BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for determination of need for proposed Stanton Energy Center Combined Cycle Unit A by Orlando Utilities Commission, Kissimmee Utility Authority, Florida Municipal Power Agency, and Southern Company-Florida, LLC.

DOCKET NO. 010142-EM

FILED: APRIL 2, 2001

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-01-0367-PCO-EM, filed February 12, 2001, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. <u>All Known Witnesses</u>

Staff has no witnesses.

b. All Known Exhibits

Staff has no exhibits at this time.

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Positions on the Issues

ISSUE 1: Are the Orlando Utilities Commission, Kissimmee Utility Authority, Florida Municipal Power Agency, and Southern Company-Florida, LLC, "applicants" within the meaning of Section 403.519, Florida Statutes?

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POSITION: Yes. Orlando Utilities Commission ("OUC"), as part of the government of the City of Orlando and as an entity engaged in the generation, transmission, and distribution of electric power for consumption by retail customers in Florida, is an "electric utility" as defined by Section 403.503(13), Florida Statutes, and thus, is an "applicant" as defined by Section 403.503(4), Florida Statutes. Therefore, OUC is a proper applicant for a determination of need pursuant to Section 403.519, Florida Statutes.

Kissimmee Utility Authority ("KUA"), as part of the government of the City of Kissimmee and as an entity engaged in the generation, transmission, and distribution of electric power for consumption by retail customers in Florida, is an "electric utility" within the meaning of Section 403.503(13), Florida Statutes, and, thus, is an "applicant" as defined by Section 403.503(4), Florida Statutes. Therefore, KUA is a proper applicant for a determination of need pursuant to Section 403.519, Florida Statutes.

Florida Municipal Power Agency ("FMPA"), as a joint agency formed pursuant to the Florida Interlocal Cooperation Act of 1969, Section 163.01, Statutes, and exercising powers under the Joint Power Act, Chapter 361, part II, Florida Statutes, is an "electric utility" within the meaning οf Section 403.503(13), Florida Statutes, and, thus, is "applicant" as defined by Section 403.503(4), Florida Statutes. Therefore, FMPA is a proper applicant for a determination of need pursuant to Section 403.519, Florida Statutes.

Southern Company-Florida, LLC ("Southern"), as a jointowner and operator of the proposed electrical power plant, the entire capacity of which is committed to OUC, KUA, and FMPA pursuant to purchased power agreements for a minimum term of ten years, is an appropriate joint STAFF'S PREHEARING STATEMENT DOCKET NO. 010142-EM PAGE 3

applicant pursuant to the Commission's decisions and the Florida Supreme Court's decision in <u>Nassau Power Corp. v.</u> <u>Deason</u>, 641 So.2d 396 (Fla. 1994).

- ISSUE 2: Is the output of Stanton Energy Center Unit A fully committed for use by Florida retail electric customers in compliance with the Florida Supreme Court's decision in Tampa Electric Co. et. al. v. Garcia, 25 Fla. L. Weekly S294 (April 20, 2000)?
- POSITION: Yes. The proposed Stanton Unit A will be fully committed to helping OUC, KUA, and FMPA meet their obligations to provide reliable electric service to ratepayers at a reasonable cost. This does not preclude OUC, KUA, and FMPA from making wholesale sales, from their respective ownership shares, inside and outside the state, when it is in the best interests of these utility's retail ratepayers.

Orlando Utilities Commission

ISSUE 3: Is Stanton Energy Center Unit A needed, taking into account the Orlando Utilities Commission's need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes?

POSITION: No position pending further discovery.

ISSUE 4: Is Stanton Energy Center Unit A needed, taking into account the Orlando Utilities Commission's need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes?

POSITION: No position pending further discovery.

ISSUE 5: Is Stanton Energy Center Unit A the most cost-effective alternative available to meet the needs of the Orlando Utilities Commission, as this criterion is used in Section 403.519, Florida Statutes?

POSITION: No position pending further discovery.

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- ISSUE 6: Are there any conservation measures taken by or reasonably available to the Orlando Utilities Commission that might mitigate the need for Stanton Energy Center Unit A, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** There are no conservation measures taken by or reasonably available to OUC which might mitigate the need for the proposed power plant.

Kissimmee Utility Authority

- ISSUE 7: Is Stanton Energy Center Unit A needed, taking into account the Kissimmee Utility Authority's need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** No position pending further discovery.
- ISSUE 8: Is Stanton Energy Center Unit A needed, taking into account the Kissimmee Utility Authority's need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** No position pending further discovery.
- ISSUE 9: Is Stanton Energy Center Unit A the most cost-effective alternative available to meet the needs of the Kissimmee Utility Authority, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** No position pending further discovery.
- ISSUE 10: Are there any conservation measures taken by or reasonably available to the Kissimmee Utility Authority that might mitigate the need for Stanton Energy Center Unit A, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** There are no conservation measures taken by or reasonably available to KUA which might mitigate the need for the proposed power plant.

Florida Municipal Power Agency

- ISSUE 11: Is Stanton Energy Center Unit A needed, taking into account the Florida Municipal Power Agency's need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** No position pending further discovery.
- ISSUE 12: Is Stanton Energy Center Unit A needed, taking into account the Florida Municipal Power Agency's need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** No position pending further discovery.
- ISSUE 13: Is Stanton Energy Center Unit A the most cost-effective alternative available to meet the needs of the Florida Municipal Power Agency, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** No position pending further discovery.
- ISSUE 14: Are there any conservation measures taken by or reasonably available to the Florida Municipal Power Agency that might mitigate the need for Stanton Energy Center Unit A, as this criterion is used in Section 403.519, Florida Statutes?
- **POSITION:** There are no conservation measures taken by or reasonably available to FMPA which might mitigate the need for the proposed power plant.
- ISSUE 15: Based on the resolution of the foregoing issues, should the Commission grant the joint petition for determination of need by the Orlando Utilities Commission, Kissimmee Utility Authority, Florida Municipal Power Agency, and Southern Company-Florida, LLC, for Stanton Energy Center Unit A?
- **POSITION:** No position pending further discovery.

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ISSUE 16: Should this docket be closed?

POSITION: This docket should be closed after the time for filing an appeal has run.

e. Pending Motions

Staff has no pending motions.

f. Pending Confidentiality Claims or Requests

Orlando Utilities Commission's Request for Confidential Classification, filed January 31, 2001, is pending.

Southern-Florida's Request for Confidential Classification, filed January 31, 2001, is pending.

Orlando Utilities Commission's Second Request for Confidential Classification, filed March 5, 2001, is pending.

g. Compliance with Order No. PSC-01-0367-PCO-EM

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 2nd day of April, 2001.

WM. COCHRAN KEATING IV

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement has been furnished to the following, by U.S. Mail, this 2nd day of April, 2001:

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