



**Florida Power**  
A Progress Energy Company

**JAMES A. MCGEE**  
ASSOCIATE GENERAL COUNSEL

March 19, 2001

Ms. Blanca S. Bayó, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

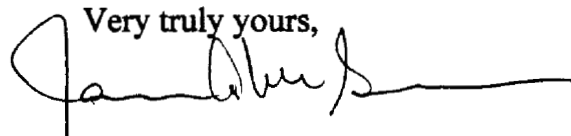
Re: Docket No. 010275-EQ; Petition of Florida Power Corporation  
for approval of an amendment to its cogeneration contract with  
the Pinellas County Resource Recovery Facility.

Dear Ms. Bayó:

Recent discussions with Staff members assigned to the subject docket brought to our attention the possibility of a computational error in the spreadsheet attached to Florida Power's petition as Exhibit C, which we have now confirmed. Accordingly, I have enclosed for filing an original and fifteen copies of revised Exhibit C in which this error has been corrected.

Exhibit C calculates customer savings by comparing future costs under an existing cogeneration contract against the corresponding costs under the contract amendment for which the petition requests approval. Correcting the computational error, which was limited to the Replacement Energy Cost columns in the two cases, results in a reduction of total net present value savings from \$7,337,225 to \$7,141,068 over the amendment's three-year term. This reduction of less than 3% does not alter Florida Power's assertion reflected in its petition that approval of the contract amendment is and continues to be warranted by the substantial savings customers will realize from the amendment.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in Word format. Thank you for your assistance in this matter.

Very truly yours,  
  
James A. McGee

JAM/scc  
Enclosure

cc: Mr. Michael Haff

DOCUMENT NUMBER-DATE  
03703 MAR 23 2001  
FPSC-RECORDS & REPORTING

**Exhibit C**  
Revised 3/14/01

Year	<b>Existing Case – Do Nothing</b> (Summer Outages)				<b>Implement Contract Amendment</b> (Fall Outages)			
	Capacity Savings	Replacement Capacity Cost	Replacement Energy Cost	Net Savings (Cost)	Capacity Savings	Replacement Capacity Cost	Replacement Energy Cost	Net Savings (Cost)
2001	0	1,251,008	576,846	(1,827,854)	1,450,169	140,702	371,074	938,393
2002	0	1,113,911	341,554	(1,455,465)	1,373,230	89,113	116,680	1,167,437
2003	0	976,815	251,001	(1,227,815)	1,280,408	78,145	91,317	1,110,946
<b>Total NPV (9%)</b>	<b>0</b>	<b>3,095,110</b>	<b>1,101,461</b>	<b>(4,196,571)</b>	<b>3,787,707</b>	<b>288,230</b>	<b>554,980</b>	<b>2,944,497</b>

**Total Savings NPV of the Amendment \$ 7,141,068**