

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Nuclear Cost Recovery
Clause**

DOCKET NO. 090009

**Submitted for filing:
August 10, 2009**

REBUTTAL TESTIMONY OF WILL GARRETT

**ON BEHALF OF
PROGRESS ENERGY FLORIDA**

DOCUMENT NUMBER - DATE

08234 AUG 10 09

FPSC-COMMISSION CLERK

IN RE: NUCLEAR COST RECOVERY CLAUSE

BY PROGRESS ENERGY FLORIDA

FPSC DOCKET NO. 090009

REBUTTAL TESTIMONY OF WILL GARRETT

1 **Q. Please state your name.**

2 **A.** My name is Will Garrett.

3
4 **Q. Did you file Direct Testimony on March 2, 2009 in this docket?**

5 **A.** Yes, I filed direct testimony in support of PEF's actual costs for the Levy and
6 CR3 Uprate Nuclear Projects.

7
8 **Q. Have you reviewed the testimony of Public Service Commission Staff (Staff)**
9 **and all interveners, including that of Jeffrey A. Small, filed on behalf of**
10 **Staff?**

11 **A.** Yes, I have read all the above referenced testimony.

12
13 **Q. What is the purpose of your rebuttal testimony?**

14 **A.** The purpose of my rebuttal testimony is to respond to any testimony
15 challenging the prudence of 2006 and 2007 costs for the Levy and CR3
16 Uprate projects.

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DOCUMENT NUMBER - DATE

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FPSC-COMMISSION CLERK

1 **Q. Do any of the testimonies challenge the prudence of 2006 and 2007 costs?**

2 **A.** None of the testimony seems to challenge the prudence of 2006 and 2007 costs,
3 except for Jeffrey A Small's testimony as filed in Docket 080009. To the extent
4 that any of the testimony can be deemed to challenge the prudence of those costs,
5 the prudence of the 2006 and 2007 Levy costs is supported by certain testimony
6 filed in Docket 080009, which I indicated in my March 2, 2009 testimony that I
7 would be supporting in this docket. Specifically, the testimony I filed in Docket
8 080009 is attached as Exhibit WG-3 to this testimony. In addition, Lori Cross'
9 site selection testimony is attached as Exhibit WG-4 to this testimony. With
10 respect to Jeffrey A. Small's testimony, I filed rebuttal testimony to that
11 testimony in Docket 080009 which I have attached as Exhibit WG-5 to this
12 testimony.

13
14 **Q. Does anything Mr. Small mentions in his rebuttal testimony or audit finding**
15 **cause PEF to reconsider the prudence of its decision to allocate the Lybass**
16 **land costs in the manner it chose?**

17 **A.** No. In fact, Mr. Small simply pointed out that there are alternatives. He did not
18 argue that PEF's method was inappropriate and he did not recommend one of the
19 alternatives. PEF, in selecting its preferred approach, had previously considered
20 each of the alternatives presented by Mr. Small and, after reviewing the results of
21 each approach, rejected them for reasons more fully described in my rebuttal
22 testimony from Docket 080009. PEF's method is the fair and prudent method to
23 make this valuation under the circumstances pursuant to the applicable
24 accounting regulation.

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Q. Does this conclude your testimony?

A. Yes, it does.

REDACTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition to Establish
Discovery Docket Regarding
Actual and Projected Costs for
Levy Nuclear Project, by Progress
Energy Florida, Inc.**

DOCKET NO. 080149

**Submitted for filing:
April 22, 2008**

CMP 1
COM 5
CTR 1
ECR 4
GCL 2
OPC _____
RCA 2
SCR _____
SGA _____
SEC _____
OTH _____

**DIRECT TESTIMONY
OF WILL GARRETT**

**ON BEHALF OF
PROGRESS ENERGY FLORIDA**

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DATE FILED

03251 APR 22 08

FPSC - COMMISSION CLERK

**IN RE: PETITION TO ESTABLISH DISCOVERY DOCKET
REGARDING ACTUAL AND PROJECTED COSTS FOR LEVY
NUCLEAR PROJECT BY PROGRESS ENERGY FLORIDA, INC.**

BY PROGRESS ENERGY FLORIDA

FPSC DOCKET NO. 080149

DIRECT TESTIMONY OF WILL GARRETT

I. INTRODUCTION AND QUALIFICATIONS

1
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16

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**

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1 the Levy County Nuclear Project Cost Recovery True-Up filing, made as part
2 of this discovery docket, in accordance with Rule 25-6.0423, Florida
3 Administrative Code (F.A.C.).
4

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

6 **A.** The purpose of my testimony is to present for Commission review and approval,
7 costs associated with Progress Energy Florida's Levy County activities for the
8 period January through December 2007. Pursuant to Rule 25-6.0423, F.A.C., PEF
9 is presenting testimony and exhibits for the Commission's determination of
10 prudence for actual expenditures and associated carrying costs.
11

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

13 **A.** Yes. I am sponsoring sections of the following exhibit, which was prepared under
14 my supervision:

- 15 • Exhibit No. ____ (WG-1), consisting of Schedules T-1 through T-10, which
16 reflect PEF's retail revenue requirements for the Levy Nuclear Filing from
17 January 2007 through December 2007; however, I will only be sponsoring
18 Schedules T-1 through T-6B , T-9, and T-10. Gary Miller will be
19 sponsoring Schedules T-7 through T-8B. Schedules T-2, T-4, T-5, T-6B, T-
20 9, and T-10 in Exhibit No. ____ (WG-1), are shown for informational
21 purposes only and show no activity as they are not applicable to the Levy
22 County Filing during the reporting period.

1 This exhibit is true and accurate.
2

3 **Q. What are Schedules T-1 through T-6A and Schedules T-9 through T-10?**

- 4 **A.**
- 5 • Schedule T-1 reflects the actual true-up of total retail revenue requirements
6 for the period.
 - 7 • Schedule T-2 reflects the calculation of the true-up of preconstruction costs
8 for the period.
 - 9 • Schedule T-3 reflects the calculation of the true-up of carrying costs on
10 construction expenditures for the period.
 - 11 • Schedule T-3A reflects a calculation of actual deferred tax carrying costs for
12 the period.
 - 13 • Schedule T-3B reflects the calculation of the actual construction period
14 interest for the period.
 - 15 • Schedule T-4 reflects CCRC recoverable Operations and Maintenance
16 (O&M) expenditures for the period.
 - 17 • Schedule T-5 reflects other recoverable O&M expenditures for the period.
 - 18 • Schedule T-6 reflects actual monthly expenditures for preconstruction and
19 construction costs for the period.
 - 20 • Schedule T-6A reflects descriptions of the major tasks.
 - 21 • Schedule T-6B reflects annual variance explanations.
 - 22 • Schedule T-7 reflects technology selected for the Levy County Nuclear
Project.

SCHEDULE APPENDIX

REDACTED

EXHIBIT A (WG - 1)

PROGRESS ENERGY FLORIDA, INC.
Levy County Nuclear Filing
COMMISSION SCHEDULES (T-1 Through T-10)

JANUARY 2007 - DECEMBER 2007
FINAL TRUE-UP
DOCKET NO. 080149-EI

DOCUMENT NUMBER 03251 APR 22 08

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

Witness:

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars							
1.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-
8.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DOCUMENT NUMBER DATE

03251 APR 22 08

FPSC-COMMISSION CLERK

Levy County Nuclear Filing
 Pre-Construction Costs and Carrying Costs on Construction Cost Balance
 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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

Witness:

Line No.	(H)	(I)	(J)	(K)	(L)	(M)	(N)
	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
Jurisdictional Dollars							
1.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	-	-	224,666	460,558	483,321	544,738	1,713,284
3.	-	-	-	-	-	-	-
4.	-	-	(70)	(285)	(581)	(904)	(1,841)
5.	-	-	-	-	-	-	-
6.	-	-	224,596	480,273	482,739	543,835	1,711,443
7.	-	-	-	-	-	-	-
8.	\$ -	\$ -	\$ 224,596	\$ 460,273	\$ 482,739	\$ 543,835	\$ 1,711,443

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Preconstruction Costs

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

Schedule T-2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-E1

Witness:

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars								
1.	Actual Nuclear CWIP Additions (Schedule T-8, line 24)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Unamortized CWIP Base Eligible for Return	-	-	-	-	-	-	-
3.	Amortization of CWIP Base Eligible for Return	-	-	-	-	-	-	-
4.	Average Net Unamortized CWIP Base Eligible for Return	-	-	-	-	-	-	-
5.	Return on Average Net Unamortized CWIP Eligible for Return (c)							
	a. Equity Component (a)	-	-	-	-	-	-	-
	b. Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
	c. Debt Component	-	-	-	-	-	-	-
6.	Total Return Requirements (Line 5b + 5c)	-	-	-	-	-	-	-
7.	Total Costs to be Recovered	-	-	-	-	-	-	-
8.	CWIP Additions & Amortization from prior year Actual/Estimated	-	-	-	-	-	-	-
9.	Over / (Under) Recovery (Line 7 - Line 8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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%.

Schedule T-2

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Preconstruction Costs

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

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-E1

Witness:

Line No.	(I)	(J)	(K)	(L)	(M)	(N)	(O)
	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
Jurisdictional Dollars							
1.	Actual Nuclear CWIP Additions (Schedule T-8, line 24)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Unamortized CWIP Base Eligible for Return	-	-	-	-	-	-
3.	Amortization of CWIP Base Eligible for Return	-	-	-	-	-	-
4.	Average Net Unamortized CWIP Base Eligible for Return	-	-	-	-	-	-
5.	Return on Average Net Unamortized CWIP Eligible for Return (c)	-	-	-	-	-	-
a.	Equity Component (a)	-	-	-	-	-	-
b.	Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-
c.	Debt Component	-	-	-	-	-	-
6.	Total Return Requirements (Line 5b + 5c)	-	-	-	-	-	-
7.	Total Costs to be Recovered	-	-	-	-	-	-
8.	CWIP Additions & Amortization from prior year Actual/Estimated	-	-	-	-	-	-
9.	Over / (Under) Recovery (Line 7 - Line 8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

(a) The monthly Equity Component of 8.85% 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%.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Construction

[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.

For the Year Ended 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-E1

Witness:

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
Jurisdictional Dollars								
1.	Nuclear CWIP Additions (Schedule T-6, line 44)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Transfers to Plant In Service	-	-	-	-	-	-	-
3.	Other Adjustments (d)	-	-	-	-	-	-	-
4.	CWIP Base Eligible for Return (PM CWIP Bal. + Line 1 - 2 + 3)	-	-	-	-	-	-	-
5.	Average Net CWIP Additions	-	-	-	-	-	-	n/a
6.	Return on Average Net CWIP Additions (c)	-	-	-	-	-	-	-
a.	Equity Component (a)	-	-	-	-	-	-	-
b.	Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
c.	Debt Component	-	-	-	-	-	-	-
7.	Total Return Requirements (Line 6b + 6c)	-	-	-	-	-	-	-
8.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
9.	Difference (Line 7 - Line 8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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) Return on average net Construction Work In Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

**Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Construction**

[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.

For the Year Ended 12/31/2007

COMPANY:
Progress Energy - FL
DOCKET NO.:
080149-EI

Witness:

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.		\$ -	\$ -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 9,148,388	\$ 55,561,072
2.		-	-	-	-	-	-	-
3.		-	-	-	151,395	310,354	325,693	787,441
4.		-	-	42,706,524	44,689,020	46,874,434	56,348,513	56,348,513
5.		-	-	21,353,282	43,773,468	45,936,904	51,774,320	n/a
6.		-	-	-	-	-	-	-
a.		-	-	116,874	239,178	250,999	282,895	889,747
b.		-	-	189,946	389,383	408,627	460,553	1,448,509
c.		-	-	34,720	71,176	74,693	84,185	264,775
7.		-	-	224,868	460,558	483,321	544,738	1,713,284
8.		-	-	-	-	-	-	-
9.		\$ -	\$ -	\$ 224,868	\$ 460,558	\$ 483,321	\$ 544,738	\$ 1,713,284

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) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

Levy County Nuclear Filing
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 current year.

For the Year Ended 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

Witness:

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) 8 Month Total
Jurisdictional Dollars								
1.	Construction Period Interest (Schedule T-3B, Line 7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Recovered Costs Excluding AFUDC (Schedule T-2, Line 1+ Line 3)	-	-	-	-	-	-	-
3.	Other Adjustments (d)	-	-	-	-	-	-	-
4.	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	-	-	-	-	-	-	-
5.	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	-	-	-	-	-	-	n/a
6.	Average Accumulated DTA	-	-	-	-	-	-	-
7.	Carrying Costs on DTA (c)	-	-	-	-	-	-	-
a.	Equity Component (a)	-	-	-	-	-	-	-
b.	Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
c.	Debt Component (Line 6 x 2.04% x 1/12)	-	-	-	-	-	-	-
8.	Total Return Requirements (Line 7b + 7c)	-	-	-	-	-	-	-
9.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
10.	Difference (Line 8 - Line 9)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

Schedule T-3A

Levy County Nuclear Filing
 Pre-Construction Costs and Carrying Costs on Construction Cost Balance
 True-up Filing: Deferred Tax Carrying Costs

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

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

For the Year Ended 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

Witness:

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.		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.		-	-	-	-	-	-	-
3.		-	-	(34,720)	(71,176)	(74,693)	(84,185)	(264,775)
4.		-	-	(34,720)	(105,896)	(180,589)	(264,775)	n/a
5.		-	-	(13,393)	(40,849)	(69,602)	(102,137)	n/a
6.		-	-	(6,697)	(27,121)	(55,256)	(85,800)	
7.								
a.		-	-	(37)	(148)	(302)	(468)	(956)
b.		-	-	(50)	(241)	(492)	(784)	(1,556)
c.		-	-	(11)	(44)	(90)	(140)	(285)
8.		-	-	(70)	(285)	(581)	(904)	(1,841)
9.		-	-	-	-	-	-	-
10.		\$ -	\$ -	\$ (70)	\$ (285)	\$ (581)	\$ (904)	\$ (1,841)

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) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

Schedule T-3B

Levy County Nuclear Filing
 Pre-Construction Costs and Carrying Costs on Construction Cost Balance
 True-up Filing: Construction Period Interest

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

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual Construction Period Interest for the current year.

For the Year Ended 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

Witness:

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	
Jurisdictional Dollars									
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2.	Additions Site Selection & Preconstruction (Schedule T-2, line 1)	-	-	-	-	-	-	-	
3.	Additions Construction (Schedule T-3, line 1)	-	-	-	-	-	-	-	
4.	Other Adjustments	-	-	-	-	-	-	-	
5.	Average Balance Eligible for CPI	<hr/>							-
6.	Monthly CPI Rate (a)	-	-	-	-	-	-	-	
7.	Construction Period Interest for Tax (CPI)	-	-	-	-	-	-	-	
8.	Ending Balance Excluding CPI	<hr/>							\$ -

(a) CPI is not calculated until construction starts for tax purposes.

**Levy County Nuclear Filing
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 current year.

For the Year Ended 12/31/2007

COMPANY:
Progress Energy - FL
DOCKET NO.:
080149-EI

Witness:

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.	Beginning Balance	\$ -	\$ -	\$ 42,493,547	\$ 42,706,524	\$ 44,537,825	\$ 46,412,685	
2.	Additions Site Selection & Preconstruction (Schedule T-2, line 1)	-	-	-	-	-	-	-
3.	Additions Construction (Schedule T-3, line 1)	-	42,493,547	212,977	1,831,101	1,875,060	9,148,386	55,561,072
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Average Balance Eligible for CPI	-	21,246,774	42,800,036	43,622,075	45,475,155	50,988,878	
6.	Monthly CPI Rate (a)	-	-	-	-	-	-	-
7.	Construction Period Interest for Tax (CPI)	-	-	-	-	-	-	-
8.	Ending Balance Excluding CPI	\$ -	\$ -	\$ 42,493,547	\$ 42,706,524	\$ 44,537,825	\$ 46,412,685	\$ 55,561,072

(a) CPI is not calculated until construction starts for tax purposes.

Levy County Nuclear Filing
 Pre-Construction Costs and Carrying Costs on Construction Cost Balance
 True-up Filing: Recoverable O&M Monthly Expenditures

[Section 5)(c)1.a.]
 [Section 6)(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

For the Year Ended 12/31/2007

DOCKET NO.: 060149-EI

Witness:

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3.	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5.	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7.	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9.	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10.	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11.	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12.	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13.	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14.	Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15.	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16.	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
17.	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
18.	Jurisdictional Factor (Nucl - 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
19.	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
20.	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 18)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21.	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22.	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23.	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24.	Total Jurisdictional CCRC Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25.	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26.	Difference (Line 24-25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Levy County Nuclear Filing
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 6)(e))

Schedule T-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

For the Year Ended 12/31/2007

Witness:

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3.	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4.	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5.	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6.	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7.	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9.	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10.	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11.	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12.	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13.	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14.	Transmission	-	-	-	-	-	-	-	-	-	-	-	-	-
15.	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16.	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
17.	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
18.	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
19.	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
20.	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21.	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22.	Jurisdictional Recoverable Costs (Nuc - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23.	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24.	Total Jurisdictional CCRC Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25.	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26.	Difference (Line 24 - 25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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 Filing
 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 and Construction categories
 for the prior year.

For the Year Ended 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

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
Preconstruction:													
Generation:													
1. License Application	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Engineering & Design	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Permitting	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Clearing, Grading and Excavation	-	-	-	-	-	-	-	-	-	-	-	-	-
5. On-Site Construction Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Total Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Less Adjustments:													
8. Non-Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
9. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Net Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Jurisdictional Factor	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753
12. Total Jurisdictional Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission:													
13. Line Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14. Substation Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Clearing	-	-	-	-	-	-	-	-	-	-	-	-	-
16. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Total Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18. Less Adjustments:													
19. Non-Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
20. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
21. Net Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22. Jurisdictional Factor	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587
23. Total Jurisdictional Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24. Total Jurisdictional Preconstruction Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction:													
Generation:													
25. Real Estate Acquisitions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,325,000	\$ 227,188	\$ 1,953,112	\$ 2,000,000	\$ 3,024,878	\$ 52,530,258
26. Project Management	-	-	-	-	-	-	-	-	-	-	-	-	-
27. Permanent Staff/Training	-	-	-	-	-	-	-	-	-	-	-	-	-
28. Site Preparation	-	-	-	-	-	-	-	-	-	-	-	-	-
29. On-Site Construction Facilities	-	-	-	-	-	-	-	-	-	-	-	-	-
30. Power Block Engineering, Procurement, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
31. Non-Power Block Engineering, Procurement, etc.	-	-	-	-	-	-	-	-	-	-	-	-	-
32. Total Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,325,000	\$ 227,188	\$ 1,953,112	\$ 2,000,000	\$ 3,024,878	\$ 52,530,258
33. Less Adjustments:													
34. Non-Cash Accruals	-	-	-	-	-	-	-	45,325,000	(45,325,000)	-	-	-	-
35. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
36. Net Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,562,188	\$ 1,953,112	\$ 2,000,000	\$ 3,024,878	\$ 52,530,258
37. Jurisdictional Factor	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753	0.83753
38. Total Jurisdictional Generation Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 2,836,909	\$ 48,248,684
Transmission:													
39. Line Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40. Substation Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-
41. Real Estate Acquisitions	-	-	-	-	-	-	-	-	-	-	-	8,841,425	8,841,425
42. Line Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
43. Substation Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
44. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
45. Total Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,841,425	\$ 8,841,425
46. Less Adjustments:													
47. Non-Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
48. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
49. Net Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,841,425	\$ 8,841,425
50. Jurisdictional Factor	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587	0.70587
51. Total Jurisdictional Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,312,378	\$ 6,312,378
52. Total Jurisdictional Construction Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 9,148,386	\$ 55,561,072

Docket 090009-EI
 Progress Energy Florida
 Exhibit No. (WG-3)
 Page 18 of 30

Levy County Nuclear Filing
 Pre-Construction Costs and Carrying Costs on Construction Cost Balance
 True-up Filing: Monthly Expenditures

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

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 12/31/2007

COMPANY:
 Progress Energy - FL
 DOCKET NO.:
 080149-EI

Witness:

Line No. Major Task Description - Includes, but is not limited to:

Pre-Construction:

Generation:

License Application Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
 Engineering & Design Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.
 Permitting Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)
 Clearing, Grading and Excavation Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.
 On-Site Construction Facilities Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.

Transmission:

Line Engineering Internal engineering labor, contracted engineering labor, survey and all other costs associated with engineering transmission lines.
 Substation Engineering Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.
 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.
 Other Project Management, overhead costs and other miscellaneous costs associated with transmission pre-construction.

Construction:

Generation:

Real Estate Acquisition Land, Survey, Legal fees and commissions.
 Project Management Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
 Permanent Staff/Training Obtain and train qualified staff by Fuel Load date.
 Site Preparation Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
 On-Site Construction Facilities Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
 Power Block Engineering, Procurement The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
 Non-Power Block Engineering, Procurement 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.)

Transmission:

Line Engineering See description on Line 10.
 Substation Engineering See description on Line 11.
 Real Estate Acquisition Land, route siting, survey, appraisal, title commitments, acquisition, permitting, eminent domain support and ordinance review costs.
 Line Construction Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.
 Substation Construction Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.
 Other See description on Line 14.

Levy County Nuclear Filing
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 prior period filed with the Commission.

For the Year Ended 12/31/2007

COMPANY: Progress Energy - FL

Witness:

DOCKET NO.: 080149-EI

Line No.	(A) Total Actual	(B) Total Actual/Estimated	(C) Total Variance	(D) Explanation
Pre-Construction:				
<u>Generation:</u>				
License Application	\$ -	\$ -	\$ -	N/A
Engineering & Design	-	-	-	N/A
Permitting	-	-	-	N/A
Clearing, Grading and Excavation	-	-	-	N/A
On-Site Construction Facilities	-	-	-	N/A
Total Generation Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
<u>Transmission:</u>				
Line Engineering	\$ -	\$ -	\$ -	N/A
Substation Engineering	-	-	-	N/A
Clearing	-	-	-	N/A
Other	-	-	-	N/A
Total Transmission Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Construction:				
<u>Generation:</u>				
Real Estate Acquisitions	\$ 52,530,259	\$ -	\$ (52,530,259)	Note 1
Project Management	-	-	-	N/A
Permanent Staff/Training	-	-	-	N/A
Site Preparation	-	-	-	N/A
On-Site Construction Facilities	-	-	-	N/A
Power Block Engineering, Procurement, etc	-	-	-	N/A
Non-Power Block Engineering, Procurement	-	-	-	Note 1
Total Generation Costs	<u>\$ 52,530,259</u>	<u>\$ -</u>	<u>\$ (52,530,259)</u>	
<u>Transmission:</u>				
Line Engineering	\$ -	\$ -	\$ -	N/A
Substation Engineering	-	-	-	N/A
Real Estate Acquisition	8,941,425	-	(8,941,425)	Note 1
Line Construction	-	-	-	N/A
Substation Construction	-	-	-	N/A
Other	-	-	-	Note 1
Total Transmission Costs	<u>\$ 8,941,425</u>	<u>\$ -</u>	<u>\$ (8,941,425)</u>	

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Levy County Nuclear Filing
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 12/31/2007

COMPANY:

Progress Energy - FL

DOCKET NO.:

080149-EI

Witness:

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 is still in negotiations with the Consortium on the terms and conditions of an acceptable EPC contract, including price structure. PEF expects to finalize and execute the EPC contract by the end of 2008.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Contracts Executed

chedule 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.

For the Year Ended 12/31/2007

MPANY: Progress Energy Florida

CKET NO.:
080149-EI

Witness:

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2006)	Estimate of amount to be Expended in Current Year (2007)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection	Work Description
1	N/A	Complete		\$45,000,000	\$450,000	\$46,551,088	\$47,001,088	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.	Purchase Land for LNP. Final contact amount includes costs to complete title search, recording fees, and documentary stamps.
2	N/A	Complete		\$39,000,000	\$0	\$40,335,305	\$40,335,305 (a)	Contract for Sale & Purchase for JH Lybass Jr Family LLC, TG Lybass LLP and Oregon Lybass	Acquisition supports specific needs for the Levy Nuclear Plant and is adjacent to Rayonier property.	Purchase Land. Costs were distributed between NGG, Transmission and Land For Future Use. Final contact amount includes costs to complete title search, recording fees, and documentary stamps.
3	293651	Complete						Duncan Company	Approved Nominee Agreement	Provide an array of diverse commercial real estate services for proposed baseload power generation plant.

\$12.7 M of Lybass land purchase was allocated to Levy Project, the remainder of \$27.7 M was allocated to Land held for future use.

- te 1: Method of Selection column should specify: (1) Lease, Buy or Make Considerations for goods (or) In house or external for resources.
te 2: Method of Selection column should (2) RFP or Sole Source.
te 3: Method of Selection column should specify (3) Lowest Cost Bidder Accepted/Not Accepted.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
True-up Filing: Contracts Executed

Schedule T-8A

FLORIDA PUBLIC SERVICE COM COMPANY: Progress Energy - FL DOCKET NO.: 080149-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.	For the Year Ended 12/31/2007 Witness:
--	--	---

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

Dollar Value: \$45,000,000

Contract Status: Completed

Term Begin:



Term End:

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

Schedule T-BA

FLORIDA PUBLIC SERVICE COM 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. For the Year Ended 12/31/2007

COMPANY: Progress Energy - FL

DOCKET NO.: 080149-EI

Witness:

Contract No.: N/A

Major Task or Tasks Associated With: Purchase of property to support specific needs of the Levy Nuclear Power Plant.

Vendor Identity: JH Lybass Jr. Family LLC, Lybass LP, Oregon Lybass (sellers)

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

Number of Vendors Solicited: Purchased based on supporting specific needs of Levy Nuclear Plant. Lybass property is adjacent to property purchased to site Levy Nuclear Plant.

Number of Bids Received: N/A

Brief Description of Selection Process: Property was chosen based on several key advantages: (1) Adjacent to property previously purchased for Levy Nuclear Plant. Levy Count is the best overall siting location based on the completed siting analysis. (2) Cooling Water lines must cross property to reach Cross Florida Barge Canal. (3) Supports Transmission Deliverability Analysis for key transmission corridor. (4) Heavy Haul Path from the barge canal to transport major components to the site. (5) Accommodates a multi-lane construction entrance to the site. (6) Close proximity to an abundant cooling water source that is not a fresh water consumption source.

Dollar Value: \$39,000,000

Contract Status: Completed

Term Begin:



Term End:

Nature and Scope of Work: Purchase and Sale Agreement. The seller was Lybass family members. Sold 2,159 acres to Progress Energy to support siting of the Levy Nuclear Plant, Transmission and meet potential future generation requirements.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Schedule T-8A True-up Filing: Contracts Executed

FLORIDA PUBLIC SERVICE COM 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, For the Year Ended 12/31/2007
COMPANY: Progress Energy - FL brief description of vendor selection process, and current status of the contract.
DOCKET NO.: 080149-EI Witness:

Contract No.: 293651

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: Completed

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 Filing
Pre-Construction Costs and Carrying Costs on Constr
True-up Filing: Contracts Executed

chedule T-88

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.

For the Year Ended 12/31/2007

COMPANY:
Progress Energy - FL
DOCKET NO.:
090149-E1

Witness:

Line No.	(A) Vendor Identity	(B) Product or Service	(C) Term Begin	(D) Term End	(E) Dollar Value
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Levy County Nuclear Filing
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 12/31/2007

Progress Energy - FL

DOCKET NO.: 080149-EI

Witness:

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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	True-Up Provision	-	-	-	-	-	-	-
3	NFR Revenues Applicable to Period (Lines 1 + 2)	-	-	-	-	-	-	-
4	Jurisdictional NFR Costs	-	-	-	-	-	-	-
5	Over/Under Recovery true-up provision (Line 3 - Line 4c)	-	-	-	-	-	-	-
6	Interest Provision	-	-	-	-	-	-	-
7	Beginning Balance True-up & Interest Provision	-	-	-	-	-	-	-
a	Deferred True-up	-	-	-	-	-	-	-
8	True-Up Collected (Refunded) (See Line 2)	-	-	-	-	-	-	-
9	End of Period True-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Note 2: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

Levy County Nuclear Filing
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 12/31/2007

DOCKET NO.: 080149-EI

Witness:

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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	True-Up Provision	-	-	-	-	-	-	-
3	NFR Revenues Applicable to Period (Lines 1 + 2)	-	-	-	-	-	-	-
4	Jurisdictional NFR Costs	-	-	224,596	460,273	482,739	543,835	1,711,443
5	Over/Under Recovery true-up provision (Line 3 - Line 4c)	-	-	(224,596)	(460,273)	(482,739)	(543,835)	(1,711,443)
6	Interest Provision	-	-	-	-	-	-	-
7	Beginning Balance True-up & Interest Provision	-	-	-	-	-	-	-
a	Deferred True-up	-	-	-	-	-	-	-
8	True-Up Collected (Refunded) (See Line 2)	-	-	-	-	-	-	-
9	End of Period True-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Note 2: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Schedule T-10 True-up Filing: Calculation of the Net Interest for Final True-up Amount for the Period

[section (5)(c)4.]

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Calculate the estimated net true-up balance, including revenue and interest.

COMPANY: Progress Energy - FL For the Year Ended 12/31/2007

DOCKET NO.: 080149-EI Witness:

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

Note: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

**Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance**

Schedule T-10

True-up Filing: Calculation of the Net Interest for Final True-up Amount for the Period

[section (5)(c)4.]

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Calculate the estimated net true-up balance, including revenue and interest.

COMPANY: Progress Energy - FL For the Year Ended 12/31/2007

DOCKET NO.: Witness:

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

Note: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition to Establish
Discovery Docket Regarding
Actual and Projected Costs for
Levy Nuclear Project, by Progress
Energy Florida, Inc.**

DOCKET NO. 080149 -EI

**Submitted for filing:
May 1, 2008**

REDACTED

**DIRECT TESTIMONY OF LORI CROSS
IN SUPPORT OF SITE SELECTION COSTS**

**ON BEHALF OF
PROGRESS ENERGY FLORIDA**

**R. ALEXANDER GLENN
JOHN BURNETT
PROGRESS ENERGY SERVICE
COMPANY, LLC
P.O. Box 14042
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DOCUMENT NUMBER-DATE

03567 MAY-18

FPSC-COMMISSION CLERK

**IN RE: PETITION TO ESTABLISH DISCOVERY DOCKET
REGARDING PROJECTED COSTS FOR LEVY NUCLEAR
PROJECT BY PROGRESS ENERGY FLORIDA, INC.**

BY PROGRESS ENERGY FLORIDA

FPSC DOCKET NO. 080149

**DIRECT TESTIMONY OF LORI CROSS
IN SUPPORT OF SITE SELECTION COSTS**

I. INTRODUCTION AND QUALIFICATIONS

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Q. Please state your name and business address.

**A. My name is Lori Cross. 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 Manager of
Regulatory Planning Florida.**

Q. What are your responsibilities in that position?

**A. I am responsible for regulatory planning, cost recovery and pricing functions
for Progress Energy Florida, Inc. ("PEF"). These responsibilities include:
cost of service analysis; regulatory financial reports; rate and tariff
development and administration; analysis of state, federal and local
regulations and their impact on PEF; planning, coordination and execution of
general rate case proceedings as necessary. In this capacity, I am also**

DOCUMENT NUMBER - DATE
03567 MAY -18
FPSC-COMMISSION CLERK

1 responsible for the Levy County Nuclear Project Cost Recovery Projection
2 filing, made as part of this discovery docket, in accordance with Rule 25-
3 6.0423, Florida Administrative Code (F.A.C.).
4

5 **Q. Please describe your educational and occupational history and describe your**
6 **duties in the various positions you have held as an employee of Progress**
7 **Energy.**

8 A. I received a Bachelors of Science degree in Accounting from the University of
9 South Florida. I began my employment with PEF (previously Florida Power
10 Corporation) in 1983. During my 24 years with Florida Power Corporation and
11 now Progress Energy Service Co. LLC., I have held a number of financial and
12 accounting positions. In 2004, I became Manager, Regulatory Services for PEF.
13

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

15 A. The purpose of my testimony is to present, for Commission review and approval,
16 Progress Energy Florida's site selection costs associated with the Levy Nuclear
17 Construction project.
18

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

20 A. Yes. I am sponsoring the following exhibits, which were prepared under my
21 supervision:

- 22 • Exhibit No (LC-3) which consists of schedules SS-1 to SS-6B which
23 reflects the site selection costs for 2006.

- 1 • Exhibit No (LC-4) which consists of schedules SS-1 to SS-8A which
- 2 reflects the site selection costs for 2007.
- 3 • Exhibit No (LC-5) which consists of schedules SS-1 to SS-8B and SS-10
- 4 reflects the site selection costs for 2008.

5

6 **Q. What are Schedules SS-1 to SS-10?**

- 7 • Schedule SS-1 reflects the Site Selection Revenue Requirements.
- 8 • Schedule SS-2 reflects the over/(under) recovery of site selection costs.
- 9 • Schedule SS-3A reflects the carrying costs on the deferred taxes.
- 10 • Schedule SS-3B reflects the calculation of the construction period interest.
- 11 • Schedule SS-4 reflects recoverable O&M expenses.
- 12 • Schedule SS-5 reflects other recoverable O&M expenses.
- 13 • Schedule SS-6 reflects monthly site selection expenses.
- 14 • Schedule SS-6A reflects a description of the major tasks for the costs
- 15 incurred.
- 16 • Schedule SS-7 reflects a description of the technology selected
- 17 • Schedule SS-8 reflects a list of the contracts executed in excess of \$1.0
- 18 million.
- 19 • Schedule SS-8A reflects details on each of the contracts executed in
- 20 excess of \$1.0 million.
- 21 • Schedule SS-8B reflects a list of all contracts in excess of \$200,000.
- 22 • Schedule SS-10 reflects the estimated bill impact associated with the
- 23 cumulative Site Selection revenue requirements.

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

A. These numbers are derived from the Company's actual books and records.

Q. What costs have been included in the Site Selection schedules?

A. These schedules include the revenue requirements on the site selection costs that the Company has incurred for the Levy Nuclear Construction project pursuant to the provisions of Rule 25-6.0423. The revenue requirements include the actual costs incurred, plus a carrying charge on the unrecovered balance, the incremental O&M expenses, and a carrying charge on the deferred tax asset. These costs were incurred from the period April 2006 up to the date that PEF submitted its petition for determination of need for the Levy Plant.

Total revenue requirements for the entire period are \$ 37.9 million and are comprised of \$3.5 million for the 2006 calendar year, \$14.6 million for the 2007 calendar year, and \$19.8 million for the 2008 calendar year.

These costs were primarily incurred as part of the Combined Operating License process and the site and technology selection process. More detailed information about these costs is provided in the testimony of Danny Roderick. These schedules contain substantially all of the actual site selection expenses. There are still some costs for which the invoices have not been received and as such, the

1 costs presented in these schedules may need to be trued up to final costs at a later
2 date.

3
4 **Q. How does PEF plan to recover these Site Selection Costs?**

5
6 A. In accordance with the provisions of FPSC Rule 25-6.0423, Section (4), after the
7 Commission has issued an order granting the determination of need, PEF will file
8 a petition for a separate proceeding to recover prudently incurred site selection
9 costs. In that petition, PEF will propose that these costs be afforded the same cost
10 recovery treatment as Preconstruction costs and that they be included in the total
11 costs to be recovered through the Capacity Clause Recovery (CCR) clause
12 beginning in January 2009.

13
14 **Q. What does Schedule SS-10 represent?**

15 A. Schedule SS-10 in Exhibit LC-5 shows the estimated bill impact of recovering the
16 cumulative Site Selection costs plus the carrying charge through retail rates
17 beginning in January 2009, based on 2008 billing determinants. As can be seen in
18 SS-10, the estimated impact to the residential ratepayer of recovering the \$37.9
19 million is \$1.07 per 1000 KWh.

20
21 **Q. Does this conclude your testimony?**

22 A. Yes, it does.
23
24

SCHEDULE APPENDIX

EXHIBIT (LC-3)

PROGRESS ENERGY FLORIDA, INC.
Levy County Nuclear Filing
COMMISSION SCHEDULES (SS-1 Through SS-6B)

JANUARY 2006 - DECEMBER 2006
2006 SITE SELECTION
DOCKET NO. 080149-EI

DOCUMENT NUMBER DATE
03567 MAY -1 8
FPSC-COMMISSION CLERK

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Retail Revenue Requirements Summary**

[Section (4)]
[Section (8)(d)]

Schedule SS-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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2006

COMPANY: PROGRESS ENERGY - FL

Witness: Lori Cross

DOCKET NO.: 080149 - EI

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars								
1.	Site Selection Revenue Requirements (Schedule SS-2, line 7)	\$ -	\$ -	\$ -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 211,559
2.	Construction Carrying Cost Revenue Requirements	-	-	-	-	-	-	-
3.	Recoverable O&M Revenue Requirements (Schedule SS-4, line 28)	-	-	-	-	-	-	-
4.	Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8)	-	-	-	-	-	-	-
5.	Other Adjustments	-	-	-	-	-	-	-
6.	Total Period Revenue Requirements (Lines 1 through 5)	-	-	-	11,287	211,044	(10,772)	211,559
7.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
8.	Difference (Line 6 - Line 7)	\$ -	\$ -	\$ -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 211,559

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Retail Revenue Requirements Summary**

[Section (4)]
[Section (8)(d)]

Schedule SS-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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2006

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1.	\$ 155,142	\$ 137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	155,142	137,968	36,960	483,518	134,404	2,332,188	3,491,739
7.	-	-	-	-	-	-	-
8.	\$ 155,142	\$ 137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Site Selection Costs**

Schedule SS-2

[Section (4)]
[Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2006

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars							
1. Current Period Pre-Construction Expenses (Schedule SS-6 Line 34)	\$ -	\$ -	\$ -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 211,559
2. Prior Period Unrecovered Pre-Construction Balance	-	-	-	11,287	222,331	211,559	-
3. Pre-Construction Expenses Recovered	-	-	-	-	-	-	-
4. Average Balance Pre-Construction Expenses Eligible for Return	-	-	-	5,844	116,809	216,945	-
5. Return on Average Net Unamortized CWIP Eligible for Return (c)	-	-	-	-	-	-	-
a. Equity Component (a)	-	-	-	-	-	-	-
b. Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
c. Debt Component	-	-	-	-	-	-	-
6. Total Return Requirements (Line 5b + 5c)	-	-	-	-	-	-	-
7. Total Costs to be Recovered	-	-	-	11,287	211,044	(10,772)	211,559
8. CWIP Additions, Amortization & Return from most recent Projections	-	-	-	-	-	-	-
9. Over / (Under) Recovery (Line 7 - Line 8)	\$ -	\$ -	\$ -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 211,559

(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 0.001826 (Debt), which results in the annual rate of 8.848%.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Site Selection Costs**

Schedule SS-2

[Section (4)]
[Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2006

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(I) Actual July	(J) Actual August	(K) Actual September	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total
Jurisdictional Dollars							
1.	\$ 155,142	\$ 137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739
2.	366,701	504,869	541,629	1,025,147	1,159,551	3,491,739	
3.	-	-	-	-	-	-	
4.	289,130	435,685	523,149	783,388	1,092,349	2,325,645	
5.							
a.	-	-	-	-	-	-	-
b.	-	-	-	-	-	-	-
c.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
7.	155,142	137,968	36,960	483,518	134,404	2,332,188	3,491,739
8.	-	-	-	-	-	-	-
9.	\$ 155,142	\$ 137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739

(a) The monthly Equity Component of 8.85% 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 8.846%.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Deferred Tax Carrying Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2006

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
<i>Jurisdictional Dollars</i>								
1.	Construction Period Interest (Schedule SS-3B, Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)	-	-	-	-	-	-	-
3.	Other Adjustments (d)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
4.	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5.	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
6.	Average Accumulated DTA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
7.	Carrying Costs on DTA (c)							
	a. Equity Component (a)	-	-	-	-	-	-	-
	b. Equity Comp. grossed up for taxes (b)	-	-	-	-	-	-	-
	c. Debt Component	-	-	-	-	-	-	-
8.	Total Return Requirements (Line 7b + 7c)	-	-	-	-	-	-	-
9.	Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
10.	Difference (Line 8 - Line 9)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a) The monthly Equity Component of 6.65% 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 0.005484 (Equity) and 0.001826 (Debt), which results in the annual rate of 6.848%.

(d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Deferred Tax Carrying Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2006

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
1. Construction Period Interest (Schedule SS-3B, Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)		-	-	-	-	-	-	-
3. Other Adjustments (d)		-	-	-	-	-	-	-
4. Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
6. Average Accumulated DTA		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
7. Carrying Costs on DTA (c)								
a. Equity Component (a)		-	-	-	-	-	-	-
b. Equity Comp. grossed up for taxes (b)		-	-	-	-	-	-	-
c. Debt Component		-	-	-	-	-	-	-
8. Total Return Requirements (Line 7b + 7c)		-	-	-	-	-	-	-
9. Total Return Requirements from most recent Projections		-	-	-	-	-	-	-
10. Difference (Line 8 - Line 9)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a) The monthly Equity Component of 8.85% 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 0.001826 (Debt), which results in the annual rate of 8.848%.
 (d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs**

Schedule SS-3B

[Section (4)]
[Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2006

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
Jurisdictional Dollars								
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	Additions Preconstruction	-	-	-	-	-	-	-
3.	Additions Construction	-	-	-	-	-	-	-
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Ending Balance Excluding CPI	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
6.	Average Balance Eligible for CPI	-	-	-	-	-	-	-
7.	Monthly CPI Rate (Note 1)	-	-	-	-	-	-	-
8.	Construction Period Interest for Tax (CPI)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

Note 1: CPI rate is the projected weighted average debt rate for the period.

Note 2: This schedule for informational purposes only. In 2006 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs**

Schedule SS-3B

[Section (4)]
[Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2006

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	Additions Preconstruction	-	-	-	-	-	-	-
3.	Additions Construction	-	-	-	-	-	-	-
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Ending Balance Excluding CPI	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-
6.	Average Balance Eligible for CPI	-	-	-	-	-	-	-
7.	Monthly CPI Rate [Note 1]							
8.	Construction Period Interest for Tax (CPI)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-

Note 1: CPI rate is the projected weighted average debt rate for the period.

Note 2: This schedule for informational purposes only. In 2006 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual Filing: Recoverable O&M Monthly Expenditures

[Section (4)]
 [Section (8)(d)]

Schedule SS-4

FLORIDA PUBLIC SERVICE COMMISSION

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2006

DOCKET NO.: 060149 - EI

Witness: Lori Cross

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	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
17	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
18	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
19	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
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Jurisdictional Recoverable Costs (Nuc - Production - Base) (Line 13 X Line 1)	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Jurisdictional Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Average Monthly Recoverable O&M Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Monthly Short-term Commercial Paper Rate													
27	Interest Provision	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Total Monthly Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Total Jurisdictional O&M Costs From Most Recent Projection	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Difference (Line 28 - 29)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual Filing: Other Recoverable O&M Monthly Expenditures

Schedule SS-5

[Section (4)]
 [Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the Actual Other Recoverable O&M projected monthly expenditures by function for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Jurisdictional Factor (A&G)	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870	0.91870
17	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
18	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
19	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
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Jurisdictional Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Difference (Line 24 - 26)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: This schedule provided for informational purposes only. These costs were not tracked in this manner in 2006.

Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Monthly Expenditures

[Section (4)]
[Section (8)(d)]

Schedule SS-8

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the actual monthly expenditures by major tasks performed within Site Selection category.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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														
2														
3														
4	<u>Site Selection:</u>													
5	<u>Generation:</u>													
6	License Application	\$ -	\$ -	\$ -	\$ 175,119	\$ 269,670	\$ 210,344	\$ 145,154	\$ (74,571)	\$ 285,111	\$ 620,777	\$ 275,963	\$ 841,644	\$ 2,849,210
7	Engineering, Design & Procurement	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Permitting	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Clearing, Grading and Excavation	-	-	-	-	-	-	-	-	-	-	-	-	-
10	On-Site Construction Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Total Generation Costs	\$ -	\$ -	\$ -	\$ 175,119	\$ 269,670	\$ 210,344	\$ 145,154	\$ (74,571)	\$ 285,111	\$ 620,777	\$ 275,963	\$ 841,644	\$ 2,849,210
12	<u>Less Adjustments:</u>													
13	Non Cash Accruals	0	0	0	163,080	44,584	221,834	(20,326)	(221,731)	245,688	105,041	132,603	280,293	951,044
14	Other	-	-	-	-	-	-	-	-	-	-	-	(1,826,238)	(1,826,238)
15	Net Generation Costs	\$ -	\$ -	\$ -	\$ 12,039	\$ 225,106	\$ (11,490)	\$ 165,480	\$ 147,161	\$ 39,423	\$ 515,736	\$ 143,360	\$ 2,487,588	\$ 3,724,402
16	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														
18	Total Jurisdictional Generation Costs	\$ -	\$ -	\$ -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 155,142	\$ 137,968	\$ 38,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739
19														
20	<u>Transmission:</u>													
21	Line Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Substation Engineering	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Clearing	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Total Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	<u>Less Adjustments:</u>													
27	Non Cash Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Net Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	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														
32	Total Jurisdictional Transmission Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33														
34	Total Jurisdictional Site Selection Costs	\$ -	\$ -	\$ -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 155,142	\$ 137,968	\$ 38,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739
35														

Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Monthly Expenditures

[Section (4)]
[Section (8)(d)]

Schedule SS-6A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a description of the major tasks performed
within Site Selection category for the current year.

For the Year Ended 12/31/2006

COMPANY: PROGRESS ENERGY - FL

Witness: Lori Cross

DOCKET NO.: 080149 - EI

Line No.	Major Task	Description - Includes, but is not limited to:
1	<u>Site Selection</u>	
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.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Variance Explanations**

Schedule SS-6B

[Section (4)]
[Section (8)(d)]

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.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(A) Total Actual/Estimated	(B) Total Projected	(C) Total Variance	(D) Explanation
1				<u>Site Selection:</u>
2				<u>Generation:</u>
3	\$ 2,849,210	\$ -	\$ 2,849,210	Note 1
4	-	-	-	Note 1
5	-	-	-	N/A
6	-	-	-	N/A
7	-	-	-	Note 1
8	<u>\$ 2,849,210</u>	<u>\$ -</u>	<u>\$ 2,849,210</u>	
9				
10				<u>Transmission:</u>
11	\$ -	\$ -	\$ -	Note 1
12	-	-	-	Note 1
13	-	-	-	N/A
14	-	-	-	Note 1
15	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Note 1: No costs were projected due to the fact that Progress Energy (PEF) has never filed a projection to date.

Page 1 of 1

SCHEDULE APPENDIX
REDACTED

EXHIBIT (LC-4)

PROGRESS ENERGY FLORIDA, INC.
Levy County Nuclear Filing
COMMISSION SCHEDULES (SS-1 Through SS-8A)

JANUARY 2007 - DECEMBER 2007
2007 SITE SELECTION
DOCKET NO. 080149-EI

DOCUMENT NUMBER-DATE
03567 MAY-18
FPSC-COMMISSION CLERK

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Retail Revenue Requirements Summary**

[Section (4)]
[Section (8)(d)]

Schedule SS-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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - E1

Witness: Lori Cross

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars							
1. Site Selection Revenue Requirements (Schedule SS-2, line 7)	\$ 201,370	\$ 1,817,898	\$ 517,359	\$ (1,987,956)	\$ 4,081,375	\$ 1,716,077	\$ 6,356,124
2. Construction Carrying Cost Revenue Requirements	-	-	-	-	-	-	-
3. Recoverable O&M Revenue Requirements (Schedule SS-4, line 28)	-	-	25,123	110	15,220	178	40,630
4. Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8)	(12)	(39)	(73)	(108)	(144)	(193)	(568)
5. Other Adjustments	-	-	-	-	-	-	-
6. Total Period Revenue Requirements (Lines 1 through 5)	<u>201,358</u>	<u>1,817,860</u>	<u>542,410</u>	<u>(1,987,954)</u>	<u>4,106,451</u>	<u>1,716,061</u>	<u>6,398,166</u>
7. Total Return Requirements from most recent Projections	-	-	-	-	-	-	-
8. Difference (Line 6 - Line 7)	<u>\$ 201,358</u>	<u>\$ 1,817,860</u>	<u>\$ 542,410</u>	<u>\$ (1,987,954)</u>	<u>\$ 4,106,451</u>	<u>\$ 1,716,061</u>	<u>\$ 6,398,166</u>

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Retail Revenue Requirements Summary**

[Section (4)]
[Section (8)(d)]

Schedule SS-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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
	Jurisdictional Dollars						
1.	\$ 1,463,159	\$ 1,537,118	\$ 2,265,727	\$ 1,246,625	\$ 2,173,840	\$ (1,026,384)	\$ 14,036,210
2.	-	-	-	-	-	-	-
3.	178	185	4,764	112,379	165,285	224,072	547,473
4.	(713)	(787)	(871)	(967)	(1,075)	(1,189)	(8,170)
5.	-	-	-	-	-	-	-
6.	1,482,624	1,536,517	2,269,620	1,358,037	2,338,030	(803,501)	14,577,513
7.	-	-	-	-	-	-	-
8.	\$ 1,482,624	\$ 1,536,517	\$ 2,269,620	\$ 1,358,037	\$ 2,338,030	\$ (803,501)	\$ 14,577,513

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Site Selection Costs**

[Section (4)]
[Section (B)(d)]

Schedule SS-2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the actual true-up of site selection costs based on actual site selection expenditures for the current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2007

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars								
1.	Current Period Pre-Construction Expenses (Schedule SS-6 Line 34)	\$ 163,770	\$ 1,769,860	\$ 457,264	\$ (2,040,150)	\$ 4,028,352	\$ 1,622,877	\$ 6,001,973
2.	Prior Period Unrecovered Pre-Construction Balance	3,491,739	3,655,508	5,940,342	3,940,688	8,004,211	9,669,558	
3.	Pre-Construction Expenses Recovered							
4.	Average Balance Pre-Construction Expenses Eligible for Return	3,573,624	4,565,776	5,711,710	4,960,763	5,990,035	8,658,119	
5.	Return on Average Net Unamortized CWIP Eligible for Return (c)							
a.	Equity Component (a)	19,526	24,947	31,209	27,106	32,730	48,401	183,918
b.	Equity Comp. grossed up for taxes (b)	31,789	40,614	50,808	44,128	53,284	78,797	299,420
c.	Debt Component	5,811	7,424	9,287	8,066	9,740	14,403	64,731
6.	Total Return Requirements (Line 5b + 5c)	<u>37,600</u>	<u>48,038</u>	<u>60,095</u>	<u>52,194</u>	<u>63,024</u>	<u>93,200</u>	<u>354,151</u>
7.	Total Costs to be Recovered	<u>201,370</u>	<u>1,817,898</u>	<u>517,359</u>	<u>(1,987,956)</u>	<u>4,091,375</u>	<u>1,716,077</u>	<u>6,356,124</u>
8.	CWIP Additions, Amortization & Return from most recent Projections							
9.	Over / (Under) Recovery (Line 7 - Line 8)	<u>\$ 201,370</u>	<u>\$ 1,817,898</u>	<u>\$ 517,359</u>	<u>\$ (1,987,956)</u>	<u>\$ 4,091,375</u>	<u>\$ 1,716,077</u>	<u>\$ 6,356,124</u>

(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 Filing
Site Selection Costs and Carrying Costs
Actual Filing: Site Selection Costs**

Schedule SS-2

[Section (4)]
[Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2007

DOCKET NO.: 080149 - E1

Witness: Lori Cross

Line No.	(I) Actual July	(J) Actual August	(K) Actual September	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total
Jurisdictional Dollars							
1.	Current Period Pre-Construction Expenses (Schedule SS-6 Line 34)	\$ 1,373,535	\$ 1,412,063	\$ 2,121,198	\$ 1,084,209	\$ 1,994,077	\$ (1,211,538) \$ 12,775,518
2.	Prior Period Unrecovered Pre-Construction Balance	11,105,897	12,591,832	14,797,300	15,978,802	18,082,428	16,982,024
3.	Pre-Construction Expenses Recovered						
4.	Average Balance Pre-Construction Expenses Eligible for Return	10,419,129	11,885,800	13,736,701	15,436,798	17,085,388	17,587,783
5.	Return on Average Net Unamortized CWIP Eligible for Return (c)						
a.	Equity Component (a)	56,930	64,944	75,057	84,347	93,355	96,154 654,705
b.	Equity Comp. grossed up for taxes (b)	92,682	105,729	122,193	137,317	151,981	156,539 1,065,862
c.	Debt Component	16,942	19,326	22,336	25,100	27,781	28,614 194,830
6.	Total Return Requirements (Line 5b + 5c)	<u>109,624</u>	<u>125,055</u>	<u>144,529</u>	<u>162,417</u>	<u>179,762</u>	<u>185,153 1,260,692</u>
7.	Total Costs to be Recovered	<u>1,483,159</u>	<u>1,537,118</u>	<u>2,265,727</u>	<u>1,246,625</u>	<u>2,173,840</u>	<u>(1,026,384) 14,036,210</u>
8.	CWIP Additions & Amortization from most recent Projections						
9.	Difference (Line 7 - Line 8)	<u>\$ 1,483,159</u>	<u>\$ 1,537,118</u>	<u>\$ 2,265,727</u>	<u>\$ 1,246,625</u>	<u>\$ 2,173,840</u>	<u>\$ (1,026,384) \$ 14,036,210</u>

(a) The monthly Equity Component of 8.85% 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%.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual & Estimated Filing: Deferred Tax Carrying Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2007

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
Jurisdictional Dollars								
1.	Construction Period Interest (Schedule SS-3B, Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.	Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)	-	-	-	-	-	-	-
3.	Other Adjustments (d)	\$ (5,811)	\$ (7,424)	\$ (9,287)	\$ (8,066)	\$ (9,740)	\$ (14,403)	\$ (54,731)
4.	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	<u>\$ -</u>	<u>\$ (5,811)</u>	<u>\$ (13,235)</u>	<u>\$ (22,522)</u>	<u>\$ (30,588)</u>	<u>\$ (40,328)</u>	<u>\$ (54,731)</u>
5.	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	<u>\$ -</u>	<u>\$ (2,241)</u>	<u>\$ (5,105)</u>	<u>\$ (8,688)</u>	<u>\$ (11,799)</u>	<u>\$ (15,556)</u>	<u>\$ (21,113) n/a</u>
6.	Average Accumulated DTA	\$ (1,121)	\$ (3,673)	\$ (6,897)	\$ (10,244)	\$ (13,678)	\$ (18,335)	
7.	Carrying Costs on DTA (c)							
a.	Equity Component (a)		(6)	(20)	(38)	(56)	(75)	(295)
b.	Equity Comp. grossed up for taxes (b)		(10)	(33)	(61)	(91)	(122)	(480)
c.	Debt Component		(2)	(6)	(11)	(17)	(22)	(88)
8.	Total Return Requirements (Line 7b + 7c)		<u>(12)</u>	<u>(39)</u>	<u>(73)</u>	<u>(108)</u>	<u>(144)</u>	<u>(193)</u>
9.	Total Return Requirements from most recent Projections		-	-	-	-	-	-
10.	Difference (Line 8 - Line 9)		<u>\$ (12)</u>	<u>\$ (39)</u>	<u>\$ (73)</u>	<u>\$ (108)</u>	<u>\$ (144)</u>	<u>\$ (193)</u>

(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 adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual & Estimated Filing: Deferred Tax Carrying Costs**

Schedule SS-3A

[Section (4)]
[Section (8)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2007

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
1. Construction Period Interest (Schedule SS-3B, Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1 + Line 3)	-	-	-	-	-	-	-	-
3. Other Adjustments (d)	\$ (16,842)	\$ (19,326)	\$ (22,336)	\$ (25,100)	\$ (27,781)	\$ (28,814)		(194,830)
4. Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	\$ (187,214)	\$ (184,158)	\$ (203,482)	\$ (226,818)	\$ (250,918)	\$ (278,699)	\$ (307,313)	n/a
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	\$ (64,503)	\$ (71,038)	\$ (78,493)	\$ (87,109)	\$ (96,792)	\$ (107,508)	\$ (118,546)	n/a
6. Average Accumulated DTA	\$ (67,771)	\$ (74,766)	\$ (82,801)	\$ (91,951)	\$ (102,150)	\$ (113,027)		
7. Carrying Costs on DTA (c)								
a. Equity Component (a)		(370)	(409)	(452)	(502)	(558)	(618)	(3,204)
b. Equity Comp. grossed up for taxes (b)		(603)	(665)	(737)	(816)	(909)	(1,005)	(5,216)
c. Debt Component		(110)	(122)	(135)	(150)	(166)	(184)	(954)
8. Total Return Requirements (Line 7b + 7c)		(713)	(787)	(871)	(967)	(1,075)	(1,189)	(6,170)
9. Total Return Requirements from most recent Projections		-	-	-	-	-	-	-
10. Difference (Line 8 - Line 9)	\$ (713)	\$ (787)	\$ (871)	\$ (967)	\$ (1,075)	\$ (1,189)	\$ (1,189)	(6,170)

(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 6.848%.

(d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Construction Period Interest**

[Section (4)]
[Section (8)(d)]

Schedule SS-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2007

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
	Jurisdictional Dollars							
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	Additions Preconstruction	-	-	-	-	-	-	-
3.	Additions Construction	-	-	-	-	-	-	-
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Ending Balance Excluding CPI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
6.	Average Balance Eligible for CPI	-	-	-	-	-	-	-
7.	Monthly CPI Rate [Note 1]							
8.	Construction Period Interest for Tax (CPI)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

Note 1: CPI rate is the projected weighted average debt rate for the period;

Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Construction Period Interest**

Schedule SS-3B

[Section (4)]
[Section (B)(d)]

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2007

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	Additions Preconstruction	-	-	-	-	-	-	-
3.	Additions Construction	-	-	-	-	-	-	-
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Ending Balance Excluding CPI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
6.	Average Balance Eligible for CPI	-	-	-	-	-	-	-
7.	Monthly CPI Rate (Note 1)	-	-	-	-	-	-	-
8.	Construction Period Interest for Tax (CPI)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: CPI rate is the projected weighted average debt rate for the period.

Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual Filing: Recoverable O&M Monthly Expenditures

[Section (4)]
 [Section (8)(d)]

Schedule SS-4

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the Actual CCRC Recoverable O&M monthly expenditures by function for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2007

DOCKET NO.: 080149 - EI

Witness: Lori Cross

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7	IT & Telecom	-	-	-	-	-	-	-	-	0	0	146,827	144	148,971
8	Legal	-	-	-	-	-	-	-	-	0	0	0	0	-
9	Project Assurance	-	-	-	-	-	-	-	-	4,987	11,907	27,179	15,740	50,813
10	Public Affairs	-	-	-	-	-	-	-	-	0	0	0	0	-
11	Subtotal A&G	-	-	-	-	-	-	-	-	4,987	11,907	174,006	15,884	208,784
12	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	\$ -	\$ -	\$ 35,509	\$ -	\$ 21,355	\$ -	\$ -	\$ -	\$ -	\$ 143,136	\$ 6,805	\$ 294,278	\$ 501,083
15	Total O&M Costs	\$ -	\$ -	\$ 35,509	\$ -	\$ 21,355	\$ -	\$ -	\$ -	\$ 4,987	\$ 155,043	\$ 180,811	\$ 310,162	\$ 707,867
16	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
17	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
18	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
19	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
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,572	\$ 10,915	\$ 159,511	\$ 14,561	\$ 189,559
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Jurisdictional Recoverable Costs (Nuclear - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ 25,068	\$ -	\$ 15,076	\$ -	\$ -	\$ -	\$ -	\$ 101,050	\$ 4,804	\$ 207,751	\$ 353,750
24	Total Jurisdictional Recoverable O&M Costs	\$ -	\$ -	\$ 25,068	\$ -	\$ 15,076	\$ -	\$ -	\$ -	\$ 4,572	\$ 111,965	\$ 164,315	\$ 222,312	\$ 543,308
25	Average Monthly Recoverable O&M Balance	\$ -	\$ -	\$ 12,534	\$ 25,123	\$ 32,771	\$ 40,453	\$ 40,830	\$ 40,808	\$ 43,279	\$ 101,740	\$ 240,294	\$ 434,557	
26	Monthly Short-term Commercial Paper Rate	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.44%	0.45%	0.45%	0.41%	0.40%	0.41%	
27	Interest Provision	\$ -	\$ -	\$ 55	\$ 110	\$ 144	\$ 178	\$ 178	\$ 185	\$ 193	\$ 414	\$ 948	\$ 1,780	\$ 4,165
28	Total Monthly Recoverable O&M Costs	\$ -	\$ -	\$ 25,123	\$ 110	\$ 15,220	\$ 178	\$ 178	\$ 185	\$ 4,764	\$ 112,379	\$ 185,265	\$ 224,072	\$ 547,473
29	Total Jurisdictional O&M Costs From Most Recent Projection	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Difference (Line 28 - 29)	\$ -	\$ -	\$ 25,123	\$ 110	\$ 15,220	\$ 178	\$ 178	\$ 185	\$ 4,764	\$ 112,379	\$ 185,265	\$ 224,072	\$ 547,473

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Other Recoverable O&M Monthly Expenditures**

[Section (4)]
[Section (8)(d)]

Schedule SS-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the Actual Other Recoverable O&M projected monthly expenditures by function for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2007

DOCKET NO.: 080149 - E1

Witness: Lori Cross

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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Corporate Communications	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Corporate Planning	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Project Assurance	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Total O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	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
17	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
18	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
19	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
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Total Jurisdictional Recoverable O&M Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Difference (Line 24 - 25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: This schedule provided for informational purposes only. These costs were not tracked in this manner in 2007.

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual Filing: Monthly Expenditures

[Section (4)]
 [Section (B)(d)]

Schedule SS-6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the actual monthly expenditures by major tasks performed within Site Selection category.

For the Year Ended 12/31/2007

COMPANY: PROGRESS ENERGY - FL

Witness: Lori Cross

DOCKET NO.: 080149 - EI

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
4	Site Selection:													
5	Generation:													
6	License Application	\$ 277,874	\$ 530,026	\$ 1,228,637	\$ 1,973,080	\$ 4,283,412	\$ 1,846,881	\$ 1,715,789	\$ 1,613,340	\$ 1,628,865	\$ 1,672,606	\$ 3,171,782	\$ 594,805	\$ 20,536,898
7	Engineering, Design & Procurement	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Permitting	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Clearing, Grading and Excavation	-	-	-	-	-	-	-	-	-	-	-	-	-
10	On-Site Construction Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Total Generation Costs	\$ 277,874	\$ 530,026	\$ 1,228,637	\$ 1,973,080	\$ 4,283,412	\$ 1,846,881	\$ 1,715,789	\$ 1,613,340	\$ 1,628,865	\$ 1,672,606	\$ 3,171,782	\$ 594,805	\$ 20,536,898
12	Less Adjustments:													
13	Non Cash Accruals	121,430	(340,912)	830,364	1,229,825	92,328	183,913	298,227	294,835	(394,668)	679,620	1,337,566	2,215,551	6,546,076
14	Other	(18,439)	(1,018,852)	(70,617)	2,932,144									1,826,236
15	Net Generation Costs	\$ 174,683	\$ 1,887,790	\$ 468,861	\$ (2,188,889)	\$ 4,191,086	\$ 1,662,968	\$ 1,417,561	\$ 1,318,505	\$ 2,023,533	\$ 892,986	\$ 1,834,216	\$ (1,620,745)	\$ 12,162,586
16	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	\$ 163,770	\$ 1,769,860	\$ 439,590	\$ (2,052,149)	\$ 3,929,269	\$ 1,559,083	\$ 1,329,008	\$ 1,236,138	\$ 1,897,123	\$ 830,954	\$ 1,719,632	\$ (1,519,497)	\$ 11,402,789
20	Transmission:													
21	Line Engineering	\$ -	\$ -	\$ 2,355	\$ 19,726	\$ 170,189	\$ 49,444	\$ 23,958	\$ 78,279	\$ 465,349	\$ 170,729	\$ 112,889	\$ 418,820	\$ 1,511,538
22	Substation Engineering	-	-	-	-	-	-	-	-	5,880	150,923	6,506	8,124	171,433
23	Clearing	-	-	23,320	9,331	23,441	10,130	21,639	214,325	(13,768)	269,214	87,873	240,509	866,018
24	Other	-	-	25,675	29,057	193,830	59,574	45,687	282,604	457,463	580,866	187,268	687,253	2,548,987
25	Total Transmission Costs	\$ -	\$ -	\$ 51,950	\$ 58,114	\$ 407,454	\$ 128,628	\$ 91,264	\$ 515,218	\$ 388,038	\$ 1,090,732	\$ 334,436	\$ 1,376,416	\$ 5,003,982
26	Less Adjustments:													
27	Non Cash Accruals	0	0	653	12,060	53,280	(30,790)	(17,478)	43,408	140,063	373,783	(201,481)	231,031	604,529
28	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Net Transmission Costs	\$ 0	\$ 0	\$ 653	\$ 12,060	\$ 53,280	\$ (30,790)	\$ (17,478)	\$ 43,408	\$ 140,063	\$ 373,783	\$ (201,481)	\$ 231,031	\$ 604,529
30	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	\$ -	\$ -	\$ 460	\$ 8,514	\$ 35,796	\$ (21,660)	\$ (12,320)	\$ 30,300	\$ 98,000	\$ 265,000	\$ (142,000)	\$ 163,000	\$ 424,000
32	Total Jurisdictional Site Selection Costs	\$ 163,770	\$ 1,769,860	\$ 457,264	\$ (2,040,150)	\$ 4,028,352	\$ 1,622,877	\$ 1,373,535	\$ 1,412,063	\$ 2,121,198	\$ 1,064,209	\$ 1,994,077	\$ (1,211,538)	\$ 12,775,518

Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Monthly Expenditures

[Section (4)]
[Section (8)(d)]

Schedule SS-6A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a description of the major tasks performed
within Site Selection category for the current year.

For the Year Ended 12/31/2007

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	Major Task	Description - Includes, but is not limited to:
1	<u>Site Selection</u>	
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.

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual Filing: Variance Explanations

[Section (4)]
 [Section (8)(d)]

Schedule SS-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 12/31/2007

COMPANY: PROGRESS ENERGY - FL

Witness: Lori Cross

DOCKET NO.: 090149 - EI

Line No.	(A) Total Actual/Estimated	(B) Total Projected	(C) Total Variance	(D) Explanation
1				<u>Site Selection:</u>
2				<u>Generation:</u>
3	\$ 20,536,898	\$ -	\$ 20,536,898	Note 1
4	-	-	-	Note 1
5	-	-	-	N/A
6	-	-	-	N/A
7	-	-	-	Note 1
8	<u>\$ 20,536,898</u>	<u>\$ -</u>	<u>\$ 20,536,898</u>	
9				
10				<u>Transmission:</u>
11	\$ 1,511,538	\$ -	\$ 1,511,538	Note 1
12	171,433	-	171,433	Note 1
13	-	-	-	N/A
14	866,016	-	866,016	Note 1
15	<u>\$ 2,548,987</u>	<u>\$ -</u>	<u>\$ 2,548,987</u>	

Note 1: No costs were projected due to the fact that Progress Energy (PEF) has never filed a projection to date.

Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual Filing: Technology Selected

[Section (4)]
[Section (8)(d)]

Schedule SS-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 12/31/2007

COMPANY: PROGRESS ENERGY - FL

Witness: Daniel Roderick

DOCKET NO.: 080149 - EI

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 is still in negotiations with the Consortium on the terms and conditions of an acceptable EPC contract, including price structure. PEF expects to finalize and execute the EPC contract by the end of 2008.

**Levy County Nuclear Filing
Site Selection**

Schedule SS-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.

COMPANY: Progress Energy Florida

For the Year Ended 12/31/2007
REDACTED

DOCKET NO.: 080149 - EI

Witness: Daniel Roderick/Dale Oliver

(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 (2006)	Actual amount Expended in Current Year (2007)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection	Work Description
1	00003382-00128	Issued							Westinghouse Electric Co. LLC.	Sole Source. Award based on selected vendor from the technology selected	Levy Price Finalization support
2	00300968-00004	Issued							Stone & Webster Inc.	Sole Source. Award based on selected vendor from the technology selected	Levy Price Finalization support
3	00300968-00002	Issued							Stone & Webster Inc.	Sole Source. Award based on selected vendor from the technology selected	Levy Phase 1A - Conceptual Design and site characterization.
4	00255934-00002	Issued							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons) - 00255934-00003)	RFP. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Combined Operating License Application (COLA) preparer
5	00080678-00111	Issued							Golder Associates Inc.	Sole Sourced	LNP Transmission Corridor Study
6	00262141-00003	Issued							Power Engineers Inc.	Sole Sourced	Line and Substation Design Study Support
7	00255934-00003	Issued							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons) - 00255934-00003)	RFP. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Levy Site Certification Application

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

Note 1: Method of Selection column should specify: (1) Lease, Buy or Make Considerations for goods (or) In house or external for resources.

Note 2: Method of Selection column should (2) RFP or Sole Source.

Note 3: Method of Selection column should specify (3) Lowest Cost Bidder Accepted/Not Accepted.

Docket 090009-EI
 Progress Energy Florida
 Exhibit No. _____ (WG-4)
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Levy County Nuclear Filing
Site Selection

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL
DOCKET NO.: 080149 - 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.

For the Year Ended 12/31/2007

REDACTED

Witness: Daniel Roderick/Dale Oliver

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 final agreed upon 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]

Contract Status: Issued

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:
[REDACTED]

Levy County Nuclear Filing
Site Selection

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:
Progress Energy - FL
DOCKET NO.: 080149 - 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.

For the Year Ended 12/31/2007
REDACTED

Witness: Daniel Roderick/Dale Oliver

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: 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. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by 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 final agreed upon 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]

Contract Status: Issued

Term Begin: [REDACTED]
Term End: [REDACTED]

Nature and Scope of Work:
[REDACTED]

Levy County Nuclear Filing
Site Selection

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL

DOCKET NO.: 080149 - 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.

For the Year Ended 12/31/2007

REDACTED

Witness: Daniel Roderick/Dale Oliver

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 interfacets, and development of the site specific schedule.

Vendor Identity: 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. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by 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 final agreed upon 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]

Contract Status: Issued

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Activities related to completing detailed estimates for site specific buildings, systems and components, and studies and evaluations in support of determining the overall site specific plant cost.

Levy County Nuclear Filing
Site Selection

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL
DOCKET NO.: 080149 - E1

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.

For the Year Ended 12/31/2007

REDACTED

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00255934-00002

Major Task or Tasks Associated With: activities associated with providing engineering, environmental, and licensing services to support of 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: Issued

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.

Page 4 of 7

Levy County Nuclear Filing
Site Selection

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL
DOCKET NO.: 080149 - 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.

For the Year Ended 12/31/2007
REDACTED

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00080678-00111

Major Task or Tasks Associated With: activities associated with providing environmental, line corridor selection studies, and licensing services in support of Site Certification Application (SCA) and Combined Operating License Application (COLA) development for transmission facilities to support a new greenfield site in Florida.

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: A proposal was submitted by Golder Associates Inc.

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: Issued

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 Filing
Site Selection

Schedule SS-5A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL
DOCKET NO.: 080149 - 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.

For the Year Ended 12/31/2007
REDACTED

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00282141-00003

Major Task or Tasks Associated With: Activities associated with providing conceptual substation engineering and routing study services in support of transmission facilities to support a new greenfield site in Florida.

These are all planning activities and do not include actual design or construction activities.

Vendor Identity: Power Engineers Inc

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

Number of Vendors Solicited: One

Number of Bids Received: A proposal was submitted by Power Engineers Inc.

Brief Description of Selection Process: A contract requisition was developed by Transmission Ops and Planning (TOPS) 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: Issued

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: Provide conceptual substation engineering and line route 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 Filing
Site Selection

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL
DOCKET NO.: 080149 - 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.

For the Year Ended 12/31/2007
REDACTED

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00259034-00001

Major Task or Tasks Associated With: activities 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. 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: Issued

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

**SCHEDULE APPENDIX
REDACTED**

EXHIBIT (LC-5)

**PROGRESS ENERGY FLORIDA, INC.
Levy County Nuclear Filing
COMMISSION SCHEDULES (SS-1 Through SS-8B AND SS-10)**

**JANUARY 2008 - DECEMBER 2008
2008 SITE SELECTION
DOCKET NO. 080149-EI**

RECEIVED NUMBER-DATE

3567 MAY-18

REG. COMMISSION CLERK

Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Retail Revenue Requirements Summary

[Section (4)]
[Section (8)(d)]

Schedule SS-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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

Witness: Lori Cross

DOCKET NO.: 080149 - EI

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Projected April	Projected May	Projected June	6 Month Total
Jurisdictional Dollars								
1.	Site Selection Revenue Requirements (Schedule SS-2, line 7)	\$ 2,331,768	\$ 3,242,712	\$ 2,177,684	\$ 9,077,351	\$ 352,559	\$ 355,059	\$ 17,637,153
2.	Construction Carrying Cost Revenue Requirements	-	-	-	-	-	-	-
3.	Recoverable O&M Revenue Requirements (Schedule SS-4, line 28)	37,615	66,485	17,728	292	293	294	122,708
4.	Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8)	(60)	(188)	(334)	(506)	(712)	(934)	(2,733)
5.	Other Adjustments	-	-	-	-	-	-	-
6.	Total Period Revenue Requirements (Lines 1 through 5)	<u>2,369,343</u>	<u>3,309,009</u>	<u>2,195,079</u>	<u>9,077,138</u>	<u>352,140</u>	<u>354,419</u>	<u>17,657,128</u>
7.	Prior Period January - December 2006 Revenue Requirements	-	-	-	11,287	211,044	(10,772)	211,559
8.	Prior Period January - December 2007 Revenue Requirements	201,358	1,817,860	542,410	(1,987,954)	4,106,451	1,718,061	6,398,186
9.	Total Revenue Requirements as of December 2008	<u>\$ 2,570,702</u>	<u>\$ 5,126,869</u>	<u>\$ 2,737,488</u>	<u>\$ 7,100,471</u>	<u>\$ 4,869,635</u>	<u>\$ 2,059,708</u>	<u>\$ 24,264,874</u>

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Retail Revenue Requirements Summary**

[Section (4)]
[Section (B)(d)]

Schedule SS-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 current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

Witness: Lori Cross

DOCKET NO.: 080149 - EI

Line No.	(H)	(I)	(J)	(K)	(L)	(M)	(N)
	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12 Month Total
Jurisdictional Dollars							
1.	\$ 357,576	\$ 360,112	\$ 362,665	\$ 365,236	\$ 367,828	\$ 370,433	\$ 19,721,001
2.	-	-	-	-	-	-	-
3.	294	295	296	297	297	298	124,485
4.	(3,368)	(3,593)	(3,820)	(4,048)	(4,278)	(4,509)	(26,349)
5.	-	-	-	-	-	-	-
6.	<u>354,503</u>	<u>356,814</u>	<u>359,141</u>	<u>361,485</u>	<u>363,845</u>	<u>366,222</u>	<u>19,819,137</u>
7.	\$155,142	\$137,968	\$38,980	\$483,518	\$134,404	\$2,332,188	\$3,491,739
8.	\$1,482,624	\$1,536,517	\$2,269,620	\$1,358,037	\$2,338,030	(\$803,501)	\$14,577,513
9.	<u>1,992,269</u>	<u>2,031,298</u>	<u>2,665,721</u>	<u>2,203,040</u>	<u>2,836,279</u>	<u>1,894,909</u>	<u>37,888,389</u>

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Site Selection Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-2

FLORIDA PUBLIC SERVICE COMMISSION
COMPANY: PROGRESS ENERGY - FL
DOCKET NO.: 080149 - EI

EXPLANATION: Provide the calculation of the actual true-up of site selection costs based on actual site selection expenditures for the current year and the previously filed expenditures for such current year.

For the Year Ended 12/31/2008

Witness: Lori Cross

Line No.		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Projected April	Projected May	Projected June	8 Month Total
Jurisdictional Dollars								
1.	Current Period Site Selection Expenses (Schedule SS-6 Line 34)	\$ 2,141,741	\$ 3,024,142	\$ 1,931,494	\$ 8,773,102	\$ -	\$ -	\$ 15,870,478
2.	Prior Period Unrecovered Site Selection Balance	16,992,024	19,133,764	22,285,972	24,364,753	33,303,753	33,508,778	33,746,354
3.	Site Selection Expenses Recovered							
4.	Average Balance Site Selection Expenses Eligible for Return	18,062,894	20,773,901	23,399,006	28,817,203	33,508,776	33,746,354	
5.	Return on Average Net Unamortized CWIP Eligible for Return (c)							
a.	Equity Component (a)	98,896	113,509	127,852	158,004	183,092	184,390	885,542
b.	Equity Comp. grossed up for taxes (b)	160,677	184,792	208,144	257,230	298,074	300,187	1,409,104
c.	Debt Component	29,370	33,778	38,047	47,019	54,485	54,872	257,572
6.	Total Return Requirements (Line 5b + 5c)	<u>190,047</u>	<u>218,571</u>	<u>246,190</u>	<u>304,250</u>	<u>352,559</u>	<u>355,059</u>	<u>1,666,676</u>
7.	Total Costs to be Recovered	<u>2,331,788</u>	<u>3,242,712</u>	<u>2,177,684</u>	<u>8,077,351</u>	<u>352,559</u>	<u>355,059</u>	<u>17,537,153</u>
8.	CWIP Additions, Amortization & Return from most recent Projections							
9.	Over / (Under) Recovery (Line 7 - Line 8)	<u>\$ 2,331,788</u>	<u>\$ 3,242,712</u>	<u>\$ 2,177,684</u>	<u>\$ 8,077,351</u>	<u>\$ 352,559</u>	<u>\$ 355,059</u>	<u>\$ 17,537,153</u>

(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 38.675%.

(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 Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Site Selection Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-2

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(I) Projected July	(J) Projected August	(K) Projected September	(L) Projected October	(M) Projected November	(N) Projected December	(O) 12 Month Total
Jurisdictional Dollars							
1.							
Current Period Site Selection Expenses (Schedule SS-6 Line 34)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,870,478
2.							
Prior Period Unrecovered Site Selection Balance	33,985,615	34,226,573	34,469,240	34,713,627	34,959,748	35,207,611	
3.							
Site Selection Expenses Recovered							
4.							
Average Balance Site Selection Expenses Eligible for Return	33,985,615	34,226,573	34,469,240	34,713,627	34,959,748	35,207,611	
5.							
Return on Average Net Unamortized CWIP Eligible for Return (c)							
a. Equity Component (a)	185,697	187,014	188,340	189,675	191,020	192,374	1,999,663
b. Equity Comp. grossed up for taxes (b)	302,316	304,459	306,618	308,792	310,981	313,186	3,255,455
c. Debt Component	55,261	55,652	56,047	56,444	56,845	57,248	595,068
6.							
Total Return Requirements (Line 5b + 5c)	<u>357,576</u>	<u>360,112</u>	<u>362,665</u>	<u>365,236</u>	<u>367,826</u>	<u>370,433</u>	<u>3,850,524</u>
7.							
Total Costs to be Recovered	<u>357,576</u>	<u>360,112</u>	<u>362,665</u>	<u>365,236</u>	<u>367,826</u>	<u>370,433</u>	<u>19,721,001</u>
8.							
CWIP Additions & Amortization from most recent Projections	-	-	-	-	-	-	-
9.							
Difference (Line 7 - Line 8)	<u>\$ 357,576</u>	<u>\$ 360,112</u>	<u>\$ 362,665</u>	<u>\$ 365,236</u>	<u>\$ 367,826</u>	<u>\$ 370,433</u>	<u>\$ 19,721,001</u>

(a) The monthly Equity Component of 6.65% 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%.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Deferred Tax Carrying Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Projected April	(F) Projected May	(G) Projected June	(H) 6 Month Total	
Jurisdictional Dollars									
1.	Construction Period Interest (Schedule SS-3B, Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2.	Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)	-	-	-	-	-	-	-	
3.	Other Adjustments (d)	\$ (29,370)	\$ (33,778)	\$ (38,047)	\$ (47,019)	\$ (54,485)	\$ (54,872)	(257,572)	
4.	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	<u>\$ -</u>	<u>\$ (29,370)</u>	<u>\$ (83,149)</u>	<u>\$ (101,195)</u>	<u>\$ (148,215)</u>	<u>\$ (202,700)</u>	<u>\$ (802,201)</u>	
5.	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	<u>\$ -</u>	<u>\$ (11,330)</u>	<u>\$ (24,380)</u>	<u>\$ (39,036)</u>	<u>\$ (57,174)</u>	<u>\$ (78,192)</u>	<u>\$ (99,358) n/a</u>	
6.	Average Accumulated DTA	\$ (6,685)	\$ (17,845)	\$ (31,698)	\$ (48,105)	\$ (67,683)	\$ (88,776)		
7.	Carrying Costs on DTA (c)								
a.	Equity Component (a)		(31)	(98)	(173)	(263)	(370)	(1,419)	
b.	Equity Comp. grossed up for taxes (b)		(50)	(159)	(282)	(428)	(602)	(2,311)	
c.	Debt Component		(9)	(29)	(52)	(78)	(110)	(422)	
8.	Total Return Requirements (Line 7b + 7c)		<u>(60)</u>	<u>(188)</u>	<u>(334)</u>	<u>(506)</u>	<u>(712)</u>	<u>(934)</u>	<u>(2,733)</u>
9.	Total Return Requirements from most recent Projections		-	-	-	-	-	-	
10.	Difference (Line 8 - Line 9)	<u>\$ (60)</u>	<u>\$ (188)</u>	<u>\$ (334)</u>	<u>\$ (506)</u>	<u>\$ (712)</u>	<u>\$ (934)</u>	<u>\$ (2,733)</u>	

(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 0.005484 (Equity) and 0.001826 (Debt), which results in the annual rate of 8.848%.

(d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Deferred Tax Carrying Costs**

[Section (4)]
[Section (8)(d)]

Schedule SS-3A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the Actual deferred tax Carrying Costs for the current year.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(I) Beginning of Period	(J) Projected July	(K) Projected August	(L) Projected September	(M) Projected October	(N) Projected November	(O) Projected December	(P) 12 Month Total
1. Construction Period Interest (Schedule SS-3B, Line 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)	-	-	-	-	-	-	-	-
3. Other Adjustments (d)	\$ (55,261)	\$ (55,852)	\$ (58,047)	\$ (58,444)	\$ (56,846)	\$ (57,248)		(505,068)
4. Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	\$ (802,201)	\$ (857,461)	\$ (913,114)	\$ (969,161)	\$ (1,025,805)	\$ (1,082,450)	\$ (1,139,697)	n/a
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	\$ (309,449)	\$ (330,766)	\$ (352,234)	\$ (373,854)	\$ (395,827)	\$ (417,555)	\$ (439,838)	n/a
6. Average Accumulated DTA	\$ (320,107)	\$ (341,500)	\$ (363,044)	\$ (384,740)	\$ (406,591)	\$ (428,597)		
7. Carrying Costs on DTA (c)								
a. Equity Component (a)		(1,749)	(1,868)	(1,984)	(2,102)	(2,222)	(2,342)	(13,684)
b. Equity Comp. grossed up for taxes (b)		(2,847)	(3,038)	(3,229)	(3,422)	(3,617)	(3,813)	(22,277)
c. Debt Component		(520)	(555)	(590)	(626)	(661)	(697)	(4,072)
8. Total Return Requirements (Line 7b + 7c)		(3,368)	(3,593)	(3,820)	(4,048)	(4,278)	(4,509)	(26,349)
9. Total Return Requirements from most recent Projections								
10. Difference (Line 8 - Line 9)	\$ (3,368)	\$ (3,593)	\$ (3,820)	\$ (4,048)	\$ (4,278)	\$ (4,509)	\$ (4,509)	(26,349)

(a) The monthly Equity Component of 8.85% 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 0.005484 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Construction Period Interest**

[Section (4)]
[Section (8)(d)]

Schedule SS-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Projected April	(F) Projected May	(G) Projected June	(H) 6 Month Total
	Jurisdictional Dollars							
1.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.		-	-	-	-	-	-	-
3.		-	-	-	-	-	-	-
4.		-	-	-	-	-	-	-
5.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6.		-	-	-	-	-	-	-
7.								
8.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: CPI rate is the projected weighted average debt rate for the period.

Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Construction Period Interest**

[Section (4)]
[Section (8)(d)]

Schedule SS-3B

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

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

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(I) Beginning of Period	(J) Projected July	(K) Projected August	(L) Projected September	(M) Projected October	(N) Projected November	(O) Projected December	(P) 12 Month Total
1.	Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2.	Additions Preconstruction	-	-	-	-	-	-	-
3.	Additions Construction	-	-	-	-	-	-	-
4.	Other Adjustments	-	-	-	-	-	-	-
5.	Ending Balance Excluding CPI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
6.	Average Balance Eligible for CPI	-	-	-	-	-	-	-
7.	Monthly CPI Rate [Note 1]							
8.	Construction Period Interest for Tax (CPI)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

Note 1: CPI rate is the projected weighted average debt rate for the period.

Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual/Estimated Filing: Recoverable O&M Monthly Expenditures

[Section (4)]
 [Section (8)(d)]

Schedule SS-4

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the Actual CCRC Recoverable O&M monthly expenditures by function for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Projected April	(E) Projected May	(F) Projected June	(G) Projected July	(H) Projected August	(I) Projected September	(J) Projected October	(K) Projected November	(L) Projected December	(M) 12 Month Total
1	Accounting	\$ 1,201	\$ 7,338	\$ 1,447	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,986
2	Corporate Communications	-	2,902	864	-	-	-	-	-	-	-	-	-	3,766
3	Corporate Planning	13,049	24,418	4,998	-	-	-	-	-	-	-	-	-	42,465
4	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Human Resources	3,711	8,958	2,790	-	-	-	-	-	-	-	-	-	15,459
7	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Project Assurance	7,886	13,955	4,023	-	-	-	-	-	-	-	-	-	25,864
10	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Subtotal A&G	25,847	57,571	14,122	-	-	-	-	-	-	-	-	-	97,540
12	Energy Delivery Florida	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Nuclear Generation	5,450	-	-	-	-	-	-	-	-	-	-	-	5,450
14	Transmission	\$ 65,403	\$ 6,542	\$ 6,391	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,336
15	Total O&M Costs	\$ 96,700	\$ 64,113	\$ 20,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181,328
16	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
17	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
18	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
19	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
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ 23,894	\$ 52,775	\$ 12,945	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89,415
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	5,109.54	-	-	-	-	-	-	-	-	-	-	-	5,109.54
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ 46,173	\$ 4,618	\$ 4,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,303
24	Total Jurisdictional Recoverable O&M Costs	\$ 74,976	\$ 57,394	\$ 17,457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,827
25	Average Monthly Recoverable O&M Balance	\$ 37,488	\$ 66,312	\$ 112,829	\$ 121,820	\$ 122,121	\$ 122,414	\$ 122,708	\$ 123,002	\$ 123,297	\$ 123,593	\$ 123,890	\$ 124,187	
26	Monthly Short-term Commercial Paper Rate	0.34%	0.28%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	
27	Interest Provision	\$ 127	\$ 172	\$ 271	\$ 292	\$ 293	\$ 294	\$ 294	\$ 295	\$ 296	\$ 297	\$ 297	\$ 298	\$ 3,228
28	Total Monthly Recoverable O&M Costs	\$ 37,815	\$ 66,485	\$ 17,726	\$ 292	\$ 293	\$ 294	\$ 294	\$ 295	\$ 296	\$ 297	\$ 297	\$ 298	\$ 124,485
29	Total Jurisdictional O&M Costs From Most Recent Projection	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Difference (Line 28 - 29)	\$ 37,815	\$ 66,485	\$ 17,726	\$ 292	\$ 293	\$ 294	\$ 294	\$ 295	\$ 296	\$ 297	\$ 297	\$ 298	\$ 124,485

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual/Estimated Filing: Other Recoverable O&M Monthly Expenditures

[Section (4)]
 [Section (8)(d)]

Schedule SS-5

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the Actual Other Recoverable O&M projected monthly expenditures by function for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	Description	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
		Actual January	Actual February	Actual March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12 Month Total
1	Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Corporate Communications	-	-	1,530	-	-	-	-	-	-	-	-	-	1,530
3	Corporate Planning	-	1,339	2,211	-	-	-	-	-	-	-	-	-	3,550
4	Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-
7	IT & Telecom	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Legal	2,877	50,850	1,967	-	-	-	-	-	-	-	-	-	55,694
9	Project Assurance	(15,647)	15,828	-	-	-	-	-	-	-	-	-	-	182
10	Public Affairs	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Subtotal A&G	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Energy Delivery Florida	341	888	1,839	-	-	-	-	-	-	-	-	-	3,068
13	Nuclear Generation	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	\$ 7,430	\$ (395)	\$ 2,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,346
15	Total O&M Costs	\$ 7,771	\$ 493	\$ 4,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,413
16	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
17	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
18	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
19	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
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	339.63	884.42	1,831.38	-	-	-	-	-	-	-	-	-	3,055.41
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ 5,245	\$ (279)	\$ 1,631	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,598
24	Total Jurisdictional Recoverable O&M Costs	\$ 5,585	\$ 606	\$ 3,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,653
25	Total Jurisdictional O&M Costs From Most Recent Projection	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Difference (Line 24 - 26)	\$ 5,585	\$ 606	\$ 3,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,653

**Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Monthly Expenditures**

[Section (4)]
[Section (8)(d)]

Schedule SS-6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide the actual monthly expenditures by major tasks performed within Site Selection category.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	Description	(A) Actual January	(B) Actual February	(C) Actual March	(D) Projected April	(E) Projected May	(F) Projected June	(G) Projected July	(H) Projected August	(I) Projected September	(J) Projected October	(K) Projected November	(L) Projected December	(M) 12 Month Total
1														
2														
3														
4	<u>Site Selection:</u>													
5	<u>Generation:</u>													
6	License Application	\$ 3,360,110	\$ 3,389,653	\$ 1,532,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,282,335
7	Engineering, Design & Procurement	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Permitting	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Clearing, Grading and Excavation	-	-	-	-	-	-	-	-	-	-	-	-	-
10	On-Site Construction Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Total Generation Costs	\$ 3,360,110	\$ 3,389,653	\$ 1,532,572	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,282,335
12	<u>Less Adjustments:</u>													
13	Non Cash Accruals	1,264,920	380,936	(227,881)	(8,917,094)	-	-	-	-	-	-	-	-	(7,499,120)
14	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Net Generation Costs	\$ 2,095,190	\$ 3,008,717	\$ 1,760,453	\$ 8,917,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,781,455
16	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														
18	Total Jurisdictional Generation Costs	\$ 1,964,304	\$ 2,820,763	\$ 1,650,478	\$ 8,380,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,795,587
19														
20	<u>Transmission:</u>													
21	Line Engineering	\$ 92,228	\$ 142,034	\$ (11,994)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,268
22	Substation Engineering	(4,469)	22,490	(7,871)	-	-	-	-	-	-	-	-	-	10,360
23	Clearing	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other	\$ 54,024	\$ 507,692	\$ 123,709	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 685,425
25	Total Transmission Costs	\$ 141,783	\$ 672,216	\$ 104,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 818,043
26	<u>Less Adjustments:</u>													
27	Non Cash Accruals	(109,554)	384,132	(294,013)	(585,094)	-	-	-	-	-	-	-	-	(804,529)
28	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Net Transmission Costs	\$ 251,337	\$ 288,084	\$ 398,057	\$ 585,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,522,572
30	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														
32	Total Jurisdictional Transmission Costs	\$ 177,437	\$ 203,379	\$ 261,016	\$ 413,059	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,074,890
33														
34	Total Jurisdictional Site Selection Costs	\$ 2,141,741	\$ 3,024,142	\$ 1,931,494	\$ 8,773,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,870,478

Levy County Nuclear Filing
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Monthly Expenditures

[Section (4)]
[Section (8)(d)]

Schedule SS-6A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a description of the major tasks performed
within Site Selection category for the current year.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	Major Task	Description - Includes, but is not limited to:
1	<u>Site Selection</u>	
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.

Levy County Nuclear Filing
 Site Selection Costs and Carrying Costs
 Actual/Estimated Filing: Variance Explanations

[Section (4)]
 [Section (8)(d)]

Schedule SS-68

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.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(A) Total Actual/Estimated	(B) Total Projected	(C) Total Variance	(D) Explanation
1	Site Selection:			
2	Generation:			
3	\$ 8,282,335	\$ -	\$ 8,282,335	Note 1
4	-	-	-	Note 1
5	-	-	-	N/A
6	-	-	-	N/A
7	-	-	-	Note 1
8	<u>\$ 8,282,335</u>	<u>\$ -</u>	<u>\$ 8,282,335</u>	
9				
10	Transmission:			
11	\$ 222,268	\$ -	\$ 222,268	Note 1
12	10,350	-	10,350	Note 1
13	-	-	-	N/A
14	685,425	-	685,425	Note 1
15	<u>\$ 918,043</u>	<u>\$ -</u>	<u>\$ 918,043</u>	

Note 1: No costs were projected due to the fact that Progress Energy (PEF) has never filed a projection to date.

Page 1 of 1

Levy County Nuclear Fibers
Site Selection Costs and Carrying Costs
Actual/Estimated Fibers: Contracts Executed

REDACTED
(Section (b)(4))

Schedule SS-4

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 090149 - E1

Provide a list of contracts executed in excess of \$1 million including a description of the work, the dollar value and terms 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

Witness: David Rosenthal/Dale Oliver

(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	Estimate of amount to be Expended in Current Year (2008)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection	Work Description
1	00000002-00128	Issued							Westinghouse Electric Co, LLC	Sole Source. Award based on selected vendor from the technology selected	Levy Fibre Finalization support
2	00000008-00004	Issued							Starr & Webster Inc	Sole Source. Award based on selected vendor from the technology selected	Levy Fibre Finalization support
3	00000009-00002	Issued							Starr & Webster Inc	Sole Source. Award based on selected vendor from the technology selected	Levy Fibre 1A. Conceptual Design and site characterization
4	00250034-00002	Issued							Joint Venture Team (Bargert & Lundy, CH2M Hill, & Worley Parsons) - 00250034-00002	RFP. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Construction Operating License Application (COLA) preparer
5	00000079-00111	Issued							Palmer Associates Inc.	Sole Sourced	LAMP Transmission Corridor Study
6	00262141-00003	Issued							Power Engineers Inc.	Sole Sourced	Line and Substation Design Study Support
7		Issued									
8	00000008-06	Issued							Starr & Webster Inc	Sole Source. Award based on selected vendor from the technology selected	
									Starr & Webster Inc.	Sole Source. Award based on selected vendor from the technology selected	
	00000008-07										
9		Issued							Westinghouse Electric Co, LLC.	Sole Source. Award based on selected vendor from the technology selected	
10	00000002-14-00250034-00003	Issued							Joint Venture Team (Bargert & Lundy, CH2M Hill, & Worley Parsons) - 00250034-00003	RFP. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Levy Site Certification Application

Note: Original amount for contract nbr. 00250034-00002 reflects cost of COLA prior to final site selection work being completed.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
[Section (b)(c)]

Schedule SS-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.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - E1

Witness: Daniel Roderick/Dale Oliver

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 final agreed upon 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]

Contract Status: Issued [REDACTED]

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: [REDACTED]

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
(Section 6)(c)

Schedule 55-8A

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.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 060149 - EI

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00300968-00004

Major Task or Tasks Associated With: Activities necessary to determine and document detailed costs

Vendor Identity: 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. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by 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 final agreed upon 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]

Contract Status: Issued

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:
[REDACTED]

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
[Section (8)(c)]

Schedule SS-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.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Daniel Roderick/Dale Oliver

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 interagency, and development of the site specific schedule.

Vendor Identity: 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. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by 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 final agreed upon 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]

Contract Status: Issued

Term Begin:
Term End: [REDACTED]

Nature and Scope of Work:

Activities related to completing detailed estimates for site specific buildings, systems and components, and studies and evaluations in support of determining the overall site specific plant cost.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
(Section 8)(c))

Schedule SS-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.

For the Year Ended 12/31/2008

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00255934-00002

Major Task or Tasks Associated With: activities associated with providing engineering, environmental, and licensing services to support of 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

Dollar Value: [REDACTED]

Contract Status: Issued

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

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
[Section (8)(c)]

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - E1

Contract No.: 00080678-00111

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.

For the Year Ended 12/31/2008

Witness: Daniel Roderick/Dale Oliver

Major Task or Tasks Associated With: activities associated with providing environmental, line corridor selection studies, and licensing services in support of Site Certification Application (SCA) and Combined Operating License Application (COLA) development for transmission facilities to support a new greenfield site in Florida.

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: A proposal was submitted by Golder Associates Inc.

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: Issued

Term Begin:

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 Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
(Section 8)(c)

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: D80149 - 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.

For the Year Ended 12/31/2008

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00262141-00003

Major Task or Tasks Associated With: Activities associated with providing conceptual substation engineering and routing study services in support of transmission facilities to support a new greenfield site in Florida.

These are planning activities and do not include actual design or construction activities.

Vendor Identity: Power Engineers Inc

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

Number of Vendors Solicited: One

Number of Bids Received: A proposal was submitted by Power Engineers Inc.

Brief Description of Selection Process: A contract requisition was developed by Transmission Ops and Planning (TOPS) 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: Issued

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: Provide conceptual substation engineering and line route 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 Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
[Section (b)(3)]

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 090149 - 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.

For the Year Ended 12/31/2006

Witness: Daniel Roderick/Dale Oliver

Contract No.: 00300968-00008

Major Task or Tasks Associated With: 1) 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-PEF-00128, Proposal Shaw Phase 1 Work Activities Required to Support SCA and LWA -Contract Number 300968, dated March 13, 2006.

Vendor Identity: 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. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by 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 final agreed upon 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]

Contract Status: Issued

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.

Levy County Nuclear Filing
Pre-Construction Costs and Carrying Costs on Construction Cost Balance
Actual/Estimated Filing: Contracts Executed

REDACTED
[Section (b)(3)]

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: PROGRESS ENERGY - FL

DOCKET NO.: 080149 - EI

Contract No. 00255934-00003

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.

For the Year Ended 12/31/2006

Witness: Daniel Roderick/Dale Oliver

Major Tasks or Tasks Associated With activities 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. 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: Issued

Term Begin: 07/30/2007

Term End: 07/01/2008

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

Levy County Nuclear Filings
Site Selection Costs and Carrying Costs
Actual/Estimated Filing: Estimate Rate Impact

Schedule SS-10

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Using the billing determinants and allocation factors used in the previous year's cost recovery filings, provide an estimate of the rate impact by class of the costs requested for recovery. Current billing determinants and allocation factors may be used, if available.

COMPANY: PROGRESS ENERGY - FL

For the Year Ended 12/31/2008

DOCKET NO.: 080149 - EI

Witness: Lori Cross

Line No.	(A) Rate Class	(B) 12CP & 1/13 AD Demand Allocator (%)	(C) Production Demand Costs \$	(D) Effective Mwh's at Meter Year 2008	(E) Estimated Capacity Cost Recovery Factor (c/Kwh)
Residential					
	RS-1, RST-1, RSL-1, RSL-2, RSS-1				
	Secondary	60.454%	\$22,921,422	21,431,535	0.107
General Service Non-Demand					
	GS-1, GST-1				
	Secondary			1,391,472	0.091
	Primary			8,868	0.000
	Transmission			3,833	0.000
	TOTAL GS	3.352%	\$1,271,118	1,403,973	
General Service					
	GS-2				
	Secondary	0.148%	\$55,350	89,288	0.062
General Service Demand					
	GSD-1, GSDT-1, SS-1				
	Secondary			12,946,648	0.076
	Primary			2,443,814	0.000
	Transmission			10,004	0.000
	TOTAL GSD	31.042%	\$11,769,914	15,400,464	
Curtailable					
	CS-1, CST-1, CS-2, CST-2, CS-3, CST-3, SS-3				
	Secondary			0	0.058
	Primary			193,492	0.000
	Transmission			0	0.000
	TOTAL CS	0.284%	\$107,685	193,492	
Interruptible					
	IS-1, IST-1, IS-2, IST-2, SS-2				
	Secondary			120,838	0.065
	Primary			2,076,176	0.000
	Transmission			481,713	0.000
	TOTAL IS	4.579%	\$1,738,083	2,658,527	
Lighting					
	LS-1				
	Secondary	0.143%	\$54,119	356,390	0.015
	TOTAL	100.000%	\$37,915,889	41,533,666	0.091

NOTE: Revenues have been grossed up by 1.00072% for revenue related taxes.

Docket 090009-EI
 Progress Energy Florida
 Exhibit No. _____ (WG-4)
 Page 67 of 67

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Nuclear Power Plant Cost
Recovery Clause**

DOCKET NO. 080009

**Submitted for filing:
August 21, 2008**

REDACTED

**REBUTTAL TESTIMONY
OF WILL GARRETT**

**ON BEHALF OF
PROGRESS ENERGY FLORIDA**

COM 5 + 1
ECR
GCL 2
OPC
RCP 1
SSC
SGA
ADM
CLK

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DOCUMENT NUMBER-DATE

07538 AUG 21 08

FPSC-COMMISSION CLERK

IN RE: NUCLEAR COST RECOVERY CLAUSE
BY PROGRESS ENERGY FLORIDA
FPSC DOCKET NO. 080009
REBUTTAL TESTIMONY OF WILL GARRETT

I. INTRODUCTION AND QUALIFICATIONS

1
2 **Q. Please state your name.**

3 **A. My name is Will Garrett.**
4

5 **Q. Did you file Direct Testimony on April 22, 2008 in this docket?**

6 **A. Yes, I filed direct testimony in support of PEF's actual costs for the Levy**
7 **Nuclear Project. This testimony was originally filed in Docket 080149, but I**
8 **understand that it will be transferred to this nuclear cost recovery docket.**
9

10 **Q. Have you reviewed the testimony of Jeffrey A. Small, filed on behalf of the**
11 **Public Service Commission Staff?**

12 **A. Yes, I have read Mr. Small's testimony.**
13

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

15 **A. The purpose of my rebuttal testimony is to respond to Mr. Small's audit finding**
16 **regarding the Company's valuation method for the portion of the Lybass**
17 **property purchased for the Levy project that will be held for future use.**

DOCUMENT NUMBER-DALL

07538 AUG21 08

FPSC-COMMISSION CLERK

1 **Q. Does Mr. Small contend in his audit report that PEF's decision to allocate a**
2 **portion of the property to Land Held for Future Use or PEF's valuation of**
3 **that portion of the Levy property was incorrect or imprudent?**

4 **A.** No. Mr. Small does not conclude that PEF was incorrect or imprudent. He
5 simply refers to two alternatives to PEF's valuation method that PEF considered
6 and rejected and notes that there are different ways to value the land. However,
7 he does not conclude that either of these alternative methods was more
8 appropriate than the valuation method PEF used.

9
10 **Q. What did the Company decide to do with respect to the Lybass property?**

11 **A.** As explained in my direct testimony, filed April 22, 2008, the Company
12 purchased the Lybass property because part of it was needed for the Levy
13 project. This was about 314 acres. The remainder (1,845 acres) is being
14 held for future use. The land will provide an access road from SR 19 to the
15 nuclear units and access to the barge canal (94 acres), provide transmission
16 right of way (220 acres) and the remainder will be Held for Future Use
17 (1,845 acres). Pursuant to applicable Code of Federal Regulation (CFR)
18 requirements, the Company is required to place a value on the Lybass
19 property to be Held for Future Use and allocate the appropriate portion to
20 the Levy project.

21
22 **Q. What method did the Company utilize to make this valuation and allocation**
23 **and why?**

1 A. The purchase price for the Lybass property is \$39.1 million (\$18,103/acre) plus
2 closing costs for a total of \$40.4 million. The FERC, Code of Federal Regulation
3 (CFR) Electric Plant Instruction No. 7 Land and Land Rights (G), requires
4 "When the purchase of land for electric operations requires the purchase of more
5 land than needed for such purposes, the charge to the specific land account shall
6 be based upon the cost of the land purchased, less the fair market value of that
7 portion of the land which is not to be used in utility operations. The portion of
8 the cost measured by the fair market value of the land not to be used shall be
9 included in account 105, Electric Plant Held for Future Use, or account 121,
10 Nonutility Property, as appropriate." Based on this guidance, the portion of the
11 acquisition costs to be assigned to land held for future use is based on the fair
12 market value of that portion of the land which is not used in utility operations. In
13 this case the acreage of the land acquired that will not be used for the Levy
14 nuclear project was determined to be 1,845 acres of 2,159 acres. The fair value
15 of this land was based on several considerations including:

- 16 • The fair value of the recently acquired Greenfield site (the Rayonier
17 property) in September of 2007;
- 18 • Recognition that the fair value of the land acquired after the acquisition of
19 the Rayonier property was influenced by our announced intentions to
20 consider this area for site development for potential nuclear plant
21 construction; and
- 22 • The assessment of the likely outcome of condemnation proceedings to
23 acquire only the land needed to support the Levy project.

24 Ultimately we considered the use of the acquisition costs of the recently acquired
25 Rayonier property to be the most appropriate for valuing the land acquired that
26 would be held for future use. When acquiring the Rayonier property, PEF
27 maintained its anonymity by utilizing a third-party representative, who acted on
28 PEF's behalf. Because of our approach to acquire the Rayonier property, the
29 value was not influenced by an announced intended use for the site, as was the
30 Lybass land acquisition. Using the Rayonier price would more properly assign

1 the impact of the costs of acquiring the Lybass land after the Rayonier property
2 to the Levy project. Furthermore, the use of this value would result in an
3 allocation of costs to the Levy project that would be consistent with the likely
4 expected outcome of a condemnation proceeding to acquire just the land to be
5 used for the Levy project, estimated to be between \$[REDACTED]. The use
6 of the Rayonier property as a basis for the fair value of the land held for future
7 use resulted in an allocation of \$27.7M to land held for future use and \$12.7M
8 allocated to the Levy project. I consider this method appropriate under the
9 circumstances and consistent with the CFR guidance on land cost allocations.

10
11 **Q. Did PEF consider alternative methods of valuing the Lybass land?**

12 **A.** Yes, PEF considered each of the two alternatives raised by Mr. Small in his
13 audit. Based on these alternatives, the Levy project would have been charged
14 \$7.0 million or \$10.4 million, respectively (see table illustrated below).
15 However, based on sound accounting principles, PEF rejected the use of these
16 alternatives.

TABLE SUMMARIZING METHODOLOGIES

(\$-amounts in millions, except per acre amounts)

	PEF Preferred Approach	Alternative 1	Alternative 2
Property	Rayonier	Lybass	Combined
Fair value	\$ 46.6	\$ 39.1	\$ 85.7
Acreage purchased	3,105	2,159	5,264
(a) Fair value per acre (before closing costs)	\$ 15,000	\$ 18,103	\$ 16,274
(b) Acreage of Land held for Future use	1,845	1,845	1,845
(a) X (b) Land Held For Future Use	\$ 27.7	\$ 33.4	\$ 30.0
Levy project - (314 acres) (1)	\$ 12.7	\$ 7.0	\$ 10.4
Purchase Price - Lybass land (2,159 acres)	\$ 40.4	\$ 40.4	\$ 40.4

(1) The Company's assessment of the value of the land to be used as part of the Levy project resulting from a condemnation proceeding was a range of \$ [REDACTED] million

Q. What is the first alternative method for valuation?

A. The first alternative method for valuation considered was to assign value on a prorata basis based on the purchase price of the Lybass land. Accordingly, Land Held for Future Use would be valued by multiplying the acreage to be held for future use of 1,845 times the average cost per acre of the Lybass property of \$18,103 (excluding closing costs). The result using this method would be to assign \$33.4 million to Land Held for Future Use. This value is subtracted from the total Lybass purchase price of \$40.4 million to result in a value assigned to the Levy project of \$7.0 million.

1 **Q. Why was this methodology rejected?**

2 **A.** This method was rejected for several reasons. First, it does not take into
3 consideration the market value of the most recently purchased Greenfield site,
4 the Rayonier site. As such this method overstates the fair value of the land held
5 for future use as it makes no adjustment to the fair value for any impact of the
6 timing of the acquisition of the Rayonier property or our announced intentions to
7 consider this area for site development for potential nuclear plant construction.
8 Additionally, the value ultimately assigned by this method to Levy was below
9 the range of our assessment of possible outcomes of the condemnation process,
10 should PEF have chosen this path to acquire the land.

11
12 **Q. What is the second alternative method for valuation?**

13 **A.** The second alternative method for valuation considered was to utilize an
14 average of the combined purchase price of the Rayonier and Lybass properties.
15 This method sums the purchase price excluding closing costs of the Rayonier
16 (\$46.6M) and Lybass purchases (\$39.1M) divided by the total acreage
17 purchased of 5,264 (3,105 Rayonier + 2,159 Lybass) resulting in a value of
18 \$16,274 per acre. Accordingly, Land Held For Future use would be valued by
19 multiplying the acreage to be held for future use of 1,845 times the average cost
20 per acre of the combined Rayonier and Lybass property of \$16,274. The result
21 using this method would be to assign \$30 million to Land Held for Future Use.
22 This value is subtracted from the total Lybass purchase price of \$40.4 million to
23 result in a value assigned to the Levy project of \$10.4 million.

24

1 **Q. Why was this methodology rejected?**

2 **A. This method was rejected for several reasons. First this method overstates the**
3 **fair value of the land held for future use. While it makes some adjustment to the**
4 **fair value for impact of the timing of the acquisition of the Rayonier property or**
5 **our announced intentions to consider this area for site development for potential**
6 **nuclear plant construction, it does not fully reflect the impact as the use of the**
7 **Rayonier property value. Additionally, the value ultimately assigned by this**
8 **method to Levy was at approximately [REDACTED]**
9 **[REDACTED], should PEF**
10 **have chosen this path to acquire the land. We considered it more likely the**
11 **expected outcome of a condemnation proceeding would be [REDACTED]**

12 **[REDACTED]**
13
14 **Q. Does anything Mr. Small mentions in his audit finding cause PEF to**
15 **reconsider the prudence of its decision to allocate the Lybass land in the**
16 **manner it chose?**

17 **A. No. In fact, Mr. Small simply pointed out alternatives that PEF considered and**
18 **rejected, as described above, when evaluating how to make this allocation.**
19 **PEF's method is the fair and prudent method to make this valuation under the**
20 **circumstances, pursuant to the applicable accounting regulations.**

21
22 **Q. Does this conclude your testimony?**

23 **A. Yes, it does.**
24