



November 14, 2010

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

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report for the twelve months ended September 30, 2010.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended September 30, 2010. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with Docket No. 090079-EI, Order No. PSC-10-0131-FOF-EI.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Will Garrett".

Will Garrett
Controller, Progress Energy Florida

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



October 14, 2010

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

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report for the twelve months ended August 31, 2010.

September

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended August 31, 2010. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with Docket No. 090079-EI, Order No. PSC-10-0131-FOF-EI.

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

Sincerely,

Will Garrett
Controller, Progress Energy Florida

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

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COMMUNICATIONS SECTION

PROGRESS ENERGY FLORIDA
Rate of Return Report Summary
September 2010

Schedule 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
Net Operating Income (a)(b)	\$566,776,173	(\$42,702,353)	\$524,073,821	(\$61,348,294)	\$462,725,526
Average Rate Base	\$7,241,524,433	(\$855,932,737)	\$6,385,591,696	\$0	\$6,385,591,696
Average Rate of Return	7.83%		8.21%		7.25%
II. Year End Rate of Return (Jurisdictional)					
Net Operating Income	\$566,776,173	(\$42,702,353)	\$524,073,821	(\$61,348,294)	\$462,725,526
Year End Rate Base	\$7,098,389,706	(\$534,700,360)	\$6,563,689,346	\$0	\$6,563,689,346
Year End Rate of Return	7.98%		7.98%		7.05%

Footnotes

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

III. Required Rates of Return	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	7.25%	7.09%
Mid Point	7.73%	7.56%
High Point	8.21%	8.03%
Pro Forma Adjusted Basis		
Low Point	7.25%	7.09%
Mid Point	7.73%	7.56%
High Point	8.21%	8.03%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	3.85	(System Per Books Basis)
B. T.I.E. without AFUDC	3.63	(System Per Books Basis)
C. AFUDC to Net Income	12.12%	(System Per Books Basis)
D. Internally Generated Funds	90.59%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	46.36%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	0.00%	(FPSC Adjusted Basis)
F. Return on Common Equity	11.50%	(FPSC Adjusted Basis)
	9.51%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

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

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


Will Garrett, Controller Progress Energy Florida

11/2/10
Date

PROGRESS ENERGY FLORIDA
Average Rate of Return - Rate Base
September 2010

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Average Rate Base
System Per Books	\$12,484,134,624	\$4,734,614,082	\$7,749,520,542	\$35,610,300	\$1,213,646,500	\$165,412,730	\$9,164,190,072	\$40,360,807	\$9,205,150,879
Less Recoverable:									
ARO	30,425,146	(17,693,287)	48,118,433	0	0	0	48,118,433	(395,836,333)	(347,717,900)
ECCR	1,403,633	586,435	817,198	0	1,521,204	0	2,338,402	5,836,454	8,174,856
ECRC	911,116,502	13,209,989	897,906,513	0	620,388	0	898,526,902	6,627,670	905,154,571
FUEL	32,738,780	30,194,950	2,543,830	0	0	0	2,543,830	138,315,663	140,859,493
NUCLEAR	0	0	0	0	0	0	0	196,703,199	196,703,199
Regulatory Base - System	\$11,508,450,563	\$4,708,315,995	\$6,800,134,568	\$35,610,300	\$1,211,504,908	\$165,412,730	\$8,212,662,506	\$89,314,154	\$8,301,976,659
Regulatory Base - Retail	\$10,312,244,420	\$4,297,830,248	\$6,014,414,172	\$26,287,880	\$1,076,014,050	\$129,900,323	\$7,246,616,425	(\$5,091,992)	\$7,241,524,433
FPSC Adjustments									
CWIP - AFUDC	0	0	0	0	(858,705,359)	0	(858,705,359)	0	(858,705,359)
CAPITAL LEASE	(213,343,803)	0	(213,343,803)	0	0	0	(213,343,803)	213,830,149	486,346
NUC. DECOM. UNFUNDED - WHOLESale	0	(2,286,276)	2,286,276	0	0	0	2,286,276	0	2,286,276
Total FPSC Adjustments	(213,343,803)	(2,286,276)	(211,057,527)	0	(858,705,359)	0	(1,069,762,886)	213,830,149	(855,932,737)
FPSC Adjusted	\$10,098,900,617	\$4,295,543,972	\$5,803,356,645	\$26,287,880	\$217,308,691	\$129,900,323	\$6,176,853,539	\$208,738,157	\$6,385,591,696

PROGRESS ENERGY FLORIDA
Average Rate of Return - Income Statement
September 2010

System Per Books (a)	Operating Revenues	Fuel & Net Interchange	ODM Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
\$5,303,898,224	\$2,892,424,469	\$315,734,376	\$859,446,048	\$115,734,376	\$390,598,728	\$24,001,852	\$290,927,789	(\$2,295,000)	\$0	\$4,010,825,265	\$683,782,959
Less Recoverable:											
ARO	0	0	(346,004)	0	0	0	0	0	0	(346,004)	346,004
ECRC	90,968,368	0	89,320,897	282,781	31,512	373,200	0	0	0	90,027,170	931,198
ECRC	205,358,823	0	52,343,321	50,453,465	8,882,683	26,510,031	0	0	0	138,209,700	66,147,123
FUEL	2,550,895,033	2,754,060,922	0	578,486	1,715,611	(58,841,135)	0	0	0	2,697,513,864	(148,618,834)
NUCLEAR	268,448,087	0	5,031,991	8,837,804	288,998	72,179,422	0	0	0	86,347,918	180,100,171
SCRC	5,274	0	4,569	0	3	201	0	0	0	4,773	501
Regulatory Base - System	\$2,190,144,839	\$48,363,546	\$711,736,369	\$255,908,064	\$348,647,941	(\$18,219,867)	\$290,927,789	(\$2,295,999)	\$0	\$1,607,007,847	\$583,076,792
Regulatory Base - Retail	\$1,853,352,753	\$23,699,894	\$646,216,475	\$218,959,878	\$334,647,322	(\$13,655,215)	\$230,002,827	(\$2,024,150)	\$0	\$1,437,837,831	\$515,515,122
FPSC Adjustments											
CORPORATE AIRCRAFT ALLOCATION	0	0	(3,082,407)	0	0	1,192,888	0	0	0	(1,889,511)	1,889,511
FRANCHISE FEE & GROSS REC TAX REVENUE	(228,317,182)	0	0	0	0	(68,073,353)	0	0	0	(88,073,353)	(140,243,829)
FRANCHISE FEES & GROSS REC TAX - TOI	0	0	0	0	(228,409,009)	88,086,775	0	0	0	(140,300,234)	140,300,234
GAIN/LOSS ON SALE OF PLANT	0	0	0	0	0	836,917	0	0	(2,188,806)	(1,352,189)	1,352,189
INST./PROMOTIONAL ADVERTISING	0	0	(2,049,945)	0	0	700,786	0	0	0	(1,259,179)	1,259,179
INTEREST ON TAX DEFICIENCY	0	0	1,312,709	0	0	(508,378)	0	0	0	808,332	(808,332)
MISCELLANEOUS INTEREST EXPENSE	0	0	184,129	0	0	(63,313)	0	0	0	100,816	(100,816)
REMOVE ASSOCIATION DUES	0	0	(210,850)	0	0	81,258	0	0	0	(129,392)	129,392
REMOVE ECONOMIC DEVELOPMENT	0	0	(12,448)	0	0	4,802	0	0	0	(7,646)	7,646
PARENT DEBT ADJUSTMENT	0	0	0	0	0	(11,762,512)	0	0	0	(11,762,512)	11,762,512
SEBRING - RIDER REVENUE	(750)	0	0	0	0	(289)	0	0	0	(289)	(401)
DIRECTORS & OFFICERS PREMIUM	0	0	(1,390,588)	0	0	539,883	0	0	0	(859,884)	859,884
INTEREST SYNCHRONIZATION - FPSC	0	0	0	0	0	7,840,211	0	0	0	7,840,211	(7,840,211)
Total FPSC Adjustments	(228,317,831)	0	(5,288,179)	0	(228,409,009)	(1,910,636)	0	0	(2,188,806)	(236,876,539)	8,158,689
FPSC Adjusted	\$1,725,034,921	\$23,699,894	\$640,928,296	\$218,959,878	\$106,238,313	(\$14,865,851)	\$230,002,827	(\$2,024,150)	(\$2,188,806)	\$1,200,981,001	\$624,073,821
Pro Forma Adjustments											
Weather Normalization	(99,875,123)	0	0	0	0	(38,526,829)	0	0	0	(38,526,829)	(91,348,294)
Total Pro Forma Adjustments	(99,875,123)	0	0	0	0	(38,526,829)	0	0	0	(38,526,829)	(91,348,294)
Pro Forma Adjusted	\$1,625,159,808	\$23,699,894	\$640,928,296	\$218,959,878	\$106,238,313	(\$53,192,680)	\$230,002,827	(\$2,024,150)	(\$2,188,806)	\$1,162,454,172	\$462,725,528

Footnotes:
(a) The addition of earnings from AFUDC charges would increase the system NOI by \$57,817,563 and Jurisdictional NOI by \$51,281,062

System Per Books (a)	Operating Revenues	Fuel & Net Interchange	ODM Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
\$500,883,934	\$500,883,934	\$253,190,650	\$83,465,605	(\$5,863,381)	\$34,378,784	(\$2,060,475)	\$44,311,873	(\$128,833)	\$0	\$417,289,113	\$83,594,820
Less Recoverable:											
ARO	0	0	0	(46,392)	0	0	0	0	0	(46,392)	46,392
ECRC	8,883,961	0	8,781,150	24,846	3,518	38,510	0	0	0	8,825,824	58,137
ECRC	21,578,400	0	4,727,860	5,811,374	1,148,859	3,815,182	0	0	0	15,503,285	6,075,115
FUEL	252,048,288	252,168,978	0	64,274	104,519	(134,814)	0	0	0	252,292,957	(214,871)
NUCLEAR	17,201,099	0	156,913	12,307,018	13,686	1,822,080	0	0	0	14,299,708	2,901,393
SCRC	(38)	0	(38)	0	0	(0)	0	0	0	(38)	(0)
System Per Books	\$201,172,226	\$1,011,871	\$79,819,802	(\$24,019,301)	\$33,048,192	(\$7,599,433)	\$44,311,873	(\$128,833)	\$0	\$126,443,771	\$74,728,455
Excluding AFUDC Earnings and Recoverable	\$179,248,339	(\$1,188,260)	\$72,115,356	\$22,273,038	\$31,857,062	(\$2,744,213)	\$39,059,854	(\$113,579)	\$0	\$141,279,287	\$37,866,043
Jurisdictional Per Books											
Excluding AFUDC Earnings and Recoverable											

Current Month

PROGRESS ENERGY FLORIDA
Average Rate of Return - Adjustments
September 2010

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
(1)	CWIP - AFUDC	F	(\$959,108,331)	(\$858,705,359)
(1)	GAINLOSS ON SALE OF PLANT	F	0	0
(2)	CAPITAL LEASE-EPS	F	(213,343,803)	(213,343,803)
(2)	CAPITAL LEASE-WORKING CAPITAL	F	213,830,149	213,830,149
(1)	NUC. DECOM. UNFUNDED - WHOLESALE	F	2,286,276	2,286,276
	Total		(\$956,335,709)	(\$855,932,737)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
(2)	CORPORATE AIRCRAFT ALLOCATION	F	(\$3,526,441)	\$1,360,325	(\$3,092,407)	\$1,192,896
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	228,317,182	(88,073,353)	228,317,182	(88,073,353)
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	(228,409,009)	88,108,775	(228,409,009)	88,108,775
(1)	GAINLOSS ON SALE OF PLANT	F	(3,076,796)	1,186,874	(2,168,806)	836,617
(1)	INST./PROMOTIONAL ADVERTISING	F	(2,337,665)	901,754	(2,049,945)	790,766
(1)	INTEREST ON TAX DEFICIENCY	F	1,469,736	(566,951)	1,312,709	(506,378)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	214,018	(82,557)	164,129	(63,313)
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	(240,216)	92,663	(210,650)	81,258
(1)	REMOVE ECONOMIC DEVELOPMENT	F	(12,448)	4,802	(12,448)	4,802
(2)	PARENT DEBT ADJUSTMENT	F	0	(19,350,375)	0	(11,762,512)
(1)	SEBRING - RIDER REVENUE	F	750	(289)	750	(289)
(2)	DIRECTORS & OFFICERS PREMIUM	F	(1,399,568)	539,883	(1,399,568)	539,883
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	20,794,924	0	7,840,211
	Total		(\$9,000,457)	\$4,916,475	(\$7,548,063)	(\$1,010,636)

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

PROGRESS ENERGY FLORIDA
End of Period Rate of Return - Rate Base
September 2010

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$13,054,841,650	\$4,759,404,258	\$8,295,437,392	\$35,771,455	\$898,187,787	\$187,688,874	\$9,417,085,508	\$40,960,807	\$9,458,046,315
Less Recoverable:									
ARO	30,389,944	(16,294,801)	46,684,746	0	0	0	46,684,746	(395,836,333)	(349,151,587)
ECCR	1,382,273	703,770	678,503	0	1,700,501	0	2,379,004	5,836,454	8,215,458
ECRC	1,261,663,590	27,042,561	1,234,621,029	0	289,107	0	1,234,910,136	6,627,670	1,241,537,806
FUEL	32,738,780	30,579,109	2,159,671	0	0	0	2,159,671	138,315,663	140,475,334
NUCLEAR	0	0	0	0	0	0	0	196,703,199	196,703,199
Regulatory Base - System	\$11,728,667,063	\$4,717,373,620	\$7,011,293,443	\$35,771,455	\$898,198,179	\$187,688,874	\$8,130,951,952	\$89,314,154	\$8,220,266,105
Regulatory Base - Retail	\$10,479,272,114	\$4,341,738,533	\$6,137,533,581	\$26,406,846	\$792,136,230	\$147,405,041	\$7,103,481,698	(\$5,091,992)	\$7,098,389,706
FPSC Adjustments									
CWIP - AFUDC	0	0	0	0	(543,403,656)	0	(543,403,656)	0	(543,403,656)
CAPITAL LEASE	(207,413,129)	0	(207,413,129)	0	0	0	(207,413,129)	213,830,149	6,417,020
NUC. DECOM. UNFUNDED - WHOLESAL	0	(2,286,276)	2,286,276	0	0	0	2,286,276	0	2,286,276
Total FPSC Adjustments	(207,413,129)	(2,286,276)	(205,126,853)	0	(543,403,656)	0	(748,530,509)	213,830,149	(534,700,360)
FPSC Adjusted	\$10,271,858,985	\$4,339,452,257	\$5,932,406,728	\$26,406,846	\$248,732,574	\$147,405,041	\$6,354,951,189	\$208,738,157	\$6,563,689,346

PROGRESS ENERGY FLORIDA
End of Period - Income Statement
September 2010

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$5,303,608,224	\$2,802,424,468	\$858,446,048	\$315,734,376	\$360,586,728	\$24,001,852	\$260,927,789	(\$2,295,996)	\$0	\$4,619,825,265	\$683,782,959
Less Recoverable:											
ARO	0	0	0	(346,004)	0	0	0	0	0	(346,004)	346,004
ECCR	90,958,368	0	89,329,697	292,761	31,512	373,200	0	0	0	90,027,170	931,198
ECRC	205,356,823	0	52,343,521	50,463,485	9,892,663	26,510,031	0	0	0	139,209,700	66,147,123
FUEL	2,550,695,033	2,754,060,922	0	578,466	1,715,611	(58,841,135)	0	0	0	2,697,513,864	(146,818,831)
NUCLEAR	17201098.92	0	5,031,891	12,307,018	298,998	72,179,422	0	0	0	89,817,330	(72,616,231)
SCRC	5,274	0	4,569	0	3	201	0	0	0	4,773	501
Regulatory Base - System	\$2,439,391,627	\$48,363,546	\$711,736,369	\$252,438,650	\$348,647,941	(\$16,219,867)	\$260,927,789	(\$2,295,996)	\$0	\$1,603,598,433	\$835,793,194
Regulatory Base - Retail	\$1,953,352,753	\$23,699,894	\$646,216,475	\$218,950,678	\$334,647,322	(\$13,655,215)	\$230,002,627	(\$2,024,150)	\$0	\$1,437,837,631	\$515,515,122
FPSC Adjustments											
CORPORATE AIRCRAFT ALLOCATION	0	0	(3,092,407)	0	0	1,192,896	0	0	0	(1,899,511)	1,899,511
FRANCHISE FEE & GROSS REC TAX REVENUE	(228,317,182)	0	0	0	0	(88,073,353)	0	0	0	(88,073,353)	(140,243,829)
FRANCHISE FEES & GROSS REC TAX - TOI	0	0	0	0	(228,409,009)	88,108,775	0	0	0	(140,300,234)	140,300,234
GAIN/LOSS ON SALE OF PLANT	0	0	0	0	0	836,617	0	0	(2,168,806)	(1,332,189)	1,332,189
INST./PROMOTIONAL ADVERTISING	0	0	(2,049,945)	0	0	790,766	0	0	0	(1,259,179)	1,259,179
INTEREST ON TAX DEFICIENCY	0	0	1,312,709	0	0	(506,378)	0	0	0	806,332	(806,332)
MISCELLANEOUS INTEREST EXPENSE	0	0	164,129	0	0	(63,313)	0	0	0	100,816	(100,816)
REMOVE ASSOCIATION DUES	0	0	(210,650)	0	0	81,258	0	0	0	(129,392)	129,392
REMOVE DEFERRED TAX AFUDC DEBT	0	0	0	0	0	0	0	0	0	0	0
REMOVE ECONOMIC DEVELOPMENT	0	0	(12,448)	0	0	4,802	0	0	0	(7,646)	7,646
PARENT DEBT ADJUSTMENT	0	0	0	0	0	(11,762,512)	0	0	0	(11,762,512)	11,762,512
SEBRING - RIDER REVENUE	(750)	0	0	0	0	(289)	0	0	0	(289)	(461)
DIRECTORS & OFFICERS PREMIUM	0	0	(1,399,568)	0	0	539,883	0	0	0	(859,684)	859,684
INTEREST SYNCHRONIZATION - FPSC	0	0	0	0	0	7,840,211	0	0	0	7,840,211	(7,840,211)
Total FPSC Adjustments	(228,317,931)	0	(5,286,179)	0	(228,409,009)	(1,010,636)	0	0	(2,168,806)	(236,876,630)	8,598,699
FPSC Adjusted	\$1,725,034,821	\$23,699,894	\$640,928,296	\$218,950,678	\$106,238,313	(\$14,665,851)	\$230,002,627	(\$2,024,150)	(\$2,168,806)	\$1,200,961,001	\$524,073,821

Footnotes:

(a) The addition of earnings from AFUDC changes would increase the system NOI by \$57,817,563 and Jurisdictional NOI by \$51,261,052

PROGRESS ENERGY FLORIDA
End of Period Rate of Return - Adjustments
September 2010

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
(1)	CWIP - AFUDC	F	(\$608,070,989)	(\$543,403,656)
(1)	GAIN/LOSS ON SALE OF PLANT	F	0	0
(2)	CAPITAL LEASE	F	213,830,149	213,830,149
(2)	CAPITAL LEASE	F	207,816,852	207,816,852
(1)	NUC. DECOM. UNFUNDED - WHOLESALE	F	2,286,276	2,286,276
	Total		(\$184,137,712)	(\$119,470,379)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
(2)	CORPORATE AIRCRAFT ALLOCATION	F	(\$3,526,441)	\$1,360,325	(\$3,092,407)	\$1,192,896
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	228,317,182	(88,073,353)	228,317,182	(88,073,353)
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	(228,409,009)	88,108,775	(228,409,009)	88,108,775
(1)	GAIN/LOSS ON SALE OF PLANT	F	(3,076,796)	1,186,874	(2,168,806)	836,617
(1)	INST./PROMOTIONAL ADVERTISING	F	(2,337,665)	901,754	(2,049,945)	790,766
(1)	INTEREST ON TAX DEFICIENCY	F	1,469,736	(566,951)	1,312,709	(506,378)
(1)	MISCELLANEOUS INTEREST EXPENSE	F	214,018	(82,557)	164,129	(63,313)
(1)	REMOVE ASSOC./ORGANIZATION DUES	F	(240,216)	92,663	(210,650)	81,258
(1)	REMOVE ECONOMIC DEVELOPMENT	F	(12,448)	4,802	(12,448)	4,802
(2)	PARENT DEBT ADJUSTMENT	F	0	(19,350,375)	0	(11,762,512)
(1)	SEBRING - RIDER REVENUE	F	750	(289)	750	(289)
(2)	STORM COSTS 2004	F	(1,399,568)	539,883	(1,399,568)	539,883
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	20,794,924	0	7,840,211
	Total		(\$9,000,457)	\$4,916,475	(\$7,548,063)	(\$1,010,636)

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

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
Pro Forma Adjusted Basis
September 2010

	System Per Books	Specific Adjustments	Pro Rate 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	\$4,571,375,956	\$260,997,057	(\$902,720,906)	\$3,929,652,107	\$3,082,938,661	48.28% ***	9.50%	4.59%	10.50%	5.07%	11.50%	5.55%
Preferred Stock	33,496,700		(6,257,417)	27,239,283	21,370,095	0.33%	4.51%	0.02%	4.51%	0.02%	4.51%	0.02%
Long Term Debt - Fixed	4,239,187,552	(33,719,692)	(785,610,661)	3,419,857,199	2,682,988,134	42.02%	5.91%	2.48%	5.91%	2.48%	5.91%	2.48%
Short Term Debt *	90,004,131	(90,004,131)	-	-	-	0.00%	0.29%	0.00%	0.29%	0.00%	0.29%	0.00%
Customer Deposits												
Active	198,823,055		(37,141,530)	161,681,524	161,681,524	2.53%	6.25%	0.16%	6.25%	0.16%	6.25%	0.16%
Inactive	1,288,714		(240,741)	1,047,973	1,047,973	0.02%						
Investment Tax Credit												
Post '70 Total	6,688,058		(1,249,376)	5,438,682								
Equity **					2,288,725	0.04%	9.29%	0.00%	10.27%	0.00%	11.24%	0.00%
Debt **					1,978,096	0.03%	5.80%	0.00%	5.80%	0.00%	5.80%	0.00%
Deferred Income Taxes	771,501,696	95,149,196	(161,896,417)	704,754,474	552,902,587	8.66%						
FAS 109 DIT - Net	(190,609,168)		35,607,119	(155,002,049)	(121,604,100)	-1.90%						
Total	\$9,721,756,693	\$232,422,430	(\$1,859,509,930)	\$8,094,669,194	\$6,385,591,696	100.00%		7.25%		7.73%		8.21%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

49.81%

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
September 2010

	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	\$4,839,164,771	(\$4,380,744)	(\$673,033,777)	\$4,161,750,250	\$3,084,942,994	47.00% ***	9.50%	4.47%	10.50%	4.94%	11.50%	5.41%
Preferred Stock	33,496,700		(4,662,961)	28,833,739	21,373,325	0.33%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,290,540,835		(597,271,541)	3,693,269,295	2,737,676,351	41.71%	5.84%	2.44%	5.84%	2.44%	5.84%	2.44%
Short Term Debt *	7,906,322	(7,906,322)	-	0	0	0.00%	0.29%	0.00%	0.29%	0.00%	0.29%	0.00%
Customer Deposits												
Active	205,892,931		(28,661,652)	177,231,279	177,231,279	2.70%	6.26%	0.17%	6.26%	0.17%	6.26%	0.17%
Inactive	1,239,683		(172,572)	1,067,111	1,067,111	0.02%						
Investment Tax Credit												
Post '70 Total Equity **	5,801,015		(807,539)	4,993,475								
Debt **					1,967,479	0.03%		10.71%	11.83%	0.00%	12.96%	0.00%
Deferred Income Taxes	933,642,885	106,738,540	(144,827,946)	895,553,479	1,733,989	0.03%	6.60%	0.00%	6.60%	0.00%	6.60%	0.00%
FAS 109 DIT - Net	(197,692,277)		27,520,067	(170,172,210)	(126,142,016)	-1.92%						
Total	\$10,119,992,865	\$94,451,475	(\$1,421,917,922)	\$8,792,526,417	\$6,563,689,346	100.00%		7.09%		7.56%		8.03%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

52.79%

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
September 2010

	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	\$4,571,375,956	\$260,997,057	(\$902,720,906)	\$3,929,652,107	\$3,082,938,661	48.28% ***	9.50%	4.59%	10.50%	5.07%	11.50%	5.55%
Preferred Stock	33,496,700		(6,257,417)	27,239,283	21,370,095	0.33%	4.51%	0.02%	4.51%	0.02%	4.51%	0.02%
Long Term Debt - Fixed	4,239,187,552	(33,719,692)	(785,610,661)	3,419,857,199	2,682,988,134	42.02%	5.91%	2.48%	5.91%	2.48%	5.91%	2.48%
Short Term Debt *	90,004,131	(90,004,131)	-	-	-	0.00%	0.29%	0.00%	0.29%	0.00%	0.29%	0.00%
Customer Deposits												
Active	198,823,055		(37,141,530)	161,681,524	161,681,524	2.53%	6.25%	0.16%	6.25%	0.16%	6.25%	0.16%
Inactive	1,288,714		(240,741)	1,047,973	1,047,973	0.02%						
Investment Tax Credit												
Post '70 Total	6,688,058		(1,249,376)	5,438,682								
Equity **												
Debt **												
Deferred Income Taxes	771,501,696	95,149,196	(161,896,417)	704,754,474	2,288,725	0.04%	9.29%	0.00%	10.27%	0.00%	11.24%	0.00%
FAS 109 DIT - Net	(190,609,169)		35,607,119	(155,002,049)	1,978,096	0.03%	5.80%	0.00%	5.80%	0.00%	5.80%	0.00%
					(121,604,100)	-1.90%						
Total	\$9,721,756,693	\$232,422,430	(\$1,859,509,930)	\$8,094,669,194	\$6,385,591,696	100.00%		7.25%		7.73%		8.21%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

53.27%

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Adjusted Basis
September 2010

	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	\$4,839,164,771	(\$4,380,744)	(\$673,033,777)	\$4,161,750,250	\$3,084,942,994	47.00% ***	9.50%	4.47%	10.50%	4.94%	11.50%	5.41%
Preferred Stock	33,496,700		(4,662,961)	28,833,739	21,373,325	0.33%	4.51%	0.01%	4.51%	0.01%	4.51%	0.01%
Long Term Debt - Fixed	4,290,540,835	0	(597,271,541)	3,693,269,295	2,737,676,351	41.71%	5.84%	2.44%	5.84%	2.44%	5.84%	2.44%
Short Term Debt *	7,906,322	(7,906,322)	-	0	0	0.00%	0.29%	0.00%	0.29%	0.00%	0.29%	0.00%
Customer Deposits				-								
Active	205,892,931		(28,661,652)	177,231,279	177,231,279	2.70%	6.26%	0.17%	6.26%	0.17%	6.26%	0.17%
Inactive	1,239,683		(172,572)	1,067,111	1,067,111	0.02%						
Investment Tax Credit				-								
Post '70 Total	5,801,015		(807,539)	4,993,475								
Equity **				-	1,967,479	0.03%		10.71%		0.00%	11.83%	0.00%
Debt **				-	1,733,989	0.03%		6.60%		0.00%	6.60%	0.00%
Deferred Income Taxes	933,642,885	106,738,540	(144,827,946)	895,553,479	663,838,834	10.11%						
FAS 109 DIT - Net	(197,692,277)		27,520,067	(170,172,210)	(126,142,016)	-1.92%						
Total	\$10,119,992,865	\$94,451,475	(\$1,421,917,922)	\$8,792,526,417	\$6,563,689,346	100.00%		7.09%		7.56%		8.03%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

***Equity Ratio Including Debt Associated With Qualifying Facilities Contracts (Based on FPSC Capital Structure)

52.79%

PROGRESS ENERGY FLORIDA
Financial Integrity Indicators
September 2010

A: TIMES INTEREST EARNED WITH AFUDC

Earnings Before Interest	\$728,248,219
AFUDC - Debt	\$15,854,007
Income Taxes	\$276,811,550
Total	\$1,020,913,776
Interest Charges (before deducting AFUDC-Debt)	\$265,370,455
T.I.E. with AFUDC	3.85

B: TIMES INTEREST EARNED WITHOUT AFUDC

Earnings Before Interest	\$728,248,219
AFUDC - Equity	(\$41,963,557)
Income Taxes	\$276,811,550
Total	\$963,096,213
Interest Charges (before deducting AFUDC-Debt)	\$265,370,455
T.I.E. without AFUDC	3.63

C: PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON SHAREHOLDERS

AFUDC - Debt	\$15,854,007
Less: DIT	\$0
Subtotal	\$15,854,007
AFUDC - Other	\$41,963,557
Total AFUDC	\$57,817,563
Net Income Available For Common Shareholders	\$477,219,911
Percent AFUDC to Available Net Income	12.12%

D: PERCENT INTERNALLY GENERATED FUNDS

Net Income	\$478,731,771
Common Dividends	(\$50,000,000)
Preferred Dividends	(\$1,511,860)
AFUDC (Debt & ECS Other)	(\$57,817,563)
Depreciation & Amortization	\$317,202,280
Deferred Income Taxes	\$253,968,394
Investment Tax Credits	(\$2,295,996)
Deferred Fuel (Net)	\$57,569,871
Nuclear Fuel Amortization	\$0
Nuclear Refueling	\$12,088,104
Other - Incl Nuclear Decommissioning	(\$16,323,209)
Funds Provided from Operations	\$991,611,791

Other Funds Provided - Incl Change in Working Capital	\$79,581,625
Total Funds Provided	\$1,071,193,416

Construction Expenditures (excluding AFUDC)	\$1,182,495,239
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Percentage Internally Generated Funds **90.59%**

E: SHORT TERM DEBT / LONG TERM DEBT AS PERCENT OF TOTAL INVESTOR CAPITAL - FPSC

Common Equity	\$3,082,938,661
Preferred Stock	\$21,370,095
Long Term Debt - Fixed Rate	\$2,682,988,134
Short Term Debt	\$0
Total	\$5,787,296,891

% Long Term Debt - Fixed Rate	46.36%
% Short Term Debt	0.00%

FPSC ADJUSTED AVERAGE JURISDICTIONAL AND PRO FORMA

F: RETURN ON COMMON EQUITY	Pro Forma	FPSC
Average Earned Rate of Return	7.25%	8.21%
Less Reconciled Average Retail Weighted Cost Rates for:		
Preferred Stock	0.02%	0.02%
Long Term Debt - Fixed Rate	2.48%	2.48%
Short Term Debt	0.00%	0.00%
Customer Deposits	0.16%	0.16%
Investment Tax Credit (at Midpoint)		
Equity	0.00%	0.00%
Debt	0.00%	0.00%
Subtotal	2.66%	2.66%
Total	4.59%	5.55%
Divided by Common Equity Ratio	48.28%	48.28%
Jurisdictional Return on Common Equity	9.51%	11.50%