BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Review of Tampa Electric Company and impact of its participation in GridFlorida, a Florida Transmission Company, on TECO's retail ratepayers.

Docket No. 010577-EI Filed July 10, 2001.

PG&E NATIONAL ENERGY GROUP COMPANY'S PETITION TO INTERVENE

Pursuant to Rules 25-22.039 and 28-106.205, Florida Administrative Code, PG&E National Energy Group Company ("NEG"), through its undersigned counsel, submits its Petition to Intervene, and in support states the following:

1. The name and address of the Petitioner is:

PG&E National Energy Group Company 7500 Old Georgetown Road Bethesda, MD 20814 Telephone: 301-280-6800

Facsimile: 301-280-6913

2. Copies of all pleadings, notices and orders in this docket should be provided to:

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

Melissa Lavinson PG&E National Energy Group Company 7500 Old Georgetown Road Bethesda, MD 20814

- 3. Statement of Substantial Interests in this Proceeding. In this docket, the Commission will consider Tampa Electric Company's ("TECO's") participation in the formation of a Regional Transmission Organization ("RTO"), for peninsular Florida. NEG is a developer of independent power projects throughout the United States. NEG has certain generation assets in Florida, specifically, Indiantown Cogeneration, L.P., a facility located in Martin County, Florida, and Cedar Bay Generating Company, L.P., a facility located in Duval County, Florida. Further, NEG is pursuing the development and construction of additional electric generating facilities in Florida. Its ability to do so depends, in significant part, on its access to an adequate electric transmission system, the governance of which is structurally independent and non-discriminatory. Implicit in the Commission's consideration of the prudence of TECO's participation in the RTO, and the RTO's impact on retail customer classes, is the issue of whether the RTO would provide benefits to Florida's ratepayers. Inasmuch as TECO and other investor-owned utilities have suspended certain activities associated with the development of GridFlorida pending the Commission's actions in this and related dockets, an indisputable nexus exists between the actions contemplated in this proceeding and the formation of the RTO. Actions taken pursuant to this docket will affect the nature of transmission facilities, transmission service, and transmission system governance in a market in which NEG has invested substantial financial resources to participate as a wholesale provider. Thus, NEG's substantial interests are affected in this proceeding. Agrico Chemical Co. v. Department of Environmental Regulation, 406 So.2d 478 (Fla 2d DCA, 1981).
- 4. <u>Statement of Disputed Issues of Material Fact</u>. The following are anticipated to be disputed issues of material fact in this proceeding:

- a. Whether the formation and administration of GridFlorida would lead to the development of a robust competitive wholesale market;
- b. The effect of TECO's participation in GridFlorida RTO on the adequacy, reliability, and cost of electric transmission capacity in the Florida market;
- c. Whether the benefits of GridFlorida to ratepayers in the form of a competitive generation market outweigh its costs;
- d. What policy position should the Commission adopt regarding the formation of GridFlorida; and
- e. What are the impacts of TECO's participation in the GridFlorida RTO on retail ratepayers.
- 5. <u>Ultimate Facts Alleged</u>. Ratepayers will benefit from a competitive wholesale generation market. A RTO, such as GridFlorida, and TECO and other investor-owned utilities' participation in the RTO, is necessary in order to achieve those benefits.

WHEREFORE, PG&E National Energy Group Company respectfully requests the Commission to enter an Order authorizing it to intervene and participate as a full party in this proceeding.

Respectfully submitted,

Jon C. Moyle, Jr.

Florida Bar #727016

Cathy M. Sellers

Florida Bar #0784958

Moyle, Flanigan, Katz, Raymond & Sheehan, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

Telephone: 850-681-3828

Facsimile: 850-68108788

Attorneys for PG&E National Energy Group Company

By:

Jon C. Moyle, Jr.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing document was served by U.S. Mail this 10th day of July 2001 to the following:

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

Matthew M. Childs Steel Hector & Davis 215 South Monroe St., Suite 601 Tallahassee, FL 32301

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

Jack Shreve
Office of Public Counsel
c/o Florida Legislature
111 W. Madison Street
Room No. 812
Tallahassee, Florida 32399-1400

Florida Industrial Power Users Group c/o John McWhirter, Jr. McWhirter Reeves 400 North Tampa St., Suite 2450 Tampa, Florida 33601-3350

David L. Cruthirds
Dynegy, Inc.
1000 Louisiana Street, Suite 5800
Houston, TX 77002-5006

Bill Walker Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1859

Kelly B. Plante Gray, Harris & Robinson, P.A. 225 South Adams Street, Suite 250 Tallahassee, FL 32301

Gary L. Sasso/James M. Walls Carlton, Fields Law Firm Post Office Box 2861 St. Petersburg, FL 33731

Vicki Kaufman McWhirter Law Firm 117 South Gadsden Street Tallahassee, FL 32301

Florida Retail Federation 100 E. Jefferson Street Tallahassee, FL 32301

Ron LaFace/Seann M. Frazier Greenberg, Traurig Law Firm 101 E. College Avenue Tallahassee, FL 32301

By:

Jon C. Moyle,