

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Planning Hearings on Load)	DOCKET NO.	910004-EU
Forecasts Generation Expansion)	ORDER NO.	24558
Plans, and Cogeneration Prices)	ISSUED:	5/20/91
for Florida's Electric Utilities.)		

ORDER ON CLARIFICATION

On February 20, 1991, Order No. 24142 was issued, limiting the scope of this proceeding. On March 4, 1991, Nassau Power Corporation (Nassau) filed its Motion for Clarification of Order No. 24142. On March 11, 1991, Florida Power & Light Company (FPL) filed its response to Nassau's Motion for Clarification.

Last year the Commission designated Nassau's 435 NW standard offer contract, executed pursuant to the "old" cogeneration rules, as the first contract to subscribe to the 1996 statewide avoided unit. Nassau points out that Florida Power & Light Company has excluded Nassau's project from its ten-year generation expansion plan which will be reviewed in this docket.

Nassau asserts that need for their project must be determined pursuant to the standards set forth in the Florida Electrical Power Plant Siting Act, and not in this annual planning hearing. Nassau also contends that assessment of the appropriateness of FPL's generation expansion plan made during the "mini-APH" should not be binding on Nassau and should not prejudice Nassau's ability to demonstrate need for its project at a need determination proceedings under the Power Plant Siting Act.

In this regard, the Prehearing Officer agrees with Nassau. Our annual planning hearing in this docket will not be turned into a need determination proceeding. Order No. 22341, issued in this docket on December 26, 1989, offers considerable guidance on this issue:

....the findings of this docket should establish a framework within which we gauge the validity of individual electric utility and qualifying facility need determination applications filed pursuant to Section 403.501-.517 or 403.519, Florida Statutes (Siting Act). These findings should not be used as a surrogate for the factual findings required by the Siting Act in the need determination applications of either electric utilities or qualifying facilities.

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The Siting Act, and Section 403.519 require that this body make specific findings as to system reliability and integrity, need for electricity at a reasonable cost, and whether the proposed plant is the most cost-effective alternative available. Clearly these criteria are utility and unit specific. The information in both the avoided unit study and the 20 year optimal generation expansion plan adopted in this docket are best used only as a means of testing the reasonableness of a proposed electric power plant project.

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Based on the considerations discussed above, we are persuaded that the appropriate decision is to use planning hearing results in QF need determination hearings in the same manner that they are used when electric utilities come before us: for informational purposes only. (Order No. 22341, pages 25-27)

Pursuant to Order No. 22341, the Commission's findings in this "mini" APH will not be used as a surrogate for the factual findings required by the Siting Act. Planning hearing results will be used for informational purposes only at any need determination proceeding.

By ORDER of the Commissioner Gerald L. Gunter, Prehearing Officer, this 20th day of MAY, 1991.


GERALD L. GUNTER, Commissioner
and Prehearing Officer

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