

STEEL ■
HECTOR
■ & DAVIS™

Steel Hector & Davis LLP
215 South Monroe, Suite 601
Tallahassee, Florida 32301-1804
850.222.2300
850.222.8410 Fax
www.steelhector.com

August 13, 2001

Charles A. Guyton
850.222.3423

By Hand Delivery

Blanca S. Bayó, Director
Division of the Commission Clerk &
Administrative Services
Florida Public Service Commission
4075 Esplanade Way, Room 110
Tallahassee, Florida 32399-0850

**In Re: FPL Request For Proposal ("RFP")
Docket No. 011081-EI**

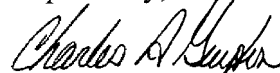
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CLERK

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") is a copy of FPL Request for Proposal ("RFP") that is being announced today. Included with the RFP are a copy of the press release related to the RFP as well as an advertisement running in today's Wall Street Journal. These materials are being filed pursuant to Florida Administrative Code Rule 25-22.082(7).

If you or your staff have any question regarding this filing, please contact me at 222-2300.

Respectfully,



Charles A. Guyton
Attorney for Florida Power
& Light Company

Enclosure

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FPSC-BUREAU OF RECORDS DOCUMENT NUMBER-DATE

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**Florida Power & Light Company's
Request for Proposals for Capacity and Energy**

August 13, 2001
011081- EI

DOCUMENT NUMBER-DATE

09809 AUG 13 2001

FPSC-COMMISSION CLERK

Florida Power & Light Company's

Capacity and Energy RFP

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Request for Proposals

I. Introduction

A. Purpose of the RFP

Florida Power & Light Company (FPL) issues this Request for Proposals (RFP) for the purpose of identifying and potentially acquiring supply side projects that can deliver either: (a) firm capacity and energy starting in the years 2005 and 2006, or (b) energy from renewable energy sources starting in the year 2003.

Firm capacity and energy proposals will compete with FPL's power plant construction options and may also compete with extension options in FPL's existing purchased power contracts. FPL invites proposals for firm capacity and energy that are based on any types of power plants or system resources including "turnkey" proposals. All proposals must be based on the Bidders providing their own fuel supplies.

For firm capacity and energy starting in the years 2005 and 2006, FPL seeks either power supply proposals for periods ranging from a minimum of three (3) years to as much as ten (10) years or "turnkey" proposals. Proposals to provide firm capacity and energy must cover at least the three (3) years beginning no later than either June 1, 2005 or June 1, 2006. Bidders may propose an earlier delivery date; indeed, FPL prefers a delivery date of January 1st for each of these years. Bidders offering power supply arrangements may also offer terms longer than ten (10) years, but FPL reserves the right, at its sole discretion, to consider or decline to consider such proposals. Turnkey proposals may offer sale of a unit(s) on or before June 1, 2005 or June 1, 2006 or they may be made as hybrid proposals beginning as power supply arrangements for some period of time and then ending with the sale of the underlying unit(s) to FPL.

FPL seeks proposals that offer the greatest value to FPL and its customers. A Bidder may submit more than one proposal as long as a separate evaluation fee is paid for each proposal. (Proposals for energy from renewable energy sources are exempt from the evaluation fee as noted in Section III. E.) A successful bid will contain a number of favorable attributes including, but not limited to, price, flexibility in regard to operations and maintenance, and low risk. Low price alone will not necessarily result in a successful bid.

FPL reserves the right to identify any number of short-listed Bidders to satisfy the needs identified herein in whole or in part with resources developed as a result of this RFP, to accept other than the lowest-priced

proposal, to accept a combination of proposals, to waive any technical non-compliance in any proposal, to conduct negotiations with any short-listed Bidder, to reject all proposals, to modify or cancel the RFP, and to match or beat any/all proposal(s) with FPL's own resource options.

This RFP is not an offer to enter into a contract. It is a solicitation of offers from potential Bidders. Nothing in this RFP or any communication associated with this RFP shall be taken as constituting an offer or representation between FPL and any other party. Neither issuance of this RFP, nor the entry of FPL into negotiations with any Bidder, will be deemed to create any commitment or obligation on the part of FPL to enter into a binding agreement with any Bidder. Those who submit proposals do so without recourse against FPL or any of its affiliates for either rejection of their proposal(s) or for failure to execute a purchase agreement for any reason.

B. Projected Resource Needs

1. For Firm Capacity

The proposals FPL is seeking are intended to address FPL's projection of needed firm capacity in 2005 and 2006 as indicated in FPL's 2001 Ten - Year Power Plant Site Plan (Site Plan). The approximate MW values needed to bring FPL to a 20 % Summer reserve margin for these two years are shown below.

Year of Need	Incremental Capacity Need (MW)	Cumulative Capacity Need (MW)
2005	1,150	1,150
2006	600	1,750

These MW values represent monthly firm capacity requirements starting no later than June 1st of each year shown. FPL may choose to acquire more or less capacity than shown above and may choose to exercise extension options in existing FPL purchase contracts or to build its own plants to provide a portion or all of the capacity needs shown above.

2. For Energy from Renewable Energy Sources

Renewable energy source-based proposals are eligible to bid for FPL's firm capacity needs as described throughout this RFP document. However, FPL

is also offering another avenue for renewable energy source-based projects to potentially contribute to FPL's energy mix: the sale of energy only to FPL. (Although FPL is primarily interested in identifying energy supplies from renewable energy sources, it may consider capacity payments for proposals based on renewable energy sources on a case-by-case basis.)

FPL does not yet have a predetermined amount of energy (MWH) that it seeks to obtain from renewable energy sources. FPL's objective is to identify potential available amounts of this energy and the costs of supplying it to FPL. Using this information, combined with projections of how much energy from renewable sources FPL's customers may be interested in buying, FPL will determine whether and how much of this identified renewable energy it will purchase.

C. FPL's "Next Planned Generating Units"

Rule 25-22.082, Florida Administrative Code, requires that specific information about FPL's "next planned generating unit" be included in an RFP seeking firm capacity such as this RFP. That specific information is presented in Section VI of this document.

The "next planned generating units" described in Section VI are based on FPL's 2005 and 2006 projected capacity additions as presented in FPL's 2001 Site Plan, which was filed with the Florida Public Service Commission on April 2, 2001. These capacity additions are:

For 2005:

- conversion of 2 combustion turbines (CT's) at FPL's existing Martin site into 1 combined cycle (CC) unit which adds 249 MW (Summer);
- conversion of 2 CT's at FPL's existing Ft. Myers site into 1 CC unit which adds 249 MW (Summer);
- construction of a new CC unit at FPL's existing Martin site which adds 547 MW (Summer); and,
- construction of a new CC unit at FPL's existing Midway site which adds 547 MW (Summer).

For 2006:

- construction of a new CC unit at FPL's existing Martin site which adds 547 MW (Summer).

The Site Plan reports details and results of FPL's resource planning work during the year 2000. Therefore, the cost and performance information provided in Section VI represents 2000-vintage information. FPL periodically updates its planning data and will use the most current planning data to evaluate proposals and its self-build and contract extension options.

D. Eligible Proposals

1. For Firm Capacity

All proposals for firm capacity and energy should satisfy all of the nine (9) Minimum Requirements listed below. Although FPL reserves the right to waive technical non-compliance with these Minimum Requirements, failure to comply with one or more of the Minimum Requirements can be grounds for determining a proposal ineligible.

Minimum Requirements for Proposals:

#1 Proposal Delivery Date & Time

Proposals must be received by the FPL Contact Person by 4:00 p.m. on September 14, 2001.

#2 Completeness of Proposal

All required forms, and the information requested on these forms, must be submitted. (FPL may, at its discretion, contact a Bidder to request that omitted information be provided.)

#3 Term

- a) The proposed term must be for a minimum of three (3) years.
- b) The firm capacity and energy delivery for 2005 must commence on or before June 1, 2005.
- c) The firm capacity and energy delivery for 2006 must commence on or before June 1, 2006.
- d) Proposals which offer firm capacity and energy earlier than 2005 must offer the capacity for at least three (3) years beyond January 1, 2005.

#4 Year-round/seasonal capacity

Proposals must offer year-round firm capacity. However, the monthly levels of the firm capacity (and the corresponding payments) may vary as discussed in Section I.H.

#5 Resource Block Size (MW)

Unless the Bid is based on a Qualifying Facility (QF), the minimum resource block size that FPL will consider in a proposal is 50 MW. Bids based on a QF may be less than 50 MW.

Recognizing that economies-of-scale may result in a more competitive proposal, FPL encourages developers and operators of “small” facilities (i.e., facilities which are 50 MW in size or slightly larger) to aggregate/pool their facilities in order to submit a more attractive proposal. FPL also encourages developers and operators of facilities less than 50 MW to aggregate/pool their facilities in order to submit a joint proposal whose combined total firm capacity meets or exceeds 50 MW.

#6 Pricing

A Bid’s proposed prices must include any and all costs that FPL will be expected to pay for delivered capacity and energy. Therefore, all costs for the offered capacity and energy including all equipment, transmission interconnection, fuel delivery and commodity costs, and all costs of meeting current and future environmental regulations must be covered in the Bid price. Proposals must include all costs of delivering capacity and energy to the FPL system over intervening transmission systems. Transmission integration costs within FPL’s system will be addressed after identification of a short list of Bidders.

In addition, the proposed prices must be presented in the appropriate format specified in Section IV.G. Prices for firm capacity and energy purchases, or for projects that initially offer purchases prior to a turnkey sale to FPL, must be provided on Pricing Information Form # 6A. Prices for the sale of turnkey facilities must also be provided on Pricing Information Form # 6B.

#7 Operational Flexibility

The proposal must address, at a minimum, the following operational requirements:

- Coordination of planned and maintenance outages with FPL's System Control Center; and,
- Coordination of dispatch of capacity and energy with FPL's System Control Center.

8 Liquidated Damages

The proposal must guarantee liquidated damages to FPL whenever the capacity and energy are not available on the scheduled Capacity Delivery Date as set forth in Section IV.H.(2).

9 Identifiable Capacity Source

The proposal's capacity and energy must be from a specific power plant(s) that is clearly identified in the proposal or from a system sale. If the capacity and energy is from a system sale, a clear explanation of how the MW are to be obtained and delivered must be given in the proposal.

2. For Energy from Renewable Energy Sources:

All proposals for energy from renewable energy sources should satisfy all of the five (5) Minimum Requirements listed below. Although FPL reserves the right to waive technical non-compliance with these Minimum Requirements, failure to comply with one or more of these Minimum Requirements can be grounds for determining a proposal ineligible.

Minimum Requirements for Proposals

#1 Proposal Delivery Date & Time

Proposals must be received by the FPL Contact Person by 4:00 p.m. on September 14, 2001.

#2 Completeness of Proposal

All required forms, and the information requested on these forms, must be submitted. (FPL may, at its sole discretion,

contact a Bidder to request that omitted information be provided.)

#3 Term

The proposed term must be for a minimum of three (3) years starting no earlier than January 1, 2003.

#4 Pricing

A bid's proposed prices must include all costs for the offered energy including all costs of meeting current and future environmental regulations. Prices for energy from a renewable energy source must be provided on Pricing Information Form # 6C.

#5 Source of Energy

The energy offered to FPL must be from a new renewable energy source such as, but not necessarily limited to, solar, biomass, landfill methane, wind, and low impact hydro.

E. Ineligible/Non-Responsive Proposals

A proposal may be deemed ineligible or non-responsive for a variety of reasons. A discussion of some of the reasons a proposal may be deemed ineligible or non-responsive appears in Section III.G. (1). Proposals deemed ineligible or non-responsive will not be evaluated further.

F. An Option to Buy

“Turnkey” proposals may also be submitted. These proposals may offer sale of the power plant beginning on or before June 1, 2005, on or before June 1, 2006, or after some period of a firm capacity sale to FPL. The purchase price will be set by a predetermined price to be submitted by the Bidder in the proposal on Pricing Information Form # 6B.

Turnkey proposals must be made assuming that the new power plant will be built at a greenfield (i.e., a non-FPL) site. Also, turnkey proposals that propose a purchase power sale to FPL prior to sale of the facility to FPL may not assume that FPL fuel will be used during the term of this purchase power sale.

FPL reserves the right to review and to request modification of any and all environmental permit conditions and values in regard to the Licensing and Permitting process of the Power Plant Siting Act prior to the issuance of the

permit. For new generating units which are the basis for turnkey proposals submitted in response to this RFP, and for which applications for environmental permits have not yet been submitted, FPL reserves the right to review and request modifications, if any, prior to the submittal of these permit applications. For turnkey proposals based on new generating units whose permit applications have already been submitted, FPL reserves the right to review and request modifications, if any, prior to final issuance of these permits.

G. Schedule

FPL envisions that the schedule for the solicitation of proposals and the evaluation of the resulting Bids will be as described below. FPL reserves the right to change the schedule at its sole discretion. If a schedule change occurs before the Proposal Due Date, parties that have expressed an interest in responding to the RFP will be notified of the change electronically or in writing. After the Proposal Due Date, FPL will notify all Bidders of any changes to the remaining dates electronically or in writing.

Milestone	Date	Comments
• Release RFP Document	August 13, 2001	The RFP document will be issued to parties requesting a copy starting on 8/13/01.
• Pre-Bid Workshop	August 24, 2001	Workshop in Miami to answer questions from potential Bidders.
• Notice of Intent to Respond to the Solicitation	August 31, 2001 (by 4:00 p.m.)	All parties who will be submitting a bid are required to notify FPL's RFP Contact Person by this date and time if they are submitting a proposal.
• Proposals Due	September 14, 2001 (by 4:00 p.m.)	Proposals must be received by the RFP Contact Person by this date and time.
• Short List Announcement	November, 2001	All Bidders will be notified of their status.
• Award Announcement	March, 2002	All Short List Bidders will be notified of their status.
• Florida Public Service Commission filing	May, 2002	A Determination of Need and/or Cost Recovery filing with the Florida Public Service Commission may be required. If so, filings by the selected developer(s) and/or FPL will be required.

H. Payment Structure

For each winning Bid, FPL expects to enter into a pay-for-performance type purchase power contract that would be developed at the time of contract negotiations.

1. For Firm Capacity

Payments to be made would be capped at the prices contained in the Bid and would have the following three (3) payment provisions:

#1 Fixed Payment

FPL shall make a capacity payment on a monthly basis for the contract capacity. The payment will be based on a formula that takes into account the Bid's proposed price for capacity payments and an agreed-upon level of performance. A sliding scale formulaic approach will be used thereby establishing a relationship between the level of performance and the actual monthly capacity payments. Performance below a specified level may result in no monthly capacity payments being made for one or more months (and may lead to default). Proposals that establish a seasonal relationship between delivered capacity and the level of capacity payments will be considered (e.g., higher payments during the peak months than during other months). However, as FPL is counting on the contracted capacity throughout the year, minimum levels of performance will be required for all months.

#2 Variable Payment

FPL shall make a monthly energy payment for the energy purchased on a monthly basis. The Energy Payment shall be calculated in accordance with the following formula:

$$EP = [(NEO * GHR * FP) + (NEO * VOM)]$$

Where:

EP = the Energy Payment expressed in dollars for the Billing Period;

NEO = the Net Energy Output for the Billing Period;

GHR = Guaranteed Heat Rate (as specified in the Bidder's proposal);

FP = Fuel (Commodity and Transportation) Price* ; and,

VOM = Guaranteed Variable O&M Price (as specified in the Bidder's proposal).

* Fuel Prices may be as guaranteed in the proposal or indexed to a mutually acceptable benchmark.

#3 Start Up Payment

FPL shall also pay separately the amounts specified in the Bidder's proposal for prices associated with successful starts of the Facility. Successful starts are limited to one per dispatch cycle.

2. For Energy from Renewable Energy Sources

Payments to be made would be capped at the prices contained in the Bid. Due to the wide variety of renewable energy sources that could be the bases of such Bids, FPL will develop payment provisions after these Bids have been reviewed. These payment provisions will be the subject of contract negotiations.

II. Bidder Exceptions, Bidder Obligations, and Regulatory Provisions

A. Bidder Exceptions

FPL may consider bids that propose exceptions to the conditions, terms, or other facets of the RFP other than the Minimum Requirements. Should a Bidder wish to propose exceptions, the exceptions must be explained in writing as part of the Bidder's proposal using Form # 9 (which is discussed below in Section IV.J. and presented in Section V). For each exception, the Bidder must fully explain in writing the condition, requirement, or facet of the RFP to which the Bidder takes exception and provide the replacement language proposed by the Bidder. FPL prefers Bids that make the least amount of and least significant exceptions.

B. Bidder Obligations

The Bidder is responsible for acquiring all licenses, permits, and other regulatory approvals (including environmental) that will be required by federal, state, or other local government laws, regulations, or ordinances for the Bidder's proposal. (For a winning proposal that requires new power plant construction falling under Florida's Power Plant Siting Act, FPL will be a co-applicant in a Determination of Need filing.) FPL will cooperate with the winning Bidder(s) to provide information or such other assistance

as may reasonably be necessary for the Bidder(s) to satisfy licensing and regulatory requirements. The winning Bidder(s) shall fully support all of FPL's regulatory requirements associated with this potential capacity and/or energy arrangement.

The Bidder is responsible for the location, acquisition, and development of the plant site and other needed land which is needed for new generating units.

The Bidder will also be completely and solely responsible for ensuring that the implementation of any and all parts of the proposal is carried out in full compliance with any changes, modifications, or additions to laws, regulations, and ordinances (including environmental) that affect the proposal. FPL shall not bear any price or cost risk associated with any such changes, modifications, or additions, except in the case of turnkey proposals when, once FPL assumes ownership of the facility, FPL is responsible for such price or cost risks.

The Bidder is also completely responsible for securing, locating, or guaranteeing any emissions allowances or credits which may be required by the Title IV Clean Air Act Amendments or other federal, state, or local requirements to allow the construction and/or operation of the proposed facility. Turnkey proposal Bidders must secure the emission allowances or credits necessary to construct and operate the facility until ownership of the facility is transferred to FPL.

If a Bidder's proposal is based on a generating unit that is to be constructed, the Bidder is obligated to undertake reasonable public outreach activities with the local community. These outreach activities will be designed to enhance the likelihood that the new unit will receive all local permits and approvals necessary to build and operate the unit. (FPL, at its sole discretion, has the option to assist with these outreach activities.)

All Bidders are completely and solely responsible for all financing activities related to the project; engineering, design, procurement and construction of all aspects of the facility, including, but not limited to, the power block, environmental control systems, fuel delivery systems, electrical interconnections, etc.; the sourcing and contracting for a reliable fuel supply; and any other activity required for the reliable delivery of firm capacity and/or energy to FPL at the identified delivery or interconnection point.

The Bidder must secure with the appropriate transmission provider(s) all needed transmission facilities and arrangements required to bring the firm capacity and/or energy to FPL. FPL prefers proposals for facilities that are

directly connected to FPL's transmission system, although any proposal with firm transmission shall be considered.

All costs associated with the design, construction, operation and maintenance of the transmission interconnection facilities associated with the delivery of firm capacity and/or energy to FPL will be the responsibility of the Bidder.

Winning Bidder(s) of firm capacity and/or energy proposals agree by the act of submitting their proposal to file, as needed, an application under the Florida Power Plant Siting Act and to support, as requested by FPL, any FPL regulatory proceeding(s) related to firm capacity purchases, turnkey projects, and/or energy purchases from renewable energy sources emanating from this solicitation.

In compliance with Rule 25-22.082, Florida Administrative Code, each participant (Bidder of a firm capacity proposal) is required

...To publish a notice in a newspaper of general circulation in each county in which the participant's proposed generating facility would be located. The notice shall be at least one-quarter of a page and shall be published no later than 10 days after the date that proposals are due. The notice shall state that the participant has submitted a proposal to build an electrical power plant and shall include the name and address of the participant submitting the proposal, the name and address of the utility that solicited proposals, and a general description of the proposed power plant and its location.

The Bidder of a firm capacity proposal must provide FPL with a copy of the newspaper notice mentioned above within seven (7) days of the notice appearing in the paper. The copy of this notice should clearly indicate the name of the newspaper and the date on which the notice appeared in the newspaper. ***Failure to provide this notice may be grounds for deeming the Bidder's proposal ineligible or non-responsive.***

C. Regulatory Provisions

- 1) Any negotiated contract for the purchase of capacity and/or energy between FPL and a Bidder will be conditioned upon approval or acceptance of such contract without substantial change by any and all regulatory authorities that have, or claim to have, jurisdiction over any or all of the subject matters of this RFP and/or resulting contracts, including, without limitation, the Florida Public Service Commission and the Federal Energy Regulatory Commission.

- 2) Any negotiated contract for the purchase of capacity and/or energy between FPL and the Bidder will be subject to termination by FPL in the event that the Florida Public Service Commission fails to allow cost recovery of all the costs incurred pursuant to the contract.
- 3) If after the negotiation of any contract between FPL and a Bidder resulting from this RFP, the State of Florida, through legislation or act of the Florida Public Service Commission, either allows developers/owners of steam or nuclear power plants of greater than 75 MW intended to sell at wholesale to petition for a determination of need without their plants being committed to a retail serving utility or otherwise deregulates Florida's electric utility industry, FPL shall have the option to, within one (1) year of the State of Florida's action and after giving ninety (90) days written notice, either (i) terminate the negotiated contract, or (ii) shorten by half the original contract term and associated payments.

III. Proposal Development and Evaluation

A. FPL's RFP Contact Person

All proposals submitted for this RFP, plus all inquiries or communication about the RFP, are to be directed to:

Steve Sim
RFP Contact Person
Florida Power & Light Company
Resource Assessment & Planning Department
9250 West Flagler Street
Miami, Florida 33174
e-mail: steve_r_sim@fpl.com
Telephone: (305) 552-2246 (day)
Fax: (305) 552-2716

B. Completion of the Proposal

Bidders should follow all instructions contained in this RFP and provide all information requested on the forms in Section V of this document. Bidders are also expected to provide supporting documentation, and answer any followup questions from FPL, as requested.

C. Submitting the Proposal

All proposals must be received by the RFP Contact Person by 4:00 p.m. on September 14, 2001. Bidders should submit one (1) bound hard copy, plus

an electronic copy of the completed forms on a diskette (supplied with the RFP), by this date and time.

D. Pre-Bid Activities

1) Pre-Bid Workshop

FPL intends to hold a Pre-Bid Workshop in Miami on Friday, August 24, 2001, from 9:00 a.m. to noon. The purpose of the Pre-Bid Workshop is to respond to questions about the RFP from potential Bidders.

Admission to the Pre-Bid Workshop will be limited to only those parties who have paid the non-refundable \$500 RFP registration fee and have received a copy of the RFP document in return. Admission is further limited to two (2) people from each of these parties.

All parties who intend to attend the Pre-Bid Workshop are strongly encouraged to submit a written list of questions to the RFP Contact Person by August 20, 2001.

2) Notice of Intent to Respond to the Solicitation

Any party wishing to bid is required to submit to FPL a Notice of Intent to Respond to the Solicitation (NOI) form by 4:00 p.m. on August 31, 2001.

A non-refundable check for \$500 made payable to "Florida Power & Light Company" must accompany the NOI form submittal. Section IV.B. provides details of the required NOI form.

E. RFP Fees

There are three (3) fees connected with this RFP:

1) Initial Registration Fee (Applicable to All)

A non-refundable \$500 registration fee must be paid by any party wishing to register initially to participate in the RFP. This registration fee enables the party to receive this RFP document and allows two (2) individuals to attend the Pre-Bid Workshop.

This fee needs to be paid by check made out to “Florida Power & Light Company” and delivered to FPL’s RFP Contact Person.

2) NOI Fee (Applicable to All)

Another non-refundable \$500 fee must be paid by all parties who notify FPL of their intent to bid. This step is necessary for any party who decides to submit a bid.

This fee needs to be paid by check made out to “Florida Power & Light Company” and delivered to FPL’s RFP Contact Person by 4:00 p.m. on August 31, 2001.

3) Evaluation Fee (Applicable Only to Firm Capacity and Energy Proposals)

In order for a firm capacity and energy proposal to be evaluated, a non-refundable (except for Bids deemed ineligible or otherwise non-responsive) check of \$9,000 made out to “Florida Power & Light Company” must be submitted to the FPL RFP Contact Person at the same time and date (by 4:00 p.m. on September 14, 2001) as the proposal. If more than one proposal is submitted by a specific Bidder, then a separate, non-refundable \$9,000 check must accompany each proposal.

(Note that no Evaluation Fee is required of firm capacity and energy proposal Bidders who fall into one of the following categories: Small Power Producer or other Qualifying Facility using renewable or non-fossil fuel, a Qualifying Facility with a design capacity of 100 kw or less, or a Solid Waste Facility. In addition, no Evaluation Fee is required of a Bidder proposing energy from a renewable energy source.)

F. Proposal Confidentiality

Other than the information to be submitted on the Public Information Regarding Proposal Form (see Section IV.C.), FPL will take reasonable precautions and use reasonable efforts to protect proprietary and confidential information contained in a proposal, provided that such information is clearly identified by the Bidder as “Proprietary and Confidential” on the page(s) on which the information appears. FPL requests that this clear identification be done by highlighting/shading the sensitive information on the forms. (A blanket statement that an entire page

or proposal is proprietary and confidential will not be considered clear identification.)

FPL will attempt to maintain the confidentiality of the clearly identified proprietary and confidential information in the proposals. However, this information may have to be disclosed to the Florida Public Service Commission and/or to third parties in regulatory and/or legal proceedings. In such cases, Bidders assume responsibility for assisting FPL in the protection of their confidential information. This assistance may include providing justification for confidential treatment of the identified proprietary and confidential portions of their proposals, providing supporting affidavits, and considering entering into non-disclosure agreements designed to protect their confidential information.

G. Proposal Evaluation

In this RFP, FPL is requesting both price- and non-price information about each proposal. The forms described in Section IV and presented in Section V seek information about a number of attributes of each proposal including, but not limited to, the following:

- The costs of either firm capacity and energy or energy from renewable energy sources, plus the timing/structure of these costs;
- whether the Bidder has a firm fuel supply for the duration of the proposed contract;
- the heat rate of the generating unit(s) to be used to supply the firm capacity and energy;
- the amount of capacity (MW) and/or energy (MWH) offered, availability of the resource, and length of time the capacity and/or energy is offered;
- the financial viability and experience of the Bidder;
- the pollution control equipment/strategy to be utilized and the projected emission rates of the generating unit(s);
- the cooling method to be utilized;
- the dispatchability of the generating unit(s) to be used to supply the firm capacity and/or energy; and,
- the deliverability of the firm capacity and/or energy (in terms of construction schedules, transmission interconnection arrangements, etc.)

The actual evaluation of the individual proposals will involve a three (3) – step process:

1) **A “Pass/Fail” Screening**

In this initial step submittals that are ineligible or otherwise non-responsive to the RFP will be screened out. Submittals may be deemed ineligible or non-responsive for various reasons including, but not limited to, the following:

- One or more of the applicable Minimum Requirements for proposals were not met;
- the applicable fees were not received by the due dates;
- the delivery dates for the capacity and/or energy are not responsive to the delivery dates listed in the RFP;
- failure to publish the required newspaper notice or to timely inform FPL of this notice;
- a proposal is based on using FPL’s fuel supply; and,
- the proposal’s capacity and/or energy does not come solely from supply side resources.

Submittals that are screened out in this initial step will be returned to the Bidder, along with the accompanying Evaluation Fee, and will not be analyzed further.

2) **Economic Evaluation:**

In this step all remaining (after the initial screening) proposals will be evaluated to determine their economic impacts on the FPL system. Depending upon the capacity size (MW) offered in firm capacity and energy proposals and FPL’s resource needs, a proposal may be evaluated by itself and/or in combination with other proposals.

The economic evaluation will seek to identify (a) the firm capacity and energy proposal(s) which result in the lowest electric rates for the FPL system, and (b) the energy from renewable energy source proposal(s) which provides the best combination of energy amount to be supplied and cost of that energy. Therefore, the evaluation will examine each proposal’s impact on the entire FPL system including the estimated impact on FPL’s cost of capital associated with entering into a purchased power agreement. It is anticipated that the EGEAS model, plus various spreadsheet approaches, will be utilized in this evaluation and that the evaluation will be conducted by FPL’s Resource Assessment & Planning Department.

3) **Other Considerations**

In this final step, the proposals which were deemed the best economic choices for FPL’s system will be evaluated for various risk factors and

other considerations in order to determine which proposal(s) would be the best overall choice(s) for FPL. Factors which may be considered include, but are not necessarily limited to, the following:

- experience/track record of the Bidder;
- financial viability of Bidder;
- number and type of exceptions taken to the terms, conditions, and other facets of this RFP;
- proposed performance criteria;
- reasonableness of construction schedule milestones;
- operating and permitting limitations;
- likelihood of being able to deliver the proposed capacity and energy to FPL's system through transmission systems;
- likelihood of success in receiving all permits and approvals necessary to build and operate a generating unit;
- security of fuel supply;
- water supply;
- facility location;
- dispatchability and maintenance considerations; and,
- other value-added benefits (if any).

FPL seeks to identify the proposal(s) with the best combination of low economic impact, low risk, and other desirable attributes. FPL reserves the right to analyze proposals in detail, to reject any and all proposals in whole or in part, and to award a contract or contracts which FPL, in the exercise of reasonable discretion, believes to be in its best interest and the best interests of its customers.

H. FPL's Self-Build and Contract Extension Options

Once FPL has evaluated all of the proposals and developed a short list of these proposals, FPL will determine whether to pursue negotiations with the short list Bidders, reject all bids and decide to build and/or extend existing purchase contracts, or proceed with a combination of negotiations with short list Bidders, building its own unit(s), and/or extending existing purchase contracts.

IV. Discussion of Bidder's Forms

A. Overview of the Required Ten (10) Forms

There are ten (10) forms that all Bidders must complete and return to FPL by the specified dates. These forms and the corresponding specified dates and times are as follows:

<u>Form Number</u>	<u>Specified Date and Time for Submittal</u>
Form # 1	4:00 p.m. on August 31, 2001
Forms # 2 – 10	4:00 p.m. on September 14, 2001

These completed forms and requested attachments to these forms will, collectively, comprise a Bidder's proposal. If a Bidder is submitting more than one proposal, a separate set of forms must be completed for each proposal. These ten forms are described in the remainder of this Section.

The Bidder should submit one (1) bound hard copy of the proposal that contains the forms and requested information, and an electronic copy of the completed forms on a diskette, along with the applicable fee. A diskette containing electronic versions of the forms is attached to this RFP. (Note that a hard copy of Form #1 must be submitted separately by 4:00 p.m. on August 31, 2001 along with the applicable fee.) The Bidder must complete the forms contained on the diskette and return the diskette, plus the bound hard copy of the completed forms, plus the applicable fee, by 4:00 p.m. on September 14, 2001.

As previously discussed in Section III. F., FPL intends to treat as confidential all information contained in proposals which is clearly identified as "Proprietary and Confidential" except for the information to be submitted on Form # 2, Public Information Regarding Proposal. FPL requests that Bidders highlight/shade information on the forms that they want treated as "Proprietary and Confidential".

B. Discussion of Form # 1: Notice Of Intent To Respond To The Solicitation

Any person or entity intending to submit a proposal must return a completed Notice of Intent to Respond to the Solicitation (NOI) form to FPL by 4:00 p.m. on August 31, 2001, along with a non-refundable fee of \$500 made payable to "Florida Power & Light Company", to maintain eligibility. Prospective Bidders must deliver the NOI form to the address shown in Section III.A. of this solicitation. If the NOI form and/or accompanying check are not received from a prospective Bidder by 4:00 p.m. on August

31, 2001, this constitutes grounds for deeming any subsequent proposal received from this prospective Bidder as ineligible.

The prospective Bidder's address supplied on the NOI form will be used by FPL to provide any notices or additional information to the prospective Bidder.

C. Discussion of Form # 2: Public Information Regarding Proposal

In order to provide general information to the public about the proposals received in response to this RFP, FPL requires that all proposal submittals include a completed Public Information Regarding Proposal form and an attached list of projects undertaken (constructed and/or operated) by the Bidder that are similar to the project being proposed by the Bidder in response to FPL's RFP. *The information contained in this form will be treated as non-confidential and non-proprietary and may be released to the public at the sole discretion of FPL.*

D. Discussion of Form # 3: Executive Summary of the Proposal

A one (1) -- to -- three (3) page summary of the proposal and the Bidder is sought on this form. This executive summary should highlight any major value-added features of the proposal.

E. Discussion of Form # 4: Financial Information

To mitigate risk, FPL will examine the Bidder's credit/corporate profile and financial guarantees. The Bidder should have either:

- 1) A corporate bond rating of BBB or above from at least two rating agencies, one of which should be either Moody's or Standard & Poor's; or,
- 2) A commercial paper rating of 1 or 2 from at least two rating agencies, one of which should be either Moody's or Standard & Poor's ; or
- 3) A Dunn & Bradstreet credit appraisal rating of 1 or 2.

This form requests the Bidder's and, if applicable, the parent/affiliate guarantor's corporate ratings for the three above-mentioned indices. If the Bidder or parent/affiliate guarantor does not have a corporate bond rating, commercial paper rating, or credit appraisal rating at the levels described above, then some form of additional security beyond that described in Section IV.H. (2) may be required by FPL in order to execute an agreement with the Bidder. Such a Bidder who does not show at least one financial rating for

itself or its guarantor at the levels listed above must propose the type and amount of the additional security they offer on Form # 4.

This security could be an irrevocable, unconditional letter of credit from a financial institution acceptable to FPL, a parent or affiliate guarantee (provided the parent or affiliate meets the credit requirements listed above) in form and substance acceptable to FPL, or an actual deposit of funds.

The type and amount of security required for any final agreement will depend upon the amount of firm capacity and/or energy involved in the proposal and an assessment of the risk that FPL takes by entering into an agreement with the Bidder.

If a Bidder will be relying on any parent /affiliate guarantees, the Bidder shall also include a description of the corporate relationship between the Bidder and the guarantor and provide a statement regarding the proposed guarantor's willingness to guarantee the Bidder's obligations.

F. Discussion of Forms # 5A and # 5B: Operations & Engineering Information

For Form # 5A

Bidders submitting a proposal for firm capacity and energy must complete Form # 5A. Using this form, the Bidder must submit a detailed description of the performance of the generating facility or system facilities from which the firm capacity and energy sale will originate and describe various performance attributes. This description must be done in two parts.

Part 1 is basic information to be supplied on Form # 5A. Part 2 is information describing the following seven (7) items which is to be developed by the Bidder and added to Form # 5A:

1. Net reactive capability (leading and lagging)
2. Host dependency (if facility is a cogenerator).
3. Regulated voltage range
4. Any start-up and shut down operating restrictions
5. Dispatchability

FPL prefers to be able to dispatch the facility as if it were its own unit. This includes, but is not limited to, the following rights with respect to the facility/facilities:

- the right to commit and decommit;
- the right to control the real and reactive power output; and,
- the right to request and receive a specific output level from the facility with or without regards to system economics (e.g., to regulate the system, to control voltage levels, to verify the facility's/facilities' claimed capability, or due to safety or reliability reasons.)

FPL expects to be able to exercise its rights in full or in part at any time and at its own discretion. FPL may, at its option, dispatch the facility/facilities through Automatic Generation Control (AGC) or manually by directions to the Seller.

To better understand a proposal's dispatch potential, FPL may consider factors such as: ramp rates; incremental generating costs; incremental power purchase costs; incremental transmission losses; minimum and maximum range of operation (real and reactive power); hot and cold start-up times; minimum downtime; load following capability; and the ability to commit and decommit the facility (cycling) and any restriction on the total number of times or the frequency (e.g., once per day) of cycling the facility.

Bidders shall provide sufficient information on the above factors to allow FPL to consider the proposal's capabilities and desirability in this area.

6. Reactive Control

FPL currently operates an extensive high-voltage transmission system throughout the southwestern and eastern portions of Florida (which is expected to later be operated by Grid Florida). In a variety of contingencies and operating scenarios, portions of this transmission system may be voltage-limited. As such, the reactive capability and control strategies of generating resources are very important. Units with greater power factor capability are preferred.

7. Facility Outages

FPL expects that facility outages will be coordinated with, and acceptable to, FPL to meet its system needs. Bidder shall specify

in the proposal a number of hours per calendar year to perform its facility maintenance/repair (“Planned Outage Hours” on Form # 5A). By May 1st of the year preceding the Capacity Delivery Date, and by May 1st of the year preceding each succeeding calendar year of the Contract, the Seller shall submit to FPL its desired schedule of maintenance periods (“Scheduled Outages”) for the following calendar year. Under no circumstances shall the Seller be permitted to request Scheduled Outages during the following months: January, February, June, July, August, September, and December. Following the Capacity Delivery Date, the Seller may request additional outages (“Maintenance Outages”) for the purpose of performing work on specific components of the facility/facilities that would limit its output and which should not, in the reasonable opinion of the Seller, be postponed until the next Scheduled Outage. FPL will notify the Seller whether its requested outages (both Scheduled and Maintenance) are acceptable or whether they need to be rescheduled. The sum of Scheduled Outages and Maintenance Outages shall not exceed the Seller’s total Planned Outage Hours included in the Bid. All other outages will be considered Forced Outages and may serve to reduce capacity payments through a performance adjustment mechanism as discussed in Section I.H. (Bids that do not provide assurance of scheduling flexibility and/or coordination in the scheduling of the facility’s/facilities’ maintenance may be rejected exclusively on that basis.)

For Form # 5B

Bidders submitting a proposal for energy from renewable energy sources must complete Form # 5B. In this form, FPL seeks information regarding capacity (MW) ratings under Summer and Winter peak hour conditions as well as under average Spring/Fall conditions. Information is also sought regarding guaranteed annual minimum energy (MWH) deliveries, projected annual average and annual maximum energy deliveries, and projected monthly percentages of the projected annual average energy deliveries.

G. Discussion of Forms # 6A, # 6B, and # 6C: Pricing Information

Pricing for firm capacity and energy proposals that offer power purchases only, or that initially offer power purchases prior to a turnkey facility sale to FPL, must be presented on Pricing Information Form # 6A. Pricing for firm capacity and energy proposals that offer the sale of turnkey facilities to FPL must also be presented on Pricing Information Form # 6B. Finally, pricing for all energy proposals using renewable energy sources must be presented on Pricing Information Form # 6C.

For Form # 6A

1) Capacity Pricing

The Bidder must provide guaranteed, fixed price capacity payment values for the term of the proposed contract. Form # 6A requires that the total capacity payment be broken out for evaluation purposes into 3 components: generation and fuel delivery capital, transmission interconnection capital, and fixed O&M and capital replacement costs.

Proposals must include all costs of delivering capacity and energy to the FPL system over intervening transmission systems. Transmission integration costs within FPL's system will be addressed at a later date after identification of a short list of Bidders.

2) Energy Pricing

The Bidder must provide a guaranteed heat rate for the proposed term of the contract. This guaranteed heat rate will be used in determining the energy prices of the proposal and in evaluating the economic impact of the proposal on FPL's system.

The Bidder may also submit a guaranteed fuel commodity and a guaranteed fuel transportation price for the proposed term of the contract. (If the Bidder does not wish to provide guaranteed fuel commodity and transportation prices for the proposed term of the contract, FPL will use its own fuel cost projections for the purposes of proposal evaluation.)

In addition, the guaranteed annual variable O&M costs of the proposal for the term of the contract must also be provided.

3) Startup Pricing

The Bidder's guaranteed startup prices in \$/startup must also be provided. Successful starts are limited to one per dispatch cycle.

For Form # 6B

Pricing-related information required for the proposed sale of a turnkey facility is as follows:

- Date (month/day/year) of the proposed sale of the turnkey facility to FPL;

- guaranteed sale price of the proposed facility on the Sale Date in total dollars (with the transmission interconnection price component also separately identified); *
- guaranteed heat rate for the unit(s);
- projected average annual fixed O&M cost (\$/guaranteed Summer kw) over a ten (10)-year period from the Sale Date assuming no escalation over time;
- projected average annual variable O&M cost (\$/mwh) over a ten (10)-year period from the Sale Date assuming no escalation over time; and,
- projected average annual capital replacement cost (total dollars/year) over a ten (10)-year period from the Sale Date assuming no escalation over time.

* Turnkey proposal total sale pricing must cover all costs of delivering power to the FPL system over intervening transmission systems. Transmission integration costs within FPL's system will be addressed at a later date after identification of a short list of Bidders.

For Form # 6C

Pricing information for energy proposals utilizing renewable energy sources may be quoted in terms of guaranteed energy only payments (\$/MWH) or in terms of both guaranteed energy (\$/MWH) and guaranteed capacity (\$/kw-month) payments. Form # 6C requests the following information:

- guaranteed energy price (\$/MWH) for each year of the proposed contract; and,
- (optional) guaranteed capacity price (\$/kw-month) for each month of the proposed contract.

All project costs must be included in these prices. Proposal prices must include all transmission-related costs of either delivering energy to the FPL system over intervening transmission systems or direct interconnection to FPL's system, whichever is appropriate. Transmission integration costs within FPL's system will be addressed at a later date after identification of a short list of Bidders.

H. Discussion of Form # 7: Key Milestones & Completion Security Agreement

1) Key Milestones

FPL's ability to maintain a certain level of system reliability for its customers and/or meet its customers needs will be dependent upon the Bidder's ability to meet the contracted Capacity and/or Energy Delivery Date. Since there is a possibility that the Bidder will not meet this date, FPL may have to make alternate arrangements to cover the capacity and/or energy shortfall. This will require FPL to monitor the Bidder's progress. Therefore, the Bidder will provide a list of key project milestones and their expected completion dates on part 1) of this form.

2) Completion Security Agreement (for firm capacity and energy Bids only)

The Capacity Delivery Date (CDD) listed on Form # 7 will be financially tied to the FPL-Bidder contract by a Completion Security Agreement. FPL prefers the following Completion Security Agreement:

The contract will provide for the payment by the Bidder to FPL of a deposit (or other form of security acceptable to FPL) in an amount equal to Fifty Thousand Dollars (\$50,000) per MW of proposed guaranteed Firm Capacity to ensure completion of the facility/facilities by the anticipated Capacity Delivery Date (CDD). If the CDD does not occur on or before [the contracted date], FPL shall immediately be entitled to draw down the Completion Security in full, and in addition, FPL may, but shall not be obligated to, allow the facility/facilities up to an additional five (5) months to achieve the CDD. If the facility/facilities fail to achieve the CDD either by [the contracted date] or by such later date as permitted by FPL at its sole discretion, FPL also shall have no obligation to make any capacity payments under the Contract, and the Contract shall be rendered null and void and of no further effect. The Parties acknowledge that the injury that FPL will suffer as a result of delayed availability of Firm Capacity of the Proposal and associated energy is difficult to ascertain and that FPL may have to accept this deposit as liquidated damages or resort to any other remedies which may be available to it under law or in equity.

Part 2) of this form requests the Bidder to indicate agreement or disagreement with the Completion Security Agreement language above. If the Bidder indicates disagreement, the Bidder is instructed to present revised language concerning a Completion Security Agreement that is acceptable to the Bidder.

I. Discussion of Form # 8: Delivery Point(s) to FPL

This Form is intended to identify the location of the delivery point(s) of each proposed capacity and/or energy source. Preference will be given to projects that directly connect to the FPL system and that are located close to FPL's load centers.

J. Discussion of Form # 9: Bidder Exceptions

All Bidders must complete and return the Bidder Exceptions form as part of their proposal submittal. On this form, the Bidder must either indicate that they take no exceptions to any of the terms, conditions, or other facets of the RFP or must indicate that they do take exception(s). In the case in which one or more exceptions are taken, then for each term, condition, or other RFP facet to which an exception is taken, the revised language the Bidder proposes must be presented in writing.

FPL will give preference to Bids with the fewest number of and least significant exceptions. FPL will not consider proposed exceptions to the RFP's Minimum Requirements.

K. Discussion of Form # 10: Proposal Certification

All Bidders must complete and return the Proposal Certification form as part of their proposal submittal. An Officer of the bidding company is to certify that all information contained in the Bidder's proposal is complete and accurate; that the terms, conditions, and other facets of the RFP are acceptable, except as specifically noted by the Bidder on Form # 9; the proposal has been submitted in the legal name of the entity which would be bound by any resulting contract; and the offer is firm and will remain open for 390 days from September, 14, 2001.

The copy of this form that is included in the bound hard copy of the proposal must be signed by an Officer of the bidding company.

V. Bidder's Forms

The blank forms that follow on the remaining pages of this Section are the required forms which must be completed by all Bidders for each project they wish to offer.

FPL Capacity & Energy RFP

Form # 1: Notice of Intent to Respond to the Solicitation

Facility Name: _____

The company listed below (lines #12 or #13) intends to respond to the FPL Capacity & Energy RFP with a proposal(s). Preliminary information regarding the proposal(s) is as follows:

- 1) Facility Location (If known): _____
- 2) New or Existing Facility: _____
- 3) Type of Generating Technology: _____

- 4) Type of Proposal (Check one):
 Firm capacity & energy _____
 Energy from renewable energy sources _____

5) Fuel: Primary: _____ Secondary: _____

- 6) Bidder Classification (Check One):
 Utility (retail serving): _____
 Independent Power Producer: _____
 Small Power Producer: _____
 Cogenerator: _____
 Other (explain): _____

7) Estimated Firm Capacity Net (MW) to FPL: (for firm capacity and energy proposals only)

 Summer _____ Winter _____

8) Estimated Annual Energy (MWH) to FPL: (For energy from renewable energy source proposals only)

 MWH: _____

9) Proposed Capacity and/or Energy Delivery Date: _____

10) Contract Ending Date: _____

11) Thermal Host (if applicable): _____

FPL Capacity & Energy RFP

Form # 1: Notice of Intent to Respond to the Solicitation

Facility Name: _____

12) Bidder:

Company Name: _____

Contact Person: _____

Position Title: _____

Courier Address: _____

Mailing Address: _____

Telephone: _____

Fax: _____

E-Mail: _____

13) Legal name of actual party which will be bound by any resulting contract with FPL, if different from company name shown above on line #12: _____

14) The following representatives are anticipated to be in attendance at the Pre-Bid Workshop to be held in Miami on August 24, 2001 (name and title):

1) _____

2) _____

15) Form Completed by: _____

Title: _____

Phone: _____

FPL Capacity & Energy RFP

Form # 2: Public Information Regarding Proposal

- Facility Name: _____
- 1) Name of Bidding Company: _____
- 2) Type of Generating Technology: _____
- 3) Type of Bid (Check one):
Firm capacity and energy _____
Energy from renewable energy sources _____
- 4) Type of Project (Check One):
Purchased Power _____
Turnkey _____
Other: (Specify:) _____
- 5) Location of Generating Facility: _____
- 6) Fuel: Primary: _____ Secondary: _____
- 7) Bidder Classification (Check One):
Utility (retail serving): _____
Independent Power Producer: _____
Small Power Producer: _____
Cogenerator: _____
Other (explain): _____
- 8) Proposed Guaranteed Firm Capacity (Net MW) to FPL: (for firm capacity & energy proposals only)
Summer: _____ Winter: _____
- 9) Proposed Guaranteed Annual Minimum Energy (MWH) to FPL: (for energy from renewable energy sources proposals only)
MWH: _____
- 10) Proposed Capacity and/or Energy Delivery Date: _____
- 11) Contract Ending Date: _____

FPL Capacity & Energy RFP

Form # 2: Public Information Regarding Proposal

Facility Name: _____

12) Use the space below to list of all major projects undertaken (constructed and/or operated) by the Bidder or Bidder's affiliates/parent company during the last five (5) years which are similar to the project being proposed by the Bidder in response to FPL's RFP.

13) Bidder: Company Name: _____

Contact Person: _____

Position Title: _____

Telephone: _____

FPL Capacity & Energy RFP

Form # 3: Executive Summary of the Proposal

Facility Name: _____

Please provide a one (1) - to - three (3) page summary of the proposed project and the Bidder.

FPL Capacity & Energy RFP

Form # 4: Financial Information

Facility Name: _____

1) Bidder's Legal Name _____

2) Physical Address: _____

3) Financial/Credit Contact Person:

Name: _____

Position Title: _____

Telephone: _____

Fax: _____

E-Mail: _____

4) Federal Tax Identification Number: _____

5) Bidder is (check all that apply):

_____ Corporation	_____ Sole Proprietorship
_____ Partnership	_____ Limited Liability Company
_____ Joint Venture	_____ Limited Liability Partnership
	_____ Other (attached description)

6) State in which Bidder is incorporated or organized: _____

7) Bidder Information:

a) Dunn & Bradstreet Identification Number: _____

b) Corporate Bond Ratings: _____ Sources: _____

c) Commercial Paper Ratings: _____ Sources: _____

d) Dunn & Bradstreet Credit Appraisal Rating: _____

FPL Capacity & Energy RFP

Form # 4: Financial Information

Facility Name: _____

8) (If applicable) Parent/Affiliate Guarantor Information:

a) Name of parent/affiliate guarantor: _____

b) Dunn & Bradstreet Identification Number: _____

c) Corporate Bond Ratings: _____ Sources: _____

d) Commercial Paper Ratings: _____ Sources: _____

e) Dunn & Bradstreet Credit Appraisal Rating: _____

9) If Bidder is relying on any parent/affiliate guarantees, use the space below to describe the corporate relationship between the Bidder and the guarantor and to provide a statement regarding the proposed guarantor's willingness to guarantee the Bidder's obligation.

10) For Bidders whose financial ratings, or the ratings of their parent/affiliate guarantor listed above, do not meet at least one of the criteria identified in Section IV.E., the Bidder must use the space below to propose the form and amount of the additional security they offer.

FPL Capacity & Energy RFP**Form # 5A: Operations & Engineering Information for Firm Capacity Bids**

Facility Name: _____

Part 1:

1) Type of Generating Unit (Combustion Turbine, etc.): _____

2) Check One: New Unit _____ Existing Unit _____

 System Sale _____

If "Existing Unit", Date of Commercial Operation: _____

If "New Unit", Manufacturer Name: _____

Model Number: _____

If "System Sale", use this space to provide details of the system sale: _____

3) Firm Capacity (Net MW) of Proposal:

In Summer (95 ° F.): _____ (Guaranteed Summer Capability)

In Winter (35 ° F.): _____ (Guaranteed Winter Capability)

At 75 ° F: _____

4) Heat Rate (BTU/kwh) at:

75 ° F. 100% Load, HHV _____ (Guaranteed Heat Rate)

75 ° F. 75% Load, HHV _____

75 ° F. 50% Load, HHV _____

5) Response (Ramp) Rates:

Under Manual Control : + _____ MW/Minute

Under Manual Control : - _____ MW/Minute

Under AGC: + _____ MW/Minute

Under AGC: - _____ MW/Minute

Turnaround rate: _____ MW/Minute

6) Minimum Run Time: _____ Hours

7) Minimum Shut-down time: _____ Hours

8) Start-up Time from Cold Conditions: _____ Hours

Start-up Time from Warm Conditions: _____ Hours

FPL Capacity & Energy RFP

Form # 5A: Operations & Engineering Information for Firm Capacity Bids

Facility Name: _____

9) Start-up Time from Hot Conditions: _____ Hours
Maximum Allowable Cycles (No. per Year): _____

10) Fuel Information:
Primary Type of Fuel: _____
Secondary/Backup Type of Fuel: _____

Secondary/Backup Fuel Stored On-Site (Check One): _____ Yes _____ No

If "Yes", number of hours unit can run at full output from on-site Secondary/Backup fuel storage facility without this stored fuel being replenished: _____ Hrs

11) Availability and Outage Information:

Table with 4 columns: Contract Year, Equivalent Availability Factor (%), Equivalent Forced Outage Rate (%), Guaranteed Planned Outage Hours * (hrs/yr). The table contains multiple rows of blank lines for data entry.

* As described in Section IV.F.(7).

FPL Capacity & Energy RFP

Form # 5A: Operations & Engineering Information for Firm Capacity Bids

Facility Name: _____

12) Transmission Facilities Information:

a) FPL Queue:

Does the generating unit on which the proposal is based currently have a place in FPL's Transmission Queue? (Check One) _____ Yes _____ No

If "Yes" list the Queue position number: _____

List all Queue-related studies completed by FPL in regard to this project: _____

Attach a copy of each of these completed studies to this form in the bound hard copy of the Proposal.

b) Other Utility Queues:

Will another utility's transmission system have to be used to deliver the proposed capacity and energy to FPL? (Check One): _____ Yes _____ No

If "Yes", list the name of the other utility: _____

Does the generating unit on which the proposal is based currently have a place in this other utility's transmission Queue ? (Check One): _____ Yes _____ No

If "Yes" list the Queue position number and name of the Queue: _____

List all other Queue-related studies in regard to this project: _____

13) Environmental Information:

a) NOx control equipment/strategy to be implemented: _____
NOx emission rate (lbs/mmBTU) _____

b) SO2 control equipment/strategy to be implemented: _____
SO2 emission rate (lbs/mmBTU) _____

FPL Capacity & Energy RFP

Form # 5A: Operations & Engineering Information for Firm Capacity Bids

Facility Name: _____

c) Cooling/Water Information:

Cooling method to be utilized: _____
 Total amount of water needed (gals/day): _____
 Source of water to be used (surface water, groundwater, gray water, other - specify): _____
 Water discharge points and quantities (surface water, groundwater, other - specify): _____

d.) Land Use/Zoning Information: (Continued)

Current land use designation:
 Change needed in land use designation? (Check One): _____ Yes _____ No
 Current zoning designation: _____
 Change needed in zoning designation? (Check One): _____ Yes _____ No
 Comprehensive Plan amendment needed? (Check One): _____ Yes _____ No

14) Operating Limitations:

Describe in detail any operating/run hour limitation due to the facility's design or contained in applicable permits or environmental regulations.

Part 2:

Use this space to provide the additional information requested for the seven (7) items discussed in Section IV.F.

FPL Capacity & Energy RFP

Form # 5B: Operations & Engineering Information for Renewable Energy Bids

Facility Name: _____

1) Description of technology and fuel source to be used in the project:

2) Capacity (Net MW output) rating:

At Summer Peak Hour (95 degrees F., 4-5 p.m.): _____

At Winter Peak Hour (35 degrees F., 7-8 p.m.): _____

At 75 degrees F.: _____

3) Annual Minimum MWH delivery: _____ (Guaranteed)

4) Projected Annual Maximum MWH delivery: _____

5) Projected Annual Average MWH delivery: _____

Projected Monthly Percentages of Projected Annual Average MWH delivery:

Jan _____	Jul _____
Feb _____	Aug _____
Mar _____	Sep _____
Apr _____	Oct _____
May _____	Nov _____
Jun _____	Dec _____

FPL Capacity & Energy RFP

Form # 6A: Pricing Information for Firm Capacity Bids

Facility Name: _____

1) Capacity Pricing (Guaranteed):

Contract Year	(1) Generation & Fuel Delivery Capital Payment (\$/kw-month)	+	(2) Transmission Interconnection Payment (\$/kw-month)	+	(3) Fixed O&M & Capital Replacement Payment (\$/kw-month)	-	(4)=(1)+ (2) + (3) Guaranteed Total Capacity Payment (\$/kw-month)
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____
_____	_____		_____		_____		_____

FPL Capacity & Energy RFP

Form # 6A: Pricing Information for Firm Capacity Bids

Facility Name: _____

2) Energy Pricing (Guaranteed):

Guaranteed heat rate for unit on the Primary Fuel (BTU/kwh at 75⁰ F., 100% Load, HHV): _____

Contract Year	(1) Guaranteed Fuel Commodity Price (if applicable) * (\$/mmBTU)	(2) Guaranteed Fuel Transportation Cost (if applicable) * (\$/year)	(3) Guaranteed Variable O&M (\$/MWH)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

* If not applicable, mark as "NA". (If marked as "NA", FPL's forecasted fuel prices will be used for purposes of proposal evaluation.)

3) Guaranteed Startup Prices (\$/startup): * _____ (Hot: 0 - 12 hours offline)
 _____ (Warm: 12 - 72 hours offline)
 _____ (Cold: greater than 72 hours offline)

* Successful starts are limited to one per dispatch cycle.

FPL Capacity & Energy RFP

Form # 6B: Pricing Information for Turnkey Project Sale

Facility Name: _____

- 1) Date (month/day/year) of the proposed sale of the turnkey facility to FPL: _____ / ____ / ____
- 2) Guaranteed total sale price of the proposed facility on the Sale Date (total dollars): _____
Transmission interconnection (only) cost included in total sale price above (total dollars): _____
- 3) Guaranteed heat rate for the unit(s): _____
- 4) Projected average annual fixed O&M cost over a ten (10) - year period from the Sale Date (\$/guaranteed Summer kW): _____ *
- 5) Projected average annual variable O&M costs over a ten (10) - year period from the Sale Date (\$/mwh): _____ *
- 6) Projected average annual capital replacement cost over a ten (10) - year period from the Sale Date (total dollars/year): _____ *

* assumes no escalation over time

FPL Capacity & Energy RFP

Form # 6C: Pricing Information for Energy Bids from Renewable Energy Sources

Facility Name: _____

- 1) Guaranteed energy price (\$/MWH) for each year of the proposed contract; and,
- 2) (Optional) Guaranteed capacity price (\$/kw-month) for each month of the proposed contract

(Note: If the Bidder proposes an optional guaranteed capacity price, the Bidder needs to provide both guaranteed energy prices and guaranteed capacity prices.)

Contract Year	(1) Guaranteed Energy Price (\$/MWH)	(2) (Optional) Guaranteed Capacity Price (\$/kw-month)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FPL Capacity & Energy RFP

Form # 7: Key Milestone & Completion Security Agreement

Facility Name: _____

1) Key Milestones	Expected Completion Date
a) Granted Need Determination (if applicable)	_____
b) Granted Site Certification	_____
c) Financial Closing	_____
d) Fuel Supply Arrangements Finalized	_____
e) Construction Start	_____
f) Major Equipment Deliveries (specify all)	_____
g) Acceptance Testing (specify all)	_____
h) Capacity and/or Energy Delivery Date	_____

2) Completion Security Agreement (for firm capacity Bids only):

Bidder (Insert One: "Agrees" or "Disagrees") _____ with the Completion Security Agreement provisions set forth in Section IV.H. (2) of this RFP.

If Bidder disagrees with the Completion Security Agreement provisions set forth in Section IV.H. (2) of this RFP, use the space below to present revised language concerning a Completion Security Agreement that is acceptable to the Bidder.

FPL Capacity & Energy RFP

Form # 8: Delivery Point(s) to FPL

Facility Name: _____

1) State the delivery point(s) to the FPL system: _____

2) Attach a transmission map highlighting the delivery point(s) listed above.

FPL Capacity & Energy RFP

Form # 9: Bidder Exceptions *

Facility Name: _____

* Note: FPL will not consider proposed exceptions to the RFP's Minimum Requirements for proposal eligibility.

1) With regard to this proposal, the Bidder takes no exception to terms, conditions, or other facets of the RFP (Check One): _____ Agrees _____ Disagrees

2) If the answer to item (1) above is "Disagrees", then for each term, condition, or other facet of the RFP which the Bidder takes exception to, use the space below to:

a) identify the language (citing page and paragraph) in the RFP for which an exception is made; and,

b) write out revised language proposed by the Bidder

FPL Capacity & Energy RFP

Form # 10: Proposal Certification

Facility Name: _____

The undersigned certifies that (i) all of the information submitted in its proposal to FPL is complete and accurate, (ii) the terms, conditions, and other facets of the RFP are acceptable, except as specifically noted on Form # 9, if any, (iii) the proposal has been submitted in the legal name of the entity which would be bound by any resulting contract, and (iv) the offer is firm and will remain open for 390 days from September 14, 2001.

Name of Legal Entity: _____

State of Incorporation: _____

Business Address: _____

Name of Person Certifying Proposal: _____

Title: _____

Date: _____

Telephone: _____

Signature:* _____

(* An Officer of the bidding company must sign the copy of this form which is included in the bound hard copy of the proposal.)

VI. FPL's "Next Planned Generating Unit"

A. Overview

In its 2001 Site Plan, FPL presented the following new capacity additions as its plans to meet its new capacity needs starting in 2005 and 2006:

For 2005:

- conversion of 2 combustion turbines (CT's) at FPL's existing Martin site into 1 combined cycle (CC) unit which adds 249 MW (Summer);
- conversion of 2 CT's at FPL's existing Ft. Myers site into 1 CC unit which adds 249 MW (Summer);
- construction of a new CC unit at Martin which adds 547 MW (Summer); and,
- construction of a new CC unit at FPL's existing Midway site which adds 547 MW (Summer).

For 2006:

- construction of a new CC unit at Martin which adds 547 MW (Summer).

Therefore, FPL presents these new capacity additions as its "next planned generating units" in accordance with Rule 25-22.082, Florida Administrative Code.

B. Required Information

Rule 25-22.082 (4) (a), Florida Administrative Code, requires a technical description of the utility's next planned generating units on which its RFP is based, including the following information:

- 1) a description of the utility's next planned generating unit and its proposed location;
- 2) the MW size;
- 3) the estimated in-service date;
- 4) the primary and secondary fuel type;
- 5) an estimate of the annual revenue requirements;
- 6) an estimate of the annual economic value of deferring construction;
- 7) an estimate of the fixed and variable operation and maintenance expenses;
- 8) an estimate of the fuel cost;
- 9) an estimate of the planned and forced outage rates, heat rate, minimum load and ramp rates;
- 10) a description and estimate of the costs required for associated facilities such as gas laterals and transmission interconnection;

- 11) a discussion of the actions necessary to comply with environmental requirements; and,
- 12) a summary of all major assumptions used in developing the above estimates.

C. Tables

The technical information required by Rule 25-22.082 (4) (a) is presented in Tables VI-1 through VI-5 for each of the capacity additions listed above.

Table VI – 1

Planned Unit Data – Conversion of 2 Martin CT's to 1 CC Unit in 2005

The following data represent the planned unit data estimates, which FPL utilized in its 2000 planning and is provided for information purposes only. These planning estimates have not been refined by site specific costs, detailed engineering, or vendor quotes. The final actual cost of a project could be appreciably greater or smaller than that shown. Parties responding to this RFP should rely on their own independent evaluations and estimates of project costs in formulating their proposals. FPL periodically updates its planning assumptions and will use its most current planning data to evaluate proposals and its self-build options.

1. A combined cycle generating unit to be located on FPL's existing Martin site in Martin County, Florida.
2. Planned size 547 MW (summer rating after conversion).
3. Commercial operation for the facility is proposed to be June, 2005.
4. The primary fuel is natural gas. Distillate will be the secondary fuel type.
5. The estimated total direct cost is \$108.0 million (in 2000\$).
6. The estimated annual levelized revenue requirement is \$16.5 million over 25 years.
7. The estimated annual value of deferral of this unit is \$61.03/kw-yr (2005\$ incremental summer capacity).
8. The estimated fixed O&M expense is \$5.1 million (2000\$). The estimated variable O&M is \$3.2 million (2000\$).
9. The estimated fuel cost is \$2.69/MMBtu (2005\$), plus fixed transportation at a rate of \$0.78/MMBtu.
10. The following are the estimates for:

Planned Outage Rate	1.86%
Forced Outage Rate	1.4%
Heat Rate at maximum capacity	7150 Btu/kWh
Minimum load	140 MW
Ramp Rate	0.5 hr
11. The estimated transmission interconnection costs associated with this unit are \$2.2 million (in 2000\$). In addition, this unit will have an estimated \$2.9 million (in 2000\$) of gas lateral pipeline costs.
12. Air and water discharge permits will be required for this unit. It is the Company's plan to comply with all air and water quality standards of both the State and Federal governments.
13. The major financial assumptions in the development of these numbers were:

Construction escalation	Varies by year
General escalation	2.5%
Fuel escalation	Varies by year
Capital Structure	45% debt @ 7.40%
	55% equity @ 11.8%

Table VI – 2

Planned Unit Data – Conversion of 2 Fort Myers CT’s to 1 CC Unit in 2005

The following data represent the planned unit data estimates, which FPL utilized in its 2000 planning and is provided for information purposes only. These planning estimates have not been refined by site specific costs, detailed engineering, or vendor quotes. The final actual cost of a project could be appreciably greater or smaller than that shown. Parties responding to this RFP should rely on their own independent evaluations and estimates of project costs in formulating their proposals. FPL periodically updates its planning assumptions and will use its most current planning data to evaluate proposals and its self-build options.

1. A combined cycle generating unit to be located on FPL’s existing Fort Myers site in Lee County, Florida.
2. Planned size 547 MW (summer rating after conversion).
3. Commercial operation for the facility is proposed to be June, 2005.
4. The primary fuel is natural gas. Distillate will be the secondary fuel type.
5. The estimated total direct cost is \$108.0 million (in 2000\$).
6. The estimated annual levelized revenue requirement is \$16.5 million over 25 years.
7. The estimated annual value of deferral of this unit is \$61.03/kw-yr (2005\$ incremental summer capacity).
8. The estimated fixed O&M expense is \$5.1 million (2000\$). The estimated variable O&M is \$3.2 million (2000\$).
9. The estimated fuel cost is \$2.69/MMBtu (2005\$), plus fixed transportation at a rate of \$0.78/MMBtu.
10. The following are the estimates for:

Planned Outage Rate	1.86%
Forced Outage Rate	1.4%
Heat Rate at maximum capacity	7150 Btu/kWh
Minimum load	140 MW
Ramp Rate	0.5 hr
11. The estimated transmission interconnection costs associated with this unit are \$2.2 million (in 2000\$). In addition, this unit will have an estimated \$2.9 million (in 2000\$) of gas lateral pipeline costs.
12. Air and water discharge permits will be required for this unit. It is the Company’s plan to comply with all air and water quality standards of both the State and Federal governments.
13. The major financial assumptions in the development of these numbers were:

Construction escalation	Varies by year
General escalation	2.5%
Fuel escalation	Varies by year
Capital Structure	45% debt @ 7.40%
	55% equity @ 11.8%

Table VI – 3

Planned Unit Data – Martin No. 5 CC Unit in 2005

The following data represent the planned unit data estimates, which FPL utilized in its 2000 planning and is provided for information purposes only. These planning estimates have not been refined by site specific costs, detailed engineering, or vendor quotes. The final actual cost of a project could be appreciably greater or smaller than that shown. Parties responding to this RFP should rely on their own independent evaluations and estimates of project costs in formulating their proposals. FPL periodically updates its planning assumptions and will use its most current planning data to evaluate proposals and its self-build options.

1. A combined cycle generating unit to be located on FPL's existing Martin site in Martin County, Florida.
2. Planned size 547 MW (summer rating).
3. Commercial operation for the facility is proposed to be June, 2005.
4. The primary fuel is natural gas. Distillate will be the secondary fuel type.
5. The estimated total direct cost is \$225.3 million (in 2000\$).
6. The estimated annual levelized revenue requirement is \$38.7 million over 25 years.
7. The estimated annual value of deferral of this unit is \$65.25/kw-yr (2005\$).
8. The estimated fixed O&M expense is \$5.1 million (2000\$). The estimated variable O&M is \$3.2 million (2000\$).
9. The estimated fuel cost is \$2.69/MMBtu (2005\$), plus fixed transportation at a rate of \$0.78/MMBtu.
10. The following are the estimates for:

Planned Outage Rate	1.86%
Forced Outage Rate	1.4%
Heat Rate at maximum capacity	7150 Btu/kWh
Minimum load	140 MW
Ramp Rate	0.5 hr
11. The estimated transmission interconnection costs associated with this unit are \$32.8 million (in 2000\$). In addition, this unit will have an estimated \$6 million (in 2000\$) of gas lateral pipeline costs.
12. Air and water discharge permits will be required for this unit. It is the Company's plan to comply with all air and water quality standards of both the State and Federal governments.
13. The major financial assumptions in the development of these numbers were:

Construction escalation	Varies by year
General escalation	2.5%
Fuel escalation	Varies by year
Capital Structure	45% debt @ 7.40%
	55% equity @ 11.8%

Table VI – 4

Planned Unit Data – Midway CC Unit in 2005

The following data represent the planned unit data estimates, which FPL utilized in its 2000 planning and is provided for information purposes only. These planning estimates have not been refined by site specific costs, detailed engineering, or vendor quotes. The final actual cost of a project could be appreciably greater or smaller than that shown. Parties responding to this RFP should rely on their own independent evaluations and estimates of project costs in formulating their proposals. FPL periodically updates its planning assumptions and will use its most current planning data to evaluate proposals and its self-build options.

1. A combined cycle generating unit to be located on FPL's existing Midway site in St. Lucie County, Florida.
2. Planned size 547 MW (summer rating).
3. Commercial operation for the facility is proposed to be June, 2005.
4. The primary fuel is natural gas. Distillate will be the secondary fuel type.
5. The estimated total direct cost is \$198.5 million (in 2000\$).
6. The estimated annual levelized revenue requirement is \$33.7 million over 25 years.
7. The estimated annual value of deferral of this unit is \$56.87/kw-yr (2005\$).
8. The estimated fixed O&M expense is \$5.1 million (2000\$). The estimated variable O&M is \$3.2 million (2000\$).
9. The estimated fuel cost is \$2.69/MMBtu (2005\$), plus fixed transportation at a rate of \$0.78/MMBtu.
10. The following are the estimates for:

Planned Outage Rate	1.86%
Forced Outage Rate	1.4%
Heat Rate at maximum capacity	7150 Btu/kWh
Minimum load	140 MW
Ramp Rate	0.5 hr
11. The estimated transmission interconnection costs associated with this unit are \$9.95 million (in 2000\$). In addition, this unit will have an estimated \$2.1 million (in 2000\$) of gas lateral pipeline costs.
12. Air and water discharge permits will be required for this unit. It is the Company's plan to comply with all air and water quality standards of both the State and Federal governments.
13. The major financial assumptions in the development of these numbers were:

Construction escalation	Varies by year
General escalation	2.5%
Fuel escalation	Varies by year
Capital Structure	45% debt @ 7.40%
	55% equity @ 11.8%

Table VI – 5

Planned Unit Data – Martin No. 6 CC Unit in 2006

The following data represent the planned unit data estimates, which FPL utilized in its 2000 planning and is provided for information purposes only. These planning estimates have not been refined by site specific costs, detailed engineering, or vendor quotes. The final actual cost of a project could be appreciably greater or smaller than that shown. Parties responding to this RFP should rely on their own independent evaluations and estimates of project costs in formulating their proposals. FPL periodically updates its planning assumptions and will use its most current planning data to evaluate proposals and its self-build options.

1. A combined cycle generating unit to be located on FPL's existing Martin site in Martin County, Florida.
2. Planned size 547 MW (summer rating).
3. Commercial operation for the facility is proposed to be June, 2006.
4. The primary fuel is natural gas. Distillate will be the secondary fuel type.
5. The estimated total direct cost is \$201.3 million (in 2000\$).
6. The estimated annual levelized revenue requirement is \$34.9 million over 25 years.
7. The estimated annual value of deferral of this unit is \$58.80 /kw-yr (2006\$).
8. The estimated fixed O&M expense is \$5.1 million (2000\$). The estimated variable O&M is \$3.2 million (2000\$).
9. The estimated fuel cost is \$2.77/MMBtu (2006\$), plus fixed transportation at a rate of \$0.78/MMBtu.
10. The following are the estimates for:

Planned Outage Rate	1.86%
Forced Outage Rate	1.4%
Heat Rate at maximum capacity	7150 Btu/kWh
Minimum load	140 MW
Ramp Rate	0.5 hr
11. The estimated transmission interconnection costs associated with this unit are \$8.8 million (in 2000\$). In addition, this unit will have an estimated \$6.0 million (in 2000\$) of gas lateral pipeline costs.
12. Air and water discharge permits will be required for this unit. It is the Company's plan to comply with all air and water quality standards of both the State and Federal governments.
13. The major financial assumptions in the development of these numbers were:

Construction escalation	Varies by year
General escalation	2.5%
Fuel escalation	Varies by year
Capital Structure	45% debt @ 7.40%
	55% equity @ 11.8%



Florida Power & Light Company
Corporate Communications
Media Line: 305-552-3888
August 13, 2001

FOR IMMEDIATE RELEASE

**FPL reviews expansion plans with Florida PSC;
will also evaluate other power project proposals**

Juno Beach, Fla. – As part of its ongoing efforts to meet growing customer demand for electricity, Florida Power & Light Company reiterated today at a Florida Public Service Commission workshop that it plans to meet future system load growth through the addition of new generating capacity in 2005 and 2006.

The company said it plans to add capacity by either building its own plants or acquiring the power from other companies, selecting whichever is more economical and reliable.

“We believe the FPL power plant projects we have planned for the middle of this decade represent a reliable, cost-effective way to meet our customers’ future needs for additional power generation,” said Paul Evanson, president of FPL. “However, we have asked for project submittals from other generators to determine if they offer the potential for lower cost electricity that’s both firm and contractually guaranteed to serve Florida customers.”

FPL recently added 1,200 megawatts of new generation at its Fort Myers and Martin plant sites for a total of more than 20,000 megawatts of generating capacity to serve its 3.9 million customers.

“For 75 years, FPL has been meeting the electricity needs of our customers,” Mr. Evanson said. “Our newest projects have increased our reserve margin from 15 to 20 percent. There is no energy crisis in Florida.”

“Looking ahead, we have planned additional natural gas-fired, state-of-the-art combined cycle generating capacity at our existing Fort Myers, Martin and Midway sites to meet increasing customer needs in 2005 and 2006. If there’s someone who can offer more reliable, cost-effective projects, we want to hear about and evaluate their proposals in keeping with our commitment to keep prices down for customers.”

According to FPL, the company’s future plans also include an on-going commitment to conservation programs, as well as load management programs, which offer a dependable resource that can be counted on to help meet peak periods of high electricity use. FPL customers have helped defer the need for four power plants by adopting cost-effective conservation measures and another three power plants by participating in voluntary programs where power to certain appliances can be automatically reduced at peak periods in return for a credit or discount on monthly bills.

-more-

FPL's "request for proposals" provides interested firms the opportunity to submit projects of any size and fuel type up to a total of 1,750 megawatts of capacity to potentially meet customer needs in 2005 and 2006.

There additionally is an opportunity for firms to separately submit renewable energy projects that might be offered to customers in 2003.

These projects for new energy supplies are in addition to FPL's extensive conservation and load management programs, which have previously been approved by the PSC through 2009.

FPL's planned capacity additions for 2005 and 2006, as described in the company's 2001 10-Year Power Plant Site Plan and presented to the PSC today, are for:

- A conversion of two combustion turbines to a combined-cycle unit at FPL's Martin plant site and a similar conversion at its Fort Myers plant site. Each conversion adds 249 megawatts (summer) by June 1, 2005 and will be natural gas-fired.
- One new combined-cycle generating unit at FPL's Martin plant site and one at FPL's Midway site. Each will add 547 megawatts (summer) by June 1, 2005.
- One new combined-cycle generating unit at FPL's Martin plant site that would add 547 megawatts (summer) by June 1, 2006.

FPL said its "request for proposal" documents are available starting today (Aug. 13). Parties interested in submitting proposals for up to 1,750 megawatts of firm capacity or renewable energy proposals must send a non-refundable check for \$500 payable to Florida Power & Light Company in order to receive the RFP document and to be eligible for an Aug. 24 pre-bid workshop. Requests must be addressed to Steve Sim, Florida Power & Light Company, Resource Assessment and Planning Department, P.O. Box 029100, Miami, FL 33102-9100. A notice of intent to respond to the solicitation form from all parties wishing to bid must be received by FPL by Aug. 31, and all proposals must be received by FPL by September 14. It's expected that an initial evaluation of proposals will be completed in November. If promising projects are identified, a short list will be announced and contract negotiations initiated in November and a final selection announced sometime in March, 2002.

Florida Power & Light Company is the principal subsidiary of FPL Group, Inc. (NYSE:FPL), one of the nation's largest providers of electricity-related services with annual revenues of more than \$8 billion. The company serves 3.9 million customer accounts in Florida. FPL Energy, LLC, an FPL Group energy-generating subsidiary, is a leader in producing electricity from clean and renewable fuels. Additional information about the company is available on the Internet at www.fpl.com.

Request for Proposals

Florida Power & Light Company (FPL) is soliciting proposals for: (a) a supply of up to 1,750 megawatts of firm capacity and energy to FPL starting in 2005 and 2006, and (b) new renewable energy sources that could be made available to FPL customers starting in 2003.

The 1,750 megawatt solicitation is for firm capacity and energy projects that could be more economical than FPL's next planned capacity additions for 2005 and 2006. FPL's projects, as described in its 2001 Ten-Year Power Plant Site Plan, are as follows:

For 2005: Two combustion turbines (CT's) are planned for conversion into a combined cycle (CC) unit at FPL's Martin site. A similar conversion of two CT's into a CC unit is also planned at FPL's Fort Myers site. Each conversion adds 249 MW (summer) and will be natural gas-fired. Two new CC units are planned, one at FPL's Martin site, and one at FPL's Midway site. Each CC unit adds 547 MW (summer) and will be natural gas-fired. All of these capacity additions are projected to be in-service by June 1, 2005.

For 2006: A new CC unit is planned for FPL's Martin site. It will add 547 MW (summer), will be natural gas-fired and is projected to be in-service by June 1, 2006.

The solicitation for energy from new renewable energy sources is separate from proposals related to firm capacity. FPL is seeking renewable energy projects that would potentially serve FPL customers by 2003.

Parties interested in submitting proposals for parts (a) and/or (b) of this solicitation need to send a non-refundable check for \$500 payable to Florida Power & Light Company in order to receive the Request for Proposals (RFP) document and to be eligible for the Pre-Bid Workshop. The RFP document is scheduled for release on August 13, 2001, and the Pre-Bid Workshop will be held at FPL's Miami General Office on August 24, 2001. Please address your request for the RFP document, with the enclosed check, to: Steve R Sim, RFP Contact Person, Florida Power & Light Company, Resource Assessment and Planning Dept., P.O. Box 029100, Miami, FL 33102-9100, (305) 552-2246.

A Notice of Intent to Respond to the Solicitation Form from all parties wishing to bid must be received by FPL by August 31, 2001, and all proposals must be received by FPL by September 14, 2001. Initial evaluation of proposals is projected to be completed in November 2001 at which time a short list of proposals will be announced and contract negotiations initiated. The final announcement of the selected bid(s) is projected for some time in March 2002.

FPL reserves the right to reject all proposals, to modify or cancel the RFP, or to match or beat any/all proposal(s) with FPL's own resource option.



FPL

an FPL Group company