

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Review of Florida Power & Light
Company's proposed merger with
Entergy Corporation, the formation
of a Florida transmission company
("Florida transco"), and their effect
on FPL's retail rates

Docket No.: 001148-EI

DYNEGY INC.'S PETITION TO INTERVENE

Dynegy Inc. ("Dynegy"), pursuant to Rules 25-22.039 and 28-106.205, Florida
Administrative Code, hereby files its Petition to Intervene in this docket. As grounds
therefore, Dynegy states:

1. The name and address of the Petitioner is:

Dynegy Inc.
c/o Thomas A. Cloud, Esquire
Gray, Harris & Robinson, P.A.
301 East Pine Street, Suite 1400
P.O. Box 3068
Orlando, Florida 32802-3068
(407) 843-8880 Phone
(407) 244-5690 Facsimile

2. All pleadings, orders and correspondence should be directed to Petitioner's
representatives as follows:

Thomas A. Cloud, Esquire
Gray, Harris & Robinson, P.A.
301 East Pine Street, Suite 1400
P.O. Box 3068
Orlando, Florida 32802-3068
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and
Kelly B. Plante, Esquire
Gray, Harris & Robinson, P.A.
225 South Adams Street, Suite 250
Tallahassee, Florida 32301
(850) 222-7717 Phone
(850) 222-3494 Facsimile

and
David Cruthirds, Esquire
Dynergy Inc.
1000 Louisiana Street, Suite 5800
Houston, Texas 77002-5050
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3. In this docket, the Florida Public Service Commission will investigate the earnings of Florida Power and Light Company (“FPL”), including the effect of the merger of FPL with Entergy Corporation (“Entergy”).

4. Dynergy is a corporation organized and existing under the laws of the State of Illinois, with corporate headquarters located in Houston, Texas. Dynergy is one of the country’s leading marketers of energy products and services, occupying a significant position in power generation and marketing. Dynergy markets power in the Florida market.

5. Dynergy is a customer of both FPL and Entergy, and purchases electric transmission services from both entities. Such electric transmission services represent one of Dynergy’s largest variable costs.

6. Dynegy is also a competitor of FPL in the wholesale power market in Florida.

7. Dynegy has announced the development of Palmetto Power in Osceola County and another merchant plant in Osceola County. Both of these projects will require the purchase by Dynegy of electric transmission services from FPL.

8. The merger and subsequent market power created by the merger will:
- (a) increase the ability of the merged entity to discriminate against customers, like Dynegy;
 - (b) could result in increased prices, and;
 - (c) will reduce or eliminate the availability of electrical transmission services to such customers.

9. Furthermore, as part of the relief granted in this case, the Commission could determine to set retail rates for FPL in such a manner or at such levels as would lead to changes in wholesale and/or transmission rates charged by FPL to Dynegy.

10. Dynegy's ability to effectively compete will be directly affected by the adequacy, availability, reliability and cost of electric transmission services provided by FPL, as well as the electricity rate which could be established if the merger is approved. Therefore, Dynegy will be directly and substantially affected by any action the Commission takes in this docket.

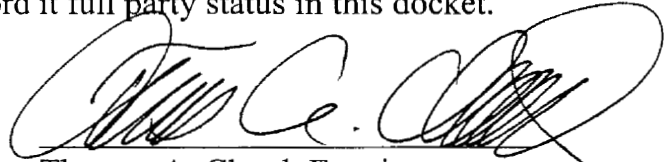
11. Disputed issues of material fact include, but are not limited to, the following:
 - (a) The effect of the proposed merger on FPL's earnings;
 - (b) The effect of the proposed merger on FPL's market power;
 - (c) The effect of the proposed merger on competition in Florida's wholesale power market;
 - (d) The effect of the proposed merger on the adequacy, availability, reliability, and cost of electric transmission capacity in the Florida market;
 - (e) The appropriate allocation of FPL revenues between retail and wholesale customers; and
 - (f) The appropriate acquisition adjustment to be made in setting retail rates for FPL retail customers after the merger.

12. Ultimate facts include, but are not limited to, the consideration of the merger's impact in assessing FPL's earnings and market dominance.

13. The applicable statutes and rules, include, but are not limited to:

Chapter 366, Florida Statutes
Fla. Admin. Code Chapter 25
Fla. Admin. Code Rule 28-106.

WHEREFORE, Dynegy requests that the Florida Public Service Commission grant Dynegy's Petition to Intervene and accord it full party status in this docket.



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Attorneys for Dynegy Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Federal Express to the following parties of record and interested parties, this 4th day of January, 2001:

Florida Power & Light Company
William G. Walker, III
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Miami, Florida 33174

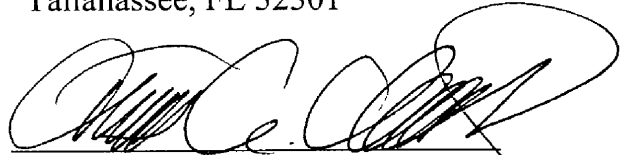
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