

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for waiver of Rule 25-17.250(1) and (2)(a), F.A.C., which requires Progress Energy Florida to have a standard offer contract open until a request for proposal is issued for same avoided unit in standard offer contract, and for approval of standard offer contract.

DOCKET NO. 080501-EI
ORDER NO. PSC-08-0625-PCO-EI
ISSUED: September 24, 2008

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

ORDER SUSPENDING TARIFFS

BY THE COMMISSION:

On February 22, 2007, we adopted amendments to Rule 25-17.0832, Florida Administrative Code (F.A.C.), and new Rules 25-17.200-25-17.310, F.A.C., relating to renewable generating facilities. The new rules require each investor-owned utility (IOU) to file with us by April 1 of each year a standard offer contract for the purchase of firm capacity and energy from renewable generating facilities and small qualifying facilities with a design capacity of 100 kW or less. The revised standard offer contracts reflect each utility's next avoided unit shown in its most recent Ten Year Site Plan.

Progress Energy Florida, Inc., (PEF or Company) filed the required standard offer contract and associated tariffs on April 1, 2008 in Docket No. 080187-EQ. Its petition requested approval of a standard offer contract and associated tariffs based on its Ten-Year Site Plan for 2008-2017. The Company's 2008 Ten-Year Site Plan included only one fossil based unit that could serve as the avoided unit, the Suwannee River Unit 4, planned to begin commercial operation in June 2013.

Subsequently, on July 15, 2008, PEF filed a petition for waiver of Rule 25-17.250(1) and (2)(a), F.A.C., along with a revised standard offer contract and associated tariffs. PEF requested that no action be taken on the original contract and tariffs filed in Docket No. 080187-EQ, and instead asked that we only take action on the revised contract and associated tariffs filed with its petition for rule waiver in Docket 080501-EI. At the Company's request, its earlier request for approval of the original contract and tariffs was deferred from the July 29, 2008, Agenda Conference.

DOCUMENT NUMBER-DATE

08993 SEP 24 08

FPSC-COMMISSION CLEAR

In its petition for rule waiver, PEF indicates that it does not have an avoided unit for purposes of a standard offer contract because it has issued a RFP for the 2013 Suwannee combined cycle unit, and it does not have any other units in its Ten Year Site Plan that qualify for use as an avoided unit. PEF has proposed to continue the 2013 Suwannee combined cycle unit with updated pricing, to serve as its proxy avoided unit for use in connection with its renewable standard offer contract.

Pursuant to Section 366.06(3), Florida Statutes, we may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility making the request a reason or written statement of good cause for doing so within 60 days. As such, we find that the tariffs shall be suspended to allow our staff sufficient time to review the petitions in order to present us with an informed recommendation on the tariff proposals. We believe this reason is good cause consistent with the requirements of Section 366.06(3), Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Progress Energy Florida, Inc.'s petition for waiver of Rule 25-17.250(1) and (2)(a), F.A.C., and approval of standard offer contract and associated tariffs is hereby suspended. It is further

ORDERED that these dockets shall remain open pending a substantive decision on the proposed tariffs.

By ORDER of the Florida Public Service Commission this 24th day of September, 2008.



ANN COLE
Commission Clerk

(S E A L)

JEH

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 Office of Commission Clerk, 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.