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COMMISSION
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August 4, 2008

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 and Generating Performance Incentive
Factor; Docket No. 080001-EI*

Dear Ms. Cole:

Please find enclosed on behalf of Progress Energy Florida, Inc. ("PEF") the original and fifteen (15) copies of the Direct Testimony and Exhibit (MO-1) of Marcia Olivier regarding the Estimated/Actual True-up for the period January 2008 through December 2008.

Please acknowledge receipt of the above by stamping the duplicate copy of this letter and returning to the undersigned. Thank you for your assistance in this matter.

Respectfully,

COM	5
ECR	1
GCL	1
OPC	1
RCP	3
SSC	1
SGA	1
ADM	1
CLK	1

John T. Burnett cms
John T. Burnett

JTB/lms
Attachments

cc: Parties of Record

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and purchased power cost)
recovery clause and Generating)
Performance Incentive Factor.)

Docket No. 080001-EI

Filed: August 4, 2008

**PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST
RECOVERY ESTIMATED/ACTUAL TRUE-UP FOR THE PERIOD
JANUARY 2008 THROUGH DECEMBER 2008**

Progress Energy Florida, Inc. ("PEF") hereby petitions the Commission for approval of its estimated/actual Fuel and Purchased Power Cost Recovery True-up of \$225,094,914 under-recovery, and approval of its estimated/actual Capacity Cost Recovery true-up of \$15,292,976 over-recovery for the period January 2008 through December 2008. In support of this petition, PEF states the following:

1. By Order No. PSC-99-2512-FOF-EI, dated December 22, 1999, utilities are directed to file current year estimated true-up data at least 90 days prior to each annual Fuel and Capacity Cost Recovery hearing. The hearing in this docket is scheduled for November 4, 2008.
2. The estimated/actual under-recovery of \$225,094,914 in the fuel cost recovery for the period January 2008 through December 2008 was calculated in accordance with the methodology set forth in Schedule 1, attached to Order 10093, dated June 19, 1981. It is based on actual data for the period January through June 2008 and re-estimated data for the period July through December 2008. The supporting documentation is contained in the prepared direct testimony and exhibit of PEF witness Marcia Olivier which is being filed together with this Petition.
3. PEF's total fuel under-recovery to be carried forward and included in the fuel factor for January through December 2009 is \$225,094,914. This consists of the \$208,287,884 under-recovery for 2008 plus the final true-up under-recovery of \$16,807,030 for the period ending December 2007 that was filed on March 3, 2008.

DOCUMENT NUMBER-DATE

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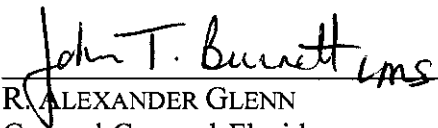
FPSC-COMMISSION CLERK

4. The estimated/actual \$15,292,976 capacity over-recovery for the period January through December 2008 was calculated in accordance with the methodology set forth in Order No. 25773 dated February 24, 1992. It is based on actual data for the period January through June 2008 and re-estimated data for the period July through December 2008. The supporting documentation is contained in the prepared direct testimony and exhibit of PEF witness Marcia Olivier.

5. PEF's total capacity over-recovery is \$15,292,976. This consists of the \$13,111,748 estimated/actual over-recovery for 2008 plus the final true-up over-recovery of \$2,181,228 for the period ending December 2007 that was filed on March 3, 2008. This total capacity over-recovery of \$15,292,976 is to be carried forward and included in the capacity cost recovery factors for January through December 2009.

WHEREFORE, Progress Energy Florida, Inc. respectfully requests the Commission to approve the \$225,094,914 under-recovery as the estimated/actual fuel cost recovery true-up amount for the period January through December 2008 and to approve the \$15,292,976 over-recovery as the estimated/actual capacity cost recovery true-up amount for the period January through December 2008.

Respectfully,

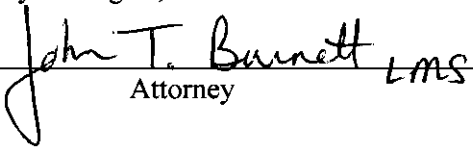


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Attorneys for
PROGRESS ENERGY FLORIDA, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via regular U.S. mail to the following this 4th day of August, 2008.


Attorney

<p>Lisa Bennett, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850</p>	<p>Florida Industrial Power Users Group c/o John McWhirter, Jr. McWhirter Reeves Law Firm P.O. Box 3350 Tampa, FL 33601-3350</p>
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<p>Ms. Susan D. Ritenour Gulf Power Company One Energy Place Pensacola, FL 32520-0780</p>	<p>Mehrdad Khojasteh Florida Public Utilities Company P.O. Box 3395 West Palm Beach, FL 33402-3395</p>
<p>Natalie F. Smith, Esq. Florida Power & Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859</p>	<p>Karen S. White, Lt. Col., USAF Damund E. Williams, Capt., USAF AFLSA/JACL-ULT 139 Barnes Drive, Suite 1 Tyndall Air Force Base, FL 32403-5319</p>

AARP
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