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March 31, 2003

Ms. Blanca S. Bayo, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

VIA HAND DELIVERY

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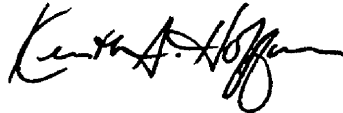
Re: Docket No. 030084-EI

Dear Ms. Bayo:

Enclosed herewith for filing on behalf of Florida Power & Light Company ("FPL") are the original and fifteen copies of the Rebuttal Testimony of C. Martin Mennes.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me. Thank you for your assistance with this filing.

Sincerely,



Kenneth A. Hoffman

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March 31, 2003

CERTIFICATE OF SERVICE

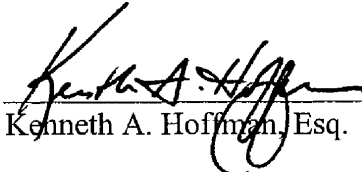
I HEREBY CERTIFY that a true and correct copy of the Rebuttal Testimony of C. Martin Mennes has been furnished by Hand Delivery(* - - U. S. Mail) this 31st day of March, 2003, to the following:

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Barron Collier Companies
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By:


Kenneth A. Hoffman, Esq.

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

**DOCKET NO. 030084-EI
FLORIDA POWER & LIGHT COMPANY**

**IN RE: PETITION FOR DETERMINATION
OF NEED FOR THE
COLLIER-ORANGE RIVER #3 PROJECT**

REBUTTAL TESTIMONY OF:

C. MARTIN MENNES

DOCUMENT NUMBER-DATE

02952 MAR 31 8

FPSC-COMMISSION CLERK

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **FLORIDA POWER & LIGHT COMPANY**

3 **REBUTTAL TESTIMONY OF C. MARTIN MENNES**

4 **DOCKET NO. 030084-EI**

5 **March 31, 2003**

6
7 **Q. Please state your name and business address.**

8 A. My name is C. Martin Mennes. My business address is 4200 West Flagler St.,
9 Miami, Florida 33134.

10
11 **Q. Are you the same C. Martin Mennes who previously filed direct testimony**
12 **in this case?**

13 A. Yes, I am.

14
15 **Q. What is the purpose of your rebuttal testimony?**

16 A. The purpose of my rebuttal testimony is to respond to the testimony submitted
17 by Michel P. Armand, P.E. on behalf of Barron Collier Companies.

18
19 **Q. Please respond to Mr. Armand's statements concerning the fact that a**
20 **new 230kV transmission line into the Project Service Area was not**
21 **identified in FPL's previous Ten-Year Site Plans.**

22 A. A new 230kV transmission line was not listed in FPL's Ten-Year Site Plan
23 prior to this year's Plan because such a line was not identified as the preferred

1 solution to mitigate certain overloads and voltage concerns in southwest
2 Florida area until after April 2002 when FPL's last Ten-Year Site Plan was
3 submitted. Prior to concluding that a new line was needed, FPL had been
4 meeting the transmission needs of a growing population in the Project Service
5 Area (as defined in FPL's Petition) through performing various upgrades and
6 improvements to the existing transmission system. These upgrades and
7 improvements have included:

- 8 ♦ Addition of transmission capacitor banks at Collier and Alico
9 substations in 12/2000 and at Imperial Substation in 1/2002
- 10 ♦ Upgrade of the Alico-Metro 138kV line section in 1/2000
- 11 ♦ Upgrade of the Buckingham-Ft. Myers 138kV line in 6/2001
- 12 ♦ Upgrade of the Ft. Myers-Winkler 138kV line section in 12/2002
- 13 ♦ Construction of an alternate feed (Alico-Estero 138kV) to relieve the
14 Alico-Collier 138kV #1 line in 12/2000
- 15 ♦ Construction of an alternate feed (Collier-Naples 138kV) to relieve the
16 Alico-Collier 138kV #2 line in 6/2001

17 These types of improvements typically are less costly than adding a major
18 230kV line and, therefore, were pursued first. In the summer of 2002, FPL
19 concluded that it could no longer adequately address the growing overload
20 and voltage concerns through the above-mentioned types of solutions and
21 determined that it was necessary to add a new 230kV line from the Orange
22 River Substation to the Collier Substation (as discussed in section IV part A.1

1 of Exhibit “A”). FPL made its final decision to construct the line in the fall of
2 2002. The line is identified in FPL’s 2003 Ten-Year Site Plan.

3

4 **Q. Please describe FPL’s transmission planning cycle and explain why the**
5 **need for the line was not identified earlier.**

6 A. FPL begins its transmission planning process by updating information on load,
7 sited generation, and transmission data from the prior year (e.g., new
8 transmission facilities and distribution stations). This occurs between January
9 and April of each year. Based on these inputs to the transmission planning
10 model, a transmission assessment is performed. This occurs during the
11 months of May through July. The location of generation is critical and a
12 major factor in the assessment and determination of transmission needs.
13 Thus, because all generation may not have been identified in the Ten-Year Site
14 Plan as sited, a reasonable transmission plan and planning horizon are limited
15 by the known generation data. In recent years, the transmission assessment
16 has looked forward through appropriate summer and winter peak periods
17 occurring four to five years out. As Mr. Schoneck discussed in his direct
18 testimony, during its 2002 assessment FPL identified the need for a new
19 230kV transmission line into the Project Service Area based on the winter
20 peak in 2005/2006.

21

22 **Q. Is Mr. Armand correct in his conclusion that FPL has adopted no loss of**
23 **load due to the loss of facilities in a common corridor as a new planning**

1 **criterion?**

2 A. No, his conclusion is incorrect. FPL has adopted no such criterion. As
3 reflected in the NERC Transmission Systems Standards, included on pp. 3-4
4 in attachment 5a of Exhibit "A" to FPL's Petition, controlled loss of load is
5 acceptable in extreme events that result in the loss of multiple facilities
6 (NERC Category D event). As the NERC standard for a Category D event
7 states, the "mitigation or elimination of the risks and consequences of these
8 events shall be at the discretion of the entities responsible for the reliability of
9 the interconnected transmission systems." FPL believes that placement of the
10 new 230kV transmission line in a separate ROW is necessary to appropriately
11 mitigate the potentially severe consequences associated with the loss of all
12 transmission facilities in the existing common ROW. FPL's position in this
13 respect should be clear from the petition and from the direct testimony filed
14 by Mr. Schoneck and myself. See, for example, Mr. Schoneck's direct
15 testimony at page 15 and my direct testimony at pages 7 and 8.

16 **Q. Mr. Armand suggests that other parts of the FPL bulk power supply**
17 **system are more vulnerable to sabotage and other risks than co-located**
18 **transmission lines. Please respond.**

19 A. I do not believe any appropriate purpose would be served in commenting
20 specifically on this assertion. I would note simply that FPL has addressed and
21 continues to address security risks throughout its bulk power supply system.
22 The need for the Project is based on the unique characteristics of the Project
23 Service Area and the bulk power system that serves this area. FPL has

1 identified a need for a new 230kV line into the Project Service Area and has
2 determined that, given the peninsula-like characteristics of the transmission
3 system in this area, the interests of FPL's customers are best served by placing
4 the new transmission line in a new ROW geographically diverse from the
5 existing ROW.

6

7 **Q. Mr. Armand contends that the risk presented by locating the new 230kV**
8 **transmission circuit in the existing common ROW does not justify the**
9 **incremental cost of FPL's "proposed route." Please respond.**

10 A. I should clarify that, contrary to Mr. Armand's suggestion, FPL has not
11 proposed a route for approval by this Commission. The route or location of
12 the new line will be determined in a separate process under the Transmission
13 Line Siting Act and approved by the Siting Board. It is true that placing the
14 new line in a separate ROW will cost more than if it were placed in the
15 existing ROW. However, in FPL's judgment, the mitigation of the risks and
16 consequences of the loss of all of the transmission facilities in the existing
17 common ROW is an important objective in light of the unique characteristics
18 of the Project Service Area and is well worth the estimated incremental cost of
19 the Project. FPL's recommendation is consistent with the NERC
20 Transmission Standards for a Category D Event.

21

22 **Q. Does this conclude your rebuttal testimony in this case?**

23 A. Yes, it does.