

REDACTED

090000-0T

Exhibit B

REDACTED

COM _____
ECR _____
GCL _____
OPC _____
RCP 1
SSC _____
SGA _____
ADM _____
CLK _____

DOCUMENT NUMBER-DATE

00279 JAN 12 8

FPSC-COMMISSION CLERK

Exhibit 1 provides 2007 comparable claims statistics for each company. The data shows the number of customers served, the number of claims filed and paid, the percent of claims paid and the average amount paid by each company for 2007 customer damage claims.

2007 Claim Statistics									
	FPL		Gulf		PEF		TEC		
Customers									
Claims Filed									
Percent Paid									

EXHIBIT 1

Sources: Document Requests 1-3, 2-2

When comparing claim statistics for 2007, [redacted] leads the amount paid, claims filed and claims paid comparison, which is logical given it has the largest customer base. However, [redacted], follows [redacted] in the total amount of dollars paid in claims. [redacted] also has the highest percent of claims paid and the highest average paid per claim. Conversely, PEF's average paid per claim, and percent of claims paid was [redacted] the four companies in 2007.

Appendix A also provides a Survey of 2008 Claims Payment Policies for each company. The survey compares the company's pay/deny decisions in similar claims situations. As shown in the survey, [redacted] pays in some situations the other companies do not, and PEF does not pay in some situations where other companies do make payment. While the companies are generally similar in pay/deny decisions [redacted] and PEF differences are discussed in greater detail in sections 4.0 and 5.0 of the report.

1.5 Conclusion

Overall, during the period reviewed of 2003 through 2008, the utilities paid between 31 and 48 percent of the claims submitted. Staff believes that the utilities conducted timely, consistent, and fair property damage claim investigations. Staff also identified several key areas where additional company effort is needed to improve the claims process. Listed below are staff's recommendations in these key areas of property damage claims activity.

1.5.1 Florida Power and Light

◇ [redacted]

◇ [redacted]

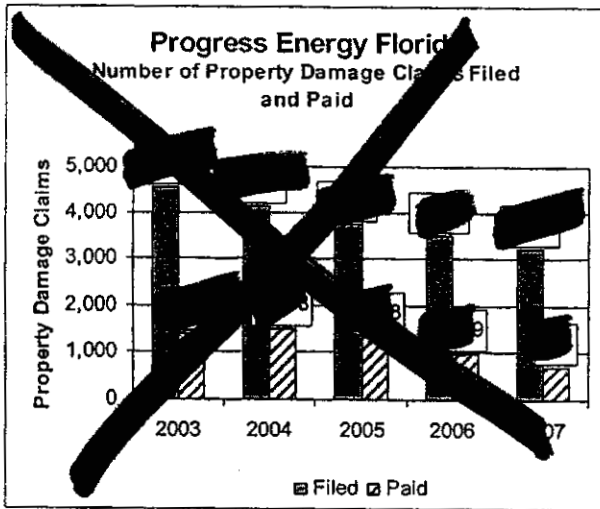


EXHIBIT 11 Source: Document Request 1-3

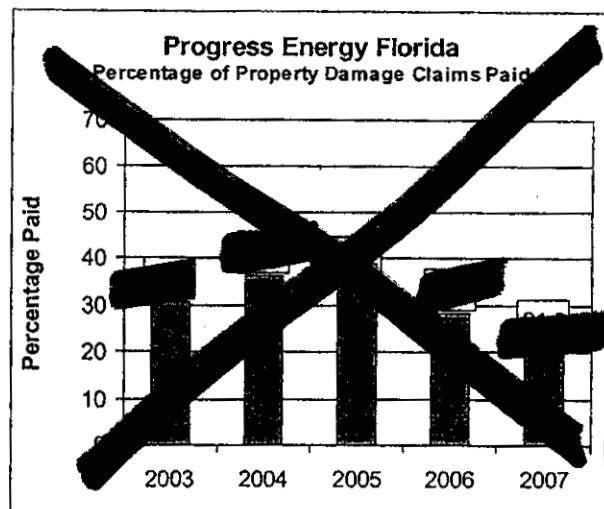


EXHIBIT 12 Source: Document Request 1-3

[REDACTED]



EXHIBIT 13 Source: Document Request 2-2

[REDACTED]

elsewhere in the company. PEF's Claims Manager stated that the goal is to manage the claims budget so that at the end of the year there would be a zero balance in the budget.

PEF stated that although there is an annually budgeted amount for the claims operation, the company does not base approval or denial of claims on the budgeted amounts. If claims exceed budget, then additional funds for that particular year are requested. On the other hand, if surplus dollars remain at the end of the year, those dollars can be used

Exhibit 14 shows the ten most frequent causes, from highest to lowest, for customer property damage claims filed against PEF in 2007. Of PEF's current cause codes, these top ten causes accounted for 90 percent of the total claims filed in 2007. As shown, the greatest number of customer property damage claims filed were the result of outages (761), followed by open neutral (637), transactions (312), irregular voltage (289), and feeder operations (260).

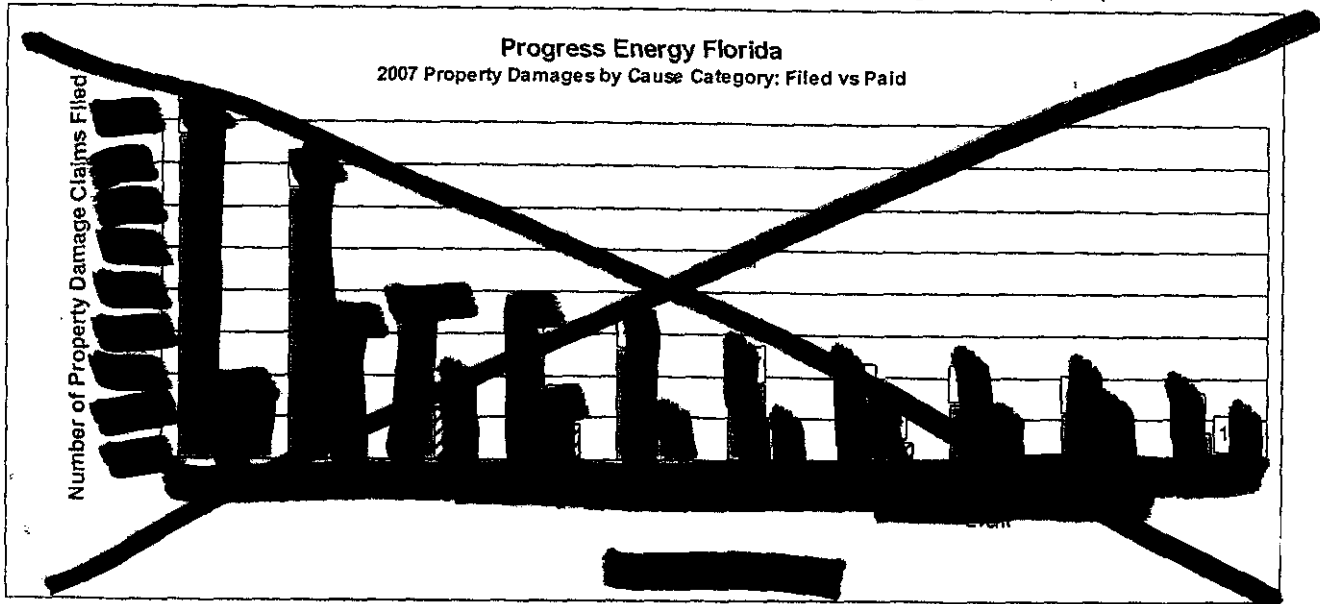


EXHIBIT 14

Source: Document Request 2-2

4.3 Claims Handling

How does a customer file a property damage claim with PEF?

According to the company, PEF customers may file a property damage claim by telephone, mail, or the Internet. Most customer property damage claims begin with a telephone call from the customer. Customers are generally familiar with contacting the company through the Customer Care Call Center or Business Office for any service-related problem.

Customer property damage claims may also be received from PEF's Consumer Affairs department, by e-mail to the claims team, or by a property damage referral from another internal department identifying a potential customer claim situation requiring investigation. Upon occasion, claims are also received by the company through an attorney or agent. Generally, those claims will be negotiated by legal representation or litigated in the court system.

If the property damage claim call comes through the Call Center to a customer service agent, basic claim details are entered into the Customer Service System (CSS) and a property damage claim is constructed. CSS then generates a claim in STARS, where an investigator is assigned the claim.

12/18/2008

Using PEF's database of claims filed from January 2003 through August 2008, audit staff conducted analysis on a statistically significant random sample of claim files to determine if the processing and payment of the claims were performed uniformly and fairly to both the customer and the company. Audit staff selected 90 claims and analyzed each one to formulate an overall opinion of the company's claims process based on four categories: timeliness, consistency, fairness, and compliance with the company's own established guidelines. This sample size provides a 90 percent confidence level with a margin of error of plus or minus 3 percent.

Timeliness

In review of PEF's claims handling timeliness, staff considered the company's initial customer contact, providing necessary documents for customer input, investigating the claim, notifying the customer of the claim decision, handling of "no customer activity" claims, and closing claims files in a timely manner.

In considering timeliness, staff found that 80 of the 90 claims files (88.9 percent) examined were handled in a timely manner, exceeding [REDACTED]. Five claims were delayed when the customer failed to take action, and they were included within the 80 timely claims.

Ten claims found to be untimely were characterized by claims completion timeframes between 46 and 247 days. Three of the claims were completed between 37 and 64 days, two were completed between 77 and 78 days, two were completed in 112 days, and one claim took 247 days to complete. Four of the claims were tree-trimming related, one was due to a failed transformer, one was reopened three different times before resolving the claim, and one claim was the result of the company not converting temporary service to permanent service in a timely manner.

Consistency

Staff's review of PEF's consistency in claims handling included whether the claim processing effort was generally consistent in claims documentation, treatment of customer claims requests, use of the company pay/deny claims matrix, use of depreciation methodology, notification of the claims decision, and payment of claims.

Staff found that 76 of the 90 claims (84.4 percent) were consistent in PEF's review, documentation, treatment, decision-making and payment of claims. The 14 claims (15.6 percent) found to be inconsistent were characterized by seven denied claims that were paid in other instances with similar conditions and cause codes, but they were not paid in those instances. Three claims were closed as "inactive" in less than the normal 30 days allowed. Three claims were insufficient in file documentation to allow staff to determine consistency in claims handling methodology and treatment. Within the seven denied claims, three involved underground causes and two were related to "tree trimming" causes. Overall, staff's sample results show that PEF was generally consistent in handling claims during the period from January 2003 through August 2008.

Fairness

Staff's review of PEF's fairness in claims handling evaluated whether claims were considered and treated equally, claims decisions were fair and equitable, customer equipment

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] PEF

[REDACTED]

[REDACTED]

[REDACTED] PEF

[REDACTED]

[REDACTED]

[REDACTED] PEF

[REDACTED]

[REDACTED] PEF

[REDACTED]

[REDACTED] PEF

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Progress Energy Florida, Inc.
2007 Top Ten Cause Codes

Outage			
Open Neutral			
Weather			
Irregular Voltage		360	
Customer Related Event			
Feeder Operations			
Transactions			0
High Voltage			
Underground (dig in/failure)			
Transformer			

	Total # Claims	
2003	4549	
2004	4119	
2005	3746	
2006	3488	
2007	3227	

19129 (1713)08

	Total Dollars Paid
2003	
2004	
2005	
2006	
2007	

Claims By Cause Codes For PEF Claims 2003-2008

No.	Description	Claims
1	Outage	[REDACTED]
2	Open Neutral	[REDACTED]
3	Weather	[REDACTED]
4	Irregular Voltage	[REDACTED]
5	Customer Related Event	[REDACTED]
6	Feeder Operations	[REDACTED]
7	Transactions	[REDACTED]
8	High Voltage	[REDACTED]
9	Underground	[REDACTED]
10	Transformer	[REDACTED]
11	R-O-W Tree Trimming	[REDACTED]
12	Single Phasing	[REDACTED]
13	Low Voltage	[REDACTED]
14	Mobile Meter Reading	[REDACTED]
15	Fires	[REDACTED]
	Total	[REDACTED]
	Actual/Document	[REDACTED]

Top Five	Cause	Number	Dollars	Pending	%Sample	Number
	Outage	[REDACTED]		\$0	28.7%	[REDACTED]
	Open Neutral	[REDACTED]		\$0	25.5%	[REDACTED]
	Weather	[REDACTED]		\$0	20.8%	[REDACTED]
	Irregular Voltage	[REDACTED]		\$0	13.4%	[REDACTED]
	Customer Related Event	[REDACTED]		\$0	11.6%	[REDACTED]
	Total	15926	\$0	\$0	100%	90
	Sample % of Total Claims	69.7%				
	PEF Damage Claim Sample					

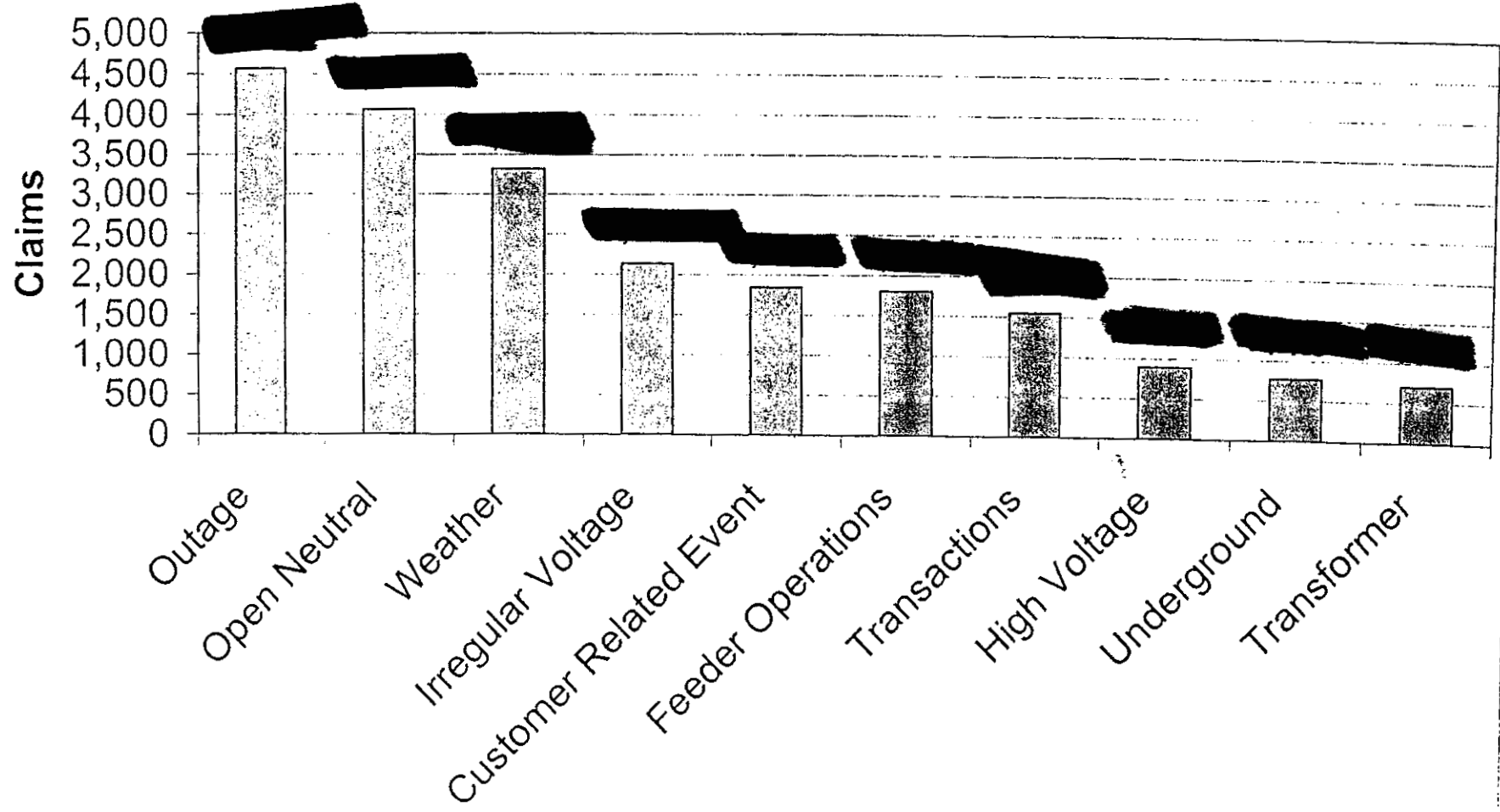
1 Open
2 Neutral
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24 Irregular
25 Voltage
26
27
28
29
30
31
32
33
34
35
36 Customer
37 Related
38 Event
39
40
41
42
43
44
45

46 Outage
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72 Weather
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90

Outage
Open Neutral
Weather

Irregular Voltage [REDACTED]
Customer Related Event \$0

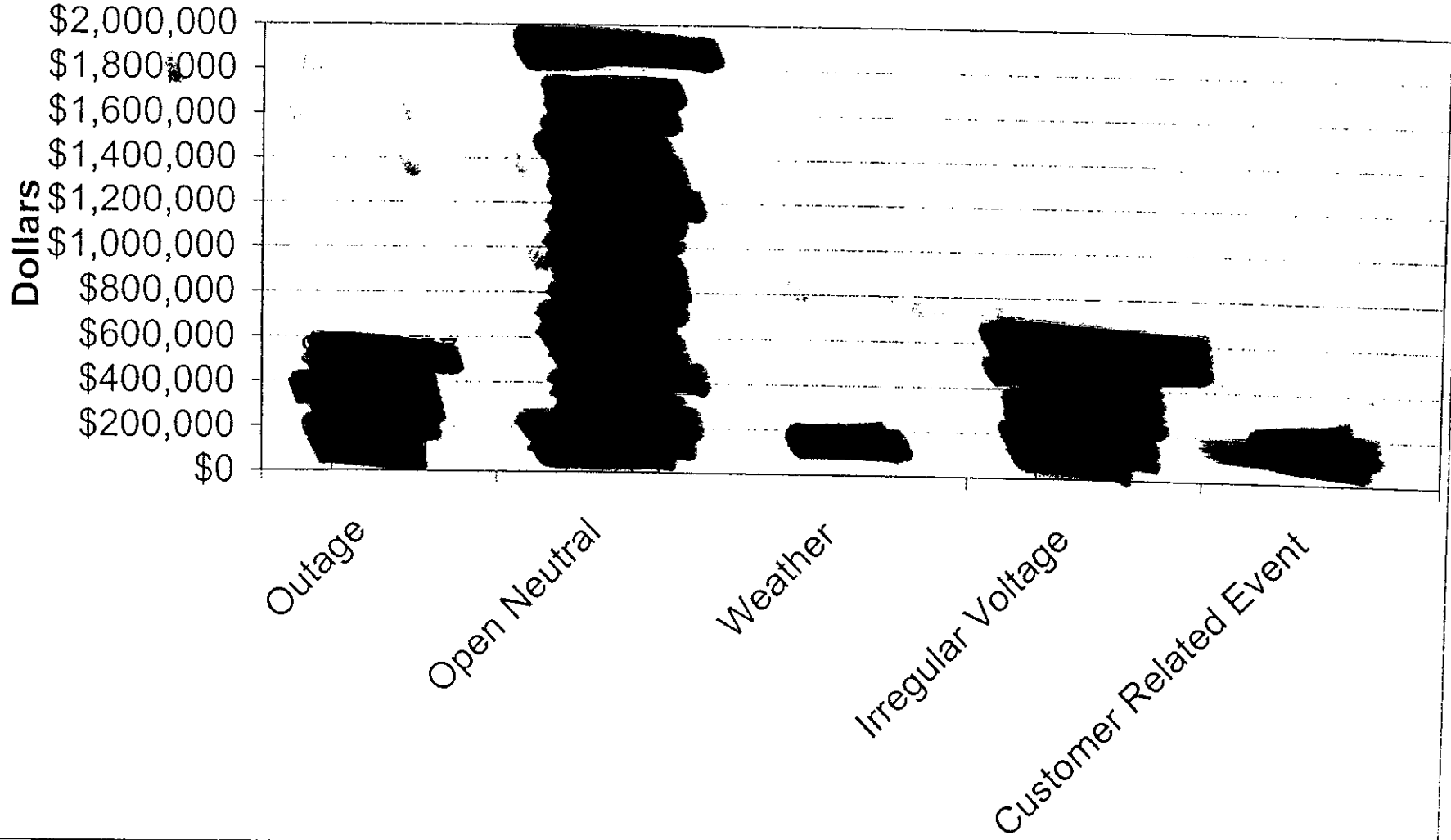
PEF Claims Categories by Cause Code 2003-2008



u

PEF Top Five Claims Categories

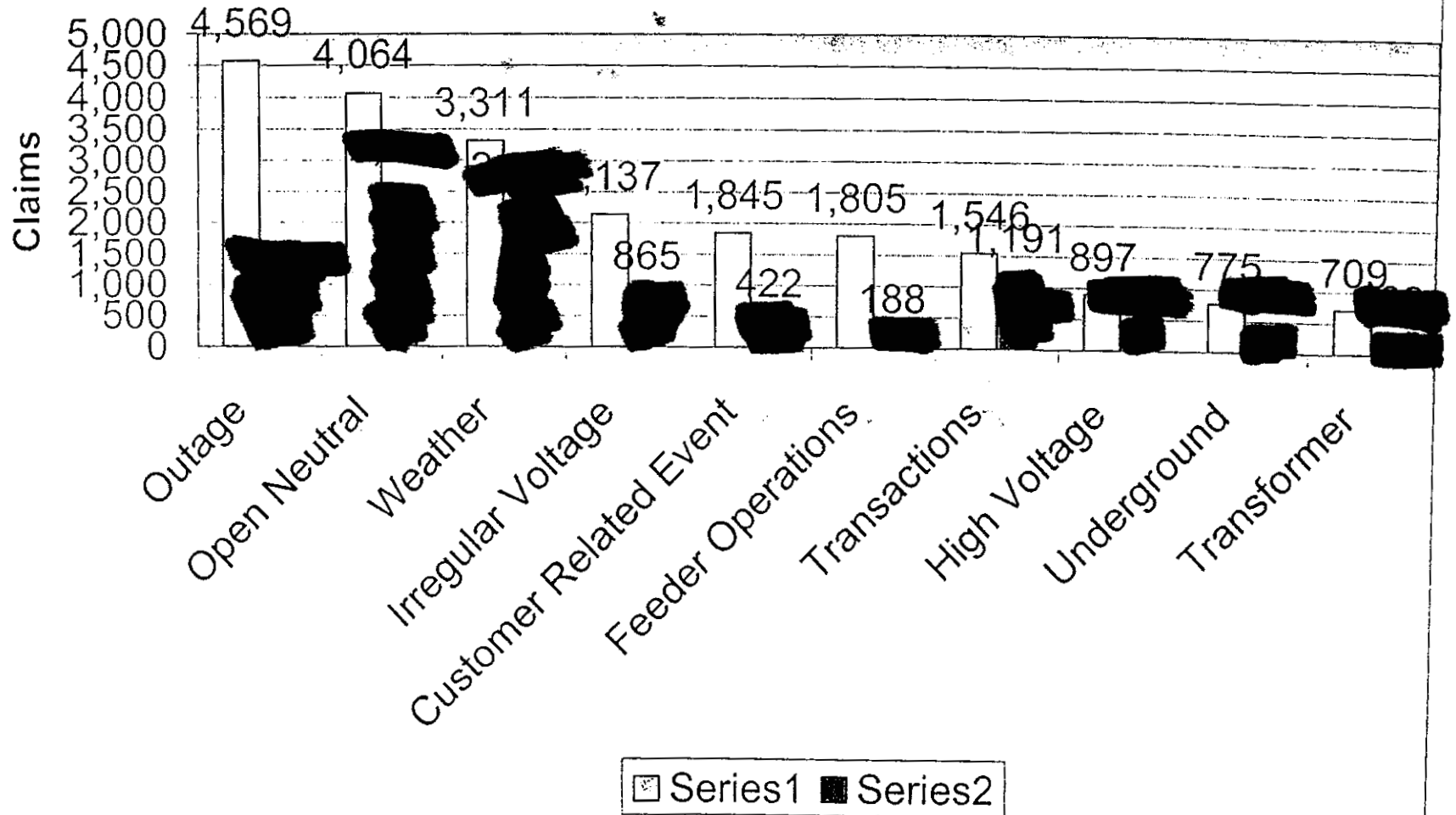
Dollars Paid 2003-2008



2

PEF Top Ten Claim Causes Made vs. Paid

2003-2008



b

PEF Underground Paid Claims Monthly 2007-2008

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
2007	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2008	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

PEF Underground Claims Dollars Paid Monthly 2007-2008

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
2007	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2008	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

PEF Underground Claims

Percent Paid

Months

◆ Series1 ■ Series2

12

PEF Monthly Underground Claims Dollars Paid

Dollars Paid

2

◆ Series1 ■ Series2

41

PEF Top Ten Claims Causes

Claims Made vs. Paid By Code
2003-2008

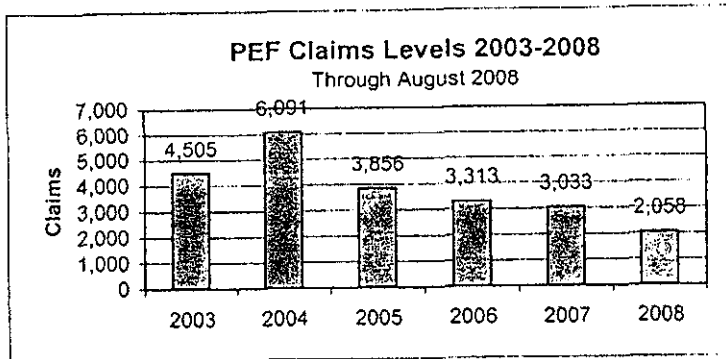


71

Description	Claims	Paid
Outage	[REDACTED]	[REDACTED]
Open Neutral	[REDACTED]	[REDACTED]
Weather	[REDACTED]	[REDACTED]
Irregular Voltage	[REDACTED]	[REDACTED]
Customer Related Event	[REDACTED]	[REDACTED]
Feeder Operations	[REDACTED]	[REDACTED]
Transactions	[REDACTED]	[REDACTED]
High Voltage	[REDACTED]	[REDACTED]
Underground	[REDACTED]	[REDACTED]
Transformer	[REDACTED]	[REDACTED]
R-O-W Tree Trimming	[REDACTED]	[REDACTED]
Single Phasing	[REDACTED]	[REDACTED]
Low Voltage	[REDACTED]	[REDACTED]
Mobile Meter Reading	[REDACTED]	[REDACTED]
Fires	[REDACTED]	[REDACTED]

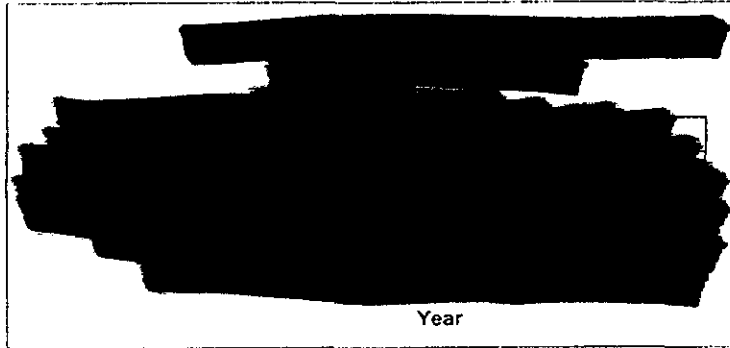
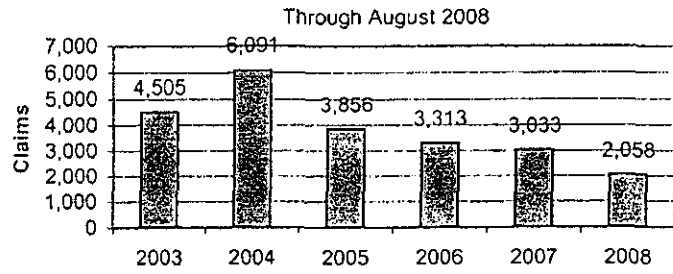
Claims and Claims Amount Paid Annually 2003-:

Year	Claims	
2003	4,505	
2004	6,091	
2005	3,856	
2006	3,313	
2007	3,033	
2008	2,058	
Total		
Avg. /Yr.		
Avg./claim		



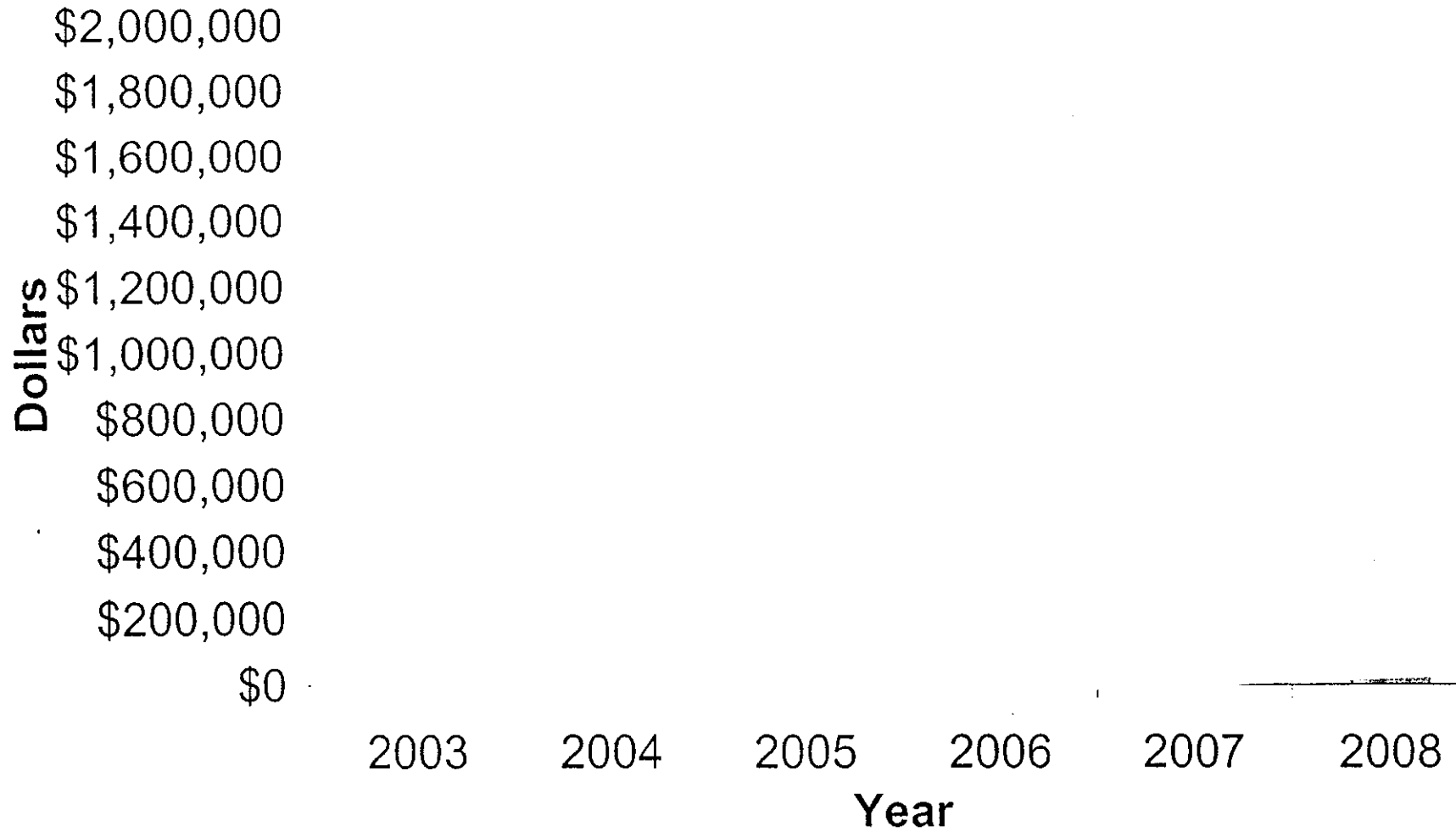
Year Amt. Paid

2003
2004
2005
2006
2007
2008



PEF Damage Claims Dollars 2003-2008

Through August 2008

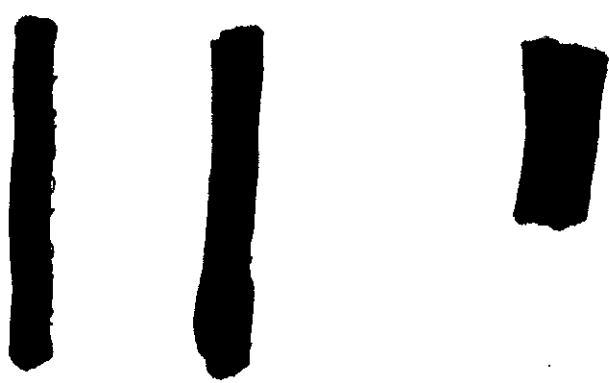


Top Five Claims Categories and Dollars Paid 2003-2008

		Claims	Dollars
Customer Related Event	2003	[REDACTED]	[REDACTED]
	2004	[REDACTED]	[REDACTED]
	2005	[REDACTED]	[REDACTED]
	2006	[REDACTED]	[REDACTED]
	2007	[REDACTED]	[REDACTED]
	2008	[REDACTED]	[REDACTED]
	Total	[REDACTED]	[REDACTED]
Irregular Voltage	2003	[REDACTED]	[REDACTED]
	2004	[REDACTED]	[REDACTED]
	2005	[REDACTED]	[REDACTED]
	2006	[REDACTED]	[REDACTED]
	2007	[REDACTED]	[REDACTED]
	2008	[REDACTED]	[REDACTED]
	Total	[REDACTED]	[REDACTED]
Open Neutral	2003	[REDACTED]	[REDACTED]
	2004	[REDACTED]	[REDACTED]
	2005	[REDACTED]	[REDACTED]
	2006	[REDACTED]	[REDACTED]
	2007	[REDACTED]	[REDACTED]
	2008	[REDACTED]	[REDACTED]
	Total	[REDACTED]	[REDACTED]
Outage	2003	[REDACTED]	[REDACTED]
	2004	[REDACTED]	[REDACTED]
	2005	[REDACTED]	[REDACTED]
	2006	[REDACTED]	[REDACTED]
	2007	[REDACTED]	[REDACTED]
	2008	[REDACTED]	[REDACTED]
	Total	[REDACTED]	[REDACTED]
Weather(storm/lightning)	2003	[REDACTED]	[REDACTED]
	2004	[REDACTED]	[REDACTED]
	2005	[REDACTED]	[REDACTED]
	2006	[REDACTED]	[REDACTED]
	2007	[REDACTED]	[REDACTED]
	2008	[REDACTED]	[REDACTED]
	Total	[REDACTED]	[REDACTED]

	Cause Code	### Claimed	### Paid
2003		4,549	[REDACTED]
2004		4,119	[REDACTED]
2005		3,746	[REDACTED]
2006		3,488	[REDACTED]
2007		3,227	[REDACTED]

Outage
Open Neutral
Transactions
Irregular Voltage
Feeder Operations
Weather
Underground
Customer Related Event
High Voltage
Transformer



Progress Energy Florida

2007 Property Damages by Cause Category: Filed vs Paid

Number of Property Damage Claims Filed

■ Filed ■ Paid

25

Progress Energy Florida
Percentage of Property Damage Claims Paid

Percentage Paid

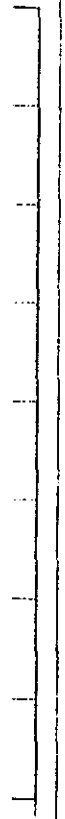
25a

2007

27

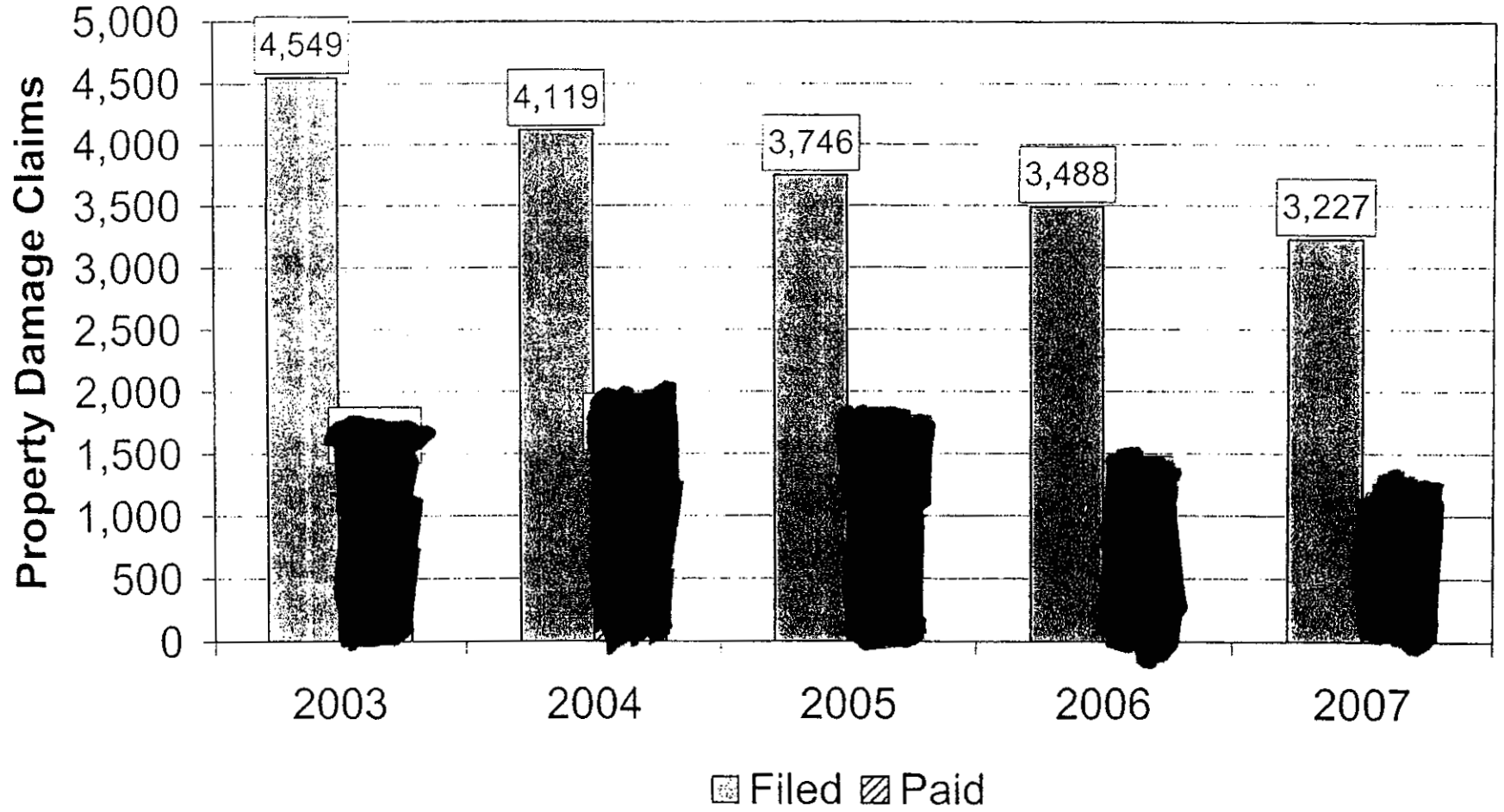
Progress Energy Florida Property Damage Claims Dollars Paid

Dollars (millions)



Progress Energy Florida

Number of Property Damage Claims Filed and Paid



24

PEF SAMPLE (90)

TIMELY

CONSISTENT

FAIR

COMPLIANT

1. 1/6/03 - 4/2/03 ^{86 days} 116 FNB
6/12/03 Pd 181.18
86 days + 43 days
UG transformer failed; had one hot leg of Soc. wire; cust. experienced power surges blew out C-pipe, med coverage took care of all but 907 requests. Co. cover difference; ^{cust} called again reports TV has noise in it & damaged ~~both~~ radio as well closed inactive 4/2 cust will have to clean up out on apria machine & let us know, [redacted]
2. 6/23/03 - 6/25/03 6/24 FNB
2 days
bad neutral; charged out water; cust. lost computer, ~~the~~ system, telephone & alarm; cust. is Dr. & oppo. mgr. gave some info and became abusive & vulgar; called Dr. bk. and complaint can't authorize new items reimbursement & referred to their insur. Co.; closed inactive 6/25/03
3. 8/12/03 - 8/21/03 8/14 file water begin
9 days
Cust had outage but wh. now has refrigerator, stereo & direct TV box damaged; [redacted]
4. 10/9/03 - 1/31/06 ⁷
cable needed pad let line spline; claim for damage & documentation ^{sketchy} cannot be sure total Pd 596.91
24. 4/1/03 - 5/29/03 49 days "escalated issue" cust. called electrician before PEF and wrote PEF to pay for electrician bill 400.00
28. 9/2/03 - 12/23/03 112 days
Cust has been working w/ temporary cable on ground because PEF did not rework; cust. has washer & 2 TVs damaged because of voltage probe; Co. sent someone to check 4U (CBT enterprise); 2nd set B&B RCA F27240WT '96 \$45.00; will send invoice on washer he had filed [redacted]
36. 9/12/03 - 12/23/03 112 days PEF truck crushed curb at 5 sites in new devel. on poles were set also damaged unsecured asphalt; PEF said will take care of but this claim was closed inactive w/ no payment on 12/23/03 [redacted]

- 46 3/17/03 - 3/19/03 (2 days) Cust. had outage & since then the answering machine has not been working; wrote claim to call him; TOT PA \$50.00
- 47 4/20/03 - 4/30/03 (1 day) Cust. lost food due to outage incurred; Co. denied due to weather (storm blew down trees on line); Sent denial letter 4/29/03; closed 4/30
- 48 7/21/03 - 7/22/03 (1 day) cust. lost ^{frozen} food in power outage; cust. states transformer caught fire; Co. claims adverse weather caused outage and denied claim
- 49 10/14/03 - 10/27/03 (15 days) Cust. claims extended outage caused food she just purchased to go bad.; confirmed via OMS. PEF missed blown fuse 10 cuts out for 24 hrs. (trees preventable); Settled food loss of \$50;
72. 3/19/03 - 3/18/03 (9 days) Cust. received damage to stereo caused by momentary outage; Co denied claim due to weather
73. 9/26/03 - 9/30/03 (4 days) Internal referral of customer receiving lightning strike that damaged sprinkler system, lighting system, garage door, 2 phones, fax machine, telephone line damaged, bathroom light switch also damaged; denial letter sent to cust. referring to surge suppressor dept since cust. had PEF ^{surge} suppressor; that dept. handles claims for suppressors; closed 9/30
74. 10/31/03 - 11/3/03 (5 days total) Per telephone repair person a power surge on 10/29 caused phone damage & cust. wrote. phone replaced; Co can find no specific ~~cause~~ other than storm; note on 11/3/03 says sent denial letter and closed file; 11/18 cust called again and said she came home again and phone was dead; Phone Company checked their lines were all OK; PEF had come out and cleared some vines off line that day per her request; Good will;

51. 2 days 1/21/04 - 1/22/04 Cust. states TV blew when he had voltage prob. Neutral lead from TX was loose; co. repaired and claiming payment of \$98 for TV was issued
61. 19 days 7/12/04 - 8/4/04 PEF cust. says clock, radio, elec. broom, microwave not working requesting reimb.; Cause is unknown; with \$600 payment for ^{damaged} for eqm.
71. 36 days 10/12/04 - 11/17/04 Cust. experienced over voltage causing sparking, light bulbs popping, ceiling fan spinning way to fast; Co advised to turn off breakers would repair ASAP; cust lost all food in pantry because co. did not dispatch all day; OMB says #4 svc. was very old and PEF changed it out (because it fell apart); Cust has done some work

81. 11/29/04 - 12/7/04 9 days Cust. refrig., oven, microwave, phone in kitchen, sound system, computer in bedroom, laptop computer, TV, walk pool motor all not working; Co identified Bad neutral in 4/0 UG SVC; ^{Cust.} ~~PEF~~ ~~said~~ PEF says men to cust. it was caused by the Co. that installed the power pipe; Bowers will look @ TV and appliance and Bad Boy to evaluate computer; Bowers P.d. \$131.79 3/22/05 (see sk. no. 7)

- 26 9/13/04 - 10/6/04 24 days Surges on PEF side during restoration TV, VCR, surge protectors, dell computer, printer, garage door, RCA clock radio, CD player, microwave and dryer were fried; Tot. Pd. \$677.96

- 27 10/18/04 - 10/27/04 40 days PEF failed to repair hole dug in pavement in front of cust. address after hurricane; wats. co. to repair; passed to another dept. to complete; closed file

- 37 6/10/04 - 6/16/04 customer Bull Terrier was struck by ~~car~~ ^{ants} and killed; Cust. blames PEF Serviceman; Serviceman says he ^{remembers} closing gate; Co. believes cust. let dog out. Total Pd. [redacted]

2 days

50. 2/17/04 - 2/17/04 This claim was originally filed by cust. over electrician billing cust. for 4 hrs waiting for P&F serviceman; P&F requires a signature on the 96 hour waiver for inspection; after arriving late due to other work the serviceman did not have the required form. P&F negotiated w/ Electricians Co for 2.5 hrs OT (rather than 4) @ \$22.50/hr.; changed claim to Elec. Co. from. Cust name. [redacted]

51. 7/3/04 - 7/20/04 Cust. called to req. tree trunk of limbs overhanging transformer lines were not trimmed, and fell on lines, now several appliances have been burned out; fax, 3 items + remote control boxes, computer, answering machine, Caller ID machine, base stereo alarm clock; ~~...~~ Bad Boy Computer to repair computer for \$195.22; Luma repair; fax; cell. charger, coin trimmer, toothbrush, surge protector (2), wireless remote in BellSouth answering machine \$36.20 [redacted]

48 days

* 7/23
+ 11/24

52. 8/10/04 - 11/16/04 After power outages and surges received over past couple of weeks washing machine does not work; Co. down with 7/28 trees, 8/10 human error, Tot. Pd. \$000.00

37 days

53. 8/31/04 - 11/3/04 Troublemaker said when he went to site crew from S.C. (4 days) came to hook up line (from hurricane) but never hooked up neutral 12/2/04 cut to pole caused damage to home; [redacted] Pd \$ [redacted] check

4 days

75. 11/29/04 - 2/19/04 Cust. claims surges have caused damage to fuse box, discussed surge protection discussed home wiring prog. that he has; cust. wrote # he claims neighbor got \$ for same issue; claims surge to fuse box was experienced as a result of storm 1/18/04; OMS for same date indicates "inside trouble" voltage OK; Pleaded cust. by sending electrician vendor to evaluate situation; Electrician said ^{cust.} equipment was old and failing

21 days

76. 6/3/04 - 6/9/04 (6 days) Cust. has small appliances damaged due to pass. long term corrosion on service line confirmed by serviceman; [redacted] Pd \$100.00 but 15 yr. old refrigerator

- 77 8/24/04 - 11/16/04 Trimming contractor left nuts in yard trying to avoid car
 (19 days) on street; cust. requests \$100 for yard repair; authorized payment
 for \$100.00 done pd. Tot. pd. \$100.00
- 78 10/22/04 - 10/25/04 Enterprise Learning no documentation as to why
 (3 days) \$222.60 was pd.; no explanation of claim; Tot. Pd. [redacted]
- 9 4/1/05 - 3/30/05 Cust. states voltage prob. has burned up computers;
 (17 days) TV & fridge;
- 10 2/24/05 - 3/1/05 Cust. said window AC damaged due to voltage issues,
 (5 days) AC man told him to call PEF; Tot. Pd. [redacted]
- 11 3/29/05 - 3/29/05 Replacement of microwave approx. 1 yr. old
 (1 day) [redacted]
- 12 5/18/05 - 5/23/05
 (5 days) Cust. said 2 TVs were damaged by voltage prob.; lights
 5/18-6/27 were getting bright then dim and TV blew up or started smoking;
 (check today) 2 TVs + over range MW affected; MW is 4 yrs old; needed repair
 of flame in MW and range by MD Appliances Inc.; took a few
 days for cust. to get model numbers back to adjuster; Req.
 \$278.00 ch. payment to Steve Hordulize for Sylvania TV, Sony TV, &
 AT&T phone; ch. payment to MD Appliances [redacted]
- 28 7/6/05 - 7/11/05 FPSC complaint over some damage Total Pd [redacted]
 FPSC Complaint (4 days) due to voltage to 2 TVs; based on RVM Cust. line was
 76-918 plus 7/18-7/19 fine, but some tree trimming had to be done; Cust. claims
 8/23/05 197 Zenith TV and 35" Sony to be repaired; Cust. has counsel
 9/4/05 (64 days total) that suggests repair; Sony repaired but cannot repair Zenith
 @ Cust. location; Service Place to take Zenith to shop; Service
 Place called back after being out two weeks; Service Place detern
 Zenith is not repairable; Cust. will accept \$175 and keep Zenith
 Tot. Pd. [redacted]

29. 7/27/05 - 8/4/05 cust. has damaged appliances due to voltage prob.;

(13 days) st/cust with lot of damage A/c reset fee T&T Pd, \$407.00

38 9/6/05 - 9/7/05 Cust. states HOT Winter heater elements + DVD player

(1 day) were damaged because of too much voltage; Co. filter good
load test and PEF side is OK; Co. called and left denied claim

39 10/31/05 - 11/2/05 RV backed into junction box at RV park both need

repair; was repair done by Co.? Does \$25 cover Co. costs
to repair? Charge of \$25.00?

54 5/10/05 - 11/2/06 Cust. has filed a lost product claim due to outage;

(247 days?) Cust. is concrete business needing power reliability to prevent
lost product (concrete); complaint denied but PEF is
working w/ cust. re: back-up generator;

55 7/5/05 - 7/8/05 Cust. says wireless router damaged during outage on

(3 days) 7/4/05; customer feeder outage on 7/5 but PEF
is unable to assist T&T Pd \$200.00

56 9/29/05 - 12/19/05 Due to power outage TV, MW, 2 radios and phone

(81 days) in bedroom damaged; also damaged garage door opener;

Co. notes 8/28 lightning storm + lost power when power was
restored items were not working (should 8/28 be 9/28?)

10/6 called cust. no ans.; 12/21 closed incident; T&T Pd

57 12/14/05 - 12/14/05

(3 days) Cust had transformer blow and had damages @ two
locations on same street; Tabloun advised that

PEF lost one leg of feeder due to lightning arc; Cust has backup generator; Co advised cust. claim denied
because none phase should not have caused their damage;

- 57 Co sent denial letter to advise cust to use for insurance.
79. 3/7/05 - 3/9/05 Cust experienced low voltage on PEF side and caused
 (1 day) damage to microwave; Co. verified loose connection @ weatherhead
 Cust settled for \$75 for both MWs.
80. 4/8/05 - 4/11/05 Cust. states during storm. Cust. might they Cust
 (3 days) 2 TVs, a MW, and a fan; Cust. Electrician to replace UB
 Co. denied claim and spoke w/ cust.; ^{Co. found that} Cust owned UB
 was temporary since last November
81. 8/1/05 - 10/28/05 Cust. heard lightning strike then by TV, VCR, alarm,
 (17 days) garage door & phones are not working; Co. called cust. &
 left msg. w/ baby-sitter
13. 2/6/06 - 2/13/06 Cust. says bad svc. drop is to blame for damage
 (7 days) to a CD, ~~and~~ AM/FM stereo, computer, modem, AT&T answering phone,
 Spartan alarm clock and 5 power strips; CES confirmed bad
 service drop and Co. requested list of damaged items; Deprec.
 costs in file
- 14 3/9/06 - 3/13/06
 (4 days) Cust. says power surge on 2/24 blew out refrigerator,
 computer, TV, answering machine, wrote damage claim; PEF originally
 identified no prob.; Problem persisted and hired electrician who
 noted loose connection in main; PEF came bk out and found
 open neutral at pole; Cust. asked to complete list of damaged equip.
 and fix to adjuster; 3/17/06 Adj. pd. electrician \$356.50 and
 depreciated value of equipment
- 15 5/10/06 - 5/23/06 Cust. had big surge of voltage that blew out refrigerator,
 (2 days) Co. found UB neutral bad, only casualty was Esave fridge;
 Cust. pd \$200 3yr. ago and Co. offered \$140, customer accepted;

- 16 9/24/06 - 11/1/06 Possible claim for three businesses due to
 (35 days) broken service neutral strain sleeve pulled into causing voltage
 probs w/ Dry Cleaner, Muffler Shop, + Beverage Store; claim voltage
 issue damaged equipment; we found a "broken service neutral strain
 sleeve"; Pt. \$ 1577.56 to Cleaners; not sure about other businesses.
- 30 5/1/06 - 5/16/06 Cust. states 3 DVD players + 2 TVs and cable box are not
 (5 days) working due to power surge due to line down in street;
- 31 10/2/06 - 10/3/06 Cust. says had partial power for 3 days and had no power.
 (2 days) in kitchen leading to loss of everything in fridge; P&E found
 bad URD and repaired UNC SEC SERVICES (NOT DIG IN); agreed
 to pay for \$100 in lost food due to P&E delay in getting out
 sooner.
- 40 2/10/06 - 2/13/06 Cust. says tree fell into utility shed from 14ft. alley where
 (3 days) P&E poles are located; County to cust. P&E may be responsible for tree
 Co. advised cust. P&E does have poles in that area serving custs. home,
 but do not own land or tree. P&E only trims tree to keep out of lines;
 denied claim.
- 41 11/9/06
~~start~~ - 11/9/06 Cust. on seasonal svc. called regarding damage to
 (2 days) refrigerator due to meter change; I informed cust that repair is
 not related to change of meter and that it did not cause the
 breaker to go off. Someone turned the breaker off in the home;
 Cust. says they were never contacted about meter changeout; "Called cust +
 explained denial";
- 58 2/27/06 - 3/22/06 Cust was out of town from 2/23 - 2/26 and when returned
 (23 days) home found water on floor from fridge that had melted;
 Power on fridge was working when cust. arrived and Co. would not
 find outage during timeframe; denied claim.

59. 7/14/06 - 7/17/06 Cust. claims P&F equip. failure caused loss of
 (3 days) food. 7/17 MS acknowledged claim explained unforseen equip
 failure - explained I was unable to assist w/claim;
 Denied by phone [REDACTED]
60. 9/21/06 - 9/22/06 Electrician reported 374 volts coming into home and believe
 (2 days) this blew out dryer; since gas and neutral on P&F and cust.
 would like to file property damage claim; field contact notes Volta
 FoodFood on the Service; Spoke w/ cust. and she was not able
 to describe having any power related event; Checked events for July
 when dryer quit; account outage history does not show any during
 2006; ran feeder report for cust feeder and found storm related feeder
 outage 2006 including 2 on 7/21/06 cust could have had feeder up and
 not known it; since cust could not identify specific [REDACTED]
61. 10/4/06 - 10/5/06 Cust. experienced outage today causing AC circuit board
 (2 days) and fan blower motor to burn up ~~cust~~ seeking damages; Cause
 was system undetermined - Temp - substation / transmission; Sent cust.
 denial notice 10/5/06 [REDACTED]
82. 4/9/06 - 4/11/06 Cust. said lightning struck her house & computer does
 (2 days) not now work; no surge protection program; Explained to cust.
 lightning damage is not paid as it is storm related and beyond
 control of ~~cust~~ ^{CO.}; She said P&F pd a prior ~~to~~ similar claim;
 P&F checked and found prior loss was due to a neutral connector;
 Advised cust. two diff types of claims are payable the other not.
 [REDACTED]
83. 11/8/06 - 11/8/06 Cust. states her TV is broken due to a storm and power
 (1 day) surge to her property last night & wants TV repaired; Cause is
 true preventable; Denied [REDACTED]

- 84 12/29/06 - 12/29/06 Cust. noticed voltage prob 12/23 pm; all night long
 (1 day) had alot of wind; noticed voltage prob in am; called early christman
 we to report voltage prob. @ 6:30 pm christman day experienced a
 big ball of fire and thought house would burn down; cust. noticed
 PEF truck working in neighborhood and asked Socman to look @ situation,
 Socman found broken neutral and repaired; cust. turned on power
 and all seemed OK but found lots of items were damaged; Co denied!
 [REDACTED]
- 17 2/20/07 - 2/21/07 Cust. explained that MW and TV do not work after trying to
 (2 days) plug them into electrical outlet after an outage when plugged in
 Appliances came from outlet; Causes identified are UNE SEC/
 SERVICES (NOT DIG IN) POSSIBLE CLAIMS BAD NEUTRAL #4046
 These two have been pd. in other claims but not here?
- 18 4/16/07 - 4/19/07 Bad neutral caused damage to items in home; prob. have
 (3 days) been ongoing since last Oct. and stated following was damaged;
 food (\$200), \$150 Comp. repair, \$100 fax mach, \$100 surge protection
 Transformer noted as prob. in notes on 4/19/07; Claim closed
 no activity on 4/19/07 [REDACTED]
- 19 9/17/07 - 9/25/07 Cust had outage on 9/15/07 which damaged
 (3 days) appliances; Said PEF Socman told them they had a bad WG
 that needs replacing; Cause UNE SEC/SERVICES (NOT DIG IN)
 Informal customer cause was deteriorated cable; co. will
 replace cable rather than repair; Suggested cust. consider
 HO insurance as another option but co. denies claim; If
 letter from PEF is needed will gladly provide documentation;
 9/25/07 denied over phone [REDACTED]

20. 12/10/07 - 12/11/07 P&T tech. made repairs on ~~12/08~~ and many ^{12/08} appliances were damaged by bad neutral; cust was in process of reporting claim when phone went dead; no listing of all appliances. The cable that failed is customer owned - prob. will not be able to assist; Cust says P&T out a few weeks ago to work on transformer; cust. states a few days later began having dimming lights
12/10/07 re: bad underground temp. repair made; further work ticket to repair UG should be completed w/in 6 days
32. 5/15/07 - 5/22/07 Company owner says surge destroyed his machine about one week ago; Seems to be tied to ^{possibly} 911 event that occurred early AM of 5/8 @ 4:40 where driver wiped out a 45 ft. concrete pole; since this would be a car taken out pole type situation it falls into a non-payable category; Called cust. bk and notified of denial and explained Tariff 4.04; cust. accepted explanation and appreciated investigator looking into situation.
33. 8/17/07 - 8/20/07 Cust. has part power 1 leg is down; temporary setup but cust. has flickering lights; P&T tech went out and said it needs electrician; cust. feels P&T damaged area behind meter since meter was handled by P&T trying to restore power; cust wants comp. for electrician's fee; Electrician says when P&T repaired the UG svc. the broken zero caused a short; auth to pay \$86.22 total
42. 3/9/07 - 3/12/07 New cust. was advised he needed to call electrician to check service because P&T already had power on; Cust. had no power and called the electrician and it turned out P&T had a prob; Cust. wants to be reimbursed for electrician; Cust.'s power had been disconnected for no known reason; will pay electrician charge of \$65 who advised prob. is P&T side.

43 1/31/07 - 2/7/07 Cust. wants to place claim for electrician charges
PSC Complaint (3 days) to replace burned meter jaws; Cust. believes P&T resp. for
damage and tenant may also file his own claim for food &
hotel; No denial letter, but statement cust may be
challenging claim not complaint; unsure but no denial
letter for documentation

62 3/23/07 - 3/26/07 Not sure if whether Verizon cut a wire
3 days while out last or whether bad UG wire is on P&T side;
Cust. was experiencing an outage; unable to assist cust,
since Verizon contractor damaged cable during installation;
verbally denied claim and told cust. would be willing to
send e-mail on cust. behalf if she would provide amount
of compensation requested; Claim denied

63 4/19/07 - 4/20/07 P&T owns installing lights damaged pump wiring
2 days requiring an electrician; Closed/inactive on one day;
Total pd. \$1000.00

64 4/13/07 - 6/21/07 Cust. states frequent momentary outages caused damage to
3 days daisy screen TV, 2 computers, A/C unit of fridge; Co could not
identify specific cause for customer claim + denied;

65 11/12/07 - 11/19/07 Cust. had surge that damaged DVD VCR receiver and
3 days surge protector; also claiming bill for electrician; 2nd to may
be from transformer; Bad UG neutral appears to be first
occurrence; no previous voltage problem calls, will request est. for
electrician identifying the prob. \$155.60

66 11/9/07 - 11/13/07
5 days Cust. had power turned off due to transformer down the
street being moved; wants food replaced due to outage
11/9/07 Cust. agreed to \$50

- 85 5/9/07 - 5/23/07 Bad storm knocked out 3 TVs; Parents not home when called
 (14 days) left msg. w/ child; will try later; closed 5/23 no action?
 thought would be 30 days before closing w/ 14? [REDACTED]
- 86 6/26/07 - 6/26/07 Cust. reports TV destroyed after lightning storm on 6/11;
 (Same Day) plus meter based suppressor; claim filed for MBE surge suppressor
 forwarded to that dept. [REDACTED]
- 87 7/24/07 - 7/25/07 Electrician concentrator is not working after storm on the 21st
 (2 days) Cust. is PEF surge protection cust. Has temp. replacement and
 holding off on possible repairs until PEF able to see damage;
 Closed to inside dept. for surge suppressor claim [REDACTED]
- 21 7/17/08 - 7/10/08 Cust. claims voltage ~~prob.~~ damaged his TV, MW, vac,
 (3 days) a few ceiling fans and smoke detector, etc.; PEF technician
 found badly corroded connections at the weather head; connection
 failed due to corrosion from salt air; PEF is unable to prevent
 and does not offer any compensation when property damage occurs,
 7/10/ called cust + denied; [REDACTED]
- 22 7/14/08 - 7/30/08 Cust. claims high voltage damaged TV, MW, refrig,
 (16 days) 6 outlets, water heater timer; pd cust. claim of \$982.10 7/29
 and addit. \$2,775 on 7/31; TOO pd. \$1,024.85
- 23 8/4/08 - 8/5/08 Large power surge on cust. svc. damaged TV, dryer, MW,
 (2 days) power off 6 hrs. lost some food; pd for MW, food, TV
 repair [REDACTED]
- 34 1/30/08 - 2/26/08 Cust. said a/c air handler port was damaged w/
 (27 days) recent voltage surge and write to be reimbursed for electrician
 Notes say Co. write to pay \$100 for electrician pd. + closed file
 No mention of other \$100 shown in Claim Totals; [REDACTED]

- 35 6/27/08 - 9/12/08 Cust. reported outage damaged ice machine and wrote PEF
 77 days to replace; Claim has had damage to many ~~other~~ appliances ~~over~~
 over the year and is tired of problems; Ammon indicator squirrels
 damaged and denied claim; file not closed and reviewing again;
 did further review but was not able to determine anything different
 9/12/08 Denied cust. claim [REDACTED]
- 44 1/8/08 - 1/10/08 Cust. had outage while out of town; got bk. had spoilage
 2 days of food and moved everything outside including fridge; PEF cut
 his power in error; Adjuster said would compensate ^{\$100} for food
 but not fridge because cust left it outside & didn't just
 clean it out; Claim was escalated to Claim Committee
 Review and agreed to compensate cust. \$100 for both food &
 fridge; cust. agreed & check was issued [REDACTED]
- 45 8/4/08 - 8/4/08 Cust. believes PEF damaged meter base when they pulled
 1 day meter out and he believes he should not have the burden of repair;
 Reconnect order noted on account disconnect shows damaged
 lower jaws repair needed; no claim filed just venting; [REDACTED]
- 67 1/17/08 - 3/4/08 Cust. power failed @ 3:00 AM and not bk. on until 6:25
 Cust says groceries ^{in fridge} are spoiled; appears to be second occurrence
 of bad BG; previous time was 4/25/07; ^{cust req.} ~~cust req.~~ help w/
 last food; pd \$ [REDACTED]
- 68 3/5/08 - 3/5/08
 1 day Customer experienced power event because of faulty meter
 can equip that is customer-owned; unable to assist because it
 is customer owned; bad jaw is cause for damage; lower left
 jaw in meter potential burnt and PEF cannot reconnect until
 repaired; denied claim

69. 4/10/08 - 4/24/08 Cust had power outage which blew out fridge + lost
 (14 days) approx. \$200 in groceries; claim for food loss + damage to fridge;
 Bad UE appears to be cust's first occurrence and cust. controls do
 not show any other pow. outages; however sketch indicates
 live overhead driveway + needs retrench; co will replace
 service to house but will not assist w/ damages or food
 based on co policy to deny on first occurrence [REDACTED]
70. 5/16/08 - 6/5/08 Outage caused damage to coffeemaker, DVD player, and
 (20 days) couple of elec. outlets; Cause is tree - non preventable;
 w/s called cust. and denied claim by phone [REDACTED]
71. 7/7/08 - 7/8/08 Cust. states loss of food and damage to computer
 (2 days) caused by 8 hr. outage; OMS shows UNIT PRIMARY
 CABLE (FAILURE NOT DIG-IN); sent letter 5/08
 denying claim; [REDACTED]
88. 2/20/08 - 2/28/08 Cust. says line storm caused Big Screen TV and computer
 (1 day) not to work; smaller TV acting "funky"; cust. says tree
 fell on powerline, powerline fell on cable and caused
 cable to blow along w/ everything hooked to it; Cable co. says
 P&T's issue; appears tree caused outage - unpreventable;
 2/28/08 declined claim [REDACTED]
89. 6/10/08 - 6/16/08 Cust's transformer blew was repaired by P&T and when
 (2 days) power was restored surge blew meter can off the
 wall; P&T does nothing to fix cust. meter can given to
 closing in fees. contends they did all they should;
 Cust's cust advised claim and provided summary in
 writing for his use; [REDACTED]

90 8/18/08 - 8/19/08 ^{Cust.} ~~Customer~~ ~~reports~~ ~~the~~ Pto was doing work in area from
(2 days) 10.00 AM to about 3:00 PM and may have caused 1 outage and
3 surges during that time span; lightning damaged feeder
2593 and cust. affected; No root cause on lightning; called
Cust + denied claim 8/19/08 XXXXXXXXXX

Bureau of Performance Analysis

Interview Summary

Company: Progress Energy Florida Area: Customer Property Damage Claims Auditor(s): Fisher/Cryan	Interview Number: PEF-IVS2 File Name: Same
Name: Larry Mazer Associate General Counsel and Claims Manager	Date of Interview: 10/2/08 Location: St. Petersburg Telephone Number:

(1) Purpose of Interview: To understand the responsibilities and duties of the Claims Manager in the claims process.

(2) Interview Summary:

a. Larry has been with the company 18 yrs. and is a licensed attorney in N.C. and Fla. w/25 yrs. experience in claims in Progress Energy Carolina and Florida; Larry has been in Florida 3 years; he was attorney for claims group for 14 years in the Carolinas; the Claims team is located within the Legal Department; Larry is the Associate General Counsel and Claims Manager; he reports to Alex Glenn, Progress Energy Florida General Counsel;

b. "B" claims are claims filed by the company against others, such as contractors, vendors, and outside interests negatively impacting the company; "A" claims are filed against the company, such as customer property damage claims; both functions are handled within the claims staff; six investigators handle "A" claims; a secretary handles the checks and accounting for both types of claims, and a paralegal assists with litigated claims; Larry rarely litigates claims, PEF uses outside attorneys for litigation matters;

c. The six claims investigators are all licensed investigators with the State of Florida; [REDACTED]

d. [REDACTED] 1.8); the primary need to track dollars for claims is to return budget dollars; Claims Manager trends dollars for annual dollar estimated budget; the objective is to be at \$0 at the end of the year; Larry is measured on how well he does against expectations, along with other qualitative goals pertaining to handling of claims and efficiencies. A monthly report shows where Claims is with the budget;

e. [REDACTED] early on the investigators give the customer the lay of the land and discuss what the company does and does not pay w/the cust. and that they may want to contact their insurance company; the primary goals with handling claims investigations is to go over liability first then damages; that is why PEF does not use a claim form up front to capture customer equipment model, age, etc.; PEF first determines liability; PEF primarily discusses this information over the phone and may have the customer fax the information to the investigator;

f. PEF requires a signed release in cases where PEF is paying a deductible; a release agreement is also prepared for complex claims on case-by-case basis, not by dollar claim amount; the check also acts as a release mechanism; PEF checks tells the customer they want to speak to the insurance company when they are requested to pay the customer deductible; this allows PEF to confirm whether the insurance company is paying the deductible in their settlement; if the customer goes to both the insurance company and PEF for payment of the same claim they have completed a fraud;

g. If PEF experiences delays in the claims process it will not close the claim if the ball is in PEF's court, but will place the claim in pending state if the customer is delaying the process; pending claims are not included in the claims measurements as an open account; claims can also be re-opened when the customer decides to pursue the claim up to four years;

h. New claim assignments are by territory; this helps the investigators develop a relationship with the operations centers in their areas; all investigators are managed based on the workload; one of PEF's goals is to have no single investigator with more than 5% of the average claim load of the group; this assures no single group is inundated with claims while another has none; two investigators are located outside Pinellas county; one covers the panhandle and one covers Orlando and the operating areas within Central Florida; investigators handle claims both from their desk and from the field; for accidents or claims that are questionable, the investigator would go to the field.

i. Larry reviews performance with investigators at mid year and end of the year; otherwise Larry would only discuss performance if the investigator was out of sync with performance; PEF upper management gets a copy of the Workload Completed monthly report;

j. In the event an investigator found a trend in claims due to employees not following procedures the investigator would notify the General Manager and the G.M. would communicate with the work centers that procedures were not being followed; Claims would be copied on any improvement actions by the field;

k. The primary difference between OH and UG is that UG can't be inspected like OH; no utility has periodic testing of UG service lines to homes; the key is timeliness and accuracy; because of the inability to find an open neutral; PEF believes that it is not a guarantor; the company is looking for whether it failed to maintain, inspect, or install incorrectly; the company has to find culpability on the company's part to pay a claim; any time there is culpability on PEF the company pays; if there is no culpability on PEF, it does not pay the claim; PEF has based its policy on input from standards people and have determined their policy to be the best for the company and customer.

l. PEF's decision for replacement or repair looks at the likely costs to repair vs. actual cash value, and determines whether to use a local repair shop or a vendor should be sent out have an evaluation done; the company will pay to have a vendor go out and complete the evaluation if needed; this decision may prove less for the customer and get the equipment repair sooner, which assists the customer; there is no preset value of determination, but anything less is in the ratepayer interest; PEF uses a variety of sources to reach depreciable amount, but would never go to zero, and may offer a goodwill gesture in those cases;

(3) Conclusions:

- a. The six claims investigators are all licensed investigators with the State of Florida; [REDACTED]
- b. "A" claims are filed *against* the company and "B" claims are claims filed *by* the company against others;
- c. The primary need to track dollars for claims is to return budget dollars; Claims Manager trends dollars for annual dollar estimated budget; the objective is to be at \$0 at the end of the year.
- d. [REDACTED] early on the investigators give the customer the lay of the land and discuss what the company does and does not pay w/the cust. and that they may want to contact their insurance company.
- e. In the event an investigator found a trend in claims due to employees not following procedures the investigator would notify the General Manager and the G.M. would communicate with the work centers that procedures were not being followed; Claims would be copied on any improvement actions by the field.
- f. PEF first determines liability; PEF primarily discusses this information over the phone and may have the customer fax the information to the investigator;
- g. If PEF experiences delays in the claims process it will not close the claim if the ball is in PEF's court, but will place the claim in pending state if the customer is delaying the process; pending claims are not included in the claims measurements as an open account; claims can also be re-opened when the customer decides to pursue the claim up to four years;
- h. The primary difference between OH and UG is that UG can't be inspected like OH; no utility has periodic testing of UG service lines to homes; the key is timeliness and accuracy; because of the inability to find an open neutral; PEF believes that it is not a guarantor; the company is looking for whether it failed to maintain, inspect, or install incorrectly; the company has to find culpability on the company's part to pay a claim; any time there is culpability on PEF the company pays; if there is no culpability on PEF, it does not pay the claim; PEF has based its policy on input from standards people and have determined their policy to be the best for the company and customer.
- i. PEF's decision for replacement or repair looks at the likely costs to repair vs. actual cash value, and determines whether to use a local repair shop or a vendor should be sent out have an evaluation done; the company will pay to have a vendor go out and complete the evaluation if needed; this decision may prove less for the customer and get the equipment repair sooner, which assists the customer; there is no preset value of determination, but anything less is in the ratepayer interest; PEF uses a variety of sources to reach depreciable amount, but would never go to zero; [REDACTED]

(4) Date Request(s) Generated:

- No. _____
- No. _____
- No. _____

NONE

(5) Follow-up Required:

NONE

Project Manager

Bureau of Performance Analysis

Interview Summary

Company: Progress Energy Florida
Area: Customer Property Damage Claims
Auditor(s): Fisher/Cryan

Interview Number: PEF-IVS3
File Name: Same

Name: Mary Shelton
Title: Claims Agent/Investigator

Date of Interview: 10/2/08
Location: St. Petersburg
Telephone Number:

(1) Purpose of Interview: To understand the responsibilities and duties of the Claims Investigator/Agent in the claims process.

(2) Interview Summary:

a. Has been w/co. 17 yrs.; reports to Larry Mazer and has no direct reports to her; prior to joining the claims group she handled Commission complaints for PEF; has been in Claims since October 2005, received her license in December 2005;
b. Responsible for receiving, investigating, and resolving property damage claims; claims > \$5,000 are reviewed w/Larry to make sure everything is covered; work is assigned by work center through STARS; her area is Jamestown, Seven Springs, Zephyr Hills, and helps cover other areas if work load requires assistance throughout the state; in investigating claims she looks to what is the driving force in the claim if the claim is non-electrical; claims investigators get input from the field and rely on their input to help analyze the conditions causing the claim; upon occasion, if necessary they may have equipment evaluated by outside engineers to evaluate the cause of failure of equipment;

c. [REDACTED] feedback on their performance through the monthly performance report done by Larry; also have mid year and end of year reviews; are not measured on percent of claims denied or paid, and are not measured on reductions in claims levels for the year; training consists of different types of company training and licensing continuing education; for instance learn about use of company equipment from work center safety training re: bucket trucks, etc.; Crawford also provides adjuster training seminars that are useful in keeping accreditation (every two years 24 credits) and licensing requirements current;

d. On cases w/injuries she would provide Larry a report; ea. Agent I responsible for preparing a report that goes to Larry for approval based on what the payout is expected to be as well as the FPSC reporting requirement for claims > \$5,000;

e. Use reporting information from the Customer Service System CSS regarding the account address and any outstanding balances; STROMS is the claims system that claims documentation resides in; WBS is the system used to research work orders, FDROP is the system used to check on feeder operations within the areas a claim is filed, OMS is the system used to find out whether any outages were experienced in the area the claim was reported; primarily the Claims Team receives customer damage claims form Customer Care;

f. After completing investigation, the customer is called to give them the results; if the customer is not able to be reached, the investigator will leave a callback number where they can be reached; if the customer is not in agreement with the results and wants to escalate the claim, the Claims Committee is a second level of appeal at PEF to review the investigation, results, and facts of the case to determine whether the customer has a logical appeal to the decision; the Committee may be able to call the customer the same day, or may need further investigation; if additional investigation is needed the customer is called and informed of the decision; if the customer is not happy with the decision of the Committee their decision may be appealed to the Claims Manager as a second level of appeal. After that level of appeal the next recourse is usually litigation if the customer chooses to continue to appeal; If the claim is a payable claim, the investigator prepares a check request and spreadsheet inventory goes with the check including the depreciation schedule; PEF uses web claims pages such as "How Old Is My Appliance?" to find the age of the customer equipment once they have a model number; on-line resources help w/replacement values, equipment life, and age for depreciation; Orion is also used for computers, TVs, stereos, and playstations;

g. Investigators are required to investigate more thoroughly open neutrals and underground claims; [REDACTED]

[REDACTED] PEF uses "Thumper" to isolate damaged cable and "The Beast" to test the cable under voltage load; the devices can assist in determining whether fence posts, tree roots, or damage cause by other parties can be the source of the UG cable problem;

h. If a splice fails after a long period (10-12 years) PEF may not pay since the splice is considered a permanent repair; it may be considered an unknown failure unless the company can find some culpability due to workmanship, materials, or something the company failed to do that could have caused to failure;

(3) Conclusions:

a. Claims investigators get input from the field and rely on their input to help analyze the conditions causing the claim; upon occasion, if necessary they may have equipment evaluated by outside engineers to evaluate the cause of failure of equipment; [REDACTED]

b. Use reporting information from the Customer Service System CSS regarding the account address and any outstanding balances; STROMS is the claims system that claims documentation resides in; WBS is the system used to research work orders, FDROP is the system used to check on feeder operations within the areas a claim is filed, OMS is the system used to find out whether any outages

were experienced in the area the claim was reported;

[REDACTED]

d. For underground isolation and repairs, PEF uses "Thumper" to isolate damaged cable and "The Beast" to test the cable under voltage load; the devices can assist in determining whether fence posts, tree roots, or damage cause by other parties can be the source of the UG cable problem;

e. If a splice fails after a long period (10-12 years) PEF may not pay since the splice is considered a permanent repair; it may be considered an unknown failure unless the company can find some capability due to workmanship, materials, or something the company failed to do that could have caused to failure;

(4) Date Request(s) Generated:

No. _____

No. _____

No. _____

NONE

(5) Follow-up Required:

NONE

Project Manager

Bureau of Performance Analysis

Interview Summary

Company: Progress Energy Florida Area: Customer Property Damage Claims Auditor(s): Fisher/Cryan	Interview Number: PEF-IVS4 File Name: Same
Name: Keith Bentley Title: Sr. Claims Investigator	Date of Interview: 10/2/08 Location: St. Petersburg Telephone Number:

(1) Purpose of Interview: To understand the responsibilities and duties of the Senior Claims Investigator in the claims process.

(2) Interview Summary:

a. Keith has been with the company 10 yrs.; before his time w/PEF he was an insurance agent; has been in the Claims dept. about 5 yrs. and was a claims investigator 2 1/2-3 yrs. and a Senior Investigator for a couple of yrs.; reports to Larry Mazer; part of the Senior Investigator position is serving on the Claims Review Committee, which consists of the three senior claims investigators, and acts as a first level review panel for customer claims that appeal a claims decision; Senior Investigators also assist in taking witness statements and gather data (take measurements, take possession of evidence, tag evidence for investigation, do fire investigations); more experienced investigators assist and help newer investigators in these instances; He covers the St. Pete, Inverness, Winter Garden; Wildwood and Lake Wales work centers are locations for other two Sr. Investigators;

b. His goals are the same as other investigators, w/addition of training assignments; he will set up training sessions and make them available to Florida and Carolina investigators as well; goals are reviewed twice annually as part of the PEP personal development mid yr. and end of yr.

c. The investigator works with the operations centers and field personnel to learn about different equipment at safety meetings and other operations meetings; Must fulfill 24 hrs. credit over 2 yrs. for licensing requirements; also have regular meetings with the Fla. Investigators to discuss topics as a group;

d. The claim is first received by Claims Investigators in STARS; CSS provides customer service files with, customer contact information on the account, the system address of the feeder that serves the customer, a history of trouble information related to the customer account, and work tickets generated to resolve any service problems; the OMS system provides detail information on system events, such as outages, that have occurred and may have impacted the customer's service; investigators can use information from ops center on feeders in the field; SDRP is used to identify when feeder operations occur; Investigators rely on information provided from the ops centers, engineering stds. people, as well as sharing "golden nuggets" between agents to help the group be more aware of special items;

e. The cust. Is notified of the investigation results by phone contact, and in some cases by letter, if they are waiting on the customer to provide information, will inform customer that information is needed to move forward w/claim; CSS provides customer contact information numbers if needed; if the customer is not happy with the claims decision, two levels of appeal exist, one is the Claims Committee and the second level is the Claims Manager; Claims payments cannot be credited to the customer's bill; in some cases a two-party check may be issued to ensure payment of a vendor is made by the customer; [REDACTED]

f. Senior investigators handle the more complex claims, which may have a "long release" form as part of the documented claims package; [REDACTED]

g. [REDACTED]

(3) Conclusions:

a. part of the Senior Investigator position is serving on the Claims Review Committee, which consists of the three senior claims investigators, and acts as a first level review panel for customer claims that appeal a claims decision; Senior Investigators also assist in taking witness statements and gather data (take measurements, take possession of evidence, tag evidence for investigation, do fire investigations); more experienced investigators assist and help newer investigators in these instances;

b. goals are the same as other investigators, w/addition of training assignments; he will set up training sessions and make them available to Florida and Carolina investigators as well; goals are reviewed twice annually as part of the PEP personal development mid yr. and end of yr. ; Must fulfill 24 hrs. credit over 2 yrs. for licensing requirements; also have regular meetings with the Fla. Investigators to discuss topics as a group;

c. The claim is first received by Claims Investigators in STARS; CSS provides customer service files with, customer contact information on the account, the system address of the feeder that serves the customer, a history of trouble information related to the customer account, and work tickets generated to resolve any service problems; the OMS system provides detail information on system events, such as outages, that have occurred and may have impacted the customer's service; investigators can use information from ops center on feeders in the field; SDRP is used to identify when feeder operations occur; Investigators rely on information provided from the ops centers, engineering stds. people, as well as sharing "golden nuggets" between agents to help the group be more aware of special items;

d. The cust. Is notified of the investigation results by phone contact, and in some cases by letter, if they are waiting on the customer to provide information, will inform customer that information is needed to move forward w/claim; CSS provides customer contact information numbers if needed; if the customer is not happy with the claims decision, two levels of appeal exist, one is the Claims Committee and the second level is the Claims Manager; Claims payments cannot be credited to the customer's bill; in some cases a two-party check may be issued to ensure payment of a vendor is made by the customer; [REDACTED]

e. Senior investigators handle the more complex claims, which may have a "long release" form as part of the documented claims package;

f. [REDACTED]

(4) Date Request(s) Generated:

No. _____

No. _____

No. _____

NONE

(5) Follow-up Required:

NONE

Project Manager

Bureau of Performance Analysis

Interview Summary

Company: Progress Energy Florida Area: Customer Property Damage Claims Auditor(s): Fisher/Cryan	Interview Number: PEF-IVS5 File Name: Same
Name: Rudi Mast Title: Surge Programs	Date of Interview: 10/3/08 Location: St. Petersburg Telephone Number:

(1) Purpose of Interview: To understand the company's role in providing surge protection devices to its customers and how the claims process for these devices works.

(2) Interview Summary:

- a. Rudi Masi has worked for the company for 35 years; has been in both regulated and non-regulated marketing; started as a lineman and moved up in the line department, into energy conservation, product development, commercial major accounts manager (CIG), has been in district management has been an account specialist; has been in non-regulated for about 10 years; the non-regulated portion of PEF is making org. changes; he will report to the Director of Lighting in Raleigh beginning November 1, 2008.
- b. Rudi is currently in the Market and Energy Services department and has approx. [redacted] people reporting to him; [redacted] sales people, customer dispatch, customer sales, and a contractor network used for installation, repair and removal of product; Market and Energy Services department also provides the non-regulated home wiring services; this group supports both Florida and the Carolina Operations; the department is responsible for handling e-billing, customer billing payment options, bill inserts and marketing for e-bill; Have been in the home wiring service for 10 yrs. and use the same contractor network for surge protection to handle home wiring services; contractors are licensed and bonded, and must go through PEF Customer Service Training to adhere to PEF policies, guidelines, and procedures; Only master electricians are sent out to the customer location;
- c. PEF provides class-B meter-based arresters and UL listed plug-in suppressors to provide two levels of customer surge protection; plug-in suppressors carry the manufacturer warranty and are backed up by an insurance policy; any claims for suppressors are paid out of a non-regulated claim fund if the contractor does not cover the customer deductible; [redacted]. For a total [redacted]
- d. The meter-based product is strong and beefy and operates in milliseconds; the meter-based service is warranted for as long as the customer has the service, and PEF will replace if any problem with the service; does not make cust. Wait until unit is repaired or re-stocked, immediately brings new unit and replaces the old unit; basic troubleshooting is to have customer see if the light on the unit is lit; if not a failure has occurred and the unit is replaced w/in 24 hrs.; Class A plug-ins are warranted for ten years (customer owns); if customer has a problem, PEF replaces the customer plug-ins and works with mfr. for replacement;

(3) Conclusions:

- a. the non-regulated portion of PEF is making org. changes; he will report to the Director of Lighting in Raleigh beginning November 1, 2008
- b. Rudi is currently in the Market and Energy Services department and has approx. [redacted] people reporting to him; [redacted] sales people, customer dispatch, customer sales, and a contractor network used for installation, repair and removal of product; Market and Energy Services department also provides the non-regulated home wiring services; this group supports both Florida and the Carolina Operations; the department is responsible for handling e-billing, customer billing payment options, bill inserts and marketing for e-bill; Have been in the home wiring service for 10 yrs. and use the same contractor network for surge protection to handle home wiring services; contractors are licensed and bonded, and must go through PEF Customer Service Training to adhere to PEF policies, guidelines, and procedures; Only master electricians are sent out to the customer location;
- c. PEF provides class-B meter-based arresters and UL listed plug-in suppressors to provide two levels of customer surge protection; plug-in suppressors carry the manufacturer warranty and are backed up by an insurance policy; any claims for suppressors are paid out of a non-regulated claim fund if the contractor does not cover the customer deductible; [redacted]
- d. [redacted], meter-based product is strong and beefy and operates in milliseconds; the meter-based service is warranted for as long as the customer has the service, and PEF will replace if any problem with the service; does not make cust. Wait until unit is repaired or re-stocked, immediately brings new unit and replaces the old unit; basic troubleshooting is to have customer see if the light on the unit is lit; if not a failure has occurred and the unit is replaced w/in 24 hrs.; Class A plug-ins are warranted for ten years (customer owns); if customer has a problem, PEF replaces the customer plug-ins and works with mfr. for replacement;
- d. reporting of monthly KPI (Key Performance Indicators) to Customer & Market Services - Raleigh, where the department head is responsible for both regulated and non-regulated businesses; claims handled through manufacturers and PEF will back-up if needed;

Bureau of Performance Analysis

Interview Summary

Company: Progress Energy Florida Area: Customer Property Damage Claims Auditor(s): Fisher/Cryan	Interview Number: PEF-IVS6 File Name: Same
Name: Raymond Phillips Title: Internal Audit Manager	Date of Interview: 10/3/08 Location: St. Petersburg Telephone Number:

(1) Purpose of Interview: To understand the role of Internal Audit in auditing the claims process and associated controls and to understand why PEF has not conducted an internal audit of this area in over five years.

(2) Interview Summary:

a. Raymond has over 30 years with the company and has an accounting background; has audited his entire career with PEF; has been involved in operational audits of field offices, and most recently he is involved in the nuclear auditing of the uprates and the new units; Last Jan '07, became Audit Manager for Florida Delivery type audits; Mid '08 audit focus on Construction Auditing became more pivotal; Raymond is a CIA and reports to Bob Bazemore, Vice President;

b. Excluding Project Assurance PEF plans one yr. ahead in its audit horizon; PEF does risk-based auditing, not cycle-based auditing; [redacted] of the audit plan is not risk-based; SOX auditing represents about [redacted] of the total plan; the new SOX plans allow more risk-based evaluating; part of the [redacted] non risk-ranked auditing is in trading, where a look at loss trading, data mining, and look at outliers as a means of reviewing those areas; in environmental safety IA does more cycle type auditing;

c. In developing the audit plan, receive input from the VPs of different business units and potential risk issues are clarified; the highest risk issues are formally ranked as the top audit candidates; five factors are reviewed, and three are common inherent risks to all, 1) recent major changes, 2) reliability and customer service image 3) ???; the risks are ranked into the highest risk priorities and balanced against resources to complete the audits to complete the final plan; Damage Claims has not come up; several ways damage claims may pop-up are through networking w/management, SOX process requires auditing of litigated cases, or through benchmark reviews; Timing of last audit is a component of risk evaluation, but has not raised the risk level high enough to warrant audit; the SOX reviews provided added insight into the function and its areas of risk and help satisfy management that the level of risk is small compared to other business areas;

(3) Conclusions:

a. Excluding Project Assurance PEF plans one yr. ahead in its audit horizon; PEF does risk-based auditing, not cycle-based auditing; [redacted] of the audit plan is not risk-based; SOX auditing represents about [redacted] of the total plan; the new SOX plans allow more risk-based evaluating; part of the [redacted] non risk-ranked auditing is in trading, where a look at loss trading, data mining, and look at outliers as a means of reviewing those areas; in environmental safety IA does more cycle type auditing;

b. In developing the audit plan, receive input from the VPs of different business units and potential risk issues are clarified; the highest risk issues are formally ranked as the top audit candidates; the risks are ranked into the highest risk priorities and balanced against resources to complete the audits to complete the final plan; Damage Claims has not come up; the SOX reviews provided added insight into the function and its areas of risk and help satisfy management that the level of risk is small compared to other business areas;

c.

(4) Date Request(s) Generated:

No. _____
 No. _____
 No. _____

NONE

(5) Follow-up Required:

NONE

Project Manager

Bureau of Performance Analysis

Interview Summary

Company: Progress Energy Florida Area: Customer Property Damage Claims Auditor(s): Fisher/Cryan	Interview Number: PEF-IVS7 File Name: Same
Name: Larry Mazer Title: Claims Manager re: Legal-Litigated Claims	Date of Interview: 10/3/08 Location: St. Petersburg Telephone Number:

(1) Purpose of Interview: To understand the role of the Legal-Litigated Claims function and understand how it handles litigated claims and claims greater than \$5,000 in compliance with Commission Rules 25-6.019 and 25-6.0345.

(2) Interview Summary:

a. Litigated cases take longer in Fla. Than N.C. due to the courts system; average would be about 3 years or longer; litigated cases are not re-opened like property damage claims, but can be appealed, which takes longer to resolve; in cases where litigation is experienced the release is much more detailed and check greater than \$5,000 would go through Treasury for a check and require higher approvals; the check is returned to the attorney for payment;

b. Litigated cases are often served by an attorney or registered agent; the registered agent sends two copies to claims; the lawyer determines the nature of the law suit and the paralegal calendars the case; a response, if needed, is mailed out and the case would be referred to the outside attorneys to defend the company;

c. Goals and Objectives are only based on the budget for litigated claims; staying within the budget is successfully meeting the goal; budgeted amounts are regularly revised based on anticipated settlement amounts; The budget is for one calendar year and the goal is measured year by year; the goal is also to always work toward the expectation of the budget; at the end of the year the target is to be at \$0; A monthly Litigated Claims report is maintained and presented to executive management to follow the status of outstanding cases and any revisions as those occur; the claims budget is used to pay for all claims; quarterly, estimates of probable and estimated amounts required for contingent liability are reported to accounting by the Claims Manager.

e. In reporting claims greater than \$5,000 having to do with the electrical system, the claims adjuster evaluates the claim as representing >\$5,000 and it is sent to the Claims Associate, who prepares a check and Larry must see FPSC report before it goes to Tony; Claims manager has a personal approval amount of \$5,000;

f. During the last five years PEF changes in handling litigated claims were primarily that it combined the Claims Manager and the Torts Lawyer responsibilities including property and litigated claims;

One improvement area might be in balancing legal resources based on case loads and types of cases handled; Larry is looking at balancing work load and cases with outside attys and fees against internal costs; also considering decentralization vs. centralization of resources, case loads, etc. and in-house vs. outside;

(3) Conclusions:

a. In cases where litigation is experienced the release is much more detailed and check greater than \$5,000 would go through Treasury for a check and require higher approvals; the check is returned to the attorney for payment;

b. Litigated cases are often served by and attorney or registered agent; the registered agent sends two copies to claims; the lawyer determines the nature of the law suit and the paralegal calendars the case; a response, if needed, is mailed out and the case would be referred to the outside attorneys to defend the company;

c. Goals and Objectives are only based on the budget for litigated claims; staying within the budget is successfully meeting the goal; budgeted amounts are regularly revised based on anticipated settlement amounts;

d. In reporting claims greater than \$5,000 having to do with the electrical system, the claims adjuster evaluates the claim as representing >\$5,000 and it is sent to the Claims Associate, who prepares a check and Larry must see FPSC report before it goes to Tony; Claims manager has a personal approval amount of \$5,000;

e. During the last five years PEF changes in handling litigated claims were primarily that it combined the Claims Manager and the Torts Lawyer responsibilities including property and litigated claims;

(4) Date Request(s) Generated:

No. _____
 No. _____
 No. _____

NONE

(5) Follow-up Required:

NONE

Project Manager

Bureau of Performance Analysis Document Summary and Control Log

Company: <u>Progress Energy Florida</u> Area: <u>Customer Damage Claims</u> Auditor(s): <u>Fisher/Cryan</u>	Workload Control #: <u>PA-08-08-003</u> File Name: <u>I:\BPA\Reports\Damage Claims\Documants\PEF DR-1 Log.doc</u>
---	--

Document DR-1.1: Date Requested: Date Received: Comments: (i.e., Confidential) CONFIDENTIAL Exhibit 2 and 21	<p>Document Title and Purpose of Review: Please provide a copy of the company policies and procedures relating to customer property damage claims.</p> <p>Summary of Contents: Exhibit #1 Job Descriptions: Job Content Questionnaires are provided for the Associate Claims Investigator, Claims Investigator, Sr. Claims Investigator and Lead Claims Investigatio positions were provided. Each shows Job Purpose, Major Job Duties, Major Leadership or Supervision, Nature of Job, Task Complexity, Discretion and Judgement, Working Conditions, Background, Job Related Experience, and Other Job-Related Skills for the job title. Exhibit #2 [REDACTED]</p> <p>Exhibit #3: Title Page UsedPrice.com is used to find out what used equipment is worth; this information is used by auctioneers, appraisers, collectors, pawn brokers, and investigators to eliminate the guesswork about current and fair market value for products and equipment. Exhibit #4 Title page ClaimsPages.com provides current insurance news as well as other tools such as Claims Resources and Tools, forms, databases, and a depreciation calculator; the calculator computes the depreciated value of an item, given the item's age and replacement value; formula used is $ACV = RCV - (DPR * RCV * Age)$; ACV is Actual Cash Value (depreciated value), RCV= Replacement Cash Value (Cost to Purchase Now), DPR= Depreciation Rate (% per year); Exhibit #5 Depreciation Guide provides a 14 page listing of major appliances, with their annual depreciation% and useful years; in some cases th instruction is to use a % od replacement costs or full replacement cost; Exhibit #6 PSC Damage Notification Form is the form the company uses to report applicable damage claims > \$5k to the FPSC; Exhibit #7 Request For an Investigation Card (given by field personnel to customers) shows an example of the card field personnel provide to customers when they meet a customer experiencing an event where possible damage claims would be filed, or the customer asks the field rep how to reach a claims agent.</p> <p>Conclusions: PEF has different levels of claims investigators personnel responsible for increasing complexity of claims and duties. Supervisory responsibilities are only part of the Lead Claim Investigator.</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Document depreciation methodology used by company for determining claims value</p>
Document DR-1.2: Date Requested: Date Received: Comments: (i.e., Confidential) CONFIDENTIAL Exhibit 8 and 10	<p>Document Title and Purpose of Review: Please provide a copy of the company's current customer property damage claim goals, objectives, and key performance measurements.</p> <p>Summary of Contents: Exhibit #8 2008 to date Claims Investigation Performance Measures; 2008 to date Workload Financial Forecast Data [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Exhibit 9 Investigator Insurance Licenses was provided to show that all adjusters have state licenses as adjusters for all lines; Exhibit #10 Investigator Performance & Development Plan (Redacted) [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] s added; Exhibit 10 Investigator Performance and Development Plan (Redacted) provides a copy of the Performance</p>

	<p>skills for the position; Employee Development Planning is also an activity documented with specific actions to be taken</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document DR-1.3: Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review:</p> <p>Summary of Contents: a. Please provide a listing of all customer property damage claims alleged to be caused by electric power outages, voltage drops, surges or spikes, and related causes filed against the company for the period January 2003 through 2008 to date. The listing should include: Date filed, Name and address of complainant, Actual or alleged cause of complaint, Amount claimed, Amount Paid, Date closed, Annual summary of amounts claimed and paid for each year b. Please identify all customer property claims identified in question 3a that were in excess of \$5000.00.</p> <p>Conclusions: Exhibit 11 Customer Property Damage Claims for 2003-2008 to date [REDACTED]</p> <p>[REDACTED] addresses a valuation of the customer's claim after it has accepted liability. In all those instances when liability is denied no claim valuation is prepared. Progress Energy does not elicit this information from the customer because it establishes an expectation that he will be compensated. It is standard insurance industry practice to address liability before addressing damages. Progress Energy's STARS data base does not have a dedicated field for a customer's estimate of loss; Exhibit #12 Annual Dollar Value of Claims Paid 2003-2008 lists claims by Report Date, Complainant Name, Claim Number, Address, Cause of Complaint, Amount paid, and Close Date; Each day has the total dollars paid amount for the day; Total Claims by year and Total Dollars Paid by year are summarized annually. Exhibit #13 PSC Audit Report for 2003-2008 claims >5k, provides a listing of PEF claims paid in excess of \$5,000 for the period 2003-2008; [REDACTED]</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document DR-1.4: Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a listing of company damage claim codes, and company policy for payment for each code.</p> <p>Summary of Contents: Exhibit #14- Codes provided for Claimant/payee, Full and Final Settlement, Transaction Type, Caps. Historical Cov., Paid Code, Class Code, Type of Injury (Fatality, Injury, Property), Financial Code (employee, substation, regional operations, power plants), product or service, regulated and non-regulated, coverage (general liability and Auto liability), Agent code, Litigation code (Claim, demand, informal hearing, petition, in suit, settlement, trial), Major Coverage (general liability, bodily injury, property damage) and by company (Progress Energy Florida); Exhibit # 2 Claims Payment Scenarios - [REDACTED]</p> <p>Conclusions: STARS provides many different codes to allow claims management to review and analyze both current and historical claims information.</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document DR-1.5: Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please complete the attached survey of claims payment policies. If the form does not allow enough space needed for comment, please attach a sheet to your response. In the columns labeled "Yes" and "No," please indicate if your company's policy is to pay such a damage claim or not.</p> <p>Summary of Contents: Exhibit #15 - Response to Survey of 2008 Claims Payment Policies - [REDACTED]</p>

CONFIDENTIAL
Exhibit 15

Conclusions: [REDACTED]

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

Document DR-1.6:
Date Requested:
Date Received:
Comments: (i.e., Confidential)

Document Title and Purpose of Review: Please provide a flow chart detailing the progression and timeframe of a customer's property damage claim through its conclusion. Include any points in the process where the customer is notified of the progress, and/or receives updates as to the claims status.

Summary of Contents: Exhibit #16 Claims Flow Chart- PEF provided a four page foldout flowchart showing Day 1 through day 30 flow of events and decisions regarding the claims process; Shows Day one as when the investigator opens the claim and begins documentation; shows day two as when the customer is contacted by the investigator, [REDACTED]

[REDACTED] shows investigator activities during investigation, communication between departments, determination of liability, denial/acceptance of liability, request of customer documentation of damages, the adjustment process and issuing check process; also shows denial process and the appeal process through Claims Committee or Claims manager if the customer is not satisfied and process that concludes with customer satisfied or unsatisfied;

Conclusions: The flowchart gives direction of key process activities and events, but does not fully explain how to perform those activities or direct the employee to specific departments for assistance; the flowchart does not provide detailed information, but instead a step by step flow of the process; employees may need more detailed information in formal procedures;

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

CONFIDENTIAL
Exhibit 16

Document DR-1.7:
Date Requested:
Date Received:
Comments: (i.e., Confidential)

Document Title and Purpose of Review: Please identify all methods available to the customer for filing a property damage claim.

Summary of Contents: Property damage claims may be filed by phone, mail or via the internet;

Conclusions: no additional statements as to how customer reaches claims dept. by internet, etc.

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

Document DR-1.8:
Date Requested:
Date Received:
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Please provide a copy of any form that is required to be completed by the customer when filing a property damage claim. b. Please provide a copy of any forms identified in question 8a that are available to customers in languages other than English.

Summary of Contents: a.) No form is required by Progress Energy. Investigators communicate with customers by phone, personal visits, e-mail or fax. b.) N/A

Conclusions: PEF does not use a form to have customers report their damaged equipment; instead the company gathers information through phone, fax or internet;

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

Document DR-1.9:
Date Requested:

Document Title and Purpose of Review: Please provide the annual number, and percentage, of claims that required litigation to provide resolution to customer property damage claims for each year from January 2003 through 2008 to date.

<p>Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL Exhibit 17,18,19</p>	<p>Summary of Contents: At the date the Progress Energy is litigating matters related to Power Quality issue County, Circuit or Appellate Courts and 0 matters in Small Claims court regardless of the year the matter was initiated; The single largest category of power quality litigated are subrogation claims brought by insurance companies that have paid customers for their damages; Progress Energy estimates that it litigates, on average, 600 or less claims per year in county or Circuit Court; Matters likely extend beyond one year; the date of filing has been used for statistical purposes; Since litigated claims are not always identified in Exhibit 11, they are listed below both as to open and closed litigated matters for the time period requested; Exhibit #17 – provides summary of closed litigated cases regarding power quality during the period 2003-2008 ; Exhibit #17 Closed Power Quality Litigated Matters 2003 to Present shows 100 cases the claim numbers, case summary and status of the case; Exhibit #18 Open Power Quality Litigated Matters 2003-Present shows 100 cases litigated during 2003-2008 and the status of the claims; Exhibit #19 Annual Number of Liquidated Claims provides the annual number of litigated claims, number of paid claims annually, and percent of claims requiring litigation; For the period PEF paid 22,856 claims; 4505 ('03), 6091 ('04), 3856 ('05), 3313 ('06), 3033 ('07), and 2058 through August '08</p> <p>Conclusions: Total claims paid for the period was 22,856 claims; 4505 ('03), 6091 ('04), 3856 ('05), 3313 ('06), 3033 ('07), and 2058 through August '08</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document DR-1.10: Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a copy of all audits completed, or expected to be completed, on the customer property damage claims process for the years 2003 through 2008.</p> <p>Summary of Contents: NO SUCH AUDITS HAVE BEEN UNDERTAKEN</p> <p>Conclusions: NO SUCH AUDITS HAVE BEEN UNDERTAKEN; See PEF interview IVS-6 explaining Internal Audit planning process and SOX audit reviews which give company confidence that claims is a low risk audit area;</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document DR-1.11: Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: a. Please provide a copy of all property damage claims education materials made available to customers from January 2006 through 2008 to date. b. Please provide a copy of all materials listed in question 11a that are available to customers in languages other than English.</p> <p>Summary of Contents: PROGRESS ENERGY HAS NO SUCH MATERIALS</p> <p>Conclusions: PEF does not provide educational materials to customers regarding the claims process; However, the company explains the process once an investigator has been assigned the claims file;</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document DR-1.12: Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide an actual, or transcript copy of all public service announcements, or advertisements relating to customer property damage claims from January 2006 through 2008 to date.</p> <p>Summary of Contents: NO PUBLIC SERVICE ANNOUNCEMENTS REGARDING CUSTOMER PROPERTY DAMAGES HAVE BEEN MADE.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>

**Bureau of Performance Analysis
Document Summary and Control Log**

Company: <u>Progress Energy Florida</u>	Workload Control #: <u>PA-08-08-003</u>
Area: <u>Customer Damage Claims</u>	File Name: <u>I:\BPA\Reports\Damage Claims\Documants\PEF DR-2 Log.doc</u>
Auditor(s): <u>Fisher/Cryan</u>	

<p>Document #: DR-2.1 Date Requested: Date Received: Comments: (i.e., Confidential) CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: Please provide the most current organizational chart for the Legal Services Department, including the Claims Management organization.</p>
	<p>Summary of Contents: Organizational chart as of 10/14/08 shows General Counsel 's organization, including four Assoc. Gen. Counsel II-Legal and Regulatory Affairs-FL Team reporting to General Counsel; Claims organization is under Assoc. General Counsel II-Legal Lawrence F. Mazer and CLAIMS-PEF TEAM includes Claims Investigators (●), Sr. Claims Investigators (●), Sr. Legal Secretary (●), and Associate Claims Specialists-Legal (●)</p>
	<p>Conclusions: Total of 11 in Claims Team members that report through Associate General Counsel and Claims Manager;</p>
	<p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p>
	<p>Follow-up Required:</p>
<p>Document #: DR-2.2 Date Requested: Date Received: Comments: (i.e., Confidential) CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: Please provide a disk of damage claim listings during 2003-2008 to-date by cause code, with a summary of annual total claims made, total claims paid, and the dollars paid for each of the following cause codes: Outage, Open Neutral, Weather, Irregular Voltage, and Customer Related Event.</p>
	<p>Summary of Contents: Disk provided with claims by cause code, w/summary of annual total claims made, paid, and dollars paid for top five cause codes (Outage, Open Neutral, Weather, Irregular Voltage, and Customer Related Event);</p>
	<p>Conclusions:</p>
	<p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p>
	<p>Follow-up Required:</p>
<p>Document #: DR-2.3 Date Requested: Date Received: Comments: (i.e., Confidential) CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: Provide copies of the Monthly Claims Report for the last two years, providing total complaints monthly, number of claims, dollar amount paid for claims, and the top ten categories of claims reported to management.</p>
	<p>Summary of Contents: Provide copies of the Monthly Claims Report for 2007 and 2008, providing total complaints monthly, number of claims, dollar amount paid for claims, and the top ten categories of claims reported to management.</p>
	<p>Conclusions: Monthly Claims reports track the results for claims paid, not paid, dollars paid, types of claims and claims level handled by Claims Investigator, and top ten claims causes are documented for 2007 and 2008; STARS report of monthly total for 2007-2008 are also provided;</p>
	<p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p>
	<p>Follow-up Required:</p>
<p>Document #: DR-2.4 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide a more detailed description of the detailed cause codes listed in PEF's STARS "A" claims listing provided in DR-1 giving specific detail as to the type of claim included within the cause code.</p>
	<p>Summary of Contents: Additional explanation is provided for 12 cause types;</p>
	<p>Conclusions: None</p>

CONFIDENTIAL	<p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: a. Please describe the criteria PEF uses to determine whether a damage claim estimated to be greater than \$5,000 is reported to the FPSC in compliance with Rule 25-6.019. b. Please explain why PEF did not report to the FPSC any reports of damage claims over \$5,000 during 2003-2005 and only one report in 2006. c. Please explain why PEF reported only three damage claims > \$5,000 during 2007 and has reported none in 2008.</p> <p>Summary of Contents: A property damage claim is reported within 30 days to the FPSC when it meets the following criteria: 1) a malfunction or accident occurs; 2) in connection with any part of the electrical system; 3) damages property of others; and 4) the amount of damages exceeds \$5,000.; Criteria 1 does not include normal expected operations of the electrical system such as feeder operations; Criteria (2) does not include automobile accidents, or events indirectly related to the electrical system such as damage to property caused by trucks or personnel in the course of repairs or installations (ruts, cement damage, damaged fences, excavation damages).; Criteria 3) above does not include any claims involving personal injuries nor the costs for appraisals, expert opinions etc. obtained by PEF or the customer related to adjustment of the claim but not repair any property; Criteria (4) requires damages that are verifiable and adjusted for actual cash value. PEF does not verify or adjust damages for customers unless it first accepts liability for damages of a third party; b. PEF did not have well articulated reporting criteria and controls in place during 2003-2005; PEF has put in place the following controls to ensure compliance including: (1) re-training of Claims Investigators, 192) Requiring all claims in excess of \$5,000 be approved by a second signature of the Claims Manager or a Senior Investigator (3) the Claims Associate has been trained to flag all payment requests in excess of \$5,000 to ensure compliance (4) Investigator goals for 2009 will include 100% compliance with this requirement; Retroactive reports for 2006 and 2007 are being submitted to Tony Valazquez; c. In 2007 PEF inadvertently failed to notify FPSC of 4 claims meeting the criteria of Rule 25-6.019; All four occurred in the first half of the year before PEF began to more rigorously comply with this Rule; One claim resulted from one event but multiple checks were written and the investigator did not realize the payments exceeded \$5,000; One claim resulted from a set of facts involving the liability of a third party; in 2008 PEF has been in full compliance;</p> <p>Conclusions: PEF has established better controls to report claims in excess of \$5,000 and has retroactively reported 2006 and 2007;</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.6 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: a. Please provide a list of all claims greater than \$100,000 during the period 2003-2008. b. Please provide a detailed description of the primary cause for each claim greater than \$100,000, whether it was a property damage claim or personal injury claim, and the outcome of the case (i.e., appealed, settled, currently in litigation).</p> <p>Summary of Contents: PEF had [REDACTED] claims greater than \$100,000 during the period 2003-2008. [REDACTED] claim was [REDACTED] was [REDACTED] and [REDACTED] was pending and between [REDACTED]</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.7 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review:</p> <p>Summary of Contents: Please provide copies of the standard release (on the back of the check) and a PEF release contract used to settle large damage claims.</p> <p>Conclusions: Exhibit #5 - Standard release (long form) document provided;</p> <p>Data Request(s) Generated: No. _____ Description:</p>

	No. _____ Description:
<p>Document #: DR-2.8 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Follow-up Required:</p> <p>Document Title and Purpose of Review: a. Please describe PEF's policy on handling customer damage claims associated with underground facilities. b. Please provide PEF's policy for routine inspections of underground plant facilities, and a copy of its plan, as required in Rule 25-6.036, Inspection of Plant.</p> <p>Summary of Contents: a. [REDACTED]</p> <p>[REDACTED]</p> <p>b. PEF provided reference to its DSSOP or Distribution System Storm Operational Plan as having the documentation for its inspection program;</p> <p>Conclusions: [REDACTED]</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.9 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: 9. a. Please describe the step-by-step calculation and methodology PEF uses for depreciating customer equipment in the damage claims process, including any website URLs used, not previously provided in DR-1. b. Please provide an example of the calculation described above using a damaged three year old customer refrigerator, a customer equipment purchase value of \$1,000 and depreciation values used by PEF in the example. c. Assuming that PEF finds it has liability for the customer claim, what would the settlement price offered by PEF be for the example in 9b?</p> <p>Summary of Contents: a. (1) Customer provides descriptive information regarding the damaged item including, brand name, model number, serial number, approximate age, size, and features; (2) PEF's Investigator will research the depreciated value of the item if it is included within data bases and the value therein will be the depreciated value; (3) If not within an existing data base, PEF's Investigator will seek out the current cost of a similar like kind and quality item; (4) the current or replacement cost (RCV) will be depreciated using depreciation schedules customarily used to identify the annual depreciation rate(DPR) for consumer goods; PEF Investigators often use the depreciation calculator contained in ClaimsPages.com; (5) the formula to determine actual cash value (ACV or depreciated value) is as follows: $RCV \times DPR \times \text{age} = \text{Depreciation}$; $RCV - \text{Depreciation} = \text{ACV}$; b. Assuming base item was new and cost \$1,000, the calculation would be: $\\$1,000 \times .07 \times 3 = \\210, $\\$1,000 - \\$210 = \\$790$ (round up to \$800); Assuming PEF had liability the depreciated settlement figure offered [REDACTED]</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.10 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: Please provide a tiered listing of primary and secondary insurance claims coverage levels, including self insurance, additional levels of excess coverage, insurance providers, and dollar limits for each level of coverage.</p> <p>Summary of Contents: [REDACTED]</p> <p>Conclusions: PEF has sufficient insurance coverage for claims up to \$250 million</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p>

<p>Document #: DR-2.11 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Follow-up Required:</p> <p>Document Title and Purpose of Review: a. Please provide the Internal Audit Department Process Summary for Damage Claims. b. Please provide the Internal Audit Risk Assessment of Controls for Damage Claims. c. Please provide the Internal Audit summary of SOX sampling and results completed to-date for Damage Claims.</p> <p>Summary of Contents: PEF's Audit Service Department (ASD) provided a response to staff's request for additional documentation for SOX testing and process review completed for the Claims function that identified levels of risk associated with Claims and what ASD would need to cause an audit of Claims; ASD noted that "substantial change in the risk profile" could cause an audit to be required; no such change has occurred and Claims remains a low risk profile; ASD also provided a description of its annual audit plan and risk prioritization (21 pages)</p> <p>Conclusions: Until PEF's Claims organization experiences change that seriously increases its risk profile, Claims will remain as a low risk audit prospect;</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.12 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: Please provide the written summaries of claims, discussed with staff during field interviews, associated with the Tampa Tribune articles related to PEF's repayment for power damage.</p> <p>Summary of Contents: [REDACTED] to [REDACTED] claim liability was denied by PEF</p> <p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p> <p>Follow-up Required:</p>
<p>Document #: DR-2.13 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p>CONFIDENTIAL</p>	<p>Document Title and Purpose of Review: a. [REDACTED]</p> <p>Summary of Contents: a.) [REDACTED]</p>

[REDACTED]
Conclusions: [REDACTED]
Data Request(s) Generated: No. _____ Description: No. _____ Description:
Follow-up Required:

Division of Regulatory Compliance
Bureau of Performance Analysis
i:\brn\audit forms\3field\document summary and control log.doc



TOM GALLAGHER
Chief Financial Officer
State of Florida

[REDACTED]
License Number P024071

IS LICENSED TO TRANSACT THE FOLLOWING CLASSES OF INSURANCE

Independent Adj - All Lines 12/27/2005

RESIDENT
LICENSE

Licensee shall not be held responsible for the actions of any insured or agent. The insurer is responsible for the actions of its agents and employees.

DR-1

EXHIBIT 9





ALEX SINK
Chief Financial Officer
State of Florida

████████████████████
License Number A019596

IS LICENSED TO TRANACT THE FOLLOWING CLASSES OF INSURANCE

Independent Adj - All Lines .02/01/2005

RESIDENT
LICENSE

This license is not valid unless accompanied by the insuror or employer for whom it is issued.



TOM GALLAGHER
Chief Financial Officer
State of Florida

License Number E 165900
IS LICENSED TO TRANSACT THE FOLLOWING CLASSES OF INSURANCE:
Independent Adj - All Lines

RESIDENT
LICENSE

This licensee must have an active appointment with the insurer or employer for the products being marketed. See reverse for additional requirements.
The Florida Community College System is a certified subcontractor for providing real estate education courses in accordance with the Florida Department of Financial Services.

DEPARTMENT OF FINANCIAL SERVICES



ALEX SINK
Chief Financial Officer
State of Florida

License Number: A059665

IS LICENSED TO TRANSACT THE FOLLOWING CLASSES OF INSURANCE

Independent Adj - All Lines 03/21/2007

RESIDENT
LICENSE

This license is not valid until an appointment is made with the insurer or employer for which the license is being exercised.



TOM GALLAGHER
Chief Financial Officer
State of Florida

License Number E161445
IS LICENSED TO TRANACT THE FOLLOWING CLASSES OF INSURANCE:
Independent Adj - All Lines

RESIDENT
LICENSE

This licensee must have an active appointment with the insurer or employer for which products or services are being marketed. See reverse for additional requirements.
Florida Department of Financial Services

DEPARTMENT OF FINANCIAL SERVICES

STAR Audit Report for 2003 - 2008 claims >5K

STARS

Report Date	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Report Date: 2003						
5/2003	[REDACTED]	03 -4477	[REDACTED]	[REDACTED]	[REDACTED]	9/4/2003
4/2003	[REDACTED]	03 -4417	[REDACTED]	[REDACTED]	[REDACTED]	10/20/2003
1/3/2003	[REDACTED]	03 -6419	[REDACTED]	[REDACTED]	[REDACTED]	2/5/2004
2/20/2003	[REDACTED]	03 -0373	[REDACTED]	[REDACTED]	[REDACTED]	4/3/2003
1/4/2003	[REDACTED]	03 -4653	[REDACTED]	[REDACTED]	[REDACTED]	9/5/2003
2/27/2003	[REDACTED]	03 -2756	[REDACTED]	[REDACTED]	[REDACTED]	10/16/2003
2/27/2003	[REDACTED]	03 -0517	[REDACTED]	[REDACTED]	[REDACTED]	2/20/2003
2/26/2003	[REDACTED]	03 -4984	[REDACTED]	[REDACTED]	[REDACTED]	8/27/2003
Total By Report Date:		8 Claims			111,955.67	

EXHIBIT 13

DR-1

CONFIDENTIAL

Progress Energy Florida Inc.

> Audit Report for 2003 - 2008 claims >5K

STARS

Report Date	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Report Date: 2004						
10/20/2004	[REDACTED]	04 -7300	[REDACTED]	[REDACTED]	[REDACTED]	10/27/2004
5/2004	[REDACTED]	04 -3551	[REDACTED]	[REDACTED]	[REDACTED]	2/9/2005
9/2004	[REDACTED]	04 -7857	[REDACTED]	[REDACTED]	[REDACTED]	11/9/2004
1/2004	[REDACTED]	04 -5452	[REDACTED]	[REDACTED]	[REDACTED]	9/21/2004
7/2004	[REDACTED]	04 -5172	[REDACTED]	[REDACTED]	[REDACTED]	12/9/2004
8/2004	[REDACTED]	05 -1026	[REDACTED]	[REDACTED]	[REDACTED]	3/22/2005
2/2004	[REDACTED]	04 -7703	[REDACTED]	[REDACTED]	[REDACTED]	3/8/2005
7/2004	[REDACTED]	04 -5307	[REDACTED]	[REDACTED]	[REDACTED]	10/27/2004
5/2004	[REDACTED]	04 -1028	[REDACTED]	[REDACTED]	[REDACTED]	3/15/2004
7/2004	[REDACTED]	04 -5453	[REDACTED]	[REDACTED]	[REDACTED]	10/3/2005
9/2004	[REDACTED]	04 -1948	[REDACTED]	[REDACTED]	[REDACTED]	5/8/2004
2/2004	[REDACTED]	04 -3475	[REDACTED]	[REDACTED]	[REDACTED]	7/13/2004
0/2004	[REDACTED]	04 -0800	[REDACTED]	[REDACTED]	[REDACTED]	3/29/2004
1/2004	[REDACTED]	04 -0892	[REDACTED]	[REDACTED]	[REDACTED]	5/3/2004
27/2004	[REDACTED]	04 -8381	[REDACTED]	[REDACTED]	[REDACTED]	5/20/2005
4/2004	[REDACTED]	04 -4668	[REDACTED]	[REDACTED]	[REDACTED]	12/9/2004
2/2004	[REDACTED]	04 -1274	[REDACTED]	[REDACTED]	[REDACTED]	8/11/2004
16/2004	[REDACTED]	04 -8672	[REDACTED]	[REDACTED]	[REDACTED]	1/13/2005

Total By Report Date:

18 Claims

577,602.99

Progress Energy Florida Inc.

STAR Audit Report for 2003 - 2008 claims >5K

STAR

Report Date	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Report Date: 2005						
5/2005	[REDACTED]	05 -1256	[REDACTED]	[REDACTED]	[REDACTED]	9/6/2005
7/2005	[REDACTED]	05 -3966	[REDACTED]	[REDACTED]	[REDACTED]	11/28/2005
8/1/2005	[REDACTED]	05 -0868	[REDACTED]	[REDACTED]	[REDACTED]	3/1/2005
8/10/2005	[REDACTED]	05 -0713	[REDACTED]	[REDACTED]	[REDACTED]	3/16/2005
9/2005	[REDACTED]	05 -0863	[REDACTED]	[REDACTED]	[REDACTED]	4/15/2005
12/2005	[REDACTED]	05 -0755	[REDACTED]	[REDACTED]	[REDACTED]	4/18/2005
1/2005	[REDACTED]	05 -4698	[REDACTED]	[REDACTED]	[REDACTED]	5/17/2006
1/2005	[REDACTED]	05 -1173	[REDACTED]	[REDACTED]	[REDACTED]	4/5/2005
1/9/2005	[REDACTED]	05 -6597	[REDACTED]	[REDACTED]	[REDACTED]	3/13/2006
5/2005	[REDACTED]	05 -0792	[REDACTED]	[REDACTED]	[REDACTED]	2/18/2005
Total By Report Date:			10 Claims		88,429.08	

Progress Energy Florida Inc.

Audit Report for 2003 - 2008 claims >5K

RS

Filed	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Report Date: 2006						
4/2006	[REDACTED]	06 -4412	[REDACTED]	[REDACTED]	[REDACTED]	8/16/2006
2/2006	[REDACTED]	06 -3171	[REDACTED]	[REDACTED]	[REDACTED]	6/26/2006
3/2006	[REDACTED]	06 -2989	[REDACTED]	[REDACTED]	[REDACTED]	6/19/2006
2006	[REDACTED]	06 -0051	[REDACTED]	[REDACTED]	[REDACTED]	1/17/2006
3/2006	[REDACTED]	06 -3110	[REDACTED]	[REDACTED]	[REDACTED]	6/20/2006
3/2006	[REDACTED]	06 -0734	[REDACTED]	[REDACTED]	[REDACTED]	2/21/2006
2006	[REDACTED]	06 -1211	[REDACTED]	[REDACTED]	[REDACTED]	4/26/2006
3/2006	[REDACTED]	06 -3244	[REDACTED]	[REDACTED]	[REDACTED]	6/27/2006
3/2006	[REDACTED]	06 -3213	[REDACTED]	[REDACTED]	[REDACTED]	6/30/2006
2006	[REDACTED]	06 -3445	[REDACTED]	[REDACTED]	[REDACTED]	7/10/2006
Total By Report Date:		10 Claims			110,119.43	

Progress Energy Florida Inc.

C Audit Report for 2003 - 2008 claims >5K

ARS

File Date	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Report Date: 2007						
06/2007	[REDACTED]	07 -4412	[REDACTED]	[REDACTED]	[REDACTED]	10/3/2007
11/2007	[REDACTED]	07 -1936	[REDACTED]	[REDACTED]	[REDACTED]	5/31/2007
03/2007	[REDACTED]	07 -1195	[REDACTED]	[REDACTED]	[REDACTED]	4/5/2007
03/2007	[REDACTED]	07 -0568	[REDACTED]	[REDACTED]	[REDACTED]	2/19/2007
11/2007	[REDACTED]	07 -2439	[REDACTED]	[REDACTED]	[REDACTED]	6/27/2007
03/2007	[REDACTED]	07 -1922	[REDACTED]	[REDACTED]	[REDACTED]	6/26/2007
02/2007	[REDACTED]	07 -0028	[REDACTED]	[REDACTED]	[REDACTED]	1/8/2007
13/2007	[REDACTED]	07 -3022	[REDACTED]	[REDACTED]	[REDACTED]	10/24/2007
03/2007	[REDACTED]	07 -0039	[REDACTED]	[REDACTED]	[REDACTED]	1/4/2007
Total By Report Date:			9 Claims		113,749.44	

Progress Energy Florida Inc.

Audit Report for 2003 - 2008 claims >5K

STARS

Date Filed	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Report Date: 2008 8/2008	[REDACTED]	08-0552	[REDACTED]	[REDACTED]	[REDACTED]	2/13/2008
Total By Report Date:			1 Claims		12,686.32	

Progress Energy Florida Inc.

> Audit Report for 2003 - 2008 claims >5K

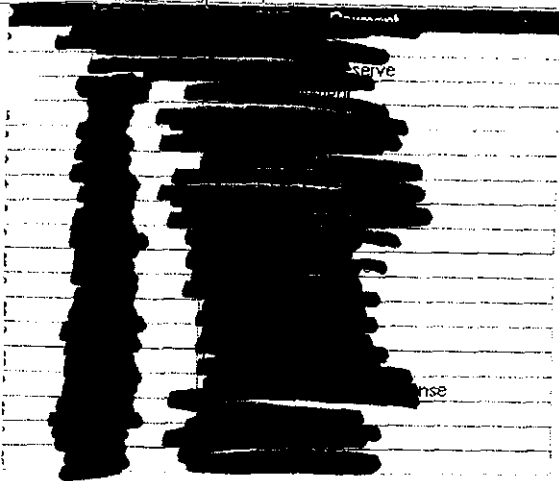
STARS

Date Filed	Name of Complainant	Claim Number	Address	Cause of Complaint	Amount Paid	Close Date
Grand Totals:		56 Claims				



Employee	Driver's License
[REDACTED]	Yes
[REDACTED]	Yes
[REDACTED]	Yes
[REDACTED]	Yes
[REDACTED]	Yes
[REDACTED]	Yes

[REDACTED] ON
[REDACTED] ble
[REDACTED] on 1



Code	Description
BI	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

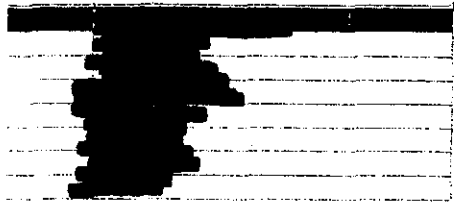
R
LE
L
L
T
ED
on
ION
OP
TL
JPV

EL1	[REDACTED]
EL2	[REDACTED]
CT	[REDACTED]
CU	[REDACTED]
EP	[REDACTED]
EV	[REDACTED]
FT	[REDACTED]
FO	[REDACTED]
HV	[REDACTED]
IV	[REDACTED]
LP	[REDACTED]
LV	[REDACTED]
MI	[REDACTED]
ML	[REDACTED]
DN	[REDACTED]
DU	[REDACTED]
PN	[REDACTED]
PN	[REDACTED]
SP	[REDACTED]
TF	[REDACTED]
TI	[REDACTED]
JD	[REDACTED]
VC	[REDACTED]
VI	[REDACTED] 25
VB	[REDACTED]
VE	[REDACTED]
WX	[REDACTED]

E1
E2
4

Code	Description	Short description
0	[REDACTED]	EL
		AUTO

Code	Description
AA	[REDACTED]
FM	[REDACTED]
M	[REDACTED]
IRS	[REDACTED]
EK	[REDACTED]
KS	[REDACTED]
D	[REDACTED]
JC	[REDACTED]
AF	[REDACTED]
WC	[REDACTED]
AP	[REDACTED]
INK	[REDACTED]



Code	Major Coverage	Description
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

