

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of TECO Power Services Corporation (TPS) for clarification of Order Granting Determination of Need	)	DOCKET NO. 910527-EU
	)	ORDER NO. 24600
	)	ISSUED: 5/30/91
_____)		

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman  
 J. TERRY DEASON  
 BETTY EASLEY  
 GERALD L. GUNTER  
 MICHAEL MCK. WILSON

ORDER GRANTING MOTION FOR CLARIFICATION

On February 23, 1988, Seminole Electric Cooperative, Inc. (SEC) filed a petition to determine its need for two 220 MW class combined cycle generating units with an in-service date of January 1, 1993. SEC then issued a request for proposals (RFP) for more cost-effective alternatives than their constructing the capacity need. TECO Power Services Corporation (TPS) responded to the RFP. As a result of the RFP, the docket (880309-EC) was bifurcated with determination of need separated from consideration of the most cost-effective means to supply that need.

In Order No. 20930, issued March 23, 1989, the Commission found that SEC had established a need for 450 MW of capacity in 1993. In Order 22335 (Final Order On Need Determination), issued December 22, 1989, the Commission incorporated the prior Need Order and then considered extensively which of two options would be the most economic means of satisfying that need: (1) the benchmark of two 220 MW combined cycle units which SEC had proposed to build on its Polk/Hardee County site; or (2) the bid of a combination of purchased power and construction on the Polk/Hardee site which was TPS's response to SEC's RFP.

Of the two options, the order found that the TPS proposal met SEC's need in the time frame, in the most cost-effective manner, and provided adequate electricity at a reasonable cost. The order made the determination of need contingent upon six specific conditions, one of which required construction of a natural gas service lateral of some 47 miles to tie the plant site into the Florida Gas Transmission (FGT) system.

As part of its own ongoing expansion plan, the transmission system (FGT) is now seeking approvals from FERC to construct a natural gas pipeline which would duplicate 38 miles of the 47 mile lateral described in the record of the need determination. Should FERC approval of FGT's expansion plans be forthcoming, TPS proposes constructing only the remaining 9 miles of lateral. Responding to prospective lenders' concern that the conditions in Order 22335

DOCUMENT NUMBER-DATE

05421 MAY 30 1991

REC-RECORDS/REPORTING

ORDER NO. 24600  
 DOCKET NO. 910527-EU  
 PAGE 2

impose an absolute obligation on TECO Power Services to construct and install the full 47 miles, TECO Power Services (TPS) filed a motion for clarification of Order No. 22335 on April 26, 1991.

We find that the Determination of Need in Order No. 22335 does not impose an absolute obligation on Power Services to construct the full 47 miles of natural gas service lateral but, instead, is intended to require Power Services to assure, either through reliance upon construction by others or through its own construction, that sufficient pipeline capacity is available to deliver natural gas to the Hardee Power Station in the quantities anticipated, assuming the availability of natural gas.

It is therefore

ORDERED by the Florida Public Service Commission that TECO Power Services, Incorporated's Motion for Clarification of Order No. 22335 is hereby GRANTED. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 30th day of MAY, 1991.

\_\_\_\_\_  
 STEVE TRIBBLE, Director  
 Division of Records and Reporting

by: Kay Flynn  
 Chief, Bureau of Records

( S E A L )  
 RVE

910527a.rve

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

ORDER NO. 24600  
DOCKET NO. 910527-EU  
PAGE 3

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, 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 sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900 (a), Florida Rules of Appellate Procedure.