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090079-EI

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Attachments: DOC091016.pdf

* Have a good and cool weekend all :) *

In accordance with the electronic filing procedures of the Florida Public Service Commission, the following filing is made:

a. The name, address, telephone number, and email address for the person responsible for this filing is:

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b. This filing is made in docket 090079-EI.

c. The document is being filed on behalf of the Association for Fairness in Rate Making ("AFFIRM").

d. The total number of pages in the document is 35 pages (including exhibits).

e. The attached document is AFFIRM's PostHearing Statement and Brief.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Progress Energy Florida, Inc.

DOCKET NO. 090079-EI

DATED: October 15, 2009

POSTHEARING STATEMENT AND BRIEF OF AFFIRM

Florida AFFIRM (the "Association for Fairness in Rate Making" or "AFFIRM") pursuant to the Prehearing Order No. 09-0190-PCO-EI in this docket and Order No. 09-00638-PHO-EI and Rule 28-106.215, Florida Administrative Code ("F.A.C."), hereby submits AFFIRM's Posthearing Statement of Issues and Positions and Brief.

INTRODUCTION

AFFIRM is a coalition of quick serve restaurants that have substantially similar electrical usage characteristics. The Members of AFFIRM are the corporations and corporations' franchisees that own and operate over 250 business locations served by the Company under the following brand names: Waffle House, Wendy's, Arby's, and YUM! Brands, doing business as Pizza Hut, KFC, Taco Bell, Long John Silver's and A&W.

The primary objective of AFFIRM's intervention in the subject base rate proceeding is to seek a more appropriately structured time of use rate for the AFFIRM Members that are served under the General Service Demand family of rates. PEF's GSDT-1, a time of use rate, is severely deficient in form and structure because the rate reflects only the most tenuous relationship between periodic pricing and related costs. Because of such deficiencies, the existing GSDT-1 Rate is unfair and unreasonable for further use, and should not be approved by the Commission until appropriate changes have been made to such rate.

Other objectives of AFFIRM's intervention in the subject base rate proceeding are (1) to propose the implementation of multi-location rates for application when there are numerous sites

of the same customer taking electric service from the Company, and (2) to argue against PEF's proposed cost of service modification whereby fixed charges would be allocated on the basis of 12 Coincident Peak (CP) and 50% Average Demand (AD), versus the historical allocation method of 12 CP and 1/13th AD.

**AFFIRM'S BRIEF ON SPECIFIC
COST OF SERVICE AND RATE DESIGN ISSUES**

[Note: AFFIRM take no position on any issue other than Issues 90 and 107.]

ISSUE 90: What is the appropriate Cost of Service Methodology to be used to allocate base rate and cost recovery costs to the rate classes?

POSITION: *12 CP and 1/13th Average Demand.*

DISCUSSION

In this proceeding, the Company proposes that fixed production capacity costs should be allocated based on 12 CP and 50% AD rather than the historical allocation factor of 12 CP and 1/13th AD. AFFIRM objects to this proposed change in methodology. AFFIRM urges the Commission to reject the Company's proposal and instead to adopt the methodology that has historically been used.

The testimony of Company Witness Slusser advocates the use of the 12 CP and 50% AD methodology on the basis that it is intended to provide a better matching of allocation of costs and benefits to customer rate classes. Mr. Slusser argues that decisions regarding incremental expenditures for production capacity are now no longer driven by reliability issues but now are based on other concerns, most notably environmental compliance.

AFFIRM disagrees with Mr. Slusser and argues that the foremost responsibility of any franchised electric utility, including PEF, is to provide a safe and reliable electric supply at the

lowest cost consistent with good utility practice. The criteria for decisions regarding investment in production capacity have not changed, but rather reliability remains the primary criteria. Other considerations such as environmental compliance have become supplemental or secondary criteria, rather than the primary criteria suggested by Mr. Slusser.

The preponderance of PEF's existing fixed production capacity costs arise from decisions that were made during or before the Commission's adoption and application of the 12 CP and 1/13th AD methodology, and incremental additions to fixed production capacity costs continue to reflect the need to maintain a safe and reliable electric supply. For that reason, the Commission should mandate that fixed production capacity costs should continue to be allocated based on the historical methodology of 12 CP and 1/13th AD.

ISSUE 107: What is the appropriate method of designing time of use rates for PEF?

POSITION:

The appropriate method of designing time of use rates is one that produces rates that (1) vary during different time periods and (2) reflect the variance, if any, in the utility's cost of generation and purchasing electricity at the wholesale level. Moreover, the design and implantation of the rate should enable the electric consumer to manage energy use and cost through advanced metering and communications technology.

DISCUSSION

To explain the deficiencies that exist in PEF GSDT-1 Rate, it is appropriate to: (1) examine the overriding objective of that rate; (2) evaluate the structure of that rate; and (3) then to compare the objective with the structure in order to ascertain whether such rate is effective in accomplishing the overriding objective.

Overriding Objective of a Time of Use Rate

The direct testimony of AFFIRM Witness Russell L. Klepper cites the specific rate objective of the United States Congress, as set forth in the Energy Policy Act of 2005 ("EPAct")

which was enacted on August 8, 2005. Section 1252 of the EPAct amended the Public Utilities Regulatory Policy Act of 1978 (“PURPA”) by adding language that provides, in relevant part, that each electric utility shall *“provide individual customers upon customer request, a time-based rate schedule under which the rate charged by the electric utility varies during different time periods and reflects the variance, if any, in the utility’s cost of generation and purchasing electricity at the wholesale level.”*

As required by the EPAct, the Commission was required to investigate and decide whether to require electric utilities to provide and install time-based meters and communication devices. In Docket No. 070022-EU, the Commission declined to adopt the standard established by EPAct. Pursuant to Order No. PSC-07-0212-PAA-EU issued March 7, 2007 (the “March 2007 Order”), at page 1, the Commission explained:

“We believe Section 1252 was intended to break down regulatory or institutional barriers to the provision of time sensitive rates. Based on our survey results, we find that Florida utilities, even those not subject to PURPA, have considered and implemented time sensitive rates and load management programs that comply with the spirit of Section 1252.”

The March 2007 Order notes at page 3 that in 1981, the Commission had conducted proceedings to consider each PURPA ratemaking standard and to determine whether each was appropriate for implementation in Florida. In Order No. 10179, issued August 31, 1981, the Commission determined that a modified version of the PURPA standard was appropriate. The Commission-approved standard (hereinafter, the “Commission TOU Standard”) is:

“When such rates are cost-effective, the rates charged by an electric utility for each group of customers shall be time-differentiated in order to reflect the cost of providing service to such customers at different times of the day. “Cost-effective” means that the long run benefits to the utility and its customers exceed the cost of meters and other associated costs. Specific cost effectiveness methodologies may be prescribed by the Commission.”

The March 2007 Order includes as Attachment A the responses of certain regulated utilities, including PEF, to a survey performed by the Commission. At page 37 of Attachment A, in Item g, PEF sets forth its time of use rate goals (hereinafter, the “PEF TOU Goals”) as follows:

“The goals of Rate Schedule GSDT-1 are demand savings, cost reductions, customer choice, price awareness, as well as the ability of the Company to improve overall system load factor.”

Structure of Rates

PEF offers three primary rates for use by business customers. The first of these three is a non-demand rate that is available to only the smallest business customers, and the Members of AFFIRM do not qualify for this rate. The Members of AFFIRM qualify for service under both the General Service – Demand Rate (GSD-1) and the General Service – Demand (Optional TOU) Rate (GSDT-1).

The GSD-1 Rate is a “one size fits all” rate that does not effectively capture the beneficial electric load and usage characteristics of the Members of AFFIRM. Compared to most commercial and industrial customers of PEF, the Members of AFFIRM use a disproportionately lesser amount of energy during on-peak periods and a disproportionately greater amount of energy during off-peak periods. This is because quick serve restaurants have longer hours of operation than most business operations. Some of the restaurants are open around the clock, while others open early or remain open late at night.

The GSDT-1 Rate is a time-differentiated rate whereby there is a base demand charge and a separate on-peak demand charge. The same base and on-peak demand charges apply in both summer months (April through October) and winter months (November through March), and the on-peak hours are as described below.

Pursuant to the GSDT-1 Rate, the same on-peak energy rate applies to all energy consumption during the defined on-peak periods in both the seven defined summer months and five defined winter months. During the summer months, the on-peak period is defined as the weekdays (except holidays) from noon to 9:00 PM. During the winter months, the on-peak period is defined as the weekdays (except holidays) from 6:00 AM to 10:00 AM and again from 6:00 PM to 10:00 PM.

Correspondingly, pursuant to the GSDT-1 Rate, the same off-peak energy rates applies to all energy consumption during the defined off-peak periods throughout the year. The off-peak periods consist of all hours during the year that are not defined as on-peak hours.

Deficiencies of the GSDT-1 Rate

The focal questions in this matter are whether the GSDT-1 Rate satisfies either the Commission TOU Standard (time differentiated in order to reflect the cost of providing service to such customers at different times of the day) or the PEF TOU Goals (demand savings, cost reductions, customer choice, price awareness, and the ability of the Company to improve overall system load factors).

In order to determine whether the GSDT-1 Rate satisfies either the Commission TOU Standard or the PEF TOU Goals, AFFIRM examined hourly load data that was provided by PEF to AFFIRM for the years 2006, 2007 and 2008. Upon an analysis of this hourly system load data, it is clear that the existing GSDT-1 Rate is severely deficient because it does not effectively accomplish any of the goals that PEF set forth for such rate, nor does it comply with the Commission TOU Standard. The GSDT-1 Rate fails to satisfy these standards because the periodic pricing fails to reflect the basic utility principles that (a) incremental energy costs should be approximately equal for system loads of equal magnitude, regardless of when such loads occur, and (b) as system loads increase, incremental costs increase at an increasing rate, and

conversely, as system loads decrease, incremental costs decrease at a decreasing rate. As discussed in detail below, the manifestations of such deficiencies in the GSDT-1 Rate include:

1. The structure and application of the Base Demand Rate and the On-Peak Demand Rate is not effective because it is based on the incorrect assumption that any customer's peak demand occurring during an on-peak period is a reasonable approximation of that customer's contribution to the Company's monthly peak demand.
2. The arbitrary determination of the nine-hour duration of the summer on-peak period provides little economic incentive for any customer to shift load into a lower cost period.
3. The application of the same energy rate to all energy consumption during the nine-hour duration of the summer peak period is unfair and unreasonable because the peak load is concentrated in the four-hour period from 2:00PM to 6:00 PM (the "critical peak period"), and because the materially lower load from noon to 2:00 PM and from 6:00 PM to 9:00 PM (the "shoulder period") results in a significantly lesser cost to PEF than the base energy costs during the critical peak period.
4. The application of the same energy rate to all energy consumption occurring during both the summer months and the winter months is unfair and unreasonable because the average energy consumption during the defined winter on-peaks hours is significantly lower than the average energy consumption during the defined summer on-peak hours. In fact, the average energy consumption during the defined winter on-peak hours is approximately equal to the average energy consumption during the defined summer off-peak hours.

5. The defined treatment of the period from 6:00 PM to 10:00 PM during the winter months provides an inappropriate incentive for customers to shift energy consumption out of a low use, low cost period.

The direct testimony of AFFIRM Witness Klepper, and AFFIRM's response to Item 1 of the Staff's First Request for Production of Documents both discuss the fact that the structure of both the GSD-1 and GSDT-1 Rates assumes that the individual monthly peaks of all customers contribute ratably to PEF's monthly system peaks. The peaks of the AFFIRM Members, while sometimes occurring during the defined on-peak hours and at other times occurring outside the defined on-peak hours, do not occur coincidentally with PEF's system peaks in any month. Accordingly, the AFFIRM Members are penalized, whether served under GSD-1 or GSDT-1, because the load shape of the AFFIRM Members is dissimilar to the load shape of the GSD-1 rate group as a whole.

Attached as Brief Exhibit 1 are seven pages, comprised of a table produced by PEF, three graphs for the summer months of 2006, 2007 and 2008, and three graphs for the winter months of 2006, 2007 and 2008 that illustrate PEF's system load shapes for the peak day during each month from January 2006 through and including December 2008. As can be seen from these graphs, the customer whose individual peak occurs during the shoulder period rather than during the critical peak period makes a disproportionately lesser contribution to the total system peak. This lesser contribution notwithstanding, that customer is charged as if it had made a proportionate contribution to the system peak.

As can be seen, customer peaks that do not occur during the PEF system peak do not contribute ratably to the costs of serving the system peak. The structure of the demand rate under the GSDT-1 rate is to have a charge for the peak occurring during the off peak hours, plus an additional charge for a customer peak occurring during the on-peak hours. By contrast, the

appropriate charge in this matter would be simply a demand charge based on the customer's contribution to the PEF system peak during the on-peak hours, and the on-peak hours should be redefined as the critical peak hours.

Attached as Brief Exhibit 2 are two pages, comprised of a table derived from and a corresponding bar chart, showing the average system load in megawatt-hours for each on-peak hour during the defined summer months of 2006, 2007 and 2008. As can be seen graphically, the system average energy consumption during the four critical peak hours from 2:00 PM to 6:00 PM is significantly higher (an average differential over the three year period of greater than 7%) than the system average energy consumption in the shoulder period from noon to 2:00 PM and from 6:00 PM to 9:00 PM.

Under the GSDT-1 Rate, PEF charges the same base energy charge for the entire defined nine hour period, even though the system average loads during the critical peak hours, and thus the non-fuel energy costs associated with the critical peak hours, are significantly higher than the system average loads and corresponding non-fuel energy costs during the shoulder hours. From this data, it is seen that the on-peak period, as currently defined, is overly broad and unfair to customers, such as the AFFIRM Members that consume a disproportionate percentage of on-peak energy during the shoulder hours rather than the critical peak hours. Based on this data, for purposes of the GSDT-1 Rate, the on-peak period during the summer should be redefined as the four hour period from 2:00 PM to 6:00 PM, and the prior two hours and subsequent three hours should be redefined as shoulder hours, with an appropriately lower base energy charge for the shoulder period.

Further, the fact that PEF offers only a single time of use price for energy consumption during such a broadly defined on-peak period is inconsistent with the Commission TOU Standard, which provides that rates should be established to reflect the costs of providing electric

service at different times of the day. Moreover, the broadly defined on-peak period precludes fulfillment of the PEF TOU Goals, particularly the goal to improve the overall system load factor, as the overly broad on-peak period dampens the incentive to shift energy consumption from a high cost period to a low cost period.

Attached as Brief Exhibit 3 is five pages, comprised of a summer peak summary table and a winter peak summary table, both for 2006, 2007 and 2008, and page 401b – Monthly Peaks and Output from PEF's FERC Form No. 1 for each of 2006, 2007, and 2008. Brief Exhibit 3 reflects several important factors related to the structure of PEF's GSDT-1 Rate:

- As discussed above, it can be seen that although PEF currently defines its on-peak period as a nine-hour duration, there has been no monthly peak in a defined summer month during the past three years that occurred in any hour other than the hour ended 1600, 1700, or 1800.
- Three of the 21 monthly summer peaks (June 2006, May 2008 and October 2008) have occurred during defined off peak periods. Also, three of the 15 monthly winter peaks (February 2007, November 2007, and March 2008) have occurred during defined off-peak periods.
- The months of April and October reflects peaks that are on average only 76.3% and 82.8% of the annual summer peak loads, meaning that such monthly peaks are unlikely to place stress on PEF's generating system and that such months should not be treated as summer months.
- PEF's summer average monthly loads and average monthly peaks are significantly greater than the corresponding winter average monthly loads and average monthly peaks. Thus, the pricing for both demand and base energy should be differentiated between the summer months and the non-summer months.

- Twice in three years, PEF has experienced an annual system peak load during a winter month, but such peaks have occurred during the morning on-peak period and have been short-lived spikes in demand attributable to electric heating loads. When such annual peaks have occurred in a winter month, the peaks loads in the other four winter months during the same year have averaged less than 75% of the winter system peak, reinforcing the notion that winter usage is much lower than summer usage and pricing should be differentiated during the summer months versus the non-summer months.
- Five times in three years, PEF has experienced a winter monthly peak during the evening on-peak period, but such peaks have been so mild that the highest of the five winter monthly peaks has been only 70% of the annual summer peak during the same year. This means that the peaks occurring in the winter on-peak periods are unlikely to place stress on PEF's generating system. Accordingly, there is no compelling reason that energy consumption during evening hours in the winter months should be defined or priced as on-peak usage.

Attached as Brief Exhibit 4 is a single page entitled "Progress Energy Florida – Analysis of Hourly System Load Data", which analysis has been performed for 2006, 2007, and 2008. Brief Exhibit 4 reflects several important factors related to the structure of PEF's GSDT-1 Rate:

- Energy consumption during on-peak hours during both summer and winter months currently is priced the same under GSDT-1. However, PEF's average hourly system load during defined summer on-peaks hours is 42% higher than PEF's average hourly system load during defined winter on-peak periods. Because the winter on-peak loads are significantly less than the summer on-peak loads, PEF's costs per unit of energy for serving the on-peak winter loads would be lower than serving the on-peak summer loads, and the differences in costs of serving the winter versus summer on-peak loads should be

reflected through a correspondingly lower price for winter on-peak base energy than for summer on-peak base energy.

- Energy consumption during off-peak hours during both summer and winter months currently is priced the same under GSDT-1. However, PEF's average hourly system load during defined summer off-peaks hours is almost 20% higher than PEF's average hourly system load during defined winter off-peak periods. Because the winter off-peak loads are significantly less than the summer off-peak loads, PEF's costs per unit of energy for serving the off-peak winter loads would be lower than serving the off-peak summer loads, and the differences in costs of serving the winter versus summer off-peak loads should be reflected through a correspondingly lower price for winter off-peak base energy than for summer off-peak base energy.
- Under the GSDT-1 rate, energy consumption during the winter on-peak hours is significantly more expensive than energy consumption during the summer off-peak hours. Notwithstanding this significant pricing difference, PEF's average hourly load during PEF's defined winter on-peak periods (the more expensive period) is substantially similar to (or slightly lower than) PEF's defined summer off-peak periods (the less expensive period). However, the similarity in volume of the winter on-peak and summer off-peak loads means that the non-fuel energy costs incurred in serving each of these loads should be substantially similar, and the pricing for base energy for these periods should likewise be substantially similar.

In summary, the deficiencies in the design of PEF's existing GSDT-1 rate are numerous and extensive. PEF's prices set forth in the GSDT-1 Rate for the summer and winter on-peak periods bear almost no relationship to the costs that PEF is incurring to provide such loads during

the corresponding periods. Most importantly, the pricing scheme embodied by PEF's GSD-1 Rate violates the existing Commission TOU Standard because such rate fails to properly or effectively differentiate its prices based on the costs of providing services at different times of the day or in different months. Further, the pricing scheme embodied by PEF's GSD-1 Rate fails to satisfy the PEF TOU Goals because such pricing does not allow for demand savings, cost reductions or customer choice, and particularly because such pricing does not provide the incentive for customers to respond to price signals in a manner that would lead to an improvement in the overall system load factor.

As discussed in detail in Item 2 of AFFIRM's response to Staff's First Set of Interrogatories, AFFIRM recommends the following modifications to PEF's existing GSDT-1 Rate:

1. The summer on-peak hours should be disaggregated into a redefined critical on-peak period (from 2:00 PM to 6:00 PM on weekdays excluding holidays) and a shoulder period (from noon to 2:00 PM and from 6:00 PM to 9:00 PM on weekdays excluding holidays).
2. The pricing for the summer critical peak and shoulder periods should be recalibrated to recognize the differences between non-fuel energy costs between the summer months and the winter months and between the critical peak hours and the shoulder hours.
3. The months of April and October should be reclassified as winter months.
4. The on-peak period in the winter months (as redefined to include April and October) should be re-defined to encompass only the hours of 6:00 AM to 10:00 AM,

with a corresponding change in non-fuel energy pricing to recognize the cost differences between summer and winter on-peak hours.

5. The off-peak period in the winter months (as redefined to include April and October) should be re-defined to include the hours of 6:00 PM to 10:00 PM, with a corresponding change in pricing to recognize inclusion of the new hours and the cost differences between summer and winter off-peak hours.

6. The measurement of, and charge for, the demand component in each month should be modified such that the billing demand in each month would be determined based on the customer's peak monthly demand occurring in, and only in, a defined peak period (the defined four hour on peak periods during the summer and winter months, as discussed above).

Under the current structure of the GSDT-1 Rate, the Members of AFFIRM are economically disadvantaged because their natural load shapes and other beneficial load characteristics are not manifested in the rates paid by such customers.

The modifications proposed above are appropriate because each such modification is intended to redesign the GSDT-1 Rate in a manner that the pricing in each hour of the year is more closely aligned with the hourly costs that result from the provision of electric service by PEF. The failure to adopt such modifications will result in the continuation of rates that are unfair, unjust and unreasonable because there is almost no relationship between the prices charged under this rate and the corresponding underlying costs. Further, the lack of relationship between prices set forth in the GSDT-1 Rate and underlying costs violates the Commission TOU Standard established in 1981 in Order No. 10179 issued August 31, 1981.

The Appropriate Application of Multi-Location Rates

AFFIRM, through the direct testimony of Witness Klepper, has proposed that, in addition to the recommended modification to PEF GSDT-1 Rate, PEF should also be required to offer multi-location rates that would be available to customers who operate businesses under common ownership or control from more than one site. In particular, AFFIRM asserts that multi-location customers, such as the Members of AFFIRM, should benefit from the determination of peak monthly demand on an aggregated coincident basis, rather than having hundreds of business sites under common ownership and control paying for demand as the sum of the non-coincident loads of all such sites.

AFFIRM asserts that its Members are treated for ratemaking purposes as if they were hundreds of unaffiliated small retail customers. This treatment as individual customers is inconsistent with the collective manner in which the AFFIRM Members are treated in competitive markets by almost all energy suppliers, and is further inconsistent with the collective treatment that the AFFIRM Members enjoy from the suppliers of almost all products purchased by such companies.

In proposing that rate benefits should be available to multi-location customers, AFFIRM is aware of the existence of Commission Rule 25-6.102 F.A.C., which is a rule established by the Commission in 1969 precluding conjunctive billing and other similar billing schemes for multi-location customers. AFFIRM is also aware that multi-location rates are not contrary to law in Florida, and the rule established by the Commission forty years ago can be modified or rescinded by today's Commission. The preclusion against multi-location rates established under Commission Rule 25-6.102 was established at a time when the state of metering, telecommunications and computer technology were in their infancy compared to the technology available today.


It is important to note that the use of multiple location rates, conjunctive billing, aggregate billing or similar multiple location billing schemes has been authorized and implemented in other states, and AFFIRM is not aware of any court decision in which the use of such billing schemes has been found to be unfair, unreasonable, discriminatory or preferential.

CONCLUSION

Based on the above discussion of the two rate structure issues and the deficiencies of PEF current rate structures as applied to AFFIRM's members, AFFIRM respectfully requests that the Commission:

1. Order that the existing GSDT-1 Rate be modified in a manner that time differentiated prices for both demand charges and base energy charges should be re-established for both daily and seasonal periods, and should be implemented in a manner that will align, as closely as possible, periodic prices with the periodic costs that PEF is incurring to provide related electric service.
2. Order that multi-location rates be made available to electric customers who operate under common ownership or control, at least to the extent of allowing for conjunctive recognition for billing purposes of coincident peak demand for all sites under common ownership or control.
3. Order that fixed production capacity costs should continue to be allocated based on the historical methodology of 12 CP and 1/13th AD.

Respectfully submitted this 16th day of October 2009.

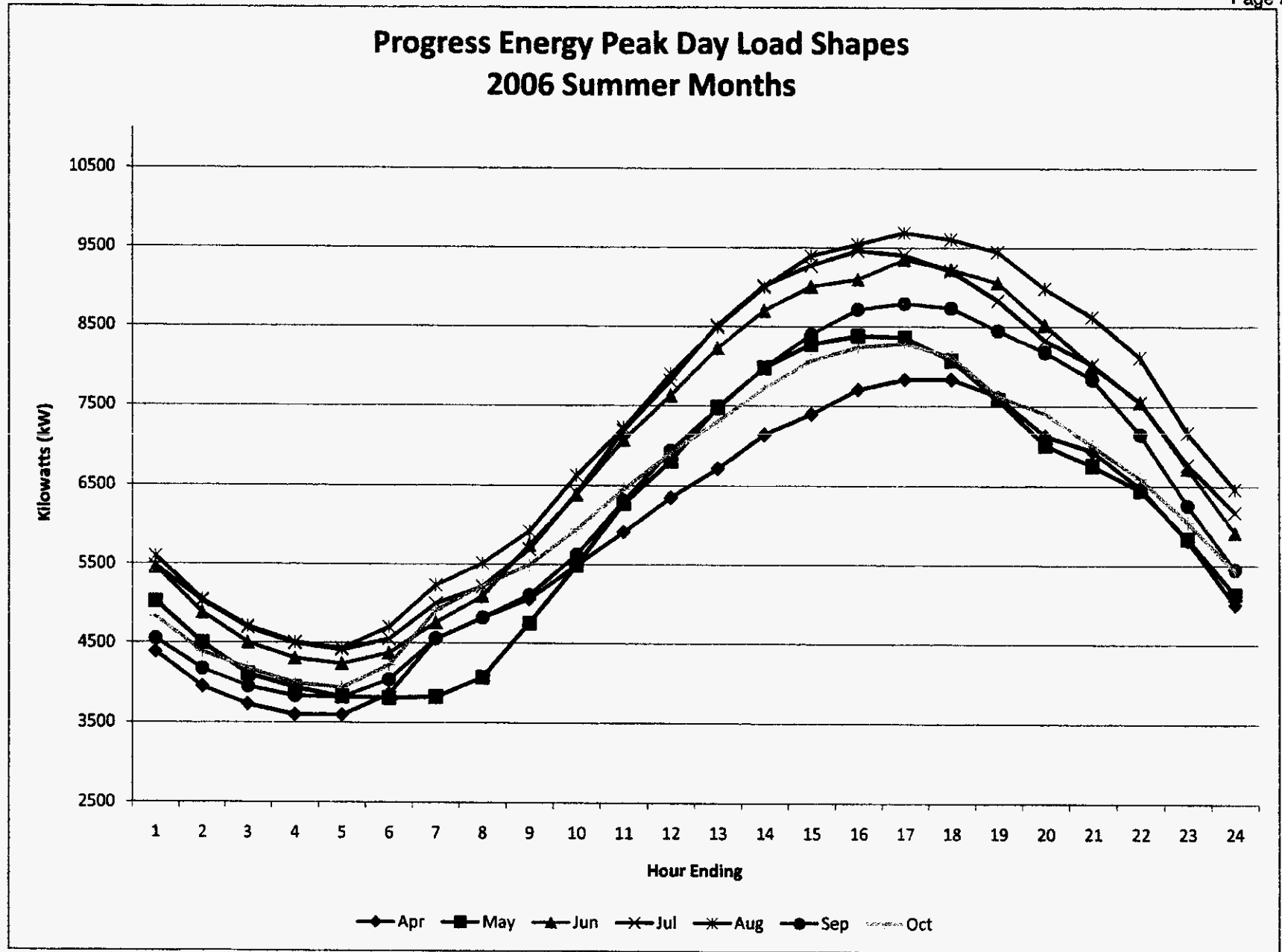

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AFFIRM BRIEF EXHIBIT 1

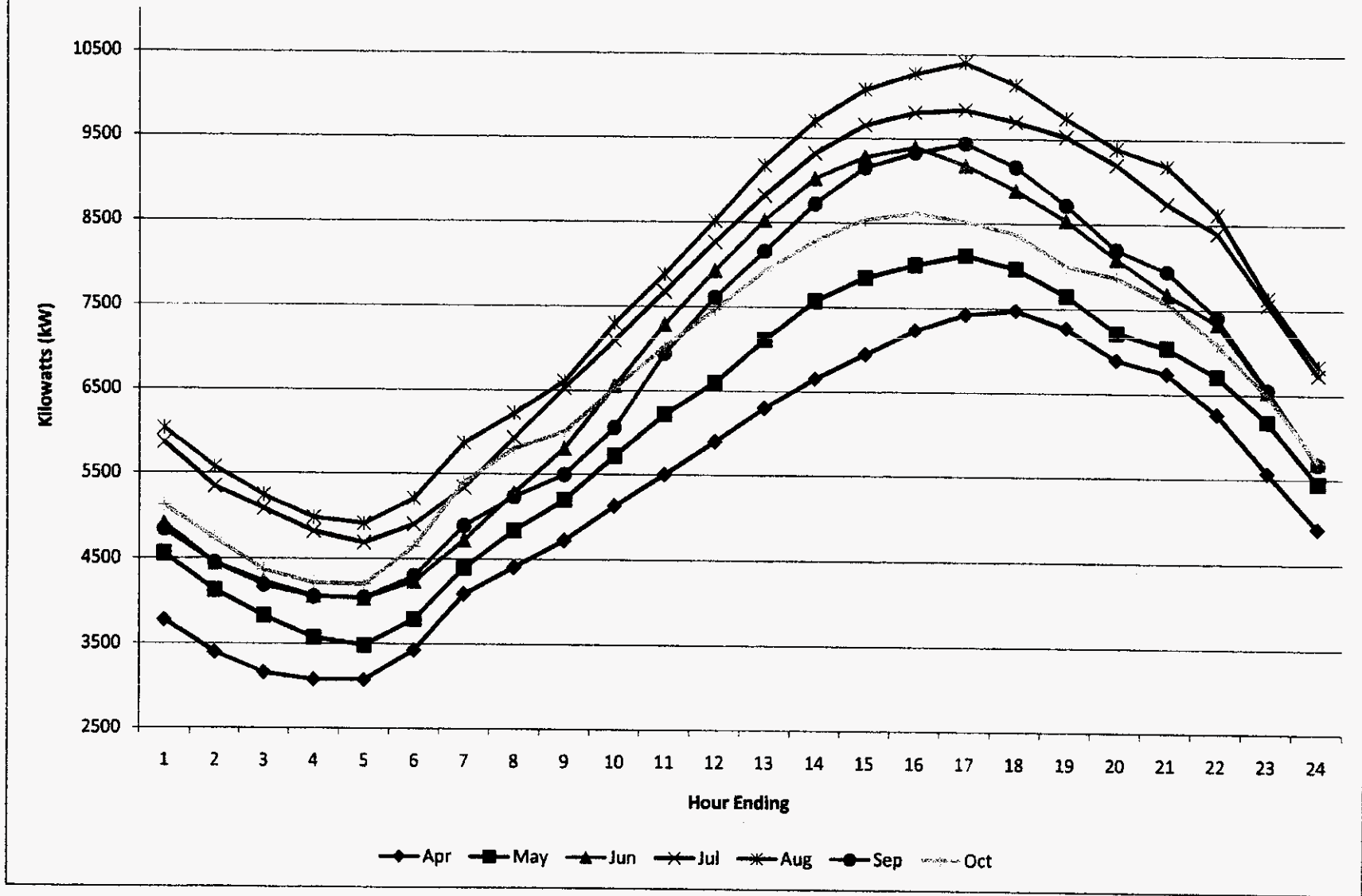
FIPUG First Set POD Q#2 (Answer)
PEF System Net Hourly Integrated MW Load - 2006, 2007 & 2008

M	D	Y	Hr1	Hr2	Hr3	Hr4	Hr5	Hr6	Hr7	Hr8	Hr9	Hr10	Hr11	Hr12	Hr13	Hr14	Hr15	Hr16	Hr17	Hr18	Hr19	Hr20	Hr21	Hr22	Hr23	Hr24		
CHART DATA																												
WINTER MONTHS																												
1	19	6	Jan	5153	5137	5309	5469	5817	6532	7616	7869	7379	6346	5607	5108	4768	4595	4441	4384	4409	4554	5257	5351	5222	4959	4560	3911	Jan-06
2	14	6	Feb	6958	7126	7394	7697	8114	8928	9989	10094	9372	8057	6924	6155	5633	5162	4829	4686	4732	4969	5853	6441	6531	6430	6086	5730	Feb-06
3	21	6	Mar	3865	3585	3401	3241	3255	3681	4246	4637	4969	5308	5625	5902	6088	6251	6341	6389	6334	6288	6306	6440	6115	5683	5156	4530	Mar-06
11	30	6	Nov	3623	3298	3163	3115	3154	3464	4115	4304	4626	5013	5369	5629	5887	6020	6091	6121	6040	6072	6414	6227	5886	5362	4824	4204	Nov-06
12	8	6	Dec	3503	3372	3374	3420	3608	4203	5282	5857	5967	5798	5562	5300	5202	5045	4845	4791	5067	5734	6555	6722	6792	6683	6303	5723	Dec-06
1	30	7	Jan	6121	6112	6190	6411	6752	7402	8383	8803	8296	7472	6758	6480	6166	5752	5551	5389	5566	6183	6673	6724	6518	6245	5707	4987	Jan-07
2	17	7	Feb	6544	6651	6843	7091	7471	7942	8578	9097	8892	8124	7171	6451	5873	5320	4897	4602	4637	4961	5704	6063	6029	5888	5689	5337	Feb-07
3	6	7	Mar	4344	4285	4395	4578	4929	5694	6661	6990	6310	5608	5263	4855	4637	4529	4452	4463	4520	4658	4989	5437	5284	4905	4402	3881	Mar-07
11	1	7	Nov	4200	3909	3726	3647	3686	4123	4869	5385	5383	5665	5913	6192	6390	6554	6675	6781	6812	6694	6609	6761	6477	5998	5388	4805	Nov-07
12	18	7	Dec	5449	5280	5282	5258	5470	6074	6924	7162	6771	6200	5699	5179	4834	4683	4565	4532	4631	5185	5801	5912	5741	5323	4641	4062	Dec-07
1	3	8	Jan	7948	7970	8067	8238	8531	8990	9702	10210	10023	9556	8770	7961	7455	6970	6534	6353	6465	7300	8223	8466	8432	8164	7688	7194	Jan-08
2	28	8	Feb	5044	4992	5167	5368	5711	6664	7777	8225	7641	7035	6596	6158	5748	5420	5075	4909	4963	5267	5917	6585	6612	6529	6187	5790	Feb-08
3	16	8	Mar	4203	3840	3614	3520	3480	3551	3779	3975	4348	4998	5468	5774	5954	6158	6356	6595	6797	6714	6501	6226	6255	5701	5009	4341	Mar-08
11	20	8	Nov	5042	4905	5058	5245	5581	6254	7261	7448	6775	6012	5592	5166	4733	4505	4380	4344	4430	4866	5495	5581	5462	5144	4617	4139	Nov-08
12	3	8	Dec	5292	5358	5494	5732	6028	6818	7846	8135	7525	6506	6018	5425	4927	4648	4562	4501	4579	5190	5839	6015	5953	5620	5128	4586	Dec-08
SUMMER MONTHS																												
4	20	6	Apr	4385	3951	3730	3600	3596	3859	4556	4822	5062	5491	5914	6349	6718	7141	7396	7707	7835	7836	7620	7129	6942	6481	5816	5007	Apr-06
5	28	6	May	5025	4502	4112	3942	3827	3812	3827	4072	4760	5493	6278	6812	7484	7980	8276	8381	8364	8074	7580	7014	6761	6450	5845	5144	May-06
6	21	6	Jun	5458	4885	4507	4306	4238	4376	4764	5100	5750	6382	7074	7632	8227	8702	9006	9099	9348	9225	9056	8520	8004	7557	6727	5919	Jun-06
7	26	6	Jul	5478	5032	4696	4498	4418	4553	5005	5220	5694	6407	7191	7815	8516	9017	9272	9461	9402	9203	8832	8326	8023	7548	6772	6174	Jul-06
8	10	6	Aug	5597	5052	4716	4512	4436	4708	5239	5516	5921	6629	7228	7897	8489	8997	9393	9541	9689	9605	9445	8985	8623	8111	7170	6467	Aug-06
9	25	6	Sep	4552	4176	3954	3834	3822	4041	4562	4826	5114	5625	6308	6941	7470	7980	8396	8717	8793	8735	8446	8176	7838	7149	6262	5456	Sep-06
10	20	6	Oct	4835	4388	4183	3998	3942	4223	4916	5235	5494	5954	6457	6916	7304	7718	8069	8238	8285	8120	7623	7408	7011	6599	6052	5433	Oct-06
4	30	7	Apr	3780	3402	3163	3080	3078	3431	4094	4411	4725	5131	5504	5899	6303	6655	6951	7237	7426	7474	7272	6900	6743	6262	5571	4921	Apr-07
5	4	7	May	4558	4131	3833	3577	3488	3796	4400	4839	5198	5723	6219	6603	7114	7574	7851	8006	8123	7967	7652	7225	7047	6712	6176	5454	May-07
6	11	7	Jun	4909	4452	4238	4073	4037	4242	4725	5279	5808	6558	7290	7930	8525	9019	9280	9398	9184	8890	8541	8088	7677	7335	6539	5699	Jun-07
7	9	7	Jul	5862	5343	5089	4819	4690	4907	5341	5930	6529	7099	7675	8263	8817	9315	9654	9806	9842	9701	9526	9198	8738	8395	7563	6736	Jul-07
8	20	7	Aug	6030	5573	5245	4984	4915	5210	5868	6223	6609	7301	7883	8516	9171	9703	10079	10272	10405	10141	9746	9388	9183	8620	7637	6843	Aug-07
9	13	7	Sep	4839	4451	4195	4060	4051	4303	4891	5236	5497	6058	6944	7612	8158	8720	9150	9331	9443	9167	8719	8196	7943	7407	6556	5677	Sep-07
10	4	7	Oct	5120	4737	4372	4222	4207	4646	5403	5800	6011	6527	7027	7467	7926	8285	8538	8618	8521	8378	8004	7866	7578	7097	6489	5707	Oct-07
4	11	8	Apr	4645	4155	3866	3729	3717	4024	4755	4950	5156	5555	5931	6299	6579	6954	7225	7422	7700	7672	7471	6952	6845	6399	5797	5266	Apr-08
5	31	8	May	5040	4468	4131	3946	3869	3869	3960	4333	5161	6022	6873	7441	8031	8566	8948	9136	9301	9236	8965	8404	7965	7528	6818	6075	May-08
6	6	8	Jun	5936	5398	5048	4723	4649	4762	5257	5735	6409	7086	7742	8255	8836	9411	9759	9874	9898	9720	9384	8702	8088	7692	6934	6325	Jun-08
7	21	8	Jul	5921	5283	4879	4688	4601	4737	5101	5636	6319	7105	7833	8484	9030	9561	9896	10018	10010	9827	9499	8892	8451	7979	7324	6614	Jul-08
8	7	8	Aug	5935	5400	4903	4633	4609	4778	5163	5604	6261	7058	7879	8437	9044	9516	9871	9934	10036	9948	9694	9132	8782	8344	7549	6691	Aug-08
9	8	8	Sep	5077	4539	4258	4059	4088	4460	5137	5478	5965	6718	7509	7984	8498	8911	9215	9451	9503	9442	9163	8693	8495	7909	7140	6272	Sep-08
10	12	8	Oct	4275	3943	3708	3555	3461	3486	3649	3919	4449	5144	5929	6738	7345	7689	7922	8061	8050	7750	7275	7207	6917	6314	5495	4878	Oct-08

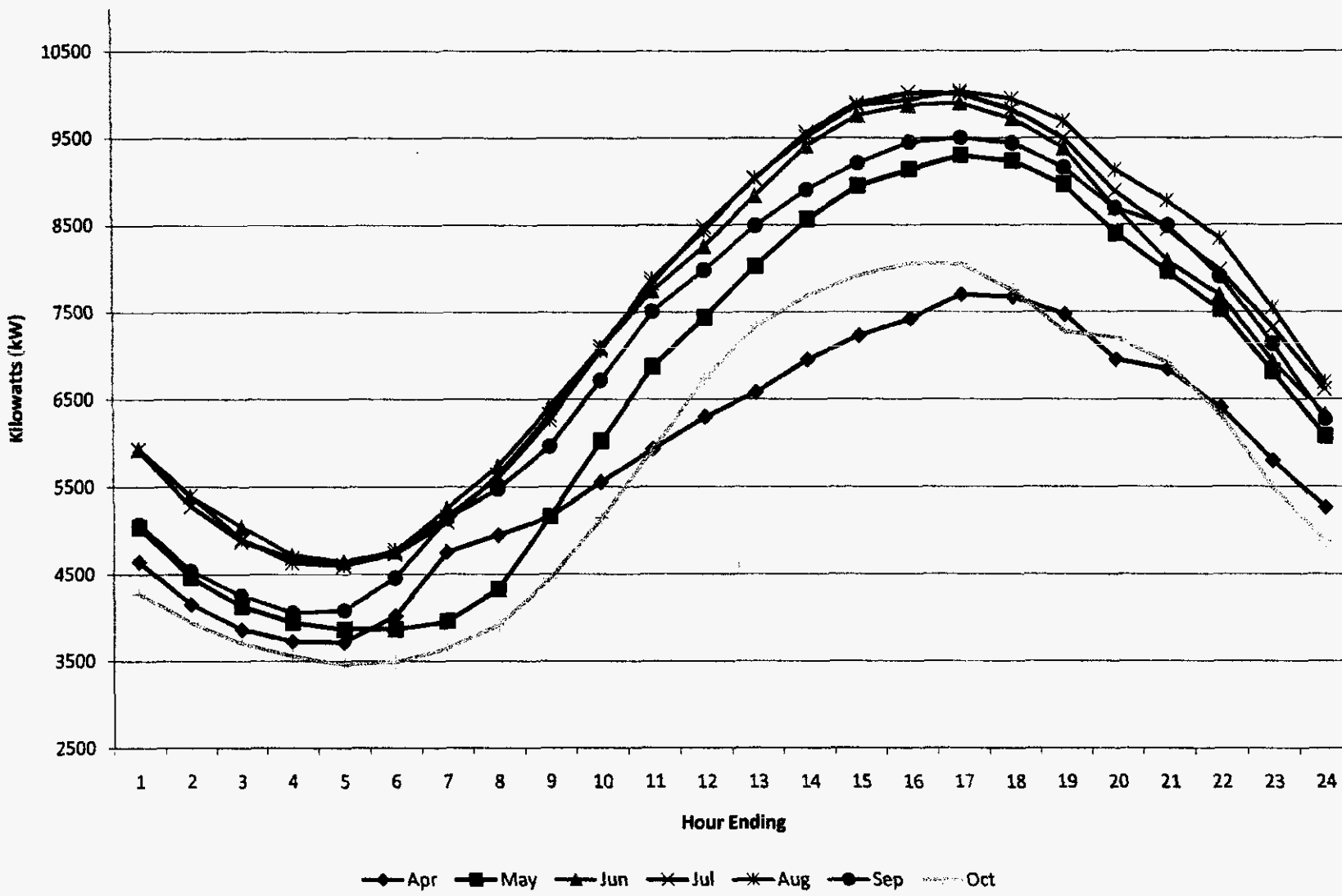
Progress Energy Peak Day Load Shapes 2006 Summer Months



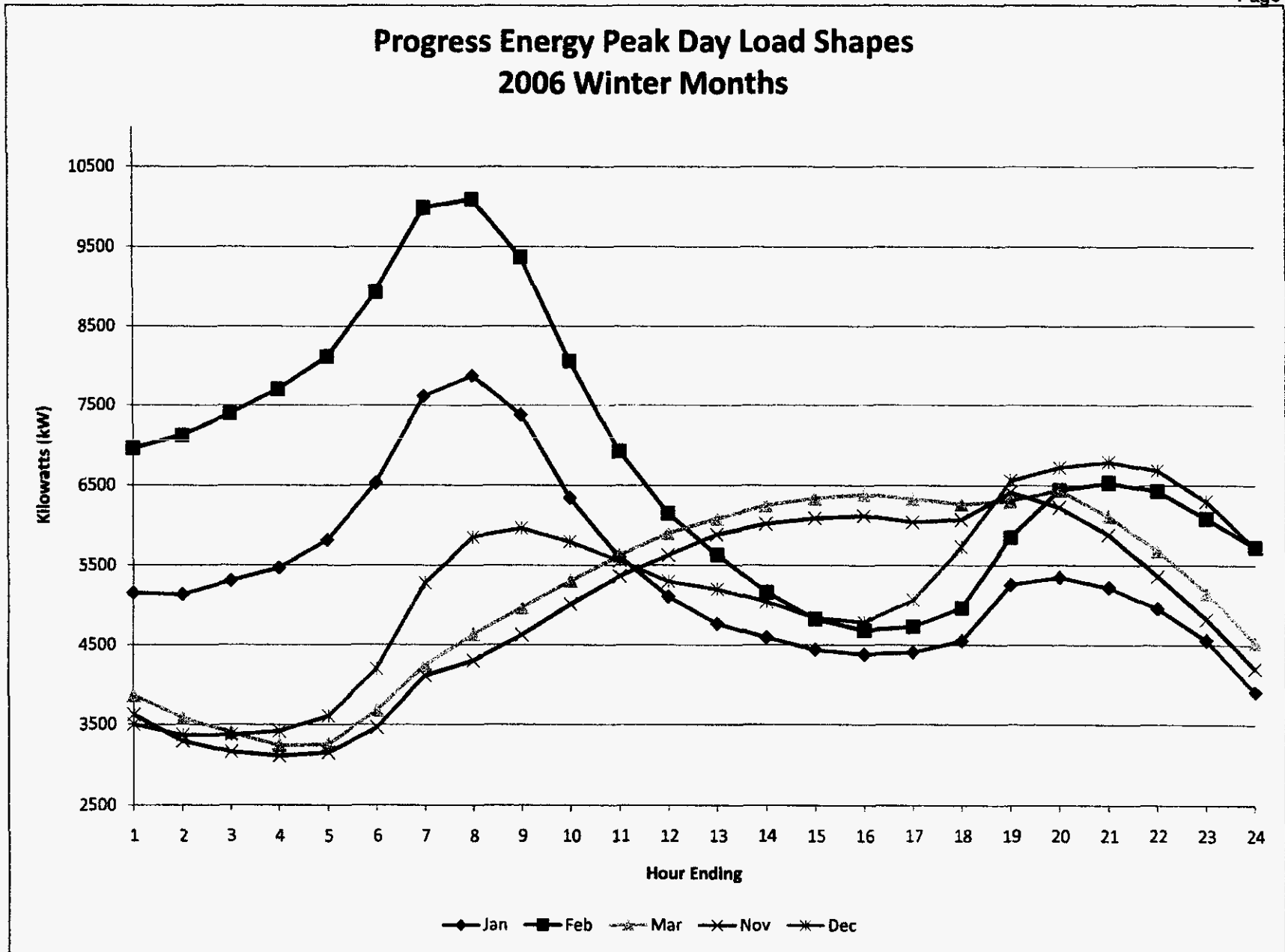
Progress Energy Peak Day Load Shapes 2007 Summer Months



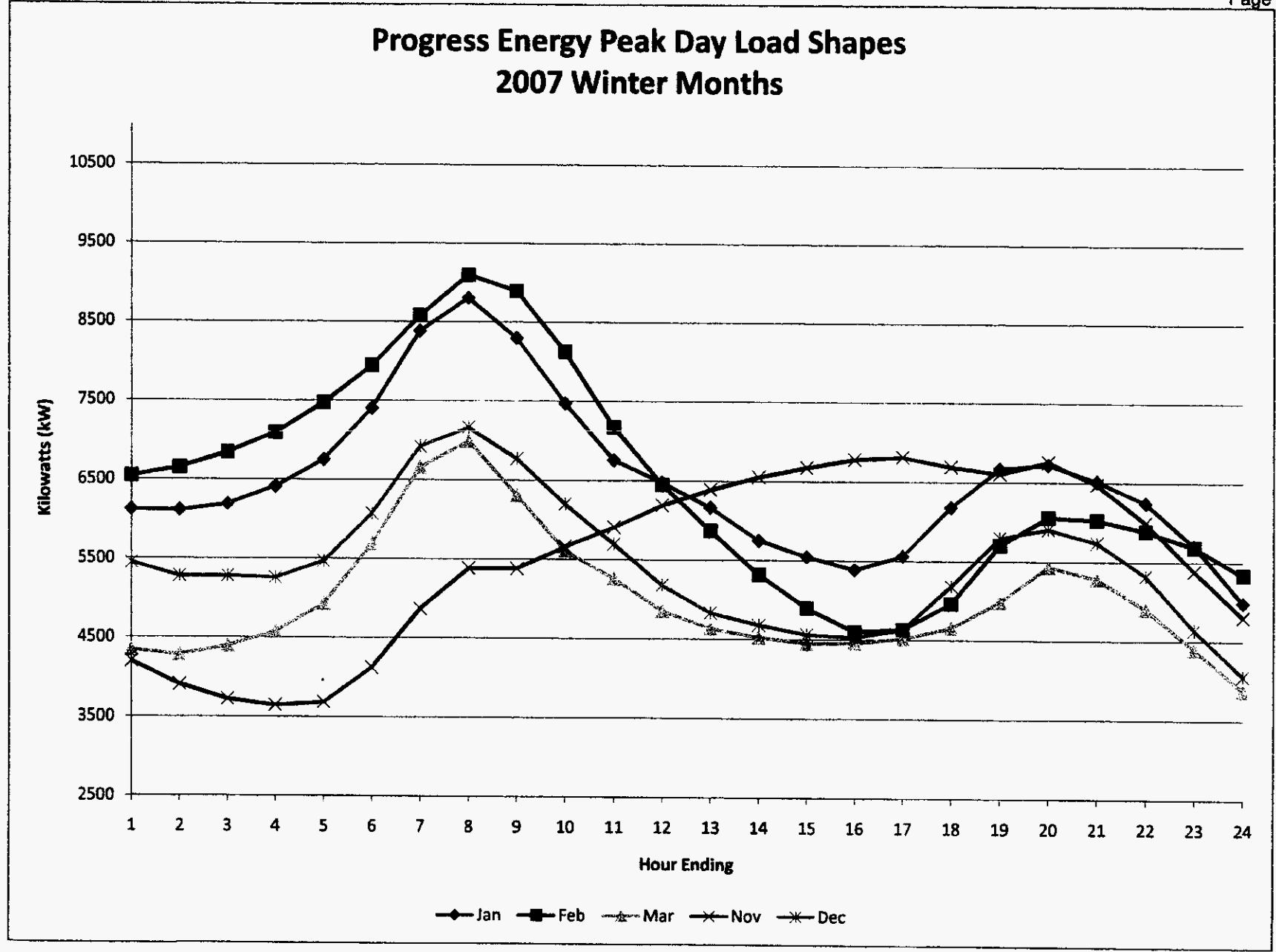
Progress Energy Peak Day Load Shapes 2008 Summer Months



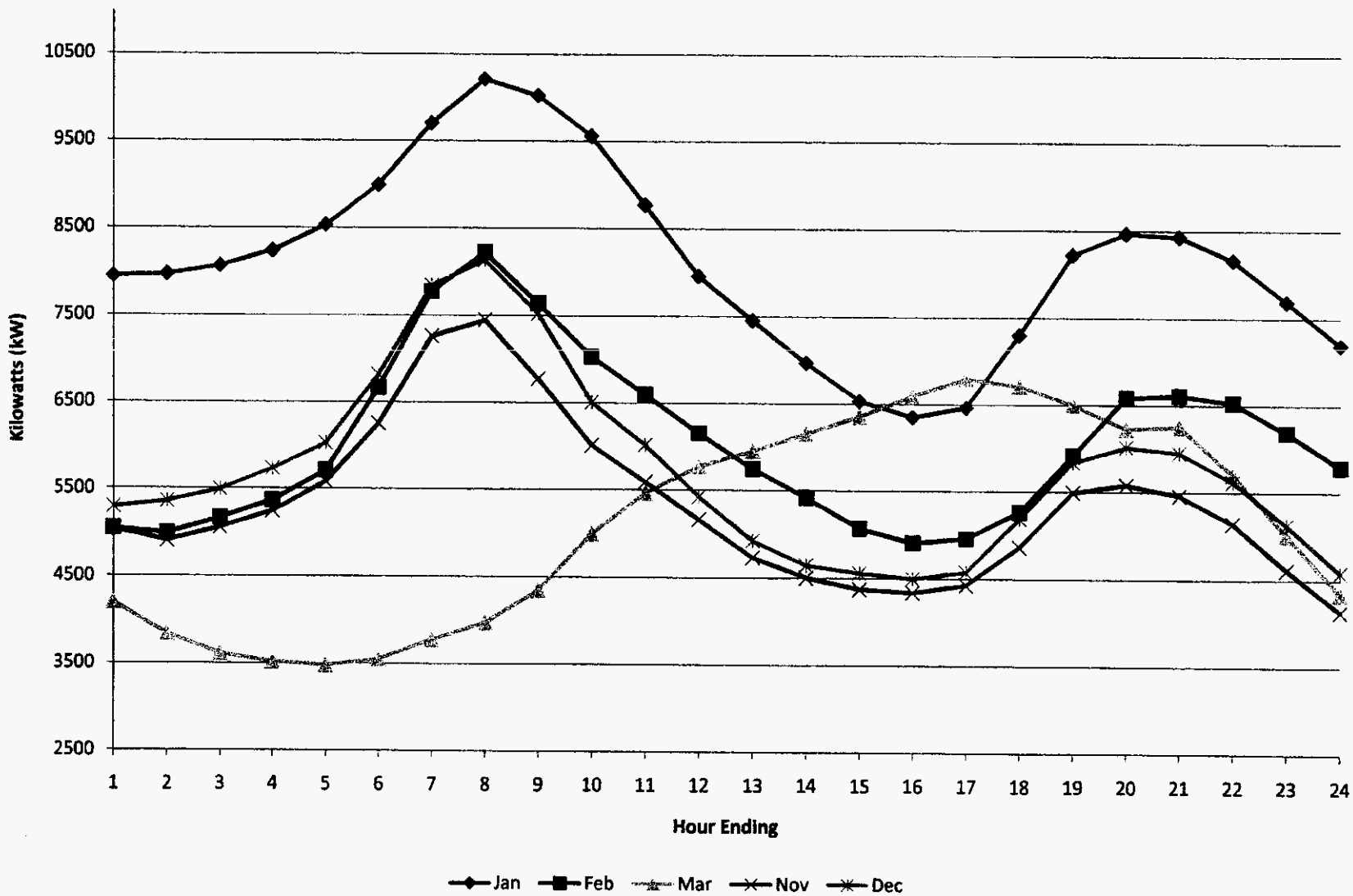
Progress Energy Peak Day Load Shapes 2006 Winter Months



Progress Energy Peak Day Load Shapes 2007 Winter Months



Progress Energy Peak Day Load Shapes 2008 Winter Months



AFFIRM BRIEF EXHIBIT 2

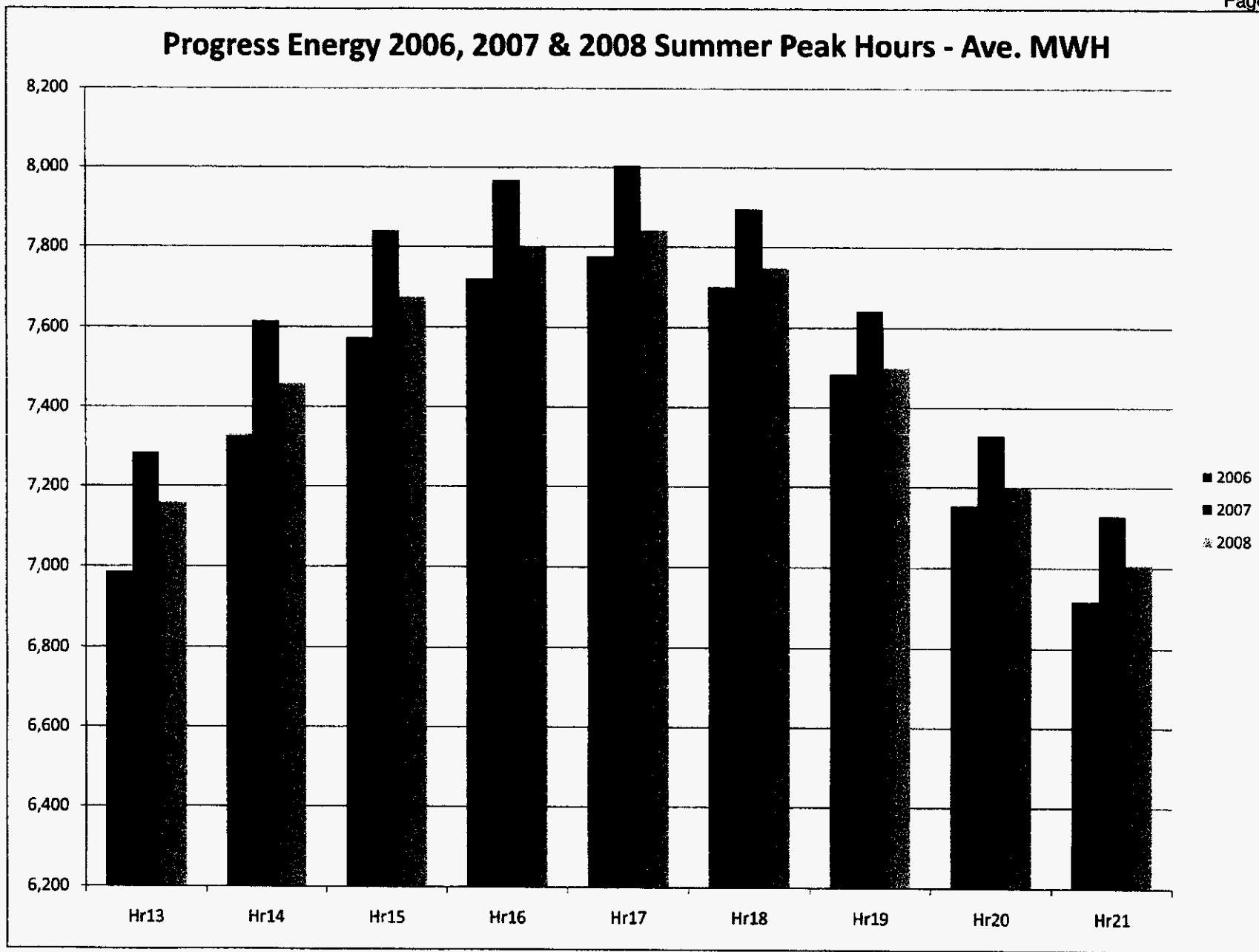
2006, 2007 & 2008 Progress Energy Load Data

	Shoulder Hours			Critical Peak Hours			Shoulder Hours		
	Hr13	Hr14	Hr15	Hr16	Hr17	Hr18	Hr19	Hr20	Hr21
2006									
Summer On-Peak									
MWH by hour	1,040,935	1,092,266	1,128,511	1,150,436	1,158,952	1,147,483	1,115,246	1,066,030	1,030,822
Ave MWH/hr	6,986	7,331	7,574	7,721	7,778	7,701	7,485	7,155	6,918
2007									
Summer On-Peak									
MWH by hour	1,092,711	1,142,299	1,175,922	1,195,141	1,200,611	1,184,401	1,146,234	1,099,587	1,069,446
Ave MWH/hr	7,285	7,615	7,839	7,968	8,004	7,896	7,642	7,331	7,130
2008									
Summer On-Peak									
MWH by hour	1,081,010	1,126,072	1,158,900	1,177,824	1,184,107	1,169,952	1,132,538	1,087,476	1,058,056
Ave MWH/hr	7,159	7,457	7,675	7,800	7,842	7,748	7,500	7,202	7,007

2006
 Ave Shoulder Hour Load = 7,175
 Ave Critical Peak Hour Load = 7,694
 Difference = 7.23%

2007
 Ave Shoulder Hour Load = 7,400
 Ave Critical Peak Hour Load = 7,927
 Difference = 7.11%

2008
 Ave Shoulder Hour Load = 7,265
 Ave Critical Peak Hour Load = 7,766
 Difference = 6.90%



AFFIRM BRIEF EXHIBIT 3

**Progress Energy Florida
 Monthly Peak Data for Summer Months**

	Peak System Load (MW)	Date	Day of Week	Hour Ending	Percent of Yearly Peak Load	Percent of Summer Peak Load
2006						
APR	7,835	20	THU	1800	77.6%	80.9%
MAY	8,381	28	SUN ¹	1600	83.0%	86.5%
JUN	9,348	21	WED	1700	92.6%	96.5%
JUL	9,461	26	WED	1600	93.7%	97.6%
AUG	9,689	10	THU	1700	96.0%	100.0%
SEP	8,793	25	MON	1700	87.1%	90.8%
OCT	8,285	20	FRI	1700	82.1%	85.5%
2007						
APR	7,473	30	MON	1800	72.2%	72.2%
MAY	8,073	4	FRI	1700	78.0%	78.0%
JUN	9,348	11	MON	1600	90.3%	90.3%
JUL	9,792	9	MON	1700	94.6%	94.6%
AUG	10,355	20	MON	1700	100.0%	100.0%
SEP	9,393	13	THU	1700	90.7%	90.7%
OCT	8,568	4	THU	1600	82.7%	82.7%
2008						
APR	7,619	4	FRI	1700	75.0%	75.9%
MAY	9,268	31	SAT ¹	1700	91.3%	92.3%
JUN	9,898	6	FRI	1700	97.5%	98.6%
JUL	10,012	21	MON	1600	98.6%	99.8%
AUG	10,036	7	THU	1700	98.8%	100.0%
SEP	9,501	8	MON	1700	93.6%	94.7%
OCT	8,059	12	SUN ¹	1600	79.4%	80.3%

Notes:

1. Monthly peak occurred outside of the peak period defined in PEF tariff GSDT-1.
2. Data is from FERC Form 1 submittals by PEF.

**Progress Energy Florida
 Monthly Peak Data for Winter Months**

	Peak System Load (MW)	Date	Day of Week	Hour Ending	Percent of Yearly Peak Load	Percent of Summer Peak Load
2006						
JAN	7,869	19	THU	800	78.0%	81.2%
FEB	10,094	14	TUE	800	100.0%	104.2%
MAR	6,440	21	TUE	2000	63.8%	66.5%
NOV	6,414	30	THU	1900	63.5%	66.2%
DEC	6,792	8	FRI	2100	67.3%	70.1%
2007						
JAN	8,803	30	TUE	800	85.0%	85.0%
FEB	9,097	17	SAT ¹	800	87.9%	87.9%
MAR	6,990	6	TUE	800	67.5%	67.5%
NOV	6,762	1	THU ¹	1700	65.3%	65.3%
DEC	7,110	18	TUE	800	68.7%	68.7%
2008						
JAN	10,153	3	THU	800	100.0%	101.2%
FEB	8,223	28	THU	800	81.0%	81.9%
MAR	6,794	16	SUN ¹	1700	66.9%	67.7%
NOV	7,446	20	THU	800	73.3%	74.2%
DEC	8,064	3	WED	800	79.4%	80.4%

Notes:

1. Monthly peak occurred outside of the peak period defined in PEF tariff GSDT-1.
2. Data is from FERC Form 1 submittals by PEF.

Name of Respondent
Florida Power Corporation

This Report Is:
(1) An Original
(2) A Resubmission

Date of Report
(Mo, Da, Yr)
12/31/2006

Year/Period of Report
End of 2006/Q4

MONTHLY PEAKS AND OUTPUT

- (1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
- (2) Report on line 2 by month the system's output in Megawatt hours for each month.
- (3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
- (4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
- (5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	3,402,428	12,104	7,869	19	800
30	February	3,222,808	32,022	10,094	14	800
31	March	3,325,063	39,548	6,440	21	2000
32	April	3,615,628	33,998	7,835	20	1800
33	May	4,081,560	61,292	8,381	28	1600
34	June	4,421,605	20,719	9,348	21	1700
35	July	4,720,904	21,984	9,461	26	1600
36	August	4,930,274	10,763	9,689	10	1700
37	September	4,276,355	6,548	8,793	25	1700
38	October	3,777,011	14,449	8,285	20	1700
39	November	3,222,654	29,419	6,414	30	1900
40	December	3,357,309	29,917	6,792	8	2100
41	TOTAL	46,353,599	312,763			

MONTHLY PEAKS AND OUTPUT

- (1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
- (2) Report on line 2 by month the system's output in Megawatt hours for each month.
- (3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
- (4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
- (5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	3,413,297	26,569	8,803	30	800
30	February	3,387,730	79,018	9,097	17	800
31	March	3,496,496	37,265	6,990	6	800
32	April	3,525,509	34,295	7,473	30	1800
33	May	4,058,618	23,804	8,073	4	1700
34	June	4,465,222	35,041	9,348	11	1600
35	July	4,932,532	30,695	9,792	9	1700
36	August	5,241,940	13,577	10,355	20	1700
37	September	4,461,375	15,050	9,393	13	1700
38	October	4,238,379	2,947	8,568	4	1600
39	November	3,280,565	13,286	6,762	1	1700
40	December	3,456,264	23,703	7,110	18	800
41	TOTAL	47,957,927	335,250			

AFFIRM BRIEF EXHIBIT 4

Progress Energy Florida
 Analysis of Hourly System Load Data

2006

46,208,946 MWH = Total system consumption in 2006
 14,179,067 MWH = On-Peak consumption in 2006
 32,029,879 MWH = Off-Peak consumption in 2006

30.68% = On-Peak MWH
 69.32% = Off-Peak MWH

4,334,012 = Winter On-Peak MWH	Ave = 5,160 MW	840 = No. of WTR On Peak hrs
2,084,478 = Winter a.m. On-Peak MWH	Ave = 4,963 MW	420 = No. of WTR On Peak hrs (am)
2,249,534 = Winter p.m. On-Peak MWH	Ave = 5,356 MW	420 = No. of WTR On Peak hrs (pm)
12,173,467 = Winter Off-Peak MWH	Ave = 4,373 MW	2784 = No. of WTR Off Peak hrs
9,845,055 = Summer On-Peak MWH	Ave = 7,342 MW	1341 = No. of SUM On Peak hrs
19,856,412 = Summer Off-Peak MWH	Ave = 5,232 MW	3795 = No. of SUM Off Peak hrs
		<u>8760</u> = Total hours

2007

47,690,939 MWH = Total system consumption in 2007
 14,756,631 MWH = On-Peak consumption in 2007
 32,934,308 MWH = Off-Peak consumption in 2007

30.94% = On-Peak MWH
 69.06% = Off-Peak MWH

4,450,279 = Winter On-Peak MWH	Ave = 5,298 MW	840 = No. of WTR On Peak hrs
2,096,761 = Winter a.m. On-Peak MWH	Ave = 4,992 MW	420 = No. of WTR On Peak hrs (am)
2,353,518 = Winter p.m. On-Peak MWH	Ave = 5,604 MW	420 = No. of WTR On Peak hrs (pm)
12,431,690 = Winter Off-Peak MWH	Ave = 4,465 MW	2784 = No. of WTR Off Peak hrs
10,306,352 = Summer On-Peak MWH	Ave = 7,634 MW	1350 = No. of SUM On Peak hrs
19,927,638 = Summer Off-Peak MWH	Ave = 5,264 MW	3786 = No. of SUM Off Peak hrs
		<u>8760</u> = Total hours

2008

47,559,077 MWH = Total system consumption in 2008
 14,680,370 MWH = On-Peak consumption in 2008
 32,878,707 MWH = Off-Peak consumption in 2008

30.87% = On-Peak MWH
 69.13% = Off-Peak MWH

4,504,435 = Winter On-Peak MWH	Ave = 5,362 MW	840 = No. of WTR On Peak hrs
2,160,341 = Winter a.m. On-Peak MWH	Ave = 5,144 MW	420 = No. of WTR On Peak hrs (am)
2,344,094 = Winter p.m. On-Peak MWH	Ave = 5,581 MW	420 = No. of WTR On Peak hrs (pm)
12,494,305 = Winter Off-Peak MWH	Ave = 4,450 MW	2808 = No. of WTR Off Peak hrs
10,175,935 = Summer On-Peak MWH	Ave = 7,488 MW	1359 = No. of SUM On Peak hrs
20,384,402 = Summer Off-Peak MWH	Ave = 5,397 MW	3777 = No. of SUM Off Peak hrs
		<u>8784</u> = Total hours

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for increase in rates by Progress
Energy Florida, Inc.

DOCKET NO. 090079-EI

DATED: October 16, 2009

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing PostHearing Statement and Brief was furnished to John T. Burnett/R. Alexander Glenn and that a true and correct copy was furnished by electronic and/or by U.S. Postal Mail, on this 16th day of October, 2009:

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