



ORIGINAL

March 1, 2007

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

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COMMISSION  
CLERK

Re: Docket No. 070001-EI

Dear Ms. Bayo:

Enclosed for filing in the above referenced docket on behalf of Progress Energy Florida, Inc. ("PEF") are the original and fifteen (15) copies of the following:

- PEF's True-Up Petition; and
- Direct Testimony of Will Garrett with Exhibit No. \_\_\_ (WG-1T), Exhibit No. \_\_\_ (WG-2T), and Exhibit No. \_\_\_ (WG-3T).

Please acknowledge receipt and filing of the above by stamping a copy of this letter and returning to me. A diskette is included containing the testimony in Microsoft Word format. If you should have any questions, please feel free to contact me at (727) 820-5184.

Thank you for your assistance in this matter.

Respectfully yours,

*John T. Burnett* lms  
John T. Burnett

CMP \_\_\_\_\_  
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 CTR \_\_\_\_\_  
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 SEC \_\_\_\_\_  
 OTH lms

JTB/lms  
Enclosures

cc: Parties of Record

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*RVN.*  
BUREAU OF RECORDS

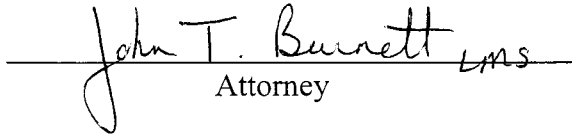
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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via regular U.S. mail to the following this 1<sup>st</sup> day of March, 2007.

  
Attorney

<p>Lisa Bennett, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850</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>
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<p>Ms. Susan D. Ritenour Gulf Power Company One Energy Place Pensacola, FL 32520-0780</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 &amp; Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859</p>	<p>Karen S. White, Lt. Col., USAF Damund E. Williams, Capt., USAF AFLSA/JACL-ULT 139 Barnes Drive, Suite 1 Tyndall Air Force Base, FL 32403-5319</p>
<p>AARP c/o Mike Twomey P.O. Box 5256 Tallahassee, FL 32314-5256</p>	<p>Mr. James W. Brew, Esq. c/o Brickfield Law Firm 1025 Thomas Jefferson St., NW 8<sup>th</sup> Floor, West Tower Washington, DC 20007</p>

# ORIGINAL

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchase Power ) Docket No. 070001-EI  
Cost Recovery Clause and Generating )  
Performance Incentive Factor ) Filed: March 1, 2007

### **PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST RECOVERY FINAL TRUE-UPS FOR THE PERIOD ENDING DECEMBER 2006**

Progress Energy Florida, Inc. ("PEF") hereby petitions this Commission for approval of PEF's final Fuel and Purchased Power Cost Recovery ("FCR") true-up amount of \$28,864,616 over-recovery, and final Capacity Cost Recovery ("CCR") true-up amount of \$3,381,972 under-recovery for the period ending December 2006. In support of this Petition, PEF states as follows:

1. The final \$28,864,616 FCR over-recovery for the period January 2006 through December 2006 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order 10093 dated June 19, 1981. This calculation and the supporting documentation are contained in the prepared testimony of PEF witness Will Garrett, which is being filed together with the Petition and is incorporated herein by reference.
2. By Order No. PSC-06-1057-FOF-EI, the Commission approved a levelized FCR Factor of 5.132 cents/kWh for the period commencing January 2007. This FCR Factor reflected an "estimated/actual" over-recovery including interest for the period January 2006 through December 2006 of \$46,480,257. The actual over-recovery including interest for the period January 2006 through December 2006 is \$75,344,873. The \$75,344,873 actual over-recovery less the estimated/actual over-recovery of \$46,480,257 results in the final over-recovery of \$28,864,616. The final over-recovery of \$28,864,616 is to be included in the calculation of the FCR Factors for the period beginning January 2008.

DOCUMENT NUMBER DATE

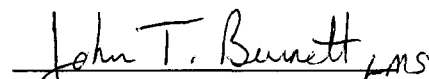
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3. The final \$3,381,972 CCR under-recovery for the period January 2006 through December 2006 was calculated in accordance with the methodology set forth in Order No. 25773, dated February 24, 1992. This calculation and the supporting documentation are contained in the prepared testimony of PEF witness Will Garrett.
4. By Order No. PSC-06-1057-FOF-EI, the Commission approved CCR Factors for the period commencing January 2007. These factors reflected an estimated/actual under-recovery, including interest, for the period January 2006 through December 2006 of \$5,380,565, which was also approved in Order No. PSC-06-1057-FOF-EI. The actual under-recovery, including interest, for the period January 2006 through December 2006 is \$8,762,537. The \$8,762,537 actual under-recovery, less the estimated/actual under-recovery of \$5,380,565 which is currently reflected in charges for the period beginning January 2007, results in a final under-recovery of \$3,381,972. The final under-recovery of \$3,381,972 is to be included in the calculation of the CCR Factors for the period beginning 2008.

WHEREFORE, PEF respectfully requests the Commission to approve the net \$28,864,616 FCR over-recovery as the final true-up amount for the period ending December 2006 and include this amount in the calculation of the FCR Factors for the period beginning January 2008; and to approve the net \$3,381,972 CCR under-recovery as the final true-up amount for the period ending December 2006 and include this amount in the calculation of the CCR Factors for the period beginning January 2008.

Respectfully submitted,



R. ALEXANDER GLENN  
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JOHN T. BURNETT  
Associate General Counsel – Florida  
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