

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Nuclear Cost Recovery  
Clause**

**DOCKET NO. 090009**

**Submitted for filing:  
March 2, 2009**

**REDACTED**

**DIRECT TESTIMONY OF WILL GARRETT  
IN SUPPORT OF ACTUAL COSTS**

**ON BEHALF OF  
PROGRESS ENERGY FLORIDA**

**DOCUMENT NUMBER - DATE**

**01645 MAR-28**

**FPSC-COMMISSION CLERK**

**IN RE: NUCLEAR COST RECOVERY CLAUSE**

**BY PROGRESS ENERGY FLORIDA**

**FPSC DOCKET NO. 090009**

**DIRECT TESTIMONY OF WILL GARRETT**

**I. INTRODUCTION AND QUALIFICATIONS**

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**Q. Please state your name and business address.**

**A.** My name is Will Garrett. My business address is 299 First Avenue North, St. Petersburg, FL 33701.

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

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

**Q. What are your responsibilities in that position?**

**A.** As legal entity Controller for Progress Energy Florida (“PEF” or “the Company”), I am responsible for all accounting matters that impact the reported financial results of this Progress Energy entity. I have direct management and oversight of the employees involved in PEF Regulatory Accounting, Property Plant and Materials Accounting, and PEF Financial Reporting and General Accounting. In this capacity, I am also responsible for the Levy County Nuclear Project (“LNP”) and Crystal River Unit 3 (“CR3”)

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1 Uprate Project Cost Recovery True-Up filings, made as part of this docket, in  
2 accordance with Rule 25-6.0423, Florida Administrative Code (F.A.C.).

3  
4 **Q. Please describe your educational background and professional experience.**

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

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

23 **A.** Yes.  
24

1 **II. PURPOSE AND SUMMARY OF TESTIMONY**

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

3 **A.** The purpose of my testimony is to present for Commission review and approval,  
4 the actual costs associated with Progress Energy Florida's LNP and CR3 Uprate  
5 activities for the period January through December 2008. Pursuant to Rule 25-  
6 6.0423, F.A.C., PEF is presenting testimony and exhibits for the Commission's  
7 determination of prudence for actual expenditures and associated carrying costs. I  
8 am also adopting the testimony filed in Docket 080009 of Lori Cross, with  
9 respect to the actual site selection costs incurred in 2006 and 2007 for the LNP. I  
10 will also be supporting my direct and rebuttal testimony regarding the land  
11 purchases for the LNP, also filed in Docket 080009. I understand that the  
12 Commission will be reviewing the prudence of the 2006 and 2007 LNP costs in  
13 this year's proceeding, and my adoption of this testimony will assist the  
14 Commission in that review.

15  
16 **Q. Are you sponsoring any exhibits in support of your testimony?**

17 **A.** Yes. I am sponsoring sections of the following exhibits, which were prepared  
18 under my supervision:

- 19 • Exhibit No. \_\_\_ (WG-1), consisting of Schedules T-1 through T-10 of the  
20 Nuclear Filing Requirements ("NFRs") and Appendices A through C,  
21 which reflect PEF's retail revenue requirements for the LNP from January  
22 2008 through December 2008; however, I will only be sponsoring  
23 Schedules T-1 through T-6, T-6B, T-9, T-10, and Appendices A through C.  
24 Garry Miller and Gary Furman will be co-sponsoring portions of schedule

1 T-6 and Appendix C and sponsoring Schedules T-6A and T-7 through T-  
2 8B. Schedule T-10 in Exhibit No. \_\_\_\_ (WG-1), is provided for  
3 informational purposes only because it is not applicable to the LNP during  
4 the reporting period.

- 5 • Exhibit No. \_\_\_\_ (WG-2), consisting of Schedules T-1 through T-10 of the  
6 NFRs and Appendices A through D, which reflect PEF's retail revenue  
7 requirements for the CR3 Uprate Project from January 2008 through  
8 December 2008; however, I will only be sponsoring Schedules T-1 through  
9 T-6, T-6B, T-9, T-10, and Appendices A through D. Steven Huntington  
10 will be co-sponsoring Schedule T-6 and Appendix C and sponsoring  
11 Schedules T-6A and T-7 through T-8B. Schedules T-2 and T-10 in Exhibit  
12 No. \_\_\_\_ (WG-2), are provided for informational purposes only because they  
13 are not applicable to the CR3 Uprate Project during the reporting period.

14  
15 These exhibits are true and accurate.

16  
17 **Q. What are Schedules T-1 through T-10 and Appendices A and B?**

- 18 **A.**
- 19 • Schedule T-1 reflects the actual true-up of total retail revenue requirements  
20 for the period.
  - 21 • Schedule T-2 reflects the calculation of the true-up of site selection and  
22 preconstruction costs for the period.
  - 23 • Schedule T-3 reflects the calculation of the true-up of carrying costs on  
construction expenditures for the period.

- 1           ● Schedule T-3A reflects the calculation of actual deferred tax carrying costs
- 2           for the period.
- 3           ● Schedule T-3B reflects the calculation of the actual construction period
- 4           interest for the period.
- 5           ● Schedule T-4 reflects Capacity Cost Recovery Clause (“CCRC”)
- 6           recoverable Operations and Maintenance (O&M) expenditures for the
- 7           period.
- 8           ● Schedule T-5 reflects other recoverable O&M expenditures for the period.
- 9           ● Schedule T-6 reflects actual monthly expenditures for site selection,
- 10          preconstruction and construction costs for the period.
- 11          ● Schedule T-6A reflects descriptions of the major tasks.
- 12          ● Schedule T-6B reflects annual variance explanations.
- 13          ● Schedule T-7 reflects technology selected for the LNP and CR3 Uprate
- 14          Project.
- 15          ● Schedule T-8 reflects contracts executed in excess of \$1.0 million.
- 16          ● Schedule T-8A reflects details pertaining to the contracts executed in excess
- 17          of \$1.0 million.
- 18          ● Schedule T-8B reflects contracts executed in excess of \$200,000, yet less
- 19          than \$1.0 million.
- 20          ● Schedule T-9 reflects the calculation of the Final True-up Amount.
- 21          ● Schedule T-10 reflects the calculation of interest.
- 22          ● Appendix A reflects calculation of the monthly interest rate.
- 23          ● Appendix B reflects a comparison of 2006 to 2008 revenue requirements.
- 24          ● Appendix C reflects a comparison of 2006 to 2008 capital expenditures.

- 1           • Appendix D (Crystal River Unit 3 Uprate only) reflects the calculation of  
2           the MUR revenue requirements.

3  
4           **Q. What is the source of the data that you will present in your testimony and  
5           exhibits in this proceeding?**

6           A. The actual data is taken from the books and records of PEF. The books and  
7           records are kept in the regular course of our business in accordance with  
8           generally accepted accounting principles and practices, provisions of the Uniform  
9           System of Accounts as prescribed by Federal Energy Regulatory Commission  
10          (FERC), and any accounting rules and orders established by this Commission.

11  
12          **Q. What is the final true-up amount for the LNP for which PEF is requesting  
13          recovery for the period January 2008 through December 2008?**

14          A. PEF is requesting approval of a total under-recovery amount of \$161,180,416 for  
15          the calendar period ending December 2008. This amount, which can be seen on  
16          Line 6 of Schedule T-1 of Exhibit No. \_\_ (WG-1), represents the site selection,  
17          preconstruction, carrying costs on construction cost balance, CCRC recoverable  
18          O&M, and deferred tax asset carrying cost associated with the Levy County  
19          project, and was calculated in accordance with Rule 25-6.0423.

20  
21          **Q. What is the final true-up amount for the CR3 Uprate Project for which PEF  
22          is requesting recovery for the period January 2008 through December 2008?**

23          A. PEF is requesting approval of a total under-recovery amount of \$7,555,938 for  
24          the calendar period of January 2008 through December 2008. This amount,

1 which can be seen on Line 6 of Schedule T-1 of Exhibit No. \_\_ (WG-2),  
2 represents the carrying costs on construction cost balance, CCRC recoverable  
3 O&M, and deferred tax asset carrying cost associated with the CR3 Uprate, as  
4 well as the revenue requirements associated with the MUR, and was calculated in  
5 accordance with Rule 25-6.0423.

6  
7 **Q. What is the carrying cost rate used in Schedules T-2 and T-3?**

8 **A.** The carrying cost rate used on Schedules T-2 and T-3 is 8.848 percent. It is  
9 explained in detail at footnote "C" of these schedules, and it is based on the  
10 approved Allowance for Funds Used During Construction (AFUDC) rate  
11 pursuant to Order PSC-05-0945-S-EI in Docket 050078-EI. As indicated in the  
12 question below, this AFUDC return has not yet been recovered in rates, so the  
13 annual rate was adjusted to a monthly rate consistent with the AFUDC rule,  
14 FPSC Rule 25 6.0141, Item (3).

15  
16 **Q. What does the adjustment on Line 3 of Schedule T-3 represent?**

17 **A.** It represents the return on average net Construction Work In Progress (CWIP)  
18 additions that are being included in the LNP and CR3 Uprate costs until such  
19 time as these costs are recovered under the CCRC. The determination of  
20 AFUDC includes a return on eligible capital additions plus a compounded rate of  
21 return until plant investments are placed in service and recovered in rates.  
22 Likewise under these circumstances a compounded return is appropriate until this  
23 return is recovered in rates.



1 **III. CAPITAL COSTS INCURRED IN 2008 FOR LEVY NUCLEAR PLANT**

2 **Q. What are the total costs PEF incurred for the LNP during the period**  
3 **January 2008 through December 2008?**

4 **A.** Total site selection and preconstruction capital expenditures, excluding carrying  
5 costs, were \$152.4 million, as shown on Schedule T-6, Line 8 and 24. Total  
6 *construction capital expenditures* excluding carrying costs were \$2.9 million, as  
7 shown on Schedule T-6, Line 45 and 63.

8  
9 **Q. How did actual Site Selection and Preconstruction Generation capital**  
10 **expenditures for January 2008 through December 2008 compare with PEF's**  
11 **estimated/actual projections for 2008?**

12 **A.** Schedule T-6B, Line 6 shows that total site selection and preconstruction  
13 Generation project costs were \$144,454,020, or \$64,353,160 lower than  
14 projected. By cost category, major cost variances between PEF's projected and  
15 actual 2008 site selection and preconstruction LNP Generation project costs are  
16 as follows:

17  
18 **License Application:** Capital expenditures for License Application activities  
19 were \$33,368,472 or \$4,069,708 lower than projected. As explained in the  
20 testimony of Garry Miller, this variance is primarily attributable to lower than  
21 expected NRC fees.

22  
23 **Engineering & Design:** Capital expenditures for Engineering & Design  
24 activities were \$110,684,010 or \$56,854,990 lower than projected. As explained

1 in the testimony of Garry Miller, this variance is primarily attributable to a  
2 rescheduling of payments for procurement and detail design activities to a later  
3 date.

4  
5 **On-Site Construction Facilities:** Capital expenditures for On-Site Construction  
6 Facilities were \$401,538 or \$3,428,462 lower than projected. As explained in the  
7 testimony of Garry Miller, this variance is primarily attributable to minimizing  
8 these expenditures until completion of EPC negotiations which occurred  
9 December 31, 2008.

10  
11 **Q. How did actual Site Selection and Preconstruction Transmission capital**  
12 **expenditures for January 2008 through December 2008 compare with PEF's**  
13 **estimated/actual projections for 2008?**

14 **A.** Schedule T-6B, Line 11 shows that total Transmission project costs were  
15 \$7,968,071 or \$6,295,405 lower than projected. By cost category, major cost  
16 variances between PEF's projected and actual 2008 site selection and  
17 preconstruction LNP Transmission costs are as follows:

18  
19 **Line Engineering:** Capital expenditures for Line Engineering activities were  
20 \$3,602,300 or \$2,499,886 lower than projected. As explained in the testimony of  
21 Gary Furman, this variance is primarily attributable to a postponement in  
22 scheduled engineering activities and a change in the scope of the program.

23

1           **Substation Engineering:** Capital expenditures for Substation Engineering  
2 activities were \$1,179,857 or \$5,238,714 lower than projected. As explained in  
3 the testimony of Gary Furman, this variance is primarily attributable to a  
4 rescheduling of engineering activities to a later date.

5  
6           **Other:** Capital expenditures for Other Transmission-related activities were  
7 \$3,185,914 or \$1,443,195 higher than projected. As explained in the testimony  
8 of Gary Furman, this variance is primarily attributable to an increase in  
9 community outreach activities.

10  
11       **Q. How did actual Construction Generation capital expenditures for January**  
12       **2008 through December 2008 compare with PEF's estimated/actual**  
13       **projections for 2008?**

14       **A.** Schedule T-6B, Line 19 shows that total Generation project costs were (\$98,783)  
15 or \$5,719,722 lower than projected. The cost category with a major cost variance  
16 between PEF's projected and actual site construction LNP Generation costs is as  
17 follows:

18  
19           **Real Estate Acquisitions:** Capital expenditures for Real Estate Acquisitions  
20 were (\$115,764) or \$5,158,703 lower than projected. As explained in the  
21 testimony of Garry Miller, this variance is primarily attributable to revisions to  
22 land purchase requirements for rail access to the plant site. The credit balance  
23 was due to costs that were reclassified from Real Estate Acquisitions to License  
24 Application and to record a credit for costs reimbursed to PEF from a vendor who

1 was identified to have duplicate billed PEF. This duplicate billing was included  
2 in a finding from the Commission financial audit dated July 17, 2008 (Audit  
3 Control No. 08-087-2-1).

4  
5 **Q. How did actual Construction Transmission capital expenditures for January**  
6 **2008 through December 2008 compare with PEF's estimated/actual**  
7 **projections for 2008?**

8 **A.** Schedule T-6B, Line 26 shows that total Transmission project costs were  
9 \$2,983,670 or \$5,382,530 lower than projected. By cost category, major cost  
10 variances between PEF's projected and actual 2008 construction LNP  
11 transmission costs are as follows:

12  
13 **Substation Engineering:** Capital expenditures for Substation Engineering were  
14 \$0 or \$2,091,550 lower than projected. As explained in the testimony of Gary  
15 Furman, this variance is primarily attributable to a postponement in the  
16 engineering activities planned for the Levy Plant Administrative substations and  
17 the existing Crystal River switchyard.

18  
19 **Substation Construction:** Capital expenditures for Substation Construction  
20 were \$0 or \$2,175,212 lower than projected. As explained in the testimony of  
21 Gary Furman, this variance is primarily attributable to the postponement  
22 described in the preceding question which affected the construction schedule.  
23

1 **Q. Why is there a credit balance of \$10,780 for Transmission-Construction-**  
2 **Other category, Schedule T-6, Line 62?**

3 **A.** In the Commission financial audit dated July 17, 2008 (Audit Control No. 08-  
4 087-2-1), \$10,780 was identified as Administrative Overhead that should not  
5 have been charged to the LNP land projects. Therefore, this credit reflects the  
6 reversal of that amount.

7  
8 **Q. What was the source of the separation factors used in Schedule T-6?**

9 **A.** Order PSC-05-0945-S-EI established appropriate jurisdictional separation factors  
10 as part of PEF's last base rate case. In Order PSC-07-0922-FOF-EI, these  
11 jurisdictional separation factors were approved as reasonable for costs incurred in  
12 2008.

13  
14 **Q. Was interest calculated on the under-recovered balance?**

15 **A.** No. Interest will not be calculated on the under-recovered balance until  
16 collection of revenues commences in January 2009.

17  
18 **IV. O&M COSTS INCURRED IN 2008 FOR LEVY NUCLEAR PLANT**

19 **Q. How did actual O&M expenditures for January 2008 through December**  
20 **2008 compare with PEF's estimated/actual projections for 2008?**

21 **A.** Schedule T-4, Line 26 shows that total O&M costs were \$4,167,550 or  
22 \$2,458,006 higher than projected in the May 1, 2008 Estimated/Actual Filings  
23 (Schedule AE-4 from Exhibit LC-1 and Schedule SS-4 from Exhibit LC-5). By

1 cost category, major cost variances between PEF's projected and actual 2008  
2 LNP O&M costs are as follows:

3  
4 **Generation:** O&M expenditures for Nuclear Generation were \$1,571,800 or  
5 \$1,566,350 higher than projected. As explained in the testimony of Garry Miller,  
6 this variance is primarily attributable to the inclusion of O&M for the NuStart  
7 LLC program which is a consortium of utilities sharing costs to obtain a  
8 Combined Operating License.

9  
10 **Legal:** O&M expenditures for Legal were \$1,010,864 or \$943,864 higher than  
11 projected. This variance was primarily attributable to higher costs for outside  
12 legal counsel for joint owner negotiations that have taken longer and have been  
13 much more time intensive than planned.

14  
15 **V. CAPITAL COSTS INCURRED IN 2008 FOR CR3 UPRATE PLANT**

16 **Q. What are the total Construction costs incurred for the CR3 Uprate Project**  
17 **for the period January 2008 through December 2008?**

18 **A.** Total Construction capital expenditures gross of joint owner billing and  
19 excluding carrying costs were \$65.1 million, as shown on Schedule T-6, Line 45.  
20 This amount includes expenditures of \$7.7 million for Project Management,  
21 \$57.0 million for Power Block Engineering and Procurement, and \$0.5 million  
22 for Non-Power Block Engineering and Procurement activities as part of  
23 Generation Construction costs.  
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**Q. How did actual capital expenditures for January 2008 through December 2008 compare to PEF's estimated/actual projection for 2008?**

A. Schedule T-6B, Line 20 shows that total Construction project costs were \$65,137,303 or \$2,478,468 lower than projected. Project Management capital expenditures were \$7,731,640 which was \$1,669,075 under the estimated/actual projection and Power Block Engineering and Procurement capital expenditures were \$56,955,136 which was \$1,229,920 under the estimated/actual projection. As explained in the testimony of Steve Huntington, these variances were primarily due to effective implementation of the Company's major project management procedures.

**Q. Has PEF billed the CR3 joint owners for their portion of the costs relative to the CR3 Uprate and identified them in this filing?**

A. Yes. Construction expenditures shown on Schedule T-6, Line 45 are gross of Joint Owner Billings but construction expenditures have been adjusted as reflected on Schedule T-6, Line 48 to reflect billings to Joint Owners related to CR3 Uprate expenditures. Due to this, no carrying cost associated with the Joint Owner portion of the Uprate are included on Schedule T-3. Total Joint Owner billings were \$5.2 million for 2008.

**Q. What was the source of the separation factors used in Schedule T-6?**

A. Order PSC-05-0945-S-EI established appropriate jurisdictional separation factors as part of PEF's last base rate case. In Order PSC-07-0922-FOF-EI, these

1 jurisdictional separation factors were approved as reasonable for costs to be  
2 recovered in 2008.

3  
4 **Q. Was interest calculated on the under-recovered balance?**

5 **A.** No. Interest will not be calculated on the under-recovered balance until  
6 collection of revenues commences in January 2009.

7  
8 **VI. PROJECT MANAGEMENT AND COST CONTROL OVERSIGHT**

9 **Q. Please describe all accounting and costs oversight controls PEF has**  
10 **implemented for the LNP and CR3 Uprate Project.**

11 **A.** PEF has implemented a number of project accounting and cost oversight controls  
12 that ensure the proper accounting treatment for LNP and CR3 Uprate Project  
13 costs.

14 ***PROJECT ACCOUNTING CONTROLS***

15 **Project Set-Up**

16 The first part of project set up is the Major Projects - Integrated Project Plan  
17 (IPP) Approval and Authorization. Per corporate policy, all projects equal to or  
18 exceeding \$50 million require completion of an IPP which must be approved by a  
19 Project Review Group, the Senior Management Committee, and the Board of  
20 Directors.

21 The next part of PEF's project accounting controls involves project set up,  
22 specifically approval and authorization of projects. Projects are determined to be  
23 capital by the justifications documented in PowerPlant or in documents prepared  
24 in accordance with the Company's Project Governance Policy. The justifications



1 and other supporting documentation are reviewed and approved by the Financial  
2 Services Manager, or delegate, based on input received from the Financial  
3 Services or Project Management Analyst to ensure that: the project is properly  
4 classified as Capital, eligibility for AFUDC is correct, and that  
5 disposals/retirements are identified. Supporting documentation is maintained  
6 within Financial Services or with the Project Management Analyst. Financial  
7 Services personnel, and selected other personnel (project management analysts),  
8 access this documentation to set-up new projects in Oracle or make changes to  
9 existing project estimates in PowerPlant. The Oracle and PowerPlant system  
10 administrators review the transfer and termination information provided by  
11 Human Resources each pay period and take appropriate action regarding access  
12 as outlined in the Critical Application Access Review Process Policy.

13 An analyst in Plant Accounting must review and approve each project set  
14 up before it can receive charges. All future status changes are made directly in  
15 PowerPlant by a Property Accounting analyst based on information received by  
16 the Financial Services Analyst or the Project Management Analyst.

17 Finally, to ensure that all new projects have been reviewed each month,  
18 Finance Management reviews a report of all projects set up during the month  
19 prior to month-end close for any project that was not approved by them in the  
20 system at set up. If the manager does not delegate approval authority and  
21 approves all projects in PowerPlant upon set up, this activity is not required.

22  
23 Project Monitoring

1           The next part of the Company's project controls is project monitoring.  
2           First, there are monthly reviews of project charges by responsible operations  
3           managers and Finance Management for the organization. Specifically, these  
4           managers review various monthly cost and variance analysis reports for the  
5           capital budget. Variances from total budget or projections are reviewed,  
6           discrepancies are identified and corrections made as needed. Journal entries to  
7           projects are prepared by an employee with the assigned security and are approved  
8           in accordance with the Journal Entry Policy. Accruals are made in accordance  
9           with PGN policy.

10           The Company uses the Cost Management Reports produced by Accounting  
11           to complete these monthly reviews. Business Services may produce various  
12           levels of reports driven by level of management, but all reporting is tied back to  
13           the Cost Management Reports which are tied back to Legal Entity Financial  
14           Statements.

15           Finally, the Property Accounting unit performs a monthly review of sample  
16           project transactions to ensure charges are properly classified as capital. Financial  
17           Services is responsible for answering questions and making necessary corrections  
18           as they arise to ensure compliance.

19  
20           **Q. Are there any other accounting and costs oversight controls that pertain to**  
21           **the LNP and the CR3 Uprate Project?**

22           **A.** Yes, the Company has also implemented disbursement services and regulatory  
23           accounting controls.

24           ***DISBURSEMENT SERVICES CONTROLS***

1           A requisition is created in the Passport Contracts module for the purchase of  
2 services. The requisition is reviewed by the appropriate Contract Specialist in  
3 Corporate Services, or field personnel in the various Business Units, to ensure  
4 sufficient data has been provided to process the contract requisition. The  
5 Contract Specialist prepares the appropriate contract document from pre-  
6 approved contract templates in accordance with the requirements stated on the  
7 contract requisition.

8           The contract requisition then goes through the bidding or finalization  
9 process. Once the contract is ready to be executed, it is approved online by the  
10 appropriate levels of the approval matrix pursuant to the Approval Level Policy  
11 and a contract is created.

12           Contract invoices are received by the project managers of the various  
13 business units. The invoices are validated by the project manager and Payment  
14 Authorizations approving payment of the contract invoices are entered and  
15 approved in the Contracts module of the Passport system.

### 17           ***REGULATORY ACCOUNTING CONTROLS***

18           The journal entries for deferral calculations, along with the summary sheets  
19 and the related support, are reviewed in detail and approved by the Manager of  
20 Regulatory Accounting, per the PGN Journal Entry policy. The detail review and  
21 approval by the Manager of Regulatory Accounting ensure that deferred pass  
22 through clause transactions are identified, accurate, processed and accounted for  
23 in the appropriate accounting period. In addition, transactions are reviewed to  
24 ensure that they qualify for recovery through the Nuclear Cost Recovery Rule

1 and are properly categorized as O&M, Site selection, Pre-construction, or  
2 Construction expenditures.

3 Analysis is performed monthly to compare actuals to projected (budgeted)  
4 expenses and revenues for reasonableness. If any errors are identified, they are  
5 corrected in the following month.

6 For balance sheet accounts established with Regulatory Accounting as the  
7 responsible party, a Regulatory Accounting member will reconcile the account on  
8 a monthly or quarterly basis. This reconciliation will be reviewed by the Lead  
9 Business Financial Analyst or Manager of Regulatory Accounting to ensure that  
10 the balance in the account is properly stated and supported and that the  
11 reconciliations are performed regularly and exceptions are resolved on a timely  
12 basis.

13 The review and approval will ensure that regulatory assets or liabilities are  
14 recorded in the financial statements at the appropriate amounts and in the  
15 appropriate accounting period.

16  
17 **Q. Describe the review process that the Company uses to verify that the**  
18 **accounting and costs oversight controls you identified are effective.**

19 **A.** Our assessment of the effectiveness of our controls is based on the framework  
20 established by the Committee of Sponsoring Organizations of the Treadway  
21 Commission (COSO). This framework involves both internal and external audits  
22 of our accounting and cost oversight controls.

23 With respect to internal audits, all tests of controls were conducted by the  
24 Audit Services Department, and conclusions on the results were reviewed and

1 approved by both the Steering Committee and Compliance Team chairpersons.  
2 Based on these internal audits, Progress Energy's management has determined  
3 that Progress Energy maintained effective internal control over financial  
4 reporting and identified no material weaknesses within the required Sarbanes  
5 Oxley controls during 2006, 2007, and 2008.

6 With respect to external audits, Deloitte and Touche, Progress Energy's  
7 external auditors, determined that the Company maintained effective internal  
8 control over financial reporting during 2006, 2007, and 2008. Refer to Item 9A  
9 of 2006, 2007, and 2008 Progress Energy Form 10-K Annual Report.

10  
11 **Q. Does this conclude your testimony?**

12 **A. Yes, it does.**  
13

**SCHEDULE APPENDIX**

**REDACTED**

**EXHIBIT (WG-1)**

**PROGRESS ENERGY FLORIDA, INC.  
LEVY COUNTY NUCLEAR 1 and 2  
COMMISSION SCHEDULES (T-1 Through T-10)**

**JANUARY 2008 - DECEMBER 2008  
FINAL TRUE-UP  
DOCKET NO. 090009-EI**

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**LEVY COUNTY NUCLEAR 1 and 2**  
**Retail Revenue Requirements Summary**  
**True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.a.]

Schedule T-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures for such prior year.

For the Year Ended: **12/31/2008**

COMPANY:

**Progress Energy - FL**

DOCKET NO.:

**090009-EI**

Witness: **Will Garrett**

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
<b>Jurisdictional Dollars</b>							
1	\$2,834,968	\$3,247,997	\$2,350,391	\$55,009,953	\$50,985,674	\$11,326,657	\$125,755,639
2	596,727	600,958	605,429	610,104	615,239	619,765	3,648,223
3	1,116,447	71,263	65,428	170,727	87,624	72,305	1,583,795
4	(2,569)	(3,076)	(3,603)	(4,237)	(5,140)	(6,322)	(24,948)
5	0	0	0	0	0	0	0
6	<u>\$4,545,573</u>	<u>\$3,917,142</u>	<u>\$3,017,644</u>	<u>\$55,786,547</u>	<u>\$51,683,397</u>	<u>\$12,012,405</u>	<u>\$130,962,708</u>
7	\$2,964,809	\$3,908,330	\$3,010,425	\$63,344,811	\$47,750,366	\$15,643,997	\$136,622,738
8	<u>\$1,580,764</u>	<u>\$8,812</u>	<u>\$7,219</u>	<u>(\$7,558,264)</u>	<u>\$3,933,031</u>	<u>(\$3,631,592)</u>	<u>(\$5,660,030)</u>



**LEVY COUNTY NUCLEAR 1 and 2**  
**Retail Revenue Requirements Summary**  
**True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.a.]

**Schedule T-1**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures for such prior year.

For the Year Ended: **12/31/2008**

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

Witness: **Will Garrett**

Line No.		(H)	(I)	(J)	(K)	(L)	(M)	(N)
		Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
<b>Jurisdictional Dollars</b>								
1	Site Selection/Preconstruction Revenue Requirements (Schedule T-2, line 7)	\$5,163,800	\$3,123,713	\$3,310,662	\$4,601,425	\$3,840,253	\$4,211,218	\$150,006,710
2	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 7)	623,588	628,912	634,525	640,291	646,416	658,441	7,480,395
3	Recoverable O&M Revenue Requirements (Schedule T-4, line 39)	472,138	146,559	800,683	319,647	147,417	314,571	3,784,810
4	Deferred Tax Asset Carrying Cost (Schedule T-3A, line 8)	(7,632)	(8,983)	(10,358)	(11,757)	(13,183)	(14,638)	(91,499)
5	Other Adjustments	0	0	0	0	0	0	0
6	Total Period Revenue Requirements (Lines 1 through 5)	<u>\$6,251,894</u>	<u>\$3,890,201</u>	<u>\$4,735,512</u>	<u>\$5,549,607</u>	<u>\$4,620,903</u>	<u>\$5,169,592</u>	<u>\$161,180,416</u>
7	Total Return Requirements from most recent Projections	\$6,049,800	\$9,242,196	\$41,951,278	\$6,817,836	\$9,398,034	\$16,874,584	\$226,956,466
8	Difference (Line 6 - Line 7)	<u>\$202,094</u>	<u>(\$5,351,995)</u>	<u>(\$37,215,766)</u>	<u>(\$1,268,229)</u>	<u>(\$4,777,131)</u>	<u>(\$11,704,992)</u>	<u>(\$65,776,050)</u>

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Site Selection/Preconstruction Costs**

[Section (5)(c)1.a.]

**Schedule T-2**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of site selection/preconstruction costs based on actual site selection/preconstruction expenditures for the prior year and previously filed expenditures for such prior year.

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

For the Year Ended: **12/31/2008**

Witness: **Will Garrett**

Line No.	Beginning of Period	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
<b>Jurisdictional Dollars</b>								
1	Current Period Site Selection/Preconstruction Expenses (Schedule T-6, line 34)	\$2,642,288	\$3,024,141	\$2,098,002	\$54,458,249	\$49,881,160	\$9,899,822	\$122,003,662
2	Prior Period Unrecovered Site Selection/Preconstruction Balance	\$16,992,024	16,992,024	19,764,152	22,939,142	25,207,220	80,037,242	130,662,695
3	Site Selection/Preconstruction Expenses Recovered		0	0	0	0	0	0
4	Site Selection/Preconstruction Expenses Eligible for Return		18,313,168	21,276,223	23,988,143	52,436,344	104,977,822	135,612,606
5	Return on Average Net Unamortized CWIP Eligible for Return (c)							
a.	Equity Component (a)		100,063	116,253	131,071	286,512	573,599	1,948,486
b.	Equity Component grossed up for taxes (b)		162,903	189,261	213,384	466,442	933,820	3,172,138
c.	Debt Component		29,777	34,595	39,005	85,281	170,694	579,839
6	Total Return Requirements (Line 5b + 5c)		<u>\$192,680</u>	<u>\$223,856</u>	<u>\$252,389</u>	<u>\$551,704</u>	<u>\$1,104,514</u>	<u>\$3,751,977</u>
7	Total Costs to be Recovered		<u>\$2,834,968</u>	<u>\$3,247,997</u>	<u>\$2,350,391</u>	<u>\$55,009,953</u>	<u>\$50,985,674</u>	<u>\$11,326,657</u>
8	CWIP Additions & Amortization from prior year Actual/Estimated		\$2,331,788	\$3,242,713	\$2,345,067	\$62,598,104	\$47,000,521	\$14,940,695
9	Under / (Over) Recovery (Line 7 - Line 8)		<u>\$503,180</u>	<u>\$5,284</u>	<u>\$6,324</u>	<u>(\$7,588,151)</u>	<u>\$3,985,153</u>	<u>(\$3,614,038)</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Site Selection/Preconstruction Costs**

[Section (5)(c)1.a.]

Schedule T-2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of site selection/preconstruction costs based on actual site selection/preconstruction expenditures for the prior year and previously filed expenditures for such prior year.

COMPANY:

**Progress Energy - FL**

For the Year Ended:

**12/31/2008**

DOCKET NO.:

**090009-EI**

Witness:

**Will Garrett**

Line No.	(I) Actual July	(J) Actual August	(K) Actual September	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total
<b>Jurisdictional Dollars</b>							
1	\$3,655,538	\$1,577,230	\$1,735,786	\$2,990,519	\$2,190,669	\$2,525,130	\$136,678,534
2	141,524,011	148,195,913	148,815,283	151,612,303	155,688,354	158,990,619	
3	0	0	0	0	0	0	0
4	143,351,780	146,984,528	149,683,156	153,107,562	156,783,689	160,253,184	
5	Return on Average Net Unamortized CWIP Eligible for Return (c)						
a.	783,274	803,123	817,869	836,580	856,666	875,623	6,921,621
b.	1,275,172	1,307,486	1,331,492	1,361,953	1,394,654	1,425,516	11,268,411
c.	233,090	238,997	243,385	248,953	254,930	260,572	2,059,766
6	<u>\$1,508,262</u>	<u>\$1,546,483</u>	<u>\$1,574,876</u>	<u>\$1,610,906</u>	<u>\$1,649,584</u>	<u>\$1,686,088</u>	<u>\$13,328,176</u>
7	<u>\$5,163,800</u>	<u>\$3,123,713</u>	<u>\$3,310,662</u>	<u>\$4,601,425</u>	<u>\$3,840,253</u>	<u>\$4,211,218</u>	<u>\$150,006,710</u>
8	\$5,283,538	\$8,483,077	\$41,186,183	\$6,017,195	\$8,608,366	\$16,051,449	\$218,088,696
9	<u>(\$119,738)</u>	<u>(\$5,359,364)</u>	<u>(\$37,875,521)</u>	<u>(\$1,415,770)</u>	<u>(\$4,768,113)</u>	<u>(\$11,840,231)</u>	<u>(\$68,081,986)</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Costs**

[Section (5)(c)1.a.]

**Schedule T-3**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs on construction expenditures for the prior year and previously filed carrying costs on construction expenditures for such prior year.

COMPANY:

Progress Energy - FL

For the Year Ended: 12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) Total to Date	
<b>Jurisdictional Dollars</b>									
1	Nuclear CWIP Additions (Schedule T-6, line 73)	\$55,561,072	\$0	\$0	\$39,826	\$32,931	\$120,998	(\$89,865)	\$55,664,962
2	Transfers to Plant in Service		0	0	0	0	0	0	0
3	Other Adjustments (d)	787,441	367,080	402,114	404,965	407,977	411,127	414,588	3,195,292
4	CWIP Base Eligible for Return (Prior Mo Balance + Line 1 - 2 + 3)	<u>\$56,715,593</u>	<u>\$57,117,707</u>	<u>\$57,562,497</u>	<u>\$58,003,405</u>	<u>\$58,535,531</u>	<u>\$58,860,254</u>	<u>\$58,860,254</u>	
5	Average Net CWIP Additions	\$56,715,593	\$57,117,707	\$57,542,584	\$57,986,940	\$58,475,032	\$58,905,186		
6	Return on Average Net CWIP Additions (c)								
a.	Equity Component (a)		\$309,894	\$312,091	\$314,413	\$316,841	\$319,508	\$321,858	\$1,894,604
b.	Equity Component grossed up for taxes (b)		504,508	508,085	511,864	515,817	520,159	523,985	3,084,418
c.	Debt Component		92,220	92,873	93,564	94,287	95,080	95,780	563,804
7	Total Return Requirements (Line 6b + 6c)	<u>\$596,727</u>	<u>\$600,958</u>	<u>\$605,429</u>	<u>\$610,104</u>	<u>\$615,239</u>	<u>\$619,765</u>	<u>\$619,765</u>	<u>\$3,648,223</u>
8	Total Return Requirements from most recent Projections	\$596,728	\$600,958	\$605,429	\$610,033	\$614,763	\$619,877	\$619,877	\$3,647,788
9	Difference (Line 7 - Line 8)	<u>(\$1)</u>	<u>\$0</u>	<u>(\$0)</u>	<u>\$71</u>	<u>\$476</u>	<u>(\$112)</u>	<u>\$435</u>	

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Amount includes the debt and equity component on a one month lag that needs to be included in PEF's monthly CWIP balance to calculate the return requirements.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Costs**

[Section (5)(c)1.a.]

**Schedule T-3**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs on construction expenditures for the prior year and previously filed carrying costs on construction expenditures for such prior year.

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

For the Year Ended: **12/31/2008**

Witness: **Will Garrett**

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) Total To Date	
<b>Jurisdictional Dollars</b>									
1									
1	Nuclear CWIP Additions (Schedule T-6, line 73)	\$55,664,962	(\$18,639)	\$190,091	\$29,266	\$211,733	\$89,523	\$1,325,251	\$57,492,187
2	Transfers to Plant in Service		0	0	0	0	0	0	0
3	Other Adjustments (d)	3,195,292	417,638	420,214	423,801	427,584	431,470	435,597	5,751,595
4	CWIP Base Eligible for Return (Prior Mo Balance + Line 1 - 2 + 3)		<u>\$59,259,252</u>	<u>\$59,869,558</u>	<u>\$60,322,625</u>	<u>\$60,961,941</u>	<u>\$61,482,934</u>	<u>\$63,243,782</u>	<u>\$63,243,782</u>
5	Average Net CWIP Additions		\$59,268,572	\$59,774,512	\$60,307,992	\$60,856,075	\$61,438,173	\$62,581,156	
6	Return on Average Net CWIP Additions (c)								
a.	Equity Component (a)		\$323,843	\$326,608	\$329,523	\$332,518	\$335,698	\$341,943	\$3,884,737
b.	Equity Component grossed up for taxes (b)		527,218	531,718	536,464	541,339	546,517	556,684	6,324,359
c.	Debt Component		96,371	97,193	98,061	98,952	99,898	101,757	1,156,036
7	Total Return Requirements (Line 6b + 6c)		<u>\$623,588</u>	<u>\$628,912</u>	<u>\$634,525</u>	<u>\$640,291</u>	<u>\$646,416</u>	<u>\$658,441</u>	<u>\$7,480,395</u>
8	Total Return Requirements from most recent Projections		\$625,459	\$631,482	\$638,513	\$648,813	\$662,354	\$697,349	\$7,551,758
9	Difference (Line 7 - Line 8)		<u>(\$1,871)</u>	<u>(\$2,570)</u>	<u>(\$3,988)</u>	<u>(\$8,522)</u>	<u>(\$15,938)</u>	<u>(\$38,908)</u>	<u>(\$71,363)</u>

Notes:

- (a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (d) Amount includes the debt and equity component on a one month lag that needs to be included in PEF's monthly CWIP balance to calculate the return requirements.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Deferred Tax Carrying Costs**

[Section (5)(c)1.a.]

**Schedule T-3A**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs for the prior year.

For the Year Ended:

**12/31/2008**

COMPANY:

**Progress Energy - FL**

DOCKET NO.:

**090009-EI**

Witness: **Will Garrett**

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
<b>Jurisdictional Dollars</b>								
1	Construction Period Interest (Schedule T-3B, Line 8)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Recovered Costs Excluding AFUDC (Schedule T-2, Line 3)	0	0	0	0	0	0	0
3	Other Adjustments (d)	(121,997)	(127,469)	(132,569)	(179,548)	(265,774)	(316,286)	(1,143,643)
4	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	<u>(\$572,088)</u>	<u>(\$694,085)</u>	<u>(\$821,553)</u>	<u>(\$954,122)</u>	<u>(\$1,133,671)</u>	<u>(\$1,399,445)</u>	<u>(\$1,715,731)</u>
5	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate) 38.575%	<u>(\$220,683)</u>	<u>(\$267,743)</u>	<u>(\$316,914)</u>	<u>(\$437,313)</u>	<u>(\$539,836)</u>	<u>(\$661,843)</u>	n/a
6	Average Accumulated DTA		(\$244,213)	(\$292,329)	(\$342,483)	(\$402,683)	(\$488,575)	(\$600,840)
7	Carrying Costs on DTA (c)							
a.	Equity Component (a)		(\$1,334)	(\$1,597)	(\$1,871)	(\$2,200)	(\$2,670)	(\$3,283)
b.	Equity Component grossed up for taxes (b)		(2,172)	(2,600)	(3,047)	(3,582)	(4,346)	(5,345)
c.	Debt Component		(397)	(475)	(557)	(655)	(794)	(977)
8	Total Return Requirements (Line 7b + 7c)		<u>(\$2,569)</u>	<u>(\$3,076)</u>	<u>(\$3,603)</u>	<u>(\$4,237)</u>	<u>(\$5,140)</u>	<u>(\$6,322)</u>
9	Total Return Requirements from most recent Projections		(\$1,322)	(\$1,825)	(\$2,350)	(\$2,991)	(\$3,916)	(\$5,118)
10	Difference (Line 8 - Line 9)		<u>(\$1,247)</u>	<u>(\$1,251)</u>	<u>(\$1,253)</u>	<u>(\$1,246)</u>	<u>(\$1,224)</u>	<u>(\$1,204)</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assets, prior to accelerated cost recovery.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Deferred Tax Carrying Costs**

[Section (5)(c)1.a.]

Schedule T-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs for the prior year.

COMPANY:

Progress Energy - FL

For the Year Ended:

12/31/2008

DOCKET NO.:

090009-E1

Witness: Will Garrett

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Jurisdictional Dollars								
1		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2		0	0	0	0	0	0	0
3		(329,461)	(336,190)	(341,446)	(347,905)	(354,829)	(362,329)	(3,215,802)
4		<u>(\$1,715,731)</u>	<u>(\$2,045,191)</u>	<u>(\$2,381,382)</u>	<u>(\$2,722,827)</u>	<u>(\$3,070,732)</u>	<u>(\$3,425,561)</u>	<u>(\$3,787,890)</u>
5	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate) 38.575%	<u>(\$661,843)</u>	<u>(\$788,933)</u>	<u>(\$918,618)</u>	<u>(\$1,050,331)</u>	<u>(\$1,184,535)</u>	<u>(\$1,321,410)</u>	<u>(\$1,461,178)</u> n/a
6	Average Accumulated DTA	(\$725,388)	(\$853,775)	(\$984,474)	(\$1,117,433)	(\$1,252,973)	(\$1,391,294)	
7	Carrying Costs on DTA (c)							
a.	Equity Component (a)	(\$3,964)	(\$4,665)	(\$5,379)	(\$6,106)	(\$6,846)	(\$7,602)	(\$47,517)
b.	Equity Component grossed up for taxes (b)	(6,453)	(7,595)	(8,757)	(9,940)	(11,146)	(12,376)	(77,358)
c.	Debt Component	(1,179)	(1,388)	(1,601)	(1,817)	(2,037)	(2,262)	(14,140)
8	Total Return Requirements (Line 7b + 7c)	<u>(\$7,632)</u>	<u>(\$8,983)</u>	<u>(\$10,358)</u>	<u>(\$11,757)</u>	<u>(\$13,183)</u>	<u>(\$14,638)</u>	<u>(\$91,499)</u>
9	Total Return Requirements from most recent Projections	(\$20,546)	(\$21,921)	(\$23,393)	(\$25,015)	(\$26,729)	(\$28,497)	(\$163,623)
10	Difference (Line 8 - Line 9)	<u>\$12,194</u>	<u>\$12,938</u>	<u>\$13,035</u>	<u>\$13,258</u>	<u>\$13,546</u>	<u>\$13,859</u>	<u>\$72,124</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.846%.

(d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assets, prior to accelerated cost recovery.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Period Interest**

[Section (5)(c)1.a.]

**Schedule T-3B**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual Construction Period Interest for the prior year.

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

For the Year Ended: **12/31/2008**

Witness: **Will Garrett**

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
<b>Jurisdictional Dollars</b>									
1	Beginning Balance		\$0	\$0	\$0	\$0	\$0	\$0	
2	Additions Site Selection/Preconstruction		0	0	0	0	0	0	\$0
3	Additions Construction		0	0	0	0	0	0	0
4	Other Adjustments		0	0	0	0	0	0	
5	Ending Balance Excluding CPI	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
6	Average Balance Eligible for CPI		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
7	Monthly CPI Rate (a)		0.0046008	0.0048596	0.0048596	0.0048596	0.0048596	0.0048596	
8	Construction Period Interest for Tax (CPI)		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.



**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Period Interest**

[Section (5)(c)1.a.]

Schedule T-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual Construction Period Interest for the prior year.

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

For the Year Ended: **12/31/2008**

Witness: **Will Garrett**

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
<b>Jurisdictional Dollars</b>								
1	Beginning Balance	\$0	\$0	\$0	\$0	\$0	\$0	
2	Additions Site Selection/Preconstruction	0	0	0	0	0	0	\$0
3	Additions Construction	0	0	0	0	0	0	0
4	Other Adjustments	0	0	0	0	0	0	
5	Ending Balance Excluding CPI	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
6	Average Balance Eligible for CPI	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
7	Monthly CPI Rate (a)	0.0048596	0.0048596	0.0048596	0.0048596	0.0048596	0.0048596	
8	Construction Period Interest for Tax (CPI)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Recoverable O&M Monthly Expenditures**

[Section (5)(c)1.a.]  
[Section (8)(a)]

Schedule T-4

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the CCRC Recoverable O&M actual monthly expenditures by function for the prior year.

For the Year Ended: **12/31/2008**

COMPANY:

**Progress Energy - FL**

Witness: **Will Garrett**

DOCKET NO.:

**090009-EI**

Line No.	Description	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
1	Accounting	\$1,201	\$7,338	\$5,394	\$12,133	\$4,586	\$5,162	\$3,365	\$4,990	\$1,781	\$4,656	\$8,109	\$7,792	\$66,507
2	Corporate Communications	0	2,902	3,298	776	(3,132)	295	4,429	3,621	0	4,310	3,813	3,937	24,249
3	Corporate Planning	13,049	24,418	14,085	37,950	29,864	12,402	11,088	9,498	17,215	51,136	(22,434)	10,113	208,384
4	Corporate Services	0	0	0	255	0	0	0	0	0	0	0	0	255
5	External Relations	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Human Resources	3,711	8,958	10,852	1,847	12,683	9,808	7,227	7,607	4,945	10,983	4,945	5,705	88,871
7	IT & Telecom	0	0	0	3,171	40	327	0	283	0	0	0	7,778	11,577
8	Legal	0	0	0	0	0	0	57,136	63,374	540,881	193,542	89,058	68,873	1,010,864
9	Project Assurance	7,888	13,955	15,361	6,182	13,544	9,821	7,161	8,159	5,452	21,383	20,066	50,905	179,875
10	Public Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Other	0	11,903	625	(7,126)	(2,987)	2,731	3,470	3,353	199,933	(4,827)	(3,292)	4,854	208,529
13	<b>Subtotal A&amp;G</b>	<b>\$25,846</b>	<b>\$69,475</b>	<b>\$49,415</b>	<b>\$55,188</b>	<b>\$54,589</b>	<b>\$40,348</b>	<b>\$93,876</b>	<b>\$100,802</b>	<b>\$770,470</b>	<b>\$281,084</b>	<b>\$100,265</b>	<b>\$157,955</b>	<b>\$1,799,111</b>
14	Energy Delivery Florida	\$0	\$0	\$0	\$9,983	\$9,861	\$11,293	\$26,392	\$24,948	\$15,444	\$27,588	\$14,075	\$21,132	\$160,716
15	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
17	<b>Subtotal Energy Delivery Florida</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,983</b>	<b>\$9,861</b>	<b>\$11,293</b>	<b>\$26,392</b>	<b>\$24,948</b>	<b>\$15,444</b>	<b>\$27,588</b>	<b>\$14,075</b>	<b>\$21,132</b>	<b>\$160,716</b>
18	Nuclear Generation	\$1,114,320	\$0	\$0	\$104,859	\$0	\$0	\$339,694	\$0	\$51,840	(\$104,061)	\$453	\$64,895	\$1,571,800
19	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
21	<b>Subtotal Nuclear Generation</b>	<b>\$1,114,320</b>	<b>\$0</b>	<b>\$0</b>	<b>\$104,859</b>	<b>\$0</b>	<b>\$0</b>	<b>\$339,694</b>	<b>\$0</b>	<b>\$51,840</b>	<b>(\$104,061)</b>	<b>\$453</b>	<b>\$64,895</b>	<b>\$1,571,800</b>
22	Transmission	\$65,403	\$6,542	\$24,403	\$12,517	\$34,756	\$29,653	\$53,280	\$35,625	\$31,738	\$172,348	\$49,270	\$120,388	\$635,922
23	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
25	<b>Subtotal Transmission</b>	<b>\$65,403</b>	<b>\$6,542</b>	<b>\$24,403</b>	<b>\$12,517</b>	<b>\$34,756</b>	<b>\$29,653</b>	<b>\$53,280</b>	<b>\$35,625</b>	<b>\$31,738</b>	<b>\$172,348</b>	<b>\$49,270</b>	<b>\$120,388</b>	<b>\$635,922</b>
26	<b>Total O&amp;M Costs</b>	<b>\$1,205,569</b>	<b>\$76,017</b>	<b>\$73,818</b>	<b>\$182,547</b>	<b>\$99,205</b>	<b>\$81,282</b>	<b>\$513,242</b>	<b>\$161,175</b>	<b>\$869,492</b>	<b>\$376,959</b>	<b>\$164,063</b>	<b>\$364,170</b>	<b>\$4,167,550</b>
27	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670
28	Jurisdictional Factor (Distribution)	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597
29	Jurisdictional Factor (Nuclear - Production - Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
30	Jurisdictional Factor (Transmission)	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
31	Jurisdictional Recoverable Costs (A&G) (Line 13 X Line 27)	\$23,693	\$63,687	\$45,299	\$50,591	\$50,041	\$36,985	\$86,056	\$92,222	\$706,290	\$257,669	\$91,913	\$144,798	\$1,649,245
32	Jurisdictional Recoverable Costs (Distribution) (Line 17 X Line 28)	0	0	0	9,943	9,821	11,247	26,286	24,847	15,382	27,477	14,018	21,047	160,068
33	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 21 X Line 29)	1,044,708	0	0	98,308	0	0	318,473	0	48,602	(97,560)	425	60,654	1,473,610
34	Jurisdictional Recoverable Costs (Transmission) (Line 25 X Line 30)	46,172	4,619	17,228	8,837	24,536	20,934	37,614	25,150	22,406	121,673	34,783	64,990	448,942
35	<b>Total Jurisdictional CCRC Recoverable O&amp;M Costs</b>	<b>\$1,114,574</b>	<b>\$68,306</b>	<b>\$62,527</b>	<b>\$167,679</b>	<b>\$84,399</b>	<b>\$69,167</b>	<b>\$468,429</b>	<b>\$142,220</b>	<b>\$792,679</b>	<b>\$309,258</b>	<b>\$141,139</b>	<b>\$311,488</b>	<b>\$3,731,865</b>
36	Average Monthly Recoverable O&M Balance	\$557,267	\$1,150,800	\$1,218,973	\$1,336,977	\$1,466,064	\$1,546,073	\$1,818,009	\$2,127,042	\$2,598,831	\$3,157,804	\$3,393,392	\$3,625,983	
37	Monthly Short-term Commercial Paper Rate (Appendix A, Line 5)	0.338%	0.257%	0.238%	0.228%	0.220%	0.203%	0.204%	0.204%	0.308%	0.329%	0.185%	0.085%	
38	Interest Provision	\$1,872	\$2,957	\$2,901	\$3,048	\$3,225	\$3,139	\$3,709	\$4,339	\$6,004	\$10,389	\$6,278	\$3,082	\$52,944
39	<b>Total Monthly Recoverable O&amp;M Costs</b>	<b>\$1,116,447</b>	<b>\$71,263</b>	<b>\$65,428</b>	<b>\$170,727</b>	<b>\$87,624</b>	<b>\$72,305</b>	<b>\$472,138</b>	<b>\$146,559</b>	<b>\$800,683</b>	<b>\$319,647</b>	<b>\$147,417</b>	<b>\$314,571</b>	<b>\$3,784,810</b>
40	Total Jurisdictional O&M Costs From Most Recent Projection	\$37,815	\$68,485	\$62,278	\$139,664	\$138,997	\$88,543	\$161,348	\$149,558	\$149,975	\$178,843	\$154,043	\$154,282	\$1,479,631
41	Difference (Line 39 - 40)	\$1,078,632	\$4,778	\$3,150	\$31,063	(\$51,373)	(\$16,238)	\$310,790	(\$2,999)	\$650,708	\$142,804	(\$6,626)	\$160,289	\$2,305,179

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Other Recoverable O&M Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(e)]

Schedule T-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the Other Recoverable O&M actual monthly expenditures by function for the prior year.

COMPANY:

Progress Energy - FL

For the Year Ended: 12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1	Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,140	\$1,288	\$371	\$878	\$3,677
2	Corporate Communications	0	0	5,841	498	11,662	3,890	2,567	1,656	2,043	7,188	4,837	460	40,642
3	Corporate Planning	0	2,878	8,441	(1,076)	16,257	3,658	3,206	2,115	9,469	5,270	3,140	2,596	55,754
4	Corporate Services	0	0	0	0	0	0	0	0	0	0	0	0	0
5	External Relations	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Human Resources	0	0	0	0	0	0	0	0	0	0	0	0	0
7	IT & Telecom	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Legal	5,754	101,700	7,510	(19,776)	23,352	163,450	96,792	68,221	(409,770)	21,404	23,264	14,236	96,137
9	Project Assurance	(15,647)	16,011	0	(182)	4,395	1,027	1,532	437	1,253	0	1,128	0	9,954
10	Public Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Joint Owner Credit	0	0	0	(598)	0	0	0	0	0	0	0	0	(598)
12	Other	0	0	0	0	0	0	0	0	0	0	587	142	729
13	<b>Subtotal A&amp;G</b>	<b>(\$9,893)</b>	<b>\$120,389</b>	<b>\$21,792</b>	<b>(\$21,134)</b>	<b>\$55,666</b>	<b>\$172,025</b>	<b>\$104,097</b>	<b>\$72,429</b>	<b>(\$395,865)</b>	<b>\$35,150</b>	<b>\$33,327</b>	<b>\$18,312</b>	<b>\$206,295</b>
14	Energy Delivery Florida	\$341	\$888	\$1,839	\$11,392	\$8,150	(\$9,029)	\$1,216	\$2,864	\$1,422	\$966	\$615	\$233	\$20,897
15	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
17	<b>Subtotal Energy Delivery Florida</b>	<b>\$341</b>	<b>\$888</b>	<b>\$1,839</b>	<b>\$11,392</b>	<b>\$8,150</b>	<b>(\$9,029)</b>	<b>\$1,216</b>	<b>\$2,864</b>	<b>\$1,422</b>	<b>\$966</b>	<b>\$615</b>	<b>\$233</b>	<b>\$20,897</b>
18	Nuclear Generation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,119	\$6,295	\$7,409	\$19,823
19	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
21	<b>Subtotal Nuclear Generation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,119</b>	<b>\$6,295</b>	<b>\$7,409</b>	<b>\$19,823</b>
22	Transmission	\$14,860	(\$790)	\$8,823	(\$7,579)	\$11,087	\$2,300	\$960	\$1,976	\$557	\$7,204	\$340	\$512	\$40,250
23	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
25	<b>Subtotal Transmission</b>	<b>\$14,860</b>	<b>(\$790)</b>	<b>\$8,823</b>	<b>(\$7,579)</b>	<b>\$11,087</b>	<b>\$2,300</b>	<b>\$960</b>	<b>\$1,976</b>	<b>\$557</b>	<b>\$7,204</b>	<b>\$340</b>	<b>\$512</b>	<b>\$40,250</b>
26	<b>Total O&amp;M Costs</b>	<b>\$5,308</b>	<b>\$120,487</b>	<b>\$32,454</b>	<b>(\$17,321)</b>	<b>\$74,903</b>	<b>\$165,296</b>	<b>\$106,273</b>	<b>\$77,069</b>	<b>(\$393,886)</b>	<b>\$49,439</b>	<b>\$40,577</b>	<b>\$26,466</b>	<b>\$287,065</b>
27	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670
28	Jurisdictional Factor (Distribution)	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597
29	Jurisdictional Factor (Nuclear - Production - Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
30	Jurisdictional Factor (Transmission)	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
31	Jurisdictional Recoverable Costs (A&G) (Line 13 X Line 27)	(\$9,069)	\$110,361	\$19,977	(\$19,374)	\$51,029	\$157,695	\$95,426	\$66,396	(\$362,889)	\$32,222	\$30,551	\$16,787	\$189,111
32	Jurisdictional Recoverable Costs (Distribution) (Line 17 X Line 28)	340	884	1,832	11,346	8,117	(8,993)	1,211	2,653	1,416	962	613	232	20,614
33	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 21 X Line 29)	0	0	0	0	0	0	0	0	0	5,737	5,902	6,946	18,585
34	Jurisdictional Recoverable Costs (Transmission) (Line 25 X Line 30)	10,491	(558)	6,229	(5,351)	7,827	1,624	678	1,395	393	5,086	240	361	28,415
35	<b>Total Jurisdictional Recoverable O&amp;M Costs</b>	<b>\$1,761</b>	<b>\$110,687</b>	<b>\$28,037</b>	<b>(\$13,378)</b>	<b>\$66,973</b>	<b>\$150,326</b>	<b>\$97,315</b>	<b>\$70,444</b>	<b>(\$361,080)</b>	<b>\$44,007</b>	<b>\$37,305</b>	<b>\$24,326</b>	<b>\$256,724</b>
36	<b>Total Jurisdictional O&amp;M Costs From Most Recent Projection</b>	<b>\$13,468</b>	<b>\$48,336</b>	<b>\$22,804</b>	<b>(\$40,215)</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$9,287</b>	<b>\$118,689</b>
37	<b>Difference (Line 35 - 36)</b>	<b>(\$11,707)</b>	<b>\$62,351</b>	<b>\$5,233</b>	<b>\$26,837</b>	<b>\$57,686</b>	<b>\$141,039</b>	<b>\$88,028</b>	<b>\$61,157</b>	<b>(\$370,367)</b>	<b>\$34,720</b>	<b>\$28,018</b>	<b>\$15,039</b>	<b>\$138,035</b>

Note 1: This schedule is for informational purposes only and the data is excluded from the revenue requirements calculation.

Note 2: Progress Energy incurred O&M costs in base rates during 2007; however, financial procedures to capture these costs were put into place effective January 2008.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Capital Monthly Expenditures

[Section (5)(c)1.a.]  
[Section (8)(d)]

Schedule T-6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the actual monthly expenditures by major tasks performed within Site Selection, Preconstruction and Construction categories for the prior year.

For the Year Ended: 12/31/2008

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

Witness: Will Garrett/Garry Miller/Gary Furman

Description	(A) Actual January	(B) Actual February	(C) Actual March	(d) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
<b>1 Site Selection/Pre-Construction:</b>													
<b>2 Generation:</b>													
3 License Application	\$3,894,011	\$3,389,653	\$3,379,417	\$3,134,426	(\$340,876)	\$6,384,875	\$1,789,284	\$1,298,529	\$2,118,793	\$4,850,827	(\$1,794,598)	\$5,466,331	\$33,388,472
4 Engineering, Design, & Procurement	0	0	0	56,081,952	46,488,848	2,024,659	1,231,518	625,848	\$25,805	(2,085,298)	4,843,779	1,187,099	110,884,010
5 Permitting	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Clearing, Grading and Excavation	0	0	0	0	0	0	0	0	0	0	0	0	0
7 On-Site Construction Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Total Generation Costs [Note 1]	\$3,894,011	\$3,389,653	\$3,379,417	\$59,198,378	\$46,127,772	\$6,428,191	\$3,053,214	\$1,987,849	\$2,867,820	\$2,631,877	\$2,850,795	\$6,837,343	\$144,454,020
<b>9 Adjustments:</b>													
10 Non-Cash Accruals	(\$1,284,920)	(\$380,938)	(\$1,490,881)	(\$1,803,887)	\$8,541,949	\$1,582,055	\$482,125	(\$552,128)	(\$1,478,237)	(\$165,357)	(\$1,241,703)	(\$4,410,605)	(\$4,192,324)
11 Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Net Generation Costs [Note 2]	\$2,629,091	\$3,008,717	\$1,888,738	\$57,392,491	\$52,889,721	\$10,020,246	\$3,515,339	\$1,445,523	\$1,389,383	\$2,466,620	\$1,609,092	\$2,226,738	\$140,261,696
14 Jurisdictional Factor	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
16 Total Jurisdictional Generation Costs	\$2,464,852	\$2,820,762	\$1,770,747	\$53,807,182	\$49,379,443	\$9,394,281	\$3,285,738	\$1,355,221	\$1,302,588	\$2,312,530	\$1,508,572	\$2,087,833	\$131,499,547
<b>19 Transmission:</b>													
20 Line Engineering	\$92,228	\$142,034	\$161,576	\$758,791	\$205,618	\$90,864	\$159,415	\$150,580	\$217,879	\$874,900	\$334,187	\$416,238	\$3,802,300
21 Substation Engineering	(4,469)	22,490	11,022	69,880	108,378	89,130	49,867	125,016	153,873	98,844	184,282	275,856	1,179,857
22 Clearing	0	0	0	0	0	0	0	0	0	0	0	0	0
23 Other	54,024	507,892	476,888	(173,483)	298,208	203,958	292,360	490,848	468,188	(38,924)	283,985	323,708	3,185,914
24 Total Transmission Costs [Note 1]	\$141,783	\$672,216	\$649,284	\$653,158	\$608,900	\$383,950	\$501,742	\$766,424	\$839,818	\$902,820	\$802,474	\$1,015,802	\$7,966,071
25 Adjustments:													
26 Non-Cash Accruals	\$109,554	(\$384,132)	(\$185,731)	\$288,073	\$101,778	\$332,144	\$7,914	(\$451,851)	(\$228,287)	\$27,745	\$163,710	(\$395,891)	(\$632,085)
27 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
28 Net Transmission Costs [Note 2]	\$251,337	\$288,084	\$463,553	\$922,231	\$710,678	\$716,094	\$509,656	\$314,473	\$613,621	\$960,365	\$986,184	\$619,711	\$7,335,986
29 Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
31 Total Jurisdictional Transmission Costs	\$177,436	\$203,378	\$327,255	\$651,087	\$501,717	\$505,541	\$359,802	\$222,008	\$433,188	\$677,989	\$682,067	\$437,497	\$5,178,886
34 Total Jurisdictional SS/PC Costs	\$2,642,288	\$3,024,141	\$2,098,002	\$54,458,248	\$49,881,160	\$9,899,822	\$3,655,538	\$1,577,230	\$1,735,786	\$2,990,519	\$2,190,669	\$2,525,130	\$138,678,533
<b>36 Construction:</b>													
<b>37 Generation:</b>													
38 Real Estate Acquisitions	\$0	\$13,855	\$53,284	\$118,832	\$21,088	\$22,421	\$49,871	\$47,356	\$108,874	\$155,635	\$113,037	(\$817,695)	(\$115,764)
39 Project Management	0	0	0	0	0	0	0	0	0	0	0	0	0
40 Permanent Staff/Training	0	0	0	0	0	0	0	0	0	0	0	0	0
41 Site Preparation	0	0	0	0	0	0	0	0	0	0	0	0	0
42 On-Site Construction Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0
43 Power Block Engineering, Procurement, etc.	0	0	0	0	0	0	0	0	0	0	0	16,981	16,981
44 Non-Power Block Engineering, Procurement, etc.	0	0	0	0	0	0	0	0	0	0	0	0	0
45 Total Generation Costs [Note 1]	\$0	\$13,855	\$53,284	\$118,832	\$21,088	\$22,421	\$49,871	\$47,356	\$108,874	\$155,635	\$113,037	(\$800,714)	(\$88,783)
46 Adjustments:													
47 Non-Cash Accruals	\$0	(\$13,855)	(\$10,911)	(\$83,707)	\$107,823	(\$110,182)	(\$69,567)	\$155,368	(\$75,793)	(\$81,608)	(\$34,923)	\$120,638	(\$78,447)
48 Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
49 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
50 Net Generation Costs [Note 2]	\$0	\$0	\$42,373	\$35,125	\$128,989	(\$87,771)	(\$18,916)	\$202,722	\$31,181	\$94,028	\$78,114	(\$680,076)	(\$175,230)
51 Jurisdictional Factor	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
54 Total Jurisdictional Generation Costs	\$0	\$0	\$39,728	\$32,931	\$120,831	(\$82,268)	(\$18,672)	\$190,058	\$29,233	\$88,155	\$73,234	(\$637,592)	(\$164,284)
<b>56 Transmission:</b>													
57 Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58 Substation Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
59 Real Estate Acquisition	0	0	0	142	95	47	47	47	9,297	175,047	47,712	2,782,018	2,894,450
60 Line Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
61 Substation Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
62 Other	0	0	142	(142)	0	(10,780)	0	0	0	0	0	0	0
63 Total Transmission Costs [Note 1]	\$0	\$0	\$142	\$0	\$95	(\$10,733)	\$47	\$47	\$9,297	\$175,047	\$47,712	\$2,782,018	\$2,983,670
64 Adjustments:													
65 Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,250)	\$0	(\$24,838)	\$18,333	(\$15,555)
66 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
67 Net Transmission Costs [Note 2]	\$0	\$0	\$142	\$0	\$95	(\$10,733)	\$47	\$47	\$47	\$175,047	\$23,074	\$2,780,348	\$2,968,115
68 Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
71 Total Jurisdictional Transmission Costs	\$0	\$0	\$100	\$0	\$67	(\$7,577)	\$33	\$33	\$33	\$123,578	\$16,288	\$1,962,643	\$2,952,599
73 Total Jurisdictional Construction Costs	\$0	\$0	\$39,828	\$32,931	\$120,998	(\$86,865)	(\$18,839)	\$190,091	\$29,266	\$211,733	\$89,523	\$1,325,251	\$1,831,115

Note 1: Lines 8, 24, 45, and 63 represent capital expenditures on an accrual basis, gross of joint owner billings and exclude AFUDC.  
Note 2: Lines 13, 28, 50, and 67 represent capital expenditures on a cash basis, net of joint owner billings.

LEVY COUNTY NUCLEAR 1 and 2  
 Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
 True-up Filing: Capital Monthly Expenditures Descriptions

[Section (5)(c)1.a.]  
 [Section (8)(d)]

Schedule T-6A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a description of the major tasks performed within Site Selection, Preconstruction and Construction categories for the prior year.

For the Year Ended: 12/31/2008

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 090009-EI

Witness: Garry Miller/Gary Furman

Line No.	Major Task	Description - Includes, but is not limited to:
1	<b>Site Selection/Pre-Construction:</b>	
2	<u>Generation:</u>	
3	License Application	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
4	Engineering & Design	Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.
5	Permitting	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)
6	Clearing, Grading and Excavation	Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.
7	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
8		
9	<u>Transmission:</u>	
10	Line Engineering	Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.
11	Substation Engineering	Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.
12	Clearing	Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with building access roads to the ROW to ensure access for construction, operating and maintenance of transmission lines.
13		
14	Other	Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission pre-construction.
15		
16	<b>Construction:</b>	
17	<u>Generation:</u>	
18	Real Estate Acquisition	Land, Survey, Legal fees and commissions.
19	Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
20	Permanent Staff/Training	Obtain and train qualified staff by Fuel Load date.
21	Site Preparation	Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
22	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
23	Power Block Engineering, Procurement, etc.	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
24	Non-Power Block Engineering, Procurement, etc.	Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.)
25		
26		
27	<u>Transmission:</u>	
28	Line Engineering	See description on Line 10.
29	Substation Engineering	See description on Line 11.
30	Real Estate Acquisition	Land acquisition, survey, appraisal, title commitments, permitting, eminent domain support and ordinance review costs.
31	Line Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.
32	Substation Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.
33	Other	See description on Line 14.

LEVY COUNTY NUCLEAR 1 and 2  
 Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
 True-up Filing: Variance Explanations

[Section (8)(d)]

Schedule T-6B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide annual variance explanations comparing the actual expenditures to the most recent projections for the current period filed with the Commission.

For the Year Ended: 12/31/2008

COMPANY: Progress Energy - FL

DOCKET NO.: 090009-EI

Witness: Will Garrett/Garry Miller/Gary Furman

Line No.	(A) Total Actual	(B) Total Estimated/Actual	(C) Total Variance	(D) Explanation
<b>Site Selection/Pre-Construction:</b>				
<u>Generation:</u>				
1	\$33,368,472	\$37,438,180	(\$4,069,708)	The NRC fees were lower than expected.
2	\$110,684,010	\$167,539,000	(\$56,854,990)	Long Lead Equipment and Engineering payments were rescheduled based on the December signing date of Engineering, Procurement, and Construction (EPC)
3	\$0	\$0	\$0	
4	\$0	\$0	\$0	
5	\$401,538	\$3,830,000	(\$3,428,462)	On-Site Construction facility plans were revised pending finalization of the EPC contract.
6	<u>\$144,454,020</u>	<u>\$208,807,180</u>	<u>(\$64,353,160)</u>	
<u>Transmission:</u>				
7	\$3,602,300	\$6,102,186	(\$2,499,886)	Change in project scope and additional time for community outreach efforts resulted in re-sequencing of line engineering activities and lower than projected costs.
8	\$1,179,857	\$6,418,571	(\$5,238,714)	Expected engineering work on the Levy Plant Administrative substations and the existing Crystal River Energy Complex (CREC) switchyard was re-sequenced and deferred to align with schedule activity refinements and coordination with the planned completion of environmental licensing activities. This resulted in lower
9	\$0	\$0	\$0	
10	\$3,185,914	\$1,742,719	\$1,443,195	
11	<u>\$7,968,071</u>	<u>\$14,283,478</u>	<u>(\$6,295,405)</u>	Greater community outreach activities than were originally projected.
<b>Construction:</b>				
<u>Generation:</u>				
12	(\$115,764)	\$5,042,939	(\$5,158,703)	Real estate acquisition plans for land for a railroad were revised based on a Logistical and Transportation Plan Study which determined that barge and truck delivery of bulk quantities is preferable to rail delivery.
13	\$0	\$0	\$0	
14	\$0	\$578,000	(\$578,000)	Plans to hire Plant Permanent Staffing were deferred pending signing of the EPC contract.
15	\$0	\$0	\$0	
16	\$16,981	\$0	\$16,981	
17	\$0	\$0	\$0	
18	\$0	\$0	\$0	
19	<u>(\$98,783)</u>	<u>\$5,620,939</u>	<u>(\$5,719,722)</u>	
<u>Transmission:</u>				
20	\$0	\$0	\$0	
21	\$0	\$2,091,550	(\$2,091,550)	Expected engineering work at the Levy Plant site was deferred for completion of environmental licensing activities anticipated in late 2009 or early 2010. CREC site work activities were deferred to align with planned plant outages and spread over 2009 to 2015 time frame.
22	\$2,994,450	\$3,262,818	(\$268,368)	
23	\$0	\$0	\$0	
24	\$0	\$2,175,212	(\$2,175,212)	Expenditures were deferred for the purchase of long-lead time major equipment items for the Levy Plant Administrative substations and the existing CREC switchyard projects. The start of construction for these projects was re-sequenced from the original plan due to licensing, permitting and plant outage requirements.
25	<u>(\$10,780)</u>	<u>\$836,620</u>	<u>(\$847,400)</u>	
26	<u>\$2,983,670</u>	<u>\$8,366,200</u>	<u>(\$5,382,530)</u>	

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Technology Selected**

[Section (8)(b)]

Schedule T-7

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a description of the nuclear technology selected that includes, but is not limited to, a review of the technology and the factors leading to its selection.

For the Year Ended:

**12/31/2008**

COMPANY:

**Progress Energy - FL**

DOCKET NO.:

**090009-EI**

**Witness: Garry Miller**

Progress Energy Inc. Florida ("PEF") performed a methodical, detailed quantitative and qualitative evaluation of commercially available advanced reactor technologies. PEF issued RFPs to the three vendors that had advanced reactor designs: General Electric ("GE"); Westinghouse; and Areva, for the GE Economic Simplified Boiling Water Reactor ("ESBWR"), the Westinghouse AP-1000 advanced passive pressurized water reactor, and the Areva European Pressurized Reactor ("EPR"), respectively. PEF completed a thorough and extensive evaluation of the vendor proposal responses associated with technical and operational requirements for licensing, design, construction, and capability input by the vendors. Following nearly a year of detailed evaluation, PEF initially selected the Westinghouse AP-1000 design as the best advanced technology for PEF. Since the preliminary selection of the Westinghouse AP-1000 design in January 2006, PEF continued to monitor industry changes, advanced reactor technology developments, and other information that might affect PEF's technology selection, or the assumptions PEF used in its initial analysis. The Westinghouse AP-1000 design is a standardized, advanced passive pressurized water nuclear reactor. It is an advanced generation nuclear technology that employs "passive" rather than traditional "active" safety systems. In other words, the design uses gravity and natural recirculation of air and water in emergency situations that do not require engines or pumps to power key safety systems. The result is an extremely safe and much simpler design that requires significantly less cable, pumps, valves, and other equipment than existing nuclear power reactors. In addition, PEF has completed negotiations with the Consortium on the terms and conditions of an acceptable EPC contract and executed the contract on December 31, 2008.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

[Section (8)(c)]

Schedule T-8

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY:  
 DOCKET NO.:  
**Progress Energy - FL**  
**090009-EI**

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

REDACTED

For the Year Ended: **12/31/2008**

Witness: **Garry Miller/Gary Furman**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2007)	Amount Expended in Current Year (2008)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection & Document ID	Work Description
1	N/A	Executed							Purchase Agreement for Rayonier Forest Resources	Purchase based on final results from site down select analysis that determined most suitable site to locate the plant.	
2	293651-01	Executed							Duncan Company	Approved Nominee Agreement	Provide an array of diverse commercial real estate services for proposed baseload power generation plant.
3	00003382-00128	Complete							Westinghouse Electric Co. LLC.	Sole Source. Award is based on vendor partnership as the provider of the selected RX technology.	Levy Price Finalization support
4	00300968-00004	Executed							Shaw Stone & Webster Inc.	Sole Source. Award is based on vendor partnership as the constructor of the selected RX technology.	Levy Price Finalization support
5	00300968-00002	Executed							Shaw Stone & Webster Inc.	Sole Source. Award is based on vendor partnership as the constructor of the selected RX technology.	Levy Phase 1A - Conceptual Design and site characterization
6	00255934-00002	Executed							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons)	RFP- COLA Application Preparation. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Combined Operating License Application (COLA) preparer
7	00255934-00001	Executed							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons)	RFP - COLA Application Preparation. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Combined Operating License Application (COLA) preparer. These Contract amounts and expended dollars represent Tasks 1, 5,6,7,8,9 and 11 only. These tasks are for activities that benefited both Levy and Harris equally.



**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

[Section (B)(c)]

Schedule T-8

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

For the Year Ended: 12/31/2008

DOCKET NO.:

090009-EI

Witness:

Gary Miller/Gary Furman

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2007)	Amount Expended in Current Year (2008)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection & Document ID	Work Description
8	00255934-00003	Executed							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons)	Sole Sourced to vendor to provide consistency between the two filings (NRC and FDEP).	Site Certification Application Development Support for Levy Nuclear Plant. Includes activities necessary to support responses to the FDEP regarding SCA submittals.
9	00255934-00005	Executed							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons)	Sole Source. Award for Phase II support of the COLA submittal (Reference contract 255934-02)	Combined Operating License Application (COLA) preparer - support to respond to NRC Requests for Additional Information and other COLA support.
10	00300968-00006	Executed							Shaw Stone & Webster Inc.	Sole Source. Award is based on vendor partnership as the constructor of the selected RX technology.	
11	00300968-00007	Complete							Shaw Stone & Webster	Sole Source. Award is based on vendor partnership as the constructor of the selected RX technology.	
12	00300968-00008	Executed							Shaw Stone & Webster Inc.	Sole Source. Award is based on vendor partnership as the constructor of the selected RX technology.	
13	00300968-00009	Executed							Shaw Stone & Webster Inc.	Sole Source. Award is based on vendor partnership as the constructor of the selected RX technology.	
14	00003382-00148	Executed							Westinghouse Electric Co. LLC.	Sole Source. Award is based on vendor partnership as the provider of the selected RX technology.	
15	414310	Executed							Westinghouse Electric Co. LLC.	Sole Source. Award is based on vendor partnership as the provider of the selected RX technology.	To design, engineer, supply, equip, construct and install a fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

[Section (8)(c)]

Schedule T-8

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: **Progress Energy - FL**  
 DOCKET NO.: **090009-EI**

**EXPLANATION:**

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

REDACTED

For the Year Ended: **12/31/2008**

**Witness: Garry Miller/Gary Furman**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2007)	Amount Expended in Current Year (2008)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection & Document ID	Work Description
16	N/A	Executed							NuStart Energy Development LLC	Membership Agreement in Industry Organization	Preparation of Combined Operating License Applications for Westinghouse and GE Desgins.
17	00262141-00003 Amds. 1, 2, & 5	Executed							Power Engineers Inc.	RFP - Competitive Bid & Evaluation Process for Master Contract. Tier 1 Contractor Selected.	Line and Substation Design Study Support
18	00080678-00111	Executed							Golder Associates Inc.	Single Sourced - Memo Dated 8/17/07	Levy Transmission Corridor Study
19	00080678-00129	Executed							Golder Associates Inc.	RFP - LCGT0308	Levy Transmission Route Study
20	00409194-00001	Executed							Patrick Energy Services Inc.	RFP - LCBT0808	Owner's Engineering Services
21	PEF2008-10-128 & PEF2008-12-121	Complete							Roger L. Pavlik & Aare S. Pavlik	Selection based on Corridor Study	Acquisition of One Parcel of Land for Citrus Substation
22	PEF2008-10-36	Executed								Selection based on Corridor Study	Acquisition of one parcel of land and a 220-foot wide transmission line easement for the Central Florida South Substation.

Note: Original amount for contract nbr. 00255934-00002 reflects cost of COLA prior to final site selection work being completed.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (b)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: N/A

Major Task or Tasks Associated With: Purchase of property to site the Levy Nuclear Plant

Vendor Identity: Rayonier Forest Resources, L.P. (seller)

Vendor Affiliation (specify 'direct' or 'indirect'): Indirect (Vertical Integration (buyer) on behalf of Progress Energy)

Number of Vendors Solicited: Purchased based on results of site downselect analysis that determined the most suitable site for the plant.

Number of Bids Received: N/A

Brief Description of Selection Process: Property was selected based on the site selection process analysis to determine most suitable site for the nuclear facility.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: Purchase and Sale Agreement. The seller was Rayonier Forest Resources, LP. Sold Approximately 3,000 acres to Progress Energy for siting Levy Nuclear Plant.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 293851-01

Major Task or Tasks Associated With: Provide services, supplies, tools, equipment, and transportation necessary to provide an array of diverse commercial real estate services for the sole purpose of acquiring land parcels for proposed baseload generation plants.

Vendor Identity: The Duncan Companies, Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: Approved Nominee Agreement

Number of Bids Received: N/A

Brief Description of Selection Process: Nominee Agreement to act as Progress' agent in locating, investigating, negotiating and contracting for the purchase (collectively, the "Purchase Contract(s)") of real property (the "Property") throughout Florida for the potential siting of a new power plant.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: (1) Perform fatal flaw analysis on properties identified by the owner and also include identification of alternative sites for consideration by owner. (2) Implementation of the acquisition process. (3) Complete due diligence evaluation activities for each proposed site.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00003382-00128

Major Task or Tasks Associated With: Activities necessary to determine and document detailed costs associated with the Levy Nuclear Plant (LNP) standard plant. These are all planning activities and do not include actual design or construction activities.

Vendor Identity: Westinghouse Electric Company LLC.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected.

Number of Bids Received: A proposal was submitted by Westinghouse LLC.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents finalized scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Complete

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

The scope includes activities necessary to determine and document detailed costs associated with the Levy Nuclear Plant. The primary deliverables include the AP 1000 Standard Plant Cost Book, Levy site schedule which integrates the AP 1000 Engineering Schedule, Procurement Schedule, Pre-construction Schedule, Construction Schedule, and Site Specific activity schedule, and the Levy Project Cost Book which incorporates the site specific cost with the standard plant cost to incorporate a total cost for the Westinghouse/Shaw Stone & Webster workscope.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-E1

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00300968-00004

Major Task or Tasks Associated With: Activities necessary to determine and document detailed costs associated with the Levy Nuclear Plant (LNP) site specific systems and buildings. These are all planning activities and do not include actual design or construction activities.

Vendor Identity: Shaw Stone and Webster Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Shaw Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Shaw Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents finalized scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

The Scope includes activities necessary to determine and document detailed costs associated with site specific aspects of the Levy Nuclear Plant. Site specific costs include those incurred for clearing and grading, excavation, non-powerblock structures and buildings, etc.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (B)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00300968-00002

Major Task or Tasks Associated With: The project management and conceptual engineering activities to require further characterization of the Levy site by performing geotechnical evaluations, regional infrastructure studies, early procurement requirements, preliminary construction plan development, COLA development interface, and development of the site specific schedule.

Vendor Identity: Shaw Stone and Webster Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Shaw Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Shaw Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents finalized scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Major Activities include:

- 1 - Phase 1 Cost Estimate and Schedule
- 2 - Conceptual Design Packages for Site Specific Systems and Site Specific Facilities
- 3 - Geotechnical Studies and Evaluations
- 4 - Regional Infrastructure Assessment
- 5 - Preliminary Project Specific Construction Plan
- 6 - Evaluation of Temporary to Permanent Buildings conversion
- 7 - Site Specific Procurement Plan and Early Vendor commitments

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (b)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00255934-00002

Major Task or Tasks Associated With: providing engineering, environmental, and licensing services to support the Combined Operating License Application (COLA) development for a new greenfield site in Florida.

Vendor Identity: Joint Venture Team - Sargent & Lundy, CH2M Hill, & Worley Parsons

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: Six

Number of Bids Received: Six

Brief Description of Selection Process: An RFP was completed for COLA Application preparation and sent to vendors. The next step required New Plant Development to assemble a review team and complete a detailed evaluation of the proposals. Vendors were evaluated and scored on the following criteria: Corporate Experience, Team Experience, Technical Plan, and Financial. This evaluation has been formally documented. Once the vendor was selected, a contract was prepared and approved and a pre-award meeting was held prior to starting work on the project.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide engineering, environmental, and licensing services in support of COLA development. Major tasks include:

Task 1 - Prepare License Application and associated General & Admin. Information

Task 2 - Perform site investigation, including necessary soil borings and constructing a meteorological tower to gather weather information.

Task 3 - Prepare Chapter 2 of FASR in accordance with applicable regulatory requirements including meteorological, geological, geotechnical, and seismological sections.

Task 4 - Prepare Environmental Report in accordance with applicable regulatory requirements, including site ecological investigations. Prepare Emergency Plan in accordance with applicable regulatory requirements.

Task 5 - Prepare FSAR Chapters 4, 5, 6, 7, and 12 in accordance with applicable regulatory requirements.

Task 6 - Prepare FSAR Chapters 13, 14, and 16 in accordance with applicable regulatory requirements.

Task 7 - Prepare FSAR Chapters 1, 3, 8, 17, 18, & 19 in accordance with applicable regulatory requirements.

Task 8 - Prepare FSAR Chapters 9, 10, 11, & 15 in accordance with applicable regulatory requirements.

Task 9 - Prepare fire protection program, inspection programs, other programs, the security plan and quality assurance plan in accordance with applicable regulatory requirements.

Task 10 - Prepare conceptual designs for various plant systems.

Task 11 - Project Management support for all COLA preparation activities.

Task 12 - Site Unique Scope not in RFP

Task 13 - COLA Fieldwork

Task 14 - Foundation Conceptual Design

Task 15 - NRC Acceptance Review



LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00255934-00001

Major Task or Tasks Associated With: providing engineering, environmental, and licensing services to support the Combined Operating License Application (COLA) development. Only Tasks 1, 5,6,7,8,9, and 11 are reflected in this schedule. These tasks are for activities that benefit both the Levy and Harris COLAs and dollars are split equally.

Vendor Identity: Joint Venture Team - Sargent & Lundy, CH2M Hill, & Worley Parsons

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: Six

Number of Bids Received: Six

Brief Description of Selection Process: An RFP was completed for COLA Application preparation and sent to vendors. The next step required New Plant Development to assemble a review team and complete a detailed evaluation of the proposals. Vendors were evaluated and scored on the following criteria: Corporate Experience, Team Experience, Technical Plan, and Financial. This evaluation has been formally documented. Once the vendor was selected, a contract was prepared and approved and a pre-award meeting was held prior to starting work on the project.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide engineering, environmental, and licensing services in support of COLA development. Major tasks include:

Task 1 - Prepare License Application and associated General & Admin. Information

Task 5 - Prepare FSAR Chapters 4, 5, 6, 7, and 12 in accordance with applicable regulatory requirements.

Task 6 - Prepare FSAR Chapters 13, 14, and 16 in accordance with applicable regulatory requirements.

Task 7 - Prepare FSAR Chapters 1, 3, 8, 17, 18, & 19 in accordance with applicable regulatory requirements.

Task 8 - Prepare FSAR Chapters 9, 10, 11, & 15 in accordance with applicable regulatory requirements.

Task 9 - Prepare fire protection program, inspection programs, other programs, the security plan and quality assurance plan in accordance with applicable regulatory requirements.

Task 11 - Project Management support for all COLA preparation activities.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00255934-00003

Major Task or Tasks Associated With: developing the Site Certification Application for the Levy Plant. The application will be submitted to the Florida Department of Environmental Protection.

Vendor Identity: Joint Venture Team - Sargent & Lundy, CH2M Hill, & Worley Parsons

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: 1

Number of Bids Received: 1

Brief Description of Selection Process: This authorization is closely tied to the Levy COLA Environmental Report. Vendor selected to ensure consistency between the two filings to NRC and FDEP. An Impact Evaluation was submitted to document project scope, schedule, cost, and risk. The impact evaluation is challenged with technical, QA, and financial reviews prior to approval. The approved impact evaluation is incorporated into a new work authorization.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide engineering, environmental, and licensing services in support of Site Certification Application development. Major tasks include:

- Task 1 - Site Characterization
- Task 2 - Plant & Associated Facilities
- Task 3 - Construction Impacts
- Task 4 - Operational Impacts
- Task 5 - Economic and Social Effects
- Task 6 - Electrical Transmission Lines
- Task 7 - Need for Power
- Task 8 - Site & Design Alternatives

Since the original Impact Evaluation was signed, the work scope has expanded to include post-submittal activities including:

- 1 - SCA Wetland Comprehensive Plan
- 2 - Ecological Survey, Wetland Mitigation, Well Field Monitoring
- 3 - SCA Phase II Support
- 4 - FDEP request for additional water quality analysis
- 5 - SCA Administrative Hearing Support

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00255934-00005

Major Task or Tasks Associated With: providing support for the Levy Nuclear Plant COLA Development Phase II, for the period between when the NRC has accepted the application and NRC application approval.

Vendor Identity: Joint Venture Team - Sargent & Lundy, CH2M Hill, & Worley Parsons

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: 1

Number of Bids Received: 1

Brief Description of Selection Process: This authorization is for Phase II support of the Levy COL Application (reference contract 255934-02). An Impact Evaluation was submitted to document project scope, schedule, cost and risk. The impact evaluation is challenged with technical, QA, and financial reviews prior to approval. The approved impact evaluation is incorporated into a new work authorization.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide support for the Levy Nuclear Plant (LNP) COL Application approval by the NRC, including support for Requests for Additional Information (RAI). Major tasks include:

Task 1 - Westinghouse/NuStart document / RAI Response Reviews

Task 2 - Levy Nuclear Plant Simple RAIs

Task 3 - LNP Complex RAIs and Evaluations

Task 4 - LNP COLA Revisions/DCD Departure Report

Task 5 - Project Management

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (b)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00300968-00006

Major Task or Tasks Associated With:

The scope of work includes those activities necessary to support the Site Certification Application (SCA) and Limited Work Authorization (LWA) submittals. The scope of work, deliverables, assumptions, risks, and associated man-hours and costs are as described in SSW proposal provided by letter SSWN-PE-00129, Proposal Shaw Phase 1 Work Activities Required to Support SCA and LWA -Contract Number 300968, dated March 13, 2008.

Vendor Identity: Shaw Stone and Webster Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Shaw Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Shaw Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents finalized scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

All work activities required to support the Levy Limited Work Authorization and Site Certification Application. Major activities include:

- 1 - Project Management
- 2 - Engineering Management
- 3 - Construction - SCA
- 4 - Engineering - SCA
- 5 - Geotechnical - SCA
- 6 - Construction - LWA
- 7 - Engineering - LWA
- 8 - Geotechnical - LWA
- 9 - Activities necessary to support Progress Energy responses to the FDEP questions regarding SCA submittals.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (b)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00300968-00007

Major Task or Tasks Associated With:

Execute the Limited Authorization described in the Letter of Intent (LOI) issued to Westinghouse Company (WEC) and Shaw Stone and Webster (SSW) executed on March 31, 2008.

Vendor Identity: Shaw Stone and Webster Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Shaw Stone & Webster is the Westinghouse contracted engineering and construction partner.

Number of Bids Received: N/A

Brief Description of Selection Process: Per approved Letter of Intent.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Complete

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Execute the Limited Authorization described in the Letter of Intent (LOI) issued to Westinghouse Company (WEC) and Shaw Stone and Webster (SSW) executed on March 31, 2008.

This authorization is to facilitate the Advance Payment described in the March 2008 LOI to be applied to such authorized Phase 1A and Phase 1 work as described in Contract 300968 WA-06 and WA-08.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00300968-00008

Major Task or Tasks Associated With:

The scope of work includes those activities necessary to support Unit 1 July 1, 2016 COD and Unit 2 July 1, 2017 COD. The scope of work, deliverables, assumptions, risks, and associated man-hours and costs are as described in SSW proposal provided by letter SSWN-PEF-00131, -Contract Number 300968, dated April 10, 2008.

Vendor Identity: Shaw Stone and Webster Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Shaw Stone & Webster is the Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Shaw Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents finalized scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

bridge and heavy haul road up to the Hwy 40 crossing. Amendment 1 includes additional scope of Industrial Rail Spur Logistics Study and Traffic Analysis. Upon EPC contract execution, costs incurred to date on this WA will be reviewed, and an appropriate downward or upward adjustment will be addressed.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

(Section 8)(c))

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00300968-00009

Major Task or Tasks Associated With:

1) The scope of work includes those activities necessary to support Unit 1 July 1, 2016 COD and Unit 2 July 1, 2017 COD. The scope of work, deliverables, assumptions, risks, and associated man-hours and costs are as described in SSW proposal provided by letter SSWN-PEF-00164 dated August 1, 2008 and SSWN-PEF-00154 dated June 24, 1008.

Vendor Identity: Shaw Stone and Webster Inc.

Vendor Affiliation (specify "direct" or "indirect"): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Shaw Stone & Webster is the Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Shaw Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents finalized scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

All work activities required to continue to support the 2016/2017 COD Schedules for Levy Units 1 and 2. Major Tasks include:

- Task 1 - Project Management and Administration
- Task 2 - Procurement and Contract Administration
- Task 4 - Quality Assurance/Quality Control
- Task 5 - Project controls
- Task 15 - Travel
- Task 19 - Circulating Water System
- Task 20 - Storm Drains System
- Task 21 - Power Distribution System
- Task 22 - Grounding and Lighting system
- Task 23 - Potable Water system
- Task 24 - Raw Water system
- Task 25 - Sanitary Drains System
- Task 26 - Waste Water system
- Task 27 - Yard Fire system
- Task 28 - Civil and Structural Facilities

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 00003382-00148

Major Task or Tasks Associated With:

The contractor will provide supply chain, Quality Assurance, project management, and engineering services as necessary to negotiate and establish manufacturing agreements for a limited amount of equipment associated with the AP-1000 reactor technology for the potential new Levy Plant.

Vendor Identity: Westinghouse Electric Company LLC.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected.

Number of Bids Received: N/A

Brief Description of Selection Process: Per approved Letter of Intent.

Dollar Value: [REDACTED] Per the EPC Contract (414310), this amount is subsumed by the EPC and will be credited against the total EPC price.

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

- 1 - Contractor is to establish manufacturing agreements that ensure the Owner's interests are met. The agreements, redacted to remove commercial terms as appropriate, are to be made available to the Owner as they are developed.
- 2 - The terms and conditions associated with using Subcontractors are stipulated in the EPC Agreement.
- 3 - Existing MSA 3382, Appendix B, Requirements for Contractor-Supplied Procedures and Other Submittal is not directly applicable to this scope of work. The Owner anticipates developing an effective Vendor Surveillance Plan that will describe Owner's engagement in Contractors' activities. This will identify the Owner's ongoing role in reviewing/approving Contractors' procedures, processes, and deliverables, if any.
- 4 - Since work schedules have not yet been developed, it is not possible to define Hold Points. However, the Contractor shall provide procurement and manufacturing details, in sufficient time for PGN to review and establish an effective Surveillance Plan which will identify specific Hold Points, as appropriate.
- 5 - Commence certain work activities to establish manufacturing contractual agreements for certain equipment.



LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: 414310

Major Task or Tasks Associated With:

The contractor will design, engineer, supply, equip, construct and install a complete fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site.

Vendor Identity: Westinghouse Electric Company LLC.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected.

Number of Bids Received: N/A

Brief Description of Selection Process: Per approved Letter of Intent.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Scope of Work is to design, engineer, supply, equip, construct, and install a complete and fully operational two (2) unit AP1000 Facility at Owner's Levy Nuclear Plant Site and Nearby Work Areas, including all equipment and services necessary to meet the terms and conditions of the "Engineering, Procurement and Construction Agreement Between Florida Power Corporation doing business as Progress Energy Florida, Inc., (Owner) and a consortium consisting of Westinghouse Electric Company, LLC, and Shaw Stone and Webster, Inc., (Contractor), effective on December 31, 2008 .

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090008-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: N/A

Major Task or Tasks Associated With:  
Reference COL Preparation

Vendor Identity: NuStart Energy Development LLC

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, membership agreement with the entity.

Number of Bids Received: N/A

Brief Description of Selection Process:

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Preparation of Reference Combined License Applications for Westinghouse and GE Designs.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00262141-00003

Major Task or Tasks Associated With:

Provide conceptual substation engineering and routing study services for transmission facilities needed to support the Levy Nuclear Plant.

Vendor Identity: Power Engineers Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: Twenty-two for Master Contract

Number of Bids Received: Twenty-two for Master Contract

Brief Description of Selection Process:

Under the Transmission Ops and Planning (TOPS) Engineering Sourcing Program, RFPs were sent out to 22 vendors. Vendors were then ranked in 3 tiers based on their rates & quality of service. Power Engineers was ranked as tier one and awarded a master contract. A Work Authorization was issued against this master contract.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: Provide conceptual substation engineering and corridor study services in support of transmission facilities including:

- Preparation of preliminary substation design criteria and layout work
- Preparation of preliminary transmission line corridor layout work
- For each of the substations, prepare conceptual drawings/site plans

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (b)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00080678-00111

Major Task or Tasks Associated With:

Provide environmental, line corridor selection studies, and licensing services in support of Site Certification Application (SCA) development for transmission facilities to support the Levy Nuclear Plant. These are all planning activities and do not include actual design or construction activities.

Vendor Identity: Golder Associates Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One

Number of Bids Received: One

Brief Description of Selection Process:

Upon receipt of proposal, Supply Chain and company management representatives reviewed the proposal's technical scope, schedule, and cost. A single source justification memo was prepared and approved based on the vendor's involvement since inception of the project and their ability to meet the required schedule requirements, a contract requisition was developed by Transmission Ops and Planning Project Support. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition was approved by the appropriate level of Progress Energy Management. Once the contract requisition was approved, a formal Work Authorization was issued.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide environmental, line corridor selection studies, and licensing services in support of SCA and COLA development including:

Task 1 - Corridor Routing Study

Task 1a - Public Involvement

Task 2 - Preparation of applicable sections of the SCA

Task 3 - Certification Support and Hearings/Expert Testimony/Hearing Support/Agency Meetings/Outreach

Task 4 - Preparation of applicable sections of the NRC COLA

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00080678-00129

Major Task or Tasks Associated With:

Complete route selection studies to identify constructible and permissible transmission line routes within Owner's preferred corridors.

Vendor Identity: Golder Associates Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: Three

Number of Bids Received: Three

Brief Description of Selection Process:

A Request For Proposal (RFP) was completed and sent to vendors. After proposals were received, the Levy Baseload Transmission team conducted an evaluation of the proposals. This evaluation was formally documented. Once the vendor was selected, a Work Authorization was issued under an existing Master Contract with Golder Associates Inc.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

This scope of work includes engineering support of quantitative and qualitative route analysis, field work required to support routing from an engineering perspective, providing documentation, figures, drawings, and specifications for the chosen routes, supporting the contractor's final report, attending community open houses in affected counties, and providing expert staff to support legal testimony.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: 00409184-00001

Major Task or Tasks Associated With:

Provide engineering services to support the Levy Transmission Program

Vendor Identity: Patrick Energy Services Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: Six

Number of Bids Received: Three

Brief Description of Selection Process:

A Request For Proposal (RFP) was completed and sent to vendors. After proposals were received, the Levy Baseload Transmission team conducted an evaluation of the proposals. This evaluation was formally documented. Once the vendor was selected, a contract was awarded and the first Work Authorization was issued.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

- Provide engineering services to support the review, analysis and revisions as needed to all associated scopes, cost estimates, and schedules for Levy Program's individual projects (e.g. line, substation, protection and control). This work will also include the review, analysis or implementation of technical studies as requested to support the development of design criteria and specifications for the Levy Program.
- Provide assistance for Levy Program engineering quantitative and qualitative efforts to support external and internal Requests for Information (RFI) or Requests for Proposals (RFP) by providing documentation, figures, drawings, reports, etc.
- Attend community open houses, general Levy Program meetings and provide expert staff, as necessary, to support legal testimony within this scope of work.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Garry Miller/Gary Furman

Contract No.: PEF2008-10-128 & PEF2008-12-121

Major Task or Tasks Associated With:

Acquisition of one parcel of land for Citrus Substation

Vendor Identity: Roger L. Pavlik & Aare S. Pavlik

Vendor Affiliation (specify "direct" or "indirect"): Direct

Number of Vendors Solicited: One

Number of Bids Received: One

Brief Description of Selection Process:

This location is needed for the Citrus Substation based on the Corridor/Route Study.

Dollar Value: [REDACTED]

Contract Status: Complete

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Acquisition of one parcel of land for the Citrus Substation.

LEVY COUNTY NUCLEAR 1 and 2  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (b)(3)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Garry Miller/Gary Furman

Contract No.: PEF2008-10-36

Major Task or Tasks Associated With:

Acquisition of one parcel of land and a 220-foot wide transmission line easement for the Central Florida South Substation.

Vendor Identity:

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One

Number of Bids Received: One

Brief Description of Selection Process:

This location is needed for the Central Florida South Substation based on the Corridor/Route Study.

Dollar Value:

Contract Status: Executed

Term Begin:

Term End:

Nature and Scope of Work:

Acquisition of one parcel of land and a 220-foot wide transmission line easement for the Central Florida South Substation.



**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
 Schedule T-8B [Section (b)(c)]  
 True-up Filing: Contracts Executed

FLORIDA PUBLIC SERVICE COMMISSION      EXPLANATION: Provide a list of contracts executed in excess of \$200,000 including: vendor identity, product or service, term begin, term end and dollar value.      REDACTED

COMPANY: Progress Energy - FL      For the Year Ended: 12/31/2008

DOCKET NO.: 090009-EI      Witness: Garry Miller/Gary Furman

Line No.	(A) Vendor Identity	(B) Product or Service	(C) Term Begin	(D) Term End	[Note 1] (E) Dollar Value
1	Sargent & Lundy	Levy Owner's Engineer Support			
2	Shaw Stone & Webster	Levy Study/Action Plan			
3	Enercon Services (Note 2)	Staff Augmentation - Nuclear Plant Development			
4	Burns & Roe	Review & Validate the AP1000 Price/Cost			
5	TetraTech (Note 2)	Staff Augmentation COLA Development Support			
6	Skadden, Arps, Slate, Meagher & Flom, LLP	Legal Work - PEF Joint Ownership	Note 3	Note 3	
7	Hopping, Green & Sams	Legal Work-Levy Site Certification	Note 3	Note 3	
8	Hopping, Green & Sams	Legal Work - PEF Project Sunshine Land Acquisition	Note 3	Note 3	
9	Murray Eugene Bertine & Evelyn Bertine Bailey (PEF-2008-12-163)	Acquisition of Three Parcels of Land for Citrus Substation			
10	Russell E. Varney & Cynthia M. Varney (PEF2008-10-129 & PEF2008-12-122)	Acquisition of One Parcel of Land for Citrus Substation			
11	Energy Services (00253343-00001 Amendments 3, 4, & 5)	Provide Supervision & Labor for Line Design			
12	Power Advocate Inc. (00318787 Amendment 3)	Contract Strategy Development & Materials Market Assessment			
13	Holland & Knight	Legal Work - PEF Base-load Generation Transmission Line String - Project Sunshine	Note 3	Note 3	
14	Crawford, Owens & Hines	Legal Work - PEF Base-load Generation Transmission Line String - Project Sunshine	Note 3	Note 3	

Note 1: The dollar values in this schedule reflect estimate of final contract amount and are for those contracts which are in excess of \$200,000 yet less than \$1,000,000, which are reflected in Schedules T-8 and T-8A.

Note 2: Contract is for services that benefit both Levy and Harris. Dollar Value shown is the PEF portion (50%) of the Contract Value. Allocation of expenses between sites is based on actual work performed.

Note 3: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of PEF and its legal services providers and, therefore, are not amenable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Final True-up Amount for the Period**

**Schedule T-9**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:

Progress Energy - FL

For the Year Ended:

12/31/2008

DOCKET NO.:

090009-EI

Witness:

Will Garrett

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	True-Up Provision	0	0	0	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Jurisdictional NFR Costs (Schedule T-1, Line 6)	4,545,573	3,917,142	3,017,644	55,786,547	51,683,397	12,012,405	130,962,708
5	Over/(Under) Recovery true-up provision (Line 3 - Line 4)	(4,545,573)	(3,917,142)	(3,017,644)	(55,786,547)	(51,683,397)	(12,012,405)	(130,962,708)
6	Interest Provision	0	0	0	0	0	0	0
7	Beginning Balance True-up & Interest Provision	0	0	0	0	0	0	0
a	Deferred True-up	0	0	0	0	0	0	0
8	True-Up Collected (Refunded) (See Line 2)	0	0	0	0	0	0	0
9	End of Period True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Final True-up Amount for the Period**

**Schedule T-9**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:

Progress Energy - FL

For the Year Ended:

12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	True-Up Provision	0	0	0	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Jurisdictional NFR Costs (Schedule T-1, Line 6)	6,251,894	3,890,201	4,735,512	5,549,607	4,620,903	5,169,592	161,180,416
5	Over/(Under) Recovery true-up provision (Line 3 - Line 4)	(6,251,894)	(3,890,201)	(4,735,512)	(5,549,607)	(4,620,903)	(5,169,592)	(161,180,416)
6	Interest Provision	0	0	0	0	0	0	0
7	Beginning Balance True-up & Interest Provision	0	0	0	0	0	0	0
a	Deferred True-up	0	0	0	0	0	0	0
8	True-Up Collected (Refunded) (See Line 2)	0	0	0	0	0	0	0
9	End of Period True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Net Interest for Final True-up Amount for the Period**

[Section (5)(c)4.]

**Schedule T-10**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the interest on over/under recovery true-up provision balance.

COMPANY:

**Progress Energy - FL**

For the Year Ended:

**12/31/2008**

DOCKET NO.:

**090009-EI**

Witness: **Will Garrett**

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1	Beginning Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Ending Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Average Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Beginning of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5	Ending of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Average Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7	Average Monthly Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Monthly Interest Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**LEVY COUNTY NUCLEAR 1 and 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Net Interest for Final True-up Amount for the Period**

[Section (5)(c)4.]

**Schedule T-10**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the interest on over/under recovery true-up provision balance.

COMPANY:

**Progress Energy - FL**

For the Year Ended:

**12/31/2008**

DOCKET NO.:

**090009-EI**

Witness: **Will Garrett**

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
1	Beginning Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Ending Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Average Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Beginning of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5	Ending of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Average Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7	Average Monthly Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Monthly Interest Amount	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

PROGRESS ENERGY FLORIDA

Docket No. 090009

January 2008 through December 2008

APPENDIX A

Calculation of Monthly Interest Rate

<u>Line</u>	<u>Description</u>	Actual January 08	Actual February 08	Actual March 08	Actual April 08	Actual May 08	Actual June 08	Actual July 08	Actual August 08	Actual September 08	Actual October 08	Actual November 08	Actual December 08
1	Interest Rate (First Day of Reporting Business Month)	4.98%	3.08%	3.09%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	4.95%	2.95%	1.49%
2	Interest Rate (First Day of Subsequent Business Month)	3.08%	3.09%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	4.95%	2.95%	1.49%	0.54%
3	Total of Beginning & Ending Interest Rates (Lines 1 + 2)	8.06%	6.17%	5.72%	5.47%	5.27%	4.88%	4.89%	4.89%	7.40%	7.90%	4.44%	2.03%
4	Average Interest Rate (Line 3 x 1/2)	4.030%	3.085%	2.860%	2.735%	2.635%	2.440%	2.445%	2.445%	3.700%	3.950%	2.220%	1.015%
5	Monthly Average Interest Rate (Line 4 x 1/12) [Note 1]	<u>0.336%</u>	<u>0.257%</u>	<u>0.238%</u>	<u>0.228%</u>	<u>0.220%</u>	<u>0.203%</u>	<u>0.204%</u>	<u>0.204%</u>	<u>0.308%</u>	<u>0.329%</u>	<u>0.185%</u>	<u>0.085%</u>

Note 1: Supports Schedule T-4, Line 37.

**PROGRESS ENERGY FLORIDA**

Docket No. 090009  
APPENDIX B

**Year End 2006 through Year End 2008  
Levy County Nuclear 1 and 2  
Revenue Requirements  
(in Dollars)**

<u>Line</u>	<u>Description</u>	<u>Actual 2006</u>	<u>Actual 2007</u>	<u>Actual 2008</u>	<u>End of Period Total</u>
1	Site Selection Revenue Req. (1)	\$3,491,739	\$14,036,210	\$19,678,665	\$37,206,614
2	Preconstruction Revenue Req. (2)	0	0	130,328,045	130,328,045
3	Construction Carrying Cost Rev Req. (3)	0	1,713,284	7,480,395	9,193,679
4	Recoverable O&M Revenue Req.	0	547,473	3,784,810	4,332,283
5	DTA (4)	0	(8,011)	(91,499)	(99,510)
6	Other Adjustments	0	0	0	0
7	Total Period Revenue Req.	<u>\$3,491,739</u>	<u>\$16,288,956</u>	<u>\$161,180,416</u>	<u>\$180,961,111</u>

(1) Site Selection costs include all preconstruction costs that were incurred up to the date of the Need filing.

(2) Includes COL costs and payments for long lead time equipment

(3) This amount represents the carrying costs on construction expenditures (land costs are included as construction expenditures)

(4) This amount represents the return on the deferred tax asset.

PROGRESS ENERGY FLORIDA

Docket No. 090009  
APPENDIX C

Year End 2006 through Year End 2008  
Levy Nuclear Unit 1 and 2  
Capital Spend (Accrual Basis)  
(in Dollars)

Line	Description	Actual 2006	Actual 2007	Actual 2008	End of Period Total
1	<b>Site Selection:</b>				
2	<b>Generation:</b>				
3	License Application	\$2,849,210	\$20,536,898	\$8,417,338	\$31,803,446
4	Engineering, Design, & Procurement	0	0	0	0
5	Permitting	0	0	0	0
6	Clearing, Grading and Excavation	0	0	0	0
7	On-Site Construction Facilities	0	0	0	0
8	<b>Total Generation Site Selection</b>	<b>\$2,849,210</b>	<b>\$20,536,898</b>	<b>\$8,417,338</b>	<b>\$31,803,446</b>
9	<b>Transmission:</b>				
10	Line Engineering	0	1,511,538	666,950	2,178,488
11	Substation Engineering	0	171,433	21,860	193,293
12	Clearing	0	0	0	0
13	Other	0	866,016	482,023	1,348,039
14	<b>Total Transmission Site Selection</b>	<b>\$0</b>	<b>\$2,548,987</b>	<b>\$1,170,833</b>	<b>\$3,719,820</b>
15	<b>Pre-Construction:</b>				
16	<b>Generation:</b>				
17	License Application	0	0	24,951,134	24,951,134
18	Engineering, Design, & Procurement	0	0	110,684,010	110,684,010
19	Permitting	0	0	0	0
20	Clearing, Grading and Excavation	0	0	0	0
21	On-Site Construction Facilities	0	0	0	0
22	<b>Total Generation Pre-Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$136,036,682</b>	<b>\$136,036,682</b>
23	<b>Transmission:</b>				
24	Line Engineering	0	0	2,935,350	2,935,350
25	Substation Engineering	0	0	1,157,997	1,157,997
26	Clearing	0	0	0	0
27	Other	0	0	2,703,891	2,703,891
28	<b>Total Transmission Pre-Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,797,238</b>	<b>\$6,797,238</b>
29	<b>Construction:</b>				
30	<b>Generation:</b>				
31	Real Estate Acquisitions	0	52,530,259	(115,764)	52,414,495
32	Project Management	0	0	0	0
33	Permanent Staff/Training	0	0	0	0
34	Site Preparation	0	0	0	0
35	On-Site Construction Facilities	0	0	16,981	16,981
36	Power Block Engineering, Procurement, etc.	0	0	0	0
37	Non-Power Block Engineering, Procurement, etc.	0	0	0	0
38	<b>Total Generation Construction</b>	<b>\$0</b>	<b>\$52,530,259</b>	<b>(\$98,783)</b>	<b>\$52,431,476</b>
39	<b>Transmission:</b>				
40	Line Engineering	0	0	0	0
41	Substation Engineering	0	0	0	0
42	Real Estate Acquisition	0	8,941,425	2,994,450	11,935,875
43	Line Construction	0	0	0	0
44	Substation Construction	0	0	0	0
45	Other	0	0	(10,780)	(10,780)
46	<b>Total Transmission Construction</b>	<b>\$0</b>	<b>\$8,941,425</b>	<b>\$2,983,670</b>	<b>\$11,925,095</b>
47	<b>Total Capital Spend Generation and Transmission</b>	<b>\$2,849,210</b>	<b>\$84,557,569</b>	<b>\$155,306,978</b>	<b>\$242,713,757</b>



**SCHEDULE APPENDIX**

**REDACTED**

**EXHIBIT (WG-2)**

**PROGRESS ENERGY FLORIDA, INC.  
CRYSTAL RIVER UNIT 3 UPRATE  
COMMISSION SCHEDULES (T-1 Through T-10)**

**JANUARY 2008 - DECEMBER 2008**

**FINAL TRUE-UP**

**DOCKET NO. 090009-EI**

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**CRYSTAL RIVER UNIT 3 UPRATE  
Retail Revenue Requirements Summary  
True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.a.]

**Schedule T-1**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures for such prior year.

For the Year Ended: **12/31/2008**

COMPANY:  
**Progress Energy - FL**  
DOCKET NO.:  
**090009-EI**

Witness: **Will Garrett**

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
<b>Jurisdictional Dollars</b>							
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	322,723	323,906	351,085	365,286	402,300	455,063	2,220,363
3	9,952	16,778	16,661	(39,053)	19,979	15,284	39,601
4	1,262	1,791	2,380	3,006	3,670	4,391	16,500
5	54,816	109,551	109,470	109,389	109,308	109,227	601,761
6	<u>\$388,753</u>	<u>\$452,025</u>	<u>\$479,596</u>	<u>\$438,628</u>	<u>\$535,258</u>	<u>\$583,965</u>	<u>\$2,878,224</u>
7	\$387,412	\$449,355	\$476,960	\$505,800	\$541,802	\$564,574	\$2,925,903
8	<u>\$1,341</u>	<u>\$2,670</u>	<u>\$2,636</u>	<u>(\$67,172)</u>	<u>(\$6,544)</u>	<u>\$19,391</u>	<u>(\$47,679)</u>

Note 1: The amount in this row represents the revenue requirements associated with the MUR as presented in Appendix D.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Retail Revenue Requirements Summary**  
**True-up Filing: Retail Revenue Requirements Summary**

[Section (5)(c)1.a.]

Schedule T-1

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the prior year and the previously filed expenditures for such prior year.

For the Year Ended: **12/31/2008**

COMPANY:  
**Progress Energy - FL**  
DOCKET NO.:  
**090009-EI**

Witness: **Will Garrett**

Line No.		(H)	(I)	(J)	(K)	(L)	(M)	(N)
		Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
<b>Jurisdictional Dollars</b>								
1	Site Selection/Preconstruction Revenue Requirements (Schedule T-2, line 7)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 7)	515,422	575,063	627,256	677,114	712,194	744,855	6,072,267
3	Recoverable O&M Revenue Requirements (Schedule T-4, line 39)	8,713	29,750	17,193	25,315	22,603	23,414	166,588
4	Deferred Tax Asset Carrying Cost (Schedule T-3A, line 8)	5,192	6,062	6,977	7,920	8,929	10,075	61,655
5	Other Adjustments (Note 1)	109,147	109,066	108,985	108,904	108,823	108,742	1,255,428
6	Total Period Revenue Requirements (Lines 1 through 5)	<u>\$638,473</u>	<u>\$719,941</u>	<u>\$760,412</u>	<u>\$819,253</u>	<u>\$852,548</u>	<u>\$887,086</u>	<u>\$7,555,936</u>
7	Total Return Requirements from most recent Projections	<u>\$600,046</u>	<u>\$665,444</u>	<u>\$742,302</u>	<u>\$810,435</u>	<u>\$852,674</u>	<u>\$916,130</u>	<u>\$7,512,934</u>
8	Difference (Line 6 - Line 7)	<u>\$38,427</u>	<u>\$54,497</u>	<u>\$18,110</u>	<u>\$8,818</u>	<u>(\$126)</u>	<u>(\$29,044)</u>	<u>\$43,004</u>

Note 1: The amount in this row represents the revenue requirements associated with the MUR as presented in Appendix D.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Site Selection/Preconstruction Costs**

[Section (5)(c)1.a.]

**Schedule T-2**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of site selection/preconstruction costs based on actual site selection/preconstruction expenditures for the prior year and previously filed expenditures for such prior year.

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

For the Year Ended: **12/31/2008**

Witness: **Will Garrett**

Line No.	Beginning of Period	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
<b>Jurisdictional Dollars</b>								
1	Current Period Site Selection/Preconstruction Expenses (Schedule T-6, line 34)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Prior Period Unrecovered Site Selection/Preconstruction Balance	\$0	0	0	0	0	0	
3	Site Selection/Preconstruction Expenses Recovered		0	0	0	0	0	0
4	Site Selection/Preconstruction Expenses Eligible for Return		0	0	0	0	0	
5	Return on Average Net Unamortized CWIP Eligible for Return (c)							
a.	Equity Component (a)		0	0	0	0	0	0
b.	Equity Component grossed up for taxes (b)		0	0	0	0	0	0
c.	Debt Component		0	0	0	0	0	0
6	Total Return Requirements (Line 5b + 5c)		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
7	Total Costs to be Recovered		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
8	CWIP Additions & Amortization from prior year Actual/Estimated		\$0	\$0	\$0	\$0	\$0	\$0
9	Under / (Over) Recovery (Line 7 - Line 8)		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Site Selection/Preconstruction Costs**

[Section (5)(c)1.a.]

**Schedule T-2**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of site selection/preconstruction costs based on actual site selection/preconstruction expenditures for the prior year and previously filed expenditures for such prior year.

COMPANY:

**Progress Energy - FL**

For the Year Ended:

**12/31/2008**

DOCKET NO.:

**090009-EI**

Witness:

**Will Garrett**

Line No.		(I)	(J)	(K)	(L)	(M)	(N)	(O)
		Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
<b>Jurisdictional Dollars</b>								
1	Current Period Site Selection/Preconstruction Expenses (Schedule T-6, line 34)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Prior Period Unrecovered Site Selection/Preconstruction Balance	0	0	0	0	0	0	
3	Site Selection/Preconstruction Expenses Recovered	0	0	0	0	0	0	0
4	Average Balance Site Selection/Preconstruction Expenses Eligible for Return	0	0	0	0	0	0	
5	Return on Average Net Unamortized CWIP Eligible for Return (c)							
a.	Equity Component (a)	0	0	0	0	0	0	0
b.	Equity Component grossed up for taxes (b)	0	0	0	0	0	0	0
c.	Debt Component	0	0	0	0	0	0	0
6	Total Return Requirements (Line 5b + 5c)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
7	Total Costs to be Recovered	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
8	CWIP Additions & Amortization from prior year Actual/Estimated	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Under / (Over) Recovery (Line 7 - Line 8)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Costs**

[Section (5)(c)1.a.]

**Schedule T-3**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs on construction expenditures for the prior year and previously filed carrying costs on construction expenditures for such prior year.

COMPANY:

Progress Energy - FL

For the Year Ended: 12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) Total To Date	
<b>Jurisdictional Dollars</b>									
1.	Nuclear CWIP Additions (Schedule T-6, line 73)	\$32,096,703	\$3,777,071	\$3,885,022	\$844,912	\$1,381,461	\$5,162,192	\$4,325,110	\$51,472,471
2.	Transfers to Plant in Service (Appendix D, Line 5)		7,872,244	0	0	0	0	0	7,872,244
3.	Other Adjustments (d)	445,772	178,121	217,472	218,269	236,584	246,154	271,096	1,813,466
4.	CWIP Base Eligible for Return (Prior Mo Balance + Line 1 - 2 + 3)		<u>\$28,625,423</u>	<u>\$32,727,917</u>	<u>\$33,791,097</u>	<u>\$35,409,142</u>	<u>\$40,817,487</u>	<u>\$45,413,693</u>	<u>\$45,413,693</u>
5.	Average Net CWIP Additions		\$30,673,010	\$30,785,406	\$33,368,641	\$34,718,411	\$38,236,391	\$43,251,138	
6.	Return on Average Net CWIP Additions (c)								
a.	Equity Component (a)		\$167,597	\$168,211	\$182,326	\$189,701	\$208,924	\$236,324	\$1,153,084
b.	Equity Component grossed up for taxes (b)		272,849	273,849	296,827	308,834	340,128	384,736	1,877,223
c.	Debt Component		49,874	50,057	54,257	56,452	62,172	70,326	343,140
7.	Total Return Requirements (Line 6b + 6c)		<u>\$322,723</u>	<u>\$323,906</u>	<u>\$351,085</u>	<u>\$365,286</u>	<u>\$402,300</u>	<u>\$455,063</u>	<u>\$2,220,363</u>
8.	Total Return Requirements from most recent Projections		\$324,575	\$327,622	\$354,827	\$376,891	\$406,300	\$435,092	\$2,225,307
9.	Difference (Line 7 - Line 8)		<u>(\$1,852)</u>	<u>(\$3,716)</u>	<u>(\$3,742)</u>	<u>(\$11,605)</u>	<u>(\$4,000)</u>	<u>\$19,971</u>	<u>(\$4,944)</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Amount includes the debt and equity component on a one month lag that needs to be included in PEF's monthly CWIP balance to calculate the return requirements.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Costs**

[Section (5)(c)1.a.]

Schedule T-3

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs on construction expenditures for the prior year and previously filed carrying costs on construction expenditures for such prior year.

COMPANY:

**Progress Energy - FL**

For the Year Ended: 12/31/2008

DOCKET NO.:

**090009-EI**

Witness: **Will Garrett**

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) Total To Date
<b>Jurisdictional Dollars</b>								
1.	Nuclear CWIP Additions (Schedule T-6, line 73)	\$6,535,251	\$4,107,246	\$5,039,040	\$3,592,903	\$2,162,805	\$3,085,875	\$75,995,591
2.	Transfers to Plant in Service (Appendix D, Line 5)	0	0	0	0	0	0	7,872,244
3.	Other Adjustments (d)	306,651	347,325	387,515	422,686	456,283	479,922	4,213,848
4.	CWIP Base Eligible for Return (Prior Mo Balance + Line 1 - 2 + 3)	<u>\$52,255,595</u>	<u>\$56,710,166</u>	<u>\$62,136,721</u>	<u>\$66,152,309</u>	<u>\$68,771,398</u>	<u>\$72,337,195</u>	<u>\$72,337,195</u>
5.	Average Net CWIP Additions	\$48,987,969	\$54,656,543	\$59,617,201	\$64,355,858	\$67,689,995	\$70,794,257	
6.	Return on Average Net CWIP Additions (c)							
a.	Equity Component (a)	\$267,670	\$298,643	\$325,748	\$351,640	\$369,858	\$386,820	\$3,153,465
b.	Equity Component grossed up for taxes (b)	435,768	486,192	530,319	572,471	602,130	629,743	5,133,846
c.	Debt Component	79,654	88,872	96,938	104,643	110,064	115,111	938,421
7.	Total Return Requirements (Line 6b + 6c)	<u>\$515,422</u>	<u>\$575,063</u>	<u>\$627,256</u>	<u>\$677,114</u>	<u>\$712,194</u>	<u>\$744,855</u>	<u>\$6,072,267</u>
8.	Total Return Requirements from most recent Projections	\$470,318	\$534,596	\$609,459	\$670,214	\$717,416	\$778,851	\$6,006,161
9.	Difference (Line 7 - Line 8)	<u>\$45,104</u>	<u>\$40,467</u>	<u>\$17,797</u>	<u>\$6,900</u>	<u>(\$5,222)</u>	<u>(\$33,996)</u>	<u>\$66,106</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Amount includes the debt and equity component on a one month lag that needs to be included in PEF's monthly CWIP balance to calculate the return requirements.



**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Deferred Tax Carrying Costs**

[Section (5)(c)1.a.]

Schedule T-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs for the prior year.

For the Year Ended: 12/31/2008

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
<b>Jurisdictional Dollars</b>								
1	Construction Period Interest (Schedule T-3B, Line 8)	\$169,304	\$191,088	\$203,445	\$215,720	\$230,196	\$257,510	\$1,267,264
2	Recovered Costs Excluding AFUDC (Schedule T-2, Line 3)	0	0	0	0	0	0	0
3	Other Adjustments (d)	(49,874)	(50,057)	(54,257)	(56,452)	(62,172)	(70,326)	(343,140)
4	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	<u>\$251,314</u>	<u>\$370,744</u>	<u>\$511,775</u>	<u>\$660,963</u>	<u>\$820,231</u>	<u>\$988,255</u>	<u>\$1,175,438</u>
5	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575% <u>\$96,944</u>	<u>\$143,014</u>	<u>\$197,417</u>	<u>\$254,966</u>	<u>\$316,404</u>	<u>\$381,219</u>	<u>\$453,425</u> n/a
6	Average Accumulated DTA	\$119,979	\$170,216	\$226,192	\$285,685	\$348,812	\$417,322	
7	Carrying Costs on DTA (c)							
a.	Equity Component (a)	\$656	\$930	\$1,236	\$1,561	\$1,906	\$2,280	\$8,569
b.	Equity Component grossed up for taxes (b)	1,067	1,514	2,012	2,541	3,103	3,712	13,950
c.	Debt Component	195	277	368	465	567	679	2,550
8	Total Return Requirements (Line 7b + 7c)	<u>\$1,262</u>	<u>\$1,791</u>	<u>\$2,380</u>	<u>\$3,006</u>	<u>\$3,670</u>	<u>\$4,391</u>	<u>\$16,500</u>
9	Total Return Requirements from most recent Projections	\$1,264	\$1,798	\$2,395	\$3,025	\$3,692	\$4,427	\$16,601
10	Difference (Line 8 - Line 9)	<u>(\$2)</u>	<u>(\$7)</u>	<u>(\$15)</u>	<u>(\$19)</u>	<u>(\$22)</u>	<u>(\$36)</u>	<u>(\$101)</u>

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assets, prior to accelerated cost recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Deferred Tax Carrying Costs**

[Section (5)(c)1.a.]

**Schedule T-3A**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual deferred tax Carrying Costs for the prior year.

COMPANY:

Progress Energy - FL

For the Year Ended: 12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total		
<b>Jurisdictional Dollars</b>										
1	Construction Period Interest (Schedule T-3B, Line 8)		\$287,131	\$310,276	\$326,487	\$339,899	\$371,632	\$418,637	\$3,321,325	
2	Recovered Costs Excluding AFUDC (Schedule T-2, Line 1)		0	0	0	0	0	0	0	
3	Other Adjustments (d)		(79,654)	(88,872)	(96,938)	(104,643)	(110,064)	(115,111)	(938,421)	
4	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)		<u>\$1,175,438</u>	<u>\$1,382,914</u>	<u>\$1,604,319</u>	<u>\$1,833,868</u>	<u>\$2,069,124</u>	<u>\$2,330,692</u>	<u>\$2,634,218</u>	
5	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	<u>\$453,425</u>	<u>\$533,459</u>	<u>\$618,886</u>	<u>\$707,415</u>	<u>\$798,165</u>	<u>\$899,064</u>	<u>\$1,016,150</u>	n/a
6	Average Accumulated DTA		\$493,442	\$576,163	\$663,140	\$752,790	\$848,615	\$957,607		
7	Carrying Costs on DTA (c)									
a.	Equity Component (a)		\$2,696	\$3,148	\$3,623	\$4,113	\$4,637	\$5,232	\$32,019	
b.	Equity Component grossed up for taxes (b)		4,389	5,125	5,899	6,696	7,549	8,518	52,127	
c.	Debt Component		802	937	1,078	1,224	1,380	1,557	9,528	
8	Total Return Requirements (Line 7b + 7c)		<u>\$5,192</u>	<u>\$6,062</u>	<u>\$6,977</u>	<u>\$7,920</u>	<u>\$8,929</u>	<u>\$10,075</u>	<u>\$61,655</u>	
9	Total Return Requirements from most recent Projections		\$5,267	\$6,195	\$7,172	\$8,197	\$9,321	\$10,565	\$63,318	
10	Difference (Line 8 - Line 9)		<u>(\$75)</u>	<u>(\$133)</u>	<u>(\$195)</u>	<u>(\$277)</u>	<u>(\$392)</u>	<u>(\$490)</u>	<u>(\$1,663)</u>	

Notes:

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assets, prior to accelerated cost recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Period Interest**

[Section (5)(c)1.a.]

Schedule T-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual Construction Period Interest for the prior year.

For the Year Ended: 12/31/2008

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
<b>Jurisdictional Dollars</b>								
1.	Beginning Balance	\$ 35,719,834	\$ 37,877,835	\$ 40,765,839	\$ 42,963,418	\$ 45,817,455	\$ 48,921,298	
2.	Additions Site Selection/Preconstruction	0	0	0	0	0	0	\$0
3.	Additions Construction (Schedule T-6, (Line 45 + 48 + 49) X Line 52)	2,158,001	2,888,004	2,197,579	2,854,038	3,103,843	8,137,256	21,338,720
4.	Other Adjustments	0	0	0	0	0	0	
5.	Ending Balance Excluding CPI	<u>\$ 35,719,834</u>	<u>\$ 37,877,835</u>	<u>\$ 40,765,839</u>	<u>\$ 42,963,418</u>	<u>\$ 45,817,455</u>	<u>\$ 48,921,298</u>	<u>\$ 57,058,554</u>
6.	Average Balance Eligible for CPI	<u>\$ 36,798,834</u>	<u>\$ 39,321,837</u>	<u>\$ 41,864,628</u>	<u>\$ 44,390,436</u>	<u>\$ 47,369,377</u>	<u>\$ 52,989,926</u>	
7.	Monthly CPI Rate (a)	0.0046008	0.0048596	0.0048596	0.0048596	0.0048596	0.0048596	
8.	Construction Period Interest for Tax (CPI)	<u>\$ 169,304</u>	<u>\$ 191,088</u>	<u>\$ 203,445</u>	<u>\$ 215,720</u>	<u>\$ 230,196</u>	<u>\$ 257,510</u>	<u>\$ 1,267,264</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Construction Period Interest**

[Section (5)(c)1. a.]

Schedule T-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the calculation of the Actual Construction Period Interest for the prior year.

For the Year Ended: 12/31/2008

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
<b>Jurisdictional Dollars</b>								
1.	Beginning Balance	\$ 57,058,554	\$ 61,112,050	\$ 66,583,982	\$ 67,783,912	\$ 72,103,563	\$ 80,843,832	
2.	Additions Site Selection/Preconstruction	0	0	0	0	0	0	-
3.	Additions Construction (Schedule T-6, (Line 45 + 48 + 49) X Line 52)	4,053,496	5,471,932	1,199,931	4,319,651	8,740,269	10,605,296	55,729,293
4.	Other Adjustments	0	0	0	0	0	0	
5.	Ending Balance Excluding CPI	<u>\$ 57,058,554</u>	<u>\$ 61,112,050</u>	<u>\$ 66,583,982</u>	<u>\$ 67,783,912</u>	<u>\$ 72,103,563</u>	<u>\$ 80,843,832</u>	<u>\$ 91,449,127</u>
6.	Average Balance Eligible for CPI	<u>\$ 59,085,302</u>	<u>\$ 63,848,016</u>	<u>\$ 67,183,947</u>	<u>\$ 69,943,738</u>	<u>\$ 76,473,697</u>	<u>\$ 86,146,480</u>	
7.	Monthly CPI Rate (a)	0.0048596	0.0048596	0.0048596	0.0048596	0.0048596	0.0048596	
8.	Construction Period Interest for Tax (CPI)	<u>\$ 287,131</u>	<u>\$ 310,276</u>	<u>\$ 326,487</u>	<u>\$ 339,899</u>	<u>\$ 371,632</u>	<u>\$ 418,637</u>	<u>\$ 3,321,325</u>

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Recoverable O&M Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(e)]

Schedule T-4

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the CCRC Recoverable O&M actual monthly expenditures by function for the prior year.

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended: 12/31/2008

Witness: Will Garrett

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1	Accounting	\$300	\$1,835	\$2,040	(\$4,174)	\$2,257	\$4,234	\$1,687	\$1,532	\$1,253	\$4,746	\$3,862	\$4,074	\$23,646
2	Corporate Communications	0	0	0	0	0	0	0	53	0	0	0	0	53
3	Corporate Planning	3,262	6,105	7,042	(14,570)	12,133	9,152	4,197	2,207	1,303	7,126	6,360	4,133	48,450
4	Corporate Services	0	0	0	0	0	0	0	0	0	0	0	0	0
5	External Relations	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Human Resources	0	0	0	0	0	0	0	0	0	0	0	0	0
7	IT & Telecom	3,333	3,333	3,333	(10,000)	0	0	0	0	0	0	0	0	(1)
8	Legal	0	0	0	0	0	0	0	22,099	16,546	15,111	12,485	13,620	79,870
9	Project Assurance	3,843	6,978	5,689	(12,979)	9,320	4,703	4,364	9,316	1,018	2,685	3,857	5,845	44,718
10	Public Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Joint Owner Credit	0	0	0	(939)	(1,949)	(1,487)	(842)	(2,894)	(1,654)	(2,438)	(2,184)	(2,274)	(16,661)
12	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
13	<b>Subtotal A&amp;G</b>	<b>\$10,838</b>	<b>\$18,251</b>	<b>\$18,084</b>	<b>(\$42,662)</b>	<b>\$21,761</b>	<b>\$16,802</b>	<b>\$9,407</b>	<b>\$32,313</b>	<b>\$18,465</b>	<b>\$27,229</b>	<b>\$24,391</b>	<b>\$25,398</b>	<b>\$180,076</b>
14	Energy Delivery Florida	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
17	<b>Subtotal Energy Delivery Florida</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
18	Nuclear Generation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
21	<b>Subtotal Nuclear Generation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
22	Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
25	<b>Subtotal Transmission</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
26	<b>Total O&amp;M Costs</b>	<b>\$10,838</b>	<b>\$18,251</b>	<b>\$18,084</b>	<b>(\$42,662)</b>	<b>\$21,761</b>	<b>\$16,802</b>	<b>\$9,407</b>	<b>\$32,313</b>	<b>\$18,465</b>	<b>\$27,229</b>	<b>\$24,391</b>	<b>\$25,398</b>	<b>\$180,076</b>
27	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	
28	Jurisdictional Factor (Distribution)	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	
29	Jurisdictional Factor (Nuclear - Production - Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	
30	Jurisdictional Factor (Transmission)	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	
31	Jurisdictional Recoverable Costs (A&G) (Line 13 X Line 27)	\$9,935	\$16,731	\$16,578	(\$39,108)	\$19,948	\$15,219	\$8,623	\$29,821	\$16,927	\$24,960	\$22,359	\$23,282	\$185,076
32	Jurisdictional Recoverable Costs (Distribution) (Line 17 X Line 28)	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 21 X Line 29)	0	0	0	0	0	0	0	0	0	0	0	0	0
34	Jurisdictional Recoverable Costs (Transmission) (Line 25 X Line 30)	0	0	0	0	0	0	0	0	0	0	0	0	0
35	<b>Total Jurisdictional CCRC Recoverable O&amp;M Costs</b>	<b>\$9,935</b>	<b>\$16,731</b>	<b>\$16,578</b>	<b>(\$39,108)</b>	<b>\$19,948</b>	<b>\$15,219</b>	<b>\$8,623</b>	<b>\$29,821</b>	<b>\$16,927</b>	<b>\$24,960</b>	<b>\$22,359</b>	<b>\$23,282</b>	<b>\$185,076</b>
36	Average Monthly Recoverable O&M Balance	\$4,968	\$18,317	\$35,018	\$23,837	\$14,311	\$31,926	\$43,912	\$63,124	\$86,527	\$107,737	\$131,751	\$154,816	
37	Monthly Short-term Commercial Paper Rate (Appendix A, Line 5)	0.336%	0.257%	0.238%	0.228%	0.220%	0.203%	0.204%	0.204%	0.308%	0.329%	0.185%	0.085%	
38	Interest Provision	\$17	\$47	\$83	\$54	\$31	\$65	\$90	\$129	\$267	\$354	\$244	\$132	\$1,512
39	<b>Total Monthly Recoverable O&amp;M Costs</b>	<b>\$9,952</b>	<b>\$16,778</b>	<b>\$16,661</b>	<b>(\$39,053)</b>	<b>\$19,979</b>	<b>\$15,284</b>	<b>\$8,713</b>	<b>\$29,750</b>	<b>\$17,193</b>	<b>\$25,315</b>	<b>\$22,603</b>	<b>\$23,414</b>	<b>\$166,588</b>
40	Total Jurisdictional O&M Costs From Most Recent Projection	\$9,953	\$16,777	\$16,662	\$22,891	\$28,899	\$22,227	\$21,716	\$21,990	\$23,091	\$29,526	\$23,521	\$24,380	\$261,633
41	Difference (Line 39 - 40)	(\$1)	\$1	(\$1)	(\$61,944)	(\$8,920)	(\$6,943)	(\$13,003)	\$7,760	(\$5,898)	(\$4,211)	(\$918)	(\$866)	(\$95,045)

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Other Recoverable O&M Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(e)]

Schedule T-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the Other Recoverable O&M actual monthly expenditures by function for the prior year.

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

For the Year Ended: **12/31/2008**

Witness: **Will Garrett**

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1	Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Corporate Communications	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Corporate Planning	0	0	0	0	385	988	141	245	570	0	0	88	2,417
4	Corporate Services	0	0	0	0	0	0	0	0	0	0	0	0	0
5	External Relations	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Human Resources	0	0	0	0	0	0	0	0	0	0	0	0	0
7	IT & Telecom	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Legal	0	0	0	0	0	0	0	0	3,284	213	168	0	3,641
9	Project Assurance	0	0	0	2,641	0	0	0	0	0	0	0	0	2,641
10	Public Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
13	<b>Subtotal A&amp;G</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,641</b>	<b>\$385</b>	<b>\$988</b>	<b>\$141</b>	<b>\$245</b>	<b>\$3,834</b>	<b>\$213</b>	<b>\$168</b>	<b>\$88</b>	<b>\$8,704</b>
14	Energy Delivery Florida	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
17	<b>Subtotal Energy Delivery Florida</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
18	Nuclear Generation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
21	<b>Subtotal Nuclear Generation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
22	Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Other	0	0	0	0	0	0	0	0	0	0	0	0	0
25	<b>Subtotal Transmission</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
26	<b>Total O&amp;M Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,641</b>	<b>\$385</b>	<b>\$988</b>	<b>\$141</b>	<b>\$245</b>	<b>\$3,834</b>	<b>\$213</b>	<b>\$168</b>	<b>\$88</b>	<b>\$8,704</b>
27	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	
28	Jurisdictional Factor (Distribution)	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	
29	Jurisdictional Factor (Nuclear - Production - Base)	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	
30	Jurisdictional Factor (Transmission)	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	
31	Jurisdictional Recoverable Costs (A&G) (Line 13 X Line 27)	\$0	\$0	\$0	\$2,421	\$353	\$906	\$130	\$224	\$3,515	\$195	\$154	\$81	\$7,979
32	Jurisdictional Recoverable Costs (Distribution) (Line 17 X Line 28)	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Jurisdictional Recoverable Costs (Nuclear - Production - Base) (Line 21 X Line 29)	0	0	0	0	0	0	0	0	0	0	0	0	0
34	Jurisdictional Recoverable Costs (Transmission) (Line 25 X Line 30)	0	0	0	0	0	0	0	0	0	0	0	0	0
35	<b>Total Jurisdictional Recoverable O&amp;M Costs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,421</b>	<b>\$353</b>	<b>\$906</b>	<b>\$130</b>	<b>\$224</b>	<b>\$3,515</b>	<b>\$195</b>	<b>\$154</b>	<b>\$81</b>	<b>\$7,979</b>
36	<b>Total Jurisdictional O&amp;M Costs From Most Recent Projection</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
37	Difference (Line 35 - 36)	\$0	\$0	\$0	\$2,421	\$353	\$906	\$130	\$224	\$3,515	\$195	\$154	\$81	\$7,979

Note 1: This schedule is for informational purposes only and the data is excluded from the revenue requirements calculation.

Note 2: Progress Energy incurred O&M costs in base rates during 2007; however, financial procedures to capture these costs were put into place effective January 2008.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(d)]

Schedule T-6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the actual monthly expenditures by major tasks performed within Site Selection, Preconstruction and Construction categories for the prior year.

For the Year Ended: 12/31/2008

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 090009-EI

Witness: Will Garrett/Steve Huntington

Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
<b>1 Site Selection/Pre-Construction:</b>													
<b>2 Generation:</b>													
3 License Application	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 Engineering & Des Pwr Bk Engr & Procure	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Permitting	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Clearing, Grading and Excavation	0	0	0	0	0	0	0	0	0	0	0	0	0
7 On-Site Construction Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Total Generation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>9 Adjustments:</b>													
10 Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 Joint Owner Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
12 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Net Generation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 Jurisdictional Factor	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
17 Total Jurisdictional Generation Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>18 Transmission:</b>													
19 Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 Substation Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
21 Clearing	0	0	0	0	0	0	0	0	0	0	0	0	0
22 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Total Transmission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>25 Adjustments:</b>													
26 Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
28 Net Transmission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29 Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
31 Total Jurisdictional Transmission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34 Total Jurisdictional SS/PC Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>35 Construction:</b>													
<b>36 Generation:</b>													
37 Real Estate Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38 Project Management	320,842	368,135	361,148	345,807	763,967	1,416,368	482,162	631,450	570,848	1,069,097	751,429	652,792	7,731,640
39 Permanent Staff/Training	0	0	0	0	0	0	0	0	0	0	0	0	0
40 Site Preparation	0	0	0	0	0	0	0	0	0	0	0	0	0
41 On-Site Construction Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0
42 Power Block Engineering, Procurement, etc.	2,775,120	2,978,391	2,182,775	2,808,490	2,767,268	7,892,209	4,175,245	5,885,878	860,660	3,800,160	6,363,547	11,639,353	56,955,136
43 Non-Power Block Engineering, Procurement, etc.	0	0	0	156,633	51,931	62,526	43,008	14,830	22,635	91,369	(26,097)	33,693	450,527
44 Total Generation Costs [Note 1]	\$3,065,782	\$3,342,526	\$2,543,921	\$3,308,930	\$3,583,164	\$9,371,103	\$4,700,414	\$6,342,159	\$1,453,962	\$4,960,645	\$10,108,879	\$12,325,839	\$65,137,303
<b>45 Adjustments:</b>													
46 Non-Cash Accruals	\$1,726,854	\$1,063,451	(\$1,442,796)	(\$1,570,898)	\$2,195,502	(\$4,096,158)	\$2,647,121	(\$1,455,816)	\$4,094,919	(\$775,173)	(\$7,015,737)	(\$8,020,459)	(\$12,816,694)
47 Joint Owner Credit	(294,728)	(262,087)	(199,912)	(284,720)	(272,504)	(691,841)	(376,823)	(505,619)	(174,077)	(353,185)	(786,169)	(1,013,082)	(5,194,525)
48 Other	(499,240)	0	0	0	0	0	0	0	0	0	(58)	(804)	(500,100)
49 Net Generation Costs [Note 2]	\$4,026,747	\$4,143,890	\$901,211	\$1,473,512	\$5,506,162	\$4,613,303	\$6,970,712	\$4,360,922	\$5,374,804	\$3,832,307	\$2,306,918	\$3,291,495	\$46,823,983
51 Jurisdictional Factor	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753
52 Total Jurisdictional Generation Costs	\$3,777,071	\$3,885,022	\$844,912	\$1,381,461	\$5,162,192	\$4,325,110	\$6,535,251	\$4,107,246	\$5,039,040	\$3,582,903	\$2,162,805	\$3,085,875	\$43,896,888
<b>56 Transmission:</b>													
57 Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58 Substation Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0
59 Real Estate Acquisition	0	0	0	0	0	0	0	0	0	0	0	0	0
60 Line Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
61 Substation Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
62 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
63 Total Transmission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>64 Adjustments:</b>													
65 Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66 Other	0	0	0	0	0	0	0	0	0	0	0	0	0
67 Net Transmission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68 Jurisdictional Factor	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597
71 Total Jurisdictional Transmission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72 Total Jurisdictional Construction Costs	\$3,777,071	\$3,885,022	\$844,912	\$1,381,461	\$5,162,192	\$4,325,110	\$6,535,251	\$4,107,246	\$5,039,040	\$3,582,903	\$2,162,805	\$3,085,875	\$43,896,888

Note 1: Line 45 represents generation construction costs on an accrual basis, gross of joint owner billings and excludes AFUDC.  
 Note 2: Line 50 represents net generation costs on a cash basis, net of joint owner billings.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Monthly Expenditures**

[Section (5)(c)1.a.]  
 [Section (8)(d)]

Schedule T-6A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a description of the major tasks performed within Site Selection, Preconstruction and Construction categories for the prior year.

For the Year Ended: 12/31/2008

COMPANY:  
 Progress Energy - FL  
 DOCKET NO.:  
 090009-EI

Witness: Steve Huntington

Line No.	Major Task	Description - Includes, but is not limited to:
1	<b>Site Selection/Pre-Construction:</b>	
2	<u>Generation:</u>	
3	License Application	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
4	Engineering & Design	Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.
5	Permitting	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)
6	Clearing, Grading and Excavation	Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.
7	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
8		
9	<u>Transmission:</u>	
10	Line Engineering	Internal engineering labor, contracted engineering labor, survey and all other costs associated with engineering transmission lines.
11	Substation Engineering	Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.
12	Clearing	Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with building access roads to the ROW to ensure access for construction, operating and maintenance of transmission lines.
13		
14	Other	Project Management, overhead costs and other miscellaneous costs associated with transmission pre-construction.
15		
16	<b>Construction:</b>	
17	<u>Generation:</u>	
18	Real Estate Acquisition	Land, Survey, Legal fees and commissions.
19	Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
20	Permanent Staff/Training	Obtain and train qualified staff by Fuel Load date.
21	Site Preparation	Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
22	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
23	Power Block Engineering, Procurement, etc.	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
24	Non-Power Block Engineering, Procurement, etc.	Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.)
25		
26		
27	<u>Transmission:</u>	
28	Line Engineering	See description on Line 10.
29	Substation Engineering	See description on Line 11.
30	Real Estate Acquisition	Land, route siting, survey, appraisal, title commitments, acquisition, permitting, eminent domain support and ordinance review costs.
31	Line Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.
32	Substation Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.
33	Other	See description on Line 14.



**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Variance Explanations**

[Section (8)(d)]

Schedule T-8B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide annual variance explanations comparing the actual expenditures to the most recent projections for the prior period filed with the Commission.

For the Year Ended: 12/31/2008

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

Witness: Will Garrett/Steve Huntington

Line No.	(A) Total Actual	(B) Total Actual/Estimated	(C) Total Variance	(D) Explanation
<b>Site Selection/Pre-Construction:</b>				
<u>Generation:</u>				
1	License Application	\$0	\$0	\$0
2	Engineering & Design	\$0	\$0	\$0
3	Permitting	\$0	\$0	\$0
4	Clearing, Grading and Excavation	\$0	\$0	\$0
5	On-Site Construction Facilities	\$0	\$0	\$0
6	Total Generation Costs	\$0	\$0	\$0
<u>Transmission:</u>				
7	Line Engineering	\$0	\$0	\$0
8	Substation Engineering	\$0	\$0	\$0
9	Clearing	\$0	\$0	\$0
10	Other	\$0	\$0	\$0
11	Total Transmission Costs	\$0	\$0	\$0
<u>Construction:</u>				
<u>Generation:</u>				
13	Real Estate Acquisitions	\$0	\$0	\$0
14	Project Management	\$7,731,640	\$9,430,715	(\$1,699,075)
15	Permanent Staff/Training	\$0	\$0	\$0
16	Site Preparation	\$0	\$0	\$0
17	On-Site Construction Facilities	\$0	\$0	\$0
18	Power Block Engineering, Procurement, etc.	\$56,955,136	\$58,185,056	(\$1,229,920)
19	Non-Power Block Engineering, Procurement, etc.	\$450,527	\$0	\$450,527
20	Total Generation Costs	\$65,137,303	\$67,615,771	(\$2,478,468)
<u>Transmission:</u>				
21	Line Engineering	\$0	\$0	\$0
22	Substation Engineering	\$0	\$0	\$0
23	Real Estate Acquisition	\$0	\$0	\$0
24	Line Construction	\$0	\$0	\$0
25	Substation Construction	\$0	\$0	\$0
26	Other	\$0	\$0	\$0
27	Total Transmission Costs	\$0	\$0	\$0

This variance was due to effective implementation of the Company's major project management procedures.

This variance was due to effective implementation of the Company's major project management procedures.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Technology Selected**

[Section (8)(b)]

**Schedule T-7**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a description of the nuclear technology selected that includes, but is not limited to, a review of the technology and the factors leading to its selection.

COMPANY:

**Progress Energy - FL**

For the Year Ended: **12/31/2008**

DOCKET NO.:

**090009-EI**

**Witness: Steve Huntington**

Siemens was selected as the vendor for our turbine/generator retrofits. They were selected after fully, open, competitive bidding process with due consideration of both cost and performance. The fixed price contract has appropriate incentives, penalties, and performance guarantees to assure price certainty and expected results.

A number of long-lead components (thus far mostly heat exchangers) were contracted for in late 2007 after evaluation of competitive bids based on cost and performance.

AREVA was contracted to supply the necessary analytical and licensing support to seek NRC approval for the 2011 uprate. This was a sole-source contract for the same reasons noted above. This contract was thoroughly negotiated as a fixed price contract with incentives and penalties to provide cost certainty and appropriate risk sharing. Progress was made on schedule and milestone payments made and/or accrued as appropriate.

A detailed technical evaluation of the EPU was performed by AREVA. They were selected to assure close coordination with the NSSS scope and other on-going activities. The results were reviewed by an expert panel comprised of AREVA, Progress Energy, and external participants.

The results of the evaluation formed the basis for competitively bidding the engineering support for the rest of the EPU project. A limited partnership between Worley Parsons (the original CR3 Architect and Engineering firm) and AREVA was awarded the contract based on both technical and cost considerations and to assure continued close coordination for the rest of the project.

**CRYSTAL RIVER UNIT 3 UPRATE**

**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed**

[Section (8)(c)]

**Schedule T-8**

**REDACTED**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

For the Year Ended: **12/31/2008**

COMPANY:

**Progress Energy - FL**

Witness: **Steve Huntington**

DOCKET NO.:

**090009-EI**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Actual Expended as of Prior Year End (2007)	Actual Expended in Current Year (2008)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection & Document ID	Work Description
1	44867 A07	Executed						NuFlo Technologies Sales Co.	Fleet Contract In Place - Sole Source	Purchase & Installation of Leading Edge Flow Meter (LEFM) to Recapture Measurement Uncertainty
2	101659 WA 81	Closed						AREVA - NP	Sole Source - Original Equipment Manufacture	Engineering Design & Licensing for Measurement Uncertainty Recapture
3	101659 WA 84	Executed						AREVA - NP	Sole Source - Original Equipment Manufacture	EPU NSSS Engineering, Fuel Eng, and LAR Support for CR3
4	342253	Executed						Thermal Engineering International (TEI)	RFP	Purchase of 4 moisture separator reheaters (MSRs)
5	101659 WA 93	Executed						Areva NP	RFP KS12007	EPU BOP
6	3714, Amd 53, Amd 57 to add funds	Executed						Atlantic Group	Fleet Contract in Place - Sole Source	LEFM Install
7	145569 WA 50	Executed						Siemens	RFP	CR3 turbine retrofit for EPU including supply of all equipment and installation.
8	355217	Executed						Yuba Heat Transfer Div.	RFP	CR3 Feedwater Heater and SC cooler replacement
9	384426	Executed						Barnhart Crane and Rigging Co.	RFP (RFP# KK01-2008)	Heavy hauling contract
10	47083-08	Executed						MHF Logistical	RFP (RFP# MT-08-001)	Radiation waste disposal

CRYSTAL RIVER UNIT 3 UPRATE

Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

Contract No.:

44867 Amendment 07

Major Task or Tasks Associated With:

Purchase & Installation of Leading Edge Flow Meter to Recapture Measurement - Uncertainty - Power Level Update

Vendor Identity:

NuFlo Technologies Sales Co.

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

Fleet Contract - Sole Source

Number of Bids Received:

N/A

Brief Description of Selection Process:

A Fleet Contract had been approved for entire fleet to Purchase the LEFM from Caldon (recognized as industry leader). Further NRC Issue Summary 2007-24 suspended further approvals of the Westinghouse AMAG Crossflow Ultrasonic Flow Meter (UFM) until problems are addressed.

Dollar Value:

Contract Status:

Executed

Term Begin:

Term End:

Nature and Scope of Work:

Progress Energy proposes to perform a thermal power uprate of the Crystal River Unit 3 nuclear plant to achieve an increase in the reactor core thermal power output and subsequent increases in electrical generation output. Current 10 CFR50 regulations allow the plant to recover the difference between 2% and the demonstrated uncertainty of thermal power measurement made possible with the installation of more accurate ultrasonic feedwater flow instrumentation. Caldon shall provide a complete Leading Edge Flow Meter (LEFM) CheckPlus ultrasonic feedwater flow measurement (UFM) system for Crystal River Unit 3. This system shall use ultrasonic "transit time" technology to determine feedwater volumetric flow rate, mass flow rate and fluid temperature. This specification establishes the supply, inspection testing and documentation requirements for the flow measurement system which will be used in conjunction with the Crystal River Unit 3 "Appendix K" thermal power uprate proposals.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

[Section (8)(c)]

**Schedule T-8A**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

**Contract No.:**

101653 WA 61

**Major Task or Tasks Associated With:**

Engineering Design & Licensing for Measurement Uncertainty Recapture

**Vendor Identity:**

AREVA NP

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

Sole Source

**Number of Bids Received:**

N/A

**Brief Description of Selection Process:**

OEM

**Dollar Value:**

[REDACTED]

**Contract Status:**

Closed

**Term Begin:**

[REDACTED]

**Term End:**

[REDACTED]

**Nature and Scope of Work:**

Contractor shall provide engineering, design and licensing for the Measurement Uncertainty Recapture (MUR) project. The awarded Work shall be performed at Crystal River Nuclear Plant, located near Crystal River, Florida and shall consist of the following unique work scopes/deliverables. 1.0 December Submittals – These will be completed under AREVA's QA Program and are Non-Safety. 1) 12/07/06 Transmit NSSS I&C System Reviews to CR3 2) 12/08/06 Transmit HVAC System Reviews to CR3 3) 12/19/06 Transmit BOP Elect System Reviews to CR3 4) 12/22/06 Transmit NSSS Fluid System Reviews to CR3 5) 12/29/06 Transmit BOP Fluid System Reviews to CR3 2.0 License Amendment Request - Draft Submittal to CR3 for the MUR The draft license amendment request (LAR) is a AREVA NP 51-document summarizing the license evaluations performed by AREVA NP and CR3 to meet the NRC regulatory information summary (RIS) 2002-003, Guidance on the Content of Measurement Uncertainty Recapture Power Uprate Applications. The draft license amendment request will be completed under AREVA's QA Program and is Safety-Related.

The deliverables to CR3 that are input to this summary document include: AREVA NP 32-document, New Operating Conditions for the CR3 MUR AREVA's QA Program/Safety-Related AREVA NP 32-document, Heat Balance Uncertainty Calculation for the CR3 MUR AREVA's QA Program/Safety-Related AREVA NP 12-document, Revised PEPSE model for CR3 MUR AREVA's QA Program/Non-Safety AREVA NP 51-document, NSSS Fuel Evaluation AREVA's QA Program/Safety.

CRYSTAL RIVER UNIT 3 UPRATE

Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (B)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

Contract No.:

101659 WA 84

Major Task or Tasks Associated With:

EPU NSSS Engineering, Fuel Eng, and LAR Support for CR3

Vendor Identity:

Areva NP, Inc.

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

Sole Source

Number of Bids Received:

N/A

Brief Description of Selection Process:

N/A - OEM

Dollar Value:

Contract Status:

Issued

Term Begin:

Term End:

Nature and Scope of Work:

Contractor agrees to perform the following work more fully described in AREVA Proposal No. NSSSE06-1023.0 Revision 000 dated July 18, 2007 to furnish all engineering personnel and tools, engineering supervision and management, deliverable documents and required transportation necessary to perform the following functions in support of the Extended Power Uprate (EPU) Project Nuclear Steam Supply (NSSS) Portion for Crystal River Three (CR-3) Nuclear Power Station: Nuclear Steam Supply System (NSSS) Engineering, Fuel Engineering, Support of the Licensing Amendment Request (LAR). This work is Nuclear Safety Related.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

[Section (8)(c)]

**Schedule T-8A**

FLORIDA PUBLIC SERVICE COMMISSION  
COMPANY:  
DOCKET NO.:

**Progress Energy - FL**  
**090009-EI**

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

For the Year Ended: **12/31/2008**  
Witness: **Steve Huntington**

**Contract No.:**

342253

**Major Task or Tasks Associated With:**

Purchase of 4 MSR's

**Vendor Identity:**

Thermal Engineering International (TEI)

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

2

**Number of Bids Received:**

2

**Brief Description of Selection Process:**

Bid was lower than the competing bidder

**Dollar Value:**

**Contract Status:**

Executed

**Term Begin:**

**Term End:**

**Nature and Scope of Work:**

Thermal Engineering International (TEI) is to provide four (4) moisture separator reheaters (MSR's) for Crystal River Unit #3 (CR3) that when combined with other power uprate modifications serve to maximize the uprated turbine steam cycle conditions. The replacement MSR's shall be designed and fabricated with full consideration for maintaining the existing plant piping configuration including the turbine cross under and cross over piping. MSR's are to contribute to the rated generator MVA capability that will have a minimum performance capability of 1080 MWe real power output while concurrently providing 430 MVAR reactive power.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
 True-up Filing: Contracts Executed [Section (b)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

DOCKET NO.: 090009-EI

For the Year Ended: 12/31/2008  
 Witness: Steve Huntington

Contract No.:

101659-93

Major Task or Tasks Associated With:

EPU, BOP

Vendor Identity:

Areva NP

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

5

Number of Bids Received:

3

Brief Description of Selection Process:

Areva has proven performance on MUR and NSSS with a stronger interface with vendors; teamed with original A/E for BOP at CR3; Areva is the best vendor from a technical perspective and on average equal cost with opportunity to earn higher royalties.

Dollar Value:

REDACTED

Contract Status:

Executed

Term Begin:

REDACTED

Term End:

REDACTED

Nature and Scope of Work:

Contractor shall provide Engineering Services for CR3 Secondary Systems Uprate to support the Extended Power Uprate Project. Engineering Services shall be in accordance with Request for Proposal No. KS12007 and "Extended Power Uprate Bid Specification", dated June 25, 2007.



Schedule T-8A

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

(Section 8)(c)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

Contract No.:

Master 3714, Amdt 53, and Amd 57 to add funds

Major Task or Tasks Associated With:

LEFM Install

Vendor Identity:

Atlantic Group

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

Fleet Contract - Sole Source

Number of Bids Received:

N/A

Brief Description of Selection Process:

Work awarded under fleet contract that was competitively bid.

Dollar Value:

REDACTED

Contract Status:

Executed

Term Begin:

REDACTED

Term End:

REDACTED

Nature and Scope of Work:

LEFM Installation at CR3

Schedule T-8A

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

**Contract No.:**

145569 WA 50

**Major Task or Tasks Associated With:**

CR3 turbine retrofit for EPU including supply of all equipment and installation

**Vendor Identity:**

Siemens

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

4

**Number of Bids Received:**

2

**Brief Description of Selection Process:**

Total cost lower than competing bidder. Siemens adds value by bundling all componenets and services.

**Dollar Value:**

[REDACTED]

**Contract Status:**

Executed

**Term Begin:**

[REDACTED]

**Term End:**

[REDACTED]

**Nature and Scope of Work:**

Contractor to provide all materials, equipment, and tools to supply and install High pressure Turbine Rotors, Low Pressure Turbine Rotors, Generator, and Exciter at Crystal River Unit #3 as more fully described in Attachment A - Scope of Work (attached hereto) and as set forth in the Contractor's offer (Proposal Number TA02-280) dated April 16, 2007, the Proposal Revision e-mail TA02-280-1 dated May 18, 2007, Mr Puneet Bahl's Installation Clarification e-mail and its Attachment dated June 4, 2007 and the terms and conditions of the Master Contract # 145569.

This work is non-safety related.

Schedule T-8A

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

[Section (8)(c)]

FLORIDA PUBLIC SERVICE COMMISSION  
EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.  
REDACTED

COMPANY: Progress Energy - FL  
DOCKET NO.: 090009-EI

For the Year Ended: 12/31/2008  
Witness: Steve Huntington

Contract No.:

355217

Major Task or Tasks Associated With:

Purchase of Feedwater Heater and SC Cooler Replacement at CR3.

Vendor Identity:

Yuba Heat Transfer Div.

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

2

Number of Bids Received:

2

Brief Description of Selection Process:

Bid was lower than the competing bidder and Yuba is technically and commercially the best supplier of the equipment.

Dollar Value:

[REDACTED]

Contract Status:

Executed

Term Begin:

[REDACTED]

Term End:

[REDACTED]

Nature and Scope of Work:

Supplier of Feedwater Heater and SC Cooler Replacement at CR3.

CRYSTAL RIVER UNIT 3 UPRATE

Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-up Filing: Contracts Executed

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

Contract No.:

384426

Major Task or Tasks Associated With:

EPU Heavy Hauling Contract

Vendor Identity:

Barnhart Crane and Rigging Company, Inc.

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

3

Number of Bids Received:

2

Brief Description of Selection Process:

This vendor was selected as the best evaluated bidder of two major heavy hauling companies (Mammoet and Barnhart). Bid List consisted of 3 bidders: Mammoet, Barnhart, and Bigge Crane & Rigging Co.

Dollar Value:

[REDACTED]

Contract Status:

Executed

Term Begin:

[REDACTED]

Term End:

[REDACTED]

Nature and Scope of Work:

Refuel 16 will require the movement of equipment identified in the contract to the temporary lay-down area, the transportation of these items from the lay-down area to the Turbine Building, and final placement/installation in the secondary system. Components include but are not limited to the MSR's, large turbine components and the generator rotor, FW heaters, and other secondary system components.

CRYSTAL RIVER UNIT 3 UPRATE

Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance

[Section (8)(c)]

Schedule T-8A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

DOCKET NO.:

090009-EI

For the Year Ended:

12/31/2008

Witness:

Steve Huntington

**Contract No.:**

47083-08

**Major Task or Tasks Associated With:**

Large Component Rad Waste Disposal Contract

**Vendor Identity:**

MHF Logistical Solutions, Inc.

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

5

**Number of Bids Received:**

3

**Brief Description of Selection Process:**

Vendor was selected as the best evaluated bidder of 3 proposals. Bidders list consisted of 5 bidders (MHF, Energy Solutions, GreenField Logistics, Studsvik, and WMG.)

**Dollar Value:**

**Contract Status:**

Executed

**Term Begin:**

**Term End:**

**Nature and Scope of Work:**

MHF agrees to perform the following work and to furnish all labor, tools, materials, equipment, transportation, and supervision necessary to package, secure and prepare for shipping large potentially radioactive components including the CDHE 3A FW heater, CDHE 3B FW heater, SCHE 1A, SCHE 1B, MSR 3A, MSR 3B, MSR 3C, MSR 3D, 2 LP Turbines, 2 Inner casing lower halves, 2 inner casing upper halves, 6 Sealands for transportation.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-up Filing: Contracts Executed**

[Section (b)(3)(c)]

**Schedule T-8B**

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a list of contracts executed in excess of \$200,000 including: vendor identity, product or service, term begin, term end and dollar value.

**REDACTED**  
 For the Year Ended: **12/31/2008**

COMPANY:  
**Progress Energy - FL**  
 DOCKET NO.:  
**090009-EI**

Witness: **Steve Huntington**

Line No.	(A) Vendor Identity	(B) Product or Service	(C) Term Begin	(D) Term End	(E) Dollar Value
1	Areva NP (101659-67)				
2	Numerical Applications (297792-04)				
3	Sargent & Lundy (257117-				
4	F&H Contractors (157645-23)				
5	Areva (101659-93, Amd 4)				
6	Areva (101659-84, Amd 2)				
7	Holtec International (Contract 2590, Amendment 8)				
8	Powell Delta/Unibus (Contract 381244)				
9	Areva (101659-93, Amd 5)				
10	Areva (101659-84, Amd 3)				
11	Holtec International (401987)				
12	ESI				
13	BWC				
14	DZ Atlantic (3714, Amd 61 CWO's 1,2,3)				
15	Carlton Fields		Note 2	Note 2	

Note 1: The dollar values in this schedule are for those contracts which are in excess of \$200,000 yet less than \$1,000,000, which are reflected in Schedules T-8 and T-8A.

Note 2: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of PEF and its legal services providers, and therefore are not amendable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Final True-up Amount for the Period**

**Schedule T-9**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the estimated net true-up balance, including revenue and interest.

COMPANY:

Progress Energy - FL

For the Year Ended:

12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	True-Up Provision	0	0	0	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Jurisdictional NFR Costs (Schedule T-1, Line 6)	388,753	452,025	479,596	438,628	535,258	583,965	2,878,224
5	Over/(Under) Recovery true-up provision (Line 3 - Line 4)	(388,753)	(452,025)	(479,596)	(438,628)	(535,258)	(583,965)	(2,878,224)
6	Interest Provision	0	0	0	0	0	0	0
7	Beginning Balance True-up & Interest Provision	0	0	0	0	0	0	0
a	Deferred True-up	0	0	0	0	0	0	0
8	True-Up Collected (Refunded) (See Line 2)	0	0	0	0	0	0	0
9	End of Period True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Final True-up Amount for the Period**

**Schedule T-9**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

*Calculate the estimated net true-up balance, including revenue and interest.*

COMPANY:

For the Year Ended:

12/31/2008

Progress Energy - FL

DOCKET NO.:

Witness: Will Garrett

090009-EI

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	True-Up Provision	0	0	0	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Jurisdictional NFR Costs (Schedule T-1, Line 6)	683,473	719,941	760,412	819,253	852,548	887,086	7,555,938
5	Over/(Under) Recovery true-up provision (Line 3 - Line 4)	(683,473)	(719,941)	(760,412)	(819,253)	(852,548)	(887,086)	(7,555,938)
6	Interest Provision	0	0	0	0	0	0	0
7	Beginning Balance True-up & Interest Provision	0	0	0	0	0	0	0
a	Deferred True-up	0	0	0	0	0	0	0
8	True-Up Collected (Refunded) (See Line 2)	0	0	0	0	0	0	0
9	End of Period True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Net Interest for Final True-up Amount for the Period**

[Section (5)(c)4.]

**Schedule T-10**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the interest on over/under recovery true-up provision balance.

COMPANY:

Progress Energy - FL

For the Year Ended: 12/31/2008

DOCKET NO.:

090009-EI

Witness: Will Garrett

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1	Beginning Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Ending Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Average Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Beginning of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5	Ending of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Average Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7	Average Monthly Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Monthly Interest Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Calculation of the Net Interest for Final True-up Amount for the Period**

[Section (5)(c)4.]

**Schedule T-10**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Calculate the interest on over/under recovery true-up provision balance.

COMPANY:

Progress Energy - FL

For the Year Ended: **12/31/2008**

DOCKET NO.:

090009-EI

Witness: **Will Garrett**

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
1	Beginning Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Ending Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Average Monthly Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Beginning of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
5	Ending of Month Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Average Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
7	Average Monthly Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Monthly Interest Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0

PROGRESS ENERGY FLORIDA

January 2008 through December 2008

Interest Provision  
(In Dollars)

Line	Description	Actual January 08	Actual February 08	Actual March 08	Actual April 08	Actual May 08	Actual June 08	Actual July 08	Actual August 08	Actual September 08	Actual October 08	Actual November 08	Actual December 08	End of Period Total
1	Interest Rate (First Day of Reporting Business Month)	4.88%	3.08%	3.08%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	4.95%	2.95%	1.49%	
2	Interest Rate (First Day of Subsequent Business Month)	3.08%	3.08%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	4.95%	2.95%	1.49%	0.54%	
3	Total of Beginning & Ending Interest Rates (Lines 1 + 2)	8.06%	6.17%	5.72%	5.47%	5.27%	4.88%	4.89%	4.89%	7.40%	7.90%	4.44%	2.03%	
4	Average Interest Rate (Line 3 x 1/2)	4.030%	3.085%	2.660%	2.735%	2.635%	2.440%	2.445%	2.445%	3.700%	3.950%	2.220%	1.016%	
5	Monthly Average Interest Rate (Line 4 x 1/12) (Note 1)	0.336%	0.257%	0.238%	0.226%	0.220%	0.203%	0.204%	0.204%	0.305%	0.329%	0.185%	0.085%	

Note 1: Supports Schedule T-4, Line 37.

**PROGRESS ENERGY FLORIDA**

Docket No. 090009  
APPENDIX B

**Year End 2006 through Year End 2008  
Crystal River Unit 3 Uprate  
Revenue Requirements  
(in Dollars)**

<u>Line</u>	<u>Description</u>	<u>Actual 2006</u>	<u>Actual 2007</u>	<u>Actual 2008</u>	<u>End of Period Total</u>
1	Site Selection Revenue Req. (1)	\$0	\$0	\$0	\$0
2	Preconstruction Revenue Req. (2)	0	0	0	0
3	Construction Carrying Cost Rev Req. (3)	0	925,842	6,072,267	6,998,109
4	Recoverable O&M Revenue Req.	0	0	166,588	166,588
5	DTA (4)	0	3,053	61,655	64,708
6	Other Adjustments	0	0	1,255,428	1,255,428
7	Total Period Revenue Req.	<u>\$0</u>	<u>\$928,895</u>	<u>\$7,555,938</u>	<u>\$8,484,833</u>

(1) Site Selection costs include all preconstruction costs that were incurred up to the date of the Need filing.

(2) Includes COL costs and payments for long lead time equipment

(3) This amount represents the carrying costs on construction expenditures (land costs are included as construction expenditures and this amount includes the carrying costs on the land)

(4) This amount represents the return on the deferred tax asset.

**PROGRESS ENERGY FLORIDA**

Docket No. 090009  
APPENDIX C

**Year End 2006 through Year End 2008**  
Crystal River Unit 3 Uprate  
Capital Spend (Accrual Basis)  
(in Dollars)

Line	Description	Actual 2006	Actual 2007	Actual 2008	End of Period Total
1	<b>Site Selection:</b>				
2	<b>Generation:</b>				
3	License Application	\$0	\$0	\$0	\$0
4	Engineering, Design, & Procurement	0	0	0	0
5	Permitting	0	0	0	0
6	Clearing, Grading and Excavation	0	0	0	0
7	On-Site Construction Facilities	0	0	0	0
8	<b>Total Generation Site Selection</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
9	<b>Transmission:</b>				
10	Line Engineering	0	0	0	0
11	Substation Engineering	0	0	0	0
12	Clearing	0	0	0	0
13	Other	0	0	0	0
14	<b>Total Transmission Site Selection</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
15	<b>Pre-Construction:</b>				
16	<b>Generation:</b>				
17	License Application	0	0	0	0
18	Engineering, Design, & Procurement	0	0	0	0
19	Permitting	0	0	0	0
20	Clearing, Grading and Excavation	0	0	0	0
21	On-Site Construction Facilities	0	0	0	0
22	<b>Total Generation Pre-Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
23	<b>Transmission:</b>				
24	Line Engineering	0	0	0	0
25	Substation Engineering	0	0	0	0
26	Clearing	0	0	0	0
27	Other	0	0	0	0
28	<b>Total Transmission Pre-Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
29	<b>Construction:</b>				
30	<b>Generation:</b>				
31	Real Estate Acquisitions	0	0	0	0
32	Project Management	132,657	2,320,617	7,731,640	10,184,914
33	Permanent Staff/Training	0	0	0	0
34	Site Preparation	0	0	0	0
35	On-Site Construction Facilities	0	0	0	0
36	Power Block Engineering, Procurement, etc.	2,167,016	36,200,299	56,955,136	96,322,451
37	Non-Power Block Engineering, Procurement, etc.	0	0	450,527	450,527
38	<b>Total Generation Construction</b>	<b>\$2,299,673</b>	<b>\$38,520,916</b>	<b>\$65,137,303</b>	<b>\$105,957,892</b>
39	<b>Transmission:</b>				
40	Line Engineering	0	0	0	0
41	Substation Engineering	0	0	0	0
42	Real Estate Acquisition	0	0	0	0
43	Line Construction	0	0	0	0
44	Substation Construction	0	0	0	0
45	Other	0	0	0	0
46	<b>Total Transmission Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
47	<b>Total Capital Spend Generation and Transmission</b>	<b>\$2,299,673</b>	<b>\$38,520,916</b>	<b>\$65,137,303</b>	<b>\$105,957,892</b>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1. Gross Plant in Service Befc	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111	9,099,111
2. Remove Jr Owner Portion	702,319	702,319	702,319	702,319	702,319	702,319	702,319	702,319	702,319	702,319	702,319	702,319	702,319
3. PF Portion Of MUR Cost	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792	8,396,792
4. Jurisdictional Factor	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%	93.753%
5. Jurisdictional MUR Gross Pl	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244	7,872,244
6. Additions	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Depreciation Rate	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%	0.19%
8. Depreciation	14,695	14,695	14,695	14,695	14,695	14,695	14,695	14,695	14,695	14,695	14,695	14,695	14,695
9. Accumulated Depreciator	14,695	29,390	44,085	58,779	73,474	88,169	102,864	117,559	132,254	146,949	161,643	176,338	176,338
10. Ending Jurisdictional Net P	7,857,550	7,842,855	7,828,160	7,813,465	7,798,770	7,784,075	7,769,380	7,754,686	7,739,991	7,725,296	7,710,601	7,695,906	7,695,906
11. Average Balance	7,864,897	7,857,550	7,850,202	7,842,855	7,835,507	7,828,160	7,820,812	7,813,465	7,806,118	7,798,770	7,791,423	7,784,075	7,784,075
12. Return	73,144	73,075	73,007	72,939	72,870	72,802	72,734	72,665	72,597	72,529	72,460	72,392	72,392
a. Equity Cor	11.16%												873,213
b. Debt Com	2.04%												159,620
13. Total Return and Deprecia	101,209	101,128	101,047	100,966	100,885	100,805	100,724	100,643	100,562	100,481	100,401	100,320	1,209,170
14. SECI Jr Owner Portion	154,630	154,630	154,630	154,630	154,630	154,630	154,630	154,630	154,630	154,630	154,630	154,630	154,630
15. MUR Cost Less SECI Portio	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481	8,944,481
16. Property Tax Rate	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	1.13%
17. Total Property Tax	8,423	8,423	8,423	8,423	8,423	8,423	8,423	8,423	8,423	8,423	8,423	8,423	101,073
2008 Total Revenue Requi	109,631	109,551	109,470	109,389	109,308	109,227	109,147	109,066	108,985	108,904	108,823	108,742	1,310,243
2008 RR's (Note 1)	1,255,427												
2009 RR's													1,310,243

Note 1: The MUR was placed in service in January 2008. For this reason, 2008 revenue requirements exclude half a month of the above calculated January revenue requirements.  
 Note 2: SECI is billed for their portion of property tax calculation excludes this portion from the MUR cost. The other Joint Owners are exempt from property taxes.