

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Florida Power Corporation's earnings, including effects of proposed acquisition of Florida Power Corporation by Carolina Power Corporation by Carolina Power & Light

Docket No.: 000824-EL
Filed: July 12, 2001

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RELIANT ENERGY'S COMMENTS ON PROPOSED ISSUES

Reliant Energy Power Generation, Inc. ("Reliant Energy"), through its undersigned counsel, submits the following comments regarding the RTO-related issues to be addressed in Phase One of these proceedings.

1. On June 7, 2001, Reliant Energy filed a petition to intervene in which it identified the following issues¹:

- (a) Will the formation and administration of GridFlorida lead to the development of a more competitive wholesale market?
- (b) Will the benefits of GridFlorida to ratepayers in the form of a more competitive generation market outweigh its costs?
- (c) In view of the factual data presented in this and related proceedings, what policy position should the Commission adopt regarding the formation of GridFlorida?

2. The version of the proposed issues that Staff distributed during the issue identification conference of Monday, July 9, 2001, addressed the relative costs and benefits of GridFlorida. However, the list did not include the issue of the Commission's policy position regarding the development of GridFlorida.

3. Reliant Energy respectfully submits that the issue of the appropriate policy position

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¹Reliant Energy's Petition to Intervene is pending before the Commission.

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relative to GridFlorida should be restored to the issue list. During the agenda conference of May 29, 2001, Commission emphasized that one purpose of this proceeding is to develop the Commission's ability to provide guidance to the 2020 Energy Policy Committee with respect to GridFlorida, as well as to provide input to the Florida Legislature on the subject. See Order No. PSC-01-1372-PC)-EI, at page 5. Clearly, the Commission intends to fashion a policy position based on its evaluation of the record formed and the arguments advanced during these proceedings. No issue proposed by Staff on July 9 covered this aspect of the Commission's intent. Parties are entitled to participate in the development of the decisions that the Commissioners make in a proceeding. The very purpose of an "identified issue" is to provide a vehicle that will enable parties to protect their interests by facilitating the communication of their positions. To omit the issue that addresses the policy position that the Commission intends to develop would be to deny Reliant Energy's due process rights in this regard. For these reasons, Reliant Energy requests the Prehearing Officer to restore the issue articulated in Paragraph 1(c), above.


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Reliant Energy's Comments on Proposed Issues has been furnished by (*) hand delivery and U.S. Mail to the following this 12th day of July, 2001:

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