BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF COMMENCEMENT OF PROCEEDING FOR DETERMINATION OF NEED FOR PROPOSED ELECTRICAL POWER PLANT EXPANSION

ΤO

NEW HOPE POWER PARTNERSHIP FLORIDA POWER & LIGHT COMPANY DEPARTMENT OF COMMUNITY AFFAIRS DEPARTMENT OF ENVIRONMENTAL PROTECTION

AND

ALL INTERESTED PERSONS

IN RE: DOCKET NO. 040766-EI – PETITION FOR DETERMINATION OF NEED FOR EXPANSION OF AN ELECTRICAL COGERNERATION POWER PLANT IN PALM BEACH COUNTY BY FLORIDA POWER & LIGHT COMPANY AND NEW HOPE POWER PARTNERSHIP

AND

IN RE: DOCKET NO. 040767-EI - PETITION FOR APPROVAL OF AS-AVAILABLE ENERGY PURCHASE AGREEMENT BETWEEN FLORIDA POWER & LIGHT COMPANY AND NEW HOPE POWER PARTNERSHIP.

ISSUED: August 5, 2004

NOTICE is hereby given pursuant to Rule 25-22.080(3), Florida Administrative Code, that the Florida Public Service Commission has received the joint petition of Florida Power & Light Company (FPL) and New Hope Power Partnership (New Hope) for determination of need for the expansion of an electrical cogeneration power plant in Palm Beach County. The project is an expansion of New Hope's existing 74.9 megawatt (MW) biomass-fueled Okeelanta cogeneration plant, that generates electricity and steam from the combustion of biomass fuels. The project is expected to generate between 150,000 megawatt-hours (MWH) and 190,000 MWH of net electrical energy per year, which New Hope will sell at wholesale primarily to FPL and to other Florida utilities with responsibility for serving retail customers. New Hope and FPL have executed a power purchase agreement (PPA) pursuant to which New Hope will sell sell seventy percent of the project's energy output to FPL at a one percent discount from FPL's avoided cost

DOCUMENT NUMBER-DATE

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NOTICE OF COMMENCEMENT OF PROCEEDING FOR DETERMINATION OF NEED FOR PROPOSED ELECTRICAL POWER PLANT DOCKET NOS. 040766-EI AND 040767-EI PAGE 2

calculated pursuant to Commission Rule 25-17.0825(2), Florida Administrative Code, for an initial period of five years with mutual renewal options for up to an additional fifteen years. The project is projected to achieve commercial operation status by June 2006. This matter has been assigned Commission Docket No. 040766-EI.

Copies of the petition and supporting documentation are available for public inspection during normal business hours at the following location:

Florida Public Service Commission Division of Commission Clerk and Administrative Services Room 110, Betty Easley Conference Center 4075 Esplanade Way Tallahassee, Florida

The final hearing in this docket has been scheduled for October 15, 2004.

BY DIRECTION of the Florida Public Service Commission this 5th day of August, 2004.

BLANCA S. BAYÓ, Director Division of the Commission Clerk And Administrative Services

KAY FLYNN, Chief

KAY FLYNN, Chief Bureau of Records

(SEAL)

JSB