BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause DOCKET NO. 090009

Submitted for filing: August 10, 2009

REBUTTAL TESTIMONY OF WILL GARRETT

ON BEHALF OF PROGRESS ENERGY FLORIDA

FPSC-COMMISSION CLERY

DOCUMENT NUMBER-DATE

15436211.2

		IN RE: NUCLEAR COST RECOVERY CLAUSE BY PROGRESS ENERGY FLORIDA FPSC DOCKET NO. 090009 REBUTTAL TESTIMONY OF WILL GARRETT		
1	Q.	Please state your name.		
2	A.	My name is Will Garrett.		
3				
4	Q.	Did you file Direct Testimony on March 2, 2009 in this docket?		
5	A .	Yes, I filed direct testimony in support of PEF's actual costs for the Levy and		
6		CR3 Uprate Nuclear Projects.		
7		·		
8	Q.	Have you reviewed the testimony of Public Service Commission Staff (Staff)		
9		and all interveners, including that of Jeffrey A. Small, filed on behalf of		
10		Staff?		
11	A.	Yes, I have read all the above referenced testimony.		
12				
13	Q.	What is the purpose of your rebuttal testimony?	دين ا	
14	A.	The purpose of my rebuttal testimony is to respond to any testimony	I-DAT	AUG 10 5
15		challenging the prudence of 2006 and 2007 costs for the Levy and CR3	MBER	AUG
16		Uprate projects.	DOCUMENT NUMBER-DATE	08234
17	8		ICUME	0
18			10	
	15436211	1		

FPSC-COMMISSION CLERK

ł

Do any of the testimonies challenge the prudence of 2006 and 2007 costs? None of the testimony seems to challenge the prudence of 2006 and 2007 costs, except for Jeffrey A Small's testimony as filed in Docket 080009. To the extent that any of the testimony can be deemed to challenge the prudence of those costs, the prudence of the 2006 and 2007 Levy costs is supported by certain testimony filed in Docket 080009, which I indicated in my March 2, 2009 testimony that I would be supporting in this docket. Specifically, the testimony I filed in Docket 080009 is attached as Exhibit WG-3 to this testimony. In addition, Lori Cross' site selection testimony is attached as Exhibit WG-4 to this testimony. With respect to Jeffrey A. Small's testimony, I filed rebuttal testimony to that testimony in Docket 080009 which I have attached as Exhibit WG-5 to this testimony.

Q. Does anything Mr. Small mentions in his rebuttal testimony or audit finding cause PEF to reconsider the prudence of its decision to allocate the Lybass land costs in the manner it chose?

A. No. In fact, Mr. Small simply pointed out that there are alternatives. He did not argue that PEF's method was inappropriate and he did not recommend one of the alternatives. PEF, in selecting its preferred approach, had previously considered each of the alternatives presented by Mr. Small and, after reviewing the results of each approach, rejected them for reasons more fully described in my rebuttal testimony from Docket 080009. PEF's method is the fair and prudent method to make this valuation under the circumstances pursuant to the applicable accounting regulation.

15436211.2

Q.

Α.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

Q. Does this conclude your testimony?

A. Yes, it does.

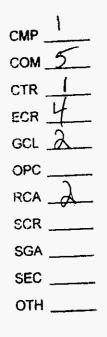


BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to Establish **Discovery Docket Regarding** Actual and Projected Costs for Levy Nuclear Project, by Progress Energy Florida, Inc.

DOCKET NO. 080149

Submitted for filing: April 22, 2008



DIRECT TESTIMONY **OF WILL GARRETT**

ON BEHALF OF PROGRESS ENERGY FLORIDA

R. ALEXANDER GLENN JOHN BURNETT PROGRESS ENERGY SERVICE COMPANY, LLC P.O. Box 14042 St. Petersburg, Florida 33733 Telephone: (727) 820-5180 Facsimile: (727) 820-5519

JAMES MICHAEL WALLS Florida Bar No. 706272 DIANNE M. TRIPLETT Florida Bar No. 0872431 CARLTON FIELDS, P.A. Post Office Box 3239 Tampa, FL 33601 Telephone: (813) 223-7000 Telecopier: (813) 229-4133 80

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-3) Page 2 of 30

IN RE: PETITION TO ESTABLISH DISCOVERY DOCKET REGARDING ACTUAL AND PROJECTED COSTS FOR LEVY NUCLEAR PROJECT BY PROGRESS ENERGY FLORIDA, INC.

BY PROGRESS ENERGY FLORIDA

FPSC DOCKET NO. 080149

DIRECT TESTIMONY OF WILL GARRETT

I. INTRODUCTION AND QUALIFICATIONS 1 Please state your name and business address. Q. 2 My name is Will Garrett. My business address is 299 First Avenue North, St. A. 3 Petersburg, FL 33701. 4 5 By whom are you employed and in what capacity? 6 **Q**. I am employed by Progress Energy Service Company, LLC as Controller of Α. 7 Progress Energy Florida. 8 9 What are your responsibilities in that position? Q. 10 As legal entity Controller for Progress Energy Florida ("PEF" or "the A. 11 Company"), I am responsible for all accounting matters that impact the 12 reported financial results of this Progress Energy entity. I have direct 13 management and oversight of the employees involved in PEF Regulatory 14 Accounting, Property Plant and Materials Accounting, and PEF Financial 15 Reporting and General Accounting. In this capacity, I am also responsible for 16

the Levy County Nuclear Project Cost Recovery True-Up filing, made as part of this discovery docket, in accordance with Rule 25-6.0423, Florida Administrative Code (F.A.C.).

Q. What is the purpose of your testimony?

The purpose of my testimony is to present for Commission review and approval, costs associated with Progress Energy Florida's Levy County activities for the period January through December 2007. Pursuant to Rule 25-6.0423, F.A.C., PEF is presenting testimony and exhibits for the Commission's determination of prudence for actual expenditures and associated carrying costs.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

A.

Q. Are you sponsoring any exhibits in support of your testimony?

A. Yes. I am sponsoring sections of the following exhibit, which was prepared under my supervision:

Exhibit No. ____ (WG-1), consisting of Schedules T-1 through T-10, which reflect PEF's retail revenue requirements for the Levy Nuclear Filing from January 2007 through December 2007; however, I will only be sponsoring Schedules T-1 through T-6B, T-9, and T-10. Gary Miller will be sponsoring Schedules T-7 through T-8B. Schedules T-2, T-4, T-5, T-6B, T-9, and T-10 in Exhibit No. ____ (WG-1), are shown for informational purposes only and show no activity as they are not applicable to the Levy County Filing during the reporting period.

Docket 090009-El Progress Energy Florida Exhibit No. ____ (WG-3) Page 4 of 30

This exhibit is true and accurate.

1

ł

ł

ł

1

}

I

ł

2	
3	Q. What are Schedules T-1 through T-6A and Schedules T-9 through T-10?
4	A. • Schedule T-1 reflects the actual true-up of total retail revenue requirements
5	for the period.
6	• Schedule T-2 reflects the calculation of the true-up of preconstruction costs
7	for the period.
8	• Schedule T-3 reflects the calculation of the true-up of carrying costs on
9	construction expenditures for the period.
10	• Schedule T-3A reflects a calculation of actual deferred tax carrying costs for
11	the period.
12	• Schedule T-3B reflects the calculation of the actual construction period
13	interest for the period.
14	• Schedule T-4 reflects CCRC recoverable Operations and Maintenance
15	(O&M) expenditures for the period.
16	• Schedule T-5 reflects other recoverable O&M expenditures for the period.
17	• Schedule T-6 reflects actual monthly expenditures for preconstruction and
18	construction costs for the period.
19	• Schedule T-6A reflects descriptions of the major tasks.
20	• Schedule T-6B reflects annual variance explanations.
21	• Schedule T-7 reflects technology selected for the Levy County Nuclear
22	Project.

SCHEDULE APPENDIX

•

L/

REDACTED

EXHIBIT A (WG - 1)

PROGRESS ENERGY FLORIDA, INC. Levy County Nuclear Filing COMMISSION SCHEDULES (T-1 Through T-10)

JANUARY 2007 - DECEMBER 2007 FINAL TRUE-UP DOCKET NO. 080149-EI Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-3) Page 5 of 30

Schedu	Pre-Construction Co	osts and	/ Nuclear Fl Carrying Co I Revenue F	ists on Con	struction (its Summa	Cost Balanc	ce	[Section (5)(c)1	a.]
FLORII	DA PUBLIC SERVICE COMMISSION EXPLANATION: ANY: Progress Energy - FL	total retai	i revenue re	quirements nd the previ	based on a	of ictual expension expenditures		For the Year En	ded 12/31/2007
DOCK	ET NO.: 080149-EI							Witness:	
Line		(A) Actual January	(B) Actual February	(C) Actual March	(D) Actuai April	(E) Actual May	(F) Actual June	(G) 6 Month Total	
No.			1 40.00.1		nal Dollars				
1.	Preconstruction Revenue Requirements (Schedule T-2, line 7)	s -	s -	s -	s -	s -	s -	s -	
2 .	Construction Carrying Cost Revenue Requirements (Schedule T-3, line	7-	-		-				
3.	Recoverable O&M Revenue Requirements (Schedule T-4, line 24)	-	-			-		-	
4.	Deferred Tax Asset Carrying Cost (Schedule T-3A, line 8)		•		-			-	
5.	Other Adjustments		-		•		•	-	
6.	Total Period Revenue Requirements (Lines 1 though 5)	·					-		
7.	Total Return Requirements from most recent Projections	-				-		-	
8.	Difference (Line 6 - Line 7)	<u>s</u> -	S -	5	\$	<u>s</u> -	<u>ج</u>	\$	

Page 1 of 2

Docket 090009-El Progress Energy Florida Exhibit No. ____ (WG-3) Page 6 of 30

DOCUMENT NEMITICIPACE 03251 MPR 22 8 FPSC-COLUMNENT OF FOR

			vy County osts and Ca ing: Retail	ernvina Cos	ing sts on Const equirements	ruction Co Summary	st Balance	. [Section (5)(c)1.a.	}
	A PUBLIC SERVICE COMMISSION	EXPLANATION	: Provide th total retail for the cur	e calculatio revenue re rent year ar	n of the actua quirements band the previou	I true-up of ased on act	ual expend	itures I	For the Year End	ed 12/31/2007
	Progress Energy - FL		for such c	urrent year.				,	Witness:	
DOCKE	T NO.: 080149-El		(H) Actual	(i) Actual	(J) Actual	(K) Actual	(L) Actuai November	(M) Actual December	(N) 12 Month Total	
Line No.			July	August	September Jurisdiction	00.00	NUVERIE			
	Preconstruction Revenue Requirements (Schedu	ie T-2, line 7)	s -	5 -	s -	\$ ·	s -	s -	\$ -	
1. 2.	Construction Carrying Cost Revenue Requirement		7 -		224,665	460,558	483,321	544,738	1,713,284	
3.	Recoverable O&M Revenue Requirements (Sche		-					-		
4.	Deferred Tax Liability Carrying Cost (Schedule T		-	•	(70)	(285)	(581)	(904)	-	
5.	Other Adjustments			•	224,596	460,273	482,739	543,835	1,711,443	
6.	Total Period Revenue Requirements (Lines 1 the	ough 5)			229,090			-	-	
7.	Total Return Requirements from most recent Pro	ojections	•	-	-	r (60 277	\$ 482,739	\$ 543,835	5 \$ 1,711,443	
8.	Difference (Line 6 - Line 7)		5 -	\$ -	\$ 224,596	3 400,273				

.

1

Bas¹ Maa ¹ Maa ¹

Page 2 of 2

•

Schedule T-2	Levy Cour Pre-Construction C True-up Filing:			[Section (5)(c)1.a.]					
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Progress Energy - FL	EXPLANATION:	costs bas for the pri	ed on actua	on of the final N preconstru I previously fi	ction expen	ditures	tion	For the Year E	inded 12/31/2007
DOCKET NO.: 080149-EI								Witness:	
Line No.		(A) Actual January	(8) Actual February	(C) Actual March Jurisdiction	(D) Actual April	(E) Actuai May	(F) Actual June	(G) 6 Month Total	
1. Actual Nuclear CWIP Additions (Schedule T-6, line 24)		s -	s -	JUNSUKUO	s -	s .	1 -	s .	
Coantide of the second se			•		•	•	· .	•	
3. Amortization of CWIP Base Eligible for Return		-			-	-			
 Average Net Unamonized CWP Base Eligible for Return 	n	-	-			-			
5. Return on Average Net Unamortized CWIP Etigible for I	Return (c)								
a. Equity Component (a)			-	-			-	•	
b. Equity Comp. grossed up for taxes (b)		-	-			-	-	-	
c. Debt Component							-		
6. Total Return Requirements (Line 5b + 5c)		<u> </u>				-			
7. Total Costs to be Recovered									
8. CWIP Additions & Amontization from prior year Actual/E	stimated	-	-			-		-	
9. Over / (Under) Recovery (Line 7 - Line 8)		3	1	<u>s</u> -	5	3 -	3 ·	5	

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 kt = [(1 + A/100)¹¹² 1] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001625 (Debi), which results in the annual rate of 8.848%.

Sched	ule T-2	Levy Cour Pre-Construction C True-up Filing:	nty Nuclear Fill osts and Carry Preconstruction		[Section (5)(c)1.a.]						
сомр	IDA PUBLIC SERVICE COMMISSION YANY: Progress Energy - FL ET NO.:	EXPLANATION:	costs bas for the pri	ied on actua	on of the final al preconstruc I previously fi	ction exper	ditures	tion	For the Year Ended 12/31/2007		
line No.	080149-EI		(i) Actual July	(J) Actual August	(K) Actual September Jurisdiction		(M) Actual November	(N) Actual December	Witness: (0) 12 Month Tolai		
I.	Actual Nuclear CWIP Additions (Schedule T-8, line 24)		٤.	f -	J .	s .	s -	s .	i -		
2.	Unamortized CWIP Base Eligible for Return						-				
I.	Amortization of CWIP Base Eligible for Return		-			-					
l.	Average Nel Unamortized CWIP Base Eligible for Retu	m									
5 .	Return on Average Net Unamontized CWIP Eligible for	Return (c)									
a	Equity Component (a)			-		-					
b.	. Equity Comp. grossed up for faxes (b)		-	-		-					
с.	Debt Component			-					- -		
i.	Total Return Requirements (Line 5b + 5c)										
	Total Costs to be Recovered			-	-						
•	CWIP Additions & Amortization from prior year Actual/	Estimated				-		-			
).	Over / (Under) Recovery (Line 7 - Line 8)		<u>ı</u> .	ş	1 -	\$.	5 .	<u>s</u> .	<u>s</u>		

Notes:

(a) The monthly Equity Component of 6.65% 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]^{1/13} 1) x 100; resulting in a monthly accurat rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

Page 2 of 2

Sched	ule T-3	Levy County Pre-Construction Cost True-up Filing		[Section (5)(c)1.a.]						
COMP	DA PUBLIC SERVICE COMMISSION ANY: Progress Energy - FL ET NO.: 080149-E1	EXPLANATION:	on constru- on constru	ction expend ction expend	of the final tru ditures, based ditures for the construction e	on actual carr prior year and	ying costs previously	⁄ear.	For the Year	Ended 12/31/2007
Lin e Na.		(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March Jurisdictiona	(E) Actual April I Dollars	(F) Actual May	(G) Actuai June	(H) 6 Month Total	
1.	Nuclear CWIP Additions (Schedule T-6, line 44)		s -	\$ -	s -	s -	\$ -	s -	s -	
2.	Transfers to Plant in Service			-	-		-	-	-	
3.	Other Adjustments (d)		-	•		-	-	-	-	
4.	CWIP Base Eligible for Return (PM CWIP Bal. + Line	1 - 2 + 3)			-			-		
5	Average Net CWIP Additions		-	-	-	-		-	Na	
6.	Return on Average Net CWIP Additions (c)									
a.	Equity Component (a)		-	•	-	-		-		
b.	Equity Comp. grossed up for taxes (b)		-	-			-	-	-	
C,	Debt Component		-		-			-		
7.	Total Return Requirements (Line 6b + 6c)								······	
8.	Total Return Requirements from most recent Projection	ns	-		-	-		-	-	
9.	Difference (Line 7 - Line 8)		\$ -	\$.	\$	\$ -	<u>s</u> -	ş -	\$	

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] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 6.848%. (d) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate. Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-3) Page 10 of 30

i i Maran i i) 🚛 🔤	1 💻 🗸	1			1 📖	1	1	1 .	.) 🏨	. 📖	_) 🛍	_ } ?		ł
---------------	--	--	--	--	--	-------	-------	---	--	--	-----	---	---	------------	-------	-------	------	-------	--	---

Sched	Pre-Const		Nuclear Fili s and Carry : Construct	ing Costs o	n Constructio	n Cost Balar	1C 0		[Section (5)(:)1.a.)
COMP	DA PUBLIC SERVICE COMMISSION ANY: Progress Energy - FL ET NO.:	EXPLANATION:	Provide th on constru on constru filed carryi	year.	For the Year Ende ear.					
0001	080149-EI								Witness:	
Line No.		(i) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September Jurisdictional	(M) Actual October Dollars	(N) Actual November	(O) Actual December	(P) 12 Month Total	
1.	Nuclear CWIP Additions (Schedule T-6, line 48)		\$ -	5 -	\$ 42,706,524	\$ 1,831,101	\$ 1,875,060	\$ 9,148,386	\$ 55,561,072	
2.	Transfers to Plant in Service				-	-	-	•	-	
3.	Other Adjustments (d)		•			151,395	310,354	325,693	787,441	
4.	CWIP Base Eligible for Return (PM CWIP Bal. + Line 1	- 2 + 3)			42,706,524	44,689,020	46,874,434	56,348,513	56,348,513	
5	Average Net CWIP Additions				21,353,282	43,773,469	45,936,904	51,774,320	n/a	
6.	Return on Average Net CWIP Additions (c)									
a	Equity Component (a)				116,674	239,178	250,999	282,895	889,747	
b	Equity Comp. grossed up for taxes (b)		-		189,946	389,383	408,627	460,553	1,448,509	
с	Debt Component				34,720	71,176	74,693	64,165	264,775	
7.	Total Return Requirements (Line 6b + 6c)				224,686	460,558	483,321	544,738	1,713,284	
8.	Total Return Requirements from most recent Projections	ł	-	-	-			-	-	
9.	Difference (Line 7 - Line 8)		\$ -	<u>s</u> -	\$ 224,668	\$ 460,556	\$ 483,321	\$ 544,738	\$ 1,713,284	

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] × 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) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate. Docket 090009-E1 Progress Energy Florida Exhibit No. ____ (WG-3) Page 11 of 30

1986 - 19

Schedule T-3A	Levy County Nucl Pre-Construction Cos True-up Filing: Defer	~ _	(Section (5)(c)1.a.)					
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION:		e calculation x Carrying C					For the Year Ended 12/31/20
Progress Energy - FL								
DOCKET NO.: 080149-Ei								Witness:
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
				Jurisdiction	al Dollars			
Construction Period Interest (Schedule T-3B, Line 7)		s -	s .	s -	s .	s -	s -	\$ -
Recovered Costs Excluding AFUDC (Schedule T-2, Line 1+ Line 3)				-				
Other Adjustments (d)		-	-	-		-	•	
. Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)		•	· · ·			· ·		·
Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)		•					-	n/a
. Average Accumulated DTA				•				
Carrying Costs on DTA (c)								
a. Equity Component (a)			-	-	-		-	
b. Equity Comp. grossed up for taxes (b)			-	-	-	-	-	
c. Debt Component (Line 6 x 2.04% x 1/12)		-	-	-	-			-
. Total Return Requirements (Line 7b + 7c)		- <u> </u>						
Total Return Requirements from most recent Projections			-	-	-			
0. Difference (Line 8 - Line 9)		5 .	3 -	\$ -	s -	<u>s</u> .	\$	<u> </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] x 100; resulting in a monthly accrual rate of 0.005464 (Equily) and 0.001526 (Debl), which results in the annual rate of 8.848%.

(d) Return on average net Construction Work in Progress (CWiP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

	s ¹¹ antes ¹¹	Hard Hardina	11)) ((
Sch		Levy County Nucl Pre-Construction Cos True-up Filing: Defen	its and Carry			fon Cost Bala	ince	[;	Section (5)(c)	1.a.]
CON	RIDA PUBLIC SERVICE COMMISSION IPANY: Progress Energy - FL KET NO.:	EXPLANATION:			of the Actual Costs for the C	urrent				inded 12/31/2007
Line No.	080149-EI	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September Jurisdictional	(M) Actual October	(N) Actual November	(0)	(P) 12 Month Total	
1.	Construction Period Interest (Schedule T-38, Line 7)		s -	s -	s - :	ş -	s -	s -	s -	
2.	Recovered Costs Excluding AFUDC (Schedule T-2, Line 1+ Line 3)				-	-		-	٠	
3.	Other Adjustments (d)				(34,720)	(71,176)	(74,693)	(64,185)	(264,775)	
4.	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	- <u> </u>			(34,720)	(105,896)	(180,589)	(264,775)	n/a	
5	Deferred Tax Liability (DTL) on Tax Basis in Excess of Book (Line 4 * Tax Rate	•			(13,393)	(40,849)	(69,662)	(102,137)	n/a	
6 .	Average Accumulated DTA		-		(6,697)	(27,121)	(55,256)	(65,000)		
7.	Carrying Costs on DTA (c)									
	a. Equity Component (a)			-	(37)	(148)	(302)	(469)	(956)	
	b. Equity Comp. grossed up for taxes (b)		•	-	(60)	(241)	(492)	(764)	(1,556)	
	c. Debt Component				(11)	(44)	(90)	(140)	(285)	
8.	Total Return Requirements (Line 7b + 7c)				(70)	(285)	(581)	(904)	(1,841)	
9.	Total Return Requirements from most recent Projections				-	-	-	•	-	
10.	Difference (Line 8 - Line 9)		<u>s</u> -	<u>s</u> .	\$ (70)	\$ (285)	\$ (581)	\$ (904)	\$ (1,641)	

Notes:

(a) The monthly Equily Component of 6.85% reflects an 11.75% return on equily.

(b) Requirement for the payment of income taxes is calculated using a Federal Income Tax rate of 38.575%.

(c) AFLIDC actual monthly rate is calculated using the formula M = [(1 + A/100)⁴⁹² 1] x 100; resulting in a monthly accual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 0.848%.

(d) Return on average net Construction Work in Progress (CWIP) additions that is being included in the Levy costs until such time as these costs are recovered under the Capacity Cost Recovery (CCR) rate.

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-3) Page 13 of 30

Page 2 of 2

	Levy County Nuc Pre-Construction C True-up Filing: Con	osts and C		on Constructio	n Cost Bala	Ince		(Section (5)(c)1.a.]
OMPANY: Progress Energy - FL	EXPLANATION:		e calculation of for the second se		nt			For the Year	Ended 12/31/2007
OCKET NO.: 080149-EI								Witness:	
ine lo.	(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					
. Beginning Balance		s -	\$ -	\$ - :	5 .	s -	s -	s -	
Additions Site Selection & Preconstruction (Schedule T-2	, line 1)		-	, •	-	-	-	-	
. Additions Construction (Schedule T-3, line 1)		-	-	-	-	-	-	-	
. Other Adjustments		•	-	-	-	-	-	,	
Average Balance Eligible for CPI		-	-	-		-		·	
Monthly CPI Rate (a)		-	-	-			-		
Construction Period Interest for Tax (CPI)		-	-	-	-	-	-	-	
Ending Balance Excluding CPI	\$ -	s -	s -	\$ - !		ş -	s -	s -	-

Ma ¹ Mar ¹

(a) CPI is not calculated until construction starts for tax purposes.

1

•	, Barry Barry Barry Barry Barry		U 199	II (1 - 1	- 1- 1	-
ichedu		Levy Cour Pre-Constru True-up Filin	ction Co	sts ar	id Car		on Construct	ion Cost Bala	ince		[Section (5)(c)1.a.]	
COMP	ANY: Progress Energy - FL	EXPLANATIO				calculation of n Period Inter	f the Actual est for the cun	rent			For the Year	Ended 12/31/2007	
JOCK	ET NO.: 080149-EI										Witness:		
line Vo.			(I) eginning f Period	-) Act Ju	val	(K) Actual August	(L) Actual September Jurisdiction	(M) Actual October al Dollars	(N) Actual November	(O) Actual December	(P) 12 Month Total		
ŧ.	Beginning Balance			s	•	s .		\$ 42,706,524	\$ 44,637,625	\$ 46,412,685			
2.	Additions Site Selection & Preconstruction (Schedule T-2	2, line 1)			-	-	-	-			-		
3.	Additions Construction (Schedule T-3, line 1)				-	42,493,5	47 212,977	1,831,101	1,875,060	9,148,386	55,561,072		
4.	Other Adjustments				-	-	-	-	-	-			
5	Average Balance Eligible for CPI			··	•	21,248,7	74 42,600,036	43,622,075	45,475,155	50,966,878	-		
6.	Monthly CPI Rate (a)				-	-	-	•	-	-			
7.	Construction Period Interest for Tax (CPI)				-	-	-	-		-	-		
8.	Ending Balance Excluding CPI	5		\$		\$ 42,493,5	47 \$ 42,706,524	\$ 44,537,625	\$ 46,412,685	\$ 55,581,072	\$ 55,561,072	•	

(a) CPI is not calculated until construction starts for tax purposes.

Page 2 of 2

ichedule	Τ-4	Pre-Co	ากรชาบเ	Nuclear Filing Uon Costs a ng: Recovera	nd Can				st Baiance	i				[Section (5)(c)1.a.] [Section (8)(e)]				
LORIDA	PUBLIC SERVICE COMMISSION	EXPL/	NATIO	N:			CRC Recover: by function for											
OMPAN	Y:				expe		y luncuon lor	the prior yea						For the Y	ar Ended 12/31/2	007		
	Progress Energy - FL																	
OCKET I														Witness:				
	060149-EI																	
		(A)		(B)	(C)		(D)	(E)	(F)		(G)	(H)	(1)	(J)	(K)	(L)		(M)
ne		Actual		Aclusi	Aclu	-	Actual	Actual	Actua	4	Actual	Actual	Actual	Actual	Actual	Actual		Mon
										4								
a. D	escription	Januar	Υ	February	Marc	/ 1	April	May	June		July	August	September	October	November	December	7	ous
	4 Ku-						-							•		. .		
1,	Accounting	\$	•	a -	•	-	a -	•	- >	~	• •	. .	<u>،</u>	3	- 5 -	s ·-	3	
2.	Corporate Communications		•	-		•	•		•	-	-	•	-			-		
3.	Corporate Planning		-	-		·	-		-	-	-	-	-			-		
4.	Corporate Services		•	-		•	•		•	-	•	-	-		• •	-		
5.	External Relations		~	•		-	•		•	۲	-	•	•			•		
6.	Human Resources		~	-		-	•		•	-	-	-	-			•		
7.	IT & Telecom		-	•		-			•	-		-	-			•		
8.	Legal		-	-		-	-		•	-	-	-	-					
9.	Project Assurance		-	-		-	-		-	-		-				-		
10.	Public Atlairs		-			-			-	-			-			-		
11.	Subiotal A&G		-	-					•				-					
12.	Energy Delivery Florida					-	-		-	-	-	-	_					
13,	Nuclear Generation		-				-		-		-							
14.	Transmission	5		s .			s .	5		-	s .	٠.	•				•	
• •																		
15.	Total O&M Costs	5	-	s -	5	•	s -	\$	- \$	-	S -	\$ -	s -	\$	- 5 -	s -	\$	
6.	Jurisdictional Factor (A&G)	0.9	1670	0.91670	0	81870	0.91670	0.916	0 05	1670	0.91670	0.91670	0.91670	0.9167	0.91670	0.91670	0 (167
17.	Jurisdictional Factor (Distribution)		9597	0,99597		99597	0.99597	0.995		9597	0.99597	0.99597	0.99597	0.9959		0,99597		9950
18.	Jurisdictional Factor (Nucl - Production - Base)		3753	0.93753		93753	0,93753	0.937		3753	0.93753	0,93753	0.93753			0,93753		1375
9.	Jurisdictional Factor (Transmission)	0.70		0,70597		70597	0,70597	0,705		0587	0,70597	0.70597	0.70587	0.7059		0.70597		1059
-																		
ю.	kurisdictional Recoverable Costa (A&G) (Line 11 X Line 18)			s .	5		5.	5	- 1	-	5 -	s -	s -	5	. <u>.</u> .	5 -	5	
1.	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	•			•		•	-		-	• .	• .	• .	•	. .	•	•	
2.	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18	r	-	-			-		-	-	-		-			-		
3.	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	· .	-				·				•	- e	. t	e		t .	5	
а.	Juneoicoonal Mecoveraore Coets (Transmission) (Crine 14 A Crine 19)	•	-	•	•	-	•	•	•		•	•	•	•	•	•	•	
4.	Total Jurisdictional CCRC Recoverable O&M Costs	1		\$	- \$	-	1	- \$	- \$	-	\$	- \$	- \$	- \$	- \$	- \$	- \$	
				-								- s	- 5		- 1	- 5	- 5	
5.	Total Jurisdictional Q&M Costs From Most Recent Projection	5	•	5	- 5	-	\$	- 5	- 5	-	\$	• •	• •	- \$		<u>· · · · · · · · · · · · · · · · · · · </u>	<u> </u>	

· Mar · Mar

1,

1

i Des

1

Dez

Schedu	Ne T-5	sts and Carr					litures		<u>. </u>		(Section (5) (Section (6)			
FLORIC	NA PUBLIC SERVICE COMMISSION	EXPLANATE	ON:		Other O&M a s by function									
COMP/					•						For the Yea	r Endad 12/3	1/2007	
	Progress Energy - FL													
DOCKE											Witness:			
	080149-El						·						- <u></u>	
		(A)	(8)	(C)	(D)	(E)	(F)	(G)	(H)	(i)	(J)	(K)	{L}	(M)
Line		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	12 Month
No.	Description	January_	February	March	April	May	June	july	August	September	October	November	December	Total
			_		•							•		۰.
1. 2.	Accounting Corporate Communications	\$.	s -		\$ ·	\$.	`	. .	• •	• • •	•	•	•	
3.	Corporate Planning	•	•		-	-	-	-	-	•	-	-		-
J. 4.	Corporale Services	-	-	-	•		-	-	-					
5.	External Relations	-	•	-	•	-		-			_			-
5. 6.	Human Resources	-	-	•	-		-			-	-	-	-	-
7.	IT & Telecom				•			_			-	-	-	-
8.	Legal	-				_		-	-	-	-		-	-
9.	Project Assurance	-	_		-	-	-	-			-	-	-	
10.	Public Affairs	-				-	-	-	-		-	-		-
11.	Subtotal A&G	-	-	-	-	-	-	-	-	-	•	-	-	-
12.	Energy Delivery Florida	-	-		-	-	-	-	-	•	•	-	-	•
13.	Nuclear Generation	-	-	-	-	-	-	-	-	•	•	•	-	•
14.	Transmission	<u>s</u> -	<u>s</u>	<u> </u>	<u> </u>	<u>\$</u>	<u>s</u> -	<u> </u>	<u>s</u> -	<u> </u>	<u> </u>	<u> </u>	_ 	<u> </u>
15.	Total O&M Costs	s -	s -	s -	\$ -	s -	\$ -	\$	s -	s -	\$ 1	s -	s -	\$
16.	Jurisdictional Factor (A&G)	0,91670	0.91670	0.91670	0,91670	0.91670	0.91670	0.91670	0.91670	0.91670	0.91670	0,91670	0.91670	0.91670
17.	Jurisdictional Factor (Distribution)	0.99597	0.99597	0,99597	0,99597	0.99597	0.99597	0.99597	0.99597	0.99597	0.99597	0,99597	0.99597	0,99597
18.	Jurisdictional Factor (Nuclear - Production - Base)	0.93753	0.93753	0,93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0,93753	0.93753	0.93753
19.	Jurisdictional Factor (Transmission)	0,70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0,70597	0.70597	0.70597
20.	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	s.	s .	s .	s -	s -	s .	s -	s -	s -	s -	s -	s -	\$ -
21.	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	•	•	-	-	-	•	-	-	-	-	-	-	-
ZŻ.	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 18)	-		•	-	-	•	-	-	-	-	•		· ·
23.	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ -	\$-	\$° -	\$ -	£ -	\$ -	\$ -	\$ -	S -	\$ -	\$ -	\$ -	. .
24.	Total Jurisdictional CCRC Recoverable O&M Costs	<u>s</u> .	<u>s</u> -	<u>s</u> -	<u>s</u> .	\$ -	5 -	<u> </u>	5 .	\$ -	<u>s</u>	<u>\$</u> -	\$.	s -
25.	Total Jurisdictional O&M Costs From Most Recent Projection	<u> </u>	<u>s</u> -	<u> </u>	<u>s -</u>	<u>s</u>	<u>s</u> .	ş <u>·</u>	<u>s</u>		<u> </u>	<u> </u>	<u> </u>	- 6
0.7		5	5 .		5		5 -	\$ -	5	<u>s</u> -	S -	5 -	\$ -	5 -
26.	Difference (Line 24 - 25)					T	-							

26. Difference (Line 24 - 25)

Note 1: This schedule is for informational purposes only and the data is excluded from the revenue requirements calculation.

Note 2: Progress Energy incurred O&M costs in base rates during 2007; however, financial procedures to capture these costs were put into place affective January 2008.

Page 1 of 1

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-3) Page 17 of 30

l

	CORDANNEL ESTING CONSIGN DYAMAN TA: Product substantion by performance intermediate int	chedule	7-6					arrying Costs	on Constructio	n Cost Balan	CI				Section (5)(c)1. Section (6)(d)]	a.] 		
OWNT Description For the regional (30/1000) Standing Out	MANT. Data Longer, L. Die der generation Die der generation Die der generation Jander Ander Ande						P	rovide the actual			tasks performed							
Weitt: Weitt:	Weath: Weath: Colspan="2">Weath: Colspan="2" Colspan="2" Colspan="2" Colspan="2" Colspan="2" Colspan="2" Colspan="2" <th colspa="</th"><th>MAPAN</th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th>Ĥ</th><th>For the Year En</th><th>ded 12/31/2007</th><th></th></th>	<th>MAPAN</th> <th></th> <th>Ĥ</th> <th>For the Year En</th> <th>ded 12/31/2007</th> <th></th>	MAPAN												Ĥ	For the Year En	ded 12/31/2007	
1982-1421 101 201 610 6	Bethold Plant <	CKET	NO.:											,	Winess:			
International constraints In	And (A) (B) (C) (C) <th></th>																	
Description:: Description:: Jamilton:: Separation::	Particularitie: Description: Description: 1															Actual	12 Month	
Late State 1 <th1< th=""> 1 <th1< th=""> <th1< <="" td=""><td>Light for the standard of the standard</td><td>De</td><td>scription</td><td>Janua</td><td>FY F</td><td>ebruary</td><td>March</td><td>IngA</td><td>May</td><td>Ame</td><td>july</td><td>August</td><td>September</td><td>October</td><td>November</td><td>December</td><td>Total</td></th1<></th1<></th1<>	Light for the standard of the standard	De	scription	Janua	FY F	ebruary	March	IngA	May	Ame	july	August	September	October	November	December	Total	
1 1	1. 1. <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>																	
2 Federate & Dough Possing 2 Federate & Dough 2 Federate & Doug	2 Exploring L Dagin 2 Exploring L Dagin 4 00-584 Company Line Factors 5 00-584 Company Line Factors 6 00-584 Company Line Factors 7 1 1 00-584 Company Line Factors 1	G				_	_		_				-	-	-	•	٠.	
1 Professor Constructions of Extension 1	3 Primery 1 </td <td>1.</td> <td></td> <td>\$</td> <td>- 1</td> <td>- 5</td> <td>- 1</td> <td></td> <td>s - s</td> <td>- 1</td> <td>i • 1</td> <td>-</td> <td>i -</td> <td>• -</td> <td>•</td> <td>•</td> <td>•</td>	1.		\$	- 1	- 5	- 1		s - s	- 1	i • 1	-	i -	• -	•	•	•	
1 Constant -<	4. Classes Graphing and Excernation 1				•	•	•	-	•	•	•	-	•		-			
0. No.8. Converties Fielding 1 5 1 5 1	5. Obsis Consider Failing 1 <td>-</td> <td></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>•</td> <td></td> <td></td> <td>-</td> <td></td> <td></td>	-			-	-	-		-	-	-	•			-			
1 1	5 Total Generation Content 1 6 1 6 1 6 1 6 1 6 1 6 1 6 1 6 1 6 1 6 1 6 1 6 <td></td> <td></td> <td></td> <td></td> <td>:</td> <td>-</td> <td>-</td> <td></td> <td>-</td> <td>-</td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>_</td>					:	-	-		-	-				-		_	
1 Labolandania: Nacionaria Cola Americana Cola Americana Cola Americana Cola Americana Cola Americana Cola Carteria	1 Nag Additional Not Concepts Cost 0.5753 0.	6.		\$									5	s · · ·	s -	\$.	5	
A More Cath Accyulat Out - Cath Accyulat Exercises	A Non-Card Accylate -	7.		•	•	-	•			•	•		•	-	•			
Mart Reserved Code 0.8173	B Interference Control Control <thcontrol< th=""> Control <thc< td=""><td>8.</td><td>Non-Cash Accruais</td><td></td><td>•</td><td></td><td></td><td></td><td>-</td><td></td><td>•</td><td>-</td><td>•</td><td></td><td>-</td><td>-</td><td></td></thc<></thcontrol<>	8 .	Non-Cash Accruais		•				-		•	-	•		-	-		
1. 0.83753	J. J. Audekknad Faser G.23753 G.83753 G.837530 G.83753 G.83753<	9.	Other															
Total Judgessund Generation Case Jume Substant Link Engineering Link Engineering <th link<="" td=""><td>Interference Construction Constructin Construstinter Construction Construction Construction Constru</td><td></td><td></td><td></td><td>-</td><td>· · · · · · · · · · · · · · · · · · ·</td><td><u> </u></td><td>·</td><td><u> </u></td><td><u> </u></td><td><u> </u></td><td></td><td><u> </u></td><td></td><td>-</td><td></td><td></td></th>	<td>Interference Construction Constructin Construstinter Construction Construction Construction Constru</td> <td></td> <td></td> <td></td> <td>-</td> <td>· · · · · · · · · · · · · · · · · · ·</td> <td><u> </u></td> <td>·</td> <td><u> </u></td> <td><u> </u></td> <td><u> </u></td> <td></td> <td><u> </u></td> <td></td> <td>-</td> <td></td> <td></td>	Interference Construction Constructin Construstinter Construction Construction Construction Constru				-	· · · · · · · · · · · · · · · · · · ·	<u> </u>	·	<u> </u>	<u> </u>	<u> </u>		<u> </u>		-		
Linearitation I <	Juschelon S	11.	Jurisdictional Factor	1.0	93753	0.03753	0.93753	0.93753	0.93753	0.03753	0.93753	0.93753	0.93753	0.93753	0.93753	0.03753	0,937	
2 Lis Explorency 5	2 1 1 5	Z .	Total Jurisdictional Generation Coats			<u>-</u>		<u> </u>	-			·	-					
2 Lis Explorency 5	1 Lis Explorating 5	τ.	rane With Sites															
4. Substantin Explosing Clearly Clearly Clearly Task Administry Clearly Task Administry Date Date <td>4. Substants Exploring 3</td> <td></td> <td>c .</td> <td>. .</td> <td>s .</td> <td>s -</td> <td>\$</td>	4. Substants Exploring 3												c .	. .	s .	s -	\$	
3. Clearing 3 <td< td=""><td>5.5. Clarking </td><td></td><td>Substation Engineering</td><td>•</td><td></td><td></td><td></td><td></td><td></td><td></td><td>· . •</td><td>-</td><td>• .</td><td>• •</td><td>-</td><td>•</td><td></td></td<>	5.5. Clarking		Substation Engineering	•							· . •	-	• .	• •	-	•		
Communication Conter Image: Contermination Conterminitis Contermination Contermination Contermination	If Construction Constructin Constructin Construl Construction Construction Construction Con				-	-	-	-	-	•		-		-		-		
Total Transmission Costs 3 4 5 5 5 5 5 7 7 7000 Transmission Costs No.Cont Account 0.70537 0.70687	7. Total Tomunitation Code 3 5 4 5 6 7 </td <td></td> <td></td> <td></td> <td>-</td> <td>-</td> <td></td> <td>-</td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td></td> <td>-</td> <td>•</td> <td><u> </u></td> <td></td>				-	-		-		-	-	-		-	•	<u> </u>		
A Las Addresses Non-Carl Accurate	A Lax Advances Non-Carbon One- Non-Carbon Jose			\$		- \$	- 1			- 5		-	\$ -	s ·	s -	<u>s</u> -	\$	
0. Orei No Transhor Cast 0.70587 0.70	00 Oracle 07/06/mit 0.705/mit	8.			-													
Image Transmission Costs Image T	Image Transmission Counts Im	9.	Non-Cash Accruais										-	-	•	-		
Z. Junicidianal Factor 0.75537 0.70567	Instructional Factor 0.70687 <td></td>																	
Jumit bind i Pacipi Under Under <td>22 Total Junicipiston Transmission Costs 5 5</td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>-</td> <td></td> <td>0 204.07</td> <td></td> <td>a 205.92</td> <td>0 70501</td> <td>0 70547</td> <td>0 705.97</td> <td>0 70597</td> <td>0.70597</td> <td>0.705</td>	22 Total Junicipiston Transmission Costs 5 5				-		-		0 204.07		a 205.92	0 70501	0 70547	0 705.97	0 70597	0.70597	0.705	
1 1 1 1 3	13.1 10.4 Junk Junksteina Preconservetor Costs 1 3 3 3 3 3 3 4 4 6 6 7 5 6 6 7 7 7 7 <th7< th=""> 7 7 <th7< th=""></th7<></th7<>																	
Construction: Construction: Construction: Construction: S <td< td=""><td>Construction: (Line Radiation: (Line Radiation: 38 Project Nanagement 5 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 <th7< th=""> 7 7 <th< td=""><td>23.</td><td>Total Jurindizional Transmission Costa</td><td>\$</td><td>- \$</td><td>- \$</td><td>- \$</td><td></td><td></td><td></td><td></td><td></td><td><u> </u></td><td>• •</td><td>······</td><td>•</td><td>• </td></th<></th7<></td></td<>	Construction: (Line Radiation: (Line Radiation: 38 Project Nanagement 5 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 <th7< th=""> 7 7 <th< td=""><td>23.</td><td>Total Jurindizional Transmission Costa</td><td>\$</td><td>- \$</td><td>- \$</td><td>- \$</td><td></td><td></td><td></td><td></td><td></td><td><u> </u></td><td>• •</td><td>······</td><td>•</td><td>• </td></th<></th7<>	23.	Total Jurindizional Transmission Costa	\$	- \$	- \$	- \$						<u> </u>	• •	······	•	• 	
Standards S	Liber Adjubilities S	24.	Total Juriedictional Preconstruction Costs	3	_ · }	• \$				· \$	\$			<u> </u>	<u>s</u>	3	·	
5. Real Extent Acquatations \$<	5. Read Exter Acquisitions \$ </td <td></td>																	
A. Project Management Permanent Stef Training C. Dis Construction Fachlers D. Power Block Engineering, Procurement, etc. D. Mon-Ceret Total Generation Costs S. S	18. Project Managoment -		Beni Satata Assubitions	e	. t		. 5		s	- 5	- 5	45,325,000	\$ 227,168	\$ 1,953,112	\$ 2,000,000	\$ 3,024,979	\$ 52,530,2	
7. Permanent Sudification 7. Permanent Sudification 7. Permanent Sudification 8. Ste Permanent Sudification Facibles 7. Permanent Sudification Facibles 7. Permanent Sudification Facibles 1. Mon-Perme Block Explorement, etc. 1. Mon-Perme Block Explorement, etc. 1. Mon-Perme Block Explorement, etc. 1. Mon-Perme Block Explorement, etc. 1. Mon-Perme Block Explorement, etc. 4. S.225,000 (45,225,000) 1. Lest Advantationation 4. S.225,000 (45,225,000) 5. S.	77. Permanene Staff/Training -			•						•	-		-	•	-	-	-	
8 Sta Prepuration	18 Sta Prepurgion -		Permanent Staff/Training		•	-	-		-	•	-	•	•	-	-	•	•	
E Ch-Stal Construction Facilities - <t< td=""><td>27 On-S&Construction Facilities - <t< td=""><td></td><td></td><td></td><td>•</td><td>-</td><td>-</td><td>•</td><td>•</td><td>-</td><td>-</td><td>•</td><td>-</td><td>-</td><td>•</td><td>-</td><td>•</td></t<></td></t<>	27 On-S&Construction Facilities - <t< td=""><td></td><td></td><td></td><td>•</td><td>-</td><td>-</td><td>•</td><td>•</td><td>-</td><td>-</td><td>•</td><td>-</td><td>-</td><td>•</td><td>-</td><td>•</td></t<>				•	-	-	•	•	-	-	•	-	-	•	-	•	
0. Power Block Engeneering, Procurement, Mr. Non-Power Block Engenering, Procurement, Mr. 2. Total Generation Costs 8. 5 <t< td=""><td>00. Power Block Explorating, Procurement, elic. 10. Non-Power Block Explorating, Procurement, elic. 12. Total Generation Costs 12. Total Generation Costs 12. Total Generation Costs 13. Non-Cash Accruals 14. Non-Cash Accruals 15. S S 16. Non-Cash Accruals 17. Jumaticitional Factor 18. Not Generation Costs S 18. Total Jumaticitional Generation Costs S 18. Total Jumaticitional Generation Costs S S 19. Lites Addustront Costs S <t< td=""><td></td><td></td><td></td><td>•</td><td>-</td><td>-</td><td>-</td><td>•</td><td>-</td><td>•</td><td>-</td><td>•</td><td>-</td><td>•</td><td>•</td><td></td></t<></td></t<>	00. Power Block Explorating, Procurement, elic. 10. Non-Power Block Explorating, Procurement, elic. 12. Total Generation Costs 12. Total Generation Costs 12. Total Generation Costs 13. Non-Cash Accruals 14. Non-Cash Accruals 15. S S 16. Non-Cash Accruals 17. Jumaticitional Factor 18. Not Generation Costs S 18. Total Jumaticitional Generation Costs S 18. Total Jumaticitional Generation Costs S S 19. Lites Addustront Costs S <t< td=""><td></td><td></td><td></td><td>•</td><td>-</td><td>-</td><td>-</td><td>•</td><td>-</td><td>•</td><td>-</td><td>•</td><td>-</td><td>•</td><td>•</td><td></td></t<>				•	-	-	-	•	-	•	-	•	-	•	•		
2. Total Generation Costs \$ <td>Izandiana Costs 1 5</td> <td>0.</td> <td></td> <td></td> <td>•</td> <td>-</td> <td>•</td> <td>•</td> <td>-</td> <td>-</td> <td>•</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>	Izandiana Costs 1 5	0.			•	-	•	•	-	-	•	-	-	-	-	-	-	
2. Total Generation Costs 5 6 7 6 7 5 5 5 5 6 7 6 7 7 0.83753 0.8375	22. Total Generation Costs i </td <td></td> <td></td> <td>*</td> <td></td> <td><u> </u></td> <td><u> </u></td> <td></td> <td><u> </u></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>2 2 000 000</td> <td>5 3 024 978</td> <td>\$ 52 530 2</td>			*		<u> </u>	<u> </u>		<u> </u>						2 2 000 000	5 3 024 978	\$ 52 530 2	
4. Non-Cash Accousts 5	Mon-Cash Accousts 43,723,000 (43,723,000) (43,72,70,60,72,00) (43,72,70,60,72,00) (43,72,70,60,72,00) (43,72,70,60,72,00) (43,72,70,60,72,00) (43,72,70,60,72,00) (43,72,70,			1	- 1	- 5	- \$	- 1	i - 1	• •		49,129,000	221,104	\$ 1,839,114		• •,•••,•••	•	
Noti-Case Accuracy 1 <th1< th=""> <th1< th=""> <th1< th=""></th1<></th1<></th1<>	Non-Cash Actuals 1											45 325 000	(45 125 000)	-	-	•	•	
Not Generation Costs \$	Hei Net Generation Code: \$ <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>40,220,000</td><td>(,)</td><td></td><td></td><td></td><td></td></t<>											40,220,000	(,)					
Tele Balanzon Costs Image: Costs	Intel Samplation Codes Image of the state Acquisitions Factor Image of the state Acquisition Factor <thimage acquisition="" factor<="" of="" state="" th="" the=""></thimage>									. 1			\$ 45,552,160	5 5,053,112	\$ 2,000,000			
Interference S <t< td=""><td>Item Total Junisdictional Generation Costs S</td><td></td><td>Juristicional Factor</td><td><u> </u></td><td>83753</td><td>0.83753</td><td>0.13753</td><td>0.93753</td><td>0.03753</td><td>0.93753</td><td>0.93753</td><td>0.03753</td><td>0.93753</td><td>0,83753</td><td>8.93753</td><td>0.83753</td><td>0.93</td></t<>	Item Total Junisdictional Generation Costs S		Juristicional Factor	<u> </u>	83753	0.83753	0.13753	0.93753	0.03753	0.93753	0.93753	0.03753	0.93753	0,83753	8.93753	0.83753	0.93	
B Line Explosenting S	B Line Explosening S	8.	Total Jurksistional Generation Costs	\$	• \$	- 5	- 1	- 1	- \$	- \$	- 1		\$ 42,706,524	\$ 1,631,101	1,675,060	\$ 2,836,009	\$ 40,248,6	
B Line Exploseing S	B Line Explosenting S																	
Line Explosioning B_B41.425	No. Child Extended Acquisitions 1. Real Extende Acquisitions 1. Real Extende Acquisitions 2. Like Constructions 3. Sublishin Constructions 4. Other 5. Total Transmission Costs 5. 5 5. 5 6. 7. Total Juriedictional Factor 7. Total Juriedictional Factor	ıت.	ransson:									-	5 -	s -	\$ -	\$ -	\$ -	
1. Real Estate Acquisitions 2. Line Constructions 3. Substation Construction 4. Other 5. Total Transmission Costs 8. \$ 9. Total Transmission Costs 9. \$ 9.	1. Real Exter Acquisitions 2. Line Construction 3. Substation Construction 4. Other 5. Total Transmission Costs 5. S 7. Total Jurigidizional Factor 7. Total Jurigidizional Transmission Costs 8. \$ 9. Total Jurigidizional Transmission Costs 9. \$ 9. Total Jurigidizional Transmission Costs 9. \$ 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1. 10. 1. 9. 1. 9. 1. 9. 1. 9. 1. 9. 1.			•		•						-		•	-	-		
2. Line Construction 3. Substation Construction 0. Obset 5. 5	2. Like Construction 3. Substation Construction 4. Other 5. Total Transmission Costs 8. \$ 9. Substation Construction 10. Other 11. Substation Costs 12. Substation Costs 13. \$ 14. Substation Costs 14. \$ 14. Substation Costs 15. \$ 14. Substation Costs 15. \$ 14. Substation Costs 14. \$ 14. Substation Costs 15. \$ 14. Substation Costs 14. \$ 14. Substation Costs 14. \$ 14. Substation Costs 14. \$								-		•	-	-		-	8,841,425	8,941,4	
3. Substation Construction 4. Other 5. Total Transmission Costs 5. 5	3. Substation Construction 4. Other 5. Total Transmission Costs 8. 8. 1. State State 1. Total Transmission Costs 1. State State 1.						-	-	•	-	•	•	-	•	•	•	-	
Citiker S </td <td>4. Other 5 6 7 6 7 7 7 5 5 5 5 5 5 5 6 7 6 13 12 3 14 15 16 13 <th13< th=""> <th13< th=""> 16 <</th13<></th13<></td> <td></td> <td></td> <td></td> <td></td> <td>•</td> <td>•</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>•</td> <td>•</td> <td>•</td> <td>-</td> <td></td>	4. Other 5 6 7 6 7 7 7 5 5 5 5 5 5 5 6 7 6 13 12 3 14 15 16 13 <th13< th=""> <th13< th=""> 16 <</th13<></th13<>					•	•	-	-	-	-	-	•	•	•	-		
L <u>ess Addiustments:</u> Non-Cash Accruade Other Net Transmission Costs <u>\$ \$ \$ 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 </u>	L <u>ess Addiustments:</u> Non-Cash Accruades Other Net Transmission Costs <u>\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$</u>	t.	Other							- 1		,	\$.	i -	1 -	\$ 8,941,425	\$ 8,941,4	
Other 5 6 9 14 14/25 5 6 9 14 14/25 5 6 9 16 16 17 10 <	Other S <td></td> <td>Less Adkingments</td> <td>-</td> <td>-</td> <td>•</td> <td></td>		Less Adkingments	-	-	•												
Net Transmission Costs 5 7 0.70597	Net Trananisation Costs \$																	
5. Juriedicebonal Factor 0.70597 0.705	S. Juriedickional Factor 0.70597			5						- 1			s -	<u>s</u>	<u>ن</u>	\$ 8,841,425	\$ 8,041,4	
- Total Jurisdictional Transmission Costs \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	7. Total Juried Laboral Transmission Costa \$ -\$ -\$ -\$ -\$ -\$ -\$ -\$ -\$ -\$ -\$ -\$ -\$ -			0.7	70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70507	0.70597	0.70597	8.70597	0.70597	0.70597	0.70	
	7. Total Jurkstational Transmission Consta 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3 - 3									<u> </u>								
53.5510 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	8 Total Jurbalicional Construction Costa <u>\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$</u>	7.	Total Juristicional Transmission Costs	\$	- \$	- \$	- \$	• \$	- 5	- 5	- 5	•	\$ <u>`</u>	· -	• •			
	s Total Jungdictional Construction Losis 3 3 3 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7										K		\$ 42,706,574	1.631.101	\$ 1,875,060	\$ 1,148,346	\$ 55,561,0	

Ļ

1

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-3) Page 18 of 30

New James James James J

1

																8	۱ میں ۱	E	l
--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	----------	----------------	---	---

Schedule T-6A		-Constructio	ounty Nuclear Filing on Costs and Carrying Costs on Construction Cost Balance Monthly Expanditures	[Section (5)(c)1.a.]	
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Progress Energy - FL	EXF	PLANATION:	Provide a description of the major tasks performed within Site Selection, Preconstruction and Construction categories for the prior year.	· For the Year Ended 12/31/2	2007
DOCKET NO.: 080149-El				Witness:	
Line					
No. Major Task	Description - Includes, but is not limited to:				
<u>Pro-Construction:</u> <u>Generation;</u> License Application Engineering & Design Permitting Clearing, Grading and Excavation On-Site Construction Facilities	Engineering & Design associated with the Site Layout, Obtain required permits for new plant (i.e. site certifica Clearing, grading, excavation, backfil, onsite disposal,	, Power Block tion permits, e , drainage and			
<u>Transmission:</u> Line Engineering Substation Engineering Cleating Other	Internal engineering labor, contracted engineering labo	or and all other DW for the con ion lines.	all other costs associated with engineering transmission lines. r costs associated with substation and protection and control (relay) engineering. Istruction of transmission lines, costs associated with building access roads to the s associated with transmission pre-construction.	ROW to ensure access for	
	Obtain and train qualified staff by Fuel Load date. Design and construction of plant site preparations to su Includes the installation of warehouses necessary duri ar The cost of constructing and procuring the nuclear pow	upport fabricat ing constructio wer block (read wer Block, inci	uding structural, electrical, mechanical, civil and security items.	a.	
<u>Transmission:</u> Line Engineering Substation Engineering Real Estate Acquisition Line Construction Substation Construction Other	Contracted construction labor, structures and materials	s, aquipment e	permitting, eminent domain support and ordinance review costs. Ind all other costs associated with construction of transmission lines. Ind all other costs associated with substation and protection and control (relay) co	nstruction.	
				Page 1 of 1	Docket 090009-EI Progress Energy Florida Exhibit No(WG-3) Page 19 of 30

eduke T-68	Pre-Co	Levy County Nuclea Instruction Costs and Carry True-up Filing: Variance	ing Costs on Construction Cost Balance		[Section (8)(d)]
RIDA PUBLIC SERVICE COMMISSION	EXPLA	expendi	annual variance explenations comparing the actual lures to the most recent projections for the prior period the Commission.		For the Year Ended 12/31/2007
Progress Energy - FL					Wilness
:KET NO.: 080149-EI			(C)	(D)	
000110 \$1	(A)	(8)	(C) Total		
	Total	Total Actual/Estimated	Variance	Explanation	
	Actual	Actuaresumated			
Pre-Construction:					
Generation:				NA	
License Application	s -	S -	\$ -	N/A	
Engineering & Design	-	-		N/A	
Permitting	-	-	<u>.</u>	N/A	
Cleaning, Grading and Excavation	-	-		N/A	
On-Site Construction Facilities	·		5	N/A	
Total Generation Costs	\$	<u>.</u>			
Transmission	•	s -	s -	N/A N/A	
Lina Engineering	\$	• -	-	NA	
Substation Engineering	-		•	NA	
Classing	-	-		NA	
Other Total Transmission Coals	3	<u>s</u> -	<u></u>		
Construction;					
Generation:		•	\$ (52,530,259)	Note 1	
Real Estate Acquisitions	\$ 52,530,259	\$ -	• (<u></u> ,	N/A	
Project Management	-	-		N/A	
Permanent Staff/Training	-	-		N/A	
Site Preparation	•		-	N/A	
On-Site Construction Facilities	•		-	N/A N/A	
Power Block Engineering, Procurement	, elc		•	Note 1	
Non-Power Black Engineering, Procure	men		\$ (52,530,259)		
Total Generation Costs	\$ 52,530,259				
_Transmission:	s -	s -	\$ -	N/A N/A	
	•	-	-	Note 1	
Line Engineering			(8,941,425)	N/A	
Line Engineering Substation Engineering	8 941.425	-	(+(+ + + + + + + + + + + + + + + + + +	IN A	
Line Engineering Substation Engineering Real Estate Acquisition	B.941,425	-		N/A	
Line Engineering Substation Engineering Real Estate Acquisition Line Construction	в,941,425 -	-	-		
Line Engineering Substation Engineering Real Estate Acquisition Line Construction Substation Construction	B,941,425 - -	-	•	N/A	
Line Engineering Substation Engineering Real Estate Acquisition Line Construction	8,941,425	<u></u>	\$ {8,641,425}	N/A N/A	

Mar ¹ Mar ¹

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-3) Page 20 of 30

Schedule T-7	Pre-Construction	ty Nuclear Filing Costs and Carrying Costs on Construction Cost Balance Technology Selected	[Section (8)(b)]
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION:	Provide a description of the nuclear technology selected that includes, but is not limited to, a review of the technology and the factors leading to its selection.	For the Year Ended 12/31/2007
Progress Energy - FL DOCKET NO.: 080149-El			Witness:

an 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1986, 1987, 1987, 1987, 1987, 1987,

Progress Energy Inc. Florida ("PEF") performed a methodical, detailed quantitative and qualitative evaluation of commercially available advanced reactor technologies. PEF issued RFPs to the three vendors that had advanced reactor designs: General Electric ("GE"); Westinghouse; and Areva, for the GE Economic Simplified Boiling Water Reactor ("ESBWR"), the Westinghouse AP-1000 advanced passive pressurized water reactor, and the Areva European Pressurized Reactor ("EPR"), respectively. PEF completed a thorough and extensive evaluation of the vendor proposal responses associated with technical and operational requirements for licensing, design, construction, and capability input by the vendors. Following nearly a year of detailed evaluation, PEF initially selected the Westinghouse AP-1000 design as the best advanced technology for PEF. Since the preliminary selection of the Westinghouse AP-1000 design in January 2006, PEF continued to monitor industry changes, advanced reactor technology developments, and other information that might affect PEF's technology selection, or the assumptions PEF used in its initial analysis. The Westinghouse AP-1000 design is a standardized, advanced passive pressurized water nuclear reactor. It is an advanced generation nuclear technology that employs "passive" rather than traditional "active" safety systems. In other words, the design uses gravity and natural recirculation of air and water in emergency situations that do not require engines or pumps to power key safety systems. The result is an extremely safe and much simpler design that requires significantly less cable, pumps, valves, and other equipment than existing nuclear power reactors. In addition, PEF is still in negotiations with the Consortium on the terms and conditions of an acceptable EPC contract, including price structure. PEF expects to finalize and execute the EPC contract by the end of 2008.

edule T-8					Contracts Exe		uction Cost Balanc		· · · · · · · · · · · · · · · · · · ·	
)RIDA PUBLIC WPANY: Progri			EXPLANAT		including, a des and term of the	scription of the w	Ited in excess of \$1 m ork, the dollar value ethod of vendor select vendor, and current	tion,	For the Year Ended 12/31/2007	
CKET NO.: 080149-EI					of the contract.				Witness:	
(^)	(8)	(C)	(D)	(E)	(F) Actual	(G) Estimate of amount to be	(1)	0)	(1)	(K)
		Original	Current		Expended as	•				
	Status of	Term of	Term of	Original	of Prior Year	Current Year	Estimate of Final	Name of Contractor (and	Method of Selection	Work Description
Contract No.	Contract	Contract	Contract	Amount \$45,000,000	End (2006) \$450,000	(2007) \$46,551,088	Contract Amount \$47,001,088	Rayonler 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 contact amount includes costs to complete title search, recording fees, and documentary stamps.
Z N/A	Complete			\$39,000,000	\$0	\$40,335,305	\$40,335,305 (a)	Contract for Sale & Purchase for JH Lybass Jr Family LLC, TG Lybass LLP and Oregon Lybass	Acquisition supports specific needs for the Levy Nuclear Plant and is adjacent to Rayonier property.	Purchase Land. Costs were distributed between NGG, Transmission and Land For Future Use. Final contact amount includes costs to complete title search, recording fees, and documentary stamps.
3 293651	Complete				l	1		Duncan Company	Approved Nominee Agreement	Provide an array of diverse commercial real estat services for proposed baseload power generation plant.

\$12.7 M of Lybass land purchase was allocated to Levy Project, the remainder of \$27.7 M was allocated to Land held for future use.

te 1: Method of Selection column should specify: (1) Lease, Buy or Make Considerations for goods (or) In house or external for resources.

te 2: Method of Selection column should (2) RFP or Sole Source.

te 3: Method of Selection column should specify (3) Lowest Cost Bidder Accepted/Not Accepted.

Docket 090009-EI Progress Energy Florida Exhibit No. (WG-3) Page 22 of 30

CONFIDENTIAL

Schedule T-BA	Levy County Nuclear F Pre-Construction C True-up Filing: Cor	osts and Carrying Costs on Construction Cost Datance	
FLORIDA PUBLIC SERVICE		Provide additional details of contracts executed in excess of \$1 mill including, the nature and scope of the work, the nature of any efflicition with selected vendor, the method of vendor selection,	For the Year Ended 12/31/2007
Progress Energy - FL DOCKET NO.: 080149-El		brief description of vendor selection process, and current status of the contract.	Witness:
Contract No.: N/A			
Major Task or Tasks Asso	clated With: Purchase of	property to site the Levy Nuclear Plant	
Vendor Identity: Rayonier	Forest Resources, L.P. (s	eller)	
		direct (Vertical Integration (buyer) on behalf of Progress Energy)	
Number of Vendors Solic	ted: Purchased based or	results of site downselect analysis that determined the most suitable	le site for the plant.
Number of Blds Received Brief Description of Selec	<u>:</u> N/A : <u>tion Process:</u> Property w	ras selected based on the site selection process analysis to determine	ne most suitable site for the
Dollar Value:	\$45,000,00	10	
<u>Contract Status:</u> Comple <u>Term Begin:</u> <u>Term End:</u>			
Nature and Scope of Wo	<u>rk:</u> Purchase and Sale Ag	reement. The seller was Rayonier Forest Resources, LP. Sold Appr	oximately 3,000 acres to Progress Energy for siting Levy Nuclear Plant.

Ba ¹ Sha ¹

Levy County Nuclear Filing Pre-Construction Costs and Carrying Costs on Construction Cost Balance Schedule T-8A True-up Filing: Contracts Executed FLORIDA PUBLIC SERVICE COM EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any COMPANY: affiliation with selected vendor, the method of vendor selection. For the Year Ended 12/31/2007 Progress Energy - FL brief description of vendor selection process, and current status DOCKET NO .: of the contract. 080149-EI Witness:

المحافية الاستاهية الاستاهية الاستاقية الاستاطية الاستاطية الاستاطية الاستاطية الاستا

Contract No.; N/A

Major Task or Tasks Associated With: Purchase of property to support specific needs of the Levy Nuclear Power Plant.

Vendor Identity: JH Lybass Jr. Family LLC, Lybass LP, Oregon Lybass (sellers)

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

Number of Vendors Solicited: Purchased based on supporting specific needs of Levy Nuclear Plant. Lybass property is adjacent to property purchased to site Levy Nuclear Plant.

Number of Bids Received: N/A

Brief Description of Selection Process: Property was chosen based on several key advantages: (1) Adjacent to property previously purchased for Levy Nuclear Plant. Levy Count is the best overall siting location based on the completed siting analysis. (2) Cooling Water lines must cross property to reach Cross Florida Barge Canal. (3) Supports Transmission Deliverability Analysis for key transmission corridor. (4) Heavy Haul Path from the barge canal to transport major components to the site. (5) Accommodates a multi-lane construction entrance to the site. (6) Close proximity to an abundant cooling water source that is not a fresh water consumption source.

Dollar Value:

\$39,000,000

Contract Status: Completed

<u>Term Begin:</u> <u>Term End:</u>



Nature and Scope of Work: Purchase and Sale Agreement. The seller was Lybass family members. Sold 2,159 acres to Progress Energy to support siting of the Levy Nuclear Plant, Transmission and meet potential future generation requirements.

Docket 090009-EI Progress Energy Florida Exhibit No. _____(WG-3) Page 24 of 30

CONFIDENTIAL

CONFIDENTIAL

	y County Nuclear Filing Pre-Construction Costs and Carrying Costs on Construction Cost Balance True-up Filing: Contracts Executed
FLORIDA PUBLIC SERVICE COI	
COMPANY: Progress Energy - FL DOCKET NO.:	including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, For the Year Ended 12/31/2007 brief description of vendor selection process, and current status of the contract.
080149-EI	Witness:

212 ¹ 2214 ¹ 2214

Contract No.: 293651

Malor Task or Tasks Associated With: Provide services, supplies, tools, equipment, and transportation necessary to provide an array of diverse commercial real estate services for the sole purpose of acquiring land parcels for proposed baseload generation plants.

Vendor Identity: The Duncan Companies, Inc.

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

Number of Vendors Solicited: Approved Nominee Agreement

Number of Bids Received: N/A

Brief Description of Selection Process: Nominee Agreement to act as Progress' agent in locating, investigating, negotiating and contracting for the purchase (collectively, the "Purchase Contract(s)") of real property (the "Property") throughout Florida for the potential siting of a new power plant.

Dollar Value:

Contract Status: Completed

Term Begin: Term End:



<u>Nature and Scope of Work:</u> (1) Perform fatal flaw analysis on properties identified by the owner and also include identification of alternative sites for consideration by owner. (2) Implementation of the acquisition process. (3) Complete due diligence evaluation activities for each proposed site.

M	┕╼╵ ╘ ┈╵╘╌╴╵╘╴	-]]] .	!	I I	
chadulas T-88		Levy County Nuclear Filing Pre-Construction Costs and Carrying Costs on (True-up Filing: Contracts Executed	Conetr		
ORIDA PUBLIC SERVICE COMMISSION DAPANY: Progress Energy - FL SOGET NO.:		Provide a list of contracts executed in excess of \$24 including: vendor identity, product or service, form t term and and dollar value.			For the Year Ended 12/31/2007
0e0149-E1					Wärness:
(A) Me Vendor D. Kentiv	(B) Product or Service	(C) Term	(D) Term End	(E) Dollar Value	

Page 1 of 1

Sched	Levy County No Pre-Construction Costs and dule T-9 True-Up Filing: Calculati	Carrying	g Cos															
FLOR	RIDA PUBLIC SERVICE COMMISSION EXPLANATION	DN:	Calc	ulate f	the estir	nated	net true	⊦up ł	balan	ce, inc	duding	ı rever	ue an	id inter	est.			
COMF	PANY: Progress Energy - FL												For	the Ye	ar Ende	ed 12/31	/2007	
DOCK	KET NO.: 080149-EI												With	iess:				
Line No.	Description		Ac	(A) ctual nuary	(B) Actu Febru	al	(C) Actua Marc	al	Ac	D) tual prit	A	(E) ctual Aay	A	(F) ctual	6	(G) Month Total		
																	-	
1	NFR Revenues (net of Revenue Taxes)		\$	-	\$	- :	\$	-	\$	-	\$	-	\$	-	\$	-		
2 3	True-Up Provision NFR Revenues Applicable to Period (Lines 1 + 2)						·	<u> </u>	u		-	-					_	
3	NER Revenues Applicable to Pendo (Lines 1 + 2)			-		-		-		-		-		-		-		
4	Jurisdictional NFR Costs			-		-		-		-		-		-		-		
5	Over/Under Recovery true-up provision (Line 3 - Line 4c)			-		-		-		-		-		-		٠		
6	Interest Provision			-				-		-		-		-		-		
7	Beginning Balance True-up & Interest Provision			-				-		-		-		-		-		
а	Deferred True-up			-		-		-		-		-		-		-		
8	True-Up Collected (Refunded) (See Line 2)			-				-		-		-		-		-		
	End of Period True-up		\$. 5			2		s		\$		\$			

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date.

Note 2: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

Sche	Levy County Nuclea Pre-Construction Costs and Carr dule T-9 True-Up Filing: Calculation o	ying Co	sts or Ial Tri	n Constru 1e-up Am	ction ount	Cost Bala for the Peri	nce Iod										
FLOF	RIDA PUBLIC SERVICE COMMISSION EXPLANATION:	Cal	Calculate the estimated net true-up balance, including revenue and interest.														
	PANY: Progress Energy - FL KET NO.: 080149-El								For the Year Witness:	r Ended 12/31/2007							
Line No.	Description	A	(H) Ictual July	(I) Actua Augus		(J) Actual September	(K) Actual October	(L) Actuai November	(M) Actual December	(N) 12 Month Total							
1	NFR Revenues (net of Revenue Taxes)	\$	-	\$ -	9	6 -	\$ -	\$ -	s -	\$-							
2 3	True-Up Provision NFR Revenues Applicable to Period (Lines 1 + 2)	<u> </u>	<u></u>		<u> </u>												
4	Jurisdictional NFR Costs		-	-		224,596	460,273	482,739	543,835	1,711,443							
5	Over/Under Recovery true-up provision (Line 3 - Line 4c)		-	-		(224,596)	(460,273)	(482,739)	(543,835)	(1,711,443)							
6	Interest Provision		-	-		-	-	-	-	-							
7	Beginning Balance True-up & Interest Provision		-	-		-	-	-	-	-							
а	Deferred True-up		-	-			-	-	-	-							
8	True-Up Collected (Refunded) (See Line 2)		-	-		-	-	-	-	-							
9	End of Period True-up	\$	-	s -	\$	-	S -	5 -	\$ -	\$ -							

ł

Note 1: No costs were estimated due to the fact that Progress Energy's (PEF) has never filed a projection to date. Note 2: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate.

Pre-Cons Schedule T-10 True-up Filing:	Levy County Nuclear ruction Costs and Carry Calculation of the Net In	ring Costs or	a Construc al True-up	tion Cost Amount f	Balance or the Perio	<u>i</u>		[section (5)(c)4.]
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION:	Calculate	the estimat	nd not thus	-up balance,	including a	warun and i	
COMPANY: Progress Energy - FL DOCKET NO.:		Calculate			-up balance,			r Ended 12/31/2007
080149-El Line No. Description		(A) Actual January	(B) Actual February	(C) Actual March	(D) Projected April	(E) Projected May	(F) Projected June	(G) 6 Month Total
1 Beginning Monthly Balance		\$-	\$ -	\$-	s -	\$ -	\$ -	\$ -
2 Ending Monthly Balance		-	-	-	-	-	-	-
3 Average Monthly Balance		-	~	-	-	-	-	-
4 Beginning of Month interest		-	-	-	-	•	-	-
5 Ending of Month Interest		-	•	-	-	-	-	
6 Average Interest		-		-	-	-	-	-
7 Average Monthly Interest		-	-	-	-	-	-	-
8 Monthly interest Amount		<u> </u>	<u>s</u> -	<u>s</u> -	<u>s</u> -	<u>\$</u> -	<u>s</u> -	<u> </u>

Note: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate. Page 1 of 2

Sche	Pre-Constru dule T-10 True-up Filing: Ca	Levy County Nuclear action Costs and Carry Iculation of the Net Int	ing Co	sts on or Fin	Con: al Tru	struct ie-up_	ion C Amou	ost B unt foi	alano r the	e Perio	<u>d</u>							
															[sec	tion (5)	(c)4.]	
FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION:				culate I	lhe es	timate	ed net	true-L	up ba	lance,	inclu	ding re	evenu	e and i	intere	est.		
сом	PANY: Progress Energy - FL												For the	he Yea	r End	ied 12/3	31/2007	
DOCH	KET NO.:												Witn	ess:				
Line				(H) jected	(l) ected		J)		K)		_)		M)		N)		
No.	Description			luly		gust		ected ember		ected lober		mber		ected ember		Month otal		
1	Beginning Monthly Balance		\$	-	\$	-	\$		\$	-	\$	-	\$	-	\$	-		
2	Ending Monthly Balance			-		-				-		-		-		-		
3	Average Monthly Balance			-		-		-		-		-		-	•	-		
4	Beginning of Month interest			-		-		-		-		-		-		-		
5	Ending of Month Interest			-		-		-		-		-		-		-		
6	Average Interest			-		-		-		-				-		-		
7	Average Monthly Interest			-				-		-		-		-		-		
8	Monthly Interest Amount						\$									<u>.</u>		

Note: Rates have not been put in place for Levy and costs are still accounted for in CWIP and thus accrue a carrying charge equal to PEF's AFUDC rate. Page 2 of 2 ł

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-4) Page 1 of 67

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to Establish Discovery Docket Regarding Actual and Projected Costs for Levy Nuclear Project, by Progress Energy Florida, Inc. DOCKET NO. 080149 - EJ

Submitted for filing: May 1, 2008 REDACTED

DIRECT TESTIMONY OF LORI CROSS IN SUPPORT OF SITE SELECTION COSTS

ON BEHALF OF PROGRESS ENERGY FLORIDA

R. ALEXANDER GLENN JOHN BURNETT PROGRESS ENERGY SERVICE COMPANY, LLC P.O. Box 14042 St. Petersburg, Florida 33733 Telephone: (727) 820-5180 Facsimile: (727) 820-5519 JAMES MICHAEL WALLS Florida Bar No. 706272 DIANNE M. TRIPLETT Florida Bar No. 0872431 CARLTON FIELDS, P.A. Post Office Box 3239 Tampa, FL 33601 Telephone: (813) 223-7000 Telecopier: (813) 229-4133

FPSC-CUMMISSION CLERK

BOCUMENT NUMBER-DATE

80

HAY

03567

13175639.1

Docket 090009-El Progress Energy Florida Exhibit No. ____ (WG-4) Page 2 of 67

IN RE: PETITION TO ESTABLISH DISCOVERY DOCKET REGARDING PROJECTED COSTS FOR LEVY NUCLEAR PROJECT BY PROGRESS ENERGY FLORIDA, INC.

BY PROGRESS ENERGY FLORIDA

FPSC DOCKET NO. 080149

DIRECT TESTIMONY OF LORI CROSS IN SUPPORT OF SITE SELECTION COSTS

I. INTRODUCTION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Lori Cross. My business address is 299 First Avenue North, St.
 Petersburg, FL 33701.

- Q. By whom are you employed and in what capacity?
- A. I am employed by Progress Energy Service Company, LLC as Manager of Regulatory Planning Florida.
- Q. What are your responsibilities in that position?

A. I am responsible for regulatory planning, cost recovery and pricing functions for Progress Energy Florida, Inc. ("PEF"). These responsibilities include: cost of service analysis; regulatory financial reports; rate and tariff development and administration; analysis of state, federal and local regulations and their impact on PEF; planning, coordination and execution of general rate case proceedings as necessary. In this capacity, I am also OCUMENT NUMBER-DATE

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

responsible for the Levy County Nuclear Project Cost Recovery Projection filing, made as part of this discovery docket, in accordance with Rule 25-6.0423, Florida Administrative Code (F.A.C.).

- Q. Please describe your educational and occupational history and describe your duties in the various positions you have held as an employee of Progress Energy.
- A. I received a Bachelors of Science degree in Accounting from the University of South Florida. I began my employment with PEF (previously Florida Power Corporation) in 1983. During my 24 years with Florida Power Corporation and now Progress Energy Service Co. LLC., I have held a number of financial and accounting positions. In 2004, I became Manager, Regulatory Services for PEF.
- 14 Q. What is the purpose of your testimony?
 - A. The purpose of my testimony is to present, for Commission review and approval,
 Progress Energy Florida's site selection costs associated with the Levy Nuclear
 Construction project.
 - Q. Are you sponsoring any exhibits in support of your testimony?

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

• Exhibit No (LC-3) which consists of schedules SS-1 to SS-6B which reflects the site selection costs for 2006.

1

2

3

4

5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

٠	Exhibit No (LC-4) which consists of schedules SS-1 to SS-8A which
	reflects the site selection costs for 2007.

• Exhibit No (LC-5) which consists of schedules SS-1 to SS-8B and SS-10 reflects the site selection costs for 2008.

Q. What are Schedules SS-1 to SS-10?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

- Schedule SS-1 reflects the Site Selection Revenue Requirements.
- Schedule SS-2 reflects the over/(under) recovery of site selection costs.
- Schedule SS-3A reflects the carrying costs on the deferred taxes.
- Schedule SS-3B reflects the calculation of the construction period interest.
- Schedule SS-4 reflects recoverable O&M expenses.
- Schedule SS-5 reflects other recoverable O&M expenses.
- Schedule SS-6 reflects monthly site selection expenses.
- Schedule SS-6A reflects a description of the major tasks for the costs incurred.
- Schedule SS-7 reflects a description of the technology selected
- Schedule SS-8 reflects a list of the contracts executed in excess of \$1.0 million.
- Schedule SS-8A reflects details on each of the contracts executed in excess of \$1.0 million.
- Schedule SS-8B reflects a list of all contracts in excess of \$200,000.
- Schedule SS-10 reflects the estimated bill impact associated with the cumulative Site Selection revenue requirements.

13175639.1

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-4) Page 5 of 67

Q. What is the source of the data that you will present by way of testimony or exhibits in this proceeding?

These numbers are derived from the Company's actual books and records.

Q. What costs have been included in the Site Selection schedules?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

Α.

A. These schedules include the revenue requirements on the site selection costs that the Company has incurred for the Levy Nuclear Construction project pursuant to the provisions of Rule 25-6.0423. The revenue requirements include the actual costs incurred, plus a carrying charge on the unrecovered balance, the incremental O&M expenses, and a carrying charge on the deferred tax asset. These costs were incurred from the period April 2006 up to the date that PEF submitted its petition for determination of need for the Levy Plant.

Total revenue requirements for the entire period are \$ 37.9 million and are comprised of \$3.5 million for the 2006 calendar year, \$14.6 million for the 2007 calendar year, and \$19.8 million for the 2008 calendar year.

These costs were primarily incurred as part of the Combined Operating License process and the site and technology selection process. More detailed information about these costs is provided in the testimony of Danny Roderick. These schedules contain substantially all of the actual site selection expenses. There are still some costs for which the invoices have not been received and as such, the

costs presented in these schedules may need to be trued up to final costs at a later date.

Q. How does PEF plan to recover these Site Selection Costs?

A. In accordance with the provisions of FPSC Rule 25-6.0423, Section (4), after the Commission has issued an order granting the determination of need, PEF will file a petition for a separate proceeding to recover prudently incurred site selection costs. In that petition, PEF will propose that these costs be afforded the same cost recovery treatment as Preconstruction costs and that they be included in the total costs to be recovered through the Capacity Clause Recovery (CCR) clause beginning in January 2009.

14

1

2

3

4 5

6

7

8

9

10

11

12

13

15

16

17

18

19

20

21

22

23

24

Q. What does Schedule SS-10 represent?

A. Schedule SS-10 in Exhibit LC-5 shows the estimated bill impact of recovering the cumulative Site Selection costs plus the carrying charge through retail rates beginning in January 2009, based on 2008 billing determinants. As can be seen in SS-10, the estimated impact to the residential ratepayer of recovering the \$37.9 million is \$1.07 per 1000 KWh.

Q. Does this conclude your testimony?

A. Yes, it does.

SCHEDULE APPENDIX

E

1

ł

1

1

1

EXHIBIT (LC-3)

1 1

5

1

1

I

1

1

I

}

1

PROGRESS ENERGY FLORIDA, INC. Levy County Nuclear Filing COMMISSION SCHEDULES (SS-1 Through SS-6B)

> JANUARY 2006 - DECEMBER 2006 2006 SITE SELECTION DOCKET NO. 080149-EI

> > Docket 090009-EI Progress Energy Florida Exhibit No.____(WG-4) Page 7 of 67

DOCUMENT HUMBER- DATE

03567 HAY-1 8

FPSC-COMMISSIGN CLERK

Sched	ule SS-1		ite Seleci	tion	Costs and	lear Filing d Carrying Requiremen				•	Section (4)] Section (8)(d)]	
COMF	DA PUBLIC SERVICE COMMISSION EXPLANAT ANY: PROGRESS ENERGY - FL ET NO.: 080149 - El	t	otal retail expenditur	rave es fo	nue requir or the curr	f the actual ements bas ent year and rrent year.	ed or	actual	filed		or the Year End Vitness: Lori Cro	
Line No.			(A) Actual January		(B) Actual February	(C) Actual March Jurisdictior		(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total	
۱.	Site Selection Revenue Requirements (Schedule SS-2, line 7)		, \$	\$	-	\$ -	s 1	11,287	211,044	(10,772) 1	211,559	
•	Construction Carrying Cost Revenue Requirements		-		•	-		-	-	-	-	
	Recoverable O&M Revenue Requirements (Schedule SS-4, line 28)		-		•	-		-	•	-		
	Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8)		-			-			-	•	-	
	Other Adjustments				-	-			-	-	-	
	Total Period Revenue Requirements (Lines 1 though 5)	-						11,287	211,044	(10,772)	211,559	
	Total Return Requirements from most recent Projections		-			-			-	Ŀ		
I.	Difference (Line 6 - Line 7)	-	\$	\$		\$	\$	11,287	211,044	\$ (10,772)	211,559	

1

1

I

Page 1 of 2

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-4) Page 8 of 67

I	1	1	}	l	}	1)	1	1	3	t	١	ł	ł	ł	1	1	•	1
Sched	ule SS-1					Actua	Site Se	ection	Costs and	iear Filling d Carrying Co tequirements				[Section (4) [Section (8)	•			_	
СОМР	IDA PUBLIC SI PANY: PROGR IET NO.: 08014	ESS ENER(E	XPLANATION	total re expend	itail reve ditures fi	niuper eune	ements base ant year and t	d on actual	y filed		For the Yea Witness: LC		12/31/2006		÷	
Line No.							(H Acti Ju	ual	(I) Actual August	(J) Actual September	(K) Actuai October	(L) Actual November	(M) Actual December	(N) 12 Month Total				-	
		······								Jurisdictional	Dollars		<u> </u>					-	
1.	Preconstruct	ion Revenue	e Requireme	ents (Sched	lule SS-2, line	a 7)	\$ 15	55,142 \$	137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,73	9				
2.	Construction	Carrying Co	ost Revenue	Requirem	ents			-		-	-	-	-						
3 .	Recoverable	0&M Revenu	le Requireme	ints (Schedu	le SS-4, line 2	8)		-	-	-	-			•					
4.	Deferred Tax	Asset Carryi	ng Cost (Sch	edule SS-3A	, line 8)			•		-	-	-	-						
5.	Other Adjust	ments							-		-	-	-	•					
6.	Total Period F	Revenue Req	uirements (Li	ines 1 thoug	h 5)		1	55,142	137,968	36,960	483,518	134,404	2,332,188	3,491,73	9				
7.	Total Return	Requireme	nts from mo	st recent Pr	rojections			-	-	-	-	-		-					
8.	Difference (l	ine 6 - Line	7)				\$ 11	55,142 \$	137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,73	9				

Page 2 of 2

I		ł	1	J	I	}	I)	1		1	}	ł	1	1	Ş	ł	ł	. 1
Schedu	ule SS-2	2					Levy Ci Site Selection Actual Filir		nd Carr	rying Co						Section (4)			
СОМР	ANY: Pf		/ICE COM 8 ENERGY El			Ð	KPLANATION:	co: for	sts based the curr	d on actu	ual site and th	selection e	ue-up of site xpenditures y filed expend			For the Yea Witness: Lo		12/31/2006	
Line No.		<u></u>		<u></u>		<u>. </u>			(A) Actual Ianuary	(B) Actu Febru	al	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total			
											,	urisdictiona	Dollars	<u></u>	···				
۱.	Curre	nt Period i	Pre-Constra	uction Expe	nses (Schei	dule SS-6 L	.ine 34)	\$	•	\$	-	; -	\$ 11,287	\$ 211,044	\$ (10,772)	\$ 211,5	59		
2.	Prior F	Period Unr	ecovered l	Pre-Constru	iction Balani	Ce		•			•	-	11,287	222,331	211,559				
8.	Pre-Co	onstruction	Expenses F	Recovered					-			-	•	•	-				
ι.	Avera	ige Balanc	e Pre-Con	struction Exp	penses Eligi	ible for Ret	um		-		-	-	5, 8 44	116,809	216,945				
ò.	Return	n on Avera	ige Net Un	amortized C	CWIP Eligilb	le for Retur	n (c)												
a.	. Equity	y Compon	ent (a)								•	-	•	-	-	-			
b.	. Equit	ly Comp. g	rossed up	for taxes (b))						-		-	-		-			
Ċ.	. Debt (Componer	at						-		-	-	-	-	-	-			
s.	Total	Return Re	quirements	6 (Line 5b +	5c)						-				<u> </u>	•	_		
7 .	Total (Costs to be	Recovered								•		11,287	211,044	(10,772)	211,5	59		
3.	CWIP	Additions	. Amortizat	ion & Retun	n from mos	it recent Pro	oiections				-				-	-	_		
			Recovery (I					5		5		<u> </u>	\$ 11,207	\$ 211,044	\$ (10,772)	\$ 211,5			

(a) The monthly Equity Component of 6.65% 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] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

Page 1 of 2

Docket 090009-EI Progress Energy Florida Exhibit No.____(WG-4) Page 10 of 67

ł

Sched	ule SS-2	Levy Cou Site Selection C Actual Filing:	osts and (Carryi	ng Costs		·		- <u></u>	[Section (4)] [Section (8)(d)]	
COMP	DA PUBLIC SERVICE COMMISSION YANY: PROGRESS ENERGY - FL ET NO.: 080149 - EI	EXPLANATION:	costs b for the	based (currer	on actual sit	f the actual tr e selection e he previously	xpenditures			For the Year Ended Witness: Lori Cross	
Line No.	·		(I) Actu Jul	al	(J) Actual August	(K) Actual September	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total	
1.	Current Period Pre-Construction Expenses (Schedule S	S-6 Line 34)	\$ 15	5,142	\$ 137,968	Jurisdictiona		\$ 134,404	\$ 2,332,188	\$ 3.491.739	
2.	Prior Period Unrecovered Pre-Construction Balance		366	6,701	504,869	541,629	1,025,147	1,159,551	3,491,739		
э.	Pre-Construction Expenses Recovered			-	•	-	-	-			
4.	Average Balance Pre-Construction Expenses Eligible for	r Return	28	9,130	435,685	523,149	763,368	1,092,349	2,325,645		
5.	Return on Average Net Unamortized CWIP Eligible for	Return (c)									
a	. Equity Component (a)			-	•		-		-	-	
b	. Equity Comp. grossed up for taxes (b)			-	-	-	-	-	-	-	
c	. Debt Component			-							
6.	Total Return Requirements (Line 5b + 5c)			-	<u> </u>		•		-		
7.	Total Costs to be Recovered		15	5,142	137,968	36,960	483,518	134,404	2,332,188	3,491,739	
B .	CWIP Additions & Amortization from most recent Proje	ctions		· .		-	-	-		•	
9.	Difference (Line 7 - Line 8)		\$ 15	5,142	\$ 137,968	\$ 36,960	\$ 483,518	\$ 134,404	\$ 2,332,188	\$ 3,491,739	

Ì

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

1

1

Y

1

I

Ł

(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] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%. Page 2 of 2 Docket 090009-EI Progress Energy Florida Exhibit No.____(WG-4) Page 11 of 67

Schedul		Levy County Nucl election Costs and Filing: Deferred Ta	d Carrying						[Section (4)] [Section (8)(d)]	
LORID	A PUBLIC SERVICE COMMISSION	EXPLANATION:			on of the A					
OMPA	NY: PROGRESS ENERGY - FL		deferred t year.	ax Carrying	Costs for	the current			For the Year End	led 12/31/2006
OCKE	T NO.: 080149 - El								Witness: Lori Cro	055
.ine ŧo		(A) Beginning of Period	(B) Actual January	(C) Actual February		(E) Actual April	(F) Actual May	(G) Actual June	(H) 6 Month Total	·····
	Construction Period Interest (Schedule SS-3B, Line 5)		s.	۰.	Junsaicu	onal Dollars	s .	s .	s .	
	Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)			•	- -	•	•		•	
	Other Adjustments (d)		<u>s</u>	\$	<u> </u>	<u>s</u> .	<u>s</u> .	<u>s</u>	<u> </u>	
	Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	5 -	5 -	S -	S .	\$ -	S -	s -	<u>s</u> .	
	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	<u>s</u>	<u>s</u>	<u>s</u> -	\$.	s -	<u>s</u> .	\$	n/a	
	Average Accumulated DTA		s -	s -	s .	s -	\$ -	s -		
	Carrying Costs on DTA (c)									
a.	Equity Component (a)		-	-		-	-	-	-	
b.	Equity Comp. grossed up for taxes (b)		-		-	-	-	-		
C.	Debt Component			-			-	-		
l.	Total Return Requirements (Line 7b + 7c)			-		-		•		
	Total Return Requirements from most recent Projections		-		-		-	-	-	
10.	Difference (Line 8 - Line 9)		<u>s</u> .	s -	<u>s</u> -	s .	<u>s</u> .	S -	\$ -	

(b) Requirement for the payment of income taxes is calculated using a Federal income Tax rate of 38.575%.

.

1

t

ig L

d

1

I.

ļ

r

}

ł

I

ŧ

1

۱,

Į

1

}

1

٦

ł

ł

(c) AFUDC actual monthly rate is calculated using the formula $M \approx [(1 + A/100)^{1/12} \cdot 1] \times 100$; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 0.848%. (d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation. Docket 090009-E1 Progress Energy Florida Exhibit No. ____ (WG-4) Page 12 of 67

Page 1 of 2

	Levy County Nuc selection Costs and Filing: Deferred Ta	d Carrying	Costs					[Section (4)] [Section (8)(d)]
LORIDA PUBLIC SERVICE COMMISSION	EXPLANATION:			on of the Ac				
COMPANY: PROGRESS ENERGY - FL		deferred year.	ax Carrying	g Costs for th	ne current			For the Year Ended 12/31/2006
DOCKET NO.: 080149 - EI								Witness: Lori Cross
ine io.	(i) Beginning of Period	(J) • Actual July	(K) Actuai August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total
Construction Period Interest (Schedule SS-3B, Line 5)		s -	S -	\$	s -	s -	s -	s -
Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)		-	-		-	•	•	
. Other Adjustments (d)		-	•		-	-	-	
Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	5	<u>s -</u>	<u>s</u> -	<u>s</u> -	ş -	\$ -	\$ -	n/a
Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)	5 -	<u> </u>	<u>s</u> .	<u> </u>	\$ -	\$ -	<u>s</u> -	n/a
6. Average Accumulated DTA		s -	s -	s -	s -	s -	s -	
2. Carrying Costs on DTA (c)								
a. Equity Component (a)		•	-	•	-		-	-
b. Equity Comp. grossed up for taxes (b)		-	-	-		-	-	-
c. Debt Component		*		-	•		-	•
3. Total Return Requirements (Line 7b + 7c)				-		*		
 Total Return Requirements from most recent Projections 			-	-	•		-	-
10. Difference (Line 8 - Line 9)		5 .	s .	<u>s</u> .	s -	\$.	\$ -	\$ -

1

1

ł

1

i

1

Ŧ

1

1

ł

}

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

1

Ĩ

1

1

Ŧ

1

1

(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)^{4/2-} 1] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001826 (Deb1), which results in the annual rate of 8.848%.

(d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

Page 2 of 2

	j	I	Ī	ł	ł	I	1	I	ł	١	ł	1	I	ł	ł	1	1	. 1
Schedu	ule SS-3B						Lev - Site Selec		Nuclear Fili and Carryl		5					on (4)) n (8)(d)}		
сомр		GRESS EN	ECOMMISS			EXPLAN	ATION:		e calculation on Period In							a Year Ende ss: Lori Cro	ed 12/31/2006 ss	
Line No.			· · · · · · · · ·				(A) Beginning of Period	(B) Actua Janua	il Ac	C) tual ruary	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	6 M	H) Ionth otal		
				<u> </u>				S	- 5		lurisdictiona		- 5 -	5	-			
1.	Beginnin	g Balance						•	•		•	•	•	·				
2.	Addition	s Preconstr	uction						-		-				-	-		
3.	Additions	Constructio	n						-				• •		-			
4.	Other Ac	ljustments							-	-					-			
5.	Ending E	Balance Exc	Juding CPI				<u>s</u> -	<u>s</u>	- 5		s -	5	~ \$ -	\$	<u> </u>			
5.	Average	Balance El	igible for CI	PI							-				-			
7	Monthly	CPI Rate (N	Note 1]															
8.	Constru	ction Period	Interest for	Tax (CPI)				5	- \$		s -	\$	- \$ -	\$	- \$	<u> </u>		

Note 1: CPI rate is the projected weighted average debt rate for the period. Note 2: This schedule for informational purposes only. In 2006 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Page 1 of 2

ł

	[Ţ	I	I	I	I	ł	I	1	3	1	1	1	I	F 1	ł	, 1
							Lev Site Selec	ry County N tion Costs a	uclear Filing Ind Carrying	g g Costs	i					_	
Sched	ule SS-3E	3							<u></u>	<u> </u>		· · · · · · · · · · · · · · · · · · ·			[Section (4) [Section (8)(
			E COMMISS			EXPLAN/	ATION:	Provide the Construction year.							For the Year	Ended 12/31/2006	i
DOCK	ET NO.: (080149 - El													Witness: Lo	i Cross	
Line No.							(I) Beginning of Period	(J) Actual July	(K) Actu Avgi	ial	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total		
1.	Beginni	ing Balance	•					\$	- 5	- 1	; -	\$.	\$-	\$ -			
2,	Additio	ns Precons	truction						-	•	-	-	-	-			
3.	Addition	ns Constructi	ion						-	-	-		-	•	-		
4.	Other /	Adjustments	ì						•	-	-	-	-	-			
5.	Ending	Balance Ex	cluding CPI				<u>s</u> -	\$	- \$			<u>s</u> -	\$	S -			
6.	Averag	e Balance B	Eligible for CP	2					-	-	-			-			
7	Monthl	y CPI Rate	[Note 1]														
8.	Constr	uction Perio	d Interest for	Tax (CPI)				5	. <u>\$</u>	- 1	i	s -	\$	\$	<u>\$</u>		

t

Note 1: CPI rate is the projected weighted average debt rate for the period. Note 2: This schedule for informational purposes only. In 2006 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Page 2 of 2

ł

Sched	ule SS-4		ction C	osts and	ilear Filing d Carrying C M Monthly E		5								[Section (4)] [Section (8)(d)	J
LORI	DA PUBLIC SERVICE COMMISSION	EXPLANA	TION:		Provide the A	clusi CCRC	Recover	able O&M								
	ANY: PROGRESS ENERGY - FL			· 1	monthly expe	nditures by li	unction f	or the current	year.					For the Year	Ended 12/31/	2006
	ET NO.: 060149 - EJ													Witness: Lor		
		(A)		6)	(C)	(D)		(E)	(F)	(G)	(H)	(!)	(J)	(K)	(L)	(M)
Line		Actual		tual	Actual	Actua	1	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	12 Month
No.	Description	January	Fat	ruary	March	InqA		May	June	July	August	September	October	November	December	Total
1	Accounting	s -	2		s .	s	- 5	-	s .	s.	s -	s -	s -	s .	s -	s -
2	Corporate Communications		•	-	· ·	•			• •	-	-	• -	• •		-	-
з	Corporate Planning	-		-	-		-	-		-	-	-	-	-	-	-
4	Corporate Services	-		-	-		-	-	-	-	•	•	-	-	•	-
5	External Relations	•		-	-		•	•	-		-	•	•	-	-	-
2	Human Resources IT & Telecom	•		•	-		-	-	-	-	-	•			-	
Å	Legal	-		•	-		-	-	-	-	-			-	-	-
g	Project Assurance							-	-	-	-	_	-		-	
10	Public Affairs						-	-	•	-			-	•	•	-
11	Subtotal A&G			•	-		-	-	-	-	-	-	•	-	-	-
12	Energy Delivery Florida	-		-	-		-	•		-	-	-	•	-	•	-
13	Nuclear Generation	-			-		-			-	-	•	-	-	•	-
14	Transmission	<u>s </u>	<u> </u>		<u> </u>	\$	- \$		<u>s</u> -	<u>s</u> -	<u>\$</u>	<u>s</u>	<u> </u>	<u> </u>	<u>\$</u>	<u> </u>
15	Total O&M Costs	\$ -	\$	•	\$ -	\$	- \$	•	\$ -	\$ -	\$ -	\$ -	\$ ·	\$ -	\$ -	\$ -
16	Jurisdictional Factor (A&G)	0.916	70	0.91670	0.91670	o 0.9	11670	0.91670	0.9157	0.9167	0.9167	0 0.9167				
17	Junisdictional Factor (Distribution)	0.995	97	0.99597	0,99593	7 09	9597	0.99597	0,9959							
18	Jurisdictional Factor (Nuclear - Production - Base)	0.937	53	0.93753	0,93753	3 0.9	3753	0.93753	0.9375							
19	Jurisdictional Factor (Transmission)	0.705	97	0.70597	0,7050	10.	0597	0.70597	0.7059	7 0,7059	0.7059	7 0.7059	7 0.705	0.70597	0.70597	7 0,7 059
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ -	\$		s -	\$. 5	-	5 -	s -	s -	s -	5 -	s -	S -	S
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	•		-	-		•	-	-	-	•	-	-	-	-	
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X	Line 1 -		•	-		• .	-			· ·	• •	•	•		
23	Junsdictional Recoverable Costs (Transmission) (Line 14 X Line 19)		<u> </u>	•	<u>\$</u>	<u> </u>										
24	Total Jurisdictional Recoverable O&M Costs	<u>s</u> -	<u> </u>	<u> </u>	\$	5										
25	Average Monthly Recoverable O&M Balance	\$ -	\$	-	s -	\$	- 5	-	s -	S -	\$-	s -	s .	s -	s -	
26	Monthly Short-term Commerical Paper Rate															
27	Interest Provision	5	\$		\$ -	\$	- 5		\$	<u> </u>	\$ -	\$	<u>s</u> -	<u> </u>	\$ -	<u> </u>
28	Total Monthly Recoverable O&M Costs	5	\$	•	\$.	\$	- 5		\$	\$ -	\$ -	\$ -	ş .	\$ -	<u>ş</u> -	\$.
29	Total Jurisdictional O&M Costs From Most Recent Projection			-			•			-	-	-	-	-	~	•
	Difference (Line 28 - 29)					\$	- 5		\$ -	\$.	\$ -	3	\$.	5	5 -	C M D.C

I

ress Energy Florida 16 of 67 (WG-4) Page 1 of 1

Schedu	Actual Filing:	Selection	ounty Nucle Costs and C coverable O	Co griving Co		ſes						. <u> </u>	[Section (4) (Section (8)	
FLORID.	A PUBLIC SERVICE COMMISSION	EXPLANAT	ION:	Provide the	Actual Other	Recoverable	O&M projec	ted						
							the current ye							
COMPA	NY: PROGRESS ENERGY - FL											For the Yea	r Ended 12/3	31/2008
DOCKE	T NO.: 080149 - Ef											Witness: Lo	ori Cross	
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(L)	(K)	(L)	(M)
Line		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	12 Month
No.	Description	January	February	March	April	May	June	July	August	September	October	November	December	Total
1	Accounting	s.	٠.	٠.	• -	е.	• -	ء .	e .	e .	e	e .	e _	٠.
2	Corporate Communications	•	•	• -	• -	• -	• -	• -	• -	•	•	•	•	•
3	Corporate Planning		-	-	_	_	-	-		_	_	_	-	-
4	Corporate Services	-	•	-	-	-		-	-	-		-	-	•
5	External Relations	-	-	-		-			-	-	-	-		-
6	Human Resources	-	-	-	-	-	-	-	-			-	-	· · · ·
7	IT & Telecom	-	-	-	•	-	-	•	-	-	-	-	-	-
8	Legal	-	-	-	-	-	-	-	-	-	-	-		-
9	Project Assurance	-	-	-	-	-		-	-	•	-	-	-	-
10	Public Affairs	-	-	-	-	•	-	-	•	-	_	-	-	-
11	Subtotal A&G	-	-	-	-		-	-		-	-	-		-
12	Energy Delivery Florida	-	-	-	-	•	-	•	-	-	-	-	-	-
13	Nuclear Generation		-	-	-	•			-	-	-	-	-	-
14	Transmission	\$ -	\$	\$ <u>-</u>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	<u>\$</u>	\$ -	\$ -
15	Tolai O&M Costs	\$ -	\$ -	\$.	\$ -	\$.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Jurisdictional Factor (A&G)	0.9167	0.91670	0.91870	0.91670	0.91670	0,91670	0.91670	0.91670	0,91670	0.9187	0 0.91670	0.91670	0,91670
17	Jurisdictional Factor (Distribution)	0,9959				0,99597			0.99597	0,99597	0.9959			
18	Jurisdictional Factor (Nuclear - Production - Base)	0.9375							0.93753		0.9375	3 0.93753	0.93753	0.93753
19	Jurisdictional Factor (Transmission)	0.7059	7 0.7059	0.70597	0,70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.7059	7 0,70597	0.70597	0.70597
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	s .	s .	s _	s .	s .	s .	s .	5 -	s.	s .	s .	s .	s .
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)		÷ .	· .	-				-	•	•	-		-
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line	-		-	-	-			-	-	-	-	-	-
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	s -	s -	S -	S -	\$ -	\$ -	\$ -	\$	\$ -	\$ -	\$	5 -	\$ -
24	Total Jurisdictional Recoverable O&M Costs	\$	\$	\$ -	\$ -	\$ -	1	\$	\$.	\$	\$	\$	\$ -	\$
25	Total Jurisdictional O&M Costs From Most Recent Projection	s -	s -	\$ -	\$ -	s -	ş	\$ -	\$ -	s -	\$-	S -	\$ -	s -
26	Difference (Line 24 - 26)	S -	- 2		5 -	S -	5 -	5.	` .	\$	• •	\$ -	S	• •

Note 1: This schedule provided for informational purposes only. These costs were not tracked in this manner in 2006.

ł

Page 1 of 1

.

l	1	1	I	1	I	1	I	ļ	1	I	1	1	1	I	1	. 1
hedule	SS-8						Site Selection (unty Nuclear Fi Costs and Carry Monthly Exper	ing Costs					(Section (4)) (Section (8)(d))		
RIDA	PUBLIC SERVICE CO	MISSION		E	EXPLANATION:		ovide the actual m		es by major lasks	performed						
MPAN	Y: PROGRESS ENERG	IY - FL				wi	thin Site Selection	category.					1	For the Year En	jed 12/31/2006	
СКЕТ І	NO.: 080149 - EI												,	Witness: Lori Cr	055	
		<u> </u>		(A)	(8)	(C)	(D)	(E)	(F)	(G)	(H)	()	(J)	(K)	(L)	(M)
e . Desc				Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	12 Month Total
	Selection: nemlion:															
	License Application		s	-	s . s	- 5	175,119 \$	269,670 \$	210.344 S	145,154 \$	(74,571) \$	285,111	620,777	\$ 275,963	\$ 941.644 \$	2,649,
	Engineering, Dasign & F	nouvement	-	-	-	· •	-	-	-			-	-		-	1,040,
	Permitting			-	-	•		-	-	-	-	-	-	-	-	
	Clearing, Grading and E			-	-	•	-	-	-	-	•	~	-	-	-	
	On-She Construction Fa		5	<u> </u>	<u>ss</u>	\$	<u> </u>	- 5	<u>· \$</u>	- \$				\$	<u>\$\$</u>	
	Total Generation Cost	6	\$	-	s - s	; - ;	175,119 \$	289,670 \$	210,344 \$	145,154 \$	(74,571) \$	285,111	620,777	\$ 275,963	\$ 841,644 \$	2,849,
	<u>Leas Adjustments;</u> Non Cash Accruais			D	0	0	163,080	44,584	221,834	(20,326)	(221,731)	245,688	105,041	132,603	280,293	951,
	Other			-		-	-	-,,,,-	-	(20,000)	(221,101)			1221000	(1,626,238)	(1,826,
	Net Generation Costs		5	-	5 5	- 5	12,039 \$	225,106 \$	(11,490) \$	165,480 \$	147 161 \$	39,423	515,736	\$ 143,360	\$ 2,487,580 \$	3,724,
	Jurisdictional Factor		•	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93753	0.93
	Total Jurisdictional Gen	eration Costs	5	· · ·	<u>s - s</u>	- 5	11,287 \$	211,044 S	(10,772) \$	155,142 \$	137,968 \$	36,960	483,518	\$ 134,404	\$ 2,332,188 \$	3,491,
_																
_](a	insmission;				s - s			- 5			- 5			s -	s - s	
	Line Engineering Substation Engineering		\$		s - s	s - \$	s - S	• •	- \$	- S	- 1			• - -	• • •	
	Clearing				•		-	-	-	-	-	-	-	-	-	
	Other		\$		5 - 5	\$	- 5	- 5	- 5	- \$	\$; <u> </u>	\$ -	<u> 5 - 5</u>	
	Total Transmission Co	ista	\$	•	5 - 5	- \$	- \$	- \$	- \$	- \$	- \$	- 1	i -	\$ •	s - s	
	Less Adjustments:															
	Non Cash Accruaia			•	-	•	•	-	-	-	-	-	-	-	-	
	Other Net Transmission Cos		5		5 - 5			• • •						5 -	s - s	
	Jurisdictional Factor		•	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70597	0.70
	Total Jurgdictional Tra	smission Costs	5	-	\$ - 5	i - 1	- 5	- 5	- 5	- 5	- 1		; -	\$ *	s - s	
			-		5 - 1		11,287 \$	211,044 \$	(10,772) \$	155,142 \$	137,968	38,960	483,518	\$ 134,404	\$ 2,332,188 \$	3,491,
	Total Juriedictional Site	Selection Costs	5	-			11,20/ 3	211,044 3	(10,772) 3	130,142 3	131,000	00,000 3	400,010	÷ 1,	· 2,002,100 3	0,701,1

1 1 1

E

1

1

•

		• •
Schedule SS-6A	Lavy County Nuclear Filing Site Selection Costs and Carrying Costs Actual Filing: Monthly Expenditures	[Section (4)] [Section (8)(d)]
CORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a description of the major tasks performed	
COMPANY: PROGRESS ENERGY - FL	within Site Selection category for the current year.	For the Year Ended 12/31/2006
DOCKET NO.: 080149 - El		Witness: Lori Cross
Site Selection Generation:		
	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analysis.	etc
Engineering & Design		
	Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities.	
Permitting Clearing, Grading and Excavation	Obtain required permits for new plant (i.e. site cartification permits, environmental permits, etc.)	cess roads.
Permitting Clearing, Grading and Excavation On-Site Construction Facilities		xcess roads. nd lighting.
Clearing, Grading and Excavation	Obtain required permits for new plant (i.e. site cartification permits, environmental permits, etc.) Clearing, grading, excevation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and ac Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power al	nd lighting.
Clearing, Grading and Excavation On-Site Construction Facilities <u>Transmission:</u> 0 Line Engineering	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.) Clearing, grading, excevation, backfill, ensite disposal, drainage and erosion control. Construction park lots, laydown areas and ac Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power as	nd lighting.
6 Clearing, Grading and Excavation 7 On-Site Construction Facilities 8 <u>Transmission;</u> 10 Line Engineering 11 Substation Engineering	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.) Clearing, grading, excevation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and ac Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power at Internal engineering labor, contracted engineering labor, survey and all other costs associated with engineering transmission lines. Internal engineering labor, contracted engineering labor, survey and all other costs associated with engineering transmission lines.	elay) engineering.
6 Clearing, Grading and Excavation 7 On-Site Construction Facilities 8 9 <u>Transmission:</u> 10 Line Engineering	Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.) Clearing, grading, excevation, backfill, ensite disposal, drainage and erosion control. Construction park lots, laydown areas and ac Includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power as	elay) engineering.

ł

J

1 1

1

1

- F

1

1.0

1

1

1 1 1

.

ł

Page 1 of 1

ichedule SS-6B		Levy County N Site Selection Cosi Actual Filing: Varia	ts and Carrying Costs		[Section (4)] {Section (8)(d)]
LORIDA PUBLIC SERVICE COMMISSION	EXPLA		ovide annual variance explanations co		
OMPANY: PROGRESS ENERGY - FL			penditures to the most recent projection ed with the Commission.	ns for the current period	For the Year Ended 12/31/2008
OCKET NO.: 080149 - El					Witness: Lori Cross
ine ko.	(A) Total Actual/Estimated	(B) Total Projected	(C) Total Variance	(D) Explanation	
Site Selection: Generation: License Application Engineering & Design Permitting Clearing, Grading and Excavation On-Site Construction Facilities Total Generation Costs	\$ 2,849,210 	\$ - - - 	\$ 2,849,210 - - - - - - - - - - - - - - - - - - -	Note 1 Note 1 N/A N/A Note 1	
Transmission: Line Engineering Substation Engineering Clearing Other Total Transmission Costs	\$ 	\$ - - - - -	\$	Note 1 Note 1 N/A Note 1	

Note 1: No costs were projected due to the fact that Progress Energy (PEF) has never filed a projection to date.

1

ł

ł

ł

I

1

1

.

ł

Page 1 of 1

. 1

SCHEDULE APPENDIX REDACTED

1

1

}

1

. 1

, I

EXHIBIT (LC-4)

١

1

1

}

ł

- 1

1

1

1

1

1

1

PROGRESS ENERGY FLORIDA, INC. Levy County Nuclear Filing COMMISSION SCHEDULES (SS-1 Through SS-8A)

> JANUARY 2007 - DECEMBER 2007 2007 SITE SELECTION DOCKET NO. 080149-EI

> > Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 21 of 67

BODUMENT NUMBER-DATE

03567 MAY-18

FPSC-COMMISSION CLERK

i	1	١	1	I	I	1	1	ł	1	1	1	1	1	I	1	ł	. 1	•
Sched	ule SS-1						Selection	n Cosi	Nuclear Fili Is and Carryi nue Require	ing Costs	mary			[Section (4 [Section (8				_
СОМР		: SERVICE CI GRESS ENEF 0149 - El			E>	PLANATION	total re expend	tail rev litures	alculation of venue require for the curren for such curr	ments based nt year and t	•	filed		For the Ye Witness: L		ed 12/31/2007 ss		:
Line No.		<u> </u>	<u> </u>	<u> </u>			(A Actu Janu	al	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Totai				_
		,,								Jurisdictional	Dollars							-
1.	Site Sele	ction Revenue	e Requiremer	nts (Schedu	lle SS-2, line 7	7)	\$ 20	1,370	\$ 1,817,898	\$ 517,359	\$ (1,987,958)	4,091,375	\$ 1,718,077	\$ 6,356,1	24			
2.	Construc	tion Carrying	Cost Revenu	e Requirem	ents			•				-	-	-				
3.	Recovera	ble O&M Rev	enue Requir	ements (Sci	hedule SS-4, I	line 28)		-	-	25,123	110	15,220	178	40,6	30			
4.	Deferred	rax Asset Carry	ying Cost (Sch	nedule SS-34	A, line B)			(12)	(39)	(73)	(108)	(144)	(193)	(5	68)			
5.	Other Ad	ustments						-	-	-	-	•		-				
6.	Total Peri	od Revenue Re	equirements (L	Lines 1 thoug	jh 5)		20	01,358	1,817,860	542,410	(1,987,954)	4,106,451	1,716,061	6,396,1	56			
7.	Total Ret	um Requirem	ents from mo	ost recent P	rojections			-	-	-	-		-	-				
8.	Differenc	e (Line 6 - Lin	e 7)				\$ 20)1,358	\$ 1,817,860	\$ 542,410	\$ (1,987,954)	\$ 4,106,451	\$ 1,716,061	\$ 6,396,1	6			

Page 1 of 2

Levy County Nuclear Filing Site Selection Costs and Carrying Costs Actual Filing: Retail Revenue Requirements Summary [Section (4)] [Section (4)] Schedule SS-1 EXPLANATION: Provide the calculation of the actual true-up of total retail revenue requirements based on actual expenditures for the current year and the previously filed For the Year Ended 12/31/2007 COMPANY: PROGRESS ENERGY - FL expenditures for the current year. Witness: Lori Cross DOCKET NO: 080149 - El (H) (I) (J) (K) (L) Line Actual Actual <t< th=""><th>.)</th><th>1</th><th>1</th><th>۱</th><th>ļ</th><th>I</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>1</th><th>Ł</th><th>J</th><th>1</th><th>1</th><th></th><th></th></t<>	.)	1	1	۱	ļ	I	1	1	1	1	1	1	1	1	Ł	J	1	1		
COMPANY: PROGRESS ENERGY - FL Iotal retail revenue requirements based on actual expenditures for the current year and the previously filed expenditures for source tyear. For the Year Ended 12/31/2007 COMPANY: PROGRESS ENERGY - FL Image: Company of the current year and the previously filed expenditures for source tyear. For the Year Ended 12/31/2007 COMPANY: PROGRESS ENERGY - FL Image: Company of the current year. Witness: Lori Cross COMPANY: PROGRESS ENERGY - FL Image: Company of the current year. Witness: Lori Cross COMPANY: PROGRESS ENERGY - FL Image: Company of the current year. Witness: Lori Cross COMPANY: PROGRESS ENERGY - FL Image: Company of the current year. Witness: Lori Cross COMPANY: PROGRESS ENERGY - FL Image: Company of the current year. Witness: Lori Cross Ine Actual Actual July Actual Actual Actual Actual Actual Dollars Actual Actual Actual October November December Total Total Ine No Image: Construction Revenue Requirements (Schedule SS-2, line 7) \$ 1,483,158 \$ 1,537,118 \$ 2,285,727 \$ 1,246,825 \$ 2,173,440 \$ (1,026,384) \$ 14,036,210 Image: Construction Carrying Cost (Schedule SS-4, line 28) Image: Construction Carrying Cost (Schedule SS-4, line 28) Image: Construction Carrying Cost (Schedule SS-3A, line 8) (713) (787) (971) (987) (1,075) (1,189)								ary	g Costs	and Carryin	ction Costs	ite Sele			÷	- <u></u> , <u></u> ,		I	tule SS	Sche
Actual o. Actual July Actual August Actual September Actual October Actual November Actual December Actual Total Actual Total Preconstruction Revenue Requirements (Schedule SS-2, line 7) \$ 1,483,159 \$ 1,537,118 \$ 2,265,727 \$ 1,246,825 \$ 2,173,840 \$ (1,026,384) \$ 14,036,210 Construction Carrying Cost Revenue Requirements - - - - - Recoverable O&M Revenue Requirements (Schedule SS-4, line 28) 176 185 4,764 112,379 165,265 224,072 547,473 Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8) (713) (787) (671) (967) (1,075) (1,189) (6,170) Other Adjustments - - - - - - - - Total Period Revenue Requirements (Lines 1 though 5) 1,482,824 1,536,617 2,289,620 1,356,037 2,338,030 (803,501) 14,577,513 Total Return Requirements from most recent Projections - - - - - - -	7	12007					filed	on actual	ents based year and th	nue requirer or the curren	ai retail reve benditures f	tot: exp	EXPLANATI				ENERG	ROGRES	PANY; I	ОМ
Jurisdictional Dollars Jurisdictional Dollars Preconstruction Revenue Requirements (Schedule SS-2, line 7) \$ 1,483,159 \$ 1,537,118 \$ 2,285,727 \$ 1,246,825 \$ 2,173,840 \$ (1,026,384) \$ 14,036,210 Construction Carrying Cost Revenue Requirements -<				<u></u>	12 Month	Actual	Actual	Actual	Actual	Actual	Actual									
Construction Carrying Cost Revenue Requirements <td></td> <td><u> </u></td> <td>····</td> <td></td> <td>· · · · · ·</td> <td>· ·</td> <td></td> <td></td>														<u> </u>	····		· · · · · ·	· ·		
Recoverable O&M Revenue Requirements (Schedule SS-4, line 28) 178 185 4,764 112,379 165,265 224,072 547,473 Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8) (713) (787) (871) (967) (1,075) (1,189) (6,170) Other Adjustments - - - - - - - Total Period Revenue Requirements (Lines 1 though 5) 1,482,824 1,536,517 2,269,620 1,358,037 2,338,030 (803,501) 14,577,513 Total Return Requirements from most recent Projections - - - - -				I	\$ 14,036,210	\$ (1,026,384)	2,1 73,84 0	1,246,625	2,265,727	1,537,118 \$	1,483,159 \$	\$	line 7)	dule SS-2,	ents (Sche	Requireme	Revenue	nstruction	Prec	
Deferred Tax Asset Carrying Cost (Schedule SS-3A, line 8) (713) (787) (871) (967) (1,075) (1,189) (8,170) Other Adjustments - </td <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td></td> <td></td> <td>ents</td> <td>e Requirem</td> <td>st Revenue</td> <td>rrying Co:</td> <td>ruction C</td> <td>Con</td> <td></td>						-	-	-	-	-	-			ents	e Requirem	st Revenue	rrying Co:	ruction C	Con	
Other Adjustments Total Period Revenue Requirements (Lines 1 though 5) 1,482,824 1,536,517 2,269,620 1,358,037 2,338,030 (803,501) 14,577,513 Total Return Requirements from most recent Projections - - - -				:	547,473	224,072	165,265	112,379	4,764	185	178		ne 28)	ule SS-4, ilir	ents (Schedi	Requiremen	Revenue	erable O&	Reco	
Total Period Revenue Requirements (Lines 1 though 5) 1,482,624 1,536,517 2,269,620 1,358,037 2,338,030 (803,501) 14,577,513 Total Return Requirements from most recent Projections - - - -				}	(8,170)	(1,189)	(1.075)	(967)	(671)	(787)	(713)			A, line 8)	edule SS-3/	g Cast (Sche	et Carrying	ed Tax As	Defe	
Total Return Requirements from most recent Projections						-	-		-		-						nts	Adjustme	Othe	
Total Return Requirements from most recent Projections					14,577,513	(803,501)	2,338,030	1,358,037	2,269,620	1,536,517	1,482,624			jh 5)	ines 1 thoug	irements (Lii		·		
				_	-		-	-		-	-									
Difference (Line 6 - Line 7) \$ 1,482,624 \$ 1,536,517 \$ 2,269,820 \$ 1,356,037 \$ 2,338,030 \$ (803,501) \$ 14,577,513					\$ 14,577,513	\$ (803,501)	2,338,030	1,358,037	2,269,620	1.536.517	1.482.624						-			

ł

Page 2 of 2

.

Scheo	lule SS-2	Site Selection	inty Nuclear Costs and Ca g: Site Select	arrying Cost	5				[Section (4)] [Section (8)(d)]	
FLOR	IDA PUBLIC SERVICE COMMISSION	EXPLANATION:				ue-up of site si	election			
COM	PANY: PROGRESS ENERGY + FL		for the curre			xpenditures / filed expendit	ures		For the Year Ended	12/31/2007
DOCH	ET NO.: 080149 - El		for such cur	rent year.					Witness: Lori Cross	i
Line No.		·····	(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total	
					Jurisdictiona					
1.	Current Period Pre-Construction Expenses (Schedule SS-	5 Line 34)	\$ 163,770	\$ 1,769,860	\$ 457,264	\$ (2,040,150) \$	4,028,352	\$ 1,622,877	\$ 6,001,973	
2.	Prior Period Unrecovered Pre-Construction Balance	3,491,739	9 3,655,509	5,450,706	5,940,342	3,940,688	8,004,211	9,669,558		
3.	Pre-Construction Expenses Recovered									
4.	Average Balance Pre-Construction Expenses Eligible for R	letum	3,573,624	4,565,776	5,711,710	4,960,763	5,990,035	8,858,119		
5.	Return on Average Net Unamortized CWIP Eligitble for Re	tum (c)								
i	. Equity Component (a)		19,526	24,947	31,209	27,106	32,730	48,401	163,918	
ł	. Equity Comp. grossed up for taxes (b)		31,789	40,614	50,808	44,128	53,284	78,797	299,420	
(. Debt Component		5,811	7,424	9,287	8,066	9,740	14,403	54,731	
6.	Total Return Requirements (Line 5b + 5c)	,	37,600	48,038	60,095	52,194	63,024	93,200	354,151	
7.	Total Costs to be Recovered		201,370	1,817,898	517,359	(1,987,956)	4,091,375	1,716,077	6,356,124	
8.	CWIP Additions, Amortization & Return from most recent	Projections	-		-			-	-	
9.	Over / (Under) Recovery (Line 7 - Line 8)		\$ 201,370	\$ 1,817,898	\$ 517,359	\$ (1,987,956) \$	4,091,375	\$ 1,716,077	\$ 6,356,124	

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

ł

ł

1

١

1

1

ł

Ł

Ł

1

Ł

1

I

ł

I

(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] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 24 of 67

Į			1	1	1	ł)	I I	1	ł	ł	1	j.	1	I	1	. 1
Sched	ule SS	-2					Site Selectio	ounty Nuclear n Costs and C ng: Site Selec	arrying Cos	its				[Section (4) [Section (8)			
COMP	'ANY: I	/BLIC SER PROGRES).: 080149 -	S ENERGY			EX	PLANATION:	costs based	l on actual si ent year and	ite selection i	rue-up of site expenditures y filed expend			For the Yea Witness: Lo		12/31/2007	
Line No.								(I) Actual July	(J) Actual August	(K) Actual September	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total			
									<u> </u>	Jurisdiction							
1.	Curr	ent Period I	Pre-Constri	uction Expe	nses (Scheo	dule SS-6 Li	ne 34)	\$ 1,373,535	\$ 1,412,063	\$ 2,121,198	\$ 1,084,209	\$ 1,994,077	\$ (1,211,538)	\$ 12,775,5	18		
2.	Prior	Period Uni	recovered {	^o re-Constru	ction Balanc	Ce		11,105,897	12,591,832	14,797,300	15,978,902	18,082,426	16,992,024				
3.	Pre-(Construction	Expenses F	Recovered													
4.	Aver	age Balanc	e Pre-Cons	struction Exp	penses Eligi	ible for Retu	m	10,419,129	11,885,800	13,736,701	15,436,798	17,085,388	17,597,793				
5.	Retu	m on Avera	age Net Un	amortized C	WIP Eligibl	le for Return	(c)										
a.	. Equi	ity Compon	ent (a)					56,930	64,944	75,057	84,347	93,355	96,154	654,70	5		
b.	. Equi	ity Comp. g	rossed up i	for taxes (b))			\$2,68 2	105,729	122,193	137,317	151 ,98 1	156,539	1,065,86	32		
c.	Debt	Componer	nt					16,942	19,326	22,336	25,100	27,781	28,614	194,83	10		
6.	Total	Return Re	quirements	(Line 5b +	5c)			109,624	125,055	144,529	162,417	179,762	185,153	1,260,69	2		
7.	Total	Costs to be	Recovered					1,483,159	1,537,118	2,265,727	1,246,625	2,173,840	(1,026,384)	14,036,21	0		
8.	CWII	P Additions	& Amortiza	ation from n	nost recent	Projections		-						-			
9.	Diffe	rence (Line	7 - Line 8)					\$ 1,483,159	\$ 1,537,118	\$ 2,265,727	\$ 1,246,625	\$ 2,173,840	\$ (1,025,384)	\$ 14,036,21	0		

(a) The monthly Equity Component of 8.85% reflects an 11.75% return on equity.

I

1

(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)⁽ⁿ²⁻ 1] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 6.848%. Page 2 of 2

ſ		ι).	ļ	ł	ļ	<u>)</u>	1		}	ł	}	I	1	ł	I	1	4
Schedu	ule SS-3	BA						Levy Co e Selection stimated Fi	Costs and			sts				Section (4)] Section (8)(d)]	
COMP	ANY: PF		VICE COMM SENERGY - El					EXPLAN	ATION:			n of the Act Costs for th				[:] or the Year Vitness: Lo	Ended 12/31/20 i Cross	07
_ine No.									(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March Jurisdictior	(E) Actual April Ial Dollars	(F) Actual Məy	(G) Actual June	(H) 6 Month Total		
1.	Constr	ruction Pe	riod Interest	(Schedule)	SS-3B, Line	5)				\$ -	s -	5.	\$ - 1		s - :	s -		
2.	Recov	vered Cost	s Excluding	AFUDC (So	chedule SS-3	2, Line 1+ L	ine 3)			-				-	-	-		
3.	Other /	Adjustment	s (d)							\$ (5,811)	\$ (7,424)	\$ (9,287)	\$ (8,066) \$	(9,740)	\$ (14,403)	(54,731)		
۱.	Tax Ba	asis Less	Book Basis	(Prior Mo Ba	alance + Lin	e 1 + 2 + 3)		-	<u>s</u> .	\$ (5,811)	\$ (13,235)	\$ (22,522)	\$ (30,568)	(40,328)	\$ (54,731)	(167,214)		
5	Deferr	red Tax As	set (DTA) o	n Tax Basis	in Excess o	f Book (Line	e 4 ° Tax Ra	le)	<u>s</u> .	\$ (2,241)	\$ (5,105)	\$ (8,666)	\$ (11,799) \$	(15,556) (S (21,113) (Va		
6 .	Avera	ge Accum	ulated DTA							\$ (1,121)	\$ (3,673)	\$ (6,897)	\$ (10,244) \$	(13,676) (\$ (16,335)			
7.	Carryi	ng Costs o	on DTA (c)															
a.	Equity	y Compon	ent (a)							(6)	(20)	(38)	(56)	(75)	(100)	(295)		
b.	. Equity	y Comp. g	rossed up fo	ortaxes (b)						(10)	(33)	{81}	(91)	(122)	(163)	(480)		
C.	Debt C	Componen	ıt							(2)	(8)	(11)	(17)	(22)	(30)	(88)		
3.	Total f	Return Re	quirements	(Line 7b + 7	'c)					(12)	(39)	(73)	(108)	(144)	(193)	(568)		
Ð.	Total I	Return Re	quirements	from most re	ecent Projec	tions					-		-	-	-	-		
10.	Differe	ence (Line	8 - Line 9)							\$ (12)	\$ (39)	\$ (73)	\$ (108) \$	(144) 1	\$ (193)_1	(568)		

(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) x 100; resulting in a monthly accrual rate of 0.005464 (Equily) and 0.001626 (Debt), which results in the annual rate of 8.848%. (d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

Page 1 of 2

ł .

ł	I	ł	ļ	ł	ı	ţ)	1	ł	ţ	ł	1	3	1	ŀ	i	i	i	1
Schedu	ule SS-3	IA				···		Selection	ounty Nucle: Costs and (iling: Deferre	Carrying Co		S				ection (4)) ection (8)(d	1 <u>))</u>		
сомр	'ANY: PI		ICE COMM ENERGY - El					EXPLAN	d			of the Actua Costs for the				r the Year itness: Lor		/31/2007	
Line No.									(I) Beginning of Period	(J) Actual July	(K) Actual August S			(N) Actual ovember [(P) 2 Month Total			
1. 2. 3. 4.	Recov	vered Costs Adjustments	s Excluding	AFUDC (So	SS-3B, Line chedule SS-2 alance + Lin	2, Line 1+ Li					(19,326) :		(25,100) \$			(194,830)			
)). /_	Avera	red Tax As: ge Accumu ng Costs o	lated DTA	n Tax Basis	in Excess o	f Book (Line	e 4 ° Tax Rat	e)				\$ (87,109) \$ \$ (82,801) \$	(96,792) \$ (91,951) \$		i (118,546) n/a i (113,027)				
b.	. Equit	y Compone y Comp. gr Component	ossed up fo	ortaxes (b)			·			(370) (603) (110)	(409) (665) (122)	(452) (737) (135)	(502) (616) (150)	(558) (909) (188)	(618) (1,005) (184)	(3,204) (6,216) (954)			
8. 9.	Total i	Return Rec	, juirements	(Line 7b + 7 from most n	'c) ecent Projec	tions:			-	(<u>71</u> 3) -	(787)	(871)	(967)	(1,075)	(1,189)	(6,170)			
10.	Differe	ence (Line	8 - Line 9)						-	s (713) s	5 (787)	\$ (871) \$	(967) \$	(1,075)	i (1,189) \$	(6,170)			

(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) x 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) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

Page 2 of 2

Docket 090009-El Progress Energy Florida Exhibit No. _____ (WG-4) Page 27 of 67

ł

	F	I)	ţ	ł	ŀ	1	1	1	l	1	¥.	I	t	ł	1	1	, 1	•
Schedu	ule SS-3B	3						Levy Co Selection al Filing: C		Carrying	g Costs				[Section_]	on (4)] on (8)(d)]	•		
			E COMMIS: NERGY - FI			EXPLANA	ATION:		e calculatio on Period I		Actual or the current				For th	e Year End	ed 12/31/2007		
DOCK	ET NO.: 0	080149 - EI													Witne	ss: Lori Cro)\$S		:
Line No.		<u></u>					(A) Beginning of Period	(B) Actua Januar	I A	(Ĉ) ctual bruary	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actual June	6 M	(H) Nonth Total			
								_	<u>.</u>		Jurisdictional		•						
1,	Beginni	ing Balance						\$	- \$	-	\$ -	•	• -	\$	-				
2.	Additio	ns Preconst	nuction						•			-	-		-				
3.	Addition	ns Constructi	ion						-	-	-	-	-		-	•			
4.	Other A	Adjustments								•	-	-			-				
5.	Ending	Balance Ex	cluding CPI	l.			<u>s</u> -	\$	- 1		s -	<u>s</u>	<u>s</u> -	\$	<u> </u>				
6.	Averag	e Balance E	Eligible for C	:Pl					-	-	-		-		-				
7	Monthly	y CPI Rate	[Note 1]																
8.	Constru	uction Perio	d Interest fo	r Tax (CPI)				\$	- 5		\$ -	\$	<u>s</u> -	<u>s</u>	- \$				

Note 1: CPI rate is the projected weighted average debt rate for the period; Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Page 1 of 2

	,	L))	l	ļ	1	}	ļ	ļ	1	k	}	1	1	1	۱	. 1	
Sched	lule SS-38	3			<u></u>		. Site Actu	Selectio	on Costa	Nuclear Fili and Carry uction Perio	ing Costs					ction (4)] ction (8)(d)]			
			E COMMISSIO	N		EXPLANA	TION:			ulation of the	e Actual for the curren	t			For	the Year Enc	ed 12/31/2	2007	
DOCK	(ET NO.: 0	080149 - El													Wil	iness: Lori Cri	55		
Line No.							(I) Beginning of Period	(J Act Ju	ual	(K) Actual August	(L) Actual September	(M) Actual Octobe				(P) 12 Month Total			
1,	Beginni	ing Balance	,					5	-	s -	s -	\$	- s	- 5					
2.	Addition	ns Preconst	Iruction							-				-	-	-			
З.	Addition	ns Constructi	ion							-			-			-			
4.	Other A	Adjustments	i						-					-	-				
5.	Ending	Balance Ex	cluding CPI			1	<u>s</u> .	\$		s	<u>s</u> -	\$	· • •	- \$					
6.	Average	e Balance E	Eligible for CPI						-	-				-	•				
7	Monthly	y CPI Rate	(Note 1)														•		
8.	Constru	uction Perio	d Interest for Ta	x (CPI)				5		\$	5 -	5	- 5	. \$	- \$				

}

)

Note 1: CPI rate is the projected weighted average debt rate for the period. Note 2: This schedule for Informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Page 2 of 2

*

Levy County Nuclear Filing Site Selection Costs and Carrying Costs [Section (4)] Actual Filing: Recoverable OEM Monthly Expenditures [Section (6)(d)] Schedule SS-4 FLORIDA PUBLIC SERVICE COMMISSION Provide the Actual CCRC Recoverable O&M EXPLANATION: monthly expenditures by function for the current year. For the Year Ended 12/31/2007 COMPANY: PROGRESS ENERGY - FL DOCKET NO.: 060149 - EI Witness: Lori Cross (M) (K) (A) (B) (C) (D) (E) (F) (G) (H) (1) (J) (L) Actual Actual 12 Month Une Actual Description July October November December Tolal No. January Мау June August September February March April 1 Accounting 5 \$ \$ 5 5 \$ -. s 5 . . \$ 2 Corporate Communications 3 Corporate Planning 4 Corporate Services . . External Relations -5 . 6 Human Resources 146,627 144 146,971 IT & Telecom n Q 7 O. 9 Legal 0 n n 11,907 27,179 15,740 59,813 Project Assurance 4.987 9 0 Public Affairs n 0 0 10 11,907 174,006 15,884 206,784 Subiolal A&G 4,987 11 12 Energy Delivery Florida . 13 Nuclear Generation . 294,276 \$ 501,083 143,136 6,805 \$ 21,355 Transmission 35,509 14 • 310,162 \$ 707,867 21,355 \$ 4,967 155,043 180,811 \$ \$ <u>s</u> Total O&M Costs 35,509 15 ¢ \$ 0.91870 0.91670 0.91670 0.91670 0 91870 0.91670 0.91870 0.91670 0.91670 16 Jurisdictional Factor (A&G) 0.91670 0.91670 0.91670 0.91670 0.99597 0.99597 0.99597 0.99597 0.99597 0.99597 0.99597 0.99597 0.99597 0.99597 17 Jurisdictional Factor (Distribution) 0.99597 0.99597 0.99597 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 Jurisdictional Factor (Nuclear - Production - Base) 0.93753 0.93753 0.93753 18 0,70597 0.70597 0,70597 0.70597 0.70597 0,7059? 0.70597 0.70597 0.70597 0.70597 0.70597 0,70597 0.70597 19 Junisdictional Factor (Transmission) 14,561 \$ 189,659 4,572 \$ 10,015 \$ 159,511 \$ 5 • 3 -\$ -- \$ \$ Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 18) 5 5 5 20 . • -21 Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17) . 22 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 1 -\$ 101,050 ŝ 4,804 \$ 207,751 \$ 353,750 15,076 \$ Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19) 25,068 \$ 23 4,572 \$ 111,965 \$ 164,315 \$ 222,312 \$ 543,306 15,078 \$ 24 Total Jurisdictional Recoverable O&M Costs 25,068 \$. . . - 5 40,453 \$ 40,630 \$ 40,808 \$ 43,279 \$ 101,740 \$ 240,294 \$ 434,657 12,534 \$ 25,123 \$ 32,771 \$ \$ 25 Average Monthly Recoverable O&M Balance .5 - 5 0.41% 0.40% 0.45% 0.41% 0.44% 0.44% 0.44% 0.44% 0.45% 0.44% 0,44% 0.44% 26 Monthly Short-term Commerical Paper Rate 4,165 949 \$ 1,760 \$ 193 \$ 414 \$ 176 \$ 178 \$ 185 \$ 55 \$ 110 \$ 144 \$ Interest Provision 27 4,764 \$ 112,379 \$ 165,265 \$ 224,072 \$ 547,473 178 \$ 178 \$ 185 \$ 15,220 \$ 25,123 \$ 110 \$ Total Monthly Recoverable O&M Costs \$ s 28 Total Jurisdictional Q&M Costs From Most Recent Projection 29

30 Difference (Line 28 - 29)

1

Ì.

}

ŧ

ł

۱

\$

\$

.

\$

25,123 \$

ł

t

ì

]

)

178 \$

15 220 \$

110 \$

178 \$

185 \$

1

t

1

1

I

Page 1 of 1

4,764 \$ 112,379 \$ 185,265 \$

Docket 090009-El Progress Energy Florida Exhibit No. _____ (WG-4) Page 30 of 67

224.072 \$ 547.473

Levy County Nuclear Filing Site Selection Costs and Carrying Costs Actual Filing: Other Recoverable O&M Monthly Expenditures

Schedu	le SS-5		ACIL	121 Filing: 1	Other Reco	/erable O&		Expenditu			<u></u>			[Section (8)	
FLORID	A PUBLIC SERVICE COMMISSION	EXPLA	NATIO	N:	Provide the										
СОМРА	NY: PROGRESS ENERGY - FL				monthly exp	enditures by	function for	the current y	ear,				For the Yea	r Ended 12/3	1/2007
DOCKE	T NO.: 080149 - El												Witness: Lo	ori Cross	
		(A)	- <u></u>	(8)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(L)	(K)	(L)	(M)
Line		Ach	ai	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	12 Month
No.	Description	Janu	ary	February	March	April	May	June	July	August	September	October	November	December	Total
1	Accounting	\$	_	ŧ .	e _	٠.	е .	. .	•	5 -	s .	s -	s .	s .	s -
2	Corporate Communications	•		• .	•	•	• -	• .	• .	-	• _	• -	•		•
3	Corporate Planning			-	-	-	-	-	-	-	-	-	-	-	-
4	Corporate Services		-	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations		-		-	-	-	-	-	•	-	•	-	-	-
6	Human Resources		-	•	-	-	-	-	-	-	•	-	-	-	-
7	IT & Telecom		-	-	-	-	-	-	-	-	-	-	-	-	-
8	Legal		-	-	-	-	-	-	-	-	•	-	-	-	-
9	Project Assurance		-	-	-	-	-	-	-	-	-	-	-	-	-
10	Public Affairs		-	-	-	-	-	-	-	•	-	-	-	-	•
11	Subtotal A&G			-	-	-	-	-	-	-	-	-	-	-	•
12	Energy Delivery Florida		-	-		-	-	-	-	-	-	-	-	-	•
13	Nuclear Generation		-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission	\$	-	\$ -	\$ -	\$ -	<u>\$</u>	<u> </u>	<u>\$</u>	<u>s</u>	<u>\$</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
15	Total O&M Costs	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	ş -	\$ -	\$ -	\$ -
16	Jurisdictional Factor (A&G)	0,6	1670	0.91670	0.91670	0.91670									
17	Jurisdictional Factor (Distribution)	0.1	9597	0.99597	0.99597	0.99597									
18	Jurisdictional Factor (Nuclear - Production - Base)	0.9	3753	0.93753	0.93753	0.93753	0.9375								
19	Jurisdictional Factor (Transmission)	0,	0597	0.70597	0.70597	0.70597	0.7059	7 0,7059	7 0.70597	0.70597	0.70597	0.7059	7 0.70597	0.70597	0.70597
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$		s -	s -	s -	s -	\$ -	s -	s -	\$-	\$ -	\$ -	\$ -	\$-
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)	•	•		-	-	-	-	-	-	-	-	-	-	-
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line	•	-		-	-	-	•	-	•	-	-	-	-	
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$	-	\$	\$ -	\$ -	\$ -	<u> </u>	<u> </u>	<u>\$ -</u>	<u> </u>	_ <u></u>	<u> </u>		
24	Total Jurisdictional Recoverable O&M Costs	\$	-	\$.	ş -	ş -	<u>s</u> -	\$	<u> </u>	<u> </u>	5	<u> </u>	<u> </u>	<u> </u>	
25	Total Juriscictional O&M Costs From Most Recent Projection	\$	•	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	s -	\$ -	\$ -	\$ -	\$ -
26	Difference (Line 24 - 26)	\$		\$	<u> </u>	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: This schedule provided for informational purposes only. These costs were not tracked in this manner in 2007.

Page 1 of 1

Docket 090009-EI Progress Energy Florida Exhibit No.____ (WG-4) Page 31 of 67

t

1

}

)

(Section (4)] [Section (8)(d)]

, 1

1

) 1 1

} } Ł

W	D	H))	V	1)	N	ĥ	Ņ	u	W	ł	¥	¥	¥	ŧ	1.	ι.
					Site Sele	wy County N ction Costs a Filing: Mont	uclear Filing Ind Carrying Cos hly Expenditures	its							ction (4)] action (6)(d))		
hedule SS						Pi	ovide the actual m	onthly expenditure	a by major tasks	performed					r the Year Ended	12/31/2007	
		COMMISSION		E		w	thin Sita Selection	csiegory.									
MPANY:	PROGRESS EN	ERGY - FL												W	iness: Lori Cross		(4.1)
CKET NO	D.: 080149 - El			(A)	(8)	(Č)	(0)	(E)	(F)	(G) Actual	(H) Actual		(1) Actual	(J) Actual	(K) Actual November	(L) Actual December	(M) 12 Month Total
 8				Actual	Actual	Actual March	Actual April	Actual May	Actual June	July	August	Se	ptember	October	NOVERIDOR		
Descrip	plion			January	February												
Site 5	election:								1,846,881	S 1,715,789	\$ 1,613,	340 \$	1,628,665 \$	1,872,606	\$ 3,171,782 \$	594,805 \$	20,536,6
Gent	eration:			\$ 277,674	\$ 530,026 \$	1,228,637	\$ 1,973,080 \$	4,283,412	· 1,010,001			-	-	-	•		
	License Applicat Engineering, De	sign & Procurement		-	-	•		-	-	•		-	-	-		.	
	Permitting			•	-	-		-		s -	5	. \$. 1	-	\$ 3,171,782	594,605 \$	20,536
	Clearing, Gradin	ng and Excavation		• -	5 - 5	-	\$		»		\$ 1,613	, 34 0 \$	1.628,865 \$	1,672,608			6,546
	On-Sile Constru		-	\$ 277,674	\$ 530,026 \$	1,228,637	\$ 1,973,080	4,203,412	• 1,0,000			625	(394,668)	679,820	1,337,566	2,215,551	1,826
	Total Generati Less Adjustmet			-		400 364	1,229,825	92,328	183,913	298,22	7 254	,835	(304,000)		-	\$ (1.620,745)	12,162
	Non Cash Acc			121,430		830,364 (70,617)	2,932,144	-		\$ 1.417,56	1 1 1318	,505 \$	2,023,533	892,986	\$ 1,634,216 0,93753	0.93753	0.9
	Other			(18,439			\$ (2,168,689)	\$ 4,191,086	\$ 1,662,968 0,93753	0.937		3753	0.93753	0.93753	0.00100		
	Net Generatio	n Costs		\$ 174,683 0.9375		0.93753	0.93753	0.93753	0,931.93	0.00			1,697,123	\$ \$30,954	\$ 1,719,632	\$ (1,519,497)	11,402
	Jurisdictional F	actor						\$ 3,929,269	\$ 1,559,083	\$ 1,329,00	6 \$ 1,236	5,138 \$	1,697,123				
		onal Generation Cos		\$ 163,770	\$ 1,769,860	439,599	\$ (2,052,149)	3 3,010,100	•							\$ 415,620	s 1,511
-										\$ 23.95	a t 7	8,279 \$	465,349	\$ 170,729	\$ 112,889 6,506	8,124	171
	nsmission.				•	s 2,355	\$ 19,726	\$ 170,189	\$ 49,444	\$ 23,80		-	5,600	150,923	-	•	
	Line Engineeri	ng		\$ *	s -	•	•	-	-	-		-		\$ 269,214	\$ 87,873	\$ 240,509	
	Substation En	ineering.		-	-	-	-	\$ 23,441	\$ 10,130	\$ 21,63		4,325 \$	(<u>13,768)</u> 457,463		\$ 187,268	\$ 667,253	\$ 2,04
	Clearing			s -	\$	\$ 23,320					97 \$ 29	2,604 \$	431,400	•		231,031	60
	Other	Luine Carto			\$ -	\$ 25,675	\$ 29,057	3 199,000	•			3,408	140,063	373,783	(201,481)	231,031	
	Total Transe				_		12,060	53,280	(30,790)) (17,4	78) 7	-	-		\$ 388,749	\$ 436,222	\$ 1,94
	Less Adjustre Non Cash Ac				0 0	653			-	6 520	75 \$ 24	9,196	317,400	\$ 217,083	4 70501		
7	Other					\$ 25,022	\$ 16,997	\$ 140,350				70597	0.70597	0.7059	0.,000		
9	Net Transm	ission Costs		\$	97 0.70597	0.7059			0.7059	0.70				153,254	\$ 274,445	\$ 307,980	\$ 1,3
0	Jurisdictional			0.705	9/ 0./000/			\$ 99,063	\$ 63,794	\$ 44,5	29 \$ 1	75,925	\$ 224,075	a 100,104			12.7
1			•	5.	5 -	\$ 17,66	5 \$ 11,999	2 AA'087	• . = .				\$ 2,121,198	\$ 1.064,200	\$ 1,984,077	\$ (1,211,538)	2,7
2	Total Jurisdic	tional Transmission	Costs		-			\$ 4,028,352	\$ 1,622,877	\$ 1,373	535 \$ 1,4	12,063	2 2,121,180				
3		tional Sile Selection	Contra	\$ 163,77	1,769,860	\$ 457,26	4 \$ (2,040,150	-,020,002									
4	Total Juriedk	monal Sie Serection		and the second division of the second divisio													Page 1 of 1

Docket 090009-El Progress Energy Florida Exhibit No. _____ (WG-4) Page 32 of 67

-

Schedule SS-6A	Levy County Nuclear Filing Site Selection Costs and Carrying Costs Actual Filing: Monthly Expenditures	(Section (4)) [Section (8)(d)]
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a description of the major tasks performed within Site Selection category for the current year.	
COMPANY: PROGRESS ENERGY - FL		For the Year Ended 12/31/2007
DOCKET NO.: 080149 - El		Witness: Lori Cross
Line No. Major Task 1 Site Selection 2 Generation: 3 License Application 4 Engineering & Design 5 Permitting 6 Clearing, Grading and Excavation 7 On-Site Construction Facilities 8	Detailed on-site characterization for geological and environmental analysis, NRC Review fees, transmission deliverability analy Engineering & Design associated with the Site Layout, Power Block and Non-Power Block facilities. Obtain required permits for new plant (i.e. site certification permits, environmental permits, etc.) Clearing, grading, excavation, backfill, onsite disposal, drainage and erosion control. Construction park lots, laydown areas and includes the installation of warehouses necessary during construction (electrical shop, carpenter shops, etc.), construction power	d access roads.
9 <u>Transmission:</u> 10 Line Engineering 11 Substation Engineering 12 Clearing 13 14 Other	Internal engineering labor, contracted engineering labor, survey and all other costs associated with engineering transmission lin Internal engineering labor, contracted engineering labor and all other costs associated with substation and protection and contra Contracted costs associated with clearing acquired ROW for the construction of transmission lines, costs associated with build construction, operating and maintenance of transmission lines. Project Management, overhead costs and other miscellaneous costs associated with transmission pre-construction.	ol (relay) engineering.

1

ł

1

.

)

l

1 1

.

Page 1 of 1

F F , F , F

Levy County Nuclear Filing Site Selection Costs and Carrying Costs Actual Filing: Variance Explanations [Section (8)(d)]												
Schedule SS-68 FLORIDA PUBLIC SERVICE COMMISSION COMPANY: PROGRESS ENERGY - FL	EXPLANATION:		Provide annual variance explanations comparir expenditures to the most recent projections for filed with the Commission.	ng the actual the current period	For the Year Ended 12/31/2007 Witness: Lori Cross							
DOCKET NO.: 080149 - El Line No.	(A) Total Actual/Estimated	(B) Total Projected	(C) Total Variance	(D) Explanation								
Site Salection: 2 Generation: 3 License Application 4 Engineering & Design 5 Permitting 6 Clearing, Grading and Excavation 7 On-Site Construction Facilities 8 Total Generation Costs	\$ 20,536,898	\$ - - - - -		Note 1 Note 1 N/A N/A Note 1								
9 10 <u>Transmission:</u> 11 Une Engineering 12 Substation Engineering 13 Clearing 14 Other 15 Total Transmission Costs	\$ 1,511,538 171,433 <u>866,016</u> \$ 2,548,987	\$	\$ 1,511,538 171,433 <u>866,016</u> \$ 2,548,987	Note 1 Note 1 N/A Note 1	Page 1 of 1							

.

Note 1: No costs were projected due to the fact that Progress Energy (PEF) has never filed a projection to date.

•

,

111 E	1 11	\mathbf{P}_{i}	10	112	li -	U)	U /	RI	W	K)	H	N	R) T		•	R			
Schedule SS-7	lear Filing rying Cost Selected	5			(Section (Section				_											
FLORIDA PUBLIC				EXPLANATION: Provide a description of the nuclear technology selected that includes, but is not limited to, a review of the technology and the factors leading to its selection.									For the Year Ended 12/31/2007							
COMPANY: PROG		kgy - Fl				and the lactors reading to ha solution.							Witness: Daniel Roderick							

Progress Energy Inc. Florida ("PEF") performed a methodical, detailed quantitative and qualitative evaluation of commercially available advanced reactor technologies. PEF issued RFPs to the three vendors that had advanced reactor designs: General Electric ("GE"); Westinghouse; and Areva, for the GE Economic Simplified Boiling Water Reactor ("ESBWR"), the Westinghouse AP-1000 advanced passive pressurized water reactor, and the Areva European Pressurized Reactor ("EPR"), respectively. PEF completed a thorough and extensive evaluation of the vendor proposal responses associated with technical and operational requirements for licensing, design, construction, and capability input by the vendors. Following nearly a year of detailed evaluation, PEF initially selected the Westinghouse AP-1000 design as the best advanced technology for PEF. Since the preliminary selection of the Westinghouse AP-1000 design in January 2006, PEF continued to monitor industry changes, advanced reactor technology developments, and other information that might affect PEF's technology selection, or the assumptions PEF used in its initial analysis. The Westinghouse AP-1000 design is a standardized, advanced passive PEF's technology that employs "passive" rather than traditional "active" safety systems. In other words, the design uses gravity and natural recirculation of air and water in emergency situations that do not require engines or pumps to power key safety systems. The result is an extremely safe and much simpler design that requires significantly less cable, pumps, valves, and other equipment than existing nuclear power reactors. In addition, PEF is still in negotiations with the Consortium on the terms and conditions of an acceptable EPC contract, including price structure. PEF expects to finalize and execute the EPC contract by the end of 2008.

Page 1 of 1

Docket 090009-EI Progress Energy Florida Exhibit No. _____(WG-4) Page 35 of 67

chedule SS-8							Nuclear Filing election					
LORIDA PUBLIC			EXPLANATI	ON:	including, a de	scription of the v	uted in excess of \$1 work, the dollar value elhod of vendor sele	For the Year Ended 12/31/2007				
OCKET NO.: 08						d affiliation of the	vendor, and current	REDACTED Witness: Daniel Roderick/Dale Oliver				
(A)	(8)	(C)	(D)	(E)	(F) Actual	(G) Actual amount	(H)	(1)	(J)	(K)		
ine Io. Contract No	Status of Contract	Original Term of Contract	Current Term of Contract	Original Amount	Expended as of Prior Year End (2006)	Expended in Current Year (2007)	Estimate of Final Contract Amount	Name of Contractor (and Affiliation if any)	Method of Selection	Work Description		
1 00003382- 00128	issued							Westinghouse Electric Co. LLC.	Sole Source. Award based on selected vendor from the technology selected	Levy Price Finalization support		
2 00300968- 00004	Issued							Stone & Webster Inc.	Sole Source. Award based on selected vendor from the technology selected	Levy Price Finalization support		
3 00300968- 00002	issued							Stone & Webster Inc.	Sole Source. Award based on selected vendor from the technology selected	Levy Phase 1/ - Conceptual Design and site characterizatio n		
4 00255934- 00002	Issued							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons) - 00255934-00003)	RFP. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Combined Operating License Application (COLA) preparer		
5 00080678- 00111	Issued							Golder Associates Inc.	Sole Sourced	LNP Transmission Corridor Study		
6 00262141- 00003	Issued							Power Engineers Inc.	Sole Sourced	Line and Substation Design Study Support		
7 00255934- 00003	Issued							Joint Venture Team (Sargent & Lundy, CH2M Hill, & Worley Parsons) - 00255934-00003)	RFP. Competitive Bid & Evaluation process. Low Cost bidder accepted.	Levy Site Certification Application		

934-00002 reliects cost of COLA prior to final site selection work being complet Note: Original amount for contract nor. 002

Note 1: Method of Selection column should specify: (1) Lease, Buy or Make Considerations for goods (or) In house or external for resources. Note 2: Method of Selection column should (2) RFP or Sole Source. Note 3: Method of Selection column should specify (3) Lowest Cost Bidder Accepted/Not Accepted.

ţ

ł

t

I

I

ł

)

L

}

١

l

1

1

1

ł

1

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 36 of 67

Schedule SS-8A EXPLANATION: Provide additional details of contracts executed in excess of \$1 million FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide additional details of contracts executed in excess of \$1 million COMPANY: including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection, Progress Energy - FL For the Year Ended 12/31/2007 DOCKET NO.: 060149 - EI of the contract. Witness: Danlei Roderick/Dale Oliver

ł

Contract No.: 00003382-00128

ţ

Major Tasks or Tasks Associated With: Activities necessary to determine and document detailed costs associated with the Levy Nuclear Plant (LNP) standard plant. These are all planning activities and do not include actual design or construction activities.

Vendor klentity; Westinghouse Electric Company LLC.

Ł

1

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: A proposal was submitted by Westinghouse LLC.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract regulation was developed by NPD Project Controls. The regulation documents final agreed upon scope, schedule, cost, and established project controls. The regulation is approved by the appropriate level of Progress Energy Management. Once the contract regulation is approved, a formal contract can be issued.

Dollar Value:



Contract Status; lasued

Term Begin Term End:



Nature and Scope of Work:



Page 1 of 7

<i>1</i> 2	14	<i>µ</i>	¥1	<i>ŧ</i> Į.	п	p	И	Ŋ	H	8	ł	ŀ	1	Ì	1	ľ	. 1	
Sche	edule SS-8A							y Nuclear Fili Selection	ng									
CON	RIDA PUBLIC : IPANY: Progress En CKET NO.: 080	ergy - FL	OMMISSION				EXPLANATIO	including, affiliation	the nature a with selected xiption of ver	nd scope of th vendor, the n	is executed in the work, the manethod of very process, and	ature of any dor selection,	For the Yes REDA	ear Ended 12 CTED ss: Daniel Roc	/31/2007 ierick/Dale Otl	ver		

Contract No.: 00300968-00004

<u>Major Tasks Associated With:</u> Activities necessary to determine and document detailed costs associated with the Levy Nuclear Plant (LNP) site specific systems and buildings. These are all planning activities and do not include actual design or construction activities.

31

.

Vendor Identity: Stone and Webster Inc.

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

Number of Vengors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Stone and Webster Inc.

Brief Description of Sejection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed, by NPD Project Controls. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Opliar Value:



Contract Status: Issued

Term Begin: Term End:



Nature and Scope of Work:

Page 2 of 7

of the contract.

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 vandor, the method of vandor selection,

brief description of vendor selection process, and current status

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL DOCKET NO.: 080149 - El

Contract No .: 00300968-00002

<u>Maior Tasks Associated With:</u> The project management and conceptual engineering activities to require further characterization of the Levy site by performing geotechnical evaluations, regional infrastructure studies, early procurement requirements, preliminary construction plan development, COLA development interfacete, and development of the site specific schedule.

Vendor identity; Stone and Webster Inc.

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

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed, by NPD Project Controls. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value:

Contract Status: Issued

Term Begin: Term End:



Nature and Scope of Work: Activities related to completing detailed estimates for site specific buildings, systems and components, and studies and evaluations in support of determining the overall site specific plant cost.

For the Year Ended 12/31/2007 REDACTED

.

Witness: Daniel Roderick/Dale Oliver

Page 3 of 7

of the contract.

ł

5

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

Ŧ

ł

I

For the Year Ended 12/31/2007

Witness: Daniel Roderick/Dale Oliver

REDACTED

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL DOCKET NO.: 080149 - El

Contract No.; 00255934-00002

<u>Major Tasks Associated With:</u> activities associated with providing engineering, environmental, and licensing services to support of Combined Operating License Application (COLA) development for a new greenfield site in Florida.

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

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

Number of Vendors Solicited: Six

Number of Bids Received: Six

Brief Description of Selection Process: An RFP was completed for COLA Application preparation and sant to vendors. The next step required New Plant Development to assemble a review team and complete a detailed evaluation of the proposals. Vendors were evaluated and scored on the following criteria: Corporate Experience, Team Experience, Technical Plan, and Financial. This evaluation has been formally documented. Once the vendor was selected, a contract was prepared and approved and a pre-sward meeting was held prior to starting work on the project.

Dollar Value:

Contract Status: Issued

Term Begin: Term End:



Nature and Scope of Work:

Provide engineering, environmental, and licensing services in support of COLA development. Major tasks include:

Task 1 - Prepare License Application and associated General & Admin. Information

- Task 2 Perform site investigation, including necessary soli borings and constructing a meleorological tower to gather weather information.
- Task 3 Prepare Chapter 2 of FASR in accordance with applicable regulatory requirements including meteorological, geological, geological,
- Task 4 Prepare Environmental Report in accordance with applicable regulatory requirements, including site ecological investigations. Prepare Emergency Plan in accordance with applicable regulatory requirements.
- Task 5 Prepare FSAR Chapters 4, 5, 6, 7, and 12 in accordance with applicable regulatory requirements.

Task 6 - Prepare FSAR Chapters 13, 14, and 16 in accordance with applicable regulatory requirements.

Task 7 - Prepare FSAR Chapters 1, 3, 8, 17, 18, & 19in accordance with applicable regulatory requirements.

Task 8 - Prepare FSAR Chapters 9, 10, 11, & 15 in accordance with applicable regulatory requirements.

Task 9 - Prepare fire protection program, inspection programs, other programs, the security plan and quality assurance plan in accordance with applicable regulatory requirements.

Task 10 - Prepare conceptual designs for various plant systems.

Task 11 - Project Management support for all COLA preparation activities.

Page 4of 7

Docket 090009-EI Progress Energy Florida Exhibit No. _____(WG-4) Page 40 of 67

of the contract,

ł

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

Ŧ

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

ţ

Progress Energy - FL. DOCKET NO.: 080149 - El

Contract No.; 00080678-00111

<u>Major Tasks or Tasks Associated With</u>: activities associated with providing environmental, line corridor selection studies, and licensing services in support of Site Certification Application (SCA) and Combined Operating License Application (COLA) development for transmission facilities to support a new greenfield site in Florida.

ł

ł

1

These are all planning activities and do not include actual design or construction activities.

Vendor Identity; Golder Associates Inc.

Vendor Affiliation (specify 'direct' or 'Indirect'); Direct

Number of Vendors Solicited; One

Number of Bids Received: A proposal was submitted by Golder Associates Inc.

Brief Description of Selection Process: Upon receipt of proposal. Supply Chsin and company management representatives reviewed the proposal's technical scope, schedule, and cost. A single source justification memo was prepared and approved based on the vendor's involvement since inception of the project and their ability to meet the required schedule requirements, a contract requisition was developed by Transmission Ops and Planning Project Support. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition was approved by the appropriate level of Progress Energy Management. Once the contract requisition was approved, a formal Work Authorization was issued.

Dollar Value:

Contract Status: issued

Term Begin: Term End:



Nature and Scope of Work: Provide environmental, line comidor selection studies, and licensing services in support of SCA and COLA development including:

Task 1 - Corridor Routing Study

Task 1a - Public Involvement

Task 2 - Preparation of applicable sections of the SCA

Task 3 - Certification Support and Hearings/Expert Testimony/Hearing Support/Agency Meetings/Outreach

Task 4 - Preparation of applicable sections of the NRC COLA

Page 5of 7

¥

For the Year Ended 12/31/2007

Witness: Daniel Roderick/Dale Oliver

REDACTED

F

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

ł

Ł

COMPANY:

Progress Energy - FL DOCKET NO.: 080149 - EI

Contract No.: 00262141-00003

<u>Malor Task or Tasks Associated With</u>: Activities associated with providing conceptual substation engineering and routing study services in support of transmission facilities to support a new greenfield site in Florida.

There all planning activities and do not include actual design or construction activities.

Vendor identity; Power Engineers Inc.

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

Number of Vendors Solicited: One

Number of Bids Received: A proposal was submitted by Power Engineers inc.

Brief Description of Selection Process: A contract requisition was developed by Transmission Ops and Planning (TOPS) Project Support. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition was approved by the appropriate level of Progress Energy Management. Once the contract requisition was approved, a formal Work Authorization was issued.

Dollar Value:

Contract Status: issued

<u>Term Begin:</u> <u>Term End:</u>



Nature and Scope of Work: Provide conceptual substation engineering and line route study services in support of transmission facilities including:

- Preparation of preliminary substation design criteria and layout work

- Preparation of preliminary transmission line comidor layout work

- For each of the substations, prepare conceptual drawings/site plans

Page 6of 7

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, For brief description of vendor selection process, and current status of the contract.

1

ł

T

Ì

Ĩ

For the Year Ended 12/31/2007 REDACTED

1

1

1

Witness: Daniel Roderick/Dale Otver

Schedule SS-8A

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY:

Progress Energy - FL DOCKET NO .: 080149 - EL

Contract No.; 00255034-00001

Major Task or Tasks Associated With: activities associated with developing the Site Certification Application for the Lavy Plant. The application will be submitted to the Fiorida Department of Environmental Protection.

Vendor Identity; Joint Venture Tasm - Sargent & Lundy, CH2M Hill, & Worley Parsona

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

Number of Vendors Solicited: 1

Number of Side Received: 1

Brief Description of Selection Process; This authorization is clearly tied to the Lavy COLA Environmental Report. An impact Evaluation was submitted to document project scope, schedule, cost, and risk. The Impact evaluation is challenged with technical, QA, and financial reviews prior to approval. The approved impact evaluation is incorporated into a new work authorization.

Dollar Value:

Contract Status; Issued

Term Begin: Tarm End:

Nature and Scope of Work:

Provide engineering, environmental, and licensing services in support of Site Certification Application development. Major tasks include:

Task 1 - Sile Characterization

Task 2 - Plant & Associated Facilities

Task 3 - Construction Impacts

Task 4 - Operational Impacts

Task 5 - Economic and Social Effects

Task 6 - Electrical Transmission Lines

Task 7 - Need for Power

Task 8 - Site & Design Alternatives

EXPLANATION: Provide additional details of contracts executed in excess of \$1 million including, the nature and scope of the work, the nature of any For the Year Ended 12/31/2007 affiliation with selected vendor, the method of vendor selection, REDACTED brief description of vendor selection process, and current status of the contract.

Ŷ

١

Witness: Daniel Roderick/Dale Oliver

Page 7 of 7

SCHEDULE APPENDIX REDACTED

1 1

Į

1

ł.

1

1 1

EXHIBIT (LC-5)

ł ł

F

ľ

1

1

ļ

Ī

1

I

1

PROGRESS ENERGY FLORIDA, INC. Levy County Nuclear Filing COMMISSION SCHEDULES (SS-1 Through SS-8B AND SS-10)

> JANUARY 2008 - DECEMBER 2008 2008 SITE SELECTION DOCKET NO. 080149-EI

> > ,

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 44 of 67

HOR HE AN AUMBER-DATE

3567 HAY-18

TOD OF MESSION CLERK

	ł	ļ	1	1	H.	I	1	1 1	!	ï	١	I	ţ	ł	1	ł.
Sched	ule SS-1	1		<u></u>	·		Levy C Site Selection imated Filing:		Carrying Cos		агу			[Section (4)] [Section (8)(d	<u>)]</u>	
COMP	PANY: P		VICE COM S ENERG ^N El			E	XPLANATION	total retail re expenditures	calculation of venue require for the curre for such cun	ments based nt year and t	d on actual	y filed		For the Year Witness: Lori	Ended 12/31/2003 Cross	3
Line No.								(A) Actual January	(B) Actual February	(C) Actual March	(D) Projected April	(E) Projected May	(F) Projected June	(G) 6 Month Total		
										Jurisdictional						
1.	Site S	Selection F	levenue Ro	equirement	is (Schedule	e SS-2, line	7)	\$ 2,331,788	\$ 3,242,712	\$ 2,177,684	\$ 9,077,351	\$ 352,559	\$ 355,059	\$ 17,537,153		
2.	Consi	truction Ca	anying Cos	st Revenue	Requireme	nts		-	-	-	•	•	-	-		
· 3.	Reco	verable O	&M Reven	ue Require	ments (Sch	edule SS-4,	line 28)	37,615	66,485	17,728	292	293	294	122,708		
4.	Defen	red Tax As	set Carrying	g Cost (Sche	dule SS-3A,	line 8)		(60)	(188)	(334)	(506)	(712)	(934)	(2,733)		
5.	Other	r Adjustme	ents					-	-	-	-	-	-	· •		
6.	Total	Period Rev	enue Requi	irements (Li	nes 1 though	n 5)		2,369,343	3,309,009	2,195,079	9,077,138	352,140	354,419	17,657,128	, 1	
7.						Requireme	nts		-	-	11,287	211,044	(10,772)	211,559		
8.			-			Requireme		201,358	1,817,860	542,410	(1,967,954)	4,106,451	1,716,061	6,396,186		
9.					December 2		•	\$ 2,570,702	\$ 5,126,869	\$ 2,737,488	\$ 7,100,471	\$ 4,669,635	\$ 2,059,708	\$ 24,264,874		

Page 1 of 2

T T T T T T T T

	I	1	1	i	ſ	ł	1	1		1	Ĭ	I	1	ĭ	١	I	ł
Sched	ule SS-1				<u></u>		Site Select	/ County Nucle ion Costs and ig: Retail Reve	Carrying Co:		nary		······································	[Section (4)] [Section (8)(
COMP	DA PUBLIG PANY: PRO ET NO.: 08	GRESS	S ENERGY			E	XPLANATIC	expenditure	evenue requir	ements base ent year and t	d on actual	y filed		For the Yea Witness: Lo		/31/2008	
Line No.			<u> </u>		<u> </u>			(H) Projected July	(I) Projected August	(J) Projected September	(K) Projected October	(L) Projected November	(M) Projected December	(N) 12 Month Total			
	_		_							Jurisdictiona							
1.	Precons	nuction	Revenue I	Requireme	ents (Schedi	ule SS-2, lin	e 7)	\$ 357,576	\$ 360,112	\$ 362,665	\$ 365,236	\$ 367,826	\$ 370,433	\$ 19,721,001	l		
2.	Construc	tion Ca	rrying Cos	t Revenue	e Requireme	nts		•	•	-	-	-	•	-			
3.	Recovera	ible O&I	M Revenue	Requireme	ents (Schedul	e SS-4, line 2	28)	294	295	296	297	297	298	124,485	5		
4.	Deferred	Tax Ass	et Carrying	Cost (Sch	edule SS-3A,	line 8)		(3,368) (3,593)	(3,820)	(4,048)	(4,278)	(4.509)) (26,349))		
5.	Other Ac	ljustme	nts						-	-	-	-	-	· –			
6.	Total Per	iod Rev	enue Requi	rements (Li	ines 1 though	n 5)		354,503	356,814	359,141	361,485	363,845	366,222	19,019,137	-		
7.	Prior Per	riod Jan	iuary - Dec	ember 20	06 Revenue	Requireme	nts	\$155,142	\$137,966	\$38,950	\$483,518	\$134,404	\$2,332,188	\$3,491,739	•		
8.	Prior Pe	riod Jar	luary - Dec	ember 20	07 Revenue	Requireme	nts	\$1,482,624	\$1,536, 517	\$2,269,620	\$1,358,037	\$2,338,030	(\$803,501)	\$14,577,513	1		
9.	Total Re	venue i	Requireme	ents as of I	December 2	008	·	1,992,269	2,031,298	2,665,721	2,203,040	2,836,279	1,894,909	37,888,389			

Page 2 of 2

.

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-4) Page 46 of 67

Schedule SS-2	Levy County Site Selection C ctual/Estimated Fi	Costs and Ca	arrying Costs					[Section (4)] [Section (8)(d)]	
FLORIDA PUBLIC SERVICE COMMISSION E. COMPANY: PROGRESS ENERGY - FL DOCKET NO.: 080149 - EI	XPLANATION:	costs based	calculation of I on actual site ant year and th Tent year.	selection e	xpenditures			For the Year En Witness: Lori Ci	
Line No.	······································	(A) Actual January	(8) Actual February	(C) Actual March	(D) Projected April	(E) Projected May	(F) Projected June	(G) 6 Month Total	
				Jurisdictiona					
1. Current Period Site Selection Expenses (Schedule SS-6 Line	: 34)	\$ 2,141,741	\$ 3,024,142	\$ 1,931,494	\$ 8,773,102	s -	s -	\$ 15,870,478	
2. Prior Period Unrecovered Site Selection Balance	16,992,024	19,133,764	22,285,972	24,364,753	33,303,753	33,508,776	33,746,354		
3. Site Selection Expenses Recovered									
4. Average Balance Site Selection Expenses Eligible for Return		18,062,894	20,773,901	23,399,006	28,917,203	33,508,776	33,746,354		
5. Return on Average Net Unamortized CWIP Eligible for Retu	m (c)								
a. Equity Component (a)		96,696	113,509	127,852	158,004	183,092	184,390	865,542	
b. Equity Comp. grossed up for taxes (b)		160,677	184,792	208,144	257,230	298,074	300,187	1,409,104	
c. Debt Component		29,370	33,778	38,047	47,019	54,485	54,872	257,572	
6. Total Return Requirements (Line 5b + 5c)	•	190,047	218,571	246,190	304,250	352,559	355,059	1,666,676	
7. Total Costs to be Recovered		2,331,788	3,242,712	2,177,684	9,077,351	352,559	355,059	17,537,153	
8. CWIP Additions, Amortization & Return from most recent P	ojections	-	-		-	-		-	
9. Over / (Under) Recovery (Line 7 - Line 8)		\$ 2,331,788	\$ 3,242,712	\$ 2,177,684	\$ 9,077,351	\$ 352,559	\$ 355,059	\$ 17,537,153	

(a) The monthly Equity Component of 6.85% reflects an 11.75% return on equity.

ł

(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] × 100; resulting in a monthly accrual rate of 0.005484 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

Ì

I.

1

Schedule SS-2	-	nty Nuclear Fil Costs and Ca Filing: Site Se	irrying Cost					[Section (4)] [Section (8)(d)]	
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: PROGRESS ENERGY - FL DOCKET NO.: 080149 - EI	EXPLANATION:		•	e selection e	xpenditures			For the Year End Witness: Lori Cro	
Line No.		(I) Projected July	(J) Projected August	(K) Projected September	(L) Projected October	(M) Projected November	(N) Projected December	(Ö) 12 Month Total	
				Jurisdictiona					
1. Current Period Site Selection Expenses (Schedule	55-6 Line 34)	ş -	\$ -	s -	s -	\$ -	\$ -	\$ 15,870,478	
2. Prior Period Unrecovered Site Selection Balance		33,985,615	34,226,573	34,469,240	34,713,627	34,959,748	35,207,611		
3. Site Selection Expenses Recovered									
4. Average Balance Site Selection Expenses Eligible	or Return	33,965,615	34,226,573	34,469,240	34,713,627	34,959,746	35,207,611		
5. Return on Average Net Unamortized CWIP Eligible	for Return (c)								
a. Equity Component (a)		185,697	187,014	188,340	189,675	191,020	192,374	1,999,663	
b. Equity Comp. grossed up for taxes (b)		302,316	304,459	306,618	308,792	310,981	313,186	3,255,455	
c. Debt Component		55,261	55,652	56,047	56,444	56,845	57,248	595,068	
6. Total Return Requirements (Line 5b + 5c)		357,576	360,112	362,665	365,238	367,826	370,433	3,850,524	
7. Total Costs to be Recovered		357,576	360,112	362,665	365,236	367,826	370,433	19,721,001	
8. CWIP Additions & Amortization from most recent	Projections			-	-				
9. Difference (Line 7 - Line 8)		\$ 357,576	\$ 360,112	\$ 362,665	\$ 365,236	\$ 367,826	\$ 370,433	\$ 19,721,001	

(a) The monthly Equity Component of 6.65% reflects an 11.75% return on equity.

ł

(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] x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 0.848%.

Page 2 of 2

1

1

I.

	l	1	1	1	I	l	ł	1	١	1	1	1	1	ļ	}		}	1	. 1	•	1
Schedu	le SS-34	Α						Selection (ear Filing I Carrying Co ed Tax Carry						Section (4 Section (8				_	
сомри	NY: PR	LIC SERVICI	NERGY - F					EXPLANA		Provide the d deferred tax year.						or the Yea Vitness: L		od 12/31/2008	3	:	
Line No.		080149 ~ El	#						(A) Beginning of Period		February	(D) Actual Pi March Infsdictional	April	(F) rojected Pr May	(G)	(H) 6 Month Total				-	
1.	Constr	uction Perio	d Interest (Schedule S	SS-3B, Line 5	5)				s - s	i . 1	- \$	- S	- \$	- 1	; -					
2.	Recove	ered Costs E	Excluding A	VFUDC (Sct	hedule SS-2,	, Line 1+ Lir	ne 3)			-	•	•	-	•		-					
3.	Other A	djustments (d	d)							\$ (29,370) \$	s (33,778) s	(38,047) \$	(47,019) \$	(54,485) \$	(54,872)	(287,572	<u>n</u>				
4.	Tax Ba	isis Less Bo	xok Basis (F	^o rior Mo Bai	ilance + Line	: 1 + 2 + 3)		-	<u>s -</u>	\$ (29,370) \$	\$ (63,149) \$	(101,195) \$	(148,215) \$	(202,700) \$	(257,572)	(802,201)				
5	Deferre	ed Tax Asse	et (DTA) on	Tax Basis i	in Excess of	Book (Line	14 * Tax Rate	a) -	5	\$ (11,330) \$	\$ (24,360) \$	(39,036) \$	(57,174) \$	(78,192) \$	(99,358)	Va	-				
6.	Averag	je Accumula	ated DTA							\$ (5,665) \$	s (17,845) s	(31,698) \$	(48,105) \$	(67,683) \$	(88,775)						
7.	Carryir	ng Costs on	DTA (c)																		
а	Equity	/ Componeni	at (a)							(31)	(88)	(173)	(263)	(370)	(485)	(1,419	})				
. b	Equity	y Comp. gros	ssed up for	taxes (b)						(50)	(159)	(282)	(428)	(602)	(790)	(2,311)				
C	Debt C	Component								(9)	(2º)	(52)	(78)	(110)	(144)	(42)	ł)				
8.	Total F	Return Requi	irements (I	∟ine 7b + 7c	c)					(60)	(188)	(334)	(506)	(712)	(934)	(2,733	<u>a)</u>				
9.	Total F	Return Requ	jirements fi	rom most re	ecent Project	tions				-		-	-		-	-					
10.	Differe	ence (Line 8	- Line 9)							S (60)	\$ (168) \$; (334) \$	(506) \$	(712) \$	(934)	(2,73	3)				

(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] x 100; resulting in a monthly accrual rate of 0.005454 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%.

(d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

Page 1 of 2

	Levy County Nuc Selection Costs and mated Filing: Defen	d Carrying Co						Section (4)] Section (8)(d)	
	EXPLANATION:	Provide the c							
COMPANY: PROGRESS ENERGY - FL		deferred tax (year.	Carrying Co	osts for the	current		۴	For the Year E	nded 12/31/2008
DOCKET NO.: 080149 - EI							۱	Witness: Lori (Cross
Line No.	(i) Beginning of Period	(J) Projected P July	(K) rojected P August S	(L) rojected P eptember ((M) Projected P October N	(N) rojected F ovember C	(O) Projected December	(P) 12 Month Total	
1. Construction Period Interest (Schedule SS-3B, Line 5)		\$ - \$	- \$	- \$	- \$	- \$	i -	\$ -	
2. Recovered Costs Excluding AFUDC (Schedule SS-2, Line 1+ Line 3)		-	-	-	-	-	•	-	
3. Other AdjusIments (d)		\$ (55,261) \$	(55,652) \$	(56,047) \$	(56,444) \$	(56,845) \$	(57,248)	(595,068)	
4. Tax Basis Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	\$ (802,201) \$ (857,461) \$	(913,114) \$	(989,161) \$	(1,025,605) \$	(1,082,450) \$	(1,139,697)	n/a	
5 Deferred Tax Asset (DTA) on Tax Basis In Excess of Book (Line 4 * Tax Rate	e) \$ (309,449	9) \$ (330,766) \$	(352,234) \$	(373,854) \$	(395,627) \$	(417,555) \$	(439,638)	n/a	
6. Average Accumulated DTA		\$ (320,107) \$	(341,500) \$	(363,044) \$	(384,740) \$	(406,591) \$	i (428,597)		
7. Carrying Costs on DTA (c)									
a. Equity Component (a)		(1,749)	(1,866)	(1,984)	(2,102)	(2 ,222)	(2,342)	(13,684)	
b. Equity Comp. grossed up for taxes (b)		(2,847)	(3,038)	(3,229)	(3,422)	(3,617)	(3,813)	(22,277)	
c. Debt Component		(520)	(555)	(590)	(826)	(661)	(697)	(4,072)	
8. Total Return Requirements (Line 7b + 7c)		(3,368)	(3,593)	(3,820)	(4,048)	(4,278)	(4,509)	(28,349)	
9. Total Return Requirements from most recent Projections		•	-	-			-	-	
10. Difference (Line 8 - Line 9)		\$ (3,368) \$	(3,593)	(3,820) \$	i (4,048) S	(4,278)	(4,509)	\$ (26,349)	

(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)^{1/2-} 1] x 100; resulting in a monthly accrual rate of 0.005484 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.848%. (d) Other adjustment represents the monthly debt component carrying costs that is a permanent difference and therefore not included in the DTA calculation.

Page 2 of 2

1 1

1

1

1

I

1

Docket 090009-EI Progress Energy Florida Exhibit No.____(WG-4) Page 50 of 67

	I	1	١	ł	1	1	١	1	1		ł		1	1		1	1	1	١	ł	. I	. 1	
Sched	ule SS-3E	B			Act	Site Sela	evy County Nu locion Costs an ed Filing: Cons	id Carry	ying Cos	its I Inter	est						<u></u>		ction (4)] ction (8)(d)]				
FLOR	IDA PUBL	LIC SERVI	CE COMM	ISSION		EXPLA	NATION:	-	de the ca														
COMP	'ANY: PR	ROGRESS	ENERGY -	FL				year.	truction F	'enod i	Interest	ior ine	e current					For	the Year End	ied 12/31/	2008		
DOCK	ET NO.: (080149 - E	El															Wit	ness: Lori Cre)5 5			
Line No.	<u> </u>				·		(A) Beginning of Period	A	(B) Actual anuary	P	(C) Actual sbruary		(D) Actual March	(E) Projecto April		(F) Projected May	(G) Projected June	1 6	(H) 8 Month Total			· <u> </u>	
							····					Juri	sdictional	-	-	······································	•						
1,	Beginn	ning Balanc	e					S	-	5	·	\$	-	5	- 1		\$	-					
2,	Additio	ons Precon	struction										-		-	•		-					
3.	Addition	ns Constru	ction						÷				•					-	-				
4,	Olher A	Adjustmen	ts						-				•		-	-		•					
5.	Ending) Balance I	Excluding C	PI			<u>s</u> .	\$	-	\$		5	-	\$. 1		\$	<u>. </u>					
6,	Averag	ge Balance	Eligible for	r CPL					-							-		-					
7	Monthl	ly CPI Rate	e [Note 1]																				
8.	Constru	uction Peri	iod Interest	for Tax (CPI)				\$	-	\$	-	\$	•	\$	- 1		\$. 5	i				

Note 1: CPI rate is the projected weighted average debt rate for the period.

Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Page 1 of 2

]	1	1	l	1	١	1	1	۱]		ļ	1	1	1)	}	1
Schedu	ule SS-3B					Site Selecti	County Nuc on Costs an Filing: Cons	d Carrying		est						[Section [Section			
		C SERVICE GRESS ENI		ON		EXPLANA	TION:	Provide th Constructi year,			Actual or the current	:				For the Y	fear Ended	12/31/2008	
DOCK	ET NO.: 08	0149 - El														Witness:	Lorl Cross	i.	
Line No.							(I) Beginning of Period	(J) Project July		(K) ojected ogust	(L) Projected September	(M Projec Octol	ted	(N) Projected November	(O) Projected December	(P) 12 Mo Tota	nih		
1.	Beginnin	g Balance						\$	- \$	-	s -	5	- 5		s -				
2.	Additions	s Preconstru	iction						-	-	-			•			-		
3.	Additions	Construction	ו						-	-			-	•			-		
4.	Other Ad	ijusiments							-	•			-	-	-				
5.	Ending B	lalance Excl	luding CPI				<u>s</u>	5	5		\$	\$	- \$		\$				
6.	Average	Balance Eli	gible for CP	1					-	-	-		-	-					
7	Monthly	CPI Rate [N	ote 1}																
B .	Construc	lion Period	Interest for	Tax (CPI)				5	- 5		s .	\$	- 5		\$	\$	*		

Note 1: CPI rate is the projected weighted average debt rate for the period.

.

Note 2: This schedule for informational purposes only. In 2007 none of the costs being presented were considered under construction per tax and therefore no CPI was accrued.

Page 2 of 2

Sched	Je SS-4		ection Costs	Nuclear Filing and Carrying rable O&M Mo	Costs	litures							[Section (4)] [Section (6)(d)]
FLORI		EXPLANATION	t: 1	Provide lite Acti	al CCRC Reco	verable O&M								
COMP	ANY: PROGRESS ENERGY - FL		(monthly expend	tures by functio	n for the current	year.					For the Year	Ended 12/31/	2008
DOCK	ET NO.: 060149 - EI											Witness: Lo	rí Cross	
Line	<u> </u>	(A) Actual	(B) Actual	(C) Actual	(D) Projected	(E) Projected	(F) Projected	(G) Projected	(H) Projected	(I) Projected	(J) Projected	(K) Projected	(L) Projected	(M) 12 Month
No.	Description	January	February	March	April	Мау	June	Juty	August	September	October	November	December	Total
1	Accounting	\$ 1,201	\$ 7,338	\$ 1,447	i -	s -	s -	s -	s -	s -	s -	\$ -	s -	\$ 9,986
2	Corporate Communications	-	2,902	864	-	-	-	•	-	-	-	-	-	3,766
3	Corporate Planning	13,049	24,418	4,990	•	-	-	+	•	-	-	-	-	42,465
4	Corporate Services	•	-	-	-	-	-	-	-	-	-	-	-	-
5	External Relations	· · · · ·		-	•	-	-	-	-	-	-	•	•	
5	Human Resources	3,711	8,958	2,790	-	-	-	~	-	•	-	-	•	15,459
	IT & Telecom	-	•	-	•	-	•	•	-	•	•	-	-	-
8 9	Legal Device Annument	7.995	49.055	-	-	-	-	-	•	-	-	•	-	25,864
10	Project Assurance Public Alfairs	7,885	13,955	4,023	-			-		-	-	-	_	20,004
11	Subtotal A&G	25,847	57,571	14,122		-		-	_	-	-	-	-	97,540
12	Energy Delivery Florida	×0,047					•	-	-	-		-	-	
13	Nuclear Generation	5,450		-		-	-	-	-	-	-	-	-	5,450
- 14	Transmission	\$ 65,403	\$ 6,542	\$ 6,391	s -	s -	S -	s -	5 -	5 -	s -	S -	5 -	\$ 78,336
15	Total O&M Costs	\$ 96,700		\$ 20,513		\$ -	\$.	\$ -	5 -	\$ -	s -	\$ -	\$ -	\$ 181,326
16	Jurisdictional Factor (A&G)	0.91670	0.91670	0.91670	0.91670				***					
17	Jurisdictional Factor (Distribution)	0.09597	0.99597	0.99597	0.99597	0,99597								
18	Jurisdictional Factor (Nuclear - Production - Base)	0.93753	0.93753	0.93753	0.93753	0.93753							0.93753	
19	Jurisdictional Factor (Transmission)	0.70597	0,70597	0,70597	0.70597	0.70597	0,70597	0.70597	0.70597	0,70597	0.70597	0.70597	0.70597	0,70597
20	Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16)	\$ 23,694	\$ 52,775	\$ 12,945	5 -	s -	\$ -	s -	s -	\$ ~	\$.	S -	\$ -	\$ 89,415
21	Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17)		-	-	-	•	-	•	-		•	-	-	- 5,109.54
22	Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Lin		-	* 4 5 4 5		•	•			•	•	•	•	\$ 55,303
23	Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19)	\$ 46,173 \$ 74,975		\$ 4,512 \$ 17,457			<u> </u>	3				\$	\$	\$ 149,827
24	Total Jurisdictional Recoverable Q&M Costs	\$ 74,875	5 57,555	11,451	*									
25	Average Monthly Recoverable O&M Balance	\$ 37,488	\$ 56,312	\$ 112,829	\$ 121,829	\$ 122,121	\$ 122,414	\$ 122,708	\$ 123,002	\$ 123,297	\$ 123,593	\$ 123,890	\$ 124,187	
28	Monthly Short-term Commerical Paper Rate	0.34%	0.26%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	
27	Interest Provision	<u>\$ 127</u>	\$ 172	\$ 271	292	\$ 293	\$ 294	\$ 294	\$ 295	\$ 296	\$ 297	\$ 297	\$ 298	\$ 3,228
28	Total Monthly Recoverable O&M Costs	\$ 37,815	\$ 66,485	\$ 17,728	\$ 292	\$ 293	\$ 284	\$ 294	\$ 295	\$ 296	\$ 297	\$ 297	\$ 296	\$ 124,485
29	Total Jurisdictional O&M Costs From Most Recent Projection		-	-		-	-	-	•	-		-	-	-
30	Difference (Line 28 - 29)	\$ 37,615	\$ 66,485	\$ 17,728	\$ 292	\$ 293	\$ 294	\$ 294	\$ 295	\$ 296	\$ 297	\$ 297	\$ 298	\$ 124,485 0 11 0 0 0 X 7 0

1

.

Progress Energy Florida Exhibit No. _____ (WG-4) Page 53 of 67 Page 1 of 1

FLORIDA PUBLIC SERVICE COMMISSION EXPLANTION Provide the Actual Other Recoverable OAM projected modely superduras by function for the current year. Service Service Commission for the current year. COMPANY: PROGRESS ENERGY - FL	3)(d)]
COMPANY: PROGRESS ENERGY - FL For the Yaar Ended 1 DOCKET NO.: 600149 - El Witness: Lof Cross Ime A(1) (B) (C) (D) (E) (F) (G) (H) (I) (J) (H)	
Cocket No: 080149 - El Miless: Lori Cross Miless: Lori Cross Line Adual Adual </th <th>/31/2008</th>	/31/2008
Line Actual Aug June July Aug September Cetober November Description 1 Accual Corporate Demunications - 1,339 2,211 - - - - - - - - - - - - - - - -	
Line Actual Aug June July August September Cetober November Description 1 Accual Actual	(M)
No. Description January February March April May June July August September October November Description 1 Accounting \$ <td< td=""><td></td></td<>	
1 Accounting 5 6 6 7	
2 Corporate Communications - - 1,339 2,211 -	
3 Corporate Planning 1,339 2,211 -	\$ -
4 Corporate Services -	1,53
5 External Relations -	3,5
8 Human Resources -	-
7 IT & Telecom 2,877 50,850 1,967 -<	
8 Legal 2,877 50,850 1,967 -	
9 Project Assurance (15,647) 15,829 - <t< td=""><td>55.6</td></t<>	55.6
10 Public Affairs 11 Subtotal A&G 12 Energy Delivery Florida 13 Nuclear Generation 14 Transmission 15 Total O&M Costs 16 Jurisdictional Factor (AAG) 17 Jurisdictional Factor (Clustribution) 18 Jurisdictional Factor (AAG) 19 Jurisdictional Factor (Clustribution) 19 Jurisdictional Factor (AAG) 19 Jurisdictional Factor (Clustribution) 19 Jurisdictional Factor (Clustribution) 19 Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16) 10 S -	18
11 Subtotal A&G 341 888 1,839 -	-
12 Energy Delivery Florida 341 888 1,639 -	-
13 Nuclear Generation 14 Transmission 15 Total O&M Costs 16 Jurisdictional Factor (A&G) 17 Jurisdictional Factor (A&G) 18 Jurisdictional Factor (Distribution) 18 Jurisdictional Factor (Nuclear - Production - Base) 19 Jurisdictional Factor (Nuclear - Production - Base) 19 Jurisdictional Recoverable Costs (A&G) (Line 11 X Line 16) 11 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 12 X Line 17) 18 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 12 X Line 17) 19 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 12 X Line 17) 11 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 12 X Line 17) 11 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 16) 12 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 17) 13 Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19) 14 5,585 606 3,483 - - - - - - - - - - - - - - - <	3,06
14 Transmission \$ 7,430 \$ (395) \$ 2,311 \$. \$. \$. \$. \$. \$. \$. \$. \$. \$	·-
15 Total O&M Costs \$ 7,771 \$ 493 \$ 4,149 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	\$ 9,34
10 Jurisdictional Factor (Nactor (Distribution) 0.96100 0.961	\$ 12,41
17 Jurisdictional Factor (Distribution) 0.99597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597	0 0.916
18 Jurisdictional Factor (Nuclear - Production - Base) 0.93753 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 0.70597 <t< td=""><td>7 0.995</td></t<>	7 0.995
19 Jurisdictional Factor (Transmission) 0.70597	i3 0.937
21 Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17) 339.63 884.42 1,831.38 22 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 339.63 884.42 1,831.38 23 Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19) \$ 5,245 \$ (279) \$ 1,631 \$ 5 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5	0.705
21 Jurisdictional Recoverable Costs (Distribution) (Line 12 X Line 17) 339.63 884.42 1,831.38 22 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 5,245 \$ (279) \$ 1,631 \$ 5 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5 \$ 5	\$ -
22 Jurisdictional Recoverable Costs (Nucl - Production - Base) (Line 13 X Line 23 Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19) 24 Total Jurisdictional Recoverable O&M Costs	3,055.4
23 Jurisdictional Recoverable Costs (Transmission) (Line 14 X Line 19) \$ 5,245 \$ (279) \$ 1,631 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	
24 Total Jurisdictional Recoverable O&M Costs \$ 5,585 \$ 606 \$ 3,463 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	\$ 6,59
25 Total Jurisdictional O&M Costs From Most Recent Projection \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	\$ 9,65
	S -
26 Difference (Line 24 - 28) \$ 5,585 \$ 606 \$ 3,483 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	\$ 9.6

•

١

1

J

I

1 1 1

I

l

۱

1

t

Page 1 of 1

ļ

I

۱

1,1,1

ļ

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-4) Page 54 of 67

16 Juristicitional Factor 0.53153 0.53153 0.53154 0.53154 0.53155 0.5155	-	ected Project amber Octobe	For t With (J) Projected Pr	Projected Proj November Dece	/31/2008 (L) (M) ected 12 Month ember Totel - \$ 8,282 -
FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide the actual monthly expenditures by major tasks performed within Site Selection category. COMPANY: PROGRESS ENERGY - FL	Projected r October	ected Project amber Octobe	(J) Projected Pr October No	Iness: Lori Cross (K) (i Projected Proje <u>November Dec</u> e	L) (M) ected 12 Month ember Totel
Within Site Selection category. OMPANY: PROGRESS ENERGY - FL OCKET NO.: 080149 - El (A) (B) (C) (D) (E) (F) (G) (H) (I) ne Actual Actual Actual Actual Projected	Projected r October	ected Project amber Octobe	(J) Projected Pr October No	Iness: Lori Cross (K) (i Projected Proje <u>November Dec</u> e	L) (M) ected 12 Month ember Totel
DCKET NO.: 060149 - El Ne Actual Actual January C. Actual Actual January C. Actual Actual Projected Projected Actual January C. Pebruary March C. April April March C. April April May C. June C. Projected Project	Projected r October	ected Project amber Octobe	(J) Projected Pr October <u>N</u> e	(K) () Projected Proj November Dece	ected 12 Month ember Totel
All (B) (C) (D) (E) (F) (G) (H) (I) Actual Actual Actual Actual Actual Projected	Projected r October	ected Project amber Octobe	Projected Pr October Ne	Projected Proj November Dece	ected 12 Month ember Totel
Site Selection:					
Gameration: \$ 3,360,110 \$ 3,389,653 \$ 1,532,572 \$ \$ 5 <	\$ - -	- \$ -	- S	- \$ 	- \$ 8,282 - -
Liberes Application 1 3,300,100 3 3,300,102 1,002,012 1 Engineering, Design & Procurement Permitting Chearting, Grading and Excavation - - - - Dr. Ste Construction Facilities 5 5 5 5 5 - - - Total Generation Costs \$ 3,360,110 \$ 3,389,653 \$ 1,532,572 \$ \$ 5 -	-	-	•	-	•
Permany Chearing, Grading and Eucavation On-Site Construction Facilities 5	-	-			-
On-Sile Construction Facilities 5 <t< td=""><td></td><td>-</td><td>-</td><td>-</td><td>-</td></t<>		-	-	-	-
Orizate Construction Coats \$ 3,360,110 \$ 3,389,653 \$ 1,532,572 \$ \$ \$ Total Generation Coats 1,264,920 380,936 (227,881) (8,917,094) - - Non Cash Accruais 1,264,920 380,936 (227,881) (8,917,094) - - Non Cash Accruais 1,264,920 380,936 (227,881) (8,917,094) - - Net Generation Costs \$ 2,095,190 \$ 3,008,717 \$ 1,760,453 \$ 8,817,094 \$ \$ \$ Juried/citional Factor 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 0.93753 Total Juried/citional Generation Costs \$ 1,964,304 \$ 2,820,763 \$ 1,650,478 \$ 8,360,043 \$ \$ Total Juried/citional Generation Costs \$ 1,964,304 \$ 2,820,763 \$ 1,650,478 \$ 8,360,043 \$ \$ Total Juried/citional Generation Costs \$ 1,964,304 \$ 2,820,763 \$ 1,650,478 \$ 8,360,043 \$ \$ \$ Line Engineering \$ 92,228 \$ 142,034 \$ (11,994) \$ \$ \$ \$ \$ Line Engineering \$ 92,228 \$ 142,034 \$ (11,994) \$ \$ \$ \$ <td< td=""><td>s</td><td>- 5</td><td>\$</td><td>\$</td><td>- 1</td></td<>	s	- 5	\$	\$	- 1
Non Cash Accruats 1,264,920 380,836 (227,881) (8,917,094) - <th< td=""><td>\$ -</td><td>- \$</td><td>- \$</td><td>- 5</td><td>- \$ 8,282</td></th<>	\$ -	- \$	- \$	- 5	- \$ 8,282
Nat Generation Costs \$ 2,095,190 \$ 3,008,717 \$ 1,760,453 \$ 8,817,094 \$ -		•	-	-	- (7,499
Juriedictional Factor 0.93753 </td <td>· · · · · · · · · · · · · · · · · · ·</td> <td></td> <td></td> <td></td> <td>\$ 15,781</td>	· · · · · · · · · · · · · · · · · · ·				\$ 15,781
Total Jurisdictional Generation Costs \$ 1,864,304 \$ 2,820,763 \$ 1,650,478 \$ 8,360,043 \$ </td <td></td> <td></td> <td>0.93753</td> <td>0.93753</td> <td>0,93753 0.9</td>			0.93753	0.93753	0,93753 0.9
Line Engineering \$ 92,228 \$ 142,034 \$ (11,994) \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	\$	- \$	- \$	- \$	- \$ 14,795
Line Engineering \$ 92,228 \$ 142,034 \$ (11,994) \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$					
Substation Engineering (4,469) 22,490 (7,871) Clearing \$ 54,024 \$ 507,692 \$ 123,709 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$. s -	- \$	- 5	- \$	- \$ 222
Clearing \$ 54,024 \$ 507,692 \$ 123,709 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	· ·	-	-	•	- 10
					- \$ 665
Total Transmission Costs \$ 141,783 \$ 072,216 \$ 104,044 \$ 9					\$ 916
	•	•	÷		
Non Cash Acatvalis (109,554) 384,132 (294,013) (305,094)	· ·	:	-	-	- (604
Other \$ 251,337 \$ 288,084 \$ 398,057 \$ 585,094 \$ - \$ \$ \$. <u>\$</u>	- 5	- 5	- \$	- \$ 1,522
Net Transmission Costs \$ 251,337 \$ 288,084 \$ 349,057 \$ 050,094 \$ 3 Juriadictional Factor 0.70597 0.70	597 0.70	0,70597 0.1	0,70597	0.70597	0.70597 0.7
Total Jurisdictional Transmission Costs \$ 177,437 \$ 203,379 \$ 261,016 \$ 413,059 \$ - \$ - \$ - \$ - \$ - \$		- 5	- \$	· \$	- \$ 1,074
Total Jurisdictional Ste Selection Costs \$ 2,141,741 \$ 3,024,142 \$ 1,931,494 \$ 8,773,102 \$ - \$ - \$ - \$ - \$	· \$		-		\$ 15,870

Page 1 of 1

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-4) Page 55 of 67

1	ł	L.	ł)	ł)	1	l	ł	ļ	1	ł	1	Į	1	ļ	-	l	. !
Schedule	e SS-6A			·			A(Levy (Site Selectio ctual/Estimate		d Carrying C					•	action (4)] action (8)(d	<u>1)]</u>		
	VPUBLIC SERV							EXPLANATI		le a descriptio Site Selection					Fo	r the Year	Ended 1	2/31/20	X08
DOCKET	NO.; 080149 - I	El													W	iness: Lori	Cross		
2 <u>Ge</u> 3 4 5 8 7 8	<u>Selection</u> Ineration: License Applik Engineering & Permitting Clearing, Grad	L Design ding and Excav truction Facilitie		Deta Engi Obta Clea Inclu Inten Inten Cont	illed on-site ci ineering & De lin required pi ring, grading, ides the instal mai engineerii mal engineerii tracted costs struction, oper	esign associated emnits for new j , excavation, ba llation of wareh ing labor, contra ing labor, contra associated with rating and main	of or geologica d with the Site plant (i.e. site ackfill, onsite of nouses necess acted enginee acted enginee acted enginee acted enginee of tenance of tra	I and environme a Layout, Power i cartification peu disposal, draina sary during cons ning labor, survi ning labor, survi	Block and Ne mits, environ ge and erosic itruction (elec- sy and all oth- ill other costs the construction	on-Power Bloci mental permits in control. Con trical shop, can ar costs associ associated with on of transmiss	k facilities. s, etc.) hstruction part penter shops iated with eng h substailon (sion lines, coa	k lots, laydowr , etc.), constru pineering trans and protection its associated	areas and ac ction power ar mission lines. and control (re	cess roads. Id lighting. Hay) engineerin		ensura acce	ess for		
																	Page 1 d	af 1	

•

chedule SS-68	[Section (4)] [Section (8)(d)]				
.ORIDA PUBLIC SERVICE COMMISSION DMPANY: PROGRESS ENERGY - FL DCKET NO.: 080149 - EI	EXPLANATION:		rovide annual variance explanations co xpenditures to the most recent projectic ed with the Commission.		For the Year Ended 12/31/2008 Witness: Lori Cross
ne 0	(A) Total ActuaVEstimaled	(8) Total Projected	(Č) Total Varience	(D) Explanation	
<u>Site Selection;</u> <u>Generation;</u> License Application Engineering & Design Permitting Clearing, Grading and Excavation On-Site Construction Facilities Total Generation Costs	\$ 8,282,335	\$ <u>5</u>	\$ 8,282,335 	Note 1 Note 1 N/A N/A Note 1	
Transmission: Une Engineering Substation Engineering Clearing Other Total Transmission Costs	\$ 222,258 10,350 <u>685,426</u> \$ 918,043	s - - -	\$ 222,268 10,350 685,425 \$ 918,043	Note 1 Note 1 N/A Note 1	

ł

3

ł

ł

I

1

ŧ

Note 1: No costs were projected due to the fact that Progress Energy (PEF) has never filed a projection to date.

.

ł

ł

}

•

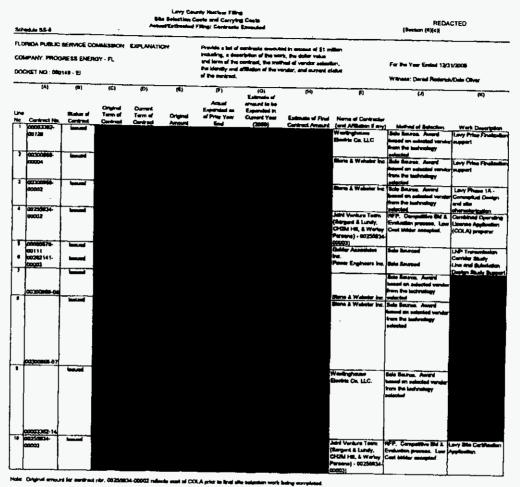
Page 1 of 1

ţ

J

1

Docket 090009-EI Progress Energy Florida Exhibit No.____ (WG-4) Page 57 of 67



ł

ł

ł

1

ł

Ł

١,

١

j.

1

l

1

1

1

ł

1

Ŧ

٠

ł

.

ł

Page 1 of 3

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 58 of 67

Schedule SS-BA	Levy County Nuclear Filing Pre-Construction Costs and Carrying Costs on Construction Gost Balance Actual/Estimated Filing: Contracts Executed	REDACTED [Section (8)(c)]
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	
COMPANY: PROGRESS ENERGY - FL	afficiation with selected vendor, the method of vendor selection, brief description of vendor selection process, and current status	For the Year Ended 12/31/2008
DOCKET NO.: 080149 - El	of the contract.	Witness: Daniel Roderick/Dale Oliver

Contract No.: 00003382-00128

Mator Task or Tasks Associated With: Activities necessary to determine and document detailed costs associated with the Levy Nuclear Plant (LNP) standard plant. These are all planning activities and do not include actual design or construction activities.

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: A proposal was submitted by Westinghouse LLC.

.)

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Protect Controls. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dolar Value:



Contract Status; Issued

<u>Term Beoin:</u> Term End:



Nature and Scope of Work:

Page 1 of 10

1

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 59 of 67

Schedule SS-8A	REDACTED (Section (6)(c))	
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide additional details of contracts executed in excess of	
COMPANY: PROGRESS ENERGY - FL	including, the nature and scope of the work, the nature of a affikation with selected vendor, the method of vendor selec	tion, For the Year Ended 12/31/2008
DOCKET NO.: 060149 - EI	brief description of vendor selection process, and current s of the contract.	status Witness: Daniel Roderick/Dale Oliver

Contract No.: 00300968-00004

Major Tasks or Tasks Associated With: Activities necessary to determine and document detailed costs

Vendor Identity; Stone and Webster Inc.

Vendor Affliation (specify 'direct' or 'indirect'); Direct

Number of Vendors Solicited: One, due to Westinghouse being the sole vendor for the reactor technology selected. Stone & Webster is Westinghouse contracted engineering and construction partmer.

Number of Bids Received: A proposal was submitted by Stone and Webster Inc.

Brief Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed. by NPD Project Controls. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value:

Contract Status: Issued

Lorm Beain: Lorm Ecd.

Nature and Scope of Work:

Page 2 of 10

Schedule SS-8A	Levy County Nuclear Filing Pre-Construction Costs and Carrying Costs on Construction Cost Balance Actual/Estimated Filing: Contracts Executed	REDACTED [Section (8)(c)]
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide additional details of contracts executed in excess of \$1 million	
OMPANY: PROGRESS ENERGY - FL	including. The nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection,	For the Year Ended 12/31/2008
OCKET NO.: 080149 - EI	brief description of vendor selection process, and current status of the contract.	Witness: Daniel Roderick/Dale Oliver

Maigr Task or Tasks Associated With: The project management and conceptual engineering activities to require further characterization of the Levy site by performing geotechnical evaluations, regional infrastructure studies, early procurement requirements, preliminary construction plan development, COLA development interfacete, and development of the site specific schedule.

Vendor identity: Stone and Webster Inc.

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

Number of Vendors Solicited: One. due to Westinghouse being the sole vendor for the reactor technology selected. Stone & Webster is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Stone and Webster Inc.

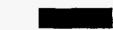
Brief Description of Selection Process; Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Commants were provided to the vendor and upon successful completion of comment resolution, a contract requisition was developed by NPD Project Controls. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition is approved by the appropriate level of Progress Energy Management. Once the contract requisition is approved, a formal contract can be issued.

Dollar Value:



Contract Status; Issued

Term Begin: Term End:



Nature and Scope of Work:

Activities related to completing detailed estimates for site specific buildings, systems and components, and studies and evaluations in support of determining the overall site specific plant cost.

Page 3 of 10

ł

ł	l	l	1	t	}	ţ	ł	ļ	l	}	١	1	1	I	ţ	t	ł
			Pre		Levy Count Costs and Carryle itual/Estimated Fil	19 Costs on	Construction (Cost Balánce				REDA (Sec	CTED tion (8)(c))				
-	chedule SS-6A		<u> </u>	<u> </u>	- <u></u>										•		
	LORIDA PUBLIC SEF		-		EX	PLANATION	including, the r	onal details of cont Nature and scope (of the work, the	nature of any							
	OMPANY: PROGRES		7.					selected vendor, t of vendor selec l.			-	the Year Ended		r ,			
ī	Ontract No.: 0025593	4-00002	······································												-		
a a L	Ásio <u>r Task or Tasks As</u> ssociated with providi ind licensing services icense Application (CC reenfield site in Florid;	ng engineering, lo support of C DLA) developm	environmental, ombined Operatin	9													
У	<u>/endor identity;</u> Joint V	anture Tearn -	Sargent & Lundy,	. CH2M Hill, & \	Worley Parsons												
۲	(endor Affiliation (spec	ity direct or in	<u>direct").</u> Direct														
6	Amber of Vendors So	licited. Six															
b	iumber of Bids Receiv	ed Six															
8	Inef Description of Sel	ection Process	An RFP was con	npleted for CO	LA Application prep	station and	sent la vendors.	The next step rec	quired New Pla	nt Development to	2						
ſ	<u> Dollar Value:</u>																
2	Contract Status: Issued	t															
	farm Beoin. farm End:																
ייד ד ד ד ד ד ד ד ד ז ז ז ז ז ז ז ז ז ז	Vallurs and Scope of M Provide engineering, crivic resh 1 - Prepare License A ask 2 - Perform site invest rask 3 - Prepare Chapter 2 ask 4 - Prepare Environm task 5 - Prepare FSAR Ch rask 6 - Prepare FSAR Ch rask 8 - Prepare FSAR Ch rask 8 - Prepare FSAR Ch rask 8 - Prepare FSAR Ch	nimental, and lice optication and assignation, including to FASR in accou- ental Report in ac- apters 4, 5, 6, 7, a applers 1, 3, 8, 17, apters 1, 3, 8, 17, apters 1, 10, 11, 4 ction program, ins	sociated General & A necessary unit boring dance with applicabl cordance with applic and 12 in accordance (16 in accordance w 18, & 19in accordance 15 in accordance w paction programs, obj	dmin, information gs and construction able regulatory requi- able regulatory re- with applicable reg- ce with applicable reg- ce with applicable reg-	n g a meteorological law inementa including mai iquinementa, including r guidacy requirementa utatory requirementa, a regulatory requirementa.	ver la galher we aorological, ga ille ecological i : :ta.	ological, guotechnic rivéetigations. Prep	para Emergency Plan	in accordance w		ny nequinemente.						79 (7)
	laak 19 - Prepara concept laak 11 - Project Menagen			activities													^o age
													Page	4 of 10			Exhibit No. Page 62 of (

t

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 62 of 67

I

Schedule SS-6A	Levy County Nuclear Filing Pre-Construction Costs and Carrying Costs on Construction Cost Balance Actual/Estimated Filing: Contracts Executed	REDACTED (Section (8)(c))
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide additional delaits of contracts executed in excess of \$1 million	
COMPANY: PROGRESS ENERGY - FL	including, the nature and scope of the work, the dature of any	
DOCKET NO .: 080149 - E1	uner description of vendor selection process, and current status	For the Year Ended 12/31/2008
Contract No.; 00080578-00111		Witness: Daniel Roderick/Dale Oliver

Major Task or Tasks Associated With: activities associated with providing environmental, line corridor selection studies, and licensing services in support of Site Certification Application (SCA) and Combined Operating Ucense Application (COLA) development for transmission facilities to support a new greenfield site in Florida.

These are all planning activities and do not include actual design or construction activities.

Vendor Identity, Golder Associates Inc.

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

Number of Vendors Solicited: One

Number of Bids Received; A proposal was submitted by Golder Associates Inc.

Bitel Description of Selection Process: Upon receipt of proposal, Supply Chain and company management representatives reviewed the proposal's technical scope, schedule, and cost. A single source justification memo was prepared and approved based on the vendor's involvement since inception of the project and their ability to meet the required schedule requirements, a contract requisition was developed by Transmission Opt and Planning Project Support. The requisition documents final agreed upon scope, schedule, cost, and established project controls. The requisition was approved by the appropriate level of Progress Energy Management. Once the contract requisition was approved, a formal Work Authorization was issued.

Dollar Value:

Contract Status: Issued

Term Begin: Ierm End:



Nature and Scope of Work: Provide environmental, line corridor selection studies, and licensing services in support of SCA and COLA development including. Task 1 - Corridor Routing Study

Task 1a - Public Involvement

Task 2 - Preparation of applicable sections of the SCA

Task 3 - Certification Support and Hearings/Expert Testimony/Hearing Support/Agency Meetings/Outreach

Task 4 - Preparation of applicable sections of the NRC COLA

Page 5 of 10

ł

J

ł

Schedule SS-BA	Levy County Nuclear i Pre-Construction Costs and Carrying Costs o Actual/Estimated Filing: Contra	n Construction Cost Balance	REDACTED (Section (8)(c))
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATIO	N: Provide additional details of contracts executed in excess of \$1 million	
COMPANY: PROGRESS ENERGY - FL		including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection,	For the Year Ended 12/31/2006
DOCKET NO.: D80149 - EI		brief description of vendor selection process, and current status of the contract.	Witness; Daniel Roderick/Date Oliver
Contract No.: 00262141-00003	······································		
Major Task or Tasks Associated With: Activities associated with providing conceptual substation engineering and routing study services in support transmission facilities to support a new greenfield Florida. There all planning activities and do not include act	sile n		
design or construction activities.			
<u>Vendor Identity</u> , Power Engineers Inc			
Vendor Affiliațion (specify 'direct' or 'indirect'). Dire	xct		
Number of Vendors Solicited; One			
Number of Bids Received: A proposal was submi	tted by Power Engineers Inc.		
	ed project controls. The requisition was approved I	nd Planning (TOPS) Project Support. The requisition documents final by the appropriate level of Progress Energy Management. Once the	
<u>Collar Value:</u>			
Contract Status: Issued			
Term Besin:			
Nature and Scope of Work: Provide conceptual s - Preparation of preliminary substation design crite	•	in support of transmission facilities including:	
 Preparation of preliminary transmission line com For each of the substations, prepare conceptual 			

I

- - E

1

!

1

}

1

}

1

ł

1

1

}

1

Ĩ

1

Docket 090009-EI Progress Energy Florida Exhibit No. _____ (WG-4) Page 64 of 67 •

1

}

ŧ

Schedule SS-BA	Lavy County Nuclear Filing Pri-Construction Costs and Carrying Costs on Construction Cost Balance Actual/Estimated Filing: Contracts Executed	REDACTED [Section (8)(c)]
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide additional details of contracts executed in excess of \$1 million	
COMPANY: PROGRESS ENERGY - FL	including, the nature and scope of the work, the nature of any affiliation with selected yendor, the method of vendor selection,	For the Year Ended 12/31/2006
DOCKET NO.: 080149 - Ei	brief description of vendor selection process, and current status of the contract.	Wilness: Daniel Roderick/Dale Oliver
Contract No.: 00300958-00006		Contractor Contractor Contractor

ł

Ŧ

1

Į.

Major Tasks Associated With: 1) The scope of work includes those activities necessary to support the Site Certification Application (SCA) and Limited Work Authorization (LWA) submittals. The scope of work, deliverables, assumptions, risks, and associated man-hours and coats are as described in SSW proposal provided by letter SSWN-PEF-00129, Proposal Shaw Phase 1 Work Activities Required to Support SCA and LWA -Contract Number 300968, dated March 13, 2006.

Vendor Identity; Stone and Webster Inc.

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

Number of Vendors Solicited; One, due to Westinghouse being the sole vendor for the reactor technology selected. Stone & Wester is Westinghouse contracted engineering and construction partner.

Number of Bids Received: A proposal was submitted by Stone and Webster Inc.

Briel Description of Selection Process: Upon receipt of proposal, New Plant Development (NPD) reviewed the proposal's technical scope, schedule, and cost. Comments were provided to the vendor and upon successful completion of comment resolution, a contract regulation was developed by NPD Project Controls. The regulation documents final agreed upon scope, schedule, cost, and established project controls. The regulation is approved by the appropriate level of Progress Energy Management. Once the contract regulation is approved, a formal contract can be issued.

Dollar Value:

ł

Contract Status: Issued

<u>Term Baoin:</u> T<u>erm End:</u>

Nature and Scope of Work: All work activities required to support the Levy Limited Work Authorization and Site Certification Application.

Page 8 of 10

Schedule SS-8A	Lavy County Nuclear Filing Pre-Construction Costs and Canying Costs on Construction Cost Balance Actual/Estimated Filing: Contracts Executed	REDACTED [Section (8)(c)]
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide additional details of contracts executed in excess of \$1 million	
COMPANY: PROGRESS ENERGY - FL	including, the nature and scope of the work, the nature of any affiliation with selected vendor, the method of vendor selection,	For the Year Ended 12/31/2006
DOCKET NO.; 080149 - EI	brief description of vendor selection process, and current status of the contract.	Witness: Daniel Roderick/Date Oliver

ł

ł

1

I

ļ

1

1

ţ

~ I

Contract No.: 00255834-00003

1

1

ł

ł

ł

1

}

ł

Mator Task or Task Associated With activities associated with developing the Sile Centrication Application for the Levy Plant. The application will be submitted to the Florida Department of Environmental Protection.

Vandor Identity, Joint Venture Team - Sargant & Lundy, CH2M Hill, & Workey Paraona

Vendor Affiliation (specify 'direct' or 'indirect'); Oirect

Number of Vendors Solicited: 1

Number of Bids Received, 1

Bde/Deachpion of Selection Process; This authorization is clearely lied to the Levy COLA Environmental Report. An Impact Evaluation was submitted to document project scope, achedide, coat, and risk. The inpact evaluation is challenged with technical; OA, and financial reviews prior to approval. The approved impact evaluation is incorporated into a new volt subforduation.

Dollar Value:



Contract Status, Issued

Ison Bagin:07/36/2007 Ison End, 07/01/2006



Nature and Scoos of Work.

Provide engineering, environmental, and licensing services in support of Site Certification Application development. Major tasks include:

- Task 1 Sile Characterization
- Task 2 Plant & Associated Facilities
- Task 3 Construction Impects
- Task 4 Operational Impacts
- Task 5 Economic and Social Effects
- Task 6 Electrical Transmission Lines
- Task 7 Need for Power
- Task 8 Site & Design Alternatives

Page 10 of 10

Schedule SS-	-10		Site Sel	y County Nuclear Filli ection Costs and Can imated Filing: Estimat	rying Costs			
LORIDA PU	BLIC SERVICE COMMISSIO	N	EXPLANATION:	Using the billing determ	inants and allocation fac	tors used in		
COMPANY: F	ROGRESS ENERGY - FL				t recovery filings, provide ass of the costs requeste		For the Year Ended 12/31/2008	
DOCKET NO	.: 080149 - E!			Current billing determin used, if available.	ants and allocation facto	rs may be	Witness: Lori Cross	
	(A)		(B) 12CP & 1/13 AD Demand	(C) Production Demand		(E) timated Capacity Cost Recovery		
Line No.	Rate Class		Allocator (%)	Costs S	at Meter Year 2008	Factor (c/Kwh)		
Reside								
		Secondary	60.454%	\$22,921,422	21,431,535	0.107		
	al Service Non-Demand GST-1							
,		Secondary			1,391,472	0.091		
		Primary			8,868	0.000		
		Transmission TOTAL GS	3.352%	\$1,271,116	3,633	0.000		
						-		
<u>Gener</u> G5-2	<u>al Service</u>	Secondary	0.146%	\$55,350	89,286	0.062		
	al <u>Service Demand</u> I, GSDT-1, SS-1							
		Secondary			12,946,646	0.075		
		Primary			2,443,814	0.000		
		Transmission TOTAL GSD	31.042%	\$11,769,914	10,004	0.000		
<u>Curtai</u>	liabie							
CS-1,	CST-1, CS-2, CST-2, CS-3, CS				-			
		Secondary Primary			0 193,492			
		Transmission			0	0.000		
		TOTAL CS	0.284%	\$107,685	193,492			
	<u>upiliale</u> ST-1, IS-2, IST-2, SS-2							
		Secondary			120,638	0.065		Prog Prog Page
		Primary Transmission			2,076,176	0.000 0.000		e ibitigi ket
		TOTAL IS	4.579%	\$1,736,063	2,658,527			7 N 090 of 0. E
Liahtii	ng							67 67
L\$-1		Secondary	0.143%	\$54,119	356,390	0.015		cket 090009-EI ogress Energy Florida hibit No (WG-4) ge 67 of 67
			100.000%	\$37,915,689	41,533,666	0.091		G-4)
			and the second s					

1

ļ

ł

1

ł

1

NOTE: Revenues have been grossed up by 1.00072% for revenue related laxes.

ł

Į

١

1

1

1

e 1

Docket 090009-El Progress Energy Florida Exhibit No. ____ (WG-5) Page 1 of 8

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost Recovery Clause

DOCKET NO. 080009

Submitted for filing: August 21, 2008

REDACTED

REBUTTAL TESTIMONY OF WILL GARRETT

ON BEHALF OF PROGRESS ENERGY FLORIDA

 $\begin{array}{c} COM \underline{S} + \\ \underline{ECR} \\ GCL \underline{a} \\ OPC \\ \underline{RCP} \\ SSC \\ SGA \\ ADM \\ CLK \\ \end{array}$

R. ALEXANDER GLENN JOHN BURNETT PROGRESS ENERGY SERVICE COMPANY, LLC P.O. Box 14042 St. Petersburg, Florida 33733 Telephone: (727) 820-5180 Facsimile: (727) 820-5519 JAMES MICHAEL WALLS Florida Bar No. 706272 DIANNE M. TRIPLETT Florida Bar No. 0872431 CARLTON FIELDS, P.A. Post Office Box 3239 Tampa, FL 33601 Telephone: (813) 223-7000 Telecopier: (813) 229-4133

PSC-COMMISSION CLERK

80

07538 AUG21

JOCUMEN'' NUMBER-DATE

13724806.5

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-5) Page 2 of 8

IN RE: NUCLEAR COST RECOVERY CLAUSE BY PROGRESS ENERGY FLORIDA FPSC DOCKET NO. 080009 REBUTTAL TESTIMONY OF WILL GARRETT

I. INTRODUCTION AND QUALIFICATIONS

Q. Please state your name.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

A. My name is Will Garrett.

Q. Did you file Direct Testimony on April 22, 2008 in this docket?
A. Yes, I filed direct testimony in support of PEF's actual costs for the Levy Nuclear Project. This testimony was originally filed in Docket 080149, but I understand that it will be transferred to this nuclear cost recovery docket.

Q. Have you reviewed the testimony of Jeffrey A. Small, filed on behalf of the Public Service Commission Staff?

A. Yes, I have read Mr. Small's testimony.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to respond to Mr. Small's audit finding regarding the Company's valuation method for the portion of the Lybass property purchased for the Levy project that will be held for future use. FPSC-COMMISSION CLERK

60

7538 AUG21

 \bigcirc

DOCUMENT NUMBER-DAIL

1

Q. Does Mr. Small contend in his audit report that PEF's decision to allocate a portion of the property to Land Held for Future Use or PEF's valuation of that portion of the Levy property was incorrect or imprudent?

A. No. Mr. Small does not conclude that PEF was incorrect or imprudent. He simply refers to two alternatives to PEF's valuation method that PEF considered and rejected and notes that there are different ways to value the land. However, he does not conclude that either of these alternative methods was more appropriate than the valuation method PEF used.

Q. What did the Company decide to do with respect to the Lybass property?
A. As explained in my direct testimony, filed April 22, 2008, the Company purchased the Lybass property because part of it was needed for the Levy project. This was about 314 acres. The remainder (1,845 acres) is being held for future use. The land will provide an access road from SR 19 to the nuclear units and access to the barge canal (94 acres), provide transmission right of way (220 acres) and the remainder will be Held for Future Use (1,845 acres). Pursuant to applicable Code of Federal Regulation (CFR) requirements, the Company is required to place a value on the Lybass property to be Held for Future Use and allocate the appropriate portion to the Levy project.

Q. What method did the Company utilize to make this valuation and allocation and why?

13724806.5

The purchase price for the Lybass property is \$39.1 million (\$18,103/acre) plus closing costs for a total of \$40.4 million. The FERC, Code of Federal Regulation (CFR) Electric Plant Instruction No. 7 Land and Land Rights (G), requires "When the purchase of land for electric operations requires the purchase of more land than needed for such purposes, the charge to the specific land account shall be based upon the cost of the land purchased, less the fair market value of that portion of the land which is not to be used in utility operations. The portion of the cost measured by the fair market value of the land not to be used shall be included in account 105, Electric Plant Held for Future Use, or account 121, Nonutility Property, as appropriate." Based on this guidance, the portion of the acquisition costs to be assigned to land held for future use is based on the fair market value of that portion of the land which is not used in utility operations. In this case the acreage of the land acquired that will not be used for the Levy nuclear project was determined to be 1,845 acres of 2,159 acres. The fair value of this land was based on several considerations including:

- The fair value of the recently acquired Greenfield site (the Rayonier property) in September of 2007;
- Recognition that the fair value of the land acquired after the acquisition of the Rayonier property was influenced by our announced intentions to consider this area for site development for potential nuclear plant construction; and

• The assessment of the likely outcome of condemnation proceedings to acquire only the land needed to support the Levy project.

Ultimately we considered the use of the acquisition costs of the recently acquired Rayonier property to be the most appropriate for valuing the land acquired that would be held for future use. When acquiring the Rayonier property, PEF maintained its anonymity by utilizing a third-party representative, who acted on PEF's behalf. Because of our approach to acquire the Rayonier property, the value was not influenced by an announced intended use for the site, as was the Lybass land acquisition. Using the Rayonier price would more properly assign

Α.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

Docket 090009-El Progress Energy Florida Exhibit No. ____ (WG{5) Page 5 of 8

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

the impact of the costs of acquiring the Lybass land after the Rayonier property to the Levy project. Furthermore, the use of this value would result in an allocation of costs to the Levy project that would be consistent with the likely expected outcome of a condemnation proceeding to acquire just the land to be used for the Levy project, estimated to be between **Sector Sector**. The use of the Rayonier property as a basis for the fair value of the land held for future use resulted in an allocation of \$27.7M to land held for future use and \$12.7M allocated to the Levy project. I consider this method appropriate under the circumstances and consistent with the CFR guidance on land cost allocations.

Q. Did PEF consider alternative methods of valuing the Lybass land?

Yes, PEF considered each of the two alternatives raised by Mr. Small in his audit. Based on these alternatives, the Levy project would have been charged \$7.0 million or \$10.4 million, respectively (see table illustrated below). However, based on sound accounting principles, PEF rejected the use of these alternatives.

13724806.5

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG-5) Page 6 of 8

TABLE SUMMARIZING METHODLOGIES

(\$-amounts in millions, except per acre amounts)

1

23

4

5

6

7

8

9

10

11

12

	PEF F Appr	Preferred oach	Altei	mative 1	Alternative 2		
Property		Rayonier		Lybass	Combined		
Fair value	\$	46.6	\$	39.1	\$	85.7	
Acreage purchased		3,105		2,159	<u> </u>	5,264	
(a) Fair value per acre (before closing costs)	\$	15,000	\$	18,103	\$	16,274	
(b) Acreage of Land held for Future use		1,845		1,845		1,845	
(a) X (b) Land Held For Future Use	\$	27.7	\$	33.4	\$	30.0	
Levy project - (314 acres) (1)	\$	12.7	\$	7.0	\$	10.4	
Purchase Price – Lybass land (2,159 acres)	\$	40.4	\$	40.4	\$	40.4	

(1) The Company's assessment of the value of the land to be used as part of the Levy project resulting from a condemnation proceeding was a range of \$ million

Q. What is the first alternative method for valuation?

A. The first alternative method for valuation considered was to assign value on a prorata basis based on the purchase price of the Lybass land. Accordingly, Land Held for Future Use would be valued by multiplying the acreage to be held for future use of 1,845 times the average cost per acre of the Lybass property of \$18,103 (excluding closing costs). The result using this method would be to assign \$33.4 million to Land Held for Future Use. This value is subtracted from the total Lybass purchase price of \$40.4 million to result in a value assigned to the Levy project of \$7.0 million.

13724806.5

Docket 090009-EI Progress Energy Florida Exhibit No. ____ (WG5) Page 7 of 8

.

0.

Α.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

Why was this methodology rejected?

This method was rejected for several reasons. First, it does not take into consideration the market value of the most recently purchased Greenfield site, the Rayonier site. As such this method overstates the fair value of the land held for future use as it makes no adjustment to the fair value for any impact of the timing of the acquisition of the Rayonier property or our announced intentions to consider this area for site development for potential nuclear plant construction. Additionally, the value ultimately assigned by this method to Levy was below the range of our assessment of possible outcomes of the condemnation process, should PEF have chosen this path to acquire the land.

Q. What is the second alternative method for valuation?

A. The second alternative method for valuation considered was to utilize an average of the combined purchase price of the Rayonier and Lybass properties. This method sums the purchase price excluding closing costs of the Rayonier (\$46.6M) and Lybass purchases (\$39.1M) divided by the total acreage purchased of 5,264 (3,105 Rayonier + 2,159 Lybass) resulting in a value of \$16,274 per acre. Accordingly, Land Held For Future use would be valued by multiplying the acreage to be held for future use of 1,845 times the average cost per acre of the combined Rayonier and Lybass property of \$16,274. The result using this method would be to assign \$30 million to Land Held for Future Use. This value is subtracted from the total Lybass purchase price of \$40.4 million to result in a value assigned to the Levy project of \$10.4 million.

13724806.5

Docket 090009-El Progress Energy Florida Exhibit No. ____ (WG-5) Page 8 of 8

Α.

<u>,</u>

Q. Why was this methodology rejected?

This method was rejected for several reasons. First this method overstates the fair value of the land held for future use. While it makes some adjustment to the fair value for impact of the timing of the acquisition of the Rayonier property or our announced intentions to consider this area for site development for potential nuclear plant construction, it does not fully reflect the impact as the use of the Rayonier property value. Additionally, the value ultimately assigned by this method to Levy was at approximately

have chosen this path to acquire the land. We considered it more likely the expected outcome of a condemnation proceeding would be

Q. Does anything Mr. Small mentions in his audit finding cause PEF to reconsider the prudence of its decision to allocate the Lybass land in the manner it chose?

No. In fact, Mr. Small simply pointed out alternatives that PEF considered and rejected, as described above, when evaluating how to make this allocation.
 PEF's method is the fair and prudent method to make this valuation under the circumstances, pursuant to the applicable accounting regulations.

Q. Does this conclude your testimony?

A. Yes, it does.

13724806.5