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October 29, 1999

VIA HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
4075 Esplanade Way, Room 110
Tallahassee, FL 32399-0850

In re Petition for Determination of Need for an Electrical Power Plant
in Okeechobee County by Okeechobee Generating Company, L.L.C.
Docket No. 991462-EU

Dear Ms. Bayo:

In reviewing the direct testimony and exhibits of Okeechobee Generating Company, L.L.C. ("OGC"), which were filed this past Monday, an inadvertent computational error was discovered in Table 10 (page 65), and the associated text on page 64 of the Exhibits document filed with the Petition for Determination of Need for an Electrical Power Plant. Enclosed for distribution are 16 copies of the corrected Table 10 and page 64. Revised Table 10 and revised page 64 supercede the corresponding pages of the Exhibits document and should, accordingly, be substituted for same.

If you or your Staff have any questions, please feel free to contact me.

Sincerely,

Robert Scheffel Wright
Robert Scheffel Wright

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in Peninsular Florida. Analyses performed by Altos Management Partners for OGC indicate that the Project is expected to suppress wholesale prices by about \$0.74 to \$0.85 per MWH, yielding total estimated power supply cost reductions of approximately \$764 million (NPV) over the first ten years of the Project's operation. See Revised Table 10.

B. Cost-Effectiveness to Okeechobee Generating Company, L.L.C.

The Project also represents the most cost-effective alternative available to Okeechobee Generating Company for meeting its anticipated wholesale power commitments. Table 11 shows the generating alternatives evaluated by OGC. Economic evaluations conducted for OGC by Altos Management Partners considered gas-fired combustion turbines, gas-fired combined cycle units, gas-fueled steam generation units, conventional pulverized coal steam units, and integrated coal gasification combined cycle units. Table 12 presents the comparative cost and performance data developed by Altos for use in their analyses. These evaluations clearly indicate that the best choice for OGC and Peninsular Florida, considering economics, cost-effectiveness, reliability, long-term flexibility, and strategic factors is gas-fired combined cycle capacity. This is borne out by the fact that other Florida utilities are planning to add several thousand MW of similar capacity, and by the fact that this type of unit is the technology

REVISED TABLE 10

PENINSULAR FLORIDA, SUMMARY OF PROJECTED SAVINGS FROM OKEECHOBEE GENERATING PROJECT

YEAR	FRCC NET ENERGY FOR LOAD (GWH)	WHOLESALE PRICE SUPPRESSION (\$/MWH)	ESTIMATED ANNUAL SAVINGS FROM OGC (\$MILLION)	NET PRESENT VALUE @ 10% 1999 DOLLARS (\$MILLION)	CUMULATIVE NPV @ 10% 1999 DOLLARS (\$MILLION)
2004	211,223.0	\$0.85	\$179.540	\$111.480	\$111.480
2005	216,068.0	\$0.84	\$181.497	\$102.450	\$213.930
2006	221,084.0	\$0.83	\$183.500	\$94.164	\$308.095
2007	226,090.0	\$0.82	\$185.394	\$86.488	\$394.582
2008	228,350.9	\$0.81	\$184.964	\$78.443	\$473.025
2009	230,634.4	\$0.80	\$184.508	\$71.136	\$544.161
2010	232,940.8	\$0.79	\$184.023	\$64.499	\$608.660
2011	235,270.2	\$0.76	\$178.805	\$56.973	\$665.633
2012	237,622.9	\$0.76	\$180.593	\$52.311	\$717.944
2013	239,999.1	\$0.74	\$177.599	\$46.767	\$764.712

BASE YEAR=1999