

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 070001-EI

Dated: August 24, 2007

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COMMISSION
CLERK

PROGRESS ENERGY FLORIDA INC.'S NOTICE OF INTENT TO REQUEST CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc., ("PEF" or "Company"), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Notice of Intent to Request for Confidential Classification of confidential portions of PEF's responses to OPC's First Set of Interrogatories (Nos. 1-8). Specifically, portions of the documents responsive to questions 4, 5, & 6 contain confidential business information relating to

CMP _____
COM _____ PEF's contractual pricing arrangements between PEF and third parties (fuel suppliers &
CTR _____ transportation providers) that would adversely impact PEF's competitive business interests if
ECR 1 _____ disclosed to the public. Disclosure of that information to the public would also adversely impact
GCL 1 _____
OPC _____ the competitive business interests of PEF's potential fuel suppliers and transportation providers.
RCA _____ Attached as Exhibit A is a copy of OPC's First Set of Interrogatories (Nos. 1-8) to which
SCR _____
SGA _____ this notice relates.

SEC _____ Pursuant to Rule 25-22.006(3)(a)(1), PEF will file its Request for Confidential
OTH Comp records Classification for the confidential information contained herein within twenty-one (21) days of
filing this request.

(CLK note: confidential info. not filed w/ Clerk's office)
DOCUMENT NUMBER-DATE
07526 AUG 23 5
FPSC-COMMISSION CLERK
[Signature]

RESPECTFULLY SUBMITTED this 24th day of August, 2007.

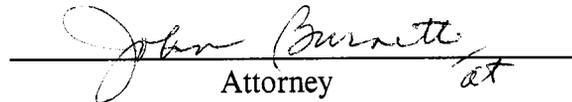


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Progress Energy Florida, Inc.'s request for Notice of Intent to Request Confidential Classification in Docket No. 070001-EI has been furnished by regular U.S. mail to the following this 24th day of August, 2007.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)
Cost Recovery Clause with) DOCKET NO. 070001-EI
Generating Performance Incentive)
Factor) July 25, 2007
_____)

**CITIZENS' FIRST SET OF INTERROGATORIES
TO PROGRESS ENERGY FLORIDA, INC. (NOS. 1- 8)**

Pursuant to § 350.0611(1), F.S., Fla. Admin. Code R. 28-106.206, and Fla. R. Civ. P. 1.340, Florida's Citizens (Citizens or OPC) propound the following interrogatories to Progress Energy Florida, Inc. (PEF) to be answered on or before 30 days from the date of service, or at such other time and place as may be mutually agreed upon by counsel.

DEFINITIONS

As used herein, the following words shall have the meanings indicated:

- (i) "Progress Energy Florida, Inc.", "PEF" or "the company" means Progress Energy Florida, Inc., and "Progress Fuels" means Progress Fuels Corporation. Either term includes the respective corporation's subsidiaries and affiliates, including, but not limited to, present and former officers, employees, agents, directors and all other persons acting or purporting to act on behalf of PEF and/or Progress Fuels.
- (ii) Responses to any questions directed at PEF regarding historical information should also encompass PEF's predecessor's name, Florida Power Corporation.

- (iii) "You," means Progress Energy Florida, Inc., and all officers, employees, consultants, and agents, of the corporation, as the context requires.
- (iv) "identify" shall mean, with respect to any document or report; set forth the title, if any, describe the relevant page or pages and line or lines thereof (or annex a copy to the answer to these interrogatories, with appropriate designations of such page or pages and line or lines), and state the present location and custodian of the original and all copies of the documents, who prepared the document, and when it was prepared.

INSTRUCTIONS

- A. Documents or reports to be identified shall include all documents in your possession, custody and control and all other documents of which you have knowledge.
- B. To the extent an interrogatory calls for information which cannot now be precisely and completely furnished, such information as can be furnished should be included in the answer, together with a statement that further information cannot be furnished, and a statement as to the reasons therefore. If you expect to obtain further information between the time answers are served and the time of hearing, you are requested to state this fact in each answer. If the information which cannot now be furnished is believed to be available to another person, identify such other person and the reasons for believing such person has the described information.

- C. In the event any Interrogatory herein calls for information or for the identification of a document which you deem to be privileged, in whole or in part, the information should be given or the document identified to the fullest extent possible consistent with such claim of privilege and specify the grounds relied upon for the claim of privilege.
- D. Separate answers shall be furnished for each interrogatory, although where the context permits, an interrogatory may be answered by reference to the answer furnished to another interrogatory.
- E. For each interrogatory, identify the name, address, telephone number and position of the person responsible for providing the answer.

INTERROGATORIES

1. For each company listed on the 423-2 form involved in a sale to PEF or PFC as listed on the 423-2 forms for January, 2007 and February, 2007 that is affiliated in any way with any percentage of ownership on the part of PEF, PFC, its parent or affiliates, please state the name of the company, the percentage of ownership by PEF, PFC, its parent or affiliates, the persons who signed the contract on behalf of the seller and the buyer, their addresses and corporate positions.

2. Please describe the relationship of Massey Utility Sales Company-PEF, CAM Mining LLC-PEF, Central Coal-PEF and Alliance MC Mining-PEF with PEF, PFC, its parent or affiliates. If these are affiliated companies, please include a description of the corporate headquarters of each of the affiliates, the names of their officers and board of directors and their annual reports for years 2005 and 2006.

3. The January 2007 423-2 Form shows that PEF purchased quantities of low sulfur coal through the TECO transfer facility at the delivered prices stated therein, while the IMT transfer facility received coals at higher delivered prices. Please discuss the reasons why PEF was forced to pay the increased costs associated with the IMT purchases as opposed to the lower costs associated with the TECO transfer facility purchases and any plans the company may have to avoid such penalties in the future.

4. The January 2007 423-2 Form shows that CR 4 & 5 received approximately 45,000 tons of 0.41% low sulfur coal from an unidentified Transfer Facility with a BTU content of 11,437, and that it received in the same month an additional 138,000 tons from an unidentified Transfer Facility at a higher cost per ton. Please state for each transfer facility the name of the transfer facility, the source of the coal, the cost of the coal at the mine, the river transportation cost of the coal if applicable, the terminal cost, if applicable, the Gulf transportation cost, if applicable, the reasons for the additional cost per ton for the 138,000 ton shipment and what plans the company has to avoid such penalties in the future, if any. If the reason for the price differential is BTU content, please state the actual \$MMBTU for each of the separate sources.

5. The January 2007 423-2 Form shows that PEF purchased 29,475 tons of 0.45% low sulfur coal with a BTU content of 11,342 at the delivered price stated therein. With regard to the delivered price of McDuffie Coal, what portion is comprised of terminal and Gulf transportation costs?

6. In view of the price paid for low sulfur coal for CR4 and 5 in January 2007, please discuss the potential for utilizing greater percentages of the 0.45% low sulfur, low BTU coal purchased from Interocean at McDuffie terminal.

7. Referring to the February 2007 Form 423-2, please describe and support the manner in which Central and Keystone coals were procured.

8. Referring to the February 2007 Form 423-2 for CR 1 & 2, assuming that CAM Mining LLC-PEF is an affiliate, please explain the manner in which coal purchased from this producer was procured and priced. In your answer, include a comparison of this procurement to market conditions and alternatives available at the time.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Office of Public Counsel's **CITIZENS' FIRST SET OF INTERROGATORIES TO PROGRESS ENERGY FLORIDA, INC. (NOS. 1- 8)** has been furnished by electronic mail and U.S. Mail on this 25th day of July, 2007, to the following:

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