



March 9, 2009

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VIA HAND DELIVERY

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. 090001-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).

Also enclosed for filing is PEF's Request for Confidential Classification for a portion of Exhibit No. __ (WG-3T) and the Affidavit of Will Garrett in Support of PEF's Request for Confidential Classification.

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

JTB/lms
Enclosures

cc: Parties of Record

COM	—
ECR	—
GCL	4
OPC	—
RCP	2
SSC	—
SGA	2
ADM	—
CLK	—

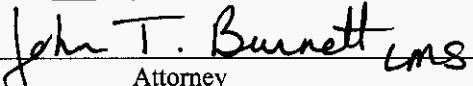
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via US Mail (* hand delivery) to the following this 9th day of March, 2009.



Attorney

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchase Power)
Cost Recovery Clause and Generating)
Performance Incentive Factor)

Docket No. 090001-EI

Filed: March 9, 2009

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PETITION FOR APPROVAL OF FUEL COST RECOVERY AND CAPACITY COST RECOVERY FINAL TRUE-UPS FOR THE PERIOD ENDING DECEMBER 2008

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 \$145,284,208 under-recovery, and final Capacity Cost Recovery ("CCR") true-up amount of \$17,822,629 over-recovery for the period ending December 2008. In support of this Petition, PEF states as follows:

1. The final \$145,284,208 FCR under-recovery for the period January 2008 through December 2008 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-08-0824-FOF-EI, the Commission approved a levelized FCR Factor of 6.616 cents/kWh for the period commencing January 2009. This FCR Factor reflected an "estimated/actual" under-recovery including interest for the period January 2008 through December 2008 of \$146,154,866. The actual under-recovery including interest for the period January 2008 through December 2008 is \$145,284,208. The \$145,284,208 actual under-recovery less the estimated/actual under-recovery of \$146,154,866 results in the final over-recovery of \$870,658. The final over-recovery of \$870,658 is to be included in the calculation of the FCR Factors for the period beginning January 2010.

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3. The final \$17,822,629 CCR over-recovery for the period January 2008 through December 2008 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-08-0824-FOF-EI, the Commission approved CCR Factors for the period commencing January 2009. These factors reflected an estimated/actual over-recovery, including interest, for the period January 2008 through December 2008 of \$15,292,976, which was also approved in Order No. PSC-08-0824-FOF-EI. The actual over-recovery, including interest, for the period January 2008 through December 2008 is \$17,822,629. The \$17,822,629 actual over-recovery, less the estimated/actual over-recovery of \$15,292,976 which is currently reflected in charges for the period beginning January 2009, results in a final over-recovery of \$2,529,653. The final over-recovery of \$2,529,653 is to be included in the calculation of the CCR Factors for the period beginning 2010.

WHEREFORE, PEF respectfully requests the Commission to approve the net \$870,658 FCR over-recovery as the final true-up amount for the period ending December 2008 and include this amount in the calculation of the FCR Factors for the period beginning January 2010; and to approve the net \$2,529,653 CCR over-recovery as the final true-up amount for the period ending December 2008 and include this amount in the calculation of the CCR Factors for the period beginning January 2010.

Respectfully submitted,


R. ALEXANDER GLENN
General Counsel – Florida
JOHN T. BURNETT
Associate General Counsel – Florida
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