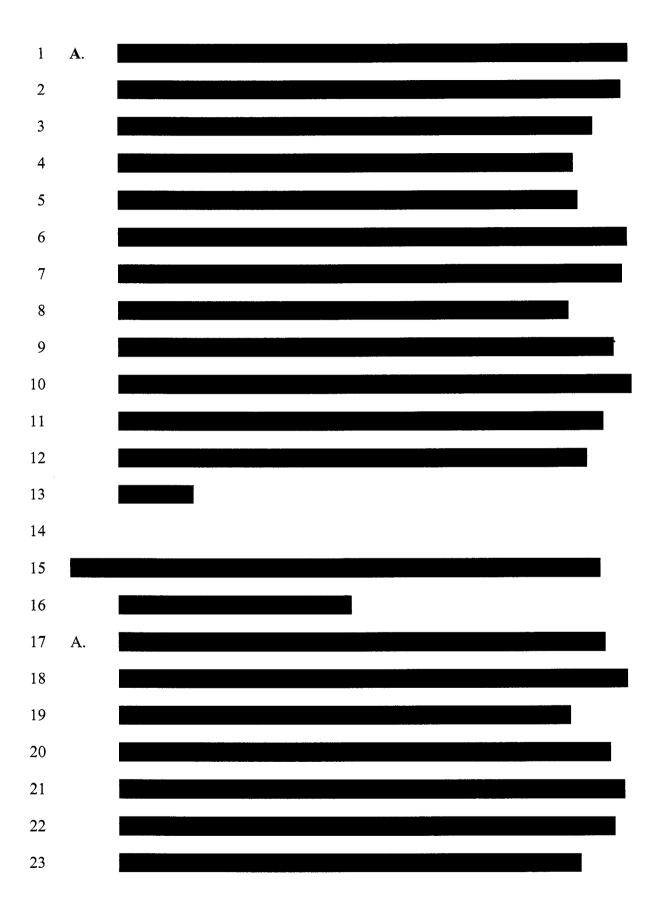
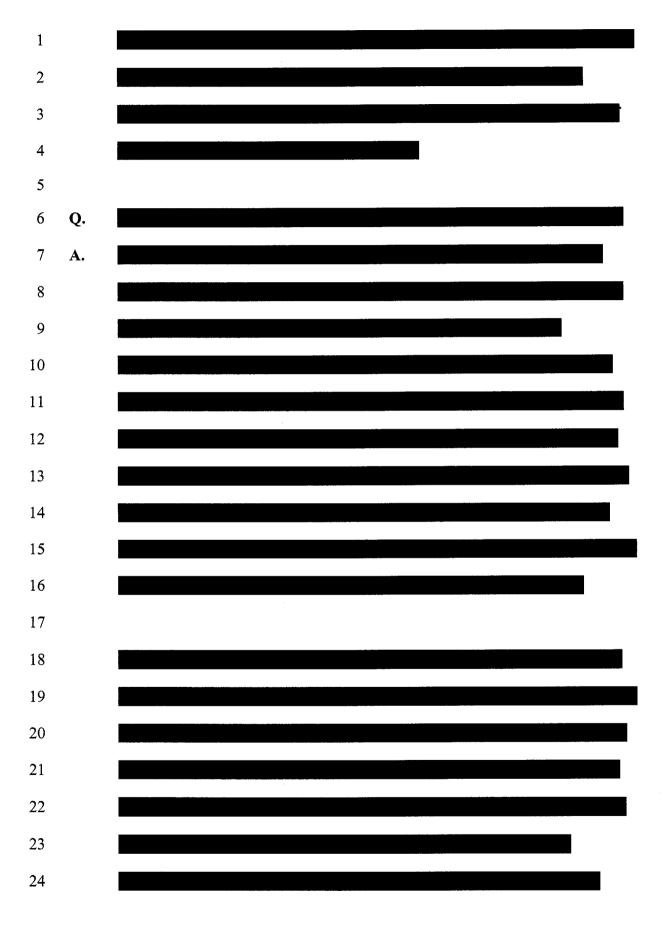


	1		BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
	2		DIRECT TESTIMONY OF
	3		JOSEPH MCCALISTEREDACTED
	4		ON BEHALF OF
	5		PROGRESS ENERGY FLORIDA
	6		DOCKET NO. 070007-EI
	7		AUGUST 3, 2007
	8		
	9	Q.	Please state your name and business address.
	10	A.	My name is Joseph McCallister. My business address is 410 South Wilmington
	11		Street, Raleigh, North Carolina 27601.
	12		
	13	Q.	By whom are you employed and in what capacity?
	14	A.	I am employed by Progress Energy Carolinas in the capacity of Director, Gas &
	15		Oil Trading.
	16		
CMP	17	Q.	What are your responsibilities in that position?
CTR orig	18	A.	I am responsible for the procurement of natural gas, fuel oil and emission
ECR	19		allowances on behalf of Progress Energy Florida (PEF).
OPC	20		
RCA 4	21	Q.	Please describe your educational background and professional experience.
SCR COMMISSION	22	A.	I have a Bachelor of Science in Business Administration majoring in
SGA	23		Accounting from the Ohio State University in 1987. I joined Progress Energy
OTH			DOCUMENT NUMBER-DATE
			1 06714 AUG-35

06714 AUG-35

1		Service Company LLC in November 2003. Prior to my current position, I served
2		as Director of Portfolio and Market Risk Assessment in the Enterprise Risk
3		Management Group. Subsequent to my tenure with Progress Energy, I spent
4		approximately 10 years in various positions at energy based companies.
5		Previous management experiences include gas and power scheduling,
6		integration and commercial optimization of generation, fuel, gas storage and
7		contracts, and corporate planning.
8		
9	Q.	What is the purpose of your testimony?
10	A.	The purpose of my testimony is to outline PEF's overall procurement approach
11		for emission allowances.
12		
13	Q.	What is PEF's emission procurement strategy for meeting emission
14		allowance requirements?
15		
	A.	PEF's overall procurement strategy for meeting emission allowance
16	A .	
16 17	A .	PEF's overall procurement strategy for meeting emission allowance
	A .	PEF's overall procurement strategy for meeting emission allowance requirements is to buy allowances based on forecasted needs to comply with
17	A .	PEF's overall procurement strategy for meeting emission allowance requirements is to buy allowances based on forecasted needs to comply with existing and future compliance requirements. PEF believes a procurement
17 18	A .	PEF's overall procurement strategy for meeting emission allowance requirements is to buy allowances based on forecasted needs to comply with existing and future compliance requirements. PEF believes a procurement strategy of buying emission allowances over time is a reasonable and prudent
17 18 19	A .	PEF's overall procurement strategy for meeting emission allowance requirements is to buy allowances based on forecasted needs to comply with existing and future compliance requirements. PEF believes a procurement strategy of buying emission allowances over time is a reasonable and prudent approach to manage compliance requirements, reduce price risk and volatility,
17 18 19 20	A. Q.	PEF's overall procurement strategy for meeting emission allowance requirements is to buy allowances based on forecasted needs to comply with existing and future compliance requirements. PEF believes a procurement strategy of buying emission allowances over time is a reasonable and prudent approach to manage compliance requirements, reduce price risk and volatility,





1
2
3
4
5
6
7 Q. Does this conclude your testimony?
8 A. Yes it does.