### ORIGINAL

COMMENSION COMMENSION

## MCWHIRTER REEVES

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PLEASE REPLY TO:

TALLAHASSEE

TALLAHASSEE OFFICE: 117 SOUTH GADSDEN TALLAHASSEE, FLORIDA 32301 (850) 222-2525 (850) 222-5606 FAX

July 24, 2002

#### VIA HAND DELIVERY

Blanca S. Bayo, Director Division of Records and Reporting **Betty Easley Conference Center** 4075 Esplanade Way Tallahassee, Florida 32399-0870

Re:

Docket Nos.: 020262-EI and 020263-EI

Dear Ms. Bayo:

On behalf of the Florida Industrial Power Users Group's, (FIPUG), enclosed for filing and distribution are the original and 15 copies of the following:

The Florida Industrial Power Users Group's Petition to Intervene.

Please acknowledge receipt of the above on the extra copy of each and return the stamped copies to me. Thank you for your assistance.

Sincerely,

Timothy J. Perry

TJP/mls

**S**Enclosure

RECEIVED FILED

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power and Light Company for a Determination of Need For a power plant proposed to be located In Martin County Docket No. 020262-EI

In re: Petition of Florida Power and Light Company for a Determination of Need For a power plant proposed to be located In Manatee County

Docket No. 020263-EI

\_\_\_\_\_

Filed: July 24, 2002

# THE FLORIDA INDUSTRIAL POWER USERS GROUP'S PETITION TO INTERVENE

Pursuant to Chapter 120, Florida Statutes, Sections 403.519 and 366.07, Florida Statutes, and Rules 25-22.039, 25-22.082, 28-106.205, Florida Administrative Code, the Florida Industrial Power Users Group ("FIPUG"), through its undersigned counsel, submits its Petition to Intervene, and in support thereof states:

- 1. The affected agency is the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.
  - 2. The name and address of the Petitioner is:

Florida Industrial Power Users Group c/o McWhirter Reeves, McGlothlin, Davidson, Decker, Kaufman, & Arnold, P.A. 400 North Tampa Street, Suite 3350 Tampa, Florida 33602

Telephone:

(813) 224-0866

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(813) 221-1854

3. Copies of all pleadings, notices, and orders in this Docket should be provided to:

John W. McWhirter McWhirter Reeves, McGlothlin, Davidson, Decker, Kaufman, & Arnold, P.A. 400 North Tampa Street, Suite 3350 Tampa, Florida 33602

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- 4. FIPUG is an ad hoc association consisting of industrial users of electricity in Florida. The cost of electricity constitutes a significant portion of FIPUG members' overall costs of production. FIPUG members require adequate, reasonably priced electricity in order to compete in their respective markets
- 5. <u>Statement of Affected Interests.</u> In January of 2002, Florida Power and Light Company ("FPL") announced its intent to spend \$1.1 billion to construct 1922 MW of new generating capacity. The instant dockets were initiated by FPL's petitions seeking "determinations of need" for FPL's proposed units, Martin 8 and Manatee 3. On April 26, 2002, FPL issued a revised Request For Proposals in which it solicited cost-effective alternatives to its proposed units.
- 6. The decision that the Commission makes in this docket will determine which proposed capacity additions will be built. If FPL's self-build options go forward, FPL will seek to recover its costs from customers, including FIPUG members, through the rates they pay If FPL instead contracts with a wholesale provider, FPL will seek to recover contract payments from its customers, including FIPUG members. A failure to select the most cost-effective alternative will affect FIPUG members by unnecessarily and unjustifiably increasing their costs of electricity, thereby affecting their production costs, their competitive posture, and their levels of employment.
- 7. FIPUG's interests are of the type that this proceeding is designed to protect. Agrico Chemical Company v Department of Environmental Regulation, 406 So.2d 478 (Fla. 2d DCA 1981), Royal Palm Square Associates v. Servco, 623 So.2d 533 (Fla 2d DCA 1993). See

Florida Optometric Association v. Department of Professional Regulation, 567 So.2d 928 (Fla 1st DCA 1990); Florida Medical Association v Department of Professional Regulation, 426 So.2d 1112 (Fla. 1st DCA 1983). The purpose of the proceeding is to ensure that the most cost-effective capacity additions, evaluated from the perspective of the ratepayers' interests, are selected. The purpose of the proceeding thus coincides with FIPUG's interest, which is to ensure that members' electrical bills reflect prudent, economical choices. Further, the issues to be addressed and the interests to be protected by FIPUG in this case are appropriately undertaken by an association such as FIPUG.

- 8 <u>Disputed Issues of Material Fact</u> FIPUG anticipates that the issues of disputed fact in this case will include, but are not limited to.
  - a. Whether the revised April 26, 2002 RFP contains fair and reasonable criteria, terms and conditions?
  - b. Whether the RFP process was conducted fairly?
  - c When all appropriate criteria are applied, and all options are evaluated fairly, which alternatives constitute the most cost-effective combination of capacity additions available to FPL from ratepayers' perspective?
- 9. <u>Statement of Ultimate Facts Alleged</u> FIPUG alleges that an RFP process that is designed and supervised to allow full and fair wholesale competition will result in the identification and selection of the most cost-effective capacity addition. Only a process that effectively places all competitors on an equal footing will lead to this result.

WHEREFORE, FIPUG requests the Commission to enter an order allowing it to intervene as a fully party in this docket.

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Attorneys for Florida Industrial Power Users Group

#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of Florida Industrial Power Users Group's Petition to Intervene, was on this 24th day of July 2002 served via (\*) Hand delivery or U S Mail to the following:

(\*) Lawrence Harris Florida Public Service Commission Division of Legal Services 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

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