

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power ) DOCKET NO. 900796-EI  
and Light Company for Inclusion ) Filed: November 6, 1990  
of the Scherer Unit No. 4 Purchase )  
in Rate Base, Including an )  
Acquisition Adjustment )  
\_\_\_\_\_ )

NASSAU POWER CORPORATION'S MOTION TO INTERVENE

Nassau Power Corporation ("Nassau"), through its undersigned attorneys, pursuant to rules 25-22.036(7) and 25-22.039, Florida Administrative Code, files this motion to intervene in the above proceeding. As grounds therefore, Nassau states:

1. The name and address of Intervenor is:

Nassau Power Corporation  
Five Post Oak Park, Suite 1400  
Houston, Texas 77027

2. The name of the individuals who should receive copies of notices, orders and pleadings in this proceeding are:

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

3. On September 28, 1990, Florida Power and Light Company ("FPL") filed a petition seeking authority to include the purchase price of Scherer Unit No. 4, including an acquisition adjustment, in rate base.

4. FPL alleges that the purchase of Scherer Unit No. 4 is necessary to meet its 1996 forecast peak load and maintain adequate

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reliability levels and that the purchase is reasonable and prudent.

#### Substantial Interests

5. The reason for Nassau's intervention in this docket and the effect this docket will have on its substantial interests is related to the standard offer contract which Nassau has with FPL.

6. Nassau has a standard offer contract to sell 435 MW of capacity to FPL beginning on January 1, 1996. This contract was executed on June 13, 1990. On November 1, 1990 the Commission ruled that Nassau's contract is first to subscribe the 1996 500 MW statewide avoided unit. Nassau intends to obtain a determination of need for its project. It appears to be the intent of the Commission's vote on November 1, 1990 in Docket No. 900004-EU to require a cogenerator to prove in individual determination of need proceedings that its project meets an individual utility need. Nassau believes that this ruling is inconsistent with the Commission's rules and policies requiring a statewide market for standard offers and does not waive its right to contest this view of the efficacy of the standard offer. Further, Nassau does not necessarily accept FPL's generation planning assumptions concerning the extent of its 1996 need. However, to the extent that approval of the Scherer purchase would satisfy a portion of FPL's need for capacity, a decision would affect Nassau's ability to demonstrate a need for the capacity it proposes to construct.

7. Upon information and belief, it appears to be FPL's position that the proposed Scherer purchase, for which there is no contract, has the effect of preempting all the transmission

capacity currently available to cogenerators with signed contracts. Thus, the adequacy of FPL's transmission capacity to accommodate the Scherer transaction and Nassau's project is an issue affecting Nassau's substantial interests. Nassau's standard offer contract was executed and approved prior to the Scherer 4 purchase, which, upon information and belief, has not yet resulted in a signed contract. FPL must secure the necessary transmission capacity to accommodate Nassau's project even if it enters into the Scherer transaction. Any decision regarding the adequacy of FPL's transmission grid to accommodate its project will affect Nassau's substantial interests.

8. The above analysis demonstrates that Nassau will suffer immediate injury in fact as a result of actions which may be taken in this docket and that this injury is the type which this proceeding is designed to protect. Agrico Chemical Company v. Department of Environmental Regulation, 406 So.2d 478, 482 (Fla. 2d DCA 1981). Therefore, Nassau is entitled to intervene in this docket.

Known Disputed Issues of Material Fact

9. The following disputed issues of material fact are known at this time:

- a. Whether the proposed purchase of Scherer Unit No. 4 is necessary in order for FPL to meet its 1996 forecast peak load;
- b. Whether the proposed purchase of Scherer Unit No. 4 is necessary for FPL to maintain adequate reliability



levels;

- c. Whether the proposed purchase of Scherer Unit No. 4 is a reasonable and prudent investment;
- d. Whether Scherer Unit No. 4 is the most reliable source of providing power to FPL from the alternatives available to it;
- e. Whether Scherer Unit No. 4 is the most cost-effective means of providing power to FPL from the sources available to it;
- f. What additional transmission facilities will be required, established, and/or acquired due to the proposed Scherer Unit No. 4 purchase;
- g. What is the cost of any necessary transmission facilities or upgrades and who will bear such cost;
- h. What will FPL pay Georgia Power Company to transmit the Scherer Unit No. 4 energy to FPL's interconnection point;
- i. Whether FPL's economic justification for the Scherer Unit No. 4 purchase is reasonable;

Known Disputed Issues of Law

10. The following are the disputed issues of law known at this time:

- a. Which projects have priority to the transmission capacity available to FPL;
- b. Whether it is FPL's responsibility to provide adequate transmission capacity for the projects on its

system;

c. Whether FPL's proposed acquisition of Scherer Unit No. 4 should be approved.

Ultimate Facts Alleged

11. The following ultimate facts are alleged:


a. FPL's proposed purchase of Scherer Unit No. 4 is not reasonable, prudent or in the best interests of the ratepayers;

b. FPL has failed to adequately consider and evaluate the other alternatives available to it to meet its capacity needs;

c. The statutes and rules which bear on this docket and entitle Intervenor to relief are section 366.051, Florida Statutes (1989), section 366.076, Florida Statutes (1989), rules 25-17.080 through 25-17.091, Florida Administrative Code, and rule 25-22.039, Florida Administrative Code.

Relief

WHEREFORE, Nassau requests that it be permitted to intervene in this docket and participate as a full party.

  
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and Reeves  
522 East Park Avenue, Suite 200  
Tallahassee, Florida 32301  
  
Attorneys for Nassau Power  
Corporation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Nassau Power Corporation's Motion to Intervene has been furnished by hand delivery\* or by U.S. Mail to the following parties of record this 6th day of November, 1990:

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