



August 16, 2012

Mr. John Slemkewicz,
Public Utility Supervisor
Electric and Gas Accounting Section
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
12 SEP 17 AM 9:48
DIVISION OF
ACCOUNTING & FINANCE

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report for the twelve months ended July 31, 2011.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended July 31, 2011. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with the Stipulation & Settlement Agreement, Order No. PSC-12-0104-FOF-EI.

If you have any questions, please feel free to contact Cindy Lee at (727) 820-5535.

Sincerely,

A handwritten signature in black ink, appearing to read 'Javier Portuondo', written in a cursive style.

Javier Portuondo
Director Rates & Regulatory Strategy

dc
Attachment
xc: Mr. J. R. Kelly, Office of the Public Counsel

PROGRESS ENERGY FLORIDA
Rate of Return Report Summary
July 2012

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
Net Operating Income (a) (b)	\$506,631,237	(\$131,785,006)	\$374,846,231	\$168,624,153	\$543,470,384
Average Rate Base	\$9,577,092,807	(\$1,933,941,585)	\$7,643,151,222	\$287,977,063	\$7,931,128,286
Average Rate of Return	5.29%		4.90%		6.85%
II. Year End Rate of Return (Jurisdictional)					
Net Operating Income	\$506,631,237	(\$131,785,006)	\$374,846,231	\$168,624,153	\$543,470,384
Year End Rate Base	\$9,765,186,174	(\$2,005,655,377)	\$7,759,530,798	\$0	\$7,759,530,798
Year End Rate of Return	5.19%		4.83%		7.00%

Footnotes

- (a) Column (1) includes AFUDC earnings.
(b) Column (2) includes reversal of AFUDC earnings.

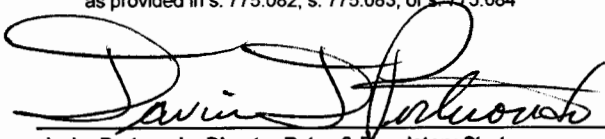
III. Required Rates of Return	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	6.84%	7.01%
Mid Point	7.30%	7.50%
High Point	7.75%	8.00%
Pro Forma Adjusted Basis		
Low Point	6.91%	6.82%
Mid Point	7.38%	7.30%
High Point	7.86%	7.77%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	1.69	(System Per Books Basis)
B. T.I.E. without AFUDC	1.49	(System Per Books Basis)
C. AFUDC to Net Income	15.84%	(System Per Books Basis)
D. Internally Generated Funds	59.83%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	45.73%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.03%	(FPSC Adjusted Basis)
F. Return on Common Equity	5.26%	(FPSC Adjusted Basis)
	9.38%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

I am aware that Section 837-06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084


Javier Portuondo, Director Rates & Regulatory Strategy

9-14-12
Date

PROGRESS ENERGY FLORIDA
Average Rate of Return - Rate Base
July 2012

	Plant in Service	Accum Depr & Amort	Net Plant in Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Average Rate Base
System Per Books	\$13,426,194,058	\$5,152,409,910	\$8,273,784,148	\$36,778,866	\$1,177,930,996	\$224,103,298	\$9,712,597,308	\$1,018,889,965	\$10,731,487,273
Regulatory Base - Retail	12,071,084,351	\$4,662,225,585	\$7,408,858,766	\$26,340,656	993,395,419	\$202,425,124	\$8,631,019,964	946,072,843	\$9,577,092,807
FPSC Adjustments									
ARO	23,957,121	(61,790,530)	85,747,650	-	-	-	85,747,650	(85,125,985)	621,665
ECCR	(1,817,556)	(1,101,740)	(715,817)	-	(10,792,327)	-	(11,508,144)	6,090,433	(5,417,710)
ECRC	(1,167,403,380)	(62,875,363)	(1,104,528,017)	-	(326,200)	-	(1,104,854,217)	(22,912,404)	(1,127,766,620)
FUEL	(32,738,780)	(31,564,386)	(1,174,394)	-	-	-	(1,174,394)	(66,895,359)	(68,069,753)
CCR	-	-	-	-	-	-	-	11,421,858	11,421,858
NUCLEAR	-	-	-	-	-	-	-	(109,195,088)	(109,195,088)
Derivatives	-	-	-	-	-	-	-	(121,009,068)	(121,009,068)
Employee Related	-	-	-	-	-	-	-	1,141,918	1,141,918
Investments Earning a Return	-	-	-	-	-	-	-	(41,112,044)	(41,112,044)
Jobbing Accounts	-	-	-	-	-	-	-	(5,507,837)	(5,507,837)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,443,589)	(2,443,589)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(1,249,130)	(1,249,130)
Retention Accounts	-	-	-	-	-	-	-	2,975,549	2,975,549
CWIP - AFUDC	-	-	-	-	(756,334,799)	-	(756,334,799)	-	(756,334,799)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	287,977,063	287,977,063
Capital Lease	(198,024,819)	-	(198,024,819)	-	-	-	(198,024,819)	198,050,818	25,998
Total FPSC Adjustments	(1,376,027,415)	(157,332,019)	(1,218,695,396)	-	(767,453,326)	-	(1,986,148,722)	52,207,137	(1,933,941,585)
FPSC Adjusted	\$10,695,056,936	\$4,504,893,566	\$6,190,163,370	\$26,340,656	\$225,942,093	\$202,425,124	\$6,644,871,242	\$998,279,980	\$7,643,151,222
Pro Forma Adjustments									
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	287,977,063	287,977,063
Total Pro Forma Adjustments								287,977,063	287,977,063
Pro Forma Adjusted	\$10,695,056,936	\$4,504,893,566	\$6,190,163,370	\$26,340,656	\$225,942,093	\$202,425,124	\$6,644,871,242	\$1,286,257,043	\$7,931,128,286

PROGRESS ENERGY FLORIDA
Average Rate of Return - Income Statement
July 2012

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$4,316,234,959	\$2,204,351,764	\$864,350,124	\$206,072,329	\$353,688,779	\$4,354,999	\$171,536,946	(\$1,323,000)	\$0	\$3,803,031,941	\$513,203,019
Regulatory Base - Retail	\$4,027,151,368	2,115,344,628	798,239,997	155,950,377	\$340,218,034	(\$477,703)	\$153,746,849	(\$1,185,792)	\$0	\$3,561,836,391	\$465,314,997
FPSC Adjustments											
ARO	-	-	-	(1,644,172)	-	634,239	-	-	-	(1,009,933)	1,009,933
ECCR	(94,007,988)	-	(91,303,751)	(363,564)	(38,579)	(888,033)	-	-	-	(92,593,927)	(1,414,061)
ECRC	(187,004,612)	-	(44,636,556)	(8,263,174)	(10,140,230)	(47,819,364)	-	-	-	(110,859,325)	(76,145,287)
FUEL	(1,801,750,954)	(1,816,178,747)	-	(534,761)	(1,529,130)	6,361,667	-	-	-	(1,811,880,971)	10,130,017
CCR	(325,557,094)	(325,269,540)	-	-	-	(110,924)	-	-	-	(325,380,464)	(176,630)
NUCLEAR	(116,999,351)	-	(1,499,840)	(59,123,787)	(123,560)	(21,699,272)	-	-	-	(82,446,460)	(34,552,891)
SCRC	312	-	787	-	-	(183)	-	-	-	604	(292)
CORPORATE AIRCRAFT ALLOCATION	-	-	(3,303,418)	-	-	1,274,293	-	-	-	(2,029,124)	2,029,124
FRANCHISE FEE & GROSS REC TAX REVENUE	(202,911,923)	-	-	-	-	(78,273,274)	-	-	-	(78,273,274)	(124,638,649)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(202,109,129)	77,963,596	-	-	-	(124,145,532)	124,145,532
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	801,241	-	-	(2,077,100)	(1,275,859)	1,275,859
INST./PROMOTIONAL ADVERTISING	-	-	(1,033,976)	-	-	398,856	-	-	-	(635,120)	635,120
INTEREST ON TAX DEFICIENCY	-	-	(14,697,465)	-	-	5,669,547	-	-	-	(9,027,918)	9,027,918
MISCELLANEOUS INTEREST EXPENSE	-	-	165,897	-	-	(63,995)	-	-	-	101,902	(101,902)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(212,520)	-	-	81,979	-	-	-	(130,540)	130,540
REMOVE ECONOMIC DEVELOPMENT	-	-	(19,343)	-	-	7,462	-	-	-	(11,882)	11,882
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(14,387,242)	-	-	-	(14,387,242)	14,387,242
DIRECTORS & OFFICERS PREMIUM	-	-	(2,225,663)	-	-	858,549	-	-	-	(1,367,113)	1,367,113
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	17,589,331	-	-	-	17,589,331	(17,589,331)
Total FPSC Adjustments	(2,728,231,611)	(2,141,448,287)	(158,765,848)	(69,929,459)	(213,940,629)	(51,601,525)	-	-	(2,077,097)	(2,637,762,844)	(90,468,766)
FPSC Adjusted	\$1,298,919,777	(\$26,103,659)	\$639,474,149	\$86,020,918	\$126,277,405	(\$52,079,227)	\$153,746,849	(\$1,185,792)	(\$2,077,097)	\$924,073,546	\$374,846,231
Pro Forma Adjustments											
Weather Normalization	(13,980,077)	-	-	-	-	(5,392,815)	-	-	-	(5,392,815)	(8,587,262)
Interest Synchronization	-	-	-	-	-	(307,415)	-	-	-	(307,415)	307,415
Settlement Refund	288,000,000	-	-	-	-	10,198,613	100,897,387	-	-	111,096,000	176,904,000
Total Pro Forma Adjustments	274,019,923	-	-	-	-	4,498,383	100,897,387	-	-	105,395,770	168,624,153
Pro Forma Adjusted	\$1,572,939,700	(\$26,103,659)	\$639,474,149	\$86,020,918	\$126,277,405	(\$47,580,844)	\$254,644,236	(\$1,185,792)	(\$2,077,097)	\$1,029,469,317	\$543,470,384
Footnotes:											
(a) The addition of earnings from AFUDC charges would increase the system NOI by \$48,993,525 and Jurisdictional NOI by \$41,316,240											
Current Month											
	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$443,710,162	\$216,040,845	\$59,598,555	\$33,217,697	\$31,295,122	\$30,556,347	\$1,652,403	(\$110,250)	\$0	\$372,250,719	\$71,459,442
Jurisdictional Per Books											
Excluding AFUDC Earnings and Recoverable	159,286,951	\$524,286	41,082,238	23,974,211	10,253,480	\$25,498,148	\$1,481,032	(\$98,816)	\$0	\$102,714,580	\$56,572,371

PROGRESS ENERGY FLORIDA
Average Rate of Return - Adjustments
July 2012

Schedule 2
Page 3 of 3

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$621,665	\$621,665
	ECCR	F	(\$5,417,710)	(\$5,417,710)
	ECRC	F	(\$1,209,393,148)	(\$1,127,766,620)
	FUEL	F	(\$68,069,753)	(\$68,069,753)
	CCR	F	\$11,421,858	\$11,421,858
	NUCLEAR	F	(\$109,195,088)	(\$109,195,088)
	Derivatives	F	(\$121,009,068)	(\$121,009,068)
	Employee Related	F	\$1,141,918	\$1,141,918
	Investments Earning a Return	F	(\$41,112,044)	(\$41,112,044)
	Jobbing Accounts	F	(\$5,507,837)	(\$5,507,837)
	Non-Regulated and Miscellaneous	F	(\$2,443,589)	(\$2,443,589)
	Rate Case Regulatory Asset	F	(\$1,249,130)	(\$1,249,130)
	Retention Accounts	F	\$2,975,549	\$2,975,549
(1)	CWIP - AFUDC	F	(\$891,757,022)	(\$756,334,799)
(3)	Imputed Off Balance Sheet Obligations	F	66,036,154	57,595,413
(2)	Capital Lease - EPIS	F	(198,024,819)	(198,024,819)
(2)	Capital Lease - Working Capital	F	198,050,818	198,050,818
	Total		(\$2,372,931,245)	(\$2,164,323,235)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$1,644,172	(\$634,239)	\$1,644,172	(\$634,239)
	ECCR	F	(2,302,093)	888,033	(2,302,093)	888,033
	ECRC	F	(156,975,013)	60,553,111	(123,964,651)	47,819,364
	FUEL	F	(14,572,896)	5,621,495	(16,491,684)	(6,361,667)
	CCR	F	(287,554)	110,924	(287,554)	110,924
	NUCLEAR	F	(56,128,758)	21,651,668	(56,252,163)	21,699,272
	SCRC	F	(475)	183	(475)	183
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$3,581,911	(\$1,381,722)	\$3,303,418	(\$1,274,293)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(202,911,923)	78,273,274	(202,911,923)	78,273,274
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	202,109,129	(77,963,596)	202,109,129	(77,963,596)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	2,359,330	(910,112)	2,077,100	(801,241)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,121,145	(432,482)	1,033,976	(398,856)
(1)	INTEREST ON TAX DEFICIENCY	F	16,152,658	(6,230,888)	14,697,465	(5,669,547)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	15,776	(6,086)	(165,897)	63,995
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	230,436	(88,891)	212,520	(81,979)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	19,343	(7,462)	19,343	(7,462)
(2)	PARENT DEBT ADJUSTMENT	F	0	16,933,139	0	14,387,242
(1)	SEBRING - RIDER REVENUE	F	0	0	0	0
(2)	DIRECTORS & OFFICERS PREMIUM	F	2,225,663	(858,549)	2,225,663	(858,549)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	(19,342,442)	0	(17,589,331)
	Total		(\$203,719,151)	\$76,175,369	(\$175,053,667)	\$51,601,525

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI
(3) Docket No. 120022-EI

PROGRESS ENERGY FLORIDA
End of Period Rate of Return - Rate Base
July 2012

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work In Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$13,600,611,167	\$5,220,936,105	\$8,379,675,062	\$42,212,117	\$1,287,628,964	\$246,284,874	\$9,955,801,016	\$1,018,889,965	\$10,974,690,981
Regulatory Base - Retail	\$12,212,515,759	\$4,745,170,649	\$7,467,345,110	\$30,231,896	1,099,075,316	\$222,461,009	\$8,819,113,331	\$946,072,843	\$9,765,186,174
FPSC Adjustments									
ARO	23,957,121	(61,083,543)	85,040,663	-	-	-	85,040,663	(85,125,985)	(85,322)
ECCR	(1,823,207)	(1,242,347)	(580,860)	-	(15,446,125)	-	(16,026,985)	6,090,433	(9,936,552)
ECRC	(1,162,872,369)	(75,983,113)	(1,086,889,256)	-	(402,822)	-	(1,087,292,078)	(22,912,404)	(1,110,204,482)
FUEL	(32,738,780)	(31,756,617)	(982,163)	-	-	-	(982,163)	(66,895,359)	(67,877,522)
CCR	-	-	-	-	-	-	-	11,421,858	11,421,858
NUCLEAR	-	-	-	-	-	-	-	(109,195,088)	(109,195,088)
Derivatives	-	-	-	-	-	-	-	(121,009,068)	(121,009,068)
Employee Related	-	-	-	-	-	-	-	1,141,918	1,141,918
Investments Earning a Return	-	-	-	-	-	-	-	(41,112,044)	(41,112,044)
Jobbing Accounts	-	-	-	-	-	-	-	(5,507,837)	(5,507,837)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,443,589)	(2,443,589)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(1,249,130)	(1,249,130)
Retention Accounts	-	-	-	-	-	-	-	2,975,549	2,975,549
CWIP - AFUDC	-	-	-	-	(845,833,653)	-	(845,833,653)	-	(845,833,653)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	287,977,063	287,977,063
Capital Lease	(192,768,298)	-	(192,768,298)	-	-	-	(192,768,298)	198,050,818	5,282,520
Total FPSC Adjustments	(1,366,245,533)	(170,065,620)	(1,196,179,914)	-	(861,682,600)	-	(2,057,862,514)	52,207,137	(2,005,655,377)
FPSC Adjusted	\$10,846,270,226	\$4,575,105,029	\$6,271,165,196	\$30,231,896	\$237,392,716	\$222,461,009	\$6,761,250,818	\$998,279,980	\$7,759,530,798

PROGRESS ENERGY FLORIDA
End of Period - Income Statement
July 2012

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$4,316,234,959	\$2,204,351,764	\$864,350,124	\$206,072,329	\$353,688,779	\$4,354,999	\$171,536,946	(\$1,323,000)	\$0	\$3,803,031,941	\$513,203,019
Regulatory Base - Retail	\$4,027,151,388	\$2,115,344,628	798,239,997	155,950,377	\$340,218,034	(\$477,703)	\$153,746,849	(\$1,185,792)	\$0	\$3,561,836,391	\$465,314,997
FPSC Adjustments											
ARO	-	-	-	(1,644,172)	-	634,239	-	-	-	(1,009,933)	1,009,933
ECCR	(94,007,988)	-	(91,303,751)	(363,564)	(38,579)	(888,033)	-	-	-	(92,593,927)	(1,414,061)
ECRC	(187,004,612)	-	(44,636,556)	(8,263,174)	(10,140,230)	(47,819,364)	-	-	-	(110,859,325)	(76,145,287)
FUEL	(1,801,750,954)	(1,816,178,747)	-	(534,761)	(1,529,130)	6,361,667	-	-	-	(1,811,880,971)	10,130,017
CCR	(325,557,094)	(325,269,540)	-	-	-	(110,924)	-	-	-	(325,380,464)	(176,630)
NUCLEAR	(116,999,351)	-	(1,499,840)	(59,123,787)	(123,560)	(21,699,272)	-	-	-	(82,446,460)	(34,552,891)
SCRC	312	-	787	-	-	(183)	-	-	-	604	(292)
CORPORATE AIRCRAFT ALLOCATION	-	-	(3,303,418)	-	-	1,274,293	-	-	-	(2,029,124)	2,029,124
FRANCHISE FEE & GROSS REC TAX REVENUE	(202,911,923)	-	-	-	-	(78,273,274)	-	-	-	(78,273,274)	(124,638,649)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(202,109,129)	77,963,596	-	-	-	(124,145,532)	124,145,532
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	801,241	-	-	(2,077,100)	(1,275,859)	1,275,859
INST./PROMOTIONAL ADVERTISING	-	-	(1,033,976)	-	-	398,856	-	-	-	(635,120)	635,120
INTEREST ON TAX DEFICIENCY	-	-	(14,697,465)	-	-	5,669,547	-	-	-	(9,027,918)	9,027,918
MISCELLANEOUS INTEREST EXPENSE	-	-	165,897	-	-	(63,995)	-	-	-	101,902	(101,902)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(212,520)	-	-	81,979	-	-	-	(130,540)	130,540
REMOVE ECONOMIC DEVELOPMENT	-	-	(19,343)	-	-	7,462	-	-	-	(11,882)	11,882
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(14,387,242)	-	-	-	(14,387,242)	14,387,242
SEBRING - RIDER REVENUE	-	-	-	-	-	-	-	-	-	-	-
DIRECTORS & OFFICERS PREMIUM	-	-	(2,225,663)	-	-	858,549	-	-	-	(1,367,113)	1,367,113
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	17,589,331	-	-	-	17,589,331	(17,589,331)
Total FPSC Adjustments	(2,728,231,611)	(2,141,448,287)	(158,765,848)	(69,929,459)	(213,940,629)	(51,601,525)	-	-	(2,077,100)	(2,637,762,847)	(90,468,763)
FPSC Adjusted	\$1,298,919,777	(\$26,103,659)	\$639,474,149	\$86,020,918	\$126,277,405	(\$52,079,227)	\$153,746,849	(\$1,185,792)	(\$2,077,100)	\$924,073,543	\$374,846,234

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$48,993,525 and Jurisdictional NOI by \$41,316,240

PROGRESS ENERGY FLORIDA
End of Period Rate of Return - Adjustments
July 2012

Schedule 3
Page 3 of 3

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	(\$85,322)	(\$85,322)
	ECCR	F	(9,936,552)	(9,936,552)
	ECRC	F	(1,209,393,148)	(1,110,204,482)
	FUEL	F	(67,877,522)	(67,877,522)
	CCR	F	11,421,858	11,421,858
	NUCLEAR	F	(109,195,088)	(109,195,088)
	Derivatives	F	(90,321,203)	(90,321,203)
	Employee Related	F	944,558	944,558
	Investments Earning a Return	F	(41,963,006)	(41,963,006)
	Jobbing Accounts	F	(15,716,333)	(15,716,333)
	Non-Regulated and Miscellaneous	F	(2,320,998)	(2,320,998)
	Rate Case Regulatory Asset	F	(920,740)	(920,740)
	Retention Accounts	F	550,800	550,800
(1)	CWIP - AFUDC	F	(\$990,814,652)	(845,833,653)
(3)	Imputed Off Balance Sheet Obligations	F	(858,470,000)	(748,740,365)
(2)	Capital Lease - EPIS	F	(192,768,298)	(192,768,298)
(2)	Capital Lease - Working Capital	F	198,050,818	198,050,818
	Total		(\$3,378,814,826)	(\$3,024,916,526)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$1,644,172	(\$634,239)	\$1,644,172	(\$634,239)
	ECCR	F	(2,302,093)	888,033	(2,302,093)	888,033
	ECRC	F	(156,975,013)	60,553,111	(123,964,651)	47,819,364
	FUEL	F	(14,572,896)	5,621,495	(16,491,684)	(6,361,667)
	CCR	F	(287,554)	110,924	(287,554)	110,924
	NUCLEAR	F	(56,128,758)	21,651,668	(56,252,163)	21,699,272
	SCRC	F	(475)	183	(475)	183
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$3,581,911	(\$1,381,722)	\$3,303,418	(\$1,274,293)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(202,911,923)	78,273,274	(202,911,923)	78,273,274
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	202,109,129	(77,963,596)	202,109,129	(77,963,596)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	2,359,330	(910,112)	2,077,100	(801,241)
(1)	INST./PROMOTIONAL ADVERTISING	F	1,121,145	(432,482)	1,033,976	(398,856)
(1)	INTEREST ON TAX DEFICIENCY	F	16,152,658	(6,230,888)	14,697,465	(5,669,547)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	15,776	(6,086)	(165,897)	63,995
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	230,436	(88,891)	212,520	(81,979)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	19,343	(7,462)	19,343	(7,462)
(2)	PARENT DEBT ADJUSTMENT	F	-	16,933,139	-	14,387,242
(1)	SEBRING - RIDER REVENUE	F	-	-	-	-
(2)	STORM COSTS 2004	F	2,225,663	(858,549)	2,225,663	(858,549)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	-	(19,342,442)	-	(17,589,331)
	Total		(\$203,719,151)	\$76,175,359	(\$175,053,667)	\$61,601,628

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
Pro Forma Adjusted Basis
July 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,742,385,313	657,357,711	(\$1,126,502,873)	\$4,273,240,151	\$3,755,287,173	47.35%	9.50%	4.50%	10.50%	4.97%	11.50%	5.45%
Preferred Stock	33,496,700		(6,988,134)	26,508,566	23,295,503	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,382,488,084		(914,281,549)	3,468,206,535	3,047,830,464	38.43%	5.89%	2.26%	5.89%	2.26%	5.89%	2.26%
Short Term Debt *	263,842,882	(165,200,523)	(20,578,924)	78,063,435	68,601,484	0.86%	0.68%	0.01%	0.68%	0.01%	0.68%	0.01%
Customer Deposits												
Active	215,403,131		(44,937,740)	170,465,392	170,465,392	2.15%	6.27%	0.13%	6.27%	0.13%	6.27%	0.13%
Inactive	1,155,858		(241,137)	914,721	914,721	0.01%						
Investment Tax Credit												
Post '70 Total	3,981,266		(830,578)	3,150,688								
Equity **					1,532,596	0.02%	7.93%	0.00%	8.76%	0.00%	9.60%	0.00%
Debt **					1,236,202	0.02%	4.94%	0.00%	4.94%	0.00%	4.94%	0.00%
Deferred Income Taxes	1,305,110,098	147,684,829	(303,084,360)	1,149,710,567	1,010,355,887	12.74%						
FAS 109 DIT - Net	(213,372,232)		44,514,050	(168,858,182)	(148,391,137)	-1.87%						
Total	\$10,734,491,100	\$639,842,017	(\$2,372,931,245)	\$9,001,401,873	\$7,931,128,286	100.00%		6.91%		7.38%		7.86%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
July 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,772,880,907	\$855,846,604	(\$1,607,491,922)	\$4,021,235,588	\$3,685,537,152	47.50%	9.50%	4.51%	10.50%	4.99%	11.50%	5.46%
Preferred Stock	33,496,700		(9,566,225)	23,930,475	21,932,725	0.28%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,428,702,860		(1,264,780,372)	3,163,922,488	2,899,793,763	37.37%	5.82%	2.17%	5.82%	2.17%	5.82%	2.17%
Short Term Debt *	337,279,544	(96,320,246)	(68,814,865)	172,144,433	157,773,572	2.03%	0.68%	0.01%	0.68%	0.01%	0.68%	0.01%
Customer Deposits												
Active	214,085,527		(61,140,063)	152,945,464	152,945,464	1.97%	6.28%	0.12%	6.28%	0.12%	6.28%	0.12%
Inactive	1,156,555		(330,297)	826,258	826,258	0.01%						
Investment Tax Credit												
Post '70 Total	3,319,766		(948,082)	2,371,683								
Equity **					1,219,703	0.02%	6.20%	0.00%	6.86%	0.00%	7.51%	0.00%
Debt **					953,989	0.01%	3.81%	0.00%	3.81%	0.00%	3.81%	0.00%
Deferred Income Taxes	1,344,372,268	154,883,325	(428,168,045)	1,071,087,548	981,671,644	12.65%						
FAS 109 DIT - Net	(218,584,968)		62,425,045	(156,159,923)	(143,123,471)	-1.84%						
Total	\$10,916,709,158	\$914,409,683	(\$3,378,814,826)	\$8,452,304,014	\$7,759,530,798	100.00%		6.82%		7.30%		7.77%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
July 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,742,385,313	327,176,942	(\$1,089,239,110)	\$3,980,323,145	\$3,498,972,942	45.78%	9.50%	4.35%	10.50%	4.81%	11.50%	5.26%
Preferred Stock	33,496,700		(7,197,054)	26,299,646	23,119,165	0.30%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,382,488,084	0	(941,615,307)	3,440,872,777	3,024,759,625	39.57%	5.89%	2.33%	5.89%	2.33%	5.89%	2.33%
Short Term Debt *	263,842,882	(165,200,523)	(21,194,160)	77,448,199	68,082,199	0.89%	0.68%	0.01%	0.68%	0.01%	0.68%	0.01%
Customer Deposits												
Active	215,403,131		(46,281,218)	169,121,914	169,121,914	2.21%	6.27%	0.14%	6.27%	0.14%	6.27%	0.14%
Inactive	1,155,858		(248,346)	907,512	907,512	0.01%						
Investment Tax Credit												
Post '70 Total	3,981,266		(855,409)	3,125,856								
Equity **					1,478,289	0.02%	7.82%	0.00%	8.64%	0.00%	9.46%	0.00%
Debt **					1,269,549	0.02%	4.87%	0.00%	4.87%	0.00%	4.87%	0.00%
Deferred Income Taxes	1,305,110,098	147,684,829	(312,145,502)	1,140,649,425	1,002,707,903	13.12%						
FAS 109 DIT - Net	(213,372,232)		45,844,862	(167,527,370)	(147,267,876)	-1.93%						
Total	\$10,734,491,100	\$309,661,248	(\$2,372,931,245)	\$8,671,221,103	\$7,643,151,222	100.00%		6.84%		7.30%		7.75%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Adjusted Basis
July 2012

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,772,880,907	\$855,846,604	(\$1,607,491,922)	\$4,021,235,588	\$3,685,537,152	49.53%	9.50%	4.71%	10.50%	5.20%	11.50%	5.70%
Preferred Stock	33,496,700		(9,566,225)	23,930,475	21,932,725	0.28%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,428,702,860	0	(1,264,780,372)	3,163,922,488	2,899,793,763	37.37%	5.82%	2.17%	5.82%	2.17%	5.82%	2.17%
Short Term Debt *	337,279,544	(96,320,246)	(68,814,865)	172,144,433	0	0.00%	0.68%	0.00%	0.68%	0.00%	0.68%	0.00%
Customer Deposits				-								
Active	214,085,527		(61,140,063)	152,945,464	152,945,464	1.97%	6.28%	0.12%	6.28%	0.12%	6.28%	0.12%
Inactive	1,156,555		(330,297)	826,258	826,258	0.01%						
Investment Tax Credit				-								
Post 70 Total	3,319,766		(948,082)	2,371,683								
Equity **				-	1,219,703	0.02%	6.20%	0.00%	6.86%	0.00%	7.51%	0.00%
Debt **				-	953,989	0.01%	3.81%	0.00%	3.81%	0.00%	3.81%	0.00%
Deferred Income Taxes	1,344,372,268	154,883,325	(428,168,045)	1,071,087,548	981,671,644	12.65%						
FAS 109 DIT - Net	(218,584,968)		62,425,045	(156,159,923)	(143,123,471)	-1.84%						
Total	\$10,916,709,158	\$914,409,683	(\$3,378,814,826)	\$8,452,304,014	\$7,759,530,798	100.00%		7.01%		7.50%		8.00%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
Financial Integrity Indicators
July 2012

Schedule 5

A: TIMES INTEREST EARNED WITH AFUDC

Earnings Before Interest	\$241,266,185
AFUDC - Debt	\$16,382,276
Income Taxes	\$176,528,818
Total	\$434,177,279
Interest Charges (before deducting AFUDC-Debt)	\$257,648,461
T.I.E. with AFUDC	1.69

B: TIMES INTEREST EARNED WITHOUT AFUDC

Earnings Before Interest	\$241,266,185
AFUDC - Equity	(\$32,611,249)
Income Taxes	\$176,528,818
Total	\$385,183,754
Interest Charges (before deducting AFUDC-Debt)	\$257,648,461
T.I.E. without AFUDC	1.49

C: PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON SHAREHOLDERS

AFUDC - Debt	\$16,382,276
Less: DIT	\$0
Subtotal	\$16,382,276
AFUDC - Other	\$32,611,249
Total AFUDC	\$48,993,525
Net Income Available For Common Shareholders	\$306,864,838
Percent AFUDC to Available Net Income	15.97%

D: PERCENT INTERNALLY GENERATED FUNDS

Net Income	\$308,376,698
Common Dividends	(\$280,000,000)
Preferred Dividends	(\$1,511,860)
AFUDC (Debt & ECS Other)	(\$48,993,525)
Depreciation & Amortization	\$224,491,650
Deferred Income Taxes	\$167,358,645
Investment Tax Credits	(\$1,323,000)
Deferred Fuel (Net)	(\$185,934,528)
Nuclear Fuel Amortization	\$7,090
Nuclear Refueling	(\$16,556,619)
Other - Incl Nuclear Decommissioning	\$159,958,684
Funds Provided from Operations	\$325,873,235
Other Funds Provided - Incl Change in Working Capital	\$164,740,565
Total Funds Provided	\$490,613,800
Construction Expenditures (excluding AFUDC)	\$778,391,257
Percentage Internally Generated Funds	63.03%

E: SHORT TERM DEBT / LONG TERM DEBT AS

PERCENT OF TOTAL INVESTOR CAPITAL - FPSC	
Common Equity	\$3,498,972,942
Preferred Stock	\$23,119,165
Long Term Debt - Fixed Rate	\$3,024,759,625
Short Term Debt	\$68,082,199
Total	\$6,614,933,930
% Long Term Debt - Fixed Rate	45.73%
% Short Term Debt	1.03%

FPSC ADJUSTED AVERAGE JURISDICTIONAL AND PRO FORMA

F: RETURN ON COMMON EQUITY	Pro Forma	FPSC
Average Earned Rate of Return	6.85%	4.90%
Less Reconciled Average		
Retail Weighted Cost Rates for:		
Preferred Stock	0.01%	0.01%
Long Term Debt - Fixed Rate	2.26%	2.33%
Short Term Debt	0.01%	0.01%
Customer Deposits	0.13%	0.14%
Investment Tax Credit (at Midpoint)		
Equity	0.00%	0.00%
Debt	0.00%	0.00%
Subtotal	2.41%	2.49%
Total	4.44%	2.41%
Divided by Common Equity Ratio	47.35%	45.78%
Jurisdictional Return on Common Equity	9.38%	5.26%