

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery
clause.

DOCKET NO. 060002-EG
ORDER NO. PSC-06-0994-FOF-EG
ISSUED: November 30, 2006

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW

APPEARANCES:

JOHN T. BUTLER, ESQUIRE, BRYAN ANDERSON, ESQUIRE, R. WADE
LITCHFIELD, ESQUIRE, AND NATALIE F. SMITH, ESQUIRE, 700 Universe
Boulevard, Juno Beach, Florida 33408
On behalf of Florida Power & Light Company (FPL).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P.A., P. O.
Box 15579, Tallahassee, Florida 32317
On behalf of Florida Public Utilities Company (FPUC).

JEFFREY A. STONE, ESQUIRE, RUSSELL A. BADDERS, ESQUIRE AND
STEVEN R. GRIFFIN, ESQUIRE, Beggs & Lane, Post Office Box 12950,
Pensacola, Florida 32591-2950
On behalf of Gulf Power Company (Gulf).

R. ALEXANDER GLENN, DEPUTY GENERAL COUNSEL – FLORIDA,
AND JOHN T. BURNETT, ESQUIRE, Associate General Counsel, Progress
Energy Service Co., LLC, Post Office Box 14042, St. Petersburg, Florida 33733-
4042
On behalf of Progress Energy Florida (PEF).

LEE L. WILLIS, ESQUIRE, AND JAMES D. BEASLEY, ESQUIRE, Ausley &
McMullen, Post Office Box 391, Tallahassee, Florida 32302
On behalf of Tampa Electric Company (TECO).

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

HAROLD MCLEAN, PUBLIC COUNSEL, PATRICIA A. CHRISTENSEN, ESQUIRE, Associate Public Counsel, JOSEPH A. MCGLATHLIN, ESQUIRE, Associate Public Counsel, AND CHARLES J. BECK, Esquire, Deputy Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida (OPC).

JOHN W. MCWHIRTER, JR., ESQUIRE, McWhirter, Reeves & Davidson, P.A., 400 North Tampa Street, Suite 2450, Tampa, Florida 33601-3350
On behalf of the Florida Industrial Power Users Group (FIPUG).

KATHERINE E. FLEMING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850
On behalf of the Florida Public Service Commission.

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY AMOUNTS AND ESTABLISHING ENERGY CONSERVATION COST RECOVERY FACTORS FOR THE PERIOD JANUARY 2007 THROUGH DECEMBER 2007

As part of the Commission's continuing energy conservation cost recovery proceedings, an administrative hearing was held November 6, 2006, in this docket. The parties submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. The Office of Public Counsel ("OPC") also participated in this proceeding. Prior to hearing, the parties reached agreement concerning all issues identified for resolution at hearing. These issues were presented to us as a stipulation. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes, including Sections 366.04, 366.05, 366.06 and 366.082, Florida Statutes.

The parties stipulated to the final and estimated true-up amounts and conservation cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and supported by competent, substantial evidence of record as set forth below.

We find that the appropriate final conservation cost recovery true-up amounts for the period January 2005 through December 2005 are as follows:

Florida Power & Light (FPL)	\$11,521,004	Overrecovery
Florida Public Utilities (FPUC)	\$106,997	Overrecovery
Gulf Power Company (Gulf)	\$863,487	Overrecovery
Progress Energy Florida (PEF)	\$9,598,366	Overrecovery
Tampa Electric Company (TECO)	\$2,614,594	Overrecovery

We find the appropriate conservation cost recovery factors for the period January 2007 through December 2007 are as follows:

FPL	Rate Class	ECCR Factor
	RS1/RST1	0.169 cents/Kwh
	GS1/GST1	0.162 cents/Kwh
	GSD1/GSDT1/HLTF (21-499 kW)	0.148 cents/Kwh
	OS2	0.125 cents/Kwh
	GSLD1/GSLDT1/CS1/CST1/HLTF (500-1,999 kW)	0.150 cents/Kwh
	GSLD2/GSLDT2/CS2/CST2/HLTF (2,000+kW)	0.138 cents/Kwh
	GSLD3/GSLDT3/CS3/CST3	0.131 cents/Kwh
	ISST1D	0.144 cents/Kwh
	ISST1T	0.096 cents/Kwh
	SST1T	0.096 cents/Kwh
	SST1D1/SST1D2/SST1D3	0.144 cents/Kwh
	CILC D/CILC G	0.135 cents/Kwh
	CILC T	0.127 cents/Kwh
	MET	0.152 cents/Kwh
	OL1/SL1/PL1	0.081 cents/Kwh
	SL2, GSCU1	0.132 cents/Kwh
FPUC	Rate Class (Consolidated)	ECCR Factor 0.060 cents/Kwh
GULF	Rate Class	ECCR Factor
	RS, RSVP	0.088 cents/Kwh
	GS	0.087 cents/Kwh
	GSD, GSDT, GSTOU	0.083 cents/Kwh
	LP, LPT	0.079 cents/Kwh
	PX, PXT, RTP, SBS	0.074 cents/Kwh
	OSI, OSII	0.070 cents/Kwh
	OSIII	0.077 cents/Kwh
PEF	Rate Class	ECCR Factor
	Residential	0.196 cents/Kwh
	General Svc. Non-Demand	0.176 cents/Kwh
	@ Primary Voltage	0.174 cents/Kwh
	@ Transmission Voltage	0.172 cents/Kwh
	General Svc. 100% Load Factor	0.141 cents/Kwh
	General Svc. Demand	0.158 cents/Kwh

PEF	Rate Class	ECCR Factor
	@ Primary Voltage	0.156 cents/Kwh
	@ Transmission Voltage	0.155 cents/Kwh
	Curtaillable	0.131 cents/Kwh
	@ Primary Voltage	0.130 cents/Kwh
	@ Transmission Voltage	0.128 cents/Kwh
	Interruptible	0.144 cents/Kwh
	@ Primary Voltage	0.143 cents/Kwh
	@ Transmission Voltage	0.141 cents/Kwh
	Lighting	0.084 cents/Kwh
TECO	Rate Class	ECCR Factor
	Interruptible	0.061 cents/Kwh
	Residential	0.073 cents/Kwh
	General Svc., TS	0.071 cents/Kwh
	General Svc. Demand - Secondary	0.063 cents/Kwh
	@ Primary Voltage	0.062 cents/Kwh
	General Svc. LD, SBF	0.056 cents/Kwh
	@ Primary Voltage	0.056 cents/Kwh
	@ Subtransmission Voltage	0.055 cents/Kwh
	SL, OL	0.026 cents/Kwh

We find that these factors shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2007 through December 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company Specific Conservation Cost Recovery Issues

Tampa Electric Company

We find that Tampa Electric Company's Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders for the period January 2007 through December 2007 are as follows:

In accordance with Order No. PSC-99-1778-FOF-EI, issued September 10, 1999, in Docket No. 990037-EI, the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders shall be \$7.78 per KW for the period January 2007 through December 2007.

Florida Public Utilities Company

We find that Florida Public Utilities Company's current period true-up (January 2006 through December 2006) shall limit recovery of the cost of promotional items distributed at fairs, festivals, conferences, and other similar events for the year ended December 31, 2005, as follows:

The 2005 over-recovery amount shall be increased by \$1774.71 (including interest) and retained earnings debited. This adjusted over-recovery amount shall be used as the beginning balance in the 2006 filing.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations, findings, and rulings set forth in the body of this Order are hereby approved. It is further

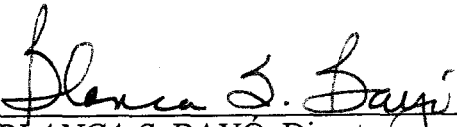
ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein are authorized to collect the energy conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 2007 through December 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. It is further

ORDERED that for the period January 2007 through December 2007, Tampa Electric Company's Contracted Credit Value for the GSLM-2 and GSLM-3 Rate Riders shall be \$7.78 per KW. It is further

ORDERED that for the period January 2006 through December 2006, Florida Public Utilities Company shall increase its 2005 over-recovery amount by \$1774.71 (including interest) and retained earnings debited. This adjusted over-recovery amount shall be used as the beginning balance in the 2006 filing.

By ORDER of the Florida Public Service Commission this 30th day of November, 2006.



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

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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.

Any party adversely affected by the Commission's final action in this matter may request:

- 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.