

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Progress Energy Florida
to increase base rates to recover the full
revenue requirements of the Hines Unit 2
and Unit 4 power plants pursuant to
Commission Order No. PSC-05-0945-S-EI.

Docket No. 070290-EI

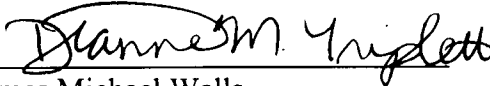
Submitted for Filing: September 20, 2007

NOTICE OF FILING SUPPLEMENTAL RESPONSE

Pursuant to a request from Staff on Septemeber 20, 2007, Progress Energy Florida,


Inc. files the attached information.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically and via U.S. Mail this 20th day of September, 2007 to all parties of record as indicated below.


Attorney

| | |
|--|--|
| <p>Ms. Martha Brown, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850</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>J. Michael Walls, Esq. Diane M. Tripplett, Esq. Carlton Fields Law Firm Post Office Box 3239 Tampa, FL 33601-3239</p> <p>Mr. Paul Lewis, Jr. Progress Energy Florida 106 E. College Ave., Suite 800 Tallahassee, FL 32301</p> |
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Progress Energy

**Progress Energy Florida
Hines 2 and Hines 4 Revenue Requirements in Base Rates
Residential Rate - \$/1000 KWH**

| | 2007 | 2008 | |
|---------------------|------------------|------------------|-----------------------------------|
| Customer Charge | Current | Proposed | |
| Base Rate Energy | \$ 8.03 | \$ 8.03 | < No change |
| Subtotal Base Rate | 33.15 | 35.88 | < Hines 2 & Hines 4 in Base Rates |
| | 41.18 | 43.91 | |
| Fuel Clause | 47.98 | 47.98 | < 2007 Factor |
| Capacity Clause | 11.32 | 11.32 | < 2007 Factor |
| Environmental | 1.53 | 1.53 | < 2007 Factor |
| Energy Conservation | 1.96 | 1.96 | < 2007 Factor |
| Storm Cost Recovery | 3.61 | 3.61 | < 2007 Factor |
| Gross Receipts Tax | 2.76 | 2.83 | |
| Total Monthly Bill | <u>\$ 110.34</u> | <u>\$ 113.14</u> | <Change - Total Bill |
| | | \$ 2.80 | <Percent of Total Bill |
| | | 2.5% | |

Progress Energy Florida
Unit Charge / Unit Cost Data
Proposed Base Rate Increase - Hines 2 and Hines 4

cents / kWh

\$/kWh

| Rate Schedule | Type of Charge | Actual Billing Rate (CSS) | | Proposed / Approved Rate | | |
|---|---|--|--|--|--|--------|
| | | (Settlement) Current/Prior Rate | (Settlement) Current/Prior Rate | Proposed / Approved Rate | Proposed / Approved Rate | |
| SC-1 | Initial Connection - \$ | 61.00 | 61.00 | 61.00 | 61.00 | |
| | Reconnection - \$ | 28.00 | 28.00 | 28.00 | 28.00 | |
| | Transfer of Account - No LSA Contract - \$ | 28.00 | 28.00 | 28.00 | 28.00 | |
| | Transfer of Account - LSA Contract Required - \$ | 10.00 | 10.00 | 10.00 | 10.00 | |
| | Reconnect After Disconnect For Non-Pay - \$ | 40.00 | 40.00 | 40.00 | 40.00 | |
| | Reconnect After Disconnect For Non-Pay After Hours - \$ | 50.00 | 50.00 | 50.00 | 50.00 | |
| | Late Payment Charge | > \$5.00 or 1.5% | > \$5.00 or 1.5% | > \$5.00 or 1.5% | > \$5.00 or 1.5% | |
| | Returned Check Charge | \$25 if <= \$50 \$30 if <= \$300 \$40 if <= \$800 5% if > \$800 | \$25 if <= \$50 \$30 if <= \$300 \$40 if <= \$800 5% if > \$800 | \$25 if <= \$50 \$30 if <= \$300 \$40 if <= \$800 5% if > \$800 | \$25 if <= \$50 \$30 if <= \$300 \$40 if <= \$800 5% if > \$800 | |
| | TS-1 | Temporary Service Extension - Monthly \$ | 227.00 | 227.00 | 227.00 | 227.00 |
| | RS-1 RST-1 RSS-1 | Customer Charge - \$ per Line of Billing | 8.03 | 8.03 | 8.03 | 8.03 |
| Standard Seasonal (RSS-1) Time of Use | | 4.20 | 4.20 | 4.20 | 4.20 | |
| Single Phase Three Phase Customer CIAC Paid | | 14.84 14.84 8.03 | 14.84 14.84 8.03 | 14.84 14.84 8.03 | 14.84 14.84 8.03 | |
| TOU Metering CIAC - \$ One Time Charge | | 132.00 | 132.00 | 132.00 | 132.00 | |
| Energy and Demand Charge - cents per kWh | | | | | | |
| | Standard | 3.315 | 3.588 | 0.03315 | 0.03588 | |
| | 0 - 1,000 KWH | 4.315 | 4.588 | 0.04315 | 0.04588 | |
| | Over 1,000 KWH | 10.431 | 11.208 | 0.10431 | 0.11208 | |
| | Time of Use - On Peak | | | | | |
| | Time of Use - Off Peak | 0.526 | 0.565 | 0.00526 | 0.00565 | |

Progress Energy Florida
 Unit Charge / Unit Cost Data
 Proposed Base Rate Increase - Hires 2 and Hires 4
 cents / kWh

| Schedule | Rate | Type of Charge | Proposed / Approved Rate | | Actual Billing Rate (CSS) | |
|---|-------|---|---------------------------------|--------------------------|---------------------------------|--------------------------|
| | | | (Settlement) Current/Prior Rate | Proposed / Approved Rate | (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| GS-1 | Rate | Customer Charge - \$ per Line of Billing | | | | |
| | | Standard | 5.99 | 5.99 | 5.99 | 5.99 |
| | | Unmetered | 10.62 | 10.62 | 10.62 | 10.62 |
| | | Secondary | 134.31 | 134.31 | 134.31 | 134.31 |
| | | Primary | 662.48 | 662.48 | 662.48 | 662.48 |
| | | Transmission | | | | |
| | | Time of Use | | | | |
| | | Single Phase | 17.42 | 17.42 | 17.42 | 17.42 |
| | | Three Phase | 17.42 | 17.42 | 17.42 | 17.42 |
| | | Customer CIAC Paid | 10.62 | 10.62 | 10.62 | 10.62 |
| | | Primary | 141.12 | 141.12 | 141.12 | 141.12 |
| | | Transmission | 669.28 | 669.28 | 669.28 | 669.28 |
| | | TOU Metering CIAC - \$ One Time Charge | 132.00 | 132.00 | 132.00 | 132.00 |
| GS-2 | Rate | Energy and Demand Charge - cents per KWH | | | | |
| | | Standard | 3.648 | 3.920 | 0.03648 | 0.03920 |
| | | Time of Use - On Peak | 10.431 | 11.208 | 0.10431 | 0.11208 |
| | | Time of Use - Off Peak | 0.526 | 0.565 | 0.00526 | 0.00565 |
| | | Premium Distribution Charge - cents per KWH | 0.504 | 0.542 | 0.00504 | 0.00542 |
| | | Meter Voltage Adjustment - % of Demand & Energy Charges | | | | |
| | | Primary | 1.0% | 1.0% | 1.0% | 1.0% |
| | | Transmission | 2.0% | 2.0% | 2.0% | 2.0% |
| | | Equipment Rental - % of Installed Equipment Cost | 1.67% | 1.7% | 1.67% | 1.67% |
| | | Customer Charge - \$ per Line of Billing | | | | |
| | | Standard | 5.99 | 5.99 | 5.99 | 5.99 |
| | | Unmetered | 10.62 | 10.62 | 10.62 | 10.62 |
| | | Metered | | | | |
| Energy and Demand Charge - cents per KWH | 1.369 | 1.471 | 0.01369 | 0.01471 | | |
| Standard | | | | | | |
| Premium Distribution Charge - cents per KWH | 0.101 | 0.109 | 0.00101 | 0.00109 | | |

**Progress Energy Florida
Unit Charge / Unit Cost Data
Proposed Base Rate Increase - Hines 2 and Hines 4**

| Rate Schedule | Type of Charge | cents / kWh | | \$/kWh | |
|---|--|---------------------------------|--------------------------|---------------------------------|--------------------------|
| | | (Settlement) Current/Prior Rate | Proposed / Approved Rate | (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| GSD-1 GSDT-1 | Customer Charge - \$ per Line of Billing | | | | |
| | Standard | 10.62 | 10.62 | 10.62 | 10.62 |
| | Secondary | 134.31 | 134.31 | 134.31 | 134.31 |
| | Primary | 662.48 | 662.48 | 662.48 | 662.48 |
| | Transmission | | | | |
| | Time of Use | | | | |
| | Secondary | 17.42 | 17.42 | 17.42 | 17.42 |
| | Secondary - Customer CIAC paid | 10.62 | 10.62 | 10.62 | 10.62 |
| | Primary | 141.12 | 141.12 | 141.12 | 141.12 |
| | Primary - Customer CIAC paid | 134.31 | 134.31 | 134.31 | 134.31 |
| Demand Charge - \$ per KW | Primary - Customer CIAC paid | 669.28 | 669.28 | 669.28 | 669.28 |
| | Transmission | 662.48 | 662.48 | 662.48 | 662.48 |
| | Transmission Customer CIAC paid | | | | |
| Delivery Voltage Credits - \$ per KW | Demand Charge - \$ per KW | 3.45 | 3.71 | 3.45 | 3.71 |
| | Standard | | | | |
| | Time of Use | | | | |
| Premium Distribution Charge - \$ per KW | Base | 0.85 | 0.91 | 0.85 | 0.91 |
| | On Peak | 2.57 | 2.76 | 2.57 | 2.76 |
| | Primary | 0.27 | 0.29 | 0.27 | 0.29 |
| Energy Charge - cents per KWH | Transmission | 1.01 | 1.09 | 1.01 | 1.09 |
| | Standard | | | | |
| | Time of Use - On Peak | 0.74 | 0.80 | 0.74 | 0.80 |
| Meter Voltage Adjustment - % of Demand & Energy Charges | Time of Use - Off Peak | 1.503 | 1.615 | 0.01503 | 0.01615 |
| | Standard | 3.316 | 3.563 | 0.03316 | 0.03563 |
| | Time of Use - Off Peak | 0.526 | 0.565 | 0.00526 | 0.00565 |
| Power Factor - \$ per KVar | Primary | 1.0% | 1.0% | 1.0% | 1.0% |
| | Transmission | 2.0% | 2.0% | 2.0% | 2.0% |
| | Equipment Rental - % of Installed Equipment Cost | 0.20 | 0.21 | 0.20 | 0.21 |
| Equipment Rental - % of Installed Equipment Cost | | 1.67% | 1.67% | 1.7% | 1.67% |

Progress Energy Florida
 Unit Charge / Unit Cost Data
 Proposed Base Rate Increase - Hines 2 and Hines 4
 cents / kWh

| Schedule Rate | Type of Charge | Proposed / Approved Rate | | Actual Billing Rate (CSS) | |
|---------------|---|---------------------------------|--------------------------|---------------------------------|--------------------------|
| | | (Settlement) Current/Prior Rate | Proposed / Approved Rate | (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| CS-1 | Customer Charge - \$ per Line of Billing | 69.61 | 69.61 | 69.61 | 69.61 |
| CS-2 | Secondary | 193.30 | 193.30 | 193.30 | 193.30 |
| CS-3 | Primary | 721.46 | 721.46 | 721.46 | 721.46 |
| CST-1 | Transmission | 721.46 | 721.46 | 721.46 | 721.46 |
| CST-2 | Demand Charge - \$ per KW Standard | 5.56 | 5.97 | 5.56 | 5.97 |
| | Time of Use | | | | |
| | Base | 0.83 | 0.89 | 0.83 | 0.89 |
| | On Peak | 4.68 | 5.03 | 4.68 | 5.03 |
| | Curtailable Demand Credit | | | | |
| | CS-1, CST-1 - \$ per KW of Curtailable Demand | 2.33 | 2.50 | 2.33 | 2.50 |
| | CS-2, CST-2 - \$ per KW LF adjusted Demand | 2.31 | 2.48 | 2.31 | 2.48 |
| | CS-3, CST-3 - \$ per KW of Contract Demand | 2.31 | 2.48 | 2.31 | 2.48 |
| | Delivery Voltage Credits - \$ per KW | | | | |
| | Primary | 0.27 | 0.29 | 0.27 | 0.29 |
| | Transmission | 1.01 | 1.09 | 1.01 | 1.09 |
| | Premium Distribution Charge - \$ per KW | 0.74 | 0.80 | 0.74 | 0.80 |
| | Energy Charge - cents per KWH | | | | |
| | Standard | 0.982 | 1.055 | 0.00982 | 0.01055 |
| | Time of Use - On Peak | 1.828 | 1.964 | 0.01828 | 0.01964 |
| | Time of Use - Off Peak | 0.526 | 0.565 | 0.00526 | 0.00565 |
| | Meter Voltage Adjustment - % of Demand & Energy Charges | | | | |
| | Primary | 1.0% | 1.0% | 1.0% | 1.0% |
| | Transmission | 2.0% | 2.0% | 2.0% | 2.0% |
| | Power Factor - \$ per KVar | 0.20 | 0.21 | 0.20 | 0.21 |
| | Equipment Rental - % of Installed Equipment Cost | 1.67% | 1.67% | 1.67% | 1.67% |

Progress Energy Florida
Unit Charge / Unit Cost Data
Proposed Base Rate Increase - Hines 2 and Hines 4

| Schedule Rate | Type of Charge | cents / kWh | | \$/kWh | |
|--------------------------------|---|---------------------------------|--------------------------|---|--------------------------|
| | | (Settlement) Current/Prior Rate | Proposed / Approved Rate | Actual Billing Rate (CSS) (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| IS-1 IS-2 IS-1-1 IS-2 | Customer Charge - \$ per Line of Billing | | | | |
| | Secondary | 255.64 | 255.64 | 255.64 | 255.64 |
| | Primary | 379.34 | 379.34 | 379.34 | 379.34 |
| | Transmission | 907.50 | 907.50 | 907.50 | 907.50 |
| | Demand Charge - \$ per KW | | | | |
| | Standard | 4.70 | 5.05 | 4.70 | 5.05 |
| | Time of Use | | | | |
| | Base | 0.74 | 0.80 | 0.74 | 0.80 |
| | On Peak | 4.11 | 4.42 | 4.11 | 4.42 |
| | Interruptible Demand Credit | | | | |
| | IS-1, IS-1-1 - \$ per KW of Billing Demand | 3.37 | 3.62 | 3.37 | 3.62 |
| | IS-2, IS-2-1 - \$ per KW LF Adjusted Demand | 3.08 | 3.31 | 3.08 | 3.31 |
| | Delivery Voltage Credits - \$ per KW | | | | |
| | Primary | 0.27 | 0.29 | 0.27 | 0.29 |
| | Transmission | 1.01 | 1.09 | 1.01 | 1.09 |
| | Premium Distribution Charge - \$ per KW | 0.74 | 0.80 | 0.74 | 0.80 |
| | Energy Charge - cents per KWH | | | | |
| | Standard | 0.650 | 0.698 | 0.00650 | 0.00698 |
| | Time of Use - On Peak | 0.922 | 0.991 | 0.00922 | 0.00991 |
| | Time of Use - Off Peak | 0.526 | 0.565 | 0.00526 | 0.00565 |
| | Meter Voltage Adjustment - % of Demand & Energy Charges | | | | |
| | Primary | 1.0% | 1.0% | 1.0% | 1.0% |
| | Transmission | 2.0% | 2.0% | 2.0% | 2.0% |
| | Power Factor - \$ per KVar | 0.20 | 0.21 | 0.20 | 0.21 |
| | Equipment Rental - % of Installed Equipment Cost | 1.67% | 1.67% | 1.67% | 1.67% |

Progress Energy Florida
Unit Charge / Unit Cost Data
Proposed Base Rate Increase - Hines 2 and Hines 4

| Rate Schedule | Type of Charge | cents / kWh | | \$/kWh | |
|---------------|---|---------------------------------|--------------------------|---------------------------------|--------------------------|
| | | (Settlement) Current/Prior Rate | Proposed / Approved Rate | (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| LS-1 | Customer Charge - \$ per Line of Billing | | | | |
| | Standard | 1.09 | 1.09 | 1.09 | 1.09 |
| | Unmetered | 3.13 | 3.13 | 3.13 | 3.13 |
| | Metered | | | | |
| | Energy and Demand Charge - cents per KWH | | | | |
| | Standard | 1.446 | 1.554 | 0.01446 | 0.01554 |
| | Fixture & Maintenance Charges - \$ per fixture | n/a | n/a | n/a | n/a |
| | Pole Charges - \$ per pole | n/a | n/a | n/a | n/a |
| | Other Fixture Charge Rate - % of Installed Fixture Cost | 1.46% | 1.46% | 1.46% | 1.46% |
| | Other Pole Charge Rate - % of Installed Pole Cost | 1.67% | 1.67% | 1.67% | 1.67% |
| SS-1 | Customer Charge - \$ per Line of Billing | | | | |
| | Secondary | 92.29 | 92.29 | 92.29 | 92.29 |
| | Primary | 215.99 | 215.99 | 215.99 | 215.99 |
| | Transmission | 744.15 | 744.15 | 744.15 | 744.15 |
| | Customer Owned | 74.42 | 74.42 | 74.42 | 74.42 |
| | Base Rate Energy Customer Charge - cents per KWH | 0.633 | 0.680 | 0.00633 | 0.00680 |
| | Distribution Charge - \$ per KW | | | | |
| | Applicable to Specified SB Capacity | 1.36 | 1.46 | 1.36 | 1.46 |
| | Generation and Transmission Capacity Charge | | | | |
| | Greater of : - \$ per KW | | | | |
| | Monthly Reservation Charge | 0.758 | 0.814 | 0.758 | 0.814 |
| | Applicable to Specified SB Capacity | | | | |
| | Peak Day Utilized SB Power Charge of: | 0.361 | 0.388 | 0.361 | 0.388 |

Progress Energy Florida
Unit Charge / Unit Cost Data
Proposed Base Rate Increase - Hines 2 and Hines 4
cents / kWh

| Rate Schedule | Type of Charge | Actual Billing Rate (\$/kWh) | |
|---------------------------------------|--|---------------------------------|--------------------------|
| | | (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| SS-2 | Customer Charge - \$ per Line of Billing | | |
| | Secondary | 278.33 | 278.33 |
| | Primary | 402.02 | 402.02 |
| | Transmission | 930.19 | 930.19 |
| | Customer Owned | 260.45 | 260.45 |
| | Base Rate Energy Customer Charge - cents per kWh | 0.633 | 0.680 |
| | Distribution Charge - \$ per KW | 1.36 | 1.46 |
| | Applicable to Specified SB Capacity | | |
| | Generation and Transmission Capacity Charge | | |
| | Greater of : - \$ per KW | | |
| | Monthly Reservation Charge | 0.758 | 0.814 |
| | Applicable to Specified SB Capacity | 0.361 | 0.388 |
| | Peak Day Utilized SB Power Charge of: | | |
| | Interruptible Capacity Credit - \$ per KW | | |
| | Grandfathered Prior to 1/1/06 | 0.642 | 0.690 |
| | Monthly Reservation Credit | 0.306 | 0.329 |
| | Daily Demand Credit | | |
| | Effective 1/1/06 | 0.308 | 0.331 |
| | Monthly Reservation Credit | 0.147 | 0.158 |
| | Daily Demand Credit | | |
| SS-3 | Customer Charge - \$ per Line of Billing | | |
| | Secondary | 92.29 | 92.29 |
| | Primary | 215.99 | 215.99 |
| | Transmission | 744.15 | 744.15 |
| | Customer Owned | 74.42 | 74.42 |
| | Base Rate Energy Customer Charge - cents per kWh | 0.633 | 0.680 |
| | Distribution Charge - \$ per KW | 1.36 | 1.46 |
| | Applicable to Specified SB Capacity | | |
| | Generation and Transmission Capacity Charge | | |
| | Greater of : - \$ per KW | | |
| Monthly Reservation Charge | 0.758 | 0.814 | |
| Applicable to Specified SB Capacity | 0.361 | 0.388 | |
| Peak Day Utilized SB Power Charge of: | | | |
| Curtable Capacity Credit - \$ per KW | | | |
| Grandfathered Prior to 1/1/06 | 0.321 | 0.345 | |
| Monthly Reservation Credit | 0.153 | 0.164 | |
| Daily Demand Credit | | | |
| Effective 1/1/06 | 0.231 | 0.248 | |
| Monthly Reservation Credit | | | |

Progress Energy Florida
Unit Charge / Unit Cost Data
Proposed Base Rate Increase - Hines 2 and Hines 4
cents / kWh

| Rate Schedule | Daily Demand Credit | Type of Charge | \$/kWh | | | |
|--------------------|---------------------|----------------|---------------------------------|--------------------------|---------------------------------|--------------------------|
| | | | (Settlement) Current/Prior Rate | Proposed / Approved Rate | (Settlement) Current/Prior Rate | Proposed / Approved Rate |
| Gross Receipts Tax | | | 0.110 | 0.118 | 0.110 | 0.118 |
| | | | 2.5641% | 2.5641% | 2.5641% | 2.5641% |

C:\Documents and Settings\jcos\Local Settings\Temporary Internet Files\OLK5\Rates - Detailed.xls\Base Rates-Hines 2 & 4