1 Commercial/Industrial New Construction program completion in 2002 to date.



### Program Description and Progress

**Program Title:** Innovation Incentive

**Program Description:** Significant conservation efforts that are not supported by other Florida Power programs can be encouraged through Innovation Incentive. Major equipment replacement or other actions that substantially reduce FPC peak demand requirements are evaluated to determine their impact on Florida Power's system. If cost effective, these actions may qualify for an economic incentive in order to shorten the "payback" time of the project.

**Program Projections for January 2003 through December 2003:** It is estimated that 1 customer will participate in the program during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$68,285.

**Program Progress Summary:** This program continues to attract specialized, customer specific energy efficiency measures not covered through the company's other DSM programs.

Program Description and Progress

**Program Title:** Standby Generation

**Program Description:** Florida Power Corporation provides an incentive for customers to voluntarily operate their on-site generation during times of system peak.

**Program Projections for January 2003 through December 2003:** It is estimated that 5 new customers will participate in the program during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$765,638.

**Program Progress Summary:** A total of 32 customers are currently on this program.

### Program Description and Progress

**Program Title:** Interruptible Service Program

**Program Description:** The Interruptible Service program is a rate tariff which allows Florida Power to switch off electrical service to customers during times of capacity shortages. The signal to operate the automatic switch on the customer's service is activated by the Energy Control Center. In return for this, the customers receive a monthly rebate on their kW demand charge.

**Program Projections for January 2003 through December 2003:** No new participants are expected during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$20,206,063.

**Program Progress Summary:** The program currently has 157 active accounts with 143 IS-1 participants and 14 IS-2 participants. The original program filed, as the IS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the newer IS-2 tariff..

### Program Description and Progress

**Program Title:** Curtailable Service Program

**Program Description:** The Curtailable Service is a dispatchable DSM program in which customers contract to curtail or shut down a portion of their load during times of capacity shortages. The curtailment is done voluntarily by the customer when notified by FPC. In return for this cooperation, the customer receives a monthly rebate for the curtailable portion of their load.

**Program Projections for January 2003 through December 2003:** No new participants are expected during the projection period.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$700,000.

**Program Progress Summary:** This program has 7 CS-1 participants. The original program filed, as the CS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the newer CS-2 tariff.

### Program Description and Progress

**Program Title:** Technology Development

**Program Description:** This program allows Florida Power Corporation to undertake certain development and demonstration projects which have promise to become cost-effective conservation and energy efficiency programs.

**Program Projections for January 2003 through December 2003:** The photovoltaic R&D project on manufactured housing will continue through 2003. A demand response pilot will be implemented and researched for DSM potential in 2003.

**Program Fiscal Expenditures for January 2003 through December 2003:** Expenses for this program are projected to be \$226,348.

**Program Progress Summary:** Evaluations of results from field testing of residential HVAC airflow and proper refrigerant charge R&D project is continuing. The photovoltaic R&D project on 6 manufactured homes will continue through 2002.

### Program Description and Progress

**Program Title:** Qualifying Facility

**Program Description:** Power is purchased from qualifying cogeneration and small power production facilities.

**Program Projections for January, 2003 through December, 2003:** Contracts for new facilities will continue to be negotiated when opportune.

**Program Fiscal Expenditures for January, 2003 through December, 2003:** Expenses for this program are projected to be \$427,044.

**Program Progress Summary:** The total MW of qualifying facility capacity is approximately 839 MW, excluding the Tiger Bay capacity that is now owned by FPC. As approved in Order No. PSC-97-0652-S-EQ Order Approving Stipulation and Supplemental Stipulation, the Tiger Bay QF payments will continue to be recovered as if the contracts are still in place.