

Ruth Nettles

From: Stright, Lisa [Lisa.Stright@pgnmail.com]
Sent: Thursday, September 18, 2008 12:55 PM
To: Filings@psc.state.fl.us
Cc: Burnett, John; Gammon, David W (Marketing Employee); Jeanette Sickel
Subject: Dkt# 080501-EQ - Revised Tariff Sheets
Attachments: Document.pdf

This electronic filing is made by:

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Docket No. 080501-EQ

On behalf of Progress Energy Florida

Consisting of 6 pages.

The attached document for filing in the above referenced docket are REVISED Tariff Sheets 9.415, 9.424, 9.442 and 9.460 correcting typographical errors.

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DOCUMENT NUMBER-DATE

08809 SEP 18 8

FPSC-COMMISSION CLERK



(Writer's Direct Dial No. 727/820-6184)

JOHN T. BURNETT
Associate General Counsel – Florida

September 18, 2008

VIA ELECTRONIC FILING

Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Petition for waiver of Rule 25-17.250(1) and (2)(a), F.A.C., which requires Progress Energy Florida to have a standard offer contract open until a request for proposal is issued for same avoided unit in standard offer contract, and for approval of standard offer contract; **Docket No. 080501-EQ**

Dear Ms. Cole:

Progress Energy Florida, Inc. ("PEF") filed our petition for waiver on July 15, 2008. PEF discovered some typographical errors on Tariff Sheets 9.415, 9.424, 9.442 and 9.460. Attached for filing are PEF's revised Tariff Sheets 9.415, 9.424, 9.442 and 9.460 with the corrected information. Please substitute the originals that were filed on July 15, 2008 with the attached revised tariff sheets.

Thank you for your assistance in this matter. Please feel free to call me should you have any questions.

Sincerely,

John T. Burnett LMS
John T. Burnett

DOCUMENT NUMBER-DATE
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**Amended Tariff Sheets 9.415, 9.424, 9.442
and 9.460**

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3. Term of Contract

Except as otherwise provided herein, this Contract shall become effective immediately upon its execution by the Parties and shall end at 12:01 a.m. on the Termination Date, (the "Term") unless terminated earlier in accordance with the provisions hereof. Notwithstanding the foregoing, if the Capacity Delivery Date of the Facility is not accomplished by the RF/QF before the Avoided Unit In-Service Date (or such later date as may be permitted by PEF pursuant to Section 7), this Contract shall be rendered null and void and PEF's shall have no obligations under this Contract.

4. Minimum Specifications and Milestones

As required by FPSC Rule 25-17.0832(4)(e), the minimum specifications pertaining to this Contract and milestone dates are as follows:

Avoided Unit	Suwannee River Plant 4-on-1 CC
Avoided Unit Capacity	1,161 MW
Avoided Unit In-Service Date	June 1, 2013
Avoided Unit Heat Rate	7,134 BTU/kWh
Avoided Unit Variable O&M	0.203¢ per kWh in mid-2013 dollars escalating annually at 2.25%
Avoided Unit Life	25 years
Capacity Payments begin	Avoided Unit In-Service Date unless Option B, or D is selected
Termination Date	May 31, 2023 (10 years) unless amended in Appendix E
Minimum Performance Standards – On Peak Availability Factor*	89%
Minimum Performance Standards – Off Peak Availability Factor	89%
Minimum Availability Factor Required to qualify for a Capacity payment	69%
Expiration Date	April 1, 2009
Completed Permits Date	June 1, 2012
Exemplary Early Capacity Payment Date	January 1, 2009

* RF/QF performance shall be as measured and/or described in Appendix A.

TABLE 2

Credit Class	Amount per MW	Amount per MW
	Years 1 - 5	Years 6 – Termination Date
A- and Above	\$45,000	\$30,000
BBB+ to BBB	\$65,000	\$55,000
BBB-	\$90,000	\$80,000
Below BBB-	\$135,000	\$90,000

- 11.2 In the event that a Material Adverse Change occurs in respect of RF/QF, then within two (2) Business Day(s) RF/QF shall deliver to PEF Supplemental Eligible Collateral equal to 50 percent of the current Eligible Collateral amount, provided however, that in the PEF's sole discretion, based on a review of the overall circumstances of RF/QF's Material Adverse Change, the total of the Eligible Collateral and the Supplemental Eligible Collateral may be reduced but in no event shall the amount be less than the Base Performance Security Amount.
- 11.4 Performance Security Annual Adjustments – The RF/QF Performance Security shall be adjusted on an annual basis beginning January 1, 2008 and each year of during the term of the Agreement. The values in Table 2 will be adjusted using the change in the Gross Domestic Price Implicit Price Deflator (GDPIPD) between the Base Year and each year during the term as reported in the Survey of Current Business published in January each year and revised thereafter, by the Bureau of Economic Analysis, United States Department of commerce, Washington, D.C. using the following formula: Current Performance Security amount (CPSA) multiplied by one plus the change in the GDPIPD, (CPSA X (1 + ΔGDPIPD))
- 11.5 Replacement Collateral, Release of Collateral - Upon any reduction of the amount of RF/QF Performance Security pursuant to Section 11.2 or 11.3 the beneficiary thereof shall upon two (2) Business Days written request by the other Party release any Eligible or Supplemental Eligible Collateral that is no longer required. The choice of the type of Eligible Collateral by a Party may be selected from time to time by such Party and upon receipt of substitute Eligible Collateral, the holder of the Eligible Collateral for which the substitution is being made shall promptly release such Eligible Collateral. Following any termination of this agreement, the Parties shall mutually agree to a final settlement of all obligations under this Agreement which such period shall not exceed 90 days from such termination date unless extended by mutual agreement between the Parties. After such settlement, any remaining Eligible Collateral posted by a Party that has not been drawn upon by the other Party pursuant to its rights under this Contract shall be returned to such Party. Any dispute between the Parties regarding such final settlement shall be resolved according to applicable procedures set forth in Section 20.9.

APPENDIX A
TO
PROGRESS ENERGY FLORIDA
RENEWABLE OR QUALIFYING FACILITY LESS THAN 100 KW
STANDARD OFFER CONTRACT
MONTHLY CAPACITY PAYMENT CALCULATION

Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Renewable Energy Producer or a Qualifying Facility less than 100 kW.

- A. In the event that the ACBF is less than 69%, then no Monthly Capacity Payment shall be due. That is:

$$\text{MCP} = 0$$

- B. In the event that the ACBF is equal to or greater than 69% but less than 89%, then the Monthly Capacity Payment shall be calculated by using the following formula:

$$\text{MCP} = \text{BCP} \times [1 - [5 \times (.89 - \text{ACBF})]] \times \text{CC}$$

- C. In the event that the ACBF is equal to or greater than 89%, then the Monthly Capacity Payment shall be calculated by using the following formula:

$$\text{MCP} = \text{BCP} \times \text{CC}$$

Where:

- MCP = Monthly Capacity Payment in dollars.
BCP = Base Capacity Payment in \$/kW/Month as specified in Appendix D.
CC = Committed Capacity in kW.



CHARGES TO RENEWABLE ENERGY PROVIDER

The RF/QF shall be responsible for all applicable charges as currently approved or as they may be approved by the Florida Public Service Commission, including, but not limited to:

A. Retail Service Charges

The RF/QF shall be responsible for all FPSC approved charges for any retail service that may be provided by PEF. The RF/QF shall be billed \$74.42 monthly for the costs of meter reading, billing, and other administrative costs.

B. Interconnection Charges

The Interconnection Charges are included in the transmission service agreement entered into with the Transmission Provider