



September 24, 2007

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COMMISSION
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Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: *Fuel and purchased power cost recovery clause with generating performance
incentive factor; Docket No. 070001-EI*

Dear Ms. Cole:

Please find enclosed for filing the List of Issues and Positions in the above
referenced docket on behalf of Progress Energy Florida, Inc.

Please call me at (727) 820-5184 should you have any questions.

Sincerely,

John T. Burnett lms
John T. Burnett

CMP _____

COM _____

CTR _____ JTB/lms

ECR _____ Enclosure

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OPC _____

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OTH _____

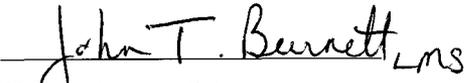
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of PEF's List of Issues and Positions in Docket No. 070001-EI has been furnished via U.S. Mail this 24th day of September, 2007 to all parties of record as indicated below.


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BEFORE THE PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor. | DOCKET NO. 070001-EI
DATED: September 24, 2007

**PROGRESS ENERGY FLORIDA, INC.'S
PRELIMINARY LIST OF ISSUES AND POSITIONS**

Progress Energy Florida, Inc. (PEF) hereby submits its Preliminary List of Issues and Positions with respect to its levelized fuel and capacity cost recovery factors and its Generating Performance Incentive Factor (GPIF) for the period of January through December 2008:

Generic Fuel Adjustment Issues

1. ISSUE: What are the appropriate final fuel adjustment true-up amounts for the period January 2006 through December 2006?
PEF: \$28,864,616 over-recovery. (Cross)

2. ISSUE: What are the appropriate estimated fuel adjustment true-up amounts for the period January through December 2007?
PEF: \$140,511,931 over-recovery. (Cross)

3. ISSUE: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2008 through December 2008?
PEF: \$169,376,547 over-recovery (Cross)

4. ISSUE: What is the appropriate revenue tax factor to be applied in calculating each investor owned electric utility's levelized fuel factor for the projection period of January 2008 through December 2008?
PEF: 1.00072 (Cross)

5. ISSUE: What are the appropriate projected net fuel and purchased power cost recovery amounts to be included in the recovery factor for the period January 2008 through December 2008?
PEF: \$1,914,931,984 (Cross)

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6. ISSUE: What is the appropriate levelized fuel cost recovery factor for the period of January 2008 through December 2008?

PEF: 4.604 cents per kWh (adjusted for jurisdictional losses). (Cross)

7. ISSUE: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

PEF:

<u>Group</u>	<u>Delivery Voltage Level</u>	<u>Line Loss Multiplier</u>
A.	Transmission	0.9800
B.	Distribution Primary	0.9900
C.	Distribution Secondary	1.0000
D.	Lighting Service	1.0000

(Cross)

8. ISSUE: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

PEF:

Fuel Cost Factors (cents/kWh)						
Group	Delivery Voltage Level	First Tier Factor	Second Tier Factors	Levelized Factors	Time of Use	
					On-Peak	Off-Peak
A	Transmission	--	--	4.519	6.232	3.724
B	Distribution Primary	--	--	4.565	6.295	3.762
C	Distribution Secondary	4.278	5.278	4.611	6.359	3.799
D	Lighting	--	--	4.278	--	--

(Cross)

9. ISSUE: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

PEF: The new factors should be effective beginning with the first billing cycle for January 2008, and thereafter through the last billing cycle for December 2008. The first billing cycle may start before January 1, 2008, and the last billing cycle may end after December 31, 2008, so long as each customer is billed for twelve months regardless of when the factors became effective.

10. ISSUE: What is the appropriate actual benchmark level for calendar year 2007 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?
PEF: \$3,008,157 (Cross)

11. ISSUE: What is the appropriate estimated benchmark level for calendar year 2008 for gains on non-separated wholesale energy sales eligible for a shareholder incentive?
PEF: \$2,451,211 (Cross)

Company-Specific Fuel Adjustment Issues

No company-specific issues for Progress Energy Florida have been identified at this time. If such issues are identified, they shall be numbered 12A, 12B, 12C, and so forth, as appropriate.

Generic Generating Performance Incentive Factor Issues

17. ISSUE: What is the appropriate generation performance incentive factor (GPIF) reward or penalty for performance achieved during the period of January 2006 through December 2006?
PEF: \$607,201 reward. (Oliver)

18. ISSUE: What should the GPIF targets/ranges be for the period of January 2008 through December 2008?
PEF: The appropriate targets and ranges are shown on page 4 of Exhibit RMO-1 filed on 9/04/2007 with the Direct Testimony of Robert M. Oliver. (Oliver)

Generic Capacity Cost Recovery Issues

23. ISSUE: What is the appropriate capacity cost recovery true-up amount for the period of January 2006 through December 2006?
PEF: \$3,381,972 under-recovery. (Cross)

24. ISSUE: What is the appropriate estimated capacity cost recovery true-up amount for the period of January 2007 through December 2007?
PEF: \$11,417,892 under-recovery. (Cross)

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25. ISSUE: What is the appropriate total capacity cost recovery true-up amount to be collected/refunded during the period January 2008 through December 2008?

PEF: \$14,799,865 under-recovery. (Cross)

26. ISSUE: What is the appropriate projected net purchased power capacity cost recovery amount to be included in the recovery factor for the period January 2008 through December 2008?

PEF: \$422,682,129. (Cross)

27. ISSUE: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2008 through December 2008?

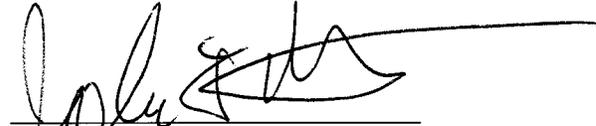
PEF: Base - 93.753%, Intermediate – 79.046%, Peaking – 88.979%. (Cross)

28. ISSUE: What are the appropriate capacity cost recovery factors for the period January 2008 through December 2008?

<u>PEF</u> : <u>Rate Class</u>	<u>CCR Factor</u>
Residential	1.192 cents/kWh
General Service Non-Demand	1.009 cents/kWh
@ Primary Voltage	0.999 cents/kWh
@ Transmission Voltage	0.989 cents/kWh
General Service 100% Load Factor	0.691 cents/kWh
General Service Demand	0.852 cents/kWh
@ Primary Voltage	0.843 cents/kWh
@ Transmission Voltage	0.835 cents/kWh
Curtaillable	0.620 cents/kWh
@ Primary Voltage	0.614 cents/kWh
@ Transmission Voltage	0.608 cents/kWh
Interruptible	0.728 cents/kWh
@ Primary Voltage	0.721 cents/kWh
@ Transmission Voltage	0.713 cents/kWh
Lighting	0.169 cents/kWh
(Cross)	

RESPECTFULLY SUBMITTED this ^{24th} day of September, 2007.

By:



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