

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

Filing Date: **1994-10-24** | Period of Report: **1994-10-20**

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### FILER

#### FLORIDA PROGRESS CORP

CIK: **357261** | IRS No.: **592147112** | State of Incorporation: **FL** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-08349** | Film No.: **94554746**  
SIC: **4911** Electric services

Mailing Address  
*PO BOX 14042*  
*ST PETERSBURG FL 33733*

Business Address  
*P O BOX 33042*  
*ST PETERSBURG FL 33733*  
*8138246400*

#### FLORIDA POWER CORP

CIK: **37637** | IRS No.: **590247770** | State of Incorporation: **FL** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **001-03274** | Film No.: **94554747**  
SIC: **4911** Electric services

Mailing Address  
*P.O. BOX 14042*  
*ST. PETERSBURG FL 33716*

Business Address  
*P.O. BOX 14042*  
*ST PETERSBURG FL 33716*  
*8138665151*

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):  
October 20, 1994

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Commission File No.	Exact name of Registrant as specified in its charter, address of principal executive offices, telephone	State of Incorporation	I.R.S. Employer Identification No.
1-8349	FLORIDA PROGRESS CORPORATION One Progress Plaza St. Petersburg, Florida 33701 Telephone (813) 824-6400	Florida	59-2147112
1-3274	FLORIDA POWER CORPORATION 3201 34th Street South St. Petersburg, Florida 33711 Telephone (813) 866-5151	Florida	59-0247770

</TABLE>

The address of neither registrant has changed since the last report.

This combined Form 8-K represents separate filings by Florida Progress Corporation and Florida Power Corporation. Information contained herein relating to any individual registrant is filed by each registrant on its own behalf. Neither registrant makes any representations as to the information relating to the other registrant.

Item 5. Other Events

In light of ongoing securities offerings by Florida Progress Corporation ("Florida Progress") and its subsidiaries, including Florida Power Corporation ("Florida Power") and Progress Capital Holdings, Inc., the following information is being presented pending distribution of the Florida Progress and Florida Power Quarterly Reports on Form 10-Q for the quarter ended September 30, 1994:

Florida Progress issued a news release dated October 20, 1994 and a related Investor Information report of even date therewith reporting third quarter 1994 earnings. Copies of the news release and report are being filed herewith as Exhibits 99.(a) and 99.(b), respectively.

Item 7. Financial Statements and Exhibits

(c) Exhibits:

Exhibit Number (by  
reference to Item 601  
of Regulation S-K)

Description of Exhibit

- 99.(a) Florida Progress Corporation News Release dated October 20, 1994 regarding third quarter earnings.
- 99.(b) Florida Progress Corporation Investor Information Report dated October 20, 1994.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FLORIDA PROGRESS CORPORATION

FLORIDA POWER CORPORATION

/s/ David R. Kuzma

By: \_\_\_\_\_  
David R. Kuzma  
Vice President and Treasurer  
of each Registrant

Date: October 20, 1994

EXHIBIT INDEX

Exhibit No. Description of Exhibit

- 99.(a) Florida Progress Corporation News Release dated October 20, 1994 regarding third quarter earnings.
- 99.(b) Florida Progress Corporation Investor Information Report dated October 20, 1994.

NEWS RELEASE  
 Florida Progress Corporation  
 One Progress Plaza  
 St. Petersburg, Florida 33701  
 Contact: Karen Raihill - (813) 866-5023

Florida Progress Corporation reports third-quarter earnings of \$75.1 million

ST. PETERSBURG, Fla. (October 20, 1994) -- Florida Progress Corporation, parent of St. Petersburg-based Florida Power Corporation, today reported third-quarter earnings of \$75.1 million, compared with \$82 million earned during the same period a year ago.

Revenues for the quarter ended September 30, 1994, totaled \$745 million, compared with \$768.9 million for the third quarter of 1993. Earnings per share in the third quarter of 1994 were 80 cents, compared with 93 cents a share earned during the same three-month period last year.

Florida Power, the largest subsidiary of Florida Progress, earned \$69.4 million, or 74 cents per share, on revenues of \$586.5 million in this year's third quarter, compared with earnings of \$81.5 million, or 92 cents a share, on revenues of \$609 million for the same period a year ago.

Lower retail kilowatt-hour sales during this year's third quarter contributed to the reduced earnings at Florida Power. Also reducing utility results were two one-time charges against earnings - one for work force reduction costs and another because of a decision to withdraw as an equity partner from a gas pipeline project.

During the third quarter, frequent afternoon thunderstorms lowered normally high temperatures across Florida Power's 32-county service territory. This reduced electricity demand and customer usage from July to September, compared with a year ago, when Florida Power customers used record amounts of power. Six times last summer, the utility set system demand peaks.

In this year's third quarter, retail energy sales declined 3.7 percent, compared with the same period in 1993. Florida Power's average residential customer used 6.5 percent less electricity in the third quarter of 1994 than during the same three-month period last year. Partly offsetting the decline in third-quarter sales was customer growth of about 2 percent during the past year.

Earlier this month, Florida Power announced that about 300 jobs would be eliminated by the end of the year as part of its continuing efforts to reduce costs. Expenses associated with these work force reductions resulted in an after-tax charge against third-quarter earnings of \$4.4 million. Later this year, Florida Power will recognize a pension plan gain related to these work force reductions, which will increase fourth-quarter earnings by approximately \$2.5 million. In addition, last month's decision to withdraw as an equity partner from the proposed 715-mile SunShine gas pipeline project reduced Florida Power's after-tax earnings in the third quarter by \$3.9 million.

Earnings from Florida Progress' diversified operations for the quarter ended September 30, 1994, were \$5.7 million, or 6 cents per share, compared with \$500,000, or 1 cent a share, earned during last year's third quarter.

Electric Fuels Corporation, the company's coal mining and transportation subsidiary, posted higher operating results this year over the same three-month period a year ago. Also, diversified results were higher this year than last year because of the 1993 changes in the federal corporate income tax rate. The higher tax rate and its related impact on accounting for long-term leveraged leases lowered third-quarter earnings in 1993.

Florida Progress (NYSE: FPC) is a diversified utility holding company with assets of \$5.7 billion. Its principal subsidiary is Florida Power Corporation, the state's second-largest electric utility with more than 1.2 million customers. Diversified operations include coal mining and transportation, life insurance, real estate, and lending and leasing.

<TABLE>  
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	Three Months Ended September 30		Twelve Months Ended September 30	
	1994	1993	1994	1993
<S>	<C>	<C>	<C>	<C>
Revenues	\$745,000,000	\$768,900,000	\$2,689,300,000	\$2,309,000,000

Income Before Change in Accounting	\$ 75,100,000	\$ 82,000,000	\$ 201,000,000	\$ 194,700,000
Change in Accounting for Income Taxes	-	-	-	800,000
	-----	-----	-----	-----
Consolidated	\$ 75,100,000	\$ 82,000,000	\$ 201,000,000	\$ 195,500,000
	=====	=====	=====	=====
Earnings Per Share (EPS):				
Florida Power Corporation	\$ .74	\$ .92	\$ 1.96	\$ 2.14
Diversified Operations	.06	.01	.25	.07
Income Before Change in Accounting	-----	-----	-----	-----
Change in Accounting for Income Taxes	.80	.93	2.21	2.21
	-	-	-	.01
	-----	-----	-----	-----
Consolidated	\$ .80	\$ .93	\$ 2.21	\$ 2.22
	=====	=====	=====	=====
Average Common Shares Outstanding	93,870,194	88,576,989	90,960,841	87,896,357

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FLORIDA PROGRESS CORPORATION  
One Progress Plaza  
St. Petersburg, Florida 33701  
Fax: (813) 824-6401

INVESTOR INFORMATION

Analysts' Contacts:

Richard R. Champion, Director, Investor Relations (813) 824-6428  
Mark A. Myers, Manager, Investor Communications (813) 824-6422

October 20, 1994

Florida Progress reports lower third-quarter 1994 earnings

Florida Progress, parent of St. Petersburg-based Florida Power Corporation, today reported third-quarter earnings of \$75.1 million, or 80 cents per share, compared with \$82 million, or 93 cents a share, earned during the same period a year ago. Revenues for the quarter ended September 30, 1994, totaled \$745 million, compared with \$768.9 million for the third quarter of 1993.

Third-quarter earnings were affected by:

- Lower electricity sales at Florida Power.
- A one-time charge that resulted from eliminating about 300 jobs.
- Another one-time charge from withdrawing as an equity partner in a gas pipeline project.

Florida Power, the largest subsidiary of Florida Progress, earned \$69.4 million, or 74 cents per share, on revenues of \$586.5 million in this year's third quarter, compared with earnings of \$81.5 million, or 92 cents a share, on revenues of \$609 million for the same period a year ago.

Lower retail kilowatt-hour sales during this year's third quarter contributed to the reduced earnings at Florida Power. Also reducing utility results were two one-time charges against earnings -- one for work force reduction costs and another because of a decision to withdraw as an equity partner in a gas pipeline project.

During the third quarter, frequent afternoon thunderstorms lowered normally high temperatures across Florida Power's 32-county service territory. This reduced electricity demand and customer usage from July to September, compared with a year ago, when Florida Power customers used record amounts of power. Six times last summer, the utility set system demand peaks.

In this year's third quarter, retail energy sales declined 3.7 percent, compared with the same period in 1993. Florida Power's average residential customer used

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Florida Progress Corporation  
Investor Information - Florida Progress reports lower third-quarter 1994 earnings

6.5 percent less electricity in the third quarter of 1994 than during the same three-month period last year. Partly offsetting the decline in third-quarter sales was customer growth of about 2 percent during the past year.

Earlier this month, Florida Power announced that about 300 jobs would be eliminated by the end of the year as part of its continuing efforts to reduce costs. Expenses associated with these work force reductions resulted in an after-tax charge against third-quarter earnings of \$4.4 million, or 5 cents per share. Later this year, Florida Power will recognize a pension plan gain related to these work force reductions, which

will increase fourth-quarter earnings by approximately \$2.5 million.

In addition, last month's decision to withdraw as an equity partner from the proposed 715-mile SunShine gas pipeline project reduced Florida Power's after-tax earnings in the third quarter by \$3.9 million, or 4 cents a share.

Earnings from Florida Progress' diversified operations for the quarter ended September 30, 1994, were \$5.7 million, or 6 cents per share, compared with \$500,000, or 1 cent a share, earned during last year's third quarter.

Electric Fuels Corporation, the company's coal mining and transportation subsidiary, posted higher operating results during this year's third quarter over the same three-month period in 1993. Diversified earnings also were improved this year because, a year ago, Florida Progress recognized a \$1 million after-tax loss on the sale of four apartment complexes.

During last year's third quarter, a one-percent increase in the federal corporate income tax rate went into effect, retroactive to January 1, 1993. The increase in the tax rate -- and its impact on accounting for long-term leveraged leases -- lowered Florida Progress' consolidated earnings related to the first six months of 1993 by \$4.5 million. The retroactive tax rate change reduced third-quarter 1993 diversified earnings by \$3.4 million, mostly related to a one-time deferred tax adjustment. At Florida Power, the rate change added \$1.1 million in tax expense in the third quarter related to income earned during the first six months of 1993.

#### NINE-MONTH SUMMARY OF OPERATING RESULTS

For the nine months ended September 30, 1994, consolidated earnings from Florida Progress' operations were \$163.8 million, or \$1.79 per share, on revenues of \$2.056 billion, compared with earnings of \$159.4 million, or \$1.81 a share, on revenues of \$1.816 billion from a year ago.

Florida Power's earnings for the first nine months of this year were \$148.8 million, or \$1.62 per share, on revenues of \$1.587 billion. During the same nine-month

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Florida Progress Corporation  
Investor Information - Florida Progress reports lower third-quarter 1994 earnings

period in 1993, utility earnings were \$152.1 million, or \$1.73 a share, on revenues of \$1.478 billion.

Higher energy sales at Florida Power this year were offset by increased costs for an early retirement program and work force reductions, as well as a write-off related to the utility withdrawing as an equity partner from a gas pipeline project.

In early 1994, the utility recognized after-tax expenses of \$9.5 million, or 11 cents a share, to cover costs associated with its early retirement program. Expenses associated with eliminating an additional 300 jobs by the end of this year resulted in an after-tax charge of \$4.4 million, or 5 cents a share, in this year's third quarter.

Florida Power's decision to withdraw as an equity partner from the proposed SunShine gas pipeline project reduced 1994 after-tax earnings by \$3.9 million, or 4 cents a share. Additional depreciation expenses also lowered Florida Power's 1994 earnings by \$10.5 million.

Year-to-date earnings from Florida Progress' diversified operations were \$15 million, or 17 cents per share, compared with \$6.5 million, or 7 cents a share, for the first nine months of 1993. Electric Fuels has continued to post a significant earnings increase in 1994 due to an acquisition it made last year. Also, diversified earnings are up during the first nine months of this year because, a year ago, the change in the federal corporate income tax rate reduced nine-month results by \$3.3 million.

Florida Progress (NYSE: FPC) is a diversified utility holding company with assets of \$5.7 billion. Its principal subsidiary is Florida Power Corporation, the state's second-largest electric utility with more than 1.2

million customers. Diversified operations include coal mining and transportation, life insurance, real estate, and lending and leasing.

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<TABLE>

Florida Progress Corporation Page 4  
Selected Financial Information (Unaudited)  
(In millions)

<CAPTION>

<S>	<C>	<C>	Three Months Ended			Nine Months Ended			Twelve Months Ended		
			September 30 1994	September 30 1993	Percent Change	September 30 1994	September 30 1993	Percent Change	September 30 1994	September 30 1993	Percent Change
Revenues:											
Electric utility			\$586.5	\$609.0	(3.7)	\$1,587.0	\$1,477.9	7.4	\$2,066.7	\$1,885.6	9.6
Diversified			158.5	159.9	(0.9)	468.8	337.6	38.9	622.6	423.4	47.0
<b>Total revenues</b>			<b>745.0</b>	<b>768.9</b>	<b>(3.1)</b>	<b>2,055.8</b>	<b>1,815.5</b>	<b>13.2</b>	<b>2,689.3</b>	<b>2,309.0</b>	<b>16.5</b>
Expenses:											
Electric utility:											
Fuel and purchased power			207.5	217.8	(4.7)	543.4	492.9	10.2	709.0	625.5	13.3
Other operation and maintenance			126.6	128.2	(1.2)	398.4	370.8	7.4	542.4	483.6	12.2
Depreciation and other taxes			108.7	105.4	3.1	319.1	294.5	8.4	417.4	374.4	11.5
<b>Total utility expenses</b>			<b>442.8</b>	<b>451.4</b>	<b>(1.9)</b>	<b>1,260.9</b>	<b>1,158.2</b>	<b>8.9</b>	<b>1,668.8</b>	<b>1,483.5</b>	<b>12.5</b>
Diversified			148.3	145.3	2.1	430.7	300.8	43.2	570.2	377.4	51.1
<b>Total expenses</b>			<b>591.1</b>	<b>596.7</b>	<b>(0.9)</b>	<b>1,691.6</b>	<b>1,459.0</b>	<b>15.9</b>	<b>2,239.0</b>	<b>1,860.9</b>	<b>20.3</b>
Income from operations			153.9	172.2	(10.6)	364.2	356.5	2.2	450.3	448.1	0.5
Interest expense and other			41.6	35.0	18.9	115.1	103.4	11.3	148.1	145.0	2.1
Income before income taxes			112.3	137.2	(18.1)	249.1	253.1	(1.6)	302.2	303.1	(0.3)
Income taxes			37.2	55.2	(32.6)	85.3	94.5	(9.7)	101.2	108.4	(6.6)
Income before cumulative effect of accounting change			75.1	82.0	(8.4)	163.8	158.6	3.3	201.0	194.7	3.2
Cumulative effect of change in accounting for income taxes			-	-	-	-	\$0.8	-	-	\$0.8	-
<b>Net Income</b>			<b>\$75.1</b>	<b>\$82.0</b>	<b>(8.4)</b>	<b>\$163.8</b>	<b>\$159.4</b>	<b>2.8</b>	<b>\$201.0</b>	<b>\$195.5</b>	<b>2.8</b>

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Florida Progress Corporation Page 5  
Selected Financial Information (Unaudited)

<CAPTION>

<S>	<C>	<C>	Three Months Ended			Nine Months Ended			Twelve Months Ended		
			September 30 1994	September 30 1993	Percent Positive (Negative)	September 30 1994	September 30 1993	Percent Positive (Negative)	September 30 1994	September 30 1993	Percent Positive (Negative)
Earnings Per Share:											
Florida Power Corporation			\$0.74	\$0.92	(19.6)	\$1.62	\$1.73	(6.4)	\$1.96	\$2.14	(8.4)
Electric Fuels Corporation			0.07	0.05	40.0	0.16	0.11	45.5	0.22	0.15	46.7
Mid-Continent Life Insurance Co.			0.01	0.02	(50.0)	0.06	0.07	(14.3)	0.08	0.10	(20.0)
Progress Credit Corporation											
Lending and Leasing			-	(0.02)	-	0.02	-	-	0.04	0.01	300.0
Real estate			(0.02)	(0.03)	33.3	(0.05)	(0.07)	28.6	(0.05)	(0.18)	72.2
Corporate and other			-	(0.01)	-	(0.02)	(0.04)	50.0	(0.04)	(0.01)	(300.0)
<b>Diversified (before SFAS 109)</b>			<b>0.06</b>	<b>0.01</b>	<b>500.0</b>	<b>0.17</b>	<b>0.07</b>	<b>142.9</b>	<b>0.25</b>	<b>0.07</b>	<b>257.1</b>
Before accounting change			0.80	0.93	(14.0)	1.79	1.80	(0.6)	2.21	2.21	-
Change in accounting			-	-	-	-	0.01	-	-	0.01	-



Total	\$0.80	\$0.93	(14.0)	\$1.79	\$1.81	(1.1)	\$2.21	\$2.22	(0.5)
Avg. shares outstanding (millions)	93.9	88.6	6.0	91.6	88.1	4.0	91.0	87.9	3.5
Dividends per share	\$0.495	\$0.485	2.1	\$1.485	\$1.455	2.1	\$1.980	\$1.940	2.1
Book value per share:									
Florida Power Corporation							\$17.59	\$17.11	2.8
Consolidated							\$20.96	\$20.42	2.6

	September 30		September 30				
	1994	1993	1994		1993		
			Amount	Percent	Amount	Percent	
Equity investments (percent):			Capitalization (in millions):				
Florida Power Corporation	84	84	Common stock	\$1,973.3	48.5	\$1,813.9	45.5
Electric Fuels Corporation	8	8	Preferred stock	148.5	3.6	183.5	4.6
Mid-Continent Life Insurance Co.	4	4	Long-term debt	1,867.9	45.9	1,838.1	46.2
Progress Credit Corporation	4	4	Short-term				
			capital	79.3	2.0	147.1	3.7
Total	100	100	Total	\$4,069.0	100.0	\$3,982.6	100.0

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Florida Power Corporation  
Selected Statistical Data (Unaudited)  
(In millions, except billing degree days)

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<CAPTION>

	Three Months Ended			Nine Months Ended			Twelve Months Ended		
	September 30		Percent Change	September 30		Percent Change	September 30		Percent Change
	1994	1993		1994	1993		1994	1993	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
Revenues:									
Residential	\$336.6	\$346.0	(2.7)	\$876.9	\$796.8	10.1	\$1,138.8	\$1,017.4	11.9
Commercial	133.4	136.8	(2.5)	358.6	341.2	5.1	475.3	444.4	7.0
Industrial	44.5	43.1	3.2	128.2	120.9	6.0	169.2	156.5	8.1
Other retail sales	28.6	28.4	0.7	79.2	72.7	8.9	106.2	97.4	9.0
	543.1	554.3	(2.0)	1,442.9	1,331.6	8.4	1,889.5	1,715.7	10.1
Sales for resale	38.7	37.0	4.6	96.2	87.4	10.1	131.1	112.4	16.6
	581.8	591.3	(1.6)	1,539.1	1,419.0	8.5	2,020.6	1,828.1	10.5
Other electric revenues	7.3	17.7	(58.8)	45.0	60.5	(25.6)	50.6	60.0	(15.7)
Deferred fuel	(2.6)	--	--	2.9	(1.6)	--	(4.5)	(2.5)	--
Total	\$586.5	\$609.0	(3.7)	\$1,587.0	\$1,477.9	7.4	\$2,066.7	\$1,885.6	9.6
Kilowatt-hour sales billed:									
Residential	4,207.2	4,414.4	(4.7)	10,772.6	10,176.3	5.9	13,968.9	13,173.8	6.0
Commercial	2,335.9	2,342.6	(0.3)	6,184.6	5,889.6	5.0	8,179.8	7,775.7	5.2
Industrial	933.7	873.9	6.8	2,692.9	2,534.2	6.3	3,539.5	3,340.2	6.0
Other retail sales	537.4	526.3	2.1	1,468.5	1,390.8	5.6	1,967.8	1,862.9	5.6
	8,014.2	8,157.2	(1.8)	21,118.6	19,990.9	5.6	27,656.0	26,152.6	5.7
Sales for resale	781.0	670.3	16.5	1,721.8	1,437.5	19.8	2,403.8	1,956.3	22.9
Total electric sales	8,795.2	8,827.5	(0.4)	22,840.4	21,428.4	6.6	30,059.8	28,108.9	6.9
System Requirements (KWH)	8,934	9,413	(5.1)	24,101	23,239	3.7	31,132	29,705	4.8
Retail KWH Sales (Billed & Unbilled)	7,835	8,139	(3.7)	21,218	20,448	3.8	27,544	26,260	4.9
Billing Degree Days: Cooling	2,024	2,365	(14.4)	2,790	2,758	1.2	3,418	3,388	0.9

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483

397

21.7

594

521

14.0

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Note: Total revenues include billed revenues and unbilled revenues that are accrued for accounting purposes. Statistics for total kilowatt-hour sales only

include billed kilowatt-hour sales. The statistic for system requirements is based on total system generation, so it includes billed and unbilled sales. Since system requirements include billed and unbilled kilowatt-hour sales, it is a better measure of total sales growth.