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August 18, 2006

STAFF'S FIRST DATA REQUEST

John Burnett
Progress Energy Service Company, LLC
P.O. Box 14042
St. Petersburg, FL 33733-4042

Paul Lewis, Jr.
Progress Energy Florida, Inc.
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740

Re: DATA REQUEST. Docket Number 060001, Fuel and purchased power cost recovery clause with generating performance incentive factor.

Dear Mr. Burnett and Mr. Lewis:

Pursuant to an agenda conference held on August 15, 2006 regarding a petition by Florida Power and Light to recover storage of natural gas through the fuel clause, several questions were raised regarding treatment of costs associated with the storage of fuel. In an effort to obtain a complete understanding of the appropriate method of treatment of these costs associated with the storage of natural gas, we are asking that each investor owned utility provide us with information regarding its treatment of on and off site storage of all fuels (except nuclear). By this letter, the Commission staff requests that Progress provide responses to the following set of data requests:

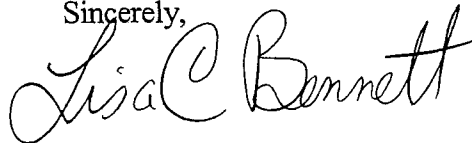
- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____ 1. Please explain PEF's plans for using firm natural gas storage. Include the following in the explanation:
 - OPC _____
 - RCA _____ - when PEF plans to begin using natural gas storage
 - SCR _____ - the planned amount of firm storage capacity
 - SGA _____ - how PEF will recover the costs of natural gas storage
 - SGA _____ - how PEF will report the costs of natural gas storage
- SEC 1 2. What is PEF's definition of physical hedging? Please provide examples.
- OTH _____

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3. For each fossil fuel PEF burns, at what point in the transportation chain does it take ownership?
4. For each fossil fuel, at what points in the transportation chain is the fuel considered fuel inventory of PEF?
5. For each fossil fuel, if fuel storage is utilized, indicate whether there is fuel stored both on-site and off-site.
6. For off-site storage, identify which costs of storage are recovered through the fuel clause and which costs are recovered through base rates. For any fee or charge recovered through the fuel clause, state the utility's rationale for recovery of those costs through the fuel clause as opposed to base rates. When providing the rationale please cite applicable rules or orders.
7. For on-site storage, identify which costs of storage are recovered through the fuel clause and which costs are recovered through base rates. For any fee or charge recovered through the fuel clause, state the utility's rationale for recovery of these costs through the fuel clause as opposed to base rates. When providing the rationale please cite applicable rules or orders.
8. If fuel carrying costs are applicable to any fuel storage, indicate whether these costs are recovered through the fuel clause or base rates. Is there a difference in treatment of on-site vs. off-site storage? What is your rationale for recovery of fuel inventory carrying cost through the fuel clause?

Please provide a response to these data requests by August 25, 2006. If you have any questions, please contact me at (850) 413-6230.

Sincerely,



Lisa C. Bennett
Attorney

LCB:jb

cc: All Parties of Record
Charles Beck – Office of Public Counsel
Jack Shreve – Attorney General's Office
Shef Wright – Florida Retail Federation
Tim Perry – Florida Industrial Power Users Group
Mike Twomey – AARP
Division of the Commission Clerk and Administrative Services (Docket file)
Division of Economic Regulation (Lester)
Division of Regulatory Compliance and Consumer Assistance (Vandiver)