BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF COMMISSION HEARING AND PREHEARING CONFERENCE

TO

PROGRESS ENERGY FLORIDA, INC.

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 040817-EI

PETITION FOR DETERMINATION OF NEED FOR HINES 4 POWER PLANT IN POLK COUNTY BY PROGRESS ENERGY FLORIDA, INC.

ISSUED: September 13, 2004

NOTICE IS HEREBY GIVEN that a hearing will be held before the Florida Public Service Commission in the above docket regarding the petition of Progress Energy Florida, Inc. ("Progress Energy") for determination of need for an electrical power plant, at the following time and place:

9:30 a.m., Wednesday, November 3, 2004Room 148, Betty Easley Conference Center4075 Esplanade WayTallahassee, Florida

November 4, 2004, has also been reserved for continuation of the hearing if needed. If needed, the starting time on November 4, 2004, will be announced at the conclusion of the prior day's proceedings. 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 Progress Energy's proposed electrical power plant in Polk County, Florida. This proceeding shall allow Progress Energy to present evidence and testimony in support of its petition for a determination of need for its proposed electrical power plant; 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

> DOCUMENT NUMBER-DATE 09952 SEP 13 3 FPSC-COMMISSION CLERK

NOTICE OF COMMISSION HEARING AND PREHEARING CONFERENCE DOCKET NO 040817-EI PAGE 2

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 crossexamination 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 proposed electrical power plant. 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 proposed plant 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.

Only issues relating to the need for the proposed power plant will be heard at this 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. All members of the public who wish to offer testimony should be present at the beginning of the hearing, 9:30 a.m., Wednesday, November 3, 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 32399-0850 Re: Docket No. 040817-EI

NOTICE OF COMMISSION HEARING AND PREHEARING CONFERENCE DOCKET NO 040817-EI PAGE 3

Anyone wishing to become a party to this 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 the Commission Clerk and Administrative Services 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 proposed electrical power plant is a winter-rated 517 megawatt (MW) natural gasfired, combined cycle unit to be located at the Hines Energy Complex in Polk County, Florida. The petitioner proposes to place the unit in commercial service by December 2007.

PREHEARING CONFERENCE

A prehearing conference will be held before Commissioner Rudolph "Rudy" Bradley, as Prehearing Officer, regarding the above-referenced matter, at the following time and place:

> 9:30 a.m., Monday, October 18, 2004 Room 152, Betty Easley Conference Center 4075 Esplanade Way Tallahassee, Florida

The purpose of this prehearing conference will be to: (1) define and limit, if possible, the number of issues; (2) determine the parties' positions on the issues; (3) determine what facts, if any, may be stipulated; (4) dispose of any motions or other matters that may be pending; and (5) consider any other matters that may aid in the disposition of this case.

JURISDICTION

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

NOTICE OF COMMISSION HEARING AND PREHEARING CONFERENCE DOCKET NO 040817-EI PAGE 4

A copy of Progress Energy's petition for determination of need and supporting exhibits is available for public inspection during normal business hours at the following location:

> 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 the hearing or prehearing conference in this docket 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 13th day of September, 2004.

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

By: Kay Jugar Kay Flynn, Chief

Bureau of Records

(S E A L)

WCK