

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Petition for rate increase by  
Progress Energy Florida, Inc.

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DOCKET NO. 090079-EI  
Submitted for filing:  
August 31, 2009

**REBUTTAL TESTIMONY OF  
JOHN B. CRISP**

**On behalf of PROGRESS ENERGY FLORIDA**

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**In re: Petition for increase in rates by Progress Energy Florida  
Docket No. 090079-EI**

**REBUTTAL TESTIMONY OF  
JOHN B. CRISP**

1 **I. Introduction and Summary.**

2 **Q. Please state your name and position.**

3 A. My name is John Benjamin (Ben) Crisp. I am employed by Progress Energy  
4 Florida, Inc. ("PEF" or the "Company") as the Director of System Planning and  
5 Regulatory Performance for PEF.  
6

7 **Q. Have you provided testimony in this proceeding?**

8 A. Yes, I provided direct testimony in this proceeding.  
9

10 **Q. Have you reviewed the Intervener testimony filed in this proceeding?**

11 A. Yes, I have reviewed and I will provide rebuttal testimony to the testimony of  
12 Jack Pous ("Pous"), filed on behalf of the Office of Public Counsel ("OPC") and  
13 the testimonies of Jeffry Pollock ("Pollock") and Martin Marz ("Marz"), filed on  
14 behalf of the Florida Industrial Power Users Group ("FIPUG"). Specifically, I will  
15 rebut the portions of Pous and Pollock's testimonies with respect to the average  
16 service lives of PEF's generating units, and I will rebut the portion of Marz's  
17 testimony regarding the Company's load and sales forecast.  
18

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

1 A. Yes, I have prepared or supervised the preparation of several exhibits, as follows:

- 2 • Exhibit No. \_\_\_\_ (JBC-7), PEF's 2008 Generation Plant Retirement
- 3 Scenario supplied in response to OPC Seventh Request for Production of
- 4 Documents No. 174;
- 5 • Exhibit No. \_\_\_\_ (JBC-8), PEF's Chart of the Comparison of Retirement
- 6 Date Projections for PEF plants; and
- 7 • Exhibit No. \_\_\_\_ (JBC-9), PEF's revised May 2009 load and sales forecast.

8 These exhibits are true and accurate.

9  
10 **Q. Please summarize your rebuttal testimony.**

11 A. PEF's estimated service lives for its coal- and oil-fired steam units, and its combined  
12 cycle units, are based on PEF's expertise and experience with the condition,  
13 operation, and maintenance of these units to meet PEF's unique load demands  
14 under the operational, environmental, and regulatory conditions facing PEF. The  
15 intervenor witnesses have not and do not operate and maintain PEF's production  
16 assets to meet current load and they have not and do not have to plan to meet  
17 PEF's future load demands. Their recommendations are based on nothing more  
18 than self-serving references to select instances where certain other utilities  
19 apparently plan for longer service lives for their unique units under the unique  
20 conditions and environments they face. This is no reason for the Commission to  
21 substitute their judgment for PEF's planning judgment with respect to the  
22 Company's service lives for its units. PEF's estimated service lives reasonably  
23 reflect its planning judgment based on the Company's expertise and experience.

1 PEF's original load forecast projected low growth commencing in 2009  
2 and continuing in 2010. PEF's revised load forecast demonstrates the recession  
3 was deeper and longer than originally projected with load growth commencing  
4 again in 2010, not 2009, and from a lower point. As explained by Mr. Toomey,  
5 PEF is not potentially overearning under such conditions, as intervenor witness  
6 Martz asserts, rather PEF needs additional revenue requirements just to cover the  
7 cost to provide quality electric service to its customers.  
8

9 **II. Service Lives.**

10 **Q. What are the Company's recommended service lives for its Anclote steam unit,**  
11 **Crystal River coal units, and combined cycle units?**

12 A. PEF's estimated service life for its Anclote oil-fired steam units is an average of 46  
13 years based on a proposed retirement date of 2022. Please see Exhibits Nos. \_\_\_\_  
14 (JBC-7) and (JBC-8) to my rebuttal testimony. The estimated service lives for  
15 PEF's Crystal River coal units, Units 1 and 2, is an average of 53 years based on a  
16 retirement date of 2020 for the units. (Id.). PEF's estimated service lives for its  
17 other coal units, Crystal River Units 4 and 5, is an average of 52 years based on  
18 an estimated retirement date of 2035 for these units. (Id.). Finally, PEF's  
19 estimated service lives for its combined cycle units at the Hines Energy Complex  
20 and at Bartow is 30 years. (Id.).  
21

22 **Q. Do the Intervenor witnesses challenge the Company's estimated service lives**  
23 **for these production assets?**

1 A. Yes. Both Pous and Pollock challenge PEF management's decisions with respect to  
2 the estimated service lives for its coal units and recommend different longer service  
3 lives. Pous limits his recommended service life changes to only two of the four PEF  
4 coal-fired steam units, Crystal River Units 4 and 5. (Pollock Test., pp. 43-46; Pous  
5 Test., pp.44-51). Pollock also challenges PEF's estimated life spans for its  
6 combined cycle generation units and recommends that the Commission extend those  
7 service lives. Pous also challenges the service lives for PEF's combined cycle units  
8 but makes no specific recommendation other than a recommendation that the  
9 Commission order PEF to conduct a study of the operational service lives of its  
10 combined cycle units. (Pollock Test., pp. 47-48; Pous Test., pp. 51-52). Finally,  
11 Pous challenges PEF's estimated service life for its oil-fired steam unit at Anclote  
12 but Pollock does not. (Pous Test., pp. 50-51). In the case of each recommendation,  
13 however, these witnesses request that the Commission substitute their judgment for  
14 the judgment of PEF's management with respect to the estimated service lives for  
15 these PEF generation units.

16  
17 **Q. Do their recommendations reflect a uniform judgment with respect to the**  
18 **service lives for these generation units?**

19 A. No. Pous recommends 60 years for PEF's coal units while Pollock recommends 55  
20 years. (Pous Test., p. 51, L. 2; Pollock Test., p. 46, L. 5-6). Pous recommends 50  
21 years for only one of PEF's two remaining oil-fired steam units and Pollock makes  
22 no recommended change. (Pous Test., p. 51, L. 3-4). Pollock recommends 35 years  
23 for PEF's combined cycle units and Pous makes no specific recommended change.

1 (Pollock Test., p. 48, L. 17-18; Pous Test., p. 51, L. 18-22). Their own  
2 recommendations demonstrate that there is no single, uniform industry standard  
3 service lives for any of these units. They certainly reference no such industry  
4 standard and I am unaware of any such standard. Instead, each utility will  
5 individually determine the appropriate service lives for their various generation units  
6 on their systems depending on a wide variety of unique factors including the utility's  
7 system load characteristics, available production units, dispatch stack, weather, and  
8 operation and maintenance plans.

9  
10 **Q. What do the intervenor witnesses rely on to support their recommendations?**

11 A. The intervenor witnesses point to the apparent results of several other regulatory  
12 proceedings at various places around the country to support their recommendations.  
13 They fail to provide the decisions in these regulatory proceedings or explain them so  
14 it is difficult to determine the reasons for these decisions from their testimony.  
15 (Pous Test., p. 51, L. 2; Pollock Test., p. 46, L. 5-6). Indeed, Pous supports his  
16 recommendation with two "settlements" in a Utah and a Texas proceeding,  
17 respectively (Pous Test., p. 48), and settlements by their very nature involve the  
18 give-and-take of negotiations between the parties. They also do not explain what  
19 other utilities are planning for all the other coal- and oil-fired steam and combined  
20 cycle units in operation in the country and even the ones they selectively choose to  
21 discuss show that these particular utilities have made management decisions that  
22 result in different service lives for their respective utilities. There is no indication in  
23 their testimony of the differences in management planning and operational and

1 maintenance practices that explain the individual determinations of the service lives  
2 for the generation units at issue in each of the specific decisions they chose to  
3 include in their testimony.

4  
5 **Q. Should PEF look to decisions in other jurisdictions to determine the service**  
6 **lives for its generation units?**

7 A. No. PEF must make its decisions regarding the service lives for its generation units  
8 based on the environment that PEF faces in planning for the current and future  
9 operation of its generation system to meet the electrical power needs of its  
10 customers. These intervenor witnesses apparently believe that the Commission  
11 should substitute its judgment for PEF management regarding the appropriate  
12 planning, maintenance, operation, and capital expenditure decisions that must be  
13 made to determine how long these units will be in service based on nothing more  
14 than what some but certainly not all utilities in the country have decided to do with  
15 respect to their generation units in light of the different environments they face.

16  
17 **Q. How did PEF establish projected life spans for Anclote, the Crystal River**  
18 **coal units, and the combined cycle units in the depreciation study filed by**  
19 **PEF?**

20 A. Mr. Robinson, PEF's depreciation expert, was provided with PEF's internal  
21 projections for on-going operations and projected retirement dates for all of PEF's  
22 generating units. PEF develops these projected retirement dates in the course of  
23 its regular planning process based on many factors including, but not limited to,

1 the: (1) specific current condition of each the generating units; (2) updates,  
2 changes, and reconfigurations made at each plant that affect operating  
3 characteristics; (3) complexity of operations and maintenance and longer term  
4 viability of the units; (4) subtropical operating environment in which the plants  
5 serve; and (5) bulk system operating requirements and demands placed on the  
6 generating plants in the past, currently and as projected into the future. The  
7 selection of these service lives is not based on some singular study done at a  
8 particular point in time, as these intervenor witnesses recommend (Pous Test., p.  
9 51, L. 18-21). Rather, these decisions reflect the Company's accumulated past  
10 and current experience with operating these units under the Company's operating,  
11 environmental, and regulatory conditions to meet the Company's load demands.  
12 This is an on-going process based on what the Company does every day of every  
13 week and our decisions in resource planning regarding the service lives of our  
14 units reflect this accumulated experience. For a summary of this plan please see  
15 Exhibit No. \_\_\_ (JBC-7) to my rebuttal testimony.

16  
17 **Q. Can you provide examples of the information the Company accumulates**  
18 **from its experience operating these units that it takes into account when**  
19 **determining the service lives for PEF's generation units?**

20 **A.** Yes. With respect to the current condition of each of the generating units we must  
21 take into account the past, current, and projected future costs of operating and  
22 maintaining the generating plants for their planned remaining service life. This  
23 includes the current and projected future additional cost requirements to maintain



1 environmental, health, and safety compliance for each of the specific generating  
2 plants. In this regard, we must consider the impact of the subtropic environment  
3 in which these units operate. The heat, humidity, and salt in the subtropic  
4 environment in Florida means more wear and tear for our units and different  
5 operation and maintenance issues from those for coal- and steam-fired steam units  
6 in the drier, less humid environments that exist in some of the places cited by the  
7 intervenor witnesses.

8 Another impact on the current and future condition of the units that affects  
9 the service lives for them is the demands placed on them by the customer load.  
10 The load on our system varies from other systems and, naturally, this means that  
11 our units will be operated differently to meet our load signal throughout the day  
12 and over the course of the year from the way other utilities operate their units to  
13 meet their load. The operation of our generation units, in fact, includes historical  
14 periods of extended severe duty operation, cyclic duty, and extraordinary  
15 operating conditions during and after storms, for example. This has an impact on  
16 the determination of the service lives for these units. Changing and evolving  
17 market conditions for capital, fuels, and consumer demand also impact the way  
18 we operate our units to meet load and, therefore, the estimated service lives for  
19 these units.

20 We also consider the implications for PEF's generation unit operations  
21 over time as a result of significant evolving policy changes including, but not  
22 limited to, environmental risks (e.g. ash piles, sulfur, mercury), climate change,  
23 renewable energy requirements, and conservation mandates. The current and

1 projected comparative life cycle costs for new generating units that could replace  
2 PEF's generating plants must be considered too in estimating the service lives for  
3 PEF's units. All of these factors affect the long term economic feasibility of  
4 operating our generation units and all of them are accounted for on a continuing  
5 basis as part of our integrated resource planning.  
6

7 **Q. Are these planning factors typical and representative of a utility's normal**  
8 **internal review process?**

9 A. The planning factors that I have described are typical and representative of a  
10 prudent assessment process for the Company's ongoing operations and  
11 maintenance plan as well as the projected retirement date for each generating  
12 facility. It's just that these factors will differ from utility to utility based on each  
13 utility's unique generation units that make up each utility's dispatch to meet load,  
14 each utility's unique load demands, each utility's unique operational and  
15 maintenance requirements, each utility's unique operational environment, and  
16 each utility's unique regulatory environment. For these reasons, PEF's plans for  
17 its units which include its estimated service lives cannot be expected to be the  
18 same as some other utility.  
19

20 **Q. Did Mr. Pous or Mr. Pollack address any of these specific considerations in**  
21 **their testimony regarding their recommended life spans for PEF's generating**  
22 **units?**

1 A. No, they did not. They seem to assume that all utility operations should be the  
2 same even though their references to other jurisdictions in their testimony  
3 demonstrate that they are not the same. Also, their testimony fails to indicate  
4 whether either of them have any experience with the operations and system  
5 planning considerations for any of the utilities in the jurisdictions they cite. They  
6 certainly have no experience with system planning considerations for PEF's  
7 system and, to my knowledge, they have not even visited PEF's generation plants.  
8

9 **Q. Did Mr. Robinson review the Company's projected retirement dates?**

10 A. Yes, he did. As I explained above, he discussed with our resource planning staff  
11 the factors in the resource planning process and the Company's estimated service  
12 lives. In his review, he did not suggest that any of the proposed dates were  
13 unreasonable or outside the norm for utility planning.  
14

15 **Q. What information about PEF's projected plant retirements does PEF  
16 normally provide in its annual Ten Year Site Plan filing?**

17 A. PEF's Ten Year Site Plan lists planned changes, additions, and retirements for the  
18 proscribed ten year planning period. Planned changes beyond the ten year  
19 horizon may be mentioned, but are not normally discussed in detail.  
20

21 **Q. In PEF's planning reviews that were used in the development of the service  
22 lives for PEF's generation units in the Company's Depreciation Study, were**

1 **the retirement dates provided reasonable based on PEF's knowledge,**  
2 **experience, and planning judgment?**

3 A. Yes. With respect to the Anclote oil-fired steam unit, PEF's estimated service life  
4 is based on a proposed retirement date of 2022. PEF has extended the retirement  
5 date and therefore the service life for this unit by three years to an average life of  
6 46 years compared to the 2019 retirement date included in PEF's 2005  
7 Depreciation Study. Please see Exhibit No. \_\_\_ (JBC-8) to my rebuttal  
8 testimony. Pollock does not contest the estimated service life for this unit and  
9 Pous recommends a service life of 50 years, or only 4 additional years for this  
10 unit. PEF's judgment that 46 years is the appropriate service life for Anclote  
11 cannot be considered unreasonable in light of this recommendation. PEF's  
12 current estimated service life for Anclote is based on PEF's specific knowledge  
13 about and experience with the condition, operation, and maintenance of this unit  
14 and its planning judgment with respect to the service life for this unit on PEF's  
15 system.

16 PEF has four coal units, Crystal River Units 1 and 2 and Crystal River  
17 Units 4 and 5. In PEF's 2005 Depreciation Study, the proposed retirement date  
18 for Crystal River 1 and 2 was 2018. In the current Depreciation Study, the  
19 proposed retirement date for Crystal River 1 and 2 is 2020, representing an  
20 extension of 2 years to an average service life of 53 years. Please see Exhibit No.  
21 \_\_\_ (JBC-8) to my rebuttal testimony. PEF's current estimated service life for  
22 these units is an example of the impact of current and future environmental  
23 requirements and policy on PEF's planning judgment with respect to the service

1 lives for its generation units. PEF's estimated retirement dates for Crystal River  
2 Units 1 and 2 reflect a current agreement with the Florida Department of  
3 Environmental Protection ("DEP") to retire these units upon the commercial  
4 operation of Levy Unit 2, one of PEF's two planned nuclear units. This current  
5 agreement allows the Company to meet the specific permit conditions and  
6 requirements for the continued operation of these units and address existing and  
7 future environmental regulatory concerns, including future carbon constraints.  
8 Please see Exhibit No. \_\_\_\_ (JBC-7) to my rebuttal testimony. As with its other  
9 generation units, PEF will, however, continue to evaluate the operating plans for  
10 Crystal River 1 and 2 given evolving policy and market conditions, and adjust  
11 these retirement dates as deemed appropriate.

12 PEF has also extended the estimated service lives for its other coal units,  
13 Crystal River Units 4 and 5, just not as far as the intervenor witnesses would like.  
14 As reflected in PEF's 2005 Depreciation Study, the proposed retirement date for  
15 Crystal River 4 and 5 was 2021. In the current Depreciation Study, the proposed  
16 retirement date for Crystal River 4 and 5 is 2035. This is an extension of 14 years  
17 to an average service life of 52 years. Please see Exhibit No. \_\_\_\_ (JBC-8) to my  
18 rebuttal testimony. With the addition of flue gas desulfurization ("FGD") systems  
19 at these units, PEF currently expects that the operating life of these units will be  
20 extended, as reflected in the revised projected retirement dates. Again, however,  
21 PEF will continue to evaluate the operating plans for Crystal River 4 and 5,  
22 especially given evolving policy and market conditions, such as future carbon  
23 constraints, and adjust these retirement dates as deemed appropriate.

1 Pollock proposes service lives of 55 years for PEF's Crystal River coal  
2 units and Pous proposes 60 years for only Crystal River Units 4 and 5. PEF's  
3 judgment that 53 and 52 years, respectively, are the appropriate service lives for  
4 its Crystal River coal units cannot be considered unreasonable in light of these  
5 recommendations. PEF's current estimated service lives for Crystal River Units 1  
6 and 2 and Crystal River Units 4 and 5 are based on PEF's specific knowledge  
7 about and experience with the condition, operation, and maintenance of these  
8 units and its planning judgment with respect to the service lives for these units on  
9 PEF's system.

10 With respect to PEF's combined cycle units, the Company's estimated  
11 service lives in PEF's 2005 Depreciation Study were based on the proposed  
12 retirement dates for the new combined cycle units at the Hines Energy Complex  
13 (Hines Units 1 and 2). Since that Study, PEF has added two more combined cycle  
14 units at the Hines Energy Complex, Hines Units 3 and 4, and repowered the  
15 Bartow steam units with new Bartow combined cycle units. The Company has  
16 not adjusted the estimated service lives for these combined cycle units and  
17 therefore the proposed retirement dates still reflect a projected life span of 30  
18 years in the current Depreciation Study. These combined cycle units are typically  
19 used in intermediate service, which requires load following and cycling duty, that  
20 has an impact on the maintenance and operational life for these units. As a result,  
21 the Company believes a projected life span of 30 years is still appropriate for  
22 these units.

1 Pollock proposes service lives of 35 years for PEF's combined cycle units.  
2 Pous makes no specific proposal. PEF's judgment that 30 years is the appropriate  
3 service lives for its combined cycle units cannot be considered unreasonable in  
4 light of these recommendations. Again, PEF's current estimated service lives for  
5 its combined cycle units are based on PEF's specific knowledge about and  
6 experience with the condition, operation, and maintenance of these units and its  
7 planning judgment with respect to the service lives for these units on PEF's  
8 system.

9  
10 **III. Load and Sales Forecast.**

11 **Q. What does Witness Marz assert with respect to the Company's sales**  
12 **projections in 2010?**

13 A. Marz testifies that the Company's projected sales in the 2010 test year are much  
14 lower than in the recent 10 years. (Marz Test., at p. 7). He further claims that the  
15 Company's lower sales forecasts mean higher rates and could lead to Company  
16 overearnings in the future. (Id. at p. 8).

17  
18 **Q. Since the Company's initial filing of its direct testimony, has the Company**  
19 **updated its load forecast?**

20 A. Yes, it has. We revised our load forecast in May of this year and provided an  
21 updated revised jurisdictional cost of service study that incorporated the revised  
22 load forecast in response to an interrogatory from OPC. I have attached the updated  
23 load forecast to my rebuttal testimony as Exhibit No. \_\_ (JBC-9). Mr. Slusser will

1 sponsor the updated revised jurisdictional cost of service study as an exhibit to his  
2 rebuttal testimony.

3  
4 **Q. Is the forecasting methodology used to develop the updated load forecast**  
5 **consistent with the methodology you used to develop PEF's original load**  
6 **forecast?**

7 A. Yes, it is. PEF followed its standard forecasting methodology, as described in my  
8 direct testimony, to develop its updated load forecast.

9  
10 **Q. Why did PEF update its load forecast?**

11 A. It is a normal business practice to periodically review and adjust the load forecast to  
12 reflect changing conditions. Such updates help the Company, for example, with  
13 short-term purchase power planning and managing its generation fleet. Specifically,  
14 in this instance, the effects of the economic recession impacted the load forecast in  
15 such a way that a revision was necessary.

16  
17 **Q. What conclusions can be drawn from PEF's updated load forecast?**

18 A. PEF expects that its customer base, energy sales, and peak demand will grow at even  
19 weaker growth rates for 2010 than projected in its original load forecast. PEF  
20 originally expected to see a gradual improvement in economic conditions in 2009  
21 and 2010, and a corresponding increase in retail energy growth projections. The  
22 revised load forecast indicates that the recession was deeper than expected, resulting  
23 in further sales declines in 2009 rather than the originally projected gradual



1 improvement in load and sales beginning in 2009. As a result, the gradual  
2 improvement in the load and resulting sales forecast is delayed until 2010 and starts  
3 from a lower point. This gradual improvement continues after 2010 as the economy  
4 and load slowly return. Mr. Martz's assertion that there will be an opportunity for  
5 increased revenues with lower loads is wrong because, as demonstrated by PEF's  
6 revised load forecast and explained by Mr. Peter Toomey, lower load and sales  
7 means PEF needs increased revenue requirements to cover costs.

8  
9 **Q. Does this conclude your testimony?**

10 **A. Yes.**

2008 Generation Plant Retirement Scenario

	In-Service Year	Retirement Dates (Previous Study)	Comments	Possible Retirement Date (Sys Ping)	
<b>Steam and Nuclear</b>					
Anclote	1974	2019	Repowered due to Clean air/CO2 legislation.	2022	
Bartow	1958	2016	Retire in '09 as part of repower	2009	
CR 1 & 2	1966	2018	Retire due to Clean air/CO2 legislation and to avoid BART Scrubber requirement.	2020	
CR 4 & 5	1982	2021	Clean air/CO2 legislation could require earlier retirement.	2035	
Suwanee Steam	1953	2016	Possible replacement in 5/2013 with 2013 RFP project.	2013	
CR 3	1977	2036	License extended to 2036. Additional 20 yr extension possible.	2036	
<b>Peakers &amp; CC</b>					
Avon Park Peaking	1968	2016	Identified for possible retirement as part of LNP Need and 2008 TYSP.	2016	0
Bartow Peakers	1972	2016		2027	11
Bartow CC	2009			2039	Added based on 30 yr. life consistent w/ Hines 4
Bayboro	1973	2017		2029	12
Debary	1975	2020		2020	0
Debary New	1992	2023		2023	0
Higgins	1969	2016	Identified for possible retirement as part of LNP Need and 2008 TYSP.	2016	0
Hines PB1	1999	2030		2028	-2
Hines PB2	2003	2033		2033	0
Hines PB3	2005			2035	32
Hines PB4	2007			2037	30
Intercession City P11	1997	2022		2022	0
Intercession City P1-P6	1974	2019		2020	1
Intercession City P12-P14	2000	2027		2036	9
Intercession City P7-P10	1993	2024		2031	7
Rio Pinar	1970	2016	Identified for possible retirement as part of LNP Need and 2008 TYSP.	2016	0
Suwanee Peaking	1980	2018		2024	6
Tiger Bay	1995	2025		2038	13
Turner 1&2	1970	2017	Identified for possible retirement as part of LNP Need and 2008 TYSP.	2016	-1
Turner 3&4	1974	2017		2023	6
University of Florida	1993	2016	Current contract with UF ends in 2013 - Contract renewal assumed.	2033	17
CR Cooling Tower helper		2018		2020	
Fish hatchery		2018		2020	
CR Common		2028		2035	

**Comparison of Retirement Date Projections for PEF Plants**

	In Service Year	Avg In Service Year	2005 Study		2009 Study	
			Retirement Date	Avg Age	Retirement Date	Avg Age
Anclote	1974 1978	1976	2019	43	2022	46
CR 1&2	1966 1969	1968	2018	51	2020	53
CR 4&5	1982 1984	1983	2021	38	2035	52
Hines 1	1999		2030	31	2028	29
Hines 2	2003		2033	30	2033	30
Hines 3	2005				2035	30
Hines 4	2007				2037	30
Batow 4 (Repower)	2009				2039	30

**PROGRESS ENERGY FLORIDA CORPORATION  
MAY 2009 FORECAST SALES - CUSTOMERS - COINCIDENT DEMAND**

PROJECTED MONTHLY MWH ENERGY SALES - BILLING MONTH									
YEAR	M	RESID	COML	INDUST	SHL	SPA	TOTAL RETAIL	TOTAL WHOLESALE	TOTAL SYSTEM
2009	1	1,376,272	884,071	271,809	2,207	245,271	2,779,630	424,895	3,204,525
2009	2	1,618,774	825,540	254,392	2,143	243,727	2,944,576	505,032	3,449,608
2009	3	1,291,802	844,403	264,504	2,202	236,832	2,639,743	422,369	3,062,112
2009	4	1,267,252	883,404	287,729	2,178	249,558	2,690,122	505,353	3,195,475
2009	5	1,403,847	944,715	287,189	2,132	268,304	2,906,187	519,119	3,425,306
2009	6	1,795,666	1,059,144	297,383	2,212	282,146	3,438,551	574,423	4,010,974
2009	7	1,989,643	1,065,161	284,819	2,180	286,887	3,628,690	604,104	4,232,794
2009	8	2,005,254	1,104,643	289,911	2,182	288,068	3,690,058	690,784	4,380,842
2009	9	2,006,933	1,182,648	288,393	2,158	313,571	3,793,703	698,844	4,492,547
2009	10	1,664,680	964,652	281,107	2,182	301,405	3,214,026	612,770	3,826,796
2009	11	1,280,555	949,342	282,527	2,197	302,144	2,816,764	472,125	3,288,889
2009	12	1,302,653	830,171	276,647	2,184	274,753	2,686,408	369,752	3,056,160
2009 Budget		19,003,332	11,537,894	3,366,410	26,155	3,292,666	37,226,457	6,399,570	43,626,027
2010	1	1,583,334	845,884	271,046	2,195	250,569	2,953,028	433,133	3,386,161
2010	2	1,463,875	776,301	268,163	2,117	245,774	2,756,230	382,963	3,139,193
2010	3	1,253,740	789,797	274,904	2,199	239,107	2,559,747	322,008	2,881,755
2010	4	1,227,542	841,961	288,776	2,165	257,391	2,617,835	398,718	3,016,553
2010	5	1,348,510	913,781	291,847	2,120	276,887	2,833,145	428,683	3,261,828
2010	6	1,740,891	1,023,122	302,527	2,201	291,463	3,360,204	480,736	3,840,940
2010	7	1,941,291	1,047,717	293,540	2,169	297,359	3,582,076	492,254	4,074,330
2010	8	1,962,741	1,064,472	298,310	2,171	296,280	3,623,974	545,652	4,169,626
2010	9	1,969,167	1,154,649	296,994	2,148	322,117	3,745,074	546,674	4,291,748
2010	10	1,630,687	966,420	287,799	2,171	309,452	3,196,529	486,206	3,682,735
2010	11	1,246,521	947,009	289,104	2,186	309,777	2,794,596	424,770	3,219,366
2010	12	1,270,218	834,704	282,535	2,173	281,442	2,671,072	335,417	3,006,489
2010 Budget		18,638,516	11,205,817	3,445,545	26,015	3,377,618	36,693,511	5,277,214	41,970,725

PROJECTED MONTHLY BILLED ACCOUNTS									
YEAR	M	RESID	COML	INDUST	SHL	SPA	TOTAL RETAIL	TOTAL WHOLESALE	TOTAL SYSTEM
2009	1	1,427,104	161,720	2,515	1,642	23,273	1,616,254	23	1,616,277
2009	2	1,469,790	162,263	2,500	1,651	23,159	1,659,363	23	1,659,386
2009	3	1,431,072	160,340	2,458	1,631	23,157	1,618,658	23	1,618,681
2009	4	1,444,558	161,707	2,503	1,637	23,284	1,633,689	23	1,633,712
2009	5	1,441,976	161,657	2,502	1,634	23,282	1,631,051	23	1,631,074
2009	6	1,440,798	161,661	2,501	1,631	23,247	1,629,838	23	1,629,861
2009	7	1,440,161	161,652	2,500	1,629	23,281	1,629,223	23	1,629,246
2009	8	1,439,952	161,694	2,499	1,627	23,281	1,629,053	23	1,629,076
2009	9	1,439,135	161,454	2,498	1,625	23,318	1,628,030	23	1,628,053
2009	10	1,437,597	161,425	2,497	1,623	23,367	1,626,509	23	1,626,532
2009	11	1,437,893	161,530	2,496	1,621	23,400	1,626,940	22	1,626,962
2009	12	1,438,671	161,038	2,495	1,619	23,398	1,627,221	22	1,627,243
2009 Budget=		1,440,726	161,512	2,497	1,631	23,287	1,629,652	23	1,629,675
2010	1	1,440,854	161,046	2,494	1,617	23,426	1,629,437	22	1,629,459
2010	2	1,442,988	160,995	2,493	1,615	23,409	1,631,500	21	1,631,521
2010	3	1,445,119	161,084	2,492	1,613	23,394	1,633,702	21	1,633,723
2010	4	1,444,528	161,236	2,491	1,611	23,505	1,633,371	21	1,633,392
2010	5	1,442,888	161,350	2,490	1,609	23,504	1,631,841	21	1,631,862
2010	6	1,442,644	161,533	2,489	1,607	23,471	1,631,744	21	1,631,765
2010	7	1,442,935	161,718	2,488	1,605	23,508	1,632,254	21	1,632,275
2010	8	1,443,647	161,968	2,487	1,603	23,509	1,633,214	21	1,633,235
2010	9	1,443,744	161,950	2,486	1,601	23,549	1,633,330	21	1,633,351
2010	10	1,443,112	162,157	2,485	1,599	23,599	1,632,952	21	1,632,973
2010	11	1,444,307	162,512	2,484	1,597	23,635	1,634,535	21	1,634,556
2010	12	1,445,978	162,286	2,483	1,595	23,635	1,635,977	21	1,635,998
2010 Budget=		1,443,562	161,653	2,489	1,606	23,512	1,632,821	21	1,632,843

PROJECTED MONTHLY MW COINCIDENT DEMANDS										
YEAR	M	RETAIL			COMPANY	WHOLESALE			TOTAL SYSTEM	
		PRE DLC	ALL DLC	FIRM		USE	PRE DLC	IS	FIRM*	PRE DLC
2009	1	9,032	1,391	7,641	25	2,314	15	2,294	11,371	9,960
2009	2	9,090	1,301	7,789	25	1,454	15	1,434	10,569	9,248
2009	3	8,843	1,088	5,555	25	1,340	15	1,320	8,008	6,900
2009	4	6,962	683	6,299	25	1,314	15	1,294	8,301	7,618
2009	5	8,028	713	7,315	25	1,406	15	1,386	9,459	8,726
2009	6	8,395	775	7,620	25	1,509	15	1,489	9,929	9,134
2009	7	8,584	773	7,811	25	1,620	15	1,600	10,229	9,436
2009	8	8,630	788	7,842	25	1,672	15	1,652	10,327	9,519
2009	9	8,150	770	7,380	25	1,434	15	1,414	9,609	8,819
2009	10	7,572	641	6,931	25	1,173	15	1,153	8,770	8,109
2009	11	5,935	944	4,991	25	1,102	15	1,082	7,062	6,098
2009	12	6,857	1,038	5,819	25	1,247	15	1,227	8,129	7,071
2010	1	9,323	1,465	7,858	25	1,868	15	1,848	11,216	9,731
2010	2	7,716	1,304	6,412	25	1,176	15	1,156	8,917	7,593
2010	3	6,622	1,131	5,491	25	1,051	15	1,031	7,698	6,547
2010	4	6,964	713	6,251	25	1,039	15	1,019	8,028	7,295
2010	5	8,035	766	7,269	25	1,093	15	1,073	9,153	8,367
2010	6	8,410	827	7,583	25	1,175	15	1,155	9,610	8,763
2010	7	8,606	823	7,783	25	1,268	15	1,248	9,899	9,056
2010	8	8,660	839	7,821	25	1,293	15	1,273	9,978	9,119
2010	9	8,186	819	7,367	25	1,114	15	1,094	9,325	8,486
2010	10	7,617	683	6,934	25	1,044	15	1,024	8,686	7,983
2010	11	5,859	979	4,980	25	976	15	956	6,960	5,961
2010	12	6,881	1,073	5,808	25	1,115	15	1,095	8,021	6,928

\* Includes 5.25 MW Standby generator at City of Chattahoochee.

**PROGRESS ENERGY FLORIDA CORPORATION  
MAY 2009 FORECAST SALES - CUSTOMERS - COINCIDENT DEMAND**

PROJECTED MONTHLY MWH ENERGY SALES - CALENDAR MONTH										
YEAR	M	RESID	COML	INDUST	SHL	SPA	TOTAL		TOTAL SYSTEM	
							RETAIL	WHOLESALE		
2009	1	1,412,674	930,401	315,113	2,325	263,549	2,924,062	524,192	3,448,254	
2009	2	1,547,259	685,501	211,591	1,829	211,328	2,657,508	405,515	3,063,023	
2009	3	1,276,246	936,364	295,156	2,446	257,274	2,767,486	508,108	3,275,594	
2009	4	1,333,085	959,496	318,175	2,302	271,973	2,885,031	522,584	3,407,615	
2009	5	1,625,863	1,075,736	315,501	2,316	306,315	3,325,731	580,864	3,906,595	
2009	6	1,922,461	1,052,225	280,080	2,086	268,650	3,525,502	610,478	4,135,980	
2009	7	2,092,932	1,059,990	274,676	2,142	287,423	3,717,163	706,022	4,423,185	
2009	8	2,078,194	1,163,653	302,185	2,252	297,899	3,844,183	704,718	4,548,901	
2009	9	1,777,204	1,096,668	254,253	1,895	293,866	3,423,886	586,688	4,010,574	
2009	10	1,546,834	886,010	287,793	2,276	306,282	3,029,195	463,578	3,492,773	
2009	11	1,039,472	922,534	277,918	2,163	296,776	2,538,863	367,706	2,906,569	
2009	12	1,420,755	832,861	295,970	2,355	282,206	2,834,147	436,190	3,270,337	
2009 Budget		19,072,979	11,601,439	3,428,411	26,387	3,343,541	37,472,757	6,416,643	43,889,400	
2010	1	1,670,594	808,460	252,396	2,080	221,429	2,954,959	396,784	3,351,743	
2010	2	1,328,496	700,955	254,197	1,976	231,747	2,517,371	304,823	2,822,194	
2010	3	1,244,163	860,236	300,493	2,419	254,795	2,662,106	403,577	3,065,683	
2010	4	1,209,526	871,997	296,648	2,141	267,986	2,648,298	433,705	3,082,003	
2010	5	1,556,040	1,048,290	322,833	2,304	316,279	3,245,746	486,585	3,732,331	
2010	6	1,885,693	1,023,032	287,290	2,092	279,795	3,477,902	496,537	3,974,439	
2010	7	2,033,040	1,044,811	282,765	2,111	295,854	3,658,581	557,104	4,215,685	
2010	8	2,037,204	1,107,980	310,548	2,240	304,888	3,762,860	548,943	4,311,803	
2010	9	1,754,167	1,083,981	263,102	1,894	302,838	3,405,982	467,865	3,873,847	
2010	10	1,497,689	894,154	291,107	2,245	311,537	2,996,732	417,457	3,414,189	
2010	11	1,012,604	921,400	285,323	2,160	305,126	2,526,613	327,699	2,854,312	
2010	12	1,393,436	846,278	303,517	2,355	290,517	2,836,103	367,686	3,203,789	
2010 Budget		18,622,652	11,211,574	3,450,219	26,017	3,382,791	36,693,253	5,208,765	41,902,018	