



September 11, 2006

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

Re: Fuel and purchased power cost recovery clause with generating performance
incentive factor; Docket No. 060001-EI

Dear Ms. Bayó:

Please find enclosed for filing on behalf of Progress Energy Florida, Inc., the
petition for approval of fuel and purchase power cost recovery factors for the period of
January 2007 to December 2007 which was inadvertently omitted from our initial filing
on September 1, 2006.

Thank you for your assistance in this matter.

Sincerely,

John T. Burnett LMS
John T. Burnett

JTB/lms

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

Docket No. 060001-EI

Dated: September 1, 2006

**PROGRESS ENERGY FLORIDA'S PETITION FOR APPROVAL OF
FUEL AND PURCHASE POWER COST RECOVERY FACTORS
FOR THE PERIOD JANUARY 2007 to DECEMBER 2007**

Progress Energy Florida, Inc. ("PEF" or "the Company"), hereby petitions for approval of its fuel and capacity cost recovery true-up and proposed fuel and capacity cost recovery factors for the period January 2007 to December 2007. In support of this Petition, PEF states:

Fuel Cost Recovery Factors

1. PEF's proposed fuel cost recovery factors are presented in the pre-filed testimony and exhibits of Javier Portuondo. Schedule E1, in Section B of Mr. Portuondo's Exhibit No. __ (JP-1P) shows the calculation of the Company's basic fuel cost factor of 5.451 ¢/kWh (before metering voltage adjustments). The basic factor consists of a fuel cost for the projection period of 5.5235 ¢/kWh (adjusted for jurisdictional losses), a GPIF penalty of 0.00379 ¢/kWh, and an estimated prior period over-recovery true-up of 0.07302 ¢/kWh. Utilizing this basic factor, Schedule E1-D shows the calculation and supporting data for the Company's final levelized fuel cost factors for service taken at secondary, primary, and transmission metering voltage levels.

Capacity Cost Recovery Factors

2. The calculation of PEF's proposed capacity cost recovery (CCR) factors is shown in Part C of Mr. Portuondo's Exhibit No. __ (JP-1P). The proposed CCR factors allocate

capacity costs to rate classes in the same manner that they would be allocated if they were recovered in base rates. As shown on page 5 of Part C, the average retail capacity CCR factor is .959 ¢/kWh.


Other Issues

3. PEF has calculated that it is subject to a GPIF penalty of \$1,547,048 for the performance experienced during the period January 1, 2005 through December 31, 2005. The Company is also proposing GPIF targets and ranges for the period January 1, 2007 through December 31, 2007 with such proposed targets and ranges being detailed in the testimony and exhibits of PEF witness Robert M. Oliver.

WHEREFORE, Progress Energy Florida, Inc., respectfully requests that the Commission approve the Company's fuel and capacity cost recovery true-ups and proposed fuel and capacity cost recovery factors for the period January 2007 through December 2007 as set forth in the testimony and supporting exhibits of Javier Portuondo filed on September 1, 2006.

RESPECTFULLY SUBMITTED this 1st day of September, 2006.

By:


R. ALEXANDER GLENN
Deputy General Counsel – Florida
JOHN T. BURNETT
Associate General Counsel - Florida
100 Central Avenue
St. Petersburg, Florida 33701

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via U.S. Mail this 17th day of September, 2006 to all parties of record as indicated below.


JOHN T. BURNETT

<p>Lisa Bennett, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850</p> <p>James D. Beasley, Esq. Lee L. Willis, Esq. Ausley & McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302</p> <p>Joseph A. McGlothlin, Esq. Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, #812 Tallahassee, FL 32399</p> <p>Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs & Lane Law Firm P.O. Box 12950 Pensacola, FL 32591</p> <p>Timothy J. Perry, Esq. McWhirter Reeves Law Firm 117. S. Gadsden Street Tallahassee, FL 32301</p> <p>Ms. Brenda Irizarry Tampa Electric Company P.O. Box 111 Tampa, FL 33601</p>	<p>Florida Industrial Power Users Group c/o John McWhirter, Jr. McWhirter Reeves Law Firm 400 N. Tampa Street, Ste. 2450 Tampa, FL 33602</p> <p>Norman H. Horton, Jr. Messer, Caparello & Self, P.A. P.O. Box 1876 Tallahassee, FL 32302-1876</p> <p>John T. Butler, Esq. Florida Power & Light Co. 9250 W. Flagler Street Miami, FL 33102</p> <p>Robert Scheffel Wright John T. LaVia, III Young van Assenderp, P.A. 225 S. Adams Street, Suite 200 Tallahassee, FL 32301</p> <p>AARP c/o Mike Twomey P.O. Box 5256 Tallahassee, FL 32314-5256</p> <p>Karen S. White, Lt. Col., USAF Damund E. Williams, Capt., USAF AFLSA/JACL-ULT 139 Barnes Drive, Suit 1 Tyndall Air Force Base, FL 32403-5319</p> <p>R. Wade Litchfield, Esq. Florida Power & Light 700 Universe Boulevard Juno Beach, FL 33408-0420</p>
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