

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation into the) DOCKET NO. 890779-EU
adequacy of the electrical) ORDER NO. PSC-93-1605-FOF-EU
transmission grid in North) ISSUED: November 2, 1993
Florida.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

ORDER CLOSING DOCKET

BY THE COMMISSION:

Docket No. 890779-EU was established to investigate whether the existing and currently planned transmission grid in north Florida is sufficient to transfer generation and purchased power from north Florida to the load centers in central and south Florida. Pursuant to Order No. 23909, we ordered Florida Power Corporation (FPC) and Florida Power and Light (FPL) to provide status reports to the Commission on the development of a 500 kV transmission line from the Southern Company (Southern) to the Central Florida substation and from the Kathleen to Orange River substations. This line would increase Florida's import capability by approximately 1300 megawatts at a cost of approximately \$346 million. Order No. 23909 also kept this docket open until further action by this Commission or until a Petition for Need Determination was filed.

On December 14, 1992, staff conducted a publicly-noticed meeting at which FPC explained its previous announcement that it was delaying the projected in-service date of the third 500 kV line from 1997 to the year 2002. On April 8, 1993, another publicly-noticed meeting was held and FPL indicated that it would fill its need for additional transmission import capability by adding series capacitors to its existing 500 kV lines. On June 9, 1993, FPC responded to FPL's plans by stating that a verbal agreement had been reached between FPC, Southern, and FPL to cancel the letters of intent for the 1997 projects.

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At the July 6, 1993 Agenda Conference, we denied our staff's recommendation that this docket be closed (Order No. PSC-93-1100-FOF-EU). Instead, we scheduled a Commission Workshop to clarify FPC's and FPL's transmission and generation needs. At the September 3, 1993, workshop, both FPC and FPL explained the planning changes that resulted from FPC's decision to delay construction of the West Coast 500 kV line until the year 2002. FPC gave two primary reasons for the delay: reduced capacity needs and federal regulatory uncertainty as to its ability to recover the cost of the line via incremental pricing mechanisms. FPL explained that it re-examined its planning assumptions and intends to replace the megawatts associated with the delayed west coast 500 kV line with improvements to its generation and transmission system.

We opened this docket on our own motion. As a result of this docket we studied the adequacy of Florida's transmission grid and made recommendations for improvements to the grid. We did not, however, make a determination of need for additional transmission facilities in this docket. In light of the decisions of FPL and FPC to delay construction of the west coast 500 kV line until the year 2002, we now close this docket. We instruct staff to continue to monitor the utilities' planning efforts for the 500 kV line and to take appropriate action as necessary.

It is therefore,

ORDERED by the Florida Public Service Commission that Docket No. 890779-EU is hereby closed.

By ORDER of the Florida Public Service Commission, this 2nd day of November, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

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MAP:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Civil Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.