

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Environmental Cost Recovery)
Clause)
_____)

Docket No. 060007-EI

Filed: September 15, 2006

**PROGRESS ENERGY FLORIDA' PETITION FOR APPROVAL
OF ENVIRONMENTAL COST RECOVERY TRUE-UP AND
ENVIRONMENTAL COST RECOVERY CLAUSE FACTORS
FOR THE PERIOD JANUARY 2007 to DECEMBER 2007**

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

1. PEF's total true-up applicable for this period is an under-recovery of \$17,007,817. This consists of the final true-up under-recovery of \$237,170 for the period from January through December 2005 and an estimated true-up under-recovery of \$16,770,646 for the current period of January 2006 through December 2006. Documentation supporting the total true-up under-recovery is provided in Mr. Portuondo's testimony and exhibit of August 4, 2006, and Mr. Portuondo's testimony and exhibit of September 1, 2006. Additional cost information for specific ECRC programs are presented in the pre-filed testimony of Kent D. Hedrick and Patricia Q. West filed on August 4, 2006.

2. As explained in the testimony of Javier Portuondo submitted on September 1, 2006, shown in Form 42-1P of Mr. Portuondo's Exhibit No. ___ (JP-3), the total projected jurisdictional capital and O&M costs for the period January 2007 to December 2007 are

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\$36,759,254. Projected costs for specific ECRC programs are presented in the pre-filed testimony of Kent D. Hedrick, Patricia Q. West and Thomas Lawery on September 1, 2006.

3. PEF's proposed ECRC factors for the period January 2007 to December 2007, which are designed to recover the 2005 final true-up, the estimated 2006 estimated/actual true-up, and projected 2007 costs, are presented for the Commission's review and approval in Mr. Portuondo's testimony submitted on September 1, 2006. The ECRC factors were calculated as shown on Forms 42-6P through 42-7P of Exhibit __ (JP-3) to Mr. Portuondo's testimony.

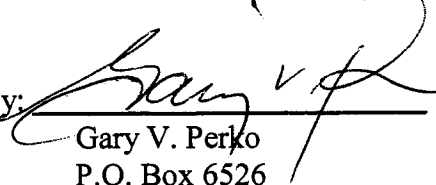
4. The environmental cost recovery true-up and proposed ECRC factors presented in Mr. Portuondo's testimony and exhibits are consistent with the provisions of Section 366.8255, Florida Statutes, and with prior rulings by the Commission.

WHEREFORE, Progress Energy Florida, Inc., respectfully requests that the Commission approve the Company's environmental cost recovery true-up and proposed ECRC 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 15 day of September, 2006.

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