

MEMORANDUM

MAY 31, 2012

RECEIVED - FPSC  
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COMMISSION  
CLERK

TO: Ann Cole  
FROM: Charles Murphy *cm*  
RE: DOCKET NO. 120067-EI

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Please include the attached email and 4 charts in the docket file referenced above.

DEPARTMENT OF JUSTICE  
03483 MAY 31 2012  
FPSC-COMMISSION CLERK

**Charles Murphy**

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**From:** Traci Matthews  
**Sent:** Thursday, May 31, 2012 10:49 AM  
**To:** Charles Murphy  
**Subject:** FW: NPV Additional Information - Dkt# 120067  
**Attachments:** Attachment A (with NPV) - Example of 2012 50 MW unit for FPSC thru 2032.pdf

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**From:** Roddy, Lisa [mailto:Lisa.Roddy@pgnmail.com]  
**Sent:** Thursday, May 31, 2012 9:46 AM  
**To:** Traci Matthews  
**Cc:** Burnett, John  
**Subject:** NPV Additional Information - Dkt# 120067

Hi Traci,

Regarding PEF's Responses to Staff's Data Request #1 in the SOC docket (120067) - John Burnett contacted me stating that Staff was interested in getting the NPV amounts for the four scenarios in Question 1 through 2032. Attached are the four scenarios w/ the NPV through 2032. If you need me to file this formally in the docket, please let me know.

Thank you,

*Lisa Roddy*

Regulatory Analyst - Legal Dept.  
Progress Energy Svc Co.  
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03483 MAY 31 2012

FPSC-COMMISSION CLERK

5/31/2012

**PEF 2012 Standard Offer**

**Committed Capacity (MW)            50**  
**Capacity Factor (%)                    86%**  
**Payment Type                            Normal**

|                   | <b>Energy<br/>(MWh)</b> | <b>Capacity<br/>Rates<br/>(\$/kw-<br/>month)</b> | <b>Total<br/>Capacity<br/>Payments<br/>(\$000)</b> | <b>Energy<br/>Rates<br/>(\$/MWh)</b> | <b>Total<br/>Energy<br/>Payments<br/>(\$000)</b> | <b>Total<br/>Payments to<br/>Renewable<br/>Provider<br/>(\$000)</b> |
|-------------------|-------------------------|--|--|--------------------------------------|--|---|
| <b>2012</b>       | -                       | \$ -   | \$ -   | \$ -                                 | \$ -   | \$ -  |
| <b>2013</b>       | 376,680                 | \$ -   | \$ -   | \$ 41.44                             | \$ 15,611  | \$ 15,611   |
| <b>2014</b>       | 376,680                 | \$ -   | \$ -   | \$ 43.70                             | \$ 16,461  | \$ 16,461   |
| <b>2015</b>       | 376,680                 | \$ -   | \$ -   | \$ 43.01                             | \$ 16,202  | \$ 16,202   |
| <b>2016</b>       | 377,712                 | \$ -   | \$ -   | \$ 46.46                             | \$ 17,549  | \$ 17,549   |
| <b>2017</b>       | 376,680                 | \$ -   | \$ -   | \$ 47.28                             | \$ 17,809  | \$ 17,809   |
| <b>2018</b>       | 376,680                 | \$ -   | \$ -   | \$ 49.46                             | \$ 18,629  | \$ 18,629   |
| <b>2019</b>       | 376,680                 | \$ 12.85   | \$ 4,497   | \$ 49.41                             | \$ 18,612  | \$ 23,109   |
| <b>2020</b>       | 377,712                 | \$ 13.14   | \$ 7,882   | \$ 50.88                             | \$ 19,217  | \$ 27,099   |
| <b>2021</b>       | 376,680                 | \$ 13.43   | \$ 8,059   | \$ 48.06                             | \$ 18,103  | \$ 26,162   |
| <b>2022</b>       | 376,680                 | \$ 13.73   | \$ 8,240   | \$ 46.55                             | \$ 17,533  | \$ 25,773   |
| <b>2023</b>       | 376,680                 | \$ 14.04   | \$ 8,426   | \$ 44.44                             | \$ 16,740  | \$ 25,166   |
| <b>2024</b>       | 377,712                 | \$ 14.36   | \$ 8,615   | \$ 48.11                             | \$ 18,173  | \$ 26,788   |
| <b>2025</b>       | 376,680                 | \$ 14.68   | \$ 8,809   | \$ 49.98                             | \$ 18,826  | \$ 27,636   |
| <b>2026</b>       | 376,680                 | \$ 15.01   | \$ 9,007   | \$ 52.31                             | \$ 19,705  | \$ 28,713   |
| <b>2027</b>       | 376,680                 | \$ 15.35   | \$ 9,210   | \$ 54.92                             | \$ 20,688  | \$ 29,898   |
| <b>2028</b>       | 377,712                 | \$ 15.70   | \$ 9,417   | \$ 55.40                             | \$ 20,926  | \$ 30,343   |
| <b>2029</b>       | 376,680                 | \$ 16.05   | \$ 9,629   | \$ 58.27                             | \$ 21,948  | \$ 31,578   |
| <b>2030</b>       | 376,680                 | \$ 16.41   | \$ 9,846   | \$ 57.18                             | \$ 21,540  | \$ 31,386   |
| <b>2031</b>       | 376,680                 | \$ 16.78   | \$ 10,067  | \$ 58.99                             | \$ 22,221  | \$ 32,289   |
| <b>2032</b>       | 377,712                 | \$ 17.16   | \$ 10,294  | \$ 61.29                             | \$ 23,150  | \$ 33,444   |
| <b>Total</b>      | 7,538,760               |  | \$ 121,999   |                                      | \$ 379,645                                       | \$ 501,644  |
| <b>NPV 2012\$</b> |                         |  | \$ 52,137  |                                      | \$ 202,499                                       | \$ 254,636  |

**PEF 2012 Standard Offer**

**Committed Capacity (MW)**            50  
**Capacity Factor (%)**                86%  
**Payment Type**                        Early

|                   | <b>Energy<br/>(MWh)</b> | <b>Capacity<br/>Rates<br/>(\$/kw-<br/>month)</b> | <b>Total<br/>Capacity<br/>Payments<br/>(\$000)</b> | <b>Energy<br/>Rates<br/>(\$/MWh)</b> | <b>Total<br/>Energy<br/>Payments<br/>(\$000)</b> | <b>Total<br/>Payments to<br/>Renewable<br/>Provider<br/>(\$000)</b> |
|-------------------|-------------------------|--|--|--------------------------------------|--|---|
| <b>2012</b>       | -                       | \$ -   | \$ -   | \$ -                                 | \$ -   | \$ -  |
| <b>2013</b>       | 376,680                 | \$ 6.56  | \$ 3,936   | \$ 41.44                             | \$ 15,611  | \$ 19,547   |
| <b>2014</b>       | 376,680                 | \$ 6.72  | \$ 4,032   | \$ 43.70                             | \$ 16,461  | \$ 20,493   |
| <b>2015</b>       | 376,680                 | \$ 6.87  | \$ 4,121   | \$ 43.01                             | \$ 16,202  | \$ 20,323   |
| <b>2016</b>       | 377,712                 | \$ 7.03  | \$ 4,218   | \$ 46.46                             | \$ 17,549  | \$ 21,767   |
| <b>2017</b>       | 376,680                 | \$ 7.20  | \$ 4,317   | \$ 47.28                             | \$ 17,809  | \$ 22,126   |
| <b>2018</b>       | 376,680                 | \$ 7.36  | \$ 4,419   | \$ 49.46                             | \$ 18,629  | \$ 23,047   |
| <b>2019</b>       | 376,680                 | \$ 7.54  | \$ 4,522   | \$ 49.41                             | \$ 18,612  | \$ 23,135   |
| <b>2020</b>       | 377,712                 | \$ 7.71  | \$ 4,629   | \$ 50.88                             | \$ 19,217  | \$ 23,846   |
| <b>2021</b>       | 376,680                 | \$ 7.89  | \$ 4,737   | \$ 48.06                             | \$ 18,103  | \$ 22,840   |
| <b>2022</b>       | 376,680                 | \$ 8.08  | \$ 4,848   | \$ 46.55                             | \$ 17,533  | \$ 22,381   |
| <b>2023</b>       | 376,680                 | \$ 8.27  | \$ 4,961   | \$ 44.44                             | \$ 16,740  | \$ 21,701   |
| <b>2024</b>       | 377,712                 | \$ 8.46  | \$ 5,077   | \$ 48.11                             | \$ 18,173  | \$ 23,250   |
| <b>2025</b>       | 376,680                 | \$ 8.66  | \$ 5,196   | \$ 49.98                             | \$ 18,826  | \$ 24,022   |
| <b>2026</b>       | 376,680                 | \$ 8.86  | \$ 5,317   | \$ 52.31                             | \$ 19,705  | \$ 25,022   |
| <b>2027</b>       | 376,680                 | \$ 9.07  | \$ 5,441   | \$ 54.92                             | \$ 20,688  | \$ 26,129   |
| <b>2028</b>       | 377,712                 | \$ 9.28  | \$ 5,568   | \$ 55.40                             | \$ 20,926  | \$ 26,494   |
| <b>2029</b>       | 376,680                 | \$ 9.50  | \$ 5,697   | \$ 58.27                             | \$ 21,948  | \$ 27,646   |
| <b>2030</b>       | 376,680                 | \$ 9.72  | \$ 5,830   | \$ 57.18                             | \$ 21,540  | \$ 27,370   |
| <b>2031</b>       | 376,680                 | \$ 9.94  | \$ 5,965   | \$ 58.99                             | \$ 22,221  | \$ 28,187   |
| <b>2032</b>       | 377,712                 | \$ 10.17   | \$ 6,104   | \$ 61.29                             | \$ 23,150  | \$ 29,254   |
| <b>Total</b>      | 7,538,760               |  | \$ 98,935  |                                      | \$ 379,645                                       | \$ 478,579  |
| <b>NPV 2012\$</b> |                         |  | \$ 52,104  |                                      | \$ 202,499                                       | \$ 254,603  |

PEF 2012 Standard Offer

Committed Capacity (MW) 50  
 Capacity Factor (%) 86%  
 Payment Type Levelized

|                   | Energy (MWh)     | Capacity Rates (\$/kw-month) | Total Capacity Payments (\$000) | Energy Rates (\$/MWh) | Total Energy Payments (\$000) | Total Payments to Renewable Provider (\$000) |
|-------------------|------------------|------------------------------|---------------------------------|-----------------------|-------------------------------|--|
| 2012              | -                | \$ -                         | \$ -                            | \$ -                  | \$ -                          | \$ -   |
| 2013              | 376,680          | \$ -                         | \$ -                            | \$ 41.44              | \$ 15,611                     | \$ 15,611                                    |
| 2014              | 376,680          | \$ -                         | \$ -                            | \$ 43.70              | \$ 16,461                     | \$ 16,461                                    |
| 2015              | 376,680          | \$ -                         | \$ -                            | \$ 43.01              | \$ 16,202                     | \$ 16,202                                    |
| 2016              | 377,712          | \$ -                         | \$ -                            | \$ 46.46              | \$ 17,549                     | \$ 17,549                                    |
| 2017              | 376,680          | \$ -                         | \$ -                            | \$ 47.28              | \$ 17,809                     | \$ 17,809                                    |
| 2018              | 376,680          | \$ -                         | \$ -                            | \$ 49.46              | \$ 18,629                     | \$ 18,629                                    |
| 2019              | 376,680          | \$ 14.55                     | \$ 5,093                        | \$ 49.41              | \$ 18,612                     | \$ 23,706                                    |
| 2020              | 377,712          | \$ 14.57                     | \$ 8,741                        | \$ 50.88              | \$ 19,217                     | \$ 27,958                                    |
| 2021              | 376,680          | \$ 14.58                     | \$ 8,750                        | \$ 48.06              | \$ 18,103                     | \$ 26,853                                    |
| 2022              | 376,680          | \$ 14.60                     | \$ 8,760                        | \$ 46.55              | \$ 17,533                     | \$ 26,293                                    |
| 2023              | 376,680          | \$ 14.62                     | \$ 8,770                        | \$ 44.44              | \$ 16,740                     | \$ 25,510                                    |
| 2024              | 377,712          | \$ 14.63                     | \$ 8,780                        | \$ 48.11              | \$ 18,173                     | \$ 26,952                                    |
| 2025              | 376,680          | \$ 14.65                     | \$ 8,790                        | \$ 49.98              | \$ 18,826                     | \$ 27,617                                    |
| 2026              | 376,680          | \$ 14.67                     | \$ 8,801                        | \$ 52.31              | \$ 19,705                     | \$ 28,506                                    |
| 2027              | 376,680          | \$ 14.69                     | \$ 8,812                        | \$ 54.92              | \$ 20,688                     | \$ 29,499                                    |
| 2028              | 377,712          | \$ 14.70                     | \$ 8,823                        | \$ 55.40              | \$ 20,926                     | \$ 29,749                                    |
| 2029              | 376,680          | \$ 14.72                     | \$ 8,834                        | \$ 58.27              | \$ 21,948                     | \$ 30,783                                    |
| 2030              | 376,680          | \$ 14.74                     | \$ 8,846                        | \$ 57.18              | \$ 21,540                     | \$ 30,386                                    |
| 2031              | 376,680          | \$ 14.76                     | \$ 8,857                        | \$ 58.99              | \$ 22,221                     | \$ 31,079                                    |
| 2032              | 377,712          | \$ 14.78                     | \$ 8,870                        | \$ 61.29              | \$ 23,150                     | \$ 32,020                                    |
| <b>Total</b>      | <b>7,538,760</b> |                              | <b>\$ 119,526</b>               |                       | <b>\$ 379,645</b>             | <b>\$ 499,171</b>                            |
| <b>NPV 2012\$</b> |                  |                              | <b>\$ 52,123</b>                |                       | <b>\$ 202,499</b>             | <b>\$ 254,622</b>                            |

**PEF 2012 Standard Offer**

**Committed Capacity (MW)**            50  
**Capacity Factor (%)**                86%  
**Payment Type**                        Early Levelized

|                   | <b>Energy<br/>(MWh)</b> | <b>Capacity<br/>Rates<br/>(\$/kw-<br/>month)</b> | <b>Total<br/>Capacity<br/>Payments<br/>(\$000)</b> | <b>Energy<br/>Rates<br/>(\$/MWh)</b> | <b>Total Energy<br/>Payments<br/>(\$000)</b> | <b>Total<br/>Payments to<br/>Renewable<br/>Provider<br/>(\$000)</b> |
|-------------------|-------------------------|--|--|--------------------------------------|--|---|
| <b>2012</b>       | -                       | \$ -   | \$ -   | \$ -                                 | \$ -   | \$ -  |
| <b>2013</b>       | 376,680                 | \$ 7.80  | \$ 4,680   | \$ 41.44                             | \$ 15,611                                    | \$ 20,291   |
| <b>2014</b>       | 376,680                 | \$ 7.80  | \$ 4,680   | \$ 43.70                             | \$ 16,461                                    | \$ 21,141   |
| <b>2015</b>       | 376,680                 | \$ 7.81  | \$ 4,685   | \$ 43.01                             | \$ 16,202                                    | \$ 20,887   |
| <b>2016</b>       | 377,712                 | \$ 7.82  | \$ 4,690   | \$ 46.46                             | \$ 17,549                                    | \$ 22,240   |
| <b>2017</b>       | 376,680                 | \$ 7.83  | \$ 4,696   | \$ 47.28                             | \$ 17,809                                    | \$ 22,505   |
| <b>2018</b>       | 376,680                 | \$ 7.84  | \$ 4,701   | \$ 49.46                             | \$ 18,629                                    | \$ 23,330   |
| <b>2019</b>       | 376,680                 | \$ 7.84  | \$ 4,707   | \$ 49.41                             | \$ 18,612                                    | \$ 23,319   |
| <b>2020</b>       | 377,712                 | \$ 7.85  | \$ 4,712   | \$ 50.88                             | \$ 19,217                                    | \$ 23,930   |
| <b>2021</b>       | 376,680                 | \$ 7.86  | \$ 4,718   | \$ 48.06                             | \$ 18,103                                    | \$ 22,821   |
| <b>2022</b>       | 376,680                 | \$ 7.87  | \$ 4,724   | \$ 46.55                             | \$ 17,533                                    | \$ 22,257   |
| <b>2023</b>       | 376,680                 | \$ 7.88  | \$ 4,730   | \$ 44.44                             | \$ 16,740                                    | \$ 21,470   |
| <b>2024</b>       | 377,712                 | \$ 7.89  | \$ 4,736   | \$ 48.11                             | \$ 18,173                                    | \$ 22,909   |
| <b>2025</b>       | 376,680                 | \$ 7.90  | \$ 4,743   | \$ 49.98                             | \$ 18,826                                    | \$ 23,569   |
| <b>2026</b>       | 376,680                 | \$ 7.92  | \$ 4,749   | \$ 52.31                             | \$ 19,705                                    | \$ 24,454   |
| <b>2027</b>       | 376,680                 | \$ 7.93  | \$ 4,756   | \$ 54.92                             | \$ 20,688                                    | \$ 25,443   |
| <b>2028</b>       | 377,712                 | \$ 7.94  | \$ 4,762   | \$ 55.40                             | \$ 20,926                                    | \$ 25,689   |
| <b>2029</b>       | 376,680                 | \$ 7.95  | \$ 4,769   | \$ 58.27                             | \$ 21,948                                    | \$ 26,718   |
| <b>2030</b>       | 376,680                 | \$ 7.96  | \$ 4,776   | \$ 57.18                             | \$ 21,540                                    | \$ 26,317   |
| <b>2031</b>       | 376,680                 | \$ 7.97  | \$ 4,784   | \$ 58.99                             | \$ 22,221                                    | \$ 27,005   |
| <b>2032</b>       | 377,712                 | \$ 7.99  | \$ 4,791   | \$ 61.29                             | \$ 23,150                                    | \$ 27,941   |
| <b>Total</b>      | 7,538,760               |  | \$ 94,590  |                                      | \$ 379,645                                   | \$ 474,234  |
| <b>NPV 2012\$</b> |                         |  | \$ 52,102  |                                      | \$ 202,499                                   | \$ 254,601  |