



May 1, 2009

Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED--FPSC
09 MAY - 1 AM 10: 37
COMMISSION
CLERK

RE: Energy Conservation Cost Recovery; Docket No. 090002-EG

Dear Ms. Cole:

Enclosed for filing in the above referenced docket on behalf of Progress Energy Florida, Inc. ("PEF") are the original and fifteen (15) copies of the following:

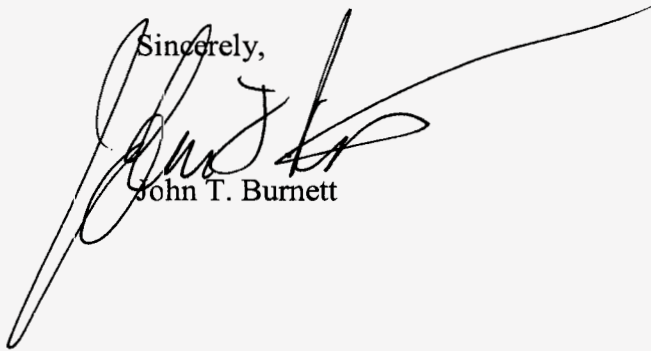
- PEF's True-Up Petition; and
- Direct Testimony of John A. Masiello with Exhibit No. ___ (JAM-1T).

If you have any questions concerning this filing, please feel free to contact me at (727) 820-5184.

COM 5
 ECR 1
 GCL 1
 OPC 1
 RCP 1
 RSC 1
 SGA 1
 ADM 1
 CLK 1

Thank you for your assistance in this matter.

Sincerely,



John T. Burnett

JTB/at
Enclosures

cc: Certificate of Service

DOCUMENT NUMBER - DATE
04090 MAY - 1 08
FPSC-COMMISSION CLERK

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Energy Conservation Cost)
Recovery Clause)

Docket No. 090002-EG

Filed: May 1, 2009

**PROGRESS ENERGY FLORIDA, INC.'S
PETITION FOR APPROVAL OF TRUE-UP AMOUNT**

Pursuant to Order No. PSC-09-0184-PCO-EG, issued March 27, 2009 in the above-referenced docket, Progress Energy Florida, Inc. ("PEF") petitions the Florida Public Service Commission ("Commission") for approval of an overrecovery of \$3,274,589 as PEF's adjusted net true-up amount for the period January 2008 through December 2008.

In support of this petition, PEF states:

1. The name and address of the affected agency are:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

2. The name, address and telephone number of the petitioner are:

Progress Energy Florida, Inc.
299 First Avenue North
St. Petersburg, Florida 33701

Notices, orders, pleadings and correspondence to be served upon PEF in this proceeding should be directed to:

John T. Burnett
Associate General Counsel
Progress Energy Service Company
P.O. Box 14042
St. Petersburg, FL 33733
(727) 820-5184 telephone
john.burnett@pgnmail.com

Paul Lewis, Jr.
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Progress Energy Florida
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Tallahassee, FL 32301
(850) 222-8738 telephone
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3. PEF is a public utility subject to the Commission's jurisdiction pursuant to Chapter 366, Florida Statutes. Pursuant to Section 366.82, Florida Statutes, and Rule 25-17.015, Florida Administrative Code, PEF recovers its reasonable and prudent unreimbursed costs for conservation audits, conservation programs, and implementation of PEF's conservation plan through the ECCR clause. PEF has substantial interests in the proper calculation and recovery of its ECCR factor and the final true-up which is used in the computation of PEF's ECCR factor.

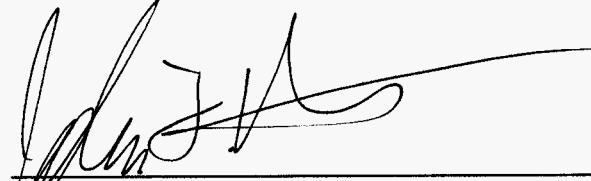
4. PEF seeks Commission approval of an overrecovery of \$3,274,589 as the adjusted net true-up amount for the period January 2008 through December 2008. PEF's final adjusted net true-up amount for the period January 2008 through December 2008 was calculated consistently with the methodology set forth in Schedule 1 attached to Order No. 10093, dated June 19, 1981. This calculation and the supporting documentation are contained in Exhibit No. 1 (JAM-1T), an exhibit attached to the prepared testimony of PEF's witness John Masiello, which is being filed in conjunction with this petition.

5. PEF's current ECCR Factor, approved by the Commission to be applied to customers' bills during the January 2009 through December 2009 period, reflected an estimated/actual net true-up overrecovery of \$3,235,875 for the period January 2008 through December 2008. However, the actual net true-up overrecovery for the period January 2008 through December 2008 was \$6,510,464. The adjusted net true-up of \$3,274,589 for the period January 2008 through December 2008 is the difference between the actual net true-up overrecovery for the period January 2008 through December 2008 period of \$6,510,464 and PEF's approved estimated/actual true-up

overrecovery of \$3,235,875. Thus, \$3,274,589 is the amount that should be refunded on jurisdictional sales during PEF's next annual ECCR recovery period.

WHEREFORE, PEF respectfully requests that the Commission approve an overrecovery of \$3,274,589 as the final adjusted net true-up amount for the period January 2008 through December 2008 and that the approved final adjusted true-up amount be carried over and reflected in PEF's next ECCR factors.

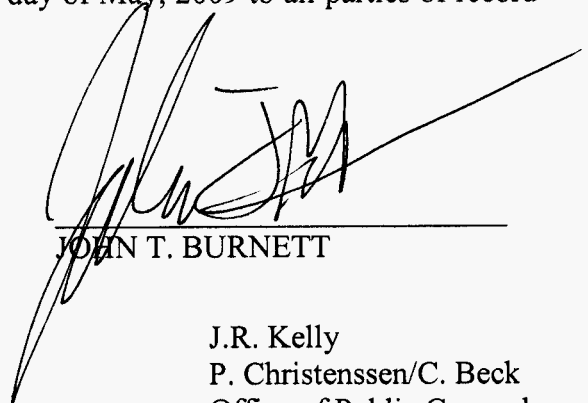
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John T. Burnett', is written over a horizontal line. The signature is fluid and cursive, extending to the right of the line.

John T. Burnett
Associate General Counsel
PROGRESS ENERGY FLORIDA
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: (727) 820-5184
Facsimile: (727) 820-5249

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following by U. S. Mail this 1st day of May, 2009 to all parties of record as indicated below.



JOHN T. BURNETT

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Energy Conservation Cost
Recovery Clause**

Docket No. 090002-EG

Submitted for Filing: May 1, 2009

**DIRECT TESTIMONY OF
JOHN A. MASIELLO
ON BEHALF OF
PROGRESS ENERGY FLORIDA**

JOHN T. BURNETT
Associate General Counsel
Progress Energy Service Company, LLC
Post Office Box 14042
St. Petersburg, Florida 33733-4042
Telephone: 727-820-5184
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DOCUMENT NUMBER - DATE

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PROGRESS ENERGY FLORIDA

DOCKET No. 090002-EG

**DIRECT TESTIMONY OF
JOHN A. MASIELLO**

1 **Q. State your name and business address.**

2 A. My name is John A. Masiello. My business address is 3300 Exchange
3 Place, Lake Mary, Florida 32746.

4
5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by Progress Energy Florida, Inc. (Progress Energy or the
7 Company), as Director of DSM & Alternative Energy.

8
9 **Q. Have your duties and responsibilities remained the same since you**
10 **last testified in this proceeding?**

11 A. Yes.

12
13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to compare Progress Energy's actual costs
15 of implementing conservation programs with the actual revenues collected
16 through the Company's Energy Conservation Cost Recovery Clause
17 (ECCR) during the period January 2008 through December 2008.

18

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1 **Q. For what programs does Progress Energy seek recovery?**

2 A. Progress Energy seeks recovery through the ECCR for the following
3 conservation programs approved by the Commission as part of the
4 Company's DSM Plan, as well as for Conservation Program Administration
5 (i.e., those common administration expenses not specifically linked to an
6 individual program).

- 7 • Home Energy Check
- 8 • Home Energy Improvement
- 9 • Residential New Construction
- 10 • Low-Income Weatherization Assistance Program
- 11 • Energy Management (Residential and Commercial)
- 12 • Business Energy Check
- 13 • Better Business
- 14 • Commercial/Industrial New Construction
- 15 • Innovation Incentive
- 16 • Standby Generation
- 17 • Interruptible Service
- 18 • Curtailable Service
- 19 • Technology Development
- 20 • Qualifying Facility
- 21 • Renewable Energy Saver
- 22 • Neighborhood Energy Saver

23

1 **Q. Do you have any exhibits to your testimony?**

2 A. Yes, Exhibit No. (JAM-1T) entitled, "Progress Energy Florida Energy
3 Conservation Adjusted Net True-Up for the Period January 2008 through
4 December 2008." There are five (5) schedules to this exhibit.

5
6 **Q. Will you please explain your exhibit?**

7 A. Yes. Exhibit JAM-1T presents Schedules CT-1 through CT-5. These
8 schedules set out the actual costs incurred for all programs during the period
9 from January 2008 through December 2008. They also describe the variance
10 between actual costs and previously projected values for the same time
11 period. Schedule CT-5 provides a brief summary report for each program that
12 includes a program description, annual program expenditures and program
13 accomplishments over the twelve-month period ending December 2008.

14
15 **Q. Would you please discuss Schedule CT-1?**

16 A. Yes. Schedule CT-1 shows that Progress Energy's actual net ECCR true-up
17 for the twelve months ending December 31, 2008 was an over-recovery of
18 \$6,510,464 including principal and interest. This amount is \$3,274,589 more
19 than the previous estimate in the Company's September 12, 2008 ECCR
20 Projection Filing.

21
22 **Q. Does this conclude your direct testimony?**

23 A. Yes.

PROGRESS ENERGY FLORIDA
 ENERGY CONSERVATION ADJUSTED NET TRUE-UP
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.			
1	ACTUAL END OF PERIOD TRUE-UP (OVER) / UNDER RECOVERY		
2	BEGINNING BALANCE	(\$14,173,827)	
3	PRINCIPAL (CT 3, PAGE 2 of 3)	(6,216,621)	
4	INTEREST (CT 3, PAGE 2 of 3)	(293,843)	
5	PRIOR TRUE-UP REFUND	14,173,827	
6	ADJUSTMENTS	0	(\$6,510,464)
7	LESS: ESTIMATED TRUE-UP FROM SEPTEMBER 2008		
8	PROJECTION FILING (OVER) / UNDER RECOVERY		
9	BEGINNING BALANCE	(\$14,173,827)	
10	PRINCIPAL	(2,969,905)	
11	INTEREST	(265,970)	
12	PRIOR TRUE-UP REFUND	0	
13	ADJUSTMENTS	14,173,827	(\$3,235,875)
14	VARIANCE TO PROJECTION		(\$3,274,589)

PROGRESS ENERGY FLORIDA

ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
 ACTUAL VS. ESTIMATED
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	PROGRAM	ACTUAL	ESTIMATED	DIFFERENCE
1	DEPRECIATION AMORT. & RETURN	2,944,122	2,969,305	(25,183)
2	PAYROLL AND BENEFITS	12,899,583	14,123,583	(1,224,000)
3	MATERIALS AND SUPPLIES	1,097,660	1,379,281	(281,621)
4	OUTSIDE SERVICES	3,897,040	4,400,942	(503,903)
5	ADVERTISING	7,682,131	8,469,179	(787,048)
6	INCENTIVES	46,412,516	45,347,177	1,065,338
7	VEHICLES	0	0	0
8	OTHER	2,660,968	5,087,347	(2,426,378)
9	PROGRAM REVENUES	<u>(60)</u>	<u>(30)</u>	<u>(30)</u>
10	TOTAL PROGRAM COSTS	77,593,960	81,776,785	(4,182,825)
11	LESS:			
12	CONSERVATION CLAUSE REVENUES	69,636,754	70,572,863	(936,109)
13	PRIOR TRUE-UP	<u>14,173,827</u>	<u>14,173,827</u>	<u>0</u>
14	TRUE-UP BEFORE INTEREST	(6,216,621)	(2,969,905)	(3,246,716)
15	AUDIT ADJUSTMENT	0	0	0
16	INTEREST PROVISION	<u>(293,843)</u>	<u>(265,970)</u>	<u>(27,873)</u>
17	END OF PERIOD TRUE-UP	<u><u>(6,510,464)</u></u>	<u><u>(3,235,875)</u></u>	<u><u>(3,274,589)</u></u>

() REFLECTS OVERRECOVERY

PROGRESS ENERGY FLORIDA

ACTUAL ENERGY CONSERVATION PROGRAM COSTS PER PROGRAM
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	BETTER BUSINESS	0	111,062	868	0	196,090	1,289,620	0	6,965	1,604,605	0	1,604,605
2	RESIDENTIAL NEW CONSTRUCTION	0	753,825	6,121	14,700	203,493	692,520	0	142,164	1,812,823	0	1,812,823
3	HOME ENERGY IMPROVEMENT	9,725	534,369	3,629	199	2,526,697	3,002,399	0	63,059	6,140,077	0	6,140,077
4	COMM / IND NEW CONSTRUCTION	0	62,255	0	0	91,062	438,444	0	2,578	594,339	0	594,339
5	HOME ENERGY CHECK	869	2,726,015	193,653	618,140	1,669,174	1	0	272,369	5,480,221	(60)	5,480,161
6	LOW INCOME	0	94,310	861	718	34,501	14,593	0	30,403	175,386	0	175,386
7	RENEWABLE ENERGY SAVER	0	71,043	1,105	(1,956)	245,445	373,306	0	(16,267)	672,676	0	672,676
8	NEIGHBORHOOD ENERGY SAVER	0	77,680	977	(303,661)	62,806	931,804	0	23,194	792,800	0	792,800
9	BUSINESS ENERGY CHECK	0	1,012,312	104,697	464,404	300,141	0	0	144,586	2,026,140	0	2,026,140
10	QUALIFYING FACILITY	0	601,427	1,114	902	0	0	0	18,987	622,430	0	622,430
11	INNOVATION INCENTIVE	0	9,632	0	2,412	0	0	0	3,228	15,272	0	15,272
12	TECHNOLOGY DEVELOPMENT	1,985	76,557	164,913	269,458	7,889	0	0	5,008	525,810	0	525,810
13	STANDBY GENERATION	0	143,524	16,388	175,096	0	1,539,887	0	34,260	1,909,154	0	1,909,154
14	INTERRUPT LOAD MANAGEMENT	0	86,777	10,494	3,935	0	19,547,476	0	14,604	19,663,286	0	19,663,286
15	CURTAIL LOAD MANAGEMENT	0	113	0	0	0	860,708	0	23	860,844	0	860,844
16	RESIDENTIAL LOAD MANAGEMENT	2,911,056	1,316,191	40,179	1,125,897	1,769,219	17,094,919	0	85,100	24,342,560	0	24,342,560
17	COMMERCIAL LOAD MANAGEMENT	0	0	0	0	0	626,839	0	0	626,839	0	626,839
18	CONSERVATION PROGRAM ADMIN	20,487	5,222,491	552,661	1,526,796	575,615	0	0	1,830,708	9,728,758	0	9,728,758
19	TOTAL ALL PROGRAMS	2,944,122	12,899,583	1,097,660	3,897,040	7,682,131	46,412,516	0	2,660,968	77,594,020	(60)	77,593,960

PROGRESS ENERGY FLORIDA

VARIANCE IN ENERGY CONSERVATION PROGRAM COSTS
 12 MONTHS ACTUAL VERSUS 12 MONTHS ESTIMATED

FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	BETTER BUSINESS	0	5,105	868	(1,050)	(98,336)	157,815	0	(251)	64,151	0	64,151
2	RESIDENTIAL NEW CONSTRUCTION	0	(68,740)	(18,473)	(4,607)	(185,317)	69,848	0	(23,934)	(231,223)	0	(231,223)
3	HOME ENERGY IMPROVEMENT	(1,096)	95,623	856	(669)	(47,340)	278,880	0	(21,100)	299,134	0	299,134
4	COMM / IND NEW CONSTRUCTION	0	(29,065)	0	0	15,635	(60,100)	0	(908)	(74,438)	0	(74,438)
5	HOME ENERGY CHECK	0	(242,281)	(308,056)	18,641	(93,338)	1	0	(95,342)	(720,375)	(30)	(720,405)
6	LOW INCOME	0	(41,805)	861	513	(20,281)	(9,406)	0	(53,968)	(124,086)	0	(124,086)
7	RENEWABLE ENERGY SAVER	0	4,732	1,046	22,045	(612,356)	104,705	0	(20,615)	(500,443)	0	(500,443)
8	NEIGHBORHOOD ENERGY SAVER	0	49,634	975	(30,317)	(7,195)	(368,198)	0	14,410	(340,691)	0	(340,691)
9	BUSINESS ENERGY CHECK	0	(24,775)	15,170	27,101	24,238	0	0	(297,753)	(256,019)	0	(256,019)
10	QUALIFYING FACILITY	0	38,049	(5,596)	(996)	0	0	0	227	31,684	0	31,684
11	INNOVATION INCENTIVE	0	(1,707)	0	0	(5,000)	(25,000)	0	(919)	(32,626)	0	(32,626)
12	TECHNOLOGY DEVELOPMENT	(1,030)	(27,223)	82,093	(34,048)	(1,179)	0	0	(65,686)	(47,073)	0	(47,073)
13	STANDBY GENERATION	0	11,622	(12,321)	(148,940)	(3,000)	(160,112)	0	(25,436)	(338,186)	0	(338,186)
14	INTERRUPT LOAD MANAGEMENT	0	10,693	6,962	3,935	0	147,476	0	2,778	171,843	0	171,843
15	CURTAIL LOAD MANAGEMENT	0	(111)	1	0	0	(39,292)	0	(1)	(39,403)	0	(39,403)
16	RESIDENTIAL LOAD MANAGEMENT	(23,057)	(227,191)	5,898	(284,204)	785,333	1,041,883	0	(20,489)	1,278,174	0	1,278,174
17	COMMERCIAL LOAD MANAGEMENT	0	2	2	0	0	(73,162)	0	0	(73,158)	0	(73,158)
18	CONSERVATION PROGRAM ADMIN	0	(776,564)	(51,905)	(71,288)	(538,912)	0	0	(1,811,391)	(3,250,060)	0	(3,250,060)
19	TOTAL ALL PROGRAMS	<u>(25,183)</u>	<u>(1,224,000)</u>	<u>(281,619)</u>	<u>(503,905)</u>	<u>(787,048)</u>	<u>1,065,338</u>	<u>0</u>	<u>(2,426,378)</u>	<u>(4,182,795)</u>	<u>(30)</u>	<u>(4,182,825)</u>

PROGRESS ENERGY FLORIDA

PROJECTED ENERGY CONSERVATION PROGRAM COSTS PER PROGRAM
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	PROGRAM	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	SUB-TOTAL	PROGRAM REVENUES (CREDIT)	TOTAL
1	BETTER BUSINESS	0	105,957	0	1,050	294,426	1,131,805	0	7,216	1,540,454	0	1,540,454
2	RESIDENTIAL NEW CONSTRUCTION	0	822,565	24,594	19,307	388,810	622,672	0	166,098	2,044,046	0	2,044,046
3	HOME ENERGY IMPROVEMENT	10,821	438,746	2,773	888	2,574,037	2,723,519	0	90,159	5,840,943	0	5,840,943
4	C/I NEW CONSTRUCTION	0	91,320	0	0	75,427	498,544	0	3,486	668,777	0	668,777
5	HOME ENERGY CHECK	869	2,968,296	501,709	599,499	1,762,512	0	0	367,711	6,200,596	(30)	6,200,566
6	LOW INCOME	0	136,115	0	205	54,782	23,999	0	84,371	299,472	0	299,472
7	RENEWABLE ENERGY SAVER	0	66,311	59	(24,001)	857,801	268,601	0	4,348	1,173,119	0	1,173,119
8	NEIGHBORHOOD ENERGY SAVER	0	28,046	2	(273,344)	70,000	1,300,001	0	8,783	1,133,490	0	1,133,490
9	BUSINESS ENERGY CHECK	0	1,037,087	89,527	437,303	275,903	0	0	442,339	2,282,159	0	2,282,159
10	QUALIFYING FACILITY	0	563,378	6,710	1,898	0	0	0	18,760	590,746	0	590,746
11	INNOVATION INCENTIVE	0	11,339	0	2,412	5,000	25,000	0	4,147	47,898	0	47,898
12	TECHNOLOGY DEVELOPMENT	3,015	103,780	82,820	303,506	9,068	0	0	70,694	572,883	0	572,883
13	STANDBY GENERATION	0	131,901	28,708	324,036	3,000	1,699,999	0	59,695	2,247,340	0	2,247,340
14	INTERRUPTIBLE SERVICE	0	76,084	3,533	0	0	19,400,000	0	11,826	19,491,443	0	19,491,443
15	CURTAILABLE SERVICE	0	224	(1)	0	0	900,000	0	24	900,247	0	900,247
16	RES ENERGY MANGMNT-ADMIN	2,934,113	1,543,381	34,281	1,410,101	983,886	16,053,036	0	105,589	23,064,386	0	23,064,386
17	COM ENERGY MANGMNT-ADMIN	0	(2)	0	(2)	0	700,001	0	0	699,997	0	699,997
18	CONSERVATION PROGRAM ADMIN	20,487	5,999,055	604,566	1,598,084	1,114,527	0	0	3,642,099	12,978,818	0	12,978,818
19	TOTAL ALL PROGRAMS	2,969,305	14,123,583	1,379,281	4,400,942	8,469,179	45,347,177	0	5,087,347	81,776,815	(30)	81,776,785

PROGRESS ENERGY FLORIDA

ACTUAL CONSERVATION PROGRAM COSTS BY MONTH
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	PROGRAM TITLE	JAN 08	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	TOTAL
1	BETTER BUSINESS	91,285	71,650	138,744	217,495	117,690	20,190	212,788	191,333	123,932	212,536	60,994	145,968	1,604,605
2	RESIDENTIAL NEW CONSTRUCTION	101,131	121,377	146,565	126,929	145,118	308,849	201,151	151,565	128,709	193,980	54,637	132,812	1,812,823
3	HOME ENERGY IMPROVEMENT	157,927	787,309	615,840	778,564	549,566	433,738	415,544	474,530	756,321	453,565	325,360	391,813	6,140,077
4	COMM / IND NEW CONSTRUCTION	78,645	23,035	49,554	78,412	30,408	20,531	20,651	155,045	1,568	68,350	9,389	58,751	594,339
5	HOME ENERGY CHECK	159,854	693,475	499,712	890,979	462,847	398,869	433,838	547,871	413,062	643,900	359,676	(23,862)	5,480,221
6	LOW INCOME	150,608	(122,993)	22,625	21,920	17,222	20,084	7,103	8,881	7,098	9,454	20,725	12,659	175,386
7	RENEWABLE ENERGY SAVER	14,783	303,416	148,897	193,438	234,031	79,465	73,724	141,523	306,698	89,364	64,000	(976,662)	672,676
8	NEIGHBORHOOD ENERGY SAVER	434	145,311	(369,867)	30,920	235,282	17,009	103,182	80,762	57,046	114,403	306,187	72,132	792,799
9	BUSINESS ENERGY CHECK	84,345	126,367	134,228	146,407	191,631	136,817	148,999	240,919	184,941	234,840	161,476	235,170	2,026,140
10	QUALIFYING FACILITY	36,169	52,594	50,687	45,532	68,859	52,516	48,178	52,356	51,930	71,156	50,442	42,011	622,430
11	INNOVATION INCENTIVE	1,310	6,811	(952)	589	128	3,128	1,103	1,281	697	1,147	30	0	15,272
12	TECHNOLOGY DEVELOPMENT	4,077	72,806	(14,656)	52,039	9,303	3,621	4,046	(49,642)	68,510	63,634	44,164	267,908	525,810
13	STANDBY GENERATION	126,212	121,674	129,505	134,058	154,914	169,036	177,108	173,517	175,464	193,531	169,943	184,173	1,909,154
14	INTERRUPT LOAD MANAGEMENT	1,508,304	1,408,538	1,570,374	1,632,751	1,914,578	1,566,600	1,697,115	1,700,871	1,514,423	1,790,041	2,185,734	1,173,959	19,663,286
15	CURTAIL LOAD MANAGEMENT	63,580	87,948	77,914	62,681	71,130	77,730	90,287	90,364	62,621	59,622	101,983	14,984	860,844
16	RESIDENTIAL LOAD MANAGEMENT	2,248,778	2,030,487	1,865,026	1,358,523	1,535,368	1,841,867	1,769,541	1,864,912	2,022,372	1,856,249	2,218,804	3,730,632	24,342,560
17	COMMERCIAL LOAD MANAGEMENT	49,727	50,943	56,112	52,835	46,804	60,667	49,197	59,972	57,024	44,173	60,632	38,753	626,839
18	CONSERVATION PROGRAM ADMIN	666,980	731,285	643,494	810,541	855,320	829,047	886,600	944,644	664,000	847,262	854,842	994,743	9,728,758
19	TOTAL ALL PROGRAMS	5,544,149	6,712,032	5,763,803	6,634,614	6,640,198	6,039,764	6,340,155	6,830,703	6,596,435	6,947,206	7,049,018	6,495,944	77,594,020
20														
21	LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0	0	0	0
22														
23	NET RECOVERABLE (CT-3,PAGE 2)	5,544,149	6,712,032	5,763,803	6,634,614	6,640,198	6,039,764	6,340,155	6,830,703	6,596,435	6,947,206	7,049,018	6,495,944	77,594,020

* GROSS EXPENDITURES ONLY. AUDIT PROGRAM REVENUES ARE ACCOUNTED FOR IN CALCULATION OF TRUE-UP SCHEDULE CT-3, PAGE 2 OF 3.

PROGRESS ENERGY FLORIDA
 ENERGY CONSERVATION ADJUSTMENT
 CALCULATION OF TRUE-UP
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	JAN 08	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	TOTAL FOR THE PERIOD
1A BETTER BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0
1B HOME ENERGY IMPROVEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
1C HOME ENERGY CHECK	0	0	0	0	0	0	0	0	0	0	0	60	60
1D SUBTOTAL - FEES	0	0	0	0	0	0	0	0	0	0	0	60	60
2 CONSERVATION CLAUSE REVENUES	5,247,729	4,844,799	4,809,592	5,113,799	5,481,296	6,754,132	6,416,972	6,946,653	7,547,618	5,949,627	5,465,916	5,058,621	69,636,754
2A CURRENT PERIOD GRT REFUND	0.00	0	0	0	0	0	0	0	0	0	0	0	0
3 TOTAL REVENUES	5,247,729	4,844,799	4,809,592	5,113,799	5,481,296	6,754,132	6,416,972	6,946,653	7,547,618	5,949,627	5,465,916	5,058,681	69,636,814
4 PRIOR PERIOD TRUE-UP OVER/(UNDER) 14,173,827	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,155	14,173,827
5 CONSERVATION REVENUES APPLICABLE TO PERIOD	6,428,881	6,025,951	5,990,744	6,294,951	6,662,448	7,935,284	7,598,124	8,127,805	8,728,770	7,130,779	6,647,068	6,239,836	83,810,641
6 CONSERVATION EXPENSES (CT-3,PAGE 1, LINE 23)	5,544,149	6,712,032	5,763,803	6,634,614	6,640,198	6,039,764	6,340,155	6,830,703	6,596,435	6,947,206	7,049,018	6,495,944	77,594,020
7 TRUE-UP THIS PERIOD (O)U	(884,732)	686,080	(226,941)	339,663	(22,250)	(1,895,520)	(1,257,969)	(1,297,102)	(2,132,335)	(183,573)	401,950	256,108	(6,216,621)
8 CURRENT PERIOD INTEREST	(47,103)	(33,397)	(27,679)	(23,712)	(19,955)	(18,067)	(18,947)	(19,182)	(30,732)	(32,833)	(16,127)	(6,109)	(293,843)
9 ADJUSTMENTS PER AUDIT \ RDC Order		0	0	0	0	0	0	0	0	0	0	0	0
10 TRUE-UP & INTEREST PROVISIONS BEGINNING OF PERIOD (O)U	(14,173,827)	(13,924,510)	(12,090,675)	(11,164,142)	(9,667,039)	(8,528,093)	(9,260,528)	(9,356,292)	(9,491,423)	(10,473,339)	(9,508,593)	(7,941,618)	(14,173,827)
10 A CURRENT PERIOD GRT REFUNDED	0	0	0	0	0	0	0	0	0	0	0	0	0
11 PRIOR TRUE-UP REFUNDED/ (COLLECTED)	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,152	1,181,155	14,173,827
12 END OF PERIOD NET TRUE-UP	(13,924,510)	(12,090,675)	(11,164,142)	(9,667,039)	(8,528,093)	(9,260,528)	(9,356,292)	(9,491,423)	(10,473,339)	(9,508,593)	(7,941,618)	(6,510,464)	(6,510,464)

PROGRESS ENERGY FLORIDA
 CALCULATION OF INTEREST PROVISION
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	JAN 08	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	TOTAL FOR THE PERIOD
1 BEGINNING TRUE-UP AMOUNT (CT-3,PAGE 2, LINE 9 & 10)	(14,173,827)	(13,924,510)	(12,090,675)	(11,164,142)	(9,667,039)	(8,528,093)	(9,260,528)	(9,356,292)	(9,491,423)	(10,473,339)	(9,508,593)	(7,941,618)	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0
	(13,877,407)	(12,057,278)	(11,136,463)	(9,643,327)	(8,508,138)	(9,242,461)	(9,337,345)	(9,472,241)	(10,442,607)	(9,475,760)	(7,925,491)	(6,504,355)	
3 TOTAL BEGINNING & ENDING TRUE-UP	(28,051,234)	(25,981,788)	(23,227,138)	(20,807,469)	(18,175,177)	(17,770,553)	(18,597,872)	(18,828,533)	(19,934,030)	(19,949,099)	(17,434,084)	(14,445,973)	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(14,025,617)	(12,990,894)	(11,613,569)	(10,403,735)	(9,087,588)	(8,885,277)	(9,298,936)	(9,414,267)	(9,967,015)	(9,974,549)	(8,717,042)	(7,222,987)	
5 INTEREST RATE: FIRST DAY REPORTING BUSINESS MONTH	4.98%	3.08%	3.09%	2.63%	2.64%	2.43%	2.45%	2.44%	2.45%	4.95%	2.95%	1.49%	
6 INTEREST RATE: FIRST DAY SUBSEQUENT BUSINESS MONTH	3.08%	3.09%	2.63%	2.84%	2.43%	2.45%	2.44%	2.45%	4.95%	2.95%	1.49%	0.54%	
7 TOTAL (LINE 5 AND LINE 6)	8.06%	6.17%	5.72%	5.47%	5.27%	4.88%	4.89%	4.89%	7.40%	7.90%	4.44%	2.03%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	4.030%	3.085%	2.860%	2.735%	2.635%	2.440%	2.445%	2.445%	3.700%	3.950%	2.220%	1.015%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	(47,103)	(33,397)	(27,679)	(23,712)	(19,955)	(18,067)	(18,947)	(19,182)	(30,732)	(32,833)	(16,127)	(6,109)	(293,843)

PROGRESS ENERGY FLORIDA
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	BEGINNING BALANCE	JAN 08	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	TOTAL
1 ENERGY CONSERVATION ADMIN														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490
5														
6 DEPRECIATION EXPENSE		1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	14,100
7														
8 CUMM. NET INVEST	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490	70,490
9 LESS: ACC. NET DEPR	14,985	16,160	17,335	18,510	19,685	20,860	22,035	23,210	24,385	25,560	26,735	27,910	29,085	29,085
10 NET INVESTMENT	55,505	54,330	53,155	51,980	50,805	49,630	48,455	47,280	46,105	44,930	43,755	42,580	41,405	41,405
11 AVERAGE INVESTMENT		54,917	53,742	52,567	51,392	50,217	49,042	47,867	46,692	45,517	44,342	43,167	41,992	41,992
12 RETURN ON AVG INVEST		406	398	389	380	372	363	354	346	337	328	319	311	4,303
13														
14 RETURN REQUIREMENTS		603	591	577	564	552	539	525	514	500	487	473	462	6,367
15														
16 PROGRAM TOTAL		1,778	1,766	1,752	1,739	1,727	1,714	1,700	1,689	1,675	1,662	1,648	1,637	20,487
17														
18														
19 LOAD MANAGEMENT ASSETS														
20 INVESTMENTS		262,674	0	0	58,134	0	67,098	0	146,200	0	0	0	0	534,106
21 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
22 DEPRECIATION BASE		282,544	413,881	413,881	442,948	472,015	505,564	539,113	612,213	685,313	685,313	685,313	685,313	685,313
23														
24 DEPRECIATION EXPENSE		4,709	6,898	6,898	7,382	7,867	8,426	8,985	10,204	11,422	11,422	11,422	11,422	107,057
25														
26 CUMM. NET INVEST	151,207	413,881	413,881	413,881	472,015	472,015	539,113	539,113	685,313	685,313	685,313	685,313	685,313	685,313
27 LESS: ACC. NET DEPR	1,473	6,182	13,080	19,978	27,360	35,227	43,653	52,638	62,842	74,264	85,686	97,108	108,530	108,530
28 NET INVESTMENT	149,734	407,699	400,801	393,903	444,655	436,788	495,460	486,475	622,471	611,049	599,627	588,205	576,783	576,783
29 AVERAGE INVESTMENT		278,717	404,250	397,352	419,279	440,721	466,124	490,967	554,473	616,760	605,338	593,916	582,494	582,494
30 RETURN ON AVG INVEST		2,065	2,995	2,943	3,106	3,265	3,453	3,638	4,108	4,569	4,484	4,400	4,315	43,341
31														
32 RETURN REQUIREMENTS		3,064	4,444	4,367	4,609	4,845	5,124	5,398	6,096	6,780	6,654	6,529	6,403	64,313
33														
34 PROGRAM TOTAL		7,773	11,342	11,265	11,991	12,712	13,550	14,383	16,300	18,202	18,076	17,951	17,825	171,370

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .0074083 (8.89% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 050078-E1). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	BEGINNING BALANCE	JAN 08	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	TOTAL
1 HOME ENERGY CHECK														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		6,737	0	0	0	0	0	0	0	0	0	0	0	6,737
4 DEPRECIATION BASE		5,929	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	
5														
6 DEPRECIATION EXPENSE		99	43	43	43	43	43	43	43	43	43	43	43	572
7														
8 CUMM. NET INVEST	9,297	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560	2,560
9 LESS: ACC. NET DFPR	6,737	99	142	185	228	271	314	357	400	443	486	529	572	572
10 NET INVESTMENT	2,560	2,461	2,418	2,375	2,332	2,289	2,246	2,203	2,160	2,117	2,074	2,031	1,988	1,988
11 AVERAGE INVESTMENT		2,511	2,440	2,397	2,354	2,311	2,268	2,225	2,182	2,139	2,096	2,053	2,010	
12 RETURN ON AVG INVEST		18	18	18	17	17	17	17	16	16	16	15	14	199
13														
14 RETURN REQUIREMENTS		27	27	27	25	25	25	25	24	24	24	23	21	297
15														
16 PROGRAM TOTAL		126	70	70	68	68	68	68	67	67	67	66	64	869
17														
18 HOME ENERGY IMPROVEMENT														
19 INVESTMENTS		0	0	0	4,470	0	5,957	0	0	0	0	0	0	10,427
20 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
21 DEPRECIATION BASE		27,312	27,312	27,312	29,547	31,782	34,761	37,740	37,740	37,740	37,740	37,740	37,740	
22														
23 DEPRECIATION EXPENSE		455	455	455	492	530	579	629	629	629	629	629	629	6,740
24														
25 CUMM. NET INVEST	27,312	27,312	27,312	27,312	31,782	31,782	37,740	37,740	37,740	37,740	37,740	37,740	37,740	37,740
26 LESS: ACC. NET DEPR	7,959	8,414	8,869	9,324	9,816	10,346	10,925	11,554	12,183	12,812	13,441	14,070	14,699	14,699
27 NET INVESTMENT	19,353	18,898	18,443	17,988	21,966	21,436	26,815	26,186	25,557	24,928	24,299	23,670	23,041	23,041
28 AVERAGE INVESTMENT		19,126	18,671	18,216	19,977	21,701	24,125	26,500	25,871	25,242	24,613	23,984	23,355	
29 RETURN ON AVG INVEST		142	139	135	148	161	179	196	192	187	182	178	173	2,012
30														
31 RETURN REQUIREMENTS		210	206	200	220	239	266	291	285	277	270	264	257	2,985
32														
33 PROGRAM TOTAL		665	661	655	712	769	845	920	914	906	899	893	886	9,725
34														
18 LOAD MANAGEMENT SWITCHES														
19 INVESTMENTS		436,226	544,247	353,526	658,092	535,886	745,327	384,144	484,788	403,475	537,019	427,214	437,276	5,947,218
20 RETIREMENTS		24,650	24,412	101,073	165,023	25,247	17,386	95,453	212,941	14,208	17,461	12,892	11,170	721,916
21 DEPRECIATION BASE		6,822,825	7,288,531	7,674,675	8,047,436	8,549,289	9,168,579	9,676,895	9,957,163	10,287,720	10,742,132	11,209,072	11,629,286	
22														
23 AMORTIZATION EXPENSE		113,714	121,476	127,912	134,124	142,488	152,810	161,282	165,953	171,462	179,036	186,818	193,822	1,850,897
24														
25 CUMM. NET INVEST	6,617,037	7,028,613	7,548,449	7,800,901	8,293,970	8,804,609	9,532,549	9,821,240	10,093,087	10,482,353	11,001,911	11,416,233	11,842,339	113,666,255
26 LESS: ACC. NET DEPR	2,079,291	2,168,355	2,265,419	2,292,258	2,261,359	2,378,600	2,514,024	2,579,853	2,532,865	2,690,119	2,851,694	3,025,620	3,208,272	30,768,434
27 NET INVESTMENT	4,537,747	4,860,259	5,283,030	5,508,644	6,032,611	6,426,009	7,018,526	7,241,387	7,560,222	7,792,235	8,150,218	8,390,613	8,634,068	82,897,821
28 AVERAGE INVESTMENT		4,699,003	5,071,644	5,395,837	5,770,628	6,229,310	6,722,267	7,129,956	7,400,805	7,676,228	7,971,226	8,270,416	8,512,341	
29 RETURN ON AVG INVEST		34,811	37,572	39,974	42,750	46,149	49,801	52,821	54,827	56,868	59,053	61,270	63,062	598,958
30														
31 RETURN REQUIREMENTS		51,656	55,753	59,317	63,436	68,480	73,899	78,381	81,358	84,386	87,628	90,918	93,577	888,789
32														
33 PROGRAM TOTAL		165,370	177,229	187,229	197,560	210,968	226,709	239,663	247,311	255,848	266,664	277,736	287,399	2,739,686

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .0074083 (8.89% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 050078-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

PROGRESS ENERGY FLORIDA

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION & RETURN
 FOR THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008

LINE NO.	BEGINNING BALANCE	JAN 08	FEB 08	MAR 08	APR 08	MAY 08	JUN 08	JUL 08	AUG 08	SEP 08	OCT 08	NOV 08	DEC 08	TOTAL
1 TECHNOLOGY DEVELOPMENT														
2 INVESTMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
3 RETIREMENTS		0	0	0	0	0	0	0	0	0	0	0	0	0
4 DEPRECIATION BASE		6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224
5														
6 DEPRECIATION EXPENSE		104	104	104	104	104	104	104	104	104	104	104	104	1,248
7														
8 CUMM. NET INVEST	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224	6,224
9 LESS: ACC. NET DEPR	0	104	208	312	416	520	624	728	832	936	1,040	1,144	1,248	1,248
10 NET INVESTMENT	6,224	6,120	6,016	5,912	5,808	5,704	5,600	5,496	5,392	5,288	5,184	5,080	4,976	4,976
11 AVERAGE INVESTMENT		6,172	6,068	5,964	5,860	5,756	5,652	5,548	5,444	5,340	5,236	5,132	5,028	5,028
12 RETURN ON AVG INVEST		45	45	44	43	43	42	41	40	39	39	38	38	497
13														
14 RETURN REQUIREMENTS		67	67	65	64	64	62	61	59	58	58	56	56	737
15														
16 PROGRAM TOTAL		171	171	169	168	168	166	165	163	162	162	160	160	1,985
17														
18 TOTAL DEPRECIATION AND RETURN		175,883	191,239	201,140	212,238	226,412	243,052	256,899	266,444	276,860	287,530	298,454	307,971	2,944,122

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .0074083 (8.89% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 050078-EI). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

Program Description and Progress

Program Title: Home Energy Check

Program Description: The Home Energy Check program is a comprehensive residential energy evaluation (audit) program. The program provides Progress Energy Florida, Inc.'s (PEF) residential customers with an analysis of energy consumption and recommendations on energy efficiency improvements. It acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures. It serves as the foundation of the residential Home Energy Improvement program and is a program requirement for participation. There are seven types of the energy audit: the free walk-thru, the paid walk-thru (\$15 charge), the energy rating (Energy Gauge), the mail-in audit, an internet option, a phone assisted audit, and a student audit.

Program Accomplishments for January 2008 through December 2008:
46,067 customers participated in Home Energy Checks.

Program Fiscal Expenditures for January 2008 through December 2008:
Expenses for this program were \$5,480,161.

Program Progress Summary: The Home Energy Check will continue to inform and motivate consumers on cost effective energy efficiency improvements which result in implementation of energy efficiency measures.

Program Description and Progress

Program Title: Home Energy Improvement

Program Description: Home Energy Improvement is an umbrella program for residential customers with existing homes. This program combines thermal envelope efficiency improvements with upgraded equipment and appliances. The Home Energy Improvement program includes incentives for measures such as duct testing, duct leakage repair, attic insulation, injected wall insulation, replacement windows, window film, reflective roofing, high efficiency heat pump replacing resistance heat, high efficiency heat pump replacing a heat pump, high efficiency A/C replacing A/C with non-electric heat, HVAC commissioning, plenum sealing, proper sizing and supplemental bonuses.

Program Accomplishments for January 2008 through December 2008: There were 30,368 implementations under this program.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$6,140,077.

Program Progress Summary: This program will continue to be offered to residential customers through the Home Energy Check to provide opportunities for improving the energy efficiency of existing homes.

Program Description and Progress

Program Title: Residential New Construction

Program Description: The Home Advantage Program promotes energy-efficient construction which exceeds the building code. Information, education, and consultation are provided to homebuilders, contractors, realtors and home buyers on energy-related issues and efficiency measures. This program is designed to encourage single, multi, and manufactured home builders to build more energy efficiently by encouraging a whole house performance view including the installation of climate effective windows, reflective roof materials, upgraded insulation, conditioned space air handler placement, energy recovery ventilation, highly efficient HVAC equipment and quality installation. Incentives are awarded to the builder based on the level of efficiency they choose.

Program Accomplishments for January 2008 through December 2008: There were 12,149 measures implemented through this program.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$1,812,823.

Program Progress Summary: This program is tied to the building industry. Economic forces will dictate the number of homes built during this period. Participation in new construction efficiency measures has declined due to the weakening of the building industry.

Program Description and Progress

Program Title: Low-Income Weatherization Assistance Program

Program Description: The program goal is to integrate PEF's DSM program measures with the Department of Community Affairs (DCA) and local weatherization providers to deliver energy efficiency measures to low-income families. Through this partnership Progress Energy will assist local weatherization agencies by providing energy education materials and financial incentives to weatherize the homes of low-income families.

Program Accomplishments for January 2008 through December 2008: There were 509 measure implementations in the program in 2008.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$175,386.

Program Progress Summary: To promote the delivery of efficiency programs, state-wide agency meetings were held for all participating agencies. Individual meetings with weatherization providers are conducted throughout PEF territory to encourage participation.

Program Description and Progress

Program Title: Energy Management (Residential & Commercial)

Program Description: The Load Management (Energy Wise) Program is a voluntary program that incorporates direct radio control of selected customer equipment to reduce system demand during winter and summer peak capacity periods and/or emergency conditions by temporarily interrupting selected customer appliances for specified periods of time. Customers have a choice of options and receive a credit on their monthly electric bills depending on the options selected and their monthly kWh usage.

Program Accomplishments for January 2008 through December 2008: During this period 10,099 customers were added to the program.

Program Fiscal Expenditures for January 2008 through December 2008: Program expenditures during this period were \$24,969,399.

Program Progress Summary: As of December 31, 2008 there were 359,240 customers participating in the Load Management (Energy Wise) program.

Program Description and Progress

Program Title: Business Energy Check

Program Description: The Business Energy Check is an audit for non-residential customers, and several options are available. The free audit provides a no-cost energy audit for non-residential facilities and can be completed at the facility by an auditor or online by the business customer. The paid audit provides a more thorough energy analysis for non-residential facilities. This program acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures for their facility. It serves as the foundation of, and is a requirement for participation in, the Better Business Program.

Program Accomplishments for January 2008 through December 2008: There were 2,567 customers who participated in this program.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$2,026,140.

Program Progress Summary: The Business Energy Check will continue to inform and motivate consumers on cost effective energy efficiency improvements which result in implementation of energy efficiency measures. The program is required for participation in most of the company's other DSM Business incentive programs.

Program Description and Progress

Program Title: Better Business

Program Description: This umbrella efficiency program provides incentives to existing commercial and industrial customers for heating, air conditioning, motors, roof insulation upgrade, duct leakage and repair, window film, demand-control ventilation, lighting, occupancy sensors, green roof, cool roof, high efficiency energy recovery ventilation, compressed air, and HVAC optimization.

Program Accomplishments for January 2008 through December 2008: There were 1,083 implementations under this program.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$1,604,605.

Program Progress Summary: This program will continue to be offered to commercial customers through the Business Energy Check to provide opportunities for improving the energy efficiency of existing facilities.

Program Description and Progress

Program Title: Commercial/Industrial New Construction

Program Description: This is an umbrella efficiency program for new Commercial and Industrial facilities. This program provides information, education, and advice on energy-related issues and efficiency measures by involvement early in the building's design process. With the exception of ceiling insulation upgrade, duct test and leakage repair, HVAC steam cleaning and roof top HVAC unit recommissioning, the Commercial and Industrial New Construction program provides incentives for the same efficiency measures listed in the Better Business program for existing buildings.

Program Accomplishments for January 2008 through December 2008: There were 210 program completions in 2008.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$594,339.

Program Progress Summary: This program is tied to the building industry. Economic forces will dictate the number of commercial facilities built during this period.

Program Description and Progress

Program Title: Innovation Incentive

Program Description: Significant conservation efforts that are not supported by other Progress Energy programs can be encouraged through Innovation Incentive. Major equipment replacement or other actions that substantially reduce PEF peak demand requirements are evaluated to determine their impact on Progress Energy's system. Incentives are provided for customer-specific demand and energy conservation projects on a case-by-case basis, where cost-effective to all PEF customers. To be eligible, projects must reduce or shift a minimum of 10 kW of peak demand. Examples include refrigeration equipment replacement, microwave drying systems, and inductive heating (to replace resistance heat).

Program Accomplishments for January 2008 through December 2008: There were a total of four projects analyzed in 2008, three of which failed to meet requirements for an incentive and one of the projects (HVAC-Package Terminal Unit Chemical Cleaning), passed the evaluation and was found eligible for an incentive, beginning in 2009.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$15,272.

Program Progress Summary: This program continues to target specialized, customer specific energy efficiency measures not covered through the company's other DSM programs.

Program Description and Progress

Program Title: Standby Generation

Program Description: Progress Energy Florida, Inc. provides an opportunity for commercial customers to voluntarily operate their on-site generators during times of system peak. Participants receive an incentive per kW available, as well as a kWh supplement for runtime during times of system peak.

Program Accomplishments for January 2008 through December 2008: There were 88 new participants added to the program during this period.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$1,909,154.

Program Progress Summary: A total of 194 accounts are currently participating in this program.

Program Description and Progress

Program Title: Interruptible Service Program

Program Description: The Interruptible Service program is a rate tariff which allows Progress Energy to switch off electrical service to customers during times of capacity shortages. The signal to operate the automatic switch on the customer's service is activated by the Energy Control Center. In return for this, the customers receive a monthly rebate on their kW demand charge.

Program Accomplishments for January 2008 through December 2008: There were no new participants added to the program under the IS-2 tariff during this period.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$19,663,286.

Program Progress Summary: The program currently has 155 active accounts with 130 IS-1 customers, 22 IS-2 customers, and 3 SECI- IS accounts. The original program filed as the IS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the IS-2 tariff.

Program Description and Progress

Program Title: Curtailable Service Program

Program Description: The Curtailable Service is a dispatchable DSM program in which customers contract to curtail or shut down a portion of their load during times of capacity shortages. The curtailment is done voluntarily by the customer when notified by PEF. In return for this cooperation, the customer receives a monthly rebate for the curtailable portion of their load.

Program Accomplishments for January 2008 through December 2008: There were zero new participants added to this program in 2008.

Program Fiscal Expenditures for January 2008 through December 2008: Expenses for this program were \$860,844.

Program Progress Summary: The program currently has 7 customers with 5 CS-1 customers and 2 CS-2 customers. The original program filed as the CS-1 tariff is no longer cost-effective under the Commission approved test and was closed on April 16, 1996. Existing participants were grandfathered into the program. New participants are placed on the CS-2 tariff.

Program Description and Progress

Program Title: Technology Development

Program Description: This program allows Progress Energy Florida, Inc. to undertake certain development and demonstration projects which have promise to become cost-effective conservation and energy efficiency programs.

Program Accomplishments for January 2008 through December 2008:

Several research and development projects continued and/or launched in 2008.

- Introduced the DSM-Smart Grid vision; developed and began implementation of residential and commercial pilots
- Developed Plug-in Hybrid Electric Vehicle (PHEV) smart charging research
- Commissioned a renewable energy with advance battery storage research project
- Per a Florida state grant, began implementation of a small-scale wind study
- Initiated commercial solar water heating and geothermal research projects

Program Fiscal Expenditures for January 2008 through December 2008:

Expenses for this program were \$525,810.

Program Progress Summary:

In 2008, the need to develop an end-of-life transition plan for the current load management system and the opportunity to incorporate the technology developments with Smart Grid, resulted in a defined DSM-Smart Grid vision. To support this vision, and the developments for the next generation of load management, residential and commercial pilots have begun initial implementation to evaluate two-way communication, price awareness and energy education, for advanced energy efficiency and load control. Additional Smart Grid projects included the commissioning of two energy storage batteries in association with two solar photovoltaic arrays. Plug-in hybrid vehicle (PHEV) technology is rapidly advancing and has the potential to reduce emissions, and reliance on foreign oil. Three PHEV test vehicles and a partnership for an additional vehicle will provide smart charging and battery testing. Additional alternative energy research has been developed in the hopes of creating future offerings within the Renewable Energy Program, including small-scale wind, commercial solar water heating and geothermal.

Program Description and Progress

Program Title: Qualifying Facility

Program Description: Power is purchased from qualifying cogeneration and small power production facilities.

Program Accomplishments for January, 2008 through December, 2008: Progress Energy executed contracts with the Vision Power and Horizon Energy to purchase 40 MW of renewable capacity in 2008. Progress Energy Florida will continue to negotiate with potential Qualifying Facilities and restructure existing contracts when opportunities arise.

Program Fiscal Expenditures for January, 2008 through December, 2008: Expenses for this program were \$622,430.

Program Progress Summary: The total MW of qualifying facility capacity is approximately 786 MW with another 367 MW of future qualifying facility capacity under contract.

Program Description and Progress

Program Title: Renewable Energy Program

Program Description: This program consists of two areas that are designed to encourage the installation of renewable energy systems.

Solar Water Heater with EnergyWise: This measure encourages residential customers to install a solar thermal water heating system. The customer must have whole house electric cooling, electric water heating, and electric heating to be eligible for this program.

Solar Photovoltaics with EnergyWise (SolarWise for Schools): This measure promotes environmental stewardship and renewable energy education through the installation of solar energy systems at schools within Progress Energy Florida's service territory. Customers participating in the Winter-Only EnergyWise or Year-Round EnergyWise Program can elect to donate their monthly credit toward the Solar Photovoltaics with EnergyWise Fund.

All proceeds collected from participating customers, and their associated monthly credits, will be used to promote photovoltaics and renewable energy educational opportunities.

Program Accomplishments for January, 2008 through December, 2008: There were 869 customers that participated in the Solar Water Heater with Energy Wise and 1220 customers participating in our SolarWise for Schools program in 2008. Two schools received installations of solar photovoltaic systems.

Program Fiscal Expenditures for January, 2008 through December, 2008: Expenses for this program were \$672,676.

Program Progress Summary: This program will continue to be offered to residential customers to encourage the use of solar water heating systems and to promote environmental stewardship and renewable energy education. Total enrollment is 1077 for Solar Water Heaters and 1378 for SolarWise for Schools.

Program Description and Progress

Program Title: Neighborhood Energy Saver

Program Description: The Neighborhood Energy Saver Program was designed to assist low-income families with escalating energy costs. The goal of this program is to implement a comprehensive package of electric conservation measures at no cost to eligible customers. In addition to installing these measures we endeavor to achieve three important goals: educate participating families on proper energy efficiency techniques and best practices, change behavior and manage their energy usage.

Program Accomplishments for January, 2008 through December, 2008: There were 2633 customers who participated in the Neighborhood Energy Saver program. NES recently won an award from the Association of Energy Services Professionals for outstanding achievement in program design and implementation.

Program Fiscal Expenditures for January, 2008 through December, 2008: Expenses for this program were \$792,800.

Program Progress Summary: This program will continue to be offered to low-income neighborhoods in Progress Energy's service territories through 2014.