

**McFARLAIN & CASSEDY, P.A.**  
Attorneys at Law

**ORIGINAL**

CHRISTOPHER BARKAS  
GINGER L. BARRY  
P. DAVID BRANNON  
MARSHALL R. CASSEDY, RETIRED  
WILLIAM B. GRAHAM  
DOUGLAS P. JONES  
TERRELL C. MADIGAN  
HAROLD R. MARDENBOROUGH, JR.  
RICHARD C. McFARLAIN  
H. LESTER McFATTER, JR.  
ROBERT A. McNEELY  
H. DARRELL WHITE, JR.  
WILLIAM B. WILEY

305 SOUTH GADSDEN STREET (32301)  
POST OFFICE BOX 2174  
TALLAHASSEE, FLORIDA 32316-2174

TELEPHONE (850) 222-2107  
TELECOPIER (850) 222-8475

FROM THE DESK OF:  
WILLIAM B. GRAHAM  
e-mail: [bgraham@mcfarlain.com](mailto:bgraham@mcfarlain.com)

November 15, 2002

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**VIA HAND DELIVERY**

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

*Re: Docket No. 020398-EQ; Rule 25-22.082, F.A.C.*

Dear Ms. Bayo:

On behalf of Florida Crystals, please find enclosed for filing and distribution the original and 15 copies of the Florida Crystal's Comments on the proposed amendments to Rule 25-22.082, Florida Administrative Code.

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

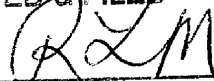
Very truly yours,



William B. Graham

- AUS \_\_\_\_\_
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FPSC-BUREAU OF RECORDS DOCUMENT NUMBER-DATE

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Proposed revisions to  
Rule 25-22.082, Selection  
of Generating Capacity

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Docket No. 020398-EI

Submitted for Filing:  
November 15, 2002

**COMMENTS OF FLORIDA CRYSTALS ON THE  
COMPETITIVE BIDDING RULES**

Florida Crystals hereby submits these comments on the proposed revisions to Rule 25-22.082, F.A.C. The comments are limited to the question of when the rule should apply.

The rule should be amended to require that all capacity additions which have a significant and long term impact on customer rates go through the competitive bidding process and should exclude or exempt from the process small or short term capacity commitments which do not have a significant impact on rates.

The rule proposed by Staff utilizes the "determination of need" proceeding under the Power Plant Siting Act (PPSA) as its triggering mechanism. That should be revised. The PPSA trigger is not satisfactory because it focuses on the type of generating addition rather than the scope and impact of the addition. It will permit some large capacity additions which do not rely on an increase in steam, such as certain repowerings or simple cycle additions, to take place outside of the process. Furthermore it may require small additions to existing steam plants which trigger the PPSA to go through the competitive bidding process. The trigger for competitive bidding should be the size and term of the capacity commitment and not the PPSA.

DOCUMENT NUMBER DATE

12582 NOV 15 8

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The amendment offered herein does not affect the trigger for the PPSA or the process and standards used to demonstrate need under the PPSA. Facilities which are exempted from the competitive bid rule but trigger the PPSA must still demonstrate cost effectiveness and meet all other applicable requirements of the PPSA. In such case, the applicant would have the flexibility to use an alternative process to make such demonstrations.

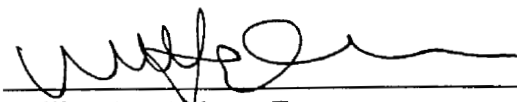
Florida Crystals proposes the following changes to the rule:

Replace the definition of Next Planned Generating Unit in Section 25-22.082 (2) (b) with the following:

Major Capacity Addition: Any capacity addition of 75 MW or more, including but not limited to the repowering of an existing generating facility. Capacity commitments of less than 3 years, regardless of size, are excluded from this definition.

Delete Section 25-22.082 (3) and make conforming changes to the other sections in the rule to replace the use of "next planned generating unit" with "major capacity addition".

Respectfully submitted this 15<sup>th</sup> day of November, 2002.



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William B. Graham, Esq.  
Fla. Bar No. 0359068  
McFarlain & Cassedy, P.A.  
305 S. Gadsden Street  
Tallahassee, Florida 32301  
850-222-2107  
850-222-8475

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via U.S. Mail to the following:

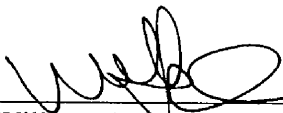
John W. McWhirter  
McWhirter, Reeves, McGlothlin, et al  
400 North Tampa Street, Suite 3350  
Tampa, FL 33602

Vicki Gordon Kaufman  
Timothy J. Perry  
Joseph A. McGlothlin  
McWhirter, Reeves, McGlothlin, et al  
117 South Gadsden Street  
Tallahassee, FL 32301

Gustavo Cepero  
Okeelanta Corporation  
P.O. Box 86  
South Bay, FL 33493

John Orr  
Reliant Energy  
1111 Louisiana Street  
Houston, TX 77002

this 15<sup>th</sup> day of November, 2002.

  
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William B. Graham, Esq.