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February 20, 2004

VIA HAND DELIVERY

Ms. Blanca S. Bayo
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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COMMISSION
CLERK

Re: Docket No. 030954

Dear Ms. Bayo:

On behalf of Indiantown Cogeneration, L.P., enclosed for filing and distribution are the original and 15 copies of the following:

- ▶ Petition to Intervene

Please acknowledge receipt of the above on the extra copy and return the stamped copy to me. Thank you for your assistance.

AUS _____
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 JAM P.

Yours truly,

Joe McGlothlin
Joseph A. McGlothlin

JAM:ft
Enclosures

DOCUMENT NUMBER - DATE
02522 FEB 20 04
FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Indiantown
Gas Company for an Increase
In Rates

Docket No. 030954

Filed:

INDIANTOWN COGENERATION, L.P.'S PETITION TO INTERVENE

Pursuant to Chapter 120, Florida Statutes and Rules 25-22.039 and 28-106.201(2), Florida Administrative Code, Indiantown Cogeneration, L.P. ("ICLP"), through its undersigned counsel, files its Petition for leave to intervene, and in support states:

1. The affected agency is the Florida Public Service Commission.

2. Petitioner's name and address:

Indiantown Cogeneration, L.P.
13303 Southwest Silver Fox Lane
P.O. Box 1799
Indiantown, Florida 34956

3. Copies of pleadings, notices, and orders should be provided to:

Joseph A. McGlothlin
McWhirter, Reeves, McGlothlin,
Davidson, Kaufman and Arnold
117 South Gadsden Street
Tallahassee, Florida 32301

Richard Grubb, General Manager
Indiantown Cogeneration, L.P.
13303 Southwest Silver Fox Lane
P.O. Box 1799
Indiantown, Florida 34956

4. Statement of substantial interests affected:

DOCUMENT NUMBER-DATE

02522 FEB 20 8

FPSC-COMMISSION CLERK

ICLP owns and operates a coal-fired, 330 MW electric generator (the “cogeneration unit”) in Indiantown, Florida. The cogeneration unit is a “Qualifying Facility” within the meaning of the Public Utility Regulatory Policies Act and this Commission’s cogeneration rules. ICLP’s cogeneration unit produces electricity, which it currently sells to Florida Power and Light Company pursuant to a power purchase contract approved by this Commission, and commercial quantities of steam, which it sells to Louis Dreyfus Citrus, Inc. In the course of operating the cogeneration unit, ICLP purchases and consumes natural gas, which is transported by Indiantown Gas Company from a point of delivery on its system to the site of ICLP’s cogeneration unit. The transportation of natural gas by Indiantown Gas Company is governed by the terms of a special contract between ICLP and Indiantown Gas Company that the Commission approved in Order No. PSC-03-1156-PAA-GU, issued in Docket No. 030808-GU on October 20, 2003. The rates that ICLP pays Indiantown Gas Company for natural gas transportation are subject to this Commission’s ratemaking jurisdiction, and are among the subjects of the petition of Indiantown Gas Company for an increase in rates that initiated this proceeding. A decision on Indiantown Gas Company’s petition will directly affect ICLP’s substantial interests by affecting the price it pays for the transportation of the natural gas it consumes in its business operations. In this proceeding, Indiantown Natural Gas Company proposes to implement rates applicable to ICLP that represent a departure from the current rates—the same rates that were in place when the utility and ICLP negotiated the special contract. Thus, any decision to approve these new rates would affect ICLP’s interests. ICLP’s interest in assuring that the rates it pays Indiantown Gas Company are fair, just, and reasonable is the type of interest that this proceeding is designed to protect. Agrico Chemical Company v. Department of Environmental Regulation, 406 So.2d 478 (Fla. 2d DCA 1981); Royal Palm Square Associates v. Servco, 623 So.2d 533 (2d DCA,

1993). Indeed, ICLP's interests coincide with the Commission's purpose and obligation in this proceeding.

5. Issues of Material Fact:

ICLP is unable to identify all issues of material fact at this juncture, but anticipates they may include:

- a. What is Indiantown Gas Company's appropriate rate base for ratemaking purposes in this proceeding?
- b. What are Indiantown Gas Company's allowable operating expenses for ratemaking purposes in this proceeding?
- c. What are Indiantown Gas Company's appropriate capital structure and cost of capital for ratemaking purposes?
- d. Should the Commission approve Indiantown Gas Company's proposed allocations and assignments of expenses to customer classes?
- e. Should the Commission approve Indiantown Gas Company's proposed rate structure and rate design?

6. Ultimate facts alleged:

The following allegation of ultimate fact is preliminary; ICLP reserves the right to modify it and to raise those issues necessary to protect its interests following an opportunity to examine the utility's filing in greater detail. In this docket the Commission must fix rates for the transportation of natural gas that are fair, just, reasonable, and not unduly discriminatory. Subject to further evaluation, ICLP's tentative position is that the rate design proposed to be applicable to ICLP does not meet these criteria.

WHEREFORE, Indiantown Cogeneration, L.P. requests the Commission to issue an order allowing it to intervene as a full party in this docket.

Joseph A. McGlothlin

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Attorneys for Indiantown
Cogeneration, L.P.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Petition to Intervene was served on February 20, 2004, by hand delivery (*) or U.S. Mail on the following:

- (*) Katherine Fleming
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Robert Scheffel Wright
Landers and Parsons
P.O. Box 271
Tallahassee, Florida 32302


Joseph A. McGlothlin