

Matilda Sanders

From: Dana Greene [DanaG@hgslaw.com]
Sent: Monday, October 17, 2005 4:34 PM
To: Filings@psc.state.fl.us
Cc: lwillis@ausley.com; JAS@beggslane.com; Mark_Hoffmann@csx.com;
Bill_Walker@fpl.com; Wade_Litchfield@fpl.com; schef@landersandparsons.com;
nhorton@lawfla.com; christensen.patty@leg.state.fl.us; jmcwhirter@mac-law.com;
tperry@mac-law.com; jmoylejr@moylelaw.com; Alex.Glenn@pgnmail.com; Adrienne
Vining; sdriteno@southernco.com; jbutler@steelhector.com; miketwomey@talstar.com;
RegDept@Tecoenergy.com; craig.paulson@tyndall.af.mail
Subject: Docket 050001 - EI

Attachments: Scan054.PDF

CMP _____
COM 5
CTR _____
ECR _____
GCL _____
OPC _____
RCA _____
SCR _____
SGA _____
SEC 1
OTH _____



Scan054.PD
F (1 MB)

Electronic Filing

a. Person responsible for this electronic filing:

Gary V. Perko
Hopping Green & Sams, P.A.
123 S. Calhoun Street
Tallahassee, FL 32301
1-850-425-2359
gperko@hgslaw.com

b. Docket No. 050001-EI

In re: Fuel and Purchased Power Cost Recovery

c. Document being filed on behalf of Progress Energy Florida, Inc.

d. There are a total of 15 pages.

e. The document attached for electronic filing is Progress Energy Florida's Prehearing Statement.

Thank you for your cooperation.

Dana Greene
Legal Assistant to William H. Green & Gary V. Perko Hopping Green & Sams, P.A.
123 South Calhoun Street
P.O. Box 6526
Tallahassee, Florida 32314
850-425-3437
850-224-8551 FAX
danag@hgslaw.com

DOCUMENT NUMBER-DATE

10060 OCT 17 03

FPSC-COMMISSION CLERK

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.	DOCKET NO. 050001-EI DATED: October 17, 2005
--	---

**PROGRESS ENERGY FLORIDA, INC.'S
PREHEARING STATEMENT**

Progress Energy Florida, Inc. (PEF) hereby submits its Prehearing Statement with respect to its levelized fuel and capacity cost recovery factors and its Generating Performance Incentive Factor (GPIF) for the period of January through December 2006:

A. Known Witnesses - PEF intends to offer the direct testimony of:

<u>Witness - Direct</u>	<u>Subject Matter</u>	<u>Issues</u>
Javier Portuondo	Final and Estimated True-up	1- 3, 13A-D, F, & J, 24-26
	Fuel and Capacity Cost Projections	4-12, 13I, 13L, 13M, 27-29, 30A-B
Pamela R. Murphy	Fuel Procurement Hedging Programs	13G, 13H
	Incremental natural gas and oil costs due to hurricanes and tropical storms	13E, 13K
Albert W. Pitcher	Incremental Coal Costs due to hurricanes and tropical storms	13E, 13K
	Comparative analysis of 2004 coal prices with available market indicators	13L
	Waterborne Coal Transportation Service Contracts	13F
Mark Oliver	Incremental Purchased Power Costs due to hurricanes and tropical storms	13E, 13H, 13K

DOCUMENT NUMBER-DATE

10060 OCT 17 '05

FPSC-COMMISSION CLERK.

PROGRESS ENERGY FLORIDA'S
 PREHEARING STATEMENT
 DOCKET NO. 050001-EI
 PAGE 2

Samuel S. Waters	Central Power & Lime Power Purchase Agreement	13J
Michael F. Jacob	GPIF: Reward/Penalty and Targets/Ranges	18, 19

B. Known Exhibits - PEF intends to offer the following exhibits:

<u>Exhibit No.</u>	<u>Witness</u>	<u>Description</u>
<u>(JP-1T)</u>	Portuondo	True-up Variance Analysis, Capacity Cost Recovery True-up, Tiger Bay Amortization, and Schedules A1 through A9 (December 2004).
<u>(JP-1R)</u> (as revised by JP-S)	Portuondo	Reprojection Assumptions (Parts A-C), Capacity Cost Recovery Reprojections (Part D), and Schedules A1 through A9 (July 2004).
<u>(JP-1P)</u> (as revised by JP-1S)	Portuondo	Forecast Assumptions (Parts A-C), Capacity Cost Recovery Factors (Part D), Hines 2 Depreciation & Return Calculations (Part E), and Schedules E1 through E10 and H1 (2005).
<u>(JP-1S)</u>	Portuondo	Revisions to Exhibit Nos. __ (JP-1R) and (J-1P)
<u>(PRM-1T)</u>	Murphy	2004 Risk Management Plan Results Summary, and Hedging Information Summary.
<u>(PRM-2)</u>	Murphy	2006 Risk Management Plan.
<u>(PRM-1)</u>	Murphy	2004 Storm Natural Gas Costs
<u>(PRM-2)</u>	Murphy	2004 Storm Spot Natural Gas Purchases
<u>(PRM-3)</u>	Murphy	Incremental Oil Costs Due to 2004 Storms
<u>(PRM-1P)</u>	Murphy	Mineral Management Report entitled "Hurricane Ivan Evacuation and Production Shut-in Statistics

PROGRESS ENERGY FLORIDA'S
PREHEARING STATEMENT
DOCKET NO. 050001-EI
PAGE 3

<u> </u> (AWP-1)	Pitcher	Storm Impacted Coal Inventories
<u> </u> (AWP-2)	Pitcher	Incremental Coal Costs Due to 2004 Storms
<u> </u> (AWP-3)	Pitcher	Incremental Cross-Gulf Barge Storm Costs
<u> </u> (AWP-4)	Pitcher	Coal Price Comparison
<u> </u> (AWP-5)	Pitcher	PFC River Barge Solicitation
<u> </u> (AWP-6)	Pitcher	Dry Bulk Fuel Transportation and Delivery Agreement Between PFC and AEP MEMCO, LLC
<u> </u> (AWP-7)	Pitcher	PFC Transloading Bid Solicitation
<u> </u> (AWP-8)	Pitcher	DBF Transfer and Storage Agreement between PFC and International Marine Terminals Partnership
<u> </u> (AWP-9)	Pitcher	PFC Transportation Bid Solicitation
<u> </u> (AWP-10)	Pitcher	Affreightment Contract between PFC & Dixie Fuels
<u> </u> (AWP-11)	Pitcher	Affreightment Contract between PFC & EMI-PA, Inc.
<u> </u> (RMO-1)	Oliver	Summary of Incremental Reliability Purchases and Economic Dispatches attributable to 2004 Storms
<u> </u> (MFJ-1T)	Jacob	GPIF Reward/Penalty Schedules.
<u> </u> (MFJ-1P)	Jacob	GPIF Targets/Ranges Schedules.
<u> </u> (SSW-1)	Waters	Central Power & Lime Power Purchase Agreement

C. Statement of Basic Position - None necessary.

D.-F. Issues and Positions

PEF's positions on the issues identified in this proceeding are as follows. (Note: The issue numbering sequence below corresponds to the combined issue list distributed by Staff on October 11, 2005)

Generic Fuel Adjustment Issues

1. **ISSUE:** What are the appropriate final fuel adjustment true-up amounts for the period January 2004 through December 2004?
PEF: \$93,603,843 under-recovery, based on the deferral of \$79,157,270 approved in Order No. PSC-04-1276-FOF-EI and an additional under-recovery of \$14,446,573. (Portuondo)

2. **ISSUE:** What are the appropriate estimated fuel adjustment true-up amounts for the period January through December 2005?
PEF: \$222,088,213 under-recovery. (Portuondo)

3. **ISSUE:** What are the appropriate total fuel adjustment true-up amounts to be collected from January 2006 through December 2006?
PEF: \$315,692,056 under-recovery (Portuondo)

4. **ISSUE:** Should the Commission revise the fuel cost recovery factors in April 2006, after the final 2005 true-up filing, if a utility's estimated 2005 under recovery developed during the 2005 hurricane exceeds the actual under recovery by more than 10%?
PEF: PEF does not object to the suggested revision of the fuel factors in April 2006 *so long as* revisions also are made if a utility's estimated 2005 under-recovery is 10% less than the actual under-recovery. Although in accordance with the Commission's longstanding practice and procedure in this ongoing docket, any variance between projected and actual under-recoveries for 2005 should be accounted for in the fuel factors developed in the 2006 docket. Furthermore, the mid-course correction procedure approved in Order No. 13694, 9/20/84, requires utilities to notify the Commission, Staff and intervenors, via a filing, that a greater than ten percent over or under-recovery is projected to occur. If practical, the utility's filing would include a request for a hearing to revise the fuel factor at that time, but given the extraordinary nature of the events that have caused these increases, PEF can support this one-time departure from Commission practice. (Portuondo)

PROGRESS ENERGY FLORIDA'S
 PREHEARING STATEMENT
 DOCKET NO. 050001-EI
 PAGE 5

5. ISSUE: What is the appropriate revenue tax factor to be applied in calculating each investor owned electric utility's levelized fuel factor for the projection period of January 2006 through December 2006?

PEF: 1.00072 (Portuondo)

6. ISSUE: What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January 2006 through December 2006?

PEF: \$2,136,482,049 (Portuondo)

7. ISSUE: What is the appropriate levelized fuel cost recovery factor for the period of January 2006 through December 2006?

PEF: 5.321 cents per kWh (adjusted for jurisdictional losses). (Portuondo)

8. ISSUE: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level group?

PEF:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
A.	Transmission	0.9800
B.	Distribution Primary	0.9900
C.	Distribution Secondary	1.0000
D.	Lighting Service	1.0000

(Portuondo)

9. ISSUE: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

PEF:

Fuel Cost Factors (cents/kWh)						
Group	Delivery Voltage Level	First Tier Factor	Second Tier Factors	Levelized Factors	Time of Use	
					On-Peak	Off-Peak
A	Transmission	--	--	5.222	7.008	4.428
B	Distribution Primary	--	--	5.276	7.080	4.474
C	Distribution Secondary	4.979	5.979	5.329	7.152	4.519
D	Lighting	--	--	5.011	--	--

(Portuondo)

10. ISSUE: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

PEF: The new factors should be effective beginning with the first billing cycle for January 2006, and thereafter through the last billing cycle for December 2006. The first billing cycle may start before January 1, 2006, and the last billing cycle may end after December 31, 2006, so long as each customer is billed for twelve months regardless of when the factors became effective. (Portuondo)

11. ISSUE: What is the appropriate actual benchmark level for calendar year 2005 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

PEF: \$6,934,666 (Portuondo)

12. ISSUE: What is the appropriate estimated benchmark level for calendar year 2006 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?

PEF: \$5,972,207 (Portuondo)

Company-Specific Fuel Adjustment Issues

- 13A. ISSUE: Has Progress Energy Florida confirmed the validity of the methodology used to determine the equity component of Progress Fuels Corporation's capital structure for calendar year 2004?

PEF: Yes. PE's Audit Services Department has reviewed PFC's comparison of revenue requirements under full regulatory treatment to revenue requirements using the "short cut" method as defined in Order No. PSC-92-0347-FOF-EI. The scope of the review was for the year ended December 31, 2004. Based on the results of the review, the revenue requirements comparison was effective. (Portuondo)

- 13B. ISSUE: Has Progress Energy Florida properly calculated the 2004 price for waterborne transportation services provided by Progress Fuels Corporation?

PEF: Yes. The waterborne transportation calculation has been properly made in accordance with the methodology consistently used for previous calculations that have been approved by the Commission. (Portuondo)

- 13C. ISSUE: Are PEF's proposed inverted residential fuel factors appropriate?

PEF: Yes. PEF's proposed inverted rate structure is designed to promote energy efficiency and conservation in a revenue neutral manner and is consistent with the rate design incorporated in PEF's base rates. (Portuondo)

- 13D. ISSUE: Did Progress Energy Florida appropriately refund to its ratepayers the overpayments of \$6.1 million made to 16 qualifying facilities between August 2003 and August 2004?

PEF: Yes. PEF deducted the \$6.1 million principal associated with the overpayments, as well as \$143,518 in cumulative interest from its retail under-recovery in May 2005. (Portuondo)

- 13E. ISSUE: Did Progress Energy Florida prudently incur the additional \$17.5 million in incremental fuel costs due to the impact of the 2004 hurricane season?

PEF: Yes. The incremental fuel costs due to the impact of the 2004 hurricane season were due to extraordinary circumstances beyond PEF's control, such as disruption of natural gas production in the Gulf of Mexico and disruption in coal supply and transportation. PEF took reasonable measures to mitigate natural gas impacts by, among other things, purchasing replacement natural gas supplies on the spot market and from third party storage accounts, utilizing fuel oil to the extent necessary for reliability purposes and working with transmission companies to use existing gas in the pipelines to the extent operationally feasible. PEF took reasonable measures to mitigate coal impacts by, among other things, purchasing replacement coal supplies on the spot market and chartering additional coal barges to replenish coal inventories as soon as practicable. (Murphy, Pitcher, Oliver).

- 13F. ISSUE: Should the Commission grant Progress Energy Florida's petition for approval of waterborne coal transportation service contracts?

PEF: Yes. In accordance with Settlement and Stipulation approved in Order No. PSC-04-0713-AS-EI, the waterborne transportation service contracts were the result of competitive bidding which resulted in valid market prices for the various components of waterborne coal transportation services provided to PEF. These contracts ensure that PEF will be provided cost-effective river and gulf barge transportation services as well as cost effective and efficient terminal services. (Pitcher, Portuondo)

- 13G. ISSUE: Are costs associated with Progress Energy Florida's contract with Virginia Power Energy Marketing for long term natural gas supply and transportation reasonable and appropriate for recovery.

PEF: Yes. The Citrus Trading Corporation contract that PEF had since July 1996 was assigned to Virginia Power energy Marketing effective November 1, 2004. Natural gas costs purchased under this contract are reasonable and appropriate for recovery.
(Murphy)

- 13H. ISSUE: Has Progress Energy Florida adequately mitigated the price risk for natural gas, residual oil, and purchased power for 2004 through 2006?

PEF: Yes. PEF has adequately mitigated price risk for natural gas, residual oil, and purchase power by entering into long-term power and fuel purchase agreements. These hedging strategies help reduce exposure to volatile spot power and fuel markets by locking in prices today for future delivery of the commodity.
(Murphy, Oliver)

- 13I. ISSUE: Is PEF's request for recovery of \$10,413,156 for coal car investment, carrying costs for coal in transit, and coal procurement reasonable?

PEF: Yes. As part of a consolidation of PEF's coal procurement and transportation functions, ownership of railcars used to transport coal to Crystal River and coal inventory in transit is expected to transfer from Progress Fuels Corporation to PEF on January 1, 2006. In accordance with Order No. PSC-05-0945-S-EI, which approved the Stipulation and Settlement in Docket No. 050078-EI, PEF will recover its carrying costs of coal in transit and its coal procurement O&M costs through the fuel recovery clause. Furthermore, consistent with established Commission policy, PEF will recover depreciation expense, repair and maintenance expenses, property taxes and a return on average investment associated with rail cars used to transport coal to Crystal River. In accordance with the approved Settlement and Stipulation in Docket No. 050078-EI, PEF will use its proposed capital structure with an 11.75% as its authorized equity return on inventory in transit and coal car investment. (Portuondo)

- 13J. ISSUE: Should the Commission approve PEF's request for recovery of capacity and energy costs associated with PEF's wholesale purchase contract with Central Power & Lime, commencing in December 2005?

PEF: Yes. The purchase of capacity under the Central Power & Lime Agreement is needed to maintain a 20% reserve margin requirement for PEF's system. The purchase of this capacity and energy is expected to defer the need to acquire an equivalent amount of firm capacity and energy in the summers of 2006 and 2007, as well as the need to add a combustion turbine to meet demand in 2009. The agreement also promotes fuel diversity and price stability by providing an additional source of coal-fired energy at fixed prices. (Waters, Portuondo)

- 13K. ISSUE: Did PEF prudently incur its incremental fuel costs due to the impact of the 2005 hurricane season?

PEF: Yes. The incremental fuel costs due to the impact of the 2005 hurricane season were caused by extraordinary circumstances beyond PEF's control, such as disruption of natural gas production in the Gulf of Mexico and disruption in coal transportation. In anticipation of a more active than normal hurricane forecast in 2005, PEF purchased 3 different 10-day storage call option packages for July through October. This entitled PEF to strike on each call for up to ten days during this period. With these transactions tied to storage, the reliability of this gas was improved over gas tied to the producing areas. PEF also took reasonable measures to mitigate coal inventory impacts by, among other things, purchasing two additional coal import vessels and diverting vessels to Tampa for offloading and barge transportation to Crystal River. The ability to divert coal shipments to Tampa was the result of negotiations with International Marine Terminals after the 2004 storms. In addition, as a result of the lessons learned from the 2004 hurricane season, PFC placed into service two additional CSX rail sets and borrowed a rail set from Progress Energy Carolinas. This was done to increase coal inventories at Crystal River. Also, PFC delayed the scheduled dry docking of the Louise Howland from the peak of the hurricane season. (Murphy, Pitcher, Oliver)

- 13L. ISSUE: Were the prices that PEF paid to Progress Fuels Corporation for coal reasonable in amount? If not, what adjustment should be made?

PEF: Yes, the prices that PEF paid to Progress Fuels Corporation (PFC) for coal were reasonable; therefore, no adjustment should be made. The prices paid to PFC were the result of competitive bidding that resulted in valid market prices. Differences in prices paid to PFC and other coal suppliers are due to the fact that the purchases were made at different times under different market conditions. (Pitcher)

- 13M. ISSUE 13M: Should the Commission order PEF to collect its \$264.9 million under-recovery over a two-year period?

PEF: No. Ratepayers should see the impact on rates as close to the time period that gave rise to that impact. Given last years deferral and the continued volatility of fuel prices, deferral of this year's under-recovery could exacerbate rate impacts in future years. PEF's under-recovery, as amended in Mr. Portuondo's revised supplemental direct testimony filed on October 14, 2005, is \$315.7 million. (Portuondo)

Generic Generating Performance Incentive Factor Issues

18. **ISSUE:** What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period of January 2004 through December 2004?

PEF: \$532,353 (Jacob)

19. **ISSUE:** What should the GPIF targets/ranges be for the period of January 2006 through December 2006?

PEF: See Attachment A (page 2 of Exhibit MFJ-1). (Jacob)

Generic Capacity Cost Recovery Issues

24. **ISSUE:** What is the appropriate final capacity cost recovery true-up amount for the period of January 2004 through December 2004?

PEF: \$3,696,808 under-recovery. (Portuondo)

25. **ISSUE:** What is the appropriate estimated capacity cost recovery true-up amount for the period of January 2005 through December 2005?

PEF: \$7,919,656 under-recovery. (Portuondo)

26. **ISSUE:** What is the appropriate total capacity cost recovery true-up amount to be collected/refunded during the period January 2006 through December 2006?

PEF: \$11,616,464 under-recovery. (Portuondo)

27. **ISSUE:** What is the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period January 2006 through December 2006?

PEF: \$352,879,007. (Portuondo)

28. **ISSUE:** What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2006 through December 2006?

PEF: Base - 93.753%, Intermediate - 79.046%, Peaking - 88.979%. (Portuondo)

29. ISSUE: What are the projected capacity cost recovery factors for the period January 2006 through December 2006?

<u>PEF:</u>	<u>Rate Class</u>	<u>CCR Factor</u>
	Residential	0.993 cents/kWh
	General Service Non-Demand	0.900 cents/kWh
	@ Primary Voltage	0.891 cents/kWh
	@ Transmission Voltage	0.882 cents/kWh
	General Service 100% Load Factor	0.573 cents/kWh
	General Service Demand	0.791 cents/kWh
	@ Primary Voltage	0.783 cents/kWh
	@ Transmission Voltage	0.775 cents/kWh
	Curtaillable	0.709 cents/kWh
	@ Primary Voltage	0.702 cents/kWh
	@ Transmission Voltage	0.695 cents/kWh
	Interruptible	0.607 cents/kWh
	@ Primary Voltage	0.601 cents/kWh
	@ Transmission Voltage	0.595 cents/kWh
	Lighting (Portuondo)	0.177 cents/kWh

Company-Specific Capacity Cost Recovery Issues

- 30A. ISSUE: Has PEF provided sufficient evidence to justify its increase in capacity costs?

PEF: Yes. PEF's revised projected average retail CCR factor of .879¢/kWh is 13.9% higher than the 2005 factor of .772 ¢/kWh. This increase is primarily due to carry-over of prior period under-recoveries, increases in annual QF and firm purchase power capacity payments and a 133 MW firm purchase with Central Power & Lime beginning in December 2005. (Portuondo)

- 30B. ISSUE: Are PEFs actual and projected expenses for 2004 through 2006 for its post-September 11, 2001, security measures reasonable for cost recovery purposes?

PEF: Yes. In accordance with Order No. PSC-05-0945-S-EI, PEF will continue to collect its post-September 11, 2001, incremental security costs through the Capacity Cost Recovery Clause. The company's actual and projected post-September 11, 2001 incremental security costs for 2004 through 2006 are reasonable for cost recovery purposes. (Portuondo)

- G. Stipulated Issues

PEF is not a party to any stipulations at this time.

H. Pending Motions

PEF has no pending motions.

I. Requests for Confidentiality

PEF has the pending requests for confidential classification filed on August 9, 2005 (Exh. No. __ (JP-1R)), September 9, 2005 (Exh. No. __ (SSW-1) and testimony of S. Waters; Exh. No. __ (JP-1P) and Revised Exhibit No. __ (JP-1R)); October 4, 2005 (audit workpaer); and October 14, 2005 (Exh. No. __ (JP-1S)).

J. Requirements of Order

PEF believes that this prehearing statement complies with all the requirements of the Order Establishing Procedure.

K. Objections to Qualifications

PEF has no objection to the qualifications of any expert witnesses in this proceeding.

RESPECTFULLY SUBMITTED this 7th day of October, 2005.

HOPPING GREEN & SAMS, P.A.

By: 

Gary V. Perko
Carolyn R. Raeppele
P.O. Box 6526
Tallahassee, Florida 32314
(850) 425-2313

and

R. Alexander Glenn
Deputy General Counsel-Florida
Progress Energy Service Co., LLC
100 Central Avenue
St. Petersburg, FL 33701-3324

Attorneys for Progress Energy Florida

GENERATING PERFORMANCE INCENTIVE FACTOR

REWARD/PENALTY TABLE

ESTIMATED

Progress Energy Florida
 Period of: January 2006 - December 2006

Generating Performance Incentive Points (GPIF)	Fuel Saving/Loss (\$)	Generating Performance Incentive Factor (\$)
10	\$95,865,141	\$11,074,256
9	\$86,278,627	\$9,966,831
8	\$76,692,113	\$8,859,405
7	\$67,105,599	\$7,751,979
6	\$57,519,085	\$6,644,554
5	\$47,932,571	\$5,537,128
4	\$38,346,057	\$4,429,702
3	\$28,759,542	\$3,322,277
2	\$19,173,028	\$2,214,851
1	\$9,586,514	\$1,107,426
0	\$0	\$0
-1	(\$7,197,314)	(\$1,107,426)
-2	(\$14,394,628)	(\$2,214,851)
-3	(\$21,591,942)	(\$3,322,277)
-4	(\$28,789,257)	(\$4,429,702)
-5	(\$35,986,571)	(\$5,537,128)
-6	(\$43,183,885)	(\$6,644,554)
-7	(\$50,381,199)	(\$7,751,979)
-8	(\$57,578,513)	(\$8,859,405)
-9	(\$64,775,827)	(\$9,966,831)
-10	(\$71,973,141)	(\$11,074,256)

Issued by: Progress Energy Florida

Filed:
 Suspended:
 Effective:
 Docket No.:
 Order No.:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY, on behalf of Progress Energy Florida's Prehearing Statement in Docket No. 050001-EI have been furnished by electronic mail and regular U.S. mail to the following this 17th day of October, 2005.

Adrienne Vining, Esq.
Jennifer Rodan, Esq.
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
avining@psc.state.fl.us

John T. Butler, Esq.
Squire, Sanders & Dempsey, L.L.P.
200 S. Biscayne Bay Blvd, Suite 4000
Miami, FL 33131-2398
jbutler@steelhector.com

Lee L. Willis, Esq.
James D. Beasley, Esq.
Ausley & McMullen
P.O. Box 391
Tallahassee, FL 32302
lwillis@ausley.com

Patricia Ann Christensen, Esq.
Office of Public Counsel
111 West Madison Street, Rm. 812
Tallahassee, FL 32399
christensen.patty@leg.state.fl.us

Jeffrey A. Stone, Esq.
Russell A. Badders, Esq.
Beggs and Lane
P.O. Box 12950
Pensacola, FL 32576
JAS@beggslane.com

Florida Industrial Power Users Group
c/o John W. McWhirter, Jr.
McWhirter Reeves
400 North Tampa Street, Suite 2450
Tampa, FL 33602
jmcwhirter@mac-law.com

Vicki Gordon Kaufman, Esq.
Timothy J. Perry, Esq.
McWhirter Reeves, et al.
117 South Gadsden Street
Tallahassee, FL 32301
tperry@mac-law.com

Florida Power & Light Co.
R. Wade Litchfield, Esq.
700 Universe Blvd.
Juno Beach, FL 33408-0420
Wade_Litchfield@fpl.com

Florida Power & Light Co.
Bill Walker
215 S. Monroe Street, Suite 810
Tallahassee, FL 32301
Bill_Walker@fpl.com

Gulf Power Company
Susan Ritenour
One Energy Place
Pensacola, FL 32520-0780
sdriteno@southernco.com

Tampa Electric Company
Angela Llewellyn
Regulatory Affairs
P.O. Box 111
Tampa, FL 33601-0111
RegDept@Tecoenergy.com

Messer Law Firm
Norman Horton, Jr.
P.O. Box 1876
Tallahassee, FL 32302-1876
nhorton@lawfla.com

Florida Public Utilities Company
Ms. Cheryl Martin
P. O. Box 3395
West Palm Beach, FL 33402-3395
cmartin@fpuc.com

CSX Transportation, Inc.
Mark Hoffman
500 Water St., 14th Floor
Jacksonville, FL 32202
Mark_Hoffmann@csx.com

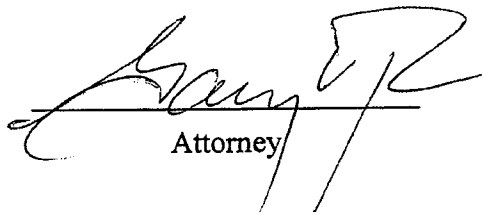
Moyle Law Firm
Jon C. Moyle, Jr.
The Perkins House
118 North Gadsden Street
Tallahassee, FL 32301
jmoylejr@moylelaw.com

R. Alexander Glenn
Deputy General Counsel - Florida
Progress Energy Service Company, LLC
P.O. Box 14042
St. Petersburg, FL 33733
alex.glenn@pgnmail.com

Landers Law Firm
Robert Scheffel Wright/John LaVia, III
P.O. Box 271
Tallahassee, FL 32302
schef@landersandparsons.com

Michael B. Twomey
Post Office Box 5256
Tallahassee, FL 32314-5256
miketwomey@talstar.com

Lieutenant Colonel Karen White
Major Craig Paulson
AFCESA/ULT
139 Barnes Drive
Tyndall Air Force Base, FL 32403
Karen.white@tyndall.af.mil
craig.paulson@tyndall.af.mil



Attorney