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Sent: Friday, March 30, 2007 2:18 PM
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Subject: E-filing (Docket No. 070098-EI)
Attachments: 070098 Citizens Prehearing Statement.sversion.doc

ORIGINAL

Electronic Filing

a. Person responsible for this electronic filing:

Charles J. Beck, Associate Public Counsel
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b. Docket No. 070098-EI

In re: Petition for determination of need for Glades Power Park Units 1 and 2 electrical power plants in Glades County, by Florida Power & Light Company.

c. Document being filed on behalf of Office of Public Counsel

d. There are a total of 7 pages.

e. The document attached for electronic filing is Citizens' Prehearing Statement.

(See attached file: 070098 Citizens Prehearing Statement.sversion.doc)

Thank you for your attention and cooperation to this request.

Brenda S. Roberts

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DOCUMENT NUMBER-DATE

02772 MAR 30 5

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for determination of need)
for Glades Power Park Units 1 and 2)
electrical power plants in Glades County,)
by Florida Power & Light Company.)
_____)

Docket No. 070098-EI
Filed: March 30, 2007

CITIZENS' PREHEARING STATEMENT

In accordance with the Order Establishing Procedure, Order No. PSC-07-0120-PCO-EI issued February 9, 2007, and the First Order Revising Order Establishing Procedure, Order No. PSC-07-0213-PCO-EI issued March 7, 2007, the Citizens of Florida, through the Office of Public Counsel, file this Prehearing Statement.

WITNESSES

Citizens have not prefiled testimony by any witness.

EXHIBITS

Citizens have not prefiled any exhibits.

STATEMENT OF BASIC POSITION

In order to determine whether the proposed ultra-supercritical pulverized coal plants are the most cost-effective alternative available, the Commission must take into account the very high probability of carbon dioxide emission regulation during the lives of these plants. It is not enough to say that estimating CO2 emission mitigation costs is highly speculative or that the uncertainty

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regarding future CO2 emission regulation makes it futile to try to resolve differences in CO2 allowance price forecasts. Some significant level of emission cost is highly probable, and the Commission must make the best determination it can at this time concerning the magnitude of such costs in order to determine whether the proposed plants are the most cost-effective alternative available. The Commission should use no less than FPL's medium forecast of CO2 allowance costs (scenario C) to determine the cost effectiveness of the plants.

Beside cost-effectiveness, the Commission must also consider and weigh the need for fuel diversity and supply reliability, the need for electricity at a reasonable cost, the need for electric system reliability and integrity, and the conservation measures taken by or reasonably available to FPL which might mitigate the need for FGPP.

STATEMENT OF ISSUES AND POSITIONS

ISSUE 1: Is there a need for the proposed generating units, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes?

OPC Position: No position at this time.

ISSUE 2: Is there a need for the proposed generating units, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes?

OPC Position: No position at this time.

ISSUE 3: Is there a need for the proposed generating units, taking into account the need for fuel diversity and supply reliability, as this criterion is used in Section 403.519, Florida Statutes?

OPC Position: No position at this time.

ISSUE 4: Are there any conservation measures taken by or reasonable available to Florida Power & Light Company which might mitigate the need for the proposed generating units?

OPC Position: No position at this time.

ISSUE 5: Has FPL appropriately evaluated the cost of CO2 emission mitigation costs in its economic analysis?

OPC Position: FPL has appropriately provided a number of scenarios evaluating CO2 mitigation costs.

ISSUE 6: Do the proposed FGPP generating units include the costs for the environmental controls necessary to meet current state and federal environmental requirements, including mercury, NOx, SO2, and particulate emission?

OPC Position: No position at this time.

ISSUE 7: Are the proposed generating units the most cost-effective alternative available, as this criterion is used in Section 403.519, Florida Statutes?

PC Position: In order to determine whether the proposed ultra-supercritical pulverized coal plants are the most cost-effective alternative available, the Commission must take into account the very high probability of carbon dioxide emission regulation during the lives of these plants. It is not enough to say that estimating CO2 emission mitigation costs is highly speculative or that the uncertainty regarding future CO2 emission regulation makes it futile to try to resolve differences in CO2 allowance price forecasts. Some significant level of emission cost is highly probable, and the Commission must make the best determination it can at this time concerning the magnitude of such costs in order to determine whether the proposed plants are the most cost-effective alternative available. The Commission should use no less than FPL's medium forecast of CO2 allowance costs (scenario C) to determine the cost effectiveness of the plants.

ISSUE 8: Based on the resolution of the foregoing issues, should the Commission grant FPL's petition to determine the need for the proposed generating units?

OPC Position: No position at this time.

ISSUE 9: Should this docket be closed?

OPC Position: No position at this time.

STIPULATED ISSUES

None.

PENDING MOTIONS

None.

**STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR
CONFIDENTIALITY**

Citizens have no pending requests for claims for confidentiality.

OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT

Citizens do not challenge the qualification of any witness.

STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

Citizens have complied with the order establishing procedure.

Respectfully submitted,

s/ Charles J. Beck
Charles J. Beck
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DOCKET NO. 070098-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S. Mail and electronic mail to the following parties on this 30th day of March, 2007.

s/ Charles J. Beck
Charles J. Beck

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