



March 3, 2008

RECEIVED-FPSC
08 MAR -3 PM 3:48
COMMISSION
CLERK

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

Re: *Fuel and purchase power cost recovery clause and generating performance incentive factor; Docket No. 080001-EI*

Dear Ms. Cole:

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 CD Rom 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 2
 COM _____
 CTR _____
 ECR 2 *CD forwarded to BCR*
 GCL 2
 OPC _____
 RCA 1
 SCR _____
 SGA _____
 SEC _____
 OTH _____

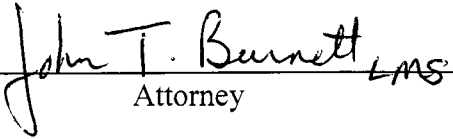
JTB/lms
Enclosures

cc: Certificate of Service

DOCUMENT NUMBER-DATE
01593 MAR -3 08
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via regular U.S. mail (* via hand delivery) to the following this 3rd day of March, 2008.



Attorney

Lisa Bennett, Esq. * Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850	Florida Industrial Power Users Group c/o John McWhirter, Jr. McWhirter Reeves Law Firm 400 N. Tampa Street, Ste. 2450 Tampa, FL 33602
James D. Beasley, Esq. Lee L. Willis, Esq. Ausley & McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302	Norman H. Horton, Jr. Messer, Caparello & Self, P.A. P.O. Box 15579 Tallahassee, FL 32317
Joseph A. McGlothlin, Esq. Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, #812 Tallahassee, FL 32399	John T. Butler, Esq. Florida Power & Light Co. 700 Universe Boulevard Juno Beach, FL 33408
Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs & Lane Law Firm P.O. Box 12950 Pensacola, FL 32591	Robert Scheffel Wright John T. LaVia, III Young van Assenderp, P.A. 225 S. Adams Street, Suite 200 Tallahassee, FL 32301
Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601	R. Wade Litchfield, Esq. Florida Power & Light 700 Universe Boulevard Juno Beach, FL 33408-0420
Ms. Susan D. Ritenour Gulf Power Company One Energy Place Pensacola, FL 32520-0780	Mehrdad Khojasteh Florida Public Utilities Company P.O. Box 3395 West Palm Beach, FL 33402-3395
Natalie F. Smith Florida Power & Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859	Mr. James W. Brew, Esq. c/o Brickfield Law Firm 1025 Thomas Jefferson St., NW 8 th Floor, West Tower Washington, DC 20007
AARP c/o Mike Twomey P.O. Box 5256 Tallahassee, FL 32314-5256	

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchase Power) Docket No. 080001-EI
Cost Recovery Clause and Generating)
Performance Incentive Factor) Filed: March 3, 2008

PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST RECOVERY FINAL TRUE-UPS FOR THE PERIOD ENDING DECEMBER 2007

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 \$152,569,518 over-recovery, and final Capacity Cost Recovery ("CCR") true-up amount of \$12,618,636 under-recovery for the period ending December 2007. In support of this Petition, PEF states as follows:

1. The final \$152,569,518 FCR over-recovery for the period January 2007 through December 2007 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-08-0030-FOF-EI, the Commission approved a levelized FCR Factor of 4.604 cents/kWh for the period commencing January 2008. This FCR Factor reflected an "estimated/actual" over-recovery including interest for the period January 2007 through December 2007 of \$169,376,547. The actual over-recovery including interest for the period January 2007 through December 2007 is \$152,569,518. The \$152,569,518 actual over-recovery less the estimated/actual over-recovery of \$169,376,547 results in the final under-recovery of \$16,807,029. The final under-recovery of \$16,807,029 is to be included in the calculation of the FCR Factors for the period beginning January 2009.

DOCUMENT NUMBER-DATE

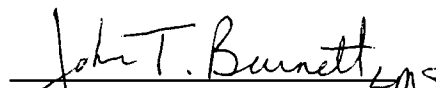
01593 MAR-3 08

FPSC-COMMISSION CLERK

3. The final \$12,618,636 CCR under-recovery for the period January 2007 through December 2007 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-08-0030-FOF-EI, the Commission approved CCR Factors for the period commencing January 2008. These factors reflected an estimated/actual under-recovery, including interest, for the period January 2007 through December 2007 of \$14,799,865, which was also approved in Order No. PSC-08-0030-FOF-EI. The actual under-recovery, including interest, for the period January 2007 through December 2007 is \$12,618,636. The \$12,618,636 actual under-recovery, less the estimated/actual under-recovery of \$14,799,865 which is currently reflected in charges for the period beginning January 2008, results in a final over-recovery of \$2,181,229. The final over-recovery of \$2,181,229 is to be included in the calculation of the CCR Factors for the period beginning 2009.

WHEREFORE, PEF respectfully requests the Commission to approve the net \$16,807,029 FCR under-recovery as the final true-up amount for the period ending December 2007 and include this amount in the calculation of the FCR Factors for the period beginning January 2009; and to approve the net \$2,181,229 CCR over-recovery as the final true-up amount for the period ending December 2007 and include this amount in the calculation of the CCR Factors for the period beginning January 2009.

Respectfully submitted,



R. ALEXANDER GLENN
Deputy General Counsel – Florida
JOHN T. BURNETT
Associate General Counsel – Florida
PROGRESS ENERGY SERVICE COMPANY, LLC
299 – First Avenue North
St. Petersburg, FL 33701