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PATRICK L. "BOOTER" IMHOF
(850) 413-6199

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Public Service Commission

September 10, 2009

John T. Burnett, Esquire
Progress Energy Florida, Inc.
Post Office Box 14042
St. Petersburg, FL 33733-4042

Re: Docket 090371: Petition for approval of amended negotiated purchase power contract with Vision / FL, LLC by Progress Energy Florida.

Dear Mr. Burnett:

By this letter, the Commission staff requests that Progress Energy Florida, Inc. (Progress), provide responses to the following data request within fourteen (14) days.

1. Did Progress issue a Request For Proposal prior to the amendment of the contract?
2. Please explain why Vision seeks extensions of time of the original in-service date and the term of the contract. In your response, please address whether the project is still a viable option for the parties.
3. Please explain why the original contract between Progress and Vision was not terminated for failure to meet milestones outlined in the original contract.
4. What is the proposed drop dead date for the amended contract?
5. Does Progress' Ten Year Site Plan contain information about the amended agreement?
6. The original contract which was approved by the Commission in Order No. PSC-08-0707-PAA-EQ states that the contract is based on Vision constructing, owning, and operating a closed-loop biomass electric generating facility in Osceola County, Florida. Does the amended agreement indicate that location and transmission is to be determined? If so, please explain this discrepancy. Please also explain whether or not Progress could have terminated the contract for failure of Vision to construct, own, and operate a closed-loop biomass electric generating facility in Osceola County.

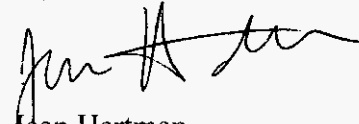
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7. Please refer to Section 20.1 of the amended contract. Please provide all information and documents used to determine viability of the proposed modified contract.
8. Please refer to Section 20.3 of the amended contract. Did Progress request Vision's integrated project schedule? If so, please provide all supporting documentation (schedules, progress reports, reviews, etc.) of such request. If such request was not made, please explain why it was not.
9. Please refer to Section 20.3 of the amended contract. Did Vision provide Progress with the final designer's/manufacture's generator capability curves, protective relay types, proposed protective relay settings, main one-line diagrams, protective relay functional diagrams, and alternating current and direct elementary diagrams for review and inspection at Progress no later than one hundred eighty calendar days prior to the initial synchronization date? If not, please explain. If yes, please provide the back-up documentation in your response.
10. Please explain why Section 4 of the amended agreement has been amended to specify that Capacity Payments begin January 1, 2011.
11. Please refer to the chart on page 16 of the amended contract. Please explain why the April 1, 2009, expiration date was removed from the contract? If Vision did not approach Progress about this contract modification until June 2009, why didn't the contract expire in April 2009?
12. Please refer to the chart on page 16 of the amended contract. Please explain why capacity payments (January 1, 2011) are scheduled to begin before all permitting obligations (June 1, 2012) are scheduled for completion?
13. Please refer to the chart on page 16 of the amended contract. Please explain why the January 1, 2010 Exemplary Early Capacity Payment Date was removed from the contract.
14. Pages 61-62 of the amended contract illustrates four options (A through D) in which capacity payments can be made. For this project, has an option been chosen in which these payments are made? The petition states that a fixed rate will be used. Please clarify.
15. Please explain the rationale behind the change in Section 11.1 of extending the days from 60 to 90 for delivering collateral?
16. Since this is an amended contract between Progress and Vision, is Vision required to again provide a security deposit under the amended contract?
17. What happened to the performance security/deposits pursuant to the original contract?

18. Please refer to Section 14 in the amended contract. Please explain as to whether or not Vision has defaulted in any of the following areas in the original contract:
 - A.) Changes or modifications in the facility with respect to its type, location, technology or fuel source without prior approval from Progress?
 - B.) failure for twelve consecutive months to maintain an Annual Capacity Billing Factor as described in Appendix A. Please reconcile the seventy one percent (69%) statement mentioned in 14(b).
 - C.) failure to provide and comply with the provisions of the Completion/Performance Security and Termination Fee sections in the original contract?
19. Please see the chart marked Attachment A, attached to this request for information. Using the chart as a template, please complete the following comparison scenarios. Using the most recent fuel forecasts, provide Annual and Cumulative Present Value Revenue Requirements (CPURR) numbers comparing the proposed amended Contract between Progress and Vision to: the existing contract, the 2008 standard offer contract, and the 2009 standard offer contract at the minimum and maximum capacity factors.
20. Are the fuel prices used in the amended contract current with Progress' current Ten Year Site Plan?
21. Please provide all non-privileged correspondence between Vision and Progress regarding the original and amended contract. If not evident, please include a timeline for the correspondence.

Please file the original and five copies of the requested information with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6193 if you have any questions.

Sincerely,



Jean Hartman,
Senior Attorney

JEH/amv

cc: Office of Commission Clerk

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