

PROGRESS ENERGY FLORIDA

DOCKET NO. 110002-EG

**DIRECT TESTIMONY OF
HELENA (LEE) GUTHRIE**

1 **Q. State your name and business address.**

2 A. My name is Lee Guthrie. My business address is 299 First Avenue North,
3 St. Petersburg, FL33701.
4

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

6 A. I am employed by Progress Energy Florida, Inc. (Progress Energy or the
7 Company), as Manager of PEF Analytical Services in the Efficiency &
8 Innovative Technology department.
9

10 **Q. What are your current duties and responsibilities at Progress Energy?**

11 A. My responsibilities include the analysis, planning, tracking, reporting,
12 measurement/verification, and regulatory compliance of the Company's
13 Demand-Side Management (DSM) programs. This includes support for
14 development, implementation and training, budgeting, and accounting
15 functions related to these programs. By DSM, I mean direct load control
16 (DLC) and energy efficiency programs or dispatchable (demand response)
17 and non dispatchable programs.
18

COM 5
APA I
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GCL I
RAD I
SSC I
ADM I
OPC I
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1 **Q. Please describe your educational and professional background and**
2 **experience.**

3 A. I have a Bachelor of Science degree in Education from Florida International
4 University. I have over twenty (20) years of experience in the electric utility
5 industry with Progress Energy. My experiences have included roles in
6 Customer Service, DSM Operations, Program Development and Analytical
7 Services. I hold certifications in project management and energy ratings.

8
9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to compare Progress Energy's actual costs
11 of implementing conservation programs with the actual revenues collected
12 through the Company's Energy Conservation Cost Recovery Clause
13 (ECCR) during the period January 2010 through December 2010.

14
15 **Q. For what programs does Progress Energy seek recovery?**

16 A. Progress Energy seeks recovery through the ECCR clause for conservation
17 programs approved by the Commission as part of the Company's DSM Plan,
18 as well as for Conservation Program Administration (i.e., those common
19 administration expenses not specifically linked to an individual program).
20 Notably, PEF seeks recovery of costs for conservation programs approved by
21 the Commission in 2004. PEF's last DSM Plan was approved on August 9,
22 2004 (see Order No. PSC-04-0769—PAA-EG and subsequently approved
23 modifications to the plan). On December 30, 2009, the Commission

1 established DSM numeric conservation goals for PEF for the years 2010-2019
2 (Order No. PSC-09-0855-FOF-EG). The Commission revised those goals on
3 March 31, 2010 (Order No. PSC-10-0198-FOF-EG). In compliance with the
4 Commission's directive, PEF filed a proposed Demand Side Management
5 Plan on March 30, 2010. The Commission denied PEF's proposed DSM plan
6 on October 4, 2010, but approved PEF's solar pilot programs (see Order No.
7 PSC-10-0605-PAA-EG). PEF filed revised solar pilot program participation
8 standards that were subsequently approved by Staff on January 18, 2011.
9 PEF's pilot solar programs were launched on March 15, 2011. To date,
10 however, PEF's proposed Demand Side Management Plan for the years
11 2010-2019 has not been approved. Thus, PEF did not receive approval of its
12 proposed Demand Side Management Plan, nor its proposed pilot solar
13 programs prior to the implementation of 2010 ECCR rates. Therefore, PEF
14 seeks recovery for actual conservation program costs and program
15 administration costs for its Demand Side Management Programs approved in
16 2004 as follows:

- 17 • Home Energy Check
- 18 • Home Energy Improvement
- 19 • Residential New Construction
- 20 • Low-Income Weatherization Assistance Program
- 21 • Energy Management (Residential and Commercial)
- 22 • Business Energy Check
- 23 • Better Business

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- Commercial/Industrial New Construction
- Innovation Incentive
- Standby Generation
- Interruptible Service
- Curtailable Service
- Technology Development
- Qualifying Facility
- Renewable Energy Saver
- Neighborhood Energy Saver

Q. Do you have any exhibits to your testimony?

A. Yes, Exhibit No. (HTG-1T) entitled, "Progress Energy Florida Energy Conservation Adjusted Net True-Up for the Period January 2010 through December 2010." There are five (5) schedules to this exhibit.

Q. Will you please explain your exhibit?

A. Yes. Exhibit No. (HTG -1T) presents Schedules CT-1 through CT-5. These schedules set out the actual costs incurred for all programs during the period from January 2010 through December 2010. They also describe the variance between actual costs and previously projected values for the same time period.

Q. Would you please discuss Schedule CT-1?

1 A. Yes. Schedule CT-1 shows that Progress Energy's actual net ECCR true-up
2 for the twelve months ending December 31, 2010 was an over-recovery of
3 \$11,290,003 including principal and interest. This amount is \$9,058,507
4 higher than the previous estimate in the Company's September 17, 2010
5 ECCR Projection Filing. (See Schedule CT-1, Line 14)

6

7 **Q. Can you please explain the major drivers of the variance?**

8 A. Yes. The variance was a result of less expense incurred than estimated in the
9 following selected programs: Business New Construction: \$266,696, Home
10 Energy Check: \$1,166,352, Business Energy Check: \$529,742, Renewable
11 Energy Saver: \$212,651, Interruptible Load Management: \$1,779,924,
12 Residential Load Management: \$317,943 and Conservation Program
13 Administration: \$3,130,855. Additionally, other programs experienced lesser
14 differences and two (2) programs experienced higher than estimated
15 expenses. These programs were the Residential New Construction: \$432,366
16 and Home Energy Improvement: \$115,854.

17 The variance in Conservation Program Administration expenses was almost
18 entirely due to the delays in launching the SmartGrid programs. More detail
19 regarding these program differences are contained in Schedule CT-5.

20

21 **Q. What does Schedule CT-2 show?**

22 A. The four pages of Schedule CT-2 provide an annual summary of conservation
23 program costs as well as itemized conservation program costs for the period

1 January 2010 through December 2010 detailing actual, estimated and
2 variance calculations. These costs are directly attributable to PEF's
3 commission approved programs.
4

5 **Q. Would you please discuss Schedule CT-3?**

6 A. Yes. Page one of Schedule CT-3 provides the actual conservation program
7 costs by month for the period January 2010 through December 2010. Page
8 two of Schedule CT-3 presents the program revenues by month and the
9 calculations for the next true-up per month, including adjustments. Page three
10 provides the monthly interest calculation. Page four of Schedule CT-3
11 provides conservation account numbers for the 2010 calendar year.
12

13 **Q. What is the purpose of Schedule CT-4?**

14 A. The four pages of Schedule CT-4 report the monthly capital investment,
15 depreciation, and return for PEF's program classifications.
16

17 **Q. Would you please discuss Schedule CT-5?**

18 A. Yes. Schedule CT-5 provides a brief summary report for each program that
19 includes a program description, annual program expenditures and program
20 accomplishments for the 2010 calendar year.
21

22 **Q. Please explain the source of data used to calculate the true-up amount.**

1 A. The data used in calculating the actual true-up amounts was taken from PEF
2 records unless otherwise indicated. These records are kept in the regular
3 course of business in accordance with general accounting principles and
4 practices and provisions of the Uniform System of Accounts as prescribed by
5 the Commission. Pursuant to Rule 25-17.015(3), Florida Administrative Code,
6 in Schedule CT-3, page 4 of 4, PEF provides a list of all account numbers
7 used for conservation cost recovery during the period January 2010 through
8 December 2010.

9
10 **Q. Does this conclude your direct testimony?**

11 A. Yes.

PROGRESS ENERGY FLORIDA

ENERGY CONSERVATION ADJUSTED NET TRUE-UP
FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE
NO.

1	ACTUAL END OF PERIOD TRUE-UP (OVER) / UNDER RECOVERY		
2	BEGINNING BALANCE	(\$1,951,910)	
3	PRINCIPAL (CT 3, PAGE 2 of 4)	(11,273,968)	
4	INTEREST (CT 3, PAGE 2 of 4)	(16,034)	
5	PRIOR TRUE-UP REFUND	1,951,910	
6	ADJUSTMENTS	<u>0</u>	(\$11,290,003)
7	LESS: ESTIMATED TRUE-UP FROM SEPTEMBER 2010		
8	PROJECTION FILING (OVER) / UNDER RECOVERY		
9	BEGINNING BALANCE	(\$1,951,910)	
10	PRINCIPAL	(2,219,525)	
11	INTEREST	(11,971)	
12	PRIOR TRUE-UP REFUND	1,951,910	
13	ADJUSTMENTS	<u>0</u>	<u>(\$2,231,495)</u>
14	VARIANCE TO PROJECTION		<u><u>(\$9,058,507)</u></u>

PROGRESS ENERGY FLORIDA

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
 ACTUAL VS. ESTIMATED
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	PROGRAM	ACTUAL	ESTIMATED	DIFFERENCE
1	DEPRECIATION AMORT. & RETURN	4,990,975	5,018,184	(27,209)
2	PAYROLL AND BENEFITS	13,751,772	17,604,479	(3,852,707)
3	OUTSIDE SERVICES	3,623,020	5,280,189	(1,657,169)
4	MATERIALS AND SUPPLIES	498,434	961,425	(462,991)
5	ADVERTISING	5,230,238	5,851,689	(621,451)
6	INCENTIVES	55,217,952	54,243,863	974,089
7	OTHER	2,042,532	3,847,047	(1,804,515)
8	PROGRAM REVENUES	0	0	0
9	TOTAL PROGRAM COSTS	85,354,924	92,806,877	(7,451,953)
11	LESS:			
12	CONSERVATION CLAUSE REVENUES	94,676,982	93,074,492	1,602,490
13	PRIOR TRUE-UP	1,951,910	1,951,910	0
14	TRUE-UP BEFORE INTEREST	(11,273,969)	(2,219,525)	(9,054,444)
15	AUDIT & REV DECOUPLING ADJUSTMENT	0	0	0
16	INTEREST PROVISION	(16,034)	(11,971)	(4,063)
17	END OF PERIOD TRUE-UP	(11,290,003)	(2,231,495)	(9,058,507)

() REFLECTS OVERRECOVERY

PROGRESS ENERGY FLORIDA

ACTUAL ENERGY CONSERVATION PROGRAM COSTS PER PROGRAM
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	HOME ENERGY CHECK	651	3,817,450	189,323	261,931	2,665,098	0	258,526	7,192,979		7,192,979
2	RESIDENTIAL NEW CONSTRUCTION	0	668,624	72,492	6,485	91,630	1,532,525	55,766	2,427,521		2,427,521
3	HOME ENERGY IMPROVEMENT	21,899	1,459,016	245,661	7,658	1,376,724	7,112,489	99,300	10,322,746		10,322,746
4	BUSINESS ENERGY CHECK	40	1,222,484	681,618	36,401	92,846	0	96,535	2,129,924		2,129,924
5	BETTER BUSINESS	7,551	148,201	8,215	32,930	76,239	2,038,976	7,802	2,319,915		2,319,915
6	COMM / IND NEW CONSTRUCTION	0	68,612	610	24,683	44,211	431,714	3,625	573,454		573,454
7	TECHNOLOGY DEVELOPMENT	5,007	275,804	108,959	1,881	0	0	257,455	649,105		649,105
8	INNOVATION INCENTIVE	0	12,293	1,748	0	0	14,306	87	28,435		28,435
9	INTERRUPT LOAD MANAGEMENT	21,616	69,381	2,732	634	0	17,222,731	6,097	17,323,190		17,323,190
10	CURTAIL LOAD MANAGEMENT	0	4,644	0	0	0	755,646	538	760,829		760,829
11	RESIDENTIAL LOAD MANAGEMENT	4,880,751	1,501,171	1,251,617	8,420	510,368	21,577,768	76,888	29,806,983		29,806,983
12	COMMERCIAL LOAD MANAGEMENT	0	2,288	1,644	0	0	644,117	165	648,214		648,214
13	LOW INCOME	0	74,611	(0)	6,891	23,144	131,101	(4,218)	231,528		231,528
14	STANDBY GENERATION	34,552	193,190	7,357	1,773	0	2,151,977	20,219	2,409,067		2,409,067
15	QUALIFYING FACILITY	0	633,249	18,688	1,024	0	0	9,569	662,531		662,531
16	RENEWABLE ENERGY SAVER	0	140,414	1,200	1,090	42,925	640,251	10,349	836,230		836,230
17	NEIGHBORHOOD ENERGY SAVER	0	142,081	10,037	1,774	16,143	964,350	44,812	1,179,196		1,179,196
18	SOLAR WATER HEATING WITH EM	0	0	0	0	0	0	0	0		0
19	RESIDENTIAL SOLAR PHOTOVOLTAIC	0	0	0	0	0	0	0	0		0
20	SOLAR WATER HEAT LOW INCOME RES	0	0	0	0	0	0	0	0		0
21	COMMERCIAL SOLAR PHOTOVOLTAIC	0	0	0	0	0	0	0	0		0
22	PHOTOVOLTAIC FOR SCHOOLS	0	0	0	0	0	0	0	0		0
23	RESEARCH AND DEMONSTRATION	0	0	0	0	0	0	0	0		0
24	CONSERVATION PROGRAM ADMIN	18,908	3,318,260	1,021,117	104,860	290,911	0	1,099,019	5,853,076		5,853,076
25	TOTAL ALL PROGRAMS	4,990,975	13,751,772	3,623,020	498,434	5,230,238	55,217,952	2,042,532	85,354,924		85,354,924

PROGRESS ENERGY FLORIDA

VARIANCE IN ENERGY CONSERVATION PROGRAM COSTS
 12 MONTHS ACTUAL VERSUS 12 MONTHS ESTIMATED

LINE NO. PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1 HOME ENERGY CHECK	0	(225,215)	(179,718)	(239,323)	(443,934)	(346)	(77,816)	(1,166,352)	0	(1,166,352)
2 RESIDENTIAL NEW CONSTRUCTION	0	(192,451)	(3,649)	(332)	3,558	643,929	(18,688)	432,366	0	432,366
3 HOME ENERGY IMPROVEMENT	0	(152,341)	(24,665)	(10,318)	(6,630)	313,834	(4,027)	115,854	0	115,854
4 BUSINESS ENERGY CHECK	(657)	(144,722)	(211,152)	2,731	(18,668)	0	(157,274)	(529,742)	0	(529,742)
5 BETTER BUSINESS	830	(132,388)	(28,345)	(709)	3,332	168,454	(18,443)	(7,268)	0	(7,268)
6 COMM / IND NEW CONSTRUCTION	0	(144,415)	(18,950)	(8,675)	4,783	(81,520)	(17,919)	(266,696)	0	(266,696)
7 TECHNOLOGY DEVELOPMENT	(30)	(73,251)	(48,164)	(1,842)	0	0	(19,312)	(142,598)	0	(142,598)
8 INNOVATION INCENTIVE	0	(36,382)	(1,515)	0	0	(5,694)	(85)	(43,676)	0	(43,676)
9 INTERRUPT LOAD MANAGEMENT	(4,921)	6,504	1	318	0	(1,777,269)	(4,555)	(1,779,924)	0	(1,779,924)
10 CURTAIL LOAD MANAGEMENT	0	(1,320)	0	0	0	(84,354)	(161)	(85,834)	0	(85,834)
11 RESIDENTIAL LOAD MANAGEMENT	(17,471)	(1,047,733)	(440,247)	(609)	(52,374)	2,018,147	(777,657)	(317,943)	0	(317,943)
12 COMMERCIAL LOAD MANAGEMENT	0	2,218	1,644	0	0	(5,883)	165	(1,855)	0	(1,855)
13 LOW INCOME	0	(63,395)	(2,943)	0	(1,586)	51,101	(12,663)	(29,486)	0	(29,486)
14 STANDBY GENERATION	0	(9,028)	(2,778)	472	0	1,977	(895)	(10,253)	0	(10,253)
15 QUALIFYING FACILITY	0	(613)	(31,312)	(3,044)	0	0	(22,191)	(57,159)	0	(57,159)
16 RENEWABLE ENERGY SAVER	0	(24,366)	1,200	(1,090)	(20,809)	(169,638)	2,052	(212,651)	0	(212,651)
17 NEIGHBORHOOD ENERGY SAVER	0	(96,910)	(7,610)	(1,599)	677	1,350	15,749	(88,343)	0	(88,343)
18 SOLAR WATER HEATING WITH EM	0	(2,400)	0	0	0	0	0	(2,400)	0	(2,400)
19 RESIDENTIAL SOLAR PHOTOVOLTAIC	0	(2,400)	0	0	0	(50,000)	0	(52,400)	0	(52,400)
20 SOLAR WATER HEAT LOW INCOME RES	0	(2,400)	0	0	0	0	0	(2,400)	0	(2,400)
21 COMMERCIAL SOLAR PHOTOVOLTAIC	0	(2,400)	0	0	0	(50,000)	0	(52,400)	0	(52,400)
22 PHOTOVOLTAIC FOR SCHOOLS	(4,536)	(13,000)	0	0	0	0	0	(17,536)	0	(17,536)
23 RESEARCH AND DEMONSTRATION	0	(2,400)	0	0	0	0	0	(2,400)	0	(2,400)
24 CONSERVATION PROGRAM ADMIN	(424)	(1,491,899)	(658,967)	(198,973)	(89,799)	0	(690,794)	(3,130,855)	0	(3,130,855)
25 TOTAL ALL PROGRAMS	(27,209)	(3,852,707)	(1,657,169)	(462,991)	(621,451)	974,089	(1,804,515)	(7,451,953)	0	(7,451,953)

PROGRESS ENERGY FLORIDA

PROJECTED ENERGY CONSERVATION PROGRAM COSTS PER PROGRAM
 JANUARY 2010 - DECEMBER 2010

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	HOME ENERGY CHECK	651	4,042,665	369,041	501,254	3,109,032	346	336,342	8,359,331		8,359,331
2	RESIDENTIAL NEW CONSTRUCTION	0	861,075	76,141	6,816	88,072	888,596	74,454	1,995,155		1,995,155
3	HOME ENERGY IMPROVEMENT	21,899	1,611,357	270,326	17,975	1,383,354	6,798,655	103,327	10,206,893		10,206,893
4	BUSINESS ENERGY CHECK	697	1,367,206	892,770	33,670	111,514	0	253,809	2,659,666		2,659,666
5	BETTER BUSINESS	6,721	280,589	36,560	33,639	72,907	1,870,522	26,245	2,327,183		2,327,183
6	COMM / IND NEW CONSTRUCTION	0	213,027	19,560	33,358	39,428	513,234	21,544	840,150		840,150
7	TECHNOLOGY DEVELOPMENT	5,037	349,055	157,123	3,722	0	0	276,767	791,703		791,703
8	INNOVATION INCENTIVE	0	48,675	3,263	0	0	20,000	173	72,111		72,111
9	INTERRUPT LOAD MANAGEMENT	26,537	62,877	2,731	316	0	19,000,000	10,653	19,103,114		19,103,114
10	CURTAIL LOAD MANAGEMENT	0	5,964	0	0	0	840,000	698	846,662		846,662
11	RESIDENTIAL LOAD MANAGEMENT	4,898,222	2,548,904	1,691,864	9,029	562,742	19,559,621	854,545	30,124,926		30,124,926
12	COMMERCIAL LOAD MANAGEMENT	0	69	0	0	0	650,000	0	650,069		650,069
13	LOW INCOME	0	138,005	2,943	6,891	24,730	80,000	8,445	261,014		261,014
14	STANDBY GENERATION	34,552	202,218	10,135	1,301	0	2,150,000	21,114	2,419,320		2,419,320
15	QUALIFYING FACILITY	0	633,862	50,000	4,068	0	0	31,760	719,690		719,690
16	RENEWABLE ENERGY SAVER	0	164,781	0	2,181	63,734	809,889	8,296	1,048,881		1,048,881
17	NEIGHBORHOOD ENERGY SAVER	0	238,990	17,647	3,373	15,466	963,000	29,063	1,267,539		1,267,539
18	SOLAR WATER HEATING WITH EM	0	2,400	0	0	0	0	0	2,400		2,400
19	RESIDENTIAL SOLAR PHOTOVOLTAIC	0	2,400	0	0	0	50,000	0	52,400		52,400
20	SOLAR WATER HEAT LOW INCOME RES	0	2,400	0	0	0	0	0	2,400		2,400
21	COMMERCIAL SOLAR PHOTOVOLTAIC	0	2,400	0	0	0	50,000	0	52,400		52,400
22	PHOTOVOLTAIC FOR SCHOOLS	4,536	13,000	0	0	0	0	0	17,536		17,536
23	RESEARCH AND DEMONSTRATION	0	2,400	0	0	0	0	0	2,400		2,400
24	CONSERVATION PROGRAM ADMIN	19,332	4,810,159	1,680,085	303,832	380,710	0	1,789,813	8,983,931		8,983,931
25	TOTAL ALL PROGRAMS	5,018,184	17,604,479	5,280,189	961,425	5,851,689	54,243,863	3,847,047	92,806,877		92,806,877

PROGRESS ENERGY FLORIDA

ACTUAL CONSERVATION PROGRAM COSTS BY MONTH
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	PROGRAM TITLE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1	HOME ENERGY CHECK	265,026	398,451	439,796	810,089	732,968	440,895	393,315	468,715	894,718	1,156,998	732,837	459,172	7,192,979
2	RESIDENTIAL NEW CONSTRUCTION	20,130	140,497	207,248	110,815	178,144	447,375	68,002	192,909	314,282	174,833	316,982	256,305	2,427,521
3	HOME ENERGY IMPROVEMENT	424,017	640,341	777,482	702,059	921,454	1,012,863	661,451	908,652	1,269,764	1,111,796	981,106	911,762	10,322,746
4	BUSINESS ENERGY CHECK	96,887	135,090	187,263	246,947	194,297	162,593	172,479	164,370	154,126	256,614	193,215	166,043	2,129,924
5	BETTER BUSINESS	70,564	176,409	312,469	171,195	24,236	237,136	130,223	165,657	356,485	120,377	409,092	146,071	2,319,915
6	COMM / IND NEW CONSTRUCTION	96,196	24,490	87,730	35,878	(61,054)	102,636	15,958	137,291	(38,227)	22,378	39,386	110,792	573,454
7	TECHNOLOGY DEVELOPMENT	24,629	30,726	124,883	95,763	34,366	42,605	69,302	51,434	39,106	70,695	25,005	40,591	649,105
8	INNOVATION INCENTIVE	756	1,266	1,373	1,697	2,659	1,055	2,294	48	592	16,389	306	0	28,435
9	INTERRUPT LOAD MANAGEMENT	1,539,217	1,477,019	1,545,142	1,548,139	1,568,694	1,500,470	1,489,299	1,462,500	1,379,149	1,241,465	1,335,987	1,236,110	17,323,190
10	CURTAIL LOAD MANAGEMENT	61,801	57,880	43,632	72,441	68,525	9,377	79,544	69,830	70,879	77,838	89,386	59,695	760,829
11	RESIDENTIAL LOAD MANAGEMENT	3,228,097	3,022,880	3,082,899	1,683,242	1,873,766	2,288,489	2,232,161	2,351,439	2,356,615	2,109,199	2,633,299	2,944,896	29,806,983
12	COMMERCIAL LOAD MANAGEMENT	53,447	49,593	60,421	50,539	52,423	54,826	55,168	59,494	52,043	54,494	71,616	34,149	648,214
13	LOW INCOME	15,732	6,107	32,014	9,184	23,299	31,582	9,604	11,326	14,145	25,855	15,355	37,325	231,528
14	STANDBY GENERATION	184,969	191,901	171,588	177,361	182,390	212,839	196,957	210,054	206,952	231,776	214,399	227,881	2,409,067
15	QUALIFYING FACILITY	35,225	51,014	53,753	67,539	46,233	44,352	46,985	51,124	47,588	89,286	60,087	69,345	662,531
16	RENEWABLE ENERGY SAVER	102,286	95,519	104,377	85,315	61,489	58,777	89,992	53,860	49,641	56,210	44,142	34,623	836,230
17	NEIGHBORHOOD ENERGY SAVER	62,473	59,859	119,496	118,449	85,322	193,164	132,995	101,456	72,289	68,916	69,428	95,351	1,179,196
18	CONSERVATION PROGRAM ADMIN	491,898	602,406	835,374	382,683	664,085	451,183	305,604	336,432	519,115	211,895	446,094	606,308	5,853,076
19	TOTAL ALL PROGRAMS	6,773,351	7,161,448	8,186,940	6,369,335	6,653,295	7,292,216	6,151,333	6,796,591	7,759,262	7,097,012	7,677,721	7,436,419	85,354,924
20														
21	LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0	0	0	0
22														
23	NET RECOVERABLE (CT-3, PAGE 2)	6,773,351	7,161,448	8,186,940	6,369,335	6,653,295	7,292,216	6,151,333	6,796,591	7,759,262	7,097,012	7,677,721	7,436,419	85,354,924

* GROSS EXPENDITURES ONLY. AUDIT PROGRAM REVENUES ARE ACCOUNTED FOR IN CALCULATION OF TRUE-UP SCHEDULE CT-3, PAGE 2 OF 4.

PROGRESS ENERGY FLORIDA
 ENERGY CONSERVATION ADJUSTMENT
 CALCULATION OF TRUE-UP
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	January	February	March	April	May	June	July	August	September	October	November	December	Total for The Period
1	0	0	0	0	0	0	0	0	0	0	0	0	0
2	8,018,193	7,021,841	7,244,204	6,391,025	7,305,811	8,743,389	9,105,715	9,356,038	8,880,443	7,701,622	7,431,477	7,477,223	94,676,982
3	8,018,193	7,021,841	7,244,204	6,391,025	7,305,811	8,743,389	9,105,715	9,356,038	8,880,443	7,701,622	7,431,477	7,477,223	94,676,982
4	(1,951,910)	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	1,951,910
5	8,180,852	7,184,500	7,406,863	6,553,684	7,468,470	8,906,048	9,268,374	9,518,697	9,043,103	7,864,281	7,594,136	7,639,883	96,628,891
6	6,773,351	7,161,448	8,186,940	6,369,335	6,653,295	7,292,216	6,151,333	6,796,591	7,759,262	7,097,012	7,677,721	7,436,419	85,354,923
7	(1,407,501)	(23,052)	780,077	(184,349)	(815,175)	(1,613,832)	(3,117,041)	(2,722,106)	(1,283,840)	(767,269)	83,585	(203,463)	(11,273,968)
8	(257)	(534)	(453)	(390)	(585)	(1,011)	(1,502)	(1,978)	(2,279)	(2,330)	(2,368)	(2,347)	(16,034)
9		0	0	0	0	0	0	0	0	0	0	0	0
10	(1,951,910)	(3,197,009)	(3,057,936)	(2,115,654)	(2,137,736)	(2,790,837)	(4,243,021)	(7,198,905)	(9,760,330)	(10,883,790)	(11,490,730)	(11,246,854)	(1,951,910)
11	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	162,659	1,951,910
12	(3,197,009)	(3,057,936)	(2,115,654)	(2,137,734)	(2,790,837)	(4,243,021)	(7,198,905)	(9,760,330)	(10,883,790)	(11,490,730)	(11,246,854)	(11,290,003)	(11,290,003)

PROGRESS ENERGY FLORIDA
 CALCULATION OF INTEREST PROVISION
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	January	February	March	April	May	June	July	August	September	October	November	December	Total for The Period
1 BEGINNING TRUE-UP AMOUNT (CT-3,PAGE 2, LINE 9 & 10)	(1,951,910)	(3,197,009)	(3,057,936)	(2,115,654)	(2,137,736)	(2,790,837)	(4,243,021)	(7,198,905)	(9,760,330)	(10,883,790)	(11,490,730)	(11,246,854)	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	(3,196,752)	(3,057,402)	(2,115,201)	(2,137,344)	(2,790,252)	(4,242,010)	(7,197,403)	(9,758,352)	(10,881,511)	(11,488,400)	(11,244,486)	(11,287,658)	
3 TOTAL BEGINNING & ENDING TRUE-UP	(5,148,662)	(6,254,411)	(5,173,137)	(4,252,997)	(4,927,988)	(7,032,847)	(11,440,425)	(16,957,257)	(20,641,841)	(22,372,190)	(22,735,216)	(22,534,511)	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(2,574,331)	(3,127,206)	(2,586,569)	(2,126,499)	(2,463,994)	(3,516,424)	(5,720,212)	(8,478,629)	(10,320,921)	(11,186,095)	(11,367,608)	(11,267,256)	
5 INTEREST RATE: FIRST DAY REPORTING BUSINESS MONTH	0.04%	0.20%	0.21%	0.21%	0.23%	0.34%	0.35%	0.28%	0.28%	0.25%	0.25%	0.25%	
6 INTEREST RATE: FIRST DAY SUBSEQUENT BUSINESS MONTH	0.20%	0.21%	0.21%	0.23%	0.34%	0.35%	0.28%	0.28%	0.25%	0.25%	0.25%	0.25%	
7 TOTAL (LINE 5 AND LINE 6)	0.24%	0.41%	0.42%	0.44%	0.57%	0.69%	0.63%	0.56%	0.53%	0.50%	0.50%	0.50%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	0.12%	0.21%	0.21%	0.22%	0.29%	0.35%	0.32%	0.28%	0.27%	0.25%	0.25%	0.25%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	(257)	(534)	(453)	(390)	(585)	(1,011)	(1,502)	(1,978)	(2,279)	(2,330)	(2,368)	(2,347)	(16,034)

PROGRSSS ENERGY FLORIDA
 CONSERVATION ACCOUNT NUMBERS
 FOR THE PERIODS JANUARY 2010 THROUGH DECEMBER 2010

LINE	ACCOUNT	SUB	PROGRAM TITLE
1	9080100	20015937	BETTER BUSINESS
1	9090100	20015937	BETTER BUSINESS advertising
1	4044000	20015937	BETTER BUSINESS equipment depreciation
2	9080100	20015933	RESIDENTIAL NEW CONSTRUCTION
2	9090100	20015933	RESIDENTIAL NEW CONSTRUCTION advertising
3	9080100	20015934	HOME ENERGY IMPROVEMENT
3	9090100	20015934	HOME ENERGY IMPROVEMENT advertising
3	9080100	20074711	HOME ENERGY IMPROVEMENT-Web Portal
3	4044000	20015934	HOME ENERGY IMPROVEMENT equipment depreciation
4	9080100	20015938	COMM / IND NEW CONSTRUCTION
4	9090100	20015938	COMM / IND NEW CONSTRUCTION advertising
5	9080100	20015932	HOME ENERGY CHECK
5	9090100	20015932	HOME ENERGY CHECK advertising
5	4044000	20015932	HOME ENERGY CHECK equipment depreciation
6	9080100	20021329	LOW INCOME WEATHERIZATION ASST
6	9090100	20021329	LOW INCOME WEATHERIZATION ASST advertising
7	9080100	20060744	RENEWABLE ENERGY
7	9090100	20060744	RENEWABLE ENERGY advertising
8	9080100	20060745	NEIGHBORHOOD ENERGY SAVER
8	9090100	20060745	NEIGHBORHOOD ENERGY SAVER advertising
9	9080100	20015936	BUSINESS ENERGY CHECK
9	9090100	20015936	BUSINESS ENERGY CHECK advertising
9	4044000	20015936	BUSINESS ENERGY CHECK equipment depreciation
10	9080100	20025062	QUALIFYING FACILITY
11	9080100	20015940	INNOVATION INCENTIVE
12	9080100	20015939	TECHNOLOGY DEVELOPMENT
12	4044000	20015939	TECHNOLOGY DEVELOPMENT equipment depreciation
13	9080100	20021332	STANDBY GENERATION
13	4044000	20021332	STANDBY GENERATION equipment depreciation
14	9080100	20015941	INTERRUPTIBLE SERVICE
14	4044000	20015941	INTERRUPTIBLE SERVICE equipment depreciation
15	9080100	20015942	CURTAILABLE SERVICE
16	9080100	20015943	ENERGY MANAGEMENT-RESIDENTIAL
16	9080120	20015943	ENERGY MANAGEMENT-RESIDENTIAL amortization of load mgmt switches
16	9090100	20015943	ENERGY MANAGEMENT-RESIDENTIAL advertising
18	9080100	20078837	ENERGY MANAGEMENT-Switch Uplift
16	4044000	20015943	ENERGY MANAGEMENT-RESIDENTIAL equipment depreciation
17	9080100	20015944	ENERGY MANAGEMENT-COMMERCIAL
17	9090100	20015944	ENERGY MANAGEMENT-COMMERCIAL advertising
18	9080100	20015935	CONSERVATION PROGRAM ADMIN
18	9090100	20015935	CONSERVATION PROGRAM ADMIN advertising
18	4044000	20015935	CONSERVATION PROGRAM ADMIN equipment depreciation
18	9080100	20078152	Other accounts included with Conservation Program Admin
18	9080100	20078851	Other accounts included with Conservation Program Admin
18	9080100	20078993	Other accounts included with Conservation Program Admin
18	9080100	20078552	Other accounts included with Conservation Program Admin
18	9080100	20078995	Other accounts included with Conservation Program Admin
18	9080100	20079002	Other accounts included with Conservation Program Admin
18	9080100	20078285	Other accounts included with Conservation Program Admin
18	9080100	20076653	Other accounts included with Conservation Program Admin
18	9080100	20075745	Other accounts included with Conservation Program Admin
18	9080100	20074455	Other accounts included with Conservation Program Admin
18	9080100	20074611	Other accounts included with Conservation Program Admin
18	9080100	20076822	Other accounts included with Conservation Program Admin
18	9080100	20076847	Other accounts included with Conservation Program Admin

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1 ENERGY CONSERVATION ADMIN														
2 INVESTMENTS		0	0	0	0	31,365	0	0	0	0	0	0	0	31,365
3 RETIREMENTS		0	0	26,590	0	0	0	0	0	0	0	0	0	26,590
4 DEPRECIATION BASE		72,884	72,884	59,588	46,293	61,976	77,659	77,659	77,659	77,659	77,659	77,659	77,659	
5														
6 DEPRECIATION EXPENSE		1,215	1,215	993	772	1,033	1,294	1,294	1,294	1,294	1,294	1,294	1,294	14,286
7														
8 CUMM. NET INVEST	72,884	72,884	72,884	46,293	46,293	77,659	77,659	77,659	77,659	77,659	77,659	77,659	77,659	77,659
9 LESS: ACC. NET DEPR	43,525	44,740	45,955	20,358	21,130	22,163	23,457	24,751	26,045	27,339	28,633	29,927	31,221	31,221
10 NET INVESTMENT	29,359	28,144	26,929	25,936	25,164	55,496	54,202	52,908	51,614	50,320	49,026	47,732	46,438	46,438
11 AVERAGE INVESTMENT		28,751	27,536	26,432	25,550	40,330	54,849	53,555	52,261	50,967	49,673	48,379	47,085	
12 RETURN ON AVG INVEST		189	181	174	168	265	360	352	344	334	326	318	309	3,320
13														
14 RETURN REQUIREMENTS		263	252	242	234	369	501	490	479	465	454	443	430	4,622
15														
16 PROGRAM TOTAL		1,478	1,467	1,235	1,006	1,402	1,795	1,784	1,773	1,759	1,748	1,737	1,724	18,908
17														
18 INTERRUPTIBLE SERVICE														
19 INVESTMENTS		0	0	(6,097)	0	0	0	0	0	0	0	0	0	(6,097)
20 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
21 DEPRECIATION BASE		80,692	80,692	77,644	74,596	74,596	74,596	74,596	74,596	74,596	74,596	74,596	74,596	
22														
23 DEPRECIATION EXPENSE		1,345	1,345	1,294	1,243	1,243	1,243	1,243	1,243	1,243	1,243	1,243	1,243	15,171
24														
25 CUMM. NET INVEST	80,692	80,692	80,692	74,596	74,596	74,596	74,596	74,596	74,596	74,596	74,596	74,596	74,596	74,596
26 LESS: ACC. NET DEPR	9,466	10,811	12,156	13,450	14,693	15,936	17,179	18,422	19,665	20,908	22,151	23,394	24,637	24,637
27 NET INVESTMENT	71,226	69,881	68,536	61,146	59,903	58,660	57,417	56,174	54,931	53,688	52,445	51,202	49,959	49,959
28 AVERAGE INVESTMENT		70,554	69,209	64,841	60,524	59,281	58,038	56,795	55,552	54,309	53,066	51,823	50,580	
29 RETURN ON AVG INVEST		464	454	426	398	389	381	373	365	357	349	341	332	4,629
30														
31 RETURN REQUIREMENTS		646	632	593	554	542	530	519	508	497	486	475	463	6,445
32														
33 PROGRAM TOTAL		1,991	1,977	1,887	1,797	1,785	1,773	1,762	1,751	1,740	1,729	1,718	1,706	21,616
34														
35 LOAD MANAGEMENT ASSETS														
36 INVESTMENTS		33,316	34,571	0	0	0	0	0	0	0	0	0	0	67,887
37 RETIREMENTS														0
38 DEPRECIATION BASE		1,032,571	1,066,515	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	
39														
40 DEPRECIATION EXPENSE		17,210	17,775	18,063	18,063	18,063	18,063	18,063	18,063	18,063	18,063	18,063	18,063	215,615
41														
42 CUMM. NET INVEST	1,015,913	1,049,229	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800	1,083,800
43 LESS: ACC. NET DEPR	290,069	307,279	325,054	343,117	361,180	379,243	397,306	415,369	433,432	451,495	469,558	487,621	505,684	505,684
44 NET INVESTMENT	725,844	741,950	758,746	740,683	722,620	704,557	686,494	668,431	650,368	632,305	614,242	596,179	578,116	578,116
45 AVERAGE INVESTMENT		733,897	750,348	749,715	731,652	713,589	695,526	677,463	659,400	641,337	623,274	605,211	587,148	
46 RETURN ON AVG INVEST		4,820	4,927	4,924	4,805	4,686	4,568	4,449	4,331	4,212	4,094	3,974	3,856	53,646
47														
48 RETURN REQUIREMENTS		6,713	6,862	6,858	6,692	6,526	6,362	6,196	6,032	5,866	5,702	5,535	5,370	74,714
49														
50 PROGRAM TOTAL		23,923	24,637	24,921	24,755	24,589	24,425	24,259	24,095	23,929	23,765	23,598	23,433	290,329

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .006567 (7.88% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 090079-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1	HOME ENERGY CHECK													
2		0	0	0	0	0	0	0	0	0	0	0	0	0
3		0	0	0	0	0	0	0	0	0	0	0	0	0
4		2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560
5														
6		43	43	43	43	43	43	43	43	43	43	43	43	515
7														
8	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560
9	1,088	1,131	1,174	1,217	1,260	1,303	1,346	1,389	1,432	1,475	1,518	1,561	1,604	1,604
10	1,472	1,429	1,386	1,343	1,300	1,257	1,214	1,171	1,128	1,085	1,042	999	956	956
11		1,451	1,408	1,365	1,322	1,279	1,236	1,193	1,150	1,107	1,064	1,021	978	96
12		10	9	9	8	8	8	8	8	8	7	7	6	96
13														
14		14	13	13	11	11	11	11	11	11	10	10	9	135
15														
16		57	56	56	54	54	54	54	54	54	53	53	52	651
17														
18	HOME ENERGY IMPROVEMENT													
19		28,783	0	0	0	0	0	0	0	0	0	0	0	28,783
20		7,578	0	0	0	0	0	0	0	0	0	0	0	7,578
21		68,271	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874
22														
23		1,138	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	1,315	15,603
24														
25	57,669	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874	78,874
26	20,200	13,759	15,074	16,389	17,704	19,019	20,334	21,649	22,964	24,279	25,594	26,909	28,224	28,224
27	37,470	65,115	63,800	62,485	61,170	59,855	58,540	57,225	55,910	54,595	53,280	51,965	50,650	50,650
28		51,292	64,457	63,142	61,827	60,512	59,197	57,882	56,567	55,252	53,937	52,622	51,307	4,519
29		337	424	414	406	398	389	380	371	363	355	345	337	4,519
30														
31		470	590	577	566	554	542	529	517	506	494	481	470	6,296
32														
33		1,608	1,905	1,892	1,881	1,869	1,857	1,844	1,832	1,821	1,809	1,796	1,785	21,899
34														
35	LOAD MANAGEMENT SWITCHES													
36		65,340	82,143	120,805	176,597	153,708	121,741	216,004	262,314	320,058	115,125	276,163	155,402	2,065,400
37		(143,655)	41,908	56,128	44,078	26,607	21,841	21,033	14,617	20,203	304,379	54,728	45,139	507,005
38		16,498,862	16,623,477	16,675,993	16,774,532	16,904,342	17,017,843	17,165,278	17,386,612	17,660,388	17,715,688	17,731,779	17,897,628	17,897,628
39														
40		274,982	277,059	277,933	279,576	281,740	283,631	286,089	289,777	294,340	295,262	295,530	298,294	3,434,213
41														
42	16,394,365	16,603,359	16,643,594	16,708,272	16,840,791	16,967,893	17,067,793	17,262,763	17,510,460	17,810,315	17,621,061	17,842,496	17,952,759	17,952,759
43	5,407,590	5,826,227	6,061,379	6,283,184	6,518,682	6,773,816	7,035,605	7,300,661	7,575,821	7,849,958	7,840,841	8,081,643	8,334,798	8,334,798
44				9,985	47,321	101,411	384,999	650,038	738,121	875,285	1,024,865	1,088,910	1,088,910	1,088,910
45	10,986,774	10,777,132	10,582,216	10,425,088	10,332,094	10,241,399	10,133,598	10,347,101	10,584,677	10,698,479	10,655,505	10,785,718	10,706,871	9,617,961
46		10,881,953	10,679,674	10,503,652	10,378,591	10,286,746	10,187,499	10,240,350	10,465,889	10,641,578	10,676,992	10,720,612	10,746,295	10,746,295
47		71,467	70,139	68,982	68,162	67,559	66,906	67,253	68,734	69,889	70,121	70,407	70,576	830,195
48														
49		99,532	97,682	96,071	94,929	94,089	93,180	93,663	95,726	97,334	97,657	98,055	98,291	1,156,209
50														
51		374,514	374,741	374,004	374,505	375,829	376,811	379,752	385,503	391,674	392,919	393,585	396,585	4,590,422

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .006567 (7.88% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 090079-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1	TECHNOLOGY DEVELOPMENT													
2	INVESTMENTS	0	11,311	1,630	0	305	0	0	0	0	0	0	0	13,247
3	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
4	DEPRECIATION BASE	6,224	11,879	18,350	19,166	19,318	19,471	19,471	19,471	19,471	19,471	19,471	19,471	
5														
6	DEPRECIATION EXPENSE	104	198	306	319	322	325	325	325	325	325	325	325	3,524
7														
8	CUMM. NET INVEST	6,224	6,224	17,535	19,166	19,166	19,471	19,471	19,471	19,471	19,471	19,471	19,471	19,471
9	LESS: ACC. NET DEPR	2,496	2,600	2,798	3,104	3,423	3,745	4,070	4,395	4,720	5,045	5,370	6,020	6,020
10	NET INVESTMENT	3,728	3,624	14,737	16,062	15,743	15,726	15,401	15,076	14,751	14,426	14,101	13,776	13,451
11	AVERAGE INVESTMENT	3,676	9,180	15,399	15,902	15,734	15,563	15,238	14,913	14,588	14,263	13,938	13,613	
12	RETURN ON AVG INVEST	24	61	101	104	104	102	100	98	96	94	91	89	1,064
13														
14	RETURN REQUIREMENTS	33	85	141	145	145	142	140	136	134	131	127	124	1,483
15														
16	PROGRAM TOTAL	137	283	447	464	467	467	465	461	459	456	452	449	5,007
17														
18	STANDBY GENERATION													
19	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
20	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
21	DEPRECIATION BASE	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	
22														
23	DEPRECIATION EXPENSE	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	1,962	23,544
24														
25	CUMM. NET INVEST	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723	117,723
26	LESS: ACC. NET DEPR	5,629	7,591	9,553	11,515	13,477	15,439	17,401	19,363	21,325	23,287	25,249	27,211	29,173
27	NET INVESTMENT	112,094	110,132	108,170	106,208	104,246	102,284	100,322	98,360	96,398	94,436	92,474	90,512	88,550
28	AVERAGE INVESTMENT	111,113	109,151	107,189	105,227	103,265	101,303	99,341	97,379	95,417	93,455	91,493	89,531	
29	RETURN ON AVG INVEST	729	717	704	691	678	665	652	640	627	614	601	588	7,906
30														
31	RETURN REQUIREMENTS	1,015	998	980	962	944	926	908	891	873	855	837	819	11,008
32														
33	PROGRAM TOTAL	2,977	2,960	2,942	2,924	2,906	2,888	2,870	2,853	2,835	2,817	2,799	2,781	34,552
34														
35	BETTER BUSINESS													
36	INVESTMENTS	24,059	0	0	0	0	0	0	0	0	0	16,976	0	41,035
37	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0
38	DEPRECIATION BASE	12,029	24,059	24,059	24,059	24,059	24,059	24,059	24,059	24,059	24,059	32,547	41,035	
39														
40	DEPRECIATION EXPENSE	200	401	401	401	401	401	401	401	401	401	542	684	5,035
41														
42	CUMM. NET INVEST	0	24,059	24,059	24,059	24,059	24,059	24,059	24,059	24,059	24,059	41,035	41,035	41,035
43	LESS: ACC. NET DEPR	0	200	601	1,002	1,403	1,804	2,205	2,606	3,007	3,408	3,809	4,351	5,035
44	NET INVESTMENT	0	23,858	23,457	23,056	22,655	22,254	21,853	21,452	21,051	20,650	20,249	36,683	35,999
45	AVERAGE INVESTMENT	11,929	23,658	23,257	22,856	22,455	22,054	21,653	21,252	20,851	20,450	28,466	36,341	
46	RETURN ON AVG INVEST	78	155	153	150	147	145	142	139	137	134	187	238	1,805
47														
48	RETURN REQUIREMENTS	109	216	213	209	205	202	198	194	191	187	260	332	2,516
49														
50	PROGRAM TOTAL	309	617	614	610	606	603	599	595	592	588	802	1,016	7,551

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .006567 (7.88% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 090079-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

LINE NO.	BEGINNING BALANCE	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
1 BUSINESS ENERGY CHECK													3,085	3,085
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	1,542	0
4 DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0	0
5													26	26
6 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
7													3,085	3,085
8 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	26	26
9 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	3,059	3,059
10 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	1,529	0
11 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	10	10
12 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
13													14	14
14 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
15													40	40
16 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
17													0	0
18													0	0
19 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
20 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
21 DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0	0
22													0	0
23 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
24													0	0
25 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	0	0
29 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
30													0	0
31 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
32													0	0
33 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0
34													0	0
35													0	0
36 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
37 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
38 DEPRECIATION BASE		0	0	0	0	0	0	0	0	0	0	0	0	0
39													0	0
40 DEPRECIATION EXPENSE		0	0	0	0	0	0	0	0	0	0	0	0	0
41													0	0
42 CUMM. NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0
43 LESS: ACC. NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44 NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
45 AVERAGE INVESTMENT		0	0	0	0	0	0	0	0	0	0	0	0	0
46 RETURN ON AVG INVEST		0	0	0	0	0	0	0	0	0	0	0	0	0
47													0	0
48 RETURN REQUIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
49													0	0
50 PROGRAM TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .006567 (7.88% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 090079-E1). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

Program Description and Progress

Program Title: Home Energy Check

Program Description: The Home Energy Check program is a comprehensive residential energy evaluation (audit) program. The program provides Progress Energy Florida, Inc.'s (PEF) residential customers with an analysis of energy consumption and recommendations on energy efficiency improvements. It acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures. It serves as the foundation of the residential Home Energy Improvement program and is a program requirement for participation. There are seven types of the energy audit: the free walk-thru, the paid walk-thru (\$15 charge), the energy rating (Energy Gauge), the mail-in audit, an internet option, a phone assisted audit, and a student audit.

Program Accomplishments for January 2010 through December 2010:
62,196 customers participated in Home Energy Checks.

Program Fiscal Expenditures for January 2010 through December 2010:
Expenses for this program were \$7,192,979 or about \$1.2M lower than projected due to a strategy of reducing completions of the higher cost mail-in audit which reduced payroll, outside services and material expenses.

Program Progress Summary: The Home Energy Check will continue to be used to inform and motivate consumers to implement cost effective energy efficiency measures and qualify for our Home Energy Improvement incentives.

Program Description and Progress

Program Title: Home Energy Improvement

Program Description: Home Energy Improvement is an umbrella program for residential customers with existing homes. This program combines thermal envelope efficiency improvements with upgraded equipment and appliances. The Home Energy Improvement program includes incentives for measures such as duct testing, duct leakage repair, attic insulation, injected wall insulation, replacement windows, window film, reflective roofing, high efficiency heat pump replacing resistance heat, high efficiency heat pump replacing a heat pump, high efficiency A/C replacing A/C with non-electric heat, HVAC commissioning, plenum sealing, proper sizing and supplemental bonuses.

Program Accomplishments for January 2010 through December 2010: There were 66,298 implementations under this program.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$10,322,746 or \$115,854 higher than estimated due to a stronger response to the Federal Tax Credit and State Tax Credit in the latter part of 2010.

Program Progress Summary: This program will continue to be offered to residential customers through the Home Energy Check to provide opportunities for improving the energy efficiency of existing homes.

Program Description and Progress

Program Title: Residential New Construction

Program Description: The Home Advantage Program promotes energy-efficient construction which exceeds the building code. Information, education, and consultation are provided to homebuilders, contractors, realtors and home buyers on energy-related issues and efficiency measures. This program is designed to encourage single, multi, and manufactured home builders to build more energy efficiently by encouraging a whole house performance view including the installation of climate effective windows, reflective roof materials, upgraded insulation, conditioned space air handler placement, energy recovery ventilation, and highly efficient HVAC equipment. Incentives are awarded to the builder based on the level of efficiency they choose.

Program Accomplishments for January 2010 through December 2010: There were 13,005 measures implemented through this program.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 2,427,521 or \$432,366 higher than estimated due to a stronger response to the Federal Tax Credit and State Tax Credit.

Program Progress Summary: This program is tied to the building industry. Economic forces will dictate the number of homes built during this period. Participation in new construction efficiency measures has declined due to the weakening of the building industry.

Program Description and Progress

Program Title: Low-Income Weatherization Assistance Program

Program Description: The program goal is to integrate PEF's DSM program measures with the Department of Community Affairs (DCA) and local weatherization providers to deliver energy efficiency measures to low-income families. Through this partnership Progress Energy will assist local weatherization agencies by providing energy education materials and financial incentives to weatherize the homes of low-income families.

Program Accomplishments for January 2010 through December 2010: There were 2,997 measure implementations in the program in 2010.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 231,528.

Program Progress Summary: To promote the delivery of efficiency programs, by participating in state-wide agency meetings held for all participating weatherization assistance program agencies. Individual meetings with weatherization providers and other low income providers are conducted throughout PEF's territory to encourage participation in LIWAP and energy efficiency.

Program Description and Progress

Program Title: Energy Management (Residential & Commercial)

Program Description: The Load Management (Energy Wise) Program is a voluntary program that incorporates direct radio control of selected customer equipment to reduce system demand during winter and summer peak capacity periods and/or emergency conditions by temporarily interrupting selected customer appliances for specified periods of time. Customers have a choice of options and receive a credit on their monthly electric bills depending on the options selected and their monthly kWh usage.

Program Accomplishments for January 2010 through December 2010: During this period 8,357 customers were added to the program.

Program Fiscal Expenditures for January 2010 through December 2010: Program residential expenditures during this period were \$ 29,806,983 and commercial expenditures were \$ 648,214. Residential expenditures were \$317,943 lower than projected due to unfilled positions and reduced miscellaneous expenses.

Program Progress Summary: As of December 31, 2010 there were 375,800 residential customers and 571 commercial customers participating in the Load Management (Energy Wise) program.

Program Description and Progress

Program Title: Business Energy Check

Program Description: The Business Energy Check is an audit for non-residential customers, and several options are available. The free audit provides a no-cost energy audit for non-residential facilities and can be completed at the facility by an auditor or online by the business customer. The paid audit provides a more thorough energy analysis for non-residential facilities. This program acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures for their facility. It serves as the foundation of, and is a requirement for participation in, the Better Business Program.

Program Accomplishments for January 2010 through December 2010: There were 3,015 customers who participated in this program.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 2,129,924 or \$529,742 less than projected due to unfilled positions and reduced miscellaneous expenses.

Program Progress Summary: The Business Energy Check will continue to inform and motivate consumers on cost effective energy efficiency improvements which result in implementation of energy efficiency measures. The program is required for participation in most of the company's other DSM Business incentive programs.

Program Description and Progress

Program Title: Better Business

Program Description: This umbrella efficiency program provides incentives to existing commercial and industrial customers for heating, air conditioning, motors, roof insulation upgrade, duct leakage and repair, window film, demand-control ventilation, lighting, occupancy sensors, green roof, cool roof, high efficiency energy recovery ventilation, compressed air, and HVAC optimization.

Program Accomplishments for January 2010 through December 2010: There were 2,062 implementations under this program.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 2,319,915.

Program Progress Summary: This program will continue to be offered to commercial customers through the Business Energy Check to provide opportunities for improving the energy efficiency of existing facilities.

Program Description and Progress

Program Title: Commercial/Industrial New Construction

Program Description: This is an umbrella efficiency program for new Commercial and Industrial facilities. This program provides information, education, and advice on energy-related issues and efficiency measures by involvement early in the building's design process. With the exception of ceiling insulation upgrade, duct test and leakage repair, HVAC steam cleaning and roof top HVAC unit recommissioning, the Commercial and Industrial New Construction program provides incentives for the same efficiency measures listed in the Better Business program for existing buildings.

Program Accomplishments for January 2010 through December 2010: There were 265 program completions in 2010.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 573,454 or \$266,696 less than projected due to unfilled positions and lower customer participation (incentives) in last quarter.

Program Progress Summary: This program is tied to the building industry. Economic forces will dictate the number of commercial facilities built during this period.

Program Description and Progress

Program Title: Innovation Incentive

Program Description: Significant conservation efforts that are not supported by other Progress Energy programs can be encouraged through Innovation Incentive. Major equipment replacement or other actions that substantially reduce PEF peak demand requirements are evaluated to determine their impact on Progress Energy's system. Incentives are provided for customer-specific demand and energy conservation projects on a case-by-case basis, where cost-effective to all PEF customers. To be eligible, projects must reduce or shift a minimum of 10 kW of peak demand.

Program Accomplishments for January 2010 through December 2010: There were a total of three projects analyzed in 2010.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 28,435.

Program Progress Summary: This program continues to target specialized, customer specific energy efficiency measures not covered through the company's other DSM programs.

Program Description and Progress

Program Title: Standby Generation

Program Description: Progress Energy Florida, Inc. provides an opportunity for commercial customers to voluntarily operate their on-site generators during times of system peak. Participants receive an incentive per kW available, as well as a kWh supplement for runtime during times of system peak.

Program Accomplishments for January 2010 through December 2010: There were 27 new accounts added to the program during this period.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 2,409,067.

Program Progress Summary: A total of 241 accounts are currently participating in this program.

Program Description and Progress

Program Title: Interruptible Service Program

Program Description: The Interruptible Service program is a rate tariff which allows Progress Energy to switch off electrical service to customers during times of capacity shortages. The signal to operate the automatic switch on the customer's service is activated by the Energy Control Center. In return for this, the customers receive a monthly rebate on their kW demand charge.

Program Accomplishments for January 2010 through December 2010: There were zero new participants added to the program under the IS-2 tariff during this period.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 17,323,190, about \$1.8 M lower than estimated due to a large industrial customer shutting down 50% of their operation during the last 5 months of the year.

Program Progress Summary: The program currently has 149 active participants with 122 IS-1 participants, 25 IS-2 accounts, and 2 SECI- IS participants. The original program filed as the IS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the IS-2 tariff.

Program Description and Progress

Program Title: Curtailable Service Program

Program Description: The Curtailable Service is a dispatchable DSM program in which customers contract to curtail or shut down a portion of their load during times of capacity shortages. The curtailment is done voluntarily by the customer when notified by PEF. In return for this cooperation, the customer receives a monthly rebate for the curtailable portion of their load.

Program Accomplishments for January 2010 through December 2010: There were zero new participants added to this program in 2010.

Program Fiscal Expenditures for January 2010 through December 2010: Expenses for this program were \$ 760,829.

Program Progress Summary: The program currently has 5 participants with 3 CS-1 customers and 2 CS-2 customers. The original program filed as the CS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the CS-2 tariff.

Program Description and Progress

Program Title: Technology Development

Program Description: This program allows Progress Energy Florida, Inc. to undertake certain development and demonstration projects which have promise to become cost-effective conservation and energy efficiency programs.

Program Accomplishments for January 2010 through December 2010:

Several research and development projects continued and/or launched in 2010.

- Commissioned and placed into operation a small-scale wind turbine
- Conducted a customer acceptance test for advanced LED lighting technology
- Evaluated Demand Response control of electric vehicle supply equipment (EVSE)
- Continued battery storage technology analysis by evaluating two Li-Ion batteries associated with the Renewable SEEDS project
- Partnered with the USF to design an automated controls and web management pilot to evaluate energy saving potential associated with a facility on campus
- Partnered with the FTE to evaluate Truck Stop Electrification
- Partnered with EPRI and other research organizations to evaluate energy efficiency, energy storage, and alternative energy / innovative technologies

Program Fiscal Expenditures for January 2010 through December 2010:

Expenses for this program were \$ 649,105.

Program Progress Summary:

In 2010 Progress Energy continued the mission of helping our customers use energy responsibly, expand the use of renewable resources, and aggressively pursue energy technologies. Studies on lighting, facility control automation, smart charging and energy storage will continue to be developed in the hopes of creating future program opportunities. Significant accomplishments in 2010 include the commissioning and operation of a small-scale wind turbine, however results continue to reveal challenges for wind energy in Florida. Associated with a DOE initiative called L-Prize, advanced LED lighting technology was field tested with customers; initial response for this product was positive. In addition, the evaluation for Demand Response control of EVSE was initiated. Further, smart grid research includes evaluation of advanced meters, communication and control technology, EVSE smart charging, as well as customer acceptance.

Program Description and Progress

Program Title: Qualifying Facility

Program Description: Power is purchased from qualifying cogeneration and small power production facilities.

Program Accomplishments for January, 2010 through December, 2010: Progress Energy executed two contracts to purchase renewable capacity in 2010. Hathaway Renewables executed three 18MW contracts for a total of 48MW and TransWorld Energy was executed for 40MW. In addition to the firm renewable contracts, Progress Energy Florida executed several As-Available contracts. These include Eliho Energy Systems (8MW), E2E2 Inc. (30MW), Blue Chip Energy (10MW) and National Solar (300MW total from 6 contracts). Progress Energy Florida will continue to negotiate with potential Qualifying Facilities and restructure existing contracts when opportunities arise.

Program Fiscal Expenditures for January, 2010 through December, 2010: Expenses for this program were \$ 662,531.

Program Progress Summary:

The total MW of qualifying facility capacity is approximately 682 MW with another 193 MW of future qualifying facility firm capacity under contract.

Program Description and Progress

Program Title: Renewable Energy Program

Program Description: This program consists of two areas that are designed to encourage the installation of renewable energy systems.

Solar Water Heater with EnergyWise: This measure encourages residential customers to install a solar thermal water heating system. The customer must have whole house electric cooling, electric water heating, and electric heating to be eligible for this program.

Solar Photovoltaics with EnergyWise (SolarWise for Schools): This measure promotes environmental stewardship and renewable energy education through the installation of solar energy systems at schools within Progress Energy Florida's service territory. Customers participating in the Winter-Only EnergyWise or Year-Round EnergyWise Program can elect to donate their monthly credit toward the Solar Photovoltaics with EnergyWise Fund.

All proceeds collected from participating customers, and their associated monthly credits, will be used to promote photovoltaics and renewable energy educational opportunities.

Program Accomplishments for January, 2010 through December, 2010: There were 4,027 customers that participated in the Solar Water Heater with Energy Wise and 1,242 customers participating in our SolarWise for Schools program in 2010.

Program Fiscal Expenditures for January, 2010 through December, 2010: Expenses for this program were \$ 836,230 or \$212,651 less than projected due to lower customer participation (incentives).

Program Progress Summary: This program will be continued in the Demand-Side Renewable Energy Portfolio in 2011

Program Description and Progress

Program Title: Neighborhood Energy Saver

Program Description: The Neighborhood Energy Saver Program was designed to assist low-income families with escalating energy costs. The goal of this program is to implement a comprehensive package of electric conservation measures at no cost to eligible customers. Additionally, we will endeavor to educate the participating families to better manage their energy usage through efficiency techniques and practices.

Program Accomplishments for January, 2010 through December, 2010: There were 2,997 customers who participated in the Neighborhood Energy Saver program.

Program Fiscal Expenditures for January, 2010 through December, 2010: Expenses for this program were \$ 1,179,196.

Program Progress Summary: This program will continue to be offered to low-income neighborhoods in Progress Energy's service territories through 2014.