

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for determination of need for expansion of Turkey Point and St. Lucie nuclear power plants, for exemption from Bid Rule 25-22.082, F.A.C., and for cost recovery through the Commission's Nuclear Power Plant Cost Recovery Rule, Rule 25-6.0423, F.A.C.

DOCKET NO. 070602-EI  
ORDER NO. PSC-07-0973-PHO-EI  
ISSUED: December 5, 2007

Pursuant to Notice and in accordance with Rule 28-106.209, Florida Administrative Code (F.A.C.), a Prehearing Conference was held on December 3, 2007, in Tallahassee, Florida, before Commissioner Nancy Argenziano, as Prehearing Officer.

APPEARANCES:

R. WADE LITCHFIELD, ESQUIRE, MITCH ROSS, ESQUIRE, BRYAN S. ANDERSON, ESQUIRE, and JESSICA A. CANO, ESQUIRE, 700 Universe Boulevard, Juno Beach, Florida 33408-0420  
On behalf of Florida Power & Light Company.

JENNIFER S. BRUBAKER, ESQUIRE, and KATHERINE E. FLEMING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
On behalf of the Florida Public Service Commission (Staff).

**PREHEARING ORDER**

I. CASE BACKGROUND

On September 17, 2007, Florida Power & Light Company (FPL) filed a petition for a determination of need for proposed nuclear power plants in Dade and St. Lucie Counties, pursuant to Section 403.519, Florida Statutes (F.S.), and Rule 25-22.080, Florida Administrative Code (F.A.C.). FPL's proposal consists of the expansion of the electric generating capacity of its existing Turkey Point and St. Lucie nuclear power plants, in Dade and St. Lucie Counties, respectively. FPL's proposed uprate would increase the power output at Turkey Point, units 3 and 4, from approximately 700 megawatts (MW) to 804 MW per unit, for a two-unit total of about 208 MW. At St. Lucie, units 1 and 2, net electrical generation per unit is expected to increase from approximately 840 MW to 943 MW, for a two-unit total of 206 MW. FPL proposes to complete the uprate to all four nuclear units during separate outages beginning in 2011 and ending in 2012.

The Commission issued a Notice of Commencement of Proceedings to the appropriate agencies, local governments, and interested persons on September 20, 2007. By Order No. PSC-

DOCUMENT NUMBER-DATE

10713 DEC-5 8

FPSC-COMMISSION CLERK

07-0819-PCO-EI, issued October 11, 2007, the matter was scheduled for a formal administrative hearing on December 10-13, 2007.

## II. CONDUCT OF PROCEEDINGS

Pursuant to Rule 28-106.211, F.A.C., this Prehearing Order is issued to prevent delay and to promote the just, speedy, and inexpensive determination of all aspects of this case.

## III. JURISDICTION

This Commission is vested with jurisdiction over the subject matter by the provisions of Chapter 366 and 403, Florida Statutes (F.S.). This hearing will be governed by said Chapters and Chapters 25-6, 25-22, and 28-106, F.A.C., as well as any other applicable provisions of law.

## IV. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

Information for which proprietary confidential business information status is requested pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., shall be treated by the Commission as confidential. The information shall be exempt from Section 119.07(1), F.S., pending a formal ruling on such request by the Commission or pending return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been made a part of the evidentiary record in this proceeding, it shall be returned to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of this proceeding, it shall be returned to the person providing the information within the time period set forth in Section 366.093, F.S. The Commission may determine that continued possession of the information is necessary for the Commission to conduct its business.

It is the policy of this Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, F.S., to protect proprietary confidential business information from disclosure outside the proceeding. Therefore, any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, F.S., at the hearing shall adhere to the following:

- (1) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the court reporter, in red envelopes clearly marked with the nature of the contents and with the confidential information highlighted. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.
- (2) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise confidentiality. Therefore, confidential information should be presented by written exhibit when reasonably possible.

At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the court reporter shall be retained in the Office of Commission Clerk's confidential files. If such material is admitted into the evidentiary record at hearing and is not otherwise subject to a request for confidential classification filed with the Commission, the source of the information must file a request for confidential classification of the information within 21 days of the conclusion of the hearing, as set forth in Rule 25-22.006(8)(b), F.A.C., if continued confidentiality of the information is to be maintained.

V. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties has been prefiled and will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to timely and appropriate objections. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. Each witness will have the opportunity to orally summarize his or her testimony at the time he or she takes the stand. Summaries of testimony shall be limited to five minutes.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer. After all parties and Staff have had the opportunity to cross-examine the witness, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

VI. ORDER OF WITNESSES

As a result of discussions at the prehearing conference, each witness whose name is preceded by an asterisk (\*) may be excused from this hearing if no Commissioner assigned to this case seeks to cross-examine the particular witness. Parties shall be notified as to whether any such witness shall be required to be present at hearing. The testimony of excused witnesses will be inserted into the record as though read, and all exhibits submitted with those witnesses' testimony, as shown in Section IX of this Prehearing Order, shall be identified and admitted into the record.

<u>Witness</u>	<u>Proffered By</u>	<u>Issues</u>
<u>Direct</u>		
*J.A. Stall	FPL	1, 8
*Stephen T. Hale	FPL	6, 8
*Claude A. Villard	FPL	4, 6, 8
*Dr. Leonardo E. Green	FPL	1, 8
*Kennard F. Kosky	FPL	6, 8
*Gerard J. Yupp	FPL	6, 8
*Kim Ousdahl	FPL	8, 9
*Dr. Steven R. Sim	FPL	1, 2, 3, 4, 5, 6, 7, 8

VII. BASIC POSITIONS

**FPL:** FPL has requested an affirmative determination of need for the expansion of its PTN and PSL nuclear power plants, which will provide 414 MW of fuel-diverse baseload generation at a net savings to customers, while emitting zero carbon dioxide (“CO<sub>2</sub>”). The nuclear uprates will consist of an expansion to each of FPL’s four nuclear units, and will be achieved through major plant modifications that will increase gross power at PTN and PSL by approximately 14% and 11%, respectively. The uprates will require no changes to the footprints of the existing plants and have no significant adverse environmental impacts.

In FPL’s 2006/2007 resource planning work, FPL identified future resource needs beginning in 2012 and continuing thereafter. The uprates are needed to help FPL meet its summer reserve margin requirement of 20% through 2013, and are therefore needed for system reliability and integrity. FPL employs comprehensive and cost-effective demand side management (“DSM”) programs to reduce load requirements and encourage conservation, and is a nationally ranked industry leader in conservation and load management. FPL’s projections of future resource needs, however, already incorporate all of the known, cost-effective DSM identified and projected through the year 2020. In addition to providing needed baseload capacity, the uprates will also enhance system reliability and integrity by diversifying FPL’s fuel mix and favorably affecting the generation and load imbalance in Southeastern Florida.

The expansion of PTN and PSL is the most cost-effective option available to provide 414 MW of baseload electric generating capacity beginning in 2011 and 2012. That capacity is an amount sufficient to meet the annual electricity requirements of 213,000 residential customers, while helping to satisfy FPL's future summer reserve margin requirements. The uprates will provide this capacity while also providing many millions of dollars of expected fuel cost savings that will directly benefit customers through lower fuel charges as each uprate is placed into service. As a result, the expansion of PTN and PSL will provide adequate electricity at a reasonable cost, or in this case at a net savings, through additional nuclear power.

To assess the economics of the expansion, FPL developed two alternate resource plans; the Plan with Nuclear Uprates and the Plan without Nuclear Uprates, which represents the addition of combined cycle ("CC") natural gas-fueled units instead of the PTN and PSL uprates. FPL also developed several fossil fuel cost projections and environmental cost projections to properly compare the cumulative present value revenue requirements ("CPVRR") of the two different resource plans in a variety of fuel and environmental compliance cost scenarios. In eight of the nine scenarios considered, the Plan with Nuclear Uprates is the most cost effective option, with the economic advantage ranging from \$222 million (\$2007) to \$963 million (\$2007) in CPVRR. The one scenario not showing an economic advantage from the uprates represents an unlikely scenario of lower than expected gas costs and environmental compliance costs, and would nonetheless result in \$33 billion in CPVRR savings for customers on an FPL system-wide basis, due to the large amount of natural gas used on FPL's system.

In addition to providing a significant baseload capacity addition at a net savings to customers, the uprates will enhance fuel diversity and reduce the CO<sub>2</sub> emissions of FPL's system. FPL's analyses show that in 2013 the uprates would contribute to FPL's system supplying approximately 19% of its energy with nuclear-fueled energy, rather than 17% if the nuclear uprates are not implemented. Likewise, in 2013, the nuclear uprates would contribute to FPL's system supplying 65% of its energy with natural gas, as opposed to the 67% that would be supplied if the nuclear uprates were not implemented. The PTN and PSL uprates will also result in environmental benefits for customers by avoiding the emission of about one million tons per year of CO<sub>2</sub>. In total, the uprates will avoid the emission of about 27 million tons of CO<sub>2</sub> over their operating lives.

The Commission's Bid Rule, Rule 25-22.082, F.A.C., is inapplicable to power plants using nuclear materials as fuel, pursuant to section 403.519(4)(c), Florida Statutes. *See*, Sections 403.513(13), 403.506(1), and 366.93, Florida Statutes. Accordingly, the Bid Rule is not applicable. Additionally, no other generation can provide additional baseload power at a net savings to customers with the additional fuel diversity and environmental benefits of the uprates; therefore, even

if the Bid Rule were applicable, soliciting alternatives would be unproductive, resulting only in delay and reductions in the substantial fuel savings benefits that the uprates will provide to customers.

Consistent with the Florida Legislature's intent to encourage additional nuclear-fueled generation in the state of Florida as provided for in Sections 366.93 and 403.519(4), Florida Statutes, *inter alia*, the Commission's Rule 25-6.0423, Florida Administrative Code should be confirmed as applicable to the costs of the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants after the Commission has issued a final order granting a determination of need. An affirmative determination of need, confirmation of exemption from the bid rule, and confirmation that Rule 25-6.0423 is applicable to the costs associated with the uprates are warranted.

**STAFF:** 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.

#### VIII. ISSUES AND POSITIONS

##### **STIPULATED**

**ISSUE 1:** Is there a need for the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(4), Florida Statutes?

**POSITION:** Yes. There is a need for the Turkey Point nuclear power plant ("PTN") and St. Lucie nuclear power plant ("PSL") uprates, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(4), Florida Statutes. Without the uprates, FPL's electric system reliability and integrity will be significantly reduced, and FPL will fail to meet its 20% reserve margin beginning in 2012, as shown in the table below.

<b>Estimated Impact on FPL's Summer Reserve Margin</b>		
Year	Reserve Margin w/o Uprates	Reserve Margin with Uprates
2010	22.6%	22.6%
2011	20.1%	20.1%
2012	17.8%	19.2%
2013	16.1%	17.9%
2014	14.2%	16.0%
2015	11.7%	13.4%

FPL has future resource needs of 490 MW of incremental capacity in 2012. All demand side management ("DSM") that is known to be cost-effective through 2013 is already reflected in FPL's 2006/2007 resource planning work, which identified this capacity need. Consequently, to meet FPL's summer reserve margin criterion of 20% through 2013, FPL needs new capacity in the form of power plant construction and/or purchases.

The data in the table above actually reflects an optimistic view by also including 287 MW of renewable energy purchases that are not yet certain. Three contracts for 143 MW from municipal solid waste facilities will expire in 2009-2010, but are assumed to be extendable. FPL is also analyzing three new proposals for a total of 144 MW of capacity beginning in 2011-2012. Even combined, the 287 MW of renewable generation does not significantly defer the need for additional capacity beyond the 2012 time frame.

As the table above shows, considering load projections today, the proposed uprates do not satisfy all reliability needs. Without the uprates, the gap between capacity and need becomes even larger.

**STIPULATED**

**ISSUE 2:** **Is there a need for the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants, taking into account the need for fuel diversity, as this criterion is used in Section 403.519(4), Florida Statutes?**

**POSITION:** Yes. There is a need for the PTN and PSL uprates, taking into account the need for fuel diversity, as this criterion is used in Section 403.519(4), Florida Statutes. Increasing nuclear generation through the nuclear uprates will enhance fuel diversity.

During 2006, about 21% of the energy produced by FPL was generated using nuclear fuel. Without the nuclear uprates, due to system growth, the percentage of nuclear-fueled production will decrease to about 17% by 2013 and decline thereafter. In contrast, FPL's analysis shows that the nuclear uprates would contribute to FPL's system supplying approximately 19% of its energy with nuclear-fueled energy by 2013. Likewise, with the uprates, natural gas-fueled production will decrease from 67% to 65%. Thus, the nuclear uprates contribute to improving and maintaining FPL's fuel diversity as well as decreasing reliance on natural gas as a fuel for electric generation. The diversification of fuel type, technology type and transportation method provided by the uprates will enhance system reliability for FPL's customers.

**STIPULATED**

**ISSUE 3:** Is there a need for the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants, taking into account the need for baseload generating capacity, as this criterion is used in Section 403.519(4), Florida Statutes?

**POSITION:** Yes. There is a need for the PTN and PSL uprates, taking into account the need for baseload generating capacity, as this criterion is used in Section 403.519(4), Florida Statutes. The uprates will add approximately 414 MW of nuclear-fueled baseload generating capacity, which is needed to keep pace with the increasing demand for reliable power and the steady growth that the state of Florida continues to experience.

**STIPULATED**

**ISSUE 4:** Is there a need for the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants, 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:** Yes. There is a need for the PTN and PSL uprates, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519(4), Florida Statutes. The uprates will increase the amount of highly efficient nuclear-fueled generation on FPL's system, and will displace large amounts of higher cost fossil fuel and purchase power generation, resulting in fuel savings that provide a net benefit (i.e., lower system cost) to customers. In addition, customers will benefit from reduced capacity costs due to the deferral effect of the nuclear uprates upon the timing of subsequent additional units in the 2014-2017 time period.

Furthermore, adding incremental capacity by uprating plants maximizes use of existing sites, as compared to constructing a generating plant of equivalent capacity at a new site. FPL already owns the necessary land at Turkey Point and St. Lucie, it is permitted for electric generation plants, and most of the necessary infrastructure is already in place. The proposed project precludes these costs at a new site.

**STIPULATED**

**ISSUE 5:** Are there any renewable energy sources and technologies or conservation measures taken by or reasonably available to FPL which might mitigate the need for the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants?

**POSITION:** No. FPL's forecasted need already accounts for all the cost-effective DSM identified through the year 2014 plus a projection of continued DSM for the years 2015-2020. This DSM includes FPL's current Commission-approved DSM goals and a significant amount of additional DSM that FPL has identified as cost-



effective, and the Commission has approved, since the current DSM goals were approved. Additional conservation measures cannot be implemented to eliminate the need for the PTN and PSL uprates.

For purposes of analysis, FPL's forecast assumed successful contracting for and delivery of 144 MW of renewable firm capacity bid in response to its 2007 request for proposals for renewable energy, and successful extension of 143 MW of renewable firm capacity from three expiring municipal waste-to-energy contracts. There are not sufficient additional renewable energy options to mitigate the need for the 414 MW of nuclear baseload capacity that will be provided by the uprates. The table shown under Issue 1 shows the need for additional capacity even after including DSM and purchased power from renewable energy sources.

**STIPULATED**

**ISSUE 6:** Will the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants provide the most cost-effective source of power, as this criterion is used in Section 403.519(4), Florida Statutes?

**POSITION:** Yes. The proposed uprates will provide the most cost-effective source of power, as this criterion is used in Section 403.519(4), Florida Statutes. The estimated nominal costs for the PTN and PSL uprates, not including construction carrying costs, are approximately \$750 million and \$651 million, respectively. The costs of changes to the transmission system that are needed to support the uprates are estimated at \$45 million.

To fully evaluate the system impacts of the nuclear uprates, FPL developed a long-term resource plan that included the uprates ("the Plan with Nuclear Uprates") and an alternate resource plan not including the nuclear uprates ("the Plan without Nuclear Uprates"). The Plan without Nuclear Uprates represents the addition of combined-cycle (CC) units that could be sited and receive permitting approval in the relative near term. FPL also utilized three different fuel cost forecasts and four different environmental compliance cost forecasts in its economic analysis to address the impacts of uncertainty in future fuel and environmental compliance costs. Because 3 of these 12 scenarios represent a highly unlikely combination of low natural gas costs and high CO<sub>2</sub> environmental compliance cost, FPL used 9 scenarios in its economic analysis. FPL's analysis shows that in eight of the nine economic scenarios comparing the generating technology choices represented in the two plans, the Plan with Nuclear Uprates is the most cost effective option. The estimate is that total net savings realized by customers are expected to range from \$222 million to \$963 million on a cumulative present value revenue requirement basis.

**STIPULATED**

**ISSUE 7:** Is the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants exempt from the Commission's Bid Rule, Rule 25-22.082, Florida Administrative Code?

**POSITION:** Yes. The PTN and PSL uprates are within the definition of electrical power plants utilizing nuclear materials as fuel (see Sections 403.513(13), 403.506(1), and 366.93, Florida Statutes). Accordingly, pursuant to Section 403.519.(4)(c), the proposed uprates are exempt from Rule 25-22.082, Florida Administrative Code.

**STIPULATED**

**ISSUE 8:** Based on the resolution of the foregoing issues, should the Commission grant FPL's petition to determine the need for the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants?

**POSITION:** Yes. For the foregoing reasons, and as more fully developed in FPL's prefiled testimony and its petition, the Commission should grant FPL's petition to determine the need for the proposed expansion of PTN and PSL.

**STIPULATED**

**ISSUE 9:** Is Rule 25-6.0423, Florida Administrative Code, applicable to the costs of the proposed expansion of the Turkey Point and St. Lucie Nuclear Power Plants after the Commission has issued a final order granting a determination of need?

**POSITION:** Yes. For example, if FPL were to file for recovery by May 1, 2008, as called for in Rule 25-6.0423(5)(c)(1)(b), F.A.C., carrying costs on construction that are determined by the Commission to be reasonable and prudent pursuant to the Rule would 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)(4), F.A.C.

**STIPULATED**

**ISSUE 10:** Should this docket be closed?

**POSITION:** Yes.

IX. EXHIBIT LIST

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
<u>Direct</u>			
J.A. Stall	FPL	JAS-1	WANO Indices
J.A. Stall	FPL	JAS-2	NRC Performance Indicators
Stephen T. Hale	FPL	STH-1	Turkey Point Units 3 & 4 Plant Site
Stephen T. Hale	FPL	STH-2	Turkey Point Units 3 & 4 Nuclear Electric Generating System
Stephen T. Hale	FPL	STH-3	St. Lucie Units 1 & 2 Plant Site
Stephen T. Hale	FPL	STH-4	St. Lucie Units 1 & 2 Nuclear Electric Generating System
Claude A. Villard	FPL	CAV-1	Nuclear Fuel Cost
Dr. Leonardo E. Green	FPL	LEG-1	Total Average Customers
Dr. Leonardo E. Green	FPL	LEG-2	Summer Peak Load Per Customer
Dr. Leonardo E. Green	FPL	LEG-3	Summer Peak Load
Dr. Leonardo E. Green	FPL	LEG-4	Winter Peak Load Per Customer
Dr. Leonardo E. Green	FPL	LEG-5	Winter Peak Load
Dr. Leonardo E. Green	FPL	LEG-6	Summer Peak Weather
Dr. Leonardo E. Green	FPL	LEG-7	Florida Real Personal Income
Dr. Leonardo E. Green	FPL	LEG-8	Net Energy for Load Use Per Customer (KWH)
Dr. Leonardo E. Green	FPL	LEG-9	Net Energy for Load (GWH)

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
Dr. Leonardo E. Green	FPL	LEG-10	Non-Agricultural Employment
Dr. Leonardo E. Green	FPL	LEG-11	Real Price of Electricity
Dr. Leonardo E. Green	FPL	LEG-12	Impact of the 2005 Energy Policy Act Adjustment
Kennard F. Kosky	FPL	KFK-1	KFK Curriculum Vitae
Kennard F. Kosky	FPL	KFK-2	Environmental Compliance Costs
Gerard J. Yupp	FPL	GJY-1	FPL's Fuel Cost Forecast
Dr. Steven R. Sim	FPL	SRS-1	Projection of FPL's 2007-2020 Capacity Needs
Dr. Steven R. Sim	FPL	SRS-2	Projected Incremental FPL DSM: 2006 – 2020
Dr. Steven R. Sim	FPL	SRS-3	Projection of FPL's 2007 – 2020 Capacity Needs: with Proposed Nuclear Capacity Uprates
Dr. Steven R. Sim	FPL	SRS-4	The Two Resource Plans Utilized in the Analyses
Dr. Steven R. Sim	FPL	SRS-5	Assumptions Used in the Analyses
Dr. Steven R. Sim	FPL	SRS-6	Economic Analysis Results for One Fuel and Environmental Compliance Cost Scenario
Dr. Steven R. Sim	FPL	SRS-7	Economic Analysis Results: Total Costs and Total Cost Differentials for All Fuel and Environmental Compliance Cost Scenarios

<u>Witness</u>	<u>Proffered By</u>		<u>Description</u>
Dr. Steven R. Sim	FPL	SRS-8	Economic Analysis Results: Matrix of Total Cost Differentials for All Fuel and Environmental Compliance Scenarios
Dr. Steven R. Sim	FPL	SRS-9	Economic Analysis Results: Projection of Nuclear Uprates Non-Fuel Costs for the First 12 Months of Operation
Dr. Steven R. Sim	FPL	SRS-10	Economic Analysis Results: Projection of Approximate Bill Impacts with Nuclear Uprates: 2009 – 2013
Dr. Steven R. Sim	FPL	SRS-11	Non-Economic Analysis Results: FPL System Fuel Mix Projections by Plan
Dr. Steven R. Sim	FPL	SRS-12	Non-Economic Analysis Results: Cumulative FPL System CO <sub>2</sub> Emission Reductions from Nuclear Uprates

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

X. PROPOSED STIPULATIONS

FPL and Staff propose the stipulated positions on Issues 1-10, as identified in Section VIII, to resolve all issues in this docket.

XI. PENDING MOTIONS

There are no pending motions at this time.

XII. PENDING CONFIDENTIALITY MATTERS

There are no pending confidentiality matters at this time.

XIII. POST-HEARING PROCEDURES

If no bench decision is made, each party shall file a post-hearing statement of issues and positions. A summary of each position of no more than 50 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of this Prehearing Order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 50 words, it must be reduced to no more than 50 words. If a party fails to file a post-hearing statement, that party shall have waived all issues and may be dismissed from the proceeding.

Pursuant to Rule 28-106.215, F.A.C., a party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 40 pages and shall be filed at the same time.

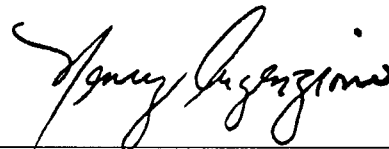
XIV. RULINGS

1. Opening statements, if any, shall be limited to no more than five minutes per party.

It is therefore,

ORDERED by Commissioner Nancy Argenziano, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

By ORDER of Commissioner Nancy Argenziano, as Prehearing Officer, this 5th day of December, 2007.



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NANCY ARGENZIANO  
Commissioner and Prehearing Officer

( S E A L )

JSB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.