

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine need for Turkey Point Nuclear Units 6 and 7 electrical power plant, by Florida Power & Light Company. DOCKET NO. 070650-EI
DATED: JANUARY 4, 2008

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-07-0869-PCO-EI, filed October 30, 2007, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff is not sponsoring any witnesses.

b. All Known Exhibits

Staff has no direct exhibits.

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 Position on the Issues

ISSUE 1: Is there a need for the proposed generating units, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(4), Florida Statutes?

POSITION: Staff has no position at this time.

ISSUE 2: Is there a need for the proposed generating units, taking into account the need for fuel diversity, as this criterion is used in Section 403.519(4), Florida Statutes?

POSITION: Staff has no position at this time.

ISSUE 3: Is there a need for the proposed generating units, taking into account the need for base-load generating capacity, as this criterion is used in Section 403.519(4), Florida Statutes?

POSITION: Staff has no position at this time.

DOCUMENT NUMBER-DATE

00094 JAN-4 8

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ISSUE 4: Is there a need for the proposed generating units, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519(4), Florida Statutes?

POSITION: Staff has no position at this time.

ISSUE 5: Are there any renewable energy sources and technologies or conservation measures taken by or reasonably available to Florida Power & Light Company which might mitigate the need for the proposed generating units?

POSITION: Staff has no position at this time.

ISSUE 6: Will the proposed generating units provide the most cost-effective source of power, as this criterion is used in Section 403.519(4), Florida Statutes?

POSITION: Staff has no position at this time.

ISSUE 7: Based on the resolution of the foregoing issues, should the Commission grant Florida Power & Light Company's petition to determine the need for the proposed generating units?

POSITION: Staff has no position at this time.

ISSUE 8: Should this docket be closed?

POSITION: Staff has no position at this time.

Additional Issues

FPL

ISSUE 9: If the Commission grants Florida Power & Light Company's petition to determine the need for the proposed generating units, should the Commission's order expressly state support for the development of new nuclear generation, affirm the need to take steps now to preserve new nuclear generation as a resource option to meet future customer needs, acknowledge the risks and costs associated with a project of such magnitude and the corresponding stepwise role of the annual review process, and emphasize the importance of continued regulatory support throughout the process? (FPL 8)

POSITION: Staff has no position at this time.

ISSUE 10: If the Commission grants Florida Power & Light Company's petition to determine the need for the proposed generating units, is it prudent for FPL to make advance payments for such long-lead procurement items as are reasonably necessary to preserve the potential for 2018-2020 in-service dates for the proposed generating units? (FPL 9)

POSITION: Staff has no position at this time.

ISSUE 11: If the Commission grants Florida Power & Light Company's petition to determine the need for the proposed generating units, are prudent advance payments made prior to the completion of the proposed generating units' site clearing work properly characterized as "pre-construction costs," to be recovered pursuant to the mechanism provided in Rule 25-6.0423, F.A.C.? (FPL 10)

POSITION: Staff has no position at this time.

ISSUE 12: If FPL were to file for recovery by May 1, 2008, would pre-construction costs associated with the proposed generating units that the Commission determines are reasonable and prudent be included for cost recovery purposes as a component of the 2009 Capacity Cost Recovery Factor in the annual Fuel and Purchased Power Cost Recovery proceeding, pursuant to Rule 25-6.0423(5)(c), F.A.C.? (FPL 11)

POSITION: Staff has no position at this time.

FMPA/FMEA

ISSUE 13: Does FPL's nuclear power plant petition contain a summary of any discussions with other electric utilities regarding ownership of a portion of the plant by such electric utilities, consistent with the requirements of Rule 25-22.081, F.A.C.? (FMPA/FMEA 7)

POSITION: Staff has no position at this time.

OUC

ISSUE 14: Does not 403.519(4)(b), Fla. Stat., stating that the Commission shall “take into account matters within its jurisdiction, which it deems relevant” allow the Commission to conclude that co-ownership is relevant especially in light of (4)(b)(2) which requires the Commission to consider whether the approval will enhance the reliability of power production within the state (not just in FPL’s territory) and (4)(b)(3) requiring the Commission to take into account the plant’s contribution to the long-term stability and reliability of the electric grid? (OUC 1)

POSITION: Staff has no position at this time.

ISSUE 15: Did Florida Power and Light’s Petition, as required by Rule 25-22.081 (2) (d) F.A.C., contain a summary of any discussions Florida Power and Light had with other electric utilities concerning the other electric utilities’ ownership of a portion of the Florida Power and Light nuclear plant? (OUC 2)

POSITION: Staff has no position at this time.

ISSUE 16: Does 403.519(4)(a)(5), Fla. Stat., and Rule 25-22.081(2)(d) F.A.C., create any duty on Florida Power & Light (“FPL”) to initiate discussion with other utilities that might have an interest in ownership of a portion of the nuclear plants or is this legislation and rule meaningless and may be ignored all together (FPL says they can satisfy law and rule by not having any discussions and reporting that fact at FPL Response, Paragraph 2, page 2)? (OUC 4)

POSITION: Staff has no position at this time.

ISSUE 17: Does OUC, a utility that presently has ownership in two nuclear power plants, have a substantial interest in having meaningful discussions with Florida Power & Light regarding ownership of a portion of the nuclear power plants at issue here as required by 403.519(4)(a)(5), Fla. Stat.?? (OUC 5)

POSITION: Staff has no position at this time.

ISSUE 18: Should the Commission infer any intent by Legislature from actions that were not taken by the Legislature (an amendment was proposed but withdrawn)? (OUC 6)

POSITION: Staff has no position at this time.

Seminole

ISSUE 19: Has FPL engaged in meaningful discussions with other electric utilities regarding ownership of a portion of the proposed nuclear plants by such utilities? (SEMINOLE 7)

POSITION: Staff has no position at this time.

ISSUE 20: If not, should the Commission require such discussions? (SEMINOLE 8)

POSITION: Staff has no position at this time.

e. Stipulated Issues

Staff is aware of no stipulated issues at this time.

f. Pending Motions

Staff has no pending motions at this time.

g. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests at this time.

h. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness' qualifications as an expert in this proceeding.

i. Compliance with Order No. PSC-07-0819-PCO-EI

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

STAFF'S PREHEARING STATEMENT
DOCKET NO. 070650-EI
PAGE 6

Respectfully submitted this 4th day of January, 2008.

A handwritten signature in black ink, appearing to read "Katherine E. Fleming". The signature is written in a cursive style with a horizontal line extending to the right across the signature.

KATHERINE E. FLEMING
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BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition to determine need for Turkey Point Nuclear Units 6 and 7 electrical power plant, by Florida Power & Light Company. DOCKET NO. 070650-EI
DATED: January 4, 2008

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of STAFF'S PREHEARING STATEMENT was furnished to the following by electronic and U.S. mail on this, the 4th day of January, 2007:

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CERTIFICATE OF SERVICE
DOCKET NO. 070650-EI
PAGE 2

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