

ORIGINAL



April 9th, 2003

000824-EI

Ms. Blanca S. Bayo
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
Betty Easley Conference Center, Rm 110
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Order PSC-02-0655-AS-EI
Revenue Sharing Refund

Dear Ms. Bayo:

Enclosed is Progress Energy Florida's initial Revenue Sharing Refund Report per PSC Order No. PSC-02-0655-AS-EI. This report was prepared in accordance with Commission Rule 25-6.109, F.A.C. The refunds were completed March 28th, 2003.

If you have any questions, please feel free to contact Javier Portuondo at (727) 820-5835.

Sincerely,

Javier J. Portuondo
Manager
Regulatory Services - Florida

JS/hb
Attachment

- AUS _____
- CAF _____ cc:
- CMP _____
- COM _____ Tim Devlin – Director, Division of Economic Regulation
- CTR _____ John W. McWhirter, Jr., Esq. – Florida Industrial Power Users Group
- ECR _____ Jack Shreve – Office of Public Counsel
- GCL _____
- OPC _____
- MMS _____
- SEC _____ I
- OTH _____

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**Progress Energy Florida
Revenue Sharing Refund
Initial Report**

This report is being filed in accordance with Commission Rule 25-6.109, F.A.C.

7(a) Progress Energy Florida was required to refund certain retail base rate revenues above \$1.296 million, in accordance with the terms approved by the Commission in Order No. PSC-02-0655-AS-EI.

Specifically, Progress Energy Florida's retail base rate revenues between the sharing threshold amount of \$1.296 million and the cap of \$1.356 million were to be divided into two shares on a 1/3, 2/3 basis. Progress Energy Florida's shareholders receiving the 1/3 share. The 2/3 share was to be refunded to retail customers. For 2002 only, the refund to customers is limited to 67.1% because of the implementation date of the Rate Case Settlement Agreement of May 1, 2002.

Total Retail Base Revenues	\$1,307,069,903
Less: 2002 Refund Threshold	<u>1,296,000,000</u>
Variance from threshold	11,069,903
Amount subject to sharing (67.1%)	7,427,905
Amount to be refunded(2/3 to customers)	4,954,413
Plus interest through 12/31/03	<u>44,077</u>
Amount of Refund	<u>\$ 4,998,489</u>

7(b) The amounts actually refunded are as follows:

Amount refunded through 3/28/03	\$ 4,995,649
Refund amount per 7(a)	<u>4,998,489</u>
Over/(Under) refund at 3/28/03	<u>\$ 2,840</u>

7(c) No unclaimed refunds have been identified to date.

7(d) See response to 7(c) above.