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IN RE: Planning hearings on load forecasts) Docket No. 900004-EU
 generation expansion plans, and cogenera-)
 tion prices for Peninsular Florida's)
 electric utilities.)

STATEMENT OF ISSUES AND POSITIONS

Pursuant to the directive of Prehearing Officer Michael McK. Wilson on October 19, 1990, Air Products and Chemicals, Inc. files the following statement of issues and positions and states:

1. What is the purpose and effect of the subscription limit?

AIR PRODUCTS -The purpose of the subscription limit is to limit the amount of power purchased by investor-owned utilities (FPL, TECO and FPC) from qualifying facilities (QFs) pursuant to standard offer contracts based upon the statewide avoided unit. The limitations imposed by the subscription limit are three: the in-service date of the QF, the amount of MW purchased and the purchase price. First, the in-service date of the qualifying facility can be no later than that of the statewide avoided unit. Second, investor-owned utilities are required to purchase no more standard offer power than the MW associated with the statewide avoided unit. Third, the price paid will be based on the statewide avoided unit as approved by the Commission.

To insure that investor-owned utilities have the ability to pursue other more compatible capacity acquisition options (negotiated cogeneration agreements, off-system utility purchases), the subscription limit must be capped at the number of MW associated with the statewide avoided unit (i.e., 500 MW) even if that means accepting only part of a proposed standard offer project.

2. What is the effect of queuing contracts for subscription limit purposes?

AIR PRODUCTS - Queuing a contract acts as a preliminary approval of the standard offer contract(s) which fall(s) within the que. Conversely, those contracts which do not fall within the 500 MW limit established by the subscription limit are invalid and of no force and effect.

The placement of a contract in the que does not create a presumption of need for the project which has the standard offer contract, i.e., does not mean that the

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placement of a project in the que will result in its need application under the Power Plant Siting Act being "rubber stamped".

That being the case, utility generation expansion plans should only model standard offer and negotiated contract QFs which have received both contract and need approval.

3. Which contracts should be considered candidates for filling the current 500 MW subscription limit?

AIR PRODUCTS - No position.

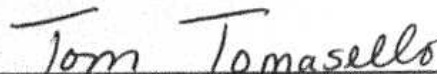
4. On what basis should the contracts to fill the 500 MW subscription limit be selected?

AIR PRODUCTS - On September 25, 1990 Air Products listed the criteria which it believes should be used to prioritize the standard offer contracts which have been filed against the 1996 500 MW coal unit. Air Products incorporates our position in that document in response to this issue.

5. What is the order of priority of those contracts before the Commission?

AIR PRODUCTS - No position.

Respectfully submitted,



Tom Tomasello, Esquire
Oertel Hoffman Fernandez & Cole
2700 Blairstone Road, Suite C
Tallahassee, Florida 32301
(904) 877-0099
Attorney for Air Products and Chemicals,
Inc.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Planning hearings on load forecasts) Docket No. 900004-EU
generation expansion plans, and cogenera-)
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_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the STATEMENT OF ISSUES AND POSITIONS filed by Tom Tomasello on behalf of Air Products and Chemicals, Inc. has been furnished by hand delivery to MICHAEL PALECKI, FLORIDA PUBLIC SERVICE COMMISSION, DIVISION OF LEGAL SERVICES, 101 EAST GAINES STREET, TALLAHASSEE, FLORIDA 32399 and by hand delivery (*) or U.S. Mail, postage prepaid, to the following this 24th day of October, 1990.

*James D. Beasley
Ausley, McMullen, McGehee
Carothers and Procter
Post Office Box 391
Tallahassee, Florida 32302

Susan Clark, Gen. Counsel
Division of Appeals
Florida Public Service
Commission
101 East Gaines Street
Tallahassee, Florida 32399

Jack Shreve
Public Counsel
Office of the Public Counsel
c/o The Florida Legislature
111 W. Madison Street
Claude Pepper Bldg., Room 812
Tallahassee, Florida 32399

*Matthew M. Childs
Steel, Hector & Davis
215 S. Monroe Street
First Florida Bank Building
Suite 601
Tallahassee, Florida 32301-1804

Gail P. Fels
Assistant County Attorney
Metro-Dade Center
111 N.W. First Street
Suite 2810
Miami, Florida 33128

James P. Fama
Florida Power Corporation
Post Office Box 14042
St. Petersburg, Florida 33733

Mike Peacock
Florida Public Utilities
Post Office Box 610
Marianna, Florida 32446

Paul Sexton
Richard Zambo, P.A.
211 S. Gadsden Street
Tallahassee, Florida 32301

Gainesville Regional Utilities
Post Office Box 490, Suite 52
Gainesville, Fl 32602

Edison Holland, Jr.
Beggs and Lane
Post Office Box 12950
Pensacola, Florida 32576

William J. Peebles
Frederick M. Bryant
Moore, Williams & Bryant
Post Office Box 1169
Tallahassee, Florida 32302

Florida Keys Electric Coop.
E.M. Grant
Post Office Box 377
Tavernier, Florida 33070

Edward C. Tannen
1300 City Hall
Jacksonville, Florida 32202

City of Chattahoochee
Attn: Superintendent
115 Lincoln Drive
Chattahoochee, Florida 32324

Susan Delegal
115 S. Andrew Avenue, Rm. 406
Ft. Lauderdale, Fl 33301

Quincy Municipal Electric
Post Office Box 941
Quincy, Fl 32351

Barney L. Capehart
1601 N.W. 35th Way
Gainesville, Fl 32605

Cogeneration Program Manager
Governor's Energy Office
301 Bryant Building
Tallahassee, Fl 32301

John Blackburn
Post Office Box 405
Maitland, Fl 32751

C. M. Naeve
Shaheda Sultan
Skadden, Arps, Slate, Meagher
& Flom
1440 New York Avenue, N.W.
Washington, D.C. 20005-2107

*Richard D. Melson
Hopping, Boyd, Green & Sams
Post Office Box 6526
Tallahassee, Florida 32314

Ray Maxwell
Reedy Creek Utilities Co.
Post Office Box 40
Lake Buena Vista, Florida 32830

Roy Young
Young, Van Assenderp,
Varnadoe & Benton
Post Office Box 1833
Tallahassee, Florida 32302-1833

Department of Energy
Southeast Power Adm.
Attn: Lee Rampey
Elberton, Ga 30635

Florida Rural Electric Coop.
Post Office Box 590
Tallahassee, Fl 32302

Alabama Electric Coop.
Post Office Box 550
Andalusia, AL 37320

Gary Tipps
Seminole Electric Coop.
Post Office Box 272000
Tampa, Fl 33688-2000

Terry O. Brackett
1899 L Street, N.W.
Washington, D.C. 20036

Patrick K. Wiggins
Wiggins and Villacorta
501 East Tennessee Street
Suite B
Tallahassee, Fl 32308

*Bruce May
Holland and Knight
Post Office Drawer 810
Tallahassee, Fl 32302

*Joseph A. McGlothlin
Vicki Gordon Kaufman
Lawson, McWhirter, Grandoff &
Reeves
522 E. Park Avenue, Suite 200
Tallahassee, Florida 32301

Richard B. Stephens, Jr.
Holland & Knight
P.O. Box 32092
Lakeland, Florida 33801

Kerry Varkonda
AES Corporation
P.O. Box 26998
Jacksonville, Florida 32218

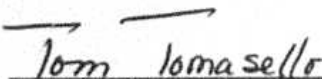
Cypress Energy Company
c/o Mission Energy Company
12500 Fair Lakes Circle
Suite 420
Fairfax, VA 22033

Mr. Roger Yott, P.E.
Energy & Environmental Division
2 Windsor Plaza
2 Windsor Drive, Suite 301
Allentown, PA 18195

Guyte P. McCord, III, Esq.
MacFarlane Ferguson
Allison & Kelly
Suite 804
1st Florida Bank Building
P.O. Box 82
Tallahassee, Florida 32302

Mockingbird Energy Corporation
Timothy J. Unger
Andrews & Kurth
Texas Commerce Tower
Houston, Texas 77002

Indek Energy Services
1111 South Willis Avenue
Wheeling, Illinois 60090-5841



TOM TOMASELLO
Attorney for Air Products & Chemicals,
Inc.