

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear cost recovery clause.

DOCKET NO. 090009-EI

FILED: July 27, 2009

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Direct Testimony of

Jeffery A. Small, have been served by U.S. Mail this 27<sup>th</sup> day of July, 2009, to the following:

Brickfield Law Firm James W. Brew/F. Alvin Taylor 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 20007

Florida Industrial Power Users Group John W. McWhirter, JR. c/o McWhirter Law Firm Post Office Box 3350 Tampa, FL 33601

Florida Power & Light Company Bryan Anderson/Jessica Cano/Garson R. Knapp 700 Universe Blvd. Juno Beach, FL 33418

Office of Public Counsel J.R. Kelly/C. Beck/C. Rehwinkel/J. McGlothlin c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400

Progress Energy Service Company John T. Burnett/R. Alexander Glenn Post Office Box 14042 St. Petersburg, FL 33733-4042 Carlton Fields Law Firm J. Michael Walls/Diane M. Tripplett/Matthew R. Bernier Post Office Box 3239 Tampa, FL 33601-3239

Florida Power & Light Company Mr. Wade Litchfield 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1859

Keefe Law Firm Vicki Gordon Kaufman/Jon C. Moyle, Jr. 118 North Gadsden Street Tallahassee, FL 32301

Mr. Paul Lewis, Jr. 106 Fast College Avenue, Suite 800	$\frac{5}{60M} = \frac{5}{60M}$
Southern Alliance for Clean Energy, Inc. c/o William Law Firm E. Leon Jacobs, Jr. 1720 S. Gadsden Street MS 14, Suite 201	ADM

Tallahassee, FL 32301

07621 JUL 27 8

FPSC-COMH/SSIGN CLEEK

CERTIFICATE OF SERVICE DOCKET NO. 090009-EI PAGE 2

White Springs Agricultural Chemicals, Inc. Randy B. Miller P. O. Box 300 White Springs, FL 32096

KEINO YOUNG, SENIOR ATTORNEY FLORIDA PUBLIC SERVICE COMMISSION Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Telephone: (850) 413-6199



Jublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

# -M-E-M-O-R-A-N-D-U-M-

DATE:July 27, 2009TO:Ann Cole, Clerk, Office of Commission ClerkFROM:Keino Young, Senior Attorney, Office of the General CounselRE:Docket No. 090009-EI – Nuclear Cost Recovery Clause.

Attached for filing in the above-referenced docket are the original and **six** copies of the Direct Testimony of JEFFERY A. SMALL, on behalf of Commission Staff.

KY

07621 JUL 27 8 FPSC-COMMISSION CLERK *DOCKET NO. 090009-EI:* Nuclear cost recovery clause for Progress Energy Florida, Inc.

*WITNESS:* **Direct Testimony Of Jeffery A. Small,** Appearing On Behalf Of the Staff of the Florida Public Service Commission

DATE FILED: July 27, 2009

DOCUMENT NUMBER-DATE 07621 JUL 27 8 FPSC-COMMISSION CLERK

1	DIRECT TESTIMONY OF JEFFERY A. SMALL
2	Q. Please state your name and business address.
3	A. My name is Jeffery A. Small and my business address is 4950 West Kennedy Blvd,
4	Tampa, Florida, 33609.
5	Q. By whom are you presently employed and in what capacity?
6	A. I am employed by the Florida Public Service Commission as a Professional
7	Accountant Specialist in the Division of Regulatory Compliance.
8	Q. How long have you been employed by the Commission?
9	A. I have been employed by the Florida Public Service Commission (FPSC) since January
10	1994.
11	Q. Briefly review your educational and professional background.
12	A. I have a Bachelor of Science degree in Accounting from the University of South
13	Florida. I am also a Certified Public Accountant licensed in the State of Florida and I am a
14	member of the American and Florida Institutes of Certified Public Accountants.
15	Q. Please describe your current responsibilities.
16	A. Currently, I am a Professional Accountant Specialist with the responsibilities of
17	planning and directing the most complex investigative audits. Some of my past audits include
18	cross-subsidization issues, anti-competitive behavior, and predatory pricing. I also am
19	responsible for creating audit work programs to meet a specific audit purpose and integrating
20	EDP applications into these programs.
21	Q. Have you presented expert testimony before this Commission or any other
22	regulatory agency?
23	A. Yes. I testified in the Southern States Utilities, Inc. rate case, Docket No. 950495-WS,
24	the transfer application of Cypress Lakes Utilities, Inc., Docket No. 971220-WS, and the
25	Utilities, Inc. of Florida rate case, Docket No. 020071-WS.

DOCUMENT NUMBER-DATE 07621 JUL 27 8 FPSC-CONMISSION CLERK

1

# Q. Have you provided testimony before the Commission in a prior Nuclear Cost Recovery Clause (NCRC) docket.

- 3 A. Yes, I provided testimony in the Progress Energy Florida, Inc., Nuclear Cost Recovery
  4 Clause filing, Docket No. 080009-EI.
- 5

# Q. What was the purpose of your testimony in Docket No. 080009-EI?

6 The purpose of my testimony was to sponsor the staff audit reports of Progress Energy Α. 7 Florida, Inc. (PEF, Utility, or Company) in Docket No. 080009-EI which addressed the 8 Utility's application for nuclear cost recovery in 2007. We issued three audit reports on PEF 9 in that docket. The first audit report was issued May 30, 2008, to address the 2007 power 10 uprate costs for the Crystal River Unit 3 nuclear power plant. The second audit report was 11 issued July 25, 2008, to address the pre-construction costs as of December 31, 2007, for Levy County Units 1 & 2. The third audit report was issued July 25, 2008, to address the site 12 selection costs as of December 31, 2007, for Levy County Units 1 & 2. The three audit reports 13 14 were included as separate exhibits with my testimony.

#### 15 Q. Was your testimony entered into the record for Docket No. 080009-EI?

A. Yes, however, the second audit report which was issued July 25, 2008, to address the
pre-construction costs as of December 31, 2007, for Levy County Units 1 & 2 is being
resubmitted in this docket because the issue regarding land costs was deferred and was to be
addressed in Docket No. 090009-EI.

#### 20 Q. What is the purpose of your testimony today?

A. The purpose of my testimony is to sponsor three staff audit reports of PEF which
address the Utility's application for nuclear cost recovery in 2007 and 2008. The first audit
report was issued July 25, 2008, and addressed the pre-construction cost as of December 31,
2007, for Levy County Units 1 & 2. This audit report is filed with my testimony and is
identified as Exhibit JAS-1. The second audit report was issued April 3, 2009, to address the

2008 power uprate costs for the Crystal River Unit 3 nuclear power plant. This audit report is
 filed with my testimony and is identified as Exhibit JAS-2. The third audit report was issued
 June 10, 2009, to address the site selection, pre-construction and construction costs as of
 December 31, 2008, for Levy County Units 1 & 2. This audit report is filed with my
 testimony and is identified as Exhibit JAS-3.

6

#### Q. Were these audits prepared by you or under your direction?

7 A. Yes, these audits were prepared by me or under my direction.

#### 8 Q. Please describe the work you performed in these audits.

9 For the first audit report, to address the prior period pre-construction costs as of Α. 10 December 31, 2007, for Levy County Units 1 & 2, we reconciled the Company's filing to the 11 general ledger and verified that the costs incurred were posted to the proper account, as prescribed by Rule 25-6.014, Florida Administrative Code. We reconciled and recalculated a 12 13 sample of the monthly revenue requirement accruals displayed on Schedule T-I to the 14 supporting schedules in the Company's 2007 Nuclear Cost Recovery Clause (NCRC) filing. 15 We reconciled and recalculated a sample of the carrying cost accruals displayed on Schedule 16 T-3 to the supporting schedules in the Company's 2007 NCRC filing. We recalculated a 17 sample of the AFUDC balances displayed as "Other Adjustments" in the filing and reconciled 18 the rates applied by the Company to its approved AFUDC rates in Commission Order No. 19 PSC-05-0945-FOF-El, issued September 28, 2005. We reconciled and recalculated a sample 20 of the monthly deferred tax carrying cost accruals displayed on Schedule T-3A to the 21 supporting schedules in the Company's 2007 NCRC filing. We recalculated a sample of the 22 monthly carrying cost balances for deferred tax assets based on the equity and debt 23 components established in Order No. PSC-05-0945-FOF-El. We reconciled and recalculated a 24 sample of the monthly CPI accruals displayed on Schedule T-3B to the supporting schedules 25 in the Company's 2007 NCRC filing. We recalculated the Company's Consumer Price Index

1 (CPI) rate and reconciled the component balances to the Company's general ledger. We 2 recalculated a sample of monthly jurisdictional nuclear construction expenditures displayed on 3 Schedule T-6 of the Company's 2007 NCRC filing. We sampled and verified the construction 4 and transmission cost expenditures and traced the invoiced amounts to supporting 5 documentation. We reconciled the jurisdictional factors applied by the Company to the 6 eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued 7 November 22, 2006, in Docket No. 060007-EI.

8 For the second audit report, to address the uprate cost as of December 31, 2008, for 9 Crystal River Unit 3, we reconciled the Company's filing to the general ledger and verified 10 that the costs incurred were posted to the proper account, as prescribed by Rule 25-6.014, 11 Florida Administrative Code. We reconciled and recalculated a sample of the monthly 12 revenue requirement accruals displayed on Schedule T-1 to the supporting schedules in the Company's 2008 NCRC filing. We also reconciled and recalculated a sample of the carrying 13 14 cost accruals displayed on Schedule T-3 to the supporting schedules in the Company's 2008 15 NCRC filing. We recalculated a sample of the Allowance for Funds Used During Construction 16 (AFUDC) balances displayed as "Other Cost" in the filing and reconciled the rates applied by 17 the Company to its approved AFUDC rates in Commission Order No. PSC-05-0945-FOF-EI, 18 issued September 28, 2005. We reconciled and recalculated a sample of the monthly deferred 19 tax carrying cost accruals displayed on Schedule T-3A to the supporting schedules in the 20 Company's 2008 NCRC filing. We recalculated a sample of the monthly carrying cost 21 balances for deferred tax assets based on the equity and debt components established in 22 Commission Order No. PSC-05-0945-FOF-El. We reconciled and recalculated a sample of the 23 monthly CPI accruals displayed on Schedule T-3B to the supporting schedules in the Company's 2008 NCRC filing. We recalculated the Company's CPI rate and reconciled the 24 component balances to the Company's general ledger. We recalculated a sample of the 25

1 monthly jurisdictional O&M costs accruals displayed on Schedule T-4 of the Company's 2008 2 filing. We sampled and verified the administrative and general cost accruals and traced the 3 invoiced amounts to supporting documentation. We recalculated a sample of monthly 4 jurisdictional nuclear construction accruals displayed on Schedule T-6 of the Company's 2008 NCRC filing. We sampled and verified the project management and power block engineering 5 6 accruals and traced the invoiced amounts to supporting documentation. We sampled 7 Company salary expense accruals and the respective overhead the Company applied. We 8 recalculated and verified the joint owner billings that reduced the Company's eligible carrying 9 cost for the CR3 Uprate project. We reconciled the jurisdictional factors applied by the 10 Company to the eligible carrying cost to the factors approved in Commission Order No. PSC-11 06-0972-FOF-El, issued November 22, 2006. We reconciled and recalculated a sample of the monthly true-ups displayed on Schedule T-9 to the supporting schedules in the Company's 12 13 2008 NCRC filing.

14 For the third audit report, to address the site selection, pre-construction and 15 construction costs as of December 31, 2008, for Levy County Units 1 & 2, we reconciled the 16 Company's filing to the general ledger and verified that the costs incurred were posted to the 17 proper account, as prescribed by Rule 25-6.014, Florida Administrative Code. We reconciled 18 and recalculated a sample of the monthly revenue requirement accruals displayed on Schedule 19 T-I to the supporting schedules in the Company's 2008 NCRC filing. We reconciled the 20 monthly site selection and preconstruction carrying cost balances displayed on Schedule T-2 21 to the supporting schedules in the Company's 2008 NCRC filing. We recalculated the 22 schedule and reconciled the AFUDC rates applied by the Company to the rates approved in 23 Order No. PSC-05-0945-FOF-EI, issued September 28, 2005. We reconciled the monthly 24 construction carrying cost balances displayed on Schedule T-3 to the supporting schedules in 25 the Company's 2008 NCRC filing. We recalculated the schedule and reconciled the AFUDC

1 rates applied by the Company to the rates approved in Order No. PSC-05-0945-FOF-EI. We 2 recalculated a sample of the monthly recoverable O&M expenditures displayed on Schedule 3 T-4 of the Company's 2008 NCRC filing. We sampled and verified the O&M cost accruals 4 and traced the invoiced amounts to supporting documentation. We verified the Company 5 salary expense accruals and recalculated the respective overhead burdens the Company applied. We reconciled the jurisdictional factors applied by the Company to the eligible 6 7 carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 8 22, 2006, in Docket No. 060007-EI. We recalculated a sample of monthly jurisdictional 9 nuclear construction accruals displayed on Schedule T-6 of the Company's 2008 NCRC filing. 10 We sampled and verified the generation and transmission cost accruals and traced the invoiced 11 amounts to supporting documentation. We verified a sample of Company salary expense 12 accruals and recalculated a sample of the respective overhead burdens that the Company 13 applied. We reconciled the jurisdictional factors applied by the Company to the eligible 14 carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 15 22, 2006, in Docket No. 060007-EI.

16 Q. Please review the audit findings in the audit report, JAS-1, which addresses the
17 prior period pre-construction costs as of December 31, 2007 for Levy County Units 1 &
18 2.

19 A. <u>Audit Finding No. 1</u>

Audit Finding No. 1 concerns the utility's calculation and allocation of the cost of the land purchased for generation, transmission and future use purposes. I provide two alternative methods of allocating the costs between generation, allocation and future use purposes for the Commission to consider. In addition, I disclose the existence of a contingent deferred purchase price related to the purchase of one of the land parcels. This is discussed in greater detail in Exhibit JAS-1, Finding No. 1.

6

Q. Please review the audit findings in the audit report, JAS-2, which addresses the
 2008 power uprate costs for the Crystal River Unit 3 nuclear power plant.

#### 3 A. <u>Audit Finding No. 1</u>

4 Audit Finding No. 1 provides information concerning the Company's correction of a
5 calculation error in its 2007 filing. This is discussed in greater detail in Exhibit JAS-2,
6 Finding No. 1.

#### 7 A. <u>Audit Finding No. 2</u>

8 Audit Finding No. 2 provides information concerning the underbilling of the Company's joint
9 owners during 2007 and 2008. This underbilling of the uprate costs was corrected in March
10 2009. This is discussed in greater detail in Exhibit JAS-2, Finding No. 2.

## 11 A. <u>Audit Finding No. 3</u>

Audit Finding No. 3 provides information concerning potential royalty payments from
contractors that could reduce the overall cost of the CR3 Uprate in future periods. This is
discussed in greater detail in Exhibit JAS-2, Finding No. 3.

15 A. Audit Finding No. 4

Audit Finding No. 4 provides information concerning the Company's adjustment to transfer
the cost associated with the Measurement Uncertainty Recapture (MUR) phase of the CR3
Uprate from Construction Work in Progress to plant-in-service in 2008. This is discussed in
greater detail in Exhibit JAS-2, Finding No. 4.

Q. Please review the audit findings in the audit report, JAS-3, which addresses the
site selection, pre-construction and construction costs as of December 31, 2008 for Levy
County Units 1 & 2.

- 23 A. There are no findings in the third audit report, JAS-3.
- 24 Q. Does this conclude your testimony?
- 25 A. Yes, it does.

Docket No. 090009-EI Exhibit JAS-1 (Page 1 of 14) Levy Units 1 & 2 Pre-Construction Cost



#### FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE & CONSUMER ASSISTANCE BUREAU OF AUDITING

Tampa District Office

**PROGRESS ENERGY FLORIDA, INC.** 

NUCLEAR COST RECOVERY CLAUSE

LEVY COUNTY UNITS 1 & 2 PRE-CONSTRUCTION COST

AS OF DECEMBER 31, 2007

DOCKET NO. 080009-EI AUDIT CONTROL NO. 08-087-2-1

Jeffery A. Small, Audit Manager

Joseph W. Rohrbacher, District Supervisor

## Docket No. 090009-EI Exhibit JAS-1 (Page 2 of 14) Levy Units 1 & 2 Pre-Construction Cost

# TABLE OF CONTENTS

.

AUDITOR'S REPORT	PAGE
I. PURPOSE	2
II. OBJECTIVES AND PROCEDURES	3
III. FINDINGS	
1. LAND AND LAND RIGHTS	5

# IV. EXHIBITS<sup>1</sup>

1.	007 SCHEDULE T-1 – RETAIL REVENUE REQUIREMENT	9
2.	007 SCHEDULE T-3 – CONSTRUCTION CARRYING COST1	0
3.	007 SCHEDULE T-3A DEFERRED TAX CARRYING COST1	1
4.	007 SCHEDULE T-3B – CONSTRUCTION PERIOD INTEREST1	2
5.	007 SCHEDULE T-6 – MONTHLY EXPENDITURES1	3

<sup>&</sup>lt;sup>1</sup> Schedules included in the company's filing that did not contain information reviewed by the audit staff is not incorporated in this report.

# Docket No. 090009-EI Exhibit JAS-1 (Page 3 of 14) Levy Units 1 & 2 Pre-Construction Cost AUDITOR'S REPORT

#### JULY 17, 2008

#### TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have performed the procedures described later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request dated March 27, 2008. We have applied these procedures to the attached schedules prepared by Progress Energy Florida, Inc. in support of its 2007 filings for Nuclear Cost Recovery Clause relief in Docket No. 080009-EI.

This audit was performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. This report is based on agreed upon procedures which are only for internal Commission use.

Docket No. 090009-EI Exhibit JAS-1 (Page 4 of 14) Levy Units 1 & 2 Pre-Construction Cost

## **OBJECTIVES AND PROCEDURES**

#### GENERAL

To verify that the company's 2007 Nuclear Cost Recovery Clause (NCRC) filings in Docket No. 080009-El are consistent and in compliance with Section 366.93, F.S. and Chapter 25-6.0423, F.A.C.

#### SPECIFIC

 Objective: Verify that the company's filing is properly recorded on its books and records according to the Code of Federal Regulations (CFR) Uniform System of Accounts. (USoA)

*Procedures:* We reconciled the company's filing to the general ledger and verified that the costs incurred were posted to the proper USoA account.

- Objective: Verify that Schedule T-1 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2007 NCRC filing. *Procedures:* We reconciled and recalculated a sample of the monthly revenue requirement accruals displayed on Schedule T-1 to the supporting schedules in the company's 2007 NCRC filing.
- 3. Objective: Verify that the carrying cost amounts displayed on Schedule T-3, which rolls forward to Schedule T-1, are accurately calculated and that they include the correct balances from the supporting schedules of the company's 2007 NCRC filing. *Procedures:* We reconciled and recalculated a sample of the carrying cost accruals displayed on Schedule T-3 to the supporting schedules in the company's 2007 NCRC filing. NCRC filing. We recalculated a sample of the Allowance for Funds Used During Construction (AFUDC) balances displayed as Other Adjustments in the filing and reconciled the rates applied by the company to its approved AFUDC rates in Order No. PSC-05-0945-FOF-EI, issued September 28, 2005.
- 4. *Objective:* Verify that the Deferred Tax Return Requirement amount displayed on Schedule T-3A, which rolls forward to Schedule T-1, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2007 NCRC filing.

*Procedures:* We reconciled and recalculated a sample of the monthly deferred tax carrying cost accruals displayed on Schedule T-3A to the supporting schedules in the company's 2007 NCRC filing. We recalculated a sample of the monthly carrying cost balances for deferred tax assets based on the equity and debt components established in Order No. PSC-05-0945-FOF-EI.

5. *Objective:* Verify that the Construction Period Interest (CPI) amount displayed on Schedule T-3B, which rolls forward to Schedule T-3A, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2007 NCRC filing.

# Docket No. 090009-EI Exhibit JAS-1 (Page 5 of 14)

*Procedures:* We reconciled and recalculated a sample of the monthly CPT accluates displayed on Schedule T-3B to the supporting schedules in the company's 2007 NCRC filing. We recalculated the company's CPI rate and reconciled the component balances to the company's general ledger.

6. Objective: Verify that the jurisdictional nuclear construction amounts, displayed on Schedule T-6 of the company's 2007 filing, which rolls forward to Schedule T-3, are accurately calculated and are supported by original source documentation. *Procedures:* We recalculated a sample of monthly jurisdictional nuclear construction expenditures displayed on Schedule T-6 of the company's 2007 NCRC filing. We sampled and verified the construction and transmission cost expenditures and traced the invoiced amounts to supporting documentation. We reconciled the jurisdictional factors applied by the company to the eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 22, 2006, in Docket No. 060007-EI. Audit Finding No. 1 discusses our analysis and discloses additional information concerning the company's balances for generation, transmission and future use land.

## Docket No. 090009-EI Exhibit JAS (Page 6 of 14) Levy Units 1 & 2 Pre-Construction Cost

## AUDIT FINDING NO. 1

## SUBJECT: LAND AND LAND RIGHTS

**AUDIT ANALYSIS:** The company's filing and general ledger include the following balances for land and land rights for the Levy Units 1 and 2 nuclear plant projects.

Acct No.	Project No.	Description	Land Cost	Other Cost	Total Land
1071000	20059051	Land - Generation	\$52,008,983	\$521,276	\$52,530,259
1071000	20064886	Land - Transmission	8,930,645	10,780	8,941,425
1071000	20065752	Land - Held for Future Use	27,667,950	< <u>0</u>	<u>27,667,950</u>
Total Land	I		\$88,607,578	\$532,056	\$89,139,634

The "Other Cost" balances above include company cost outside of the closing process related to the land purchased.

The company's calculations of the above future use and transmission use land balances are displayed below.

Land Purchases	Amount	Acres	Price/Acre
Rayonier land price	\$46,579,500	3,105.00	\$15,000
Closing cost	<u>1,617,172</u>		
Totals	\$48,196,672		
Lybass land price	\$39,084,959	2,159.00	\$18,103
Closing cost	1,325,947		
Totals	\$40,410,906		
		Total	Used/Useful
Lybass purchase	Land Use	Percent	Percent
Generation	94.08	4.36%	29.92%
Transmission	220.39	10.21%	<u>70.08%</u>
Future Use	<u>1,844.53</u>	<u>85.43%</u>	
Totals	2,159.00	100.00%	100.00%
Future Use	Amount		
Fair market value	\$15,000		
Future use acreage	1,844.53		
Total Future Use Value	\$27,667,950		
Transmission Use	Amount		
Total Lybass Cost	\$40,410,906		
Future Use Value	<u>27,667,950</u>		
Remaining Value	\$12,742,956		
Transmission Percent	70.08%		
Total Transmission Value	\$8,930,645		

(Small differences are attributed to rounding errors)

The company cited 18 CFR 101, Electric Plant Instruction 7G as justification and support for its valuation and allocation methodology.

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

## Docket No. 090009-EI Exhibit JAS (Page 7 of 14) Levy Units 1 & 2 Pre-Construction Cost

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 electric operations.

The company asserts that the purchase price it paid for the Lybass property was above its fair market value (FMV) because the sale was influenced by the previous purchase of the Rayonier property. The company therefore used the \$15,000 per acre price of the Rayonier purchase as the FMV multiplier to determine the land held for future use balance of \$27,667,950. The remaining Lybass purchase price of \$12,742,956 was allocated between the generation and transmission land accounts based on percentage of estimated use.

Other applicable CFR citations include 18 CFR 101, Definitions 9 and 23.

Cost means the amount of money actually paid for property or services.

Original cost, as applied to electric plant, means the cost of such property to the person first devoting it to public service.

A first alternative valuation method would use \$18,103, the actual FMV per acre purchase price of the Lybass property, to determine the future use land balance. The Lybass property contains the entire land area that is designated by the company for future use and the valuation method is supported by all three of the CFR citations referenced above. The following reflects our calculated generation, transmission and future use land balances.

<u>Description</u> Land - Generation Land - Transmission Land - Held for Future Use Total Land	Land Cost \$50,296,511 4,919,043 <u>33,392,024</u> \$88,607,578	<u>Other Cost</u> \$521,276 10,780 <u>0</u> \$532,056	<u>Total Land</u> \$50,817,787 4,929,823 <u>33,392,024</u> \$89,139,634
Future Use Fair market value Future use acreage	Amount \$18,103 <u>1,844.53</u>		
Total Future Use Value <u>Transmission Use</u> Total Lybass Cost	\$33,392,024 <u>Amount</u> \$40,410,906		
Future Use Value Remaining Value	<u>33,392,024</u> \$7,018,882		
Transmission Percent Total Transmission Value	<u>70.08%</u> \$4,919,043		

(Small differences are attributed to rounding errors)

A second alternative valuation method would use \$16,526, the average FMV per acre purchase price of both the Rayonier and Lybass properties, to determine the future use land balance. This method would treat the entire land purchase as one transaction, which is the ultimate use for the two parcels of land purchased. The following reflects our calculated generation, transmission and future use land balances.

## Docket No. 090009-EI Exhibit JAS (Page 8 of 14) Levy Units 1 & 2 Pre-Construction Cost

Description	Land Cost	Other Cost	Total Land
Land - Generation	\$54,378,639	\$521,276	\$54,899,915
Land - Transmission	3,746,236	10,780	3,757,016
Land - Held for Future Use	30,482,703	<u>0</u>	30,482,703
Total Land	\$88,607,578	\$532,056	\$89,139,634
Land Purchases	Amount	Acres	Price/Acre
Rayonier land cost	\$46,579,500	3,105.00	\$15,000
Closing cost	<u>1,617,172</u>		
Totals	\$48,196,672		
Lybass land cost	\$39,084,959	2,159.00	\$18,103
Closing cost	1,325,947		
Totals	\$40,410,906		
Combined land cost	\$86,990,406	5,264.00	\$16,526
Closing cost	2,943,119	-,	••••••
Totals	\$89,933,525		
	· - · · · · · · · · · ·	Total	Used/Useful
Lybass Site	Land Use	Percent	Percent
Generation	94.08	4.36%	29.92%
Transmission	220.39	10.21%	<u>70.08%</u>
Future Use	<u>1,844.53</u>	<u>85.43%</u>	
Totals	2,159.00	100.00%	100.00%
Esture Her	A		
Future Use Fair market value	<u> </u>		
Future use acreage	<u>1,844.53</u> \$27,667,950		
Total Future Use Value	\$27,007,90U		
Transmission Use	Amount		
Total Lybass Cost	\$40,410,906		
Future Use Value	27,667,950		
Remaining Value	\$12,742,956		
Transmission Percent	<u>70.08%</u>		
Total Transmission Value	\$8,930,645		

<sup>(</sup>Small differences are attributed to rounding errors)

#### Additional information

During our review of supporting documentation for the land purchases it was discovered that the land balances reflected in the filing are overstated by \$127,073 as described below.

- 1. The company, in response to Document Request No. LV-10-07-PC, identified an invoice totaling \$20,612 for a survey that was paid twice. The company stated that it would correct the duplicate billing when it receives reimbursement from the vendor.
- The company, in response to Document Request No. LV-11-07-PC, identified the "Other Cost" balance of \$10,780 included in the schedules above as a PEF Administrative Overhead allocation that should not have been charged to the land projects. The company

## Docket No. 090009-EI Exhibit JAS (Page 9 of 14) **REDACTED** Levy Units 1 & 2 Pre-Construction Cost

provided evidence that it removed and reclassified the amount in June 2008.

3. The company, in response to Document Request No. LV-12-07-PC, identified a \$95,681 accrual that is included in the land balance that should have been reversed in 2007. The company provided evidence that it removed the accrual in June 2008.

None of the three land valuation methods and resulting balances described earlier in this finding includes the additional information discussed above.

The sales contract to purchase the Rayonier property<sup>2</sup> and the direct testimony of Daniel Roderick<sup>3</sup> indicate that the contract terms of the Rayonier property sale included a deferred purchase price of the contract terms of the contingent liability becomes due when PEF has received the Combined Construction and Operation License issued by the U.S. Nuclear Regulatory Commission. The company has not included any accounting entries in the current filing or its general ledger that records the deferred purchase contingent liability.

Action	Effect	Amount
Accept company land valuation	None	\$0
Accept first alternative valuation	Reduce generation land balance Reduce transmission land balance Increase future use land balance Net	(\$1,712,472) (\$4,011,602) <u>\$5,724,074</u> \$0
Accept second alternative valuation	Increase generation land balance Reduce transmission land balance Increase future use land balance Net	\$2,369,656 (\$5,184,409) <u>\$2,814,753</u> \$0
Accept additional information finding	Reduce generation land balance Reduce generation land balance Reduce transmission land balance	. (\$20,612) (\$95,681) <u>(\$10,780)</u> (\$127,073)

#### **EFFECT ON THE FILING:**

**EFFECT ON THE GENERAL LEDGER:** An alternative valuation adjustment would only apply to the balances of the individual projects within Acct. No. 1071000 with a net effect of \$0 on the account. The additional information adjustments have already been made or will be made by the company in 2008.

We defer the appropriate treatment of the deferred purchase contingent liability to the analyst in this proceeding.

<sup>&</sup>lt;sup>2</sup> Purchase and Sale Agreement, executed November 16, 2006, Page 21, Paragraph 44.

<sup>&</sup>lt;sup>3</sup> Confidential Testimony of Daniel L. Roderick on Behalf of Progress Energy Florida, filed March 11, 2008, Docket No. 080148-EI, Page 11, Lines 21-22.

.

Schedu	Levy County Nuclear Filing Pre-Construction Costs and Carrying Costs on Construction Cost Balance [ dule T-1 True-up Filing: Retail Revenue Requirements Summary							[Section (5)(c)1.a.)	
COMP	Progress Energy - FL	total retail	revenue re rent year a	equirements b ind the previo	ased on a	tual expen		For the Year End	ed 12/31/2007
Line No.	ET NO.: 080149-EI	(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	Wilness: (N) 12 Month Total	
1.	Preconstruction Revenue Requirements (Schedule T-2, line 7)		<b>š</b> .	Jurisdiction		<b>1</b> -	<b>\$</b> .	\$	
2. 3.	Construction Carrying Cost Revenue Requirements (Schedule T-3, line Recoverable O&M Revenue Requirements (Schedule T-4, line 24)	.7 .	-	224,965	460,558	483,321	544,738	1,713,284	
4. 5.	Deferred Tax Llability Carrying Cost (Schedule T-3A, line 8) Other Adjustments	•	•	(70)	(285)	(581)	<b>(96</b> 4	) (1,841)	
6. 7.	Total Period Revenue Requirements (Lines 1 though 5) Total Return Requirements from most recent Projections			224,596	460,273	482,739	543,835	1 711,443	
8.	Difference (Line 6 - Line 7)	<u>s</u>	\$ .	\$ 224,596	\$ 460,273	\$ 482,739	\$ 543,835	\$ 1,711,443	

•

Levy Gounty Nuclear Filing           Pre-Construction Costs and Certying Costs on Construction Cost Balance         [Section (5)(c)1.a.]           Schedule T-3         True-up Filing: Construction								L.]		
FLORIDA PUBLIC SERVICE COMMISSION     EXPLANATION:     Provide the calculation of the final true-up of carrying costs on construction expenditures, based on actual carrying costs       COMPANY: Progress Energy - FL     on construction expenditures for the prior year and previousty     For the Year Ended 12/3 filed carrying costs on construction expenditures for such prior year.       DOCKET NO.:							led 12/31/2007			
QCK	= NO.: 080149-E1								Witness:	
line No.		(i) Baginning of Period	(J) Aclual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual Oscember	(P) 12 Month Totel	
L.	Nuclear CWIP Additions (Schedule T-8, line 48)		<b>\$</b> .	ŧ.	Jurisdictional		\$ 1,875,060	1. 0.148.108	\$ 55,561,072	
2.	Transfers to Plant In Service		• •	•	* ***	, 1940-1970-1	* 1 juni - 5 juni -			
l,	Other Adjustments (d)		•			161,395	310,354	325,893	787,441	
	CWIP Base Eligible for Return (PM CWIP Bal, + Line 1 -	2 + 3)	-	·····	42,706,524	44,689,020	46,874,434	56,248,513	50,348,513	
i	Average Net CWIP Additions		•		21,353,252	43,773,469	45,938,904	51,774,320	) nka	Le
S.	Return on Average Net CWIP Additions (c)									Exhibit JAS Levy Units
8	. Equity Component (a)		•	-	116,674	239,178	250,999	282,895	609,747	Jnit
t	. Equity Comp. grossed up for taxes (b)		-	•	189,946	389,383	408,627	<b>480,</b> 553	1,448,509	
c	. Debt Component		•	*	34,720	71,176	74, <b>683</b>	84,185	264,775	L (P2 & 2
7.	Total Return Requirements (Line 6b + 6c)		······································		224,866	480,558	483,321	544,738	1,713,284	(Page 1 & 2 Pre-
<b>8</b> .	Total Return Requirements from most recent Projections				-		-		•	Y ⊢
9.	Difference (Line 7 - Line 8)		<u> </u>	\$ ·	\$ 224,668	\$ 460.558	\$ 483,321	\$ 544,735	8 \$ 1,713,284	onstr
	Notes: (a) The monthly Equity Component of 5.55% reflects an 11.75% re (b) Requirement for the payment of income taxes is calculated usi (c) AFUDC actual monthly rate is calculated using the formula M = (d) Return on availage net Construction Work in Progress (CWIP) Canactive Cost Recurry (CCR) rate.	ng a Federal Income Tax.ml • {{1 + A/100}1/12- 1} x 100; :	resulting in a n	nonihiy accivi	al rate of 0,005484 Ich time as those	i (Equity) and Q costs are racov	.001626 (Debt	), which results		1 OI 14) Construction Cost

Capacity Cost Recovery (CCR) rate.

÷ .

Schedu	le T-3A	Lavy County Nucl Pre-Construction Con True-up Filing: Defen		[Section (5)(c)1.a.]						
FLORI	DA PUBLIC SERVICE COMMISSION	EXPLANATION:			of the Actual Costs for the cu	iment			For the Year Ended 1	2/31/2007
	Prograss Energy - FL		Jum.							
DOCK	ET NO.; 080149-EI								Wiltwise:	
Line No.		(1) Beginning af Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Totel	
	n an				Juristictional	Dollars				
1,	Construction Period Interest (Schedule T-38, Une 7)		<b>š</b> -	5.	\$ - 1		<b>s</b> .	<b>1</b> ·	\$ .	
2.	Recovered Costs Excluding AFUDC (Schedule T-2, Line 1+ Line 3)		•	-		-	,		•	
3.	Other Adjustments (d)		•	•	(AL 720)	(71,178)	(74,843)	(64,185)	(264,776)	
4,	Tax Basia Less Book Basis (Prior Mo Balance + Line 1 + 2 + 3)	······	· · · · · · · · · · · · · · · · · · ·		(34,720)	(105,006)	(180,669)	(264,775)	8/3	
5	Deferred Yax Liability (DTL) on Yax Basis in Excess of Book (Line 4 * Tax Rel	6		•	(13,395)	(40,849)	(59,642)	(102,137)	A@	
6.	Average Accumulated DTA			•	(6,697)	(27,121)	(36,200)	(88,900)		
7.	Canying Costs on DTA (c)									
2	. Equity Component (a)				(77)	(148)	(302)	(400)	(956)	
t	). Equity Comp. grossed up for taxes (b)		•		(60)	(241)	(492)	) (764)	(1.866)	
ı	: Debi Component			-	(11)	(44)	(90)	) (\$40)	(285)	
8.	Total Return Requirements (Line 7b + 7c)				(70)	(286)	(561)	) (904)	(1.64 1)	
9.	Total Return Requirements from most recent Projections		•	,						
10.	Ofference (Line 8 - Line 9)		\$ .	i -	1 (70)	\$ (2015)	\$ (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) AFUDC actual monthly rate is calculated using the formate AF = ((1 + A/100)<sup>UE</sup> 1) is 100; resulting in a monthly accruat rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 0.848%

(d) Return on everage 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.

Page 2 of 2

.

Sched	Pre-C	y County Nucl anstruction Co up Filing: Con	osts and Carr		(Section (5)(c)1.a.)					
FLORI Comp		ANATION:		alculation of it Period Interes		nt			For the Year Er	nded 12/31/2007
DOCK	ET NO.: 080149-EI								Witness	
Line No.		(l) Beginning of Period		(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual Decamber	(P) 12 Month Fotal	
1.	Beginning Balance		<b>s</b> -	6 -	Juriscictional \$ 42,493,547		\$ 44,537,825	\$ 46,412,885		
2.	Additions Site Selection & Preconstruction (Schedule T-2, line	1)	-	-		•	•	•	,	
3.	Additions Construction (Schedule T-3, line 1)			42,493,547	212,977	1,831,101	1,875,060	9,148,388	66,561,072	
4.	Other Adjustments			~	-	-				
5	Average Balance Eligible for CPI			21,248,774	42,809,038	43,822,075	45,475,156	50,986,678	-	Levy
6.	Monthly CPI Rate (a)					-	•			уU
7.	Construction Period Interest for Tax (CPI)		•	•				•		Units
8.	Ending Balance Excluding CPI	<u> </u>	1 -	\$ 42,483,547	\$ 42,706,524	\$ 44,537,826	\$ 46,412,085	\$ 55,581,072	\$ 55,561,072	s

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

Page 2 of 2

Docket No. 090009-EI Exhibit JAS-1 (Page 13 of 14) Levy Units 1 & 2 Pre-Construction Cost

WOLin 1	T-6		to to	-Constructio	evy County No n Costa and C Nonthly Experi	MTYING COMIN	en Constaut	en Cost Noten				1	(Section (B)(c)1. (Section (B)(d))	<b>a</b> .]	
HRIDA P MPANY	NURIC SERVICE COMMISSION		6X	PLANATION:	*	main Ha Jainet Èin She Balacti:	mostly upon	ikalim by major ( int) salageries.	inte partermet			····		₩₩ ¥ţi,Kontakanı makçı	
	Program Energy - FL				84	i dha fallar Yalar.		-					For the Year En	064 12031/2002	
CKET N	40														
~	000146-51											٩	Without .		
0m			(A) Ichual Maring	ști) Actuat Fataveary	(C) Actual	KP) Actual Abril	(E) Actual	sit) Actual	(G) Actual	(H) Ackadi	(1) Actual	(J) Actual	(K) Acheel	(L) Actual	jikų 12 klavidin
							64.try	Ama		August	Sameage	Orienter	Herember	Decarates	Torial
1.	Litense Analisation				- 1			_			-				
2.	Englishing & Design						i - 1	• • •	- 4	6	<b>i</b> .	\$.	<b>š</b> -	<b>1</b> ·	\$
3	Permitting		*					-	-		*	•	,	•	
4	Cleaning, Grading and Excending		,							•		•	•	•	
s	On-Site Compliant Pacifilies		•			-			•	•	•		•	•	
<b>\$</b> .	Tutal Generation Cants.	\$	- 5	- 5							·····	· · · · · · · · · · · · · · · · · · ·		<u></u>	
¥.	Lans Admakannia					•	•				•	• •	<b>)</b>	\$ ·	1
<b>9</b> .	Not-Cash Accounts			•	•		+				_				
	Other										-	•	-	•	
HÓA.	Het Gemeration Costs			•	•		•								
1.	Junetic Second Paratar		0 83753	0.63743	4.30753	6,85793	9.83783	0.83753	6 \$3733	0.91753	0.93753	0.931753	9.81755	0.91753	6.93
2	Tekal Jarladkilonat Consumbus Conta		-		· · · · ·	····	*	•••••	·····,		the Contex and California Security				æ
Te	ananitsian.														
1	Line Reproperty	5													
IĂ.	Babababine Brightenering	•	- <b></b>	- <b></b>	- 1					<b>i</b> 4	<b>š</b> .	÷ -	<b>\$</b> ~	<b>i</b> .	1
15	Clearns		÷.	-	•	-	-	•		•	*	•		•	
ia.	Char				-			•	•	,	•	-	•		
7.	Telas Edinamianas Code	T						······	· · · ·	·		· · ·	· · ·	· · · · · · · · · · · · · · · · · · ·	
4	Lans Adaptaces	-	•				• •	, * <b>*</b>	• •	• •	s .	ş -	¥ •	<b>\$</b>	\$
P\$.	Non-Cash Accepts														
M.	Other											•	,		
24.	Het Tranomisatori Cools		•			-	-			-	-	-			
12.	Jurisdizzbrat Printer		9,74587	4.705.67	0.76697	4.70447	0.70647	0.7059)	0 78567	0 70567	\$ 70547	0 708-01	0.789937	8.76387	0 7 tes
13.	Total Jurisdolanal Transmission Coast	T	- 5	- 1	• 1	• •		- 1	- 1		<b>s</b>	1	3 .	* ·	1
<b>M</b> .	Tanat Jumpfickippal Processionalism Causes	T	• 1	- 1	•	. 5					<b>6</b>		<u> </u>	1	1
Cet	streeties.														
19. <sup></sup>	Real Colors Asputations	1	. *	. 1						45,325,080	\$ 777 ska	5 1 101 112	\$ 2,000,000	1 3,024,974	1 62 5 30 26
74	Project Management	-		, '							· · · · ·	*	• • • • • • •		
17.	Parmasoni ShiffTraining		•	-									,		
20	Site Property line		•		*	•			-		-				
2	On-Sile Construction Facilities			•	κ.	•	•		•	•		•		-	
HQ.	Petrose Stack Engineering, Processorement, and			,		,		•	•	-		•			
H.	Non-Power Block Englishming, Procurate and,	<b>م</b>	•								•				ٿين ۽ ڀريموء
11	Total Generation Costs	\$	- 1	- 1	i • "X	- 1			т	45,075,000	\$ 227,106	\$ 1,951,112	1 2,000,000	1 2.024,924	1 10,530,24
<b>1</b> 3.	Lass Advantagenia:														
	Man-Clash Accruate									48,325,008	(45,373,000)	•	-	•	•
54 <u>5.</u>	00w										\$ 45,552 100		5 1 404 044	5 3/84.979	1.40436-34
10	Mart Barnardink Courts							0.82/63	\$.#3753	0 83253	643753	and the state	1.408.000 8.40753	8	1.1.2.2.1.6
13 18.	Not Generation Costs	<u>i</u>	0.01751	A \$175"	6 1777 ·	0.83757						10-24 F 24	2.0018.8	#### 1 <b>X</b> 4	•
章 降、 (7	Amelicinical Pacitor	<u>د</u>	<u>a 83753</u>	9,83783	6,93783	0 83750	1.03783								
0 8. 1		1 7	<u>a 83753</u> - 1	0,03763 - 1						, , , , , , , , , , , , , , , , , , ,	\$ 42,706,824	1 1,831,101	\$ 1,875,069	\$ 2,836,009	
ې ه. تا ها	Ameliciana Pacio Teck Janeichinal Generation Coma carathinica:	•	- 1				<i>,</i>			, , , , , , , , , , , , , , , , , , ,					
0 8. J 8 8 1 1	Annalizianza Pacao Telsk Jarinektismä Generatism Canta sartestaksise. Una Sindenentes	1 7 1					<i>,</i>			<b>.</b> .	\$ #2,708,524 \$ ·				1
с л л л а. л я я	Annalizianza Pacao Telsk Jarinektismä Generatism Canta sartestaksise. Una Sindenentes	•	- 1				<i>,</i>			<b>k</b> ;				\$	1
0 6. 7 8 <b>1</b> 8. 1.	Amatelana Pacax Tock Jartelitissa Qonaratso Caesa <u>anyrikkins</u> Une Engineering Bekatama Engineering Final Easte Acadelitinos	•	- 1				<i>,</i>			<b>3</b> -					1
0 8. 7 8 <b></b>	Americana Pacar Toci Junini Linna Generaton Centa Un Engineering Debatemen Registering Real Enter Acadellines Line Californican	•	- 1				<i>,</i>			<b>1</b> · ·				\$	1
3 5. 7 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	Amelicana Pacax Tock Jarini Kisnal Qenaratan Centa Shishikini: Una Enginearity Balanta Angeleting Gala Catta Angeleting Una Contension San Contension	•	- 1				<i>,</i>			<b>a</b> .				\$	1
0 5 7 8 <u>7</u> 8 1,2 3,4	Americana Pacar Tocal Justicitium Generation Conta Uniterbilities Uniterbilities Debatium Registering Real Enter Acceletions Behatenton Contentation Behatenton Contentation Other Total Trenerthalis Conten Lana Administration	•	- 1				<i>,</i>			<b>1</b>	<b>1</b>	\$	\$	\$	1 8,341,4
0 5 7 8 <u>7</u> 8 1,2 3,4	Americanus Pacas Total Justicitatus Generaton Cesta Enterthelion: Une Engineering Real Enter Academiliers Une Conservation Beharing Registering State Conservation Other Total Typesering Scatter Non-Cesta Academic Non-Cesta Academic Other Total Typesering Scatter Non-Cesta Academic Other	1	- 1							<b>1</b>	<b>1</b>	5 - - - - -	\$	\$ 8,641,425 8 8,941,425	1 8,341,4 8 8,341,4
5 幸了 ≢ ■単肌化之法化4.	Americanse Pacies Total Justicitäissä Osearaton Centa ansembalan: Use Righeening Bashanima Ragieening Raat Easter Annotellines Substanton Construction Other Total Transmittais Costo Last Addimittaisti Offer Neo Cath Attaintaisti Offer Neo Cath Attaintaisti	1	- 8							1 · · · · · · · · · · · · · · · · · · ·	1	s .	5	\$ 8,001,425 8 8,001,425 8 8,001,425	3 5.341,4 5.8,341,4 1.4,341,4
13 14 13	Americanus Pacas Total Justicitatus Generaton Cesta Enterthelion: Une Engineering Real Enter Academiliers Une Conservation Beharing Registering State Conservation Other Total Typesering Scatter Non-Cesta Academic Non-Cesta Academic Other Total Typesering Scatter Non-Cesta Academic Other	1	- 1							<b>1</b>	<b>1</b>	5 - - - - -	\$	\$ 8,641,425 8 8,941,425	3 5.341,4 5.8,341,4 1.4,341,4
00年7日書 単肌化症法化型 現	Americanus Pacau Teca Juntericitium Qeneration Centa <u>construitedon</u> Une Seglemento Debannes Regimentos Real Ecato Regimentos Real Catol Regimentos Real Catol Regimentos Real Catol Regimentos Real Catol Real C	1	- 8			a.70387		0.7654?	0 70597	3 5 6 2 20643	\$ 5 8.75687	5 5 8 8,70547	\$ \$ \$.70567	5 8,941,625 8 8,941,425 8 8,941,425 0,70897	1 8,341,4 5 8,341,4 <u>1 A,943,6</u> 0 702
2 8. 7 # # #	Americanse Pacies Total Justicitäissä Osearaton Centa ansembalan: Use Righeening Bashanima Ragieening Raat Easter Annotellines Substanton Construction Other Total Transmittains Costs Lant Allinettoppin: Nen Cant Atlanticoppin: Nen Cant Atlanticoppin: Nen Cant Atlanticoppin:	1	- 8			a.70387		1 Jenet 1	0 70597	3 5 6 2 20643	\$ 5 6,75667	5 5 8 8,70547	\$ \$ \$.70567	\$ 8,001,425 8 8,001,425 8 8,001,425	3 8,361,4 5 8,361,4 <u>5 8,361,6</u> 0 700

.

Docket No. 090009-EI Exhibit JAS-2 (Page 1 of 26)



# FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE BUREAU OF AUDITING

Tampa District Office

**PROGRESS ENERGY FLORIDA, INC.** 

NUCLEAR COST RECOVERY CLAUSE

**CRYSTAL RIVER UNIT THREE - UPRATE** 

AS OF DECEMBER 31, 2008

DOCKET NO. 090009-EI AUDIT CONTROL NO. 08-248-2-3

Jeffer mall, Audit Manager

Joseph W. Rohrbacher, District Supervisor

Docket No. 090009-EI Exhibit JAS-2 (Page 2 of 26) Crystal River Unit Three - Uprate

# TABLE OF CONTENTS

AUDITOR'S REPORT	PAGE
I. PURPOSE	1
II. OBJECTIVES AND PROCEDURES	2
III. FINDINGS	
1. DEFERRED TAX CARRYING COST	4
2. JOINT OWNER BILLINGS	7
3. ROYALTY AGREEMENTS	9
4. CAPITAL ASSET TRANSFER TO PLANT IN SERVICE	11
IV. EXHIBITS <sup>1</sup>	
	40

1. 2008 SCHEDULE T-1 – RETAIL REVENUE REQUIREMENT	13
2. 2008 SCHEDULE T-3 - CONSTRUCTION CARRYING COST	15
3. 2008 SCHEDULE T-3A – DEFERRED TAX CARRYING COST	17
4. 2008 SCHEDULE T-3B - CONSTRUCTION PERIOD INTEREST	19
5. 2008 SCHEDULE T-4 – RECOVERABLE O&M EXPENDITURES	21
6. 2008 SCHEDULE T-6 - CONSTRUCTION EXPENDITURES	22
7. 2008 SCHEDULE T-9 – FINAL TRUE-UP AMOUNT	23

<sup>&</sup>lt;sup>1</sup> Schedules included in the company's filing that did not contain information reviewed by the audit staff is not incorporated in this report.

# Docket No. 090009-EI Exhibit JAS-2 (Page 3 of 26) Crystal River Unit Three - Uprate AUDITOR'S REPORT

## APRIL 23, 2009

## TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have performed the procedures described later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request dated January 12, 2009. We have applied these procedures to the attached schedules prepared by Progress Energy Florida, Inc. in support of its 2008 filing for Nuclear Cost Recovery Clause relief in Docket No. 090009-EI.

This audit was performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. This report is based on agreed upon procedures and the report is intended only for internal Commission use.

Docket No. 090009-EI Exhibit JAS-2 (Page 4 of 26) Crystal River Unit Three - Uprate

## **OBJECTIVES AND PROCEDURES**

## GENERAL

To verify that the company's 2008 Nuclear Cost Recovery Clause (NCRC) filings in Docket No. 090009-EI are consistent and in compliance with Section 366.93, F.S. and Chapter 25-6.0423, F.A.C.

## SPECIFIC

- <u>Objective</u>: Verify that the company's filing is properly recorded on its books and records according to the Code of Federal Regulations (CFR) Uniform System of Accounts. (USoA) <u>Procedures</u>: We reconciled the company's filing to the general ledger and verified that the costs incurred were posted to the proper account.
- <u>Objective</u>: Verify that Schedule T-1 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing. <u>Procedures</u>: We reconciled and recalculated a sample of the monthly revenue requirement accruals displayed on Schedule T-1 to the supporting schedules in the company's 2008 NCRC filing.
- 3. <u>Objective</u>: Verify that the carrying cost amounts displayed on Schedule T-3, which rolls forward to Schedule T-1, are accurately calculated and that they include the correct balances from the supporting schedules of the company's 2008 NCRC filing. <u>Procedures</u>: We reconciled and recalculated a sample of the carrying cost accruals displayed on Schedule T-3 to the supporting schedules in the company's 2008 NCRC filing. We recalculated a sample of the Allowance for Funds Used During Construction (AFUDC) balances displayed as Other Cost in the filing and reconciled the rates applied by the company to the approved AFUDC rates in Order No. PSC-05-0945-FOF-EI, issued September 28, 2005. Audit Finding No. 3 provides information concerning the company's adjustment to remove the cost associated with the Measurement Uncertainty Recapture (MUR) phase of the CR3 Uprate that was transferred to plant-in-service in 2008.
- <u>Objective</u>: Verify that the Deferred Tax Return Requirement amount displayed on Schedule T-3A, which rolls forward to Schedule T-1, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing.

<u>Procedures</u>: We reconciled and recalculated a sample of the monthly deferred tax carrying cost accruals displayed on Schedule T-3A to the supporting schedules in the company's 2008 NCRC filing. We recalculated a sample of the monthly carrying cost balances for deferred tax assets based on the equity and debt components established in Order No. PSC-05-0945-FOF-EI.

5. Objective: Verify that the Construction Period Interest (CPI) amount displayed on

# Docket No. 090009-EI Exhibit JAS-2 (Page 5 of 26)

Schedule T-3B, which rolls forward to Schedule T-3A, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing.

<u>Procedures</u>: We reconciled and recalculated a sample of the monthly CPI accruals displayed on Schedule T-3B to the supporting schedules in the company's 2008 NCRC filing. We recalculated the company's CPI rate and reconciled the component balances to the company's general ledger. Audit Finding No. 1 provides information concerning the company's deferred tax carrying cost calculation reflected on Schedule T-3B of the filing.

- Objective: Verify that the Recoverable Operation and Maintenance Expense Costs (O&M) displayed on Schedule T-4, which rolls forward to Schedule T-1, are accurately calculated and are supported by original source documentation. <u>Procedures</u>: We recalculated a sample of the monthly jurisdictional O&M costs accruals displayed on Schedule T-4 of the company's 2008 filing. We sampled and verified the administrative and general cost accruals and traced the invoiced amounts to supporting documentation.
- 7. Objective: Verify that the jurisdictional nuclear construction amounts, displayed on Schedule T-6 of the company's 2008 filing, which rolls forward to Schedule T-3, are accurately calculated and are supported by original source documentation. Procedures: We recalculated a sample of monthly jurisdictional nuclear construction accruals displayed on Schedule T-6 of the company's 2008 NCRC filing. We sampled and verified the project management and power block engineering accruals and traced the invoiced amounts to supporting documentation. We sampled company salary expense accruals and the respective overhead burdens the company applied. We recalculated and verified the joint owner billings that reduced the company's eligible carrying cost for the CR3 Uprate project. We reconciled the iurisdictional factors applied by the company to the eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 22, 2006. Audit Finding No. 2 provides information concerning the company's joint owner billings reflected on Schedule T-6 of the filing. Audit Finding No. 3 provides information concerning potential royalty payments from contractors that could reduce the overall cost of the CR3 Uprate in future periods.
- Objective: Verify that Schedule T-9 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing. <u>Procedures</u>: We reconciled and recalculated a sample of the monthly true-ups displayed on Schedule T-9 to the supporting schedules in the company's 2008 NCRC filing.

Docket No. 090009-EI Exhibit JAS-2 (Page 6 of 26) Crystal River Unit Three - Uprate

#### AUDIT FINDING NO. 1

## SUBJECT: DEFERRED TAX CARRYING COST

**AUDIT ANALYSIS:** In its filing, Schedule T-3B, the company included the following balances.

	Beginning	January	Ending Balance	Average
	@01/01/2008	Additions	@01/31/08	Monthly Balance
_	\$35,719,834	\$2,158,001	\$37,877,835	\$36,798,835

The average monthly balance on this schedule is used to calculate a monthly Construction Period Interest (CPI) accrual which is carried forward to Schedule T-3A and included in the calculation of the Deferred Tax Carrying Cost on the accrued construction cost balance.

Our audit procedures included reconciling the beginning balances used in the current company filing to the ending balances displayed in the prior company filing in Docket No. 080009-EI. We found that the December 2007 ending balance for accrued construction cost was \$32,096,703 on Schedule T-3B, which does not reconcile with the beginning balance displayed in the company's calculation above.<sup>2</sup>

The company provided the following response for the difference that we found.

The calculation on T-3B Line 5 was incorrect in the 2006 and 2007 True-Up Filings because CPI was being calculated on a cash accounting basis using T-3, Line 1. CPI is actually calculated on an accrual accounting basis so the Total Jurisdictional Generation Cost (less non-cash accruals) on T-6 should be used on T-3B. The corrected 2006 and 2007 schedules are attached and the January 1, 2008 beginning balance reflected these corrections in the Estimated/Actual filing in Docket 080009, Exhibit LC-2.

We verified that the Actual/Estimated schedules for year 2008 provided by the company in its response contained the corrected December 2007 ending balance of \$35,719,834.<sup>3</sup>

We evaluated the company's adjustment and its affect on the 2008 Total Revenue Requirement of \$7,555,938 which is displayed on Schedule T-1. Using the company's corrected calculation in the current filing<sup>4</sup>, we removed the company's beginning balance of \$35,719,834 for January 2008 which is displayed on Schedule T-3B and replaced it with the actual beginning balance of \$32,096,703 from the prior years filing.

<sup>&</sup>lt;sup>2</sup> See <u>Direct Testimony of Will Garret, Exhibit WG-1, Schedule T-3B, Page 2,</u> Commission Clerk Document No. 01514-8, filed on February 28, 2008.

<sup>&</sup>lt;sup>3</sup> See <u>Direct Testimony of Lori Cross, Exhibit LC-2, Schedule AE-3B, Page 1,</u> Commission Clerk Document No. 03561-8, filed on May 1, 2008.

<sup>&</sup>lt;sup>4</sup> The company's adjustment did not affect the nuclear cost recovery amount that was approved in Order No. PSC-08-0749-FOF-EI, issued November 12, 2008, for the NCRC filings in 2006 or 2007 in Docket No. 080009-EI.

# Docket No. 090009-EI Exhibit JAS-2 (Page 7 of 26)

We calculated a revised Total Revenue Requirement of \$7,550,893 which would decrease the current period Total Revenue Requirement by \$5,045. (\$7,555,938 - \$7,550,893)

Additionally, we estimate that, had the company revised and corrected the two prior year filings for 2006 and 2007 in the current 2008 filing, the current period Total Revenue Requirement would be \$7,564,213, which is \$8,275 above the current requested revenue requirement of \$7,555,938. (\$7,564,213 - \$7,555,938)

Our calculations of the differences discussed above are displayed on the following page.

EFFECT ON THE FILING: None, informational only.

#### Schedule T-1

	Current Filing (a)	nt Filing (a) Adjusted Company Filing (b)			Adjusted Company Filing (c)		
Filing - 2006	Actual	Audit	Audit to Actual	Audit	Audit to Actual		
Construction Carrying Cost Revenue Requirement	-	-	-	-	•		
Recoverable O&M Revenue Requirement	-	-	-	-	-		
Deferred Tax Asset Carrying Cost	-	-	-	\$18	\$18		
Other		·	•	<u> </u>			
Total Period Rev Req	-	-	-	\$18	\$18		
Filing - 2007							
Construction Carrying Cost Revenue Requirement	\$925,842	\$925,842	-	\$925,842	-		
Recoverable O&M Revenue Requirement	-	-	-	-	-		
Deferred Tax Asset Carrying Cost	3,053	3,053	-	5,355	\$2,302		
Other		<u>*</u>	<b>-</b>	-			
Total Period Rev Req	\$928,895	\$928,895	-	\$931,197	\$2,302		
Filing - 2008							
Construction Carrying Cost Revenue Requirement	\$6,072,267	\$6,072,267	-	\$6,072,267	-		
Recoverable O&M Revenue Requirement	166,588	166,588	-	166,588	-		
Deferred Tax Asset Carrying Cost	61,655	56,610	(\$5,045)	69,930	\$8,275		
Other	1,255,428	1,255,428		1,255,428	-		
Total Period Rev Req	\$7,555,938	\$7,550,893	(\$5,045)	\$7,564,213	\$8,275		

a - Includes the company's correction to Dec-07 ending balance in Schedule T-3B

b - Only removes the company's correction to Dec-07 ending balance in Schedule T-3B

c - Includes and restates the effect of the company's correction to all schedules for all years.

Docket No. 090009-EI Exhibit JAS-2 (Page 8 of 26) Crystal River Unit Three - Uprate

,

Docket No. 090009-EI Exhibit JAS-2 (Page 9 of 26) Crystal River Unit Three - Uprate

## AUDIT FINDING NO. 2

## SUBJECT: JOINT OWNER BILLINGS

**AUDIT ANALYSIS:** The Company's 2008 filing, Schedule T-6, included \$5,194,525 for joint owner billings by Progress Energy Florida, Inc. (PEF) for the Crystal River Unit 3 (CR3) Uprate project costs.

We provided information to Commission staff on an error we found in the company's calculation of joint owner billings in its 2007 filing in our report issued May 27, 2008.<sup>5</sup> The company explained the cause for the error and indicated that it would correct and true-up the error we found and all subsequent errors discovered in the 2008 period in its 2008 filing.

Our audit procedures included an analysis and recalculation of the joint owner billing cost displayed in the company's filing. We also requested verification and support for the error correction that is discussed above.

We have determined that the company did not correct the error in its power plant billing system until September 2008. The initial \$32,645 unrecovered joint owner billing error that we discovered in December 2007 has increased to \$191,974 as of September 2008 when the error in the company's power plant billing system was finally corrected. See the attached schedule for details and our calculations.

The company did not bill the joint owners for the unrecovered cost determined above until March 15, 2009. Therefore, the net generation costs \$46,823,983 reflected on Schedule T-6 of the filing in 2008 is overstated by \$191,974 which represents the amount owed by the company's joint owners as of December 31, 2008.

We estimate that the effect of the joint owner billing error on the company's filing is as follows.

- 1. The total jurisdictional construction cost carried forward to Schedule T-3 of the filing is overstated by \$135,528. (\$191,974 x .70597 jurisdictional factor)<sup>6</sup>
- The total return requirement calculated on Schedule T-3 and carried forward to Schedule T-1 is overstated by \$1,426. [(\$135,528 x 0.8895% gross equity rate) + (\$135,528 x 0.1626% debt rate)]

**EFFECT ON THE FILING:** None, informational only.

<sup>&</sup>lt;sup>5</sup> See <u>Direct Testimony of Jeffery Small, Exhibit JAS-1, Page 6</u>, Commission Clerk Document No. 06094-8, filed on August 6, 2008.

<sup>&</sup>lt;sup>6</sup> See the Jurisdictional Separation Study that was included in the "<u>Settlement Agreement</u>" which was approved in Order No. PSC-05-0495-S-EI, issued September 28, 2005 in Docket No. 05007-EI.

Schedule T-6	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08
Construction Additions	\$3,095,762	\$3,342,526	\$2,543,921	\$3,308,930	\$3,583,164	\$9,371,103
Joint-Owner Billing calculated at 8.2194%	\$254,453	\$274,736	\$209,095	\$271,974	\$294,515	\$770,248
Joint Owner Billing per Sch. T-6	\$294,728	\$262,087	\$199,912	\$264,720	\$272,504	\$691,641
Company corrections	<u>(44,710)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Adjusted Joint Owner Billing	\$250,018	\$262,087	\$199,912	\$264,720	\$272,504	\$691,641
Difference	\$4,435	\$12,649	\$9,183	\$7,254	\$22,011	\$78,607
Schedule T-6	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
Construction Additions	\$4,700,414	\$6,342,159	\$1,453,962	\$4,960,645	\$10,108,879	\$12,325,839
Joint-Owner Billing calculated at 8.2194%	\$386,346	\$521,28 <b>7</b>	\$119,507	\$407,735	\$830,889	\$1,013,110
Joint Owner Billing per Sch. T-6	\$376,823	\$505,619	\$174,077	\$353,165	\$786,168	\$1,013,082
Company corrections	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>44,710</u>	Q
Adjusted Joint Owner Billing	\$376,823	\$505,619	\$174,077	\$353,165	\$830,878	\$1 013 082
Difference	\$9,523	\$15,668	(\$54,570)	\$54,570	\$11	Docket No. Exhibit JAS Crystal Rive
Sum of January to December 2008 difference		\$159,370				No. 090009-EI JAS-2 (Page 10 of River Unit Three -
Remove September - December difference		<u>39</u>	(not material)			2 000 1-2 1-2 000
Sum of January to August 2008 error		\$159,330				Dog nit
Add December 2007 error		32,645				090009-EI -2 (Page 10 of 26) er Unit Three - Up
Total Joint Owner billing error		\$191,975				ee O 「
-						- U
						.26) Uprate
						te

Docket No. 090009-EI Exhibit JAS-2 (Page 11 of 26) **REDACTED** Crystal River Unit Three - Uprate

**AUDIT FINDING NO. 3** 

#### SUBJECT:

AUDIT ANALYSIS: The Company has executed two contracts with Areva NP, Inc. for the Crystal River Unit 3 (CR3) extended power uprate (EPU) project. The two contracts include the following language concerning

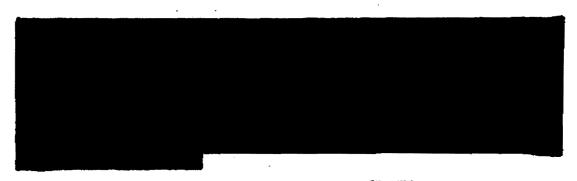
1. Contract No. 101659, Work Authorization No. 84, Amendment No. 3, Change Order No. 7. Effective date of December 8, 2008.



2. Contract No. 101659, Work Authorization No. 93. Effective date of October 18, 2007.



#### Docket No. 090009-EI Exhibit JAS-2 (Page 12 of 26) **REDACTED** Crystal River Unit Three - Uprate



The first Areva contract above has a firm fixed price of **the second sec** 

The second Areva contract above has a firm fixed price of **second**,000 for the work provided by the contractor for the CR3 EPU, excluding subsequent work authorizations, amendments or <u>change</u> orders when applicable.

The company stated that the two Areva contracts are the only EPU contracts that contain the second state and that it has not received any **second state and the second state and the second state and the second state and the second state and seco** 

EFFECT ON THE FILING: None, informational only.

A

Docket No. 090009-EI Exhibit JAS-2 (Page 13 of 26) Crystal River Unit Three - Uprate

#### AUDIT FINDING NO. 4

#### SUBJECT: CAPITAL ASSET TRANSFER TO PLANT IN SERVICE

**AUDIT ANALYSIS:** The Company's 2008 filing, Schedule T-3, includes a reduction of \$7,872,244 in jurisdictional costs associated with the Measurement Uncertainty Recapture (MUR) phase of the CR3 Uprate project that was placed in service in January 2008.

On September 19, 2008, PEF filed a petition to increase its base rates to recover \$8,030,267 of jurisdictional cost associated with the MUR that was placed in service in January 2008.<sup>7</sup> The company's petition was approved in Order No. PSC-08-0779-TRF-EI, issued November 26, 2008. The order also put the company on notice that, if the approved amount was revised based on a final audit and review of the 2008 construction expenditures then the annual revenue requirement would have to be recalculated. It would also require a corresponding true-up of the revenues already collected and a revision to the related tariffs.

Our audit procedures included steps to reconcile the filing to the Commission approved MUR recovery balance discussed above. We have determined that there is a difference of \$158,023 of jurisdictional cost between the filing and the amount approved in the order referenced above. (\$8,030,267 - \$7,872,244)

The company explained that the difference can be attributed to the following issues and provided the schedule on the following page to reconcile the difference.

- 1. The MUR recovery amount requested and approved in the order was based on the company's balances portrayed in the Estimated/Actual NCRC filing for 2008.<sup>8</sup>
- 2. The company stated that after the base rate increase was approved on November 26, 2008, a further analysis of the MUR phase cost resulted in adjustments to the in-service amounts originally requested.
- 3. The base rate revenue requirements approved in the order were \$1,297,979 while the adjusted base rate revenue requirements reflected in the filing are \$1,310,243. The difference of \$12,264 would not impact the base rate increases as approved.

We reviewed and recalculated the company's assertions above and have determined that the difference, as noted above, would increase the base rates approved in the order by 0.934 percent. (\$12,264/\$1,279,979)

EFFECT ON THE FILING: None, informational only

<sup>&</sup>lt;sup>7</sup> See <u>Progress Energy Florida, Inc's Petition for Expedited Commission Approval of Base Rate Increase for Cost</u> <u>Associated with the MUR Phase of the CR3 Uprate Project, Docket No. 080603-EI,</u> Commission Clerk Document No. 08840-08, filed on September 19, 2008.

<sup>&</sup>lt;sup>8</sup> See <u>Direct Testimony of Lori Cross, Exhibit LC-2, Appendix A</u>, Commission Clerk Document No. 03561-8, filed on May 1, 2008.

	Base Rate	NCRC	Difference	Explanation of NCRC Amounts
Gross Plant in Service	\$9,332,412	\$9,099,111	(\$233,301)	Actual amount spent was \$9,643,060 including \$543,949 incurred for cost of removal which should be excluded. (\$9,643,060 - \$543,949 = \$9,099,111)
Less Joint Owner Allocation	(767,068)	<u>(702,319)</u>	<u>64,749</u>	Joint Owners do not pay AFUDC so calculation should be excluded.
PEF Portion of MUR Cost	\$8,565,344	\$8,396,792	(\$168,552)	
Jurisdictional Amount (93.753%)	<u>\$8.030.267</u>	<u>\$7.872.244</u>	<u>(\$158.023)</u>	

•

Schedul	a T-1	Retail I	YSTAL RIVER Revenue Requ g: Retall Reve	irements \$	ummery	mary	N THE RECEIPTION OF THE RECEIPTION		(Section (5)(c)1.4.)	
COMPAN	Progress Energy - FL	EXPLANATION:	total retail ren	venue require vear and the (	month beend	e-up of I an actual sup Id expenditures			For the Year Endad: Witness:	12/31/2008 Will Garrett
Line No.			(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual Mey	(F) Actual June	(G) 6 Month Total	
					Junidiction	al Dollars				
1.	Site Selection/Preconstruction Revenue Requirements (Schedule )	1-2, Ine T)	\$0	\$0	\$0	\$0	80	80	50	
2.	Construction Carrying Cost Revenue Requirements (Schedule T-3)	, Sine 7)	322,723	323,908	384,085	345,254	402,300	464,083	2,220,303	
3.	Recoverable O&M Revenue Requirements (Schedule T-4, line 39)		9,952	16,778	16,681	(39,053)	19,878	15,284	39,601	
4.	Defensed Tax Asset Carrying Cost (Schedule T-3A, line 8)		1,252	1,791	2,380	3,006	3,670	4,391	16,500	
5,	Other Adjustments (Note 1)		64,818	109.551	109,470	109,369	109,306	109.227	601,761	
\$.	Total Parlod Revenue Requirements (Lines 1 though 5)		\$388,753	\$452,025	\$479,595	\$434,628	\$635,258	\$583,985	\$2,678,224	-
7,	Total Return Requirements from most recent Projections		\$387,412	\$449,355	\$475,960	\$505,800	\$541,802	3564,574	\$2,935,903	Crystal
8.	Difference (Line 6 - Line 7)		\$1,341	\$2,670	\$2,836	(367,172)	(\$8,544)	\$18,281	(\$47,879	L sta

Note 1: The amount in this row represents the revenue requirements associated with the MUR as presented in Appendix A.

Page 2 of 2

٠

Schedy	de T-1 True	CRYSTAL RIVE Retail Revenue Requ -up Filing: Retail Reve	virements (	lummery	many			[Section (5)(c)1.8.]	
FLORID COMPA DOCKE	NY: Progress Energy - FL		venue requir ven and the	f the actual tru rements based previously file	t on actual exp			For the Year Ended: Witness:	12/31/2008 Will Garrett
Line No.		(H) Actual July	(I) Actual August	(J) Actual September	(K) Actuel October	(L) Actual November	(M) Actuel December	(N) 12 Month Total	
1.	Site Selection/Preconstruction Revenue Regulaments (Schedule T-2, line 7)	\$0	30	Jurisdictio 30	Sal <b>Comuna</b> \$0	30	\$0	40	
2 3.	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 7) Recoverable CSM Revenue Requirements (Schedule T-4, line 39)	515,422 8,713	\$75,083 <b>29,75</b> 0		677,114 25,315	712,194 22,803	744,855	6,072,267 186,588	
4. 5.	Deferred Tax Asset Carrying Cost (Schedule T-3A, line 8) Other Adjustments (Note 1)	5,182	8,062		7,920	8,929 108,823	10,075		
6	Total Period Revenue Requirements (Lines 1 though 5)	\$638,473	3718,941	\$760,412	\$419,253	\$862,644	\$547,084	\$7,555,938	-
7 8.	Total Return Requirements from most recent Projections Olference (Line 6 - Line 7)	\$600,046	\$666,444 \$54,497		\$810,435 \$8,818	\$852,674 (\$128)	\$918,130 (\$29,044		0 [

Note 1: The amount in this row represents the revenue requirements associated with the MUR as presented in Appendix A.

Docket No. 090009-EI Exhibit JAS-2 (Page 16 of 26) Crystal River Unit Three - Uprate

#### **EXHIBIT 2** Page 1 of 2

(B) (B) Actual January \$3,777,071 7,872,244 178,121	(C) Actual February \$3,885,022 0 217,472 \$32,727,917	es, based on i es for the prior struction exper (D) Actual March Juriedicilione \$644,912 0 218,269	p of carrying co cotual carrying of r year and pravi nditures for such (E) Actual April 10 Dollars \$1,381,481 0 238,684 \$35,408,142	50613 Kousty h prior year. (F) Actual May \$5,162,192 9 246,154	(G) Actual June \$4,325,110 0 271,008	For the Year Er Witness: (H) Total To Dale \$51,472,471 7,872,244 1,813,498	nded: 12/31/2008 Will Gerrutt
Actual January \$3,777,071 7,872,244 178,121 \$28,625,423	Actusi February \$3,885,022 0 217,472 \$32,727,917	Actual March Jurledictions \$644,912 0 218,269	Actual April 11 Dollars 81,381,461 0 236,664	Actual May \$5,162,192 \$ 246,154	Actual June \$4,325,110 0 271,098	Totai <u>To Date</u> \$51,472,471 7,872,244	
\$3,777,071 7,872,244 178,121 \$28,625,423	\$3,865,022 0 217,472 \$32,727,917	Jurledictione \$844,912 0 218,269	1 Dollars \$1,381,481 0 236,584	\$5,162,192 Ç 246,154	\$4,325,110 0 271,000	\$51,472,471 7,872,244	
7,872,244 178,121 \$28,625,425	0 217,472 \$32,727,917	0 21 <b>8,260</b>	0 236,644	9 246,154	0 271,096	7,872,244	
178,121 \$28,625,425	217,472 \$32,727,917	218,259	238,684	248,154	271,096		
\$28,625,425	\$32,727,917				•••	1,813,485	
		\$35,791,097	\$35,409,142	340.817.487			
\$30,673,910					\$45,413,693	\$45,413,093	
	330,789,408	\$33,362,641	\$34,718,411	\$38,238,391	\$43,251,138		
							<b>• •</b>
\$187,597	\$198,211	\$182,328	\$150,701	\$208,924	\$236,324	81,153,064	Exhibit Crystal
272,849	273,849	296,827	306,834	340,128	384,758	1,877,223	stal
49,874	50,057	54,257	58,452	62,172	70,328	343,140	JA Ri
\$322,723	\$323,908	\$351,085	\$305,286	\$402,300	\$455,063	\$2,220,383	ver]
\$324,575	\$327,822	\$354,627	\$376,891	\$406,300	\$435,092	\$2,225,307	
(\$1,662)	(\$3,716)	(\$3,742)	(\$11,605)	(\$4,000)	\$19,971	(\$4,944)	(Page Jnit T
	272,849 49,874 \$322,723 \$324,575 (\$1,852)	272,849 273,849 49,874 50,057 \$322,723 \$323,900 \$324,575 \$327,822	272,849         273,849         296,827           49,874         50,057         54,267           \$322,723         \$323,906         \$351,066           \$324,575         \$327,822         \$354,827           (\$1,852)         (\$3,716)         (\$3,742)	272,849         273,849         296,827         306,834           49,874         50,057         54,267         56,452           \$322,723         \$323,906         \$351,086         \$365,286           \$324,575         \$327,622         \$354,627         \$376,891           (\$1,852)         (\$3,716)         (\$3,742)         (\$11,606)	272,849         273,849         296,827         308,834         340,128           49,874         50,057         54,267         56,452         62,172           \$322,723         \$323,906         \$351,085         \$365,286         \$402,300           \$324,575         \$327,822         \$354,627         \$376,891         \$406,300	272,849         273,849         296,827         306,834         340,128         384,738           49,874         50,057         54,267         56,452         62,172         70,328           \$322,723         \$323,906         \$351,085         \$365,286         \$402,300         \$455,083           \$324,575         \$327,822         \$354,627         \$376,891         \$406,300         \$435,092	272,849         273,849         296,827         308,834         340,128         384,736         1,877,223           49,874         50,057         54,267         56,452         62,172         70,328         343,140           \$322,723         \$323,906         \$351,085         \$365,285         \$402,300         \$455,083         \$2,220,383           \$324,575         \$327,622         \$354,627         \$376,891         \$406,300         \$435,092         \$2,225,307

#### EXHIBIT 2 Page 2 of 2

Scheduk		CRYSTAL RI Pre-Construction Costs True-up Piling	and Carrying	Costs on Co	xnstruction Co	et Balance			(Section (5)(c	)1. <b>s</b> .)
COMPAN	Progress Energy - FL	EXPLANATION:	on construct	ion expenditu ion expenditu	res, based on i	p of carrying co actual carrying r year and prev nditures for suc	coata fouely		For the Year I Witness:	Ended: 12/31/290 Will Garreti
Line No.		(1) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September Jurisdiction	(M) Actual October	(N) Actual November	(O) Actual December	(P) Total To Date	
1.	Nuclear CWIP Additions (Schedule T-6, line 73)		\$6,535,251	\$4,107,248	\$5,039,040	\$3,582,903	\$2,162,805	\$3,085,875	\$75,996,591	
2.	Transfers to Plant in Service (Appendix A, Line 5)		ũ	0	0	c	0,	, 0	7,872,244	
3.	Other Adjustments (d)		306,651	347,325	307,515	422,686	456,283	479,922	4,213,848	
4,	CWIP Base Eligible for Return (Prior Mo Balance + Line 1 - 2 +	• 3)	\$52,255,595	\$56,710,100	\$62,136,721	\$96,152,309	\$68,771,398	\$72,337,195	\$72,337,195	-
5.	Average Net CWIP Additions		\$48,987,909	\$54,656,543	\$59,817,201	\$64,355,858	\$87,689,995	\$70,794,257		
ð.	Return on Average Net CWIP Additions (c)									3
۵.	Equity Component (a)		\$267,670	\$296,643	\$325,748	\$351,840	\$309,858	\$386,820	\$3,153,465	Crystal
b.	Equity Component grossed up for taxes (b)		435,768	486,192	630,319	572,471	602,130	629,743	5,133,846	l R
<b>C</b> .	Debt Component		79,854	88,872	96,938	104,843	110,064	115,111	938,421	River
<b>7</b> .	Total Return Requirements (Line 65 + 6c)		\$515,422	\$575,083	\$827,258	\$877,114	\$712,194	\$744,856	\$6,072,267	
8.	Total Return Requirements from most recent Projections		\$470,318	\$834,598	\$800,459	\$670,214	\$717,416	\$778,851	\$5,006,181	Unit T
9.	Difference (Line 7 - Line 6)		\$45,104	\$40,487	\$17,797	\$6,900	(\$5,222)	(\$33,996	308,108	Thre

Notes:

(a) The monitrly 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)<sup>VO-</sup>1] x 100; resulting in a monthly eccrual rate of 0.005484 (Equity) and 0.001828 (Debt), which results in the annual rate of 6.848%. (d) Amount includes the debt and equity component on a one month tag that needs to be included in PEF's monthly CWIP balance to calculate the return requirements.

Page 1 of 2

Schedule 7-3A	Site Selection/Pre-Constructio	RYSTAL RIVER In Costs and Can up Filing: Defen	tying Costs on	Construction C	lost Balance		ali kaja angelaran saka si kajaka Ba		(Section (5)(c)	1.8.]
FLORIDA PUBLIC SERVICE COMMISSION COMPANY: Progress Energy - FL	EXPLAN		Provide the calc deferred tax Cal year.					For the Year Ei	vdect:	12/31/290
DOCKET NO.: 000009-EF								Wilness:	Will Gerrett	
Line No.	1977 - Anna Martin (1979) (197	(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	
					urledictional					
1. Construction Period Interest (Schedule T-38, Line #)			\$189,304	8191,088	\$200,445	\$215,720	\$230,196	\$257,510	\$1,267,254	
2. Recovered Costs Excluding AFL/DC (Schedule T-2, Line 3)			0	0	0	D	0	0	0	
3. Other Adjustments (d)			(49,874)	(50,057)	(54,257)	(58,452)	(82.172)	(70,326)	(345,140)	ł
4. Tax Barls Liss Book Basis (Prior Mo Balance + Line 1 + 2	+ 3)	\$251,314	\$370,744	\$511,775	PRO 065	\$620,231	1968,266	\$1,178,458	\$1,175,438	•
5. Oelerred Tax Asset (DTA) on Tax Basis in Excess of Book (	Line 4 * Tax Rote)	\$95,944	\$143,014	\$197,417	1284,055	\$318,404	\$361,218	\$453,425	nta	
5. Average Accumulated DTA			\$118,979	\$170,216	\$226,192	\$285,685	\$348,812	\$417,322		
7. Carrying Costs on DTA (c)										
e. Equility Companient (a)			3656	\$930	\$1,236	\$1,581	\$1,906	\$2,280	\$4,569	0
b. Equity Companient grossed up for taxes (b)			1,067	1,514	2,012	2,541	3,103	3,712	13,950	Crystal
c. Debt Component			195	277	368	485	667	879	2,560	tal
8. Total Return Regulationainta (Line 7b + 7c)			\$1,282	\$1,791	\$2,580	\$1,005	\$3,670	\$4,591	\$16,600	River
9. Total Rolum Requirements from most recent Projections			\$1,264	\$1,798	\$2,395	\$3,025	\$3,892	\$4,427	\$16,601	ver
10. Difference (Line 6 - Line 9)			(12)	(87)	(\$15)	(119)	(\$22)	(\$34)	(\$101)	

Note:

(a) The monthly Equity Component of 6.95% reflects an 11.75% return on sputy. (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)<sup>1/2</sup> 1) ± 100; resulting in a monthly accuuit rate of 0.006484 (Equily) and 0.001826 (Deb0, which results in the annual rate of 0.048%. (d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assets, prior to accelerated cost recovery.

Page 2 of 2

Schedu	le T-3A	-Construction	n Costs and Car	UNIT'S UPRATE tying Costs on red Tax Currying	Construction	Cost Balance		9/////	2	(Section (5)(c)	)1. <b>a.)</b>
FLORID COMPA DOCKE	Progress Energy - FL	EXPLANA	TION:	Provide the calo deferred tax Car year.					For the Year E Witness:	inded: Will Gerrett	12/31/200
Line No.			(1) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September Jurisdictional	(M) Actual October	(N) Actual November	(O) Actual December	(P) 12 Month Total	
1.	Construction Partod internet (Schedule T-38, Line 8)			\$267,131	\$310,278	\$326,487	\$338,899	\$371,632	\$418,637	83,321,325	
2.	Recovered Costs Excluding AFUDC (Schedule T-2, Line 1)			0	0	0	0	0	. 0	o	
3.	Other Adjustments (d)			(78,654)	(68,872)	(90,938)	(104,643)	(110,084	) (118,111)	(938,421)	)
4.	Tax Basis Lass Book Basis (Prior Mc Balance + Line 1 + 2 + 3)		\$1,175,438	\$1,382,814	\$1,004,319	\$1,833,868	\$2,089,124	\$2,330,892	6,634,211	82,654,218	-
5.	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Tax Rate)		\$453,425	\$533,459	3010,005	\$707,415	\$798,165	E140,084	\$1,016,150	r/s	-
₿.	Average Accumulated DTA			\$493,442	\$575,163	\$863,140	\$752,790	3848,615	\$957,807		
7.	Carrying Costs on DTA (c)										~
	Equity Component (a)			\$2,886	\$3,148	\$3,623	\$4,113	\$4,837	\$5,232	\$32,019	- J
<b>b</b> .	Equity Component grossed up for taxes (b)			4,389	5,125	5,899	5,608	7,549	4,518	\$2,127	Crystal
¢.	Debt Component			802	637	1,078	1,224	1,300	1,557	9,528	R
8.	Total Ratum Requirements (Line 7b + 7c)			\$5,192	\$4,082	\$4,977	\$7,820	\$8,029	\$10,075	\$41,665	River
9.	Total Return Requirements from most recent Projections			\$5,267	88,195	\$7,172	\$6,197	<b>\$9,32</b> 1	\$10,565	\$63,318	
10.	Difference (Line 9 - Line 9)			(\$75)	(\$133)	(\$116)	(1277)	(1342	) (\$490)	(\$1,663	unit

Notes:

(a) The monthly Equity Component of 8.85% 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 stchast monthly rate to calculated using the formula M = [(1 + A/100)<sup>URD</sup> 1] x 100; resulting in a monthly accrual rate of 0.005464 (Equily) and 0.001826 (Dab), which results in the annual rate of 0.849%. (d) Other edjustments represent the monthly debt component of carrying costs capitalized to the boot basis of the seasts, prior to accelerated cost recovery.

Docket No. 090009-EI Exhibit JAS-2 (Page 20 of 26) Crystal River Unit Three - Uprate

# EXHIBIT 4 Page 1 of 2

ächedi	de T-38	-Construction C				et Belance			(Section (5)(c)1.	<b>8.</b> ]
floric Comp/ Docke	Progress Energy - FL	IATION:		culation of the Ar ariod Interest for					For the Year En Witness: Y	ded: 12/31/2008 Vill Garrett
Line No.		(A) Beginning of Period	(6) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(G) Actuel June	(H) 6 Month Total	
					unadictional	Dollars				
1.	Beginning Balance		\$ 25,719,834	\$ 37,877,835	40,785,838	\$ 42,953,415	\$ 45,817,455	\$ 48,921,298		
2.	Additions Site Selection/Preconstruction		٥	o	0	0	٥	0	80	
3.	Additions Construction (Schedule T-8, (Line 45 + 48 + 49) X Line \$2)		2,158,001	2,888,004	2,197,579	2,554,038	3,103,843	8,137,256	21,338,720	
4.	Other Adjustments		0	0	٥	0	0	D		
<b>5</b> .	Ending Balance Excluding CPI	\$ 38,719,834	\$ 37,877,835	\$ 40,785,839	42,963,418	\$ 45,\$17,455	\$ 48,921,298	\$ 57,058,554		
<b>5</b> .	Average Balance Eligible for CPt		\$ 36,786,834	\$ 39,321,837	41,954,628	\$ 44,390,436	8 47,569,377	\$ 52,968,926	-	
7.	Monthly CPI Rate (a)		0.0046008	0.0048896	0.0048588	0.0048596	0.0048596	0.0048590	l .	○ <sup>+</sup>
<b>B</b> .	Construction Period Interest for Tax (CPI)		3 169,304	\$ 191,088	203,445	\$ 215,720	3 230,198	\$ 257,510	\$ 1,287,264	Exhi Crys

.

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

Docket No. 090009-EI Exhibit JAS-2 (Page 21 of 26) Crystal River Unit Three - Uprate

Page 2 of 2

Schedu	te T-38	re-Construction C	. RIVER UNIT 3 losts and Carryl lg: Construction	ng Costs on Co		nt Balance			(Section (5)(c	11.8.)	11 (CA. 2015) B. ( 10 (CA. 2015)
FLORIE COMP/ DOCKE	NY) Progress Energy - FL	NÀTION:		iculation of the A eriod Interest fo					For the Year I Witness:	Ended: 13 Will Gerreti	1/31/2008
Une No.		(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September Jurisdictional	(M) Actual October	(N) Actual November	(O) Actuel December	(P) 12 Month Totsi		
۹.	Beginning Belence		\$ \$7,958,854	8 81,112,060			\$ 72,103,583	\$ 80,843,832			
2. 3.	Additions Sits Selection/Preconstruction Additions Construction (Schedule T-6, (Line 45 + 48 + 49) X Line 52)		0 4,053,498	0 5,471,932	0 1,1 <b>99,9</b> 31	0 4,319,651	0 8,740,25#	. 0 10,605,296	- 55,728,293		
4. 5.	Other Adjustments Ending Balance Excluding CPI	8 57.058.554	G	0	0	0	0	C	-		
6.	Average Balance Eligible for CPI	<u>e 37,008,304</u>		\$ 66,583,962 \$ 63,848,016			8 80,843,632 8 78,473,697				
7. 8.	Monthly CPI Rate (a) Construction Period Interest for Tax (CPI)		0.0048596		0.0048594	0.0048585			a 3,321,326		Exhib Cryst

.

Notes:

(a) CPI rate is the projected weighted average debt rate for the period.

Bahaduli	She Bulection/Pre-	Construction	LUNIT 3 UPA Conta sind C bia CAM Mo	arrying Calif		illen Cott Bi	<b>Hanco</b>			W1114-14-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-	(Section (5)) (Bection (6))			
FLORIDA	Public Service Commission	EXPLANATIO		Provide the Ci expenditures (	CRC Receivers	ibio CAM act the prior year	init monthly					₩7 11 ° <b>4</b> .		
COMPAN					,					For the Year	Ended:	12/31/2000		
DOCKET										Witness:	WW Gerrett			
	<b>194003-10</b>	(A)	(BI)	(C)	(0)	(E)	(F)	(G)	<b>0</b> 40	(I)	(J)	643	(L)	(%)
Line		Actual	Anthrope	Actual	Actual	Actual	Aduat	Advatti	Adiant	Actual	Actual	Actual	Actual	12 Marith
No. (	Description	January	February	March	April	May	,hana	July	August	September	Qolober	November	December	Total
•	Appending	\$308	\$1,836	\$2,040	(\$4,174)	\$2,297	\$4,234	\$1,007	\$1,532	\$1,293	\$4,748	\$1,882	\$4,574	\$23,849
1	Communications		0	ð	•	¢.	\$			0	÷ •	\$	9	<b>44</b>
3,	Corporate Planning	3,382	4,104	7,042	{\$4,870}	12, 123	8,142	4,187	2,207	1,503	7,138	4,380	4,133	48,430
	Carpenste Bardines		4 0	0			9	0 0		\$ 0	4	9	9	
2	Enternet Renatione Human Resources		9	9		4		0	ě.	9	0		4	
;		3,335	1,533	3,333	(10,000)			ō	ē	ō			ő	(1)
		•		9		, p	,	ő	22,000		18,111	12,495	13,659	78,870
+	Project Aleurance	3,943	6,978	5,000	[12,278]	9,320	4,708	4,394	0,319	1,016	2,885	3,887	5,648	44,718
10	Public Allein	9	0	ė	0	0	4	0		· · · · ·	-0	9	9	0
11 12	Juint Counter Crudit	6	0	, e	(11311)	(1,040)	(1.403)	(942)	(2,100)	(1,854)	(2,434)	(2,184)	(2.174)	(16,891)
13	Buttinger A&G	\$10,838	\$19,291	\$18,084	(\$42,962)	\$21,781	\$18,802	10,407	112,311	\$18,485	u7,21	224,341	\$25,506	\$180,074
14	Energy Debuty Florida	<b>\$0</b>	80	<b>40</b>	<b>20</b>	30	\$0	80	80	80	40	80	10	- 10
18	Jaini Centr Cruit	•	0	0	0		0	0	0	9	0	0	0	
3 <b>8</b> 17	Oliver Bullional Energy Colleman Plantan		0 28	00	0 30		\$0	0 04		10		80	***	
18	Number Generalien	60	10	30	\$0	10	80	80	10		#0	60		86
10	Jaint Curner Credit		0			0	Ű.	0		•	•			
39	Other		<u>9</u>					<u> </u>	0	0	1	<u>.</u>	0	<u> </u>
21	Bubbalah Nuslear Generation	\$0	\$Q	\$0	10	80	<b>A</b> 0	80	80	80	-90	. <b>1</b> 0	\$0	Docket Exhibit Crystal
22	Transmission	\$0	10	10	10	*		80	10	\$0	<b>\$6</b>	**	80	) Xhii Ysi
23	Joint Churcher Chade	P	0	0	9	9		4		9		0		
24 28	Carer Bullasedi Trynomiasion		*	50	6	**		10		80			\$0	
24	Total Gall Com	110,433	\$18,251	\$18,084	(942.882)	84,781	614,024	<b>\$8.407</b>	442,313	\$18,486	\$21,228	£34,301	626,308	A CONTRACT OF CONTRACT.
27	Jurisdictional Factor (A&Q)	0.01870	0.01070	0.81670	0.01070	6.31670	6.141879	0.01670	0.01176	0.01070	0.01670	6.91670	0.91670	
24	Jurmalational Paper (Distribution)	0.00007	0.00587	0.00007	0.50007	0.00507	0.56027	0.99047	0.00007	0.00507	0.00007		0.00007	N Ci 🗋
29	Jurisdictional Fastor (Hudleyr - Production - Suce)	0.03761	0.93783	0.03763	0.41753	0.36763	0.85783	0.04753	6.01783		4.85783		0.89763	⊂ ⊂ č
30	Jurtadational Piactur (Transcelestori)	0.70507	0.70087	0.79597	0.70897	0.70587	0.70007	0.7954?	0.70547	0.70647	4.79547	R.70687	0.70587	090009- -2 (Page er Uniter
31	Jurisdictional Recoversible Ceals (A&G) (Line 12 X Line 27)	38,835	\$18,731	\$14,578	(830,100)	111.040	\$\$5.210	M.623	\$29,821	\$10,827	824,980	##7,25 <del>4</del>	123,242	2 00ero 100
32	Jurindictional Resourceble Costs (Clebiliution) (Jine 17 X Line 28)	¢	9		0	•		0	<b>\$</b>	•	•		4	
33 24	Jurisdictional Resourcebre Casts Physics Production - Base) (Line 21 X Line 29) Antadictional Resourceble Casts (Transmission) (Line 25 X Line 30)	ğ	<u></u>	0	2	2	ŝ	Q 	0	<b>\$</b>		0	1) 	age 23
34	Tetal Artebrieren CCRC Reseventie Odia Centa	14.031	116,731	\$16,874	(\$28,108)	\$15,548	\$15,219	*	\$29,421	\$18,827	124.000	122.364	125.242	
20 36	Average Monthly Reservership OSIN Shimnee	\$4,064	\$18,317	\$36,918	\$23,837	\$14,311	#11,820	\$43,912	\$63,124	\$10,527	\$107,717	\$123,285	6364,818	
32	Manghir Short-larm Command Facer Rate (Accordin A, Line S)	0.338%	0.287%	0.236%	0.228%	0:220%	0.203%	0.204%	0.204%		#397,237 #327%		9.006%	.26) Uprat
34	anarany enternani Ganaranan Papar sona populate A. Con sy		847	643		U.2.4778	v.cum	600	0.2045k	1217	8.32TM			
												\$244	1122	65.412
79	Total Monthly Receverable O&M Cons	<u>H.M.</u>	148.778	\$18, <b>8</b> 81	(\$39,053)	£18,678	\$11,284	. 41.713	\$73,750	\$17,193	\$25,315	\$22,808	121,414	\$108,500
40	Total Juledictional Odul Carts From Most Recent Projection	\$8,953	\$16,777	\$18,862	822,801	\$25,000	\$22,227	821,710	\$21,000	\$23,601	828,535	\$23,521	624,380	\$2\$1,833
41	Cillerance (Line 38 - 40)	(44)	\$1	<b>6</b> 1)	(001,044)	(14.620)	(N. 199)	(13,493)	17.749	(14.144)	(44,111)	01910	0994	111.141

	CRYSTAL RIVER UNIT'S UPRATE	

(Section of Hort a.)

2444 T4	Ante Bab	ection/Pro-Const	ruction Contraint C Transme Philas: Ma	Winging Cast on	Construittion Co.	el Duinnes							(Sector (\$30)	
CREA PUBLIC SERVICE COMMISSION MPANY: Proposi Energy (FL IGREY NO.: 00000-07		EXPLANATION		Provide Statistical	Construction of	Rives by stater we abagaries for the p	is parturned with the year.	Sin Services			For the Year Em	int 12/21/2008		
	(AT Actual January	(R) Actual Fathari	(C) Actual	(D) Addael April	(E) Actual	(P) Actual June	(C) Actual	(H) Actual Autori	(I) Actual Sectorber	(J) Addusi October	(R) Arrust Hoversteer	(L) Actual December	(M) 12 Moven Talai	
Eter Substant In-Construction Secondary														
Literes Application Engineering & Design Part Me Engr & Proceedure	60 Q	10	\$0 0	90 0	<b>10</b> 0	80 0	10 0	20 Q	90 0	90) G	40 0	<b>40</b> Q	\$0 \$	
Permising Classing, Orading and Escalvation On-Sile Construction Feedbac	0 0 0	ф ф	4 0 0	ф 8 0	9 9 0	0 9 0	0 0	* *	¢ 5	ф ў а	0 0	0 D	¢ 9	
Tetal Carlonation Course Addustments		D.	10			<b>1</b>	1	10	10		10	1	*	
Harr-Cash Astronia Jahn Donar Crask Ottor	\$0 0 0	10 o o	10. 0 0	\$0 0 3	80 0 0	90 0 0	04 0	80 0 0	04 0 1	90 0 0	\$0 0 0	90 0 0	900 - 100 -	
hist Generalish Costs Januardictionili Pacies	04 6.50753	0.83753	0.02755	1.8375.3	0#37#3 6#37#3	0.83753	24174.0	0.63753	0.8 6.8568.0	0.03263	50 6.193713	30 6.10763	47 68658.0	
Teter Jurisdictional Generation Costs		<b></b>	ju -			m.	14	24	10		N N			
Transmission; Line Engineering	10	×,	ş	50	\$0	10	14			*	50	<b>\$</b> 0	50	
Substation Englimetry Clearing Other	0 4 0	¢ 0	0 4 0	9 9	0 0 0	ů 0	0 0 1	0 0 0	0	0 0 0	0 0	0	0 0	
Tessi Transmusion Comp Aliketratis, Hen-Castr Acouste		90 50	10 10	10 10	24 24		10 10	<b>50</b>	ų.	10 10	90 50	50	30	
Caber Net Transmission Cases			<u>, 10</u>											
Juriodictional Pacini	0.070007	0.010897	\$\$1000F	0.010407	0.070687	Q.270997	196050.0	0.070897	0.070987	0.070507	0.070587	0.070687	0.070607	
Total Autointernal Transmission Costs Tesas Autointernal SEAPC Cost	92 50	\$0 \$0	10 10	50	50 10	100 ·		10 10		10	10 10	50 10	20 20	
Spinituation	-		-			•-			-		-	••	-	
<u>- Carolinet.</u> Filed Estain Acquisitions Project Maringgerunt	\$0 320,842	08 867,086	<b>40</b> 2011, 140	90 708,846	\$0 763,1417	08 800,818,7	487). 1867	80 101,450	510,446	00 100,000,1	<b>80</b> 751,429	30 432,712	80 7,731,640	Ωξ
Permanan SudiTrainin Sila Propension On-Bis Constructor Facilities	¢ \$	e 9 6	0 0	0	0 9 9	¢ 0	4: 4: 4:	0 0		0	0 0 3	0 6 0	0 0 2	Crystal
Parent Morte Dagenandeng, Procurentent, etc. Neur-Parent Black Engineering, Procurentent, etc. Titel Cartanteen Conta Note 1)	2.771.120	2,878,391	2.142.775 0 52.543.571	2,006,400	2,787,296 31,937 33,383,184	7,802,200 42,528 59,311,353	4,175,245 45,008 54,700,414	5,006,070 14,020 10,542,180	100,400 27,454 17,413,941	3,600,140 91,346 54,340,545	\$,343,547 (25,687) \$10,108,875	11 439,363 33,983 \$12,325,839	94,096,126 450,927 185,137,363	al
Adhalanada. Nen-Cash Ascrutz	1,720,856	1,083,401	(1.442,700)	(1.570.000)	2 191.102	(4.(200),100)	2.447.129	(1. <b>455.858</b> )	4.054.015	(776,173)	(7.414.737)	18.020.4004	(12.818.894)	Riv
Juint Caunar Craide Other Met Generation Coals Micia 23	(204,728) (401,240) 84,018,747	(242,017) 34,141,000	(199,912) 0 9801,211	1284,7200	(272,504) 0 35,508,182	(001,641) 0 54,613,003	(375,423): 0 54,670,712	(\$56.829) 84.380.822	(114,077) 0 35(374,808	(341,146) 6 705, 201,17	(748, 486) (50) \$2,308,918	(1 Δ13,002) (004) 13 29/1,485	(5, 194,526) (600,100) 546,823,845	
Autothctorial Pacity	0 #3793	0 K37K3	9.83783	9.83763	0.99783	C 87783	0.93783	0.83783	6.83783	0.93753	0.93793	0.83753	0.40753	G.
Talat Aufurturer Generation Casts	PAJ77/SPI	1111337	<b>244</b> (317	\$1,541,441	\$5, 182, 982	54.328.110	<b>M M M M M M M M M M</b>	F4,107,746	1. (1947) (200)			SPAN IS	ALCON DE LA CALL	L V
"Texangladat. Lina Beylenning Butedation Beglenning	<b>98</b> 9	<b>30</b> 0	60 0	50 0	50 0	<b>\$0</b> 9	<b>解</b> 要	80 0	<b>80</b> 9	\$0 0	90 0	58 *	10 0	hre
Pinal Katala Acquisiton Line Construction Substation Construction	9 9 0	¢ 4	0 8 0	0 0	¢ \$	¢ 0	6 6	¢	0 0 0	4 0 0	0 9 8	\$ \$	0	ee -
Other Tolet Transmission Costs			0 64						ů B	0 90		<u>\$</u>		
Örlanilymedia: Nian-Ceath Australiu Othar	<b>59</b>	50 9	10 0	\$0 9	04 0	<b>\$0</b> \$	\$#\$ 	\$0 0	40 9	<b>\$0</b>	0 <b>\$</b>	#0 0	10 6	20) Uprate
Net Transmission Gasta. Justadictional Packor	4,010607	90 10 000597	80 0.070987	9070597	99 0.070 <b>99</b> 7	50 5.019560	0.070587	0.070597	97) 0.020307	0.070 <b>000</b>	4.070587	58 1070607	\$5 0:070987	te
Tolai Junaicianak Tramenisikan Copis		<b>#</b>	- W			19 19	19	15	<b>Ø</b>	10 I			<b>D</b>	
Yead Junalizational Construction Deale	SMALL	11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	A REAL PROPERTY AND	ISP IK: I	SAL-AL-	1. ALL	1.3.5.2.51	Real Property in the	150012010	5.10 103	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	61.045.874	14.5.000.000	

Nois: E Line 10 represente generation construction unit en an accrual base, groes al joint owner billings and ancludes APUDO. Nois 2: Line 10 represente nel generation caal en a caek busie, nel of joint averar jolings.

#### EXHIBIT 7 Page 1 of 2

٠

#### GRYSTAL, RIVER UNIT 3 UPRATE Site Selection/Pre-Construction Costs and Canying Costs on Construction Cost Balance True-Up Filing: Calculation of the Final True-up Amount for the Parlod

	PUBLIC SERVICE COMMISSION E	(PLANATION:	Calculate the e	stimated not th	ue-up balance	, including rev	enue and ini	teresi.	
OMPAN	IY: Yogress Energy - FL					F	for the Year I	Ended:	12/31/2008
OCKET						v	Vitness:	Will Gerrett	
ne o. C	Jesqription		(A) Actuel Jenuery	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1 1	IFR Revenues (net of Revenue Taxes)		80	\$0	30	\$0	\$0	\$0	\$0
2 1	True-Up Provision		0_	0	0	0	0	0	0
з н	IFR Revenues Applicable to Period (Lines 1 + 2)		\$0	80	\$0	\$0	10	\$0	\$0
4 J	urisdictional NFR Costs (Schedule T-1, Line 6)		388,753	452,025	479,596	438,628	535,258	553,985	2,878,224
5 0	Over/(Under) Recovery true-up provision (Line 3 - Line 4	)	(368,753)	(452,025)	(479,596)	(435,628)	(535,258)	(583,985)	(2.878.224)
0 1	nterest Provision		0	0	0	0	0	0	(2,878,224) 0281
7 E	Seginning Balance True-up & Interest Provision		o	0	0	0	ø	0	l River
e (	Deferred True-up		0	0	0	0	¢	0	oer
8 1	rue-Up Collected (Refunded) (See Line 2)		0	0	0	0	0	0	
9 E	End of Pariod True-up		\$0	\$0	\$0	<u></u>	\$0	\$0	<b>so</b> Free

#### EXHIBIT 7 Page 2 of 2

.

#### CRYSTAL RIVER UNIT 3 UPRATE Sile Selection/Pre-Construction Costs and Carrying Costs on Construction Cost Balance True-Up Filing: Calculation of the Final True-up Amount for the Period

COMP						For the Year	Ended:	12/31/2008
юск	Progress Energy - FL. ET NO.: 090090-EI					Witness:	Will Gerwitt	
line Vo.	Description	(H) Actual July	(I) Actuel August	(J) Actual September	(K) Actual October	(L) Aciual November	(M) Actual December	(N) 12 Month Total
1	NFR Revenues (net of Revenue Taxes)	\$0	\$0	\$0	\$0	, \$0	\$0	\$0
2	True-Up Provision	0	0	0	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)	\$0	\$0	\$0	\$0	\$0	\$0	50
	Jurisdictional NFR Costs (Schedule T-1, Line 6)	638,473	719,941	780,412	619,253	852,548	857,055	7,555,938
5	Over/(Under) Recovery true-up provision (Line 3 - Line 4)	(638,473)	(719,941)	(760,412)	(819,253)	(852,548)	(887,066)	(7,555,934) (7,555,934) (7,555,934)
6	Interest Provision	o	o	o	0	0	0	stal
7	Beginning Balance True-up & Interest Provision	o	0	o	0	0	0	River Unit
	Deferred True-up	o	Q	0	0	0	0	er (
8	True-Up Collected (Refunded) (See Line 2)	Ó	0	Q	0	٥	0	onit
9	End of Period True-up	\$0	\$0	50	<b>\$</b> 0	80	\$0	<b>10</b>

Docket No. 090009-EI Exhibit JAS-3 (Page 1 of 17) Levy County Units 1 & 2



#### FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY COMPLIANCE BUREAU OF AUDITING

Tampa District Office

**PROGRESS ENERGY FLORIDA, INC.** 

NUCLEAR COST RECOVERY CLAUSE

LEVY COUNTY UNITS 1 & 2

AS OF DECEMBER 31, 2008

DOCKET NO. 090009-EI AUDIT CONTROL NO. 08-248-2-1

Jeffery A. Small, Audit Manager

Joseph W. Rohrbacher, District Supervisor

Docket No. 090009-EI Exhibit JAS-3 (Page 2 of 17) Levy County Units 1 & 2

## TABLE OF CONTENTS

\_\_\_\_\_

AUDITO	DR'S REPORT	PAGE
I. PUF	RPOSE	2
II. OBJ	ECTIVES AND PROCEDURES	3
III. EXH	IBITS <sup>1</sup>	
1.	2008 SCHEDULE T-1 – RETAIL REVENUE REQUIREMENT	5
2.	2008 SCHEDULE T-2 - CARRYING COST ON SITE SELECTION AND	
	PRECONSTRUCTION COST BALANCE	7
3.	2008 SCHEDULE T-3 - CARRYING COST ON CONSTRUCTION COST	
	BALANCE	9
4.	2008 SCHEDULE T-3A - DEFERRED TAX CARRYING COST	11
5.	2008 SCHEDULE T-4 - RECOVERABLE O&M EXPENDITURES	13
6.	2008 SCHEDULE T-6 – CAPITAL EXPENDITURES	14
7.	2008 SCHEDULE T-9 – FINAL TRUE-UP	15

<sup>&</sup>lt;sup>1</sup> Schedules included in the company's filing that did not contain information reviewed by the auditor are excluded from this report.

#### Docket No. 090009-EI Exhibit JAS-3 (Page 3 of 17) DIVISION OF REGULATORY COMPLIANCE<sup>& 2</sup> AUDITOR'S REPORT

#### JUNE 10, 2009

#### TO: FLORIDA PUBLIC SERVICE COMMISSION AND OTHER INTERESTED PARTIES

We have performed the procedures described later in this report to meet the agreed upon objectives set forth by the Division of Economic Regulation in its audit service request dated January 12, 2009. We have applied these procedures to the attached schedules prepared by Progress Energy Florida, Inc. in support of its 2008 Nuclear Cost Recovery Clause relief of its site selection, preconstruction and construction cost expenditures in Docket No. 090009-EI.

This audit was performed following general standards and field work standards found in the AICPA Statements on Standards for Attestation Engagements. This report is based on agreed upon procedures and the report is intended only for internal Commission use.

Docket No. 090009-EI Exhibit JAS-3 (Page 4 of 17) Levy County Units 1 & 2

#### **OBJECTIVES AND PROCEDURES**

#### GENERAL

To verify that the company's 2008 Nuclear Cost Recovery Clause (NCRC) filings in Docket No. 090009-El are consistent and in compliance with Section 366.93, F.S., and Rule 25-6.0423, F.A.C.

#### SPECIFIC

1. *Objective:* Verify that the company's filing is properly recorded on its books and records according to the Code of Federal Regulations (CFR) Uniform System of Accounts (USoA). *Procedures:* We reconciled the company's filing to the general ledger and verified

*Procedures:* We reconciled the company's filing to the general ledger and verified that the costs incurred were posted to the proper account.

- Objective: Verify that Schedule T-1 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing. *Procedures:* We reconciled and recalculated a sample of the monthly revenue requirement accruals displayed on Schedule T-1 to the supporting schedules in the company's 2008 NCRC filing.
- 3. *Objective:* Verify that Schedule T-2 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing. *Procedures:* We reconciled the monthly site selection and preconstruction carrying cost balances displayed on Schedule T-2 to the supporting schedules in the company's 2008 NCRC filing. We recalculated the schedule and reconciled the Allowance for Funds Used During Construction (AFUDC) rates applied by the company to the rates approved in Order No. PSC-05-0945-FOF-EI, issued September 28, 2005.
- 4. *Objective:* Verify that Schedule T-3 is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing. *Procedures:* We reconciled the monthly construction carrying cost balances displayed on Schedule T-3 to the supporting schedules in the company's 2008 NCRC filing. We recalculated the schedule and reconciled the AFUDC rates applied by the company to the rates approved in Order No. PSC-05-0945-FOF-EI.
- Objective: Verify that the Deferred Tax Return Requirement amount displayed on Schedule T-3A, which rolls forward to Schedule T-1, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing.
   Procedures: We reconciled and recalculated a sample of the monthly deferred tax carrying cost accruals displayed on Schedule T-3A to the supporting schedules in

carrying cost accruals displayed on Schedule T-3A to the supporting schedules in the company's 2008 NCRC filing. We recalculated a sample of the monthly carrying cost balances for deferred tax assets based on the equity and debt components

## Docket No. 090009-EI Exhibit JAS-3 (Page 5 of 17)

established in Order No. PSC-05-0945-FOF-EY County Units 1 & 2

6. *Objective:* Verify that the Recoverable O&M Expenditure amount displayed on Schedule T-4, which rolls forward to Schedule T-1, is accurately calculated and that it includes the correct balances from the supporting schedules of the company's 2008 NCRC filing.

*Procedures:* We recalculated a sample of the monthly recoverable O&M expenditures displayed on Schedule T-4 of the company's 2008 NCRC filing. We sampled and verified the O&M cost accruals and traced the invoiced amounts to supporting documentation. We verified company salary expense accruals and recalculated the respective overhead burdens the company applied. We reconciled the jurisdictional factors applied by the company to the eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 22, 2006, in Docket No. 060007-EI.

7. Objective: Verify that the jurisdictional nuclear construction amounts, displayed on Schedule T-6, which rolls forward to Schedules T-2 and T-3, are accurately calculated and are supported by original source documentation. *Procedures:* We recalculated a sample of monthly jurisdictional nuclear construction accruals displayed on Schedule T-6 of the company's 2008 NCRC filing. We sampled and verified the generation and transmission cost accruals and traced the invoiced amounts to supporting documentation. We verified a sample of company salary expense accruals and recalculated a sample of the respective overhead burdens that the company applied. We reconciled the jurisdictional factors applied by the company to the eligible carrying cost to the factors approved in Order No. PSC-06-0972-FOF-EI, issued November 22, 2006, in Docket No. 060007-EI.

## EXHIBIT 1 Page 1 of 2

Schedi	ulo T-1	Retail	EVY COUNTY Revenue Rec ng: Retail Rec	uirements S	ummacy	mery			[Section (5)(c)1.a.]		
FLORIE COMP/ DOCKE	Progress Energy - FL	EXPLANATION	total retail rev	enue require ear and the p	ments based	⊢up of on actual expe I expenditures			For the Year Ended: Witness:	Will Garrett	12/31/2008
Line No.			(A) Actual January	(8) Actual February	(C) Actual March	(D) Actual Apri	(E) Actual May	(F) Actual June	(G) 6 Month Total		
					Juniedictions	Dollars					
1	Site Selection/Preconstruction Revenue Regulaments (Schodula	T-2, line 7)	\$2,834,968	\$3,247,997	\$2,350,391	\$55,009,953	\$50,985,874	\$11,328.857	\$125,755,839		
2	Construction Carrying Cost Revenue Requirements (Schedule 1-3	, line 7)	596,727	600,955	505,429	€10,104	615,239	619,765	3,648,223		
3	Recoverable O&M Revenue Requirements (Schedule T-4, Ine 39)	)	1,116,447	71,263	65,428	170,727	87,624	72,305	1,583,795		
*	Defensed Tax Asset Carrying Cost (Schedule T-3A, line 8)		(2.569)	(3,076)	(3,603)	(4,237)	(5,140)	(8,322)	) (24,948)	•	
2	Other Adjustments		0	0	0	0	0	O	0		
2	Total Period Revenue Requirements (Lines 1 though 5)		\$4,548,573	\$3,917,142	\$3,017,644	\$65,786,547	\$61,683,397	\$12,012,405	\$130,962,708	-	·
z	Total Return Requirements from most recent Projections		\$2,964,809	\$3,908,330	\$3,010,425	\$83,344,811	\$47,750,386	\$16,843,997	\$136,622.738		
1	Difference (Line 6 - Line 7)		\$1,580,764	\$8,812	\$7,219	(\$7,558,284)	\$3,933,031	(\$3,831,592)	(\$5,680,030)		

Docket No. 090009-EI Exhibit JAS-3 (Page 6 of 17) Levy County Units 1 & 2

### EXHIBIT 1 Page 2 of 2

I.

Schedule		LEVY COUNTY tall Revenue Rec Filing: Retail Re	juirements \$	Summery	mery			(Section (5)(c)1.a.)		
FLORIDA COMPAN			venue require	the actual true ments based o previously filed	on actual expa	nditurea		For the Year Ended:		12/31/2008
DOCKET	Progress Energy - FL NO.: 090009-El	for such prior	r year.	•	·			Witness:	Will Garrett	
Line No.		(H) Actual July	(l) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total	<u></u>	
				Jurisdiction	al Dollars					
•	Situ Selection/Preconstruction Revenue Requirements (Schedule T-Z, line 7)	\$5,163,800	\$3,123,713	\$3,310,662	\$4,601,425	\$3,840,253	\$4,211,218	\$150,006,710		
2 (	Construction Carrying Cost Revenue Requirements (Schedule T-3, line 7)	623,586	628,912	634,525	640,291	646,418	658,441	7,480,395		
<b>3</b>	Recoverable O&M Revenue Requirements (Schedulle T-4, Ene 39)	472,138	146,559	600,683	319,647	147,417	314,571	3,784,810		
4	Deferred Tax Asset Carrying Cost (Schedule T-SA, line 8)	(7,832)	(8,983)	(10,358)	(11,757)	(13,163)	(14.638)	) (91,499	)	
a (	Other Adjustments	٥	Ď	Ō	٥	0	0	0		
e 1	Total Period Revenue Requirements (Lines 1 though 5)	\$6,251,894	\$3,890,201	\$4,735,512	\$5,549,607	\$4,620,903	\$5,109,692	\$161,180,416	-	
7 1	Total Return Requirements from most recent Projections	\$8,049,800	\$9,242,196	\$41,951,278	\$8,817,838	\$9,398,034	\$16,874,584	\$226,956,488		
4 I	Difference (Line 8 - Line 7)	\$202,094	(\$5,361,995)	(\$37,215,756)	(\$1,268,229)	(\$4,777,131)	(\$11,704,992)	(\$85,776,050	Ι	

Docket No. 090009-EI Exhibit JAS-3 (Page 7 of 17) Levy County Units 1 & 2

Schedu		LEVY COUNT Construction Costs a rue-up Filing: Site Sel	nd Carrying C	osts on Con		t Balance			(Section (5)(c)1.a.)	
FLORID COMPA DOCKE	NY; Prograss Energy - FL	(PLANATION:	costs based o	on actual site i war and previo	ne final trve-up relection/preco pusily filed expe	nstruction exp		zilon	For the Year Ended: Witness:	12/31/2008 Willi Garrett
Line No.		Beginning of Period	(A) Actual January	(B) Actual February	(C) Actual March Jurisdictional	(D) Actual April Dollars	(E) Actual May	(F) Actual June	(G) 6 Month Total	
1 2	Current Period Site Selection/Preconstruction Expenses (Schedule T- Prior Period Unrecovered Site Selection/Preconstruction Belance	8, line 34) \$16,992,024	\$2,842,288 16,992,024	<b>\$3,024,141</b> 19,784,182	\$2,098,002 22,939,142	\$54,458,249 25,207,220	\$49,681,150 80,037,242			
2	Site Selection/Preconstruction Expenses Recovered Site Selection/Preconstruction Expenses Eligible for Relum		0 18,313,168	0 21,276,223	0 23,968,143	0 52,436,344	0 104,977,822	0 135,812,606	-	
Ş. 8.	Return on Average Net Unamortized CWIP Eligible for Return (c) Equity Component (a)		100,063	116,253	131,071	286,512	573,599	740,957		t
Ç.,	Equity Component grossed up for laxes (b) Debt Component		162,903 29,777 \$192,660	189,281 34,595 \$223,856	213,384 39,005 \$252,388	468,442 85,261 \$551,704	933,820 170,694 \$1,104,514	1,200,328 220,506 \$1,426,835	579,839	
5 Z	Total Return Requirements (Line 56 + 5c) Total Costs Io be Recovered		\$2,834,968	\$3,247,987	\$2,350,391	\$35,009,953	\$50,985,874	\$11,328,657	\$125,755,639	inty
5 2	CWIP Additions & Amortization from prior year Actual/Estimated Under / (Over) Recovery (Line 7 - Line 8)		\$2,331,768	\$3,242,713	\$2,345,087		\$47,000,521 \$3,965,163			

Notea:

nouse.
(a) The monthly Equity Component of 6.85% rotects an 11.75% rotum on equity.
(b) Requirement for the payment of findame takes 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)<sup>1/2-</sup> I] x 100; resulting in a monthly accruat rate of 0.005454 (Equity) and 0.001626 (Debt), which results in the annual rate of 8.646%.

#### **EXHIBIT 2** Page 2 of 2

Scheduk		LEVY COL Ion/Pre-Construction Cos True-up Filing: Ski		Costs on Con		Balance	300 <b>8</b> 1000 - 1000		[Section (5)(c)1.a.]		
COMPAN	Progress Energy - FL	EXPLANATION:	costs based	on actual site year and previ	ne final true-up selection/preco busly filed expe	nstruction exp		cilon	For the Year Ended Witness:	: Will Garrett	12/31/2008
Line No.			(I) Actual July	(J) Actual August	(K) Actual Sectember	(L) Actual October	(M) Actual November	(N) Actual December	(O) 12 Month Total		<u></u>
					Jurisdictions	i Dollars					
1	Current Period Site Selection/Preconstruction Expenses (Sch	iedulė T-6, žne 34)	\$3,655,538	\$1,577,230	\$1,735,786	\$2,990,519	\$2,190,689	\$2,525,130	\$136,678,534		
2	Prior Pariad Unrecovered Sile Selection/Preconstruction Bala	INCA	141,524,011	146,195,913	148,815,283	101,012,303	155,668,354	158,990,819			
3	Sila Selection/Preconstruction Expenses Recovered		0	0	0	٥	0	o	0		
4	Sile Selection/Pracessruction Expenses Elipitie for Ratum		143,351,780	146,984,528	149,683,156	153,107,582	156,783,689	160,253,184			
5 -	Return on Average Not Unemonized CWIP Eligible for Retur	n (c)									
8,	Equity Component (a)		783,274	803,123	817,559	636,580	850,008	875,823	8,921,621		
Þ.	Equity Component grossed up for taxes (b)		1,275,172	1,307,488	1,331,492	1,381,953	1,394,654	1,425,516	11,268,411		
<b>c.</b>	Debt Component		233,090	238,997	243,385	248,953	254,930	250,572	2.069,765		
•	Total Return Requirements (Line 5b + 5c)		\$1,906,262	\$1,648,483	\$1,574,878	\$1,810,906	\$1,849,584	\$1,886,086	\$19,328,176	-	
, .	Total Costs to be Recovered		\$5,163,800	\$3,123,713	\$3,310,662	\$4,601,425	\$3,840,253	\$4,211,218	\$150,006,710	-	
8 (	CIVIP Additions & Amonization from prior year Actual/Estima	ted	\$5,283,538	\$8,483,077	\$41,186,183	\$6,017,195	\$8,608,366	\$18,051,449	\$218,088,696	-	
• 1	Under / (Over) Recovery (Line 7 - Line 8)		(\$119,738	(\$5,358,364)	(\$37,475,521)	(\$1,415,770)	(\$4,768,113)	(\$11,840,231)	(\$68,081,986)	ī	

Notes:

۰.

(a) The monthly Equily Component of 6.66% reflects an 11.75% return on equity. (b) Requirement for the payment of income taxes is calculated using a Federal income Tax rate of 38.876%. (c) AFUDC actual monthly rate is calculated using the formula M = ((1 + A/100)<sup>1/12</sup> 1) x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Dabt), which results in the annual rate of 5.848%.

Docket No. 090009-EI Exhibit JAS-3 (Page 9 of 17) Levy County Units 1 & 2

Schedul		LEVY COUNT Pre-Construction Costs True-up Filing	and Carnying	Costs on C	enstruction C	ost Balance	<del></del>		(Section (5)(o	)1.a.}
COMPAN	Progress Energy - FL	EXPLANATION:	on construct	ion expenditu ion expenditu	res, based on res for the prio	p of carrying or actual carrying r year and prev nditures for su	cosis fously		For the Year Witness:	Endeci: 12/31/2008 Will Gerrett
Line No.		(A) Beginning of Period	(B) Actual January	(C) Actual February	(D) Actual March Jurisdictions	(E) Actuel Aprit	(F) Actual May	(G) Actuai Juns	(H) Totai to Date	
-	Nuclear CWIP Additions (Schedule T-6, line 73)	\$55,561,072			\$39,826	\$32,931	\$120,998	(\$89,865)	•	
•	Transfere to Plant In Service Other Adjustments (d)	787,441	0 357,080	0 402,114	0 404,965	0 407,977	0 411,127	0 414,588	0 3,195,292	
-	CWIP Base Eligible for Return (Prior Mo Balance + Line 1 - 2 Average Net CWIP Additions	2+3)		\$57,117,707 \$57,117,707		\$56,003,405 \$57,986,940	\$58,535,631 \$58,475,032		\$58,860,254	-
-	Return on Average Net CWIP Additions (c) Equity Component (s)		\$309,894	\$312,091	\$314,413	\$316,841	\$319,608	\$321,858	<b>\$1,894,8</b> 04	
Þ. c.	Equily Component grossed up for laxes (b) Debt Component		504,508 92,220	<b>508,08</b> 5 92,873	511,864 93,564	515,817 94,287	520,159 95,080	523,985 95,780	3,084,418 563,804	
-	Total Ratum Raquirements (Line 6b + 8c)		\$596,727	\$600,958	\$606,429	\$610,104	\$815,239	\$619,765	\$3,546,223	- *
-	Total Ratum Requirements from most recent Projections Difference (Line 7 - Line 8)		\$596,728	\$600,958	\$605,429 (\$0)	\$616,033 \$71	\$814,763 \$476	\$619,877 (\$112)	\$3,647,788	

#### Notes:

 (a) The monthly Equity Component of 8.65% 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)<sup>1/10</sup> 1] x 100; resulting in a monthly accust rate of 0.005464 (Equity) and 0.001626 (Debt), which results in the annual rate of 6.846%. (d) Amount includes the debt and equity component on a one month tog that needs to be included in PEFs monthly CWIP belance to calculate the return requirements.

#### **EXHIBIT 3** Page 2 of 2

Schedu		LEVY COUNT on/Pre-Canstruction Costs True-up Filing	and Carrying	Costs on C	onstruction C	ost Balance			[Section (5)(c	)1.a.]
FLORIE COMPA DOCKE	Progress Energy - FL	EXPLANATION:	on construct	ion expenditu ion expenditu	res, based on i res for the prio	ip of canying o actual canying in year and pre- inditures for su	costa /iously		For the Year Witness:	Ended: 12/31/2008 Will Garrett
Line No.	, , , , , , , , , , , , , , , , , , ,	(I) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September	(M) Actual October	(N) Actual November	(O) Actual December	(P) Total To Date	
		UT F CHCM	July	rugua	Jurisdiction		TWENTED		IO MORE	
1 1	Nuclear CWIP Additions (Schedule T-6, Ine 73)	\$55,864,862	(\$18,839)	\$190,091	\$29,258	\$211,733	\$89,623	\$1,326,251	\$57,492,187	
2	Transfers to Plant in Service		0	C	0	0	0	0	0	
3	Other Adjustments (d)	3,185,292	417,038	420,214	423,801	427,384	431,470	435,597	5,751,595	
4	CWIP Base Eligible for Return (Prior Mo Batance + Line 1	- 2 + 3)	\$59,259,252	\$59,869,558	\$60,322,825	\$60,961,941	\$61,482,934	\$83,243,782	\$63,243,782	-
5	Average Net CWIP Additions		\$59,268,572	\$59,774,612	\$60,307,992	\$60,858,075	\$61,438,173	\$62,581,158		
	Return on Average Net CWIP Additions (c)									
<b>#</b> -	Equity Component (a)		\$323,843	\$326,608	\$329,523	\$332,518	\$335,698	\$341,943	\$3,684,737	
Þ.	Equily Component grossed up for taxes (b)		527,218	631,718	536,454	541,339	546,517	556,684	6,324,359	
¢.	Debt Component		96,371	97,193	98,061	98,952	89,898	101,757	1,158,038	
7	Total Return Requirements (Line 6b + 6c)		\$823,588	\$628,912	\$834,525	\$640,291	\$846,416	\$858,441	\$7,480,395	- #
•	Total Return Requirements from most recent Projections		\$825,459	\$631,482	\$638,513	\$648,812	\$862,354	\$897,349	\$7,551,788	
٥	Difference (Line 7 - Line 8)		(\$1,871)	(\$2,870)	(\$3,888)	(\$8,522)	(\$15,938)	(\$38,908)	(\$71,363)	• · · · · · · · · · · · · · · · · · · ·

Notes:

Notes: (a) The monthly Equity Component of 8.55% reflects an 11.75% return on equity. (b) Requirement for the payment of income taxes in calculated using a Federal Income Tax rate of 38,575%. (c) AFU/DC actual monthly rate is calculated using the formula M = ((1 + A/100)<sup>(AB</sup>- 1) x 100; resulting in a monthly accrual rate of 0.005464 (Equity) and 0.001626 (Debr), which results in the annual rate of 8.848% (d) Amount includes the debit and equity component on a one month lag that needs to be included in PEF's monthly CWIP belance to calculate the return requirements.

Page 1 of 2

Schedu		Pre-Construction	Couts and Ca	UCLEAR 1 and 2 nying Coats on 4 yed Tax Cerrying	Construction C	Cost Balance			•	(Section (5)(c)1.	<b>a.</b> ]
COMPA		EXPLANA	FION:	Provide the calc deferred tax Car year.				1	For the Year E	nded:	12/31/20
DOCKET	Progress Energy - FL FNC.: 080009-E)							I	Winess:	Will Garrett	
Line No.			(A) Beginning of Partod	(B) Actual January	(C) Actual February	(D) Actual March	(E) Actual April	(F) Actual May	(Q) Actual June	(H) 6 Month Total	
					٠	kuripdictional	Dollars				
L	Construction Partod Interest (Schedule T-3B, Line 8)			<b>\$</b> 0	50	\$0	\$0	\$0	, <b>ş</b> o	\$0	
z	Recovered Costs Excluding AFUDC (Schedule T-2, Line 3)			¢	0	0	0	D	ú	٥	
3	Other Adjustments (d)			(121,\$87)	(127,469)	(132,569)	(179.548)	(265,774)	(316,286)	(1,143,643)	
4	Tex Basis Lass Book Basis (Price Mo Balance + Line 1 + 2 + 3)		(\$572,088	) (\$894,085)	(\$821,563)	(\$954,122)	(\$1,133,671)	(\$1,399,445)	(\$1,715,731)	(\$1,715,731)	
ä	Deferred Tex Asset (DTA) on Tex Basis in Excase of Book (Line 4 * Tex Rate)	38.575%	(\$220,683	(\$267,743)	(\$316,814)	(\$366,053)	(\$437,313)	(1539,836)	(\$561,843)	n/a	
£	Average Accumulated OTA			(\$244,213)	(\$292,329)	(\$342,483)	(\$402,683)	(\$485,575)	(\$600,840)	,	
z	Carrying Coels on DTA (c)										
₽.	Equity Component (8)			(\$1,334)	(\$1,597)	(\$1,871)	(\$2,200)	(\$2,870)	(\$3,283)	(\$12,958)	
b	Equity Component grossed up for taxes (b)	,		(2,172)	(2,000)	(3,047)	(3.562)	(4,346)	(5,345)	(21,092)	
¢.	Debi Component			(397)	(475)	(557)	(858)	(794)	(977)	(3,855)	
Ł	Total Return Requirements (Line 7b + 7c)			(\$2,589)	(\$3,076)	(\$3,603)	(\$4,237)	(\$5,140)	(\$6,322)	(\$24,948)	
2	Total Return Requirements from most recent Projections			(\$1,322)	(\$1,825)	(\$2,350)	(\$2,991)	(\$3,916)	(\$5,118)	(\$17,522)	
ы	Difference (Ling 8 - Ling 9)			(\$1,247)	(\$1,251)	(\$1,253)	(\$1,246)	(\$1,224)	(\$1,204)	(\$7,426)	

NOISS:

none. (a) The monthly Equity Component of 5.65% reflects an 11.75% neture on equify. (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 + Ar100)<sup>418-</sup>1] x 100; resulting in a monthly accual rate of 0.005464 (Equily) and 0.001626 (Deb1), which results in the annumi hate of 8.846%.

(d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assats, prior to accelerated cost recovery.

Page 2 of 2

Schedu		iection/Pre-Construction	Costs and Ca	UCLEAR 1 and 2 mying Costs on ( med Tax Carryin)	Construction (	Cost Balance		<b></b>		[3ecilon (6)(c)1.	.a.)
COMPA	Progress Energy - FL	EXPLANAT	FION:	Provide the calc defensed ton Can year.					For the Year E	inded:	12/31/20
DOCKE	T NO.: 090089-El								Wines:	Will Garrett	
Line No.			(i) Beginning of Period	(J) Actual July	(K) Actual August	(L) Actual September Juriadictional	(M) Actual October Doltars	(N) Actual November	(O) Actual December	(P) 12 Month Total	
,	Construction Period Interest (Schedule T-36, Line 8)			\$0	\$0	80	\$0	\$0	\$0	50	
1	Raboverad Costs Excluding AFUEC (Schedule T-2, Line 3)			0	0	0	0	0	0	٥	
5	Other Adjustments (d)			(329,481)	(336,190)	(341,445)	(347,905)	(354,629)	(362,329)	(3,215,802)	
4	Tax Basis Loss Book (Lesis (Prior No Balance + Line 1 + 2 + 3)		(\$1,715,731	) (\$2,045,191)	(\$2,381,382)	(\$2,722,827)	(\$3,070,732)	(\$3,425,561)	(\$3,787,890)	(\$3,787,890)	
8	Deferred Tax Asset (DTA) on Tax Basis in Excess of Book (Line 4 * Te	x Rate) 38.575%	(\$661.843	) (\$788,933)	(\$918,618)	(\$1,050,331)	(\$1,184,635)	(\$1,321,410)	(\$1,481,178)	_n/a	
4	Average Accumulated DTA			(\$725,388)	(\$853,775)	(\$994,474)	(\$1,117,433)	(\$1,252,973)	(\$1,391,294)		
1	Carrying Costs on DTA (c)										
8,	Equity Component (a)			(\$3,\$64)	(\$4,665)	(\$5,379)	(\$6,106)	(\$6,546)	(\$7.802)	(\$47.517)	
b.	Equity Component groused up for taxes (b)			(6,453)	(7,595)	(8,757)	(9.949)	(11,146)	(12,376)	(77,358)	
¢.	Debt Component			(1,179)	(1,388)	(1,601)	(1,817)	(2.037)	(2,262)	(14,140)	
e	Tolali Relum Requirements (Line 75 + 76)			(\$7,632)	(\$8,983)	(\$10,350)	(\$11,757)	(\$13,183)	(\$14,638)	(\$91,499)	
4	Total Return Requirements from most recent Projections			(\$20,546)	(\$21,921)	(\$23,393)	(\$25,015)	(\$29,729)	(\$28,497)	(\$163,623)	
10	Difference (Line 8 - Line 8)			\$12,194	\$12,838	\$13,035	\$13,258	\$13,546	\$13,859	\$72,124	

#### Notes:

(a) The mosthly Equily Component of 6.85% reflects on 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 catalated using the formula M = {(1 + A/100)<sup>VID-</sup> 1] x 100; resulting in a monthly accrual rate of 0.005464 (Equily) and 0.001626 (Debi), which results in the annual rate of 6.848%.

(d) Other adjustments represent the monthly debt component of carrying costs capitalized to the book basis of the assets, pror to accelerated cost recovery,

Construction         (A)         (B)         (C)         (D)         (C)         (C) <t< th=""><th>vied: 19 Gerrett (J) (K) Actual Actual Dotober November 34,056 54,100 4,310 3,811 51,135 (22,454) 0 6 10,963 4,941 0 0 190,963 4,941 0 0 0 0 190,963 4,941 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0</th><th>3         3         2037           13         50         613           9         6         0         0           0         5         705         0           0         7,776         6         68,873           0         7,776         6         68,873           3         50,905         0         0           0         9         6         5         5           10         9         6         5         167,965           3         \$21,132         \$21,132         5         5</th><th>(M) 12 Month Total \$46,507 24,248 200,84 255 0 88,97 1,577 1,575 0 0 200,528 \$1,798,111 \$180,716 0 0</th></t<>	vied: 19 Gerrett (J) (K) Actual Actual Dotober November 34,056 54,100 4,310 3,811 51,135 (22,454) 0 6 10,963 4,941 0 0 190,963 4,941 0 0 0 0 190,963 4,941 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	3         3         2037           13         50         613           9         6         0         0           0         5         705         0           0         7,776         6         68,873           0         7,776         6         68,873           3         50,905         0         0           0         9         6         5         5           10         9         6         5         167,965           3         \$21,132         \$21,132         5         5	(M) 12 Month Total \$46,507 24,248 200,84 255 0 88,97 1,577 1,575 0 0 200,528 \$1,798,111 \$180,716 0 0
Progress Energy - FL DOCKET H0.: 680066.E1         Witness:	(J)         (K)           (J)         (K)           Actual         Actual           Actual         Actual           Doctor         November           \$4,056         \$4,100           \$31,136         (22,434           0         0           110,942         \$6,903           0         0           0	(L) Actual December 3 \$7,782 3 \$1,907 3 \$0,913 9 0 0 0 5,708 9 0 0 7,778 9 06,873 9 0 0 0 0 0 0 0 0 0 1 4,854 \$ \$107,855 1 221,132	(M) 12 Month Total \$66,507 24,243 200,564 200,564 256 0 0 88,871 11,577 1,010,664 473,575 8 0 200,628 \$1,799,111
Concerner         (A)         (B)         (C)         (D)         (E)         (F)         (G)         (H)         (I)           Une         Actual	(J) (K) Actual Actual October Newerber \$4,056 \$4,056 4,310 3,611 31,136 (22,424 0 6 10,963 4,941 0 6 1181,942 84,054 21,962 84,054 21,962 84,054 22,556 \$14,074	Actual December 3 \$7,792 3 \$,937 13 \$10,\$13 9 \$7 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$157,955 5 \$167,955 9 \$21,132	12 Hooth Total \$66,507 24,248 208,384 258 88,871 11,577 1,010,884 473,875 0 0 208,628 \$1,796,111
Castles-El         (A)         (E)         (C)         (D)         (E)         (F)         (G)         (H)         (D)           Vex         Description         Jenuary         Patruary         Actual         Actala	(J) (K) Actual Actual October Newerber \$4,056 \$4,056 4,310 3,611 31,136 (22,424 0 6 10,963 4,941 0 6 1181,942 84,054 21,962 84,054 21,962 84,054 22,556 \$14,074	Actual December 3 \$7,792 3 \$,937 13 \$10,\$13 9 \$7 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$157,955 5 \$167,955 9 \$21,132	12 Hooth Total \$66,507 24,248 208,384 258 88,871 11,577 1,010,884 473,875 0 0 208,628 \$1,796,111
Unit         Ackust         Ackust <th>Actual Actual October November \$4,856 \$5,100 4,310 \$811 51,136 (22,434 0 0 0 190,963 4,944 0 0 0 190,963 4,944 21,965 26,054 21,955 20,064 0 0 (4,907) (5,287 \$284,054 \$190,284 \$27,596 \$14,075</th> <th>Actual December 3 \$7,792 3 \$,937 13 \$10,\$13 9 \$7 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$157,955 5 \$167,955 9 \$21,132</th> <th>12 Hooth Total \$66,507 24,248 208,384 258 88,871 11,577 1,010,884 473,875 0 0 208,628 \$1,796,111</th>	Actual Actual October November \$4,856 \$5,100 4,310 \$811 51,136 (22,434 0 0 0 190,963 4,944 0 0 0 190,963 4,944 21,965 26,054 21,955 20,064 0 0 (4,907) (5,287 \$284,054 \$190,284 \$27,596 \$14,075	Actual December 3 \$7,792 3 \$,937 13 \$10,\$13 9 \$7 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$157,955 5 \$167,955 9 \$21,132	12 Hooth Total \$66,507 24,248 208,384 258 88,871 11,577 1,010,884 473,875 0 0 208,628 \$1,796,111
Unit         Ackust         Ackust <th>Actual Actual October November \$4,856 \$5,100 4,310 \$811 51,136 (22,434 0 0 0 190,963 4,944 0 0 0 190,963 4,944 21,965 26,054 21,955 20,064 0 0 (4,907) (5,287 \$284,054 \$190,284 \$27,596 \$14,075</th> <th>Actual December 3 \$7,792 3 \$,937 13 \$10,\$13 9 \$7 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$157,955 5 \$167,955 9 \$21,132</th> <th>12 Hooth Total \$66,507 24,248 208,384 258 88,871 11,577 1,010,884 473,875 0 0 208,628 \$1,796,111</th>	Actual Actual October November \$4,856 \$5,100 4,310 \$811 51,136 (22,434 0 0 0 190,963 4,944 0 0 0 190,963 4,944 21,965 26,054 21,955 20,064 0 0 (4,907) (5,287 \$284,054 \$190,284 \$27,596 \$14,075	Actual December 3 \$7,792 3 \$,937 13 \$10,\$13 9 \$7 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$69,873 9 \$157,955 5 \$167,955 9 \$21,132	12 Hooth Total \$66,507 24,248 208,384 258 88,871 11,577 1,010,884 473,875 0 0 208,628 \$1,796,111
No.         Description         January         February         March         April         May         Aune         July         August         September         C           1         Accounting         31,205         \$7,306         \$5,504         \$12,153         \$4,890         \$5,162         \$7,305         \$4,490         \$1,761           2         Corporate Training         13,040         21,418         14,066         37,950         28,054         12,402         11,008         \$4,980         \$1,761           4         Corporate Training         13,040         21,418         14,066         37,950         28,054         12,402         11,008         \$4,980         \$1,215           4         Corporate Training         13,040         21,418         14,065         37,950         28,054         12,402         11,008         \$4,980         17,215           4         Corporate Training         0	Doctober         November           \$4,655         \$4,500           \$4,655         \$4,500           \$1,136         (22,434)           \$0,963         4,543           \$0         \$6           \$0         \$6           \$13,552         \$8,053           \$21,953         \$20,664           \$0         \$6           \$23,953         \$20,664           \$224,054         \$100,284           \$227,586         \$14,075	December December 3 \$7,792 4 \$1,937 3 \$0,913 9 0 0 0, 5,705 0 0, 0 5,705 0 0, 0 5,705 0 0, 0 0, 0, 0 0, 0 0, 0, 0, 0, 0, 0, 0, 0, 0, 0,	Total \$66,507 24,244 208,364 255 0 88,871 11,577 1,010,884 \$75,675 0 0 208,628 \$1,796,111
1       Accounting       \$1,201       \$7,338       \$5,304       \$12,133       \$4,500       \$1,171         2       Corporate Continumentations       0       2,802       3,290       7776       \$1,321       245       \$4,420       3,021       0         3       Corporate Planning       13,040       24,418       14,065       37,950       28,054       12,422       11,085       \$4,540       \$1,215         4       Corporate Planning       13,040       24,418       14,065       37,950       28,054       12,402       11,085       \$4,540       0	\$4,056 \$4,50 4,310 \$.91 51,136 (22.43 0 0 0 10,963 4.94 0 0 0 1181,542 \$40.05 21,363 20.066 0 0 0 (4,5077 (5.36 \$284,054 \$190.284 \$27,556 \$14.076	\$7,782           \$3,937           \$10,513           \$0           \$0           \$3,708           \$10,513           \$0           \$3,708           \$10,5708           \$3,708           \$3,708           \$3,708           \$3,708           \$3,708           \$3,708           \$3,708           \$3,708           \$3,0905	\$46,507 24,244 203,384 255 0 86,877 1,010,484 473,675 0 0 206,629 \$1,790,111
2         Corporate Continuentatione         0         2,902         3,239         776         21,1321         285         4,428         3,021         0           3         Corporate Prening         13,040         24,418         14,065         37,850         28,064         12,402         11,068         5,458         17,215           4         Corporate Services         0         0         0         255         0         0         0         0         255         0         0         0         0         0         255         0	4,310 3,013 51,136 (22,434 0 0 (22,434 0 0 (21,434 10,963 4,544 0 0 (21,135 21,963 20,064 21,963 20,064 10,064 \$100,280 \$224,064 \$100,280 \$227,580 \$14,075	3         3         2037           13         50         613           9         6         0         0           0         5         705         0           0         7,776         6         68,873           0         7,776         6         68,873           3         50,905         0         0           0         9         6         5         5           10         9         6         5         167,965           3         \$21,132         \$21,132         5         5	24,244 208,364 235 0 89,871 11,577 1,010,864 475,675 0 6 9 206,629 \$1,799,111
3         Corporate Planning         13,040         24,418         14,065         37,920         29,004         12,402         11,008         9,418         17,213           4         Corporate Planning         0         0         0         255         0 <td>51,136 (22,434 D (2,434 0 (2,434) 0 (2,434) 0 (2,434) 0 (2,434) 115,542 (4,443) 0 (2,434) 0 (2,434) 115,542 (4,434) 0 (2,434) 115,542 (4,444) 115,542 (4,444) 115,5</td> <td>ii)         10, 513           j)         iii)           j)         iii)           j)         iii)           j)         iii)           j)         7,776           j)         66,873           j)         0           j)         0           j)         0           j)         0           j)         0           j)         4,854           j)         \$107,955           j)         \$21,132</td> <td>208,364 255 0 89,871 11,577 1,010,464 ₹73,675 0 0 208,628 \$1,799,111</td>	51,136 (22,434 D (2,434 0 (2,434) 0 (2,434) 0 (2,434) 0 (2,434) 115,542 (4,443) 0 (2,434) 0 (2,434) 115,542 (4,434) 0 (2,434) 115,542 (4,444) 115,542 (4,444) 115,5	ii)         10, 513           j)         iii)           j)         iii)           j)         iii)           j)         iii)           j)         7,776           j)         66,873           j)         0           j)         0           j)         0           j)         0           j)         0           j)         4,854           j)         \$107,955           j)         \$21,132	208,364 255 0 89,871 11,577 1,010,464 ₹73,675 0 0 208,628 \$1,799,111
4     Carporale Service     0     0     0     255     0     0     0     0       5     Steering Registrom     0 <td< td=""><td>0 0 0 0 0 0 10,963 6,943 0 0 0 1133,542 88,051 21,363 20,064 0 0 0 (6,927) (3,287 3284,064 \$190,284 \$27,586 \$14,074</td><td>0         0         0           0         0         0           3         5,708         0           0         7,776         0         0           0         3         50,905         0           0         0         0         0           0         0         0         0           1)         4,855         \$167,455           3         \$21,132         \$21,132</td><td>255 0 88.871 11,577 1,010,854 €73,675 0 0 0 206,628 \$1,790,111</td></td<>	0 0 0 0 0 0 10,963 6,943 0 0 0 1133,542 88,051 21,363 20,064 0 0 0 (6,927) (3,287 3284,064 \$190,284 \$27,586 \$14,074	0         0         0           0         0         0           3         5,708         0           0         7,776         0         0           0         3         50,905         0           0         0         0         0           0         0         0         0           1)         4,855         \$167,455           3         \$21,132         \$21,132	255 0 88.871 11,577 1,010,854 €73,675 0 0 0 206,628 \$1,790,111
5         Sinemar Relevance         0	D 0,063 4,943 0,063 4,943 0 0 0 1181,562 88,053 21,562 88,054 0 0 0 0 0 (4,5077 (5,565 \$284,064 \$100,284 \$27,586 \$14,076	0 0 5,705 1 7,776 0 66,873 3 50,905 0 0 1 6,854 5 \$167,955 1 \$21,132	0 88.871 11,577 1,010,864 473,875 0 0 208,828 \$1,790,111
6         Human Resources         3,711         8,498         10,452         1.647         12,863         9,008         7,227         7,407         4,945           7         7         16 Telecom         0 <td>10,983 4,943 0 0 0 1113,542 86,053 0 0 0 0 (4,5227) (3,287 8284,084 \$190,284 827,588 \$14,078</td> <td>5,705 7,776 6 68,873 3 50,905 9 0 1) 4,854 5 \$167,955 6 \$167,955</td> <td>86,871 11,577 1,010,864 €73,675 0 0 206,629 \$1,290,111</td>	10,983 4,943 0 0 0 1113,542 86,053 0 0 0 0 (4,5227) (3,287 8284,084 \$190,284 827,588 \$14,078	5,705 7,776 6 68,873 3 50,905 9 0 1) 4,854 5 \$167,955 6 \$167,955	86,871 11,577 1,010,864 €73,675 0 0 206,629 \$1,290,111
7     If & Telecom     0     0     0     3,171     40     227     0     0     203       8     Lagai     0     0     0     0     0     37,136     43,374     540,481       9     Project Assertance     7,850     13,025     15,841     8,982     13,574     6,021     7,141     8,159     5,452       10     Public Absertance     0     0     0     0     0     0     0     0       11     Joint Owner Credit     0     0     0     0     0     0     0     0       12     Other     0     11,903     625     7,1291     12,479     3,355     190,985       13     Subtodit Ad20     225,646     \$60,475     \$16,418     \$55,166     \$24,546     \$30,642     \$370,470       14     Energy Debeny Remita     \$0     9     0     0     9     0     9     0     9       18     Other     0     0     0     0     9     0     9     0     0       18     Mactorial Elergy Delivery Remote     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0     \$0       18     Mactorial Elergy Delivery Foreto	0 0 0 190,542 840,55 21,363 20,056 0 0 (4,507) (5,247 \$2281,064 \$100,280 \$2281,064 \$100,280 \$27,598 \$14,076	1 7,776 6 68,873 3 50,905 0 0 1 4,854 5 \$167,955 4 \$21,132	11,577 1,010,864 173,675 0 0 206,629 \$1,790,111
B         Lagal         0         0         0         0         0         0         37,135         43,376         540,485           9         Project Assergation         7,850         13,025         15,544         8,582         17,141         8,159         5,452           10         Public Absergation         7,850         13,025         15,544         8,582         15,544         8,582         17,141         8,159         5,452           10         Public Absergation         0         <	183,542 84,05 21,363 20,06 0 ( 6,927) (3,28 228,064 \$100,28 \$27,568 \$14,076	6 66,873 3 50,905 3 0 5 0 5 6,854 5 \$167,955 6 \$21,132	1,010,864 173,675 0 206,628 \$1,799,111
9         Project Assurance         7,850         10,005         15,361         6,982         13,564         9,821         7,161         8,156         5,452           10         Public Assurance         0	21,363 20,064 0 ( (4,827) (3,287 \$284,064 \$100,284 \$27,586 \$14,075	30,905 0 0 1 4,854 5 \$107,855 5 \$107,855 5 \$21,132	£73,675 0 0 206,628 \$1,799,111
10         Public Affairs         0	0 (1 0 (1 (6,527) (3,28) \$281,064 \$100,290 \$27,588 \$14,075	0 0 0 4,854 5 \$107,855 6 \$21,132	0 0 206,028 \$1,799,111
11     Jahri Quringr Cynddi     0 <td< td=""><td>(4.507) (3.28) \$284,084 \$100.285 \$27,586 \$14,075</td><td>1) 4,054 5 \$167,955 821,132</td><td>\$1,299,111</td></td<>	(4.507) (3.28) \$284,084 \$100.285 \$27,586 \$14,075	1) 4,054 5 \$167,955 821,132	\$1,299,111
12         Climar         0         11,003         425         (7,120)         (2,007)         2,731         3,470         3,355         100,853           13         Subtrati ALCi         \$25,646         \$60,475         \$10,165         \$26,506         \$40,346         \$35,676         \$100,502         \$770,470         1           14         Energy Deductry Florida         \$0         \$0         \$25,646         \$26,506         \$40,346         \$35,676         \$100,502         \$770,470         1           14         Energy Deductry Florida         \$0         \$0         \$26,506         \$40,546         \$35,676         \$100,502         \$770,470         1           14         Energy Deductry Florida         \$0         \$0         \$26,506         \$40,546         \$35,676         \$100,502         \$570,470         1           18         College         0 <td>\$281,084 \$100.282 \$27,588 \$14,075</td> <td>\$167,965 \$21,122</td> <td>\$1,299,111</td>	\$281,084 \$100.282 \$27,588 \$14,075	\$167,965 \$21,122	\$1,299,111
13         Substant ALG         \$25,646         \$48,476         \$48,476         \$46,346         \$45,676         \$100,602         \$770,470           14         Energy Dadwary Plantica         \$0	\$27,568 \$14,076	\$21,132	
18.     Joint Owner Cledit     0     0     0     0     0     0     0     0     0     0       18.     Clifter     0			\$160,718 û
18         Joint Owner Credit         0	0 (	0	0
18         Calluger         0			
18 Nautient Generation \$11,514,520 \$0 \$0 \$104,850 \$0 \$2398,664 \$9 \$21,840 ( 18 Joint Dwine Castler 6 0 0 0 0 0 0 0 20 Other 0 0 0 0 0 0 0 0 0 0	<u>v</u> v	) <u></u>	0
18 Juliel Quiver Cadile 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	\$27,568 \$14,075	\$21,132	\$160,210
36 Offer	(\$104,081) \$453	\$64,885	\$1,571,800
	0 5	9	0
Da bertantin farten far anti- an abi dit b	<u> </u>		0
21 Subtroint Mucliniar Generation \$1,114,020 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	(\$604,061) \$455	\$64,895	\$1,571,800
22 Transmasion \$85,423 \$8,542 \$34,403 \$12,517 \$34,756 \$29,663 \$53,280 \$35,625 \$31,736	\$172,348 \$48,270	\$120,348	\$635,922
23 Joint Charlet 0 0 0 0 0 0 0 0	a d	0	6
24 Other b 6 5 6 6	4 (		0
25 Subtorial Transmitation \$25,403 \$6,542 \$24,403 \$12,517 \$34,756 \$29,653 \$55,625 \$31,739	\$172,348 \$49,270	\$120,868	\$835,822
26 Total Calls Costs \$1,205,000 \$78,017 \$73,818 \$182,547 \$99,285 \$81,292 \$6(3,242 \$161,175 \$880,482	\$376,059 \$164,063	\$364,170	\$4,197,550
27 Jurindictional Factor (A&G) 5.01870 0.01870 0.01870 0.01870 0.01870 0.01870 0.01870 0.01870	0.91570 0.9167	0.91670	
28 Jundestona Factor (Distribution) 9,96567 0,90567 0,90567 0,90567 0,90567 0,90567 0,90567	0.5507 0.5500		
29 Junudictoral Factor (Nuclear - Production - Base) 0.80753 0.81753 0.81753 0.81753 0.81753 0.81753 0.81753	0.97753 0.9375	0.03753	
30 Juniarics(const flocker (Transmission) 0.70587 0.70587 0.70587 0.70587 0.70587 0.70587 0.70587 0.70587	0.70507 0.7050	7 0.70897	
31 Junedicional Recoverable Come (AAC) (Line 13 X Line 27) \$23,693 \$83,517 \$46,299 \$80,691 \$80,691 \$80,441 \$36,686 \$86,656 \$82,222 \$706,290 5	\$257,669 \$91,913	\$144,798	\$1,849,245
32 Junio (2000) Junio (2000) Junio (2001) Ju	27,477 14,018		140,068
33 Juriedictional Recoverable Costs Revol Production - Banes (Line 21 X Line 29) 1,644,708 0 6 96,308 0 4 318,473 0 48,802	(97,580) 425	80,654	1,473,810
34 Autoriticational Recoverable Cools (Transmission) (Line 25 X Line 30) 46,172 4 A18 17,228 8,837 24,598 20,994 37,814 25,160 22,408	121,675 34,783	84,990	448,942
30 Total Jurisdictional CORC Reconstable Q&M Costs \$1,114,574 \$48,206 \$57,527 \$157,579 \$84,399 \$69,167 \$488,429 \$142,220 \$792,879	\$308,258 \$141,138	\$311,480	\$3,731,866
36 Average Northly Recoverable OEM Balance \$857,287 \$1,150,800 \$1,218,973 \$1,306,977 \$1,466,064 \$1,546,673 \$1,618,008 \$2,127,042 \$2,508,831 \$3	13,157,804 \$3,583,392	\$3,525,983	
37 Manshiy Shan-Jerm Commercel Paper Rale (Appendix A, Line 5) 0.338% 6.257% 0.238% 0.228% 0.220% 0.203% 0.204% 0.204% 0.308%	0.929% 0.1859	L 0.005%	
38 Internal Provesion	\$19,389 \$6,278	\$3,082	\$52,944
39 Total Monitry Recoverable Oddi Costs \$1,116,447 \$71,263 \$55,428 \$170,727 \$87,624 \$72,305 \$472,138 \$148,389 \$600,883	\$319,647 \$147,417	\$314,671	\$3,784,818
40 Total Junadictional DBM Come Provident Projection \$37,615 \$08,465 \$82,278 \$139,664 \$138,697 \$88,543 \$161,348 \$148,698 \$148,975	\$170,843 \$154,043	\$154,282	\$1,679,831
41 Olfforence (Line 39 - 40) \$1.078,832 \$4,778 \$3.150 \$31,073) (\$16,238) \$310,780 (\$2,999) \$650,706	\$142,604 (\$6,626	\$160,289	\$2,305,179

Docket No. 090009-EI Exhibit JAS-3 (Page 14 of 17) Levy County Units 1 & 2

CREA PUBLIC SERVICE COMMESSION MPANY Propose Energy - PL CRET NO: 00005-81 Description Bits Belocken/PEr-Construction Cameralias Longineering Description & Processer Parmiting Camera Application Control Construction Pacifies Total Construction Pacifies Total Construction Pacifies Total Construction Pacifies Total Construction Pacifies Description Descr	(A) Actual January 83,694 A11 0 0 83,894 A11 0 33,894 A11 0 33,894 A11 0 33,894 A11 0 33,894 A11 0 33,894 A11 0 33,894 A11 0 33,894 A11 0 0 0 82,828 D11 0 0 0 83,894 A11 0 0 0 0 0 83,894 A11 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	(21 PLANAT KON (7) Actual February \$3,309 653 0 0 3,309 653 (\$360,936) 6 53,008 717 0,93753	4C) Actual March 53,579,417 0 0 0 53,379,417 (51,400,581) 0 51,848,758	Preconstruction (25) Actual Actual 50,001,792 0 0 0 539 (100,375 (\$1,903,887) 9 0 0	481 monthly expens 1 and Construction (5) Actual (540,676) 46,682,648 0 0 0 545,127,772 (6,541,946)		450 450 450 450 450 450 450 450	(4) Actival August \$1,204,529 027,845 0 73,272	0 Actus September 52,114,733 523,005 0 0 225,002	(7) Actual October 54,650,827 12,005,290 0 0 0 48,648		ded 12/31/0508 emeriCarry laber (L) Actie Beconder \$5,406,331 1,157,099 0 0 0 0 1,187,099	421 12 Mords Tool 3333,368,477 510,864,010 0 0
Description Hit SelectionPre-Constructions Constructs Constructs Explanations Engineering & Despy & Procurement Parmiting Classing, Construction Positive On-Sele Construction Positive On-Sele Construction Positive On-Sele Construction Total Generation Costs (Nore 1: Aduations Non-Cesh Accessiti Const Her Construction Costs Factor Learner Factor Learner Costs Total Astronomic Costs Line Engineering Substation Engineering Classify Chair Statistion Engineering Classify Chair Statistion Engineering Classify Classify Classify	Advise Solidaty 23,694 011 0 0 23,894 020 (\$1,294 020) 0 52,828 094 0 93753 52,404 852	Addusi February \$3,309.053 9 0 0 51.389.053 (\$360.0246) 0 0 0 0 0 0 51.208.753	Actual March 53.379.417 0 0 0 1 53.379.417 (\$1.490.581) 0	Actual Actual 53, 534,428 56,061,952 0 0 158,190,378 (\$1,803,847) 9 0	Actual May (\$340,474) 45,409,648 0 0 0 5 546,127,772	Jime 58,384,875 2,324,859 0 0 18,857	Activit 31,768,284 1,221,510 0 122,412	Action Action \$1,204,529 122,545 0 0 73,272	Sapturaber S2, 110, 793 S25, 805 0 6	Actual October 54,050,027 12,005,2991 0 0	163 Achael Newsister (\$1,794,508) 4,643,779 D 0	(L) Actual December \$5,406,331 1,157,099 0 0	441 12 Moran Totel 333,368,612 510,864,010 0 0
Bile BelestentPire-Constitution Generations Listens Approximit Engineering & Despy & Procetowert Parmiting Classing, Construction Paralleline Total Generaturitien Paralline Total Generaturitien Paralline Men-Cash Accounts Joint Construction Paralline Men-Cash Accounts Joint Construction Men-Cash Accounts Joint Construction Const Chain Fact Contention Fact Contention Fact Contention Const Line Engineering Substation Engineering Classing Cla	53,694 A11 0 0 1 33,894 A11 0 0 1 33,894 A11 0 0 1 33,894 A11 0 0 1 33,894 A11 0 0 35,825 DH 1 93753 52,464 A52	February \$3,309.653 0 0 0 33,389.655 (\$360,936) 0 \$3,008,717 0,93753	March \$3,379,417 0 0 \$3,379,417 (\$1,400,981) 0	April 53,534,428 56,061,252 0 599,190,378 (\$1,903,487) 9 0	May (8340.478) 46,488,648 0 0 0 5 546,127.772	Jime 58,384,875 2,324,859 0 0 18,857	31,788,284 1,221,518 0 1,224,518	August \$1,206,529 523,448 0 73,272	Sapturaber S2, 110, 793 S25, 805 0 6	October 54,650,827 12,005,290 0 0	Novimber (\$1,784,508) 4,643,779 0 0	Decentitier \$5.406,331 1,187,099 0 0	Totel 1333,368,472 110,964,010 0
BeleschandPre-Construction     Generaties     Labees Approxim     Engineering A Droopy & Processineering     Classing Approximation     Consister Construction Processine     Total Generation Costs (Note: 1)     Jernotics Pacity     Total Jernotics Factor     Total Jernotics Engineering     Line Engineering     Substation Engineering     Classi     Total Total Engineering     Classing     Classing     Classing     Classing     Classing     Classing     Classing     Substation     Costs (Note: 2)	0 0 1 33,004.071 (\$1.294.020) 0 52.828.00+ 0 93753 52.464.852	0 0 0 51.389.651 (\$340.10%) 0 6 53.668.757 0.90753	\$3.579.417 0 0 \$3.379.417 (\$1.400.881) 0 0	56.061,952 0 0 159,100,178 (t) 803.487) 0	45,468,048 0 0 546,127,772	2,024,659 0 0 18,657	\$1,788,284 1,221,518 0 0 12,412	\$1,2%6,529 023,448 0 0 73,272	525.005 0 6	\$4,450,627 12,005,2991 0 0	(\$1,734,508) 4,643,779 D O	\$5.406,331 1,187,009 0 0	123,364.472 110.964.010 0 0
Generalizes License Application Engineering & Design & Procurpresent Parmiting Clauring, Canadrog and Exercision On-See Contentions Total Generalizes Costs (Motor 1) Additionality Addita Additionali	0 0 1 33,004.071 (\$1.294.020) 0 52.828.00+ 0 93753 52.464.852	0 0 0 51.389.651 (\$340.10%) 0 6 53.668.757 0.90753	0 0 33.379.417 (\$1.400.081) 0 0	56.061,952 0 0 159,100,178 (t) 803.487) 0	45,468,048 0 0 546,127,772	2,024,659 0 0 18,657	1,221,518 0 0 12,412	125.448 0 0 73.272	525.005 0 6	12:003.2991 D D	4,643,779 D D	1,187,099 0 0	10.004.010
Lickensi Applexitien Engineering & Decops & Proceetineerin Permitting Calassing, Gratekeg and Econocition On-See Construction Pecalities Total Generation Conto (Noro 1) Addattomute, Non-Cesh Accounts Joer Control Conto Net Cesatalistic Calassi Set Cesatalistic Calassi Set Cesatalistic Conto Fotal Astronomic Generation Conto Lice Engineering Chean State Central Engineering Chean Chean	0 0 1 33,004.071 (\$1.294.020) 0 52.828.00+ 0 93753 52.464.852	0 0 0 51.389.651 (\$360.10%) 0 6 53.668.757 0.90753	0 0 33.379.417 (\$1.400.081) 0 0	56.061,952 0 0 159,100,178 (t) 803.487) 0	45,468,048 0 0 546,127,772	2,024,659 0 0 18,657	1,221,518 0 0 12,412	125.448 0 0 73.272	525.005 0 6	12:003.2991 D D	4,643,779 D D	1,187,099 0 0	10.664.0%
Permitting Calendro, Canterop and Exconsion On-See Construction Facilities Total Generation Facilities Addustriants Non-Costs Accounts Jord Overse Tardit Differ That Constructions Mark	0 33,094,071 (\$1,294,020) 0 12,825,067 0,93753 52,464,852	4 51,389 653 (\$360,506) 0 8 83,668 757 0,99753	0 33,379,417 (\$1,400,881) 0 0	0 0 159/100,171 (\$1,803,487) 9	0 0 946.127.772	0 0 18,657	0 0 12,412	0 9 73,272	0	D 0	0	0 0	
Calenting, Construgt and Encounters Don-Site Construction in Periodian Total Generation: Conto (Notor 1) <u>Advantaments</u> John Contor Credit China Faint Generation Could (Note 2) Jarrekitional Factor Fotal Jarrekitional Generation Coats <u>International Contor</u> <u>Substitution</u> (Ingineering Cheat Total Topicationpoint Coats (Note 1)	0 33,094,071 (\$1,294,020) 0 12,825,067 0,93753 52,464,852	4 51,389 653 (\$360,506) 0 8 83,668 757 0,99753	0 33,379,417 (\$1,400,881) 0 0	(61,903,687) 9 0	94512772	0 18,657		73,272	ě	õ	0	0	
On-Sale Construction Facilities Tratel Semantics Costs (Noter 1) <u>Advantments</u> Non-Costs Ancounts Jorn Const Ancounts Advantments Net Construction Test Journal Construction Jarodictions Factor Total Journal Costs <u>Line Engineering</u> <u>Substructions</u> Chart Chart Total Transformation Substruction Engineering Chart Total Transformation Construction C	(\$1.284,028) 0 82,828,097 0,93753 \$2,464,852	(\$360,93%) 0 8 \$3,005,717 0,90753	(\$1.400.081) U U	(61,903,687) 9 0					225 (022	AR 8.4*	1.41	+ ===	
Advancements Non-Ceph Accounts Jord Overan Exectle Center Seat Contentation Coults (Nore 2) Jarradictiones Factor Yoter Jarradictiones Generation Coults Inter Engineering Substation Engineering Climat Table Trajectometring China Table Trajectometring	(\$1.284,028) 0 82,828,097 0,93753 \$2,464,852	(\$360,93%) 0 8 \$3,005,717 0,90753	(\$1.400.081) U U	(61,903,687) 9 0		\$8,428,191							401,53
Non-Cesh Accessts Joert Owner Dreckt Other Hat Generation Coales (Note 2) Jarodiklanas Factor Yotel Jarodictional Generation Coales <u>Teterstituistion</u> Line Engineering Substation Engineering Climat Tabet Tenachemenon Coales (Note 1)	0 0 17.825.091 0.93753 52.454,852	0 812661717 0.93753	i ai	9	\$6,541 940		#4:1440 x (*	\$ 997.549	0.467.629	\$2,631 877	\$2,350,765	N.607 M3	\$144,454.55
Jord Overs Scient Other Set Contraction Costs (Note 2) Jeredictioner Factor Yotel Jeredictional Generation Costs Totel Regimenting Schellen Chert Totel Terescherence Chert Totel Terescherence Costs (Note 1)	0 0 17.825.091 0.93753 52.454,852	0 812661717 0.93753	i ai	9	••••	L1 592 655	\$482,125	(\$652,125)	1\$1,478,297)	(\$165.357)	(\$1,241,703)	(\$4,410,905)	(\$4,197,52
Ser Contraction Costs (Note 2) Jeredictioner Factor Yotel Jeredictional Generation Costs International Line Engineering Scholarson Engineering Cither Topet Teresciencer Costs (Note 1)	0.83753	0.93753	0 \$1 848 738	Q		\$	0	\$	•	0	Q	Û	1
Janadictionals Factor Total Janualictional Generation Coath <u>Janatarian</u> Jubatation Engineering Chinat Totel Temperaturemon Coath (Natis 1)	0.83753	0.93753	37 588 738		0 552.665 T21	0	13 515 330	11,445,523	0 61.368.343	0 \$2,466,820	0 \$1.808,042	0 \$2 236 738	
Tatel Jonuticities of Generation Coats International Substation Engineering Cheat Chest Table Tegenering Chest Table Tegenering Chest	\$2.454.852			\$\$7 382,491	552,658,C21	\$10,020,248	33,515,339	81,443,525	E4'98'8'282	32,488,523	\$1,503,042	\$2 236, 738	\$1.40.281,65
Isosanining Line Englisearing Sublembor: Englisearing Chainty Chaint Table Training Canada (Natis 1)			0.99753	0 83753	0.03753	0,93753	0.93753	0.93753	0.91753	0.93753	0 93753	0 93753	0 937
					\$49.379.444	\$2,354,781		\$1,355,221			\$1.506.572		A-1 82 344 44
Line Engineering Substation Engineering Clearing Chai Tobel Tepeschemeon Comb (Note 1)		\$2,825,782	\$1,770,747	\$53,607,182	349,3/9,444	34,394,251	\$3,295,738	35,303,721	\$1,302,588	\$2,312,510	\$1,006,577	\$2,687,634	\$151,499,5
Line Engineering Substation Engineering Clearing Chai Tobel Tepeschemeon Comb (Note 1)													
Clearing Cline Tpdet Taynaciameter Combi (Notic 1)	\$92,225	8142,054	\$161,578	\$756,791	\$265.618	100,864	\$150,415	\$150,580	\$217.879	\$874,000	\$334 187	\$416.258	\$1,602.3
Other Tablet Transcommon Combi (Mater 1)	(4, <b>660)</b> (1	22,490	11,000	66,860	106,179	83,130 D	40,007	125,014	193,873 0	90.544	184,252	275,056	1,179,8
Today Teprochempor Conds (Nata 1)	54.024	507.692	478,586	(173,443)	296.908	203.956	210,360	400.848	488.168	(38.924)	293 995	323,760	3.185.9
	\$141,783	\$672,258	\$640,754	\$653,158	5608,900	\$363.950	\$501 742	\$766.424	SEID DIR	3912.870	\$802.474	\$1,015.802	\$7,968,0
Advantation in the second seco	1100 554	(\$354,132)	(\$185.731)	\$299.073	5101.77	\$132.144	\$7,014	(\$451,951)	(\$225,297)	\$27,745	\$163 710	(1346.894)	
Other	1790 204 A	(163946.132)	(\$780.C35) 6	8298,913	8795 ( / <b>1</b>	8542144	3.(3 <b>)</b> 14. ()	(104401,101) 20	(1620-1620) 0	\$67,749 D	8165.110	(1986-0995-09) 0	(\$832.08
Net Transmission Coals Skole 25	\$251,137	\$,788,084	\$463.553	9022,231	\$710.67	1716.004	2500 854	\$314,473	3013.021	\$250 349	\$146 184	2010,711	\$7 315 1
Jurisdictional Factor	0.70507	0.70597	¢.70597	0.72597	0.70507	0.70597	6 20597	a 70547	0,70597	0 70597	0.70597	0.70597	0.709
Total Jartydictional Transmission Costs	107436	203.379	527.254	5651 067	501717	\$505.541	5159 202	\$222,009	\$433.198	1077 944	\$2512 047	H17.407	\$5,178,98
Tetal Juradidional 55/PC Coar	12,642,285	\$3,024,141	\$2,098,001	\$54,458,250	\$49,881,181	\$9,899.872	47,404,434	\$1,877,230	\$1,735,785	\$2,990,519	\$2,190,069	12.525,131	\$136,878,83
Sectorelles:													
Geographice,													
Real Estate Acquisitions	30	\$13,655	163,284	\$118.832	121.086	\$22,421	\$49,671	\$47,356	\$108.974	\$135.635	\$1 13 037	(\$817 695)	(\$115.76
Propert Management Personant Staff Training	\$		•	0	e e	9	0	9	a 0		0	<u>a</u>	
Parenanita Albert (Alberty) Bita Pracasaina	ő	0		5 0	6	ă	ŏ	ů	ŭ	ő	u G	a a	
On-She Continuence Pacifiere	õ	à	õ	õ	ē	â	ě	ō	à	¢.	õ	18,981	18,91
Power Black Engineering, Procoroment, etc.	<u> </u>	0		0	•	0	<u>e</u>	ð	9	¢.	0	0	
Non-Pewer Black Engineering, Procuration), etc. Takes Generation Costs Note 1)		113.655	363.284	 		122.421	149.671	0 \$47.358	1120 074	1155.835	\$113.037	19300.714)	1590 7
Adaptements	-	- (-) <b>-</b>	-astro-						-	a salaman	with 14734521	Environe ( 1.11)	1988.01
Non-Cash Acovais	\$0	(\$13,055)	(\$10.91 1)	(\$93,707)	\$107.921	(\$110,192)	(\$89.387)	\$153,360	(\$75.793)	(861.606)	(\$34,823)	\$420.634	(78.4
Joint Chinait Crivitt	\$ 6	9	0	ě	0 6	0	<u>°</u>	0	0	<b>0</b>	â	g	
Net Generation Cests (Note 2)			10.00	135.75	1121.00	1997 37 11	1011	\$202.722	531,141		\$78 114	13510 0781	6176.2
		****											
Autochelional Parchar	0.93753	0.99793	0.93753	0.93753	¢.01753	0.93753	0 \$3753	0.93753	0.93753	0.93753	0 93753	0.03753	0 937
Total Jumidizional Generator Conta	50		139.726	\$52.331	120 931	192 2420	GINATO	1100.054	\$29.233	\$26,155	\$75254	(99)7.582)	A14-21
a and a sector of a sector of the sector of		*	###.* £7 <b>#</b>	***.5**	# 4678;194 1	1998.6961	\# <b>\$</b> ₩\$₩\$₩\$	* 125,000	450 £ 64	****	10 A A A A A A A A A A A A A A A A A A A	(#241/2WC}	941 <b>an 2</b> 1
Interneting		_						<b>.</b> .					
Line Engineering Subsidiation Engineering	\$0 0	\$2 2	\$0 0	<b>\$0</b> 5	\$0	20	\$\$ 0	30	\$47 0	**	\$0 A	\$9	1
Suchamon Engenearing Rust Edista Acquation	0	ě	0	142	95	47	47	41	8,257	175,047	47.712	2,762,016	2 994 45
Line Convinction	à	*	Ó	0	Q	Ģ	8	0	¢	4	à	\$	
Substation Construction	9	<b>9</b>	0	9	0	0	\$	ģ	0	9	9	•	
Other Total Frankmunitor Couls (Note 1)			142	(142)	0	(10,780)			10 207	1175,047	\$47,312	52 782 515	110.78 13,060,52
Adaptite and a second s						<b>G</b> + , (	•		apada (dit-dit i	an one registered to	ard (1.1.4	44 (T 146, U 147	
Non-Cash Accounts	10	80	50	ស	50	10	<b>\$</b> 0	50	(\$9,250)	10	(624,636)	\$14,333	(\$15.85
Other					<u>6</u> 682	(\$10,733)	0 547	<u>8</u>	0 	\$175,047	0 \$23,614	52,780,349	37 959 11
Net Typeselspion Costs (Note 2)	30	<b>1</b> 0	\$14£	34	243	(#10,124)	247	34.ľ	241	#37 <b>\$%#</b> 5	343,014	Def. (1853,2483)	-16 <b>.3698</b> . 11
Jarmaticianal Factor	0 70597	Q 70597	0.70597	9.70597	0.70597	0.70597	0 70597	0.79587	0,70507	0.79597	0.70507	D.70597	0.705
			SISO			·····	115	344	153			F7355 2.1	
Total Juriplicitonal Transmission Costs	30	20	\$100	\$	<b>36</b> 7	(\$17,3.77)	222	\$33	331	\$123,578	\$16,263	11.363,843	2,003,30
Total Jurindictional Cumulturation Conta	30	50	£39 828	\$32.931	\$120,998	1309.865	0186080	E190.091	\$29,266	1211,733	\$ 573	11.325.231	\$1,531,10

Docket No. 090009-EI Exhibit JAS-3 (Page 15 of 17) Levy County Units 1 & 2

Mote. 1 Lines 8, 24, 45 and 53 represent capital expenditures on an accrual bods, proze of joint owner billings and excludes AFUDC Mote 2. Lines 13,26, 50 and 87 represent not uspikel expenditures on a cash base, net of joint owner billings.

Sched		ction/Pre-Construction Up Filing: Catculation					C#		
FLOR	IDA PUBLIC SERVICE COMMISSION	EXPLANATION:	Calculate the e	atimated nat	lrue-up balan	ce, including I	evenue and	interest.	
COMPANY:							For the Yea	12/31/2008	
DOCK	Progress Energy - FL ET NO.: 090009-El						Witness:	Will Garrett	
Line No.	Description		(A) Actual January	(B) Actual February	(C) Actual March	(D) Actual April	(E) Actual May	(F) Actual June	(G) 6 Month Total
1	NFR Revenues (net of Revenue Taxes)		\$0	\$0	\$0	\$0	\$0	<b>\$</b> 0	\$0
2	True-Up Provision		0	0	0	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)		\$0	<b>\$</b> 0	\$0	\$0	\$0	\$0	\$0
4	Jurisdictional NFR Costs (Schedule T-1, Line 8)		4,545,573	3,917,142	3,017,644	55,786,547	51,683,397	12,012,405	130,962,708
5	Over/(Under) Recovery true-up provision (Line 3 -	Line 4)	(4,545,573)	(3,917,142)	(3,017,644)	(55,786,547)	(51,883,397)	) (12,012,405)	(130,962,708)
6	Interest Provision		0	0	0	0	٥	0	0
7	Beginning Balance True-up & Interest Provision		0	0	0	0	0	0	0
a	Osferred True-up		0	0	o	0	0	0	0
8	True-Up Collected (Refunded) (See Line 2)		0	0	C	0	0	0	0
8	End of Period True-up		\$0	<b>\$</b> 0	\$0	\$0	\$0	\$0	\$0

# LEVY COUNTY NUCLEAR 1 and 2

Sched		ection/Pre-Construction e-Up Filing: Calculation	· · · · · ·	ng Costs on (		Cost Balan	ce		
FLORU	DA PUBLIC SERVICE COMMISSION	EXPLANATION:	Calculate the e	sumated net	true-up batano	e, including :	revenue and	interest.	
COMPANY:							For the Yea	r Ended:	12/31/2006
DOCK	Progress Energy - FL ET NO.: 090009-El						Witness:	Will Garrett	
Line No.	Description		(H) Actual July	(I) Actual August	(J) Actual September	(K) Actual October	(L) Actual November	(M) Actual December	(N) 12 Month Total
1	NFR Revenues (net of Revenue Taxes)		\$0	\$0	\$0	\$0	<b>\$</b> 0	\$0	\$0
2	True-Up Provision		0	0	٥	0	0	0	0
3	NFR Revenues Applicable to Period (Lines 1 + 2)	)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Jurisdictional NFR Costs (Schedule T-1, Line 6)		6,251,894	3,890,201	4,735,512	5,549,607	4,620,903	5,169,592	181,180,418
5	Over/(Under) Recovery true-up provision (Line 3	- Line 4)	(6,251,894)	(3,890,201)	(4,735,512)	(5,549,607)	(4,620,903)	) (5,109,592)	(161,180,416)
6	Interest Provision		0	o	0	0	0	0	0
7	Beginning Balance True-up & Interest Provision		0	0	0	0	0	0	0
8	Deferred True-up		0	٥	0	0	0	0	0
8	True-Up Collected (Refunded) (See Line 2)		0	0	0	0	0	0	0
9	End of Parlod True-up		\$0	\$0	\$0	\$0	\$0	\$0	\$0

# LEVY COUNTY NUCLEAR 1 and 2