

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Nuclear Cost Recovery  
Clause**

DOCKET NO. 140009-EI

Submitted for filing:  
March 3, 2014

REDACTED

**DIRECT TESTIMONY OF THOMAS G. FOSTER  
IN SUPPORT OF ACTUAL COSTS**

**ON BEHALF OF  
DUKE ENERGY FLORIDA, INC.**

**IN RE: NUCLEAR COST RECOVERY CLAUSE**  
**BY DUKE ENERGY FLORIDA, INC.**  
**FPSC DOCKET NO. 140009-EI**  
**DIRECT TESTIMONY OF THOMAS G. FOSTER**

1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your name and business address.**

3 A. My name is Thomas G. Foster. My business address is 299 First Avenue North, St.  
4 Petersburg, FL 33701.

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

7 A. I am employed by Duke Energy Business Services, LLC, as Director, Rates and  
8 Regulatory Strategy.

9  
10 **Q. What are your responsibilities in that position?**

11 A. I am responsible for regulatory planning and cost recovery for Duke Energy  
12 Florida, Inc. (“DEF”). These responsibilities include regulatory financial reports  
13 and analysis of state, federal, and local regulations and their impact on DEF. In  
14 this capacity, I am also responsible for the Levy Nuclear Project (“LNP”) and  
15 the Crystal River Unit 3 (“CR3”) Extended Power Uprate (“EPU”) Project  
16 (“CR3 Uprate”) Cost Recovery filings, made as part of this docket, in  
17 accordance with Rule 25-6.0423, Florida Administrative Code (F.A.C.).

1 **Q. Please describe your educational background and professional experience.**

2 A. I joined Duke Energy on October 31, 2005 as a Senior Financial Analyst in the  
3 Regulatory group. In that capacity I supported the preparation of testimony and  
4 exhibits associated with various Dockets. In late 2008, I was promoted to  
5 Supervisor Regulatory Planning. In 2012, following the merger with Duke Energy, I  
6 was promoted to my current position. Prior to working at Duke I was the Supervisor  
7 in the Fixed Asset group at Eckerd Drug. In this role I was responsible for ensuring  
8 proper accounting for all fixed assets as well as various other accounting  
9 responsibilities. I have 6 years of experience related to the operation and  
10 maintenance of power plants obtained while serving in the United States Navy as a  
11 Nuclear Operator. I received a Bachelors of Science degree in Nuclear Engineering  
12 Technology from Thomas Edison State College. I received a Masters of Business  
13 Administration with a focus on finance from the University of South Florida and I  
14 am a Certified Public Accountant in the State of Florida.

15  
16 **Q. Have you previously filed testimony before this Commission in connection with**  
17 **DEF's Nuclear Cost Recovery?**

18 A. Yes.

19  
20 **II. PURPOSE OF TESTIMONY.**

21 **Q. What is the purpose of your testimony?**

22 A. The purpose of my testimony is to present for Florida Public Service Commission  
23 ("FPSC" or the "Commission") review and approval, the actual costs associated with  
24 DEF's LNP and CR3 Uprate activities for the period January 2013 through

1 December 2013. Pursuant to Rule 25-6.0423, F.A.C., DEF is presenting testimony  
2 and exhibits for the Commission's determination of prudence for actual expenditures  
3 and associated carrying costs.

4 In addition, based on the agreement by the parties to the 2013 NCRC docket  
5 and DEF's Motion to Defer, as approved by the Commission vote on August 5,  
6 2013 and restated in Order No. PSC-13-0493-FOF-EI on October 18, 2013, a  
7 review of 2012 LNP and EPU project costs and policies and procedures was  
8 deferred to this docket. Accordingly, I will also present the LNP and EPU project  
9 2012 costs and 2012 accounting and cost oversight policies and procedures  
10 pursuant to the nuclear cost recovery statute and rule.

11  
12 **Q. Are you sponsoring any exhibits in support of your testimony on LNP and CR3**  
13 **Uprate costs?**

14 A. Yes. I am sponsoring sections of the following exhibits, which were prepared under  
15 my supervision:

16 2012 Costs:

- 17 • Exhibit No. \_\_\_\_ (TGF-1), contains Direct Testimony and Exhibits of Thomas  
18 G. Foster in Support of Actual Costs on behalf of Progress Energy Florida, Inc.  
19 in Docket No. 130009-EI.

20 2013 Costs:

- 21 • Exhibit No. \_\_ (TGF-2), reflects the actual costs associated with the LNP and  
22 consists of: 2013 True-Up Summary, 2013 Detail Schedule and Appendices A  
23 through E, which reflect DEF's retail revenue requirements for the LNP from  
24 January 2013 through December 2013; however, I will only be sponsoring the

1 2013 True-Up Summary, 2013 Detail Schedule, and Appendices A, B and C.  
2 Christopher Fallon will be co-sponsoring portions of the 2013 Detail Schedule  
3 and sponsoring Appendices D and E.

- 4 • Exhibit No. \_\_\_\_ (TGF-3), reflects the actual costs associated with the CR3  
5 Uprate project and consists of: 2013 True-Up Summary, 2013 Detail Schedule  
6 and Appendices A through E, which reflect DEF's retail revenue requirements  
7 for the CR3 Uprate project from January 2013 through December 2013;  
8 however, I will only be sponsoring the 2013 True-Up Summary, 2013 Detail  
9 Schedule, and Appendices A, B, and C. Michael Delowery will be co-  
10 sponsoring the 2013 Detail Schedule and sponsoring Appendices D and E.

11 The 2013 Detail Schedules for the LNP and the CR3 Uprate project contain  
12 the same calculations provided in the NFR Schedules prior to project cancellation in  
13 a more concise manner.

14 These exhibits are true and accurate.

15  
16 **Q. What are the 2013 Detail Schedules and the Appendices?**

17 A. A description of the 2013 Detail Schedules and the Appendices follows:

- 18 • Schedule 2013 Summary reflects the actual 2013 year-end revenue requirements  
19 by Cost Category for the period, and final true-up amount for the period.
- 20 • Schedule 2013 Detail reflects the actual calculations for the true-up of total retail  
21 revenue requirements for the period.
- 22 • Appendix A (CR3 Uprate) reflects beginning balance explanations and various  
23 Uprate in-service project revenue requirements.
- 24 • Appendix A (Levy) reflects beginning balance explanations.

- 1 • Appendix B reflects Capacity Cost Recovery Clause (“CCRC”) recoverable
- 2 Operations and Maintenance (“O&M”) expenditures and variance explanations
- 3 for the period.
- 4 • Appendix C provides support for the appropriate rate of return consistent with
- 5 the provisions of Rule 25-6.0423, F.A.C.
- 6 • Appendix D describes Major Task Categories for capital expenditures and
- 7 variance explanations for the period.
- 8 • Appendix E reflects contracts and details executed in excess of \$1.0 million.

9

10 **Q. Do you have any changes to your direct testimony regarding 2012 LNP and**

11 **CR3 Uprate costs and accounting cost oversight controls that you included as**

12 **an exhibit to your current testimony?**

13 A. Yes, I have one change. Progress Energy Florida, Inc. is now Duke Energy Florida,

14 Inc. as a result of the merger between Duke Energy and Progress Energy, Inc.

15 Otherwise, the information in my March 2013 direct testimony attached as Exhibit

16 No. \_\_\_ (TGF-1) to my current testimony remains true and accurate.

17

18 **Q. What is the source of the data that you will present in your testimony and**

19 **exhibits in this proceeding?**

20 A. The actual data is taken from the books and records of DEF. The books and records

21 are kept in the regular course of our business in accordance with generally accepted

22 accounting principles and practices, provisions of the Uniform System of Accounts

23 as prescribed by the Federal Energy Regulatory Commission (“FERC”), and any

24 accounting rules and orders established by this Commission.

1 **Q. What is the final true-up amount for the LNP for which DEF is requesting**  
2 **recovery for the period January 2013 through December 2013?**

3 A. DEF is requesting approval of a total over-recovery amount of (\$9,167,213) for the  
4 calendar period ending December 2013, this amount can be seen on Line 5 of the  
5 2013 Summary Schedule of Exhibit No. \_\_\_\_ (TGF-2). Line 3 of the 2013 Summary  
6 represents the preconstruction additions, carrying cost on the preconstruction cost  
7 balance and the carrying costs on construction cost balance (including prior period  
8 (over)/under balances), and CCRC recoverable O&M costs associated with the LNP,  
9 and was calculated in accordance with Rule 25-6.0423, F.A.C.

10  
11 **Q. What is the final true-up amount for the CR3 Uprate project for which DEF is**  
12 **requesting recovery for the period January 2013 through December 2013?**

13 A. DEF is requesting approval of a total over-recovery amount of (\$3,315,350) for the  
14 calendar period of January 2013 through December 2013, this amount can be seen  
15 on Line 6 of the 2013 Summary of Exhibit No. \_\_\_\_ (TGF-3). Line 4 of the 2013  
16 Summary represents the carrying costs on the unrecovered balance including prior  
17 period (over/under) balances, CCRC recoverable O&M costs, and was calculated in  
18 accordance with Rule 25-6.0423, F.A.C..

19  
20 **Q. What is the carrying cost rate used in the 2013 Detail Schedule?**

21 A. Prior to the decisions to retire CR3 and cancel the LNP, the carrying cost rate used in  
22 the 2013 Detail Schedule was 8.848 percent. On a pre-tax basis, the rate is 13.13  
23 percent. This rate represents the approved rate as of June 12, 2007, and is the  
24 appropriate rate to use consistent with Rule 25-6.0423 F.A.C. The rate was

1 approved by the Commission in Order No. PSC-05-0945-S-EI in Docket No.  
 2 050078-EI. The annual rate was adjusted to a monthly rate consistent with the  
 3 Allowance for Funds Used During Construction (“AFUDC”) rule, Rule 25-6.0141,  
 4 Item (3), F.A.C.

5 Beginning in February 2013 for the CR3 Uprate and July 2013 for the LNP,  
 6 DEF is using the rate specified in Rule 25-6.0423(7)(b), F.A.C. The carrying cost  
 7 rate used for this time period in the 2013 Detail Schedule was 7.23 percent. On a  
 8 pre-tax basis, the rate is 10.29 percent. This annual rate was also adjusted to a  
 9 monthly rate consistent with the AFUDC rule, Rule 25-6.0141, Item (3), F.A.C.  
 10 Support for the components of this rate is shown in Appendix C of Exhibit  
 11 Nos.\_\_(TGF-2) and (TGF-3).

12  
 13 **III. CAPITAL COSTS INCURRED IN 2013 FOR THE LEVY NUCLEAR**  
 14 **PROJECT.**

15 **Q. What are the total costs DEF incurred for the LNP during the period January**  
 16 **2013 through December 2013?**

17 A. Total preconstruction capital expenditures, excluding carrying costs, were [REDACTED]  
 18 [REDACTED], as shown on the 2013 Detail Schedule, Line 1d and 3e. Total construction  
 19 capital expenditures, excluding carrying costs, were [REDACTED], as shown on the  
 20 2013 Detail Schedule, Line 16e and 18f.

21  
 22 **Q. How did actual Preconstruction Generation capital expenditures for January**  
 23 **2013 through December 2013 compare with DEF’s actual/estimated costs for**  
 24 **2013?**

1 A. Appendix D (Page 2 of 2), Line 6 shows that total preconstruction Generation  
2 project costs were [REDACTED], or [REDACTED] lower than estimated. By cost  
3 category, major cost variances between DEF's projected and actual 2013  
4 preconstruction LNP Generation project costs are as follows:

5  
6 **License Application:** Capital expenditures for License Application activities were  
7 [REDACTED] or [REDACTED] lower than estimated, as explained in the testimony of  
8 Christopher Fallon.

9  
10 **Engineering & Design:** Capital expenditures for Engineering & Design activities  
11 were [REDACTED] or [REDACTED] lower than estimated, as explained in the testimony  
12 of Christopher Fallon.

13  
14 **Q. Did the Company incur Preconstruction Transmission capital expenditures for**  
15 **January 2013 through December 2013?**

16 A. No. As shown on Appendix D (Page 2 of 2), Line 11 the total preconstruction  
17 Transmission project costs were \$0 in 2013. No costs were projected in the prior-  
18 year Actual/Estimated filing, so there is no true-up to report.

19  
20 **Q. How did actual Construction Generation capital expenditures for January 2013**  
21 **through December 2013 compare with DEF's actual/estimated costs for 2013?**

22 A. Appendix D (Page 2 of 2), Line 19 shows that total construction Generation project  
23 costs were [REDACTED], or [REDACTED] higher than estimated. By cost category,

1 major cost variances between DEF's actual/estimated and actual 2013 construction  
2 LNP Generation project costs are as follows:

3  
4 **Power Block Engineering:** Capital expenditures for Power Block Engineering  
5 activities were [REDACTED] or [REDACTED] lower than estimated, as explained in  
6 the testimony of Christopher Fallon.

7  
8 **Disposition of LLE:** Capital expenditures for Long Lead Equipment ("LLE")  
9 Disposition activities were [REDACTED]. There were no LLE Disposition costs  
10 estimated in 2013 because DEF elected not to complete the LNP after the LNP  
11 Actual/Estimated 2013 costs were prepared and filed with the Commission. As a  
12 result, the LLE Disposition costs in 2013 represent net new costs that result in a  
13 variance in the Power Block Engineering actual 2013 costs from the  
14 Actual/Estimated 2013 costs. As explained in the testimony of Christopher Fallon,  
15 this variance is attributable to disposition of the Mangiarotti LLE equipment.

16  
17 **Q. How did actual Construction Transmission capital expenditures for January**  
18 **2013 through December 2013 compare with DEF's actual/estimated costs for**  
19 **2013?**

20 A. Appendix D (Page 2 of 2), Line 26 shows that total construction Transmission  
21 project costs were [REDACTED] or [REDACTED] lower than estimated. Consequently,  
22 in total there were no major (more than \$1.0 million) variances between the  
23 actual/estimated costs and the actual costs incurred for 2013.

1 **Q. What was the source of the separation factors used in 2013 Detail Schedule?**

2 A. The jurisdictional separation factors are consistent with Exhibit 1 of the Stipulation  
3 and Settlement Agreement (“Settlement Agreement”) approved by the Commission  
4 in Order No. PSC-12-0104-FOF-EI in Docket No. 120022-EI, which were  
5 reaffirmed in Order No. PSC-13-0598-FOF-EI in Docket No 130208-EI.

6  
7 **IV. O&M COSTS INCURRED IN 2013 FOR THE LEVY NUCLEAR PROJECT.**

8 **Q. How did actual O&M expenditures for January 2013 through December 2013**  
9 **compare with DEF’s actual/estimated costs for 2013?**

10 A. Appendix B, Line 15 shows that total O&M costs were \$0.5 million or \$85,734  
11 lower than estimated. There were no major variances with respect to O&M costs.

12  
13 **V. CAPITAL COSTS INCURRED IN 2013 FOR CR3 UPRATE PROJECT.**

14 **Q. What are the total Construction costs incurred for the CR3 Uprate project for**  
15 **the period January 2013 through December 2013?**

16 A. 2013 Detail Schedule Exhibit No\_\_(TGF-3) Line 1f shows that total Construction  
17 capital expenditures gross of joint owner billing and excluding carrying costs were  
18 \$11.2 million.

19  
20 **Q. How did actual capital expenditures for January 2013 through December 2013**  
21 **compare to DEF’s actual/estimated costs for 2013?**

22 A. Appendix D (Page 2 of 2), Line 10 shows that total project costs were \$11.2 million  
23 or \$3.0 million lower than estimated. By cost category, major cost variances  
24 between DEF’s actual/estimated and actual 2013 Construction costs are as follows:

1 **Power Block Engineering & Procurement:** Capital expenditures for Power Block  
2 Engineering & Procurement activities were \$9.8 million or \$3.3 million lower than  
3 estimated, as explained in the testimony of Michael Delowery.  
4

5 **Q. Has DEF billed the CR3 joint owners for their portion of the costs relative to**  
6 **the CR3 Uprate and identified them in this filing?**

7 A. Yes. Construction expenditures shown on the 2013 Detail Schedule, Line 1f are  
8 gross of Joint Owner Billings, but construction expenditures have been adjusted as  
9 reflected on 2013 Detail Schedule, Line 2b to reflect billings to Joint Owners related  
10 to CR3 Uprate expenditures. Due to this, no carrying cost associated with the Joint  
11 Owner portion of the Uprate are included on 2013 Detail Schedule. Total Joint  
12 Owner billings were \$1.2 million for 2013, as seen on Line 2b.  
13

14 **Q. What was the source of the separation factors used in the 2013 Detail Schedule?**

15 A. The jurisdictional separation factors are consistent with Exhibit 1 of the Stipulation  
16 and Settlement Agreement (“Settlement Agreement”) approved by the Commission  
17 in Order No. PSC-12-0104-FOF-EI in Docket No. 120022-EI, which were  
18 reaffirmed in Order No. PSC-13-0598-FOF-EI in Docket No 130208-EI.  
19

20 **VI. O&M COSTS INCURRED IN 2013 FOR THE CR3 UPRATE PROJECT.**

21 **Q. How did actual O&M expenditures for January 2013 through December 2013**  
22 **compare with DEF’s actual/estimated costs for 2013?**

23 A. Appendix B, Line 15 shows that total O&M costs were \$267,649 or \$261,735 lower  
24 than estimated. There were no major variances with respect to O&M costs.

1 **VII. 2013 PROJECT ACCOUNTING AND COST CONTROL OVERSIGHT.**

2 **Q. Have the project accounting and cost oversight controls DEF used for the LNP**  
3 **and CR3 Uprate projects in 2013 substantially changed from the controls used**  
4 **prior to 2013?**

5 A. No, they have not. The project accounting and cost oversight controls that DEF  
6 utilizes to ensure the proper accounting treatment for the LNP and CR3 Uprate  
7 project in 2013 have not substantively changed since 2009. In addition, these  
8 controls have been reviewed in annual financial audits by Commission Staff and  
9 were found to be reasonable and prudent by the Commission in Docket Nos.  
10 090009-EI, 100009-EI, 110009-EI, and 120009-EI.

11  
12 **Q. Can you describe how the merger between Duke Energy and Progress Energy**  
13 **impacted the project accounting and cost oversight controls?**

14 A. Yes, I can. During the first six months of 2012, prior to the July 2012 merger  
15 between Duke Energy and Progress Energy, the project accounting and cost  
16 oversight controls were exactly the same as those previously reviewed. This  
17 included continued project governance under the Major Projects - Integrated Project  
18 Plan (“IPP”) Approval and Authorization policy for capital project initial  
19 authorization.

20 Following the merger, the IPP procedure was superseded by the Duke  
21 Energy Approval of Business Transaction (“ABT”) process, which is a similar Duke  
22 Energy senior management project oversight process. This governance procedure  
23 change in the end of 2012 however did not affect DEF’s 2013 accounting and cost

1 oversight controls for the LNP and CR3 Uprate projects. More specifically, DEF's  
2 day-to-day project accounting and cost oversight controls remained the same.

3  
4 **Q. Can you please describe the project accounting and cost oversight controls**  
5 **process DEF has utilized for the LNP and CR3 Uprate Project?**

6 A. Yes. Starting at the initial approval stage, DEF continues to determine whether  
7 projects are capital based on the Company's Capitalization Policy and then projects  
8 are documented in PowerPlant.

9 The justifications and other supporting documentation are reviewed and  
10 approved by the Financial Services Manager, or delegate, based on input received  
11 from the Financial Services or Project Management Analyst to ensure that the  
12 project is properly classified as capital, eligibility for AFUDC is correct, and that  
13 disposals/retirements are identified. Supporting documentation is maintained  
14 within Financial Services or with the Project Management Analyst. Financial  
15 Services personnel, and selected other personnel (including project management  
16 analysts), access this documentation to set-up new projects in Oracle or make  
17 changes to existing project estimates in PowerPlant. The Oracle and PowerPlant  
18 system administrators review the transfer and termination information provided by  
19 Human Resources each pay period and take appropriate action regarding access to  
20 the systems as outlined in the Critical Financial Application Access Review  
21 Process Policy.

22 An analyst in Asset Accounting must review and approve each project set  
23 up before it can receive charges. All future status changes are made directly in

1 PowerPlant by an Asset Accounting Analyst based on information received by the  
2 Financial Services Analyst or the Project Management Analyst.

3 Finally, to ensure that all new projects have been reviewed each month,  
4 Financial Services Management reviews a report of all projects set up during the  
5 month prior to month-end close.

6 The next part of the Company's project controls is project monitoring.  
7 First, there are monthly reviews of project charges by responsible operations  
8 managers and Financial Services Management for the organization. Specifically,  
9 these managers review various monthly cost and variance analysis reports for the  
10 capital budget. Variances from total budget or projections are reviewed,  
11 discrepancies are identified, and corrections made as needed. Journal entries to  
12 projects are prepared by an employee with the assigned security and are approved in  
13 accordance with the Journal Entry Policy. Accruals are made in accordance with  
14 Duke Energy policy.

15 The Company uses Cost Management Reports produced from accounting  
16 systems to complete these monthly reviews. Financial Services may produce  
17 various levels of reports driven by various levels of management, but all reporting is  
18 tied back to the Cost Management Reports, which are tied back to Legal Entity  
19 Financial Statements.

20 Finally, the Asset Accounting unit performs a quarterly review of sample  
21 project transactions to ensure charges are properly classified as capital. Financial  
22 Services is responsible for answering questions and making necessary corrections as  
23 they arise to ensure compliance. These accounting and cost oversight processes  
24 continued to be utilized in 2013 for the CR3 Uprate and LNP.

1 **Q. Are there any other accounting and costs oversight controls that pertain to the**  
2 **LNP and the CR3 Uprate Project?**

3 A. Yes, the Company also has Disbursement Services Controls and Regulatory  
4 Accounting Controls.

5  
6 **Q. Can you please describe the Company's Disbursement Services Controls?**

7 A. Yes. First, a requisition is created in the Passport Contracts module for the purchase  
8 of services. The requisition is reviewed by the appropriate Contract Specialist in  
9 Corporate Services, or field personnel in the various Business Units, to ensure  
10 sufficient data has been provided to process the contract requisition. The Contract  
11 Specialist prepares the appropriate contract document from pre-approved contract  
12 templates in accordance with the requirements stated on the contract requisition.

13 The contract requisition then goes through the bidding or finalization  
14 process. Once the contract is ready to be executed, it is approved online by the  
15 appropriate levels of the approval matrix pursuant to the Approval Level Policy and  
16 a contract is created.

17 Contract invoices are received by the Account Payable Department. The  
18 invoices are validated by the project manager and payment authorizations approving  
19 payment of the contract invoices are entered and approved in the Contracts module  
20 of the Passport system.

21  
22 **Q. Can you please describe the Company's Regulatory Accounting Controls?**

23 A. Yes. The journal entries for deferral calculations, along with the summary sheets  
24 and the related support, are reviewed in detail and approved by the Lead Accounting

1 Analyst and/or Director of Florida Accounting, per the Duke Energy Journal Entry  
2 policy. The detail review and approval by the Director of Florida Accounting ensure  
3 that recoverable expenses are identified, accurate, processed, and accounted for in  
4 the appropriate accounting period. In addition, transactions are reviewed to ensure  
5 that they qualify for recovery through the Nuclear Cost Recovery Rule and are  
6 properly categorized as O&M, Site selection, Preconstruction, or Construction  
7 expenditures.

8 Analysis is performed monthly to compare actuals to projected (budgeted)  
9 expenses and revenues for reasonableness. If any errors are identified, they are  
10 corrected in the following month.

11 For balance sheet accounts established with Regulated Utilities – Florida  
12 Accounting as the responsible party, a Florida Accounting member will reconcile the  
13 account on a monthly or quarterly basis, as required by Duke Energy policy. This  
14 reconciliation will be reviewed by the Lead Accounting Analyst or Director of  
15 Florida Accounting to ensure that the balance in the account is properly stated and  
16 supported and that the reconciliations are performed regularly and exceptions are  
17 resolved on a timely basis.

18 The review and approval will ensure that regulatory assets or liabilities are  
19 recorded in the financial statements at the appropriate amounts and in the appropriate  
20 accounting period.

1 **Q. How does the Company verify that the accounting and costs oversight controls**  
2 **you identified are effective?**

3 A. The Company's assessment of the effectiveness of our controls is based on the  
4 framework established by the Committee of Sponsoring Organizations of the  
5 Treadway Commission ("COSO"). This framework involves both internal and  
6 external audits of DEF accounting and cost oversight controls.

7 With respect to internal audits, all tests of controls were conducted by the  
8 Corporate Audit Services Department, and conclusions on the results were reviewed  
9 and approved by both the Steering Committee and Compliance Team chairpersons.  
10 Based on these internal audits, DEF's management has determined that the processes  
11 and controls to identify and manage risks, key project milestones, and regulatory  
12 reporting requirements have been sufficiently designed.

13 With respect to external audits, Deloitte and Touche, DEF's external  
14 auditors, determined that the Company maintained effective internal control over  
15 financial reporting during 2013.

16  
17 **Q. Did the cancellation of the Levy and CR3 Uprate projects change the**  
18 **Company's accounting and cost oversight control processes?**

19 A. No. DEF continued to follow the same policies and processes as I described above  
20 to ensure prudent accounting and cost oversight for the projects as they are being  
21 closed out.

1 **Q. Are the Company's project accounting and cost oversight controls reasonable**  
2 **and prudent?**

3 A. Yes, they are. DEF's project accounting and cost oversight controls are consistent  
4 with best practices for capital project cost oversight and accounting controls in the  
5 industry and have been and continue to be vetted by internal and external auditors.  
6 We believe, therefore, that the accounting and cost oversight controls continue to be  
7 reasonable and prudent.

8  
9 **Q. What process have you implemented in 2013 to ensure that future costs**  
10 **related to the LNP COL are not included in the NCRC as of January 1, 2014?**

11 A. As discussed by Mr. Fallon, on a project team level DEF has always segregated  
12 project costs incurred by specific project code and this process will not change for  
13 2014. The project team continues to charge COL-related labor, NRC fees, vendor  
14 invoices and all other COL-related cost items to the applicable COL project codes.  
15 Thereafter, the Regulatory Accounting and Regulatory Strategy groups, will ensure  
16 that the COL-related project codes and associated costs incurred in 2014 and beyond  
17 are not included in the Company's NCRC Schedules, and thus not presented for  
18 nuclear cost recovery. We will however continue to track the COL-related costs for  
19 accounting purposes consistent with the 2013 Settlement Agreement.

20  
21 **Q. Does this conclude your testimony?**

22 A. Yes, it does.

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**I. INTRODUCTION AND QUALIFICATIONS**

1  
2 **Q. Please state your name and business address.**

3 A. My name is Thomas G. Foster. My business address is 299 First Avenue North, St.  
4 Petersburg, FL 33701.

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

7 A. I am employed by Progress Energy Service Company, LLC as Manager, Retail  
8 Riders and Rate Cases.

9  
10 **Q. What are your responsibilities in that position?**

11 A. I am responsible for regulatory planning and cost recovery for Progress Energy  
12 Florida, Inc. ("PEF"). These responsibilities include: regulatory financial  
13 reports; and analysis of state, federal, and local regulations and their impact on  
14 PEF. In this capacity, I am also responsible for the Levy Nuclear Project  
15 ("LNP") and the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU")  
16 Project ("CR3 Uprate") Cost Recovery True-up, Actual/Estimated, Projection  
17 and True-up to Original filings, made as part of this docket, in accordance with  
18 Rule 25-6.0423, Florida Administrative Code (F.A.C.).

1 **Q. Please describe your educational background and professional experience.**

2 A. I joined Progress Energy on October 31, 2005 as a Senior Financial analyst in the  
3 Regulatory group. In that capacity I supported the preparation of testimony and  
4 exhibits associated with various Dockets. In late 2008, I was promoted to  
5 Supervisor Regulatory Planning. In 2012, following the merger with Duke Energy, I  
6 was promoted to my current position. Prior to working at Progress I was the  
7 Supervisor in the Fixed Asset group at Eckerd Drug. In this role I was responsible  
8 for ensuring proper accounting for all fixed assets as well as various other  
9 accounting responsibilities. I have 6 years of experience related to the operation and  
10 maintenance of power plants obtained while serving in the United States Navy as a  
11 Nuclear operator. I received a Bachelors of Science degree in Nuclear Engineering  
12 Technology from Thomas Edison State College. I received a Masters of Business  
13 Administration with a focus on finance from the University of South Florida and I  
14 am a Certified Public Accountant in the State of Florida.

15  
16 **Q. Have you previously filed testimony before this Commission in connection with**  
17 **PEF's Nuclear Cost Recovery?**

18 A. Yes.

19  
20 **II. PURPOSE AND SUMMARY OF TESTIMONY**

21 **Q. What is the purpose of your testimony?**

22 A. The purpose of my testimony is to present for Florida Public Service Commission  
23 ("FPSC" or the "Commission") review and approval, the actual costs associated with  
24 PEF's LNP and CR3 Uprate activities for the period January 2012 through

1 December 2012. Pursuant to Rule 25-6.0423, F.A.C., PEF is presenting testimony  
2 and exhibits for the Commission's determination of prudence for actual expenditures  
3 and associated carrying costs.

4  
5 **Q. Are you sponsoring any exhibits in support of your testimony on 2012 LNP and**  
6 **CR3 Uprate costs?**

7 A. Yes. I am sponsoring sections of the following exhibits, which were prepared under  
8 my supervision:

9 2012 Costs:

- 10 • Exhibit No. \_\_ (TGF-1), consisting of Schedules T-1 through T-7B of the NFRs  
11 and Appendices A through D, which reflect PEF's retail revenue requirements  
12 for the LNP from January 2012 through December 2012; however, I will only be  
13 sponsoring Schedules T-1 through T-6 and Appendices A through C.

14 Christopher Fallon will be co-sponsoring portions of Schedules T-4, T-4A, T-6  
15 and sponsoring Schedules T-6A through T-7B and Appendix D.

- 16 • Exhibit No. \_\_\_\_ (TGF-2), consisting of Schedules T-1 through T-7B of the NFRs  
17 and Appendices A through D, which reflect PEF's retail revenue requirements  
18 for the CR3 Uprate Project from January 2012 through December 2012;  
19 however, I will only be sponsoring Schedules T-1 through T-6 and Appendices  
20 A through C. Jon Franke will be co-sponsoring Schedules T-4, T-4A, T-6, and  
21 sponsoring Schedules T-6A through T-7B and Appendix D.

22 These exhibits are true and accurate.

1 **Q. What are Schedules T-1 through T-7B and the Appendices?**

2 A. • Schedule T-1 reflects the actual true-up of total retail revenue requirements for  
3 the period.

4 • Schedule T-2 reflects the calculation of the site selection, preconstruction, and  
5 construction costs for the period.

6 • Schedule T-3A reflects the calculation of actual deferred tax carrying costs for  
7 the period.

8 • Schedule T-3B reflects the calculation of the actual construction period interest  
9 for the period.

10 • Schedule T-4 reflects Capacity Cost Recovery Clause (“CCRC”) recoverable  
11 Operations and Maintenance (“O&M”) expenditures for the period.

12 • Schedule T-4A reflects CCRC recoverable O&M expenditure variance  
13 explanations for the period.

14 • Schedule T-6 reflects actual monthly capital expenditures for site selection,  
15 preconstruction, and construction costs for the period.

16 • Schedule T-6A reflects descriptions of the major tasks.

17 • Schedule T-6B reflects capital expenditure variance explanations.

18 • Schedule T-7 reflects contracts executed in excess of \$1.0 million.

19 • Schedule T-7A reflects details pertaining to the contracts executed in excess of  
20 \$1.0 million.

21 • Schedule T-7B reflects contracts executed in excess of \$250,000, yet less than  
22 \$1.0 million.

23 • Appendix A reflects support for beginning balances.

- 1 • Appendix B (Levy) reflects individual components of Site Selection,  
2 Preconstruction, and the PSC approved deferral.
- 3 • Appendix B (CR3 Uprate) reflects various Uprate in-service project revenue  
4 requirements.
- 5 • Appendix C reflects a schedule of 2006 to 2012 revenue requirements.
- 6 • Appendix D reflects a schedule of 2006 to 2012 actual capital expenditures.

7

8 **Q. What is the source of the data that you will present in your testimony and**  
9 **exhibits in this proceeding?**

10 A. The actual data is taken from the books and records of PEF. The books and records  
11 are kept in the regular course of our business in accordance with generally accepted  
12 accounting principles and practices, provisions of the Uniform System of Accounts  
13 as prescribed by the Federal Energy Regulatory Commission (“FERC”), and any  
14 accounting rules and orders established by this Commission.

15

16 **Q. What is the final true-up amount for the LNP for which PEF is requesting**  
17 **recovery for the period January 2012 through December 2012?**

18 A. PEF is requesting approval of a total under-recovery amount of \$3,644,953 for the  
19 calendar period ending December 2012. This amount, which can be seen on Line 9  
20 of Schedule T-1 of Exhibit No. \_\_\_\_ (TGF-1), represents the site selection,  
21 preconstruction, carrying costs on preconstruction cost balance, carrying costs on  
22 construction cost balance, CCRC recoverable O&M, and deferred tax asset carrying  
23 cost associated with the LNP, and was calculated in accordance with Rule 25-  
24 6.0423, F.A.C.

1 **Q. What is the final true-up amount for the CR3 Uprate project for which PEF is**  
2 **requesting recovery for the period January 2012 through December 2012?**

3 A. PEF is requesting approval of a total under-recovery amount of \$2,596,849 for the  
4 calendar period of January 2012 through December 2012. This amount, which can  
5 be seen on Line 9 of Schedule T-1 of Exhibit No. \_\_\_\_ (TGF-2), represents the  
6 carrying costs on construction cost balance, CCRC recoverable O&M, and deferred  
7 tax asset carrying cost associated with the CR3 Uprate, as well as the revenue  
8 requirements associated with the various in service projects, and was calculated in  
9 accordance with Rule 25-6.0423, F.A.C..

10  
11 **Q. What is the carrying cost rate used in Schedules T-2.1, T-2.2, and T-2.3?**

12 A. The carrying cost rate used on Schedules T-2.1, T-2.2, and T-2.3 is 8.848 percent.  
13 On a pre-tax basis, the rate is 13.13 percent. This rate represents the approved rate  
14 as of June 12, 2007, and is the appropriate rate to use consistent with Rule 25-  
15 6.0423(5)(b), F.A.C. The rate was approved by the Commission in Order No. PSC-  
16 05-0945-S-EI in Docket No. 050078-EI. The annual rate was adjusted to a monthly  
17 rate consistent with the Allowance for Funds Used During Construction (“AFUDC”)  
18 rule, Rule 25-6.0141, Item (3), F.A.C.

1 **III. CAPITAL COSTS INCURRED IN 2012 FOR THE LEVY NUCLEAR**  
2 **PROJECT.**

3 **Q. What are the total costs PEF incurred for the LNP during the period January**  
4 **2012 through December 2012?**

5 A. Total preconstruction capital expenditures, excluding carrying costs, were [REDACTED]  
6 [REDACTED], as shown on Schedule T-6.2, Line 8 and 21. Total construction capital  
7 expenditures, excluding carrying costs, were [REDACTED], as shown on Schedule T-  
8 6.3, Line 10 and 25.

9  
10 **Q. How did actual Preconstruction Generation capital expenditures for January**  
11 **2012 through December 2012 compare with PEF's actual/estimated costs for**  
12 **2012?**

13 A. Schedule T-6B.2, Line 6 shows that total preconstruction Generation project costs  
14 were [REDACTED], or [REDACTED] lower than estimated. By cost category, major  
15 cost variances between PEF's projected and actual 2012 preconstruction LNP  
16 Generation project costs are as follows:

17  
18 **License Application:** Capital expenditures for License Application activities were  
19 [REDACTED] or [REDACTED] higher than estimated. As explained in the testimony  
20 of Christopher Fallon, this variance is primarily attributable to higher than originally  
21 estimated Nuclear Regulatory Commission ("NRC") review fees and outside legal  
22 counsel fees associated with the LNP Combined Operating License Application  
23 ("COLA") activities and regulatory reviews.  
24

1       **Engineering & Design:** Capital expenditures for Engineering & Design activities  
2       were [REDACTED] or [REDACTED] lower than estimated. As explained in the  
3       testimony of Christopher Fallon, this variance is primarily attributable to lower than  
4       estimated internal labor and expenses and deferral of conditions of certification work  
5       scope into future years.

6  
7       **Q. Did the Company incur Preconstruction Transmission capital expenditures for**  
8       **January 2012 through December 2012?**

9       A. No. As shown on Schedule T-6B.2, Line 11 the total preconstruction Transmission  
10       project costs were \$0 in 2012. No costs were projected in the prior-year  
11       Actual/Estimated filing, so there is no true-up to report.

12  
13       **Q. How did actual Construction Generation capital expenditures for January 2012**  
14       **through December 2012 compare with PEF's actual/estimated costs for 2012?**

15       A. Schedule T-6B.3, Line 8 shows that total construction Generation project costs were  
16       [REDACTED], or [REDACTED] higher than estimated. By cost category, major cost  
17       variances between PEF's actual/estimated and actual 2012 construction LNP  
18       Generation project costs are as follows:

19  
20       **Power Block Engineering:** Capital expenditures for Power Block Engineering  
21       activities were [REDACTED] or [REDACTED] higher than estimated. As explained in  
22       the testimony of Christopher Fallon, this variance is attributable

1 to the accrual of costs for partially completed LLE milestones, which were included  
2 as 2013 costs in the prior-year projection, but were actually incurred in 2012 based  
3 on the percentage of LLE milestones completed during the year.  
4

5 **Q. How did actual Construction Transmission capital expenditures for January**  
6 **2012 through December 2012 compare with PEF's actual/estimated costs for**  
7 **2012?**

8 A. Schedule T-6B.3, Line 15 shows that total construction Transmission project costs  
9 were [REDACTED] or [REDACTED] lower than estimated. Consequently, there were no  
10 major (more than \$1.0 million) variances between the actual/estimated costs and the  
11 actual costs incurred for 2012.  
12

13 **Q. What was the source of the separation factors used in Schedule T-6?**

14 A. The jurisdictional separation factors are calculated based on the 2012 sales forecast,  
15 using the Retail Jurisdictional Cost of Service methodology that was approved in  
16 Order No. PSC-10-0131-FOF-EI in PEF's base rate proceeding in Docket No.  
17 090079-EI.  
18

19 **IV. O&M COSTS INCURRED IN 2012 FOR THE LEVY NUCLEAR PROJECT.**

20 **Q. How did actual O&M expenditures for January 2012 through December 2012**  
21 **compare with PEF's actual/estimated costs for 2012?**

22 A. Schedule T-4A, Line 15 shows that total O&M costs were \$1.1 million or \$61,768  
23 higher than estimated. There were no major variances with respect to O&M costs.

1 **V. CAPITAL COSTS INCURRED IN 2012 FOR CR3 UPRATE PROJECT.**

2 **Q. What are the total Construction costs incurred for the CR3 Uprate project for**  
3 **the period January 2012 through December 2012?**

4 A. Schedule T-6.3, Line 12 shows that total Construction capital expenditures gross of  
5 joint owner billing and excluding carrying costs were \$44.3 million.

6  
7 **Q. How did actual capital expenditures for January 2012 through December 2012**  
8 **compare to PEF's actual/estimated costs for 2012?**

9 A. Schedule T-6B.3, Line 8 shows that total project costs were \$44.3 million or \$7.2  
10 million lower than estimated. By cost category, major cost variances between PEF's  
11 actual/estimated and actual 2012 Construction costs are as follows:

12  
13 **Power Block Engineering & Procurement:** Capital expenditures for Power Block  
14 Engineering & Procurement activities were \$38.1 million or \$7.3 million lower than  
15 estimated. As explained in the testimony of Jon Franke, this variance is primarily  
16 attributed to deferral of contract payments, control and reduction of engineering  
17 work scope, and lower warehouse inventory expenses than projected as a result of  
18 deferring EPU work and costs beyond 2012.

19  
20 **Q. Has PEF billed the CR3 joint owners for their portion of the costs relative to**  
21 **the CR3 Uprate and identified them in this filing?**

22 A. Yes. Construction expenditures shown on Schedule T-6.3, Line 12 are gross of Joint  
23 Owner Billings, but construction expenditures have been adjusted as reflected on  
24 Schedule T-6.3, Line 15 to reflect billings to Joint Owners related to CR3 Uprate

1 expenditures. Due to this, no carrying cost associated with the Joint Owner portion  
2 of the Uprate are included on Schedule T-2.3. Total Joint Owner billings were \$3.6  
3 million for 2012.  
4

5 **Q. What was the source of the separation factors used in Schedule T-6?**

6 A. The jurisdictional separation factors are calculated based on the 2012 sales forecast,  
7 using the Retail Jurisdictional Cost of Service methodology that was approved in  
8 Order No. PSC-10-0131-FOF-EI in PEF's base rate proceeding in Docket No.  
9 090079-EI.  
10

11 **VI. O&M COSTS INCURRED IN 2012 FOR THE CR3 UPRATE PROJECT.**

12 **Q. How did actual O&M expenditures for January 2012 through December 2012**  
13 **compare with PEF's actual/estimated costs for 2012?**

14 A. Schedule T-4A, Line 15 shows that total O&M costs were \$0.5 million or \$65,356  
15 higher than estimated. There were no major variances with respect to O&M costs.  
16

17 **VII. 2012 PROJECT ACCOUNTING AND COST CONTROL OVERSIGHT.**

18 **Q. Have the project accounting and cost oversight controls PEF used for the LNP**  
19 **and CR3 Uprate projects in 2012 substantially changed from the controls used**  
20 **prior to 2012?**

21 A. No, they have not. The project accounting and cost oversight controls that PEF  
22 utilizes to ensure the proper accounting treatment for the LNP and CR3 Uprate  
23 project in 2012 have not substantively changed since 2009. In addition, these  
24 controls have been reviewed in annual financial audits by Commission Staff and

1 were found to be reasonable and prudent by the Commission in Docket Nos.  
2 090009-EI, 100009-EI, 110009-EI, and 120009-EI.  
3

4 **Q. Can you describe how the merger between Duke Energy and Progress Energy**  
5 **impacted the project accounting and cost oversight controls?**

6 A. Yes, I can. During the first six months of 2012, prior to the July 2012 merger  
7 between Duke Energy and Progress Energy, the project accounting and cost  
8 oversight controls were exactly the same as those previously reviewed. This  
9 included continued project governance under the Major Projects - Integrated Project  
10 Plan (“IPP”) Approval and Authorization policy for capital project initial  
11 authorization.

12 Following the merger, the IPP procedure was superseded by the Duke  
13 Energy Approval of Business Transaction (“ABT”) process, which is a similar Duke  
14 Energy senior management project oversight process. This governance procedure  
15 change in the end of 2012 however did not affect PEF’s 2012 accounting and cost  
16 oversight controls for the LNP and CR3 Uprate projects. More specifically, PEF’s  
17 day-to-day project accounting and cost oversight controls remained the same.  
18

19 **Q. Can you please describe the project accounting and cost oversight controls**  
20 **process PEF has utilized for the LNP and CR3 Uprate Project.?**

21 A. Yes. Starting at the initial approval stage, PEF continues to determine whether  
22 projects are capital based on the Company’s Capitalization Policy and then projects  
23 are documented in PowerPlant.

1           The justifications and other supporting documentation are reviewed and  
2 approved by the Financial Services Manager, or delegate, based on input received  
3 from the Financial Services or Project Management Analyst to ensure that the  
4 project is properly classified as capital, eligibility for AFUDC is correct, and that  
5 disposals/retirements are identified. Supporting documentation is maintained  
6 within Financial Services or with the Project Management Analyst. Financial  
7 Services personnel, and selected other personnel (including project management  
8 analysts), access this documentation to set-up new projects in Oracle or make  
9 changes to existing project estimates in PowerPlant. The Oracle and PowerPlant  
10 system administrators review the transfer and termination information provided by  
11 Human Resources each pay period and take appropriate action regarding access to  
12 the systems as outlined in the Critical Financial Application Access Review  
13 Process Policy.

14           An analyst in Property Accounting must review and approve each project  
15 set up before it can receive charges. All future status changes are made directly in  
16 PowerPlant by a Property Accounting analyst based on information received by the  
17 Financial Services Analyst or the Project Management Analyst.

18           Finally, to ensure that all new projects have been reviewed each month,  
19 Financial Services Management reviews a report of all projects set up during the  
20 month prior to month-end close for any project that was not approved by them in the  
21 system at set up.

22           The next part of the Company's project controls is project monitoring.  
23 First, there are monthly reviews of project charges by responsible operations  
24 managers and Financial Services Management for the organization. Specifically,

1 these managers review various monthly cost and variance analysis reports for the  
2 capital budget. Variances from total budget or projections are reviewed,  
3 discrepancies are identified, and corrections made as needed. Journal entries to  
4 projects are prepared by an employee with the assigned security and are approved in  
5 accordance with the Journal Entry Policy. Accruals are made in accordance with  
6 Progress Energy policy.

7 The Company uses Cost Management Reports produced from accounting  
8 systems to complete these monthly reviews. Financial Services may produce  
9 various levels of reports driven by various levels of management, but all reporting is  
10 tied back to the Cost Management Reports, which are tied back to Legal Entity  
11 Financial Statements.

12 Finally, the Property Accounting unit performs a quarterly review of sample  
13 project transactions to ensure charges are properly classified as capital. Financial  
14 Services is responsible for answering questions and making necessary corrections as  
15 they arise to ensure compliance. These accounting and cost oversight processes  
16 continued to be utilized in 2012 for the CR3 Uprate and LNP.

17  
18 **Q. Are there any other accounting and costs oversight controls that pertain to the**  
19 **LNP and the CR3 Uprate Project?**

20 A. Yes, the Company also has Disbursement Services Controls and Regulatory  
21 Accounting Controls.  
22  
23  
24

1 **Q. Can you please describe the Company's Disbursement Services Controls?**

2 A. Yes. First, a requisition is created in the Passport Contracts module for the purchase  
3 of services. The requisition is reviewed by the appropriate Contract Specialist in  
4 Corporate Services, or field personnel in the various Business Units, to ensure  
5 sufficient data has been provided to process the contract requisition. The Contract  
6 Specialist prepares the appropriate contract document from pre-approved contract  
7 templates in accordance with the requirements stated on the contract requisition.

8 The contract requisition then goes through the bidding or finalization  
9 process. Once the contract is ready to be executed, it is approved online by the  
10 appropriate levels of the approval matrix pursuant to the Approval Level Policy and  
11 a contract is created.

12 Contract invoices are received by the Account Payable Department. The  
13 invoices are validated by the project manager and Payment Authorizations  
14 approving payment of the contract invoices are entered and approved in the  
15 Contracts module of the Passport system.

16  
17 **Q. Can you please describe the Company's Regulatory Accounting Controls?**

18 A. Yes. The journal entries for deferral calculations, along with the summary sheets  
19 and the related support, are reviewed in detail and approved by the Manager of  
20 Regulatory & Property Accounting, per the Progress Energy Journal Entry policy.  
21 The detail review and approval by the Manager of Regulatory & Property  
22 Accounting ensure that recoverable expenses are identified, accurate, processed, and  
23 accounted for in the appropriate accounting period. In addition, transactions are  
24 reviewed to ensure that they qualify for recovery through the Nuclear Cost Recovery

1 Rule and are properly categorized as O&M, Site selection, Preconstruction, or  
2 Construction expenditures.

3 Analysis is performed monthly to compare actuals to projected (budgeted)  
4 expenses and revenues for reasonableness. If any errors are identified, they are  
5 corrected in the following month.

6 For balance sheet accounts established with Regulatory & Property  
7 Accounting as the responsible party, a Regulatory Accounting member will  
8 reconcile the account on a monthly or quarterly basis. This reconciliation will be  
9 reviewed by the Lead Business Financial Analyst or Manager of Regulatory &  
10 Property Accounting to ensure that the balance in the account is properly stated and  
11 supported and that the reconciliations are performed regularly and exceptions are  
12 resolved on a timely basis.

13 The review and approval will ensure that regulatory assets or liabilities are  
14 recorded in the financial statements at the appropriate amounts and in the appropriate  
15 accounting period.

16  
17 **Q. How does the Company verify that the accounting and costs oversight controls**  
18 **you identified are effective?**

19 A. The Company's assessment of the effectiveness of our controls is based on the  
20 framework established by the Committee of Sponsoring Organizations of the  
21 Treadway Commission ("COSO"). This framework involves both internal and  
22 external audits of PEF accounting and cost oversight controls.

23 With respect to internal audits, all tests of controls were conducted by the  
24 Audit Services Department, and conclusions on the results were reviewed and

1 approved by both the Steering Committee and Compliance Team chairpersons.

2 Based on these internal audits, PEF's management has determined that PEF  
3 maintained effective internal control over financial reporting and identified no  
4 material weaknesses within the required Sarbanes Oxley controls during 2012.

5 With respect to external audits, Deloitte and Touche, PEF's external auditors,  
6 determined that the Company maintained effective internal control over financial  
7 reporting during 2012.

8  
9 **Q. Are the Company's project accounting and cost oversight controls reasonable  
10 and prudent?**

11 A. Yes, they are. PEF's project accounting and cost oversight controls are consistent  
12 with best practices for capital project cost oversight and accounting controls in the  
13 industry and have been and continue to be vetted by internal and external auditors.  
14 We believe, therefore, that the accounting and cost oversight controls continue to be  
15 reasonable and prudent.

16  
17 **Q. Does this conclude your testimony?**

18 A. Yes, it does.

**Docket No. 130009**  
**Progress Energy Florida**  
**Exhibit No. \_\_\_\_ (TGF-1)**

**SCHEDULE APPENDIX**  
**REDACTED**

**EXHIBIT (TGF-1)**

**PROGRESS ENERGY FLORIDA, INC.**  
**LEVY COUNTY NUCLEAR 1 and 2**  
**COMMISSION SCHEDULES (T-1 Through T-7B)**

**JANUARY 2012 - DECEMBER 2012**  
**FINAL TRUE-UP**  
**DOCKET NO. 130009-EI**

Exhibit: TGF-1

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**Final True-Up Filing: Nuclear Filing Requirements**  
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**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Summary of Jurisdictional Recovery Amounts**

Schedule T-1

EXPLANATION: Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection and estimated true-up amounts for the reported year and identify such orders.

[25-6.0423(5)(c)1.a.,F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars							
1. Final Site Selection Costs for the Period [25-6.0423(2)(f),F.A.C.]							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Total Site Selection Amount (Lines 1.a through 1.c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6.0423(2)(g),F.A.C.]							
a. Additions (Schedule T-2.2, line 1)	\$596,528	\$777,148	\$1,872,221	\$668,453	\$2,895,937	\$928,037	\$7,738,324
b. Carrying Costs on Additions (Schedule T-2.2, line 9)	1,081,753	1,071,577	1,053,260	1,050,481	1,053,362	1,055,465	6,365,897
c. Carrying Costs on Deferred Tax (Schedule T-3A.2, line 12)	1,612,581	1,616,765	1,620,690	1,621,418	1,622,493	1,623,185	9,717,131
d. Total Preconstruction Amount (Lines 2.a through 2.c)	\$3,290,862	\$3,465,490	\$4,546,170	\$3,340,352	\$5,571,792	\$3,606,686	\$23,821,352
3. Final Construction Costs for the Period [25-6.0423(2)(i),F.A.C.]							
Avg. Net Additions Balance (Schedule T-2.3, line 7)	\$127,547,913	\$127,555,683	\$127,563,151	\$127,585,588	\$127,586,665	\$127,523,575	
a. Carrying Costs on Additions (Schedule T-2.3, line 9)	1,341,983	1,342,064	1,342,143	1,342,379	1,342,390	1,341,727	8,052,686
b. Carrying Costs on Deferred Tax (Schedule T-3A.3, line 12)	0	0	0	0	0	0	0
c. Total Construction Amount (Lines 3.a through 3.b)	\$1,341,983	\$1,342,064	\$1,342,143	\$1,342,379	\$1,342,390	\$1,341,727	\$8,052,686
4. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	50,363	73,723	143,333	98,000	101,024	107,152	573,594
5. Other Adjustments	0	0	0	0	0	0	0
6. Total Final Period Amount (Lines 1.d + 2.d + 3.c + 4 + 5)	\$4,683,208	\$4,881,278	\$6,031,646	\$4,780,731	\$7,015,206	\$5,055,564	\$32,447,633
7. Projected Amount for the Period (Order No. PSC 11-0547-FOF-EI)	\$5,918,516	\$7,391,558	\$5,876,728	\$5,872,342	\$6,100,439	\$5,775,627	\$36,935,211
8. Estimated True-up Amount for the Period (Order No. PSC 12-0650-FOF-EI)	\$4,683,208	\$4,881,278	\$4,189,740	\$5,815,003	\$5,087,050	\$4,978,601	\$29,634,881
9. Final True-up Amount for the Period (Line 6 - line 8)	(\$0)	\$0	\$1,841,906	(\$1,034,272)	\$1,928,155	\$76,963	\$2,812,752

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Summary of Jurisdictional Recovery Amounts**

Schedule T-1

EXPLANATION: Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection and estimated true-up amounts for the reported year and identify such orders.

[25-6.0423(5)(c)1.a.,F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Final Site Selection Costs for the Period [25-6.0423(2)(f),F.A.C.]							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Total Site Selection Amount (Lines 1.a through 1.c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6.0423(2)(g),F.A.C.]							
a. Additions (Schedule T-2.2, line 1)	\$1,403,754	\$2,185,107	\$1,073,471	\$1,350,507	\$1,597,066	\$1,195,492	\$16,543,722
b. Carrying Costs on Additions (Schedule T-2.2, line 9)	1,053,837	1,058,732	1,062,355	1,052,555	1,044,670	1,037,695	12,675,742
c. Carrying Costs on Deferred Tax (Schedule T-3A.2, line 12)	1,623,088	1,622,908	1,624,368	1,627,687	1,630,776	1,633,417	19,479,375
d. Total Preconstruction Amount (Lines 2.a through 2.c)	\$4,080,680	\$4,866,748	\$3,760,194	\$4,030,749	\$4,272,512	\$3,866,604	\$48,698,839
3. Final Construction Costs for the Period [25-6.0423(2)(i),F.A.C.]							
Avg. Net Additions Balance (Schedule T-2.3, line 7)	\$127,427,075	\$127,317,046	\$127,203,900	\$130,442,834	\$133,945,351	\$134,611,375	
a. Carrying Costs on Additions (Schedule T-2.3, line 9)	1,340,711	1,339,554	1,338,363	1,372,441	1,409,293	1,416,300	16,269,349
b. Carrying Costs on Deferred Tax (Schedule T-3A.3, line 12)	0	0	0	0	0	0	0
c. Total Construction Amount (Lines 3.a through 3.b)	\$1,340,711	\$1,339,554	\$1,338,363	\$1,372,441	\$1,409,293	\$1,416,300	\$16,269,349
4. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	62,156	81,451	82,226	57,319	79,569	51,890	988,205
5. Other Adjustments	0	0	0	0	0	0	0
6. Total Final Period Amount (Lines 1.d + 2.d + 3.c + 4 + 5)	\$5,483,547	\$6,287,752	\$5,180,783	\$5,460,509	\$5,761,375	\$5,334,794	\$65,956,393
7. Projected Amount for the Period (Order No. PSC 11-0547-FOF-EI)	\$5,807,596	\$5,894,011	\$6,708,961	\$6,761,017	\$6,614,916	\$6,603,209	\$75,324,920
8. Estimated True-up Amount for the Period (Order No. PSC 12-0650-FOF-EI)	\$4,994,790	\$5,198,731	\$5,223,617	\$5,416,760	\$5,842,093	\$6,000,568	\$62,311,440
9. Final True-up Amount for the Period (Line 6 - line 8)	\$488,757	\$1,089,021	(\$42,834)	\$43,749	(\$80,718)	(\$665,774)	\$3,644,953

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category: Plant Additions, Expenditures and Associated Carrying Costs**

Schedule T-2.2

EXPLANATION: Provide the calculation of the monthly Final True-up of plant additions and applicable carrying charges for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final True-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.a ,F.A.C.]  
 [25-6.0423 (2)(g),F.A.C.]  
 [25-6.0423 (5)(a),F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	Beginning Balance	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars								
1. Preconstruction Plant Additions for the Period (Schedule T-6.2 Line 29)		\$596,528	\$777,148	\$1,872,221	\$668,453	\$2,895,937	\$928,037	\$7,738,324
2. Cumulative Under/(Over) Recovery (prior month Line 2 + prior month Line 12)		0	(1,244,275)	(3,719,526)	(3,568,554)	(4,595,314)	(3,598,335)	
3. Unamortized Plant Eligible for Return (d)	102,422,832	102,609,643	102,796,454	102,983,265	103,170,075	103,356,886	103,543,697	103,543,697
4. Amortization of Plant Eligible for Return (e)	60,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	
5. Prior Period Preconstruction Recovered (f)	(62,241,730)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	
6. Subtotal Amortization of Plant and Prior Period Recovered	<u>(2,241,730)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	
7. Average Net Unamortized Plant Eligible for Return		102,814,501	101,847,348	100,106,443	99,842,343	100,116,135	100,315,975	
8. Return on Average Net Unamortized Plant Eligible for Return (a)								
a. Equity Component (b)		561,778	556,494	546,982	545,539	547,035	548,126	3,305,954
b. Equity Comp. grossed up for taxes (c)		914,576	905,973	890,487	888,138	890,573	892,351	5,382,098
c. Debt Component		167,176	165,604	162,773	162,344	162,789	163,114	983,800
9. Preconstruction Carrying Cost on Plant Additions for the Period (Line 8b + 8c)		<u>\$1,081,753</u>	<u>\$1,071,577</u>	<u>\$1,053,260</u>	<u>\$1,050,481</u>	<u>\$1,053,362</u>	<u>\$1,055,465</u>	<u>\$6,365,897</u>
10. Preconstruction Plant & Carrying Cost for the Period (Line 1 + 9)		<u>\$1,678,281</u>	<u>\$1,848,725</u>	<u>\$2,925,481</u>	<u>\$1,718,934</u>	<u>\$3,949,299</u>	<u>\$1,983,501</u>	<u>\$14,104,221</u>
11. Projected Preconstruction Plant & Carrying Cost for the Period (Order No. PSC 11-0547-FOF-EI)		\$2,922,555	\$4,323,977	\$2,774,508	\$2,745,695	\$2,952,320	\$2,562,833	\$18,281,888
12. Under/(Over) Recovery (Line 10 - Line 11)		<u>(\$1,244,275)</u>	<u>(\$2,475,252)</u>	<u>\$150,972</u>	<u>(\$1,026,760)</u>	<u>\$996,979</u>	<u>(\$579,331)</u>	<u>(\$4,177,667)</u>

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance sourced from 2011 Schedule T-2.2 lines 3 & 12. Appendices C & D detail the individual components of Site Selection and Pre-Construction.
- (e) Beginning balance and monthly amortization of PEF projected "2010 Levy Regulatory Asset" was defined by the Rate Management Plan from Order PSC-11-0095-FOF-EI. Original deferred balance was \$273,889,606.
- (f) Beginning balance and monthly amortization represents collection of non-deferred prior period Site Selection and Pre-Construction over recoveries.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category: Plant Additions, Expenditures and Associated Carrying Costs**

Schedule T-2.2

EXPLANATION: Provide the calculation of the monthly Final True-up of plant additions and applicable carrying charges for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final True-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(g), F.A.C.]  
 [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Preconstruction Plant Additions for the Period (Schedule T-6.2 Line 29)	\$1,403,754	\$2,185,107	\$1,073,471	\$1,350,507	\$1,597,066	\$1,195,492	\$16,543,722
2. Cumulative Under/(Over) Recovery (prior month Line 2 + prior month Line 12)	(4,177,667)	(4,289,946)	(3,576,634)	(4,833,360)	(5,892,822)	(6,541,788)	
3. Unamortized Plant Eligible for Return (d)	103,730,508	103,917,319	104,104,130	104,290,940	104,477,751	104,664,562	
4. Amortization of Plant Eligible for Return (e)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	60,000,000
5. Prior Period Preconstruction Recovered (f)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(62,241,730)
6. Subtotal Amortization of Plant and Prior Period Recovered	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(186,811)</u>	<u>(2,241,730)</u>
7. Average Net Unamortized Plant Eligible for Return	100,161,313	100,626,521	100,970,825	100,039,428	99,290,057	98,627,115	
8. Return on Average Net Unamortized Plant Eligible for Return (a)							
a. Equity Component (b)	547,281	549,823	551,705	546,615	542,521	538,899	6,582,798
b. Equity Comp. grossed up for taxes (c)	890,975	895,113	898,176	889,891	883,225	877,328	10,716,805
c. Debt Component	162,862	163,619	164,179	162,664	161,446	160,368	1,958,937
9. Preconstruction Carrying Cost on Plant Additions for the Period (Line 8b + 8c)	<u>\$1,053,837</u>	<u>\$1,058,732</u>	<u>\$1,062,355</u>	<u>\$1,052,555</u>	<u>\$1,044,670</u>	<u>\$1,037,695</u>	<u>\$12,675,742</u>
10. Preconstruction Plant & Carrying Cost for the Period (Line 1 + 9)	<u>\$2,457,592</u>	<u>\$3,243,839</u>	<u>\$2,135,826</u>	<u>\$2,403,062</u>	<u>\$2,641,737</u>	<u>\$2,233,187</u>	<u>\$29,219,464</u>
11. Projected Preconstruction Plant & Carrying Cost for the Period (Order No. PSC 11-0547-FOF-EI)	\$2,569,871	\$2,530,528	\$3,392,551	\$3,462,523	\$3,290,702	\$3,254,299	\$36,782,363
12. Under/(Over) Recovery (Line 10 - Line 11)	<u>(\$112,279)</u>	<u>\$713,311</u>	<u>(\$1,256,726)</u>	<u>(\$1,059,462)</u>	<u>(\$648,966)</u>	<u>(\$1,021,112)</u>	<u>(\$7,562,899)</u>

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance sourced from 2011 Schedule T-2.2 lines 3 & 12. Appendices C & D detail the individual components of Site Selection and Pre-Construction.
- (e) Beginning balance and monthly amortization of PEF projected "2010 Levy Regulatory Asset" was defined by the Rate Management Plan from Order PSC-11-0095-FOF-EI. Original deferred balance was \$273,889,606.
- (f) Beginning balance and monthly amortization represents collection of non-deferred prior period Site Selection and Pre-Construction over recoveries.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs**

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges for the Construction Category. [25-6.0423 (5)(c)1.a., F.A.C.]  
 This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components [25-6.0423 (2)(i), F.A.C.]  
 and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection [25-6.0423 (5)(b), F.A.C.]  
 amounts for the reported year and identify such orders. [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	Beginning Balance	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars								
1.	127,094,915	\$37,664	\$67,181	\$48,667	\$125,754	\$25,995	\$62,537	\$127,462,713
2.	1,019,477	0	0	0	0	0	0	1,019,477
3.		0	62,847	57,045	42,728	32,703	145	
4.	1,507,393	1,399,892	1,292,392	1,184,891	1,077,391	969,890	862,390	
5.	1,290,007	107,501	107,501	107,501	107,501	107,501	107,501	645,004
6.	<u>\$127,582,831</u>	<u>\$127,512,995</u>	<u>\$127,535,523</u>	<u>\$127,533,734</u>	<u>\$127,594,715</u>	<u>\$127,545,912</u>	<u>\$127,501,094</u>	<u>\$127,501,094</u>
7.		\$127,547,913	\$127,555,683	\$127,563,151	\$127,585,588	\$127,586,665	\$127,523,575	
8.								
a.		696,922	696,964	697,005	697,128	697,134	696,789	4,181,941
b.		1,134,590	1,134,659	1,134,725	1,134,925	1,134,935	1,134,373	6,808,207
c.		207,393	207,406	207,418	207,454	207,456	207,353	1,244,480
9.		<u>\$1,341,983</u>	<u>\$1,342,064</u>	<u>\$1,342,143</u>	<u>\$1,342,379</u>	<u>\$1,342,390</u>	<u>\$1,341,727</u>	<u>\$8,052,686</u>
10.		\$1,279,135	\$1,285,020	\$1,299,416	\$1,309,676	\$1,342,246	\$1,375,802	\$7,891,294
11.		<u>\$62,847</u>	<u>\$57,045</u>	<u>\$42,728</u>	<u>\$32,703</u>	<u>\$145</u>	<u>(\$34,076)</u>	<u>\$161,392</u>

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance sourced from 2011 Schedule T-2.3 lines 4 & 11.
- (e) See Appendix A for beginning balance detail.
- (f) Beginning balance and monthly amortization represents the prior period under recovery.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs**

Schedule T-2.3

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1 a, F.A.C.]  
 [25-6.0423 (2)(i) F.A.C.]  
 [25-6.0423 (5)(b) F.A.C.]  
 [25-6.0423 (8)(d) F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Construction Cost: Plant Additions for the Period (e)	\$27,614	\$42,460	\$44,437	\$6,770,366	\$507,563	\$1,031,621	\$135,886,775
2. Transfers to Plant in Service (e)	0	0	0	0	0	0	1,019,477
3. Prior Period Under/(Over) Recovery (Prior Month Line 11)	(34,076)	(37,565)	(49,095)	(60,966)	(28,948)	3,933	
4. Prior Period Carrying Charge Unrecovered Balance (prior period - Line 5) (d)	754,889	647,388	539,888	432,387	324,887	217,386	
5. Prior Period Carrying Charge Recovered (f)	107,501	107,501	107,501	107,501	107,501	107,501	1,290,007
6. Plant Eligible for Return (Prior Mo. Balance + Line 1 - 2 + 3 - 5)	<u>\$127,387,132</u>	<u>\$127,284,526</u>	<u>\$127,172,368</u>	<u>\$133,774,267</u>	<u>\$134,145,382</u>	<u>\$135,073,435</u>	<u>\$135,073,435</u>
7. Average Net Plant Additions	\$127,427,075	\$127,317,046	\$127,203,900	\$130,442,834	\$133,945,351	\$134,611,375	
8. Return on Average Net Plant Additions (a)							
a. Equity Component (b)	696,262	695,660	695,042	712,740	731,877	735,517	8,449,039
b. Equity Comp. grossed up for taxes (c)	1,133,515	1,132,536	1,131,530	1,160,341	1,191,498	1,197,422	13,755,049
c. Debt Component	207,196	207,018	206,834	212,100	217,795	218,878	2,514,300
9. Final Construction Carrying Cost for the Period (Line 8b + 8c + 8d)	<u>\$1,340,711</u>	<u>\$1,339,554</u>	<u>\$1,338,363</u>	<u>\$1,372,441</u>	<u>\$1,409,293</u>	<u>\$1,416,300</u>	<u>\$16,269,349</u>
10. Projected Construction Carrying Cost Plant Additions for the Period (Order No. PSC 11-0547-FOF-EI)	\$1,378,276	\$1,388,649	\$1,399,330	\$1,401,389	\$1,405,360	\$1,410,775	\$16,275,073
11. Under/(Over) Recovery (Line 9 - Line 10)	<u>(\$37,565)</u>	<u>(\$49,095)</u>	<u>(\$60,966)</u>	<u>(\$28,948)</u>	<u>\$3,933</u>	<u>\$5,525</u>	<u>(\$5,724)</u>

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance sourced from 2011 Schedule T-2.3 lines 4 & 11.
- (e) See Appendix A for beginning balance detail.
- (f) Beginning balance and monthly amortization represents the prior period under recovery.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Carrying Cost on Deferred Tax Asset**

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges on Deferred Tax Asset (DTA) for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders. [25-6 0423 (5)(c)1.a., F.A.C.]  
 [25-6 0423 (2)(g), F.A.C.]  
 [25-6 0423 (5)(a), F.A.C.]  
 [25-6 0423 (8)(d), F.A.C.]

COMPANY: Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

Line No.	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	6 Month Total
Jurisdictional Dollars								
1. Preconstruction Cost Construction Period Interest (Schedule T-3B.2, Line 6)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Preconstruction Recovered Current Year Costs Excluding AFUDC (d)	345,590,801	6,726,314	8,166,390	6,671,018	6,688,343	6,939,875	6,598,414	41,790,353
3. Preconstruction Recovered Prior Period Costs Excluding AFUDC (e)	26,711,736	(4,332,023)	(4,332,023)	(4,332,023)	(4,332,023)	(4,332,023)	(4,332,023)	(25,992,138)
4. Tax Basis Less Book Basis (Line 1 + 2 + 3)	<u>372,302,537</u>	<u>\$2,394,291</u>	<u>\$3,834,367</u>	<u>\$2,338,995</u>	<u>\$2,356,320</u>	<u>\$2,607,852</u>	<u>\$2,266,391</u>	<u>\$15,798,215</u>
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	<u>\$143,615,704</u>	<u>\$923,598</u>	<u>\$1,479,107</u>	<u>\$902,267</u>	<u>\$908,950</u>	<u>\$1,005,979</u>	<u>\$874,260</u>
6. Prior Period Preconstruction Unrecovered Balance (f)	9,588,828	\$8,789,759	\$7,990,690	\$7,191,621	\$6,392,552	\$5,593,483	\$4,794,414	
7. Prior Period Preconstruction Expenses Recovered (g)	9,588,828	799,069	799,069	799,069	799,069	799,069	799,069	4,794,414
8. Prior Month Under/(Over) Recovery (Prior Month Line 14)		0	(9,296)	(27,936)	(46,723)	(65,707)	(84,890)	
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)	153,204,531	153,329,060	153,999,803	154,075,065	154,138,223	154,279,426	154,269,727	
10. Average Balance Eligible for Return		153,266,796	153,664,431	154,037,434	154,106,644	154,208,824	154,274,576	
11. Preconstruction Carrying Cost on DTA (a)								
a. Equity Component (b)		837,450	839,622	841,661	842,039	842,597	842,956	5,046,325
b. Equity Comp. grossed up for taxes (c)		1,363,370	1,366,907	1,370,225	1,370,840	1,371,749	1,372,334	8,215,425
c. Debt Component		249,212	249,858	250,465	250,577	250,744	250,850	1,501,706
12. Preconstruction carrying cost on DTA for the Period (Line 11b + 11c)		<u>\$1,612,581</u>	<u>\$1,616,765</u>	<u>\$1,620,690</u>	<u>\$1,621,418</u>	<u>\$1,622,493</u>	<u>\$1,623,185</u>	<u>\$9,717,131</u>
13. Projected Preconstruction Carrying Cost on DTA for the Period (Order No. PSC 11-0547-FOF-EI)		\$1,621,877	\$1,644,701	\$1,667,413	\$1,687,125	\$1,707,383	\$1,727,458	\$10,055,957
14. Under/(Over) Recovery (Line 12 - Line 13)		<u>(\$9,296)</u>	<u>(\$27,936)</u>	<u>(\$46,723)</u>	<u>(\$65,707)</u>	<u>(\$84,890)</u>	<u>(\$104,274)</u>	<u>(\$338,826)</u>

Note: (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.  
 (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.  
 (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
 (d) Beginning balance sourced from 2011 Schedule T-3A.2 Line 2.  
 (e) Beginning balance sourced from 2011 Schedule T-3A.2 Line 3.  
 (f) Beginning balance sourced from 2011 Schedule T-3A.2 Lines 6 & 14.  
 (g) Beginning balance and monthly amortization represents the prior period under recovery.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Carrying Cost on Deferred Tax Asset**

Schedule T-3A.2

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges on Deferred Tax Asset (DTA) for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1 a, F.A.C.]  
 [25-6.0423 (2)(g), F.A.C.]  
 [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(I) Actual July	(J) Actual August	(K) Actual September	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total	(P) Total To Date
Jurisdictional Dollars								
1. Preconstruction Cost Construction Period Interest (Schedule T-3B.2, Line 6)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Preconstruction Recovered Current Year Costs Excluding AFUDC (d)	6,651,403	6,658,254	7,561,754	7,677,348	7,552,414	7,562,189	85,453,715	431,044,516
3. Preconstruction Recovered Prior Period Costs Excluding AFUDC (e)	(4,332,023)	(4,332,023)	(4,332,023)	(4,332,023)	(4,332,023)	(4,332,023)	(51,984,276)	(25,272,540)
4. Tax Basis Less Book Basis (Line 1 + 2 + 3)	<u>\$2,319,380</u>	<u>\$2,326,231</u>	<u>\$3,229,731</u>	<u>\$3,345,325</u>	<u>\$3,220,391</u>	<u>\$3,230,166</u>	<u>\$33,469,439</u>	<u>\$405,771,976</u>
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate) 38.575%	<u>\$894,701</u>	<u>\$897,344</u>	<u>\$1,245,869</u>	<u>\$1,290,459</u>	<u>\$1,242,266</u>	<u>\$1,246,036</u>	<u>\$12,910,836</u>	<u>\$156,526,540</u>
6. Prior Period Preconstruction Unrecovered Balance (f)	\$3,995,345	\$3,196,276	\$2,397,207	\$1,598,138	\$799,069	(\$0)		
7. Prior Period Preconstruction Expenses Recovered (g)	799,069	799,069	799,069	799,069	799,069	799,069	9,588,828	
8. Prior Month Under/(Over) Recovery (Prior Month Line 14)	(104,274)	(123,860)	(143,652)	(163,650)	(183,858)	(204,278)		
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)	154,261,085	154,235,499	154,538,647	154,866,387	155,125,725	155,368,415		
10. Average Balance Eligible for Return	154,265,406	154,248,292	154,387,073	154,702,517	154,996,056	155,247,070		
11. Preconstruction Carrying Cost on DTA (a)								
a. Equity Component (b)	842,906	842,813	843,571	845,295	846,898	848,270	10,116,078	
b. Equity Comp. grossed up for taxes (c)	1,372,253	1,372,100	1,373,335	1,376,141	1,378,752	1,380,985	16,468,991	
c. Debt Component	250,836	250,808	251,033	251,546	252,024	252,432	3,010,385	
12. Preconstruction carrying cost on DTA for the Period (Line 11b + 11c)	<u>\$1,623,088</u>	<u>\$1,622,908</u>	<u>\$1,624,368</u>	<u>\$1,627,687</u>	<u>\$1,630,776</u>	<u>\$1,633,417</u>	<u>\$19,479,375</u>	
13. Projected Preconstruction Carrying Cost on DTA for the Period (Order No. PSC 11-0547-FOF-EI)	\$1,746,948	\$1,766,560	\$1,788,019	\$1,811,546	\$1,835,053	\$1,858,328	\$20,862,411	
14. Under/(Over) Recovery (Line 12 - Line 13)	<u>(\$123,860)</u>	<u>(\$143,652)</u>	<u>(\$163,650)</u>	<u>(\$183,858)</u>	<u>(\$204,278)</u>	<u>(\$224,911)</u>	<u>(\$1,383,035)</u>	

Note: (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ , resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.  
 (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.  
 (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
 (d) Beginning balance sourced from 2011 Schedule T-3A.2 Line 2.  
 (e) Beginning balance sourced from 2011 Schedule T-3A.2 Line 3.  
 (f) Beginning balance sourced from 2011 Schedule T-3A.2 Lines 6 & 14.  
 (g) Beginning balance and monthly amortization represents the prior period under recovery.

**LEVY COUNTY NUCLEAR 1 & 2**

**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Construction Period Interest for Deferred Tax Asset Calculations**

Schedule T-3B

EXPLANATION: Provide the calculation of the monthly Final True-up of construction period interest. [25-6.0423 (5)(c)1.a.,F.A.C.]  
 This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe [25-6.0423 (2)(i),F.A.C.]  
 the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission [25-6.0423 (5)(b),F.A.C.]  
 approved projection amounts for the reported year and identify such orders. [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
130009-EI

For Year Ended 12/31/2012

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
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Jurisdictional Dollars

- |    |  |     |  |  |  |  |  |  |
|----|--|-----|--|--|--|--|--|--|
| 1. | Beginning Balance                          | N/A |  |  |  |  |  |  |
| 2. | Additions                                  |     |  |  |  |  |  |  |
| 3. | Other Adjustments                          |     |  |  |  |  |  |  |
| 4. | Average Balance Eligible for CPI           |     |  |  |  |  |  |  |
| 5. | CPI Rate                                   |     |  |  |  |  |  |  |
| 6. | Construction Period Interest for Tax (CPI) |     |  |  |  |  |  |  |
| 7. | Ending Balance                             |     |  |  |  |  |  |  |

**LEVY COUNTY NUCLEAR 1 & 2**

**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Construction Period Interest for Deferred Tax Asset Calculations**

Schedule T-3B

**EXPLANATION:** Provide the calculation of the monthly Final True-up of construction period interest.  
This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
[25-6.0423 (2)(i),F.A.C.]  
[25-6.0423 (5)(b),F.A.C.]  
[25-6.0423 (8)(d),F.A.C.]

**COMPANY:**  
Progress Energy - FL

Witness: Thomas G. Foster

**DOCKET NO.:**  
130009-EI

For Year Ended 12/31/2012

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
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Jurisdictional Dollars

- |    |  |     |  |  |  |  |  |  |
|----|--|-----|--|--|--|--|--|--|
| 1. | Beginning Balance                          | N/A |  |  |  |  |  |  |
| 2. | Additions                                  |     |  |  |  |  |  |  |
| 3. | Other Adjustments                          |     |  |  |  |  |  |  |
| 4. | Average Balance Eligible for CPI           |     |  |  |  |  |  |  |
| 5. | CPI Rate                                   |     |  |  |  |  |  |  |
| 6. | Construction Period Interest for Tax (CPI) |     |  |  |  |  |  |  |
| 7. | Ending Balance                             |     |  |  |  |  |  |  |

**LEVY COUNTY NUCLEAR 1 & 2  
Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: CCRC Recoverable O&M Expenditures**

Schedule T-4

EXPLANATION: Provide the calculation of the monthly Final True-Up of CCRC recoverable operation and maintenance (O&M) costs. This schedule is not required if no costs were approved for recovery and no costs are being requested. By primary function, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1 a, F.A.C.]  
[25-6.0423 (2)(h), F.A.C.]  
[25-6.0423 (2)(i), F.A.C.]  
[25-6.0423 (5)(a), F.A.C.]  
[25-6.0423 (6)(d), F.A.C.]

COMPANY:  
Progress Energy - FL

Witness: C. Fallon/Thomas G. Foster

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Line No.	Description	Beginning Balance	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1	Accounting		\$14,344	\$12,129	\$11,662	\$11,194	\$8,508	\$10,050	\$4,096	\$11,782	\$9,020	\$8,479	\$6,404	\$8,411	\$116,079
2	Corporate Communications		0	0	0	0	0	0	0	0	0	0	0	0	0
3	Corporate Planning		12,260	11,491	19,039	14,425	14,150	11,871	12,338	20,883	18,908	14,203	18,804	13,396	181,768
4	Corporate Services		0	0	0	0	0	0	0	0	0	0	0	0	0
5	External Relations		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Human Resources		0	0	0	0	0	0	0	0	0	0	0	0	0
7	IT & Telecom		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Legal		2,687	29,854	36,583	72,012	63,433	81,057	28,060	34,275	42,569	17,866	45,577	31,216	485,189
9	Project Assurance		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
11	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0
12	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
13	<b>Subtotal A&amp;G</b>		<b>\$29,291</b>	<b>\$53,474</b>	<b>\$67,284</b>	<b>\$97,631</b>	<b>\$86,091</b>	<b>\$102,978</b>	<b>\$44,494</b>	<b>\$66,940</b>	<b>\$70,497</b>	<b>\$40,548</b>	<b>\$70,785</b>	<b>\$53,023</b>	<b>\$783,036</b>
14	Energy Delivery Florida		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0
16	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
17	<b>Subtotal Energy Delivery Florida</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
18	Nuclear Generation		\$25,803	\$26,736	\$88,165	\$8,419	\$23,460	\$12,986	\$23,060	\$20,736	\$18,540	\$21,667	\$15,407	\$3,095	\$288,075
19	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0
20	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
21	<b>Subtotal Nuclear Generation</b>		<b>\$25,803</b>	<b>\$26,736</b>	<b>\$88,165</b>	<b>\$8,419</b>	<b>\$23,460</b>	<b>\$12,986</b>	<b>\$23,060</b>	<b>\$20,736</b>	<b>\$18,540</b>	<b>\$21,667</b>	<b>\$15,407</b>	<b>\$3,095</b>	<b>\$288,075</b>
22	Transmission		(\$281)	\$0	\$609	\$122	\$44	\$93	\$6	\$901	\$81	\$11	\$0	\$0	\$1,586
23	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0
24	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
25	<b>Subtotal Transmission</b>		<b>(\$281)</b>	<b>\$0</b>	<b>\$609</b>	<b>\$122</b>	<b>\$44</b>	<b>\$93</b>	<b>\$6</b>	<b>\$901</b>	<b>\$81</b>	<b>\$11</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,586</b>
26	<b>Total O&amp;M Costs</b>		<b>\$54,813</b>	<b>\$80,210</b>	<b>\$156,058</b>	<b>\$106,172</b>	<b>\$109,595</b>	<b>\$116,057</b>	<b>\$67,560</b>	<b>\$88,577</b>	<b>\$89,118</b>	<b>\$62,226</b>	<b>\$86,192</b>	<b>\$56,118</b>	<b>\$1,072,697</b>
27	Jurisdictional Factor (A&G)		0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640
28	Jurisdictional Factor (Distribution)		0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624
29	Jurisdictional Factor (Nuclear - Production - Base)		0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
30	Jurisdictional Factor (Transmission)		0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
31	Jurisdictional Recoverable Costs (A&G) (Line 13 X Line 27)		\$27,135	\$49,538	\$62,332	\$90,445	\$79,755	\$95,399	\$41,219	\$62,013	\$65,308	\$37,564	\$65,575	\$49,121	\$725,405
32	Jurisdictional Recoverable Costs (Distribution) (Line 17 X Line 28)		0	0	0	0	0	0	0	0	0	0	0	0	0
33	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 21 X Line 29)		23,657	24,512	80,832	7,719	21,508	11,906	21,142	19,011	16,998	19,865	14,126	2,837	264,116
34	Jurisdictional Recoverable Costs (Transmission) (Line 25 X Line 30)		(199)	0	431	86	31	66	4	638	57	8	0	0	1,123
35	<b>Total Jurisdictional CCRC Recoverable O&amp;M Costs</b>		<b>\$50,594</b>	<b>\$74,051</b>	<b>\$143,595</b>	<b>\$98,251</b>	<b>\$101,294</b>	<b>\$107,371</b>	<b>\$62,366</b>	<b>\$81,663</b>	<b>\$82,364</b>	<b>\$57,436</b>	<b>\$79,701</b>	<b>\$51,958</b>	<b>\$990,643</b>
36	Prior Period Unrecovered O&M Balance Eligible for interest (a)	(\$3,865,417)	(\$3,564,974)	(\$3,264,531)	(\$2,964,088)	(\$2,663,646)	(\$2,363,203)	(\$2,062,760)	(\$1,762,317)	(\$1,461,875)	(\$1,161,432)	(\$860,989)	(\$560,546)	(\$260,104)	
37	Prior Period O&M Costs Recovered (a)	(\$3,605,313)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	(\$300,443)	
38	Prior Month Under(Over) Recovery (Prior Month Line 45)		\$0	(\$44,586)	(\$64,138)	\$7,941	(\$31,846)	\$2,533	(\$2,382)	(\$50,344)	(\$128,824)	(\$46,835)	(\$28,241)	(\$4,231)	
39	Balance Eligible for Interest	(\$3,865,417)	(\$3,564,974)	(\$3,309,117)	(\$3,072,812)	(\$2,764,428)	(\$2,495,832)	(\$2,192,856)	(\$1,894,795)	(\$1,644,696)	(\$1,471,077)	(\$1,217,469)	(\$945,267)	(\$649,055)	
40	Average Unamortized Balance		(\$3,689,898)	(\$3,422,313)	(\$3,151,236)	(\$2,865,524)	(\$2,595,406)	(\$2,289,391)	(\$2,013,833)	(\$1,754,086)	(\$1,580,116)	(\$1,338,973)	(\$1,055,638)	(\$773,298)	
41	Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
42	Interest Provision		(\$231)	(\$328)	(\$263)	(\$251)	(\$270)	(\$219)	(\$210)	(\$212)	(\$138)	(\$117)	(\$132)	(\$68)	
43	<b>Total O&amp;M Costs and Interest (Line 35 + Line 42)</b>		<b>50,363</b>	<b>73,723</b>	<b>143,333</b>	<b>98,000</b>	<b>101,024</b>	<b>107,152</b>	<b>62,156</b>	<b>81,451</b>	<b>82,226</b>	<b>57,319</b>	<b>79,569</b>	<b>51,890</b>	<b>\$988,205</b>
44	Total Jurisdictional O&M Costs From Most Recent Projection (Order No. PSC 11-0547-FOF-EI)		\$94,949	\$137,861	\$135,392	\$129,846	\$98,491	\$109,534	\$112,500	\$208,274	\$129,061	\$85,560	\$83,800	\$79,807	\$1,405,073
45	Difference (Line 43 - 44)		(\$44,586)	(\$64,138)	\$7,941	(\$31,846)	\$2,533	(\$2,382)	(\$0,344)	(\$126,824)	(\$46,835)	(\$28,241)	(\$4,231)	(\$27,917)	(\$416,869)

Note: (a) Beginning balance sourced from 2011 Schedule T-4 lines 36 & 45.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: O&M Expenditures Allocated or Assigned to Other Recovery Mechanisms**

Schedule T-4A

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on Schedules T4 with the expenditures approved by the Commission on Schedules AE-4. This schedule is not required if Schedules T4 and AE4 for the year are not filed.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
 [25-6.0423 (2)(h),F.A.C.]  
 [25-6.0423 (2)(i),F.A.C.]  
 [25-6.0423 (5)(a),F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

Witness: Thomas G. Foster/C. Fallon

COMPANY:  
 Progress Energy - FL

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Description	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
Allocated or Assigned O&M Expenditures					
1	Accounting	\$65,171	\$116,079	\$50,908	Minor variance from estimated amount
2	Corporate Communications	-	-	\$0	
3	Corporate Planning	159,871	181,768	\$21,897	Minor variance from estimated amount
4	Corporate Services	-	-	\$0	
5	External Relations	-	-	\$0	
6	Human Resources	-	-	\$0	
7	IT & Telecom	-	-	\$0	
8	Legal	447,036	485,189	\$38,153	Minor variance from estimated amount
9	Project Assurance	-	-	\$0	
10	Tax	-	-	\$0	
11	Energy Delivery Florida	-	-	\$0	
12	Nuclear Generation	322,818	288,075	(\$34,743)	Minor variance from estimated amount
13	Transmission	16,032	1,586	(\$14,446)	Minor variance from estimated amount
14	Other	-	-	\$0	
15	<b>Total</b>	<b>\$1,010,929</b>	<b>\$1,072,697</b>	<b>\$61,768</b>	

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Monthly Capital Additions/Expenditures**

REDACTED

EXPLANATION: Provide the Final True-up of monthly plant additions by major tasks performed within Preconstruction category for the year.  
 All Preconstruction costs also included in Site Selection costs or Construction costs must be identified. Attach a schedule with the calculation of the jurisdictional factor and list all other cost recovery mechanisms where the same jurisdictional factor is used for the same type of costs as those listed in this schedule. List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(g), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY: Progress Energy - FL

Witness: C. Fallon/Thomas G. Foster

DOCKET NO.: 130009-EI

For Year Ended: 12/31/2012

Line No.	Description	(A) Beginning Balance	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total Additions
<b>1 Preconstruction Additions:</b>									
<b>2 Generation:</b>									
3	License Application								
4	Engineering, Design & Procurement								
5	Permitting								
6	Clearing, Grading, and Excavation								
7	On-Site Construction Facilities								
8	Total System Generation Preconstruction Cost Additions (a)								
<b>9 Adjustments:</b>									
10	Non-Cash Accruals								
11	Joint Owner Credit								
12	Other								
13	Adjusted System Generation Preconstruction Cost Additions (b)								
14	Jurisdictional Factor	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
15	Jurisdictional Generation Preconstruction Capital Additions								
<b>16 Transmission:</b>									
17	Line Engineering								
18	Substation Engineering								
19	Clearing								
20	Other								
21	Total System Transmission Preconstruction Cost Additions (a)								
<b>22 Adjustments:</b>									
23	Non-Cash Accruals								
24	Joint Owner Credit								
25	Other								
26	Adjusted System Transmission Preconstruction Cost Additions (b)								
27	Jurisdictional Factor	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
28	Jurisdictional Transmission Preconstruction Capital Additions								
29	Total Jurisdictional Preconstruction Cost Additions (Lines 15 + 28)	<u>\$444,681,512</u>	<u>\$596,528</u>	<u>\$777,148</u>	<u>\$1,872,221</u>	<u>\$668,453</u>	<u>\$2,895,937</u>	<u>\$928,037</u>	<u>\$7,738,324</u>

Note:  
 (a): Lines 8 and 21 represent capital expenditures on an accrual basis, excluding AFUDC. Beginning balance ties to ending balance on Schedule T-6.2.  
 (b): Lines 13 and 26 represent capital expenditures on a cash basis.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Monthly Capital Additions/Expenditures**

Schedule T-6.2

REDACTED

EXPLANATION: Provide the Final True-up of monthly plant additions by major tasks performed within Preconstruction category for the year.  
 All Preconstruction costs also included in Site Selection costs or Construction costs must be identified. Attach a schedule with the calculation of the jurisdictional factor and list all other cost recovery mechanisms where the same jurisdictional factor is used for the same type of costs as those listed in this schedule. List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1.a, F.A.C.]  
 [25-6.0423 (2)(g), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon/Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total	(O) Ending Balance
<b>1 Preconstruction Additions:</b>									
<b>2 Generation:</b>									
3	License Application								
4	Engineering, Design & Procurement								
5	Permitting								
6	Cleaning, Grading, and Excavation								
7	On-Site Construction Facilities								
8	Total System Generation Preconstruction Cost Additions (a)								
<b>9 Adjustments:</b>									
10	Non-Cash Accruals								
11	Joint Owner Credit								
12	Other								
13	Adjusted System Generation Preconstruction Cost Additions (b)								
14	Jurisdictional Factor	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
15	Jurisdictional Generation Preconstruction Capital Additions								
<b>16 Transmission:</b>									
17	Line Engineering								
18	Substation Engineering								
19	Cleaning								
20	Other								
21	Total System Transmission Preconstruction Cost Additions (a)								
<b>22 Adjustments:</b>									
23	Non-Cash Accruals								
24	Joint Owner Credit								
25	Other								
26	Adjusted System Transmission Preconstruction Cost Additions (b)								
27	Jurisdictional Factor	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
28	Jurisdictional Transmission Preconstruction Capital Additions								
29	Total Jurisdictional Preconstruction Cost Additions (Lines 15 + 28)	\$1,403,754	\$2,185,107	\$1,073,471	\$1,350,507	\$1,597,066	\$1,195,492	\$16,543,722	\$461,225,233

Note:

(a): Lines 8 and 21 represent capital expenditures on an accrual basis, excluding AFUDC. Beginning balance ties to ending balance on Schedule T-6.2.  
 (b): Lines 13 and 26 represent capital expenditures on a cash basis.

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 Exhibit No. (TGF-1)  
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**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Monthly Capital Additions/Expenditures**

REDACTED

EXPLANATION: Provide the Final True-up of monthly plant additions by major tasks performed within Construction category for the year. All Construction costs also included in Site Selection costs or Preconstruction costs must be identified. Attach a schedule with the calculation of the jurisdictional factor and list all other cost recovery mechanisms where the same jurisdictional factor is used for the same type of costs as those listed in this schedule. List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(i), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon/Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	Description	(A) Beginning Balance	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total Additions								
<b>1 Construction Additions:</b>																	
<b>2 Generation:</b>																	
3	Real Estate Acquisitions																
4	Project Management																
5	Permanent Staff/Training																
6	Site Preparation																
7	On-Site Construction Facilities																
8	Power Block Engineering, Procurement, etc.																
9	Non-Power Block Engineering, Procurement, etc.																
10	Total System Generation Construction Cost Additions (a)																
<b>11 Adjustments:</b>																	
<b>12 Non-Cash Accruals</b>																	
13	Joint Owner Credit																
14	Other																
15	Adjusted System Generation Construction Cost Additions (b)																
16	Jurisdictional Factor	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683								
17	Jurisdictional Generation Construction Capital Additions																
<b>18 Transmission:</b>																	
19	Line Engineering																
20	Substation Engineering																
21	Real Estate Acquisition																
22	Line Construction																
23	Substation Construction																
24	Other																
25	Total System Transmission Construction Cost Additions (a)																
<b>26 Adjustments:</b>																	
<b>27 Non-Cash Accruals</b>																	
28	Joint Owner Credit																
29	Other																
30	Adjusted System Transmission Construction Cost Additions (b)																
31	Jurisdictional Factor	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795								
32	Jurisdictional Transmission Construction Capital Additions																
33	Total Jurisdictional Construction Cost Additions (Lines 17 + 32)	\$127,094,915	\$37,664	\$67,181	\$48,667	\$125,754	\$25,995	\$62,537	\$367,798								

Note:

- (a) Lines 10 and 25 represent capital expenditures on an accrual basis, excluding AFUDC. Beginning balance ties to ending balance on Schedule T-6.3
- (b) Lines 15 and 30 represent capital expenditures on a cash basis.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Monthly Capital Additions/Expenditures**

Schedule T-6.3

REDACTED

EXPLANATION: Provide the Final True-up of monthly plant additions by major tasks performed within Construction category for the year. All Construction costs also included in Site Selection costs or Preconstruction costs must be identified. Attach a schedule with the calculation of the jurisdictional factor and list all other cost recovery mechanisms where the same jurisdictional factor is used for the same type of costs as those listed in this schedule. List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1. a., F. A. C.]  
 [25-6.0423 (2)(i), F. A. C.]  
 [25-6.0423 (8)(d), F. A. C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon/Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total	(O) Ending Balance
1	<b>Construction Additions:</b>								
2	<u>Generation:</u>								
3	Real Estate Acquisitions								
4	Project Management								
5	Permanent Staff/Training								
6	Site Preparation								
7	On-Site Construction Facilities								
8	Power Block Engineering, Procurement, etc.								
9	Non-Power Block Engineering, Procurement, etc.								
10	Total System Generation Construction Cost Additions (a)								
11	<u>Adjustments:</u>								
12	Non-Cash Accruals								
13	Joint Owner Credit								
14	Other								
15	Adjusted System Generation Construction Cost Additions (b)								
16	Jurisdictional Factor	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
17	Jurisdictional Generation Construction Capital Additions								
18	<u>Transmission:</u>								
19	Line Engineering								
20	Substation Engineering								
21	Real Estate Acquisition								
22	Line Construction								
23	Substation Construction								
24	Other								
25	Total System Transmission Construction Cost Additions (a)								
26	<u>Adjustments:</u>								
27	Non-Cash Accruals								
28	Joint Owner Credit								
29	Other								
30	Adjusted System Transmission Construction Cost Additions (b)								
31	Jurisdictional Factor	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
32	Jurisdictional Transmission Construction Capital Additions								
33	Total Jurisdictional Construction Cost Additions (Lines 17 + 32)	\$27,614	\$42,460	\$44,437	\$6,770,366	\$507,563	\$1,031,621	\$8,791,860	\$135,886,775

Note:  
 (a) Lines 10 and 25 represent capital expenditures on an accrual basis, excluding AFUDC. Beginning balance ties to ending balance on Schedule T-6.3  
 (b) Lines 15 and 30 represent capital expenditures on a cash basis.

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**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Site Selection Category - Description of Monthly Cost Additions**

Schedule T-6A.1

EXPLANATION: Provide a description of the major tasks performed within the Site Selection Cost category for the year.  
 List generation expenses separate from transmission in the same order appearing on Schedules T- 6.1.  
 This schedule is not required if Schedule T-6.1 is not filed.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(f), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Major Task & Description for amounts on Schedule T-6.1	Description
----------	--	-------------

Generation:

- |   |                                   |  |
|---|-----------------------------------|--|
| 1 | License Application               | Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.         |
| 2 | Engineering, Design & Procurement | Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.  |
| 3 | Permitting                        | Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc )   |
| 4 | Clearing, Grading and Excavation  | Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.  |
| 5 | On-Site Construction Facilities   | Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting. |

Transmission:

- |   |                        |   |
|---|------------------------|---|
| 6 | Line Engineering       | Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.   |
| 7 | Substation Engineering | Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.   |
| 8 | Clearing               | Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with building access roads to the ROW to ensure access for construction, operating and maintenance of transmission lines. |
| 9 | Other                  | Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission Site Selection.                                       |

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Description of Monthly Cost Additions**

Schedule T-6A.2

EXPLANATION: Provide a description of the major tasks performed within the Preconstruction category for the year. [25-6.0423 (5)(c)1.a., F.A.C.]  
 List generation expenses separate from transmission in the same order appearing on Schedules AE- 6.2. [25-6.0423 (2)(g), F.A.C.]  
 This schedule is not required if Schedule T-6.2 is not filed. [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Major Task & Description for amounts on Schedule T-6.2	Description
----------	--	-------------

Generation:

- |   |                                   |  |
|---|-----------------------------------|--|
| 1 | License Application               | Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.         |
| 2 | Engineering, Design & Procurement | Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.  |
| 3 | Permitting                        | Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)   |
| 4 | Clearing, Grading and Excavation  | Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.  |
| 5 | On-Site Construction Facilities   | Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting. |

Transmission:

- |   |                        |   |
|---|------------------------|---|
| 6 | Line Engineering       | Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.   |
| 7 | Substation Engineering | Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.   |
| 8 | Clearing               | Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with building access roads to the ROW to ensure access for construction, operating and maintenance of transmission lines. |
| 9 | Other                  | Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission Preconstruction.                                      |

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Actual Estimated Filing: Construction Category - Description of Monthly Cost Additions**

Schedule T-6A.3

EXPLANATION: Provide a description of the major tasks performed within the Construction category for the year. [25-6.0423 (5)(c)1.b., F.A.C.]  
 List generation expenses separate from transmission in the same order appearing on Schedules AE- 6.3. [25-6.0423 (2)(i), F.A.C.]  
 This schedule is not required if Schedule T-6.3 is not filed. [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Major Task & Description for amounts on Schedule T-6.3	Description
<u>Generation:</u>		
1	Real Estate Acquisition	Land, Survey, Legal fees and commissions.
2	Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
3	Permanent Staff/Training	Obtain and train qualified staff by Fuel Load date.
4	Site Preparation	Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
5	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
6	Power Block Engineering, Procurement, etc.	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
7	Non-Power Block Engineering, Procurement, etc.	Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.)
<u>Transmission:</u>		
8	Line Engineering	Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.
9	Substation Engineering	Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.
10	Real Estate Acquisition	Land acquisition, survey, appraisal, title commitments, permitting, eminent domain support and ordinance review costs.
11	Line Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.
12	Substation Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.
13	Other	Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission construction.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Variance in Additions and Expenditures**

Schedule T-6B.2

REDACTED

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on Schedule T-6.2 with the expenditures approved by the Commission on Schedule AE-6.2. List the Generation expenses separate from Transmission in the same order appearing on Schedule T-6.2. This schedule is not required if Schedule T-6.2 is not filed.

[25-6.0423 (5)(c)1.a.,F.A.C.]  
 [25-6.0423 (2)(g),F.A.C.]  
 [25-6.0423 (5)(a),F.A.C.]  
 [25-6.0423 (8)(d),F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Preconstruction Major Task & Description for amounts on Schedule T-6.2	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	License Application				Licensing Application: Variance is primarily attributable to higher than estimated Nuclear Regulatory Commission ("NRC") review fees and higher outside legal counsel costs associated with LNP Combined Operating License Application ("COLA") activities.
2	Engineering, Design, & Procurement				Engineering, Design, & Procurement: Variance is primarily attributable to lower than estimated internal labor and expenses and deferral of conditions of certification scope into future years.
3	Permitting				
4	Clearing, Grading and Excavation				
5	On-Site Construction Facilities				
6	Total Generation Costs				
<u>Transmission:</u>					
7	Line Engineering				
8	Substation Engineering				
9	Clearing				
10	Other				
11	Total Transmission Costs				

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Variance in Additions and Expenditures**

Schedule T-6B.3

REDACTED

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on Schedule T-6.3 with the expenditures approved by the Commission on Schedule AE-6.3. List the Generation expenses separate from Transmission in the same order appearing on Schedule T-6.3. This schedule is not required if Schedule T-6.3 is not filed.

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(j), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: C. Fallon

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No.	Construction Major Task & Description for amounts on Schedule T-6.3	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	Real Estate Acquisitions				Minor variance from estimated amount
2	Project Management				
3	Permanent Staff/Training				
4	Site Preparation				
5	On-Site Construction Facilities				
6	Power Block Engineering, Procurement, etc.				Power Block Engineering, Procurement, etc.: Variance is primarily attributable to the accrual of costs for partially completed LLE milestones; these costs were included as 2013 costs in the prior-year Projection filing.
7	Non-Power Block Engineering, Procurement, etc.				
8	Total Generation Costs				
<u>Transmission:</u>					
9	Line Engineering				
10	Substation Engineering				
11	Real Estate Acquisition				Real Estate Acquisition: Variance is primarily attributable to fewer purchases of strategic right of ways ("ROWs") than originally anticipated for 2012.
12	Line Construction				
13	Substation Construction				
14	Other				Minor variance from estimated amount
15	Total Transmission Costs				

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Contracts Executed**

Schedule T-7

REDACTED

EXPLANATION: Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract

[25-6.0423 (8)(c),F.A. C.]

COMPANY:  
Progress Energy - FL

Witness: C. Fallon

DOCKET NO.:  
130009-EI

For Year Ended: 12/31/2012

(A) (B) (C) (D) (E) (F) (G) (H) (I) (J) (K)

Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2011)	Amount Expended in Current Year (2012)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection	Work Description
1	N/A	Executed							Purchase Agreement for Rayonier Forest Resources	Purchase based on final results from site down select analysis that determined most suitable site to locate the plant.	Purchase Land for LNP. Final contract amount includes costs to complete title search, recording fees, and documentary stamps; and Final payment in 2013.
2	255934-09 Amendment 1-11	Executed							Joint Venture Team	Sole Source. Award for Phase III support of the COLA submittal (Reference contract 255934-02)	LNP Phase III (Initial Scope - COLA Revision 2) Incorporate RCC Specialty Test, Foundation Calcs Rev-Contract will be amended as new COLA Phase III work scope identified.
3	414310	Executed (continue partial suspension with schedule shift)							Westinghouse Electric Co. LLC.	Sole Source. Award based on vendor being the constructor of the selected RX technology.	To design, engineer, supply, equip, construct and install a fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site. Final contract amount includes change orders.
4	5571467 Amendment 1	Completed (Note 1)							O'Steen Brothers	RFP Process	Provide detailed engineering design, permitting, and construction services for a 3.2 mile, 12 ft. wide multi-use paved trail ("Trail") on the Marjorie Harris Carr Cross Florida Greenway ("Greenway"), to be located in Citrus and Levy Counties (Florida).
5	N/A	Executed							NuStart Energy Development LLC	Membership Agreement in Industry Organization	Preparation of Reference Combined License Applications for Westinghouse and GE Designs.
6	N/A	Note 2	Note 2	Note 2	Note 2			Note 2	Hopping, Green & Sams	Note 2	Legal Work - Levy Site Certification
7	N/A	Note 2	Note 2	Note 2	Note 2			Note 2	Pillsbury Winthrop Shaw Pittman	Note 2	Legal Work - Levy COLA Work and COLA Contentions
8	N/A	Note 2	Note 2	Note 2	Note 2			Note 2	Carlton Fields	Note 2	Legal Work - PEF Levy Units 1 & 2

Note 1: For this particular contract, costs incurred by PEF for the design, permitting, and construction of the Rec Trail were reimbursed from an escrow account administered by the State of Florida (Department of Financial Services, Division of Treasury).

Note 2: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of PEF and its legal services providers, and therefore are not amenable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

LEVY COUNTY NUCLEAR 1 & 2  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Contracts Executed

Schedule T-7A

REDACTED

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

[25-6.0423 (8)(c),F.A.C.]

Witness: C. Fallon

For the Year Ended 12/31/2012

Contract No.: N/A

Major Task or Tasks Associated With: Purchase of property to site the Levy Nuclear Plant

Vendor Identity: Rayonier Forest Resources, L.P. (seller)

Vendor Affiliation (specify 'direct' or 'indirect'): Indirect (Vertical Integration (buyer) on behalf of Progress Energy)

Number of Vendors Solicited: Purchased based on results of site down select analysis that determined the most suitable site for the plant.

Number of Bids Received: N/A

Brief Description of Selection Process: Property was selected based on the site selection process analysis to determine most suitable site for the nuclear facility

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work: Purchase and Sale Agreement. The seller was Rayonier Forest Resources, L.P. Sold Approximately 3,000 acres to Progress Energy for siting Levy Nuclear Plant.

LEVY COUNTY NUCLEAR 1 & 2  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Contracts Executed

Schedule T-7A

REDACTED

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

[25-6.0423 (b)(c),F.A.C.]

COMPANY: Progress Energy - FL

Witness: C. Fallon

DOCKET NO.: 130009-EI

For the Year Ended 12/31/2012

Contract No.: 00255934-00009

Major Task or Tasks Associated With: LNP PHASE III (INITIAL SCOPE - COLA REVISION 6)

Vendor Identity: Joint Venture Team - Sargent & Lundy, CH2M Hill, & Worley Parsons

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: 1

Number of Bids Received: 1

Brief Description of Selection Process: This authorization is for support of the Levy Site Certification. Levy COLA Revision 2 for submittal to the NRC.

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide support for the Levy Nuclear Plant (LNP) Site Certification, including support of Levy COLA Revision 2 for submittal to the NRC.

Task 9 - COLA Revisions

Task 10 - Project Management

Task 11 - Environmental Support

Task 12 - RCC Testing

Task 13 - ASER Review & ACRS Meeting

Task 14 - ASLB Hearing Support

Docket No. 140009-EI  
Duke Energy Florida  
Exhibit No. \_\_\_\_\_ (TGF-1)  
Page 44 of 101

LEVY COUNTY NUCLEAR 1 & 2  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Contracts Executed

Schedule T-7A

REDACTED

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

[25-6.0423 (8)(c), F.A.C.]

Witness: C. Fallon

For the Year Ended 12/31/2012

Contract No.: 414310

Major Task or Tasks Associated With:

The contractor will design, engineer, supply, equip, construct and install a complete fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site.

Vendor Identity: Westinghouse Electric Company LLC

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected.

Number of Bids Received: N/A

Brief Description of Selection Process: Per approved Letter of Intent.

Dollar Value: [REDACTED]

Contract Status: Executed (Continue Partial Suspension with Schedule Shift)

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Scope of Work is to design, engineer, supply, equip, construct, and install a complete and fully operational two (2) unit AP1000 Facility at Owner's Levy Nuclear Plant Site and Nearby Work Areas, including all equipment and services necessary to meet the terms and conditions of the "Engineering, Procurement and Construction Agreement Between Florida Power Corporation doing business as Progress Energy Florida, Inc., (Owner) and a consortium consisting of Westinghouse Electric Company, LLC, and Shaw Stone and Webster, Inc., (Contractor), effective on December 31, 2008

LEVY COUNTY NUCLEAR 1 & 2  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Contracts Executed

Schedule T-7A

REDACTED

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

[25-6.0423 (8)(c),F.A.C.]

Witness: C. Fallon

For the Year Ended 12/31/2012

Contract No.: 571467

Complete Detailed Engineering, Design, Permitting and Construction for the Multi-Use Paved Trail in Citrus and Levy Counties.

Vendor Identity: O'Steen Brothers Inc.

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: 7

Number of Bids Received: 3

Brief Description of Selection Process: A Request for Proposal (RFP) was completed and sent to vendors.

Dollar Value: [REDACTED]

Contract Status: Completed

Term Begin: [REDACTED]

Term End: [REDACTED]

Nature and Scope of Work:

Provide detailed engineering design, permitting, and construction services for a 3.2 mile, 12 ft. wide multi-use paved trail ("Trail") on the Marjorie Harris Carr Cross Florida Greenway ("Greenway"), to be located in Citrus and Levy Counties, Florida.

LEVY COUNTY NUCLEAR 1 & 2  
Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: Contracts Executed

Schedule T-7A

REDACTED

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

[25-6.0423 (8)(c) F.A.C.]

COMPANY: Progress Energy - FL

Witness: C. Fallon

DOCKET NO.: 130009-EI

For the Year Ended 12/31/2012

Contract No.: N/A

Major Task or Tasks Associated With:  
Reference COL Preparation

Vendor Identity: NuStart Energy Development LLC

Vendor Affiliation (specify 'direct' or 'indirect'): Direct

Number of Vendors Solicited: One, membership agreement with the entity.

Number of Bids Received: N/A

Brief Description of Selection Process: N/A

Dollar Value: [REDACTED]

Contract Status: Executed

Term Begin: [REDACTED]  
Term End: [REDACTED]

Nature and Scope of Work:  
Reference Combined

**LEVY COUNTY NUCLEAR 1 & 2**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: All Contracts Executed in Excess of \$250,000 up to and including \$1,000,000**

Schedule T-7B

EXPLANATION: For all executed contracts exceeding \$250,000 up to and including \$1,000,000, (including change orders), provide the contract number or identifier, status, original and current contract terms, original amount, amount expended as of the end of the prior year, amount expended in the year, estimated final contract amount, name of contractor and affiliations if any, method of selection including identification of justification documents, and a description of work.

REDACTED

COMPANY: Progress Energy - FL Witness: C. Fallon

DOCKET NO.: 130009-EI For the Year Ended 12/31/2012

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Actual Expended as of Prior Year End (2011)	Amount Expended in Current Year (2012)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection and Document ID	Work Description
1	3382-208 Amendment 1-3	Completed							Westinghouse Energy Development LLC (WEC)	Sole Source to vendor to address Nuclear Regulatory Commission (NRC) Request for Additional Information (RAI) related to the Levy Nuclear Plant Construction and Operating License Application (COLA).	Provide a Levy Nuclear Site Soil Structure Interaction Analysis for your information and use in response to NRC letter #085.
2	3382-155 Amendment 1-7	Executed							Westinghouse Energy Development LLC (WEC)	Sole Source to vendor to address Nuclear Regulatory Commission (NRC) Request for Additional Information (RAI) related to the Levy Nuclear Plant Construction and Operating License Application (COLA).	Support the COLA review process, as needed, for the Levy Nuclear Plants (LNP). Respond to Requests for Additional Information (RAI) from the regulators, design inputs & RFI's.
3	442498-03 Amendment 1-3	Closed							Southeastern Archaeological Research Inc. (SEARCH)	RFP Process	Provide Cultural Resources Services for the Certified Corridor, the R8 Corridor, and three associated properties for the Levy Project: Development of Work Plan and Survey Proposal.
4	N/A	Note 1	Note 1	Note 1	Note 1			Note 1	Holland & Knight	Note 1	Legal Work - Levy Site Certification

Note 1: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of PEF and its legal services providers, and therefore are not amenable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

PEF Levy - Beginning Balance Support Schedule

Docket No. 130009  
 Appendix A  
 Witness: Thomas G. Foster

Schedule	Line	2011 Ending Balance Amount	2012 Beginning Balance Amount	Explanation
Schedule T-2.3	Line 1	\$128,209,269	\$127,094,915	2011 ending construction cost balance rejurisdictionalized
	Line 2	\$1,001,059	\$1,019,477	2011 ending transfers to plant in service balance rejurisdictionalized

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category: Plant Additions, Expenditures and Associated Carrying Costs**

Appendix B - T.2.2(1)

EXPLANATION: Provide the calculation of the monthly Estimated True-up of plant additions and applicable carrying charges for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Estimated true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

[25-6.0423 (5)(c)1.a., F.A.C.]  
 [25-6.0423 (2)(g), F.A.C.]  
 [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]  
 Witness: Thomas G. Foster

For Year Ended 12/31/2012

Line No.	Beginning Balance	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars								
1. Preconstruction Plant Additions for the Period (Schedule T-6.2 Line 29)		\$596,528	\$777,148	\$1,872,221	\$668,453	\$2,895,937	\$928,037	\$7,738,324
2. Cumulative Under/(Over) Recovery (Cumulative Prior Months Line 10)		0	(1,268,372)	(3,816,171)	(3,786,703)	(4,984,443)	(4,208,437)	
3. Unamortized Plant Eligible for Return (d)	(\$74,848,661)	(69,661,850)	(64,475,039)	(59,288,228)	(54,101,418)	(48,914,607)	(43,727,796)	(43,727,796)
4. Amortization of Plant Eligible for Return (e)	(62,241,730)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(31,120,865)
5. Average Net Unamortized Plant Eligible for Return		(71,956,992)	(67,948,243)	(64,761,694)	(60,147,300)	(55,044,487)	(50,065,620)	
6. Return on Average Net Unamortized Plant Eligible for Return (a)								
a. Equity Component (b)		(393,173)	(371,269)	(353,858)	(328,645)	(300,763)	(273,559)	(2,021,267)
b. Equity Comp. grossed up for taxes (c)		(246,913)	(233,158)	(222,223)	(206,389)	(188,880)	(171,795)	
c. Debt Component		(640,086)	(604,427)	(576,081)	(535,034)	(489,643)	(445,354)	(3,290,625)
7. Preconstruction Carrying Cost on Plant Additions for the Period (Line 6b + 6c)		(117,002)	(110,484)	(105,303)	(97,800)	(89,502)	(81,407)	(601,497)
8. Preconstruction Plant & Carrying Cost for the Period (Line 1 + 7)		(757,088)	(714,911)	(681,384)	(632,834)	(579,145)	(526,760)	(3,892,122)
9. Projected Preconstruction Plant & Carrying Cost for the Period (Order No. PSC 11-0547-FOF-EI)		(160,560)	\$62,238	\$1,190,837	\$35,619	\$2,316,792	\$401,276	\$3,846,202
10. Under/(Over) Recovery (Line 8 - Line 9)		\$1,107,812	\$2,610,036	\$1,161,370	\$1,233,359	\$1,540,786	\$1,252,101	\$8,905,463
		(1,268,372)	(2,547,798)	\$29,467	(\$1,197,739)	\$776,006	(\$850,825)	(\$5,059,262)

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = \{(1 + A/100)^{1/12} - 1\} \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance sourced from 2011 Schedule Appendix B - T-2.2(1) lines 3 & 10.
- (e) Beginning balance and monthly amortization represents collection of non-deferred prior period Site Selection and Pre-Construction over recoveries.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category: Plant Additions, Expenditures and Associated Carrying Costs**

Appendix B - T 2.2(1)

EXPLANATION: Provide the calculation of the monthly Estimated True-up of plant additions and applicable carrying charges for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Estimated true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6 0423 (5)(c)1.a., F.A.C.]  
 [25-6 0423 (2)(g), F.A.C.]  
 [25-6 0423 (5)(a), F.A.C.]  
 [25-6 0423 (8)(d), F.A.C.]  
 Witness: Thomas G. Foster

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Preconstruction Plant Additions for the Period (Schedule T-6.2 Line 29)	\$1,403,754	\$2,185,107	\$1,073,471	\$1,350,507	\$1,597,066	\$1,195,492	\$16,543,722
2. Cumulative Under/(Over) Recovery (Cumulative Prior Months Line 10)	(5,059,262)	(5,494,086)	(5,154,909)	(6,837,901)	(8,376,309)	(9,557,456)	
3. Unamortized Plant Eligible for Return (d)	(38,540,985)	(33,354,174)	(28,167,363)	(22,980,553)	(17,793,742)	(12,606,931)	
4. Amortization of Plant Eligible for Return (e)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(5,186,811)	(62,241,730)
5. Average Net Unamortized Plant Eligible for Return	(45,491,775)	(40,349,112)	(35,378,943)	(31,736,606)	(27,964,923)	(24,160,046)	
6. Return on Average Net Unamortized Plant Eligible for Return (a)							
a. Equity Component (b)	(248,567)	(220,468)	(193,311)	(173,409)	(152,800)	(132,010)	(3,141,831)
b. Equity Comp. grossed up for taxes (c)	(156,101)	(138,454)	(121,399)	(108,901)	(95,959)	(82,903)	(5,114,907)
c. Debt Component	(404,668)	(358,922)	(314,710)	(282,310)	(248,759)	(214,913)	(934,959)
7. Preconstruction Carrying Cost on Plant Additions for the Period (Line 6b + 6c+ 6d)	(478,637)	(424,529)	(372,236)	(333,914)	(294,230)	(254,198)	(6,049,866)
8. Preconstruction Plant & Carrying Cost for the Period (Line 1 + 7)	\$925,117	\$1,760,578	\$701,235	\$1,016,593	\$1,302,836	\$941,294	\$10,493,856
9. Projected Preconstruction Plant & Carrying Cost for the Period (Order No. PSC 11-0547-FOF-EI)	\$1,359,942	\$1,421,401	\$2,384,227	\$2,555,001	\$2,483,983	\$2,548,381	\$21,658,399
10. Under/(Over) Recovery (Line 8 - Line 9)	(\$434,824)	\$339,177	(\$1,682,992)	(\$1,538,408)	(\$1,181,147)	(\$1,607,087)	(\$11,164,543)

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ , resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance sourced from 2011 Schedule Appendix B - T-2.2(1) lines 3 & 10.
- (e) Beginning balance and monthly amortization represents collection of non-deferred prior period Site Selection and Pre-Construction over recoveries.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category: Plant Additions, Expenditures and Associated Carrying Costs**

Appendix B - T 2.2(2)

EXPLANATION: Provide the calculation of the monthly Estimated True-up of plant additions and applicable carrying charges for the Preconstruction Category [25-6.0423 (5)(c)1.a., F.A.C.]  
This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components [25-6.0423 (2)(g), F.A.C.]  
and levels, identify supporting schedule and line. Include in the Estimated true-up calculation applicable Commission approved projection [25-6.0423 (5)(a), F.A.C.]  
amounts for the reported year and identify such orders. [25-6.0423 (8)(d), F.A.C.]  
Witness: Thomas G. Foster

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI For Year Ended 12/31/2012

Line No.	Beginning Balance	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars								
1. Preconstruction Plant Additions for the Period		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Cumulative Under/(Over) Recovery (Cumulative Prior Months Line 10)		0	24,098	96,644	218,149	389,128	610,102	881,595
3. Unamortized Plant Eligible for Return	\$177,271,493	172,271,493	167,271,493	162,271,493	157,271,493	152,271,493	147,271,493	147,271,493
4. Amortization of Plant Eligible for Return (d)	60,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	30,000,000
5. Average Net Unamortized Plant Eligible for Return		174,771,493	169,795,591	164,868,137	159,989,642	155,160,621	150,381,595	
6. Return on Average Net Unamortized Plant Eligible for Return (a)								
a. Equity Component (b)		954,951	927,763	900,840	874,183	847,798	821,685	5,327,220
b. Equity Comp. grossed up for taxes (c)		599,711	582,637	565,729	548,989	532,418	516,020	8,672,723
c. Debt Component		284,178	276,088	268,076	260,143	252,291	244,520	1,585,296
7. Preconstruction Carrying Cost on Plant Additions for the Period (Line 6b + 6c)		<u>\$1,838,841</u>	<u>\$1,786,487</u>	<u>\$1,734,644</u>	<u>\$1,683,315</u>	<u>\$1,632,507</u>	<u>\$1,582,225</u>	<u>\$10,258,020</u>
8. Preconstruction Plant & Carrying Cost for the Period (Line 1 + 7)		<u>\$1,838,841</u>	<u>\$1,786,487</u>	<u>\$1,734,644</u>	<u>\$1,683,315</u>	<u>\$1,632,507</u>	<u>\$1,582,225</u>	<u>\$10,258,020</u>
9. Projected Preconstruction Plant & Carrying Cost for the Period (Order No. PSC 11-0547-FOF-EI)		\$1,814,743	\$1,713,941	\$1,613,139	\$1,512,336	\$1,411,534	\$1,310,732	\$9,376,424
10. Under/(Over) Recovery (Line 8 - Line 9)		<u>\$24,098</u>	<u>\$72,547</u>	<u>\$121,505</u>	<u>\$170,979</u>	<u>\$220,973</u>	<u>\$271,494</u>	<u>\$881,595</u>

**Notes:**

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance and monthly amortization of PEF projected "2010 Levy Regulatory Asset" was defined by the Rate Management Plan from Order PSC-11-0095-FOF-EI. Original deferred balance was \$273,889,606.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category: Plant Additions, Expenditures and Associated Carrying Costs**

Appendix B - T 2.2(2)

EXPLANATION: Provide the calculation of the monthly Estimated True-up of plant additions and applicable carrying charges for the Preconstruction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Estimated true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

[25-6.0423 (5)(c)1.a, F.A.C.]  
 [25-6.0423 (2)(g), F.A.C.]  
 [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]  
 Witness: Thomas G. Foster

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Preconstruction Plant Additions for the Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Cumulative Under/(Over) Recovery (Cumulative Prior Months Line 10)	881,595	1,204,141	1,578,275	2,004,541	2,483,487	3,015,668	
3. Unamortized Plant Eligible for Return	142,271,493	137,271,493	132,271,493	127,271,493	122,271,493	117,271,493	
4. Amortization of Plant Eligible for Return (d)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	60,000,000
5. Average Net Unamortized Plant Eligible for Return	145,653,088	140,975,634	136,349,768	131,776,034	127,254,980	122,787,161	
6. Return on Average Net Unamortized Plant Eligible for Return (a)							
a. Equity Component (b)	795,848	770,291	745,015	720,024	695,321	670,909	9,724,629
b. Equity Comp. grossed up for taxes (c)	499,794	483,744	467,871	452,176	436,663	421,332	
c. Debt Component	1,295,643	1,254,035	1,212,886	1,172,201	1,131,984	1,092,241	15,831,712
7. Preconstruction Carrying Cost on Plant Additions for the Period (Line 6b + 6c+ 6d)	<u>\$1,532,475</u>	<u>\$1,483,261</u>	<u>\$1,434,591</u>	<u>\$1,386,468</u>	<u>\$1,338,901</u>	<u>\$1,291,893</u>	<u>\$18,725,608</u>
8. Preconstruction Plant & Carrying Cost for the Period (Line 1 + 7)	<u>\$1,532,475</u>	<u>\$1,483,261</u>	<u>\$1,434,591</u>	<u>\$1,386,468</u>	<u>\$1,338,901</u>	<u>\$1,291,893</u>	<u>\$18,725,608</u>
9. Projected Preconstruction Plant & Carrying Cost for the Period (Order No. PSC 11-0547-FOF-EI)	\$1,209,929	\$1,109,127	\$1,008,324	\$907,522	\$806,720	\$705,917	\$15,123,964
10. Under/(Over) Recovery (Line 8 - Line 9)	<u>\$322,545</u>	<u>\$374,134</u>	<u>\$426,266</u>	<u>\$478,946</u>	<u>\$532,181</u>	<u>\$585,976</u>	<u>\$3,601,644</u>

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ , resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) Beginning balance and monthly amortization of PEF projected "2010 Levy Regulatory Asset" was defined by the Rate Management Plan from Order PSC-11-0095-FOF-EI. Original deferred balance was \$273,889,606.

**PROGRESS ENERGY FLORIDA**

Docket No. 130009-EI  
APPENDIX C

Levy County Nuclear Unit 1 & 2  
Revenue Requirements  
(in Dollars)

Witness: Thomas G. Foster

Line	Description	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Period Total
1	Site Selection Revenue Req. (1)	\$3,491,739	\$14,036,210	\$19,678,665	\$2,538,561	\$0	\$0	\$0	\$39,745,175
2	Preconstruction Revenue Req. (2)	0	0	130,328,045	272,429,216	92,234,366	37,288,350	29,219,464	561,499,440
3	Construction Carrying Cost Rev Req. (3)	0	1,713,284	7,480,395	7,279,415	6,676,995	13,130,849	16,269,349	52,550,287
4	Recoverable O&M Revenue Req.	0	547,473	3,784,810	4,020,056	2,496,726	1,154,469	988,205	12,991,739
5	DTA (4)	0	(8,011)	(91,499)	7,491,061	10,151,756	16,811,463	19,479,375	53,834,146
6	Other Adjustments	0	0	0	7,619	(5,302)	0	0	2,317
7	Total Period Revenue Req.	<u>\$3,491,739</u>	<u>\$16,288,956</u>	<u>\$161,180,416</u>	<u>\$293,765,929</u>	<u>\$111,554,540</u>	<u>\$68,385,131</u>	<u>\$65,956,393</u>	<u>\$720,623,104</u>
8	Nuclear Cost Recovery Revenue	\$0	\$0	\$0	(\$196,644,614)	(\$200,794,600)	(\$147,573,865)	(\$80,356,714)	(\$625,369,792)
9	Total Unrecovered Revenue Req.	<u>\$3,491,739</u>	<u>\$16,288,956</u>	<u>\$161,180,416</u>	<u>\$97,121,315</u>	<u>(\$89,240,060)</u>	<u>(\$79,188,734)</u>	<u>(\$14,400,321)</u>	<u>\$95,253,312</u>

(1) Site Selection costs include all preconstruction costs that were incurred up to the date of the Need filing.

(2) Includes COL costs and payments for long lead time equipment.

(3) This amount represents the carrying costs on construction expenditures (land costs are included as construction expenditures and this amount includes the carrying costs on the land).

(4) This amount represents the return on the deferred tax asset.

**PROGRESS ENERGY FLORIDA**

Docket No. 130009-EI  
APPENDIX D

Levy County Nuclear Unit 1 & 2  
Capital Spend (Accrual Basis)  
(in Dollars)

REDACTED  
Witness: C. Fallon

Line	Description	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Period Total
1	<u>Site Selection:</u>								
2	<u>Generation:</u>								
3	License Application	\$2,849,210	\$20,536,898	\$8,417,338	\$0	\$0	\$0	\$0	\$31,803,446
4	Engineering, Design, & Procurement	0	0	0	0	0	0	0	0
5	Permitting	0	0	0	0	0	0	0	0
6	Clearing, Grading and Excavation	0	0	0	0	0	0	0	0
7	On-Site Construction Facilities	0	0	0	0	0	0	0	0
8	<b>Total Generation Site Selection</b>	<b>\$2,849,210</b>	<b>\$20,536,898</b>	<b>\$8,417,338</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$31,803,446</b>
9	<u>Transmission:</u>								
10	Line Engineering	\$0	\$1,511,538	\$666,950	\$0	\$0	\$0	\$0	\$2,178,488
11	Substation Engineering	0	171,433	21,860	0	0	0	0	193,293
12	Clearing	0	0	0	0	0	0	0	0
13	Other	0	866,016	482,023	0	0	0	0	1,348,039
14	<b>Total Transmission Site Selection</b>	<b>\$0</b>	<b>\$2,548,987</b>	<b>\$1,170,833</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,719,820</b>
15	<u>Pre-Construction:</u>								
16	<u>Generation:</u>								
17	License Application								
18	Engineering, Design, & Procurement								
19	Permitting								
20	Clearing, Grading and Excavation								
21	On-Site Construction Facilities								
22	<b>Total Generation Pre-Construction</b>								
23	<u>Transmission:</u>								
24	Line Engineering								
25	Substation Engineering								
26	Clearing								
27	Other								
28	<b>Total Transmission Pre-Construction</b>								
29	<u>Construction:</u>								
30	<u>Generation:</u>								
31	Real Estate Acquisitions								
32	Project Management								
33	Permanent Staff/Training								
34	Site Preparation								
35	On-Site Construction Facilities								
36	Power Block Engineering, Procurement, etc.								
37	Non-Power Block Engineering, Procurement, etc.								
38	<b>Total Generation Construction</b>								
39	<u>Transmission:</u>								
40	Line Engineering								
41	Substation Engineering								
42	Real Estate Acquisition								
43	Line Construction								
44	Substation Construction								
45	Other								
46	<b>Total Transmission Construction</b>								
47	<b>Total Capital Spend Generation and Transmission</b>								

Docket No. 140009-EI  
Duke Energy Florida  
Exhibit No. (TGF-1)  
Page 55 of 101

**Docket No. 130009-EI**  
**Progress Energy Florida**  
**Exhibit No. \_\_\_\_ (TGF-2)**

**SCHEDULE APPENDIX**  
**REDACTED**

**EXHIBIT (TGF-2)**

**PROGRESS ENERGY FLORIDA, INC.**  
**CRYSTAL RIVER UNIT 3 UPRATE**  
**COMMISSION SCHEDULES (T-1 Through T-7B)**

**JANUARY 2012 - DECEMBER 2012**  
**FINAL TRUE-UP**  
**DOCKET NO. 130009-EI**

Exhibit: TGF-2

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11	T-4	CCRC Recoverable O&M Monthly Expenditures	T. G. Foster/J. Franke
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**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Summary of Jurisdictional Recovery Amounts**

Schedule T-1

EXPLANATION: Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection and estimated true-up amounts for the reported year and identify such orders.

[25-6.0423(5)(c)1.b.,F.A..C.]  
 [25-6.0423 (8)(d),F.A..C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars							
1. Final Site Selection Costs for the Period [25-6.0423(2)(f),F.A..C.]							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Total Site Selection Amount (Lines 1.a through 1.c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6.0423(2)(g),F.A..C.]							
a. Additions (Schedule T-2.2, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.2, line 9)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax (Schedule T-3A.2, line 12)	0	0	0	0	0	0	0
d. Total Preconstruction Amount (Lines 2.a through 2.c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. Final Construction Costs for the Period [25-6.0423(2)(i),F.A..C.]							
Avg. Net Additions Balance (Schedule T-2.3, line 8)	\$145,436,905	\$147,064,121	\$149,214,247	\$152,299,011	\$155,011,282	\$159,238,950	
a. Carrying Costs on Additions (Schedule T-2.3, line 10)	1,530,200	1,547,321	1,569,943	1,602,399	1,630,936	1,675,417	9,556,215
b. Carrying Costs on Deferred Tax (Schedule T-3A.3, line 12)	52,471	54,864	57,329	59,842	62,426	65,105	352,038
c. Total Construction Amount (Lines 3.a through 3.b)	\$1,582,671	\$1,602,185	\$1,627,272	\$1,662,241	\$1,693,362	\$1,740,522	\$9,908,253
4. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	18,057	42,742	53,500	34,145	13,718	39,923	202,086
5. Other Adjustments (a)	(290,665)	(286,951)	(283,234)	(279,513)	(275,790)	(272,065)	(1,688,220)
6. Total Final Period Amount (Lines 1.d + 2.d + 3.c + 4 + 5)	\$1,310,063	\$1,357,976	\$1,397,538	\$1,416,872	\$1,431,290	\$1,508,380	\$8,422,119
7. Projected Amount for the Period (Order No. PSC 11-0547-FOF-EI)	\$800,009	\$800,085	\$800,196	\$800,343	\$800,526	\$800,746	\$4,801,906
8. Estimated True-up Amount for the Period (Order No. PSC 12-0650-FOF-EI)	\$1,281,138	\$1,287,349	\$1,293,651	\$1,300,015	\$1,306,444	\$1,312,938	\$7,781,534
9. Final True-up Amount for the Period (Line 6 - line 8)	\$28,925	\$70,627	\$103,888	\$116,858	\$124,846	\$195,442	\$640,585

(a) Included in January to December: Inservice revenue requirement; depr and taxes which represents a monthly refund to customers.

Docket No. 140009-EI  
 Duke Energy Florida  
 Exhibit No. \_\_\_\_\_ (TGF-1)  
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**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Summary of Jurisdictional Recovery Amounts**

EXPLANATION: Provide summary calculation of the monthly Final True-up Amount for each cost category: 1. Site Selection, 2. Preconstruction, and 3. Construction. In the event that no costs were approved for recovery and no costs are being requested, state so. For each category with costs, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection and estimated true-up amounts for the reported year and identify such orders.

[25-6.0423(5)(c)1.b.,F.A..C.]  
 [25-6.0423 (8)(d),F.A..C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
Jurisdictional Dollars							
1. Final Site Selection Costs for the Period [25-6.0423(2)(f),F.A..C.]							
a. Additions (Schedule T-2.1, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.1, line 7)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax Asset (Schedule T-3A.1, line 12)	0	0	0	0	0	0	0
d. Total Site Selection Amount (Lines 1.a through 1.c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2. Final Preconstruction Costs for the Period [25-6.0423(2)(g),F.A..C.]							
a. Additions (Schedule T-2.2, line 1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Carrying Costs on Additions (Schedule T-2.2, line 9)	0	0	0	0	0	0	0
c. Carrying Costs on Deferred Tax (Schedule T-3A.2, line 12)	0	0	0	0	0	0	0
d. Total Preconstruction Amount (Lines 2.a through 2.c)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. Final Construction Costs for the Period [25-6.0423(2)(i),F.A..C.]							
Avg. Net Additions Balance (Schedule T-2.3, line 8)	\$164,060,470	\$167,685,942	\$170,368,712	\$172,599,781	\$176,357,194	\$179,891,811	
a. Carrying Costs on Additions (Schedule T-2.3, line 10)	1,726,146	1,764,291	1,792,518	1,815,991	1,855,525	1,892,714	20,403,400
b. Carrying Costs on Deferred Tax (Schedule T-3A.3, line 12)	67,857	70,665	73,525	76,440	79,422	82,467	802,415
c. Total Construction Amount (Lines 3.a through 3.b)	\$1,794,003	\$1,834,956	\$1,866,043	\$1,892,432	\$1,934,947	\$1,975,181	\$21,205,814
4. Allocated or Assigned O&M Amounts (Schedule T-4, line 43)	33,618	60,536	59,440	14,165	29,615	33,125	432,585
5. Other Adjustments (a)	(268,338)	(264,610)	(260,881)	(257,151)	(253,420)	(249,690)	(3,242,310)
6. Total Final Period Amount (Lines 1.d + 2.d + 3.c + 4 + 5)	\$1,559,283	\$1,630,882	\$1,664,602	\$1,649,446	\$1,711,142	\$1,758,616	\$18,396,090
7. Projected Amount for the Period (Order No. PSC 11-0547-FOF-EI)	\$801,003	\$801,297	\$801,629	\$801,999	\$802,408	\$802,856	\$9,613,098
8. Estimated True-up Amount for the Period (Order No. PSC 12-0650-FOF-EI)	\$1,319,498	\$1,326,124	\$1,332,816	\$1,339,575	\$1,346,400	\$1,353,293	\$15,799,241
9. Final True-up Amount for the Period (Line 6 - line 8)	\$239,785	\$304,758	\$331,786	\$309,871	\$364,741	\$405,323	\$2,596,849

(a) Included in January to December: Inservice revenue requirement; depr and taxes which represents a monthly refund to customers.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs**

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1 b.F.A.C.]  
 [25-6.0423 (2)(f).F.A.C.]  
 [25-6.0423 (5)(b).F.A.C.]  
 [25-6.0423 (8)(d).F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	Beginning Balance	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
Jurisdictional Dollars								
1. Construction Cost: Plant Additions for the Period (d)	245,693,462	\$2,061,365	\$1,143,063	\$3,063,083	\$2,957,231	\$2,243,323	\$5,921,090	\$17,389,154
2. Transfers to Plant in Service (d)	28,262,129	0	247	572	0	0	0	\$818
3. BOP Assets not yet in Service (d)	81,608,875	0	(247)	(572)	0	0	0	(\$818)
4. Prior Period Under/(Over) Recovery (Prior Month Line 12)		0	486,410	508,461	536,014	573,401	606,869	
5. Prior Period Carrying Charge Unrecovered Balance (prior period - Line 5) (e)	8,814,469	8,353,062	7,891,654	7,430,247	6,968,840	6,507,432	6,046,025	
6. Prior Period Carrying Charge Recovered (f)	5,536,888	461,407	461,407	461,407	461,407	461,407	461,407	2,768,444
7. Plant Eligible for Return (Prior Mo. Balance + Line 1 - 2 + 3 + 4 - 6)	<u>144,636,926</u>	<u>\$146,236,883</u>	<u>\$147,404,948</u>	<u>\$150,515,085</u>	<u>\$153,546,923</u>	<u>\$155,902,240</u>	<u>\$161,968,792</u>	<u>\$161,968,792</u>
8. Average Net Plant Additions		\$145,436,905	\$147,064,121	\$149,214,247	\$152,299,011	\$155,011,282	\$159,238,950	
9. Return on Average Net Plant Additions (a)								
a. Equity Component (b)		794,667	803,558	815,307	832,162	846,982	870,082	4,962,757
b. Equity Comp. grossed up for taxes (c)		1,293,720	1,308,194	1,327,321	1,354,761	1,378,887	1,416,494	8,079,377
c. Debt Component		236,480	239,126	242,622	247,638	252,048	258,923	1,476,838
10. Final Construction Carrying Cost for the Period (Line 8b + 8c + 8d)		<u>\$1,530,200</u>	<u>\$1,547,321</u>	<u>\$1,569,943</u>	<u>\$1,602,399</u>	<u>\$1,630,936</u>	<u>\$1,675,417</u>	<u>\$9,556,215</u>
11. Projected Construction Carrying Cost Plant Additions for the Period (Order No. PSC 11-0547-FOF-EI)		\$1,043,790	\$1,038,860	\$1,033,929	\$1,028,998	\$1,024,067	\$1,019,136	\$6,188,779
12. Under/(Over) Recovery (Line 9 - Line 10)		<u>\$486,410</u>	<u>\$508,461</u>	<u>\$536,014</u>	<u>\$573,401</u>	<u>\$606,869</u>	<u>\$656,281</u>	<u>\$3,367,436</u>

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) See Appendix A for beginning balance detail.
- (e) Beginning balance sourced from 2011 Schedule T-2.3 lines 5 & 12.
- (f) Beginning balance and monthly amortization represents the prior period under recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Plant Additions, Expenditures and Associated Carrying Costs**

Schedule T-2.3

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

(25-6.0423 (5)(c)1 b, F.A.C.)  
 (25-6.0423 (2)(f), F.A.C.)  
 (25-6.0423 (5)(b), F.A.C.)  
 (25-6.0423 (8)(d), F.A.C.)

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total	(O) Total To Date
Jurisdictional Dollars								
1. Construction Cost: Plant Additions for the Period (d)	\$3,332,202	\$3,417,675	\$1,360,645	\$2,447,958	\$4,356,525	\$1,913,436	\$34,217,595	\$279,911,056
2. Transfers to Plant in Service (d)	0	0	0	5,840	3,399	392	10,449	28,272,578
3. BOP Assets not yet in Service (d)	0	0	0	(5,840)	(3,399)	(392)	(10,449)	81,598,427
4. Prior Period Under/(Over) Recovery (Prior Month Line 12)	656,281	711,941	755,017	788,175	816,579	861,044		
5. Prior Period Carrying Charge Unrecovered Balance (prior period - Line 5) (e)	5,584,618	5,123,210	4,661,803	4,200,396	3,738,988	3,277,581		
6. Prior Period Carrying Charge Recovered (f)	461,407	461,407	461,407	461,407	461,407	461,407	5,536,888	
7. Plant Eligible for Return (Prior Mo. Balance + Line 1 - 2 + 3 + 4 - 6)	<u>\$165,495,867</u>	<u>\$169,164,076</u>	<u>\$170,818,331</u>	<u>\$173,593,056</u>	<u>\$176,304,753</u>	<u>\$180,617,825</u>	<u>\$180,617,825</u>	<u>\$181,520,969</u>
8. Average Net Plant Additions	\$164,060,470	\$167,685,942	\$170,368,712	\$172,599,781	\$176,357,194	\$179,891,811		
9. Return on Average Net Plant Additions (a)								
a. Equity Component (b)	896,426	916,236	930,895	943,085	963,616	982,929	10,595,944	
b. Equity Comp. grossed up for taxes (c)	1,459,384	1,491,634	1,515,498	1,535,344	1,568,768	1,600,210	17,250,214	
c. Debt Component	266,762	272,657	277,020	280,647	286,757	292,504	3,153,185	
10. Final Construction Carrying Cost for the Period (Line 8b + 8c + 8d)	<u>\$1,726,146</u>	<u>\$1,764,291</u>	<u>\$1,792,518</u>	<u>\$1,815,991</u>	<u>\$1,855,525</u>	<u>\$1,892,714</u>	<u>\$20,403,400</u>	
11. Projected Construction Carrying Cost Plant Additions for the Period (Order No. PSC 11-0547-FOF-EI)	\$1,014,205	\$1,009,274	\$1,004,343	\$999,412	\$994,481	\$989,550	\$12,200,044	
12. Under/(Over) Recovery (Line 9 - Line 10)	<u>\$711,941</u>	<u>\$755,017</u>	<u>\$788,175</u>	<u>\$816,579</u>	<u>\$861,044</u>	<u>\$903,164</u>	<u>\$8,203,356</u>	

Notes:

- (a) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.
- (b) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.
- (c) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.
- (d) See Appendix A for beginning balance detail.
- (e) Beginning balance sourced from 2011 Schedule T-2.3 lines 5 & 12.
- (f) Beginning balance and monthly amortization represents the prior period under recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Actual Estimated Filing: Construction Category - Carrying Cost on Deferred Tax Asset**

Schedule T-3A.3

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges on Deferred Tax Asset (DTA) for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.b.,F.A..C.]  
 [25-6.0423 (2)(i),F.A..C.]  
 [25-6.0423 (5)(b),F.A..C.]  
 [25-6.0423 (8)(d),F.A..C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
Jurisdictional Dollars								
1. Construction Cost Construction Period Interest (Schedule T-3B.3, Line 7)		\$558,485	\$568,586	\$578,333	\$588,270	\$609,137	\$629,831	\$3,532,643
2. Construction Cost Recovered Costs Excluding AFUDC		0	0	0	0	0	0	0
3. Other Adjustments		0	0	0	0	0	0	0
4. Tax Basis Less Book Basis (Line 1 + 2 + 3) (d)		<u>\$12,830,426</u>	<u>\$558,485</u>	<u>\$568,586</u>	<u>\$578,333</u>	<u>\$588,270</u>	<u>\$609,137</u>	<u>\$3,532,643</u>
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	<u>\$4,949,337</u>	<u>\$215,436</u>	<u>\$219,332</u>	<u>\$223,092</u>	<u>\$226,925</u>	<u>\$234,975</u>	<u>\$1,362,717</u>
6. Prior Period Construction Unrecovered Balance (e)	(\$73,753)	(\$66,207)	(\$58,660)	(\$51,114)	(\$43,567)	(\$36,021)	(\$28,475)	
7. Prior Period Construction Expenses Recovered (f)	(\$90,557)	(7,546)	(7,546)	(7,546)	(7,546)	(7,546)	(7,546)	
8. Prior Month Under/(Over) Recovery (Prior Month Line 12)		0	5,099	5,868	6,707	7,596	8,555	
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)	4,875,584	5,098,566	5,330,544	5,567,050	5,808,229	6,058,346	6,317,405	
10. Average Balance Eligible for Return		4,987,075	5,214,555	5,448,797	5,687,640	5,933,288	6,187,875	
11. Construction Carrying Cost on DTA (c)								
a. Equity Component (a)		27,249	28,492	29,772	31,077	32,419	33,811	182,821
b. Equity Comp. grossed up for taxes (b)		44,362	46,386	48,469	50,594	52,779	55,044	297,633
c. Debt Component		8,109	8,479	8,860	9,248	9,648	10,061	54,405
12. Construction Carrying Cost on DTA for the Period (Line 11b + 11c)		<u>\$52,471</u>	<u>\$54,864</u>	<u>\$57,329</u>	<u>\$59,842</u>	<u>\$62,426</u>	<u>\$65,105</u>	<u>\$352,038</u>
13. Projected Construction Carrying Cost on DTA for the Period (Order No. PSC 11-0547-FOF-EI)		\$47,372	\$48,997	\$50,621	\$52,246	\$53,871	\$55,496	\$308,604
14. Under/(Over) Recovery (Line 12 - Line 13)		<u>\$5,099</u>	<u>\$5,868</u>	<u>\$6,707</u>	<u>\$7,596</u>	<u>\$8,555</u>	<u>\$9,609</u>	<u>\$43,434</u>

Notes: (a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.  
 (b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
 (c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.  
 (d) Beginning balance sourced from 2011 Schedule T-3A line 4.  
 (e) Beginning balance sourced from 2011 Schedule T-3A lines 6 & 14.  
 (f) Beginning balance and monthly amortization represents the prior period over recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Actual Estimated Filing: Construction Category - Carrying Cost on Deferred Tax Asset**

Schedule T-3A.3

EXPLANATION: Provide the calculation of the monthly Final True-up of applicable carrying charges on Deferred Tax Asset (DTA) for the Construction Category. This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.b., F.A.C.]  
 [25-6.0423 (2)(i), F.A.C.]  
 [25-6.0423 (5)(b), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Jurisdictional Dollars								
1. Construction Cost Construction Period Interest (Schedule T-3B.3, Line 7)		\$640,119	\$651,440	\$660,403	\$671,928	\$686,809	\$696,000	\$7,539,343
2. Construction Cost Recovered Costs Excluding AFUDC		0	0	0	0	0	0	0
3. Other Adjustments		0	0	0	0	0	0	0
4. Tax Basis Less Book Basis (Line 1 + 2 + 3) (d)		<u>\$629,831</u>	<u>\$640,119</u>	<u>\$651,440</u>	<u>\$660,403</u>	<u>\$671,928</u>	<u>\$686,809</u>	<u>\$7,539,343</u>
5. Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	38.575%	<u>\$242,957</u>	<u>\$246,926</u>	<u>\$251,293</u>	<u>\$254,751</u>	<u>\$259,196</u>	<u>\$264,936</u>	<u>\$7,857,639</u>
6. Prior Period Construction Unrecovered Balance (e)		(\$20,928)	(\$13,382)	(\$5,835)	\$1,711	\$9,258	\$16,804	
7. Prior Period Construction Expenses Recovered (f)		(7,546)	(7,546)	(7,546)	(7,546)	(7,546)	(7,546)	
8. Prior Month Under/(Over) Recovery (Prior Month Line 12)		9,609	10,736	11,919	13,155	14,445	15,802	
9. Balance Eligible for Return (Prior Month Line 9 + Line 5 - 7 + 8)		6,581,486	6,851,062	7,125,278	7,405,175	7,692,103	7,983,933	
10. Average Balance Eligible for Return		6,449,446	6,716,274	6,988,170	7,265,226	7,548,639	7,838,018	
11. Construction Carrying Cost on DTA (c)								
a. Equity Component (a)		35,240	36,698	38,183	39,697	41,246	42,827	416,712
b. Equity Comp. grossed up for taxes (b)		57,370	59,744	62,163	64,627	67,148	69,722	678,408
c. Debt Component		10,487	10,921	11,363	11,813	12,274	12,745	124,007
12. Construction Carrying Cost on DTA for the Period (Line 11b + 11c)		<u>\$67,857</u>	<u>\$70,665</u>	<u>\$73,525</u>	<u>\$76,440</u>	<u>\$79,422</u>	<u>\$82,467</u>	<u>\$802,415</u>
13. Projected Construction Carrying Cost on DTA for the Period (Order No. PSC 11-0547-FOF-EI)		\$57,121	\$58,746	\$60,371	\$61,996	\$63,621	\$65,245	\$675,703
14. Under/(Over) Recovery (Line 12 - Line 13)		<u>\$10,736</u>	<u>\$11,919</u>	<u>\$13,155</u>	<u>\$14,445</u>	<u>\$15,802</u>	<u>\$17,222</u>	<u>\$126,712</u>

Notes: (a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.  
 (b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
 (c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.  
 (d) Beginning balance sourced from 2011 Schedule T-3A line 4.  
 (e) Beginning balance sourced from 2011 Schedule T-3A lines 6 & 14.  
 (f) Beginning balance and monthly amortization represents the prior period over recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Actual Estimated Filing: Construction Category - Construction Period Interest for Deferred Tax Asset Calculations**

Schedule T-3B.3

EXPLANATION: Provide the calculation of the monthly Final True-up of construction period interest.

[25-6.0423 (5)(c)1.b., F.A..C.]

This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe

[25-6.0423 (2)(i), F.A..C.]

the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission

[25-6.0423 (5)(b), F.A..C.]

approved projection amounts for the reported year and identify such orders.

[25-6.0423 (8)(d), F.A..C.]

COMPANY:

Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Line No.	(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total
Jurisdictional Dollars								
1.	Beginning Balance (Prior Month Line 4)		\$119,044,971	\$120,612,364	\$123,379,436	\$124,794,996	\$127,643,505	\$133,749,579
2.	Additions (Schedule T-6.3 (Line 12 + 15 + 16) x Line 18) (a)	245,359,726	1,786,466	3,179,610	1,711,723	3,191,045	6,193,364	19,077,711
3.	Other Adjustments (License Application Costs) (a)	(126,314,755)	(219,073)	(412,538)	(296,162)	(342,537)	(87,290)	(1,599,184)
4.	Ending Balance Excluding CPI (Line 1 + 2 + 3)	<u>\$119,044,971</u>	<u>\$120,612,364</u>	<u>\$123,379,436</u>	<u>\$124,794,996</u>	<u>\$127,643,505</u>	<u>\$133,749,579</u>	<u>\$136,523,499</u>
5.	Average Balance Eligible for CPI		<u>\$119,828,668</u>	<u>\$121,995,900</u>	<u>\$124,087,216</u>	<u>\$126,219,251</u>	<u>\$130,696,542</u>	<u>\$135,136,539</u>
6.	Monthly CPI Rate (b)		0.0046607	0.0046607	0.0046607	0.0046607	0.0046607	0.0046607
7.	Construction Period Interest for Tax (CPI)		<u>\$558,485</u>	<u>\$568,586</u>	<u>\$578,333</u>	<u>\$588,270</u>	<u>\$609,137</u>	<u>\$3,532,643</u>

Notes:

(a) See Appendix A for beginning balance detail.

(b) CPI rate is the projected weighted average debt rate for the period.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Actual Estimated Filing: Construction Category - Construction Period Interest for Deferred Tax Asset Calculations**

Schedule T-3B.3

EXPLANATION: Provide the calculation of the monthly Final True-up of construction period interest.  
 This schedule is not required if no costs were approved for recovery and no costs are being requested. List and describe the components and levels, identify supporting schedule and line. Include in the Final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.b., F.A..C.]  
 [25-6.0423 (2)(i), F.A..C.]  
 [25-6.0423 (5)(b), F.A..C.]  
 [25-6.0423 (8)(d), F.A..C.]

COMPANY:  
 Progress Energy - FL

Witness: Thomas G. Foster

DOCKET NO.:  
 130009-EI

For Year Ended 12/31/2012

Line No.	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Jurisdictional Dollars								
1.	Beginning Balance (Prior Month Line 4)	\$136,523,499	\$138,164,605	\$141,381,492	\$142,010,763	\$146,327,058	\$148,396,288	
2.	Additions (Schedule T-6.3 (Line 12 + 15 + 16) x Line 18) (a)	2,326,225	3,516,782	791,813	4,516,769	2,248,964	2,412,414	34,890,676
3.	Other Adjustments (License Application Costs) (a)	(685,119)	(299,894)	(162,543)	(200,473)	(179,734)	(537,215)	(3,664,161)
4.	Ending Balance Excluding CPI (Line 1 + 2 + 3)	<u>\$136,523,499</u>	<u>\$138,164,605</u>	<u>\$141,381,492</u>	<u>\$142,010,763</u>	<u>\$146,327,058</u>	<u>\$148,396,288</u>	<u>\$150,271,487</u>
5.	Average Balance Eligible for CPI	<u>\$137,344,052</u>	<u>\$139,773,049</u>	<u>\$141,696,128</u>	<u>\$144,168,911</u>	<u>\$147,361,673</u>	<u>\$149,333,887</u>	
6.	Monthly CPI Rate (b)	0.0046607	0.0046607	0.0046607	0.0046607	0.0046607	0.0046607	
7.	Construction Period Interest for Tax (CPI)	<u>\$640,119</u>	<u>\$651,440</u>	<u>\$660,403</u>	<u>\$671,928</u>	<u>\$686,809</u>	<u>\$696,000</u>	<u>\$7,539,343</u>

Notes:

- (a) See Appendix A for beginning balance detail.
- (b) CPI rate is the projected weighted average debt rate for the period.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: O&M Expenditures Allocated or Assigned to Other Recovery Mechanisms**

Schedule T-4

EXPLANATION: Provide the calculation of the monthly Final True-Up of CCRC recoverable operation and maintenance (O&M) costs. This schedule is not required if no costs were approved for recovery and no costs are being requested. By primary function, list and describe the components and levels, identify supporting schedule and line. Include in the final true-up calculation applicable Commission approved projection amounts for the reported year and identify such orders.

[25-6.0423 (5)(c)1.b., F.A.C.]  
 [25-6.0423 (2)(h), F.A.C.]  
 [25-6.0423 (2)(i), F.A.C.]  
 [25-6.0423 (5)(a), F.A.C.]  
 [25-6.0423 (8)(d), F.A.C.]  
 Witness: Thomas G. Foster/J. Franke

COMPANY: Progress Energy - FL

DOCKET NO.: 130009-EI

Line No.	Description	Beg. Balance	For Year Ended 12/31/2012												
			(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) Actual July	(H) Actual August	(I) Actual September	(J) Actual October	(K) Actual November	(L) Actual December	(M) 12 Month Total
1	Accounting		\$14,315	\$11,271	\$11,244	\$10,762	\$8,116	\$10,012	\$4,059	\$8,118	\$9,922	\$7,351	\$6,404	\$7,960	\$109,535
2	Corporate Communications		0	0	0	0	0	0	0	0	0	0	0	0	0
3	Corporate Planning		6,526	19,459	26,153	20,295	11,374	12,207	11,924	20,373	17,490	12,862	13,321	14,000	185,984
4	Corporate Services		0	0	0	0	0	0	0	0	0	0	0	0	0
5	External Relations		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Human Resources		0	0	0	0	0	0	0	0	0	0	0	0	0
7	IT & Telecom		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Legal		181	19,545	25,527	27,373	(3,376)	24,706	23,513	42,641	42,436	(3,623)	14,994	16,912	230,827
9	Project Assurance		231	9	0	2,286	0	0	0	0	0	0	0	0	2,525
10	Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
11	Joint Owner Credit		(1,747)	(4,133)	(5,172)	(3,948)	(1,324)	(3,857)	(3,246)	(5,847)	(5,741)	(1,364)	(2,854)	(3,195)	(42,428)
12	Other		0	0	0	(12,683)	0	0	0	0	0	0	0	0	(12,683)
13	<b>Subtotal A&amp;G</b>		<b>\$19,506</b>	<b>\$46,150</b>	<b>\$57,752</b>	<b>\$44,084</b>	<b>\$14,788</b>	<b>\$43,068</b>	<b>\$36,249</b>	<b>\$65,286</b>	<b>\$64,107</b>	<b>\$15,226</b>	<b>\$31,866</b>	<b>\$35,677</b>	<b>\$473,760</b>
14	Energy Delivery Florida		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0
16	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
17	<b>Subtotal Energy Delivery Florida</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
18	Nuclear Generation		\$0	\$0	\$0	(\$7,965)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,965)
19	Joint Owner Credit		0	0	0	655	0	0	0	0	0	0	0	0	655
20	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
21	<b>Subtotal Nuclear Generation</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,310)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,310)</b>
22	Transmission		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Joint Owner Credit		0	0	0	0	0	0	0	0	0	0	0	0	0
24	Other		0	0	0	0	0	0	0	0	0	0	0	0	0
25	<b>Subtotal Transmission</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
26	<b>Total O&amp;M Costs</b>		<b>\$19,506</b>	<b>\$46,150</b>	<b>\$57,752</b>	<b>\$36,773</b>	<b>\$14,788</b>	<b>\$43,068</b>	<b>\$36,249</b>	<b>\$65,286</b>	<b>\$64,107</b>	<b>\$15,226</b>	<b>\$31,866</b>	<b>\$35,677</b>	<b>\$466,449</b>
27	Jurisdictional Factor (A&G)		0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640	0.92640
28	Jurisdictional Factor (Distribution)		0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624	0.99624
29	Jurisdictional Factor (Nuclear - Production - Base)		0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
30	Jurisdictional Factor (Transmission)		0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
31	Jurisdictional Recoverable Costs (A&G) (Line 13 X Line 27)		\$18,070	\$42,754	\$53,501	\$40,839	\$13,700	\$39,899	\$33,581	\$60,481	\$59,389	\$14,106	\$29,520	\$33,051	\$438,891
32	Jurisdictional Recoverable Costs (Distribution) (Line 17 X Line 28)		0	0	0	0	0	0	0	0	0	0	0	0	0
33	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 21 X Line 29)		0	0	0	(6,702)	0	0	0	0	0	0	0	0	(6,702)
34	Jurisdictional Recoverable Costs (Transmission) (Line 25 X Line 30)		0	0	0	0	0	0	0	0	0	0	0	0	0
35	<b>Total Jurisdictional CCRC Recoverable O&amp;M Costs</b>		<b>\$18,070</b>	<b>\$42,754</b>	<b>\$53,501</b>	<b>\$34,137</b>	<b>\$13,700</b>	<b>\$39,899</b>	<b>\$33,581</b>	<b>\$60,481</b>	<b>\$59,389</b>	<b>\$14,106</b>	<b>\$29,520</b>	<b>\$33,051</b>	<b>\$432,189</b>
36	Prior Period Unrecovered O&M Balance Eligible for interest (a)	(\$248,408)	(\$189,309)	(\$130,210)	(\$71,111)	(\$12,013)	\$47,086	\$106,185	\$165,284	\$224,382	\$283,481	\$342,580	\$401,679	\$460,777	
37	Prior Period O&M Costs Recovered (a)	(\$709,185)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	(\$59,099)	
38	Prior Month Under/(Over) Recovery (Prior Month Line 45)		\$0	\$18,171	\$42,846	\$53,594	\$34,229	\$13,792	\$39,987	\$33,672	\$60,581	\$59,474	\$14,189	\$29,630	
39	Balance Eligible for Interest	(\$248,408)	(\$189,309)	(\$112,039)	(\$10,095)	\$102,598	\$195,925	\$268,816	\$367,902	\$460,673	\$580,353	\$698,926	\$772,214	\$860,942	
40	Average Unamortized Balance		(\$209,823)	(\$120,212)	(\$12,894)	\$90,117	\$173,226	\$259,216	\$355,143	\$461,364	\$580,498	\$676,429	\$757,425	\$847,918	
41	Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	
42	Interest Provision		(\$13)	(\$12)	(\$1)	\$8	\$18	\$25	\$37	\$56	\$51	\$59	\$95	\$74	
43	<b>Total O&amp;M Costs and Interest (Line 35 + Line 42)</b>		<b>18,057</b>	<b>42,742</b>	<b>53,500</b>	<b>34,145</b>	<b>13,718</b>	<b>39,923</b>	<b>33,618</b>	<b>60,536</b>	<b>59,440</b>	<b>14,165</b>	<b>29,615</b>	<b>33,125</b>	<b>\$432,585</b>
44	<b>Total Jurisdictional O&amp;M Costs From Most Recent Projection (Order No. PSC 11-0547-FOF-EI)</b>		<b>(\$113)</b>	<b>(\$103)</b>	<b>(\$94)</b>	<b>(\$84)</b>	<b>(\$74)</b>	<b>(\$64)</b>	<b>(\$54)</b>	<b>(\$44)</b>	<b>(\$34)</b>	<b>(\$25)</b>	<b>(\$15)</b>	<b>(\$5)</b>	<b>(\$710)</b>
45	<b>Difference (Line 43 - 44)</b>		<b>\$18,171</b>	<b>\$42,846</b>	<b>\$53,594</b>	<b>\$34,229</b>	<b>\$13,792</b>	<b>\$39,987</b>	<b>\$33,672</b>	<b>\$60,581</b>	<b>\$59,474</b>	<b>\$14,189</b>	<b>\$29,630</b>	<b>\$33,130</b>	<b>\$433,295</b>

Notes: (a) Beginning balance sourced from 2011 Schedule T-4 lines 36 & 45.  
 (b) Beginning balance and monthly amortization represents the prior period over recovery.

**CRYSTAL RIVER UNIT 3 UPRATE**

**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance  
Final True-Up Filing: O&M Expenditures Allocated or Assigned to Other Recovery Mechanisms**

Schedule T-4A

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on Schedules T4 with the expenditures approved by the Commission on Schedules AE-4. This schedule is not required if Schedules T4 and AE4 for the year are not filed.

[25-6.0423 (5)(c)1.b., F.A.C.]  
[25-6.0423 (2)(h), F.A.C.]  
[25-6.0423 (2)(i), F.A.C.]  
[25-6.0423 (5)(a), F.A.C.]  
[25-6.0423 (8)(d), F.A.C.]

COMPANY:  
Progress Energy - FL

Witness: Thomas G. Foster/J. Franke

DOCKET NO.:  
130009-EI

For Year Ended: 12/31/2012

Line No.	Description	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
Allocated or Assigned O&M Expenditures					
1	Accounting	\$65,250	\$109,535	\$44,285	Minor variance from estimated amount.
2	Corporate Communications	0	0	0	
3	Corporate Planning	117,652	185,984	68,332	Minor variance from estimated amount.
4	Corporate Services	0	0	0	
5	External Relations	0	0	0	
6	Human Resources	0	0	0	
7	IT & Telecom	0	0	0	
8	Legal	259,725	230,827	(28,898)	Minor variance from estimated amount.
9	Project Assurance	239	2,525	\$2,286	Minor variance from estimated amount.
10	Tax	0	0	0	
11	Energy Delivery Florida	0	0	0	
12	Nuclear Generation	0	(7,965)	(7,965)	Minor variance from estimated amount.
13	Transmission	0	0	0	
14	Other	0	(12,683)	(12,683)	Minor variance from estimated amount.
15	Total	\$442,866	\$508,222	\$65,356	

Note.  
System Estimated/Actual ties to original April 30, 2012 Estimated/Actual Filing prior to recast with \$0 spend assumption, in order to defer recovery of 2012-2013 revenue requirements per stipulation.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Monthly Capital Additions/Expenditures**

EXPLANATION: Provide the Final True-up of monthly plant additions by major tasks performed within Construction category for the year. [25-6.0423 (5)(c)1.b., F.A. C.]  
 All Construction costs also included in Site Selection costs or Preconstruction costs must be identified. Attach a schedule with the [25-6.0423 (2)(i), F.A. C.]  
 calculation of the jurisdictional factor and list all other cost recovery mechanisms where the same jurisdictional factor is used for the [25-6.0423 (8)(d), F.A. C.]  
 same type of costs as those listed in this schedule. List generation related expenses separate from transmission related expenses.

COMPANY: Progress Energy - FL

Witness: Thomas G. Foster/J. Franke

DOCKET NO.: 130009-EI

For Year Ended: 12/31/2012

Line No.	Description	(A) Beginning Balance	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total Additions
<b>1</b>	<b>Construction Additions:</b>								
<b>2</b>	<b>Generation:</b>								
3	License Application	\$26,069,709	\$93,146	\$412,245	\$138,495	\$592,026	\$77,606	\$102,012	\$1,415,530
4	Real Estate Acquisitions	0	0	0	0	0	0	0	0
5	Project Management	40,325,030	369,590	282,131	330,092	286,985	265,038	402,282	1,936,118
6	Permanent Staff/Training	0	0	0	0	0	0	0	0
7	Site Preparation	0	0	0	0	0	0	0	0
8	Permitting	891,046	0	0	0	6,120	0	0	6,120
9	On-Site Construction Facilities	1,406,438	7,234	3,316	2,564	1,495	2,422	2,388	19,418
10	Power Block Engineeng, Procurement, etc.	241,644,437	1,707,008	3,017,784	2,310,093	3,074,115	7,140,329	3,317,988	20,567,316
11	Non-Power Block Engineering, Procurement, etc.	8,355,487	1,467	157,893	5,574	32,681	18,325	25,824	241,764
12	Total System Generation Construction Cost Additions (a)	\$318,692,147	\$2,178,445	\$3,873,369	\$2,786,817	\$3,993,423	\$7,503,719	\$3,850,494	\$24,186,266
<b>13</b>	<b>Adjustments:</b>								
14	Non-Cash Accruals	\$364,010	\$299,837	(\$2,221,292)	\$1,473,948	(\$255,025)	(\$4,308,368)	\$3,169,166	(\$1,841,734)
15	Joint Owner Credit	(25,151,571)	(187,699)	(306,235)	(213,385)	(325,429)	(615,237)	(314,323)	(1,962,309)
16	Other	(25,923,104)	(42,221)	(99,086)	(706,430)	(187,473)	(133,289)	(247,117)	(1,415,617)
17	Adjusted System Generation Construction Cost Additions (b)	\$267,981,481	\$2,248,361	\$1,246,755	\$3,340,949	\$3,225,496	\$2,446,826	\$6,458,220	\$18,966,607
18	Jurisdictional Factor	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
19	Jurisdictional Generation Construction Capital Additions	\$245,693,462	\$2,061,365	\$1,143,063	\$3,063,083	\$2,957,231	\$2,243,323	\$5,921,090	\$17,389,154
<b>20</b>	<b>Transmission:</b>								
21	Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Substation Engineering	0	0	0	0	0	0	0	0
23	Real Estate Acquisition	0	0	0	0	0	0	0	0
24	Line Construction	0	0	0	0	0	0	0	0
25	Substation Construction	0	0	0	0	0	0	0	0
26	Other	0	0	0	0	0	0	0	0
27	Total System Transmission Construction Cost Additions (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>28</b>	<b>Adjustments:</b>								
29	Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Joint Owner Credit	0	0	0	0	0	0	0	0
31	Other	0	0	0	0	0	0	0	0
32	Adjusted System Transmission Construction Cost Additions (b)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Jurisdictional Factor	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
34	Jurisdictional Transmission Construction Capital Additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Total Jurisdictional Construction Cost Additions (Lines 19 + 34)	\$245,693,462	\$2,061,365	\$1,143,063	\$3,063,083	\$2,957,231	\$2,243,323	\$5,921,090	\$17,389,154

Note:  
 (a) Lines 12 and 27 represent capital expenditures on an accrual basis, gross of joint owner billings and exclude AFUDC. Beginning balance ties to ending balance on Schedule T-6.3.  
 (b) Lines 17 and 32 represent capital expenditures on a cash basis, net of joint owner billings.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Monthly Capital Additions/Expenditures**

Schedule T-6.3

**CONFIDENTIAL**

EXPLANATION: Provide the Final True-up of monthly plant additions by major tasks performed within Construction category for the year.  
 All Construction costs also included in Site Selection costs or Preconstruction costs must be identified. Attach a schedule with the calculation of the jurisdictional factor and list all other cost recovery mechanisms where the same jurisdictional factor is used for the same type of costs as those listed in this schedule. List generation related expenses separate from transmission related expenses.

[25-6.0423 (5)(c)1 b, F.A. C.]  
 [25-6.0423 (2)(i) F.A. C.]  
 [25-6.0423 (8)(d) F.A. C.]

COMPANY: Progress Energy - FL

Witness: Thomas G. Foster/J. Franke

DOCKET NO.: 130009-E1

For Year Ended: 12/31/2012

Line No.	Description	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total	(O) Ending Balance
<b>1</b>	<b>Construction Additions:</b>								
<b>2</b>	<b>Generation:</b>								
3	License Application	\$275,252	\$957,263	(\$206,641)	\$296,040	\$38,271	\$139,743	\$2,915,457	\$28,985,166
4	Real Estate Acquisitions	0	0	0	0	0	0	0	0
5	Project Management	104,251	420,325	236,035	216,400	267,022	167,120	3,347,270	43,672,300
6	Permanent Staff/Training	0	0	0	0	0	0	0	0
7	Site Preparation	0	0	0	0	0	0	0	0
8	Permitting	0	0	0	0	0	4,589	10,709	901,755
9	On-Site Construction Facilities	1,066	2,561	0	1,211	6,753	4,234	35,242	1,441,680
10	Power Block Engineering, Procurement, etc.	2,736,700	3,145,590	972,613	5,376,353	2,494,429	2,769,056	38,062,056	279,706,493
11	Non-Power Block Engineering, Procurement, etc.	2,018	1,519	1,266	(302,432)	1,783	6,063	(48,019)	8,307,468
12	Total System Generation Construction Cost Additions (a)	\$3,119,285	\$4,527,257	\$1,003,272	\$5,587,571	\$2,808,257	\$3,090,804	\$44,322,714	\$363,014,861
<b>13</b>	<b>Adjustments:</b>								
14	Non-Cash Accruals	\$1,097,234	(\$108,097)	\$620,434	(\$2,256,483)	\$2,298,748	(\$544,243)	(\$734,140)	(\$370,130)
15	Joint Owner Credit	(217,165)	(410,662)	(82,550)	(484,120)	(230,674)	(253,170)	(3,640,650)	(28,792,221)
16	Other	(364,873)	(280,789)	(57,081)	(176,945)	(124,606)	(206,379)	(2,626,289)	(28,549,393)
17	Adjusted System Generation Construction Cost Additions (b)	\$3,634,482	\$3,727,708	\$1,484,076	\$2,670,023	\$4,751,726	\$2,087,012	\$37,321,635	\$305,303,116
18	Jurisdictional Factor	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683
19	Jurisdictional Generation Construction Capital Additions	\$3,332,202	\$3,417,675	\$1,360,645	\$2,447,958	\$4,356,525	\$1,913,436	\$34,217,595	\$279,911,056
<b>20</b>	<b>Transmission:</b>								
21	Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Substation Engineering	0	0	0	0	0	0	0	0
23	Real Estate Acquisition	0	0	0	0	0	0	0	0
24	Line Construction	0	0	0	0	0	0	0	0
25	Substation Construction	0	0	0	0	0	0	0	0
26	Other	0	0	0	0	0	0	0	0
27	Total System Transmission Construction Cost Additions (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>28</b>	<b>Adjustments:</b>								
29	Non-Cash Accruals	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Joint Owner Credit	0	0	0	0	0	0	0	0
31	Other	0	0	0	0	0	0	0	0
32	Adjusted System Transmission Construction Cost Additions (b)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Jurisdictional Factor	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795	0.70795
34	Jurisdictional Transmission Construction Capital Additions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Total Jurisdictional Construction Cost Additions (Lines 19 + 34)	\$3,332,202	\$3,417,675	\$1,360,645	\$2,447,958	\$4,356,525	\$1,913,436	\$34,217,595	\$279,911,056

Note:  
 (a) Lines 12 and 27 represent capital expenditures on an accrual basis, gross of joint owner billings and exclude AFUDC. Beginning balance ties to ending balance on Schedule T-6.3.  
 (b) Lines 17 and 32 represent capital expenditures on a cash basis, net of joint owner billings.

Docket No. 140009-E1  
 Duke Energy Florida  
 Exhibit No. (TGF-1)  
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**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Actual Estimated Filing: Construction Category - Description of Monthly Cost Additions**

Schedule T-6A.3

EXPLANATION: Provide a description of the major tasks performed within the Construction category for the year.  
 List generation expenses separate from transmission in the same order appearing on Schedules AE- 6.3.  
 This schedule is not required if Schedule AE-6.3 is not filed.

[25-6.0423 (5)(c)1 b., F. A. C.]  
 [25-6.0423 (2)(i), F. A. C.]  
 [25-6.0423 (5)(a), F. A. C.]  
 [25-6.0423 (8)(d), F. A. C.]

COMPANY:  
 Progress Energy - FL

Witness: J. Franke

DOCKET NO.:  
 130009-EI

For Year Ended: 12/31/2012

Line No	Major Task & Description for amounts on Schedule T-6.3	Description
<u>Generation:</u>		
1	License Application	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.
2	Real Estate Acquisition	Land, Survey, Legal fees and commissions.
3	Project Management	Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.
4	Permanent Staff/Training	Obtain and train qualified staff by Fuel Load date.
5	Site Preparation	Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.
6	Permitting	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)
7	On-Site Construction Facilities	Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.
8	Power Block Engineering, Procurement, etc.	The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)
9	Non-Power Block Engineering, Procurement, etc.	Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.)
<u>Transmission:</u>		
10	Line Engineering	Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.
11	Substation Engineering	Internal engineering labor and all other costs associated with substation and protection and control (relay) engineering.
12	Real Estate Acquisition	Land acquisition, survey, appraisal, title commitments, permitting, eminent domain support and ordinance review costs.
13	Line Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.
14	Substation Construction	Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.
15	Other	Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission construction.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Construction Category - Variance in Additions and Expenditures**

Schedule T-6B.3

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on Schedule T-6.3 with the expenditures approved by the Commission on Schedule AE-6.3. List the Generation expenses separate from Transmission in the same order appearing on Schedule T-6.3. This schedule is not required if Schedule T-6.3 is not filed.

COMPANY:

Progress Energy - FL

Witness: J. Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Line No.	Construction Major Task & Description for amounts on Schedule T-6.3	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	License Application	\$2,760,171	\$2,915,457	\$155,286	Minor variance from estimated amount.
2	Real Estate Acquisition	0	0	0	
3	Project Management	3,193,987	3,347,270	153,282	Minor variance from estimated amount.
4	Permanent Staff/Training	0	0	0	
5	Site Preparation	0	0	0	
6	Permitting	0	10,709	10,709	Minor variance from estimated amount.
7	On-Site Construction Facilities	10,549	35,242	24,693	Minor variance from estimated amount.
8	Power Block Engineering, Procurement, etc.	45,393,388	38,062,056	(7,331,332)	The majority of the variance is attributed to deferral of contract payments, control and reduction of engineering work scope, and lower warehouse inventory expenses than projected as a result of deferring EPU work and costs beyond 2012.
9	Non-Power Block Engineering, Procurement, etc.	153,743	(48,019)	(201,762)	Higher than projected contract labor and equipment costs were incurred to meet environmental compliance regulations and to maintain the integrity of the stored equipment. Offsetting these costs was an accounting entry to reverse an expense accrual booked in 2011 that was no longer necessary as a result of closing a contract.
10	Total Generation Costs	\$51,511,838	\$44,322,714	(\$7,189,124)	
<u>Transmission:</u>					
11	Line Engineering	\$0	\$0	\$0	
12	Substation Engineering	0	0	0	
13	Real Estate Acquisition	0	0	0	
14	Line Construction	0	0	0	
15	Substation Construction	0	0	0	
16	Other	0	0	0	
17	Total Transmission Costs	\$0	\$0	\$0	

Note:  
System Estimated/Actual ties to original April 30, 2012 Estimated/Actual Filing prior to recast with \$0 spend assumption, in order to defer recovery of 2012-2013 revenue requirements per stipulation.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Contracts Executed**

Schedule T-7

REDACTED

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

[25-6.0423 (8)(c), F.A.C.]

COMPANY:

Progress Energy - FL

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Amount Expended as of Prior Year End (2011)	Amount Expended in Current Year (2012)	Estimate of Final Contract Amount (Note 2)	Name of Contractor (and Affiliation if any)	Method of Selection & Document ID	Work Description
1	101659 WA 84	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture	EPU NSSS Engineering, Fuel Eng, and LAR Support for CR3
2	101659 WA 93	Executed							AREVA - NP	RFP KS12007	EPU BOP
3	145569 WA 50	Executed							Siemens	RFP	CR3 turbine retrofit for EPU including supply of all equipment and installation.
4	101659 WA 84, Amd 7	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages
5	101659 WA 84, Amd 8	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages and LAR
6	101659 WA 93, Amd 9	Executed							AREVA - NP	RFP KS12007; continuation of work	R17 EC packages
7	433059	Suspended /Closed							EvapTech	RFP SF6-2008	CR3 Cooling Tower Construction
8	359323 WA14	Executed							Flowserve	SF12-2009	condensate pumps and motors
9	359323 WA16	Executed							Flowserve	RFP	small and large bore LPI valves
10	506636	Executed							Sulzer	RFP	FWP 2A/2B
11	488945	Executed							Sulzer	RFP SF10-2009	FWP 1A/1B
12	505119	Closed							SPX	RFP SF01-2010	two (2) feedwater heat exchangers FWHE 2A/2B
13	145569 WA 50, Amd 7	Executed							Siemens	RFP; continuation of work	amended and restated WA-50 for LP turbines, HP turbines, R16 outage EWA's, LD's, additional support, and updated testing and monitoring plans
14	101659 WA 84, Amd 9	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages
15	101659-93, Amd 11	Executed							AREVA - NP	RFP KS12007; continuation of work	R17 EC packages
16	590696	Executed							SPX	RFP	FWHE 3A/3B
17	545831-01	Executed							Curtiss Wright/Scientech	RFP	Inadequate Core Cooling Modification System
18	101659-84, Amd 11	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 engineering work for 2011-12

Docket No. 140009-EI  
 Duke Energy Florida  
 Exhibit No. (TGF-1)  
 Page 72 of 101

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: Contracts Executed**

Schedule T-7

**REDACTED**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

[25-6.0423 (8)(c), F.A.C.]

COMPANY:

Progress Energy - FL

Witness: Jon Franke

DOCKET NO.:

130009-E1

For Year Ended 12/31/2012

Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Amount Expended as of Prior Year End (2011)	Amount Expended in Current Year (2012)	Estimate of Final Contract Amount (Note 2)	Name of Contractor (and Affiliation if any)	Method of Selection & Document ID	Work Description
19	101659-93, Amd 13	Executed							AREVA - NP	RFP KS12007; continuation of work	R17 engineering work for 2011-12
20	101659-93, Amd 14	Executed							AREVA - NP	RFP KS12007; continuation of work	R17 engineering work for 2011-12
21	101659-84, Amd 13	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 engineering work for 2011-12
22	101659-84, Amd 14	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 engineering work for 2012-13
23	101659-84, Amd 15	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture; continuation of work.	R17 engineering work for 2012-13

Note 1: Areva Contracts WA 84 and WA 93 include projected spend in 2012 that as of the filing date do not have approved WA Amendments. The 2012 activity shown is to indicate expected spend for disclosure purposes - this results in aggregated spend per Contract above aggregated final estimated Contract amount as shown above. Similarly, AREVA work authorizations below \$250K are not disclosed in this filing and may be part of this variance explanation.

Note 2: The Estimate of Final Contract Amounts were created prior to the Feb. 5, 2013 announcement that CR3 would be retired and decommissioned. These final contract estimates will be revised and likely be reduced as PEF works through the process of suspending and terminating the CR3 Uprate project contracts.

CRYSTAL RIVER UNIT 3 UPRATE  
 Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
 True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION	REDACTED
COMPANY: Progress Energy - FL	Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.	[25-6.0423 (b)(c) F.A.C.]
DOCKET NO.: 130009-EI		Witness: Jon Franke For Year Ended 12/31/2012

**Contract No.:**  
101659 WA 84  
**Major Task or Tasks Associated With:**  
EPU NSSS Engineering, Fuel Eng, and LAR Support for CR3  
**Vendor Identity:**  
Areva NP, Inc.  
**Vendor Affiliation (specify 'direct' or 'indirect'):**  
Direct  
**Number of Vendors Solicited:**  
Sole Source  
**Number of Bids Received:**  
N/A  
**Brief Description of Selection Process:**  
N/A - OEM  
**Dollar Value:**  
██████████  
**Contract Status:**  
Executed  
**Term Begin:**  
██████████  
**Term End:**  
██████████  
**Nature and Scope of Work:**  
Contractor agrees to perform the following work more fully described in AREVA Proposal No. NSSSE06-1023.0 Revision 000 dated July 18, 2007 to furnish all engineering personnel and tools, engineering supervision and management, deliverable documents and required transportation necessary to perform the following functions in support of the Extended Power Uprate (EPU) Project Nuclear Steam Supply (NSSS) Portion for Crystal River Three (CR-3) Nuclear Power Station - Nuclear Steam Supply System (NSSS) Engineering, Fuel Engineering, Support of the Licensing Amendment Request (LAR). This work is Nuclear Safety Related.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (8)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Contract No.:

1D1659-93

Major Task or Tasks Associated With:

EPU, BOP

Vendor Identity:

Areva NP

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

5

Number of Bids Received:

3

Brief Description of Selection Process:

Areva has proven performance on MUR and NSSS with a stronger interface with vendors, teamed with original A/E for BOP at CR3. Areva is the best vendor from a technical perspective and on average equal cost with opportunity to earn higher royalties.

Dollar Value:

Contract Status:

Executed

Term Begin:

Term End:

Nature and Scope of Work:

Contractor shall provide Engineering Services for CR3 Secondary Systems Uprate to support the Extended Power Uprate Project. Engineering Services shall be in accordance with Request for Proposal No. KS12007 and "Extended Power Uprate Bid Specification", dated June 25, 2007.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (8)(c), F.A.C.1

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

**Contract No.:**

145569 WA 50

**Major Task or Tasks Associated With:**

CR3 turbine retrofit for EPU including supply of all equipment and installation

**Vendor Identity:**

Siemens

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

4

**Number of Bids Received:**

2

**Brief Description of Selection Process:**

Total cost lower than competing bidder. Siemens adds value by bundling all components and services.

**Dollar Value:**

[REDACTED]

**Contract Status:**

Executed

**Term Begin:**

[REDACTED]

**Term End:**

[REDACTED]

**Nature and Scope of Work:**

Contractor to provide all materials, equipment, and tools to supply and install High pressure Turbine Rotors, Low Pressure Turbine Rotors, Generator, and Exciter at Crystal River Unit #3 as set forth in the Contractor's offer (Proposal Number TA02-280) dated April 16, 2007, the Proposal Revision e-mail TA02-280-1 dated May 18, 2007, Mr Puneet Bahl's Installation Clarification e-mail and its Attachment dated June 4, 2007 and the terms and conditions of the Master Contract # 145569.  
This work is non-safety related.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (b)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Contract No.:

101659-84, Amendment 7

Major Task or Tasks Associated With:

R17 EC packages

Vendor Identity:

Areva NP

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

N/A

Number of Bids Received:

N/A

Brief Description of Selection Process:

Sole source (continuation of work under original contract WA-84)

Dollar Value:

Contract Status:

Executed

Term Begin:

Term End:

Nature and Scope of Work:

R17 EC packages including LPI cross-tie, Atmo Dump Valves, and Emergency Feed Pump-2.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (8)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Contract No.:

101659-84, Amendment 8

Major Task or Tasks Associated With:

R17 EC packages including LAR

Vendor Identity:

Areva NP

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

N/A

Number of Bids Received:

N/A

Brief Description of Selection Process:

Sole source (continuation of work under original contract WA-84)

Dollar Value:

Contract Status:

Executed

Term Begin:

Term End:

Nature and Scope of Work:

R17 EC packages including spent fuel, LPI X-tie modification, large transient testing, and LAR activities

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract

REDACTED

COMPANY: Progress Energy - FL

[25-6 0423 (8)(c), F.A.C.]

DOCKET NO.: 130009-EI

Witness: Jan Franke

For Year Ended 12/31/2012

Contract No.: 101659-93, Amendment 9  
Major Task or Tasks Associated With: R17 EC packages for BOP.  
Vendor Identity: Areva NP  
Vendor Affiliation (specify 'direct' or 'indirect'): Direct  
Number of Vendors Solicited: N/A  
Number of Bids Received: N/A  
Brief Description of Selection Process: Continuation of work under WA-93

Dollar Value: [REDACTED]  
Contract Status: Executed  
Term Begin: [REDACTED]  
Term End: [REDACTED]  
Nature and Scope of Work:

R17 EC packages for BOP including Feedwater Heater 2A/2B, Deaerator, and Main Steam System.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

(25-6 0423 (b)(c), F.A.C.)

Witness: Jon Franke

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

Contract No.:

433059

Major Task or Tasks Associated With:

Point of Discharge Cooling Tower Construction

Vendor Identity:

EvapTech

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

7

Number of Bids Received:

4

Brief Description of Selection Process:

RFP issued to 7 bidders and 4 proposals were received. Two of the four bidders were disqualified for technical and commercial reasons. EvapTech was chosen from the remaining two proposals.

Dollar Value:

Contract Status:

Closed

Term Begin:

Term End:

Nature and Scope of Work:

Construction of the Cooling Towers due to increased discharge temperature from EPU power conditions.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

(25-6.0423 (8)(c), F.A.C.)

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

**Contract No.:**

359323-14

**Major Task or Tasks Associated With:**

condensate pumps and motors

**Vendor Identity:**

Flowserve

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

6

**Number of Bids Received:**

4

**Brief Description of Selection Process:**

two of the 4 bids were considered technically acceptable and the lowest cost vendor was chosen for this project.

**Dollar Value:**

**Contract Status:**

Executed

**Term Begin:**

**Term End:**

**Nature and Scope of Work:**

Condensate pumps and motor replacement

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including: the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6 0423 (B)(c), F.A.C.]

DOCKET NO.:

130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

Contract No.:

359323-16

Major Task or Tasks Associated With:

small and large bore LPI valves

Vendor Identity:

Flowsolve

Vendor Affiliation (specify "direct" or "indirect"):

Direct

Number of Vendors Solicited:

4

Number of Bids Received:

3

Brief Description of Selection Process:

Selected a primary vendor that could provide the majority of the valves at a reasonable cost and was technically acceptable

Dollar Value:

[REDACTED]

Contract Status:

Executed

Term Begin:

[REDACTED]

Term End:

[REDACTED]

Nature and Scope of Work:

small and large bore LPI valves

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25-6.0423 (6)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

**Contract No.:**

508636

**Major Task or Tasks Associated With:**

Main Feedwater pumps (FWP 2A/2B)

**Vendor Identity:**

Sulzer

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

2

**Number of Bids Received:**

2

**Brief Description of Selection Process:**

Both vendors were technically feasible and pricing was relatively close. Ultimately, Sulzer was chosen for various technical and commercial reasons.

**Dollar Value:**

[REDACTED]

**Contract Status:**

Executed

**Term Begin:**

[REDACTED]

**Term End:**

[REDACTED]

**Nature and Scope of Work:**

Design, manufacture, assemble, test, and ship two (2) main feedwater pumps (FWP 2A/2B)

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

125-6.0423 (8)(c), F.A.C.1

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Contract No.:

488945

Major Task or Tasks Associated With:

Feedwater Booster Pumps (FWP 1A/1B)

Vendor Identity:

Sulzer

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

6

Number of Bids Received:

3

Brief Description of Selection Process:

Sulzer was chosen as the most technically feasible solution.

Dollar Value:

[REDACTED]

Contract Status:

Executed

Term Begin:

[REDACTED]

Term End:

[REDACTED]

Nature and Scope of Work:

Design, manufacture, assemble, and ship two (2) feedwater booster pumps (FWP 1A/1B)

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25-6.0423 (b)(c), F.A.C.]

DOCKET NO: 130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

**Contract No.:**  
505119  
**Major Task or Tasks Associated With:**  
2 feedwater heat exchangers  
**Vendor Identity:**  
SPX  
**Vendor Affiliation (specify 'direct' or 'indirect'):**  
Direct  
**Number of Vendors Solicited:**  
5  
**Number of Bids Received:**  
3  
**Brief Description of Selection Process:**  
SPX was chosen as the highest rated technical bidder and lowest cost option  
**Dollar Value:**  
██████████  
**Contract Status:**  
Closed  
**Term Begin:**  
██████████  
**Term End:**  
██████████  
**Nature and Scope of Work:**  
2 feedwater heat exchangers for installation in R17

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25.6.0423 (8)(c), F.A.C.]

DOCKET NO.: 130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

Contract No.: 145569 WA 50, Amendment 7  
**Major Task or Tasks Associated With:** CR3 turbine retrofit for EPU including supply of all equipment and installation  
**Vendor Identity:** Siemens  
**Vendor Affiliation (specify 'direct' or 'indirect'):** Direct  
**Number of Vendors Solicited:** N/A  
**Number of Bids Received:** N/A  
**Brief Description of Selection Process:** Continuation of work under original WA-50  
**Dollar Value:** [REDACTED]  
**Contract Status:** Executed  
**Term Begin:** [REDACTED]  
**Term End:** [REDACTED]  
**Nature and Scope of Work:** amended and restated WA 50 for LP turbines, HP turbines, R16 outage EWA's, LD's, additional support, and updated testing and monitoring plans

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (b)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

Contract No.:

101659-84, Amendment 9

Major Task or Tasks Associated With:

R17 EC packages

Vendor Identity:

Areva NP

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

N/A

Number of Bids Received:

N/A

Brief Description of Selection Process:

Sole source (continuation of work under original contract WA-84)

Dollar Value:

Contract Status:

Executed

Term Begin:

Term End:

Nature and Scope of Work:

R17 EC packages

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (b)(c), F.A.C.]

DOCKET NO.:

130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

Contract No.:

101659-93, Amendment 11

Major Task or Tasks Associated With:

R17 EC packages for BOP.

Vendor Identity:

Areva NP

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

N/A

Number of Bids Received:

N/A

Brief Description of Selection Process:

Continuation of work under WA-93

Dollar Value:

[REDACTED]

Contract Status:

Executed

Term Begin:

[REDACTED]

Term End:

[REDACTED]

Nature and Scope of Work:

R17 EC packages for BOP.

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25-6.0423 (8)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO: 130009-EI

For Year Ended 12/31/2012

Contract No.: 592696  
Major Task or Tasks Associated With: FWHE 3A/3B  
Vendor Identity: SPX  
Vendor Affiliation (specify 'direct' or 'indirect'): Direct  
Number of Vendors Solicited: 3  
Number of Bids Received: 3  
Brief Description of Selection Process: RFP SF03-2011

Dollar Value: [REDACTED]  
Contract Status: Executed  
Term Begin: [REDACTED]  
Term End: [REDACTED]  
Nature and Scope of Work:

FWHE 3A/3B procurement

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25-6 0423 (8)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

**Contract No.:**  
545831-01  
**Major Task or Tasks Associated With:**  
Inadequate Core Cooling Modification System  
**Vendor Identity:**  
Curtiss Wright/Scientech  
**Vendor Affiliation (specify 'direct' or 'indirect'):**  
Direct  
**Number of Vendors Solicited:**  
5  
**Number of Bids Received:**  
4  
**Brief Description of Selection Process:**  
RFP SF11-2010  
**Dollar Value:**  
[REDACTED]  
**Contract Status:**  
Executed  
**Term Begin:**  
[REDACTED]  
**Term End:**  
[REDACTED]  
**Nature and Scope of Work:**

Inadequate Core Cooling Modification System

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25-6.0423 (8)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

**Contract No.:**  
101659-84, Amendment 11  
**Major Task or Tasks Associated With:**  
R17 engineering work for 2011-12  
**Vendor Identity:**  
Areva NP, Inc.  
**Vendor Affiliation (specify 'direct' or 'indirect'):**  
Direct  
**Number of Vendors Solicited:**  
N/A  
**Number of Bids Received:**  
N/A  
**Brief Description of Selection Process:**  
Sole Source, Original Equipment Manufacture, Continuation of work

**Dollar Value:**  
[REDACTED]

**Contract Status:**  
Executed

**Term Begin:**  
[REDACTED]

**Term End:**  
[REDACTED]

**Nature and Scope of Work:**

R17 engineering work for 2011-12

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

(25-6-0423 (B)(c), F.A.C.)

Witness: Jon Franke

DOCKET NO:

130009-EI

For Year Ended 12/31/2012

**Contract No.:**

101659-93, Amendment 13

**Major Task or Tasks Associated With:**

R17 engineering work for 2011-12

**Vendor Identity:**

Areva NP, Inc

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

N/A

**Number of Bids Received:**

N/A

**Brief Description of Selection Process:**

RFP KS12007, Continuation of work

**Dollar Value:**

[REDACTED]

**Contract Status:**

Executed

**Term Begin:**

[REDACTED]

**Term End:**

[REDACTED]

**Nature and Scope of Work:**

R17 engineering work for 2011-12

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY: Progress Energy - FL

[25-6.0423 (B)(c), F.A.C.]

Witness: Jon Franke

DOCKET NO.: 130009-EI

For Year Ended 12/31/2012

Contract No.:  
101659-93, Amendment 14  
**Major Task or Tasks Associated With:**  
R17 engineering work for 2011-12  
**Vendor Identity:**  
Aeva NP, Inc  
**Vendor Affiliation (specify 'direct' or 'indirect'):**  
Direct  
**Number of Vendors Solicited:**  
N/A  
**Number of Bids Received:**  
N/A  
**Brief Description of Selection Process:**  
RFP KS12007, Continuation of work

**Dollar Value:**  
[REDACTED]

**Contract Status:**  
Executed

**Term Begin:**  
[REDACTED]

**Term End:**  
[REDACTED]

**Nature and Scope of Work:**

R17 engineering work for 2011-12

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (b)(c), F.A.C.]

DOCKET NO.:

130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

Contract No.:

101659-84, Amd 13

Major Task or Tasks Associated With:

R17 engineering work for 2011-12

Vendor Identity:

Areva NP, Inc.

Vendor Affiliation (specify 'direct' or 'indirect'):

Direct

Number of Vendors Solicited:

Sole Source

Number of Bids Received:

N/A

Brief Description of Selection Process:

Sole Source - Original Equipment Manufacture; continuation of work.

Dollar Value:

Contract Status:

Executed

Term Begin:

Term End:

Nature and Scope of Work:

R17 engineering work for 2011-12

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract.

REDACTED

COMPANY:

Progress Energy - FL

[25-6.0423 (6)(c), F.A.C.]

DOCKET NO.:

130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

**Contract No.:**

101659-84, Amd 14

**Major Task or Tasks Associated With:**

R17 engineering work for 2012-13

**Vendor Identity:**

Areva NP, Inc.

**Vendor Affiliation (specify 'direct' or 'indirect'):**

Direct

**Number of Vendors Solicited:**

Sole Source

**Number of Bids Received:**

N/A

**Brief Description of Selection Process:**

Sole Source - Original Equipment Manufacture, continuation of work.

**Dollar Value:**

██████████

**Contract Status:**

Executed

**Term Begin:**

██████████

**Term End:**

██████████

**Nature and Scope of Work:**

R17 engineering work for 2012-13

CRYSTAL RIVER UNIT 3 UPRATE  
Site Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance  
True-Up Filing: Contracts Executed

Schedule T-7A

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status of the contract

REDACTED

COMPANY: Progress Energy - FL

(25-G.0423 (8)(c), F.A.C.)

DOCKET NO.: 130009-EI

Witness: Jon Franke

For Year Ended 12/31/2012

Contract No.:  
101659-84, Amd 15  
Major Task or Tasks Associated With:  
R17 engineering work for 2012-13  
Vendor Identity:  
Areva NP, Inc.  
Vendor Affiliation (specify 'direct' or 'indirect'):  
Direct  
Number of Vendors Solicited:  
Sole Source  
Number of Bids Received:  
N/A  
Brief Description of Selection Process:  
Sole Source - Original Equipment Manufacture; continuation of work.  
Dollar Value:  
██████████  
Contract Status:  
Executed  
Term Begin:  
██████████  
Term End:  
██████████  
Nature and Scope of Work:  
R17 engineering work for 2012-13

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Pre-Construction Costs and Carrying Costs on Construction Cost Balance**  
**True-Up Filing: All Contracts Executed in Excess of \$250,000 up to and including \$1,000,000**

Schedule T-7B

CONFIDENTIAL

EXPLANATION: For all executed contracts exceeding \$250,000 up to and including \$1,000,000, (including change orders), provide the contract number or identifier, status, original and current contract terms, original amount, amount expended as of the end of the prior year, amount expended in the year, estimated final contract amount, name of contractor and affiliations if any, method of selection including identification of justification documents, and a description of work.

COMPANY:

Progress Energy - FL

Witness: Jon Franke

DOCKET NO.:

130009-EI

For Year Ended 12/31/2012

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Amount Expended as of Prior Year End (2011)	Amount Expended in Current Year (2012)	Estimate of Final Contract Amount (Note 2)	Name of Contractor (and Affiliation if any)	Method of Selection and Document ID	Work Description
1	Areva (101659-93, Amd 4)	Executed							Areva	RFP KS12007	Additional BOP Scope
2	Areva (101659-94, Amd 2)	Executed							Areva	Sole Source- OEM NSSS.	Additional NSSS Scope
3	Areva (101659-93, Amd 5)	Executed							Areva	RFP KS12007	Additional BOP Scope
4	Areva (101659-94, Amd 3)	Executed							Areva	Sole Source- OEM for NSSS	Additional NSSS Scope
5	BWC (407670-03)	Executed							BWC	ROTSQ Requal 3030 RFP	Qual of SG @ EPU conditions 3030 Mwh
6	ABB Inc (31624-14, Amd 2)	Closed							ABB Inc	Mesa RFP	HCTS MCC's
7	Siemens Water Tech (225693-09)	Closed							Siemens Water Tech	Mesa RFP	Dual flow traveling water screens for HCTS
8	485918	Executed							Curtiss-Wright / Sciencetech	RFP SF13-2009	atmospheric dump valves
9	548483	Closed							Impact Services, Inc.	RFP	Disposal of old MSR's from R16 outage
10	548474	Closed							Excel Services Corp	Resource could not be secured via Guidant, so funding provided via contract for staff augmentation work.	Staff augmentation in support of LAR.
11	109486, Amd's 62, 63, 67, 72, 74, 80, 81	Executed							Worley Parsons	RFP KS12007 (staff aug)	staff augmentation services provided from original AE W/P, continuation of work under Areva engineering contract.
12	109486, Amd 85	Executed							Worley Parsons	Continuation of work authorized under Amendment No. 81	Personnel, Instrument Evaluation
13	109486, Amd 91	Executed							Worley Parsons	Continuation of work authorized under Amendment No. 81	Personnel, Instrument Evaluation, Staff Augmentation
14	Carlton Fields	Note 1							Carlton Fields	Note 1	Legal Work - PEF Crystal River #3 Unit Uprate
15	101659-94, Amd 12	Executed							AREVA - NP	Sole Source - Original Equipment Manufacture, continuation of work.	R17 engineering work for 2011-12
16	Areva (101659-94, Amd 16)	Executed							Areva	Sole Source- OEM NSSS.	Additional NSSS Scope
17	Areva (101659-93, Amd 15)	Executed							Areva	RFP KS12007	Additional BOP Scope
18	Areva (101659-93, Amd 16)	Executed							Areva	RFP KS12007	Additional BOP Scope
19	147496-167, Amd 3-6	Executed							Townsend	RFP JG-C1-09	Heavy Haul path support and materials handling for receipt of equipment, condensate pump rack, temp power, and other miscellaneous EPU support.
20	506636, Amd 1	Executed							Sutzer Pumps (US), Inc		Incorporate new component specification

Note 1: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of PEF and its legal services providers, and therefore are not amenable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

Note 2: The Estimate of Final Contract Amounts were created prior to the Feb. 5, 2013 announcement that CR3 would be retired and decommissioned. These final contract estimates will be revised and likely be reduced as PEF works through the process of suspending and terminating the CR3 Uprate project contracts.

PEF CR3 - Beginning Balance Support Schedule

Docket No. 130009-EI  
 Appendix A  
 Witness: Thomas G. Foster

Schedule	Line	2011 Ending Balance Amount	2012 Beginning Balance Amount	Explanation
Schedule T-2.3	Line 1	\$248,665,376	\$245,693,462	2011 ending construction cost balance rejurisdictionalized
	Line 2	\$28,603,989	\$28,262,129	2011 ending transfers to plant in service balance rejurisdictionalized
	Line 3	\$82,596,018	\$81,608,875	Balance of BOP assets not yet in service
Schedule T-3B.3	Line 2	\$248,327,604	\$245,359,726	2011 construction costs cash basis rejurisdictionalized for current year
	Line 3	(\$133,585,528)	(\$126,314,755)	2011 costs rejurisdictionalized for current year

Crystal River 3 Uprate  
In Service Project Revenue Requirements 2012 Recovery

Docket No. 130009-EI  
APPENDIX B  
Witness Thomas G. Foster

	Beg Balance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
1 Inservice Project Revenue Requirements														
2 Projected Inservice Project Revenue Requirements Current Period (d)	(272,799)	(41,944)	(38,573)	(35,165)	(31,722)	(28,243)	(24,727)	(21,174)	(17,583)	(13,955)	(10,289)	(6,584)	(2,840)	(272,799)
3 PY (2010 and 2011) Inservice Project Revenue Requirements	(\$4,272,216)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(356,018)	(4,272,216)
4 Base Rate Refund	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Under/(Over) Recovery	(\$4,349,031)	(\$3,951,069)	(\$3,556,478)	(\$3,165,295)	(\$2,777,555)	(\$2,393,294)	(\$2,012,549)	(\$1,635,357)	(\$1,261,756)	(\$891,783)	(\$525,476)	(\$162,974)	\$195,964	
6 Cumulative Under/(Over) Recovery		(\$3,951,069)	(\$3,598,049)	(\$3,244,722)	(\$2,891,121)	(\$2,537,279)	(\$2,183,230)	(\$1,829,009)	(\$1,474,651)	(\$1,120,193)	(\$765,672)	(\$411,126)	(\$56,594)	
7 Return on Average Under/(Over) Recovery (c)														
8 Equity Component (a)		(\$21,589)	(\$19,660)	(\$17,729)	(\$15,797)	(\$13,864)	(\$11,929)	(\$9,994)	(\$8,057)	(\$6,121)	(\$4,184)	(\$2,246)	(\$309)	(\$131,479)
9 Equity Component grossed up for taxes (b)		(35,146)	(32,006)	(28,863)	(25,718)	(22,570)	(19,421)	(16,270)	(13,118)	(9,965)	(6,811)	(3,657)	(503)	(214,047)
10 Debt Component		(6,424)	(5,850)	(5,276)	(4,701)	(4,126)	(3,550)	(2,974)	(2,398)	(1,821)	(1,245)	(668)	(92)	(39,126)
11 Total Return on Under/(Over) Recovery (Schedule T-1, line 5)		(\$41,571)	(\$37,857)	(\$34,139)	(\$30,419)	(\$26,696)	(\$22,971)	(\$19,244)	(\$15,515)	(\$11,786)	(\$8,056)	(\$4,326)	(\$595)	(\$253,173)
12 Total Period Costs To Be Recovered	\$0	(\$41,571)	(\$37,857)	(\$34,139)	(\$30,419)	(\$26,696)	(\$22,971)	(\$19,244)	(\$15,515)	(\$11,786)	(\$8,056)	(\$4,326)	(\$595)	(\$253,173)

- (a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.  
 (b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
 (c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{12} - 1] \times 100$ , resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.  
 (d) 2012 Projection filing Line 5 YTD  
 Less: \$249,095 in base rates YTD  
 2,989,140  
 (272,799)

**PROGRESS ENERGY FLORIDA**  
**Crystal River Unit 3 Uprate**  
**Revenue Requirements**  
**(in Dollars)**

Docket No. 130009-EI  
APPENDIX C  
Witness: Thomas G. Foster

Line	Description	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Total
1	Site Selection Revenue Req. (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Preconstruction Revenue Req.	0	0	0	0	0	0	0	\$0
3	Construction Carrying Cost Rev Req. (2)	0	925,842	6,072,267	14,089,876	9,854,218	15,671,698	20,403,400	67,017,301
4	Recoverable O&M Revenue Req.	0	0	166,588	762,529	823,467	461,200	432,585	2,646,369
5	DTA (3)	0	3,053	61,655	261,719	252,232	456,177	802,415	1,837,250
6	Other Adjustments	0	0	1,255,428	396,018	(2,901,536)	(3,346,641)	(3,242,310)	(7,839,041)
7	Total Period Revenue Req.	\$0	\$928,895	\$7,555,938	\$15,510,142	\$8,028,381	\$13,242,434	\$18,396,090	\$63,661,880
8	Nuclear Cost Recovery Revenue	\$0	\$0	\$0	(\$23,666,522)	(\$6,113,122)	(\$16,006,795)	(\$5,594,323)	(\$51,380,762)
9	Total Unrecovered Revenue Req.	\$0	\$928,895	\$7,555,938	(\$8,156,380)	\$1,915,259	(\$2,764,361)	\$12,801,767	\$12,281,118

- (1) Site Selection costs include all preconstruction costs that were incurred up to the date of the Need filing.  
(2) This amount represents the carrying costs on construction expenditures.  
(3) This amount represents the return on the deferred tax asset.

**PROGRESS ENERGY FLORIDA**  
**Crystal River Unit 3 Uprate**  
**Capital Spend (Accrual Basis)**  
**(in Dollars)**

Docket No. 130009-EI  
 APPENDIX D  
 Witness: J. Franke

Line	Description	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Total
1	<b>Site Selection:</b>								
2	<b>Generation:</b>								
3	License Application	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Engineering, Design, & Procurement	0	0	0	0	0	0	0	0
5	Permitting	0	0	0	0	0	0	0	0
6	Clearing, Grading and Excavation	0	0	0	0	0	0	0	0
7	On-Site Construction Facilities	0	0	0	0	0	0	0	0
8	<b>Total Generation Site Selection</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
9	<b>Transmission:</b>								
10	Line Engineering	0	0	0	0	0	0	0	0
11	Substation Engineering	0	0	0	0	0	0	0	0
12	Clearing	0	0	0	0	0	0	0	0
13	Other	0	0	0	0	0	0	0	0
14	<b>Total Transmission Site Selection</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
15	<b>Pre-Construction:</b>								
16	<b>Generation:</b>								
17	License Application	0	0	0	0	0	0	0	0
18	Engineering, Design, & Procurement	0	0	0	0	0	0	0	0
19	Permitting	0	0	0	0	0	0	0	0
20	Clearing, Grading and Excavation	0	0	0	0	0	0	0	0
21	On-Site Construction Facilities	0	0	0	0	0	0	0	0
22	<b>Total Generation Pre-Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
23	<b>Transmission:</b>								
24	Line Engineering	0	0	0	0	0	0	0	0
25	Substation Engineering	0	0	0	0	0	0	0	0
26	Clearing	0	0	0	0	0	0	0	0
27	Other	0	0	0	0	0	0	0	0
28	<b>Total Transmission Pre-Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
29	<b>Construction:</b>								
30	<b>Generation:</b>								
31	License Application	\$0	\$0	\$0	\$ 20,016,839	\$ 3,265,805	\$ 2,787,066	\$ 2,915,457	\$ 28,985,166
32	Real Estate Acquisitions	0	0	0	0	0	0	0	0
33	Project Management	132,657	2,320,617	7,731,640	21,154,156	5,177,054	3,808,905	3,347,270	43,672,299
34	Permanent Staff/Training	0	0	0	0	0	0	0	0
35	Site Preparation	0	0	0	0	0	0	0	0
36	Permitting	0	0	0	882,003	(10,607)	19,650	10,709	901,754
37	On-Site Construction Facilities	0	0	0	1,203,955	164,692	37,791	35,242	1,441,680
38	Power Block Engineering, Procurement, etc.	2,167,016	36,200,299	56,955,136	71,243,000	32,723,586	42,355,401	38,062,056	279,706,493
39	Non-Power Block Engineering, Procurement, etc.	0	0	450,527	3,640,540	4,223,963	40,457	(48,019)	8,307,468
40	<b>Total Generation Construction</b>	<b>\$2,299,673</b>	<b>\$38,520,916</b>	<b>\$65,137,303</b>	<b>\$118,140,493</b>	<b>\$45,544,492</b>	<b>\$49,049,270</b>	<b>\$44,322,714</b>	<b>\$363,014,861</b>
41	<b>Transmission:</b>								
42	Line Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	Substation Engineering	0	0	0	0	0	0	0	0
44	Real Estate Acquisition	0	0	0	0	0	0	0	0
45	Line Construction	0	0	0	0	0	0	0	0
46	Substation Construction	0	0	0	0	0	0	0	0
47	Other	0	0	0	0	0	0	0	0
48	<b>Total Transmission Construction</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
49	<b>Total Capital Spend Generation and Transmission</b>	<b>\$2,299,673</b>	<b>\$38,520,916</b>	<b>\$65,137,303</b>	<b>\$118,140,493</b>	<b>\$45,544,492</b>	<b>\$49,049,270</b>	<b>\$44,322,714</b>	<b>\$363,014,861</b>

**SCHEDULE APPENDIX**

**EXHIBIT (TGF-2)**

**REDACTED**

**DUKE ENERGY FLORIDA, INC.  
LEVY NUCLEAR UNITS 1 & 2  
COMMISSION SCHEDULES**

**JANUARY 2013 - DECEMBER 2013  
DOCKET NO. 140009-EI**

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**January 2013 - December 2013**

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2013 Summary  
Levy Nuclear Units 1 & 2  
January 2013 - December 2013  
Duke Energy Florida

Witness: Thomas G. Foster  
Docket No. 140009-EI  
Exhibit: (TGF- 2)

		12-Month Total
1.	Final Costs for the Period	
	a. Preconstruction Additions for the Period	\$ 11,107,284
	b. Carrying Costs on Preconstruction Balance	7,189,495
	c. Carrying Costs on Construction Balance	<u>12,404,306</u>
	d. Total Period Revenue Requirement for Preconstruction and Construction	\$ 30,701,085
2.	Allocated or Assigned O&M Amounts	\$ 444,153
3.	Total Revenue Requirement for the Period (Lines 1.d + 2)	<u>\$ 31,145,238</u>
4.	Projected Amount for the Period (Order No. PSC 12-0650-FOF-EI)	\$ 40,312,451
5.	Final True-up Amount for the Period (over)/under (Line 3 - line 4)	\$ (9,167,213)

**DUKE ENERGY FLORIDA**  
**Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2**  
**2013 Detail - Calculation of the Revenue Requirements**  
**January 2013 through December 2013**

Witness: T. G. Foster/C. Fallon  
Docket No. 140009-EI  
Exhibit: (TGF- 2)

Line	Description	Beginning of Period Amount	Actual January 13	Actual February 13	Actual March 13	Actual April 13	Actual May 13	Actual June 13	Actual July 13	Actual August 13	Actual September 13	Actual October 13	Actual November 13	Actual December 13	Period Total	End of Period Total
1	<b>Preconstruction Additions: Generation</b>															
	a License Application															
	b Engineering, Design & Procurement															
	c On-Site Construction Facilities															
	d Total															
2	<b>Adjustments</b>															
	a Non-Cash Accruals															
	b Joint Owner Credit															
	c Other															
	d Adjusted System Generation Construction Cost Additions															
	e Retail Jurisdictional Factor : Generation	92.885%														
	f Preconstruction Cost: Plant Additions for the Period															
3	<b>Preconstruction Additions: Transmission</b>															
	a Line Engineering															
	b Substation Engineering															
	c Clearing															
	d Other															
	e Total System Transmission Preconstruction Cost Additions															
4	<b>Adjustments</b>															
	a Non-Cash Accruals															
	b Joint Owner Credit															
	c Other															
	d Adjusted System Generation Construction Cost Additions															
	e Retail Jurisdictional Factor : Transmission	70.203%														
	f Preconstruction Cost: Plant Additions for the Period															
5	<b>Total Jurisdictional Preconstruction Cost Additions (2f + 4f)</b>	467,014,541	846,947	1,948,560	697,623	202,797	1,432,308	629,309	738,295	1,319,314	606,532	654,250	2,478,178	(446,829)	\$11,107,284	\$478,121,826
	<b>Carrying Cost on Preconstruction Balance</b>															
6	Preconstruction Cost: Plant Additions for the Period (Line 5 Above)		846,947	1,948,560	697,623	202,797	1,432,308	629,309	738,295	1,319,314	606,532	654,250	2,478,178	(446,829)	11,107,284	
7	Prior Period Unrecovered Balance (a)	97,101,663	91,782,537	86,463,411	81,144,285	75,825,159	70,506,033	65,186,907	59,867,781	54,548,656	49,229,530	43,910,404	38,591,278	33,272,152	33,272,152	
8	Prior Period Recovered Balance (a)	63,829,511	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	5,319,126	
9	Cumulative Prior Period Under/(Over) Recovery		0	(609,546)	(3,147,004)	(3,805,481)	(4,738,595)	(4,512,707)	(4,976,251)	(5,304,725)	(5,037,579)	(5,556,770)	(6,066,219)	(4,679,256)		
10	Net Investment	97,101,663	92,629,484	87,802,425	78,694,904	72,222,475	67,199,747	61,303,509	55,629,826	50,563,244	44,798,482	39,007,884	35,003,236	28,146,068		
11	Average Net Investment		\$94,865,574	\$89,487,708	\$81,005,656	\$74,780,640	\$69,143,156	\$63,648,418	\$57,920,241	\$52,563,150	\$47,154,779	\$41,340,322	\$36,423,710	\$31,029,045		
12	Return on Average Net Investment		January through June 2013 Rate	July through Dec 2013 Rate												
	a Equity Component	0.00546	0.00394	518,345	488,961	442,615	408,601	377,798	347,775	228,206	207,099	185,790	162,881	143,509	122,254	3,633,834
	b Equity Component Grossed Up For Taxes	1.62800	1.62800	843,867	796,029	720,578	665,203	615,056	566,178	371,520	337,158	302,466	265,171	233,633	199,030	5,915,888
	c Debt Component	0.00163	0.00189	154,251	145,507	131,715	121,593	112,427	103,492	109,701	99,555	89,311	78,299	68,987	58,769	1,273,607
	d Total Return			998,118	941,536	852,293	786,796	727,483	669,670	481,221	436,713	391,777	343,470	302,620	257,999	7,189,495
13	Preconstruction Revenue Requirements for the Period (Line 6 + 12d)		1,845,065	2,890,096	1,549,916	989,593	2,159,791	1,298,979	1,219,516	1,756,026	998,310	997,719	2,780,798	(189,030)	\$18,296,779	
14	Projected Revenue Requirements Plant for the Period (Order No. PSC 12-0650-FOF-EI)		2,454,611	5,427,554	2,208,393	1,922,707	1,933,903	1,762,523	1,547,991	1,488,881	1,517,500	1,507,169	1,393,834	1,842,885	\$25,007,949	
15	Over/Under Recovery For the Period		(609,546)	(2,537,457)	(658,477)	(933,114)	225,888	(463,544)	(328,475)	267,146	(519,190)	(509,450)	1,386,964	(2,031,915)	(\$6,711,170)	

Note (a): Please see Appendix A for beginning balance support.

**DUKE ENERGY FLORIDA**  
**Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2**  
**2013 Detail - Calculation of the Revenue Requirements**  
**January 2013 through December 2013**

Witness: T. G. Foster/C. Fallon  
Docket No. 140009-EI  
Exhibit: (TGF- 2)

Line	Description	Beginning of Period Amount	Actual January 13	Actual February 13	Actual March 13	Actual April 13	Actual May 13	Actual June 13	Actual July 13	Actual August 13	Actual September 13	Actual October 13	Actual November 13	Actual December 13	Period Total	End of Period Total
16	<b>Construction Additions: Generation</b>															
	a Real Estate Acquisitions															
	b On-Site Construction Facilities															
	c Power Block Engineering, Procurement, etc.															
	d Disposition of LLE															
	e Total															
17	<b>Adjustments</b>															
	a Non-Cash Accruals															
	b Joint Owner Credit															
	c Other															
	d Adjusted System Generation Construction Cost Additions															
	e Retail Jurisdictional Factor : Generation	92.885%														
	f Construction Cost: Plant Additions for the Period															
18	<b>Construction Additions: Transmission</b>															
	a Substation Engineering															
	b Real Estate Acquisition															
	c Line Construction															
	d Substation Construction															
	e Other															
	f Total															
19	<b>Adjustments</b>															
	a Non-Cash Accruals															
	b Joint Owner Credit															
	c Other															
	d Adjusted System Generation Construction Cost Additions															
	e Retail Jurisdictional Factor : Transmission	70.203%														
	f Construction Cost: Plant Additions for the Period															
20	<b>Total Jurisdictional Construction Cost Additions</b>															
	a Total Jurisdictional Construction Cost Additions (17f + 19f)	137,356,644	57,000	128,645	14,895	30,205,370	32,289,192	2,238	21,812	286,086	3,266	4,484	38,975	13,837,644	\$76,889,609	214,246,253
	b Retail Land Transferred to Land Held for Future Use	(66,132,347)														
	c Total Jurisdictional Construction Costs	71,224,298														
	<b>Carrying Cost on Construction Balance</b>															
21	Construction Cost: Plant Additions for the Period (Beg Balance: Line 20c. Above) (a)	71,224,298	57,000	128,645	14,895	30,205,370	32,289,192	2,238	21,812	286,086	3,266	4,484	38,975	13,837,644	\$148,113,906	
22	Transferred to Plant-in-Service (a)	1,010,952														1,010,952
23	Additional Land Transferred to Land Held for Future Use		(50,293)	(12,337)	(5,039)	397	(498)	(606)	(20,628)	0	(840)	284	389	188	(88,983)	
24	Prior Period Carrying Charge Unrecovered Balance (a)	211,662	155,354	99,046	42,738	(13,570)	(69,878)	(126,186)	(182,494)	(238,803)	(295,111)	(351,419)	(407,727)	(464,035)		
25	Prior Period Carrying Charge Recovered (a)	675,697	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308	56,308		675,697
26	Prior Period Under/(Over) Recovery		0	(1,584)	(3,439)	(21,329)	101,977	268,740	140,124	(310,621)	(360,035)	(411,998)	(419,875)	(444,576)		
27	Net Investment	70,425,008	70,375,407	70,433,823	70,383,932	100,512,062	132,846,426	133,060,490	133,145,490	133,064,647	132,650,729	132,187,191	131,750,372	145,087,320		
28	Average Net Investment		70,400,207	70,403,823	70,407,158	85,437,332	116,730,232	133,087,828	133,173,052	132,949,758	132,677,671	132,212,961	131,758,844	138,196,558		
29	Return on Average Net Investment		January through June 2013 Rate	July through Dec 2013 Rate												
	a Equity Component	0.00546	0.00394													
	b Equity Component Grossed Up For Taxes	1.62800	1.62800													
	c Debt Component	0.00163	0.00189													
	d Total Return		<b>740,710</b>	<b>740,746</b>	<b>740,782</b>	<b>898,921</b>	<b>1,228,165</b>	<b>1,400,271</b>	<b>1,106,446</b>	<b>1,104,590</b>	<b>1,102,330</b>	<b>1,098,468</b>	<b>1,094,695</b>	<b>1,148,181</b>	<b>12,404,306</b>	
30	Projected Carrying Cost Plant for the Period (Order No. PSC 12-0650-FOF-EI)		742,294	744,186	762,111	796,944	959,425	1,260,146	1,417,067	1,464,625	1,514,328	1,518,343	1,539,271	1,560,661		14,279,402
31	Over/Under Recovery For the Period		(1,584)	(3,439)	(21,329)	101,977	268,740	140,124	(310,621)	(360,035)	(411,998)	(419,875)	(444,576)	(412,480)		(1,875,096)
32	<b>Total Period Revenue Requirements for 2013 (Preconstruction &amp; Construction)</b>		<b>2,585,774</b>	<b>3,630,843</b>	<b>2,290,698</b>	<b>1,888,514</b>	<b>3,387,956</b>	<b>2,699,250</b>	<b>2,325,962</b>	<b>2,860,616</b>	<b>2,100,639</b>	<b>2,096,187</b>	<b>3,875,493</b>	<b>959,151</b>	<b>30,701,085</b>	

Note (a): Please see Appendix A for beginning balance support.

**DUKE ENERGY FLORIDA**  
**Nuclear Cost Recovery Clause (NCRC) - Levy Nuclear Units 1 & 2**  
**2013 Detail - Calculation of the Revenue Requirements**  
**January 2013 through December 2013**

Witness: T. G. Foster/C. Fallon  
Docket No. 140009-EI  
Exhibit: (TGF- 2)  
Page 3 of 3

Line	Description	Beginning of Period Amount	Actual January 13	Actual February 13	Actual March 13	Actual April 13	Actual May 13	Actual June 13	Actual July 13	Actual August 13	Actual September 13	Actual October 13	Actual November 13	Actual December 13	Period Total
33	<b>O&amp;M</b>														
a	Accounting		9,291	9,582	11,275	8,932	8,840	9,674	11,997	5,747	11,437	5,409	10,102	9,742	\$112,028
b	Corporate Planning		10,848	11,811	16,243	14,106	12,806	11,980	10,431	7,554	1,567	4,778	205	3,105	\$105,434
c	Legal		(3,753)	26,528	17,911	26,453	0	0	1,800	125,466	15,503	13,667	13,221	9,495	\$246,291
d	Nuclear Generation		4,430	1,452	153	3,139	0	8	65	0	1,998	1,932	0	0	\$13,177
e	Total O&M		20,816	49,373	45,582	52,630	21,646	21,662	24,293	138,767	30,505	25,786	23,528	22,342	\$476,930
34	Jurisdictional Factor (A&G)		0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	
	Jurisdictional Factor (Nuclear Production - Base)		0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
35	Jurisdictional O&M Amount		19,390	46,021	42,491	49,052	20,179	20,194	22,646	129,360	28,430	24,031	21,933	20,827	444,555
36	Prior Period (Over)/Under Recovery (a)	(676,972)	(615,495)	(554,019)	(492,542)	(431,065)	(369,589)	(308,112)	(246,635)	(185,158)	(123,682)	(62,205)	(728)	60,748	
37	Prior Period Costs Recovered (a)	(737,720)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)	(61,477)
38	Prior Month Period (Over)/Under Recovery		0	(60,110)	(66,688)	(47,295)	(54,232)	(50,586)	(63,526)	(62,235)	(31,387)	(71,502)	(23,352)	(25,532)	
39	Unamortized Balance	(676,972)	(615,495)	(614,129)	(619,340)	(605,158)	(597,914)	(587,023)	(589,072)	(589,830)	(559,741)	(569,767)	(531,642)	(495,697)	(434,221)
40	Projected Construction Carrying Cost Plant Additions for the Period														
a	Balance Eligible for Interest		(636,539)	(621,857)	(628,833)	(611,371)	(618,563)	(607,664)	(608,487)	(555,889)	(576,264)	(588,489)	(551,413)	(516,022)	
b	Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	
c	Interest Provision		(37)	(49)	(47)	(41)	(39)	(33)	(28)	(25)	(26)	(25)	(25)	(26)	(401)
d	<b>Total O&amp;M Costs and Interest (Line 35 + Line 40c)</b>		<b>19,353</b>	<b>45,972</b>	<b>42,444</b>	<b>49,011</b>	<b>20,140</b>	<b>20,161</b>	<b>22,618</b>	<b>129,335</b>	<b>28,404</b>	<b>24,007</b>	<b>21,908</b>	<b>20,802</b>	<b>444,153</b>
41	Recovered (Order No. PSC 12-0650-FOF-EI)		79,463	112,660	89,739	103,243	70,726	83,686	84,853	160,722	99,906	47,359	47,440	45,302	1,025,100
42	Over/Under Recovery For the Period		(60,110)	(66,688)	(47,295)	(54,232)	(50,586)	(63,526)	(62,235)	(31,387)	(71,502)	(23,352)	(25,532)	(24,501)	(580,946)
43	<b>Total Period Revenue Requirements for 2013</b>		<b>2,605,127</b>	<b>3,676,814</b>	<b>2,333,142</b>	<b>1,937,525</b>	<b>3,408,096</b>	<b>2,719,410</b>	<b>2,348,580</b>	<b>2,989,951</b>	<b>2,129,043</b>	<b>2,120,194</b>	<b>3,897,401</b>	<b>979,953</b>	<b>31,145,238</b>
44	Recovered (Order No. PSC 12-0650-FOF-EI)		3,276,368	6,284,399	3,060,243	2,822,894	2,964,054	3,106,355	3,049,911	3,114,227	3,131,734	3,072,871	2,980,546	3,448,848	40,312,451
45	Over/Under Recovery For the Period		(671,241)	(2,607,585)	(727,101)	(885,369)	444,042	(386,945)	(701,331)	(124,276)	(1,002,691)	(952,677)	916,855	(2,468,895)	(9,167,213)

Note (a): Please see Appendix A for beginning balance support.

**Preconstruction Beginning Balance for Carrying Cost Calculation**

Line No.

**7. Unamortized Plant Eligible for Return**

**\$ 97,101,663**

\$ 104,664,562 Taken directly off Line 3. T -2.2 (TGF-1 Docket 130009-EI) Unamortized Plant Eligible for Return Column (M)  
 \$ (7,562,899) This is the Over-recovered amount of 2012 Activity  
 T-2.2 (TGF-1 Docket 130009-EI) Column (N) Line 12. Under/(Over) Recovery

**8. Prior Period Carrying Charge Recovered**

**\$ 63,829,511**

\$ 88,047,587 Amortization of Plant Eligible for Return  
 Comes from amount in Exhibit TGF-2, Schedule P-2.2, line 3. from the Revised Direct Testimony submitted September 7, 2012.  
 \$ (24,218,076) Amortization of Prior-Period Preconstruction Unrecovered Balance  
 Comes from amount in Exhibit TGF-2, Schedule P-2.2, line 4. from the Revised Direct Testimony submitted September 7, 2012.

**Construction Beginning Balance for Carrying Cost Calculation**

Line No.

**21. Construction Cost: Plant Additions for the Period 71,224,298 (a-b)**

	2013		
	Generation	Retail Separation Factor	Retail
2013 Detail (Line 17d) Generation	132,382,720	92.885%	\$122,963,689
2013 Detail (Line 19e) Transmission	20,501,909	70.203%	14,392,955
	152,884,628		\$137,356,644 (a)

Less: RETAIL - Real Estate Transferred to Land Held for Future Use (per Settlement 120022-EI)

	2013		
	System	Retail Separation Factor	Retail
2013 Detail (Line 16a) Generation Land (accrued)	59,462,475	92.885%	\$55,231,720
2013 Detail (Line 18b) Transmission Land (accrued)	15,613,338	70.203%	10,961,032
	\$75,075,813		\$66,192,752
Less: Non-Land in Real Estate Acquisition Line -- Not transferred to LHFFU as of 12/31/2012			60,405
			\$66,132,346 (b)

**22. Transfers to Plant in Service \$ 1,010,952**

This amount represents the amount of Levy projects that are currently in service at the updated Retail (Jurisdictionalized) rate.

The 2013 Beginning Balance is the value of these assets using the updated 2013 Jurisdictional Sep Factor 70.203%  
 The System amount of these projects is

	System	Retail Separation Factor	Retail
Transmission	\$ 1,440,041		
	\$ 1,440,041	70.795%	1,019,477 YE 2012
2013 Separation Factor		70.203%	<b>1,010,952 BB 2013</b>

**24. Prior Period Carrying Charge Unrecovered Balance \$ 211,662**

T-2.3 (Docket No. 130009-EI)  
 Line 4. Prior Period Carrying Charge Unrecovered Balance - Column (M) 217,386  
 This is the remaining amount of the 2011 Uncollected Balance.  
 T-2.3 (Docket No. 130009-EI)  
 Line 11. Under/(Over) Recovery - Column (N) (\$5,724)  
 This is the remaining amount of the 2012 Activity

**25. Amortization of Prior Period Unrecovered Carrying Charge \$ 675,697**

Amount to Amortize over 12 Months  
 Comes from amount in Exhibit TGF-2, Schedule P-2.3 line 5, from the Revised Direct Testimony submitted September 7, 2012.

**O&M**

Line No.

**36. Prior Period Unrecovered O&M Balance Eligible for interest \$ (676,972)**

T-4 (Docket No. 130009-EI)  
 Line 36. Prior Period Unrecovered O&M Balance Eligible for interest (260,104)  
 This is the remaining amount of the 2011 Uncollected Balance.

T-4 (Docket No. 130009-EI)  
 Line 45. Difference (Line 43 - 44) (416,869)  
 This is the remaining amount of the 2012 Activity

**37. Amortization of Unrecovered O&M Balance Eligible for interest (a) \$ (737,720)**

Comes from amount in Exhibit TGF-2, Schedule P-4 line 37, from the Revised Direct Testimony submitted September 7, 2012.

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: O&M Expenditures Allocated or Assigned to Other Recovery Mechanisms**

EXPLANATION: Provide variance explanations comparing the actual system total expenditures with the expenditures approved by the Commission on Schedules AE-4.

Appendix B  
 Witness: Thomas G. Foster  
 Docket No. 140009-EI  
 Exhibit: (TGF - 2)

COMPANY:  
 Duke Energy Florida

DOCKET NO.:  
 140009-EI

For Year Ended 12/31/2013

Line No.	Description	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
----------	-------------	-----------------------------------	-------------------------	---------------------------	--------------------

Allocated or Assigned  
 O&M Expenditures

1	Accounting	\$119,561	\$112,028	(\$7,533)	Minor variance from estimated amount.
2	Corporate Communications	0	0	0	
3	Corporate Planning	187,221	105,434	(81,787)	Minor variance from estimated amount.
4	Corporate Services	0	0	0	
5	External Relations	0	0	0	
6	Human Resources	0	0	0	
7	IT & Telecom	0	0	0	
8	Legal	250,000	246,291	(3,709)	Minor variance from estimated amount.
9	Project Assurance	0	0	0	
10	Tax	0	0	0	
11	Energy Delivery Florida	0	0	0	
12	Nuclear Generation	5,882	13,177	7,295	Minor variance from estimated amount.
13	Transmission	0	0	0	
14	Other	0	0	0	
15	<b>Total</b>	<b>\$562,664</b>	<b>\$476,930</b>	<b>(\$85,734)</b>	

**Duke Energy Florida  
AFUDC Rate Computation  
Calculation of Jurisdictional Capital Structure**

Appendix C  
Witness: Thomas G. Foster  
Docket No. 140009-EI  
Exhibit: (TGF - 2)  
(Page 1 of 2)

**For January through June 2013 Only**

	Notes	13 Month Avg System per Books	Specific Adj SYS	System Adj'd	Prorata Adjs	Adjusted Retail	Ratio	Cost Rate	Weighted Avg cost
Common Equity		\$ 2,715,814	874,683	3,590,497	(906,746)	2,683,751	57.83%	11.75%	6.795%
Preferred Stock	(1)	33,497	-	33,497	(8,459)	25,038	0.54%	4.51%	0.024%
Long Term Debt -Fixed	(1)	2,131,302	(97,379)	2,033,923	(513,648)	1,520,275	32.76%	5.73%	1.877%
Short Term Debt	(1)	72,288	(38,652)	33,636	(8,494)	25,142	0.54%	4.04%	0.022%
Customer Deposits									
- Active	(1)	136,401	-	136,401	(34,447)	101,954	2.20%	5.92%	0.130%
- Inactive									
Investment Tax Credit		26,572	1,587	28,159	(7,111)				0.000%
Equity	(2)				-	13,481	0.29%	0.00%	0.000%
Debt	(2)				-	7,566	0.16%	0.00%	0.000%
Deferred Income Taxes	(1)	407,236	6,596	413,832	(104,509)	309,323	6.67%	0.00%	0.000%
FAS 109 DIT-Net	(1)	(56,547)	(5,098)	(61,645)	15,568	(46,077)	-0.99%	0.00%	0.000%
		<u>\$ 5,466,563</u>	<u>741,737</u>	<u>6,208,300</u>	<u>(1,567,848)</u>	<u>4,640,452</u>	<u>100.00%</u>		<u>8.848%</u>

Notes:

(1) Cost Rates and Balances are 13 Month Average

(2) Post '70 ITC credits assigned a zero-cost rate per FPSC Order No. 19282, Docket No. 880157-EI.

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Capital Structure**  
**FPSC Adjusted Basis**  
**December 2012**

Appendix C  
 Witness: Thomas G. Foster  
 Docket No. 140009-EI  
 Exhibit: (TGF - 2)  
 (Page 2 of 2)

**For July - December 2013 Only**

	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	\$4,767,157,537	657,669,241	(\$813,779,810)	\$4,611,046,968	\$3,753,238,636	46.36%	9.50%	4.40%	10.50%	4.87%	11.50%	5.33%
Preferred Stock	33,496,700		(5,024,850)	28,471,850	23,175,138	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,491,809,896	0	(673,817,682)	3,817,992,215	3,107,718,483	38.39%	5.78%	2.22%	5.78%	2.22%	5.78%	2.22%
Short Term Debt *	232,034,133	(51,903,909)	(27,021,386)	153,108,838	124,625,494	1.54%	0.60%	0.01%	0.60%	0.01%	0.60%	0.01%
Customer Deposits												
Active	214,453,652		(32,170,253)	182,283,398	182,283,398	2.25%	5.36%	0.12%	5.36%	0.12%	5.36%	0.12%
Inactive	1,280,766		(192,128)	1,088,638	1,088,638	0.01%						
Investment Tax Credit												
Post '70 Total	3,450,862		(517,665)	2,933,197								
Equity **					1,309,719	0.02%	9.58%	0.00%	10.59%	0.00%	11.59%	0.00%
Debt **					1,077,805	0.01%	5.85%	0.00%	5.85%	0.00%	5.85%	0.00%
Deferred Income Taxes	1,365,618,849	155,326,427	(228,157,434)	1,292,787,842	1,052,286,240	13.00%						
FAS 109 DIT - Net	(218,650,949)		32,799,891	(185,851,058)	(151,276,570)	-1.87%						
<b>Total</b>	<b>\$10,890,651,446</b>	<b>\$761,091,759</b>	<b>(\$1,747,881,316)</b>	<b>\$9,903,861,889</b>	<b>\$8,095,526,982</b>	<b>100.00%</b>		<b>6.76%</b>		<b>7.23%</b>		<b>7.69%</b>

Equity 4.88%  
 Debt 2.35%  
 Total 7.23%

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Description of Monthly Cost Additions**

EXPLANATION: Provide a description of the major tasks performed within the Preconstruction category for the year.  
 List generation expenses separate from transmission in the same order appearing on 2013 Detail Schedule

Appendix D  
 Witness: C. Fallon  
 Docket No. 140009-EI  
 Exhibit: (TGF - 2)  
 (Page 1 of 2)

COMPANY:  
 Duke Energy Florida

DOCKET NO.:  
 140009-EI

For Year Ended 12/31/2013

Line No.	Major Task & Description for amounts on 2013 Detail Schedule	Description
----------	--	-------------

Generation:

- |   |                                   |  |
|---|-----------------------------------|--|
| 1 | License Application               | Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.         |
| 2 | Engineering, Design & Procurement | Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.  |
| 3 | Permitting                        | Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)   |
| 4 | Clearing, Grading and Excavation  | Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and access roads.  |
| 5 | On-Site Construction Facilities   | Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting. |

Transmission:

- |   |                        |   |
|---|------------------------|---|
| 6 | Line Engineering       | Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.   |
| 7 | Substation Engineering | Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.   |
| 8 | Clearing               | Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with building access roads to the ROW to ensure access for construction, operating and maintenance of transmission lines. |
| 9 | Other                  | Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission Preconstruction.                                      |

EXPLANATION: Provide a description of the major tasks performed within the Construction category for the year.  
 List generation expenses separate from transmission in the same order appearing on 2013 Detail Schedule.

COMPANY:  
 Duke Energy Florida

DOCKET NO.:  
 140009-EI

For Year Ended 12/31/2013

Line No.	Major Task & Description for amounts on 2013 Detail Schedule	Description
----------	--	-------------

Generation:

- |   |  |   |
|---|--|---|
| 1 | Real Estate Acquisition                        | Land, Survey, Legal fees and commissions.   |
| 2 | Project Management                             | Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.  |
| 3 | Permanent Staff/Training                       | Obtain and train qualified staff by Fuel Load date.   |
| 4 | Site Preparation                               | Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.  |
| 5 | On-Site Construction Facilities                | Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.  |
| 6 | Power Block Engineering, Procurement, etc.     | The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)   |
| 7 | Non-Power Block Engineering, Procurement, etc. | Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.) |

Transmission:

- |    |                         |   |
|----|-------------------------|---|
| 8  | Line Engineering        | Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.   |
| 9  | Substation Engineering  | Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.   |
| 10 | Real Estate Acquisition | Land acquisition, survey, appraisal, title commitments, permitting, eminent domain support and ordinance review costs.  |
| 11 | Line Construction       | Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.  |
| 12 | Substation Construction | Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.                                    |
| 13 | Other                   | Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission construction. |

**LEVY COUNTY NUCLEAR 1 & 2**  
**Site Selection, Preconstruction Costs, and Carrying Costs on Construction Cost Balance**  
**Final True-Up Filing: Preconstruction Category - Variance in Additions and Expenditures**

REDACTED

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2013 Detail Schedule with the expenditures approved by the Commission on Schedule AE-6.2.

Appendix D  
 Witness: C. Fallon  
 Docket No. 140009-EI  
 Exhibit: (TGF - 2)  
 (Page 2 of 2)

COMPANY:  
 Duke Energy Florida

DOCKET NO.: 140009-EI For Year Ended 12/31/2013

Line No.	Preconstruction Major Task & Description for amounts on 2013 Detail Schedule	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	License Application				Variance is primarily due to deferral of environmental permitting work and remaining project contingency funds.
2	Engineering, Design, & Procurement				Variance is primarily attributable to lower than estimated vendor project management and internal labor/expenses, as well as deferral of conditions of certification scope.
3	Permitting				
4	Clearing, Grading and Excavation				
5	On-Site Construction Facilities				
6	Total Generation Costs				
<u>Transmission:</u>					
7	Line Engineering				
8	Substation Engineering				
9	Clearing				
10	Other				
11	Total Transmission Costs				

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2013 Detail Schedule with the expenditures approved by the Commission on Schedule AE-6.3.

COMPANY:  
 Duke Energy Florida

DOCKET NO.: 140009-EI For Year Ended 12/31/2013

Line No.	Construction Major Task & Description for amounts on 2013 Detail Schedule	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
12	Real Estate Acquisitions				Variance is primarily due to barge slip easement extension payments due to delay in receipt of COL.
13	Project Management				
14	Permanent Staff/Training				
15	Site Preparation				
16	On-Site Construction Facilities				
17	Power Block Engineering, Procurement, etc.				Variance is primarily attributable to the deferral of LLE milestones as well as the cancellation of manufacturing on certain LLE components.
18	Disposition of LLE				Variance is due to unbudgeted long-lead equipment cancellation payment.
19	Total Generation Costs				
<u>Transmission:</u>					
20	Line Engineering				
21	Substation Engineering				
22	Real Estate Acquisition				Minor variance from estimated amount.
23	Line Construction				
24	Substation Construction				
25	Other				Minor variance from estimated amount.
26	Total Transmission Costs				

**LEVY COUNTY NUCLEAR 1 & 2  
True-Up Actual Filing: Contracts Executed**

**REDACTED**

EXPLANATION: Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E

Witness: C. Fallon

Docket No. 140009-EI

Exhibit: (TGF - 2)

COMPANY:  
Duke Energy Florida

DOCKET NO.:

140009-EI

For Year Ended: 12/31/2013

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Term of Contract	Original Amount	Actual Expended as of Prior Year End (2012)	Amount Expended in Current Year (2013)	Estimate of Final Contract Amount	Name of Contractor	Affiliation of Vendor	Method of Selection	Nature and Scope of Work
1	N/A	Executed						Purchase Agreement for Rayonier Forest Resources	Indirect (Vertical Integration (buyer) on behalf of Duke Energy)	Purchase based on final results from site down select analysis that determined most suitable site to locate the plant.	Purchase Land for LNP. Final contract amount includes costs to complete title search, recording fees, and documentary stamps; and Final payment in 2014. Sold Approximately 3,000 acres to Duke Energy for siting Levy Nuclear Plant.
2	255934-09 Amendment 1-11	Executed						Joint Venture Team	Direct	Sole Source. Award for Phase III support of the COLA submittal (Reference contract 255934-02)	LNP Phase III (Initial Scope - COLA Revision 6) Incorporate RCC Specialty Test, Foundation Calcs Rev-Contract will be amended as new COLA Phase III work scope identified.
3	414310	Executed (continue partial suspension with schedule shift)						Westinghouse Electric Co. LLC.	Direct	Sole Source. Award based on vendor constructing the selected reactor technology.	To design, engineer, supply, equip, construct and install a fully operational two unit AP1000 Facility at the Levy Nuclear Plant Site. Final contract amount includes change orders.
4	571467 Amendment 1	Completed (Note 1)						O'Steen Brothers	Direct	RFP Process	Provide detailed engineering design, permitting, and construction services for a 3.2mile, 12 ft. wide multi-use paved trail ("Trail") on the Marjorie Harris Carr Cross Florida Greenway ("Greenway"), to be located in Citrus and Levy Counties (Florida).
5	N/A	Completed						NuStart Energy Development LLC	Direct	Membership Agreement in Industry Organization	Preparation of Reference Combined License Applications for Westinghouse and GE Designs.
6	N/A	Note 2	Note 2	Note 2			Note 2	Hopping, Green & Sams	Direct	Note 2	Legal Work - Levy Site Certification
7	N/A	Note 2	Note 2	Note 2			Note 2	Pillsbury Winthrop Shaw Pittman	Direct	Note 2	Legal Work - Levy COLA Work and COLA Contentions
8	N/A	Note 2	Note 2	Note 2			Note 2	Carlton Fields	Direct	Note 2	Legal Work - PEF Levy Units 1 & 2

Note 1: For this particular contract, costs incurred by DEF for the design, permitting, and construction of the Rec Trail were reimbursed from an escrow account administered by the State of Florida (Department of Financial Services, Division of Treasury).

Note 2: The scope, nature, and extent of legal services ultimately required is subject either to events and/or the actions and/or inactions of parties beyond the control of DEF and its legal services providers, and therefore are not amenable to determination at the time of contract execution or estimation in advance of the conclusion of legal services.

**SCHEDULE APPENDIX**

**EXHIBIT (TGF-3)**

**REDACTED**

**DUKE ENERGY FLORIDA, INC.  
CRYSTAL RIVER UNIT 3 UPRATE  
COMMISSION SCHEDULES**

**JANUARY 2013 - DECEMBER 2013  
DOCKET NO. 140009-EI**

**Table of Contents**  
**Crystal River Unit 3 Uprate**  
**January 2013 - December 2013**

<u>Page(s)</u>	<u>Schedule</u>	<u>Description</u>	<u>Sponsor</u>
3	2013 Summary	2013 True-Up Summary of Revenue Requirements	T. G. Foster
4	2013 Detail	2013 Detail Revenue Requirement Calculations	T. G. Foster / M. Delowery
5 - 7	Appendix A	Detail for 2013 Beginning Balance by Cost Category & In-Service Project Revenue Requirement & Adjustments	T. G. Foster
8	Appendix B	O&M Expense Variance Explanation	T. G. Foster
9 -10	Appendix C	Average Rate of Return - Capital Structure 2013	T. G. Foster
11 - 12	Appendix D	Major Task Categories and Expense Variances	M. Delowery
13 - 14	Appendix E	Summary of Contracts and Details over \$1 Million	M. Delowery

2013 Summary  
CR3 Uprate  
January 2013 - December 2013  
Duke Energy Florida

Witness: Thomas G. Foster  
Docket No. 140009-EI  
Exhibit: (TGF- 3)

	<u>Final Costs for the Period</u>		<u>12-Month Total</u>
1.	Carrying Costs on Unrecovered Balance		\$ 26,803,675
2.	Allocated or Assigned O&M Amounts		229,455
3.	Other - Adjustments		927
4.	Total Final Period Amount (Lines 1 + 2 + 3)		<u>\$ 27,034,057</u>
5.	Projected Amount for the Period (Order No. PSC 12-0650-FOF-EI)		\$ 30,349,407
6.	Final True-up Amount for the Period (over)/under (Line 4 - line 5)		\$ (3,315,350)

**DUKE ENERGY FLORIDA**  
**Nuclear Cost Recovery Clause (NCRC) - CR3 Uprate**  
**2013 Detail - Calculation of the Revenue Requirements**  
**January 2013 through December 2013**

Witness: T. G. Foster/M. Delowery  
Docket No. 140009-EI  
Exhibit: (TGF- 3)

Line	Description	Beginning of Period Amount	Actual January 13	Actual February 13	Actual March 13	Actual April 13	Actual May 13	Actual June 13	Actual July 13	Actual August 13	Actual September 13	Actual October 13	Actual November 13	Actual December 13	Period Total	
1	<b>Project Investment:</b>															
a	License Application & Permitting	29,886,920	369,604	35,261	9,161	5,959	112,925	5,959	\$6,484	\$8,780	\$5,853	\$0	\$0	\$0	\$559,986	
b	Project Management	43,672,300	160,177	156,905	97,652	63,224	58,467	58,398	49,112	81,585	(99,299)	22,319	789	7,855	\$657,184	
c	On-Site Construction Facilities	1,441,680	4,926	12,986	11,922	4,532	4,734	2,934	4,952	(1,614)	0	0	337	0	\$45,709	
d	Power Block Engineering, Procurement, etc.	279,706,493	987,107	1,461,060	164,055	9,854	2,572,050	4,593,862	72,685	(2,937)	746	811	(11,776)	(10,535)	\$9,836,982	
e	Non-Power Block Engineering, Procurement, etc.	8,307,468	(5,885)	916	5,893	4,798	0	37,683	8,790	4,425	(288)	0	0	0	\$56,333	
f	Total	363,014,861	1,515,929	1,667,128	288,683	88,367	2,748,176	4,698,836	142,023	90,239	(92,988)	23,130	(10,650)	(2,680)	\$11,156,194	
2	<b>Adjustments</b>															
a	Non-Cash Accruals	(370,130)	1,579,731	174,715	(684,003)	1,559,476	13,732	(4,571,034)	(16,189)	(23,446)	4,625,047	5,814	(1,976)	1,546	\$2,663,415	
b	Joint Owner Credit	(28,792,221)	(125,084)	(136,953)	(23,244)	(255,822)	(225,884)	(377,536)	(16,534)	(3,723)	7,531	(1,889)	(467)	1,562	(\$1,158,042)	
c	Other (a)	(28,549,393)	(62,748)	39,395	(2,027)	448,676	(14)	0	0	(20,533)	32,946	(7,238)	14,996	(2,707)	\$440,746	
d	Adjusted System Project Investment	305,303,117	2,907,827	1,744,286	(420,591)	1,840,698	2,536,011	(249,733)	109,301	42,537	4,572,536	19,817	1,903	(2,279)	\$13,102,313	
	Retail Jurisdictional Factor : Generation (2013 Spend)	92.885%														
	Retail Jurisdictional Factor (Beg Bal only) : Generation	91.683%														
e	Project Investment for the Period:	279,911,057	2,700,935	1,620,181	(390,666)	1,709,732	2,355,574	(231,965)	101,524	39,510	4,247,200	18,407	1,768	(2,117)	\$12,170,084	
3	<b>Carrying Cost on Retail Unrecovered Balance</b>															
a	Additions for the Period (Beg Balance: Line 2.e Above)	279,911,057	2,700,935	1,620,181	(390,666)	1,709,732	2,355,574	(231,965)	101,524	39,510	4,247,200	18,407	1,768	(2,117)	292,081,140	
b	Transferred to Plant-in-Service (Beg Balance) (b) (d)	29,985,613	0	5,076	0	(1,522)	0	0	0	(935)	13,250	903	2,103	(9,391)	29,995,096	
c	Amortization (Not used for 2013 Revenue Requirement Calculations)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
d	Prior Period Carrying Charge Unrecovered Balance (c) (d)	11,624,453	10,843,389	10,062,325	9,281,261	8,500,197	7,719,132	6,938,068	6,157,004	5,375,940	4,594,876	3,813,812	3,032,748	2,251,684	2,251,684	
e	Prior Period Carrying Charge Recovered (c) (d)	9,372,769	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	781,064	
f	Prior Period Under/(Over) Recovery (Prior Month)	0	209,601	0	(353,995)	(354,163)	(353,932)	(342,293)	(338,627)	(334,296)	(348,880)	(336,335)	(323,782)	(328,714)	0	
g	Net Investment	\$261,549,897	\$263,469,768	\$264,513,410	\$262,987,686	\$263,563,712	\$264,784,290	\$263,428,967	\$262,410,800	\$261,325,885	\$264,429,892	\$263,329,996	\$262,224,814	\$261,122,311	\$260,788,581	
4	Average Net Investment		\$262,509,833	\$264,096,390	\$263,573,550	\$263,098,617	\$263,997,035	\$263,935,482	\$262,750,570	\$261,696,195	\$262,703,449	\$263,711,776	\$262,615,514	\$261,509,206		
5	Return on Average Net Investment															
	(January 2013 Rate Only)															
	(New Rates)															
a	Equity Component	0.00546	0.00394	1,434,354	1,040,540	1,038,480	1,036,609	1,040,148	1,039,906	1,035,237	1,031,083	1,035,052	1,039,024	1,034,705	1,030,346	12,835,484
b	Equity Component Grossed Up For Taxes	1.62800	1.62800	2,335,131	1,694,001	1,690,647	1,687,601	1,693,363	1,692,969	1,685,368	1,678,605	1,685,066	1,691,533	1,684,501	1,677,405	20,896,189
c	Debt Component	0.00163	0.00189	426,841	500,199	499,208	498,309	500,010	499,894	497,650	495,653	497,560	499,470	497,394	495,298	5,907,486
d	<b>Total Return Revenue Requirement</b>		<b>2,761,972</b>	<b>2,194,200</b>	<b>2,189,855</b>	<b>2,185,910</b>	<b>2,193,373</b>	<b>2,192,863</b>	<b>2,183,018</b>	<b>2,174,258</b>	<b>2,182,626</b>	<b>2,191,003</b>	<b>2,181,895</b>	<b>2,172,703</b>	<b>26,803,675</b>	
6	Recovered (Order No. PSC 12-0650-FOF-EI)		\$2,552,371	\$2,548,195	\$2,544,018	\$2,539,842	\$2,535,666	\$2,531,490	\$2,527,314	\$2,523,138	\$2,518,961	\$2,514,785	\$2,510,609	\$2,506,433	\$30,352,822	
7	Over/Under Recovery For the Period		209,601	(353,995)	(354,163)	(353,932)	(342,293)	(338,627)	(344,296)	(348,880)	(336,335)	(323,782)	(328,714)	(333,730)	(3,549,147)	
8	<b>O&amp;M</b>															
a	Accounting		9,291	9,133	6,765	11,404	10,644	7,997	7,847	4,181	9,380	5,132	10,283	6,134	\$98,190	
b	Corporate Planning		6,152	9,776	14,266	13,564	12,117	4,343	2,890	5,887	1,793	702	254	3,343	\$75,088	
c	Legal		(10,091)	13,080	20,812	16,821	0	0	41,243	11,366	234	77	831	594,372	\$94,372	
d	Joint Owner Credit		(440)	(2,629)	(3,439)	(3,435)	(1,871)	(1,100)	(883)	(4,217)	(1,853)	(499)	(872)	(847)	(\$22,085)	
e	Total O&M		4,912	29,359	38,404	38,355	20,890	11,240	9,855	47,094	20,685	5,568	9,741	9,460	\$245,564	
9	Jurisdictional Factor (A&G)		0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	0.93221	
10	Jurisdictional O&M Amount		4,579	27,369	35,800	35,755	19,474	10,478	9,187	43,901	19,283	5,191	9,081	8,819	228,917	
11	Prior Period (Over)/Under Recovery (d)		894,072	855,562	817,053	778,543	740,034	701,524	663,014	624,505	585,995	547,486	508,976	470,466	431,957	
12	Prior Period Costs Recovered (d)		462,115	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	38,510	
13	Prior Month Period (Over)/Under Recovery		0	4,602	27,411	35,841	35,791	19,508	10,507	9,210	43,926	19,309	5,216	9,110		
14	Unamortized Balance		894,072	855,562	821,655	810,557	807,889	805,170	786,168	758,165	728,865	734,281	715,081	681,787	613,876	
15	Projected Construction Carrying Cost Plant Additions for the Period															
a	Balance Eligible for Interest		877,107	854,594	847,712	845,021	834,161	810,662	782,013	770,071	763,177	736,931	705,582	676,052		
b	Monthly Commercial Paper Rate		0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%		
c	Interest Provision		51	68	64	56	52	44	36	35	35	31	32	34	538	
d	<b>Total O&amp;M Costs and Interest (Line 10 + Line 15c)</b>		<b>4,630</b>	<b>27,437</b>	<b>35,864</b>	<b>35,811</b>	<b>19,526</b>	<b>10,522</b>	<b>9,223</b>	<b>43,936</b>	<b>19,318</b>	<b>5,222</b>	<b>9,113</b>	<b>8,853</b>	<b>229,455</b>	
16	Recovered (Order No. PSC 12-0650-FOF-EI)		28	25	23	20	18	16	13	11	8	6	4	1	173	
17	Over/Under Recovery For the Period		4,602	27,411	35,841	35,791	19,508	10,507	9,210	43,926	19,309	5,216	9,110	8,852	229,282	
18	<b>Other - Adjustments (Appendix A - page 3 of 3) (c) (d)</b>		<b>(57,190)</b>	<b>(613)</b>	<b>79</b>	<b>91</b>	<b>103</b>	<b>117</b>	<b>128</b>	<b>141</b>	<b>152</b>	<b>164</b>	<b>177</b>	<b>188</b>	<b>201</b>	
19	Recovered (Order No. PSC 12-0650-FOF-EI)		(552)	(507)	(462)	(417)	(371)	(325)	(278)	(231)	(184)	(135)	(87)	(37)	(3,587)	
20	Over/Under Recovery For the Period		(62)	586	553	520	488	453	419	383	348	313	275	238	4,515	
21	<b>Total Period Revenue Requirements for 2013</b>		<b>2,765,989</b>	<b>2,221,715</b>	<b>2,225,810</b>	<b>2,221,824</b>	<b>2,213,016</b>	<b>2,203,513</b>	<b>2,192,381</b>	<b>2,218,346</b>	<b>2,202,109</b>	<b>2,196,402</b>	<b>2,191,197</b>	<b>2,181,757</b>	<b>27,034,057</b>	
22	<b>Total Revenue Requirements</b> (Order No. PSC 12-0650-FOF-EI)		<b>2,551,847</b>	<b>2,547,713</b>	<b>2,543,579</b>	<b>2,539,445</b>	<b>2,535,313</b>	<b>2,531,180</b>	<b>2,527,048</b>	<b>2,522,917</b>	<b>2,518,786</b>	<b>2,514,656</b>	<b>2,510,526</b>	<b>2,506,397</b>	<b>30,349,407</b>	
23	<b>Total (Over)/Under Recovery for the Period</b>		<b>214,142</b>	<b>(325,998)</b>	<b>(317,769)</b>	<b>(317,622)</b>	<b>(322,297)</b>	<b>(327,668)</b>	<b>(334,668)</b>	<b>(304,571)</b>	<b>(316,678)</b>	<b>(318,254)</b>	<b>(319,329)</b>	<b>(324,640)</b>	<b>(3,315,350)</b>	

Notes: (a) Other line reflects cost of removal of previously existing assets.  
(b) Transfer to Plant In-Service had a beginning balance accounting true-up adjustment for \$1,713,036 in 2013.  
(c) Beginning Balances for unrecovered carrying cost calculations combine Over/Under balances from prior period construction carrying costs and DTA. A \$7,873 true-up adjustment in the Other - Adjustments captures a resulting slight calculation variance.  
(d) See Appendix A for Beginning Balance Support

**Regulatory Asset Carrying Cost**

<b>Line 3b.</b>	<b>Transferred to Plant In-service</b>	<b>\$ 29,985,613</b>
	EB from T-2.3 Line 2 (TGF-2) Docket No. 130009-EI	28,272,577
	Add: True-up for Final In-service Amount	<u>1,713,036</u>
	2013 Transfers to Plant Beginning Balance	29,985,613

<b>Line 3d.</b>	<b>Prior Period Carrying Charge Unrecovered Balance</b>	<b>\$ 11,624,453</b>
	Prior Period	3,277,581 Exhibit TGF-2 Docket No. 130009-EI Schedule T-2.3 Line 5 Column (M)
	Current Period	<u>8,203,356</u> Exhibit TGF-2 Docket No. 130009-EI Schedule T-2.3 Line 12 Column (N)
	Total	11,480,937

	Prior Period	16,804 Exhibit TGF-2 Docket No. 130009-EI Schedule T-3A.3 Line 6 Column (O)
	Current Period	<u>126,712</u> Exhibit TGF-2 Docket No. 130009-EI Schedule T-3A.3 Line 14 Column (P)
	Total	143,516

Note: DTA Prior Period Unrecovered Balance (Combined with Construction Carrying Cost Unrecovered Carrying Cost)

<b>Line 3e.</b>	<b>Prior Period Carrying Charge Recovered</b>	<b>\$ 9,372,769</b>
	Unrecovered Balance Carrying Cost	9,244,670 Please refer to Appendix A (page 2 of 3)
	DTA Carrying Cost	<u>128,099</u> Please refer to Appendix A (page 2 of 3)
		9,372,769

**O&M**

<b>Line 11.</b>	<b>Prior Period Carrying Charge Unrecovered Balance</b>	<b>\$ 894,072</b>
	Prior Period	460,777 Exhibit TGF-2 Docket No. 130009-EI Schedule T-4 Line 36 Column (L)
	Current Period	<u>433,295</u> Exhibit TGF-2 Docket No. 130009-EI Schedule T-4 Line 45 Column (M)
	Total	894,072

<b>Line 12.</b>	<b>Prior Period Carrying Charge Recovered</b>	<b>\$ 462,115</b>
		462,115 Please refer to Appendix A (page 2 of 3)

**Prior Period Over / (Under) Support Schedules**

Appendix A  
 Witness: Thomas G. Foster  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)  
 (Page 2 of 3)

	Note 1 <b>2011 True Up</b>	Note 2 <b>2011 Est-Actual</b>	Note 1 <b>2013 Collection/ (Refund) *</b>
Construction Carrying Cost Rev Req.	15,671,698	12,481,127	3,190,571
Recoverable O&M Revenue Req.	461,200	(75)	461,276
DTA	456,177	439,653	16,523
Inservice Rev Reqs/Base Refund	(3,346,641)	(3,176,396)	(170,245)
	<u>13,242,434</u>	<u>9,744,309</u>	<u>3,498,125</u>

Note 1: 2011 True-up and 2013 Collection/(Refund) amounts are per Order PSC-12-0650-FOF-EI, Docket 120009-EI, Pgs 37 and 39

Note 2: 2011 Est-Actual amounts are per Order PSC-11-0547-FOF-EI Docket 110009-EI, Page 109 (Attachment A page 1 of 3)

	Note 3 <b>2012 Est-Actual</b>	Note 4 <b>2012 Projection</b>	Note 3 <b>2013 Collection/ (Refund) *</b>
Construction Carrying Cost Rev Req.	18,254,142	12,200,044	6,054,099
Recoverable O&M Revenue Req.	130	(710)	840
DTA	787,279	675,703	111,576
Inservice Rev Reqs/Base Refund	(3,242,310)	(3,261,939)	19,629
	<u>15,799,241</u>	<u>9,613,098</u>	<u>6,186,144</u>

Note 3: 2012 Est-Actual and 2013 Collection/(Refund) amounts are per Order PSC-12-0650-FOF-EI, Docket 120009-EI, Pgs 37 and 39

Note 4: 2012 Projection amounts are per Order PSC-11-0547-FOF-EI Docket 110009-EI, Page 111 (Attachment A page 3 of 3)

DEF CR3 Uprate  
In Service Project Revenue Requirements 2013 Recovery

Appendix A  
Witness: Thomas G. Foster  
Docket No. 140009-El  
Exhibit: (TGF - 3)  
(Page 3 of 3)

	Beg Balance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
1 Inservice Project Revenue Requirements															
2 Projected Inservice Project Revenue Requirements	(3,587)	(553)	(507)	(462)	(417)	(371)	(325)	(278)	(231)	(184)	(135)	(87)	(37)	(3,587)	
3 PY (2011 and 2012) Inservice Project Revenue Requirements	\$19,629	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	1,636	19,629	
4 Under/(Over) Recovery		(\$58,272)	(\$59,401)	(\$60,575)	(\$61,794)	(\$63,058)	(\$64,369)	(\$65,727)	(\$67,132)	(\$68,583)	(\$70,084)	(\$71,633)	(\$73,232)		
5 Cumulative Under/(Over) Recovery	(\$57,190)	(\$58,272)	(\$60,014)	(\$61,687)	(\$63,418)	(\$65,209)	(\$67,062)	(\$68,977)	(\$70,955)	(\$72,996)	(\$75,103)	(\$77,276)	(\$79,517)		
6 Return on Average Under/(Over) Recovery (c)															
7 Equity Component (a)	Jan Only 0.00546	Feb-Dec 0.00394	(\$318)	(\$236)	(\$243)	(\$250)	(\$257)	(\$264)	(\$272)	(\$280)	(\$288)	(\$296)	(\$304)	(\$313)	(\$3,322)
8 Equity Component grossed up for taxes (b)	1.62800	1.62800	(518)	(385)	(396)	(407)	(418)	(430)	(442)	(455)	(468)	(482)	(496)	(510)	(5,407)
9 Debt Component	0.00163	0.00189	(95)	(114)	(117)	(120)	(124)	(127)	(131)	(134)	(138)	(142)	(146)	(151)	(1,538)
10 Return on Under/(Over) Recovery In-Service Amount			(\$613)	(\$499)	(\$513)	(\$527)	(\$542)	(\$557)	(\$573)	(\$590)	(\$606)	(\$624)	(\$642)	(\$661)	(\$6,946)
11 Carrying Cost Adjustment for Consolidating Prior Period Unrecovered Balances			\$0	\$577	\$603	\$629	\$659	\$685	\$714	\$742	\$771	\$801	\$830	\$862	\$7,873
<b>12 Total Other - Adjustment Revenue Requirement</b>			<b>(\$613)</b>	<b>\$79</b>	<b>\$91</b>	<b>\$103</b>	<b>\$117</b>	<b>\$128</b>	<b>\$141</b>	<b>\$152</b>	<b>\$164</b>	<b>\$177</b>	<b>\$188</b>	<b>\$201</b>	<b>\$927</b>

Notes:

- (a) The monthly Equity Component of 4.87% reflects an 10.5% return on equity. The January monthly for Equity Component of 6.85% reflects an 11.75% return on equity.  
(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.  
(c) AFUDC actual monthly rate is calculated using the formula  $M = [(1 + A/100)^{1/12} - 1] \times 100$ ; resulting in a monthly accrual rate of 0.00394 (Equity) and 0.001894 (Debt), which results in the annual rate of 7.23%. For January 2013 only, a monthly rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848% was used for the calculation.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Final True-Up Filing: O&M Expenditures Allocated or Assigned to Other Recovery Mechanisms**

EXPLANATION: Provide variance explanations comparing the actual system total expenditures shown on 2013 Detail Schedule with the expenditures approved by the Commission on Est/Act Detail 2013 Schedules.

Appendix B  
 Witness: Thomas G. Foster  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)

COMPANY:  
 Duke Energy Florida

DOCKET NO.:  
 140009-EI

For Year Ended 12/31/2013

Line No.	Description	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
Allocated or Assigned O&M Expenditures					
1	Accounting	\$112,821	\$98,190	(\$14,631)	Minor variance from estimated amount.
2	Corporate Communications	0	0	0	
3	Corporate Planning	191,563	75,088	(116,475)	Minor variance from estimated amount.
4	Corporate Services	0	0	0	
5	External Relations	0	0	0	
6	Human Resources	0	0	0	
7	IT & Telecom	0	0	0	
8	Legal	225,000	94,372	(130,628)	Minor variance from estimated amount.
9	Project Assurance	0	0	0	
10	Tax	0	0	0	
11	Energy Delivery Florida	0	0	0	
12	Nuclear Generation	0	0	0	
13	Transmission	0	0	0	
14	Other	0	0	0	
15	<b>Total</b>	<b>\$529,384</b>	<b>\$267,649</b>	<b>(\$261,735)</b>	

Note:  
 System Estimated/Actual from May 1, 2013 Estimated/Actual Filing in Docket No. 130009-EI.

**Duke Energy Florida**  
**AFUDC Rate Computation**  
**Calculation of Jurisdictional Capital Structure**

Appendix C  
Witness: Thomas G. Foster  
Docket No. 140009-EI  
Exhibit: (TGF - 3)  
(Page 1 of 2)

**For January 2013 Only**

	Notes	13 Month Avg System per Books	Specific Adj SYS	System Adj'd	Prorata Adjs	Adjusted Retail	Ratio	Cost Rate	Weighted Avg cost
Common Equity		\$ 2,715,814	874,683	3,590,497	(906,746)	2,683,751	57.83%	11.75%	6.795%
Preferred Stock	(1)	33,497	-	33,497	(8,459)	25,038	0.54%	4.51%	0.024%
Long Term Debt -Fixed	(1)	2,131,302	(97,379)	2,033,923	(513,648)	1,520,275	32.76%	5.73%	1.877%
Short Term Debt	(1)	72,288	(38,652)	33,636	(8,494)	25,142	0.54%	4.04%	0.022%
Customer Deposits									
- Active	(1)	136,401	-	136,401	(34,447)	101,954	2.20%	5.92%	0.130%
- Inactive									
Investment Tax Credit		26,572	1,587	28,159	(7,111)				0.000%
Equity	(2)				-	13,481	0.29%	0.00%	0.000%
Debt	(2)				-	7,566	0.16%	0.00%	0.000%
Deferred Income Taxes	(1)	407,236	6,596	413,832	(104,509)	309,323	6.67%	0.00%	0.000%
FAS 109 DIT-Net	(1)	(56,547)	(5,098)	(61,645)	15,568	(46,077)	-0.99%	0.00%	0.000%
		<u>\$ 5,466,563</u>	<u>741,737</u>	<u>6,208,300</u>	<u>(1,567,848)</u>	<u>4,640,452</u>	<u>100.00%</u>		<u>8.848%</u>

Notes:

(1) Cost Rates and Balances are 13 Month Average

(2) Post '70 ITC credits assigned a zero-cost rate per FPSC Order No. 19282, Docket No. 880157-EI.

**DUKE ENERGY FLORIDA**  
**Average Rate of Return - Capital Structure**  
**FPSC Adjusted Basis**  
**December 2012**

Appendix C  
 Witness: Thomas G. Foster  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)  
 (Page 2 of 2)

**For February - December 2013 Only**

	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	\$4,767,157,537	657,669,241	(\$813,779,810)	\$4,611,046,968	\$3,753,238,636	46.36%	9.50%	4.40%	10.50%	4.87%	11.50%	5.33%
Preferred Stock	33,496,700		(5,024,850)	28,471,850	23,175,138	0.29%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,491,809,896	0	(673,817,682)	3,817,992,215	3,107,718,483	38.39%	5.78%	2.22%	5.78%	2.22%	5.78%	2.22%
Short Term Debt *	232,034,133	(51,903,909)	(27,021,386)	153,108,838	124,625,494	1.54%	0.60%	0.01%	0.60%	0.01%	0.60%	0.01%
Customer Deposits												
Active	214,453,652		(32,170,253)	182,283,398	182,283,398	2.25%	5.36%	0.12%	5.36%	0.12%	5.36%	0.12%
Inactive	1,280,766		(192,128)	1,088,638	1,088,638	0.01%						
Investment Tax Credit												
Post '70 Total	3,450,862		(517,665)	2,933,197								
Equity **					1,309,719	0.02%	9.58%	0.00%	10.59%	0.00%	11.59%	0.00%
Debt **					1,077,805	0.01%	5.85%	0.00%	5.85%	0.00%	5.85%	0.00%
Deferred Income Taxes	1,365,618,849	155,326,427	(228,157,434)	1,292,787,842	1,052,286,240	13.00%						
FAS 109 DIT - Net	(218,650,949)		32,799,891	(185,851,058)	(151,276,570)	-1.87%						
<b>Total</b>	<b>\$10,890,651,446</b>	<b>\$761,091,759</b>	<b>(\$1,747,881,316)</b>	<b>\$9,903,861,889</b>	<b>\$8,095,526,982</b>	<b>100.00%</b>		<b>6.76%</b>		<b>7.23%</b>		<b>7.69%</b>

\* Daily Weighted Average

\*\*Cost Rates Calculated Per IRS Ruling

Equity	4.88%
Debt	<u>2.35%</u>
Total	7.23%

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Actual Estimated Filing: Construction Category - Description of Monthly Cost Additions**

EXPLANATION: Provide a description of the major tasks performed within the Construction category for the year.  
 List generation expenses separate from transmission in the same order appearing on 2013 Detail Schedule.

Appendix D  
 Witness: M. Delowery  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)  
 (Page 1 of 2)

COMPANY:  
 Duke Energy Florida

DOCKET NO.:  
 140009-EI

For Year Ended 12/31/2013

Line No.	Major Task & Description for amounts on 2013 Detail Schedule	Description
----------	--	-------------

Generation:

- |   |  |   |
|---|--|---|
| 1 | License Application                            | Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis, etc.  |
| 2 | Real Estate Acquisition                        | Land, Survey, Legal fees and commissions.   |
| 3 | Project Management                             | Management oversight of construction, including, but not limited to engineering, quality assurance, field support and contract services.  |
| 4 | Permanent Staff/Training                       | Obtain and train qualified staff by Fuel Load date.   |
| 5 | Site Preparation                               | Design and construction of plant site preparations to support fabrication and construction. Remedial work for plant foundation and foundation substrata.  |
| 6 | Permitting                                     | Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.)  |
| 7 | On-Site Construction Facilities                | Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power and lighting.  |
| 8 | Power Block Engineering, Procurement, etc.     | The cost of constructing and procuring the nuclear power block (reactor vessel, containment vessel, cooling towers, etc.)   |
| 9 | Non-Power Block Engineering, Procurement, etc. | Site permanent structures and facilities outside the Power Block, including structural, electrical, mechanical, civil and security items. (Admin building, Training center, Security towers, Switchyard, Roads, Railroad, Barge facility, etc.) |

Transmission:

- |    |                         |   |
|----|-------------------------|---|
| 10 | Line Engineering        | Internal engineering labor, contracted engineering labor, corridor/route siting, survey and all other costs associated with engineering transmission lines.   |
| 11 | Substation Engineering  | Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and control (relay) engineering.   |
| 12 | Real Estate Acquisition | Land acquisition, survey, appraisal, title commitments, permitting, eminent domain support and ordinance review costs.  |
| 13 | Line Construction       | Contracted construction labor, structures and materials, equipment and all other costs associated with construction of transmission lines.  |
| 14 | Substation Construction | Contracted construction labor, structures and materials, equipment and all other costs associated with substation and protection and control (relay) construction.                                    |
| 15 | Other                   | Project Management, project scheduling and controls, development of contracting strategies, legal and related overhead costs and other miscellaneous costs associated with transmission construction. |

**CRYSTAL RIVER UNIT 3 UPRATE**  
**Final True-Up Filing: Construction Category - Variance in Additions and Expenditures**

EXPLANATION: Provide variance explanations comparing the annual system total expenditures shown on 2013 Detail Schedule with the expenditures approved by the Commission on Est/Actual Detail 2013. List the Generation expenses separate from Transmission in the same order appearing on 2013 Detail Schedule.

COMPANY:  
 Duke Energy Florida

Appendix D  
 Witness: M. Delowery  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)  
 (Page 2 of 2)

DOCKET NO.:  
 140009-EI

For Year Ended 12/31/2013

Line No.	Construction Major Task & Description for amounts on 2013 Detail Schedule	(A) System Estimated/Actual	(B) System Actual	(C) Variance Amount	(D) Explanation
<u>Generation:</u>					
1	License Application	\$539,026	\$559,986	\$20,960	Minor variance from estimated amount.
2	Real Estate Acquisition	0	0	0	
3	Project Management	434,628	657,184	222,556	Minor variance from estimated amount.
4	Permanent Staff/Training	0	0	0	
5	Site Preparation	0	0	0	
6	Permitting	0	0	0	
7	On-Site Construction Facilities	29,823	45,709	15,886	Minor variance from estimated amount.
8	Power Block Engineering, Procurement, etc.	13,092,863	9,836,982	(3,255,881)	Actual asset charges were less than estimated due to contract and asset disposition and a warehouse inventory adjustment credit that was applied to the EPU for storage costs.
9	Non-Power Block Engineering, Procurement, etc.	37,756	56,333	18,577	Minor variance from estimated amount.
10	Total Generation Costs	\$14,134,096	\$11,156,194	(\$2,977,902)	
<u>Transmission:</u>					
11	Line Engineering	\$0	\$0	\$0	
12	Substation Engineering	0	0	0	
13	Real Estate Acquisition	0	0	0	
14	Line Construction	0	0	0	
15	Substation Construction	0	0	0	
16	Other	0	0	0	
17	Total Transmission Costs	\$0	\$0	\$0	

**CRYSTAL RIVER UNIT 3 UPRATE**  
**True-Up Filing: Summary of Contracts Executed Over \$1 Million**

**REDACTED**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E  
 Witness: M. Delowery  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)

DOCKET NO.:

140009-EI

For Year Ended 12/31/2013

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Current Term of Contract	Original Amount	Amount Expended as of Prior Year End (2012)	Amount Expended in Current Year (2013)	Estimate of Final Contract Amount	Name of Contractor	Vendor Affiliation	Method of Selection & Document ID	Nature and Scope of Work
1	101659 WA 84	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture	EPU NSSS Engineering, Fuel Eng, and LAR Support for CR3
2	101659 WA 93	CLOSED						AREVA - NP	Direct	RFP KS12007	EPU BOP -provide Engineering Services for CR3 Secondary Systems Uprate
3	145569 WA 50	CLOSED						Siemens	Direct	RFP	CR3 turbine retrofit for EPU including supply of all equipment and installation.
4	101659 WA 84, Amd 7	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages including LPI cross-tie, Atmo Dump Valves, and Emergency Feed Pump-2.
5	101659 WA 84, Amd 8	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages including spent fuel, LPI X-tie modification, large transient testing, and LAR activities.
6	101659 WA 93, Amd 9	CLOSED						AREVA - NP	Direct	RFP KS12007; continuation of work	R17 EC packages for BOP including Feedwater Heater 2A/2B, Deaerator, and Main Steam System
7	433059	CLOSED						EvapTech	Direct	RFP SF6-2008	CR3 Cooling Tower Construction
8	359323 WA14	CLOSED						Flowserve	Direct	SF12-2009	Condensate pumps and motor replacement
9	359323 WA16	CLOSED						Flowserve	Direct	RFP	Install small and large bore LPI valves
10	506636	CLOSED						Sulzer	Direct	RFP	Design, manufacture, assemble, test, and ship two (2) main feedwater pumps (FWP 2A/2B)
11	488945	CLOSED						Sulzer	Direct	RFP SF10-2009	Design, manufacture, assemble, and ship two (2) feedwater booster pumps (FWP 1A/1B)
12	505119	CLOSED						SPX	Direct	RFP SF01-2010	Install two (2) feedwater heat exchangers FWHE 2A/2B
13	145569 WA 50, Amd 7	CLOSED						Siemens	Direct	RFP; continuation of work	Amended and restated WA-50 for LP turbines, HP turbines, R16 outage EWA's, LD's, additional support, and updated testing and monitoring plans
14	101659 WA 84, Amd 9	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	R17 EC packages; continuation of work.
15	101659-93, Amd 11	CLOSED						AREVA - NP	Direct	RFP KS12007; continuation of work	R17 EC packages; continuation of BOP work.

**CRYSTAL RIVER UNIT 3 UPRATE**  
**True-Up Filing: Summary of Contracts Executed Over \$1 Million**

**REDACTED**

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION:

Provide a list of contracts executed in excess of \$1 million including, a description of the work, the dollar value and term of the contract, the method of vendor selection, the identity and affiliation of the vendor, and current status of the contract.

Appendix E  
 Witness: M. Delowery  
 Docket No. 140009-EI  
 Exhibit: (TGF - 3)

DOCKET NO.:

140009-EI

For Year Ended 12/31/2013

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	
Line No.	Contract No.	Status of Contract	Current Term of Contract	Original Amount	Amount Expended as of Prior Year End (2012)	Amount Expended in Current Year (2013)	Estimate of Final Contract Amount	Name of Contractor	Vendor Affiliation	Method of Selection & Document ID	Nature and Scope of Work
16	590696	CLOSED						SPX	Direct	RFP	FWHE 3A/3B
17	545831-01	CLOSED						Curtiss Wright/Scientech	Direct	RFP	Inadequate Core Cooling Modification System
18	101659-84, Amd 11	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2011-12
19	101659-93, Amd 13	CLOSED						AREVA - NP	Direct	RFP KS12007; continuation of work	Continuation of R17 engineering work for 2011-12
20	101659-93, Amd 14	CLOSED						AREVA - NP	Direct	RFP KS12007; continuation of work	Continuation of R17 engineering work for 2011-12
21	101659-84, Amd 13	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2011-12
22	101659-84, Amd 14	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2012-13
23	101659-84, Amd 15	CLOSED						AREVA - NP	Direct	Sole Source - Original Equipment Manufacture; continuation of work.	Continuation of R17 engineering work for 2012-13

Note: As a result of closing the above contracts, the AREVA-NP and SIEMENS Contracts with Amendments above show aggregated spend and final Contract amount on the original Contract (Lines 1-3).