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Public Service Commission

June 10 2008

Progress Energy Florida, Inc.
Attn: Nancy L. Holdstein
P.O. Box 14042
CX 2J
St. Petersburg, FL 33733

Re: Docket No. 080200-EI—Staff Data Requests

Dear Ms. Holdstein:

By this letter, the Commission staff requests that Progress Energy Florida, Inc. ("PEF") provide written responses to the following data requests:

1. PEF in its Appendix to Docket No. 080200-EI dated May 29, 2008 stated that it switched from installing and maintaining underground service for commercial and industrial customers (C/I) from PEF to the customer due to PEF's previous C/I installation policy incurring issues such as load fluctuations, over or under sizing of equipment, irregular equipment replacement cycles, frequent requests for reconfiguration of service, problems determining the causes and responsibility of outages, and services routinely being cut by customers due to other construction projects.
 - a. Please provide any documentation and records that PEF has of the problems with underground C/I services prior to 1994--for ease of retrieval, please provide documentation from the period of 1989-1994.
 - b. Many of the problems mentioned above appear to be operation design issues. What steps did PEF take to tighten the engineering and design requirements for underground C/I services to minimize or avoid the problems?
 - c. Once it made the decision to require C/I customers to install their services, did PEF provide a list of approved engineering firms and entities that could design underground services to the utility's specifications? If not, what resources are available to customers to insure that a contractor is familiar with PEF's construction criteria?
 - d. PEF asserts that it is better for the company to adhere to a standardized policy regarding underground C/I installations to provide consistency within PEF's service regions. How does transferring the installation and maintenance of the services from

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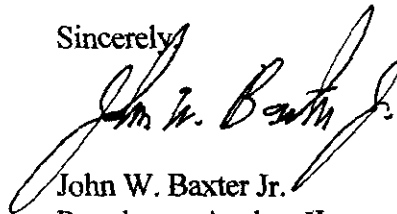
FPSC-COMMISSION CLERK

PEF to the customer accomplish this consistency since customers may utilize a variety of designs and standards for customer owned equipment?

- e. Please explain how shifting responsibility for maintenance of C/I services will impact the company's reliability indices on the number and length of customer outages?
2. Please breakout and specify the average operations and maintenance costs (o&m) costs PEF incurred for underground C/I installations prior to 1994 that it is no longer incurring due to requiring customers to install and maintain underground services from the Company to C/I customers?
3. When PEF shifted the installation and maintenance of underground services to C/I customers, did PEF remove from the rates charged underground C/I customers the o&m costs the Company was no longer incurring?
4. Why does PEF specify the engineering requirements all the way to the weatherhead for overhead services, but stop at transformer where the overhead distribution system connects with the underground line to a C/I customer's premise? What specific types of engineering, equipment and maintenance problems exist with underground C/I service beyond the point of delivery that do not exist with overhead service?

Please provide responses to the above data requests by July 11, 2008. If you have any questions, please do not hesitate to contact me at jwbaxter@psc.state.fl.us or (850) 413-6646.

Sincerely,



John W. Baxter Jr.
Regulatory Analyst II
Bureau of Certification, Economics & Tariffs

JWB:kb

cc:


Connie Kummer, Chief, Bureau of Certification, Economics, & Tariffs