

ORIGINAL

MEMORANDUM

OCTOBER 4, 2000

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (HART, WALKER) ~~DDH~~

RE: DOCKET NO. 001064-EI - PETITION FOR DETERMINATION OF
NEED FOR HINES UNIT 2 POWER PLANT BY FLORIDA POWER
CORPORATION.

Attached is the original and seven copies of Staff's Prehearing Statement, to be filed in the above docket.

DDH
Attachment
cc: Division of Safety and Electric Reliability
Division of Competitive Services
Division of Economic Regulation

I:\001064ph.kw

APP _____
CAF _____
CMP _____
COM 3 _____
CTR _____
ECR _____
LEG _____
OPC _____
PAI _____
RGO _____
SEC 1 _____
SER _____
OTH _____

DOCUMENT NUMBER-DATE

~~12619~~ OCT-48

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for
Determination of Need for Hines
Unit 2 Power Plant by Florida
Power Corporation.

DOCKET NO. 001064-EI

FILED: OCTOBER 4, 2000

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-00-1561-PCO-EI, issued August 30, 2000, the Staff of the Florida Public Service Commission (Staff) files its Prehearing Statement.

a. All Known Witnesses

Billy R. Dickens

b. All Known Exhibits

- 1) All Documents Listed in Staff's Request For Official Recognition, to be filed.
- 2) Florida Power Corporation's (FPC) Responses to Staff's Interrogatories.
- 3) Any Documents produced in response to Staff's Request for Production.
- 4) Affidavit of Publication of Notice in Lakeland Ledger.
- 5) FPC's Petitions for waiver of 10-year minimum term in standard offer contract rule.

c. Staff's Statement of Basic Position

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.

d. Staff's Positions on the Issues

ISSUE 1: Is Florida Power Corporation an "applicant" within the meaning of the Siting Act and Section 403.519, Florida Statutes?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

DOCUMENT NUMBER-DATE

12619 OCT-48

FPSC-RECORDS/REPORTING

ISSUE 2: Is the output of the proposed Hines Unit 2 fully committed for use by Florida customers who purchase electrical power at retail rates as stated by the Florida Supreme Court in Tampa Electric Co., et al. v. Garcia, et al., Nos. SC95444, SC95445, SC95446 (Fla. Apr. 20, 2000) (revised opinion)?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 3: Is there a need for the proposed Hines Unit 2, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 4: Is there a need for the proposed Hines Unit 2, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 5: Has Florida Power Corporation met the requirements of Rule 25-22.0826, Florida Administrative Code, "Selection of Generating Capacity", by conducting a fair bid process?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 6: Is it reasonable to obligate Florida Power Corporation's retail customers for the costs of the Hines 2 Unit for the expected life of the Unit?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 7: Is the proposed Hines Unit 2 the most cost-effective alternative available, as this criterion is used in Section 403.519?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 8: Are there any conservation measures taken by or reasonably available to Florida Power Corporation which might mitigate the need for the proposed power plant?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 9: Based on the resolution of the foregoing issues, should the Commission grant Florida Power Corporation's petition to determine the need for the proposed Hines Unit 2?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

ISSUE 10: Should this docket be closed?

POSITION: No position pending responses to Staff discovery and evidence adduced at hearing.

e. Pending Motions

Staff has no pending motions.

f. Pending Confidentiality Claims or Requests

The following items have pending requests for confidentiality pursuant to Rule 25-22.006, Florida Administrative Code:

- 1) Prefiled direct testimony of FPC witnesses John B. Crisp with attached Need Study (Document No. 09534-00) and Alan S. Taylor (Document No. 09535-00).

STAFF'S PREHEARING STATEMENT
DOCKET NO. 001064-EI
PAGE 4

g. Compliance with Order No. PSC-00-1561-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 4th day of October, 2000.



DEBORAH D. HART
Fla. Bar No. 305022
KATRINA D. WALKER
Fla. Bar No. 0277400
Staff Counsel
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Gerald L. Gunter Building - Room 370
Tallahassee, Florida 32399-0863
(850) 413-6199

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for
Determination of Need for Hines
Unit 2 Power Plant by Florida
Power Corporation.

DOCKET NO. 001064-EI

FILED: OCTOBER 4, 2000

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement has been furnished by U. S. Mail this 4th day of October, 2000, to the following:

Gary L. Sasso, Esquire
Carlton, Fields, Ward, Emmanuel, Smith & Cutler, P.A.
Post Office Box 2861
St. Petersburg, Florida 33731

Florida Power Corporation
James A. McGee, Esquire
Post Office Box 14042
St. Petersburg, Florida 33733-4042



DEBORAH D. HART
Fla. Bar No. 305022
KATRINA D. WALKER
Fla. Bar No. 0277400
Staff Counsel
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6199