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September 20, 2002

BY HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Commission Clerk and
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Compliance Filing Concerning Proposal to Establish GridFlorida
As a Regional Transmission Organization; Docket No. 020233-EI

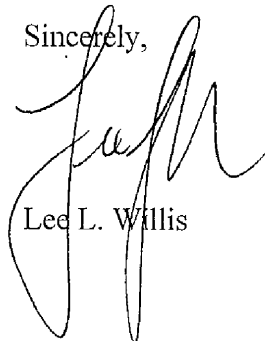
Dear Ms. Bayo:

Enclosed for filing in the above referenced are the original and fifteen (15) copies of Response to Motion for Reconsideration of Calpine Corporation and Seminole Electric Cooperative, Inc. on behalf of Tampa Electric Company and Florida Power & Light Company.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,



Lee L. Willis

LLW/bjd
Enclosures

cc: All Parties of Record (w/encl.)

DOCUMENT NUMBER-DATE

10132 SEP 20 02

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of GridFlorida Regional)
Transmission Organization (RTO) Proposal)
_____)

DOCKET NO. 020233-EI
FILED: September 20, 2002

**RESPONSE TO MOTION FOR RECONSIDERATION
OF CALPINE CORPORATION AND
SEMINOLE ELECTRIC COOPERATIVE, INC.**

Florida Power & Light Company (“FPL”) and Tampa Electric Company (“Tampa Electric”) (hereinafter collectively referred to as “the Companies”) under Florida Administrative Code Rule 25-22.060 respond as follows in opposition to the Motion for Reconsideration of Order No. PSC-02-1199-PAA-EI (“Order 02-1199”) filed in this proceeding by Calpine Corporation (“Calpine”) and Seminole Electric Cooperative, Inc. (“SEC”):

1. The Motion for Reconsideration argues two points: (1) that the Attachment T decision included in Order No. 02-1199 as a proposed agency action should have been rendered as a final order; and (2) that the pending hearing on market design issues should be rescinded and deferred until after the Federal Energy Regulatory Commission’s (“FERC”) ruling on Standard Market Design (“SMD”).

2. The purpose of a petition for rehearing or reconsideration is merely to bring to the attention of the trier of fact some point which it overlooked or failed to consider when it rendered its order in the first instance. Diamond Cab Company of Miami v. King, 146 So.2d 889 (Fla. 1962). Motions for reconsideration are not intended as a procedure for rearguing the whole case merely because the losing party disagrees with the judgment or the order. Id. At page 3. Both of the points raised in the Motion for Reconsideration were carefully considered by the Commission during the course of this proceeding.

3. Turning first to the Attachment T date decision, it is important to consider what the Order 02-1199 said. Order 02-1199 requires the applicants to change the proposed Attachment T cut off date to be included in the GridFlorida proposal back to the original date contained in the GridFlorida filing in Docket Nos. 000824-EI, 0001148-EI and 010577-EI.

4. The Companies contend that its proposed change in the Attachment T date was in compliance with Order No. PSC-01-2489-FOF-EI (“Order 01-2489”). However, assuming *arguendo* that this change was not in compliance, the Companies have the right to present a proposed change and to have that change considered by due process of law. Due process includes a right to hearing on the proposed change.

In instances where the Commission ordered other changes to be made in the GridFlorida proposal in the instant docket and those changes were challenged by an intervenor, the changes were designated as proposed agency action in Order 02-1199. It is also clear that an opportunity for hearing should also be afforded where the Applicants propose a change which is proposed to be rejected by the Commission. For example, with regard to the Applicants requesting a change in market design from physical rights to financial rights, the Commission is providing an opportunity for a hearing. Calpine and SEC have not alleged that such action by the Commission was arbitrary and capricious or an abuse of agency discretion.

5. The Commission’s PAA Order 02-1199 identifying proposed agency action measures is applied uniformly and fairly. Where the order required modifications to the GridFlorida proposal, which the Commission determines as a change not necessary to comply with Order 01-2489, such requirements were designated in Order 02-1199 as proposed agency action. Where the Applicants propose a modification which the Commission likewise determines is not necessary to comply with Order 01-2489, that determination should also be

made as proposed agency action as a matter of fairness. Evenhanded treatment was afforded regardless of whether the Commission or the Applicants initiated the proposed change.

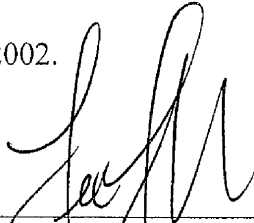
6. It is also important to note that the Commission's decision on this issue was procedural. The Commission simply found that the change in the Attachment T cut off date is not in compliance with Order 02-1199. The Commission did not reach a final substantive decision on the appropriate Attachment T date. The Commission appropriately allowed the Applicants to seek a hearing on the merits of its proposed change.

7. In any event, the Commission's determination to allow further hearing on an issue can hardly be considered to deny Calpine or SEC due process of law. The Commission is entitled to allow further illumination on an issue of critical importance to retail ratepayers and Calpine and SEC are afforded the opportunity to opine on the issue. The Commission made its determination to allow further hearing after much discussion on the record. There is a sound basis for the action taken by the Commission with respect to this matter.

8. FPL and TECO take no position on Seminole's request for a postponement of the final hearing.

WHEREFORE, FPL and Tampa Electric urge the Commission to deny the Petition for Reconsideration filed by Calpine and SEC with respect to the Commission's treatment of its Attachment T decision as proposed agency action.

DATED this 20th day of September, 2002.



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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by Electronic Mail(*), Overnight Delivery(**) or Hand Delivery (***) on this 20th day of September 2002 to the following:

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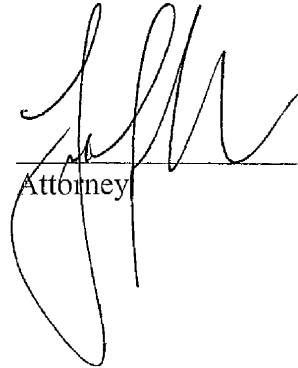
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