

PROGRESS ENERGY FLORIDA
In re: Nuclear Cost Recovery Clause
Docket 100009-EI
Sixth Request for Confidential Classification

REDACTED

Exhibit B

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SC _____
DM _____
PC _____
M _____

DOCUMENT NUMBER-DATE
04401 MAY 25 0
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Power Plant Cost Recovery) Docket No. 100009-EI
Clause)
Filed: May 25, 2010

PROGRESS ENERGY FLORIDA'S RESPONSES TO STAFF'S THIRD SET OF INTERROGATORIES TO PROGRESS ENERGY FLORIDA. (Nos. 7-9)

Progress Energy Florida, Inc., ("PEF" or "Company"), responds to the Florida Public Service Commission's Staff's ("Staff") Third Set of Interrogatories (Nos. 7-9), as follows:

INTERROGATORIES

7. Please refer to Exhibit JL-3 of Jeff Lyash's April 30, 2010 testimony, page 7 of 21, Table 1. What are the 2010 cumulative present worth revenue requirement amounts associated with each of the 2007 dollar amounts shown in Table 1?

Response:

The below tables provide the original cumulative present worth revenue requirements comparisons from the Levy Need case (Docket 080148-EI) adjusted to a 2010 base year perspective, as requested. In a manner consistent with the updated results presented in this filing, Tables 1a and 1b are based on discount rates of 6.75% and 8.1%, respectively.

DOCUMENT NO. DATE
04401-10 5/25/10
FPSC - COMMISSION CLERK

TABLE 1a

PEF Summary CPVRR Review for 2010 NCRC Filing - Discovery Response

Response to Staff's 3rd Interrogatories Question 7 - CPVRR Results for Levy Need Case Adjusted to \$2010

Economic Results Summary Table									
Fuel Sensitivities				CapEx Sensitivities					
<i>Base Capital Reference Case</i>	<i>Low Fuel Reference</i>	<i>Mid Fuel Reference</i>	<i>High Fuel Reference</i>	<i>Mid Fuel Reference Case</i>	<i>LNP CapEx (5%)</i>	<i>Mid Fuel Reference</i>	<i>LNP CapEx +5%</i>	<i>LNP CapEx +1.5%</i>	<i>LNP CapEx +25%</i>
NCRC APR'10: 100% Ownership, 2016/17 COD Levy Case Versus All Gas CPVRR \$Million, 6.75% Discount Rate									
<i>No CO2</i>	(\$9,083)	(\$3,014)	\$6,395	<i>No CO2</i>	(\$2,239)	(\$3,014)	(\$3,776)	(\$5,313)	(\$6,850)
<i>Bingaman Specter Low CO2</i>	(\$4,301)	\$1,700	\$11,179	<i>Bingaman Specter Low CO2</i>	\$2,316	\$1,700	\$779	(\$758)	(\$2,295)
<i>EPA No CCS</i>	(\$2,280)	\$3,696	\$13,122	<i>EPA No CCS</i>	\$4,233	\$3,696	\$2,695	\$1,158	(\$379)
<i>MIT Mid CO2</i>	\$2,614	\$8,648	\$17,982	<i>MIT Mid CO2</i>	\$9,070	\$8,648	\$7,533	\$5,996	\$4,458
<i>Lieberman Warner CO2</i>	\$7,956	\$13,830	\$23,249	<i>Lieberman Warner CO2</i>	\$14,107	\$13,830	\$12,570	\$11,033	\$9,496
NCRC APR'10: 80% Ownership, 2016/17 COD Levy Case Versus All Gas CPVRR \$Million, 6.75% Discount Rate									
<i>No CO2</i>	(\$7,964)	(\$3,081)	\$4,505	<i>No CO2</i>	(\$2,427)	(\$3,081)	(\$3,721)	(\$5,015)	(\$6,309)
<i>Bingaman Specter Low CO2</i>	(\$4,199)	\$597	\$8,255	<i>Bingaman Specter Low CO2</i>	\$1,092	\$597	(\$202)	(\$1,496)	(\$2,789)
<i>EPA No CCS</i>	(\$2,595)	\$2,189	\$9,795	<i>EPA No CCS</i>	\$2,604	\$2,189	\$1,310	\$16	(\$1,277)
<i>MIT Mid CO2</i>	\$1,243	\$6,105	\$13,591	<i>MIT Mid CO2</i>	\$6,406	\$6,105	\$5,112	\$3,818	\$2,524
<i>Lieberman Warner CO2</i>	\$5,463	\$10,212	\$17,754	<i>Lieberman Warner CO2</i>	\$10,367	\$10,212	\$9,074	\$7,780	\$6,486
NCRC APR'10: 50% Ownership, 2016/17 COD Levy Case Versus All Gas CPVRR \$Million, 6.75% Discount Rate									
<i>No CO2</i>	(\$5,862)	(\$2,804)	\$1,917						
<i>Bingaman Specter Low CO2</i>	(\$3,486)	(\$374)	\$4,289						
<i>EPA No CCS</i>	(\$2,560)	\$620	\$5,241						
<i>MIT Mid CO2</i>	(\$322)	\$2,988	\$7,712						
<i>Lieberman Warner CO2</i>	\$2,280	\$5,509	\$10,501						

TABLE 1b

PEF Summary CPVRR Review for 2010 NCRC Filing - Discovery Response

Response to Staff's 3rd Interrogatories Question 7 - CPVRR Results for Levy Need Case Adjusted to \$2010

Economic Results Summary Table									
Fuel Sensitivities				CapEx Sensitivities					
<i>Base Capital Reference Case</i>	<i>Low Fuel Reference</i>	<i>Mid Fuel Reference</i>	<i>High Fuel Reference</i>	<i>Mid Fuel Reference Case</i>	<i>LNP CapEx (5%)</i>	<i>Mid Fuel Reference</i>	<i>LNP CapEx +5%</i>	<i>LNP CapEx +15%</i>	<i>LNP CapEx +25%</i>
NCRC APR'10: 100% Ownership, 2016/17 COD Levy Case Versus All Gas CPVRR \$Million, 8.1% Discount Rate									
<i>No CO2</i>	(\$8,104)	(\$3,648)	\$3,329	<i>No CO2</i>	(\$2,987)	(\$3,648)	(\$4,294)	(\$5,600)	(\$6,907)
<i>Bingaman Specter Low CO2</i>	(\$4,842)	(\$433)	\$6,584	<i>Bingaman Specter Low CO2</i>	\$137	(\$433)	(\$1,169)	(\$2,476)	(\$3,782)
<i>EPA No CCS</i>	(\$3,390)	\$1,002	\$7,980	<i>EPA No CCS</i>	\$1,525	\$1,002	\$218	(\$1,089)	(\$2,395)
<i>MIT Mid CO2</i>	\$108	\$4,565	\$11,464	<i>MIT Mid CO2</i>	\$5,021	\$4,565	\$3,714	\$2,407	\$1,101
<i>Lieberman Warner CO2</i>	\$3,701	\$8,059	\$15,020	<i>Lieberman Warner CO2</i>	\$8,430	\$8,059	\$7,123	\$5,817	\$4,510
NCRC APR'10: 80% Ownership, 2016/17 COD Levy Case Versus All Gas CPVRR \$Million, 8.1% Discount Rate									
<i>No CO2</i>	(\$7,030)	(\$3,442)	\$2,188	<i>No CO2</i>	(\$2,885)	(\$3,442)	(\$3,983)	(\$5,081)	(\$6,179)
<i>Bingaman Specter Low CO2</i>	(\$4,458)	(\$926)	\$4,744	<i>Bingaman Specter Low CO2</i>	(\$460)	(\$926)	(\$1,558)	(\$2,656)	(\$3,754)
<i>EPA No CCS</i>	(\$3,307)	\$216	\$5,850	<i>EPA No CCS</i>	\$635	\$216	(\$463)	(\$1,561)	(\$2,659)
<i>MIT Mid CO2</i>	(\$566)	\$3,035	\$8,576	<i>MIT Mid CO2</i>	\$3,386	\$3,035	\$2,288	\$1,190	\$92
<i>Lieberman Warner CO2</i>	\$2,272	\$5,803	\$11,390	<i>Lieberman Warner CO2</i>	\$6,070	\$5,803	\$4,972	\$3,874	\$2,776
NCRC APR'10: 50% Ownership, 2016/17 COD Levy Case Versus All Gas CPVRR \$Million, 8.1% Discount Rate									
<i>No CO2</i>	(\$5,074)	(\$2,836)	\$661						
<i>Bingaman Specter Low CO2</i>	(\$3,494)	(\$1,216)	\$2,252						
<i>EPA No CCS</i>	(\$2,842)	(\$516)	\$2,927						
<i>MIT Mid CO2</i>	(\$1,286)	\$1,147	\$4,654						
<i>Lieberman Warner CO2</i>	\$428	\$2,805	\$6,490						

8. Please provide a chronological list, beginning January 1, 2009, that summarizes PEF's recent efforts to secure joint owners and other participants in the Levy Units 1 and 2 project.

REDACTED

Response:

Prior to signing the Engineering, Procurement and Construction Agreement ("EPC Agreement") on December 31, 2008, PEF was actively engaged in negotiations with potential joint owners, including

[REDACTED]

By January of 2009, these discussions

[REDACTED] when the NRC announced that it was going to review the LWA on the same schedule as the COL, and consequently there was a minimum 20 month shift in the LNP schedule. PEF informed these potential joint owners and financial partners of the schedule shift in May of 2009. Below is a chronological time line of actions taken and other events from January 1, 2009 through April 30, 2010.

- January 2009: PEF engaged in active negotiations with potential joint owners which [REDACTED]
- January 9, 2009: Telephone meetings with potential joint owners re EPC Agreement and transmission interconnection costs.
- January 15-16, 2009: In-person meetings with potential joint owners re joint owner agreement.
- January 23, 2009: NRC declines to review LWA and informs PEF that LWA will be reviewed on same schedule as COL.
- January 29, 2009: Telephone meetings with potential joint owners re O&M and Large Generator Interconnection Agreement ("LGIA") comparability.

January 29, 2009: In-person meeting with potential financial partners re financial partner operations.

January 30, 2009: Telephone meetings with potential joint owners re A&G allocation under O&M Agreement and LGIA timeline.

February 4, 2009: Telephone meetings with potential joint owners re O&M Agreement and LGIA.

February 5, 2009: Telephone meetings with potential joint owners re Nuclear Fuel Accounting.

February 11, 2009: Telephone meetings with potential joint owners re LGIA comparability.

February 17, 2009: Telephone meetings with potential joint owners re LGIA comparability.

February 23, 2009: Telephone meetings with potential joint owners re LGIA comparability.

February 27, 2009: In-person meetings with potential joint owners re O&M and A&G allocation.

March 5, 2009: Telephone meetings with potential joint owners re insurance.

March 10-11, 2009: In-person meetings with potential financial partners re Ownership Structures & PPA Structures.

March – May 2009: Discussions with potential joint owners slow as schedule impacts are being evaluated. Back and forth discussion with financial partners re structure alternatives continue.

April 4, 2009: Telephone meetings with potential financial partners re ownership structures.

April 15, 2009: In-person meetings with potential financial partners re Ownership Structures & Operational Control.

May 1, 2009: PEF alerts potential joint owners and financial partners of NRC decision and consequent minimum 20 month schedule shift for the LNP.

May 2009: PEF remains in contact with potential joint owners and financial partners to apprise them on status of LNP schedule. PEF continues to develop joint owner agreements and operating and maintenance

agreements which will be required if joint owners are secured.
Informal discussions continue.

- May 14, 2009: In-person meetings with potential financial partners re Ownership Structures & Operational Control.
- June 8, 2009 In-person meeting with potential financial partners re Ownership Structures & PPA Structure.
- June 22-24, 2009: In-person meetings with potential financial partners re Financial Partner Operations & PGN Nuclear Operations.
- June 25, 2009: Telephone meetings with potential financial partners re Ownership Structures, Operational Control [REDACTED]
- July – October 2009: PEF in contact with potential joint owners and financial partners to apprise them on status of LNP schedule; longer term schedule shift is contemplated.
- August 10, 2009: Telephone meetings with potential financial partners re Ownership Structures & Operational Control.
- October – December 2009: PEF periodically in contact with potential joint owners and financial partners to apprise them on status of PEF's decision on LNP and EPC Agreement amendment.
- January – March 2010: PEF negotiating Amendment 3 to the EPC Agreement and evaluating whether to continue or cancel the project.
- March 2010: PEF decides to continue the project and executes Amendment 3 to the EPC Agreement.
- April 30, 2010: PEF submits its NCRC filing to the Commission and publicly announces its decision to move forward on the LNP on a shifted schedule. PEF is also in contact with the potential joint owners and financial partners to apprise them of this decision and pursue continued negotiations to secure joint owners and/or financial partners.

9. Please refer to exhibit JF-2 of Jon Franke's April 30, 2010 testimony. What are the 2010 cumulative present worth requirement amounts associates with each of the four options PEF considered in its review of the Crystal River Unit 3 Uprate project?

Response:

PEF presented the CPVRR of the fuel savings associated with the different options in Exhibit No. (JF-1). Management used this information as a backdrop as different options were considered. PEF did not perform a CPVRR analysis on each of the low pressure turbine ("LPT") options identified in Exhibit No. (JF-2) inclusive of non fuel costs because it was apparent that the project is still economically feasible. Rather, as indicated on page 30, at lines 6-10 of Jon Franke's April 30, 2010 testimony, PEF identified LPT options for the uprate project that are described in Exhibit No. (JF-2), including the additional MWs, if any, that would result if the option were selected, and then determined the net present value of the fuel savings for these options, which ranged from \$474 million to over \$801 million. PEF currently plans to install the 18M2 LPTs with the LO blades which are estimated to provide a NPV of \$801 million in fuel savings in the 17R outage. The estimated cost to complete the project is \$172 million in nominal dollars and net of joint owner costs. PEF currently believes it is technically feasible to install these LPTs and as such has selected to pursue this option. Below is a simple comparison of the NPV of the expected costs to the NPV of the fuel savings.

NPV Costs, (millions) in 2010 \$'s	\$207.8
NPV Fuel Savings, (millions) in 2010 \$'s	\$801.6
NPV of Fuel Savings Less Costs, (millions) in 2010 \$'s	\$593.8

The costs above include an estimate for additional O&M and potential insurance requirements.

With respect to the other, potential LPT options described in Exhibit No. (JF-2), PEF performed no additional analysis beyond determining the net present value of the fuel savings generated with each option because PEF decided not to employ these LPT options in the uprate project. As explained in Jon Franke's testimony at page 30, lines 17-23, however, each of the potential options for LPTs of the same or another design generated additional fuel savings on a net present value basis although the fuel savings were lower than the LPT option PEF selected. Given the level of fuel savings generated on a net present value by each of the alternative LPT options, the uprate project is likely to be favorable no matter what option PEF selected because the direction of the fuel savings exceed the costs to complete the uprate project under any option.

AFFIDAVIT

STATE OF NORTH CAROLINA

COUNTY OF WAKE

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared JEFF LYASH, who being first duly sworn, deposes and says that the foregoing responses to Staff's Third Set of Interrogatories to Progress Energy Florida (Nos. 7 and 8) in Docket No. 100009-EI, are true and correct to the best of my knowledge, information and belief.

(Signature) JEFF LYASH

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this ____ day of _____, 2010 by JEFF LYASH. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

(Signature)

(Printed Name)

NOTARY PUBLIC, STATE OF _____

(Commission Expiration Date)

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

AFFIDAVIT

STATE OF FLORIDA

COUNTY OF PINELLAS

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared JON FRANKE, who being first duly sworn, deposes and says that the foregoing responses to Staff's Third Set of Interrogatories to Progress Energy Florida (No. 9) in Docket No. 100009-EI, are true and correct to the best of my knowledge, information and belief.

[Handwritten Signature]

(Signature) JON FRANKE

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 7th day of MAY, 2010 by JON FRANKE. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

[Handwritten Signature: Anne M. Pastick]

(Signature)

ANNE M. PASTICK

(Printed Name)

NOTARY PUBLIC, STATE OF FLORIDA

4-12-2014

(Commission Expiration Date)

DD 968355

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)



Request # 5

Please provide a complete copy, preferably in Excel spreadsheet format, of schedules used to the development the tables appearing in the April 30, 2010, testimony of Jeff Lyash, Exhibit JL-6 pages 7, 8, 9, 35, 36, 37, and 38.

Response

Please see documents attached in Bates ranges 10NC-FPSCPOD2-5-000001 through 10NC-FPSCPOD2-5-000022. Documents in Bates ranges 10NC-FPSCPOD2-5-000005 through 10NC-FPSCPOD2-5-000018 are confidential and produced subject to PEF's Sixth Request for Confidential Classification.

Request # 6

Please provide complete documents supporting note 1 on page 34 of Jeff Lyash's exhibits JL-6, filed April 30, 2010, addressing land expense of \$66.2 million.

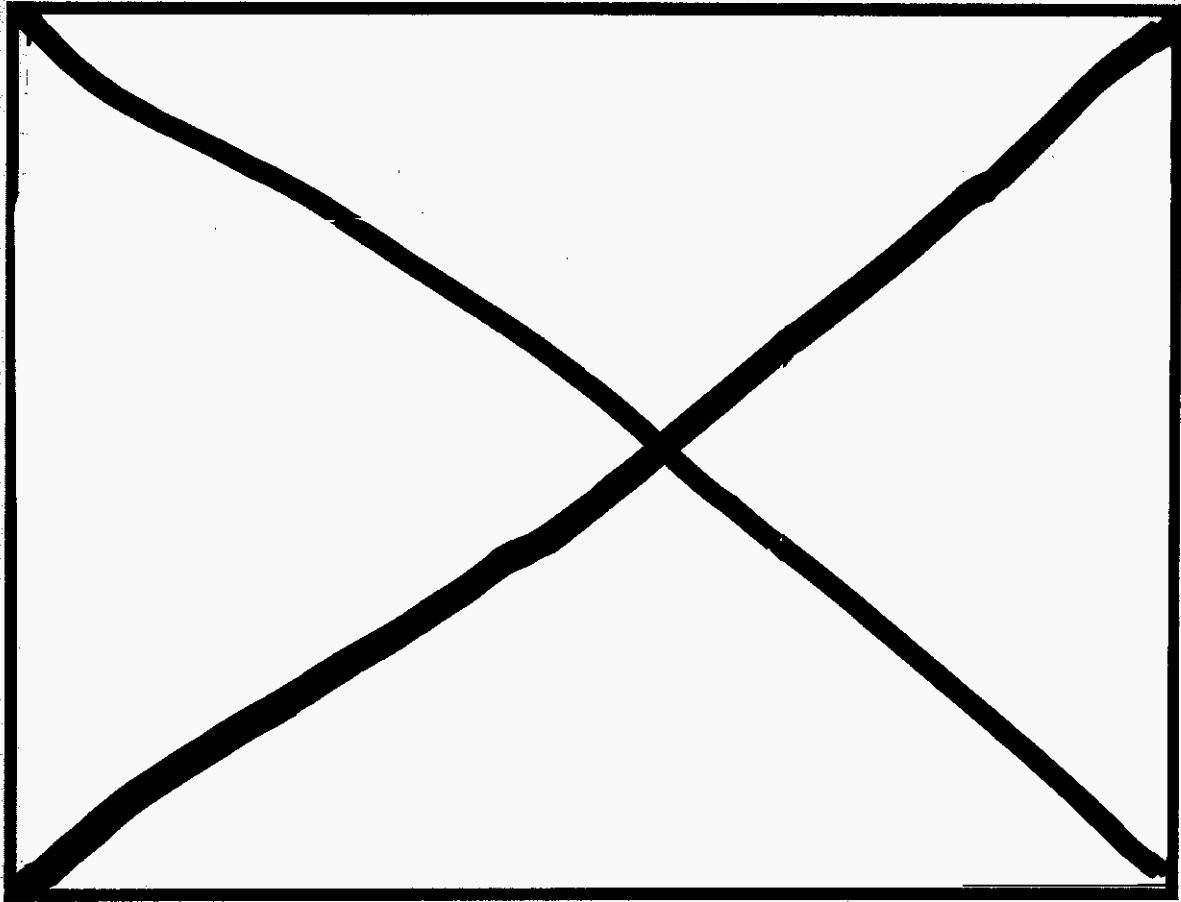
Response:

Of the \$66.2 million total, \$64.3 million was spent in 2007 and 2008 and is related to the original purchase of properties associated with the Levy site. In 2009, \$1.9 million was spent for properties associated with the Levy site plant access road and for transmission right of way. A chart listing the costs incurred is included below and subject to PEF's Sixth Request for Confidential Classification.

Please see documents previously produced: Rayonier Purchase Contract: Bates No. 09NC-FPSC1-6-000001 through 000061 and Bates No. 09NC-OPCPOD5-75-000001 through 000063; Bank statement showing payments for Rayonier Property: Bates No. 09NC-OPCPOD5-79-000007 through 000010; Lybass Purchase Contract: Bates No. 09NC-FPSC1-6-000062 through 000082 and Bates No. 09NC-OPCPOD5-78-000001 through 000027; and Lybass Purchase Closing Statement: Bates No. 09NC-FPSC1-7-000011 through 000014. These documents are subject to PEF's Third Request for Confidential Classification, FPSC Document No. 05147-09 and PEF's Ninth Request for Confidential Classification, FPSC Document No. 07279-09.

Also, please see attached Confidential documents in Bates ranges 10NC-FPSCPOD2-6-000001 through 10NC-FPSCPOD2-6-000022 subject to PEF's Sixth Request for Confidential Classification.

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Request # 7

Please provide copies of any transcribed meetings, telephone conversations, presentations, emails and other documents that memorialize PEF's efforts to secure joint owners or other participants in the Levy Units 1 and 2 project for the period 20089 through April 30, 2010.

Response:

Please see documents between PEF and representatives of potential joint owners and financial partners attached in Bates ranges 10NC-FPSCPOD2-7-000001 through 10NC-FPSCPOD2-7-001803 produced subject to PEF's Sixth Request for Confidential Classification.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic and U.S. Mail this 25th day of May, 2010.



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D9B2 Post December BOD Update	Year 2009	Year 2010
Progress Energy Florida - FERC		
B:[Variables]		
C:[Retail MWH Sales]		36,408,262
D:[Retail MWH Sales Annual Total]		36,408,262
E:[Retail to Residential Rate Multiplier]		1.17
G:[Override Capacity Residential Rate Input]		
H:[Override Nuclear Levy Rate Input]	11	
I:[Override Nuclear CR3 Rate Input]	1	
J:[Override Environ Residential Rate Input]		
K:[Override Energy Conserv Residential Rate Input]		
L:[]		
M:[Base Rate]		
N:[Base Rate as of Jan 2007]		41.18
O:[Hines 2 & 4 and CR3 Uprate]		2.77
P:[Subtotal Base Rate Before Rate Case]		43.95
Q:[]		
R:[RS Base Revenues]		847,273,908
S:[Comm Base Revenues]		304,441,148
T:[Indust Base Revenues]		70,273,818
U:[Pub St & Hwy Base Revenues]		427,884
V:[Pub Authority Fuel Clause Revenues]		84,866,884
W:[Base Revenues (per PEF Electric Revenue Summary)]		1,307,083,037
X:[]		
Y:[Incremental Revenue per JE Report]		147,000,000
Z:[CR3 Revenues per JE Report]		16,812,605
AA:[Input Adjs to Incremental Revenue]		
AB:[Incremental Revenue Adjusted]		163,812,605
AC:[Incremental Revenue Adjusted (Annual Total)]		163,812,605
AD:[Incremental Rate Case Retail Rate]		4.50
AE:[Incremental Rate Case Residential Rate]		5.28
AF:[]		
AG:[Total Base Revenues]		1,470,896,842
AH:[]		
AI:[Total Base Rate - Residential]		49.21
AJ:[]		
AK:[Fuel Clause]		
AL:[RS Fuel Clause Revenues]		801,060,951
AM:[Comm Fuel Clause Revenues]		551,573,866
AN:[Indust Fuel Clause Revenues]		170,015,945
AO:[Pub St & Hwy Fuel Clause Revenues]		1,279,207
AP:[Pub Authority Fuel Clause Revenues]		166,264,274
AQ:[Fuel Clause Revenues (per PEF Electric Revenue Summary)]		1,790,194,243
AR:[]		
AS:[Fuel Rate - Retail Levelized (Per Clause)]		49.17
AT:[Fuel Rate - Residential 1st Tier (Per Clause)]	(3.50)	45.67
AU:[Fuel Rate - Residential 1st Tier (Per Filing)]		
AV:[Fuel Rate - Residential 1st Tier]	(3.50)	45.67
AW:[]		
AX:[Fuel Revenue Adj (Input) - (to match Nov FOF)]		
AY:[Fuel Revenue Adj (Annual Total)]		
AZ:[Fuel Rate Adj - Retail]		
BA:[]		
BB:[Total Fuel Revenues]		1,780,194,243
BC:[]		
BD:[Total Fuel Rate - Residential 1st Tier]	(3.50)	45.67
BE:[]		
BF:[Capacity Clause]		
BG:[Base Juris Capacity Purchases]		293,472,630
BH:[Intermediate Juris Capacity Purchases]		13,656,660
BI:[Peaking Juris Capacity Purchases]		32,090,750
BJ:[Retail Wheeling]	(330,352)	525,196
BK:[]		
BL:[Capacity Clause Revenues (per PEF Electric Revenue Summary)]	(330,352)	339,745,236
BM:[]		
BN:[Capacity Rate - Retail (Per Clause)]		18.83
BO:[Capacity Rate - Residential (Per Clause)]		19.45
BP:[Capacity Rate - Residential (Per Filing)]		
BQ:[Capacity Rate - Residential]		19.45
BR:[]		
BS:[Capacity Revenue Adj (Input) (Remove CPLime)]		
BT:[Capacity Revenue Adj (Annual Total)]		
BU:[Capacity Rate Adj - Retail]		
BV:[Capacity Rate Adj - Residential]		
BW:[]		
BX:[]		
BY:[]		
BZ:[Total Capacity Rate - Residential]	(11.42)	10.74
CA:[]		
CB:[Environmental Clause]		
CC:[RS ECRC Clause Revenues]		118,015,711
CD:[Comm ECRC Clause Revenues]		72,241,930
CE:[Indust ECRC Clause Revenues]		22,287,697
CF:[Pub St & Hwy ECRC Clause Revenues]		187,543
CG:[Pub Authority ECRC Clause Revenues]		21,776,326
CH:[ECRC Clause Revenues (per PEF Electric Revenue Summary)]		234,469,207
CI:[]		
CJ:[Environmental Rate - Retail (Per Clause)]		5.93
CK:[Environmental Rate - Residential (Per Clause)]		6.94
CL:[Environmental Rate - Residential (Per Filing)]		
CM:[Environmental Rate - Residential]		6.94
CN:[]		
CO:[Environmental Revenue Adj (Input)]		
CP:[Environmental Revenue Adj (Annual Total)]		
CQ:[Environmental Rate Adj - Retail]		
CR:[Environmental Rate Adj - Residential]		
CS:[]		
CT:[Total Environmental Rate - Residential]		6.94
CU:[]		
CV:[Energy Conservation Clause]		
CW:[RS ECCR Clause Revenues]		43,814,502
CX:[Comm ECCR Clause Revenues]		26,898,105
CY:[Indust ECCR Clause Revenues]		8,229,366
CZ:[Pub St & Hwy ECCR Clause Revenues]		61,918
DA:[Pub Authority ECCR Clause Revenues]		8,047,772
DB:[ECCR Clause Revenues (per PEF Electric Revenue Summary)]		86,651,664
DC:[]		
DD:[Energy Conserv Rate - Retail (Per Clause)]		2.47
DE:[Energy Conserv Rate - Residential (Per Clause)]		2.89
DF:[Energy Conserv Rate - Residential (Per Filing)]		
DG:[Energy Conserv Rate - Residential]		2.89
DH:[]		
DI:[Energy Conserv Revenue Adj (Input)]		

D9B2 Post December BOD Update	Year 2009	Year 2010
Progress Energy Florida - FERC		
DJ:[Energy Conserv Revenue Adj (Annual Total)]		
DK:[Energy Conserv Rate Adj - Retail]		
DL:[Energy Conserv Rate Adj - Residential]		
DM:[]		
DN:[Total Energy Conserv Rate - Residential]		2.89
DO:[]		
DP:[Nuclear Recovery - Levy]		
DQ:[Input deferred Capacity balance divided by 5 years]		70,432,305
DR:[Revenue Requirements for COLA and AFUDC]	7,022,607	200,686,246
DS:[Nuclear Recovery of Levy - total]	7,022,607	271,118,551
DT:[Nuclear AFUDC Recovery]		
DU:[Nuclear Return on DTA]		
DV:[Nuclear Recovery Revenues Total]	7,022,607	271,118,551
DW:[Nuclear Recovery Revenues (Annual Total)]	7,022,607	271,118,551
DX:[]		
DY:[Total Nuclear Rate - Retail (Per Clause)]		7.45
DZ:[Total Nuclear Rate - Residential (Per Clause)]		6.71
EA:[Total Nuclear Rate - Residential (Per Filing)]	11	
EB:[Total Nuclear Rate - Residential]	11	9
EC:[]		
ED:[CR3 Uprate Recovery]		
EE:[Nuclear Recovery of CR3]	3,289,569	5,539,904
EF:[CR3 Uprate AFUDC Recovery Revenues (Annual Total)]	3,289,569	5,539,904
EG:[]		
EH:[Total CR3 Uprate Rate - Retail]		0.15
EI:[Total CR3 Uprate Rate - Residential (Per Clause)]		0.18
EJ:[Total CR3 Uprate Rate - Residential (Per Filing)]	1	
EK:[Total CR3 Uprate Rate - Residential]	1	0
EL:[]		
EM:[Gross Receipts Tax]		
EN:[GRT on Generic Base Rate Increase]		
EO:[RS GRT Revenues]		56,359,624
EP:[Comm GRT Revenues]		29,176,502
EQ:[Indust GRT Clause Revenues]		7,856,068
ER:[Pub St & Hwy GRT Revenues]		60,740
ES:[Pub Authority GRT Revenues]		8,604,161
ET:[Total Gross Receipts Tax Revenues]		102,157,293
EU:[]		
EV:[Subtotal Rate Before Gross Receipts Tax]	(3.50)	124.33
EW:[Gross Receipts Tax]	(0.08)	3.19
EX:[]		
EY:[Total Retail Revenues]		
EZ:[Base]		1,470,885,642
FA:[Fuel]		1,780,194,243
FB:[Capacity]	(330,352)	339,745,236
FC:[ECRC]		234,469,207
FD:[ECCR]		86,651,884
FE:[Nuclear Levy]	7,022,607	271,118,551
FF:[Nuclear CR3 Uprate]	3,289,569	5,539,904
FG:[Gross Receipts Tax]		102,157,293
FH:[Total Retail Revenues]	9,981,823	4,300,771,740
FI:[]		
FJ:[Total Residential Rate]		
FK:[Base]		46.21
FL:[Fuel]	(3.50)	45.67
FM:[Capacity]	(11.42)	10.74
FN:[ECRC]		6.94
FO:[ECCR]		2.89
FP:[Nuclear Levy]	11.42	8.71
FQ:[Nuclear CR3 Uprate]	0.69	0.16
FR:[Gross Receipts Tax]	(0.08)	3.19
FS:[]		
FT:[Total Residential Rate]	(2.90)	127.52
FU:[Total Residential Rate Prior Year]		(2.90)
FV:[Percentage Change from Prior Year]		(4,497.73%)
FW:[]		

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D9B2 Post December BOD Update

Year 2009

Year 2010

Year 2011

Year 2012

PEF ECCR

D:[ECCR-Amort Expense - ECCR Switches 186.20]		3,596,592	
E:[ECCR-Amort Expense - Smart Grid]		109,724	
F:[ECCR-Deprec Expense - Infrastructure]		606,375	
G:[ECCR-Deprec Expense - Switch Upgrades]		1,898,641	
H:[ECCR-Deprec Expense - ECCR 370.1]			
I:[ECCR-Deprec Expense - ECCR Misc Equip 398.1]		324,259	
J:[Total Depreciation Expense - ECCR]		2,936,999	
L:[Expense Related Portion:]			
M:[ECCR-Energy Related Expense]		35,497,488	
N:[ECCR-Demand Related Expense]		5,647,823	
O:[ECCR-Residential Load Management Credits]		16,593,645	
P:[ECCR-Interruptible Load Management Credits]		19,580,000	
Q:[ECCR-Curtailable Load Management Credits]	900,000	840,000	
R:[ECCR-Standby Generation Credits]	2,500,000	2,540,551	
S:[Total ECCR Programs]	3,400,000	80,699,507	
T:[]			
U:[ECCR-SB3 EE Performance Incentive (13% on incremental 140GW)]			
V:[ECCR-SB3 EE Lost Revenue (on incremental 140GW)]			
W:[ECCR-SB3 EE Capitalization of Incremental Program Costs]			
X:[Total ECCR SB3 EE Programs]			
Y:[]			
Z:[Capital Related Portion:]			
AA:[ECCR-Amort/Deprec Expense]		6,533,591	
Rollup From Plant Account Report -> EX:[Gross Plant-in-Service to Clause]			
PEF Smart Grid - AMI Meters		2,879,731	
PEF Smart Grid - Infrastructure		9,858,490	
PEF Smart Grid - Switch Upgrades		22,025,505	
PEF Solutions - ECCR - Switches 186.20	16,394,365	20,132,473	
PEF Solutions - ECCR - Misc Equip 398.1	1,439,824	1,862,495	
AB:[Gross Plant for Clause]	17,834,189	56,758,694	
Rollup From Plant Account Report -> EY:[Accumulated Depreciation to Clause]			
PEF Smart Grid - AMI Meters		50,954	
PEF Smart Grid - Infrastructure		405,182	
PEF Smart Grid - Switch Upgrades		1,447,141	
PEF Solutions - ECCR - Switches 186.20	5,407,589	8,344,514	
PEF Solutions - ECCR - Misc Equip 398.1	513,406	763,075	

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D9B2 Post December BOD Update	Year 2009	Year 2010	Year 2011	Year 2012
PEF ECCR				
AC:[Accumulated Depreciation for Clause]	5,920,994	11,010,868		
AD:[Net Plant for Clause]	11,913,195	45,747,827		
AE:[Previous Period Net Plant for Clause]		43,178,827		
AF:[Average Net Investment]	5,956,597	44,462,327		
AG:[Pre Tax Return Req. 92 Rate Case]	13.19%	11.27%		
AH:[ECCCR Return Requirements]	65,473	3,007,365		
AI:[Total ECCCR Recoverable Investment]	65,473	9,540,958		
AU:[Prior Period Amortization]		(505,728)		
AV:[Short Term Debt Rate]				
AW:[Interest on Def Balance]				
AX:[Regulatory Assessment Fee Rate]		0.072%		
AY:[Regulatory Assessment Fee Amount]		62,389		
AZ:[Total Rec. ECCCR Expense]	3,465,473	89,797,124		
BA:[]				
BB:[Retail MWH Sales (ECCCR Template)]		36,408,262		
BC:[Annual Recoverable ECCCR Expense]	3,465,473	89,797,124		
BD:[Annual Retail mWh Sales]		36,408,262		
BF:[Calc factor based on annual totals]		0.2055		
BH:[Copy Jan's factor for other months]		2.2609		
BJ:[Calc. Annual ECCCR Recovery Rate]		2.4664		
BK:[Input ECCCR Recovery Rate]		2.3800		
BL:[Forecast-Based Recovery Rate]		2.4664		
BM:[ECCCR Recovery Rate (\$/MWH)]		2.3800		
BN:[ECCCR Revenues]		86,651,664		
BO:[Current Month Deferral]	(3,465,473)	(3,145,461)		
BP:[Current Deferral Excl Interest]				
BQ:[ECCCR Deferred Balance]				
BS:[ECCCR Def Begin Balance]		(1,958,433)		
BT:[Less Current Month Deferral]	(3,465,473)	(3,145,461)		
BU:[Less Prior Period Amortization]		(505,728)		
BV:[ECCCR Def Ending Balance]	(1,958,433)	1,692,756		
BW:[]				
BX:[Switch: Use Override Balance]				
BY:[Override Balance]		(505,728)		
BZ:[]				
CA:[]				
CB:[ECCCR SYSTEM SUMMARY]				

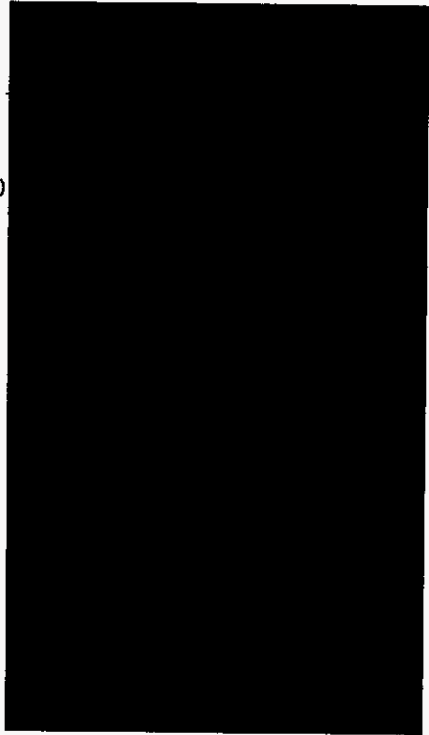
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D9B2 Post December BOD Update

Year 2009 Year 2010 Year 2011 Year 2012

PEF ECCR

	Year 2009	Year 2010	Year 2011	Year 2012
CC:[]				
CD:[Total ECCR Revenues]		86,851,664		
CE:[]				
CF:[Program Expenses]		41,145,311		
CG:[Deferred Expense]	(3,465,473)	(3,651,189)		
CH:[Residential LM Credits]		16,593,645		
CI:[Interruptible LM Credits]		19,580,000		
CJ:[Curtailable LM Credits]	900,000	840,000		
CK:[Standby Generation Credits]	2,500,000	2,540,551		
CL:[Plant & Reg Asset Amortization]		6,533,591		
CM:[Return Requirements]	65,473	3,007,365		
CN:[ECCR Int. Exp. on Deferred Balance]				
CO:[Regulatory Assesment Fee]		62,389		
CP:[Total Recoverable Expense]	(0)	86,851,664		
CQ:[Check]	0	0		
CR:[Regulatory Info]				
CS:[Gross Plant for Clause - 13 Month Average]		34,781,544		
CT:[Accumulated Depreciation for Clause - 13 Month Average]		7,931,787		
CU:[]				
CV:[]				
CW:[]				



REDACTED

	<u>2010</u>	<u>2011</u>	<u>2012</u>		Plant Trans	Sep Factors
PC						
BB	293,268,129	188,904,640	180,829,776			
Plant Adds						
Trans Adds						
Revenues		53,332,572	103,880,188			
EB Before CC	159,200,101	158,052,068	101,469,588			
CC	29,704,539	22,777,708	18,532,953	47,226,160.07	60,276,592	
EB	188,904,640	180,829,776	120,002,541			
				54,554,724	103,790,964	
Construction						
BB	38,191,865	79,872,200	108,546,459			
Plant Adds						
Trans Adds						
Revenues		6,573,384	15,212,711			
EB Before CC	72,598,793	96,938,816	117,933,747			
CC	7,273,407	11,607,643	14,868,426	11,294,477	(4,721,093)	6,573,384
EB	79,872,200	108,546,459	132,802,173			
DTA						
BB		102,732,773	131,022,701			
Adds	55,062,233	26,488,341	32,222,705			
Revenues		6,270,144	10,013,638			
EB Before CC	96,403,860	122,950,970	153,231,768	36,763,713	37,816,388	
CC	6,328,913	8,071,731	10,059,666		8,071,731	(1,692,497)
EB	102,732,773	131,022,701	163,291,433			6,379,234
O&M						
BB	5,993,352	-	-			
Adds	4,433,053	4,433,053	4,433,053			
Revenues		4,433,053	4,433,053			
EB	-	-	-			
Total Revenues	200,794,600	70,609,153	133,539,591			
Retail Sales		36,763,713	37,816,388			
Retail Rate Impact	6.00				5,824,425.58	
Residential Rate Impact	6.78				5.75	

	<u>2010</u>	<u>2011</u>	<u>2012</u>
PC	19,378,523	(49,702,984)	1,738,011
Const CC	(21,650,550)	(4,721,093)	165,087
DTA	(3,721,325)	(1,692,497)	59,183
O&M	5,993,352	-	-

	<u>2010</u>	<u>2011</u>	<u>2012</u>	
Expenses	108,059,912	111,810,470	(46,381,079)	0.89
Amort of Deferral	36,618,113	36,618,113	(4,405,558)	0.08
Total Expenses Above	144,678,025	148,428,583	(1,579,379)	0.03
Revenues	200,794,600	200,794,600		
(Over)/Under Flow Back 2011	(56,116,575)	(52,366,017)	(52,366,017)	Diff (3,750,558)

2011 (Over)/Under	
Expenses	69,370,135
Amortization of Reg Asset	59,317,873
2010 Deferred (Over)/Under	(56,116,575)
	72,571,434
Revenues	70,609,153
Deferred Balance	1,962,281

2012 (Over)/Under	
Expenses	72,414,097
Amortization of Reg Asset	59,317,873
2011 Deferred (Over)/Under	1,962,281
	133,694,252
Revenues	133,539,591
Deferred Balance	154,661

REDACTED

	2010	2011	2012	Plant Trans	Sep Factors
PC					
BB	293,268,129	206,036,744	180,160,134		
Plant Adds					
Trans Adds					
Revenues		332,709,957	620,840,487		
EB Before CC	175,276,771	156,368,247	101,511,615		
CC	30,759,973	23,791,888	18,491,750		
EB	206,036,744	180,160,134	120,003,365	51,509,185.92	60,053,378.10
				332,932,033	619,683,718
adjusted 2011 to feed back estimated 2010 overrecovery of \$30M.					
Construction					
BB	38,151,885	83,968,443	129,811,460		
Plant Adds					
Trans Adds					
Revenues		8,311,539	28,847,104		
EB Before CC	76,442,685	116,641,422	313,038,184		
CC	7,525,758	13,170,098	29,073,079		
EB	83,968,443	129,811,460	342,111,264	12,865,970	(4,554,432) 8,311,538
DTA					
BB		102,732,773	231,213,422		
Adds	55,062,233	127,129,245	228,853,231		
Revenues		12,892,637	28,227,844		
EB Before CC	96,403,860	216,969,382	431,838,809		
CC	6,328,913	14,244,040	28,350,218		
EB	102,732,773	231,213,422	460,189,027	14,169,010	(1,276,373) 12,892,637
O&M					
BB	5,993,352				
Adds	4,433,053	4,433,053	4,433,053		
Revenues		4,433,053	4,433,053		
EB					
Total Revenues	200,794,600	358,347,186	682,348,488		
Retail Sales		36,763,713	37,816,388		Forced 2010 numbers to work.
Retail Rate Impact	6.00				
Residential Rate Impact	6.78				

Account	2010	2011	2012
PC	19,378,523	(32,901,315)	780,691
Const CC	(21,650,550)	(4,554,432)	108,069
DTA	(3,721,325)	(1,276,373)	30,286
O&M	5,993,352		

2010 (Over)/Under	2011 (Over)/Under	2012 (Over)/Under	Diff	
Expenses	125,444,367	129,623,021	(30,249,575)	0.85
Amort of Deferral	36,618,113	36,618,113	(4,187,359)	0.12
Total Expenses Above	162,062,480	166,241,134	(1,173,501)	0.03
Revenues	200,794,600	200,794,600		
(Over)/Under Flow Back 2011	(38,732,320)	(34,553,466)	(35,610,436)	(4,178,654)

2011 (Over)/Under	
Expenses	338,680,478
Amortization of Reg Asset	59,317,873
2010 Deferred (Over)/Under	(38,732,120)
	359,266,232
Revenues	358,347,186
Deferred Balance	919,046

2012 (Over)/Under	
Expenses	622,540,068
Amortization of Reg Asset	59,317,873
2011 Deferred (Over)/Under	919,046
	682,776,987
Revenues	682,348,488
Deferred Balance	428,499

Progress Energy Florida
 Residential Price Excluding DSM Goals

REDACTED

		2010	2011	2012
Base	(1) & (2)	48.58		
Fuel	(2) & (3)	46.11		
Capacity		13.42		
Environmental	(4)	5.93		
Energy Conservation		2.70		
CR3 Uprate		0.21		
Levy		6.78		
Gross Receipts Tax		3.17		
Total		126.90		

(1) Add'l \$150m in 2011 for rate case request. Add'l \$36m in 2012 for Dec 2011 CR3 Uprate.

(2) Assumes CR3 outage takes place in fall 2011.

(3) Does not consider impact of potential 2010 fuel under-recovery due to CR3 outage and weather.

(4)

	2011	2012
ECRC revenues per D9B2		
Carryover 2010 overrecovery *		
Reduce deprec exp from 5.17% to 2.5% per rate case order		
Reduce WACC to 10.98% pretax		
Adjusted ECRC revenues		
Retail mWh sales		
Retail \$/mwh		
Resid/Retail factor per 2010 filing		

*\$28m due to reduced deprec exp in 2010 per rate case order. \$3.3m due to lower WACC in 2010 per rate case order.

Progress Energy Florida
Residential Price Including DSM Goals

REDACTED

		2010	2011	2012
Base	(1) & (2)	48.58		
Fuel	(2) & (3)	46.11		
Capacity		13.42		
Environmental	(4)	5.93		
Energy Conservation	(5)	2.70		
CR3 Uprate		0.21		
Levy		6.78		
Gross Receipts Tax		3.17		
Total		126.90		

(1) Add'l \$150m in 2011 for rate case request. Add'l \$36m in 2012 for Dec 2011 CR3 Uprate.
Does not reflect lower kWh sales due to DSM goals approved by PSC in Goals Docket.

(2) Assumes CR3 outage takes place in fall 2011.

(3) Does not consider impact of potential 2010 fuel under-recovery due to CR3 outage and weather.

(4)

	2011	2012
ECRC revenues per D9B2		
Carryover 2010 overrecovery *		
Reduce deprec exp from 5.17% to 2.5% per rate case order		
Reduce WACC to 10.98% pretax		
Adjusted ECRC revenues		
Retail mWh sales		
Retail \$/mwh		
Resid/Retail factor per 2010 filing		

*\$28m due to reduced deprec exp in 2010 per rate case order. \$3.3m due to lower WACC in 2010 per rate case order.

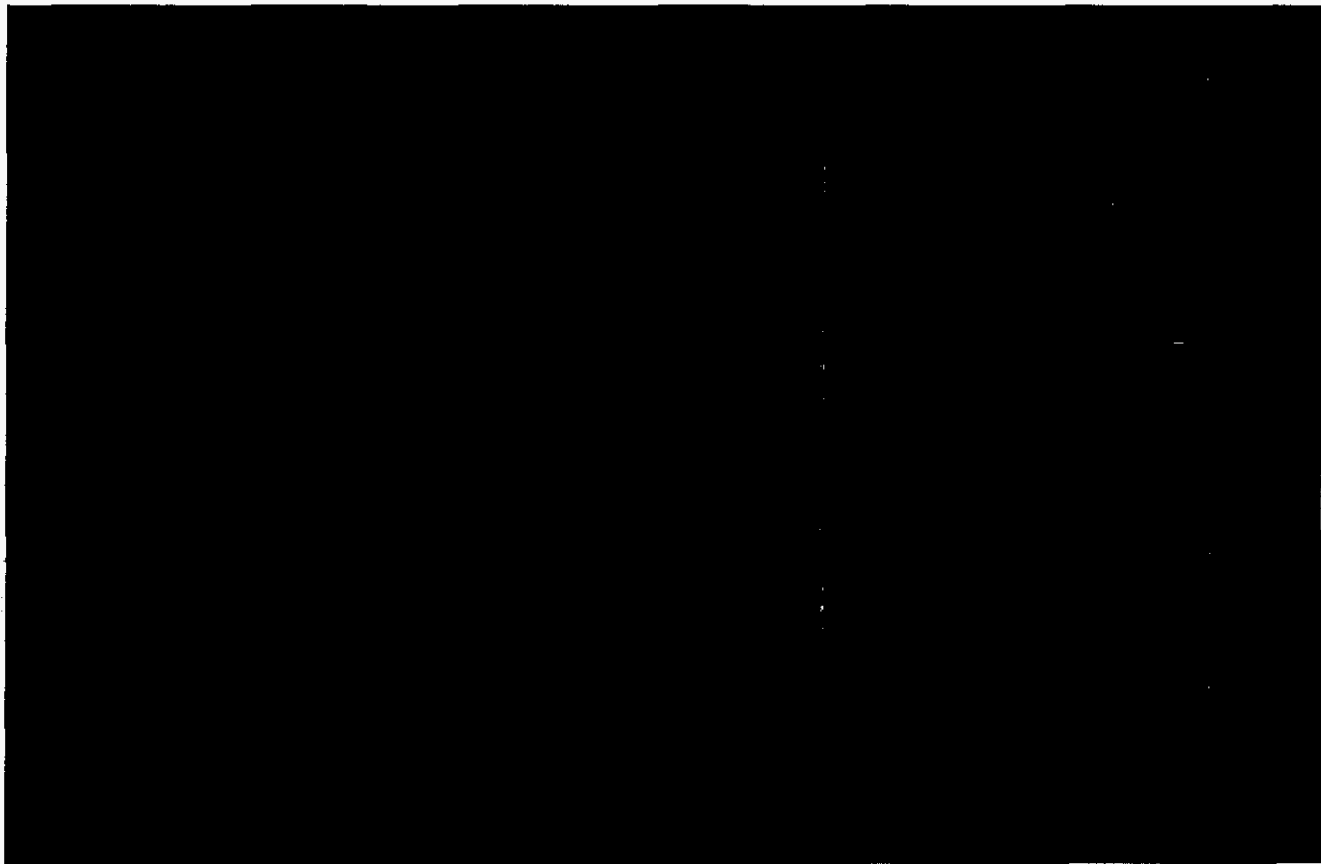
(5) Based on FPSC approved goals of 3,488 gwh for midcourse 2010, 2011 & 2012.

REDACTED

	Levy 2019 ISD, DSM Goals			Levy 2021 ISD, DSM Goals		
	2010	2011	2012	2010	2011	2012
Base	\$ 48.58			\$ 48.58		
Fuel	\$ 46.11			\$ 46.11		
Capacity	\$ 13.42			\$ 13.42		
Environmental	\$ 5.93			\$ 5.93		
Energy Conservation	\$ 2.70			\$ 2.70		
CR3 Uprate	\$ 0.21			\$ 0.21		
Levy	\$ 6.78			\$ 6.78		
Gross Receipts Tax	\$ 3.17			\$ 3.17		
Total	126.90			126.90		

Note 1: 2010 is the current rate. This may go up if DSM goals hold. If no mid course is done, this will likely result in increasing the 2011 Energy Conservation rate more.

Note 2: 2011 & 2012 show impacts of DSM goals but do not consider impact of potential 2010 under recovery



Levy Short-Term Budget/Cash Flow Expectations

Alternate Scenarios

Working Copy - Confidential

dollars in millions

A

Option 3: Continued Partial Suspension	PTD	2010 - 12		
		2010	2011	2012 3-Yr Total
EPC Payments	86.0			
LLM Payments & WEC Support	240.0			
LLM PO Dispositon Costs	-			
Transmssion	36.8			
COLA	83.2			
Wetland mitigation	-			
Other Owner's Cost	82.1			
Total Option 3	528.1			

Notes

Working DRAFT

Alternative Scenario - COLA Only

Alternative Scenario - COLA Only	PTD	2010 - 12		
		2010	2011	2012 3-Yr Total
EPC Payments	326.0			
LLM PO Disposition	-			
Cancellation Costs & Fees	-			
Transmission	36.8			
COLA	83.2			
Wetland mitigation	-			
Other Owner's Cost	82.1			
Incremental Legal	-			
Total Scenario A	528.1			

Revised for 2/26/10 WEC DRAFT PO Disposition

Option 2 - Project Cancellation	PTD	2010 - 12		
		2010	2011	2012 3-Yr Total
EPC Payments	326.0			
LLM PO Disposition	-			
Cancellation Costs & Fees	-			
Transmission	36.8			
COLA	83.2			
Wetland mitigation	-			
Other Owner's Cost	82.2			
Incremental Legal	-			
Total	528.2			

Option 2 - Project Cancellation

Option 2 - Project Cancellation	PTD	2010 - 12		
		2010	2011	2012 3-Yr Total
EPC Payments	326.0			
LLM PO Disposition	-			
Cancellation Costs & Fees	-			
Transmission	36.8			
COLA	83.2			
Wetland mitigation	-			
Other Owner's Cost	82.1			
Incremental Legal	-			
Total Option 2	528.1			

EPC Costs:

- Engineering/ PMO
- WEC LLM Support
- PO Cancellation
- WEC/SSW Term Costs

Option 1: Unit 1 COD June 2019

Option 1: Unit 1 COD June 2019	PTD	2010 - 12		
		2010	2011	2012 3-Yr Total
EPC Payments	86.0			
LLM Payments & WEC Support	240.0			
Transmission	36.8			
COLA	83.2			
Balance Owner's Cost	82.2			
Total Option 1	528.2			

A-1

Levy Short-Term Budget/Cash Flow Expectations

Alternate Scenarios

Working Copy - Confidential

EPC Costs

dollars in millions

Working DRAFT

Base Case - LWS; Minimal Near-Term Spend

- A Design Finalization Costs
- B Engineering Support
- C WEC LLM Support
- A1 Select LLM Payments
- D PO Disposition
- E PMO Support
- Estimated EPC LWS

	2010	2011	2012	3-yr total
A	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
B	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
C	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
A1	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
D	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
E	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Scenario A - Cancel EPC & Continue COLA

- A Design Finalization Costs
- B Engineering Support
- C WEC Support PO Disposition
- D PO Disposition
- F PMO Support
- G [REDACTED]
- H [REDACTED]
- Ballpark Scenario A

	2010	2011	2012	3-yr total
A	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
B	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
C	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
D	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
F	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
G	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
H	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Scenario B - Project Cancellation

- A Design Finalization Costs
- J Engineering Support
- C WEC Support PO Disposition
- D PO Disposition
- F PMO Support
- G [REDACTED]
- H [REDACTED]
- Ballpark Scenario B

	2010	2011	2012	3-yr total
A	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
J	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
C	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
D	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
F	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
G	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
H	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

A

[REDACTED]
Jan
Apr
Jul

A1 Payments to WEC for Select LLM Agreements:

[REDACTED]	(completes order)	2011	[REDACTED]
[REDACTED]		2012	[REDACTED]

* amount excludes potential incremental storage cost:

B Engineering Support from SSW is wrapping up certain final documentation packages for 2010;

[REDACTED]	2010	[REDACTED]
[REDACTED]	2011	[REDACTED]
[REDACTED]	2012	[REDACTED]

C Estimate based on proposed change orders figures from WEC; expect some residual amount in short-term

D

[REDACTED]

- E [REDACTED]
- F PMO pro-rated support
- G [REDACTED]
- H [REDACTED]
- I All PO Costs exclude potential equipment salvage
- J [REDACTED]

Levy Short-Term Budget/Cash Flow Expectations

Alternate Scenarios

Owner's Costs Working Copy - Confidential

dollars in millions

Working DRAFT

Base Case - LWS; Minimal Near-Term Spend

	2010	2011	2012	3-yr total
A COLA Completion + SCA				
B NPD Direct labor & support				
C Wetland mitigation costs				
D Transmission Costs				
E Other land acquisition				
Ballpark base case LWS Owner's Cost				

Scenario A - Cancel EPC & Continue COLA

	2010	2011	2012	3-yr total
A COLA Completion + SCA				
G NPD Direct labor & support				
C Wetland mitigation costs				
D Transmission Costs				
K Legal incremental				
E Other land acquisition				
Ballpark Scenario A				

Scenario B - Project Cancellation

	2010	2011	2012	3-yr total
F COLA Completion + SCA				
G NPD Direct labor & support				
H Wetland mitigation costs				
I Transmission Costs				
J Other land acquisition				
K Legal incremental				
L Staff dismantlement costs				
Ballpark Scenario B				

- F Wind-down COLA in-process costs; assumption [redacted]
note: will be an increase to overall HNP COLA costs for certain shared items
- G [redacted]
- H [redacted]
- I Transmission wrap costs assumed at \$1M for 2010 and nothing beyond
- J Only in process offers finalized; no additional land
- K Increase in legal costs for resolution of contract cancellator
- L [redacted]

A COLA completion from base estimate excludes PGN labor)

	2010	2011	2012

B NPD labor (generation & transmission) plus key business, contract, legal & other support estimate

	2010	2011	2012	NPD	Other - Est	Total

2012 not a budget year; assume ramp up labor; '2011 + 25%

C Estimate based on minimal spend prior to year of COLA receipt; assume counter proposal 1:

	2010	2011	2012

D Transmission assumes minimal strategic land spend over 3-yr horizon & following elements:

	2010	2011	2012
Strategic Land acquisition for routes/ subs			
CREC outage work			
Allocation of Sunshine Pkwy proj from TOPD			
Base engineering			

E Other plant land acquisition:

	2010	2011	2012
[redacted]			
Bike Trail (for Trans easement)			
Barge easement			

Levy Plant Development
 Capital Project To Date Costs thru YE 2009

A-3

Pre-const	2006	2007	2008	2009	Total PTD
Generation			111,085,548	244,562,047	355,647,595
COLA	4,264,378	19,121,735	33,368,471	26,406,815	83,161,399
Transmission		2,548,967	7,968,071	11,010,656	21,527,694
Total	4,264,378	21,670,702	152,422,090	281,979,518	460,336,688

Construction	2006	2007	2008	2009	Total PTD
Generation		52,530,259	(98,783)	101,792	52,533,268
COLA			-		-
Transmission		8,941,425	2,983,670	3,352,370	15,277,465
Total		61,471,684	2,884,887	3,454,162	67,810,733

Total	2006	2007	2008	2009	Total PTD
Generation	-	52,530,259	110,986,765	244,663,839	408,180,863
COLA	4,264,378	19,121,735	33,368,471	26,406,815	83,161,399
Transmission	-	11,490,392	10,951,741	14,363,026	36,805,159
Total	4,264,378	83,142,386	155,306,977	285,489,680	528,147,421

(Amounts do not include AFUDC)

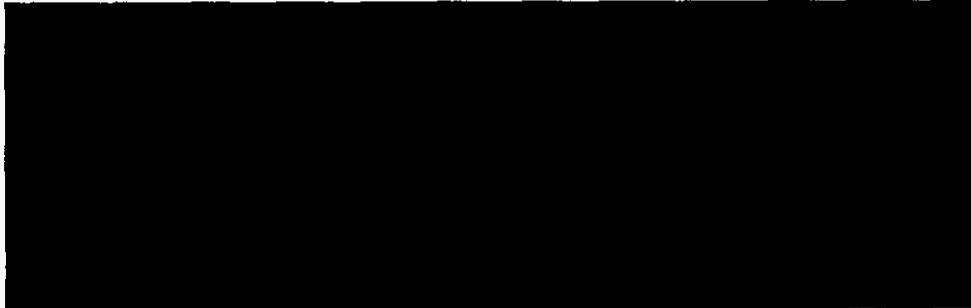
2006- 2008 amounts agree to previous T-6, S-6 regulatory filings

2009 amount agree to preliminary T-6 schedule

The information contained within this spreadsheet is rough order magnitude, ballpark figures based on discussions with Consortium and their indicative price, and reviews of internal cost trends. It is not intended to convey estimate discipline, nor imply a formal estimate of costs for these years of the project.

Additionally, there are no assumptions included in this work product which provide insight into LLM options, such as option to complete certain equipment which is close to final at a marketable stage or resale value of any in-flight. All figures related to LLM are anecdotal from verbal, non-formal discussions with WEC personnel.

Working DRAFT



**PROGRESS ENERGY FLORIDA
In re: Nuclear Cost Recovery Clause
Docket 10009-EI
Sixth Request for Confidential Classification**

Exhibit B

**BATES NOS.
10NC-FPSCPOD2-6-000001
through
10NC-FPSCPOD2-6-000019**

ARE REDACTED IN THEIR ENTIRETY

**Progress Energy Florida
Levy County Land Acquisition**

Location/Parcel	Acres	Total Purchase Price	Price/Acre
Rayonier - Land purchase only			
Rayonier other closing costs		\$	
		\$	
Lybass - land purchase price			
Lybass other closing costs		\$	
Nuclear access road	94.08		4.4%
Transmission corridor	220.39		10.2%
Held for Gen Future Use	1,844.53		85.4%
	<u>2,159.00</u>		<u>100.0%</u>

Option 1: Assign acreage on a prorata basis

Value assigned to Held for Future Use

Value assigned to Baseload Levy project

Option 2: Assign FMV to Baseload Nuclear & Transmission at condemnation value

Value assigned to Held for Future Use - remainder after condemnation appraisal

Value assigned to Baseload Levy project

currently assumes 200% - waiting on appraisal from Alex

Option 3: Assign FMV to held for future use based on Rayonier purchase per acre price - FMV of greenfield site at Rayonier

Value assigned to Held for Future Use (FERC 105)

Value assigned to Baseload Levy project - remainder after fair value is calculated on held for future use land

Value Assigned to Nuclear

Value Assigned to Transmission

Option 4: Assign acreage to future use at fair value FMV - land is in proximity to nuclear site: assume limited use, 50% of value

Value assigned to Held for Future Use

Value assigned to Baseload Levy project - remainder after fair value 50% of purchase price is calculated on held for future use land

Total Land \$s for Rayonier and Lybass

Rayonier

Earnest Payments 2006

Cash at Closing

Taxes

Purchase Price

Closing Cost

Duncan & Co Consulting & Brokarage Fees

Refund of Interest on Deposit

Total Rayonier

[REDACTED]

Lybass

Earnest Payments

Cash at Closing

Purchase Price

Closing Cost

Refund of Interest on Deposit

Duncan & Co Consult & Brokerage

Total Lybass

[REDACTED]

Survey costs estimated but not incurred

CONFIDENTIAL

Reconcile Land Project for Levy County Nuclear
March 2008

	Lybass - 1	Rayonier	Lybass - 2	Total
Earnest Deposit	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Earnest Deposit	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Earnest Deposit	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Final Payment	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Purchase Price	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Closing Cost	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Refund of Interest Earned on Deposit		[REDACTED]	[REDACTED]	[REDACTED]
Duncan Commission & Consulting	[REDACTED]	[REDACTED]		[REDACTED]
Berryman Survey	[REDACTED]			[REDACTED]
Heidt & Assoc Survey		[REDACTED]		[REDACTED]
Move Trans & Future Use Out			[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Adjust for Duncan				[REDACTED]
Total w/o AFUDC	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Duncan estimated costs not incurred			[REDACTED]	
Expected value for Lybass 2			[REDACTED]	

In Dec 2007 moved all land cost to project 20059051
Entry included [REDACTED] accrual for 2006 and also the payment in 2007
and Nov 2006 accrual for GPI boundary survey was included along with payment
to Duncan Company in Aug 2007

[REDACTED] Need to move [REDACTED] to PEF COLA project 20054444

[REDACTED] Agrees to Business Objects

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BATES NOS.
10NC-FPSCPOD2-7-000001
through
10NC-FPSCPOD2-7-001803

ARE REDACTED IN THEIR ENTIRETY
