

PROGRESS ENERGY FLORIDA

DOCKET NO. 070001-EI

Fuel and Capacity Cost Recovery  
Final True-Up for the Period  
January through December, 2006

DIRECT TESTIMONY OF  
Will Garrett

March 1, 2007

1 Q. Please state your name and business address.

2 A. My name is Will A. Garrett. My business address is 299 First Avenue  
3 North, St. Petersburg, Florida 33701.

4

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

6 A. I am employed by Progress Energy Service Company, LLC as Controller of  
7 Progress Energy Florida.

8

CMP 9

9 Q. What are your responsibilities?

COM 10

10 A. As legal entity Controller for Progress Energy Florida (PEF), I am  
11 responsible for all accounting matters that impact the reported financial  
12 results of this Progress Energy Corporation entity. I have direct  
13 management and oversight of the employees involved in PEF Regulatory  
14 Accounting, Property Plant and Materials Accounting, PEF Financial  
15 Reporting and General Accounting. I assumed the responsibilities for the  
16 various regulatory compliance filings, including this Fuel and Capacity  
17 Cost Recovery True-Up Filing, in February 2006 from Javier Portuondo

CTR 11

ECR 11

GCL 12

OPC 13

RCA 13

SCR 14

SGA 15

SEC 15

OTH 16

17

1 **Q. Please describe your educational background and professional**  
2 **experience.**

3 **A.** I joined the company as Controller of PEF on November 7, 2005. My  
4 direct relevant experience includes 2 ½ years as the Corporate Controller  
5 for DPL, Inc. and its major subsidiary, Dayton Power and Light,  
6 headquartered in Dayton, Ohio. Prior to this position, I held a number of  
7 finance and accounting positions for 8 years at Niagara Mohawk Power  
8 Corporation, Inc. (NMPC) in Syracuse, New York, including Executive  
9 Director of Financial Operations, Director of Finance and Assistant  
10 Controller. As the Director of Finance and Assistant Controller, my  
11 responsibilities included regulatory proceedings, rates and financial  
12 planning, providing testimony on a variety of matters before the New York  
13 Public Service Commission. Prior to joining NMPC, I was a Senior Audit  
14 Manager at Price Waterhouse (PW) in upstate New York, with 10 years  
15 of direct experience with investor owned utilities and publicly traded  
16 companies. I am a graduate of the State University of New York in  
17 Binghamton, with a Bachelor of Science in Accounting and I am a  
18 Certified Public Accountant in the State of New York.

19  
20 **Q. Have you previously filed testimony before this Commission in**  
21 **connection with Progress Energy Florida's Fuel and Capacity Cost**  
22 **Recovery Clause?**

23 **A.** No, I have not.

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

A. The purpose of my testimony is to describe PEF's Fuel Adjustment Clause final true-up amount for the period of January through December 2006, and PEF's Capacity Cost Recovery Clause final true-up amount for the same period.

**Q. Have you prepared exhibits to your testimony?**

A. Yes, I have prepared and attached to my true-up testimony as Exhibit No. \_\_\_ (WG-1T), a Fuel Adjustment Clause true-up calculation and related schedules; Exhibit No. \_\_\_ (WG-2T), a Capacity Cost Recovery Clause true-up calculation and related schedules; and Exhibit No. \_\_\_(WG-3T), Schedules A1 through A3, A6, and A12 for December 2006, year-to-date. I have extracted schedules on which there was no sponsored testimony. Schedules A1 through A9, and A12 for the year ended December 31, 2006, were previously filed with the Commission on January 19, 2007.

**Q. What is the source of the data that you will present by way of testimony or exhibits in this proceeding?**

A. Unless otherwise indicated, the actual data is taken from the books and records of the Company. The books and records are kept in the regular course of business in accordance with generally accepted accounting principles and practices, and provisions of the Uniform System of Accounts as prescribed by this Commission.

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**Q. Would you please summarize your testimony?**

A. Per Order No. PSC-06-1057-FOF-EI, the projected 2006 fuel adjustment true-up amount was an over-recovery of \$46,480,257. The actual over-recovery for 2006 was \$75,344,873 resulting in a final fuel adjustment true-up over-recovery amount of \$28,864,616 (Exhibit No. \_\_ (WG-1T)).

The projected 2006 capacity cost recovery true-up amount was an under-recovery of \$5,380,565. The actual amount for 2006 was an under-recovery of \$8,762,537 resulting in a final capacity true-up under-recovery amount of \$3,381,972 (Exhibit No. \_\_ (WG-2T)).

**FUEL COST RECOVERY**

**Q. What is PEF's jurisdictional ending balance as of December 31, 2006 for fuel cost recovery?**

A. The actual ending balance as of December 31, 2006 for true-up purposes is an over-recovery of \$75,344,873.

**Q. How does this amount compare to PEF's estimated 2006 ending balance included in the Company's estimated/actual true-up filing?**

A. The actual true-up attributable to the January - December 2006 period is an over-recovery of \$75,344,873 which is \$28,864,616 higher than the re-projected year end over-recovery balance of \$46,480,257.

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**Q. How was the final true-up ending balance determined?**

A. The amount was determined in the manner set forth on Schedule A2 of the Commission's standard forms previously submitted by the Company on a monthly basis.

**Q. What factors contributed to the period-ending jurisdictional over-recovery of \$75,344,873 shown on your Exhibit No. \_\_ (WG-1T)?**

A. The factors contributing to the over-recovery are summarized on Exhibit No. \_\_ (WG-1T), sheet 1 of 4. Net jurisdictional fuel revenues fell below the forecast by \$54.4 million, while jurisdictional fuel and purchased power expense decreased \$137.0 million. This \$137.0 million favorable variance is primarily attributable to a favorable system variance from projected fuel and net purchased power of \$150.9 M as more fully described below. The \$75.3 million over-recovery also includes the deferral of \$0.4 million of 2005 under-recovery approved in Order No. PSC-05-1252-FOF-EI. The net result of the difference in jurisdictional fuel revenues and expenses, plus the 2005 deferral and the 2006 interest provision calculated on the deferred balance throughout the year is an over-recovery of \$75.3 million as of December 31, 2006.

**Q. Please explain the components shown on Exhibit No. \_\_ (WG-1T), sheet 4 of 4 which helps to explain the \$150.9 million favorable system**

1           **variance from the projected cost of fuel and net purchased power**  
2           **transactions.**

3           A. Sheet 4 of 4 is an analysis of the system dollar variance for each energy  
4           source in terms of three interrelated components; (1) changes in the  
5           amount (MWH's) of energy required; (2) changes in the heat rate of  
6           generated energy (BTU's per KWH); and (3) changes in the unit price of  
7           either fuel consumed for generation (\$ per million BTU) or energy  
8           purchases and sales (cents per KWH).

9  
10          **Q. What effect did these components have on the system fuel and net**  
11          **power variance for the true-up period?**

12          A. As shown on sheet 4 of 4, the dollar variance due to MWHs generated and  
13          purchased (column B) produced a cost decrease of \$59.1 million. The  
14          primary reason for this favorable variance was lower system requirements.  
15          The unfavorable heat rate variance (column C) of \$10.0 million is due to  
16          changes in the generation mix to meet the energy requirements. The  
17          favorable price variance of \$101.8 million (column D) was caused mainly by  
18          lower than projected natural gas and heavy oil prices, partially offset by  
19          higher purchase power prices. Heavy oil averaged \$6.36 per MMBtu, \$0.91  
20          per MMBtu (12.5%) lower than projected per the previously submitted A3,  
21          Page 3 of 4, Line 47. Natural gas averaged \$7.41 per MMBtu, \$1.91 per  
22          MMBtu (20.5%) lower than projected, also per the previously submitted A3,  
23          Page 3 of 4, Line 50. The variance related to Other Fuel is driven by the

1 coal car investment (see Order No. 95-1089-FOF-EI.) This favorable \$9.4  
2 million Other Fuel price variance is offset by an unfavorable price variance  
3 in Coal. Due to a reporting difference between the projection and the  
4 actuals, components of the coal car investment fall within two lines, rather  
5 than one, on Exhibit No. \_\_ (WG-1T), sheet 4 of 4.  
6

7 **Q. Does this period ending true-up balance include any noteworthy**  
8 **adjustments to fuel expense?**

9 A. Yes. Noteworthy adjustments are shown on Exhibit No. \_\_ (WG-3T) in the  
10 footnote to line 6b on page 1 of 2, Schedule A2. Included in the footnote to  
11 line 6b on page 1 of 2, Schedule A2, are the "2006 full revenue  
12 requirements of the installed cost of Hines Unit 2, excluding the unit's non-  
13 fuel Operations and Maintenance (O&M) expenses" of \$36.6 million in  
14 accordance with Order No. PSC-05-0945-S-EI. These adjustments also  
15 include the return on coal inventory in transit of \$3.4 million and the DOE  
16 crude oil refund of \$3.9 million.  
17

18 **Q. Please explain the return on coal inventory in transit adjustment.**

19 A: This \$3.4 million adjustment represents the return on coal inventory in  
20 transit for the year in accordance with the approved Settlement and  
21 Stipulation in Docket No. 050078-EI, as discussed further in the *Other*  
22 *Matters* portion of this filing.  
23

1 **Q: Please explain the DOE crude oil refund adjustment.**

2 A: As a result of a supplemental order issued in July 2006 by the Department  
3 of Energy, a crude oil refund was issued to PEF. The DOE ordered the  
4 \$3.9 M refund to PEF and in August of 2006 this refund was returned to  
5 customers through a reduction in fuel expense recovered through the fuel  
6 clause.

7  
8 **Q. Did PEF exceed the economy sales threshold in 2006?**

9 A. No. PEF did not exceed the gain on economy sales threshold of \$5.6 M in  
10 2006. As reported on Schedule A1, Line 15a, the gain for the year-to-date  
11 period through December 2006 was \$2.0 million; which fell below the  
12 threshold. This entire amount was returned to customers through a  
13 reduction of total fuel and net power expense recovered through the fuel  
14 clause.

15  
16 **Q. Has the three-year rolling average gain on economy sales included in  
17 the Company's filing for the November, 2006 hearings been updated  
18 to incorporate actual data for all of year 2006?**

19 A. Yes. PEF has calculated its three-year rolling average gain on economy  
20 sales, based entirely on actual data for calendar years 2004 through 2006,  
21 as follows:

<u>Year</u>	<u>Actual Gain</u>
2004	5,330,652



1	2005	1,703,378
2	2006	<u>1,990,442</u>
3	Three-Year Average	<u>\$ 3,008,157</u>
4		

5 **CAPACITY COST RECOVERY**

6 **Q. What is the Company's jurisdictional ending balance as of December**  
7 **31, 2006 for capacity cost recovery?**

8 A. The actual ending balance as of December 31, 2006 for true-up purposes  
9 is an under-recovery of \$8,762,537.

10  
11 **Q. How does this amount compare to the estimated 2006 ending balance**  
12 **included in the Company's estimated/actual true-up filing?**

13 A. When the estimated 2006 under-recovery of \$5,380,565 is compared to the  
14 \$8,762,537 actual under-recovery, the final capacity true-up for the twelve  
15 month period ended December 2006 is an under-recovery of \$3,381,972.

16  
17 **Q. Is this true-up calculation consistent with the true-up methodology**  
18 **used for the other cost recovery clauses?**

19 A. Yes. The calculation of the final net true-up amount follows the procedures  
20 established by the Commission in Order No. PSC-96-1172-FOF-EI. The  
21 true-up amount was determined in the manner set forth on the  
22 Commission's standard forms previously submitted by the Company on a  
23 monthly basis.

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**Q. What factors contributed to the actual period-end capacity under-recovery of \$8.8 million?**

A. Exhibit No. \_\_ (WG-2T, sheet 1 of 3) compares actual results to the original projection for the period. The \$8.8 million under-recovery is due primarily to lower actual jurisdictional revenues of \$6.7 million compared to projected revenues, due to lower than projected retail sales.

**Q. Were there any items of note included in the current true-up period?**

A. Yes. In Order No. PSC-02-1761-FOF-EI, issued in Docket No. 020001-EI, the Commission addressed the recovery of specific incremental security costs through the capacity cost recovery clause. In accordance with the Commission order, Exhibit No. \_\_ (WG-2T, sheet 2 of 3, line 20) includes incremental security costs of \$2,182,164 before jurisdictional allocation to retail customers.

### **OTHER MATTERS**

**Q. Were coal procurement and transportation functions transferred from Progress Fuels Corporation to PEF in 2006?**

A. Yes. As part of a consolidation of PEF's coal procurement and transportation functions, ownership of railcars used to transport coal to Crystal River and coal inventory in transit were transferred from Progress

1 Fuels Corporation to PEF on January 1, 2006. In accordance with Order  
2 No. PSC-05-0945-S-EI, which approved the Stipulation and Settlement in  
3 Docket No. 050078-EI, PEF recovered its carrying costs of coal inventory in  
4 transit and its coal procurement O&M costs through the fuel recovery  
5 clause. Furthermore, consistent with established Commission policy, PEF  
6 recovered depreciation expense, repair and maintenance expenses,  
7 property taxes and a return on average investment associated with rail cars  
8 used to transport coal to Crystal River. In accordance with the approved  
9 Settlement and Stipulation in Docket No. 050078-EI, PEF used 11.75% as  
10 its authorized return on inventory in transit and coal car investment.

11

12 **Q: Have you provided Schedule A12 showing the actual monthly capacity**  
13 **payments by contract consistent with the Staff Workshop on January**  
14 **12, 2005?**

15 A: Yes. Schedule A12 is included in Exhibit No. \_\_ (WG-3T)).

16

17 **Q. Does this conclude your direct true-up testimony?**

18 A. Yes

**PROGRESS ENERGY FLORIDA  
EXHIBITS TO THE TESTIMONY OF  
WILL GARRETT**

**FINAL TRUE-UP AMOUNT  
JANUARY THROUGH DECEMBER 2006**

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**FUEL COST RECOVERY (WG-1T)**

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Progress Energy Florida  
 Fuel Adjustment Clause  
 Summary of Final True-Up Amount  
 January through December 2006

Line No.	Description	Contribution to Over/(Under) Recovery Period to Date
	KWH Sales:	
1	Jurisdictional Kwh sales - difference	(716,404,233)
2	Non-Jurisdictional Kwh sales - difference	(156,779,889)
3	Total System Kwh sales - difference Schedule A2, pg 1 of 2, line B3	<u>(873,184,122)</u>
	System:	
4	Fuel and Net Purchased Power Costs - difference Schedule A2, page 2 of 2, line C4	<u>\$ (150,892,114)</u>
	Jurisdictional:	
5	Fuel Revenues - difference Schedule A2, page 2 of 2, line C3	\$ (54,393,939)
6	Fuel and Net Purchased Power Costs - difference Schedule A2, page 2 of 2, line C6	<u>(136,993,347)</u>
7	True Up amount for the period	82,599,409
8	True Up for the prior period - difference Schedule A2, page 2 of 2, lines C9 + C10	(385,055)
9	Interest Provision Schedule A2, page 2 of 2, line C8	<u>(6,869,481)</u>
10	Actual True Up ending balance for the period January 2006 through December 2006 Schedule A2, page 2 of 2, line C13	75,344,873
11	Estimated True Up ending balance for the period included in the filing of Levelized Fuel Cost Factors January through December 2006, Docket No. 060001-EI.	46,480,257
12	Final True Up for the period January 2006 through December 2006	<u>\$ 28,864,616</u>

Progress Energy Florida  
 Fuel Adjustment Clause  
 Calculation of Actual True-Up  
 2006

DESCRIPTION	Actual Jan-06	Actual Feb-06	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Actual Oct-06	Actual Nov-06	Actual Dec-06	TOTAL PERIOD
<b>REVENUE</b>													
1 Jurisdictional MWH Sales	3,020,207	2,807,302	2,760,124	2,794,806	3,207,226	3,658,724	3,673,280	4,197,478	3,950,808	3,361,153	3,084,405	2,916,326	39,431,838
2 Jurisdictional Fuel Factor (Pre-Tax)	5.235	5.217	5.196	5.216	5.282	5.313	5.338	5.358	5.341	5.302	5.242	5.182	
3 Total Jurisdictional Fuel Revenue	158,112,614	146,448,587	143,416,835	145,767,263	169,393,283	194,376,345	196,081,785	224,908,844	211,014,151	178,223,003	161,682,606	151,126,016	2,080,551,333
4 Less: True-Up Provision	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(315,692,056)
5 Less: GPIF Provision	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(532,353)
6 Less: Other	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Net Fuel Revenue	131,760,580	120,096,553	117,064,801	119,415,229	143,041,249	168,024,311	169,729,751	198,556,810	184,662,117	151,870,969	135,330,572	124,773,982	1,764,326,924
<b>FUEL EXPENSE</b>													
8 Total Cost of Generated Power	99,869,005	86,580,220	99,891,767	118,284,058	124,969,331	161,963,045	167,349,849	171,758,275	146,637,085	108,989,354	94,128,063	95,104,888	1,475,524,940
9 Total Cost of Purchased Power	29,538,467	28,694,188	26,530,713	26,111,073	28,061,807	36,491,314	35,366,491	73,304,210	36,659,118	27,854,991	20,114,100	29,260,774	397,987,246
10 Total Cost of Power Sales	(7,877,861)	(8,953,044)	(9,347,555)	(9,866,876)	(10,951,808)	(8,697,917)	(11,649,613)	(16,873,427)	(18,079,235)	(17,325,006)	(12,961,419)	(8,728,756)	(141,312,517)
11 Total Fuel and Net Power	121,529,611	106,321,364	117,074,925	134,528,255	142,079,330	189,756,442	191,066,727	228,189,057	165,216,968	119,519,339	101,280,744	115,636,906	1,732,199,669
12 Jurisdictional Percentage	96.28%	96.59%	96.80%	96.84%	97.08%	97.12%	96.61%	96.98%	96.55%	96.20%	96.56%	96.70%	96.72%
13 Jurisdictional Loss Multiplier	1.00207	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382
14 Jurisdictional Fuel Cost	117,250,918	103,088,104	113,761,443	130,774,821	138,457,509	184,995,450	185,294,697	222,143,105	160,126,337	115,416,819	98,170,270	112,248,044	1,681,727,515
<b>COST RECOVERY</b>													
15 Net Fuel Revenue Less Expense	14,509,663	17,008,449	3,303,359	(11,359,592)	4,583,741	(16,971,139)	(15,564,946)	(23,586,295)	24,535,779	36,454,150	37,160,302	12,525,938	82,599,409
16 Interest Provision	(1,085,103)	(960,169)	(850,432)	(802,882)	(728,895)	(670,323)	(652,161)	(623,758)	(503,289)	(256,135)	19,770	243,897	(6,869,481)
17 Current Cycle Balance	13,424,560	29,472,839	31,925,766	19,763,292	23,618,137	5,976,676	(10,240,431)	(34,450,485)	(10,417,995)	25,780,020	62,960,092	75,729,927	
18 Plus: Prior Period Balance	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	
19 Plus: Cumulative True-Up Provision	26,307,671	52,615,343	78,923,014	105,230,685	131,538,357	157,846,028	184,153,699	210,461,371	236,769,042	263,076,713	289,384,385	315,692,056	
20 Total Retail Balance	(276,344,880)	(233,988,929)	(205,228,331)	(191,083,133)	(160,920,617)	(152,254,407)	(142,163,843)	(140,066,225)	(89,726,063)	(27,220,378)	36,267,366	75,344,872	

Progress Energy Florida  
 Fuel Adjustment Clause  
 Calculation of Estimated True-Up  
 2006 Reprojection (Filed 10/25/06)

DESCRIPTION	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated	TOTAL PERIOD
	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	
<b>REVENUE</b>													
1 Jurisdictional MWH Sales	3,020,207	2,807,302	2,760,124	2,794,806	3,207,226	3,658,724	3,673,280	4,197,478	3,950,808	3,499,387	3,089,034	3,025,370	39,683,745
2 Jurisdictional Fuel Factor (Pre-Tax)	5.235	5.217	5.196	5.216	5.282	5.313	5.338	5.358	5.341	5.321	5.321	5.321	
3 Total Jurisdictional Fuel Revenue	158,112,614	146,448,587	143,416,835	145,767,263	169,393,283	194,376,345	196,081,785	224,908,844	211,014,151	186,202,382	164,367,499	160,979,938	2,101,069,527
4 Less: True-Up Provision	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(26,307,671)	(315,692,056)
5 Less: GPIF Provision	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(44,363)	(532,353)
6 Less: Other	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Net Fuel Revenue	131,760,580	120,096,553	117,064,801	119,415,229	143,041,249	168,024,311	169,729,751	198,556,810	184,662,117	159,850,348	138,015,465	134,627,904	1,784,845,117
<b>FUEL EXPENSE</b>													
8 Total Cost of Generated Power	99,869,005	86,580,220	99,891,767	118,284,058	124,969,331	161,963,045	167,349,849	171,758,275	146,637,085	136,187,467	98,316,172	106,096,559	1,517,902,834
9 Total Cost of Purchased Power	29,538,467	28,694,188	26,530,713	26,111,073	28,061,807	36,491,314	35,366,491	73,304,210	36,659,118	22,921,586	29,477,357	29,030,781	402,187,105
10 Total Cost of Power Sales	(7,877,861)	(8,953,044)	(9,347,555)	(9,866,876)	(10,951,808)	(8,697,917)	(11,649,613)	(16,873,427)	(18,079,235)	(13,791,017)	(11,005,647)	(10,008,221)	(137,102,221)
11 Total Fuel and Net Power	121,529,611	106,321,364	117,074,925	134,528,255	142,079,330	189,756,442	191,066,727	228,189,057	165,216,968	145,318,036	116,787,882	125,119,119	1,782,987,717
12 Jurisdictional Percentage	96.28%	96.59%	96.80%	96.84%	97.08%	97.12%	96.61%	96.98%	96.55%	96.28%	96.32%	96.80%	
13 Jurisdictional Loss Multiplier	1.00207	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	1.00382	
14 Jurisdictional Fuel Cost	117,250,918	103,088,104	113,761,443	130,774,821	138,457,509	184,995,450	185,294,697	222,143,105	160,126,337	140,451,380	112,924,116	121,576,771	1,730,844,650
<b>COST RECOVERY</b>													
15 Net Fuel Revenue Less Expense	14,509,663	17,008,449	3,303,359	(11,359,592)	4,583,741	(16,971,139)	(15,584,946)	(23,586,295)	24,535,779	19,398,968	25,091,349	13,051,133	54,000,468
16 Interest Provision	(1,085,103)	(960,169)	(850,432)	(802,882)	(728,895)	(670,323)	(662,161)	(623,758)	(503,289)	(293,571)	(81,713)	117,142	(7,135,156)
17 Current Cycle Balance	13,424,560	29,472,839	31,925,766	19,763,292	23,618,137	5,976,676	(10,240,431)	(34,450,485)	(10,417,995)	8,687,402	33,697,037	46,865,312	
18 Plus: Prior Period Balance	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	(316,077,111)	
19 Plus: Cumulative True-Up Provision	26,307,671	52,615,343	78,923,014	105,230,685	131,538,357	157,846,028	184,153,699	210,461,371	236,769,042	263,076,713	289,384,385	315,692,056	
20 Total Retail Balance	(276,344,880)	(233,988,929)	(205,228,331)	(191,083,133)	(160,920,617)	(152,254,407)	(142,183,843)	(140,066,225)	(89,726,063)	(44,312,995)	7,004,311	46,480,257	

Progress Energy Florida  
 Fuel and Net Power Cost Variance Analysis  
 January through December 2006

(A)	(B)	(C)	(D)	(E)
Energy Source	MWH Variances	Heat Rate Variances	Price Variances	Total
1 Heavy Oil	(\$62,120,064)	(\$11,975,617)	(\$44,000,297)	(\$118,095,978)
2 Light Oil	6,872,935	(2,697,028)	(8,733,181)	(4,557,274)
3 Coal	6,696,257	4,249,323	17,390,032	28,335,612
4 Gas	(39,649,573)	20,429,274	(149,647,680)	(168,867,979)
5 Nuclear	(906,193)	8,833	574,026	(323,334)
6 Other Fuel	0	0	(9,352,481)	(9,352,481)
7 Total Generation	<u>(89,106,638)</u>	<u>10,014,785</u>	<u>(193,769,581)</u>	<u>(272,861,434)</u>
8 Firm Purchases	(41,280)	0	27,186,596	27,145,316
9 Economy Purchases	21,345,513	0	14,948,839	36,294,352
10 Schedule E Purchases	0	0	0	0
11 Qualifying Facilities	(8,384,377)	0	27,863,968	19,479,591
12 Total Purchases	<u>12,919,856</u>	<u>0</u>	<u>69,999,403</u>	<u>82,919,259</u>
13 Economy Sales	0	0	0	0
14 Other Power Sales	30,265,186	0	2,108,684	32,373,870
15 Supplemental Sales	(13,189,990)	0	20,348,233	7,158,243
16 Total Sales	<u>17,075,196</u>	<u>0</u>	<u>22,456,917</u>	<u>39,532,113</u>
17 Nuclear Fuel Disposal Cost	0	0	(218,515)	(218,515)
18 Nuclear Decom & Decon	0	0	257,708	257,708
19 Other Jurisdictional Adjustments	0	0	(521,247)	(521,247)
Sch A2 Page 1 of 2 Line 6b	<u>0</u>	<u>0</u>	<u>(521,247)</u>	<u>(521,247)</u>
20 Total Fuel and Net Power Cost Variance	<u>(\$59,111,586)</u>	<u>\$10,014,785</u>	<u>(\$101,795,314)</u>	<u>(\$150,892,114)</u>



**PROGRESS ENERGY FLORIDA  
EXHIBITS TO THE TESTIMONY OF  
WILL GARRETT**

**FINAL TRUE-UP AMOUNT  
JANUARY THROUGH DECEMBER 2006**

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**CAPACITY COST RECOVERY (WG-2T)**

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Progress Energy Florida  
 Capacity Cost Recovery Clause  
 Summary of Actual True-Up Amount  
 January through December 2006

Line No.	Description	Actual	Original Estimate	Variance
	Jurisdictional:			
1	Capacity Cost Recovery Revenues Sheet 2 of 3, Line 41	\$ 334,295,200	\$ 341,008,652	\$ (6,713,452)
2	Capacity Cost Recovery Expenses Sheet 2 of 3, Line 38	341,826,643	341,008,652	817,991
3	Plus/(Minus) Interest Provision Sheet 2 of 3, Line 43	<u>(649,820)</u>	<u>(399,911)</u>	<u>(249,909)</u>
4	Sub Total Current Period Over/(Under) Recovery	\$ (8,181,263)	\$ (399,911)	\$ (7,781,352)
5	Prior Period True-up - January through December 2005 - Over/(Under) Recovery Sheet 2 of 3, Line 45	(12,197,739)	(11,616,464)	(581,275)
6	Prior Period True-up - January through December 2005 - (Refunded)/Collected Sheet 2 of 3, Line 46	<u>11,616,464</u>	<u>11,616,464</u>	<u>0</u>
7	Actual True-up ending balance Over/(Under) recovery for the period January through December 2006 Sheet 2 of 3, Line 47	\$ (8,762,537)	\$ (399,911)	\$ (8,362,626)
8	Estimated True-up ending balance for the period included in the filing of Levelized Fuel Cost Factors January through December 2006 Docket No. 060001-EI, (Sheet 3 of 3, Line 46)	(5,380,565)		
9	Final Over/(Under) Recovery for the period January through December 2006 (Line 7 - Line 8)	<u>\$ (3,381,972)</u>		

Progress Energy Florida  
 Capacity Cost Recovery Clause  
 Calculation of Actual True-Up  
 January Through December 2009

	ACTUAL JAN	ACTUAL FEB	ACTUAL MAR	ACTUAL APR	ACTUAL MAY	ACTUAL JUN	ACTUAL JUL	ACTUAL AUG	ACTUAL SEP	ACTUAL OCT	ACTUAL NOV	ACTUAL DEC	TOTAL
<b>Base Production Level Capacity Charges:</b>													
1 Auburndale Power Partners, L.P. (AUBRDLFC)	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	6,430,080
2 Auburndale Power Partners, L.P. (AUBSEI)	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	30,591,051
3 Bay County (BAYCOUNT)	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	3,185,360
4 Cargill Fertilizer, Inc. (CARGILFL)	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	6,339,600
5 Lake County (LAKCOUNT)	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	6,029,730
6 Lake Cogen Limited (LAKORDER)	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	31,975,807
7 Metro-Dade County (METRADE)	804,154	738,558	749,455	798,056	899,574	908,572	964,602	984,123	989,860	989,860	989,860	1,015,118	10,859,750
8 Orange Cogen (ORANGECCO)	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	27,318,197
9 Orlando Cogen Limited (ORLACOG)	2,220,699	1,963,308	1,963,806	1,912,636	1,989,708	2,032,631	2,032,631	2,032,631	2,032,631	2,032,631	2,032,631	2,032,631	24,348,755
10 Pasco Cogen Limited (PASCOG)	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	37,996,612
11 Pasco County Resource Recovery (PASCOUNT)	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	10,877,160
12 Pinellas County Resource Recovery (PINCOUNT)	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	25,892,370
13 Polk Power Partners, L.P. (MULBERRY)	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	33,307,512
14 Polk Power Partners, L.P. (ROYSTER)	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	12,687,711
15 U.S. Agri-Chemicals (AGRICHEM)	(43,838)	0	0	0	0	0	0	0	0	0	0	0	(43,838)
16 Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	731,496	772,240	763,595	766,949	773,283	791,864	800,587	800,948	835,327	1,066,952	725,113	612,032	9,439,452
17 Cargill Power Market	0	0	0	0	0	0	0	0	0	0	0	0	500,000
18 Central Power & Lime Capacity Purchase (133 MW)	1,182,713	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,387,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	16,119,943
19 UPS Purchase (414 total mw) - Southern	4,867,122	4,951,688	4,662,176	4,811,375	4,863,326	4,581,817	4,724,663	3,988,157	4,550,957	4,608,817	4,609,659	6,004,790	56,347,347
20 Incremental Security	28,630	39,115	(38,843)	6,029	458,313	43,299	341,573	50,571	23,561	551,304	32,343	648,270	2,182,164
21 Subtotal - Base Level Capacity Charges	28,773,211	29,207,195	28,842,385	28,837,440	29,249,999	29,100,378	29,806,251	28,598,623	29,472,384	29,990,659	29,131,801	31,565,036	352,364,762
22 Base Production Jurisdictional Responsibility	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%
23 Base Level Jurisdictional Capacity Charges	26,975,748	27,382,622	27,040,601	27,055,966	27,422,189	27,282,477	27,756,749	20,812,067	27,631,244	28,117,142	27,311,937	29,583,793	330,362,636
<b>Intermediate Production Level Capacity Charges:</b>													
24 TECO Power Purchase (70 mw)	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	7,917,204
25 Schedule H Capacity Sales	(14,797)	(14,377)	(14,797)	(14,657)	(16,089)	(4,453)	(4,601)	(4,601)	(4,453)	(4,601)	(4,453)	(4,601)	(106,479)
26 Subtotal - Intermediate Level Capacity Charges	644,970	645,390	644,970	645,110	643,678	655,314	655,166	655,166	655,314	655,166	655,314	655,166	7,810,725
27 Intermediate Production Jurisdictional Responsibility	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%
28 Intermediate Level Jurisdictional Capacity Charges	509,823	510,155	509,823	509,934	508,802	518,000	517,882	517,882	518,000	517,882	518,000	517,882	6,174,066
<b>Peaking Production Level Capacity Charges:</b>													
29 Chattahoochee Capacity Purchase	12,500	11,636	13,364	11,814	12,782	12,834	13,366	20,000	15,135	14,769	14,500	12,500	165,200
30 The Energy Authority Capacity Purchase	0	0	0	0	0	200,000	200,000	200,000	200,000	0	0	418,750	1,218,750
31 Osceola Capacity Purchase	0	0	0	0	0	606,720	606,720	479,325	530,047	606,720	606,720	606,720	4,042,971
32 Peaking Purchases - Summer Peak	0	0	0	0	0	27,416	0	27,416	0	0	0	0	54,832
33 Peaking Purchases - Winter Peak	0	0	0	0	0	0	0	0	0	0	0	0	862,505
34 Subtotal - Peaking Level Capacity Charges	12,500	11,636	13,364	11,814	12,782	846,970	820,886	726,741	745,181	621,489	621,220	1,900,470	6,344,253
35 Peaking Production Jurisdictional Responsibility	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%
36 Peaking Level Jurisdictional Capacity Charges	11,122	10,354	11,891	10,512	11,373	753,625	729,704	646,647	663,655	552,995	552,755	1,691,019	5,645,053
<b>Other Capacity Charges:</b>													
37 Retail Wheeling	(12,967)	(68,785)	(60,381)	(26,376)	(45,018)	(11,582)	(16,482)	(4,229)	(3,222)	(23,353)	(47,329)	(24,290)	(345,012)
38 Total Jurisdictional Capacity Charges	27,483,727	27,833,346	27,501,934	27,530,036	27,867,346	28,542,521	28,897,853	27,972,368	28,809,077	29,164,866	28,335,364	31,768,405	341,826,643
39 Capacity Cost Recovery Revenues (net of tax)	26,493,798	24,540,339	23,908,440	24,150,906	27,828,251	32,147,769	32,489,271	37,348,165	34,932,156	29,576,470	26,806,417	26,619,679	345,911,864
40 Prior Period True-Up Provision	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(11,616,464)
41 Current Period Revenues (net of tax) (line 39 + 40)	25,525,759	23,572,300	22,940,401	23,182,867	26,860,212	31,179,730	31,521,232	36,380,126	33,934,119	28,608,431	25,838,378	24,651,640	334,295,200
<b>True-Up Provision</b>													
42 True-Up Provision - Over/(Under) Recov (line 41 - 38)	(1,957,968)	(4,261,040)	(4,561,532)	(4,347,168)	(937,134)	2,637,209	2,533,379	8,407,758	5,125,043	(556,234)	(2,496,985)	(7,116,764)	(7,531,442)
43 Interest Provision for the Month	(46,595)	(56,100)	(71,315)	(89,067)	(98,359)	(84,299)	(82,238)	(53,895)	(19,690)	(5,499)	(7,957)	(24,806)	(640,820)
44 Current Cycle Balance - Over/(Under) (line 42 + 43)	(2,004,563)	(6,321,709)	(10,054,556)	(15,390,792)	(16,426,284)	(13,883,375)	(11,432,234)	(3,078,371)	2,026,982	1,465,250	(1,039,692)	(8,181,262)	(8,181,262)
45 Plus Prior Period Balance	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)
46 Plus Cumulative True-Up Provision	968,039	1,936,077	2,904,116	3,872,155	4,840,193	5,808,232	6,776,271	7,744,309	8,712,348	9,680,387	10,548,425	11,616,464	11,616,464
47 Net True-Up Over/(Under) (lines 44 through 46)	(13,234,263)	(16,563,371)	(20,248,179)	(23,716,376)	(23,783,830)	(20,272,882)	(16,653,703)	(7,531,801)	(1,458,409)	(1,052,103)	(2,589,006)	(8,762,537)	(8,762,537)

Progress Energy Florida  
 Capacity Cost Recovery Clause  
 Calculation of Estimated/Actual True-Up  
 January- December 2006 (Filed 10/25/06)

	ACTUAL JAN	ACTUAL FEB	ACTUAL MAR	ACTUAL APR	ACTUAL MAY	ACTUAL JUN	ACTUAL JUL	ACTUAL AUG	ACTUAL SEP	ESTIMATED OCT	ESTIMATED NOV	ESTIMATED DEC	TOTAL
<b>Base Production Level Capacity Charges:</b>													
1	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	6,430,080
2	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	30,591,050
3	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	3,165,360
4	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	6,339,600
5	0	0	0	0	0	0	0	0	0	0	0	0	0
6	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	6,029,732
7	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	31,975,808
8	604,154	738,558	749,455	798,056	899,574	938,572	964,602	984,123	1,217,818	989,860	989,860	989,860	10,834,492
9	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	27,318,196
10	2,220,699	1,963,398	1,963,806	1,912,836	1,989,708	2,032,631	2,032,631	2,032,631	2,102,525	2,032,631	2,032,631	2,032,631	24,348,757
11	0	0	0	0	0	0	0	0	0	0	0	0	0
12	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	37,996,611
13	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	10,877,160
14	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	26,892,372
15	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	3,832,935	45,995,223
16	(43,838)	0	0	0	0	0	0	0	0	0	0	0	(43,838)
17	731,466	772,240	763,595	766,949	773,283	791,864	800,587	800,946	835,327	800,946	800,946	800,946	9,439,093
18	1,182,713	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	1,357,930	16,119,943
19	4,667,122	4,951,688	4,662,176	4,611,375	4,386,326	4,581,817	4,724,663	3,988,157	4,550,967	4,529,000	4,529,000	4,529,000	54,711,281
20	26,630	39,115	(38,843)	6,029	458,313	43,299	341,573	50,571	23,561	871,087	99,688	871,087	2,792,109
21	28,773,211	29,207,195	28,842,385	28,837,440	29,249,399	29,100,378	29,606,251	28,598,623	29,472,384	29,965,720	29,194,321	29,965,720	350,813,027
22	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%	93,753%
23	26,975,748	27,382,621	27,040,600	27,035,965	27,422,188	27,282,477	27,756,749	26,812,067	27,631,244	28,093,761	27,370,551	28,093,761	328,897,734
<b>Intermediate Production Level Capacity Charges:</b>													
24	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	7,917,204
25	(14,797)	(14,377)	(14,797)	(14,657)	(16,089)	(4,453)	(4,601)	(4,601)	(4,453)	(4,453)	(4,453)	(4,453)	(106,182)
26	644,970	645,390	644,970	645,110	643,678	655,314	655,166	655,166	655,314	655,314	655,314	655,314	7,811,022
27	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%	79.046%
28	509,823	510,155	509,823	509,934	508,803	518,000	517,882	517,882	518,000	518,000	518,000	518,000	6,174,301
<b>Peaking Production Level Capacity Charges:</b>													
29	12,500	11,636	13,364	11,814	12,782	12,834	13,366	20,000	15,135	15,135	15,135	15,135	168,835
30	0	0	0	0	0	606,720	479,325	479,325	606,720	606,720	606,720	606,720	4,042,971
31	0	0	0	0	0	200,000	200,000	200,000	200,000	0	0	418,750	1,218,750
32	0	0	0	0	0	27,416	0	27,416	0	0	0	0	54,832
33	0	0	0	0	0	0	0	0	0	0	0	1,437,500	1,437,500
34	12,500	11,636	13,364	11,814	12,782	846,970	820,086	726,741	745,181	621,855	621,855	2,478,105	6,922,888
35	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%	88.979%
36	11,122	10,354	11,891	10,512	11,373	753,626	729,704	646,647	663,055	553,320	553,320	2,204,983	6,159,917
<b>Other Capacity Charges:</b>													
37	(12,967)	(69,785)	(60,381)	(26,376)	(45,018)	(11,582)	(16,482)	(4,229)	(3,222)	(27,437)	(22,531)	(32,324)	(332,333)
38	27,483,727	27,833,346	27,501,934	27,530,036	27,897,345	28,542,521	28,987,853	27,972,368	28,809,077	29,137,644	28,419,340	30,784,430	340,899,621
39	26,493,798	24,540,339	23,908,440	24,150,906	27,928,251	32,147,769	32,489,271	37,348,165	34,902,158	30,735,396	27,131,233	26,572,067	348,347,792
40	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(968,039)	(12,197,739)
41	25,525,759	23,572,300	22,940,402	23,182,868	26,960,213	31,179,730	31,521,232	36,380,128	33,934,119	29,767,357	26,163,194	25,022,752	336,150,052
<b>True-Up Provision</b>													
42	(1,957,968)	(4,261,046)	(4,561,532)	(4,347,169)	(937,133)	2,637,209	2,533,379	8,407,758	5,125,043	629,713	(2,256,146)	(5,761,679)	(4,749,571)
43	(46,595)	(56,100)	(71,315)	(89,067)	(98,359)	(94,299)	(82,238)	(53,895)	(19,690)	(2,895)	(14,312)	(630,964)	
44	(2,004,563)	(6,321,709)	(10,954,555)	(15,390,793)	(16,426,284)	(13,883,375)	(11,432,234)	(3,076,371)	2,026,982	2,653,800	395,425	(5,380,565)	(5,380,565)
45	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)	(12,197,739)
46	968,039	1,936,077	2,804,116	3,872,155	4,840,193	5,808,232	6,776,271	7,744,309	8,712,348	9,680,387	10,648,425	12,197,740	12,197,740
47	(13,234,263)	(16,583,371)	(20,248,179)	(23,716,377)	(23,783,830)	(20,272,882)	(16,853,703)	(7,531,801)	(1,458,409)	136,447	(1,153,889)	(5,380,565)	(5,380,565)

**PROGRESS ENERGY FLORIDA  
EXHIBITS TO THE TESTIMONY OF  
WILL GARRETT**

**FINAL TRUE-UP AMOUNT  
JANUARY THROUGH DECEMBER 2006**

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**SCHEDULES A1 through A3, A6, AND A12 (WG-3T)  
(Year-to-Date)**

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PROGRESS ENERGY FLORIDA  
FUEL AND PURCHASED POWER  
COST RECOVERY CLAUSE CALCULATION  
YEAR TO DATE - DECEMBER 2006

	\$				MWH				CENTS/KWH			
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT	%
1 FUEL COST OF SYSTEM NET GENERATION (SCH A3)	1,430,384,794	1,693,893,744	(263,508,950)	(15.6)	35,918,673	37,240,450	(1,321,777)	(3.6)	3.9823	4.5485	(0.5662)	(12.5)
2 SPENT NUCLEAR FUEL DISPOSAL COST	6,010,389	6,228,904	(218,515)	(3.5)	6,382,175	6,636,378	(254,203)	(3.8)	0.0942	0.0939	0.0003	0.3
3 COAL CAR INVESTMENT	1,057,675	10,413,156	(9,355,481)	(89.8)	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
3a NUCLEAR DECOMMISSIONING AND DECONTAMINATION	2,004,539	0	2,004,539	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
4 ADJUSTMENTS TO FUEL COST - MISCELLANEOUS	36,067,543	38,332,621	(2,265,079)	(5.9)	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
4a ADJUSTMENTS TO FUEL COST - DISPOSAL COST REFUND	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
5 TOTAL COST OF GENERATED POWER	1,475,524,940	1,748,868,426	(273,343,486)	(15.6)	35,918,673	37,240,450	(1,321,777)	(3.6)	4.1080	4.6962	(0.5882)	(12.5)
6 ENERGY COST OF PURCHASED POWER - FIRM (SCH A7)	141,270,912	114,125,596	27,145,316	23.8	4,913,747	4,915,525	(1,778)	(0.0)	2.8750	2.3217	0.5533	23.8
7 ENERGY COST OF SCH C,X ECONOMY PURCH - BROKER (SCH A9)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
8 ENERGY COST OF ECONOMY PURCH - NON-BROKER (SCH A9)	91,935,463	55,641,111	36,294,352	65.2	1,075,355	777,200	298,155	38.4	8.5493	7.1592	1.3901	19.4
9 ENERGY COST OF SCH E PURCHASES (SCH A9)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
10 CAPACITY COST OF ECONOMY PURCHASES (SCH A9)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
11 PAYMENTS TO QUALIFYING FACILITIES (SCH A8)	164,780,871	145,301,280	19,479,591	13.4	4,393,925	4,663,000	(269,076)	(5.8)	3.7502	3.1160	0.6342	20.4
12 TOTAL COST OF PURCHASED POWER	397,987,246	315,067,987	82,919,259	26.3	10,383,026	10,355,725	27,301	0.3	3.8331	3.0425	0.7906	26.0
13 TOTAL AVAILABLE MWH					46,301,699	47,596,175	(1,294,476)	(2.7)				
14 FUEL COST OF ECONOMY SALES (SCH A6)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
14a GAIN ON ECONOMY SALES - 100% (SCH A6)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
15 FUEL COST OF OTHER POWER SALES (SCH A6)	(17,107,129)	(45,615,405)	28,508,276	(62.5)	(312,762)	(759,138)	446,375	(58.8)	5.4697	6.0088	(0.5391)	(9.0)
15a GAIN ON OTHER POWER SALES - 100% (SCH A6)	(1,990,442)	(5,856,036)	3,865,594	(66.0)	(312,762)	(759,138)	446,375	(58.8)	0.6364	0.7714	(0.1350)	(17.5)
15b GAIN ON TOTAL POWER SALES - 20% (SCH A6)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
16 FUEL COST OF SEMINOLE BACK-UP SALES (SCH A6)	0	0	0	0.0	0	0	0	0.0	0.0000	0.0000	0.0000	0.0
17 FUEL COST OF STRATIFIED SALES	(122,214,946)	(129,373,189)	7,158,243	(5.5)	(2,750,965)	(2,496,445)	(254,520)	10.2	4.4426	5.1823	(0.7397)	(14.3)
18 TOTAL FUEL COST AND GAINS ON POWER SALES	(141,312,517)	(180,844,630)	39,532,113	(21.9)	(3,063,727)	(3,255,583)	191,855	(5.9)	4.6124	5.5549	(0.9425)	(17.0)
19 NET INADVERTENT AND WHEELED INTERCHANGE					29,236	0	29,236					
20 TOTAL FUEL AND NET POWER TRANSACTIONS	1,732,199,669	1,883,091,783	(150,892,114)	(8.0)	43,267,208	44,340,592	(1,073,385)	(2.4)	4.0035	4.2469	(0.2434)	(5.7)
21 NET UNBILLED	(4,555,615)	(8,498)	(4,547,117)	53,508.1	113,791	1,582	112,209	7,091.0	(0.0112)	0.0000	(0.0112)	0.0
22 COMPANY USE	6,596,882	5,072,250	1,524,632	30.1	(164,778)	(120,000)	(44,778)	37.3	0.0162	0.0122	0.0040	32.8
23 T & D LOSSES	98,385,602	109,172,312	(10,786,710)	(9.9)	(2,457,494)	(2,570,699)	113,205	(4.4)	0.2414	0.2621	(0.0207)	(7.9)
24 ADJUSTED SYSTEM KWH SALES (SCH A2 PG 1 OF 2)	1,732,199,669	1,883,091,783	(150,892,114)	(8.0)	40,758,727	41,651,476	(892,749)	(2.1)	4.2499	4.5211	(0.2712)	(6.0)
25 WHOLESALE KWH SALES (EXCLUDING STRATIFIED SALES)	(56,667,920)	(68,127,896)	11,459,976	(16.8)	(1,346,454)	(1,503,234)	156,780	(10.4)	4.2087	4.5321	(0.3234)	(7.1)
26 JURISDICTIONAL KWH SALES	1,675,531,749	1,814,963,887	(139,432,138)	(7.7)	39,412,273	40,148,242	(735,969)	(1.8)	4.2513	4.5207	(0.2694)	(6.0)
27 JURISDICTIONAL KWH SALES ADJUSTED FOR LINE LOSS - 1.00382	1,681,727,515	1,818,720,862	(136,993,347)	(7.5)	39,412,273	40,148,242	(735,969)	(1.8)	4.2670	4.5300	(0.2630)	(5.8)
28 PRIOR PERIOD TRUE-UP	315,692,056	315,692,056	(0)	0.0	39,412,273	40,148,242	(735,969)	(1.8)	0.8010	0.7863	0.0147	1.9
28a MARKET PRICE TRUE-UP	0	0	0	0.0	39,412,273	40,148,242	(735,969)	(1.8)	0.0000	0.0000	0.0000	0.0
28b RECOVERY OF PRIOR PERIOD NUCLEAR REPLACEMENT COST	0	0	0	0.0	39,412,273	40,148,242	(735,969)	(1.8)	0.0000	0.0000	0.0000	0.0
29 TOTAL JURISDICTIONAL FUEL COST	1,997,419,571	2,134,412,918	(136,993,347)	(6.4)	39,412,273	40,148,242	(735,969)	(1.8)	5.0680	5.3183	(0.2483)	(4.7)
30 REVENUE TAX FACTOR									1.00072	1.00072	0.0000	0.0
31 FUEL COST ADJUSTED FOR TAXES									5.0716	5.3201	(0.2485)	(4.7)
32 GPIF	532,353	532,353			39,412,273	40,148,242			0.0014	0.0013	0.0001	92.9
33 TOTAL FUEL COST FACTOR ROUNDED TO THE NEAREST .001 CENTS/KWH									5.073	5.321	(0.248)	(4.7)

PROGRESS ENERGY FLORIDA  
CALCULATION OF TRUE-UP AND INTEREST PROVISION  
DECEMBER 2006

	CURRENT MONTH				YEAR TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE	PERCENT	ACTUAL	ESTIMATED	DIFFERENCE	PERCENT
<b>A. FUEL COSTS AND NET POWER TRANSACTIONS</b>								
1. FUEL COST OF SYSTEM NET GENERATION	\$91,123,652	118,766,003	(\$27,642,351)	(23.3)	\$1,430,384,794	\$1,693,893,744	(\$263,508,950)	(15.6)
1a. NUCLEAR FUEL DISPOSAL COST	554,762	534,681	20,081	3.8	6,010,389	6,228,904	(218,515)	(3.5)
1b. NUCLEAR DECOM & DECON	6,733	0	6,733	100.0	2,004,539	0	2,004,539	100.0
1c. COAL CAR INVESTMENT	79,833	874,598	(794,765)	(90.9)	1,057,675	10,413,156	(9,355,481)	(89.8)
2. FUEL COST OF POWER SOLD	(1,332,012)	(5,530,660)	4,198,648	(75.9)	(17,107,129)	(45,615,405)	28,508,276	(62.5)
2a. GAIN ON POWER SALES	(218,616)	(700,687)	482,071	(68.8)	(1,990,442)	(5,856,036)	3,865,594	(66.0)
3. FUEL COST OF PURCHASED POWER	10,293,640	10,332,367	(38,727)	(0.4)	141,270,912	114,125,596	27,145,316	23.8
3a. ENERGY PAYMENTS TO QUALIFYING FAC.	16,184,676	12,495,946	3,688,730	29.5	164,780,871	145,301,280	19,479,591	13.4
3b. DEMAND & NON FUEL COST OF PURCH POWER	0	0	0	0.0	0	0	0	0.0
4. ENERGY COST OF ECONOMY PURCHASES	2,782,458	2,145,225	637,233	29.7	91,935,463	55,641,111	36,294,352	65.2
5. TOTAL FUEL & NET POWER TRANSACTIONS	119,475,125	138,917,473	(19,442,347)	(14.0)	1,818,347,072	1,974,132,351	(155,785,279)	(7.9)
6. ADJUSTMENTS TO FUEL COST:								
6a. FUEL COST OF STRATIFIED SALES	(7,178,120)	(9,152,488)	1,974,368	(21.6)	(122,214,946)	(129,373,189)	7,158,243	(5.5)
6b. OTHER- JURISDICTIONAL ADJUSTMENTS (see detail below)	3,339,909	3,016,619	323,290	10.7	36,067,543	38,332,621	(2,265,079)	(5.9)
6c. OTHER - PRIOR PERIOD ADJUSTMENT	0	0	0	0.0	0	0	0	0.0
7. ADJUSTED TOTAL FUEL & NET PWR TRNS	\$115,636,906	\$132,781,604	(\$17,144,698)	(12.9)	\$1,732,199,669	\$1,863,091,783	(\$150,892,114)	(8.0)

FOOTNOTE: DETAIL OF LINE 6b ABOVE:

INSPECTION & FUEL ANALYSIS REPORTS (Wholesale Portion)	\$3,626	\$0	\$3,626		\$56,050	\$0	\$56,050	
INEFFICIENT USE OF HINES 3	0	0	0		0	0	0	
UNIV OF FL STEAM REVENUE ALLOCATION (Wholesale Portion)	3,300	0	3,300		39,690	0	39,690	
ADDL ADJUSTMENT FOR 518 13 CLEANUP	(6,733)	0	(6,733)		(134,008)	1,743,831	(1,877,840)	
GAS CONVERSION PROJECTS, (DEPRECIATION & RETURN)	0	0	0		0	0	0	
EMISSIONS	0	0	0		0	0	0	
TANK BOTTOM ADJUSTMENT (Grossed up)	0	0	0		(45,811)	0	(45,811)	
FPSC FUEL AUDIT ADJUSTMENT	0	0	0		0	0	0	
COGEN ADJUSTMENT INTEREST (GROSSED UP)	0	0	0		64,754	0	64,754	
RETURN ON COAL INVENTORY IN TRANSIT (GROSSED UP)	323,084	0	323,084		3,359,530	0	3,359,530	
DOE CRUDE OIL REFUND DISTRIBUTION	0	0	0		(3,861,594)	0	(3,861,594)	
HINES 2 (DEPREC & RETURN)	3,016,631	3,016,619	12		36,588,932	36,588,790	142	
SUBTOTAL LINE 6b SHOWN ABOVE	\$3,339,909	\$3,016,619	\$323,290		\$36,067,543	\$38,332,621	(\$2,265,079)	

Note: Return on Coal Inventory in Transit based on:

Avg Investment: \$31,106,713      Avg tons: 458,630

<b>B. KWH SALES</b>								
1. JURISDICTIONAL SALES	2,916,326,024	3,001,370,000	(85,043,976)	(2.8)	39,431,837,767	40,148,242,000	(716,404,233)	(1.8)
2. NON JURISDICTIONAL (WHOLESALE) SALES	99,623,387	106,606,000	(6,982,613)	(6.6)	1,346,454,111	1,503,234,000	(156,779,889)	(10.4)
3. TOTAL SALES	3,015,949,411	3,107,976,000	(92,026,589)	(3.0)	40,778,291,878	41,651,476,000	(873,184,122)	(2.1)
4. JURISDICTIONAL SALES % OF TOTAL SALES	96.70	96.57	0.13	0.1	96.70	96.39	0.31	0.3

PROGRESS ENERGY FLORIDA  
CALCULATION OF TRUE-UP AND INTEREST PROVISION  
DECEMBER 2006

	CURRENT MONTH				YEAR TO DATE			
	ACTUAL	ESTIMATED	DIFFERENCE	PERCENT	ACTUAL	ESTIMATED	DIFFERENCE	PERCENT
<b>C. TRUE UP CALCULATION</b>								
1. JURISDICTIONAL FUEL REVENUE	\$151,126,016	\$159,602,522	(\$8,476,506)	(5.3)	\$2,080,551,333	\$2,134,945,272	(\$54,393,939)	(2.6)
2. ADJUSTMENTS: PRIOR PERIOD ADJ	0	0	0	0.0	0	0	0	0.0
2a. TRUE UP PROVISION	(26,307,671)	(26,307,675)	4	0.0	(315,692,056)	(315,692,056)	0	0.0
2b. INCENTIVE PROVISION	(44,363)	(44,360)	(3)	0.0	(532,353)	(532,353)	0	0.0
2c. OTHER: MARKET PRICE TRUE UP	0	0	0	0.0	0	0	0	0.0
3. TOTAL JURISDICTIONAL FUEL REVENUE	124,773,982	133,250,487	(8,476,505)	(6.4)	1,764,326,924	1,818,720,862	(54,393,939)	(3.0)
4. ADJ TOTAL FUEL & NET PWR TRNS (LINE A7)	115,636,906	132,781,604	(17,144,698)	(12.9)	1,732,199,669	1,883,091,783	(150,892,114)	(8.0)
5. JURISDICTIONAL SALES % OF TOT SALES (LINE B4)	96.70	96.57	0.13	0.1	96.70	96.39	0.31	0.3
6. JURISDICTIONAL FUEL & NET POWER TRANSACTIONS (LINE C4 * LINE C5 * 1.00382 LOSS MULTIPLIER)	112,248,044	128,492,522	(16,244,478)	(12.6)	1,661,727,515	1,818,720,862	(136,993,347)	(7.5)
7. TRUE UP PROVISION FOR THE MONTH OVER/(UNDER) COLLECTION (LINE C3 - C6)	12,525,938	4,757,965	7,767,973	163.3	82,599,409	0	82,599,409	100.0
8. INTEREST PROVISION FOR THE MONTH (LINE D10)	243,897	(56,153)	300,050	(534.3)	(8,869,481)	(5,793,513)	(1,075,968)	18.6
9. TRUE UP & INT PROVISION BEG OF MONTH/PERIOD	36,267,366	(36,803,000)	73,070,367	(198.5)	(316,077,111)	(315,692,056)	(385,055)	0.1
10. TRUE UP COLLECTED (REFUNDED)	26,307,671	26,307,675	(4)	0.0	315,692,056	315,692,056	(0)	0.0
11. END OF PERIOD TOTAL NET TRUE UP (LINES C7 + C8 + C9 + C10)	75,344,873	(5,793,513)	81,138,385	(1,400.5)	75,344,873	(5,793,513)	81,138,385	(1,400.5)
12. OTHER:								
13. END OF PERIOD TOTAL NET TRUE UP (LINES C11 + C12)	\$75,344,873	(5,793,513)	81,138,385	(1,400.5)	\$75,344,873	(5,793,513)	81,138,385	(1,400.5)
<b>D. INTEREST PROVISION</b>								
1. BEGINNING TRUE UP (LINE C9)	\$36,267,366	N/A	--	--				
2. ENDING TRUE UP (LINES C7 + C9 + C10 + C12)	75,100,976	N/A	--	--				
3. TOTAL OF BEGINNING & ENDING TRUE UP	111,368,342	N/A	--	--				
4. AVERAGE TRUE UP (50% OF LINE D3)	55,684,171	N/A	--	--			NOT	
5. INTEREST RATE - FIRST DAY OF REPORTING MONTH	5.250	N/A	--	--				
6. INTEREST RATE - FIRST DAY OF SUBSEQUENT MONTH	5.270	N/A	--	--				
7. TOTAL (LINE D5 + LINE D6)	10.520	N/A	--	--			APPLICABLE	
8. AVERAGE INTEREST RATE (50% OF LINE D7)	5.260	N/A	--	--				
9. MONTHLY AVERAGE INTEREST RATE (LINE D8/12)	0.438	N/A	--	--				
10. INTEREST PROVISION (LINE D4 * LINE D9)	\$243,897	N/A	--	--				



PROGRESS ENERGY FLORIDA, INC.  
GENERATING SYSTEM COMPARATIVE DATA

01-2006 Thru 12-2006  
FINAL

Schedule A-3

FUEL COST OF SYSTEM		ACTUAL	ESTIMATED	DIFFERENCE	DIFFERENCE (%)
<b>NET GENERATION (\$)</b>					
1	HEAVY OIL	307,869,797	425,965,775	-118,095,978	-27.7%
2	LIGHT OIL	59,201,312	63,758,586	-4,557,274	-7.1%
3	COAL	460,168,336	431,832,724	28,335,612	6.6%
4	GAS	579,811,305	748,679,284	-168,867,979	-22.6%
5	NUCLEAR	23,334,044	23,657,378	-323,334	-1.4%
6					
7					
8	TOTAL (\$)	1,430,384,794	1,693,893,747	-263,508,953	-15.6%
<b>SYSTEM NET GENERATION (MWH)</b>					
9	HEAVY OIL	4,603,832	5,389,913	-786,081	-14.6%
10	LIGHT OIL	307,625	277,691	29,934	10.8%
11	COAL	14,968,731	14,740,143	228,588	1.6%
12	GAS	9,656,309	10,196,325	-540,016	-5.3%
13	NUCLEAR	6,382,175	6,636,378	-254,203	-3.8%
14					
15					
16	TOTAL (MWH)	35,918,672	37,240,450	-1,321,778	-3.5%
<b>UNITS OF FUEL BURNED</b>					
17	HEAVY OIL (BBL)	7,353,386	9,018,949	-1,665,563	-18.5%
18	LIGHT OIL (BBL)	710,104	664,524	45,580	6.9%
19	COAL (TON)	5,977,187	5,718,999	258,188	4.5%
20	GAS (MCF)	76,629,028	80,330,843	-3,701,815	-4.6%
21	NUCLEAR (MMBTU)	65,780,814	68,373,920	-2,593,106	-3.8%
22					
23					

PROGRESS ENERGY FLORIDA, INC.  
GENERATING SYSTEM COMPARATIVE DATA  
Schedule A-3

01-2006 Thru 12-2006  
FINAL

FUEL COST OF SYSTEM		ACTUAL	ESTIMATED	DIFFERENCE	DIFFERENCE (%)
<b>BTUS BURNED (MILLION BTU)</b>					
24	HEAVY OIL	48,422,567	58,623,171	-10,200,604	-17.4%
25	LIGHT OIL	4,106,716	3,854,233	252,483	6.6%
26	COAL	146,597,286	142,974,941	3,622,345	2.5%
27	GAS	78,269,038	80,330,843	-2,061,805	-2.6%
28	NUCLEAR	65,780,814	68,373,920	-2,593,106	-3.8%
29					
30					
31	TOTAL (MILLION BTU)	343,176,421	354,157,108	-10,980,687	-3.1%
<b>GENERATION MIX (% MWH)</b>					
32	HEAVY OIL	12.8	14.47	-1.7	-11.4%
33	LIGHT OIL	0.9	0.75	0.1	14.9%
34	COAL	41.7	39.58	2.1	5.3%
35	GAS	26.9	27.38	-0.5	-1.8%
36	NUCLEAR	17.8	17.82	-0.1	-0.3%
37					
38					
39	TOTAL (% MWH)	100.0	100.0	0.0	0.0%

PROGRESS ENERGY FLORIDA, INC.  
GENERATING SYSTEM COMPARATIVE DATA  
Schedule A-3

FUEL COST OF SYSTEM		ACTUAL	ESTIMATED	DIFFERENCE	DIFFERENCE (%)
<b>FUEL COST PER UNIT (\$)</b>					
40	HEAVY OIL (\$/BBL)	41.87	47.23	-5.36	-11.4%
41	LIGHT OIL (\$/BBL)	83.37	95.95	-12.58	-13.1%
42	COAL (\$/TON)	76.99	75.51	1.48	2.0%
43	GAS (\$/MCF)	7.57	9.32	-1.75	-18.8%
44	NUCLEAR (\$/MBTU)	0.35	0.35	0.01	2.5%
45					
46					
<b>FUEL COST PER MILLION BTU (\$/MILLION BTU)</b>					
47	HEAVY OIL	6.36	7.27	-0.91	-12.5%
48	LIGHT OIL	14.42	16.54	-2.13	-12.9%
49	COAL	3.14	3.02	0.12	3.9%
50	GAS	7.41	9.32	-1.91	-20.5%
51	NUCLEAR	0.35	0.35	0.01	2.5%
52					
53					
54	SYSTEM (\$/MBTU)	4.17	4.78	-0.61	-12.9%
<b>BTU BURNED PER KWH (BTU/KWH)</b>					
55	HEAVY OIL	10,518	10,876	-359	-3.3%
56	LIGHT OIL	13,350	13,880	-530	-3.82%
57	COAL	9,794	9,700	94	1.0%
58	GAS	8,105	7,878	227	2.9%
59	NUCLEAR	10,307	10,303	4	0.0%
60					
61					
62	SYSTEM (BTU/KWH)	9,554	9,510	44	0.5%

PROGRESS ENERGY FLORIDA, INC.  
GENERATING SYSTEM COMPARATIVE DATA  
Schedule A-3

01-2006 Thru 12-2006  
FINAL

FUEL COST OF SYSTEM		ACTUAL	ESTIMATED	DIFFERENCE	DIFFERENCE (%)
<hr/>					
GENERATED FUEL COST PER KWH (CENTS/KWH)					
63	HEAVY OIL	6.69	7.90	-1.22	-15.4%
64	LIGHT OIL	19.24	22.96	-3.72	-16.2%
65	COAL	3.07	2.93	0.14	4.9%
66	GAS	6.00	7.34	-1.34	-18.2%
67	NUCLEAR	0.37	0.36	0.01	2.6%
68					
69					
70	SYSTEM (CENTS/KWH)	3.98	4.55	-0.57	-12.4%

Progress Energy Florida, Inc.  
Schedule A6  
Power Sold for the Month of  
December 2006

(1)	(2)	(3)	(4)	(5)	(6a)	(6b)	(7)	(8)	(9)
Sold To	Type & Schedule	Total KWH Sold (000)	Wheeled from Other Systems (000)	KWH from Own Generation (000)	Fuel Cost C/KWH	Total Cost C/KWH	Fuel Adj Total \$	Total Cost \$	Gain on Sales \$
<b>ESTIMATED</b>		94,000		94,000	5.884	6.629	5,530,660.00	6,231,347.00	700,687.00
<b>ACTUAL</b>									
City of New Smyrna Beach, FL	Schedule H	0		0	0.000	0.000	0.00	0.00	0.00
City of New Smyrna Beach, FL	Schedule I	0		0	0.000	0.000	8,615.52	8,615.52	0.00
City of New Smyrna Beach, FL	Schedule OS	110		110	4.095	5.580	4,504.50	6,138.00	1,633.50
Cobb Electric Membership Corp.	EEI	3,757		3,757	4.208	5.282	158,100.63	198,436.69	40,336.06
ConocoPhillips Company	EEI	208		208	9.195	9.441	19,125.60	19,637.28	511.68
Florida Municipal Power Agency	CR-1	325		325	4.256	4.859	13,832.00	15,792.25	1,960.25
Florida Power & Light Company	CR-1	2,212		2,212	4.479	4.684	99,073.35	103,602.36	4,529.01
Oglethorpe Power Corp.	EEI	410		410	5.665	8.417	23,226.50	34,509.70	11,283.20
Reedy Creek Improvement District	Schedule OS	1,740		1,740	3.153	3.872	54,867.96	67,377.16	12,509.20
Seminole Electric Cooperative, Inc	CR-1	2,430		2,430	3.313	4.803	80,495.70	116,711.05	36,215.35
Seminole Electric Cooperative, Inc.	Load Following	9,752		9,752	4.864	4.864	474,308.41	474,308.41	0.00
Tampa Electric Company	CR-1	6,447		6,447	4.358	5.712	280,976.51	368,228.27	87,251.76
Tampa Electric Company	EEI	50		50	5.966	6.721	2,983.00	3,360.50	377.50
Tennessee Valley Authority	MR1	1,815		1,815	4.479	6.379	81,296.79	115,771.19	34,474.40
The Energy Authority, Inc.	Contract	760		760	4.027	5.218	30,605.54	39,657.22	9,051.68
Pennsylvania-New Jersey-Maryland Int.	MR1	(100)		(100)	0.000	21.518	0.00	(21,517.51)	(21,517.61)
<b>Subtotal - Gain on Other Power Sales</b>		29,916		29,916	4.453	5.183	1,332,012.01	1,550,627.99	218,615.98
<b>CURRENT MONTH TOTAL</b>		29,916		29,916	4.453	5.183	1,332,012.01	1,550,627.99	218,615.98
<b>DIFFERENCE</b>		(64,084)		(64,084)	(1.431)	(1.446)	(4,198,647.99)	(4,680,719.01)	(482,071.02)
<b>DIFFERENCE %</b>		(68.17)		(68.17)	(24.33)	(21.81)	(75.92)	(75.12)	(68.80)
<b>CUMULATIVE ACTUAL</b>		312,762		312,762	5.470	6.106	17,107,128.56	19,097,570.73	1,990,442.17
<b>CUMULATIVE ESTIMATED</b>		759,137		759,137	6.009	6.780	45,615,405.00	51,471,441.00	5,856,036.00
<b>DIFFERENCE</b>		(446,375)		(446,375)	(0.539)	(0.674)	(28,508,276.44)	(32,373,870.27)	(3,865,593.83)
<b>DIFFERENCE %</b>		(58.80)		(58.80)	(8.97)	(9.94)	(62.50)	(62.90)	(66.01)

PROGRESS ENERGY FLORIDA, INC.  
 SCHEDULE A12 - CAPACITY COSTS  
 FOR THE PERIOD JAN - DEC 2006

Counterparty	Type	MW	Start Date - End Date	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
1 Auburndate Power Partners, L.P. (AUBRDLFC)	QF	17.00	1/1/95 - 12/31/13	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	535,840	6,430,080
2 Auburndate Power Partners, L.P. (AUBSET)	QF	114.18	8/1/94 - 12/31/13	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	2,549,254	30,591,051
3 Bay County (BAYCOUNT)	QF	11.00	1/1/95 - 12/31/06	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	263,780	3,165,360
4 Cargill Fertilizer, Inc. (CARGILLF)	QF	15.00	9/1/92 - 12/31/07	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	528,300	6,339,600
5 Jefferson Power L.C. (JEFFPOWR)	QF	2.00	7/1/02 - 7/31/05	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Lake County (LAKCOUNT)	QF	12.75	1/1/95 - 6/30/14	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	502,478	6,029,730
7 Lake Cogen Limited (LAKORDER)	QF	110.00	7/1/93 - 7/31/13	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	2,664,651	31,975,807
8 Metro-Dade County (METRDADE)	QF	43.00	11/1/91 - 11/30/13	604,154	739,558	749,455	798,056	899,574	908,572	964,602	984,123	1,217,818	989,860	989,860	1,015,118	10,859,750
9 Orange Cogen (ORANGECO)	QF	74.00	7/1/95 - 12/31/24	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	2,276,516	27,318,197
10 Orlando Cogen Limited (ORLACOGL)	QF	79.20	9/1/93 - 12/31/23	2,220,699	1,963,398	1,963,806	1,912,836	1,989,708	2,032,631	2,032,631	2,032,631	2,102,525	2,032,631	2,032,631	2,032,631	24,348,755
11 Pasco Cogen Limited (PASCCOGL)	QF	109.00	7/1/93 - 12/31/08	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	3,166,384	37,996,612
12 Pasco County Resource Recovery (PASCOUNT)	QF	23.00	1/1/95 - 12/31/24	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	906,430	10,877,160
13 Pinellas County Resource Recovery (PINCOUNT)	QF	54.75	1/1/95 - 12/31/24	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	2,157,698	25,892,370
14 Polk Power Partners, L.P. (MULBERRY)	QF	79.20	8/1/94 - 8/8/24	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	2,775,626	33,307,512
15 Polk Power Partners, L.P. (ROYSTER)	QF	30.80	8/1/94 - 8/9/09	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	1,057,309	12,687,711
16 U.S. Agri-Chemicals (AGRICHEM)	QF	5.61	1/1/97 - 11/23/05	(43,838)	0	0	0	0	0	0	0	0	0	0	0	(43,838)
17 Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	QF	39.60	8/1/94 - 12/31/23	731,466	772,240	763,595	766,949	773,283	791,864	800,587	800,946	835,327	1,066,052	725,113	612,032	9,439,452
18 UPS Purchase (414 total mw) - Southern	Other	414	7/19/88 - 5/31/10	4,867,122	4,951,688	4,862,176	4,611,375	4,386,326	4,581,817	4,724,663	3,988,157	4,550,957	4,608,617	4,609,659	6,004,790	56,347,347
19 Incremental Security				26,630	39,115	(38,843)	6,029	458,313	43,299	341,573	50,571	23,561	551,304	32,343	648,270	2,182,164
20 TECO Power Purchase (70 mw)	Other	70	3/30/93 - 2/28/11	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	659,767	7,917,204
21 Retail Wheeling				(12,967)	(69,785)	(60,381)	(26,376)	(45,018)	(11,562)	(16,482)	(4,229)	(3,222)	(23,353)	(47,329)	(24,290)	(345,012)
<b>SUBTOTAL</b>				<b>28,237,298</b>	<b>28,439,247</b>	<b>28,083,840</b>	<b>28,112,902</b>	<b>28,506,218</b>	<b>28,390,633</b>	<b>28,891,686</b>	<b>27,896,232</b>	<b>28,770,999</b>	<b>29,269,143</b>	<b>28,386,306</b>	<b>30,332,563</b>	<b>343,317,011</b>
<b>Confidential Capacity Contracts (Aggregated):</b>																
<b>Purchases/Sales (Not)</b>	<b>Other</b>	<b>MW</b>	<b>Contracts</b>													
Total		777.25 to 935.25	9	1,180,417	1,355,188	1,356,498	1,355,088	1,354,623	2,200,448	2,173,414	2,080,070	2,098,658	1,974,818	1,974,697	3,753,799	22,857,717
<b>TOTAL</b>				<b>29,417,715</b>	<b>29,794,436</b>	<b>29,440,338</b>	<b>29,467,989</b>	<b>29,860,841</b>	<b>30,591,080</b>	<b>31,065,021</b>	<b>29,976,301</b>	<b>30,869,658</b>	<b>31,243,961</b>	<b>30,361,006</b>	<b>34,086,362</b>	<b>366,174,728</b>