

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Progress
Energy Florida, Inc.

DOCKET NO. 050078-EI
ORDER NO. PSC-05-0694-PCO-EI
ISSUED: June 24, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
LISA POLAK EDGAR

ORDER SUSPENDING PROPOSED RATES

BY THE COMMISSION:

On April 29, 2005, Progress Energy Florida ("PEF" or "the company") filed a petition for a permanent rate increase along with proposed new rate schedules. Deficiencies in the minimum filing requirements (MFRs) were corrected on May 13, 2005. PEF requested an increase in its retail rates and charges to generate \$205,556,000 in additional gross annual revenues. This increase would allow the company to earn an overall rate of return of 9.50% and a 12.8% return on equity with a range of 11.8% to 13.8%. PEF did not request interim rate relief. We have jurisdiction over this matter pursuant to Section 366.06, Florida Statutes.

Pursuant to Section 366.06(3), Florida Statutes, we may withhold consent to the operation of, or "suspend," the new rate schedules accompanying PEF's proposed base rate increase by providing PEF, within 60 days of the filing of such schedules, a reason or written statement of good cause for withholding consent.

Typically, we have suspended new permanent rate schedules in order to allow our staff and intervenors sufficient time to adequately and thoroughly examine the basis for the proposed new rates. This is especially true when a projected test year is involved, as is the case in this docket. Further, in recognition of the terms of the Stipulation and Settlement resolving its last rate case, which limited PEF's ability to request any base rate increase to take effect before the end of the Stipulation and Settlement, PEF has not asked for interim rate relief and has asked that its proposed rate increase begin January 1, 2006. Therefore, pursuant to Section 366.06, Florida Statutes, we suspend the new rate schedules reflecting PEF's proposed base rate increase.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Progress Energy Florida, Inc.'s request for a permanent rate increase and its proposed new rate schedules are hereby suspended. It is further

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

ORDERED that this docket shall remain open.

By ORDER of the Florida Public Service Commission this 24th day of June, 2005.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: 
Kay Flynn, Chief
Bureau of Records

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.