



May 15, 2013

Mr. John Slemkewicz,
Public Utility Supervisor
Electric and Gas Accounting Section
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Dear Mr. Slemkewicz:

Pursuant to Commission Rule 25-6.1352, enclosed please find Progress Energy Florida, Inc.'s Rate of Return report for the twelve months ended March 31, 2013.

The report includes the Company's actual rate of return computed on an end-of-period rate base, the Company's adjusted rate of return computed on an average rate base, the Company's end-of-period required rates of return, and certain financial integrity indicators for the twelve months ended March 31, 2013. The separation factors used for the jurisdictional amounts were developed from the cost of service prepared in compliance with the Stipulation & Settlement Agreement, Order No. PSC-12-0104-FOF-EI.

If you have any questions, please feel free to contact Marcia Olivier at (727) 820-5653.

Sincerely,

Javier Portuondo
Director Rates & Regulatory Strategy

dc
Attachment
xc: Mr. J. R. Kelly, Office of the Public Counsel

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ACCOUNTING & FINANCE

PROGRESS ENERGY FLORIDA
Rate of Return Report Summary
March 2013

Schedule 1

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
Net Operating Income (a) (b)	\$555,961,901	(\$145,941,240)	\$410,020,661	\$62,188,976	\$472,209,637
Average Rate Base	\$10,037,329,458	(\$1,599,090,676)	\$8,438,238,783	\$0	\$8,438,238,783
Average Rate of Return	5.54%		4.86%		5.60%
II. Year End Rate of Return (Jurisdictional)					
Net Operating Income	\$555,961,901	(\$145,941,240)	\$410,020,661	\$62,188,976	\$472,209,637
Year End Rate Base	\$9,311,696,964	(\$1,153,498,484)	\$8,158,198,480	\$0	\$8,158,198,480
Year End Rate of Return	5.97%		5.03%		5.79%

Footnotes

- (a) Column (1) includes AFUDC earnings.
(b) Column (2) includes reversal of AFUDC earnings.

III. Required Rates of Return	Average Capital Structure	End of Period Capital Structure
FPSC Adjusted Basis		
Low Point	6.75%	6.64%
Mid Point	7.22%	7.10%
High Point	7.70%	7.57%
Pro Forma Adjusted Basis		
Low Point	6.75%	6.64%
Mid Point	7.22%	7.10%
High Point	7.70%	7.57%

IV. FINANCIAL INTEGRITY INDICATORS

A. T.I.E. with AFUDC	2.53	(System Per Books Basis)
B. T.I.E. without AFUDC	2.38	(System Per Books Basis)
C. AFUDC to Net Income	15.69%	(System Per Books Basis)
D. Internally Generated Funds	92.92%	(System Per Books Basis)
E. STD/LTD to Total Investor Funds		
LT Debt-Fixed to Total Investor Funds	44.16%	(FPSC Adjusted Basis)
ST Debt to Total Investor Funds	1.27%	(FPSC Adjusted Basis)
F. Return on Common Equity		
	5.49%	(FPSC Adjusted Basis)
	7.06%	(Pro Forma Adjusted Basis)
G. Current Allowed AFUDC Rate	7.44%	Docket 100134-EI Order PSC-10-0258-PCO-EI

I am aware that Section 837-06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084


Javier Portuondo, Director Rates & Regulatory Strategy

5-14-13
Date

PROGRESS ENERGY FLORIDA
Average Rate of Return - Rate Base
March 2013

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Average Rate Base
System Per Books	\$13,440,050,306	\$5,096,221,778	\$8,343,828,528	\$63,358,282	\$1,054,063,407	\$168,792,183	\$9,630,042,400	\$1,370,694,879	\$11,000,737,279
Regulatory Base - Retail	\$12,250,374,018	\$4,669,188,696	\$7,581,185,322	\$54,880,311	\$926,496,968	\$162,940,393	\$8,726,502,994	\$1,311,826,464	\$10,037,329,458
FPSC Adjustments									
ARO	(29,235,205)	(47,762,437)	18,527,232	-	-	-	18,527,232	(17,905,654)	621,578
ECCR	(4,940,332)	(1,333,591)	(3,606,740)	-	(14,464,428)	-	(18,071,169)	4,735,181	(13,335,988)
ECRC	(1,162,930,449)	(80,077,930)	(1,082,852,519)	-	(539,098)	-	(1,083,391,617)	(26,306,980)	(1,109,698,597)
FUEL	(32,265,191)	(31,295,653)	(969,538)	-	-	-	(969,538)	60,131,651	59,162,114
CCR	-	-	-	-	-	-	-	(17,093,661)	(17,093,661)
NUCLEAR	-	-	-	-	(281,556,681)	-	(281,556,681)	(156,171,057)	(437,727,738)
CR3 Removal	-	-	-	-	-	-	-	(313,209,907)	(313,209,907)
Derivatives	-	-	-	-	-	-	-	(85,220,539)	(85,220,539)
Employee Related	-	-	-	-	-	-	-	1,755,698	1,755,698
Investments Earning a Return	-	-	-	-	-	-	-	(67,383,654)	(67,383,654)
Jobbing Accounts	-	-	-	-	-	-	-	(19,448,149)	(19,448,149)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,358,807)	(2,358,807)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(812,418)	(812,418)
Retention Accounts	-	-	-	-	-	-	-	805,400	805,400
CWIP - AFUDC	-	-	-	-	(395,052,738)	-	(395,052,738)	-	(395,052,738)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	800,149,739	800,149,739
Capital Lease	(192,081,810)	-	(192,081,810)	-	-	-	(192,081,810)	191,838,802	(243,008)
Total FPSC Adjustments	(1,421,452,986)	(160,469,611)	(1,260,983,375)	-	(691,612,946)	-	(1,952,696,320)	353,505,645	(1,599,090,676)
FPSC Adjusted	\$10,828,921,032	\$4,508,719,085	\$6,320,201,947	\$54,880,311	\$234,884,023	\$162,940,393	\$6,772,906,674	\$1,665,332,109	\$8,438,238,783

PROGRESS ENERGY FLORIDA
Average Rate of Return - Income Statement
March 2013

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$4,621,759,257	\$2,234,475,126	\$1,067,504,369	\$208,282,803	\$342,460,636	(\$13,266,707)	\$227,160,154	(\$1,048,001)	\$0	\$4,065,568,179	\$556,191,077
Regulatory Base - Retail	\$4,342,548,106	\$2,121,100,578	\$1,007,971,996	\$173,328,839	\$330,013,906	(12,849,193)	\$202,172,537	(\$952,245)	\$0	\$3,820,786,417	\$521,761,689
FPSC Adjustments											
ARO	-	-		(88,349)		34,081	-	-	-	(54,268)	54,268
ECCR	(93,112,784)	-	(88,978,668)	(365,111)	(37,385)	(1,439,472)	-	-	-	(90,820,636)	(2,292,148)
ECRC	(191,590,522)	-	(33,392,135)	(26,361,932)	(10,451,365)	(46,824,298)	-	-	-	(117,029,731)	(74,560,791)
FUEL	(1,773,443,065)	(1,771,390,055)	-	(67,079)	(1,453,184)	(205,507)	-	-	-	(1,773,115,825)	(327,239)
CCR	(350,347,885)	(350,071,021)	-	-	-	(106,800)	-	-	-	(350,177,821)	(170,063)
NUCLEAR	(102,392,015)	-	(1,215,919)	(46,286,740)	(101,764)	(21,134,314)	-	-	-	(68,738,737)	(33,653,279)
SCRC	-	-	(173)	-	-	67	-	-	-	(106)	106
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,458,691)	-	-	948,440	-	-	-	(1,510,251)	1,510,251
FRANCHISE FEE & GROSS REC TAX REVENUE	(202,199,490)	-	-	-	-	(77,998,453)	-	-	-	(77,998,453)	(124,201,036)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(200,710,264)	77,423,984	-	-	-	(123,286,280)	123,286,280
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	694,368	-	-	(1,800,047)	(1,105,679)	1,105,679
INST./PROMOTIONAL ADVERTISING	-	-	(528,484)	-	-	203,863	-	-	-	(324,621)	324,621
INTEREST ON TAX DEFICIENCY	-	-	1,317,055	-	-	(508,054)	-	-	-	809,001	(809,001)
MISCELLANEOUS INTEREST EXPENSE	-	-	180,331	-	-	(69,563)	-	-	-	110,768	(110,768)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(675,372)	-	-	260,525	-	-	-	(414,847)	414,847
REMOVE DEFERRED TAX AFUDC DEBT	-	-	0	-	-	0	-	-	-	0	0
REMOVE ECONOMIC DEVELOPMENT	-	-	(17,293)	-	-	6,671	-	-	-	(10,622)	10,622
REVENUE SHARING	-	-	0	-	-	0	-	-	-	0	0
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(10,669,748)	-	-	-	(10,669,748)	10,669,748
DIRECTORS & OFFICERS PREMIUM	-	-	(1,542,803)	-	-	595,136	-	-	-	(947,667)	947,667
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	13,940,793	-	-	-	13,940,793	(13,940,793)
Total FPSC Adjustments	(2,713,085,760)	(2,121,461,076)	(127,312,152)	(73,169,211)	(212,753,963)	(64,848,282)	-	-	(1,800,047)	(2,601,344,731)	(111,741,029)
FPSC Adjusted	\$1,629,462,346	(\$360,498)	\$880,659,844	\$100,159,628	\$117,259,942	(\$77,697,475)	\$202,172,537	(\$952,245)	(\$1,800,047)	\$1,219,441,685	\$410,020,661
Pro Forma Adjustments											
Weather Normalization	12,938,913					4,991,186				4,991,186	7,947,727
Settlement Refund			(100,000,000)				38,575,000			(61,425,000)	61,425,000
Total Pro Forma Adjustments	12,938,913		(100,000,000)			12,174,937	38,575,000			(49,260,063)	62,188,976
Pro Forma Adjusted	\$1,642,401,259	(\$360,498)	\$780,659,844	\$100,159,628	\$117,259,942	(\$65,522,539)	\$240,747,537	(\$952,245)	(\$1,800,047)	\$1,170,191,622	\$472,209,637
Footnotes:											
(a) The addition of earnings from AFUDC charges would increase the system NOI by			\$38,908,091								
and Jurisdictional NOI by			\$34,200,212								
Current Month											
	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$327,220,131	\$137,992,252	\$73,234,217	(\$25,053,367)	\$26,961,286	\$5,837,457	\$37,721,573	(\$108,917)	\$0	\$256,584,502	\$70,635,629
Jurisdictional Per Books											
Excluding AFUDC Earnings and Recoverable	\$131,871,149	\$481,909	\$54,427,259	(\$31,922,307)	\$11,919,645	\$6,908,490	\$33,809,469	(\$98,965)	\$0	\$75,525,500	\$56,345,649

PROGRESS ENERGY FLORIDA
Average Rate of Return - Adjustments
March 2013

Schedule 2
Page 3 of 3

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	\$621,578	\$621,578
	ECCR	F	(\$13,335,988)	(\$13,335,988)
	ECRC	F	(\$1,189,010,406)	(\$1,109,698,597)
	FUEL	F	\$59,162,114	\$59,162,114
	CCR	F	(\$17,093,661)	(\$17,093,661)
	NUCLEAR	F	(\$466,207,705)	(\$437,727,738)
	Derivatives	F	(\$85,220,539)	(\$85,220,539)
	CR3 Removal	F	(\$313,209,907)	(\$313,209,907)
	Employee Related	F	\$1,755,698	\$1,755,698
	Investments Earning a Return	F	(\$67,383,654)	(\$67,383,654)
	Jobbing Accounts	F	(\$19,448,149)	(\$19,448,149)
	Non-Regulated and Miscellaneous	F	(\$2,358,807)	(\$2,358,807)
	Rate Case Regulatory Asset	F	(\$812,418)	(\$812,418)
	Retention Accounts	F	\$805,400	\$805,400
(1)	CWIP - AFUDC	F	(\$456,558,912)	(\$395,052,738)
(3)	Imputed Off Balance Sheet Obligations	F	878,428,307	800,149,739
(2)	Capital Lease - EPIS	F	(192,081,810)	(192,081,810)
(2)	Capital Lease - Working Capital	F	191,838,802	191,838,802
	Total		(\$1,690,112,056)	(\$1,599,090,676)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$88,349	(\$34,081)	\$88,349	(\$34,081)
	ECCR	F	(3,731,620)	1,439,472	(3,731,620)	1,439,472
	ECRC	F	(191,885,762)	74,019,933	(121,385,089)	46,824,298
	FUEL	F	13,117,942	5,060,246	(532,746)	205,507
	CCR	F	(276,863)	106,800	(276,863)	106,800
	NUCLEAR	F	(54,560,585)	21,046,745	(54,787,592)	21,134,314
	SCRC	F	173	(67)	173	(67)
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$2,636,609	(\$1,017,072)	\$2,458,691	(\$948,440)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(202,199,490)	77,998,453	(202,199,490)	77,998,453
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	200,710,264	(77,423,984)	200,710,264	(77,423,984)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	2,009,281	(775,080)	1,800,047	(694,368)
(1)	INST./PROMOTIONAL ADVERTISING	F	566,728	(218,615)	528,484	(203,863)
(1)	INTEREST ON TAX DEFICIENCY	F	(1,445,994)	557,792	(1,317,055)	508,054
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(927,600)	357,822	(180,331)	69,563
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	724,244	(279,377)	675,372	(260,525)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	17,293	(6,671)	17,293	(6,671)
(2)	PARENT DEBT ADJUSTMENT	F	0	11,742,547	0	10,669,748
(2)	DIRECTORS & OFFICERS PREMIUM	F	1,542,803	(595,136)	1,542,803	(595,136)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	0	(13,940,793)	0	(13,940,793)
	Total		(\$233,614,229)	\$98,038,935	(\$176,589,310)	\$64,848,282

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI
(3) Docket No. 120022-EI

PROGRESS ENERGY FLORIDA
End of Period Rate of Return - Rate Base
March 2013

	Plant In Service	Accum Depr & Amort	Net Plant In Service	Future Use & Appd Unrecov Plant	Const Work in Progress	Nuclear Fuel (Net)	Net Utility Plant	Working Capital	Total Period End Rate Base
System Per Books	\$12,988,043,766	\$4,784,435,318	\$8,203,608,448	\$120,894,332	\$493,016,357	\$0	\$8,817,519,137	\$1,370,694,923	\$10,188,214,060
Regulatory Base - Retail	\$11,818,812,722	\$4,348,137,389	\$7,470,675,333	\$104,717,462	\$424,477,705	\$0	\$7,999,870,500	\$1,311,826,464	\$9,311,696,964
FPSC Adjustments									
ARO	(19,452,303)	(24,826,554)	5,374,250	-	-	-	5,374,250	(17,905,654)	(12,531,404)
ECCR	(16,315,407)	(1,675,684)	(14,639,723)	-	(16,627,525)	-	(31,267,248)	4,735,181	(26,532,067)
ECRC	(1,164,637,175)	(93,144,262)	(1,071,492,913)	-	(743,619)	-	(1,072,236,532)	(26,306,980)	(1,098,543,512)
FUEL	(31,188,445)	(30,252,791)	(935,654)	-	-	-	(935,654)	60,131,651	59,195,997
CCR	-	-	-	-	-	-	-	(17,093,661)	(17,093,661)
NUCLEAR	-	-	-	-	(147,715,278)	-	(147,715,278)	(156,171,057)	(303,886,336)
CR3 Removal	-	-	-	-	-	-	-	(313,209,907)	(313,209,907)
Derivatives	-	-	-	-	-	-	-	(85,220,539)	(85,220,539)
Employee Related	-	-	-	-	-	-	-	1,755,698	1,755,698
Investments Earning a Return	-	-	-	-	-	-	-	(67,383,654)	(67,383,654)
Jobbing Accounts	-	-	-	-	-	-	-	(19,448,149)	(19,448,149)
Non-Regulated and Miscellaneous	-	-	-	-	-	-	-	(2,358,807)	(2,358,807)
Rate Case Regulatory Asset	-	-	-	-	-	-	-	(812,418)	(812,418)
Retention Accounts	-	-	-	-	-	-	-	805,400	805,400
CWIP - AFUDC	-	-	-	-	(71,652,313)	-	(71,652,313)	-	(71,652,313)
Imputed Off Balance Sheet Obligations	-	-	-	-	-	-	-	800,149,739	800,149,739
Capital Lease	(188,571,354)	-	(188,571,354)	-	-	-	(188,571,354)	191,838,802	3,267,448
Total FPSC Adjustments	(1,420,164,684)	(149,899,291)	(1,270,265,394)	-	(236,738,735)	-	(1,507,004,129)	353,505,645	(1,153,498,484)
FPSC Adjusted	\$10,398,648,038	\$4,198,238,098	\$6,200,409,939	\$104,717,462	\$187,738,970	\$0	\$6,492,866,370	\$1,665,332,109	\$8,158,198,480

PROGRESS ENERGY FLORIDA
End of Period - Income Statement
March 2013

	Operating Revenues	Fuel & Net Interchange	O&M Other	Depr & Amort	Taxes Other than Income	Income Taxes Current	Deferred Income Tax (Net)	Investment Tax Credit (Net)	Gain/Loss on Disposition & Other	Total Operating Expenses	Net Operating Income
System Per Books (a)	\$4,621,759,257	\$2,234,475,126	\$1,067,504,369	\$208,282,603	\$342,460,636	(\$13,266,707)	\$227,160,154	(\$1,048,001)	\$0	\$4,065,568,179	\$556,191,077
Regulatory Base - Retail	\$4,342,548,106	\$2,121,100,578	\$1,007,971,996	\$173,328,839	\$330,013,906	(\$23,263,478)	\$203,601,374	(\$952,245)	\$0	\$3,811,800,970	\$530,747,137
FPSC Adjustments											
ARO	-	-	-	(88,349)	-	34,081	-	-	-	(54,268)	54,268
ECCR	(93,112,784)	-	(88,978,668)	(365,111)	(37,385)	(1,439,472)	-	-	-	(90,820,636)	(2,292,148)
ECRC	(191,590,522)	-	(33,392,135)	(26,361,932)	(10,451,365)	(46,824,298)	-	-	-	(117,029,731)	(74,560,791)
FUEL	(1,773,443,065)	(1,771,390,055)	-	(67,079)	(1,453,184)	(205,507)	-	-	-	(1,773,115,825)	(327,239)
CCR	(350,347,885)	(350,071,021)	-	-	-	(106,800)	-	-	-	(350,177,821)	(170,063)
NUCLEAR	(102,392,015)	-	(1,215,919)	(46,286,740)	(101,764)	(21,134,314)	-	-	-	(68,738,737)	(33,653,279)
SCRC	-	-	(173)	-	-	67	-	-	-	(106)	106
CORPORATE AIRCRAFT ALLOCATION	-	-	(2,458,691)	-	-	948,440	-	-	-	(1,510,251)	1,510,251
FRANCHISE FEE & GROSS REC TAX REVENUE	(202,199,490)	-	-	-	-	(77,998,453)	-	-	-	(77,998,453)	(124,201,036)
FRANCHISE FEES & GROSS REC TAX - TOI	-	-	-	-	(200,710,264)	77,423,984	-	-	-	(123,286,280)	123,286,280
GAIN/LOSS ON DISPOSITION & OTHER	-	-	-	-	-	694,388	-	-	(1,800,047)	(1,105,679)	1,105,679
INST./PROMOTIONAL ADVERTISING	-	-	(528,484)	-	-	203,863	-	-	-	(324,621)	324,621
INTEREST ON TAX DEFICIENCY	-	-	1,317,055	-	-	(508,054)	-	-	-	809,001	(809,001)
MISCELLANEOUS INTEREST EXPENSE	-	-	180,331	-	-	(69,563)	-	-	-	110,768	(110,768)
REMOVE ASSOC/ORGANIZATION DUES	-	-	(675,372)	-	-	260,525	-	-	-	(414,847)	414,847
REMOVE ECONOMIC DEVELOPMENT	-	-	(17,293)	-	-	6,671	-	-	-	(10,622)	10,622
PARENT DEBT ADJUSTMENT	-	-	-	-	-	(10,669,748)	-	-	-	(10,669,748)	10,669,748
SEBRING - RIDER REVENUE	-	-	-	-	-	-	-	-	-	-	-
DIRECTORS & OFFICERS PREMIUM	-	-	(1,542,803)	-	-	595,136	-	-	-	(947,667)	947,667
INTEREST SYNCHRONIZATION - FPSC	-	-	-	-	-	13,940,793	-	-	-	13,940,793	(13,940,793)
Total FPSC Adjustments	(2,713,085,760)	(2,121,461,076)	(127,312,152)	(73,169,211)	(212,753,963)	(64,848,282)	-	-	(1,800,047)	(2,601,344,731)	(111,741,029)
FPSC Adjusted	\$1,629,462,346	(\$360,498)	\$880,659,844	\$100,159,628	\$117,259,942	(\$88,111,760)	\$203,601,374	(\$952,245)	(\$1,800,047)	\$1,210,456,238	\$419,006,108

Footnotes:

(a) The addition of earnings from AFUDC charges would increase the system NOI by \$38,908,091 and Jurisdictional NOI by \$34,200,212

PROGRESS ENERGY FLORIDA
End of Period Rate of Return - Adjustments
March 2013

Schedule 3
Page 3 of 3

Notes	Rate Base Adjustments	P=Pro Forma F=FPSC	System	Retail
	ARO	F	(\$12,531,404)	(\$12,531,404)
	ECCR	F	(26,532,067)	(26,532,067)
	ECRC	F	(1,205,923,776)	(1,098,543,512)
	FUEL	F	59,195,997	59,195,997
	CCR	F	(17,093,661)	(17,093,661)
	NUCLEAR	F	(318,828,003)	(303,886,336)
	Derivatives	F	(85,220,539)	(85,220,539)
	CR3 Removal	F	(\$313,209,907)	(\$313,209,907)
	Employee Related	F	1,755,698	1,755,698
	Investments Earning a Return	F	(67,383,654)	(67,383,654)
	Jobbing Accounts	F	(19,448,149)	(19,448,149)
	Non-Regulated and Miscellaneous	F	(2,358,807)	(2,358,807)
	Rate Case Regulatory Asset	F	(812,418)	(812,418)
	Retention Accounts	F	805,400	805,400
(1)	CWIP - AFUDC	F	(\$90,836,903)	(71,652,313)
(3)	Imputed Off Balance Sheet Obligations	F	878,426,307	800,149,739
(2)	Capital Lease - EPIS	F	(188,571,354)	(188,571,354)
(2)	Capital Lease - Working Capital	F	191,838,802	191,838,802
	Total		(\$1,216,728,437)	(\$1,153,498,484)

Notes	Income Statement Adjustments (to NOI)	P=Pro Forma F=FPSC	System		Retail	
			Amount	Income Tax Effect	Amount	Income Tax Effect
	ARO	F	\$88,349	(\$34,081)	\$88,349	(\$34,081)
	ECCR	F	(3,731,620)	1,439,472	(3,731,620)	1,439,472
	ECRC	F	(191,885,762)	74,019,933	(121,385,089)	46,824,298
	FUEL	F	13,117,942	5,060,246	(532,746)	205,507
	CCR	F	(276,863)	106,800	(276,863)	106,800
	NUCLEAR	F	(54,560,585)	21,046,745	(54,787,592)	21,134,314
	SCRC	F	173	(67)	173	(67)
	CR3 Removal	F	\$0	\$0	\$0	\$0
(2)	CORPORATE AIRCRAFT ALLOCATION	F	\$2,838,609	(\$1,017,072)	\$2,458,691	(\$948,440)
(1)	FRANCHISE FEE & GROSS REC TAX REVENUE	F	(202,199,490)	77,998,453	(202,199,490)	77,998,453
(1)	FRANCHISE FEES & GROSS REC TAX - TOI	F	200,710,264	(77,423,984)	200,710,264	(77,423,984)
(1)	GAIN/LOSS ON DISPOSITION & OTHER	F	2,009,281	(775,080)	1,800,047	(694,368)
(1)	INST.PROMOTIONAL ADVERTISING	F	566,726	(218,615)	528,484	(203,863)
(1)	INTEREST ON TAX DEFICIENCY	F	(1,445,994)	557,792	(1,317,055)	508,054
(1)	MISCELLANEOUS INTEREST EXPENSE	F	(927,600)	357,822	(180,331)	69,583
(1)	REMOVE ASSOC/ORGANIZATION DUES	F	724,244	(279,377)	675,372	(260,525)
(1)	REMOVE ECONOMIC DEVELOPMENT	F	17,293	(6,671)	17,293	(6,671)
(2)	PARENT DEBT ADJUSTMENT	F	-	11,742,547	-	10,669,748
(2)	STORM COSTS 2004	F	1,542,803	(595,136)	1,542,803	(595,136)
(1)	INTEREST SYNCHRONIZATION - FPSC	F	-	(13,940,793)	-	(13,940,793)
	Total		(\$233,614,229)	\$98,038,935	(\$176,589,310)	\$64,848,282

Notes: (1) Docket No. 910890-EI, Order No. PSC 92-0208-FOF-EI
(2) Docket No. 090079-EI, Order No. PSC 10-0131-FOF-EI

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
Pro Forma Adjusted Basis
March 2013

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,812,110,748	856,010,517	(\$800,596,558)	\$4,867,524,707	\$3,981,200,111	47.18%	9.50%	4.48%	10.50%	4.95%	11.50%	5.43%
Preferred Stock	30,920,031		(4,367,315)	26,552,716	21,717,748	0.26%	4.56%	0.01%	4.56%	0.01%	4.56%	0.01%
Long Term Debt - Fixed	4,611,452,155		(651,346,813)	3,960,105,342	3,239,012,183	38.38%	5.65%	2.17%	5.65%	2.17%	5.65%	2.17%
Short Term Debt *	144,708,862	(11,858,006)	(18,764,584)	114,086,272	93,312,373	1.11%	0.81%	0.01%	0.81%	0.01%	0.81%	0.01%
Customer Deposits												
Active	213,923,104		(30,215,673)	183,707,430	183,707,430	2.18%	3.83%	0.08%	3.83%	0.08%	3.83%	0.08%
Inactive	1,355,755		(191,494)	1,164,261	1,164,261	0.01%						
Investment Tax Credit												
Post '70 Total	3,191,644		(450,805)	2,740,838								
Equity **					1,239,115	0.01%	9.68%	0.00%	10.70%	0.00%	11.71%	0.00%
Debt **					1,002,646	0.01%	5.77%	0.00%	5.77%	0.00%	5.77%	0.00%
Deferred Income Taxes	1,404,867,991	120,887,466	(215,506,075)	1,310,249,382	1,071,666,873	12.70%						
FAS 109 DIT - Net	(221,793,011)		31,327,262	(190,465,748)	(155,783,957)	-1.85%						
Total	\$11,000,737,279	\$965,039,977	(\$1,690,112,056)	\$10,275,665,200	\$8,438,238,783	100.00%		6.75%		7.22%		7.70%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Pro Forma Adjusted Basis
March 2013

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,909,523,590	856,471,818	(\$573,142,337)	\$5,192,853,071	\$3,818,756,238	46.81%	9.50%	4.45%	10.50%	4.91%	11.50%	5.38%
Preferred Stock	0		-	0	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Long Term Debt - Fixed	4,648,682,633		(462,080,983)	4,186,601,650	3,078,772,102	37.74%	5.61%	2.12%	5.61%	2.12%	5.61%	2.12%
Short Term Debt *	238,048,000	117,903,378	(35,381,715)	320,569,663	235,742,738	2.89%	0.81%	0.02%	0.81%	0.02%	0.81%	0.02%
Customer Deposits												
Active	213,705,392		(21,242,405)	192,462,988	192,462,988	2.36%	2.29%	0.05%	2.29%	0.05%	2.29%	0.05%
Inactive	1,687,682		(167,756)	1,519,925	1,519,925	0.02%						
Investment Tax Credit												
Post '70 Total	2,712,765		(269,650)	2,443,115								
Equity **					994,691	0.01%	11.49%	0.00%	12.70%	0.00%	13.91%	0.00%
Debt **					801,944	0.01%	6.79%	0.00%	6.79%	0.00%	6.79%	0.00%
Deferred Income Taxes	1,476,945,430	(569,083)	(146,752,422)	1,329,623,925	977,788,046	11.99%						
FAS 109 DIT - Net	(224,433,982)		22,308,831	(202,125,151)	(148,640,193)	-1.82%						
Total	\$11,266,871,511	\$973,806,113	(\$1,216,728,437)	\$11,023,949,187	\$8,158,198,480	100.00%		6.64%		7.10%		7.57%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
Average Rate of Return - Capital Structure
FPSC Adjusted Basis
March 2013

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,812,110,748	856,010,517	(\$800,596,558)	\$4,867,524,707	\$3,981,200,111	47.18%	9.50%	4.48%	10.50%	4.95%	11.50%	5.43%
Preferred Stock	30,920,031		(4,367,315)	26,552,716	21,717,748	0.26%	4.56%	0.01%	4.56%	0.01%	4.56%	0.01%
Long Term Debt - Fixed	4,611,452,155	0	(651,346,813)	3,960,105,342	3,239,012,183	38.38%	5.65%	2.17%	5.65%	2.17%	5.65%	2.17%
Short Term Debt *	144,708,862	(11,858,006)	(18,764,584)	114,086,272	93,312,373	1.11%	0.81%	0.01%	0.81%	0.01%	0.81%	0.01%
Customer Deposits												
Active	213,923,104		(30,215,673)	183,707,430	183,707,430	2.18%	3.83%	0.08%	3.83%	0.08%	3.83%	0.08%
Inactive	1,355,755		(191,494)	1,164,261	1,164,261	0.01%						
Investment Tax Credit												
Post '70 Total	3,191,644		(450,805)	2,740,838								
Equity **					1,239,115	0.01%	9.68%	0.00%	10.70%	0.00%	11.71%	0.00%
Debt **					1,002,646	0.01%	5.77%	0.00%	5.77%	0.00%	5.77%	0.00%
Deferred Income Taxes	1,404,867,991	120,887,466	(215,506,075)	1,310,249,382	1,071,666,873	12.70%						
FAS 109 DIT - Net	(221,793,011)		31,327,262	(190,465,748)	(155,783,957)	-1.85%						
Total	\$11,000,737,279	\$965,039,977	(\$1,690,112,056)	\$10,275,665,200	\$8,438,238,783	100.00%		6.75%		7.22%		7.70%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
End of Period - Capital Structure
Adjusted Basis
March 2013

	System Per Books	Specific Adjustments	Pro Rata Adjustments	System Adjusted	FPSC Adjusted Retail	Ratio	Low Point		Mid Point		High Point	
							Cost Rate	Weighted Cost	Cost Rate	Weighted Cost	Cost Rate	Weighted Cost
Common Equity	\$4,909,523,590	\$856,471,818	(\$573,142,337)	\$5,192,853,071	\$3,818,756,238	46.81%	9.50%	4.45%	10.50%	4.91%	11.50%	5.38%
Preferred Stock	0		-	-	0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Long Term Debt - Fixed	4,648,682,633	0	(462,080,983)	4,186,601,650	3,078,772,102	37.74%	5.61%	2.12%	5.61%	2.12%	5.61%	2.12%
Short Term Debt *	238,048,000	117,903,378	(35,381,715)	320,569,663	235,742,738	2.89%	0.81%	0.02%	0.81%	0.02%	0.81%	0.02%
Customer Deposits				-								
Active	213,705,392		(21,242,405)	192,462,988	192,462,988	2.36%	2.29%	0.05%	2.29%	0.05%	2.29%	0.05%
Inactive	1,687,682		(167,756)	1,519,925	1,519,925	0.02%						
Investment Tax Credit				-								
Post '70 Total	2,712,765		(269,650)	2,443,115								
Equity **				-	994,691	0.01%	11.49%	0.00%	12.70%	0.00%	13.91%	0.00%
Debt **				-	801,944	0.01%	6.79%	0.00%	6.79%	0.00%	6.79%	0.00%
Deferred Income Taxes	1,476,945,430	(569,083)	(146,752,422)	1,329,623,925	977,788,046	11.99%						
FAS 109 DIT - Net	(224,433,982)		22,308,831	(202,125,151)	(148,640,193)	-1.82%						
Total	\$11,266,871,511	\$973,806,113	(\$1,216,728,437)	\$11,023,949,187	\$8,158,198,480	100.00%		6.64%		7.10%		7.57%

* Daily Weighted Average

**Cost Rates Calculated Per IRS Ruling

PROGRESS ENERGY FLORIDA
Financial Integrity Indicators
March 2013

Schedule 5

A: TIMES INTEREST EARNED WITH AFUDC

Earnings Before Interest	\$490,596,732
AFUDC - Debt	\$13,255,647
Income Taxes	\$144,277,893
Total	\$648,130,272
Interest Charges (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$256,182,457
T.I.E. with AFUDC	2.53

B: TIMES INTEREST EARNED WITHOUT AFUDC

Earnings Before Interest	\$490,596,732
AFUDC - Equity	(\$25,652,444)
Income Taxes	\$144,277,893
Total	\$609,222,181
Interest Charges (before deducting AFUDC-Debt & CR3 reg asset carrying charge)	\$256,182,457
T.I.E. without AFUDC	2.38

**C: PERCENT AFUDC TO NET INCOME AVAILABLE
FOR COMMON SHAREHOLDERS**

AFUDC - Debt	\$13,255,647
Less: DIT	\$0
Subtotal	\$13,255,647
AFUDC - Other	\$25,652,444
Total AFUDC	\$38,908,091
Net Income Available For Common Shareholders	\$247,948,017
Percent AFUDC to Available Net Income	15.69%

D: PERCENT INTERNALLY GENERATED FUNDS

Net Income	\$249,356,482
Common Dividends	(\$65,000,000)
Preferred Dividends	(\$1,408,465)
AFUDC Equity	(\$25,652,444)
Depreciation & Amortization	\$219,362,224
Deferred Income Taxes	\$159,829,393
Investment Tax Credits	(\$1,048,001)
Other - Incl Nuclear Decommissioning	\$161,683,059
Funds Provided from Operations	\$697,122,248
Other Funds Provided - Incl Change in Working Capital	\$80,155,853
Total Funds Provided	\$777,278,101
Construction Expenditures (excluding AFUDC)	\$836,481,016
Percentage Internally Generated Funds	92.92%

**E: SHORT TERM DEBT / LONG TERM DEBT AS
PERCENT OF TOTAL INVESTOR CAPITAL - FPSC**

Common Equity	\$3,981,200,111
Preferred Stock	\$21,717,748
Long Term Debt - Fixed Rate	\$3,239,012,183
Short Term Debt	\$93,312,373
Total	\$7,335,242,415
% Long Term Debt - Fixed Rate	44.16%
% Short Term Debt	1.27%

**FPSC ADJUSTED AVERAGE
JURISDICTIONAL AND PRO FORMA**

F: RETURN ON COMMON EQUITY	Pro Forma	FPSC
Average Earned Rate of Return	5.60%	4.86%
Less Reconciled Average Retail Weighted Cost Rates for:		
Preferred Stock	0.01%	0.01%
Long Term Debt - Fixed Rate	2.17%	2.17%
Short Term Debt	0.01%	0.01%
Customer Deposits	0.08%	0.08%
Investment Tax Credit (at Midpoint)		
Equity	0.00%	0.00%
Debt	0.00%	0.00%
Subtotal	2.27%	2.27%
Total	3.33%	2.59%
Divided by Common Equity Ratio	47.18%	47.18%
Jurisdictional Return on Common Equity	7.06%	5.49%