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

Filed: June 19, 2001

FLORIDA POWER & LIGHT COMPANY'S RESPONSE TO **RELIANT ENERGY POWER GENERATION, INC.'s PETITION TO INTERVENE**

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Florida Power & Light Company ("FPL"), pursuant to Rule 28-106.204, Florida Administrative Code ("F.A.C."), hereby respectfully responds to the petition to intervene filed by Reliant Energy Power Generation, Inc. ("Reliant Energy"), and states:

1. Reliant Energy alleges in its petition that it "is a substantial stakeholder in Florida's developing wholesale generation market" and is "exploring opportunities to add to its already considerable presence in the Florida wholesale market" Petition at ¶3 (emphasis added). Reliant Energy does not allege that it is a retail customer of FPL, nor does it allege that it wishes to participate in this docket in order to protect retail ratepayer interests. Rather, Reliant Energy alleges that "the decisions made and actions taken in this docket will affect the type of transmission facilities, transmission service, and transmission system governance that will prevail in a market in which Reliant Energy has expended hundreds of millions of dollars to participate as a wholesale provider, thereby affecting Reliant's substantial interests." Id. (emphasis added).

2. At the May 29, 2001, agenda conference, the Commission voted to consider on an expedited basis the prudence of FPL's involvement with GridFloria in this docket. See Vote Sheet for Item 13A on the May 29, 2001, Agenda. Two weeks earlier, the Commission also voted to

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require FPL to file MFRs in this docket as part of a review of FPL's retail rates. *See* Vote Sheet for Item 18 on the May 15, 2001, Agenda. In connection with its vote, the Commission determined that this docket should not be closed, presumably indicating that the docket may be used as the vehicle for its retail rate review.

3. The Commission's potential pairing in this docket of disparate issues (*i.e.*, determining the prudence of FPL's involvement with GridFlorida, and review of FPL's retail rates) puts FPL in a difficult position with respect to Reliant Energy's petition to intervene. On the one hand, in view of Reliant Energy's allegations about its involvement in the Florida wholesale electric market and the Commission's decision to consider GridFlorida issues here, FPL does not object to Reliant Energy's intervention to protect its interests in the GridFlorida issues. On the other hand, if the Commission were to use this docket for reviewing FPL's retail rates, FPL does not believe that the standing of a party such as Reliant Energy that is predicated on involvement in Florida's wholesale electric market should automatically confer standing to participate in issues associated with the retail rate review.¹

4. FPL believes that the best way to minimize its interference with the GridFlorida aspect of this docket, while at the same time protecting its rights concerning intervention in any retail rate review that is conducted herein, is to acquiesce in Reliant Energy's intervention on the GridFlorida issues while reserving its rights to object to Reliant Energy's standing to participate in other issues which FPL believes do not involve Reliant Energy's substantial interests. The undersigned counsel has conferred with counsel for Reliant Energy, who has no objection, for

¹ The Commission has already denied intervention in this docket to two entities that are not retail customers of FPL. *See* Order Nos. PSC-01-0099-PCO-EI (January 12, 2001) and PSC-01-0628-PCO-EI (March 14, 2001).

purposes of this proceeding, to FPL's reserving its rights to challenge standing to participate on non-GridFlorida issues, with the understanding that, in the event the Commission identifies a non-GridFlorida-related issue that Reliant Energy regards as affecting its substantial interests, each party will have the opportunity to address the question of Reliant Energy's standing with respect to that issue at the time FPL raises its objection.

WHEREFORE, if Reliant Energy is permitted to intervene in this docket in order to protect its alleged interests in GridFlorida issues, FPL respectfully reserves its rights to object to Reliant Energy's standing to participate with respect to non-GridFlorida-related issues.

Respectfully submitted,

Steel Hector & Davis LLP 215 South Monroe Street - Suite 601 Tallahassee, Florida 32301

Attorneys for Florida Power & Light Company

By:

Matthew M. Childs, P.A. John T. Butler, P.A.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of FPL's Response to Reliant Energy Power Generation, Inc.'s Petition to Intervene was served by hand delivery (*) or mailed this 19th day of June 2001 to the following:

Robert V. Elias, Esquire. * Legal Division Florida Public Service Commission 2540 Shumard Oak Boulevard Room 370 Tallahassee, FL 32399-0850

Thomas A. Cloud, Esquire Gray, Harris & Robinson, P.A. 201 East Pine Street, Suite 1200 Orlando, Florida 32802-3068

Florida Industrial Power Users Group c/o John McWhirter, Jr., Esquire McWhirter Reeves 400 North Tampa St., Suite 2450 Tampa, Florida 33601-3350 Joseph A. McGlothlin, Esquire McWhirter Reeves 117 South Gadsden Street Tallahassee, Florida 32301

J. Roger Howe, Esquire Office of Public Counsel c/o Florida Legislature 111 W. Madison Street Room No. 812 Tallahassee, Florida 32399-1400

Jon C. Moyle, Jr., Esquire Cathy M. Sellers, Esquire Moyle, Flanigan, Katz, Raymond & Sheehan, P.A. The Perkins House 118 North Gadsden St. Tallahassee, Florida 32301

By: John R. Butler, P.A