

ORIGINAL



JAMES A. MCGEE
ASSOCIATE GENERAL COUNSEL
PROGRESS ENERGY SERVICE COMPANY, LLC

March 16, 2004

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
04 MAR 16 PM 4:33
COMMISSION
CLERK

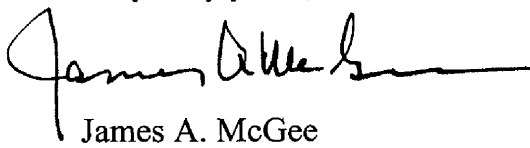
Re: Docket No. 031057-EI

Dear Ms. Bayó:

Enclosed for filing in the subject docket on behalf of Progress Energy Florida, Inc., are an original and seven copies of its Response in Opposition to Residential Electric Customers' Motion to Relocate and Consolidate Hearing.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. A 3½ inch diskette containing the above-referenced document in Word format is also enclosed. Thank you for your assistance in this matter.

Very truly yours,


James A. McGee

JAM/scc
Enclosures

cc: Parties of record

AUS
CAF
CMP
COM 5
CTR
ECR
GCL
OPC
MMS
SEC 1
OTH

RECEIVED & FILED


FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DA

100 Central Avenue (33701) • Post Office Box 14042 (33733) • St. Petersburg, Florida
Phone: 727.820.5184 • Fax: 727.820.5519 • Email: james.mcgee@pgnmail.com

03561 MAR 16

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Progress
Energy Florida, Inc.'s
benchmark for Waterborne
Transportation Transactions
with Progress Fuels.

Docket No. 031057-EI

Submitted for filing:
March 16, 2004

**RESPONSE OF PROGRESS ENERGY FLORIDA
IN OPPOSITION TO RESIDENTIAL ELECTRIC CUSTOMERS'
MOTION TO RELOCATE AND CONSOLIDATE HEARING**

Progress Energy Florida, Inc. (Progress Energy or the Company), hereby responds in opposition to the motion filed by certain residential electric customers of Tampa Electric Company (the Residential Electric Customers) in Docket No. 031033-EI to relocate and consolidate the hearings currently scheduled in that docket and in this proceeding, and in support hereof, Progress Energy states as follows.

The Residential Electric Customers' motion seeks to relocate and consolidate the hearing scheduled in this proceeding. Despite the significant alteration of Progress Energy's hearing requested by the motion, it was neither filed in this docket nor served upon the Company. Moreover, the request was made by individuals who are not parties to this proceeding and, as customers of Tampa Electric, have no standing to become parties. As such, the motion is fatally defective and should be rejected out of hand.

DOCUMENT NUMBER-DATE

03561 MAR 16 8

While a response on the merits is unwarranted and unnecessary, Progress Energy would note that consolidation of the hearings in this proceeding and Tampa Electric's docket would be particularly inappropriate. Other than the superficial similarity that each docket contains the term "waterborne transportation" in its caption, the two dockets have almost nothing in common.

From a timing perspective the two dockets address quite different issues. Tampa Electric's docket addresses a contract resulting from a previously issued Request for Proposals (RFP), while this docket will address the procedures under which future RFPs will be issued.

From a substantive perspective the two dockets address quite different issues as well. Historically, Tampa Electric and Progress Energy have used different methodologies to derive the price for waterborne transportation services and, therefore, the starting point for analysis in each docket is quite different. This can be seen in the subject matter of the testimony filed by each utility, which address distinctly different issues and rely on distinctly different considerations. Tampa Electric's docket addresses issues involving complex market studies and sophisticated computer models, while this docket concerns less complicated issues that focus largely on obtaining input from the parties on a competitive bidding procedure previously agreed to by Staff and the Company.

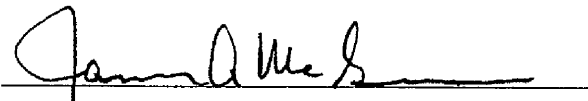
In addition, each docket involves the extensive use of sensitive, confidential information from competitive affiliates of Tampa Electric and Progress Energy.

Attempting to deal with this confidential information of the two utilities in a consolidated hearing would impose significant and problematic administrative obstacles.

These important distinctions and considerations strongly suggest that, contrary to the allegations of the Residential Electric Customers' motion, consolidation of the hearings in the two dockets would not promote the interests of administrative efficiency and, in fact, would be counter-productive to those interests.

WHEREFORE, Progress Energy requests that, for all of the foregoing reasons, the Residential Electric Customers' motion to relocate and consolidate the hearings in this docket and Docket No. 031033-EI be denied.

Respectfully submitted,



James A. McGee
Associate General Counsel
Progress Energy Service Company, LLC
Post Office Box 14042
St. Petersburg, Florida 33733-4042
Telephone: 727-820-5184
Facsimile: 727-820-5519
Email: james.mcgee@pgnmail.com

Attorney for
PROGRESS ENERGY FLORIDA, INC.

CERTIFICATE OF SERVICE

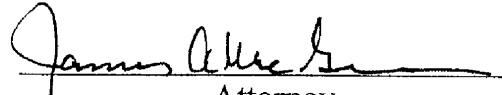
I HEREBY CERTIFY that a true copy of the foregoing has been furnished to the following individuals by overnight delivery this 15th day of March, 2004.

Wm. Cochran Keating, IV, Esquire
Office of the General Counsel
Economic Regulation Section
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Vicki Gordon Kaufman, Esquire
117 S. Gadsden Street
Tallahassee, FL 32301

Robert Vandiver, Esquire
Office of the Public Counsel
c/o The Florida Legislature
111 West Madison St., Room 812
Tallahassee, FL 32399-1400

Michael B. Twomey
P. O. Box 5256
Tallahassee, FL 32314-5256


Attorney