

STATE OF FLORIDA

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Public Service Commission

September 9, 2009

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

Re: Docket 090372: Petition of Progress Energy Florida, Inc. for approval of a negotiated purchase power contract with Florida Biomass Energy, LLC.

Dear Mr. Burnett:

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

1. Please provide all non-privileged correspondence between Florida Biomass (FB) Energy and Progress regarding the proposed contract. If not evident from the correspondence, please include a timeline for the correspondence.
2. Please provide any timelines that have been established regarding permitting, construction, and operation of the proposed Florida Biomass (FB) Energy facility.
3. Please refer to Section 2.3.1 titled "Conditions Precedent." Please provide all timelines and assumptions regarding subsections (a) through (h).
4. Please refer to Section 2.3.2. Please explain why the information contained in this information is confidential.
5. Please provide any timelines relating to the proposed FB Energy/Progress purchase and sale agreement.
6. Please refer to Section 2.1. Please verify the effective date of the proposed agreement. Is it upon approval by the Florida Public Service Commission?
7. Please refer to Section 2.6 (iii). Please clarify the section which states "if the FPSC refuses to enter an order upon the request for approval with 180 days of the Effective Date by both parties..." Does this refer to the July 10 date mentioned on page 1 of the petition?

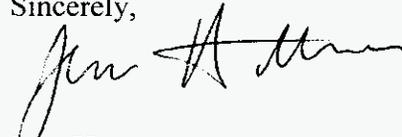
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8. Please refer to Section 3.2. The information states: "The Stipulated Commercial Operation Date, subject to day-for-day extension due to Force Majeure, shall be December 1, 2013." As the avoided unit in your analysis (Suwannee CC) has an expected in-service date of January 2013, please clarify what appears to be a discrepancy.
9. Please refer to Section 8.1. Please clarify whether the confidential figure mentioned under the Project Energy Payment is a fixed energy payment.
10. Please refer to Section 9.13. Does the contingency fee go back through the Energy Cost Recovery Clause?
11. Please refer to section 12.5.3. What Change(s) in Law(s) would raise Progress' and/or FB Energy's costs?
12. Please refer to page 34 of the agreement. Please clarify the statement that says "as of the day and year first above written." Which date is the statement referring to?
13. Is the proposed agreement by Progress and FB Energy contained in Progress' Ten Year Site Plan?
14. Please see the attached chart. Using the chart as a template, please complete the following comparison scenarios. Using the most recent fuel forecasts, provide Annual and CPURR dollars of the proposed contract between Progress and FB Energy compared to: the 2008 standard offer contract, the current standard offer, and the Suwannee CC avoided unit at the minimum and maximum capacity factors.
15. Are the fuel prices used in the negotiated contract current with Progress' current Ten Year Site Plan?

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

