

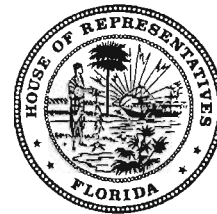
ORIGINAL

JAMES E. "JIM" KING, JR.
President

JOHNNIE BYRD
Speaker

STATE OF FLORIDA
OFFICE OF PUBLIC COUNSEL

c/o THE FLORIDA LEGISLATURE
111 WEST MADISON ST.
ROOM 812
TALLAHASSEE, FLORIDA 32399-1400
850-488-9330



Harold McLean
Public Counsel

October 14, 2004

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RECEIVED-PPSC
04 OCT 14 PM 4:27
COMMISSION
CLERK

RE: Docket No. 040001-EI

Dear Ms. Bayó:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies of the Office of Public Counsel's First Set of Interrogatories to Progress Energy Florida Power & Light (Nos. 1-6) for filing in the above referenced docket.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

Patricia A. Christensen
Associate Public Counsel

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____ PC/pwd
- OPC _____ Enclosures
- MMS _____
- RCA _____
- SCR _____
- SEC 1
- OTH _____

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

11092 OCT 14 04

FPSC-COMMISSION CLERK

emp

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power)
cost recovery clause with)
generating performance incentive)
factor.)
_____)

DOCKET NO. 040001-EI
FILED: October 14, 2004

**CITIZENS' FIRST SET OF
INTERROGATORIES (NOS. 1-6)
TO PROGRESS ENERGY FLORIDA**

Please take notice that the Citizens served the original and one copy of interrogatories (Nos. 1- 6) to Progress Energy Florida (Progress) on October 14, 2004. The interrogatories are to be answered under oath by Progress and the answers are to be given in writing immediately following the question to which it responds. Please provide the name, address, and relationship to Progress of those persons giving the answers to each of the interrogatories.

Thereafter, the original of the interrogatories, together with the answers, is to be served on the Citizens at the Office of Public Counsel, c/o the Florida Legislature, 111 West Madison Street, Claude Pepper Building, Room 812, Tallahassee, Florida 32399-1400. Copies are to be served on all parties in accordance with applicable Rules of Civil Procedure.

INTERROGATORIES

1. Please provide copies of all responses to Florida Public Service Commission (FPSC) staff interrogatories served on the company.

2. Referring to the company's Shady Hills agreement, please respond to the following questions:

(a) What is the minimum annual MMWH that the company is required to purchase?

(b) What is the maximum annual MMWH that is available for the company to purchase?

(c) Excluding the advantages the company hopes to achieve in terms of meeting its reserve margin, please explain what other advantages or disadvantages the company will experience in terms of the fuel clause expenses passed on to customers?

(d) What is the company's existing average fuel cost per MMWH for gas generation and how would that differ from the anticipated costs for Shady Hills output?

(e) How does the company propose to use Shady Hills output in terms of dispatch priorities?

(f) What annual MMWH does the company project that it will actually utilize during the term of the agreement?

(g) Does Progress Energy Florida or its parent, affiliates, or subsidiaries, have any financial interest in Shady Hills Power Company LLC?

(h) Does Progress have any existing agreements with Shady Hills? If so, please describe those agreements and their terms and conditions.

(i) Please compare the advantages and disadvantages of the Shady Hills agreement versus the option of building a new combined cycle gas generating unit to the closest projected point of future need.

(j) Please compare the advantages and disadvantages of the Shady Hills agreement versus the option of purchasing similar capacity from a merchant plant.

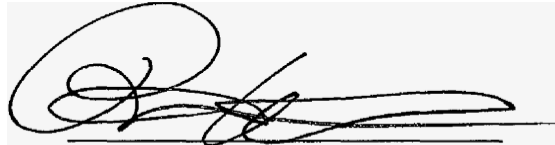
3. Please state the differences between the company's existing contract with Southern Company and the contract it proposes to sign with the Southern Company in this docket.

4 Please describe the advantages that the company stockholders will receive if the company proceeds with the proposed Southern contracts.

5. Please describe the advantages that the company's customers will receive if the company proceeds with the proposed Southern contracts.

6. Please state the average fuel cost per MMWH for the company's existing gas and coal generation and the average fuel cost per MMWH that the company expects to pay under the proposed Southern agreements.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Patricia A. Christensen', is written over a light gray rectangular background.

Patricia A. Christensen
Florida Bar No. 0989789
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 14th day of October, 2004, to the following:

Ausley Law Firm
Lee Willis/James Beasley
P.O. Box 391
Tallahassee, FL 32302

Beggs & Lane Law Firm
Jeffrey Stone/Russell Badders
P.O. Box 12950
Pensacola, FL 32591-2950

Florida Industrial Power Users Group (McWhirter)
c/o John W. McWhirter, Jr.
McWhirter Reeves
400 North Tampa Street, Suite 2450
Tampa, FL 33602

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

Florida Power & Light Company
R. Wade Litchfield, Esq.
700 Universe Blvd.
Juno Beach, FL 33408-0420

Florida Public Utilities Company
John T. English/George Bachman
P. O. Box 3395
West Palm Beach, FL 33402-3395

Gulf Power Company
Ms. Susan D. Ritenour
One Energy Place
Pensacola, FL 32520-0780

Joe Regnery, Esq.
Island Center
2701 North Rocky Point Drive
Suite 1200
Tampa, FL 33607

McWhirter Law Firm
Vicki Kaufman/Joseph McGlothlin
117 S. Gadsden St.
Tallahassee, FL 32301

Messer Law Firm
Norman H. Horton, Jr./Floyd Self
P.O. Box 1876
Tallahassee, FL 32302-1876

Moyle Law Firm
Jon C. Moyle/Bill Hollimon
118 N. Gadsden Street
Tallahassee, FL 32301

Power Systems Mfg., LLC
1440 W. Indiantown Road, Suite 200
Jupiter, FL 33458


Progress Energy Florida, Inc.
Ms. Bonnie E. Davis
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740

Progress Energy Service Co., LLC
James McGee
P. O. Box 14042
St. Petersburg, FL 33733-4042

Steel Law Firm (Miami)
John T. Butler
200 South Biscayne Boulevard
Suite 4000
Miami, FL 33131-2398

Tampa Electric Company
Ms. Angela Llewellyn
Regulatory Affairs
P. O. Box 111
Tampa, FL 33601-0111

Thomas K. Churbuck
911 Tamarind Way
Boca Raton, FL 33486



Patricia A. Christensen
Associate Public Counsel