



Progress Energy

October 9, 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: Energy Conservation and Cost Recovery Clause; Docket No. 060002-EG

Dear Ms. Bayó:

Enclosed for filing in the above referenced docket are the original and fifteen (15) copies of Progress Energy Florida, Inc.'s Prehearing Statement.

Please acknowledge receipt of the above by stamping the duplicate copy of this letter and returning to the undersigned.

Thank you for your assistance in this matter.

Sincerely,

John T. Burnett LMS
John T. Burnett

JTB/lms

Progress Energy Florida, Inc.
106 E. College Avenue
Suite 800
Tallahassee, FL 32301

DOCUMENT NUMBER-DATE

09318 OCT-9 8

FPSC-COMMISSION CLERK

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Energy Conservation Cost Recovery
Clause.

DOCKET NO. 060002-EG

DATED: October 9, 2006

**PROGRESS ENERGY FLORIDA'S
PREHEARING STATEMENT**

Progress Energy Florida (PEF), pursuant to the Order Establishing Procedure in this proceeding, Order No. PSC-06-0651-PCO-EG (June 30, 2006), hereby submits its Prehearing Statement:

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

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
John A. Masiello	Final True-up, January - December 2005	1
John A. Masiello	Estimated/Actual True-up, January - December 2006 and ECCR Factors for January - December 2007	2 - 4

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

<u>Exhibit No.</u>	<u>Witness</u>	<u>Description</u>
<u>(JAM-1T)</u>	Masiello	ECCR Adjusted Net True-Up for January - December 2005, Schedules CT1 - CT5.
<u>(JAM-1P)</u>	Masiello	Estimated/Actual True-Up, January - December 2006 and ECCR Factors for Billings in January - December 2007, Schedules C1 - C5.

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:

Generic Conservation Cost Recovery Issues

1. ISSUE: What is the appropriate final conservation cost recovery end-of-period true-up amount for the period January 2005 through December 2005?

PEF: \$9,598,366 over-recovery. (Masiello)

2. ISSUE: What is the appropriate estimated end-of-period true-up amount for the period January 2006 through December 2006?

PEF: \$9,995,588 over-recovery. (Masiello)

3. ISSUE: What are the appropriate conservation cost recovery factors for the period January 2007 through December 2007?

<u>PEF</u> :	<u>Rate Class</u>	<u>ECCR Factor</u>
	Residential	0.196 cents/kWh
	General Service Non-Demand	0.176 cents/kWh
	@ Primary Voltage	0.174 cents/kWh
	@ Transmission Voltage	0.172 cents/kWh
	General Service 100% Load Factor	0.141 cents/kWh
	General Service Demand	0.158 cents/kWh
	@ Primary Voltage	0.156 cents/kWh
	@ Transmission Voltage	0.155 cents/kWh
	Curtable	0.131 cents/kWh
	@ Primary Voltage	0.130 cents/kWh
	@ Transmission Voltage	0.128 cents/kWh
	Interruptible	0.144 cents/kWh
	@ Primary Voltage	0.143 cents/kWh
	@ Transmission Voltage	0.141 cents/kWh
	Lighting	0.084 cents/kWh

(Masiello)

4. ISSUE: What should be the effective date of the new conservation cost recovery factors for billing purposes?

PEF: The new factors should be effective beginning with the first billing cycle for January 2007, and thereafter through the last billing cycle for December 2007. The first

billing cycle may start before January 1, 2007, and the last billing cycle may end after December 31, 2007, so long as each customer is billed for twelve months regardless of when the factors became effective. (Masiello)

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 no pending requests for confidential classification.

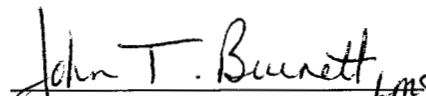
J. Requirements of Order

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

K. Objections to Qualifications

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

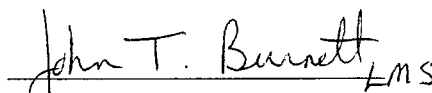
RESPECTFULLY SUBMITTED this 9th day of October, 2006.


R. ALEXANDER GLENN
Deputy General Counsel-Florida
JOHN T. BURNETT
Associate General Counsel
Progress Energy Service Co., LLC
100 Central Avenue
St. Petersburg, FL 33701-3324

Attorneys for Progress Energy Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Progress Energy Florida, Inc.'s Prehearing Statement in Docket No. 060002-EG has been furnished via U.S. Mail this 9th day of October, 2006 to all parties of record as indicated below.


JOHN T. BURNETT

<p>Katherine Fleming, 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 15579 Tallahassee, FL 32317</p> <p>R. Wade Litchfield, Esq. Florida Power & Light 700 Universe Boulevard Juno Beach, FL 33408-0420</p> <p>Ms. Cheryl Martin Florida Public Utilities Company P.O. Box 3395 West Palm Beach, FL 33402-3395</p> <p>Mr. Bill Walker Florida Power & Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859</p> <p>Ms. Susan D. Ritenour Gulf Power Company One Energy Place Pensacola, FL 32520-0780</p>
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