

ORIGINAL

Matilda Sanders

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Sent: Monday, July 25, 2005 7:48 AM
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Subject: Hansen/Sugarmill Woods Petition to Intervene
Attachments: Sugarmill Woods Progress Energy Storm Case Budd Hansen and Sugarmill petitiontointervene in Progress rate case July 25, 2005.doc

On behalf of Buddy L. Hansen and Sugarmill Woods Civic Association, Inc.

1. This filing is to be made in Docket Number: 050078-EI, Petition for a Rate Increase By Progress Energy Florida, Inc.
2. Attached for filing is the Petition to Intervene of Buddy L. Hansen and Sugarmill Woods Civic Association, Inc.
3. There are a total of four (4) pages for filing

By Michael B. Twomey

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DOCUMENT NUMBER-DATE
07079 JUL 25 '05
FPSC-COMMISSION CLERK

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Rate Increase by)
Progress Energy Florida, Inc.)
_____)

DOCKET NO. 050078-EI
Filed: July 25, 2005

Petition to Intervene

Buddy L. Hansen, individually, and the Sugarmill Woods Civic Association, Inc.,
pursuant to Rules 25-22.039 and 28-106.205, Florida Administrative Code, hereby file their
Petition to Intervene in this docket and in support thereof state:

1. The names, address and telephone number of Petitioners are:

Buddy L. Hansen
13 Wild Olive Court
Homosassa, Florida 34446
1-352-382-2770

Sugarmill Woods Civic Association, Inc.
c/o George Borchers, President
108 Cypress Blvd. W.
Homosassa, Florida 34446
1-352-382-3630

2. The name, address and telephone number of Petitioners' representative for purposes of service during the course of the proceeding are:

Michael B. Twomey
Post Office Box 5256
Tallahassee, Florida 32314-5256
850-421-9530
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3. Petitioner Buddy L. Hansen is a residential customer of Progress Energy Florida, Inc. (PEF), taking service at the address listed in paragraph 1. The cost of electricity represents one of the larger variable costs in Petitioner's household budget. Therefore, Petitioner will be substantially affected by any action the Commission takes in this docket, which will necessarily include retail rate increases if the utility's requested relief is granted.

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FPSC-COMMISSION CLERK

Petitioner Sugarmill Woods Civic Association, Inc. is a non-profit association representing the interests of homeowners in the Sugarmill Woods community in Citrus County, Florida. The association and the majority of the association's members receive their electric service from PEF. Therefore, Petitioner and the majority of its members will be substantially affected by any action the Commission takes in this docket, which will necessarily include retail rate increases if the utility's requested relief is granted.

4. Statement of Affected Interests The Commission will decide in this docket whether to approve PEF's request to increase its retail rates by some \$205 million annually. It is Buddy Hansen's and Sugarmill Woods Civic Association Inc.'s position that PEF's requested rate increase should be denied as unwarranted. Buddy Hansen's and Sugarmill Woods Civic Association, Inc.'s substantial interests will be affected by any action the Commission takes in this docket.
5. Buddy Hansen's and Sugarmill Woods Civic Association, Inc.'s interests are of the type that this proceeding is designed to protect. See Agrico Chemical Company v. Department of Environmental Regulation, 406 So.2d 478 (Fla. 2nd DCA 1981). The purpose of the proceeding is to evaluate PEF's requested rate increase. The decision whether or not to grant PEF a rate increase will affect Buddy Hansen's and Sugarmill Woods Civic Association, Inc.'s substantial interests by potentially increasing their costs of electricity, which necessarily reduce their monies available for other purposes.
6. Disputed Issues of Material Fact Buddy Hansen and Sugarmill Woods Civic Association, Inc. anticipate there will be numerous disputed issues of material fact which the Commission will be required to resolve through an evidentiary hearing pursuant to Chapter 120, Florida Statutes. Such disputed issues of material fact will include, but not be limited to, the following:
 - A. What is the appropriate overall rate of return the Commission should permit PEF to earn?
 - B. What are the appropriate depreciation rates to be allowed for recovery in PEF's retail rates, particularly in light of the depreciation reserve surplus recognized by PEF?
 - C. What is the appropriate annual storm recovery accrual to be recovered through PEF's retail rates?

7. Disputed Legal Issues Disputed legal issues include, but are not limited to, the following:
- A. Does the Commission have an obligation to reduce or otherwise treat depreciation reserve surpluses in the same manner and over the same number of years as it has historically reduced or treated depreciations deficiencies?
8. Statement of Ultimate Facts Alleged Ultimate facts include, but are not limited to, the following:
- A. PEF has the burden to prove that its requested overall rate of return is fair and reasonable.
- B. PEF has the burden to prove that its requested depreciation rates are fair and reasonable.

WHEREFORE, Buddy L. Hansen and the Sugarmill Woods Civic Association, Inc. request that the Florida Public Service Commission grant their Petition to Intervene and accord them full party status in this docket.

/s/ Michael B. Twomey
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Attorney for Petitioners

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this Petition to Intervene has been furnished to the following this 25th day of July, 2005, either by U.S. Mail or electronic message attachment:

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