

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Examination of the Outage and Replacement Docket No. 100437-EI
Fuel/Power Costs Associated with the CR3 Steam
Generator Replacement Project, by Progress
Energy Florida, Inc.

**Second Request for Confidential Classification
Exhibit B**

COM	_____
APA	<u> 1 </u>
ECR	<u> 3 </u>
GCL	<u> 1 </u>
RAD	<u> 1 </u>
SRC	_____
ADM	_____
OPC	_____
CLK	<u> 1 </u>

DOCUMENT NUMBER - DATE

07386 OCT 10 =

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 100437-EI

PROGRESS ENERGY FLORIDA, INC.

October 10, 2011

IN RE: EXAMINATION OF THE OUTAGE AND REPLACEMENT
FUEL/POWER COSTS ASSOCIATED WITH THE CR3 STEAM
GENERATOR REPLACEMENT PROJECT, BY PROGRESS ENERGY
FLORIDA, INC.

REDACTED

TESTIMONY & EXHIBITS OF:

ALEXANDER J. "SASHA" WEINTRAUB

DOCUMENT NUMBER DATE

07386 OCT 10 =

FPSC-COMMISSION CLERK

REDACTED

1 Q. Based on this analysis, did PEF make any block energy purchases or reserve
2 transmission for the January – February 2010 period in the event the CR3
3 unplanned outage was extended into this time period?

4 A. No. As Exhibit No. ___ (SAW-2) shows, PEF's avoided cost projection for the
5 January – February period was approximately [REDACTED] per MWh for energy received
6 at the PEF interface [REDACTED] per MWh at the JEA/SOCO interface) and the
7 responses FPO received ranged from [REDACTED] per MWh to [REDACTED] per MWh. Thus, even
8 without risk adjustments for deliverability due to transmission curtailment or load
9 forecast variability, all of the energy offers received were above PEF's
10 anticipated avoided dispatch costs, and, therefore, were deemed to be
11 uneconomic. It should be noted that the offers received were almost exclusively
12 from out-of-state counterparties. As noted above, power purchased from such
13 out-of-state sources tends to be slightly less expensive than similar in-state
14 purchases.

15 Regarding transmission purchases, at the time, there was no additional
16 firm transmission available from any Florida – Georgia border transmission
17 provider. FPO also considered purchasing an available 100 MW of non-firm
18 transmission into Florida across the JEA system to facilitate potential spot market
19 purchases, but determined that the few periods of relatively short duration when
20 such spot purchases were projected to displace higher priced PEF generation did
21 not justify incurring the fixed cost of reserving transmission capacity for this
22 period. FPO also had concerns over whether this non-firm transmission would be
23 interrupted, as it is not uncommon in Florida for non-firm transmission to be
24 curtailed in order to maintain reliability during peak demand periods when

1 The most economic offers for delivery at the Florida border were provided by
 2 [REDACTED] and [REDACTED]. Consequently, FPO focused on
 3 negotiating with these parties for the potential delivery of 100 MWs of energy at
 4 the Florida/JEA interface [REDACTED] also appeared to provide the best offer for
 5 energy delivered to the PEF border, but FPO continued to discuss possible
 6 transactions with [REDACTED]
 7 [REDACTED] in the event that a satisfactory transaction
 8 could not be negotiated with [REDACTED]

9
 10 **Q. What specific actions did FPO and TOP take to execute the foregoing**
 11 **strategy?**

12 **A.** In March 2010, FPO negotiated three energy purchases – two 50 MW, 7x16
 13 blocks delivered at the Southern Company/JEA interface [REDACTED]
 14 [REDACTED] for May and June 2010, and a 100 MW 7x16
 15 block from [REDACTED] delivered to PEF for May 2010. In early April 2010, PEF also
 16 successfully negotiated with RRI Energy Services (“Reliant”) to accelerate
 17 delivery of energy from the Vandolah facility for the month of May. This
 18 negotiation expanded the scope of a then-final, multi-year purchase power
 19 agreement previously scheduled to commence on June 1, 2010.

20
 21 **Q. When did FPO know that the CR3 outage would extend beyond mid-year?**

22 **A.** Throughout March and April, FPO was receiving regular updates from NGG
 23 regarding the status of the CR3 outage. Some of these communications were
 24

1 DLC resources. FPO concluded that specifically seeking out capacity purchase
2 opportunities was not necessary, but was aware of these scenario analyses and
3 took them into consideration as it analyzed potential economic purchase
4 opportunities for the summer period. FPO's analysis also showed that PEF's
5 avoided cost for this period was expected to be significantly higher than it was in
6 previous periods, which suggested that there may be opportunities to make
7 economic purchases during the July – September 2010 timeframe to mitigate the
8 economic impact of a continued outage at CR3.

9
10 **Q. What actions did you take based on this updated scenario analysis?**

11 **A.** Beginning on or about April 19, 2010, FPO commenced a new solicitation
12 seeking offers from the same broad group of in-state and regional power
13 suppliers that FPO had solicited in February. For this late summer period, FPO
14 also focused its solicitation on on-peak only energy schedules because these 7x16
15 and more narrow on-peak products better fit PEF's system load profile and their
16 cost premium relative to 7x24 products was minimal. Again, PEF received a
17 wide range of responses and FPO developed a matrix to organize its analysis of
18 the responses received. Because PEF was seeking offers for summer energy,
19 FPO received some responses for June as well as July – September. The
20 responses to this solicitation for the summer 2010 period as well as PEF's
21 projected avoided costs for June – September are summarized in Exhibit No. ____
22 (SAW-5).

23 After reviewing the responses, PEF chose to pursue a 100 MW 7x16 block
24 delivered to PEF for the June – August period from [REDACTED] PEF also bought a

1 100 MW 7x16 block from [REDACTED], delivered at the Southern
 2 Company/JEA border, for July and August. Both of these transactions were
 3 executed in late April. In addition, on May 11, PEF also purchased from [REDACTED]
 4 [REDACTED] three smaller 7x8 blocks delivered to the PEF system -- 10 MWs in June
 5 and 20 MWs in July and August, respectively.

6 Finally, after reviewing the responses that PEF received, PEF further
 7 determined that an additional purchase from Reliant's Indian River facility for
 8 the months of July through September 2010 was cost-effective. Although the
 9 primary rationale of this purchase was economic, the incremental capacity
 10 provided by the Indian River purchase also mitigated the risk of a potential
 11 capacity shortfall in the event of extraordinary high loads coupled with the loss of
 12 one of PEF's largest remaining generating units. Accordingly, in late June, PEF
 13 executed a tolling agreement for a 300 MW gas-fired steam boiler unit, with the
 14 output delivered to the PEF system. Under that agreement, PEF elected when to
 15 take the energy from the plant and provided the gas used at the plant if and when
 16 PEF made this election. After consideration of the [REDACTED]-month capacity charge
 17 for the Indian River transaction, PEF determined this transaction was cost-
 18 effective based on the total of the capacity and transmission payments compared
 19 to PEF's total cost of production.
 20

21 **Q. During the summer, did FPO plan for the contingency that the CR3 outage**
 22 **could extend into the 4th Quarter of 2010?**

23 **A.** Yes. During the summer months, FPO actively monitored power flow under the
 24 executed transactions while continuing to receive regular updates from NGG

1 that the market offers received were less attractive during the November –
2 December period when load was expected to be lower.

3 Based on its analysis, PEF made two additional economic block purchases
4 of firm 7x16 energy for the September – October 2010 period. On August 5,
5 2010, PEF purchased 50 MW of firm 7x16 energy from [REDACTED]
6 deliverable to PEF's system and, on August 6, 2010, PEF purchased a second 50
7 MW block of firm 7x16 energy from [REDACTED] deliverable to PEF's system
8 for the September – October period. With these economic purchases completed,
9 the cost of extending the 300 MW Indian River purchase into October was
10 determined not to be economic.

11 In addition to the generation maintenance schedule changes that PEF
12 made, PEF also negotiated two economic energy transactions tied to unit
13 maintenance outages occurring during the month of October in order to further
14 improve capacity margins during this period. Specifically, PEF purchased 74
15 MW of 7x16 firm energy delivered to the Southern Company – PEF border from
16 [REDACTED] for September 18 through October 31 in order to ameliorate the 84
17 MW that was out of service during this part of the Scherer unit maintenance
18 outage, scheduled to begin on September 18 and extend into December.
19 Similarly, in order to partially ameliorate the impact of the Franklin unit
20 maintenance outage in late October, PEF purchased 318 MW of 7x16 firm
21 energy delivered to the Southern Company – PEF border from [REDACTED] for the
22 period of October 24 through October 31, 2010.
23
24

1 made several economic purchases for the month of May 2011 on March 30th.

2 These purchases included:

- 3 ● 50 MWs of 7x16 firm energy at the GTC/JEA interface from [REDACTED]
- 4 [REDACTED]
- 5 ● an additional 50 MWs of 7x16 firm energy at the GTC/JEA interface from
- 6 [REDACTED], and
- 7 ● 98 MWs of 7x16 firm energy at the FPL/FPC interface from [REDACTED]

8 [REDACTED]

9 On April 12th, the same three firm energy purchases were made for the month of

10 June 2011 , at different transaction prices. Also, on April 20th, PEF also

11 successfully negotiated with Reliant to accelerate delivery of energy from a

12 second unit at the Vandolah facility for the month of May. This second unit was

13 originally contracted to commence delivery on June 1. In anticipation that CR3

14 would remain out through the summer, FPO also began securing the necessary

15 transmission to facilitate power purchases from out-of-state sources, specifically

16 focusing on the path to utilize the firm yearly Jacksonville transmission position.

17 Due to the fact that Seminole was posting zero available transmission for the

18 months of August and September, FPO purchased firm FPL monthly

19 transmission from Jacksonville to FPC. This would enable out of state purchases

20 by re-directing the JEA yearly position for those months toward FPL.

21

22

23

1 Q. What solicitations and purchases have you made in the June-September 2011
2 timeframe?

3 A. Beginning in early May 2011, FPO solicited the market for additional energy for
4 June, as well as firm energy for July through September. See Exhibit No. ____
5 (SAW-11). After an analysis of the offers received, several transactions were
6 executed on May 12th. These purchases included:

- 7 ● 50 MWs of 7x16 firm energy at the GTC/JEA interface from [REDACTED]
8 [REDACTED]
- 9 ● an additional 50 MWs of 7x16 firm energy at the GTC/JEA interface from
10 [REDACTED], and
- 11 ● 98 MWs of 7x16 firm energy at the FPL/FPC interface from [REDACTED]
12 [REDACTED], for the period July through September.

13 PEF also purchased an additional 27 MWs of delivered 7x16 firm energy from
14 [REDACTED] for June on May 12th, and 21 MWs of delivered 7x16 firm
15 energy from them for August on May 25th. On June 14th, FPO purchased 25
16 MWs of firm energy delivered to the GVL/FPC interface for the months of July
17 and August from [REDACTED]. Throughout this solicitation period there
18 were multiple offers from [REDACTED]
19 [REDACTED]. Although these offers may have been economic for June through August
20 2011, transmission was not available to enable the transaction to take place.
21 Transmission did become available for September, but the [REDACTED] was
22 not economical for September 2011. Offers were also evaluated from [REDACTED]
23 [REDACTED]
24 [REDACTED] With these units being readily available in the daily and hourly markets,

1 and the lower than expected summer loads experienced up to that point , the
2 decision was made to evaluate purchase opportunities hourly, daily, or weekly
3 rather than pay the capacity payment offered by [REDACTED]. In addition to the
4 purchase power analysis, transmission position evaluation was ongoing. On May
5 5th, PEF purchased 100 MWs of non-firm JEA transmission (firm transmission
6 was unavailable) and matching FPL non-firm monthly transmission for the month
7 of July. Also, with Seminole transmission having become available for use as the
8 path for the out-of-state markets, 100 MWs of non-firm JEA transmission for the
9 month of August was purchased to be used in conjunction with the firm monthly
10 FPL transmission previously secured. This additional 100 MW transmission
11 resource was intended for hourly and daily energy only economic purchases from
12 the out-of-state markets.

13
14 **Q. What decisions has FPO made at this time with respect to Fall 2011?**

15 A. Despite the fact that the outage was now known to extend beyond the summer of
16 2011, FPO continued to use a short term informal solicitation strategy through the
17 fall of 2011. While longer term purchase options will continue to be evaluated as
18 they become known, energy only purchases generally prove more economical,
19 especially during shoulder months.

20
21 **Q. Have you conducted analyses on the longer-term impacts to system needs of
22 the CR3 extended outage potentially extending beyond 2011?**

23 A. FPO has incorporated the updated CR3 outage schedule into the FOF through the
24 end of the FOF horizon, currently 2013. In addition, FPO has coordinated with
25

1 liquid regional markets outside of peninsular Florida as well as from in-state
2 facilities and counterparties. Access to these more liquid regional markets helped
3 to ensure that the pricing received from both the regional market and the in-state
4 market were representative of true market value.

5
6 **Q. What is the incremental cost of the CR3 outage that PEF is seeking to
7 recover through its capacity, fuel, and environmental cost recovery clauses?**

8 **A.** The Company is seeking recovery of all of its prudently incurred costs
9 appropriate for recovery through the capacity, fuel, and environmental cost
10 recovery clauses. Despite the Company's efforts to mitigate the impact of the
11 CR3 outage, a portion of those costs are attributable to the effects of the extended
12 CR3 outage. The amount through August 31, 2011 is \$438,976,648. This
13 amount includes actual gross costs through August 31, 2011. As presented in
14 Exhibit No. ___ (SAW-12), the vast majority of these costs are recoverable
15 through the fuel clause, while [REDACTED] are the capacity costs associated with
16 the Vandolah and Indian River unit purchases, described above, and [REDACTED]
17 is the estimated production cost simulation model incremental cost of emissions
18 allowances, reagents for environmental controls, and other items normally
19 recoverable thorough the environmental cost recovery clause.

20
21 **Q. How did you calculate the total figure inclusive of both fuel and
22 environmental costs that the Company is seeking to recover?**

23 **A.** FPO calculated that figure by first calculating the incremental difference between
24 the recoverable costs incurred during the outage and the costs that the Company

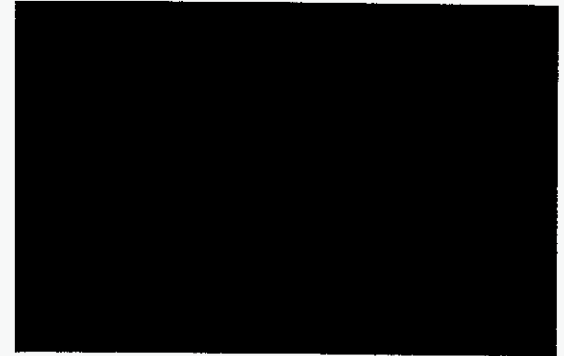
EXHIBIT NO. _____ (SAW-2)

REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy Interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/IEA Interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

**Solicitation for
 January - February 2010**



SOCO/FL Border

7x16 SOCO/IEA			
PEF Avoided Cost (\$/MWH) (net transmission and losses)	JAN	FEB	
[REDACTED]	[REDACTED]	[REDACTED]	
Counterparty	Offer Date	Market Offers (\$/MWH)	
[REDACTED]	[REDACTED]	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	

Delivered to FPC

7x24			
PEF Avoided Cost (\$/MWH)	JAN	FEB	
[REDACTED]	[REDACTED]	[REDACTED]	
Counterparty	Offer Date	Market Offers (\$/MWH)	
[REDACTED]	[REDACTED]	[REDACTED]	

7x16			
PEF Avoided Cost (\$/MWH)	JAN	FEB	
[REDACTED]	[REDACTED]	[REDACTED]	
Counterparty	Offer Date	Market Offers (\$/MWH)	
[REDACTED]	[REDACTED]	[REDACTED]	

Note: Due to the informal nature of the market solicitation, offers were received in general ranges indicated above.

Transactions Executed:

None Executed - no offerings were below Progress Energy's avoided cost

EXHIBIT NO. _____ (SAW-4)

REDACTED

Product Requested:
 * Up to 500 MWs of 7x16 or 7x24 firm energy delivered on firm transmission to a Progress Energy interface
 * Up to 100 MWs of 7x16 or 7x24 firm energy on firm transmission, delivered at the GTC/JEA interface (Georgia Florida border)
 * Any additional delivered products, including energy call options

Solicitation for
 March - June 2010



SOCO/FL Border

7x24

PEF Avoided Cost (\$/MWH) (net transmission and losses)	March	April	May	June
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Counterparty	Offer Date	Market Offers (\$/MWH)		
[REDACTED]	2/9/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/11/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]

7x16

PEF Avoided Cost (\$/MWH) (net transmission and losses)	March	April	May	June
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Counterparty	Offer Date	Market Offers (\$/MWH)		
[REDACTED]	2/9/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/4/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/24/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/25/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/16/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/23/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/24/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/24/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/8/2010	[REDACTED]	[REDACTED]	[REDACTED]

Note: Prices in GREEN represented executed prices.

Transactions Executed	Term	Product	Amount	Delivery Interface	Price
[REDACTED]	/1/10-6/30/10	7x16 Firm	50 MWs	GTC/JEA	[REDACTED]
[REDACTED]	/1/10-6/30/10	7x16 Firm	50 MWs	GTC/JEA	[REDACTED]
[REDACTED]	/1/10-5/31/10	7x16 Firm	98 MWs	FPL/FPC	[REDACTED]
[REDACTED]	/1/10-5/31/10	Tolling	158 MWs	VANDOLAH/FPC	[REDACTED]

Delivered to FPC

7x24

PEF Avoided Cost (\$/MWH)	March	April	May	June
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Counterparty	Offer Date	Market Offers (\$/MWH)		
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/22/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/11/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/11/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/18/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/18/2010	[REDACTED]	[REDACTED]	[REDACTED]

7x16

PEF Avoided Cost (\$/MWH)	March	April	May	June
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Counterparty	Offer Date	Market Offers (\$/MWH)		
[REDACTED]	2/17/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/24/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/24/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/11/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	3/12/2010	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	2/19/2010	[REDACTED]	[REDACTED]	[REDACTED]

*Started Tolling Agreement 1 month early with [REDACTED]

EXHIBIT NO. _____ (SAW-5)

REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/JEA Interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

Solicitation for
 June - September 2010



SOCO/FL Border

7x16		June	July	August	September
PEF Avoided Cost (\$/MWH) Incl transmission and losses					
Counterparty					
	Offer Date	Market Offers (\$/MWH)			
	4/20/2010				
	4/27/2010				
	4/27/2010				
	4/19/2010				
	4/27/2010				
	4/20/2010				
	4/27/2010				

Delivered to FPC

7x16		June	July	August	September
PEF Avoided Cost (\$/MWH)					
Counterparty					
	Offer Date	Market Offers (\$/MWH)			
	4/19/2010				
	4/23/2010				
	4/26/2010				
	4/27/2010				
	4/28/2010				
	5/4/2010				
	4/19/2010				
	6/23/2010				
	5/11/2010				

Note: Prices in GREEN represented executed prices.

Transactions Executed	Term	Product	Amount	Delivery Interface	Price
	/1/10-8/31/10	7x16 Firm	100 MWs	GTC/JEA	
	/1/10-8/31/10	7x16 Firm	98 MWs	FPL/FPC	
	/1/10-8/31/10	*8 HR Firm	10/20/20	RC/FPC	
	/1/10-9/30/10	Tolling	300 MWs	Indian River Bus	

EXHIBIT NO. ____ (SAW-6)

REDACTED

Solicitation for
 September - October 2010

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/JEA interface (Georgia Florida border)
- * 7x16 firm energy, 74 MWs to either SOCO/FPC or an "into SOCO" interface, for 9/18/10 - 10/31/10, to replace existing Scherer purchase during unit outage
- * 7x16 firm energy, 318 MWs to either SOCO/FPC or an "into SOCO" interface, for 10/24/10 - 10/31/10, to replace existing Franklin purchase during unit outage
- * Any additional delivered products, including energy call options



SOCO/FL Border

7x16		September	October	9/18-10/31	10/24-10/31
PEF Avoided Cost (\$/MWH) (net transmission and losses)					
Counterparty					
	Offer Date	Market Offers (\$/MWH)			
	8/2/2010				
	8/3/2010				
	7/27/2010				
	8/4/2010				
	8/5/2010				
	7/28/2010				
	8/3/2010				
	8/6/2010				
	7/28/2010				
	8/10/2010				
	8/19/2010				
	9/2/2010				
	8/30/2010				

Delivered to FPC

7x16		September	October
PEF Avoided Cost (\$/MWH)			
Counterparty			
	Offer Date	Market Offers (\$/MWH)	
	7/28/2010		
	8/17/2010		

Note: Prices in GREEN represented executed prices.

Transactions Executed	Term	Product	Amount	Delivery Interface	Price
	1/1/10-10/31/10	7x16 Firm	50 MWs	GTC/JEA	
	1/1/10-10/31/10	7x16 Firm	50 MWs	GTC/JEA	
	7/18/10-10/31/10	7x16 Firm	74 MWs	SOCCO/FPC	
	10/24/10-10/31/10	7x16 Firm	318 MWs	EES/SOCO	

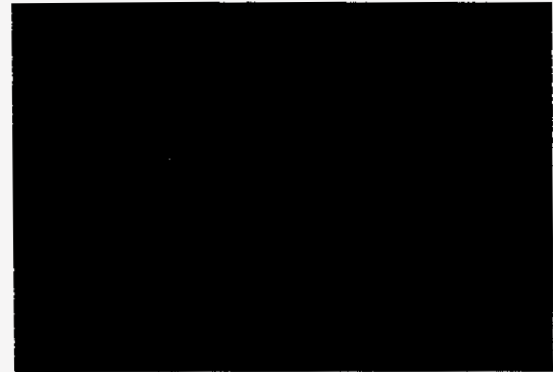
EXHIBIT NO. _____ (SAW-7)

REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/JEA interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

**Solicitation for
 November - December 2010**



SOCO/FL Border

7x16 SOCO/JEA			November	December
PEF Avoided Cost (\$/MWH) (net transmission and losses)				
Counterparty				
	Offer Date	Market Offers (\$/MWH)		
	10/5/2010			
	10/5/2010			
	10/6/2010			
	10/5/2010			

Delivered to FPC

7x16			November	December
PEF Avoided Cost (\$/MWH)				
Counterparty				
	Offer Date	Market Offers (\$/MWH)		
	10/5/2010			
	10/7/2010			
	10/14/2010			
	10/8/2010			

Transactions Executed:

None Executed - no offerings were below Progress Energy's avoided cost.

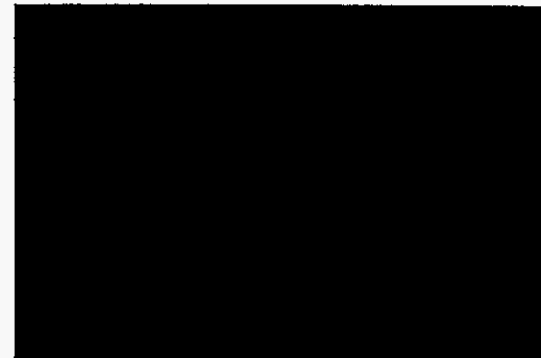
EXHIBIT NO. ____ (SAW-8)

REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/IEA interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

**Solicitation for
 January - February 2011**



SOCO/FL Border

7x16 SOCO/IEA		
PEF Avoided Cost (\$/MWH) (net transmission and losses)	January	February
Counterparty	Offer Date	Market Offers (\$/MWH)
	11/4/2010	
	12/6/2010	
	11/3/2010	
	12/6/2010	
	12/6/2010	
	12/6/2010	

Delivered to FPC

7x16		
PEF Avoided Cost (\$/MWH)	January	February
Counterparty	Offer Date	Market Offers (\$/MWH)
	11/9/2010	
	12/23/2010	
	12/6/2010	

Transactions Executed:

None Executed - no offerings were below Progress Energy's avoided cost.

EXHIBIT NO. _____ (SAW-9)

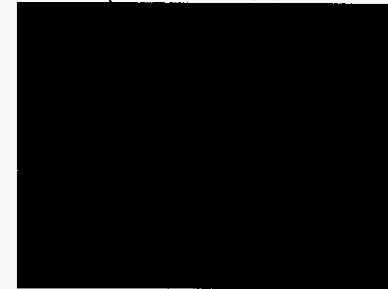
REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/JEA interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

**Solicitation for
 March - April 2011**

Counterparties Contacted:



SOCO/FL Border

7x16 SOCO/JEA		March	April
PEF Avoided Cost (\$/MWH) (net transmission and losses)			
Counterparty	Offer Date	Market Offers (\$/MWH)	
	1/24/2011		
	2/15/2011		
	1/19/2011		
	2/15/2011		
	1/18/2011		

Delivered to FPC

7x16		March	April
PEF Avoided Cost (\$/MWH)			
Counterparty	Offer Date	Market Offers (\$/MWH)	
	1/28/2011		
	2/15/2011		
	1/27/2011		
	2/4/2011		
	2/15/2011		

Transactions Executed:

None Executed for the following reasons:

- 1) there are several planned unit outages during March and April that have the flexibility to be shifted in the event of high loads.
- 2) estimated system costs contain forced outages and normalized weather; good unit performance or moderate weather would result in avoided lower costs.
- 3) estimated system cost numbers are impacted by short peaker runs during March and April; short daily purchase schedules can be tailored to offset peakers more economically than 7x16 energy schedules.
- 4) transmission across SEC and into FPC has already been secured to enable a continuous path available for utilizing PEF's yearly firm JEA transmission for hourly/daily purchases as needed.

EXHIBIT NO. ____ (SAW-10)

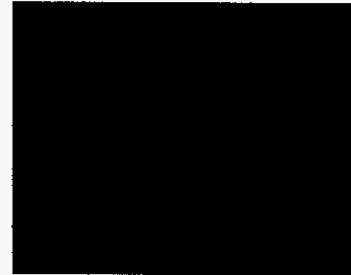
REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/JEA interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

Solicitation for
 May - June 2011

Counterparties Contacted:



SOCO/FL Border

7x16 SOCO/JEA

PEF Avoided Cost (\$/MWH) (net transmission and losses)		May	June
[REDACTED]		[REDACTED]	[REDACTED]
Counterparty	Offer Date	Market Offers(\$/MWH)	
[REDACTED]	3/16/2011	[REDACTED]	[REDACTED]
[REDACTED]	3/16/2011	[REDACTED]	[REDACTED]
[REDACTED]	3/29/2011	[REDACTED]	[REDACTED]
[REDACTED]	4/11/2011	[REDACTED]	[REDACTED]
[REDACTED]	3/18/2011	[REDACTED]	[REDACTED]
[REDACTED]	3/30/2011	[REDACTED]	[REDACTED]
[REDACTED]	4/11/2011	[REDACTED]	[REDACTED]
[REDACTED]	3/23/2011	[REDACTED]	[REDACTED]

Delivered to FPC

7x16

PEF Avoided Cost (\$/MWH)		May	June
[REDACTED]		[REDACTED]	[REDACTED]
Counterparty	Offer Date	Market Offers(\$/MWH)	
[REDACTED]	3/29/2011	[REDACTED]	[REDACTED]
[REDACTED]	3/23/2011	[REDACTED]	[REDACTED]

Transactions Executed	Term	Product	Amount	Delivery Interface	Price
[REDACTED]	5/1/11-5/31/11	7x16 Firm	50 MWs	GTC/JEA	[REDACTED]
[REDACTED]	5/1/11-5/31/11	7x16 Firm	50 MWs	GTC/JEA	[REDACTED]
[REDACTED]	5/1/11-5/31/11	7x16 Firm	98 MWs	FPL/FPC	[REDACTED]
[REDACTED]	6/1/11-6/30/11	7x16 Firm	50 MWs	GTC/JEA	[REDACTED]
[REDACTED]	6/1/11-6/30/11	7x16 Firm	50 MWs	GTC/JEA	[REDACTED]
[REDACTED]	6/1/11-6/30/11	7x16 Firm	98 MWs	FPL/FPC	[REDACTED]
[REDACTED]	5/1/11-5/31/11	Tolling	158 MWs	VANDOLAH/FPC	[REDACTED]

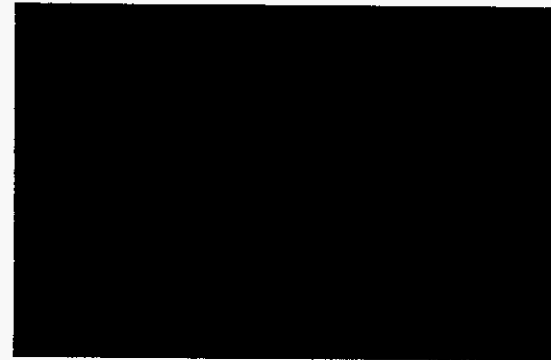
EXHIBIT NO. ____ (SAW-11)

REDACTED

Product Requested:

- * Up to 500 MWs of 7x16 firm energy delivered on firm transmission to a Progress Energy interface
- * Up to 100 MWs of 7x16 firm energy on firm transmission, delivered at the GTC/IEA Interface (Georgia Florida border)
- * Any additional delivered products, including energy call options

Solicitation for
 June - September 2011



SOCO/FL Border

7x16

PEF Avoided Cost (\$/MWH) (net transmission and losses)		June	July	August	September
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Counterparty		Offer Date	Market Offers (\$/MWH)		
[REDACTED]		5/9/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/9/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/4/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/10/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/12/2011	[REDACTED]	[REDACTED]	[REDACTED]

Note: Prices in GREEN represented executed prices.

Delivered to FPC

7x16

PEF Avoided Cost (\$/MWH)		June	July	August	September
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Counterparty		Offer Date	Market Offers (\$/MWH)		
[REDACTED]		5/6/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/11/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/24/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/9/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		5/31/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		4/26/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		6/14/2011	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		6/27/2011	[REDACTED]	[REDACTED]	[REDACTED]



Transactions Executed	Term	Product	Amount	Delivery Interface	Price
[REDACTED]	7/1/11-9/30/11	7x16 Firm	50 MWs	GTC/IEA	[REDACTED]
[REDACTED]	7/1/11-9/30/11	7x16 Firm	50 MWs	GTC/IEA	[REDACTED]
[REDACTED]	6/1/11-6/30/11	7x16 Firm	27 MWs	FPL/FPC	[REDACTED]
[REDACTED]	7/1/11-9/30/11	7x16 Firm	98 MWs	FPL/FPC	[REDACTED]
[REDACTED]	8/1/11-8/31/11	7x16 Firm	21 MWs	FPL/FPC	[REDACTED]
[REDACTED]	7/1/11-8/31/11	7x16 Firm	25 MWs	GVU/FPC	[REDACTED]

EXHIBIT NO. _____ (SAW-12)

Impact of CR3 Containment Repair Outage Based on 97% Capacity Factor

Note: Impact is based on net of Joint Ownership share

REDACTED

	Fuel Δ	Env Δ	Fuel + Env Δ	Capacity Cost	Gross Cost Δ	NEIL Reimbursement (Actual/Projected)	Cumulative Costs Net of NEIL
Dec-09	\$8,371,985		\$8,512,914		\$8,512,914		\$8,512,914
Jan-10	\$41,436,426		\$41,799,394		\$41,799,394		\$50,312,309
Feb-10	\$18,342,905		\$18,600,228		\$18,600,228		\$68,912,536
Mar-10	\$17,985,227		\$18,230,627		\$18,230,627		\$87,143,164
Apr-10	\$14,325,374		\$14,433,654		\$14,433,654	\$13,500,000	\$88,076,818
May-10	\$20,997,519		\$21,092,164		\$21,408,164	\$19,928,571	\$89,556,410
Jun-10	\$27,119,446		\$27,318,372		\$27,318,372	\$19,285,714	\$97,589,068
Jul-10	\$23,428,943		\$23,535,091		\$24,728,661	\$19,928,571	\$102,389,157
Aug-10	\$23,494,011		\$23,589,272		\$24,706,906	\$19,928,571	\$107,167,492
Sep-10	\$19,389,377		\$19,491,437		\$20,576,690	\$19,285,714	\$108,458,468
Oct-10	\$16,637,114		\$16,707,008		\$16,707,008	\$19,928,571	\$105,236,904
Nov-10	\$14,658,005		\$14,742,640		\$14,742,640	\$19,285,714	\$100,693,830
Dec-10	\$32,006,976		\$32,083,970		\$32,083,970	\$19,928,571	\$112,849,228
Jan-11	\$18,947,411		\$19,023,861		\$19,023,861	\$19,928,571	\$111,944,518
Feb-11	\$13,167,607		\$13,208,348		\$13,208,348	\$18,000,000	\$107,152,866
Mar-11	\$13,920,148		\$13,973,847		\$13,973,847	\$19,928,571	\$101,198,142
Apr-11	\$24,138,816		\$24,231,806		\$24,231,806	\$16,457,143	\$108,972,805
May-11	\$20,782,609		\$20,814,171		\$21,130,171	\$15,942,857	\$114,160,119
Jun-11	\$20,920,213		\$20,958,569		\$20,958,569	\$15,428,571	\$119,690,116
Jul-11	\$21,622,942		\$21,662,616		\$21,662,616	\$15,942,857	\$125,409,875
Aug-11	\$20,914,435		\$20,938,201		\$20,938,201	\$15,942,857	\$130,405,219
Totals	\$432,607,488		\$434,948,190		\$438,976,648	\$308,571,429	

Notes:

- NEIL Reimbursements have been received through Dec 17, 2010; remaining amounts are shown in italics.