



**Florida
Power**
CORPORATION

JAMES P. FAMA
SENIOR COUNSEL

April 12, 1993

Mr. Steve Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 E. Gaines Street
Tallahassee, Florida 32399-0870

Re: Application for Determination of Need for an Intrastate Natural Gas Pipeline; Docket #920807-GP

Dear Mr. Tribble:

Enclosed for filing, please find an original and fifteen copies of Florida Power Corporation's Prehearing Statement.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Thank you for your assistance.

Sincerely,

James P. Fama

ACK _____
AFA 1
APP _____
CAF _____
CMU _____
CTR _____
EAG 1 JPF/kmj
LEG 1 Enclosure
LIN 6 cc: All Parties
OPC _____
RCH _____
SEC 1
WAS _____
OTH GENERAL OFFICE: 3201 Thirty-fourth Street South • Post Office Box 14042 • St. Petersburg, Florida 33733-4042 • (813) 866-5786
A Florida Progress Company

DOCUMENT NUMBER-DATE

03938 APR 12 88

FPSC-RECORDS/REPORTING

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for Determination)
of Need for an Intrastate Natural Gas)
Pipeline by SunShine Pipeline Partners)
_____)

Docket No. 920807-GP

Filed: April 12, 1993

FLORIDA POWER CORPORATION'S
PREHEARING STATEMENT

Pursuant to Commission Rule 25-22.038 and the March 16, 1993 Order Establishing Procedure in this case, Florida Power Corporation (FPC), by and through its undersigned counsel, hereby submit its Prehearing Statement in this case.

A. Appearances. James P. Fama
Florida Power Corporation
3201 34th Street South
St. Petersburg, FL 33711

B. Known Witnesses. FPC will present the direct testimony of Mr. Stephen Watsey and Mr. James Pollard. FPC will identify its rebuttal witnesses by the due date of rebuttal testimony, April 22, 1993.

C. Known Exhibits. FPC is in the process of completing its prefiled testimony, and the exhibits that FPC will sponsor are unknown at this time. FPC will supplement this prehearing statement after its direct testimony has been completed.

D. Basic Position. FPC's commitment to purchase natural gas transportation from the SunShine Pipeline is the foundation for the determination of need that should be rendered by the Commission in this case. A competitive pipeline would benefit FPC and its ratepayers.

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FPSC-RECORDS/REPORTING

E.- H. Issues and Positions.

ISSUE 1: Is SunShine's forecast of future transmission capacity requirements reasonable for planning purposes?

Position: Yes.

ISSUE 2: Has SunShine Pipeline provided adequate support to justify a need for 250,000 Mcf per day in 1995, 425,000 Mcf per day in 1998, and 550, Mcf per day in 1999?

Position: FPC's precedent agreements provide the fundamental support for the need for the SunShine pipeline. (Pollard)

ISSUE 3: Is the proposed pipeline needed to improve or maintain natural gas delivery reliability and integrity within Florida?

Position: Yes.

ISSUE 4: Are there any adverse consequences to SunShine and its customers if the petition is denied or if construction is delayed?

Position: Yes. (Watsey, Pollard)

ISSUE 5: Is the timing of SunShine's petition to determine the need for its proposed pipeline appropriate?

Position: Yes. (Watsey, Pollard)

ISSUE 6: Is the fuel price forecast used by SunShine reasonable for planning purposes?

Position: Yes.

ISSUE 7: Does there exist sufficient divertible supplies of natural gas to meet the expected needs of SunShine's customers?

Position: Yes.

ISSUE 8: Does sufficient capacity exist on pipelines upstream from SunShine to assure natural gas supply can be transported to SunShine sufficient to meet its design capabilities.

Position: Yes.

ISSUE 9: Will sufficient capacity exist on pipelines upstream from Sunshine to assure natural gas supply can be transported to Sunshine at the expected in-service date?

Position: Yes.

ISSUE 10: Do existing pipelines in Florida have sufficient excess capacity to fulfill the forecasted need for transmission capacity?

Position: No.

ISSUE 11: Has SunShine acquired sufficient commitments for transmission capacity to warrant construction of the pipeline?

Position: Yes.

ISSUE 12: Is SunShine's forecast of growth in demand for gas capacity to serve existing and proposed electric utility powerplants reasonable?

Position: Yes.

ISSUE 13: Are approved capacity additions to existing pipelines sufficient to satisfy the growth in demand for natural gas forecasted by SunShine?

Position: No.

ISSUE 14: Do the proposed design, operation and maintenance procedures of SunShine's natural gas pipeline provide a prudent and reasonable level of safety for the public?

Position: Yes.

ISSUE 15: Has Sunshine provided sufficient information on the route, planned alternative routes, planned location of compressor stations, and, other affiliated facilities to evaluate whether the need exists for its proposed pipeline?

Position: Yes.

ISSUE 16: Are the commencement and terminus of SunShine's proposed facilities appropriate to serve the need identified in Issue 2?

Position: Yes.

ISSUE 17: Has SunShine selected an appropriate pipeline diameter and configuration for the project?

Position: Yes.

ISSUE 18: Are SunShine's construction cost estimate reasonable for planning purposes?

Position: Yes.

ISSUE 19: Can the necessary financing for the Sunshine intrastate pipeline project be acquired by the partnership?

Position: Yes.

ISSUE 20: Can the necessary financing for the SunShine intrastate pipeline project be acquired without the participation of Florida Power Corporation as an investor?

Position: Yes.

ISSUE 21: Would the citizens of the state of Florida benefit from the existence of competing pipelines?

Position: Yes. (Watsey, Pollard)

ISSUE 22: What associated facilities are required in conjunction with the SunShine Pipeline project:?

Position: No position.

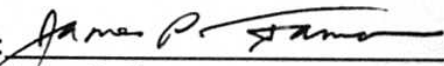
ISSUE 23: Based on the resolution of the previous factual and legal issues, should SunShine's petition of determination of need for a natural gas mainline and laterals as shown in Exhibit JPL-1 be approved?

Position: Yes. (Watsey, Pollard)

- I. Stipulations. FPC is unaware of any matters which have stipulated at this time.
- J. Pending Motions. FPC is unaware of any pending motions.
- K. Requirements of Order. FPC believes that this prehearing statement is fully responsive to the Commission's requirements for prehearing statements.

RESPECTFULLY SUBMITTED this 12th day of April, 1993.

Florida Power Corporation
3201 34th Street South
St. Petersburg, Florida 33733
(813)866-5182

BY: 
James P. Fama

CERTIFICATE OF SERVICE

DOCKET NO. 920807-GP

I HEREBY CERTIFY that a true and correct copy of Florida Power Corporation's Prehearing Statement was furnished by U.S. Mail this 12th day of April, 1993 to the following:

Bram D.E. Canter, Esquire
Haben, Culpepper, Dunbar
& French, P.A.
306 N. Monroe Street
Tallahassee, Florida 32302

James P. Sale, Esquire
ANR Southern Pipeline Co.
9 E. Geenway Plaza
Houston, Texas 77046-0995

Mr. Daniel F. Collins
Mr. Richard W. Miller
ANR Southern Pipeline Company
2000 M Street N.W., Suite 300
Washington, D.C. 20036

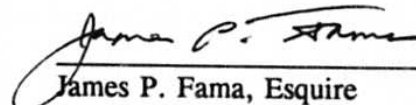
Gary C. Smallridge, Esquire
Florida Department of
Environmental Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

William L. Hyde, Esquire
Peeples, Earl & Blank
250 S. Monroe Street
Suite 350
Tallahassee, Florida 32301

Martha Carter Brown, Esquire
Florida Public Service Comm.
111 E. Gaines Street
Tallahassee, Florida 32399

Wayne L. Schiefelbein, Esquire
Gatlin, Woods, Carlson & Cowdery
1709-D Mahan Drive
Tallahassee, Florida 32308

Anthony V. Policastro
Assistant County Attorney
Room 203
7530 Little Road
New Port Richey, Florida 34654


James P. Fama, Esquire

THE TAMPA TRIBUNE

Published Daily
Tampa, Hillsborough County, Florida

State of Florida }
County of Hillsborough }

Before the undersigned authority personally appeared R. Putney, who on oath says that he is Accounting Manager of The Tampa Tribune, a daily newspaper published at Tampa in Hillsborough County, Florida; that the attached copy of advertisement being a

.....LEGAL NOTICE (HEARTLAND, HERNANDO, PASCO).....

in the matter of


LA 1.7.3.8.....

was published in said newspaper in the issues of

3/19/93.....

Affiant further says that the said The Tampa Tribune is a newspaper published at Tampa, in said Hillsborough County, Florida, and that the said newspaper has heretofore been continuously published in said Hillsborough County, Florida, each day and has been entered as second class mail matter at the post office in Tampa, in said Hillsborough County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm, or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

R. Putney

 JAMES M. WILLIAMS, JR.
Notary Public, State of Florida
My comm. expires Mar. 22, 1996
No. CC187732

Sworn to and subscribed before me, this..... day
of *March*..... A.D. 19 *93*

DOCUMENT NUMBER-DATE

03940 APR 12 93

FPSC-RECORDS/REPORTING

(SEAL)

James M. Williams, Jr.

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF NEED DETERMINATION HEARING
ON PROPOSED INTRASTATE NATURAL GAS PIPELINE**

**TO
SUNSHINE PIPELINE PARTNERS
FLORIDA GAS TRANSMISSION COMPANY
AND
ALL OTHER INTERESTED PERSONS
DOCKET NO. 920807-GP
IN RE: APPLICATION FOR DETERMINATION OF NEED FOR
INTRASTATE NATURAL GAS PIPELINE BY
SUNSHINE PIPELINE PARTNERS
ISSUED: March 19, 1993**

NOTICE is hereby given that the Florida Public Service Commission will hold a public hearing in the above docket at the time and place listed below. All persons who wish to be heard are urged to be present at the beginning of the hearing on May 10, 1993.

**9:30 a.m., Monday, May 10, 1993*
101 East Gaines Street
Room 106 - Fletcher Building
Tallahassee, Florida 32399-0850**

*Tuesday, May 11, 1993, has been reserved for continuation of the hearing, if necessary.

PURPOSE AND PROCEDURE

The purpose of this hearing will be to take evidence to determine the need, pursuant to Section 403.9422, Florida Statutes, for the construction and operation of a proposed intrastate natural gas pipeline in Florida. The pipeline would originate at a point in Okaloosa County and extend east and south through the following counties: Dixie, Gadsden, Gilchrist, Hardee, Hernando, Highlands, Holmes, Jackson, Jefferson, Lake, Leon, Levy, Madison, Marion, Okaloosa, Okechobee, Pasco, Pinellas, Polk, Sumter, Taylor, Walton, and Washington.

Initially the pipeline will consist of approximately five hundred two (502) miles of mainline and laterals, having a capacity of 250,000 Mcf (Thousand cubic feet) per day which will be operated without compression during the first three years of service, scheduled to commence in February, 1995. Sunshine's thirty inch (30") mainline system will originate at the interconnection with the proposed interstate natural gas pipeline system known as SunShine Interstate Transmission Company (SITCO) at a point in Okaloosa County, and will extend east and south to a termination point in Polk County. It is also proposed that lateral lines and branch lines off the lateral lines, which will vary in size from four inches (4") to twenty four inches (24"), will extend from the Sunshine mainline system in the following manner: a four inch (4") lateral originating in Marion County to the City of Ocala; an eight inch (8") lateral originating in Sumter County and extending into Lake County to the City of Leesburg; a twenty inch (20") lateral originating in Sumter County and extending through Hernando and Pasco Counties into Pinellas County, which will include a six inch (6") branch line into Hernando County and a six inch (6") and twelve inch (12") branch line into Pasco County; and a twenty-four inch (24") lateral from Sumter County extending through Lake County into Polk County.

In order to meet increased delivery obligations commencing in 1998, SunShine will construct and place in-service in 1998, additional facilities consisting of approximately one hundred thirteen (113) miles of new lateral and two compressor stations having approximately ten thousand horsepower (10,000 H.P.) each. As part of this additional construction, the twenty-four inch (24") lateral in Polk County will be extended, and two new branch lines will be built, one sixteen inch (16") in Polk County and one twenty inch (20") that will extend from Polk County through Hardee and Highlands Counties into Okechobee County. These additional facilities will increase the system capacity to approximately 425,000 Mcf per day and the overall miles of the pipeline to approximately six hundred fifteen (615).

A further expansion of the capacity of the SunShine Pipeline will be placed in-service in 1999. This expansion will add three new compressor stations, two having approximately ten thousand horsepower (10,000 H.P.) each and the other having approximately five thousand horsepower (5,000 H.P.). This expansion will bring the total compression on the SunShine Pipeline to approximately forty-five thousand horsepower (45,000 H.P.), and the total system capacity to approximately 550,000 Mcf per day.

The need determination proceedings will be governed by the provisions of Chapter 120, Florida Statutes, Section 403.9422, Florida Statutes, and Chapter 25-22, Florida Administrative Code. Under Section 403.9422, the Commission is the sole forum for the determination of need for the proposed intrastate natural gas pipeline and associated facilities. In making its determination, the Commission must take into account the need for natural gas delivery reliability, safety, and integrity, the need for abundant, clean-burning natural gas at a reasonable cost, and other matters within its jurisdiction that it deems relevant.

Only issues relating to the need for the proposed intrastate natural gas pipeline and its associated facilities will be heard at the May 10, 1993, hearing. Separate public hearings will be held before the Division of Administrative Hearings and the Governor and Cabinet sitting as the Natural Gas Transmission Pipeline Siting Board to consider other matters required to be determined under the Natural Gas Transmission Pipeline Siting Act, Sections 403.9041-403.9425, Florida Statutes.

Members of the public who are not parties to the need determination proceeding will have an opportunity to present testimony regarding the need for the proposed pipeline. All witnesses will be sworn and will be subject to cross-examination at the conclusion of their testimony.

Written comments regarding the need for the pipeline may be sent to the Commission at the following address:

**Steve Tribble
Director, Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399-0850
Re: Docket No. 920807-GP**

Anyone wishing to become a party to the need determination proceeding should file an appropriate petition pursuant to Rule 25-22.039, Florida Administrative Code with the Director of the Commission's Division of Records and Reporting at the address listed above. Copies of the petition should be sent by mail to all parties. Those wishing to intervene in these proceedings, unless appearing on their own behalf, must be represented by an attorney or other person who can be determined to be a qualified representative pursuant to Chapter 120, Florida Statutes, and Rule 25-22.006, Florida Administrative Code. Petitions for leave to intervene must be filed at least five (5) days before the final hearing, must conform with Commission Rule 25-22.036(7)(a), Florida Administrative Code, and must include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to Commission rule, or that the substantial interests of the intervenor are subject to determination or will be affected through the hearing.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (904) 488-8371 at least five (5) calendar days prior to the hearing. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

PREHEARING CONFERENCE

A prehearing conference will be held at the following time and place:

**1:00 p.m., Monday, May 3, 1993
101 East Gaines Street
Room 122 - Fletcher Building
Tallahassee, Florida 32399-0850**

The purpose of this prehearing conference will be to consider: (1) the simplification of the issues; (2) the identification of the positions of the parties on the issues; (3) the possibility of obtaining admissions of fact and of documents which will avoid unnecessary proof; (4) the identification of exhibits; (5) the establishment of an order of witnesses; and (6) such other matters as may aid in the disposition of the action.

JURISDICTION

Jurisdiction over this determination of need is vested in the Commission by Chapter 366 and Section 403.9422, Florida Statutes. This proceeding will be governed by the provisions of Chapter 120, Florida Statutes, as well as Chapters 25-6 and 25-22, Florida Administrative Code.

APPLICATION

A copy of the Petition For A Determination of Need and supporting exhibits are available for public inspection during normal business hours at the following location:

**Florida Public Service Commission
Division of Records and Reporting
Fletcher Building - Room 111
101 East Gaines Street
Tallahassee, Florida 32399-0850**

BY DIRECTION of the Florida Public Service Commission, this 19th day of March, 1993.

**STEVE TRIBBLE, Director
Division of Records and Reporting**

(SEAL)

1738

MARCH 19, 1993