

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF HEARING AND PREHEARING CONFERENCE ON PETITION FOR  
DETERMINATION OF NEED FOR PROPOSED EXPANSION OF ELECTRICAL  
COGENERATION POWER PLANT

AND

PETITION FOR APPROVAL OF AN AS-AVAILABLE ENERGY AGREEMENT

TO

FLORIDA POWER & LIGHT COMPANY

NEW HOPE POWER PARTNERSHIP

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO: 040766-EI

PETITION FOR DETERMINATION OF NEED FOR EXPANSION  
OF AN ELECTRICAL COGENERATION POWER PLANT IN  
PALM BEACH COUNTY BY FLORIDA POWER & LIGHT  
COMPANY AND NEW HOPE POWER PARTNERSHIP

AND

DOCKET NO. 040767-EI

PETITION FOR APPROVAL OF AS-AVAILABLE ENERGY PURCHASE  
AGREEMENT BETWEEN FLORIDA POWER & LIGHT COMPANY  
AND NEW HOPE POWER PARTNERSHIP.

ISSUED: AUGUST 5, 2004

NOTICE is hereby given that the Florida Public Service Commission will hold a hearing in the above docket at the time and place listed below.

DOCUMENT NUMBER-DATE

08539 AUG-5 3

FPSC-COMMISSION CLERK

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Friday, October 15, 2004, 9:30 a.m.  
Betty Easley Conference Center, Room 148  
4075 Esplanade Way  
Tallahassee, Florida

All persons who wish to be heard are urged to be present at the beginning of the hearing on October 15, 2004. The hearing may be adjourned early if all testimony is concluded.

PURPOSE AND PROCEDURE

The purpose of this hearing will be for the Commission to take final action to determine the need, pursuant to Section 403.519, Florida Statutes, for the proposed expansion of an electrical cogeneration power plant jointly proposed by Florida Power & Light Company (FPL) and New Hope Power Partnership (New Hope) in Palm Beach County, Florida; and for the requested approval of an associated as-available energy agreement between New Hope and FPL. This proceeding shall allow FPL and New Hope to present evidence and testimony in support of the joint petition for a determination of need for the proposed plant expansion and the associated agreement; to permit any intervenors to present testimony and exhibits concerning this matter; to permit members of the public who are not parties to the need determination proceeding the opportunity to present testimony concerning this matter; and for such other purposes as the Commission may deem appropriate. All witnesses shall be subject to cross-examination at the conclusion of their testimony.

The proceedings will be governed by the provisions of Chapter 120, Florida Statutes, Section 403.519, Florida Statutes, and Chapters 25-22 and 25-106, Florida Administrative Code.

Under Section 403.519, the Commission is the sole forum for the determination of need for the electrical power plant expansion. In making its determination, the Commission must take into account the need for electric system reliability and integrity, the need for adequate electricity at a reasonable cost, and whether the proposed plant expansion is the most cost-effective alternative available. In addition, the Commission must expressly consider the conservation measures taken by or reasonably available to the applicants which might mitigate the need for the proposed plant and may consider other matters within its jurisdiction which it deems relevant. The Commission's determination of need for the New Hope facility shall create a presumption of public need and necessity and shall serve as the Commission's report required by Subsection 403.507(2)(a)2, Florida Statutes. An order entered by the Commission pursuant to this hearing shall constitute final agency action.

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Only issues relating to the need for the power plant expansion and the associated power purchase agreement will be heard at the October 15, 2004, hearing. Separate public hearings will be held before the Division of Administrative Hearings at a later date to consider environmental and other impacts of the proposed plant and associated facilities.

Members of the public who are not parties to the need determination proceeding will have an opportunity to present testimony regarding the need for the proposed plant expansion and associated agreement. All members of the public who wish to offer testimony should be present at the beginning of the hearing, 9:30 a.m., Friday, October 15, 2004. All witnesses will be sworn in and will be subject to cross-examination at the conclusion of their testimony.

Written comments regarding the need for the proposed plant and associated facilities may be sent to the Commission at the following address:

Blanca S. Bayó, Director  
Division of the Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0870  
Re: Docket Nos. 040766-EI and 040767-EI

Anyone wishing to become a party to the need determination proceeding should file an appropriate petition pursuant to Rule 25-22.039, Florida Administrative Code, with the Director of the Commission's Division of Records and Reporting at the address listed above. Copies of the petition should be sent by mail to all parties. Those wishing to intervene in these proceedings, unless appearing on their own behalf, must be represented by an attorney or other person who can be determined to be a qualified representative pursuant to Chapter 120, Florida Statutes, and Rule 28-106.106, Florida Administrative Code. Petitions for leave to intervene must be filed at least five (5) days before the final hearing, must conform with Rule 28-106.201(2), Florida Administrative Code, and must include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to Commission rule, or that the substantial interests of the intervenor are subject to determination or will be affected through the hearing.

GENERAL LOCATION AND PROJECT DESCRIPTION

The project is an expansion of New Hope's existing, 74.9 megawatt (MW) biomass-fueled Okeelanta cogeneration plant, that generates electricity and steam from the combustion of biomass fuels. The project is expected to generate between 150,000 megawatt-hours (MWH)

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and 190,000 MWH of net electrical energy per year, which New Hope will sell at wholesale primarily to FPL and to other Florida utilities with responsibility for serving retail customers. New Hope and FPL have executed an associated power purchase agreement pursuant to which New Hope will sell seventy percent of the project's energy output to FPL at a one percent discount from FPL's avoided cost calculated pursuant to Commission Rule 25-17.0825(2), Florida Administrative Code, for an initial period of five years with mutual renewal options for up to an additional fifteen years. The project is projected to achieve commercial operation status by June 2006.

PREHEARING CONFERENCE

A prehearing conference for this docket is scheduled for:

Thursday, October 7, 2004, 9:30 a.m.  
Betty Easley Conference Center  
Commission Hearing Room 152  
4075 Esplanade Way  
Tallahassee, Florida

The purpose of this prehearing conference will be to: (1) simplify the issues; (2) identify the positions of the parties on the issues; (3) consider the possibility of obtaining admissions of fact and of documents which will avoid unnecessary proof; (4) identify exhibits; (5) establish an order of witnesses; and (6) consider such other matters as may aid in the disposition of the action.

JURISDICTION

Jurisdiction over this matter is vested in the Commission by Section 403.519, Florida Statutes.

APPLICATION

A copy of the Joint Petition for Determination of Need and supporting exhibits is available for public inspection during normal business hours at the following location:

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Florida Public Service Commission  
Division of the Commission Clerk and Administrative Services  
4075 Esplanade Way  
Room 110 - Betty Easley Conference Center  
Tallahassee, Florida

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of the Commission Clerk and Administrative Services at (850) 413-6770, at least 48 hours prior to the hearing. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

By DIRECTION of the Florida Public Service Commission this 5th day of August, 2004.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

(SEAL)

JB