Hopping Green & Sams

Attorneys and Counselors

September 8, 2005

BY HAND-DELIVERY

Blanca Bayó Director, Division of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Re: Docket No. 050007-EI

Dear Ms. Bayó:

On behalf of Progress Energy Florida, Inc. (PEF), I enclose for filing in the above docket the original and fifteen (15) copies of the following:

- PEF's Petition for Approval of Environmental Cost Recovery True-up and Environmental Cost Recovery Factors for the Period January 2006 to December 2006;
- Pre-filed Direct Testimony of Javier Portuondo and Exhibit No. __ (JP-3);
- Pre-filed Direct Testimony of Kent D. Hedrick; and
- Pre-filed Direct Testimony of Patricia Q. West.

I also have included a diskette containing the petition and testimony in Microsoft Word Format. By copy of this letter, the enclosed documents have been furnished to the parties on the attached certificate of service.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning it to me. If you have any questions regarding this filing, please give me a call at 425-2359.

Very truly yours,

Gary V. Perko

Counsel for Progress Energy Florida, Inc.

cc: Certificate of Service

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of PEF's Petition for Approval of Environmental Cost Recovery True-up and Environmental Cost Recovery Factors for the Period January 2006 to December 2006; Pre-filed Direct Testimony and Exhibit of Javier Portuondo; Kent D. Hedrick; and Patricia Q. West in Docket No. 05007-EI have been furnished by hand-delivery (*) or regular U.S. mail to the following this day of September, 2005.

Marlene Stern (*)
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Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Environmental Cost Recovery)	Docket No. 050007-EI
Clause)	
)	Filed: September 8, 2005

PROGRESS ENERGY FLORIDA' PETITION FOR APPROVAL OF ENVIRONMENTAL COST RECOVERY TRUE-UP AND ENVIRONMENTAL COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2006 to DECEMBER 2006

Progress Energy Florida, Inc. ("PEF" or "the Company"), hereby petitions for approval of its environmental cost recovery true-up and proposed environmental cost recovery factors for the period January 2006 to December 2006. In support of this Petition, PEF states:

- 1. PEF's total true-up applicable for this period is an under-recovery of \$5,960,421. This consists of the final true-up over-recovery of \$5,961,886 for the period from January through December 2004 and an estimated true-up under-recovery of \$11,922,307 for the current period of January 2005 through December 2005. Documentation supporting the total true-up under-recovery is provided in Mr. Portuondo's testimony and exhibits of August 8, 2005, and Mr. Portuondo's testimony of September 8, 2005. Additional cost information for specific ECRC programs are presented in the pre-filed testimony of Kent D. Hedrick and Patricia Q. West filed on August 8, 2005.
- 2. As explained in the testimony of Javier Portuondo submitted with this petition, and shown in Form 42-1P of Mr. Portuondo's Exhibit No. __ (JP-3), the total projected jurisdictional capital and O&M costs for the period January 2006 to December 2006 are

\$17,526,546. Projected costs for specific ECRC programs are presented in the pre-filed testimony of Kent D. Hedrick and Patricia Q. West submitted with this petition.

- 3. PEF's proposed Environmental Cost Recovery (ECR) factors for the period January 2006 to December 2006, which are designed to recover the 2004 final true-up, the estimated 2005 estimated/actual true-up, and projected 2006 costs, are presented for the Commission's review and approval in Mr. Portuondo's testimony submitted with this petition. The ECR factors were calculated as shown on Forms 42-6P and 42-7P of Exhibit __ (JP-3) to Mr. Portuondo's testimony.
- 4. The environmental cost recovery true-up and proposed environmental cost recovery factors presented in Mr. Portuondo's testimony and exhibits are consistent with the provisions of Section 366.8255, Florida Statutes, and with prior rulings by the Commission.

WHEREFORE, Progress Energy Florida, Inc., respectfully requests that the Commission approve the Company's environmental cost recovery true-up and proposed environmental cost recovery factors for the period January 2006 through December 2006 as set forth in the testimony and supporting exhibits of Javier Portuondo filed on September 8, 2005.

RESPECTFULLY SUBMITTED this day of September, 2005.

HOPPING GREEN & SAMS, P.A.

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Attorneys for Progress Energy Florida