

JAMES A. MCGEE ASSOCIATE GENERAL COUNSEL PROGRESS ENERGY SERVICE CO., LLC

August 15, 2003

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 030001-EI

Dear Ms. Bayó:

Enclosed for filing in the subject docket on behalf of Progress Energy Florida, Inc., formerly Florida Power Corporation, are an original and ten copies of its Supplemental Notice of Fuel and Capacity Cost Under-Recovery.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc Enclosure

cc: Parties of record

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PROGRESS ENERGY FLORIDA

DOCKET NO. 030001-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of Progress Energy Florida's Supplemental Notice of Fuel and Capacity Cost Under-Recovery has been furnished to the following individuals by regular U.S. Mail the 18th day of August, 2003:

Wm. Cochran Keating IV, Esquire Office of General Counsel Economic Regulation Section Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Robert Vandiver, Esquire Office of the Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400

Lee L. Willis, Esquire James D. Beasley, Esquire Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302

John T. Butler, Esquire Steel, Hector & Davis 200 South Biscayne Blvd., Suite 4000 Miami, FL 33131-2398 Jeffrey A. Stone, Esquire Russell A. Badders, Esquire Beggs & Lane P. O. Box 12950 Pensacola, FL 32576-2950

Norman Horton, Jr., Esquire Messer, Caparello & Self P. O. Box 1876 Tallahassee, FL 32302

John W. McWhirter, Jr., Esquire McWhirter, Reeves, et al. 100 N. Tampa Street, Suite 2900 Tampa, FL 33602

Vicki Gordon Kaufman, Esquire McWhirter, Reeves, et al. 117 S. Gadsden Street Tallahassee, FL 32301

Attornev

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. Docket No. 030001-EI

Submitted for filing: August 18, 2003

SUPPLEMENTAL NOTICE OF FUEL AND CAPACITY COST UNDER-RECOVERY

Progress Energy Florida, Inc., formerly Florida Power Corporation, (Progress Energy or the Company) hereby supplements its Fuel and Capacity Cost Under-Recovery Notice filed July 8, 2003 to advise the Commission of the Company's decision not to request a mid-course correction at this time. Progress Energy has concluded that the earliest a mid-course correction could be implemented, cycle 1 September billings, would not provide a sufficient period over the remainder of the year to mitigate the impact of the increase on customer bills.

Respectfully submitted,

James A. McGee Associate General Counsel Progress Energy Service Company, LLC Post Office Box 14042 St. Petersburg, FL 33733-4042 Telephone: (727) 820-5184 Facsimile: (727) 820-5519

Attorney for PROGRESS ENERGY FLORIDA, INC.