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January 31, 2001

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010142-EM

Re: Joint Petition for Supplemental Certification of Construction and Operation Including Determination of Need for Electrical Power Plant - Orlando Utilities Commission, Kissimmee Utility Authority, Florida Municipal Power Agency and Southern Company-Florida, LLC

Dear Ms. Bayo:

It is my pleasure to enclose an original and 15 copies of the Joint Petition for Supplemental Certification of Construction and Operation Including Determination of Need for Electrical Power Plant and the Need for Power ("NFP") Application and exhibits thereto for filing on behalf of the above-captioned parties. The NFP Application and exhibits thereto are filed in redacted format to protect confidential, proprietary business information. Please note that Requests for Confidential Classification in regard to the NFP Application and confidential exhibits attached thereto, are hereby submitted with this Joint Petition.

Thank you.

Very truly yours,


Roy C. Young

RCY:swp
Enclosures
cc: Hamilton S. Oven (without enclosures)
sparrett\ouc\Bayo.Joint Petition for Need.Jan. 30

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF FLORIDA**

IN RE:)	
)	
JOINT PETITION OF ORLANDO UTILITIES)	
COMMISSION, KISSIMMEE UTILITY)	
AUTHORITY, FLORIDA MUNICIPAL POWER)	PSC DOCKET NO. _____
AGENCY, AND SOUTHERN COMPANY-)	
FLORIDA, LLC, FOR DETERMINATION OF)	FILED: _____
NEED OF THE PROPOSED STANTON)	
ENERGY CENTER COMBINED CYCLE)	
UNIT A.)	
_____)	

**JOINT PETITION FOR SUPPLEMENTAL CERTIFICATION
OF CONSTRUCTION AND OPERATION INCLUDING
DETERMINATION OF NEED FOR ELECTRICAL POWER PLANT**

Come now Petitioners ORLANDO UTILITIES COMMISSION, KISSIMMEE UTILITY AUTHORITY, FLORIDA MUNICIPAL POWER AGENCY and SOUTHERN COMPANY-FLORIDA, LLC, by and through their undersigned attorneys, and request the FLORIDA PUBLIC SERVICE COMMISSION ("Commission"), pursuant to section 403.519, Fla. Stat., and Rule 25-22.081, Fla. Admin. Code, to determine that there is a need for the proposed Stanton Energy Center Combined Cycle Unit A electrical power plant described herein and that the Commission file its report and order making that determination with the Florida Department of Environmental Protection ("FDEP") pursuant to section 403.507(2)(a), Fla. Stat. SOUTHERN COMPANY-FLORIDA, LLC, joins in this petition only in regard to its role as a joint-owner and operator of the proposed electrical power plant and is a non-need applicant for the determination of need. Petitioners propose to place the plant in commercial service by October 1, 2003 and, therefore, have filed a supplemental application for Site Certification with the FDEP pursuant to section 403.517, Fla. Stat., on January

22, 2001. In support thereof, Petitioners state as follows:

1. ORLANDO UTILITIES COMMISSION ("OUC") is an independent authority and part of the government of the City of Orlando and is engaged in the generation, transmission and distribution of electric power.

2. KISSIMMEE UTILITY AUTHORITY ("KUA") is a body politic, duly organized, and legally existing as part of the government of the City of Kissimmee engaged in the generation, transmission and distribution of electric power.

3. FLORIDA MUNICIPAL POWER AGENCY ("FMPA") is a joint agency formed pursuant to the Florida Interlocal Cooperation Act of 1969, section 163.01, Fla. Stat., and exercises powers under the Joint Power Act, Chapter 361, Part II, Fla. Stat. FMPA has authority to undertake and finance electric projects and, among other things, to plan, finance, acquire, construct, own, operate, maintain, or otherwise participate jointly in this project.

4. SOUTHERN COMPANY-FLORIDA, LLC ("Southern-Florida") is a Delaware limited liability corporation authorized to transact business in Florida. Southern-Florida is a wholly-owned subsidiary of Southern Power Company which is one of the six operating subsidiaries of The Southern Company ("Southern Company"). Southern Company is the largest producer of electricity in the United States and one of the largest in the world, with a proven record of designing, owning and operating electric power plants.

5. The CURTIS H. STANTON ENERGY CENTER ("Stanton Energy Center") is located within Orange County approximately 4 3/4 miles south of Highway 50 and one (1) mile north of the Bee Line Expressway in eastern Orange County. The Stanton Energy Center occupies a 3,280 acre site which was previously certified for ultimate site development of 2,000 megawatts (MW).

Existing Stanton Energy Center Units 1 and 2 ("Stanton 1" and "Stanton 2") both are coal fired units.

Stanton 1 is a 444 MW unit. Stanton 2 is a 446 MW unit.

6. OUC has contracted with Southern-Florida on behalf of FMPA, KUA and itself for the construction of a combined cycle facility with a nameplate capacity rating of 791 MVA with a nominal new and clean output of 633 MW at 70° F at Stanton Energy Center north of Stanton 1 and 2. This unit has been designated Stanton Energy Center Combined Cycle Unit A ("Stanton A").

7. Stanton A will include two combustion turbine generators, two heat recovery steam generators, a steam turbine generator, cooling tower, water and wastewater treatment facilities, fuel oil and water storage tanks, and other related facilities. Stanton A will fire natural gas as the primary fuel. No. 2 fuel oil will provide the secondary fuel source for Stanton A. The Stanton A facility will occupy approximately 60 acres of the 1,100 acre site development area within the total 3,280 acre Stanton Energy Center site.

8. OUC, KUA and FMPA are 35 percent joint owners of Stanton A. Southern-Florida owns the remaining 65 percent of Stanton A. OUC, KUA and FMPA will purchase all of the capacity associated with Southern-Florida's 65 percent ownership interest in Stanton A pursuant to Power Purchase Agreements ("PPAs") executed by the parties. The power purchased by OUC, KUA and FMPA under the PPAs is for a minimum term of 10 years, with OUC, KUA and FMPA having unilateral options to acquire all of Southern-Florida's capacity for a term of up to 30 years, which is the expected life of the plant.

9. Stanton A, as a combined cycle electrical generating plant, is subject to the Florida Electrical Power Plant Siting Act, sections 403.501 to 403.518, Fla. Stat. ("Siting Act"). Pursuant to the Siting Act and to Commission Rules 25-22.080 through 25-22.081, Fla. Admin. Code,

promulgated pursuant thereto, the Commission has jurisdiction to determine the need for the proposed electrical power plant, applying the standards set forth in section 403.519, Fla. Stat.

10. As stated in paragraph 5 above, OUC previously obtained Site Certification from the Florida Siting Board for the Stanton Energy Center site in order to build Stanton Units 1 and 2, and ultimately to locate up to 2000 MW of generating capacity at the site. As a result, OUC, KUA and FMPA need only to proceed with the shorter, more stream-lined supplemental site certification process for the purpose of constructing Stanton A. Petitioners have now initiated that process by filing their supplemental application for Site Certification with FDEP on January 22, 2001.

11. Rule 25-22.081, Fla. Admin. Code, establishes the information required by the Commission to support this Petition. This information is included in the Need for Power ("NFP") Application which is attached to this Petition.¹ The NFP Application is submitted to the Commission in four volumes: (a) Volume 1A addresses the information common to the Petitioners; (b) Volume 1B is specific to OUC; (c) Volume 1C is specific to KUA; and (d) Volume 1D is specific to FMPA..

12. As demonstrated in the NFP Application, Stanton A is needed for OUC, KUA and FMPA's electric system reliability and integrity in 2003 when their reserve margins would drop below their reserve margin criteria without the addition of Stanton A.

13. As demonstrated in the NFP Application, the F class technology used in Stanton A is the most efficient generating technology that is in reliable commercial operation and will provide adequate electricity at a reasonable cost to OUC, KUA, FMPA and Peninsular Florida.

¹The NFP Application relates to Section 1 of the Supplemental Site Certification Application, which Petitioners have filed with the FDEP.

14. As demonstrated in the NFP Application, Stanton A is the most cost effective alternative available to OUC, KUA and FMPA after evaluating: (a) other conventional, advanced, and renewable generation resources as potential capacity addition alternatives; and (b) soliciting and comparing competitive alternative purchased power and construction proposals pursuant to 2 separate request for proposals ("RFPs").

15. As demonstrated in the NFP Application, no cost-effective conservation measures were found which could mitigate the need for Stanton A.

16. As demonstrated in the NFP Application, if the Stanton A plant is delayed, OUC, KUA and FMPA will not be able to satisfy their reserve margin planning criteria after 2003. This would expose their customers to risks of service interruptions in the event of unanticipated forced outages or other exigencies for which these utilities maintain reserves. In addition, a delay in the Stanton A Unit would defer or possibly eliminate the estimated savings from the plant and would thus deprive customers of favorable electricity prices.

17. The Petitioners are not aware at this time that there will be any disputed issues of material fact in this proceeding. Through the NFP Application, testimony and exhibits, Petitioners expect to demonstrate that the proposed plant satisfies the statutory criteria set forth in section 403.519, Fla. Stat.

18. The foregoing information, including Volumes 1A, 1B, 1C and 1D of the NFP Application and supporting appendices, demonstrates that Stanton A merits an affirmative determination of need from the Commission pursuant to section 403.519, Fla. Stat.

WHEREFORE, OUC, KUA, FMPA and Southern-Florida respectfully request that:

(1) Pursuant to Rule 25-22.080(2), Fla. Admin. Code, the Commission set a date for a

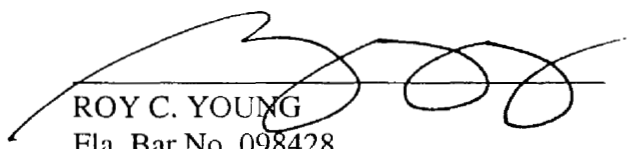
hearing on this Petition, not more than ninety (90) days after the date of the filing of this Petition;

(2) The Commission give notice of the commencement of the proceeding as required by Rule 25-22.080(3), Fla. Admin. Code;

(3) The Commission submit a preliminary statement of issues to the FDEP pursuant to section 403.507(1), Fla. Stat.; and

(4) The Commission determine that there is need for the proposed electrical power plant described in this Petition, and file its report, including an order making such determination, with the FDEP pursuant to section 403.507(2)(a)2., Fla. Stat.

RESPECTFULLY SUBMITTED this 31st day of January, 2001.



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