



April 18, 2002

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-VIA HAND DELIVERY-

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

> Re: Docket Nos. 020262-EI and 020263-EI

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company are the original and seven (7) copies of Florida Power & Light Company's Response to Petitions for Leave to Intervene of Calpine Energy Services, L.P, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the document appears is Word 2000.

If there are any questions regarding this transmittal, please contact me at 305-577-2939.

Very truly yours,

Elizabeth C. Dalay

John T. Butler, P.A.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power & Light Company for a determination of need for) Docket No. 020262-EI
a power plant proposed to be located)
in Martin County	
)
In re: Petition of Florida Power & Light) Docket No. 020263-EI
Company for a determination of need for)
a power plant proposed to be located)
in Manatee County) Dated: April 18, 2002
)

FLORIDA POWER & LIGHT COMPANY'S RESPONSE TO PETITIONS FOR LEAVE TO INTERVENE OF CALPINE ENERGY SERVICES, L.P.

Florida Power & Light Company ("FPL") hereby responds as follows to the petitions for leave to intervene that Calpine Energy Services, L.P. ("Calpine") has filed in the above dockets:

- 1. Calpine has not so much petitioned to intervene as it has fired a blunderbuss in the general direction of FPL's need-determination filings. While Mirant Corporation (which itself strayed somewhat afield of the necessary and proper scope of a petition to intervene) managed to state its case for intervention in seven pages, Calpine rambles on for thirty-four.
- 2. Buried within Calpine's lengthy petitions are allegations that Calpine timely submitted a bid in response to FPL's August 2001 Request for Proposals ("RFP"). FPL acknowledges that Calpine was a bidder and hence FPL has no objection to Calpine's intervening in these dockets. Of course, Calpine's intervention should be limited consistent with Section 403.519, Florida Statutes, and Rule 25-22.082, Florida Administrative Code.
- 3. The remainder of Calpine's petitions are a gratuitous preview of substantive positions Calpine intends to take in these dockets. FPL vigorously disputes the accuracy of

Calpine's allegations as well as the utility of raising them in petitions to intervene. While it is tempting to respond at length, at this stage FPL will simply note the following:

- a. The first five pages of the petitions are a summary statement of Calpine's case, which FPL believes is factually and legally wrong. The dominant theme is that FPL allegedly did not comply with the Rule 25-22.082, F.A.C. (the "Bid Rule") because it ultimately selected a power-supply portfolio consisting of Martin Unit 8 and Manatee Unit 3, which was different than the one on which FPL based the cost estimates in its RFP. As FPL will discuss in detail in response to the Joint Motion for Summary Final Order of Calpine Energy Services, L.P. and Reliant Energy Power Generation, Inc., FPL did in fact comply with the Bid Rule as it has been interpreted and applied by the Commission. The tortured interpretation of the Bid Rule suggested by Calpine is not only incorrect and inconsistent with Commission practice but, if followed, would work to the detriment of FPL's customers in violation of Section 403.519, Florida Statutes. In essence, Calpine argues that FPL should be required to ignore the cost savings that the Martin Unit 8/Manatee Unit 3 portfolio offers to customers. The beneficiaries of such a course of action could only be frustrated bidders such as Calpine, not FPL's customers.
- b. The sections of the petitions entitled "Factual Background FPL's Request for Proposals and Petition for Determination of Need" contain numerous inaccuracies and mischaracterizations of FPL's dealings with Calpine.
- c. In its "Discussion Why the Commission Must Act to Protect the Public Interest," Calpine reveals that it is much more interested in protecting its own rights as a frustrated bidder than in helping FPL customers to receive the benefits of low-cost power.

d. Calpine's "Disputed Issues of Material Fact" go well beyond the proper scope of a need-determination proceeding. FPL reserves the right to challenge those issues during the issue-identification process in these dockets.

e. Calpine's alleged "ultimate facts" serve to inflame rather than enlighten.

FPL does not expect that Calpine will meet its burden of proving any of the salient ones.

f. Finally, Calpine seeks relief that goes well beyond the proper scope of a

petition to intervene. Only the first of its prayers for relief -- that it be granted intervention -- is

appropriate. The Commission should deny as premature the remaining paragraphs (i.e.,

Paragraphs 2, 3, 4(a), 4(b) and 5)

WHEREFORE, FPL respectfully requests that, if the Commission grants Calpine

intervenor status in these dockets, the Commission (i) clarify that it is disregarding as irrelevant

the factual allegations and legal argument contained in Calpine's petitions that do not directly

relate to establishing Calpine's entitlement to intervene, and (ii) deny as premature Paragraphs 2,

3, 4(a), 4(b) and 5 of Calpine's prayer for relief.

Respectfully submitted,

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3

CERTIFICATE OF SERVICE Docket Nos. 020262-EI and 020263-EI

I HEREBY CERTIFY that a true and correct copy or courtesy copy (*) of Florida Power & Light Company's Response to Petitions For Leave to Intervene of Calpine Energy Services L.P. was served by United States Mail this 18th day of April, 2002, to the following:

Martha Carter Brown, Esq. Lawrence Harris, Esq. Legal Division Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Robert Scheffel Wright, Esq. Diane K. Kiesling, Esq. John T. LaVia, III Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301

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