

ORIGINAL

Matilda Sanders

From: Stright, Lisa [Lisa.Stright@pgnmail.com]
Sent: Thursday, August 05, 2004 8:40 AM
To: Filings@psc.state.fl.us
Subject: Docket No. 040001-EI, Notice of Estimated Under-Recovery

This electronic filing is made by

James A. McGee
P.O. Box 14042
St. Petersburg, FL 33733
727-820-5184
james.mcgee@pgnmail.com

Docket No. 040001-EI
In re: Fuel and Purchased Power Cost Recovery Clause
and Generating Performance Incentive Factor.

On behalf of **Progress Energy Florida.**

Consisting of **4 pages.**

The attached document for filing is Progress Energy's
Notice of Estimated Fuel and Capacity Cost
Under-Recovery Exceeding Ten Percent,
including a filing letter and a certificate of service.

<<Mid-Course 04 Notice (E-Filing).doc>>

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DOCUMENT NUMBER-DATE
08516 AUG-5 04



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

August 5, 2004

VIA ELECTRONIC FILING

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

Re: Docket No. 040001-EI

Dear Ms. Bayó:

Enclosed for filing in the subject docket on behalf of Progress Energy Florida, Inc., is its Notice Of Estimated Fuel And Capacity Cost Under-Recovery Exceeding Ten Percent.

Please acknowledge your receipt of the above filing as provided in the Commission's electronic filing procedures. Thank you for your assistance in this matter.

Very truly yours,

s/ James A. McGee

JAM/scc
Enclosure

cc: Parties of record

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

08516 AUG-5 :

FPSC-COMMISSION CLE

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost
Recovery Clause and Generating
Performance Incentive Factor.

Docket No. 040001-EI

Submitted for filing:
August 5, 2004

**NOTICE OF ESTIMATED FUEL AND CAPACITY COST
UNDER-RECOVERY EXCEEDING TEN PERCENT**

Progress Energy Florida, Inc. (Progress Energy or the Company), pursuant to Order No. 13694 in Docket No. 840001-EI, hereby notifies the Commission that based on actual results to date, Progress Energy believes that year-end fuel and capacity costs will result in a true-up under-recovery which exceeds ten percent of its estimated 2004 year-end fuel and capacity costs.

Progress Energy is presently evaluating several possible alternatives for addressing the under-recovery and, if a mid-course correction is determined to be appropriate, the Company will file its proposed treatment, with the necessary supporting data and calculations, as soon thereafter as the filing can be prepared. In the event the Company determines not to seek a mid-course correction at that time, a supplemental notice advising of the determination will be filed.

The purpose of this Notice is to inform the Commission and parties of the under-recovery anticipated by Progress Energy at the earliest possible time, rather than delaying this information until the Company's evaluation of alternatives has been completed.

PROGRESS ENERGY FLORIDA

DOCUMENT NUMBER-DATE

08516 AUG-5 04

FPSC-COMMISSION CLERK

Respectfully submitted,

s/ James A. McGee

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.

PROGRESS ENERGY FLORIDA

DOCKET NO. 040001-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Notice has been furnished to the following individuals by regular U.S. Mail the 5th day of August, 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

Norman Horton, Jr., Esquire
Messer, Caparello & Self
P. O. Box 1876
Tallahassee, FL 32302

John W. McWhirter, Jr., Esquire
McWhirter, Reeves et al.
400 North Tampa Street
Suite 2450
Tampa, FL 33601

Vicki Gordon Kaufman, Esquire
McWhirter, Reeves et al.
117 S. Gadsden Street
Tallahassee, FL 32301

John T. Butler, Esquire
Steel, Hector & Davis
200 S. Biscayne Blvd., Suite 4000
Miami, Florida 33131

Lee L. Willis, Esquire
James D. Beasley, Esquire
Ausley & McMullen
P.O. Box 391
Tallahassee, FL 32302

Jeffrey A. Stone, Esquire
Russell A. Badders, Esquire
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32576-2950

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

s/ James A. McGee

Attorney