

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Petition by Progress Energy Florida, Inc.
to establish discovery docket regarding actual and
projected costs for the Levy Nuclear Project

Docket No. 080149-E1

Submitted for Filing: March 11, 2008

**PROGRESS ENERGY FLORIDA, INC.'S PETITION TO ESTABLISH
DISCOVERY DOCKET REGARDING ACTUAL AND PROJECTED
COSTS FOR THE LEVY NUCLEAR PROJECT**

Pursuant to Sections 366.04 and 366.05, Florida Statutes, Progress Energy Florida
("PEF" or the "Company") respectfully petitions the Florida Public Service Commission ("PSC"
or the "Commission") to establish a discovery docket regarding actual and projected costs for the
Levy Nuclear Project.

BACKGROUND

PEF has filed its Petition for Determination of Need for Levy Units 1 and 2 Nuclear
Power Plants. In support of this nuclear project, PEF has incurred and will continue to incur
costs. Subsequent to an affirmative determination of need, pursuant to Rule 25-6.0423, F.A.C.,

CMP these costs will be eligible for cost recovery. To assist the Commission and Commission Staff in

COM the timely and adequate review of the costs recoverable under the nuclear cost recovery rule,

CTR _____

ECR PEF requests that a discovery docket be established. This discovery docket will provide an

GCL 2 avenue and process for the Commission Staff and interveners to begin to review PEF's costs in

OPC 1 connection with Levy Units 1 and 2. To further assist with this process, PEF has established an

RCA _____

SCR electronic data repository. The Nuclear Filing Requirements ("NFRs") which reflect costs PEF

SGA has incurred through December 2007 for Levy Units 1 and 2 will be available in that data base.

SEC _____

CHK 1 If an affirmative determination of need is granted for Levy Units 1 and 2, PEF will file its

OTH _____

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petition for cost recovery pursuant to the nuclear cost recovery rule, and PEF will move to consolidate this docket with the new docket.

I. Preliminary Information.

1. The Petitioner's name and address are:

Progress Energy Florida, Inc.
299 1st Ave N
St. Petersburg, Florida 33701

2. Any pleading, motion, notice, order, or other document required to be served upon PEF or filed by any party to this proceeding should be served upon the following individuals:

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II. Primarily Affected Utility.

3. PEF is the utility primarily affected by this request for a discovery docket. PEF is an investor-owned electric utility, regulated by the Commission pursuant to Chapter 366,

Fla. Stats., and is a wholly owned subsidiary of Progress Energy, Inc. The Company's principal place of business is located at 299 1st Ave N, St. Petersburg, Florida 33701.

4. PEF serves approximately 1.7 million retail customers in Florida. Its service area comprises approximately 20,000 square miles in 35 of the state's 67 counties, encompassing the densely populated areas of Pinellas and western Pasco Counties and the greater Orlando area in Orange, Osceola, and Seminole Counties. PEF supplies electricity at retail to approximately 350 communities and at wholesale to about 21 Florida municipalities, utilities, and power agencies in the State of Florida.

III. PEF Requests the Establishment of a Discovery Docket Related to the Actual and Projected Costs Incurred for Levy Units 1 and 2.

5. PEF has already incurred site selection, construction, and incremental O&M costs for the construction of Levy Units 1 and 2. PEF had to incur these costs in advance of the filing of its petition for determination of need to ensure that PEF can stay on schedule to bring Levy Units 1 and 2 online when they are needed. Many of the costs, like land acquisition and permitting and nuclear license preparation costs, must be incurred years in advance of commercial operation of nuclear power plants. A decade or more is required to site, license, design, and construct nuclear power plants.

6. PEF has filed its Petition for Determination of Need for Levy Units 1 and 2 Nuclear Power Plants, along with the supporting Need Study and pre-filed testimony and exhibits. Pursuant to Section 366.93, Florida Statutes and Rule 25-6.0423, F.A.C., a utility is entitled to recover certain costs upon an affirmative determination of need.

7. In the interest of efficiency, and to facilitate the review by the Commission and the Commission Staff of costs for Levy Units 1 and 2 pursuant to the nuclear cost recovery rule, PEF proposes to establish this discovery docket. The purpose of this docket is to provide

Commission Staff and interveners with documents and information related to their review of the prudence of the costs PEF has incurred and will continue to incur during and subsequent to the need determination proceeding.

8. To facilitate this prudence review, PEF has established an electronic data repository. The Nuclear Filing Requirements (“NFRs”) which reflect costs PEF has incurred through December 2007 for Levy Units 1 and 2 will be available in that data base. To generally describe the NFRs, Schedules T-1 through T-10, detail the construction costs that the Company has incurred through December 2007 for Levy Units 1 and 2 and associated Transmission costs. PEF will also make available S Schedules which include details regarding PEF’s site selection costs incurred through December 2007 for Levy Units 1 and 2 and associated Transmission costs. Schedules T-1 through T-10 are consistent with the filing requirements pursuant to Rule 25-6.0423, F.A.C. PEF is not, however, requesting that the Commission approve any of these costs at this time.

9. PEF will file the appropriate petition or petitions pursuant to Section 366.93, Florida Statutes and Rule 25-6.0423, F.A.C., if the Commission has granted an affirmative determination of need for Levy Units 1 and 2. At that time, PEF will request that this discovery docket be consolidated with the new docket or dockets. In this way, the Commission Staff and interveners will benefit from having information regarding PEF’s costs associated with building new nuclear generation at the Levy site in a timely manner. This discovery docket will facilitate the cost recovery review process in the proceeding PEF will initiate, pursuant to the rule, after the determination of need is approved.

VI. Disputed Issues of Material Fact.

10. PEF is not aware at this time that there will be any disputed issues of material fact

in this proceeding. Through this petition, PEF expects to demonstrate why the establishment of a discovery docket related to the actual and projected costs for Levy Units 1 and 2 is appropriate and warranted.

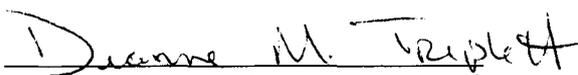
VII. Conclusion.

11. PEF seeks the establishment of a discovery docket related to the actual and projected costs for Levy Units 1 and 2, nuclear power plants for which PEF has requested a determination of need. Approval of PEF's petition for this discovery docket will facilitate the timely exchange of information and documents necessary for the review of PEF's costs pursuant to Rule 25-6.0423, F.A.C.. By filing this petition, PEF is not requesting the Commission to determine the prudence of any of its costs at this point. The prudence of the expenditures will be considered at a future time in a consolidated or subsequent proceeding.

WHEREFORE, for all the reasons provided in this Petition, PEF respectfully requests that the PSC establish a discovery docket related to the actual and projected costs subject to review pursuant to Rule 25-6.0423, F.A.C. for Levy Units 1 and 2.

Respectfully submitted this 11th day of March, 2008.

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