

**REVIEW OF THE
AGING WORKFORCE
OF THE
FLORIDA ELECTRIC
INDUSTRY**

J U N E 2 0 1 1

**BY AUTHORITY OF
THE FLORIDA PUBLIC SERVICE COMMISSION
OFFICE OF AUDITING AND PERFORMANCE ANALYSIS**

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AGING WORKFORCE
OF THE
FLORIDA ELECTRIC INDUSTRY**

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JUNE 2011

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THE STATE OF FLORIDA
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PA-10-10-005

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1.0 EXECUTIVE SUMMARY

1.1 SCOPE AND OBJECTIVES

The Florida electric industry possesses an aging workforce and needs an increasing number of utility workers. Florida Public Service Commission staff conducted a review of the aging workforce issues encountered by four of the investor-owned electric utilities (IOUs) in Florida. This report documents how each utility is addressing its aging or “graying” workforce issues and mitigating the impact of employee retirements. These impacts may include loss of job knowledge, manpower shortages, productivity challenges, salary cost impacts, and service quality decline. Staff reviewed the potential impact to staffing for 2010, 2015, and 2020. Specifically, FPSC audit staff focused on the following areas:

- ◆ Internal goals and objectives
- ◆ Internal programs and action plans
- ◆ Current staffing levels
- ◆ Self-assessments
- ◆ Projected retirements
- ◆ Skill set needs
- ◆ Recruitment and hiring plans
- ◆ Retention and succession plans

1.2 BACKGROUND AND PERSPECTIVE

Few dispute that utilities in the U.S. are facing a “graying” issue. Authorities such as the U.S. Department of Labor, the North American Electric Reliability Corporation, and the National Commission on Energy Policy have all reported concerns about future staffing trends. A shortage of skilled craft and professional workers is expected due to attrition and retirements over the next ten years.

The Center for Energy Workforce Development (CEWD)¹ states in its 2009 survey² that by 2015, 46 percent of the existing skilled technician workforce and 51 percent of the engineering workforce may need to be replaced due to potential retirements or attrition.

In a 2007 report, the U.S. Department of Labor (DOL) estimated that 50 percent of the energy industry workforce—more than 500,000 workers—will retire over the next five to ten years. The DOL report elaborated on the significant concerns associated with the rapidly aging workforce:

Perhaps the most complex pressing challenge facing the energy industry is the retirement of incumbent workers. The average age of workers currently employed in the energy industry is near 50,

¹ A consortium of electric, natural gas, and nuclear utilities and their associations, which include Edison Electric Institute, the American Gas Association, the Nuclear Energy Institute, and the National Rural Electric Cooperative Association.

² CEWD, “Gaps in the Energy Workforce Pipeline,” 2009. The 2009 survey was conducted in June 2009, and includes data from 31 companies representing 44 percent of all electric and natural gas utility employees in 46 states, with IOUs making up the majority of respondents.

and the average age at which most workers retire is 55. Within the next 5 to 10 years, many companies will need to replace a huge portion of their workforce. This demographic phenomenon presents the energy industry with the succession planning challenge of losing critical institutional knowledge in occupations for which replacements are often most difficult to find: supervisors and managers. The industry lacks a pipeline of new workers large enough to replace retiring workers while also meeting employers' growing need for additional personnel.³

The North American Electric Reliability Corporation (NERC) observed that the loss of industry workers and their years of accumulated expertise due to retirements, coupled with the lack of new recruits entering the field, is a serious threat not only to the reliability of the existing bulk power system, but also to the ability to upgrade the existing system with new technologies.⁴

Additionally, on November 17, 2010, NARUC adopted a resolution supporting programs addressing utility workforce transitions. The resolution recognized a potential shortage of skilled workers as the current employees near retirement age in increasing numbers. It recommended that state commissions, utilities, and educators should collaborate to build a flexible, sustainable energy workforce in a cost-effective manner. The resolution also recommended that state commissions and utilities should promote formal and informal mentoring, training, and other educational opportunities.

These reports emphasize that it is critical for all energy industry employers—in particular, the four major IOUs in Florida—to have adequate programs and action plans in place to mitigate the potential adverse effects of employee retirement. Maintaining a stable and knowledgeable workforce will ensure that electric utility services provided over the existing power system will continue to be safe, reliable, efficient, and secure. Additionally, training employees for technological advancements is also important as the existing power system evolves to meet the unprecedented demands to integrate smart grid technologies.⁵

FLORIDA DATA

Florida IOU's are experiencing this same aging issue. Exhibit 1 is a compilation of the age range of the total workforce for the four major Florida IOUs. It shows that the largest age group in 2010 is the 48-52 range followed closely by the 53-57 age range. In 2015 and 2020, the largest age ranges will potentially shift to 53-57 and 58-62, respectively.

Florida utilities employ 17,417 people. Approximately 22.6 percent of this total or 3,933, were eligible for retirement in 2010. These numbers increase dramatically in 2015 and 2020. In 2015, 7,137 Florida utility employees will be eligible for retirement, and 10,441 will be eligible in 2020. This 2020 number represents 60 percent of the total Florida workforce. More details about the 2010 workforce can be found in **Appendix A**.

³ DOL Employment & Training Administration, "Identifying and Addressing Workforce Challenges in America's Energy Industry," March 2007.

⁴ NERC, "2007 Long-Term Reliability Assessment: 2007-2016," October 2007.

⁵ NERC, "Reliability Considerations from the Integration of Smart Grid," December 2010

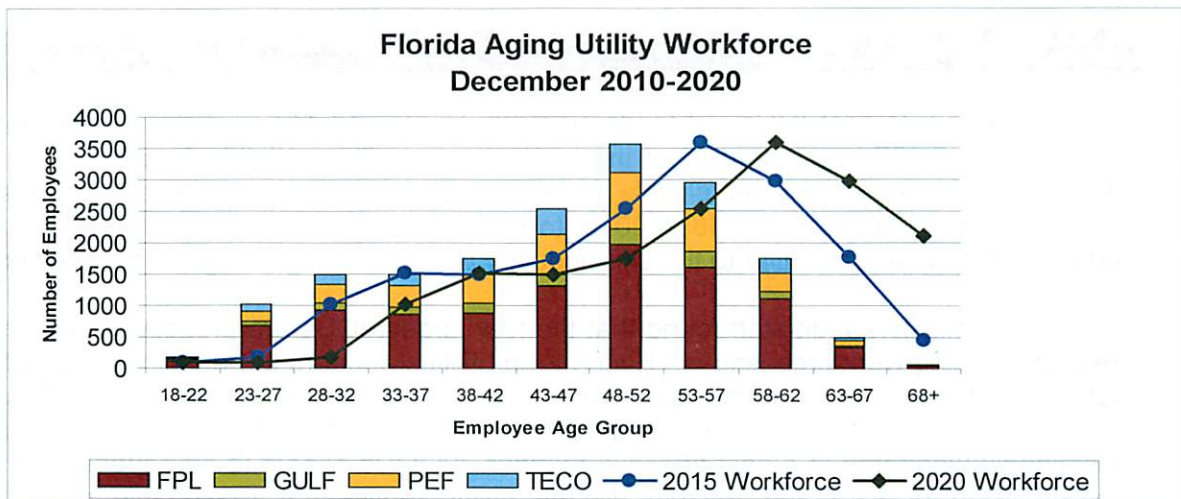


EXHIBIT 1

Source: Document Request 1.6

Narrowing the retirement eligibility perspective to key employees paints a similar picture. Key employees are defined as those that hold positions which may be based on responsibility, skills, qualifications, knowledge, and experience. Key employees are the most qualified and competent workers. As such, the effective knowledge transfer to other workers is critical. The availability, retention, and recruitment of highly qualified applicants are also critical. Key employees nearing retirement would be those eligible to retire within five years.

FLORIDA POWER & LIGHT

- ◆ 30 percent of FPL's total workforce are key employees
- ◆ 22 percent of FPL's key employees are currently eligible for retirement
- ◆ 43 percent of FPL's key employees are nearing retirement eligibility

GULF POWER COMPANY

- ◆ 28 percent of Gulf's total workforce are key employees
- ◆ 52 percent of Gulf's key employees are currently eligible for retirement
- ◆ 18 percent of Gulf's key employees are nearing retirement eligibility

PROGRESS ENERGY FLORIDA

- ◆ 31 percent of PEF's total workforce are key employees
- ◆ 15 percent of PEF's key employees are currently eligible for retirement
- ◆ 23 percent of PEF's key employees are nearing retirement eligibility

TAMPA ELECTRIC COMPANY

- ◆ 6 percent of TECO's total workforce are key employees
- ◆ 28 percent of TECO's key employees are currently eligible for retirement
- ◆ 21 percent of TECO's key employees are nearing retirement eligibility

More information about the 2010 workforce and key employee retirements at each IOU can be found in Appendix B.

1.3 OVERALL OPINION

The four largest IOUs in Florida currently employ 17,417 workers. The utilities project that in 2015, 7,137 or 41 percent of these employees will be eligible for retirement. In 2020, 10,441 or 60 percent will be eligible for retirement. It is also projected that the average employee age increases from 46 in 2010, to 51 in 2015, and to 56 in 2020. The Florida utility industry appears to be similar to the U.S. industry as a whole regarding the aging workforce.

Commission audit staff found that the four largest IOUs are proactively addressing their respective aging workforce issues. Each of the utilities appears to be taking actions to mitigate potential negative effects of the aging workforce. Staff expects that the utilities will continue to incorporate new or fine-tune existing programs and policies to further ensure a flexible, sustainable workforce in a cost-effective manner. All IOUs expect to be capable of maintaining the provision of safe and reliable electric utility services at reasonable rates to Florida consumers.

2.0 FLORIDA POWER & LIGHT COMPANY

2.1 COMPANY'S AGING SELF-ASSESSMENT

2.1.1 GOALS AND OBJECTIVES

FPL states that it considers the aging workforce issue to be significant to the company and the electric utility industry as a whole and continues to take appropriate actions to mitigate any associated risks. FPL formally evaluated the issue in 2004. Shortly thereafter, FPL established a formal workforce planning function within the Human Resources department to address the analysis and forecasting of talent requirements and support the acquisition and retention of necessary talent.

The company states it does not isolate the aging workforce as a stand-alone initiative, but rather treats the issue within the broader context of workforce planning and talent acquisition and retention. The 2011 performance goals for Human Resources include a number of initiatives critical to talent acquisition and retention and thus relevant to aging workforce issues, including:

- ◆ Revamp and reinvigorate talent management process
- ◆ Drive succession planning two layers deep
- ◆ Establish a Leadership Development program

2.1.2 SELF-ASSESSMENT

The primary recommendations of the 2004 study indicated that FPL should strengthen its ability to forecast resource needs and potential skill gaps. Additionally, the study recommended implementing new initiatives to cost-effectively acquire and develop the necessary talent to address any anticipated skill gaps. FPL continues to comprehensively study its workforce structure. In a 2009 report, FPL released a current situational overview of workforce demographics and aging workforce issues. FPL's initiatives to improve its workforce planning, talent acquisition and retention capabilities include four key areas:

- ◆ **WORKFORCE PLANNING**
FPL has established a formal workforce planning function to improve the capability to analyze and forecast resource needs.
- ◆ **TALENT MANAGEMENT**
FPL has implemented formalized succession planning across the organization. In addition, FPL has implemented a formal talent assessment process, and the performance management process has been enhanced with technology and other improvements.
- ◆ **KNOWLEDGE TRANSFER**
Efforts have been made to formalize knowledge transfer to supplement and enhance existing informal methods.
- ◆ **COLLEGE PARTNERSHIPS**
FPL partners with high schools, trade schools and colleges.

2.1.3 CURRENT WORKFORCE DEMOGRAPHICS

The age and retirement demographics of FPL's workforce are shown in **EXHIBIT 2**. Overall, the company has 9,901 employees and the average age is 46.2 years. FPL states that 2,014 employees or 20 percent of all employees are currently eligible for retirement. The largest age group is the 48-52 year-old range. This age grouping constitutes 1,985 employees or 20 percent of FPL employees. The average age for this group is 50.5 years. According to company records, there are no employees in the 48-52 age group currently eligible for retirement; however, in the next five years a significant portion will become eligible.

FLORIDA POWER & LIGHT COMPANY CURRENT WORKFORCE BY AGE DECEMBER 2010					
Age	Number	%	Average Age	# Eligible to Retire	% of Total Eligible to Retire
18-22	111	1.1	22.0		
23-27	685	7.0	25.9		
28-32	934	9.4	30.5		
33-37	854	8.6	35.4		
38-42	897	9.1	40.5		
43-47	1321	13.3	45.8		
48-52	1985	20.0	50.5		
53-57	1612	16.3	55.4	753	7.6
58-62	1109	11.2	60.2	941	9.5
63-67	345	3.5	64.8	282	2.8
68+	48	0.5	70.1	38	0.4
Total Workforce	9901		46.2	2014	20.3

EXHIBIT 2

Source: Company Response Document Request 1.6(a)

The age demographics of the FPL current workforce by operational area are shown in **EXHIBIT 3**. FPL's largest operational area, Customer Service has over 22 percent of the employees and also has the lowest average age at 41.5 years. Of the 2,250 customer service employees 329, or 14.6 percent, are currently eligible for retirement.

The oldest employees tend to be in the technical areas of the company. Transmission and Power Generation both have an average age of slightly over 49 years. Distribution and Nuclear have an average age of over 47 years. The Distribution, Nuclear, Power Generation, and Transmission departments have 1,373 employees or 68 percent who are eligible for retirement.

**FLORIDA POWER & LIGHT COMPANY
CURRENT WORKFORCE BY OPERATIONAL AREA
DECEMBER 2010**

Age	Corporate Staff	Customer Service	Information Management	Distribution	Nuclear-Utility	Power Gen	Transmission	Total
18-22	3	78	0	9	21	0	0	111
23-27	60	347	20	71	128	28	31	685
28-32	101	311	66	174	161	63	58	934
33-37	122	220	90	193	111	71	47	854
38-42	150	216	98	176	123	98	36	897
43-47	201	259	102	300	234	136	89	1321
48-52	240	338	132	508	424	192	151	1985
53-57	205	263	80	397	349	202	116	1612
58-62	128	166	49	284	212	157	113	1109
63-67	54	44	23	64	73	46	41	345
68+	3	8	3	12	12	3	7	48
Total Employees	1267	2250	663	2188	1848	996	689	9901
Average Age	46.7	41.5	45.4	47.9	47.3	49.2	49.1	46.2
Number Eligible for Retirement	221	329	91	548	361	261	203	2014
% Eligible for Retirement	17.4%	14.6%	13.7%	25.0%	19.5%	26.2%	29.5%	20.3%

EXHIBIT 3

Source: Document Request 1.7(a)

2.1.4 ANTICIPATED RETIREMENTS

EXHIBIT 4 contains retirement data for each operational area for the years 2010 to 2015. The 2010 data represent actual retirements as of December 16, 2010, and include 171 employees who elected a Voluntary Enhanced Retirement Program. The projected retirement totals for 2011 to 2015 were forecasted by FPL's Workforce Planning function based on historical data and current assumptions. FPL generally does not forecast out more than a few years, but has provided a five year forecast for purposes of this review. Forecasting beyond 2015 could not be done with a level of confidence FPL would consider acceptable.

FLORIDA POWER & LIGHT COMPANY ANTICIPATED RETIREMENTS BY OPERATIONAL AREA						
Operational Areas	2010	2011	2012	2013	2014	2015
Corporate Staff	48	29	24	18	18	16
Customer Service	70	33	28	23	23	18
Distribution	131	66	52	44	40	35
Info Management	29	16	12	9	10	6
Nuclear	38	37	28	23	31	24
Power Generation	19	26	22	19	20	16
Transmission	27	24	18	14	12	11
Total	362	231	184	150	154	126

EXHIBIT 4

Source: Document Request 1.11

At this time, FPL expects that all positions to be vacated by retirements will be refilled. There are no currently planned early retirement or staff reduction programs that would impact these projections. Staffing levels are revisited on at least an annual basis during the budget preparation cycle and adjustments are made, as appropriate, to the staffing complement based on changes in economic conditions, business drivers, or other operational factors.

FPL believes the economic downturn has impacted FPL employees' retirement trends. A smaller percentage of eligible employees retired in 2009 as a result of the decline in the stock market and 401(k) account values and the general uncertainty in the economy. From 2005 to 2008, on average, about 12 percent of FPL employees eligible to retire actually did retire; however, in 2009 that percentage declined to about 8 percent of the eligible employees. The trend differed among employee groups, with a smaller decline among bargaining unit employees as compared to the non-bargaining employees. The declining trend did not continue in 2010. Although there was a significant increase in retirements in 2010, this increase was largely influenced by the Enhanced Retirement Program offered by FPL.

FPL offered a Voluntary Enhanced Retirement Program during 2010 to specific classifications of employees who were at least age 55 with 10 years of service. The Enhanced Retirement Program offered an additional pension credit equal to an employee's annual base salary in effect as of May 31, 2010, plus a \$1,000 credit in a health reimbursement account to help offset health related expenses in retirement. The employees were also eligible for retiree benefits. One hundred and seventy-one (171) employees elected to accept the benefits available under the Enhanced Retirement Program. There are currently no plans to offer additional early retirement programs in the near future.

The FPL total workforce eligible for retirement in 2010, 2015, and 2020, are shown respectively by employee age using five-year ranges, along with the company's average employee age for each year in **EXHIBIT 5**.

**FLORIDA POWER & LIGHT COMPANY
RETIREMENT ELIGIBILITY BY AGE GROUP**

	2010				2015				2020			
Age Group	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible
53-57	753	7.6%	46.7%	37.4%	1062	10.7%	53.5%	27.3%	911	9.2%	69.0%	15.2%
58-62	941	9.5%	84.9%	46.7%	1448	14.6%	89.8%	37.2%	1985	20.0%	100.0%	33.0%
63-67	282	2.8%	81.7%	14.0%	1022	10.3%	92.2%	26.2%	1612	16.3%	100.0%	26.8%
68+	38	0.4%	79.2%	1.9%	361	3.6%	91.9%	9.3%	1502	15.2%	100.0%	25.0%
Total	2014	20.3%	64.7%	100.0%	3893	39.3%	76.3%	100.0%	6010	60.7%	93.6%	100.0%
Avg. Age	46.2				51.2				56.2			

Head count totals and projections as of December 16, 2010

Projections for 2015 and 2020 are based on current workforce in 2010 and do not account for expected employee turnover and replacements; projecting average age and retirement eligibility without allowing for turnover and hiring will overstate the totals.

As a specific point of reference, corporate average age remained essentially unchanged for the period from 2003 to 2009.

EXHIBIT 5

Source: Document Request 1.6 (b)

2.1.5 ANTICIPATED SKILL SET NEEDS

In the next ten years, FPL anticipates requiring the following new or emerging skill sets:

◆ **NUCLEAR**

Continuing need for engineering, radiation protection, and control room operator skill sets.

◆ **DISTRIBUTION, TRANSMISSION**

Skill sets are needed to support the new smart grid technology.

◆ **CUSTOMER SERVICE**

Technical skills are needed to support smart grid technology, including, data interpretation and analysis, computer skills, equipment testing, and repair.

◆ **INFORMATION MANAGEMENT**

Customer service system programming skills are needed to support replacement of Customer Information System (CIS) 2.

◆ **STAFF GROUPS**

No unique new skill sets have been identified at this time; however, this operational area will continue to need strong analysts, project managers, and engineers.

2.2 COMPANY ACTION PLANS AND STRATEGIES

2.2.1 RECRUITMENT AND HIRING

FPL believes that the talent acquisition, development, and retention measures will enable the company to mitigate any potential risks related to the aging workforce. The workforce planning and talent management processes in place will enable management to identify any gaps and new skills needed and take appropriate, timely actions to meet operational goals.

FPL has been keenly focused on the supply and demand issues in the nuclear industry. At a time when the supply of workers has been impacted by a decrease in universities offering nuclear engineering degrees, most companies in the industry also have significant numbers of workers nearing retirement eligibility. In addition, maintenance of aging plants and the prospect of new nuclear plants are further impacting the demand for workers.

FPL has addressed the nuclear resource issue in a number of ways, including a college partnership program, compensation programs, and knowledge transfer and succession planning programs. FPL has also participated with many industry peers in the Nuclear Human Resources Group, a consortium that has focused on the issue of competition, among other key industry issues. FPL has also focused on competition for resources in the Distribution business unit during the last decade, based on demand for resources, anticipated aging workforce impact, and the business unit's key role in meeting customer needs. Earlier in the past decade, growth in new service accounts and other business drivers and competition in the industry for workers had created challenges in the acquisition and retention of the required workforce. In response, Distribution crafted strategies to mitigate any resource risks. Such strategies included the use of apprenticeship programs to internally develop line specialists, cable splicers, meter electricians, and recruitment programs that source from non-traditional locations such as Canada and Jamaica.

FPL has established cooperative relationships with colleges and universities to support both the recruitment of new workers to the field, as well as the development of skilled workers to support areas most impacted by aging workforce and competitive issues.

In 2006, to address the impact of the aging Nuclear division workforce and planned clean energy plant expansion, FPL collaborated with the International Brotherhood of Electrical Workers, Miami Dade College, and Indian River State College to develop a skilled worker pipeline program. The program updates the skills of incumbent workers and attracts a new generation of high school graduates and career changers into the rapidly growing field of nuclear energy. FPL supplies instructors and curriculum for plant-specific topics, with instructors certified as adjuncts at the colleges.

FPL provides a comprehensive summer internship for 60 program participants giving students an opportunity to work with, and learn from, clean energy professionals. Successful candidates earn an Applied Science Degree in Electronic Engineering Technology. Initial training competencies, not integrated into the colleges' curriculum, are completed at the plant site as part of plant specific training (Third Year Training). The program produces proficient, clean energy professionals in the following disciplines:

- ◆ Instrumentation and Control
- ◆ Electrical
- ◆ Mechanical
- ◆ Operations and Health Physics

By Memorandum of Understanding with the colleges, FPL commits to hire/advance a minimum of 52 program graduates for a period of 10 years. FPL's commitment to support the colleges with instructors, subject matter experts, internships, and equipment demonstrates FPL's commitment to the success of the program. This productive pipeline of nuclear professionals provides an important source for recruitment of nuclear workers.

FPL is in the process of developing a similar program in the Transmission/Substation business unit. FPL is partnering with Indian River State College to develop an apprentice program for substation electricians leading to a 2-year college degree. This program will provide a pipeline of skilled workers in a key area impacted by an aging workforce and pending retirements. The apprentice program will also help the transition to the new Energy Smart Florida (ESF) technologies.

FPL's Power Generation Division has also established a partnership with academia aimed at enhancing efforts to recruit and develop the workforce. Power Generation began a partnership with Palm Beach State College in 2008 to develop an Electrical Power Technology Program to meet the rising demand for skilled fossil plant employees.

On a smaller scale, executive management in the Distribution business unit have served on Florida International University's Engineering College Advisory Committee and on the University of Miami's College of Engineering's Industrial Advisory Board to help ensure that the engineering curricula meet the needs of the utility industry and facilitate the placement of graduates within the industry and at FPL. In addition, a number of FPL's staff organizations have established cooperative arrangements with local high schools and colleges.

The Talent Acquisition organization has developed and maintains partnerships with colleges, Web sites, military, and professional organizations to increase the outreach efforts for

identifying talent. Talent Acquisition attended over 70 events in the 2010 calendar year of 2010 has a goal of increasing participation by 25 percent in 2011. Although not specifically focused on the age of candidates, these activities and partnerships do generally provide a pool of younger workers to replace those retiring or nearing retirement. For example, FPL has a partnership with Florida International University where FPL has established a call center to use the youthful energy of the students who may eventually be hired by FPL as full-time customer service operations specialists.⁶

The number of employees who have been hired within the operational areas during each of the past five years are shown in **EXHIBIT 6**.

FLORIDA POWER & LIGHT NUMBER OF HIRES					
Operational Area	2006	2007	2008	2009	2010
Corporate Staff	136	179	168	94	97
Customer Service	693	405	367	177	161
Distribution	236	185	72	7	4
Information Management	43	40	47	26	37
Nuclear – Utility	234	215	239	78	75
Power Generation	125	153	143	23	27
Transmission	2	29	53	33	17
Total	1469	1206	1089	438	418

EXHIBIT 6

Source: Document Request 1.10 (a)

The number of employees who have retired within the operational areas during each of the past five years are shown in **EXHIBIT 7**.

FLORIDA POWER & LIGHT COMPANY NUMBER OF RETIREMENTS					
Operational Area	2006	2007	2008	2009	2010
Corporate Staff	16	21	17	12	48
Customer Service	26	25	28	18	70
Distribution	105	74	53	54	131
Information Management	3	10	5	3	29
Nuclear – Utility	47	38	34	25	38
Power Generation	30	28	25	6	19
Transmission	1	15	21	11	27
Total	228	211	183	129	362

EXHIBIT 7

Source: Document Request 1.10

2.2.2 WORKFORCE DEVELOPMENT

The Gateway to Power (G2P) consortium, established and being led by FPL, is bringing industry and academia together to develop power system and smart grid education. Although not specifically designed to address aging workforce issues, G2P will impact that effort as it focuses on developing and providing training to support the transition from the traditional power system to the national, clean-energy smart grid. FPL received a \$5 million grant from the Department of Energy to help fund the program. The consortium includes the following educational institutions: Florida Atlantic University, Florida International University, Indian River State College, Massachusetts Institute of Technology, Northern Iowa Community College, Palm

⁶Michael Vasquez, "FPL taps into youthful energy with new student-staffed FIU call center," *Miami Herald*, February 24, 2011, <http://www.miamiherald.com/2011/02/24/2083887/fpl-taps-into-youthful-energy.html>, accessed on February 25, 2011.

Beach State College, Texas State Technical College, Texas Tech University, and The State University of New York at Buffalo.

In addition, Smart Energy Grid Associates (SEGA), a private firm with expertise on the smart grid, is a member of the consortium. G2P proposes to deliver workforce training for electrical power sector personnel in areas most relevant to the next-generation electric power workforce. Thus, G2P is supporting the technical certifications necessary for successful achievement of a national, clean-energy smart grid. These college and university-level cross-disciplinary programs will promote both a solid technical understanding and the innovativeness needed to address the nation's energy challenges.

2.2.3 EMPLOYEE RETENTION

FPL employs various programs to aid in the development and retention of highly-skilled employees and to ensure that FPL has the requisite talent to meet operational goals. These programs include formal succession planning and talent management programs, management training programs, and compensation retention plans.

TALENT MANAGEMENT

With an increasingly competitive market and the potential impact of an aging workforce, talent management is critical to the success of the organization. FPL's talent management efforts are administered within the employee information system (HR SAP). The employee component captures key information on career interests, educational background, and internal and external experience, among other data. The program includes an annual manager assessment where each employee's potential is evaluated, competencies are assessed, and an overall talent rating is assigned. Employees may be identified as "high potential" for development and succession planning purposes, and as "critical" or "high risk" from a retention standpoint. The program provides a key mechanism for identifying talent and resource inventory gaps and retention risks, whether from aging workforce or other reasons, and developing plans to ensure that training and knowledge transfer plans or retention vehicles are put in place.

TRAINING

Training programs are provided to management to assist with effectively coaching and developing employees and providing sufficient development opportunities. The leadership curriculum within the corporate university includes formal training in the selection process, performance coaching, driving performance management, managing individual and team performance, and overall leadership development.

COMPENSATION-RETENTION PROGRAMS

A comprehensive total rewards package, including competitive salary and benefits, incentive compensation, and development opportunities, has been critical to enable FPL to attract, retain, and engage employees and has facilitated efforts to mitigate the risks of an aging workforce.

FPL also employs formal retention programs to assist with retaining highly-skilled employees deemed "critical" or "high risk." These awards are structured to require continued employment for a designated period of time. Awards may be granted to individual employees or could be designed to help retain employees in a critical position or location. Business unit management must justify the need for awards and executive approval is required.

FPL has an annual process for identifying and retaining key talent. With regard to salary, FPL performs a comprehensive benchmarking analysis of its pay rates to determine "position to market" for 100 percent of the employee population, which includes key or highly-skilled talent. FPL utilizes survey data that is updated and published annually to ensure that all jobs are refreshed with updated survey data points. In addition to the annual benchmarking process, an ad hoc analysis of jobs may be performed throughout the year. Ad hoc analysis is limited to jobs that are new to the organization or for jobs that have a substantial change in responsibility. This evaluation process requires a complete review of the job responsibilities, scope, and requirements. For benchmarking purposes, FPL's practice is to use a minimum of two survey sources for each job where possible. The most recent market analysis completed in 2010 included market survey data from over 40 sources, including Towers Watson, Aon Hewitt, and Mercer. Upon completion of the benchmarking study, a thorough review is conducted with business unit leadership to discuss the results of the market data and overall impact to their organization, including recommendations for potential equity adjustments or other measures required to help retain critical, highly-skilled employees.

FPL also conducts periodic assessments of its benefits programs with respect to retention of key employees. Specifically, in 2009, FPL evaluated potential options for a phased retirement program as a means of retaining key employees on a full or part-time basis. The plans were placed on hold with the impact of the economic downturn on retirements, but will be reconsidered if business conditions again warrant such a program.

In order to support efforts to retain bargaining union employees, FPL maintains a competitive wage and benefits package and maintains an ongoing dialogue with employees on related issues and concerns. FPL benchmarks pay and benefit programs for bargaining union employees on a regular basis and in response to market changes, as appropriate. It reviews wage and benefits data locally, regionally, and nationally to ensure that wage and benefit packages are competitive in the industry. Any matters related to compensation, benefits, and working conditions are subject to negotiation and inclusion in a collective bargaining agreement.

2.2.4 KNOWLEDGE RETENTION

FPL management employs various means, both formal and informal, to ensure capture of knowledge from retiring personnel. As technology has improved, FPL has been able to reduce some of the risks of knowledge transfer by capturing and storing documents, data, and other resources for retrieval when needed. Methods used for knowledge transfer have included the following:

- ◆ Mentoring / coaching
- ◆ Documentation (such as a desktop guide)
- ◆ Knowledge transfer checklists
- ◆ Classroom training
- ◆ Cross-training
- ◆ Interviewing / surveying
- ◆ Job rotations
- ◆ Job shadowing
- ◆ Use of visiting staff, contractors, temporary hires or retirees
- ◆ Retention agreements
- ◆ Succession planning

2.2.5 EMPLOYEE SUCCESSION

FPL employs a formal succession planning program to fill key leadership positions and other positions identified as "critical." The process is managed by the Organizational Effectiveness and Employee Relations operates within the human resources department, working in conjunction with business unit leaders. The objectives of the program are to identify employees with the potential to assume greater responsibilities of key positions, make sure the creation of development experiences required for succession, and engage leaders in supporting the development of potential successors. A formal succession planning template is used to identify position requirements, potential candidates, and development needs and plans. The data is captured and the process administered in FPL's employee information system (HR SAP). Formal meetings are held at least annually to complete and/or update the templates and to formulate associated development plans. Individual business units participate in the corporate program but may apply the concepts within their own business units.

2.3 CONCLUSION

FPL currently has 9,901 employees with an average employee age of 46. Twenty percent of FPL workforce is currently eligible for retirement. In 2020 as many as 60 percent will be eligible for retirement. Staff's review sought to determine if FPL was proactively addressing the risks associated with its aging workforce. Specifically, staff wanted to verify the company had performed a self assessment to determine the risks and then had taken action to address the areas of recruitment, workforce development, retention plans, succession plans, and knowledge retention.

Staff believes FPL has proactively taken the necessary actions to effectively mitigate risks associated with the aging workforce. The company performed an aging assessment in 2004, followed by a workforce demographics assessment in 2009. The company appears to have extensive recruiting efforts in place. Most notably are FPL's awareness and implementation of recruitment in the nuclear industry. FPL has addressed the nuclear resource issue in a number of ways including a college partnership program, compensation programs, and knowledge transfer and succession planning programs.

The company is engaged in comprehensive workforce development and knowledge retention efforts. Retention and succession plans also appear to address the aging workforce issues. In addition, FPL has started a formal talent assessment process and the performance management process has been enhanced with process improvements and new technology.

The Gateway to Power (G2P) consortium, established and led by FPL, is bringing industry and academia together to develop power system and smart grid education. Although not specifically designed to address aging workforce issues, G2P will impact that effort as it focuses on developing and providing training to support the transition from the traditional power system to the national, clean-energy smart grid.

3.0 GULF POWER COMPANY

3.1 COMPANY'S AGING SELF-ASSESSMENT

3.1.1 GOALS AND OBJECTIVES

Gulf and its parent company, Southern Company, state they have been closely monitoring and performing internal analyses of the aging or "graying" workforce issue for many years. Gulf believes it is well positioned to replace and train workers in a manner that, to date, has caused no issues. No interruption to workflow or customer service is anticipated in the future. Gulf states it views the aging of the workforce as a strategic issue being aggressively managed through programs that develop existing employees, active recruiting, and external partnerships that create interest in electric utility careers and provide learning opportunities for prospective workers.

Gulf recognizes three ongoing challenges: the first retirement of long-term employees in significant numbers, the rapidly changing demographics in the marketplace from which replacements must come, and the shaping of Southern Company's corporate culture to match the evolving workforce. Gulf has several different goals related to managing the aging workforce and preparing for future workforce needs. Some of the goals include:

TALENT

- ◆ Maximize current workforce capabilities and insure appropriate workforce planning is conducted and implemented to transfer knowledge and develop and maintain a highly skilled, productive workforce.

ORGANIZATIONAL EFFECTIVENESS

- ◆ Consult with executive management on benchmark data, developing business cases, change processes, and implementation strategies for organizational and cultural changes.
- ◆ Provide consulting and tools for organizational and individual assessments, process improvements, organizational restructuring, and productivity improvements.

WORKFORCE DEVELOPMENT

- ◆ Manage Gulf's educational partnerships, including the Gulf Power Academy (GPA), Laurel Hill Institutes, and Locklin Tech to ensure well-trained students are capable of entering Gulf's hiring pipeline or working for the company's contractor.
- ◆ Participate in Southern Company and utility workforce development projects including the Center for Energy Workforce Development (CEWD), the Florida Energy Workforce Consortium (FEWC), and the Southern Company Workforce Development Council.
- ◆ Support Economic Development efforts by working with the area agencies, secondary and post-secondary education institutions to promote and develop programs that raise skill and education levels to ensure a highly trained workforce in Northwest Florida.

3.1.2 SELF-ASSESSMENT

In addressing the aging issue, Southern Company, including Gulf, has collaborated with state energy consortiums, the Southern Company Workforce Development Council, and a continued partnership with the Center for Energy Workforce Development (CEWD). Gulf has monitored the aging issue mainly through routine workforce planning and age demographic reviews. In 2008, Southern Company collaborated with the CEWD on a "Gaps in the Energy Workforce Pipeline" survey. This survey assessed current workforce levels in the electric and natural gas industries and projected significant hiring needs over the next five years and beyond.

Specifically, the survey looked at the age and years of service of current utility employees, expected attrition rates, and current vacancies. The data was used to define retirement and hiring trends in five job categories: line workers, power plant operators, technicians, pipefitters/pipe layers, and engineers in both the Generation and Transmission & Distribution workforces. The data from this survey reaffirmed that utilities should use the next few years to plan, to train, and to ensure they have a skilled workforce ready and able to meet the energy opportunities and challenges that lie ahead.

In Gulf's opinion, the CEWD survey affirmed its planning and preparations. Gulf was monitoring its aging workforce trends and, for existing employees had implemented employee training and development programs. This should make certain knowledge transfer and education of core skill necessary to effectively perform current and future job responsibilities. Also, Gulf was conducting succession planning for key leadership positions on an annual basis to ensure continuity and quality of future leaders.

3.1.3 CURRENT WORKFORCE DEMOGRAPHICS

The age and retirement demographics of Gulf's workforce are shown in **EXHIBIT 8**. Gulf's workforce total is 1,314 employees, with an average age of 45.2. Over 38 percent, (504) of these employees, are currently eligible for retirement.

GULF POWER COMPANY CURRENT WORKFORCE BY AGE DECEMBER 2010					
Age	Number	%	Average Age	# Eligible to Retire	% of Total Eligible to Retire
18-22	31	2.4			
23-27	70	5.3			
28-32	105	8.0			
33-37	123	9.4			
38-42	159	12.1			
43-47	184	14.0			
48-52	245	18.6		140	10.7
53-57	254	19.3		229	17.4
58-62	113	8.6		106	8.1
63-67	30	2.3		29	2.2
68+	0	0.0		-	-
Total Workforce	1314		45.2	504	38.4%

EXHIBIT 8

Source: Company Response Document Request 1.6a

The age demographics of the Gulf's current workforce, by department or operational area, are shown in **EXHIBIT 9**.

GULF POWER COMPANY CURRENT WORKFORCE BY AGE AND OPERATIONAL AREA DECEMBER 2010						
Age	Corporate Support⁷	Customer Service	Marketing	Transmission & Distribution	Generation	Total
18-22	0	4	0	9	18	31
23-27	9	13	5	24	19	70
28-32	20	11	8	39	27	105
33-37	19	11	12	43	38	123
38-42	19	20	23	60	37	159
43-47	33	21	24	69	37	184
48-52	48	25	22	83	67	245
53-57	53	24	31	76	70	254
58-62	29	18	11	31	24	113
63-67	8	2	3	13	4	30
68+	0	0	0	0	0	0
Total Employees	238	149	139	447	341	1314
Average Age	47.5	44.7	46.4	44.7	44.0	45.2
Number Eligible for Retirement	112	47	51	163	131	504
% Eligible for Retirement	47.1%	31.5%	36.7%	36.5%	38.4%	38.4%

EXHIBIT 9

Source: Document Request 1.7(a)

When observing the workforce statistics by operational area, staff notes that the majority of employees are in the technical areas of Transmission and Distribution and Generation. Combined these two areas employ 60 percent (788) of Gulf's employees. The average age of these two groups is 44 years. Over 37 percent of these employees are eligible for retirement. The oldest age group is Corporate Support, with an average age of over 47 years old. Of the 238 employees in Corporate Support, 112 or 47.1 percent are eligible for retirement.

3.1.4 ANTICIPATED RETIREMENTS

EXHIBIT 10 below contains anticipated retirement data for each operational area for the years 2010 to 2015.

⁷ Includes Accounting, Finance, Treasury, Supply Chain Management, Environmental, Security, Risk Management, Public Affairs, Corporate Communications, Government External Affairs, Regulatory Affairs, Safety & Health, Labor Relations, Human Resources, Executive, Land, and Facilities.

GULF POWER COMPANY ANTICIPATED RETIREMENTS BY OPERATIONAL AREA						
Operational Area	2010	2011	2012	2013	2014	2015
Corporate Support	5	5	4	15	12	10
Customer Service	14	2	2	7	5	4
Distribution & Transmission	8	8	7	22	15	13
Generation	14	6	5	16	12	11
Marketing	2	2	2	7	5	4
Total	43	23	19	66	49	42

EXHIBIT 10

Source: Document Request 1.11

Gulf has not offered any early retirement programs in the past five years and has no plans to offer any such program in the future. Gulf states it attempts to limit any impact to operations from anticipated retirements. Gulf does not expect to see any significant impact from retirements, as the company diligently works to recruit and train workers to replace those electing to retire.

The breakdown of the numbers and percentages of the total workforce eligible for retirement in 2010, 2015, and 2020, along with the company's average employee age for each year are shown in **EXHIBIT 11**.

**GULF POWER COMPANY
RETIREMENT ELIGIBILITY BY AGE GROUP**

Age Group	2010				2015				2020			
	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible
48-52	140	10.7%	57.1%	27.8%	100	7.6%	55.7%	19.6%	97	7.4%	62.4%	20.0%
53-57	229	17.4%	90.2%	45.4%	206	15.7%	91.6%	40.5%	166	12.6%	99.4%	34.3%
58-62	106	8.1%	93.8%	21.0%	169	12.9%	92.4%	33.2%	158	12.0%	98.8%	32.6%
63-67	29	2.2%	96.7%	5.8%	33	2.5%	89.2%	6.5%	60	4.6%	100.0%	12.4%
68-72	0	0	0	0	1	0.1%	54.9%	0.2%	3	0.2%	100.0%	0.6%
Total	504	38.4%	78.5%	100.0%	509	38.7%	80.9%	100.0%	484	36.8%	89.0%	100.0%

Avg. Age 45.2

Unable to determine from current model

Assumptions: Normal retirements, terminations and replacement hiring based on company trends and proprietary models

Model uses 10 years of historical data, plus attrition probabilities based on 20 different variables (age, education, tenure, job level, ethnicity, gender, time in current job, etc.)

EXHIBIT 1 1

Source: Document Request 1.6 (b)

3.1.5 ANTICIPATED SKILL SET NEEDS

Gulf's new or emerging skill sets that it anticipates needing in the future are:

◆ **CUSTOMER SERVICE**

Implementation of Advanced Metering Infrastructure (Smart Meters) has required additional training for both Meter Shop personnel and Field Service Representatives to learn the new technology. Metering will change from a mechanical, single function, analog device to advanced, multi-function, digital processors. Analytical skills will be needed to evaluate data from Smart Grid devices both in the field and the back office. This training is ongoing as the implementation continues.

◆ **DISTRIBUTION/ TRANSMISSION**

Micro based processors are emerging in new Smart Grid technology and will require Line Technicians to assume responsibility for operating, testing, troubleshooting and repairing the Smart Grid equipment. These new responsibilities will require a working knowledge of specific Smart Grid devices that can be learned through training provided by the company and/or manufacturer representatives. Training has already begun for both engineering and craft positions.

◆ **GENERATION**

Implementation of renewable technologies will require Generation employees to learn the technical aspects of fuel handling and operating and maintaining the plant using a renewable source. The specific skills needed would be identified once the renewable generation has been identified.

Gulf states that it will focus on all leadership positions and key jobs and skill sets within each operational area as reflected in **EXHIBIT 12**.

GULF POWER COMPANY ANTICIPATED SKILL SETS NEEDED	
Operational Area	Skill Set Focus Area
Corporate Support	Accountants, Environmental Engineers
Customer Service	Customer Service Representatives
Distribution/Transmission	Line Technicians, Substation Technicians, Engineers
Generation	Plant Equipment Operators, Engineers
Marketing	Forecasting Skills

EXHIBIT 12

Source Document Request 1.9(b)

3.2 COMPANY ACTION PLANS AND STRATEGIES

3.2.1 RECRUITMENT AND HIRING

Gulf Power Company has chosen to focus the majority of its employee and workforce development resources on entry-level occupations that are in high demand and/or jobs that are very specialized in nature. These key areas of focus include entry-level generation, and distribution, customer service, engineering, and accounting. These positions are critical to efficient Gulf Power operations, and industry data supports the focus of employee and workforce development programs on these key positions. Workforce Development and Recruiting work closely together to ensure the effective hiring of new employees.

Gulf actively recruits cooperative education students and provides internships for students in regional colleges and universities. Currently, Gulf has five interns and four co-op students. In addition to the career awareness and talent pipeline programs, Southern Company and Gulf have launched a high school recruitment web site to attract new, younger workers to the workforce. Gulf's Workforce Development Coordinator serves as a speaker at multiple local and state teacher events to help raise interest among the student population in energy careers.

In addition to Gulf's own web site and materials, the utility actively uses the state energy careers web site hosted by Florida Energy Workforce Consortium, and the national web site hosted by CEWD. Furthermore, through partnerships with the Florida Department of Education, the U.S. Department of Education and the U.S. Department of Labor, Gulf has worked to create clean energy curriculum frameworks, a new 17th career cluster of ENERGY in Florida, and a national energy competency model.

Gulf conducts career fairs and campus recruiting activities to make post-secondary students aware of employment opportunities at Gulf. Additionally, Gulf encourages students to learn more about job opportunities by accessing the Southern Company Careers homepage or following career information through Face book, Twitter, or LinkedIn. Gulf job openings are posted online through the Southern Company career web site.

In 2010, Gulf participated in 20 career fairs and campus recruiting trips, and five were military recruiting events. Additionally, Gulf maintains relationships with local technical schools and Transition Assistance Program personnel at local military bases.

For craft positions, 45 full-time employees have been hired through Gulf's talent development pipeline program since 2005. Since 2006, military recruiting has resulted in 16 hires in a variety of positions, including Utility Persons, Plant Operators, Technicians, Engineers, and Customer Service Representatives. Seventy-two college students have been hired into internship and/or co-op positions. Over 20 former intern or co-op students have been hired into regular full-time positions with Gulf.

The number of new employees hired within the operational areas during each of the past five years is reflected in **EXHIBIT 13**.

GULF POWER COMPANY NUMBER OF HIRES					
Operational Area	2006	2007	2008	2009	2010
Corporate Support ⁸	17	22	14	3	5
Customer Service	29	21	7	10	5
Distribution/Transmission	16	23	24	14	6
Generation	12	24	30	17	18
Marketing	6	7	9	3	1
Total	80	97	84	47	35

EXHIBIT 13

Source: Document Request 1.10(a)

The number of employees who have retired within operational areas during each of the past five years are shown in **Exhibit 14**.

GULF POWER COMPANY NUMBER OF RETIREMENTS					
Operational Area	2006	2007	2008	2009	2010
Corporate Support ⁹	11	5	1	2	5
Customer Service	3	8	1	1	4
Distribution/Transmission	13	15	9	7	8
Generation	9	7	8	2	14
Marketing	4	3	3	1	2
Total	40	38	22	13	33

EXHIBIT 14

Source: Document Request 1.10(b)

⁸ Includes Accounting, Finance, Treasury, Supply Chain Management, Environmental, Security, Risk Management, Public Affairs, Corporate Communications, Government External Affairs, Regulatory Affairs, Safety & Health, Labor Relations, Human Resources, Executive, Land, and Facilities

⁹ Includes Accounting, Finance, Treasury, Supply Chain Management, Environmental, Security, Risk Management, Public Affairs, Corporate Communications, Government External Affairs, Regulatory Affairs, Safety & Health, Labor Relations, Human Resources, Executive, Land, and Facilities

3.2.2 WORKFORCE DEVELOPMENT

Gulf actively partners with elementary, secondary, and post-secondary education entities to address energy workforce development issues. Additionally, through the joint formation of the Florida Energy Workforce Association, Gulf actively partners with Workforce Florida, Inc., the state's public and private workforce partnership, on energy workforce development programs and practices. Additional collaboration efforts include:

- ◆ *Southern Company Workforce Development Council*
Created in 2008, this Council brings together parties in each operating company of the Southern Company to use best practices and share resources in workforce development efforts. This Council is coordinated by a Southern Company Services resource and is focused on three main areas: Career Awareness Programs, Talent Development Pipelines, and Strategic Partnerships.

- ◆ *Florida Energy Workforce Consortium*
Formed in 2006 by Gulf and Workforce Florida, Inc., this membership organization brings together utility, workforce, and education representatives from across Florida to collaborate on energy workforce development issues. Key areas of focus include career awareness, policy and education, state and national outreach, and funding and resources. Gulf's Workforce Development Coordinator has served as the co-chair of the consortium since its founding in 2006.

- ◆ *Center for Energy Workforce Development*
Formed in March 2006, the Center for Energy Workforce Development is a non-profit consortium of electric, natural gas, and nuclear utilities and their associations: Edison Electric Institute, American Gas Association, Nuclear Energy Institute, and National Rural Electric Cooperative Association. CEWD was formed to help utilities work together to develop solutions to the coming workforce shortage in the utility industry.

CEWD is the first partnership between utilities, their associations, contractors and unions to focus on the need to build a skilled workforce pipeline that will meet future industry needs. Through its membership, CEWD represents almost 75 percent of the nation's electric and natural gas utility employees. CEWD is led by a Board of Directors made up of the heads of the trade associations and major utilities from around the country, along with councils of members who provide advice and guidance on strategy and goals.

3.2.3 EMPLOYEE RETENTION

Gulf has long been considered an employer of choice in Northwest Florida. Gulf's reputation as a desirable employer, with opportunities for career advancement, and competitive compensation and benefits have made the company attractive to potential employees in the communities served. Retention has not been a significant problem, as evidenced by a turnover rate of less than 2 percent. However, as the economy recovers and skilled labor becomes scarcer in other areas of the state and country, Gulf realizes retaining the best and brightest, who are often very mobile, could become an issue.

Factors that motivate employees to join and stay with a company vary considerably, especially considering age and tenure. Gulf uses a variety of options to attract and retain top talent. Employee development programs, competitive pay and benefits, cash and non-cash

awards for exceptional performance, special assignments, and employee recognition are some of the components of the company's retention programs.

Employees are asked to participate in an annual survey to determine the level of their engagement with Gulf. The survey helps senior leaders determine whether employees are likely to stay with the company, put forth discretionary effort to help Gulf succeed and/or recommend the company to friends as a good place to work. Survey results are analyzed to determine current or emerging issues that need to be addressed.

Special compensation studies, market assessments and salary data provided by nationally recognized firms support the design of Southern Company's and Gulf's compensation plans. These same consulting firms provide an assessment of the competitiveness of Gulf benefit plans compared to general industry and other utilities.

Gulf also assesses the competitiveness of benefits offered to employees. Benefits comparisons are performed across a range of plans and programs including pre-retirement, post-retirement, and time-off with pay and focus on the "value of benefits" provided. Benefits are evaluated from two perspectives, including the value of total benefits and the employer-paid portion of the total benefits provided.

3.2.4 KNOWLEDGE RETENTION

Gulf uses experienced company employees as instructors or facilitators, allowing opportunities for senior level employees to transfer their knowledge and experience. Additionally, in the company's Advanced Career Experience program, Gulf employees are matched to students who have interest in their specific career. This year-long mentor assignment provides a unique opportunity for the students to learn from a person in a position of interest to them, allowing students to make informed decisions about career options following high school graduation.

3.2.5 EMPLOYEE SUCCESSION

The methods of Southern Company and Gulf's succession planning are contained in its most current 2010 succession planning report. The report states that the company's succession planning facilitates leadership continuity as leaders move and business needs evolve. Succession planning includes:

- ◆ Understanding Future Capabilities
- ◆ Identification of Solid Successors
- ◆ Analysis of Bench Strength
- ◆ Deliberate Successor Development

3.3 CONCLUSION

Gulf currently has 1,314 employees. The average age is 45.2 years. Approximately 38.4 percent are currently eligible for retirement. In 2020, Gulf forecasts that 36.8 percent will be eligible for retirement. Staff's review sought to determine if Gulf was proactively addressing the risks associated with its aging workforce. Specifically, staff wanted to make sure the company had performed a self assessment to determine the risks and then had taken action to address the areas of recruitment, workforce development, retention plans, succession plans, and knowledge retention.

Staff believes the company has proactively taken steps to address the risks associated with the aging workforce. Gulf has assessed the aging issue mainly through routine workforce planning and age demographic reviews. In 2008, Southern Company collaborated with the CEWD on a "Gaps in the Energy Workforce Pipeline" survey. CEWD was formed to help utilities work together to develop solutions to the coming workforce shortage in the utility industry. CEWD is the first partnership between utilities, their associations, contractors and unions to focus on the need to build a skilled workforce pipeline that will meet future industry needs.

The company appears to have adequate recruiting efforts in place. Gulf Power Company has chosen to focus the majority of its employee and workforce development resources on entry-level occupations that are high demand and/or jobs that are specialized in nature. These key areas of focus include entry-level generation, entry-level distribution, customer service, engineering, and accounting. Gulf Power workforce development collaboration efforts are also notable. Gulf is collaborating with the Southern Company Workforce Development Council, the Florida Energy Consortium, and the Center for Energy Workforce Development.

Retention and succession plans also appear adequate. The retention program relies on an annual employee survey and compensation studies. Succession plans focus on key leadership positions.

4.0 PROGRESS ENERGY FLORIDA, INC.

4.1 COMPANY'S AGING SELF-ASSESSMENT

4.1.1 GOALS AND OBJECTIVES

PEF reports dedicating considerable efforts to analyze the current and future effects that aging will have on its workforce. PEF has put an emphasis on understanding its workforce and proactively developing strategies to address any risks that are identified through the process.

To understand the effects of its aging workforce, PEF has performed an internal analysis as well as external benchmarking to make certain that it is able to plan for any workforce gaps that arise due to attrition associated with retirements and turnover. To highlight any projected gaps, PEF states that it continually analyzes retirement and age distributions of its workforce, functionally and organizationally. PEF uses this information to focus its efforts on talent acquisition to develop programs that certify the necessary pipelines are in place to attract and retain the resources as the demand for talent is needed. These efforts have led to the implementation of projects focused on capturing the knowledge and skills held by the potential retiree population. Other initiatives and strategies are being developed and used within the specific business units throughout the organization, depending on particular needs identified through workforce strategy efforts.

According to PEF, the desired result of its workforce planning efforts regarding aging workforce issues is to fundamentally understand the current and future states of its workforce, enabling the utility to be prepared and ready to respond to changes in its workforce through a long term strategic staffing plan. To accomplish this goal, PEF states it uses forecasting models that allow it to anticipate changes within its workforce due to both internal and external factors. Through the development of staffing plans, PEF seeks to understand the short and long term demands for labor and plans accordingly by proactively building pipelines to attract talent and launching initiatives to retain skills, competencies, and knowledge.

Another PEF goal related to the aging workforce issues is to replace any vacancies by hiring at the entry level and expanding its talent base rather than buying expertise on the market. PEF reports it is building the pipelines for craft and technical resources, as well as engineering disciplines, through outreach and sourcing efforts. To supplement these efforts, PEF is creating internal training curricula and rotational programs to develop the future employees of its company.

4.1.2 SELF-ASSESSMENT

PEF reports that it has been studying the potential effects of its aging workforce periodically, yet more intensely since 2004. At that time, a team was created with executive sponsorship oversight to study the effects of the aging workforce in much more detail. Up until that time, it typically only looked at a one to two year viewpoint.

This team's scope was to address workforce issues and potential skill shortages over the next five to ten years. The team's methodology was a systematic review of the factors which would influence those issues. In particular, the focus of the team was to:

- ◆ Evaluate historical demographic changes in the workforce over the last seven years
- ◆ Evaluate the current demographic state of the workforce
- ◆ Determine high-level projections of workforce need over the next 5-10 years

- ◆ Perform a gap analysis of the information assembled
- ◆ Identify options to fill the gaps identified
- ◆ Develop a plan to close the identified gaps

As a result of this information, in Fall 2004, PEF announced a Voluntary Early Retirement Program (VERP) for employees in both the Carolinas and Florida, which allowed retirement-eligible employees to elect early retirement and leave the company. Over 1,400 employees did so in 2005. PEF announced it would more proactively monitor and strategically plan for its workforce needs and trends in the future.

Subsequently, the retirement eligibility magnitude of PEF's workforce greatly declined. The VERP program design also was built to lessen the effect of critical knowledge leaving the organization, and knowledge transfer plans were established for those retirees possessing the critical skills necessary to continue effective operations. Since 2006, actual retirements have been minimal but are steadily increasing year-over-year as expected.

In Fall 2006, PEF began to re-visit the issue of proper workforce planning by periodically generating human resource metrics related to demographics such as race, gender, length of service, and retirement eligibility. Analyses were performed to determine areas of concern relative to succession bench-strength, turnover (both voluntary and involuntary), and retirement eligibility, along with projected demand due to the expanding Florida population. Subsequently, three cross-sectional, management level teams (Engineering, Craft-Technical, and Leadership) were formed to study the impact of these factors more closely.

Based upon recommendations from those three teams, several initiatives and programs were identified as necessary to continue PEF's competitiveness in the marketplace, as well as to properly plan for future employee turnover, whether voluntary or involuntary. PEF created several program manager positions to achieve these directives:

- ◆ Engineering Programs Manager
- ◆ Craft-Technical Pipeline Program Manager
- ◆ College Recruiting Program Manager

Each of these positions served to understand internal trends of the respective Progress Energy workforce (turnover, retirement eligibility, needs analyses) and to be the liaison between the company and the high schools, technical colleges, and universities from which the company could recruit.

In 2007 and 2008, the Nuclear Generation, Transmission Florida, and Power Operations Florida business units embarked on a retirement-eligibility review of their respective workforces, assessing skills and retirement-eligibility data and discussing findings with line management. These discussions involved educating line management of the data that was found by the Workforce Strategy organization. Human Resources facilitated these discussions, ensuring that line management understood the trending information and assisting them to appropriately prepare knowledge retention and succession plans for those segments of the workforce that PEF was in danger of losing to attrition. Knowledge transfer programs were benchmarked across the industry, and plans were established in several business units to assist in controlling the loss of critical skill knowledge in the case of voluntary and involuntary turnover and/or retirements. To continue the extensive analyses, understanding, and risk-mitigation efforts of the results of the risk analyses of the workforce attrition concerns, the company in 2009 created

Workforce Information Packages for each business unit, underlying specific trends, concerns, and mitigation efforts needed for each business unit. Human Resources management, Human Resources representatives, the Workforce Strategy Unit, and group executives were all involved in the creation of these packages of information and initiatives.

In 2009 and 2010, analysts in the Workforce Strategy Unit were responsible for monitoring all workforce-related trends within their assigned internal customer groups. Periodic and ad hoc retirement trending and eligibility reports were generated, and turnover activity was closely monitored. In addition, several internal surveys were distributed to assess future workforce numbers and specific skill needs in order to ascertain current and future efforts needed in developing Talent Acquisition.

Analyses of actual retirements and retirement eligibility of each segment of the workforce is constantly monitored, and where deemed a concern, line management is responsible for instituting proper and effective knowledge transfer activities.

4.1.3 CURRENT WORKFORCE DEMOGRAPHICS

The age demographics of the PEF's workforce are shown in **EXHIBIT 15**. PEF has 3,896 employees in Florida with an average age of 46.5 years. The majority of the employees are in the 48–52 age bracket. Currently, none of the employees in this group are eligible for retirement. Overall, there are 528 PEF employees eligible for retirement, representing 13.6 percent of the total workforce.

PROGRESS ENERGY FLORIDA, INC. CURRENT WORKFORCE BY AGE DECEMBER 2010					
AGE	#	%	Ave Age	#Eligible for Retirement	%Of Total Eligible For Retirement
18-22	8	0.2%			
23-27	157	4.0%			
28-32	305	7.9%			
33-37	344	9.0%			
38-42	438	11.3%			
43-47	638	16.6%			
48-52	885	23.2%			
53-57	674	17.6%		263	6.8%
58-62	309	8.1%		207	5.3%
63-67	76	2.0%		50	1.3%
68 +	8	0.2%		8	0.2%
Total	3896		46.5	528	13.6%

EXHIBIT 15

Source: Document Request 1.6a

The age demographics of the utility's current workforce, by department or operational area, are shown in **EXHIBIT 16**. Distribution is the largest operational area with 1,222 employees. The average age of Distribution employees is 44.9. Generation is the second largest operational area with 774 employees, with an average age of 48.4. Nuclear is the third largest operational area with 584 employees, with an average age of 48.2.

PROGRESS ENERGY FLORIDA, INC.													
CURRENT WORKFORCE BY OPERATIONAL AREA													
DECEMBER 2010													
Operation Area	18-22	23-27	28-32	33-37	38-42	43-47	48-52	53-57	58-62	63-67	68+	Total	Ave Age
Corporate Staff		2	36	47	50	74	103	88	49	6	1	456	47.5
Customer Service	1	15	41	37	35	52	60	55	30	2	2	330	45.2
Distribution	5	60	113	134	161	218	286	161	69	13	2	1222	44.9
Generation	1	24	38	43	72	133	199	173	67	23	1	774	48.4
Information Management	0	0	0	1	4	8	7	9	24	4	1	251	47.8
Nuclear	1	35	30	28	53	87	138	134	57	19	2	584	48.2
Transmission	0	21	51	59	67	73	110	64	38	12	0	495	45.3
Total	8	157	309	349	442	645	903	684	315	76	8	3896	46.5

Source: Document Request 1.7 (a)

EXHIBIT 16

4.1.4 ANTICIPATED RETIREMENTS

An annual workforce planning process is completed by each business unit to forecast staffing needs. The staffing plan looks at previous turnover plus future retirement eligibility to project the number of hires needed per year. The workforce planning process looks forward up to five years. PEF states that business and financial data past year 2015 are too uncertain to be used in a staffing plan. PEF has developed models to analyze the historical turnover data for each business unit to determine staffing plan projections. Combined with some aggregate assumptions regarding retirement eligibility and age of retirement, PEF used its models and forecasted the predictions of attrition through 2015. Similarly, PEF made assumptions regarding the backfill rates and any additional demands for labor to understand the recruitment needs for the future. In partnering with its Talent Acquisitions unit, PEF will be able to attract and recruit the required number of resources to make sure that there is no impact to its operations. **Exhibit 17** shows PEF's expected retirements based on projected retirement eligibility for 2010 through 2015.

PROGRESS ENERGY FLORIDA, INC. ANTICIPATED RETIREMENTS BY OPERATIONAL AREA						
Operational Area	2010	2011	2012	2013	2014	2015
Corporate Staff	63	12	18	22	19	21
Customer Service	23	11	11	14	6	21
Distribution	135	29	42	63	58	48
Generation	147	36	29	33	34	35
Information Management	8	0	1	3	0	2
Nuclear	94	33	33	33	28	28
Transmission	58	17	10	18	23	19
Total	528	138	144	186	168	174

EXHIBIT 17

Source: Supplement Document Request 1.11

PEF firmly believes the economic downturn has impacted retirement plans of PEF employees, companywide, over the last several years. Even prior to the onset of the downturn in 2007/2008, PEF was experiencing lower-than-normal employee retirement activity. However, another reason for the lower retirement attrition rates of employees has been the effect of the Voluntary Early Retirement Program (VERP) offered in 2005. Since so many retirement-eligible employees chose to accept those retirement benefits at that time (over 1,400 companywide), it was expected that for the subsequent one to two years retirements would be extremely low.

In most of the business units, little overall reduction in staffing levels is predicted throughout the staffing plans. For these areas, specific plans are in place to increase efficiency or productivity to absorb any additional workload. For the Power Operations Group in Florida, PEF indicates a significant reduction in the predicted staffing levels. This change is due to the planned repowering efforts and plant shutdowns that are scheduled to occur over the next several years. These efforts comply with PEF's initiatives to increase its overall efficiency and decrease its carbon footprint. The result of these changes will have no negative impacts to its operations.

The 2010 planning process was focused on reducing labor costs and finding workforce efficiencies. As business units crafted their staffing plans, they determined that most business units were operating efficiently and forecasted few layoffs. Some positions will be eliminated due to plant closures; however, PEF states it is committed to redeploying impacted employees to new roles.

The breakdown of the numbers and percentages of the total workforce eligible for retirement in 2010, 2015, and 2020, shown respectively by employee age using five-year ranges, along with the company's average employee age for each year is shown in **EXHIBIT 18**.

**PROGRESS ENERGY FLORIDA, INC.
RETIREMENT ELIGIBILITY BY AGE GROUP**

Age Group	2010				2015				2020			
	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible
53-57	263	6.8	38.7	49.8	355	9.1	39.8	26.5	301	7.7	49.5	13.5
58-62	207	5.3	65.7	39.2	596	15.30	81.1	44.5	800	20.5	89.7	35.9
63-67	50	1.3	65.8	9.5	292	7.5	85.6	21.8	689	17.7	93.7	30.9
68+	8	0.2	100.0	1.5	95	2.4	97.9	7.1	438	11.2	100.0	19.7
Total	528	13.6%	48.8%	100.0%	1338	34.3%	64.8%	100.0%	2228	57.2%	83.4%	100.0%
Avg. Age	46.5				51.5				56.5			

EXHIBIT 1 B

Source: Document Request 1.6 (b)

4.1.5. ANTICIPATED SKILL SET NEEDS

Most of the core skills required by PEF in the next ten-year timeframe are anticipated to be similar to the skills currently used in its existing workforce. New regulatory requirements and shifts in the types of generation equipment used will require new skill sets in all of its business units. PEF's workforce planning cycle inventories current skills and competencies and emerging needs. The needs anticipated are reflected in **EXHIBIT 19**.

PROGRESS ENERGY FLORIDA, INC. ANTICIPATED SKILL SETS NEEDED	
Operational Area	Emerging Skill Needs
Energy Supply	Additional craft technical skills to operate and maintain new generation equipment Knowledge of control systems
Nuclear	Further knowledge and skills in project management, long range planning, and cost estimation
Energy Delivery	Combined skill sets in information technology, project management, and business analytics to support Smart Grid Further leadership development also required
Transmission	NERC-SIP knowledge and skills Relay technician certifications
Service Company	Smart Grid, NERC-SIP, and Wholesale power marketing skills and competencies will be required

EXHIBIT 19

Source: Document Request 1.8

4.2 COMPANY ACTION PLANS AND STRATEGIES

4.2.1 RECRUITMENT AND HIRING

PEF states the following in regard to the special efforts being made to recruit and hire employees with the occupational skill sets the company anticipates requiring in the future.

- ◆ From an engineering perspective, PEF will continue to strengthen its partnerships with key engineering colleges and universities, strengthen existing external relationships and sources to maximize recruiting effectiveness, and strengthen its internship/co-op programs.
- ◆ From a craft/technical perspective, PEF will continue to focus efforts on identifying and strengthening key partnerships with high schools, technical schools, military bases, and other sources to recruit and develop entry level craft/technical talent.

- ◆ Change management, performance management, and leadership communications were three main leadership skill gaps identified from an enterprise perspective in 2009. Learning solutions have been developed in all three areas and are being offered to all levels of leadership.

PEF benefits from the desirable locations of its facilities in Florida. Desirable locations, along with attractive wages and benefits, have enabled PEF to remain more competitive in the industry than a number of its peers.

When PEF embarked on more specific workforce planning and strategy understanding and initiatives beginning in 2004, general concern existed over the availability of qualified candidates for certain positions within the company, due to some writings in the press on the “war for talent.” Over the next several years, even with the loss of over 1,400 employees due to the Voluntary Early Retirement Program (VERP) in 2005, PEF was able to adequately and successfully compete for the necessary external talent needed as a result of those departures.

Recently, however, concern regarding the availability of talent has waned due to the economic downturn and reduced housing starts and relocations into Florida, as well as the low rate of voluntary and involuntary turnover in Florida and companywide.

From 2007 to 2009, PEF was an active member of the Center for Energy Workforce Development (CEWD), which is a utility consortium created for the purpose of assisting utilities in building and maintaining an energy-related skills workforce pipeline due to the aging realities of the industry. PEF periodically monitors CEWD Workforce Supply and Demand reports, tools, and industry news generated by the organization to maintain its understanding of utility competition for workers.

In addition, PEF’s Talent Acquisition Programs Unit also serves as both an internal and external workforce monitoring organization to understand specific skill sourcing avenues and competition for similar talents (particularly graduating college seniors, as well as interns) in the industry (such as Electrical Engineers). During their travels and recruiting opportunities, they come into direct contact with competing utilities and are able to assess and understand the competitive landscape.

Finally, PEF’s active involvement (Board and Steering Committee participation) in the Electric Utilities Nuclear Human Resource Group, the Electric Utilities Human Resource Metrics Group, and the Electric Utilities Talent Acquisition Group enables it to recognize trends and opportunities in the recruitment of talent in the industry.

PEF offers both intern and cooperative education opportunities to students. These pipeline programs serve as the primary pool for new hire talent. Energy Supply, Energy Delivery and the Service Company all use interns and co-op students. From this student talent pool, PEF’s goal is to convert the top performers into full time employees. These programs seek to:

- ◆ Identify and build a pipeline of future talent that can be considered, based on performance, for full-time employment upon graduation.
- ◆ Support future workforce needs by cultivating and leveraging campus relationships to create a pipeline of future talent through quality internships, cooperative education, and entry level programs.

- ◆ Allow the organization to grow its own future leaders and bring employees in with a fresh perspective.
- ◆ Send ambassadors back to campus, to build relationships with prospective candidates and share their experiences about the company and the energy industry.
- ◆ Make sure there will be trained employees available as others retire or move on.
- ◆ Increase the diversity of the company.
- ◆ Provide meaningful work and projects to students.
- ◆ Bring in new employees who perform at higher levels more quickly.

Over the years, PEF has partnered with the following Florida institutions who have supplied it with intern and cooperative education students:

- ◆ University of Florida
- ◆ University of Central Florida
- ◆ University of South Florida
- ◆ Florida State University
- ◆ Florida A & M University

In addition to these schools, PEF hosted intern and cooperative education candidates from Virginia Tech, North Carolina State, University of Missouri-Rolla, Embry-Riddle, Georgia Tech, University of Rochester, and Northwestern.

The number of new employees hired within the operational areas during each of the past five years are reflected in **EXHIBIT 20**.

PROGRESS ENERGY FLORIDA, INC.					
NUMBER OF HIRES					
Operational Area	2006	2007	2008	2009	2010
Corporate Staff	193	146	168	68	94
Customer Service	73	83	58	19	5
Distribution	126	79	45	9	30
Generation	91	51	50	27	20
Nuclear	51	77	76	32	18
Transmission	36	30	41	9	4
Total	570	466	438	164	171

EXHIBIT 20

Source: Document Request 1.10(a)

The number of employees retiring within the operational areas during each of the past five years are reflected in **EXHIBIT 21**.

PROGRESS ENERGY FLORIDA, INC. NUMBER OF RETIREMENTS					
Operational Area	2006	2007	2008	2009	2010
Corporate Staff	0	2	1	4	8
Customer Service	0	1	0	1	1
Distribution	5	8	7	31	5
Generation	1	3	3	7	6
Information Management	1	0	0	1	0
Nuclear	1	2	0	5	5
Transmission	1	2	3	3	2
Total	9	18	14	52	27

EXHIBIT 21

Source: Document Request 1.10(b)

4.2.2 WORKFORCE DEVELOPMENT

PEF states that it has actively established partnerships with colleges and universities throughout the Southeast for over a decade. PEF identifies a short list of *strategic schools* where efforts will be focused. A *strategic school* has been evaluated as a school, based on several key assessment drivers, that is an ideal location for recruitment and outreach. PEF's college recruiting and relations team will be on campus at each of the strategic schools listed during the fall recruiting season and for other activities during the spring and summer semesters.

For 2010-2012, Progress Energy has identified the following strategic schools:

- ◆ Georgia Tech
- ◆ North Carolina A&T State University
- ◆ North Carolina State University
- ◆ University of Florida
- ◆ University of South Florida
- ◆ University of Central Florida
- ◆ University of South Carolina

PEF partners with such professional organizations as AABE, SWE, and SHPE to attract diverse engineering populations. Its outreach efforts with these organizations include attending annual national and/or regional conferences and advertising jobs through their web sites and databases.

PEF also partners with organizations such as INROADS and Enable America, organizations that work with under-represented populations and disabled individuals, respectively. PEF has utilized INROADS to identify engineering talent for its intern program. PEF has partnered with Enable America on company sponsored mentoring days for individuals with disabilities. In 2010, PEF added a workshop for disabled veterans. In Q4 2010, Enable America assisted with some in-service training of PEF's Talent Acquisition staff regarding recruiting and building relationships with individuals with disabilities.

In addition, PEF participates in the PWC Saratoga Utilities Consortium, which is a forum for benchmarking other utilities, turnover and retirement trending. The Inform Utilities Consortium, with similar scope and purpose of the Saratoga organization, is another organization in which the company participates.

PEF also uses Comensura, a national staffing firm focused on short-term recruiting for specific and critical-skill employees, which mitigates losses of critical-skill or hard-to-find talent due to unexpected retirements.

4.2.3 EMPLOYEE RETENTION

PEF does not have a formal retention plan, but it employs several programs that target retention of highly-skilled employees. These include establishing the fair market value for all jobs and providing the opportunity for bonuses to reward excellent performance. PEF provides rotational assignments to encourage the development of employees' leadership and technical skills and offer advancement opportunities. Mentoring programs, as well as knowledge transfer programs, are established on both a formal and informal basis to retain the knowledge and expertise of highly-skilled employees. PEF offers internal and external training and certification attainment opportunities to develop and retain needed skill sets.

PEF provides broad-based compensation and benefits to its employees on a total compensation basis and continually reviews the total rewards programs. PEF's total compensation program includes base salaries, incentive compensation, and employee benefits, such as healthcare, 401(k) and pension plans. PEF benchmarks its total compensation program against its peer utilities and other large employers and targets the 50th percentile of the market within national, regional, and local comparative markets. PEF also monitors studies, periodicals, and information regarding national trends to ensure that its programs remain competitive. PEF is committed to providing a total compensation program to attract, motivate, retain, and reward employees, and that also complies with applicable laws and regulations. PEF control costs and the ability to recover costs impacts the ability to offer competitive compensation and benefits programs. As such, PEF's overall company compensation and benefits strategy balances offering competitive overall pay and benefits that are cost-effective while also providing pay for performance and high value benefits.

Using a best practice in the field of compensation planning and management, PEF established its Compensation Ongoing Review and Evaluation (CORE) process under which the market value of all jobs at PEF are reviewed on a three to four year cycle. CORE systematically and proactively monitors the market to offer competitive and equitable base pay and alignment with peer utilities against which PEF competes for skilled employees. While every job in the company is reviewed at least once in each three-to four-year cycle, a more aggressive review may be necessary for some jobs when certain market conditions exist or specialized skills such as engineering, nuclear operations, and other highly technical jobs are in high demand in the market.

Incentive compensation is an integral part of an employee's total compensation package. When PEF benchmarks jobs, the company considers the value of the total compensation package which includes incentive compensation programs that are available for the broad-based employee population as well as management. PEF's incentive compensation target award opportunities are benchmarked to the 50th percentile of the market and designed to give competitive and reasonable compensation that attracts and retains an experienced and capable workforce. The incentive programs grant rewards based on achievement of annual performance results that are consistent with providing reliable and efficient electric service. PEF must be able to offer a sufficient level of incentive compensation to its employees to attract and retain the best talent.

PEF's employee benefit strategy also focuses on providing competitive plans that are targeted at the median of utility peers. PEF conducts regular benchmarking and uses the Towers Watson Benvall Study to evaluate the competitiveness of its benefit program. This study offers access to a comprehensive source of comparative benefit practices for major U.S. utilities. PEF also monitors studies, periodicals, and information regarding national trends to make sure that its employee benefits program is competitive with other companies.

Employee benefit programs are broad-based for the entire workforce and subject to extensive government rules and regulations, including non-discrimination requirements. Accordingly, PEF regularly monitors legislation to verify ongoing program compliance and when considering design changes. For example, the Pension Protection Act of 2006 and the 2010 Patient Protection and Affordable Care Act (Healthcare Reform Legislation) affected retirement, health, and welfare plans. PEF must analyze the potential impacts of this legislation upon its benefits programs. Specifically addressing the aging workforce, PEF is reviewing the effect of early benefit distribution rules on its retirement plans as well as potential changes to its retiree medical and prescription drug programs. This review also incorporates balancing PEF's overall company business strategy, attracting and retaining employees, and the competitiveness and costs of the benefits programs.

PEF compares craft union wages and benefits against other peer utilities prior to negotiating its labor agreement every three years. Wages and benefits are negotiated between the company and the union, with a goal of achieving competitive wages and benefits at levels that are satisfactory to both parties.

4.2.4 KNOWLEDGE RETENTION

In 2010, a project team was formed and tasked with designing a corporate knowledge retention program.

A standard methodology for assessing and prioritizing knowledge loss risk was recommended to include an assessment of three factors (attrition, replacement, and business impact) for each employee, and to determine an overall knowledge loss risk factor on a point scale of 3-15, with a score of 15 being the greatest risk. Other recommended program features include an online toolkit of strategies and resources that can be implemented to mitigate knowledge loss. The knowledge retention program will be integrated with the Workforce Planning process for accountability, monitoring, and sustainability. Next steps include piloting the recommendations during the first quarter of 2011 and implementing the program during the second quarter of 2011.

4.2.5 EMPLOYEE SUCCESSION

PEF completes an annual succession planning process that includes planning for future retirements of leadership and highly specialized positions. The on-going process of analyzing retirement and age distributions of the workforce assists PEF to proactively plan for future projected retirements of all other positions and functions. The objective of succession management is to integrate talent management strategies with workforce planning.

Leadership and highly specialized roles with significant succession management risks are identified. High potential talent is identified and multi-year development plans are created and executed. Stretch assignments, projects, and positions likely to be available within 6-12 months are reviewed. This process not only prepares for retirements, but for all vacancies of leadership and positions with highly specialized skills.

For all other positions, PEF continually analyzes retirement and age distributions of the workforce by function and organization. This information is used to focus efforts on developing programs that will determine the necessary pipelines are in place to attract and retain the resources. These efforts have led to the execution of projects focused on capturing the knowledge and skills held by the potential retirement population. Other initiatives and strategies are being developed and implemented within the specific business units throughout the organization depending on their specific needs identified through the workforce strategy efforts.

Once an employee gives the company a retirement date, management will review the position and determine the strategy to backfill the position.

4.3 CONCLUSION

PEF currently has 3,896 employees, and the average employee age is 46.5 years. Approximately 13.6 percent or 528 employees are currently eligible for retirement. In 2020, PEF forecasts that approximately 57.2 percent will be eligible for retirement. Staff's review sought to determine whether PEF was proactively addressing the risks associated with its aging workforce. Specifically, staff wanted to verify the company had performed a self assessment to determine the risks and had taken action to address the areas of recruitment, workforce development, retention plans, succession plans and knowledge retention.

Staff believes the company has proactively taken a multitude of steps to address the risks associated with the aging workforce. PEF has been assessing the aging issue with a longer term perspective since 2004. A team has focused on addressing workforce issues and potential skill shortages over the next five to ten-years through systematic review. PEF's proactive assessment has resulted in the implementation of several initiatives including the Voluntary Early Retirement Program and a notable workforce planning analysis program.

The company appears to have adequate recruiting efforts and collaborates with the Center for Energy Workforce Development and other organizations. Particular efforts are being made in the engineering, craft, technical and leadership areas. PEF also has an effective intern and cooperative education program with a goal of converting top performers into fulltime employees.

PEF's workforce development efforts include partnering with several strategic colleges and universities. PEF's retention efforts include compensation, benefits review, job rotation, and mentoring programs. Succession plans focus on management and highly specialized positions identifying risks, talent, and development plans. PEF's plans to implement a corporate knowledge retention program during 2011.

5.0 TAMPA ELECTRIC COMPANY

5.1 COMPANY'S AGING SELF-ASSESSMENT

5.1.1 GOALS AND OBJECTIVES

TECO views aging of the workforce as an issue that needs to be proactively addressed with more specific emphasis in certain areas of the company. For example, technology changes over time can create deficits in expertise and knowledge of existing systems, requiring the company to seek new talent to implement and operate new technology. Also, retirement of workers who perform more fundamental trades such as welding may become one of the more challenging aspects of this issue, as those trade feeder pools appear to be on the decline.

Recognizing the concerns of an aging workforce, particularly in TECO's fundamental skilled trade areas and the pool of available applicants that in many cases mirrors the age profile of the existing workforce combined with the impending exodus of baby-boomers, has led the company to embark upon a Human Capital Strategic Initiative. The Human Capital Strategic Initiative studies the aging of the company's workforce and develop action plans and tools to properly address the issue. The Human Capital Strategic Initiative team has defined three primary objectives:

- ◆ Develop a scenario-based workforce plan focused on the needs of critical and strategic positions.
- ◆ Create attraction, retention, and knowledge transfer plans for at-risk positions.
- ◆ Educate current and prospective employees on existing company attributes and value proposition and market the concept.

5.1.2 SELF-ASSESSMENT

While TECO has information related to retirements, no formal studies exist as to how retirements may impact the workforce structure. TECO has an annual strategic workforce planning process to address succession planning, aging workforce, and other talent management issues. There are timeline goals and objectives to identify: strategic leadership roles; critical, hard to find expertise positions; core job areas and related data (anticipated turnover, workforce feeder pools, etc.); potential successors for strategic and critical positions; potential successor readiness and developmental needs and programs; and the status of individual development plans.

The workforce plan identifies team members who may be close to retirement at present or in the near future, and provides individual and summary data by company and department. Respective departments assess impact and the potential need for knowledge transfer, technical training, feeder pools, and more. Replacement planning is completed individually for strategic and critical positions and by feeder pool sources for core jobs. Metrics and goals are in place to evaluate bench strength and the health of the successor pool and to track the use of independent development plans.

The Human Capital Strategic Initiative team was created in 2010 to address TECO's aging workforce issues by developing action plans and tools to properly address the issue.

5.1.3 CURRENT WORKFORCE DEMOGRAPHICS

The age demographics of the TECO's workforce are shown in **EXHIBIT 22**. TECO has 2,306 employees, the majority of whom are between the ages of 43 and 57. The average age of the workforce is 46 years.

TAMPA ELECTRIC CURRENT WORKFORCE BY AGE DECEMBER 2010					
AGE	#	%	Ave Age	# Eligible for Retirement	% Of Total Eligible For Retirement
18-22	37	1.6%		0	0
23-27	114	4.9%		0	0
28-32	167	7.2%		0	0
33-37	184	8.0%		0	0
38-42	247	10.7%		0	0
43-47	403	17.5%		0	0
48-52	464	20.1%		197	8.5%
53-57	419	18.2%		419	18.2%
58-62	227	9.8%		227	9.8%
63-67	42	1.8%		42	1.8%
68 +	2	0.1%		2	0.1%
Total	2306		46	887	38.5%

EXHIBIT 22

Source: Document Request 1.6a

The age demographics of the utility's current workforce, by department or operational area, are shown in **EXHIBIT 23**. The majority of TECO's employees are in the Energy Delivery Operation and Engineering area, followed by the Energy Supply area.

**TAMPA ELECTRIC COMPANY
CURRENT WORKFORCE BY OPERATIONAL AREA
DECEMBER 2010**

Dept	Age											Total
	18-22	23-27	28-32	33-37	38-42	43-47	48-52	53-57	58-62	63-67	68-72	
Business Strategy & Compliance	0	0	0	3	0	3	7	3	2	0	0	18
Customer Care & Fuels Mgmt	4	11	7	10	21	21	22	12	7	1	0	116
Customer Service	4	21	33	29	19	41	20	32	10	2	2	213
Energy Delivery Ops & Eng	20	45	71	75	99	165	193	142	77	11	0	898
Energy Supply	6	22	34	36	67	103	141	168	71	13	0	661
Finance & Accounting	0	5	5	7	5	3	6	2	2	0	0	35
Human Resources	0	1	8	3	8	11	6	5	6	1	0	49
Info Tech	0	3	4	9	19	29	32	17	14	5	0	132
Regulatory & Business Planning	0	0	2	4	5	7	12	6	7	2	0	45
Support Services	3	6	3	8	4	20	25	32	14	7	0	139
Total	37	114	167	184	247	403	464	419	227	42	2	2306

EXHIBIT 23

Source Document Request 1.7(a)

5.1.4 ANTICIPATED RETIREMENTS

TECO believes the economic downturn has had a negative impact on employee household financial wealth since retirement plans and the amount of home equity have declined in recent years. In some cases, employees have extended their planned retirement several years into the future due to reduced 401(k) balances, stock performance, and pension benefits within the company's defined benefit pension plan. In addition, the rate of retirement leading up to an individual's normal social security retirement date has slowed over the last five years.

TECO employees are 100 percent vested under the company's defined benefit pension plan after completing three years of service. Therefore, any vested individual who leaves TECO is eligible for the retirement benefit earned during service to the company. "Retirement eligibility" requires an individual to complete five years of service, attain 50 years of age, and have a sum of age and years of service equal at least 60. **Exhibit 24** shows the number of employees who are eligible for retirement between 2010 and 2015.

TAMPA ELECTRIC COMPANY EMPLOYEES ELIGIBLE FOR RETIREMENT BY OPERATIONAL AREA						
	2010	2011	2012	2013	2014	2015
Business Strategy & Compliance	7	7	10	12	12	12
Customer Care & Fuels Mngt	23	24	25	27	32	55
Customer Service	48	48	51	56	62	74
Energy Delivery Ops & Eng	319	372	426	464	503	523
Energy Supply	337	369	388	427	472	480
Finance & Accounting	5	7	8	9	9	10
Human Resources	12	14	17	18	20	21
Info Tech	42	48	59	65	70	83
Regulatory & Business Planning	21	22	24	27	29	31
Support Services	73	80	82	89	100	108
Total	887	991	1090	1194	1309	1397

EXHIBIT 24

Source: Document Request 1.11

The breakdown of the numbers and percentages of the total workforce eligible for retirement in 2010, 2015, and 2020, shown respectively by employee age using five-year ranges, along with the company's average employee age for each year are shown in **EXHIBIT 25**.

**TAMPA ELECTRIC COMPANY
RETIREMENT ELIGIBILITY
BY AGE GROUP**

Age Group	2010				2015				2020			
	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible	#	% of Total Company	% of Age Group	% of Eligible
48-52	197	8.5%	42.5%	22.2%	243	10.5%	60.3%	17.4%	162	7.0%	65.6%	6.3%
53-57	419	18.2%	100.0%	47.2%	464	20.1%	100.0%	33.2%	403	17.5%	100.0%	21.3%
58-62	227	9.8%	97.0%	25.6%	419	18.2%	100.0%	30.0%	464	20.1%	100.0%	27.4%
63-67	42	1.8%	38.9%	4.7%	227	9.8%	100.0%	16.2%	419	18.2%	100.0%	24.5%
68-72	2	0.1%	15.4%	0.2%	42	1.8%	100.0%	3.0%	227	9.8%	100.0%	16.2%
73-77	0	0.0%	0.0%	0.0%	2	0.1%	0.0%	0.1%	42	1.8%	0.0%	4.0%
78-82	0	0.0%	0.0%	0.0%	0	0.0%	0.0%	0.0%	2	0.1%	0.0%	0.3%
Total	887	38.5%	71.6%	100.0%	1397	60.6%	89.7%	100.0%	1719	74.5%	95.3%	100.0%
Avg. Age	46.0				51.0				56.0			

Assumptions: The overall size of the workforce does not change over time. The data does not include the impact of retirements or replacement hires occurring each year, resulting in the number of eligible retirees being overstated.

EXHIBIT 25

Source: Supplemental DR 1.6 (b)

There were 887 (38.5 percent of all TECO employee) who are eligible for retirement in 2010. These numbers are projected by TECO to escalate to 1,397 or 60.6 percent of the company in 2015. In 2020, 1,719 (74.5 percent of TECO employees) will be eligible for retirement.

5.1.5 ANTICIPATED SKILL SET NEEDS

TECO has identified two relevant emerging technologies, Smart Grid and Green Fleet, which relate to the aging workforce. The new or emerging skill sets the company anticipates due to these technologies over the next decade are discussed below.

SMART GRID TECHNOLOGIES

Automation of the electric distribution system is emerging and expected to require increased computer skills and literacy as well as new technical expertise to troubleshoot electronics, communications, logic, and relay and controls hardware and software in the field. For example, emerging Smart Grid technology is expected to use applications such as advanced metering and VOLT-VAR control and to run on an International Electrotechnical Commission (IEC) standards platform, which will be a departure from the National Electrical Safety Code. Use of these applications and a new standards platform will require enhanced technical training of the current workforce. It is anticipated that engineers will be required to perform the analysis of distribution automation work until standardized processes and procedures are developed by the industry. Once standardization is in place, these responsibilities are expected to be transferred to other team members, such as distribution design technicians, linemen, communications technicians, and substation engineering technicians.

Additionally, increased use of mobile data terminals is projected to take on greater significance in the workplace as craft workers enter and receive data as well as authenticate software via computers and Bluetooth-enabled technology. This technology will be a significant shift in the skill set for TECO's craft workforce. Other positions such as customer service professionals, planning engineers, and software programmers are expected to require additional technical training as Smart Grid technology and applications are implemented beyond pilot programs.

GREEN FLEET TECHNOLOGIES

TECO continues to explore Green Fleet technologies to determine the best option for meeting its business needs. The company is considering the purchase of hybrids and plug-in electric hybrids as well as compressed natural gas (CNG) vehicles during 2011. Inclusion of these vehicles as part of the company's fleet will require new skills for the garage mechanics. The company's garage mechanics will be trained on the automotive inspection and service procedures for electric vehicles and fueling CNG vehicles, and certified Automotive Service Excellence professionals will perform maintenance and repairs of CNG vehicles during 2011.

Additionally, solar, wind, and biomass have been identified preliminarily as potential renewable generation technologies requiring new skill sets, yet to be determined, for Energy Supply.

5.2 COMPANY ACTION PLANS AND STRATEGIES

5.2.1 RECRUITMENT AND HIRING

The TECO corporate recruitment strategy includes industry and job classification focused advertising via the Internet and other media, government agencies, college and university career centers, employee referral, transitioning military, job fairs, contingent workers, and staffing firms as needed. Recruitment efforts for engineering positions begin with the co-op program which accommodates both an alternate program, where students rotate between semesters of full time co-op assignments and full time student coursework, and a parallel program where students simultaneously attend school and co-op part-time. TECO maintains a competitive pay strategy by consulting with the other businesses in the local area employing engineering co-op students.

TECO uses the Center for Energy Workforce Development, Electric Utilities Staffing and Recruitment Group, and Electric Utilities Human Resources Metrics Group to review the issue of increased competition for utility candidates. Additionally, TECO maintains membership in the Florida Energy Workforce Consortium.

The company has a long term established relationship with cooperative education programs in the Southeastern engineering universities. In addition, the company's co-op policy was written in conjunction with the educational requirements of nine prominent Southeastern engineering universities. The policy accommodates both an alternate program, where students rotate between semesters of full time co-op assignments and full-time student coursework, and a parallel program where students simultaneously attend school and co-op part-time. The company uses all available information to stay competitive in the marketplace.

The number of employees who have been hired within the operational areas during each of the past five years are shown in **EXHIBIT 26**.

TAMPA ELECTRIC COMPANY NUMBER OF HIRES					
Operational Area	2005	2006	2007	2008	2009
Business Strategy & Compliance	2	2	1	0	0
Customer Care & Fuel Management	0	5	8	1	1
Customer Service	15	16	22	11	41
Energy Delivery Ops & Engineering	32	67	43	44	9
Energy Supply	10	43	39	39	12
Finance & Accounting	2	3	1	2	0
Human Resources	2	3	4	1	1
Information Tech	3	5	2	9	1
Regulatory & Business Planning	0	4	1	0	0
Support Services	0	6	5	5	2
Total	66	154	126	112	67

EXHIBIT 26

Source: Document Request 1.10(a)

The number of new employees who have retired within the operational areas during each of the past five years is reflected in **EXHIBIT 27**:

TAMPA ELECTRIC COMPANY NUMBER OF RETIREMENTS					
Operational Area	2005	2006	2007	2008	2009
Business Strategy & Compliance	0	0	0	1	1
Customer Care & Fuel Management	0	2	1	0	0
Customer Service	0	4	4	3	3
Energy Delivery Ops & Engineering	18	17	17	11	11
Energy Supply	10	9	17	22	4
Finance & Accounting	2	0	0	0	0
Human Resources	1	2	1	1	0
Information Tech	3	0	2	4	0
Regulatory & Business Planning	1	0	1	1	0
Support Services	0	0	0	0	1
Total	35	34	43	43	20

EXHIBIT 27

Source Document Request 1.10(b)

5.2.2 WORKFORCE DEVELOPMENT

TECO offers onsite Associate and Bachelor degree programs in coordination with local colleges and universities. TECO uses the Center for Energy Workforce Development and maintains membership in the Florida Energy Workforce Consortium.

5.2.3 EMPLOYEE RETENTION

TECO's long term incentive plans include equity and stock incentive plans as tools to reward and retain top performers. Equity incentive plan participants are identified annually and nominated for plan participation by their business unit vice president.

Additionally, team members may receive annual stock grants, which vest after a three-year period. In order to realize the full value of each stock grant, participants must remain employed by the company during the vesting period. On a case-by-case basis, team members in critical skill jobs may be offered unique economic incentives to retain or reward them.

TECO's defined benefit pension plan is designed such that the value of the plan grows at an accelerated rate as the participants' years of service increase, thereby encouraging long term employment.

Annually, national salary increase trends are studied by management and a recommended salary adjustment is proposed to TECO's top leadership team. Once approval is given, appropriate resources are budgeted across TECO to cover any additional salary expense. During the same time and prior to open enrollment, TECO's benefits package is reviewed to make sure benefits remain competitive in the market and company and team member costs remain reasonable.

Together, compensation and benefits comprise a total rewards portfolio that is a major component of TECO's strategy to attract, motivate, and retain a qualified workforce.

5.2.4 KNOWLEDGE RETENTION

Energy Delivery has a four-year apprentice program for transferring knowledge and skills acquired by linemen. Energy Delivery designed and implemented the Leadership League, a mentoring program, to further facilitate knowledge transfer and cross training.

In Energy Supply areas identified with critical skill sets and personnel nearing retirement age, targeted mentoring is occurring to avert the loss of institutional knowledge. The succession plan in conjunction with department specific initiatives such as an engineer rotation program are being used to match developing employees with seasoned professionals.

Also, managers identified as potential successors and participating in a year-long development program are each required to develop a continuity book with standard content sections. The continuity book is intended to ease the transition of a new team member to that position, minimize disruption to operations during the transition, and facilitate transfer of knowledge.

5.2.5 EMPLOYEE SUCCESSION

TECO's succession planning is designed to ensure continuity and avoid negative impact on the business from projected and unanticipated vacancies. The succession planning process is integrated with business goals, career planning, and performance management, and development. Annually, the company identifies business plans, strategic leadership roles, critical hard-to-find expertise positions, data around core jobs (anticipated turnover, feeder pools, etc.), potential successors and their readiness and developmental needs, and the status of individual development plans. Within the process team, members close to retirement are identified, and the data is summarized by individual, department, and company. Respective departments then assess impact, knowledge transfer, technical training, feeder pools, and other relevant issues.

Replacement planning is completed for strategic and critical positions and by feeder pool sources for core jobs. Standard metrics and goals are in place to assess the health (replacement readiness) and bench strength of the succession plan and track the saturation of independent development plans.

5.3 CONCLUSION

TECO currently has 2,306 employees, and the average age is 46 years. Approximately 38.2 percent or 881 employees are currently eligible for retirement. TECO's data shows that in 2020 approximately 74.5 percent of its workforce will be eligible for retirement; however, it is unlikely that all of those eligible will still be working in 2020. Additionally, the company will be hiring replacements for employees who leave or retire over the next nine years as necessary and appropriate. Staff's review sought to determine whether TECO was proactively addressing the risks associated with its aging workforce. Specifically, staff wanted to verify the company had performed a self assessment to determine the risks and then had taken action to address the areas of recruitment, workforce development, retention plans, succession plans, and knowledge retention.

Staff believes the company has proactively taken steps to address the risks associated with the aging workforce. TECO has recently created a Human Capital Strategic Initiative with the purpose of studying the aging issue and developing action plans to address the issues.

TECO appears to employ adequate recruiting efforts and is also partnering with The Center for Energy Workforce Development, and the Florida Energy Workforce Consortium, to address recruitment issues. Additionally, TECO has long established relationships with cooperative education programs in the Southeastern engineering universities. TECO's workforce development and retention efforts are also adequate.

TECO's knowledge retention efforts in Energy Delivery and Energy Supply are notable. Energy Delivery has a four-year apprentice program for transferring knowledge and skills acquired by linemen. Energy Delivery designed and implemented the Leadership League, a mentoring program, to further facilitate knowledge transfer and cross training. In Energy Supply, targeted mentoring is occurring to avert the loss of institutional knowledge in areas identified with critical skill sets and personnel nearing retirement age. The succession plan in conjunction with department specific initiatives such as an engineer rotation program are being used to match developing employees with seasoned professionals.

TECO's annual succession planning efforts are also adequate. The company captures information pertaining to business plans, strategic leadership roles, critical hard-to-find expertise positions, data around core jobs, potential successors and their readiness, and developmental needs. Replacement planning is completed for strategic and critical positions.

APPENDICES

APPENDIX A

CURRENT WORKFORCE BY AGE DECEMBER 2010														
I O U	# / %	Age Range											Total	Avg Age
		18-22	23-27	28-32	33-37	38-42	43-47	48-52	53-57	58-62	63-67	68+		
F P L	#	111	685	934	854	897	1321	1985	1612	1109	345	48	9901	46
	%	1.1%	6.9%	9.4%	8.6%	9.1%	13.3%	20.0%	16.3%	11.2%	3.5%	0.5%		
G U L F	#	31	70	105	123	159	184	245	254	113	30	0	1314	45
	%	2.4%	5.3%	8.0%	9.4%	12.1%	14.0%	18.6%	19.3%	8.6%	2.3%	0.0%		
P E F	#	8	157	309	349	442	645	903	684	315	76	8	3896	47
	%	0.2%	4.0%	7.9%	9.0%	11.3%	16.6%	23.2%	17.6%	8.1%	2.0%	0.2%		
T E C O	#	37	114	167	184	247	403	464	419	227	42	2	2306	46
	%	1.6%	4.9%	7.2%	8.0%	10.7%	17.5%	20.1%	18.2%	9.8%	1.8%	0.1%		
Total		187	1026	1515	1510	1745	2553	3597	2969	1764	493	58	17417	46

Source: Document Request 1.6 (a)

APPENDIX B

KEY EMPLOYEE RETIREMENT ELIGIBILITY DECEMBER 2010										
IOU	Age Group	Total Employees	Key Employees		Key Eligible for Retirement			Key Nearing Retirement		
		Number	Number	%Total	Number	%Total	%Key	Number	%Total	%Key
FPL	18-22	111	6	5%	0	0%	0%	0	0%	0%
	23-27	685	133	19%	0	0%	0%	0	0%	0%
	28-32	934	280	30%	0	0%	0%	0	0%	0%
	33-37	854	238	28%	0	0%	0%	0	0%	0%
	38-42	897	240	27%	0	0%	0%	0	0%	0%
	43-47	1321	423	32%	0	0%	0%	0	0%	0%
	48-52	1985	671	34%	0	0%	0%	367	18%	55%
	53-57	1612	506	31%	225	14%	44%	436	27%	86%
	58-62	1109	372	34%	327	29%	88%	351	32%	94%
	63-67	345	118	34%	102	30%	86%	112	32%	95%
	68-72	48	17	35%	15	31%	88%	17	35%	100%
Total		9901	3004	30%	669	7%	22%	1283	13%	43%
Gulf	18-22	31	0	0%	0	0%	0%	0	0%	0%
	23-27	70	4	6%	0	0%	0%	0	0%	0%
	28-32	105	12	11%	0	0%	0%	0	0%	0%
	33-37	123	27	22%	0	0%	0%	0	0%	0%
	38-42	159	48	30%	0	0%	0%	0	0%	0%
	43-47	184	60	33%	0	0%	0%	38	21%	63%
	48-52	245	87	36%	59	24%	68%	27	11%	31%
	53-57	254	95	37%	95	37%	100%	0	0%	0%
	58-62	113	31	27%	31	27%	100%	0	0%	0%
	63-67	30	6	20%	6	20%	100%	0	0%	0%
	68-72	0	0	0%	0	0%	0%	0	0%	0%
Total		1314	370	28%	191	15%	52%	65	5%	18%
PEF¹	Total	3896	1208	31%	181	5%	15%	278	7%	23%
TECO	18-22	37	0	0%	0	0%	0%	0	0%	0%
	23-27	114	0	0%	0	0%	0%	0	0%	0%
	28-32	167	1	1%	0	0%	0%	0	0%	0%
	33-37	184	6	3%	0	0%	0%	0	0%	0%
	38-42	247	12	5%	0	0%	0%	0	0%	0%
	43-47	403	39	10%	0	0%	0%	0	0%	0%
	48-52	464	35	8%	0	0%	0%	16	3%	46%
	53-57	419	31	7%	16	4%	52%	15	4%	48%
	58-62	227	19	8%	19	8%	100%	0	0%	0%
	63-67	42	6	14%	6	14%	100%	0	0%	0%
	68-72	2	0	0%	0	0%	0%	0	0%	0%
Total		2306	149	6%	41	2%	28%	31	1%	21%

¹Breakdown by title: President & CEO, VPs, Directors, Exec Directors, Gen Mgrs, Seniors, Leads, Principles, Linemen, Troublemens, Major Project Mgrs, Chief-Employees

Source: Supplemental DR-1.7(b)