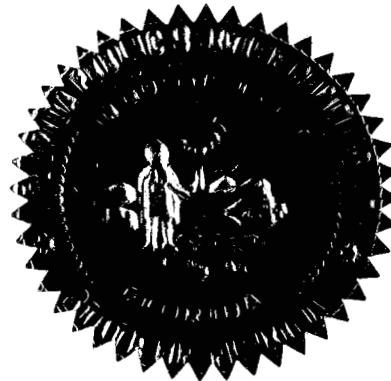


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 070098-EI

In the Matter of:

PETITION FOR DETERMINATION OF NEED
FOR GLADES POWER PARK UNITS 1 AND
2 ELECTRICAL POWER PLANTS IN GLADES
COUNTY, BY FLORIDA POWER & LIGHT
COMPANY.



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VOLUME 1

Pages 1 through 157

PROCEEDINGS: HEARING

BEFORE: CHAIRMAN LISA POLAK EDGAR
COMMISSIONER MATTHEW M. CARTER, II
COMMISSIONER KATRINA J. MCMURRIAN

DATE: Monday, April 16, 2007

TIME: Commenced at 9:45 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, RPR, CRR
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9 CHARLES BECK, INTERIM PUBLIC COUNSEL, Office of
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24

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P R O C E E D I N G S

1
2 CHAIRMAN EDGAR: Good morning. Call this hearing to
3 order.

4 We will go through a few preliminary matters and then
5 I'll make some comments, and then we'll move into the public
6 testimony portion of the hearing. So before we do that, let's
7 go ahead and take care of some of the formalities, and I'd like
8 to begin by asking our staff to read the notice.

9 MS. BRUBAKER: Certainly, Chairman.

10 Pursuant to notice, this time and place has been
11 scheduled for the purpose of conducting a hearing in Docket
12 Number 070098-EI. The purpose of the hearing is set forth more
13 fully in the notice.

14 CHAIRMAN EDGAR: Thank you. And let's go ahead and
15 take appearances from the attorneys who are parties or
16 representing parties in the proceeding.

17 MR. LITCHFIELD: Thank you. Good morning, Madam
18 Chairman, Commissioner McMurrian, excuse me, and Commissioner
19 Carter. My name is Wade Litchfield. I'm representing Florida
20 Power & Light Company this morning. Also seated at counsel
21 table with me is Ms. Natalie Smith, and I'd also like to enter
22 an appearance for Bryan Anderson.

23 CHAIRMAN EDGAR: Thank you.

24 MS. PERDUE: Good morning. I'm Tamela Ivey Perdue on
25 behalf of Intervenor Associated Industries of Florida.

1 MR. GROSS: Good morning, Madam Chair, Commissioner
2 McMurrian and Commissioner Carter. My name is Michael Gross.
3 I'm here with the EarthJustice Law Firm on behalf of Sierra
4 Club, Natural Resources Defense Council, Save our Creeks,
5 Florida Wildlife Federation, Environmental Confederation of
6 Southwest Florida and Ellen Peterson. And I would also like to
7 introduce Monica Reimer, who is also an attorney sitting behind
8 me, with EarthJustice. Thank you.

9 CHAIRMAN EDGAR: Thank you.

10 MR. BECK: Good morning, Madam Chairman and
11 Commissioners. My name is Charlie Beck. I'm with the Office
12 of Public Counsel appearing on behalf of Florida's citizens.

13 MR. KRASOWSKI: Good morning, Madam Chairman and
14 Commissioners. My name is Bob Krasowski. I'm here with Jan
15 Martin Krasowski. We're a couple that are representing
16 ourselves as ratepayers, stakeholders in FPL. Thank you.

17 CHAIRMAN EDGAR: Thank you. Welcome.

18 And staff.

19 MS. BRUBAKER: Thank you. Jennifer Brubaker,
20 Katherine Fleming, Lorena Holley and Larry Harris on behalf of
21 the Commission.

22 CHAIRMAN EDGAR: Thank you. Ms. Brubaker,
23 preliminary matters, exhibits.

24 MS. BRUBAKER: Yes. There are a number of
25 preliminary matters, some of which I will recommend be taken up

1 at the conclusion of public testimony at the commencement with
2 the technical hearing. We would like to note that there is a
3 list that we provided to the Commissioners and to the parties,
4 the comprehensive exhibit list. The list itself is marked as
5 hearing Exhibit Number 1. There is a stipulated staff
6 composite exhibit that is also listed as Number 2. And then
7 the prefiled exhibits for the witnesses are also numbered and
8 listed, and I would recommend that we go ahead and identify the
9 items listed here in the order that they're identified, and if
10 it's agreeable to the parties, we can just go ahead and move
11 the list into the record. And then any exhibits following that
12 come from the public testimony portion would be numbered in
13 sequence beginning with Number 148.

14 CHAIRMAN EDGAR: Any objection from the parties?

15 MR. LITCHFIELD: No objections.

16 CHAIRMAN EDGAR: No. Then as per the recommendation
17 of staff's counsel Ms. Brubaker, we will go ahead and mark the
18 items for the comprehensive exhibit list and the composite
19 exhibit as, as noted on the document.

20 MS. BRUBAKER: Thank you.

21 CHAIRMAN EDGAR: Thank you.

22 (Exhibits 1 through 147 marked for identification.)

23 (Exhibit 1 admitted into the record.)

24 MS. BRUBAKER: With that, staff has no preliminary
25 matters at this time.

1 CHAIRMAN EDGAR: Okay. Before we move into public
2 testimony, are there any items for any of the parties that they
3 would like to bring up at this time?

4 MR. GROSS: Madam Chair, I'm Michael Gross, and
5 there's one preliminary matter I would just like to call a
6 contingency to your attention, and that is due to the storm up
7 north, two of my witnesses, John Plunkett and David Schlissel,
8 who were scheduled to testify tomorrow are, have expressed a
9 concern about flights being backed up now. Even though the
10 storm may be clearing up, they've found out that they might
11 have a problem getting out. One's in Vermont and the other one
12 is in Cambridge, Massachusetts. So I just want to mention
13 that. I'm very hopeful that they're going to be able to make
14 it down here.

15 CHAIRMAN EDGAR: Okay. Thank you, Mr. Gross.

16 MR. GROSS: Thank you.

17 CHAIRMAN EDGAR: I appreciate you bringing that to my
18 attention early. We will work with you and your witnesses and
19 with all the parties to, as we always do, to try to accommodate
20 to the best of our ability scheduling needs, requirements,
21 keeping in mind, of course, my desire for an orderly
22 proceeding. So we will all work together. I expect we will
23 have some other scheduling items too as we go through the next
24 two days and perhaps beyond. We'll see.

25 Okay. With that then here in a few moments we will

1 move to the public testimony portion of this proceeding. I
2 hope that, that all of you or that most of you are aware that
3 we will have this proceeding divided into basically two
4 components or two pieces: A public testimony portion, which we
5 will begin here in a few moments, and when that portion has
6 ended, then at whatever point that is we will take a break and
7 then after that we will move into the evidentiary portion of
8 our proceeding.

9 I am glad, as always, to see so many people here. We
10 are always glad to have people interested and participating in
11 our processes. Our processes are better with full and diverse
12 participation. It is an important part of what we do to hear
13 from the public, and the testimony that we take this morning
14 will be a part of the proceeding and the decision-making that
15 will go on from this point forward.

16 We're here today because Florida Power & Light has
17 asked that the Commission make a determination regarding
18 whether there is a need for the electrical power plant that
19 they are proposing in Glades County. In order to make this
20 determination, the statutes require us to examine the need for
21 electric system reliability and integrity, the need for
22 adequate electricity at a reasonable cost, the need for fuel
23 diversity and supply reliability, and whether the proposed
24 plants are the most cost-effective alternative available. As
25 part of this, we must consider the conservation measures taken

1 by or reasonably available to FPL which might mitigate the need
2 for the proposed plants, and we may consider other matters
3 within our jurisdiction that are deemed to be relevant. Only
4 issues relating to the need for the proposed plant will be
5 heard at this hearing. Separate public hearings will be held
6 by other entities to consider the environmental and other
7 impacts of the proposed plants.

8 As I mentioned, we have this proceeding divided into
9 two portions. And at the conclusion of the proceedings that we
10 have, after the evidentiary hearing, the parties will file
11 briefs and the Commission staff will write a recommendation as
12 to how it believes we should decide the case based on the
13 evidence that is presented at hearing that is a part of the
14 record. We're currently set to deliberate on that
15 recommendation at our June 5th Agenda Conference.

16 Okay. We have asked -- and I hope everybody has seen
17 that there is a signup sheet in the back. And I will be asking
18 Ms. Brubaker to call names in the order that people have signed
19 up on that sheet. If there is anybody here who would like to
20 speak to the Commission as part of the public testimony portion
21 and you haven't signed up, I would ask that you go to the back
22 and get on the list. We will need to swear you in and we will
23 do that as a group altogether here in just a few moments.

24 When you come to speak to us after Ms. Brubaker calls
25 your name, if you would come to the microphone right over here

1 to my right and have a seat. We will ask you to begin by
2 telling us your name, please spell it for the court reporter,
3 and your address. That's always very helpful information for
4 us to have as part of the record. I would ask that you be
5 cognizant of the time restraints that we have. We want to hear
6 from you, but do keep in mind that there are other people
7 waiting to speak to us as well.

8 Ms. Brubaker, have I missed anything?

9 MS. BRUBAKER: I don't believe so, Commissioner.

10 CHAIRMAN EDGAR: Okay. After you have given your
11 comments to the Commission, there is the opportunity, if we
12 have questions to ask and also if any of the parties have
13 questions to ask of those who are participating in the public
14 testimony portion.

15 Okay. For everybody who would like to speak as part
16 of this part of our proceeding, if you would stand together
17 with me and raise your right hand and we will go ahead and take
18 care of the oath.

19 (Witnesses collectively sworn.)

20 Okay. I think we're ready to begin. Ms. Brubaker,
21 if you will call the first witness.

22 MS. BRUBAKER: Thank you. One thing we found very
23 effective in a prior hearing was to call three or four names at
24 once so you know where in the queue you're going to be, and so
25 I'm going to do that. Also, to the extent you do not have an

1 address listed on the signup sheet, I'll indicate so. And if
2 you could, please, when you give your name for the court
3 reporter, also provide your address. I'd appreciate it.

4 The first three names are Holly Binns, Steve Hein and
5 Mary Crumb. Mr. Hein and Ms. Crumb, if you would be sure,
6 please, to provide your address as well.

7 Whereupon,

8 HOLLY BINNS

9 was called as a witness and, having been duly sworn, testified
10 as follows:

11 DIRECT STATEMENT

12 MS. BINNS: Good morning, Madam Chair and
13 Commissioners. Thank you for the opportunity to be here today.
14 My name is Holly Binns and I represent a non-profit
15 organization called Environment Florida. And I'm here today
16 representing our approximately 5,000 citizen members who are
17 also Florida Power & Light ratepayers. And I think there is a
18 long lineup of speakers today, so I will do my best to keep my
19 remarks brief.

20 There are two issues related to the Glades Power Park
21 proposal that I urge you to carefully consider. The first is
22 the additional cost to operate a pulverized coal facility like
23 the Glades Power Park under the increasingly likely scenario of
24 federal carbon regulation. And then the second is the
25 potential to meet the projected demand that the Glades Power

1 Park would serve with energy efficiency and conservation
2 programs.

3 First, it is increasingly likely that carbon -- or
4 that Congress will act to restrict carbon dioxide emissions
5 from the utility sector and that this will have a significant
6 impact on the cost of pulverized coal plants, and these are
7 costs that would be passed directly to utility ratepayers.

8 Currently there are six proposals in Congress to
9 limit CO2 emissions from the utility sector and all require
10 significant reductions in CO2 emissions, most in the range of
11 60 to 80 percent within the lifespan of this plant, and all of
12 these proposals have broad bipartisan support. And in
13 addition, congressional leadership has made a priority of
14 passing legislation to limit global warming emissions a
15 priority. So I think more than ever it's extremely likely that
16 we will have a carbon-regulated economy in the near future, and
17 the utility sector will obviously be a big part of this and
18 that has an impact on the cost of this plant for ratepayers,
19 and particularly for the Glades Power Park, which will emit
20 approximately 13 million tons of carbon dioxide annually every
21 year for, you know, the lifespan of this plant, 30, 40, 50
22 years. Those are significant ongoing costs that get passed
23 directly to ratepayers.

24 I understand that you're going to hear more about
25 this from expert witnesses, so I won't belabor the point. But

1 I do believe it's a significant issue related to the cost of
2 this plant and whether it's the most economic option, and so I
3 urge you to carefully consider it.

4 The second and final point that I wanted to raise is
5 that I believe there's the potential to meet the growing energy
6 demand that this plant would serve using aggressive energy
7 efficiency programs. It's a strategy that would also serve to
8 reduce our reliance on natural gas as a fuel, and I know that's
9 a concern that the Commission has brought up in the past.

10 Although Florida Power & Light has implemented some
11 significant load management programs to reduce peak energy
12 demand, there is much more that could be done in this area.
13 Unfortunately, the rate impact measure that we've used
14 historically in Florida to evaluate efficiency and conservation
15 programs is set up so that, you know, essentially that the cost
16 of -- or any reduced electricity sales from an efficiency or
17 conservation program counts as a cost, which seems like it
18 essentially puts a black mark against a lot of utility
19 efficiency programs and creates, you know, a cost to that
20 program that isn't actually a cost if you look at it in terms
21 of whether it's effective in reducing consumer bills and
22 effective in reducing energy demand, which I think is the
23 bottom line goal of any efficiency or conservation program.

24 You know, if Florida implemented a comprehensive
25 energy efficiency program aimed at reducing electric demand in

1 the state by just 1.3 percent annually, which isn't a big
2 number, that would replace 100 percent of the output not just
3 from the Glades Power Park facility, but from all of the seven
4 proposed coal plants that are on the drawing board for Florida
5 right now. And that's a significant chunk.

6 There are a number of states that have active energy
7 efficiency programs. They typically achieve energy savings at
8 a cost of about 3 cents per kilowatt hour. So it's a strategy
9 that both helps to increase our diversity of how we are
10 getting, meeting our electricity needs, as well as being a very
11 cost-effective alternative to building power generation
12 facilities. It's an economic option for utility ratepayers.
13 So, again, this is something that I understand you're going to
14 hear more about from other expert witnesses later, so I will
15 wrap up my remarks there and just say thank you very much for
16 the opportunity to share these concerns with you. I urge you
17 to carefully consider these issues as you move forward.

18 Thanks.

19 CHAIRMAN EDGAR: Thank you. Hold on for a moment.

20 MS. BINNS: Sure.

21 CHAIRMAN EDGAR: Are there any questions for this
22 witness? No. And could you spell your last name for me?

23 MS. BINNS: Sure. B-, as in boy, I-N-N-S.

24 CHAIRMAN EDGAR: I had guessed totally wrong on that.
25 All right. Thank you.

1 COMMISSIONER CARTER: So did I.

2 MS. BRUBAKER: Steve Hein.

3 Whereupon,

4 STEVE HEIN

5 was called as a witness and, having been duly sworn, testified
6 as follows:

7 DIRECT STATEMENT

8 MR. HIEN: Good morning. For the record, my name is
9 Steve Hein, H-E-I-N. My address is 1115 Swinging Trail,
10 LaBelle, Florida. Phone number? Okay. Just in case.

11 I'd rather be running today in Boston, but I took a
12 couple of days off today to come and tell you that I do, do run
13 a lot and I like clean air.

14 I am a Glades County resident, so I am a person that
15 will be immediately impacted by the, the proposed power park.
16 It makes little or no sense to me why we're about to build a
17 coal-burning power plant on the banks or right there on the
18 edge of Lake Okeechobee, which is trying to go through one of
19 its biggest cleanup efforts in history. It's kind of adding
20 insult to injury, if you ask me.

21 One of my main points of being here today is that for
22 ten years I was on the local planning board for Glades County,
23 the Citizens Board. At no time during my tenure did this issue
24 ever come up. It sprang up by the Board of County
25 Commissioners with little citizen input. Nothing ever came

1 before the public regarding the Glades Power Park. It was all
2 handled in-house by staff and by the Board of County
3 Commissioners, which is part of the reason that there's some
4 ongoing litigation regarding the siting.

5 My main reason for being here today though is to say
6 that not everybody in Glades County does support this plant. I
7 have some data that will show that that is indeed true.

8 The upfront recovery costs -- FP&L at current time is
9 ensuing in a great way to convince Glades County residents of,
10 of the virtues of the power park. There's been thousand dollar
11 donations to community associations, to Lake Port, to Buckhead
12 Ridge, there's been promises of fire trucks, they paid for a
13 band at local festivals, they've even bought cows from students
14 at livestock auctions. To me this sounds an awful lot like
15 they're trying to buy Glades County. The main point is will
16 these fees be passed on to the ratepayers in their request for
17 upfront and early cost recovery? Is this all part of the
18 proposal?

19 I have with me also today, I have a number of
20 petitions that have been signed, approximately five to six
21 hundred. I know later on you'll hear that the Power Coalition
22 has a thousand. We've made a grassroots effort just to let you
23 know that not everybody wants this.

24 I also have a poll today that you'll see later on
25 that the Economic Development Council will say that everyone

1 supports the Glades Power Plant. I have a poll that shows that
2 47 percent do not. The people that want the Glades Power Park
3 are the Glades County government. I'm concerned about the
4 upfront costs, and I think that the real need, the real need is
5 some kind of legislation and conservation program that's either
6 mandated that the individual will have to take on in order to
7 reach energy, energy goals. We don't need to build anymore
8 power plants, especially coal.

9 I have a \$34 electric bill this month. I am an FP&L
10 ratepayer. Okay? So we know that this can be achieved. I
11 think it starts on the individual basis. It has to come from
12 somewhere: If we open windows, if we do less laundry,
13 everything that we can do to keep energy costs down. To me,
14 being a patriot is not so much supporting a war, but being a
15 patriot now means that you will save energy. So I am taking
16 this down to the individual level. I'm hoping that the PSC
17 today will consider the upfront costs that FP&L is going to
18 pass along to their customers. And thank you for the time.

19 CHAIRMAN EDGAR: Thank you, Mr. Hein.

20 MS. BRUBAKER: Mary Crumb. And, Ms. Crumb, if you'd
21 be sure to provide your address as well.

22 Whereupon,

23 MARY CRUMB

24 was called as a witness and, having been duly sworn, testified
25 as follows:

DIRECT STATEMENT

1
2 MS. CRUM: Mary Crumb, C-R-U-M-B, at 3350 Hendry
3 Isles Boulevard, Clewiston, Florida 33440.

4 Dear Commissioners, thank you. Thank you for taking
5 the time to listen to reasons I oppose the proposed Glades coal
6 plant. I'm a resident of Hendry County and traveled here to
7 express that to you.

8 Coal should be the last-case scenario. The need
9 determination for this plant is premature. First, the plant
10 will emit considerable amounts of harmful pollutants such as
11 sulfur dioxide, nitrogen oxide, mercury, soot and carbon
12 dioxide. While I understand that you consider, that you
13 consider the cost to society of these pollutants, I understand
14 that you do consider if energy efficiency measures can make the
15 plant unnecessary. They can.

16 A Washington Post article from February 17th of this
17 year highlights the success that California has realized
18 through aggressive energy efficiency. The article states,
19 "Today California uses less energy per capita than any other
20 state in the country, defying the international image of
21 American energy gluttony. Since 1974, California has held its
22 per capita energy consumption essentially consistent, while
23 energy use per person for the United States overall has jumped
24 50 percent."

25 "This article goes on to state that California really

1 represents what the rest of the country could do if it paid a
2 bit more attention to energy efficiency," says Greg Katz,
3 managing principal of Capital E, an energy and clean technology
4 advisory firm.

5 California is the best argument we have about how to
6 vary cost efficiency, both reduce energy consumption and cut
7 greenhouse gases, and they've made money doing it. Katz
8 estimates that the average Californian family spends about \$800
9 a year less on energy when it could have without efficiency
10 improvements over the past 20 years.

11 We don't need to build dirty coal plants. Energy
12 efficiency can get us the extra power we will need. I
13 understand that the Governor and Cabinet are very interested in
14 reducing greenhouse gases. They recently held a workshop on
15 global warming. Energy efficiency measures save people money
16 and reduces dangerous greenhouse gases.

17 Florida law 403.519 states that the Commission should
18 consider the conservation measures available to the utility
19 that might mitigate the need for the proposed plant. I ask you
20 to find that under Florida law the need for this plant is not
21 necessary because aggressive conservation makes this plant
22 unnecessary. Thank you for listening.

23 CHAIRMAN EDGAR: Thank you, Ms. Crumb.

24 MS. BRUBAKER: Thank you. The next three witnesses
25 will be Mary Cosmo, George Cavros and Wilma Cross. Mr. -- or,

1 I'm sorry -- Ms. Cosmo, if you would be sure, please, to
2 provide your address. Thank you.

3 Whereupon,

4 MARY COSMO

5 was called as a witness and, having been duly sworn, testified
6 as follows:

7 DIRECT STATEMENT

8 MS. COSMO: Hi. Good morning. My name is Mary
9 Cosmo. My address is 3350 Hendry Isles Boulevard, Clewiston,
10 Florida. I'm a Hendry County resident. And I thank you first
11 for the opportunity to express my opposition to this proposed
12 Glades Power Plant. I felt compelled to travel here today
13 from -- to Tallahassee to address the following concerns. I'm
14 also a student at International College, a returning student
15 for finance. I have hundreds of students and several finance
16 professors that I've spoken to about this, and they've all
17 agreed with these concerns.

18 If this plant is constructed, it would be one of the
19 largest coal plants in the entire nation. The plant would cost
20 approximately \$6 billion, and that's without the cost overruns,
21 and will generate less electricity than the recently approved
22 West County Energy Center in Palm Beach County at one-quarter
23 of the cost. Therefore, the electricity generated by this
24 plant is not the most cost-effective way of delivering
25 electricity, especially if CO2 emissions costs are factored in.

1 The FP&L documents submitted to this Commission and
2 available online in fact conclude that under most scenarios
3 this plant is not the most cost-effective way of generating
4 electricity, and that's from the direct testimony by FP&L on
5 this Public Service Commission docket.

6 There are other costs beyond ratepayer costs that
7 this Commission cannot consider but deserve acknowledgment.
8 These are the indirect external costs of the plant emissions.
9 The plant will emit 16 million tons of CO2 each and every year
10 for the likely plant life of over 50 years. CO2 has been well
11 documented as a global warming pollutant with impacts that are
12 already taking place. Stephen Leatherman, Director of Florida
13 International University's International Hurricane Research
14 Center and Coastal Research Lab, stated at a recent Cabinet
15 workshop on global warming that sawgrass in the Everglades
16 already is making way to saltwater marshes, even as the state
17 and federal government spend billions of dollars to restore the
18 River of Grass. And that was printed in the Tallahassee
19 Democrat April 4th, 2007.

20 Additionally, the plant will emit 180 pounds of
21 mercury per year -- that information was from the site
22 certification application -- further degrading surrounding
23 water bodies. Florida is under a statewide fish consumption
24 advisory due to mercury contamination, and that's from the
25 Florida Department of Health.

1 What is the external cost of further degradation of
2 our Everglades ecosystem? What is the health cost associated
3 with the developmental disorders to children due to mercury
4 exposure?

5 I urge you to find that this plant does not meet the
6 needs requirement under Florida law. It calls for you to
7 determine that the need for adequate electricity is supplied at
8 a reasonable cost and decide if this proposed plant is the most
9 cost-effective alternative available.

10 The plant is not the most cost-effective method for
11 delivering electricity to ratepayers. Even without the
12 consideration of external costs, FP&L argues that you should
13 approve the need for this plant anyway because it diversifies
14 the fuel source for electricity generation. Coal is not the
15 answer.

16 The state legislature is moving towards progressive
17 energy efficiency renewable energy laws. There are numerous
18 clean energy bills being considered down the street in the
19 state legislature. A dirty coal plant runs counter to the
20 state's effort to promote a progressive, clean and
21 environmentally sustainable energy future. Thank you.

22 CHAIRMAN EDGAR: Commissioner Carter.

23 COMMISSIONER CARTER: Would you ask her to spell her
24 name?

25 CHAIRMAN EDGAR: Ms. Cosmo, would you spell your last

1 name for us?

2 MS. COSMO: C-O-S-M-O.

3 CHAIRMAN EDGAR: Thank you.

4 MS. BRUBAKER: The next speaker is Mr. George Cavros.
5 Mr. Cavros has a document that we've gone ahead and taken the
6 liberty -- we'll pass it out. To the extent that speakers have
7 documents to which they wish to refer, if it's something you
8 wish to submit after you speak, that's fine. If you have extra
9 copies to be handed out, however, if you would, prior to
10 speaking, provide it to staff at this table and we'll go ahead
11 and pass them out. And that will help kind of keep things
12 moving along quickly.

13 I suppose at this point it would be appropriate to go
14 ahead and identify this as Exhibit 148. I would recommend,
15 rather than moving these into the record, at the conclusion of
16 each individual witness's testimony that they be gathered and
17 assembled, that the parties have an opportunity to review the
18 documents. And if -- once that's taken place, we can address
19 moving them into the record after the conclusion of public
20 testimony.

21 CHAIRMAN EDGAR: I agree. And as I said, at whatever
22 time it is, and I'm not making a prediction, but we will take a
23 break at the end of the public testimony before we move into
24 the further evidentiary portion. And before we call the first
25 witness there then we can take up the documents. All the

1 parties at the break will have the opportunity to look at them
2 and discuss.

3 (Exhibit 148 marked for identification.)

4 Thank you, sir. We're ready.

5 Whereupon,

6 GEORGE CAVROS

7 was called as a witness and, having been duly sworn, testified
8 as follows:

9 DIRECT STATEMENT

10 MR. CAVROS: Thank you, Chairwoman.

11 Good morning, Commissioners. My name is George
12 Cavros. That's spelled C-A-V-, as in Victor, R-O-S. My
13 address is 120 East Oakland Park Boulevard, Number 105,
14 Fort Lauderdale, Florida 33334. And I'm an environmental
15 attorney from Fort Lauderdale, but more importantly an FP&L
16 ratepayer.

17 I'm concerned by the direct testimony that FP&L
18 representatives have submitted to this Commission because FPL's
19 own testimony supports the argument that construction of the
20 plant under most circumstances is not in the best economic
21 interest of the ratepayers, a group of individuals whose
22 interests this Commission is entrusted with protecting.

23 As you know, according to Florida Statute 403.519, in
24 making a determination of need you're asked to take into
25 account the need for electric system reliability and integrity,

1 but also the need for adequate electricity at a reasonable cost
2 and whether the proposed plant is the most cost-effective
3 alternative. And simply put, the Glades Power Park fails this
4 economic test. I don't need to make the argument that Glades,
5 that the Glades coal plant is not the most cost-effective
6 alternative because FP&L's filed direct testimony and analysis
7 states that under mid to high CO2 emission cost forecasts the
8 Glades plant is not the most cost-effective alternative
9 compared to, say, a combined cycle natural gas plant.

10 FPL's representative Rene Silva, in the documents
11 submitted in the docket, states that, quote, I would emphasize
12 that given the range of potential outcomes, FP&L is not
13 recommending approval of the Glades Power Park based on any
14 specific projected set of assumptions or comparative economic
15 results against other forms of generation. Well, isn't that
16 the most important test that they have to meet, that the Glades
17 Power Park is more economically competitive against other forms
18 of generation? Essentially FP&L is asking this Commission to
19 turn a blind eye to your reasonable costs and most
20 cost-effective alternative test in lieu of diversification,
21 which I'll discuss in just a moment.

22 Silva goes on to state, "If in the future the actual
23 fuel price differential between natural gas and coal is not
24 large, then in retrospect it could be determined that having
25 added the Glades Power Park resulted in higher costs than would

1 have been incurred by adding gas fuel generation." And to me
2 as a ratepayer these comments do not instill a lot of
3 confidence.

4 The purpose of this hearing is to ensure that we
5 don't have -- that we don't look at the construction of this
6 plant in retrospect as harming the economic interests of
7 ratepayers. The testimony filed by FP&L shows that under any
8 high CO2 emission compliance scenario, even if there is a high
9 differential cost between the price of natural gas and coal,
10 electricity generated by coal is always more expensive to the
11 ratepayer than electricity generated by natural gas. And the
12 high CO2 compliance scenario is exactly what we can expect when
13 there's a call by policymakers and corporate leaders for an
14 80 percent reduction in CO2 levels from today's levels by the
15 year 2050. For instance, the United States Climate Action
16 Partnership, a coalition of industry and conservation
17 organizations, of which FP&L is a member to their credit,
18 recommends in their Call to Action, which I've submitted as
19 part of the record, on Page 7, quote, Congress should specify
20 an emissions target zone aimed at reducing emissions by 60 to
21 80 percent from current levels by 2050. In fact, the Safe
22 Climate Act in Congress calls for an 80 percent reduction by
23 2050 because that's what the scientific community has told us
24 that that's where we need to be in order to avert the worst
25 impacts of global climate change.

1 So the movement by legislators, environmental
2 organizations and corporations, including FP&L, supporting deep
3 CO2 emission cuts portends a high CO2 compliance scenario. And
4 FP&L concedes that the proposed Glades coal plant is less
5 cost-effective than natural gas in a high CO2 compliant
6 scenario. Therefore, FP&L fails the most cost-effective test
7 under 403.519, period.

8 And it's great that Florida Power & Light supports
9 the United States Climate Action Partnership Call to Action,
10 but one must question why the utility at the same time is
11 proposing coal as a fuel source for the Glades plant. Coal
12 emits twice as much CO2 per megawatt hour as natural gas. And
13 according to the EPA, the Glades coal plant projected emissions
14 of 13 million tons a year would actually be more CO2 than
15 what's emitted, what is emitted at the infamous Crystal River
16 plant.

17 Additionally, the cost of constructing the plant is
18 exorbitant. The plant is expected to cost \$6 billion, not
19 including cost overruns. The plant will generate 1,960
20 megawatts of electricity. FP&L today can build you a plant at
21 one-quarter the cost and provide you with 2,200 megawatts of
22 electricity. And, of course, I'm referring to the West County
23 plant that was approved by this Commission not too long ago.

24 So, Commissioners, if I were to come to you and say
25 that for a quarter I can build you a natural gas plant, a clean

1 natural gas plant that will generate more than 2,000 megawatts
2 of electricity, or for a dollar I can build you a coal plant, a
3 dirtier coal plant with, with higher emissions of major
4 pollutants and for that dollar I can create less than
5 2,000 megawatts of electricity, which one would you choose, the
6 dollar or the quarter? I, for one, would choose the quarter.

7 And under a high CO2 compliant scenario I believe
8 that FP&L will never be able to recover the additional costs,
9 the additional construction costs to make this plant
10 economically beneficial to the ratepayer.

11 So what is FP&L's argument for finding the need for
12 this plant? They ask you to place added weight on diversity.
13 Well, a bill that was passed last year, Bill 888, amended
14 Section 403.519 by asking this Commission to consider
15 reliability and diversification as well. The law doesn't state
16 that you place added weight to diversity to the detriment of
17 economic considerations. And it sort of leads to the
18 inevitable question, you know, is the diversity argument so
19 compelling that it dwarfs the economic hit that ratepayers will
20 absorb if this plant is built? And the answer to that question
21 is absolutely no.

22 FP&L relies to some extent on a myth that
23 diversification into coal brings more reliability, and upon
24 closer examination that isn't necessarily true. Did you know
25 that the price of Appalachian coal has been steadily

1 increasing, while the price of natural gas has stabilized?
2 According to the Department of Energy, the Department of Energy
3 and their Information Office, which I've also made part of the
4 record, the mine price of coals escalated from \$18.83 a short
5 ton in 1995 to \$23.59 a short ton in 2005. That's a 36 percent
6 increase in ten years. And today, if you turn to the following
7 page, today the spot price of Appalachian coal, the most
8 expensive coal mined in the U.S. and the type proposed for the
9 Glades plant, is \$41.15 a ton.

10 And reliability, access to coal is not immune to
11 natural disasters or transportation issues. According to the
12 Department of Energy, again, Energy Information Office,
13 Appalachian, the Appalachian region coal has been encumbered by
14 several factors. And I would just like to very quickly quote
15 what they, what they state about the reliability of Appalachian
16 coal.

17 Transportation problems affected the -- quote,
18 transportation problems affected the amount of eastern coal
19 moved to markets by railroads, although not to the extent of
20 western rail problems effecting the southern Powder River
21 Basin. Barge transportation of coal in 2005 from the region
22 was curtailed due to river floodings, lock maintenance, lack of
23 available barges, blocked river locks due to sunken barges.
24 Lawsuits that either temporarily halted or extended the review
25 time for the issuance of needed permits for new mines or to

1 expand current operations continue to constrain the amount of
2 coal produced. Increased operating costs, fuel, steel,
3 explosives, training of new miners, et cetera, along with some
4 geological issues, roof falls, sandstone intrusions and high
5 methane gas levels, also contributed to the lackluster
6 production levels in the region, unquote.

7 And I'm not comforted by the FP&L stated objective
8 that they plan to import some of the coal from Colombia.
9 Lately, Latin American governments have not been pillars of
10 stability.

11 On the other hand, natural gas prices have stabilized
12 from their highs of 2004. There have been 11 new LNG terminals
13 approved in the southeast U.S. stretching from the west from
14 Corpus Christi, Texas, to the east to Fort Lauderdale, Florida,
15 where I live, with another 20 waiting for approval by 2012, one
16 year before the first Glades unit is supposed to go into
17 operation. There -- it's expected that there will be 12 new
18 LNG facilities in service.

19 Now FP&L could enter into a long-term contract for
20 this additional natural gas supply just as they've done with
21 the Suez company for their future West County plant. The
22 Fort Lauderdale LNG terminal will be up and running by 2010.
23 Additionally, LNG will be available from the Elba Island,
24 Georgia, terminal by 2007, which I believe FP&L could lock in
25 now through a contract if the Glades plant was a natural gas

1 plant. So I would ask them to reconsider their use of coal as
2 a fuel source.

3 Moreover, with a supply increase there will
4 inevitably be downward pressures placed on the price of natural
5 gas and the price will stabilize further.

6 Now I don't see that the insular benefits, again
7 supply interruptions and fuel price volatility of coal, is to
8 any large extent any better than the reliability and price of
9 natural gas. I think if we're talking diversity, diversity can
10 and should take the form of distributed generation. Perhaps we
11 can learn something from California and New York's successful
12 distributed solar generation programs.

13 Additionally, while I understand this issue won't be
14 decided in this particular docket, I think it's shameful for a
15 mega corporation the size of FP&L to come to you requesting
16 early cost recovery, in essence placing the risk or shifting
17 the risk for building the plant onto ratepayers like myself. I
18 and many other ratepayers would end up paying for this facility
19 even if it were not constructed or if construction was stopped
20 halfway through, and this is patently unfair to the families
21 within FP&L's service area.

22 The charge of this Commission, with all due respect,
23 is not to protect FP&L's credit rating, but to protect the
24 families from risks that FP&L is asking you to place on us.

25 And lastly, the Glades coal plant is not consistent

1 with the clean energy legislation that's being considered in
2 the legislative halls right down the street. In the near
3 future we will have net metering in Florida. In the near
4 future we will have a renewable portfolio standard in Florida.
5 In the near future the rate impact measure will be gone in
6 Florida. And, yes, in the near future utilities in the U.S.
7 will be paying dearly for the right to emit carbon dioxide.
8 Given that policy scenario, in a way it's also premature to, to
9 grant a determination of need for this plant.

10 In conclusion, this plant is a bad economic deal for
11 ratepayers. It doesn't pass the economic tests required under
12 Florida Statutes. And the argument that coal is more reliable
13 than natural gas, well, it's a legitimate argument but I
14 believe it's a weak one, and I believe it's certainly not
15 strong enough, not a strong enough argument to, to gain your
16 approval for need.

17 And I haven't even touched on external costs at the
18 plants, projected mercury pollution impacts to our state's
19 rivers and lakes, and I'm not going to be because I know those
20 costs can't be considered in this forum yet. So I will simply
21 ask you not to grant a determination of need for this polluting
22 dinosaur based on the economic considerations that I've raised.
23 And I thank you in advance for protecting the ratepayers of
24 this state.

25 CHAIRMAN EDGAR: Thank you, Mr. Cavros.

1 Any questions? Commissioner Carter.

2 COMMISSIONER CARTER: Thank you for your comments. I
3 think you said that -- let me look at my notes here -- that the
4 cost of the coal plant would be substantially higher than using
5 a natural gas plant.

6 MR. CAVROS: That's correct.

7 COMMISSIONER CARTER: And similar size megawattage?

8 MR. CAVROS: Yes. I believe the West County plant
9 cost somewhere in the region -- that was a natural gas plant.
10 2,200 megawatts would cost somewhere in the region of about
11 \$1.5 billion. This is a coal-fired plant, which would generate
12 only 1,960 megawatts and would cost somewhere in the area of
13 \$6 billion without any cost overruns.

14 COMMISSIONER CARTER: Thank you, Madam Chairman.

15 Thank you.

16 MR. CAVROS: Thank you.

17 CHAIRMAN EDGAR: Thank you, Mr. Cavros.

18 MR. CAVROS: Thank you.

19 CHAIRMAN EDGAR: Ms. Brubaker.

20 MS. BRUBAKER: The next speaker is Ms. Wilma Cross.
21 Ms. Cross, if you'd please be sure to provide your address for
22 the reporter.

23 The next three to be called will be Terry Jackman,
24 Dan Hendrickson and Lisa Allen.

25 Whereupon,

1 WILMA CROSS

2 was called as a witness and, having been duly sworn, testified
3 as follows:

4 DIRECT STATEMENT

5 MS. CROSS: Good morning, Madam Chairman and
6 Commissioners. My name is Wilma Cross. I live at 425 Huggins
7 Avenue in Glades County.

8 Thank you all for having me here today. This is my
9 first time being here. Like I said, my name is Wilma Cross.
10 I'm a Glades County resident. I do not support the
11 construction of the Glades coal plant. Some Glades residents
12 support the plant because of the extra tax dollars it would
13 bring. Well, you would think they had won the lottery.

14 We can all agree that Glades County is an
15 economically poor county. I believe that is one of the reasons
16 why FP&L decided to build the plant in Glades County. The
17 county is run by the good ole boys, who seem to think that they
18 speak for all the residents there, but they don't speak for me
19 and they don't speak for a lot of the people in the section of
20 Glades County that I live in.

21 Many in my community are concerned with the cost of
22 this plant. Many in my community regularly fish the waters.
23 What will be the cost to them because of the additional mercury
24 that this plant will dump in our local rivers and streams?

25 I myself have a respiratory problem. It's bad enough

1 that the sugar farmers burn their fields. When this happens, I
2 can't really go outdoors too much. I have to stay inside.
3 Senior citizens, children and people like me with breathing
4 problems don't need the extra smog that will be created by the
5 nitrogen and sulfur pollution coming from the stacks.

6 What is the cost of this segment of the community --
7 to this segment of the community? If we need more energy,
8 let's become more energy efficient or use a reliable energy
9 source. The health cost of this plant is too much for local
10 residents. I'm not against economic development, but Glades
11 County needs clean economic development, not another industry
12 facility.

13 Ask yourself, do you want the senior citizens and the
14 children to live out their lives with the problems that they
15 already have or do you want to add more deadly problems to
16 their lives? Think about your loved ones. Would you want them
17 living in such an environment? The answer would be no.

18 So, please, don't subject our community to this coal
19 plant. I ask you on behalf of many of my community -- in my
20 community who could not make this trip to Tallahassee to not
21 permit this plant to be built. And I thank you.

22 CHAIRMAN EDGAR: Thank you, Ms. Cross.

23 Any questions? Thank you.

24 Ms. Brubaker.

25 MS. BRUBAKER: Thank you. Yes. Dan Hendrickson,

1 please.

2 CHAIRMAN EDGAR: Ms. Brubaker.

3 MS. BRUBAKER: I'm sorry. I didn't --

4 CHAIRMAN EDGAR: Was Mr. Hendrickson next on the
5 list? I think we had a little confusion. That's okay. We'll
6 get to everybody, so just hold on.

7 MS. BRUBAKER: I'm sorry. Wilma Cross. I'm sorry.
8 Yes. That's my, that's my error. Terry Jackman and then Dan
9 Hendrickson. My apologies.

10 CHAIRMAN EDGAR: Okay.

11 Whereupon,

12 TERRY JACKMAN

13 was called as a witness and, having been duly sworn, testified
14 as follows:

15 DIRECT STATEMENT

16 MR. JACKMAN: I'm Terry Jackman, and I'm -- I live in
17 Clewiston, Florida, 13355 CR-835, Clewiston, Florida 33440.

18 I'm a rancher and past cane farmer in South Florida
19 and in southern Hendry County, and they've come to me and
20 wanted to put transmission lines across my property. And
21 they're running these transmission lines all the way from
22 Glades County all the way to Fort Lauderdale and Miami. And I
23 don't see where I can let them put no power lines across my
24 property and I intend to fight them until I am dead.

25 And I don't believe there's enough water in our area

1 to support that power plant right now. And they say if they
2 draw it out of a well, that it will only be a six-inch
3 drawdown, and there's people out there now that can't get water
4 for their cattle and crops. And I'd like to thank you for
5 listening to me.

6 CHAIRMAN EDGAR: Thank you, Mr. Jackman.

7 Whereupon,

8 DAN HENDRICKSON

9 was called as a witness and, having been duly sworn, testified
10 as follows:

11 DIRECT STATEMENT

12 MR. HENDRICKSON: My name is Dan Hendrickson,
13 H-E-N-D-R-I-C-K-S-O-N, Post Office Box 1201 here in
14 Tallahassee, Florida. I'm here today as a -- I'm a volunteer.
15 I took off work, so I'm actually on vacation time here before
16 y'all. Part of the remarks I was going to make have been
17 covered by two or three of the witnesses already, which make,
18 makes my testimony a little bit briefer here.

19 In my earlier career I spent many years working in
20 the southern Appalachian mountains and I was working alongside
21 a number of communities, a number of families who -- dealing
22 with coal every day was just all pervasive. The changes that
23 have happened in the industry since I was there now with the
24 mountaintop mining is even more devastating to entire valleys,
25 not just the mountaintops and the communities down in those

1 valleys. Those are the upstream costs that I know may not be
2 directly before you today, except just to say that those
3 long-term general trends of stopping and controlling some of
4 the nineteenth century technology are going to be impacting all
5 aspects, all aspects of our economy in the next 40 years. So
6 when we're talking about a coal plant in South Florida that
7 would be relying on coal for that long a period of time, it
8 just seems prudent to slow it down and to look at the options
9 and alternatives.

10 We are concerned enough about the 20-year schedule
11 that, that I believe all the different tests were showing the
12 20-year schedule would say coal is still more expensive than
13 alternatives, but for 40 years we know the kinds of changes
14 that are going to be coming down the pike.

15 In the last year, for instance, I sure don't need to
16 remind y'all, but this is now the fourth coal plant in the last
17 year. The OUC one in Orlando was the first, and at that point
18 a trend began that I believe will be going on to y'all's
19 June 5th meeting and maybe beyond if, in fact, this decision is
20 not made at that time.

21 In that OUC docket and in the research there the
22 experts showed a number of the environmental related control
23 costs, and those are direct costs to the projected costs of
24 what the plant was going to be producing and factoring into its
25 fuel source.

1 The Seminole plant was next and then now the Taylor
2 and this plant are still raising the questions as to what are
3 the, the changes? Well, while we have talked over this last
4 year about a number of the changes, a number of them have been
5 very encouraging in terms of some of the changes, everything
6 from the Supreme Court to congressional changes and the likely
7 controls over certain pollution costs that are going to impact
8 this plant, if not this year, they will by the time
9 construction begins and definitely by the time the 40-year mark
10 plays itself out.

11 Other speakers have talked about the carbon, and I
12 would just add a part that the mercury is going to be the same.
13 The mercury costs have started being factored in, and I know
14 that some of FP&L's experts have begun looking at that. But we
15 know that mercury in Florida is much more of a problem even
16 than in other states and that the kinds of changes that are
17 going to be required to stop the mercury contamination are
18 going to be, are going to be very pervasive throughout our
19 economy. And I'm sure that that's going to include the types
20 of longer range or medium range changes in the economics that
21 have been sort of put off as just too, too iffy to be
22 considered before this docket today.

23 I'm a, I'm a toxics activist and have been for a long
24 time. And besides the people who -- you know, my most vivid
25 memories in the mountains were sitting up all night in rocking

1 chairs with people who were dying of black lung. The same
2 thing from chemical contamination for friends and family
3 members of myself that has made me realize that we have to
4 change and this new century is offering us that option. A
5 number of the new energy options are offering us that same
6 change and opportunity.

7 Unfortunately, while we've had a lot of good news in
8 the last year during these four proposals now for coal plants,
9 actually more than four plants because several like this are
10 more than one facility being on the same site, but, on the
11 other hand, a number of new disturbing, more depressing results
12 have been issued from the world scientists from all the
13 projections about the effects, the devastating effects of what
14 global warming and some of the other impacts from continued use
15 of coal is going to, is going to be placing on us. So that we
16 can be optimistic about some of the changes that are coming --
17 it's real easy for a lot of us on the policy side to say that
18 many of them are just too late and we don't know the extreme of
19 those damages.

20 The, the other part of the mercury is not just
21 cutting some of the mercury out of the emissions, which I know
22 is what the industry has been seeking to do since the new regs,
23 the new weak (phonetic) regs really have started projecting and
24 going into effect in coming years before this plant even gets
25 online. But there's also mercury that has to be considered in

1 the ash. Both the fly ash and the bottom ash are going to be
2 contributing to the mercury that's already such a problem in
3 Florida.

4 So I guess I wanted to introduce some documents and
5 describe them to you, but I won't. I did the Google searches
6 again, so I'd like to submit an update on some of the research
7 I found on mercury in fish and in other ways where we're having
8 to deal with it here in Florida. Also some of the research on
9 the fly ash and some of the studies there.

10 CHAIRMAN EDGAR: Mr. Hendrickson, I think we did have
11 a question.

12 Commissioner Carter.

13 COMMISSIONER CARTER: Good morning. How are you
14 doing? It's great to see you again.

15 I was intrigued by your perspective, not that you
16 said you were a toxic activist, but your perspective on this
17 new technology. You say we're still using nineteenth century
18 technology.

19 Knowing that we do need power because we've got
20 people moving here every day, what are some of the new
21 technologies that we should be employing in terms of coming up
22 with the necessary power?

23 MR. HENDRICKSON: Yes, sir. I believe there are
24 other witnesses today who will be talking about solar. I know
25 some of the new fuel cell technology released that was in the

1 last two weeks, some of the aggressive new actually plants
2 being placed in a number of northeastern states that are
3 increasing in number, the, the specific generation issues from
4 some of the alternative technologies.

5 But the larger picture -- I mean, with all due
6 respect, I know that this Commission has had before it
7 obviously the large proposals for large power plants and that
8 has been the way, as Florida grew between 1950 and 2000, that
9 was the solution to our increasing growth was to build huge
10 power plants. And apparently now, given what's happening in
11 the solar industry and in the fuel cell energy and some of the
12 other, besides hydrogen, some of the other options, it may just
13 be that because of the DSM and a number of the other things
14 that other witnesses will be talking about in a lot more detail
15 than me, but we don't need to rely on just the large power
16 plants. But instead what we're talking is that we'll see the
17 replacement of that reliance on a much more decentralized
18 energy generation, not only in Florida, obviously, but
19 throughout the world.

20 COMMISSIONER CARTER: Thank you. Thank you, Madam
21 Chair.

22 CHAIRMAN EDGAR: Thank you, Mr. Hendrickson.

23 Ms. Brubaker.

24 MS. BRUBAKER: The next speaker is Lisa Allen.

25 Ms. Allen, if you'd please be sure to provide your address to

1 the reporter.

2 The next three to speak will be Bobbi Conti, Debbie
3 Arnason and Phyllis Reeve.

4 Whereupon,

5 LISA ALLEN

6 was called as a witness and, having been duly sworn, testified
7 as follows:

8 DIRECT STATEMENT

9 MS. ALLEN: Good morning. My name is Lisa Allen, and
10 I live at 4015 West Palimar Circle in LaBelle, Florida.

11 Dear Commissioners, thank you for the opportunity to
12 allow me to address you today on an issue that is very
13 important to me and my family. Of course, we live in Hendry
14 County, which borders Glades County, and we are very concerned
15 about the coal plant that they're going to be planning on
16 building. We've attended numerous community festivals,
17 gathered signatures on petitions opposing the plant. Both of
18 my children, who are 12 and 14, have taken these petitions to
19 their school and have explained the situation to the principal,
20 vice-principal and the teachers and also the classmates and
21 have had several signatures signed and handed these in. So
22 they're really concerned about this coal plant affecting their
23 future.

24 On the contrary to what county officials might have
25 you think, families in the Glades County area are very

1 concerned about the impacts of additional mercury in our
2 waterways to their children. They are concerned about how the
3 smog from the power plant stacks coupled with the burning of
4 sugarcane will affect their children's health. I understand
5 that this isn't a hearing about pollution, but it is a social
6 cost, and we will pay, we will all pay because FPL has chosen
7 to burn coal at this plant.

8 Also, the trains, they dump coal and coal dust along
9 the railway. The coal dust that enters the air during coal's
10 transportation and storage irritates the lungs and contaminates
11 land and our precious water, which right now we're going
12 through a serious drought. I don't think we can afford to do
13 that. So there are still many unanswered questions about the
14 plant and how much train traffic it will generate. Guessing --
15 FPL hasn't adequately accounted for the cost of transporting
16 the coal by train. The Florida rail system is in need of
17 improvement. This makes the transportation of coal unreliable,
18 and the electricity produced from coal can't be reliable if you
19 can't get the coal to the plant.

20 There has been \$825 million in needs identified on
21 the Florida freight rail system through a needs assessment, and
22 it has been suggested that FEC has to double track most of
23 their network and upgrade it to 286,000 pound railcar
24 weightbearing standards. And increasing the roadway and
25 railroad traffic will create more delays and safety hazards at

1 5,000 at-grade crossings.

2 Additionally, other reports indicate that coal
3 transportation infrastructure will be tight and will keep rail
4 transportation expensive. Has FPL accounted for this? Also,
5 the price of coal has steadily increased, of course other
6 speakers have said so, while the price for other fuel sources
7 like natural gas has stabilized. Why has FPL been rushing to
8 coal? Why can't we go to something that's more economically
9 fit for this particular thing?

10 What does the future hold for our children? You
11 know, will there be a future for our children and, you know, to
12 make energy choices like this? That's what my children want to
13 know, and I'm here speaking for them also. By the way, they
14 wanted to come, but I told them they had to go to school. I
15 didn't want to take them out of school, but they did want to
16 come and speak today. And so I am speaking for them. Thank
17 you very much.

18 CHAIRMAN EDGAR: Thank you.

19 Ms. Brubaker.

20 Oh, excuse me. I'm sorry, Ms. Allen.

21 Commissioner Carter.

22 COMMISSIONER CARTER: Tell your children their mommy
23 represented them well.

24 MS. ALLEN: Thank you so much.

25 MS. BRUBAKER: The next speaker is Bobbi Conti. If

1 you would please be sure to list your address for the court
2 reporter. I would also like to note that at the conclusion --
3 is Mr. Hendrickson still present in the room?

4 CHAIRMAN EDGAR: Yes, he is.

5 MS. BRUBAKER: He passed copies of documents to us.
6 Just for clarity -- where? Did you want this identified as an
7 exhibit?

8 MR. HENRY: Yes, please. Two.

9 MS. BRUBAKER: Okay. Yes, there are two. We'll go
10 ahead and pass those out, and if we could have that identified
11 as Number 149, and we'll just make it a composite of the two
12 documents as a single exhibit, 149.

13 Just a reminder, to the extent that exhibits are to
14 be provided, if you could please provide any copies to staff
15 before you speak and that will help keep the flow of the
16 process. Thank you.

17 CHAIRMAN EDGAR: And help us keep the record and the
18 documents in order.

19 (Exhibit 149 marked for identification.)

20 CHAIRMAN EDGAR: Okay. We're ready.

21 Whereupon,

22 BOBBI CONTI

23 was called as a witness and, having been duly sworn, testified
24 as follows:

25 DIRECT STATEMENT

1 DR. CONTI: Honorable Commissioners, I am Dr. Bobbi
2 Conti from St. Lucie County. My address is 8266 Riviera Way.

3 I've come before you to share the historical moment
4 that we had in St. Lucie County with a public hearing on the
5 proposed FP&L plant that started at 6:00 p.m. and went until
6 5:00 a.m. the next morning, with a vote on behalf of our
7 Commissioners of five to zero to deny the plant in St. Lucie
8 County.

9 We did -- starting at a few residents in the county,
10 a very small grassroots research project that went on for eight
11 months. That research project included all of the aspects
12 about the pollutants from the plant, the size of the plant, the
13 cost of the plant, the placement of the plant, the train
14 situation going through St. Lucie County, and I want to share
15 with you that this is a regional problem, the Glades Power
16 Plant, it's not just Glades County.

17 The trains will definitely affect St. Lucie County
18 and pretty much put Fort Pierce at a standstill. There are 30
19 level crossings in the Fort Pierce area that both fire and
20 emergency services would not be able to cross to get to
21 designated populations. We have also experienced fires in the
22 back of communities because of the sparks coming from the
23 trains.

24 However, my deepest interest in this whole episode of
25 the development of coal plants in the State of Florida is the

1 healthcare issues. You know, our damaged lungs, hearts and
2 brains would be for a lifetime. There is extremely adequate
3 medical research that demonstrates that the pollutants from
4 coal plants cause heart disease, multiple cancers of the lung,
5 asthma both in children and adults, and other respiratory
6 diseases, and the latest study out of Texas is a direct
7 correlation with autism. So these would be added costs for the
8 state in the development of future coal plants. So I would
9 really like to ask you to think very seriously and to recommend
10 to you to deny the building of the Glades Power Park.

11 I wish to share with you that you have a lot of folks
12 in the audience with a button that says "Power." That really
13 is power to the people. So I hope you hear our voice. Thank
14 you very much.

15 CHAIRMAN EDGAR: Thank you, Dr. Conti.

16 Ms. Brubaker.

17 MS. BRUBAKER: The next speaker is Debbie Arnason.
18 She has provided documents to be passed out, and that would be
19 identified as hearing Exhibit 150.

20 CHAIRMAN EDGAR: Yes.

21 (Exhibit Number 150 marked for identification.)

22 MS. ARNESON: Hello. Okay.

23 MS. BRUBAKER: And, Ms. Arnason, if you could also
24 provide your address, please. Thank you.

25 Whereupon,

1 DEBBIE ARNASON

2 was called as a witness and, having been duly sworn, testified
3 as follows:

4 DIRECT STATEMENT

5 MS. ARNASON: Surely. I'm Debbie Arnason. I live at
6 12 Dill Street, Oak Park Village in Alva, Florida 33920. I'm
7 61 years old, I hope I don't look it, and I'm married and we
8 now live in Lee County, Florida. We are Florida Power & Light
9 ratepayers. My husband had one lung removed and he's very
10 sensitive to air pollution. I have hypersensitivities to heavy
11 metals like mercury and lead and nickel and so on, and I was
12 told by one of my doctors that I was the canary in the coal
13 mine. So we have to be very, very careful where we live.

14 In June of 2005, we sold our home in Naples where we
15 had lived for ten years and moved to Fort White near
16 Gainesville where we built a brand new home planning to retire.
17 After about two months of living in North Florida my husband
18 had to go to the emergency room at North Florida Regional
19 Medical Center with an asthma and arrhythmia, heart arrhythmia
20 attack. The ER doctor, Mark Loebig, asked him, "What are you
21 doing in the asthma capital?" We were dismayed.

22 At the time we were customers of Clay Electric
23 Cooperative, a member of Seminole Electric, who is also in the
24 process of building another coal-fired energy plant in Palatka.
25 I was one of those few who even heard about it, I caught a

1 little ad in the paper, and who attended the public hearing. I
2 spoke but it didn't seem to matter what I said. I do believe
3 the hearing was just for show.

4 While we were in Northern Florida, Gainesville
5 Regional Utility developed plans for a second coal-fired energy
6 plant. One of my friends there says, "Boy, these coal plants
7 are following you around." Anyway, I worked with concerned
8 citizen groups who convinced GRU and city commissioners to
9 research alternatives and that project has been put on hold. I
10 also attended some meetings of No Coal Taylor County to protest
11 the proposed plant in Perry, and I'm pleased to hear this
12 Public Service Commission is seriously considering the costly
13 impact of such a coal plant in Perry.

14 Despite these efforts and because of existing coal
15 plant pollution in Northern Florida we were forced to sell our
16 home and move back to Lee County in October 2006. You can
17 begin to see the problem and personal expense, and I have
18 included doctors' notes and tests, medical tests even showing
19 the amounts of mercury and lead in our systems, both of us.
20 They're very, very elevated. Our medical expenses for 2006
21 were 25 percent of our gross income and 92 percent of our
22 taxable income. This proposed coal burner will expose us to
23 400 percent more of the same pollutants we encountered in North
24 Florida. We cannot afford another move. Now I know you may
25 not consider our expenses as part of the cost, but, gee, we

1 sure do.

2 Back in South Florida we decided to voluntarily pay
3 an extra \$9.75 a month for FPL's Sunshine Energy Program.
4 Sure, we want, we want green energy. I have included a copy of
5 my FPL bill reflecting that I was paying this cost. When we
6 learned of FPL's proposal to put a polluting coal plant, the
7 largest in the nation, in the heart of the endangered
8 Everglades, we canceled our Sunshine Energy payment. I could
9 see that my Sunshine money was not going for clean energy but
10 instead to line the pockets of a for-profit company promoting
11 no such thing as clean coal. It is also unbelievable that FPL
12 would propose such an expensive polluting coal plant when we,
13 the State of Florida and the federal government, are spending
14 \$11 billion to clean up the Everglades. I've been in touch
15 with the Governor, Senator Aronberg's Everglades Restoration
16 Committee I attended at Florida Gulf Coast University recently,
17 Lee, Collier, Hendry, Broward county commissioners, and local
18 newspapers. I write letters to the editor and try to make them
19 as, as -- I try to be friendly to all, but we do have to get
20 this information out.

21 On February 20th, 2007, I attended FPL Glades
22 commissioners' public hearing for this proposed plant. Before
23 the meeting I spoke to Glades Commissioner Paul Beck telling
24 him I was wearing a shirt -- and I had on a shirt, I like to
25 dress for the occasion, you know. I had -- my grandkids made

1 me a shirt and it had these handprints all over it, and their
2 names are Faith, Hope, Charity and David. And they say, "We
3 love you, Grandma." And I went up to him and I said, "I'm
4 wearing this shirt because I'm really concerned about the
5 future for my grandchildren, you know, if we're going to build
6 such, such pollution into our environment." And Paul said a
7 very unusual thing to me. He asked me if I'd ever lost a
8 child. And I stopped and I thought, I said, "No." And he
9 responded that he had and it was due to the fact that Glades
10 County was so poor they couldn't even afford a decent pharmacy.
11 "We need this plant," he said, with \$21 million per year dollar
12 signs in his eyes. That's how much tax base FPL has promised
13 this poor county for the privilege of polluting their air and
14 water and the air and water of all of South Florida. Now I
15 know you don't take that into account. But I felt so sorry for
16 the man since my husband and I know first-hand the effects of
17 having a coal-burning plant within ten miles of your home and
18 finding it difficult to breathe. He doesn't realize what the
19 rest of his family is in for.

20 I was also dismayed by one of FPL's experts at the
21 hearing. On my own particular health issue, mercury heavy
22 metals poisoning, Chris Teef, a very nice young man, he might
23 even be here today, I don't know, representing the
24 environmental concerns for FPL told me at break that the type
25 of mercury coming from the stacks of the proposed plant would

1 not be the harmful type. So later when he was asked by someone
2 how mercury becomes hazardous, he said, "Only after it
3 interacts with bacteria in the water." I don't know if I
4 should read this -- well, duh. Anyway, it doesn't sound too
5 bright. In the wetlands of the Everglades, on the banks of
6 Lake Okeechobee, and spreading out in a cloud over the Caloosa
7 River and the Gulf of Mexico, how many minutes does it take for
8 the now highly neurotoxic mercury to poison the waters? I've
9 experienced mercury hot spots in damp areas near a coal-burning
10 facility. This plant would add 180 pounds per year of
11 methylmercury, which is the highly toxic type. Even one
12 teaspoon of that is enough to poison the fish in a lake for 25
13 years, one teaspoon. I felt really tricked. I wondered how
14 much other misleading information was put out to the public
15 that night at ratepayers' expense.

16 This proposed plant is just another form of fossil
17 fuel pollution, an insult to those of us who have suffered the
18 effects and were counting on FPL to diversify using solar,
19 wind, biomass, algae, et cetera. Combined with existing energy
20 sources a gradual phasing in of hybrid alternatives would meet
21 our needs inexpensively for years to come, while creating a
22 sustainable network that does not go down with the grid.

23 I drive a hybrid Toyota Prius which is extremely
24 nonpolluting and gets 50 to 60 miles per gallon. I know hybrid
25 is the way to get the most bang for the buck while cutting back

1 on pollution. I also understand, and this is not my area of
2 expertise, but it just really impacted me as far as the cost,
3 and I'm not sure how, how the amounts are formulated, I'm not a
4 scientist, but that long distance transmission lines waste as
5 much as 25 percent of the electricity created and can be
6 responsible for the entire grid going down as opposed to local
7 solar, wind, geothermal way stations combined with an existing
8 grid. Honestly, in light of global warming, I don't believe
9 I'm standing here talking to you, that this proposed plant is
10 still on the agenda because it will add, and I heard anywhere
11 from 16, 14, 13 million, million tons per year of global
12 warming carbon dioxide leading to increased hurricanes and
13 rising sea levels. You know, at that rate there will be no
14 need for energy in South Florida.

15 I am sure you're aware that the Supreme Court has
16 just mandated the Environmental Protection Agency to clean up
17 carbon dioxide and this will come at great expense to FPL
18 ratepayers and all of Florida. They also ruled against Duke
19 Power in North Carolina, making it more costly to upgrade and
20 operate existing plants. These rulings will impact coal costs
21 to this proposed plant as well. Why are we not using the
22 dozens of alternative energy proposals the State of Florida was
23 swamped with under the \$15 million Renewable Energy
24 Technologies Grant Program in February 2007? Even oil-rich Abu
25 Dhabi, and I don't how to spell it, it's an Arab state, is

1 using new solar concentrators instead of fossil fuels for
2 power. What do they know that FPL does not?

3 I encourage the Public Service Commission to consider
4 all the costs of this fossil "fuel-ish" proposal. We
5 ratepayers also need to see their plans for solar, wind and
6 conservation first before considering this fossil
7 "fuel-ishness."

8 The coal burner is not diversification. Oil or gas
9 or coal in any form is like an alcoholic switching from scotch
10 to vodka to beer in a vain attempt to stay in the problem
11 instead of the solution. Let's do an intervention and give FPL
12 the courage to incorporate the changes to healthy alternatives
13 such as solar or we will all pay the ultimate price.

14 I have attached an email directly to me, that kind of
15 makes me feel proud, but anyway from Jim Hansen, James Hansen,
16 the head scientist at NASA, in response to my correspondence to
17 him about this FPL Glades coal-burning plant. He is the
18 ultimate expert. And I quote, "Deb, such a coal plant would be
19 an extremely foolish investment. It is clear that during the
20 next few decades we will need to bulldoze all coal-fired power
21 plants that do not capture and sequester CO2." That doesn't
22 sound very cost-effective to me.

23 FPL has been good to us in the past but now needs
24 some tough love to get in on a new triple bottom line of
25 people, planet and profits. We must see a full cost accounting

1 along these lines before permitting. Thank you for caring.

2 Oh, and by the way, I have a citizens resolution for
3 you to sign if you feel the same way I do about this proposed
4 coal plant. Thank you.

5 CHAIRMAN EDGAR: Thank you, Ms. Arnason.

6 Ms. Brubaker.

7 MS. BRUBAKER: The next speaker is Phyllis Reeve. If
8 you would please, be sure to provide your address.

9 The next three speakers in turn will be Elinor
10 Elfner, Eric Draper and Steve Smith.

11 Whereupon,

12 PHYLLIS REEVE

13 was called as a witness and, having been duly sworn, testified
14 as follows:

15 DIRECT STATEMENT

16 MS. REEVE: Good morning. My name is Phyllis Reeve.
17 My address is 122 Coolidge, C-O-O-L-I-D-G-E, Avenue, Lee High
18 Acres, Florida. I live in Lee County. I don't live in Glades
19 County, but my county is impacted and will be impacted more by
20 this facility.

21 I'm here today to speak as a, as a healthcare
22 professional. I'm here to express my concern about the health
23 and well-being of others who live in South Florida. I have
24 been an emergency room nurse for 16 years. I have also owned
25 and operated a medical equipment company that provided oxygen

1 and other medical devices for those with respiratory illnesses.

2 I've watched children and adults struggle to get
3 life-sustaining air into their lungs. I have seen many who are
4 able to get through an asthma attack or an exacerbation of
5 their COPD. I have seen many who were not able to do so. I
6 have seen many children as well as adults have to have
7 breathing tubes inserted in order to be able to get through
8 some of these attacks that they have. This is not a pleasant
9 thing to do or to watch. It is very heartbreaking to watch a
10 child lay in a bed and attempt to get lungs, their lungs filled
11 with air. It's heartbreaking to watch an adult go through the
12 same thing. These problems are caused by air pollution as well
13 as smoking. These are not just smoker's problems.

14 I lived in Southern California for several years. We
15 all know what their air is like. One of the things that really
16 struck me though when I came home was the lack, I guess you
17 could say, of those that presented to the emergency room for
18 asthma attacks, especially children. It's directly related to
19 the quality of air. The concern that I have is that this is
20 going to change in South Florida with the building of this
21 plant. There's just no reason to continue to allow the
22 children and other residents of South Florida to have to go
23 through these things.

24 People with cancer, it's heartbreaking again to watch
25 what happens to their bodies as well as their minds when they

1 go through these illnesses. I, I would like to see the number
2 of these cases stay low in my hospital and in my state rather
3 than be on the increase with the increase in air pollution. If
4 this coal plant is built, the number of asthma cases as well as
5 cancer and other respiratory illnesses will rise dramatically.
6 There will be many more children and adults who will suffer and
7 struggle to breathe. There will be many who will not be able
8 to live a normal life. Children will not be able to go outside
9 who have asthma, as this worsens with the amount of pollution
10 that is in the air.

11 The cost of building this facility is going to go way
12 beyond just the dollar amounts that people are talking about.
13 It's going to have a cost in terms of people's ability to go
14 outside and enjoy the natural wildlife and beauty that we have
15 in South Florida. There's just so many more things to
16 consider, and I would ask that this Commission really put some
17 thought into these other considerations. Thank you.

18 CHAIRMAN EDGAR: Thank you.

19 Ms. Brubaker.

20 MS. BRUBAKER: Elinor Elfner. And, Ms. Elfner, if
21 you would please give your address for the court reporter.
22 Thank you.

23 Whereupon,

24 ELINOR ELFNER

25 was called as a witness and, having been duly sworn, testified

1 as follows:

2 DIRECT STATEMENT

3 MS. ELFNER: I'm Elinor Elfner. My mailing address
4 is 7 Gulf Breeze Court, Crawfordville, Florida 32327.

5 I am here today as a member of the Big Bend Climate
6 Action Team which has worked for several years with the City of
7 Tallahassee in regard to their integrated resource planning.
8 I'm also a member of the Green Sanctuary Committee of my
9 church.

10 I wish to speak to you today specifically regarding
11 this term "need." As you weigh the evidence presented to you
12 during today and tomorrow, I urge that you consider the
13 difference between a need and a want. A need is absolutely
14 necessary, whereas a want may just be desirable.

15 In providing electricity for the public, it's typical
16 to build generating plants and transmit electricity to the
17 various users. However, in this twenty-first century, as
18 you've already been hearing, we are beginning to learn that
19 there are alternatives. Energy efficiency can reduce the
20 demand. This is reducing the need. Utilities may want to use
21 traditional generating systems, they're familiar with them, but
22 they should first seriously examine and not just assume the
23 need.

24 For example, Navigant Consulting has shown that the
25 City of Tallahassee can reduce what they assumed was their need

1 for electricity by well over 50 percent through a system of
2 potentially achievable energy efficiencies. There's no reason
3 to believe that Florida Power & Light couldn't apply a similar
4 reduction in demand-side management programs.

5 These efficiencies have a secondary benefit. They
6 cost less than generating power; certainly a benefit to the
7 ratepayers.

8 As you listen to the various comments and as you
9 review the many pages of documents, I ask that you ask
10 yourself, is the need being identified really a need for a coal
11 plant? Could this need be met less expensively through reduced
12 demand? Has this company used consultants knowledgeable in the
13 applications of energy efficiencies to determine what is really
14 necessary, or does this company simply want to use the
15 traditional generating systems of the past? A want is not a
16 need. This large plant will emit twice the carbon dioxide of a
17 similar-sized natural gas plant and will leave significant
18 climate change problems for future generations because carbon
19 dioxide, of course, emits twice -- is the major cause of global
20 warming and the coal plant would emit twice as much.

21 Before determining that there is truly a need for
22 this plant, this utility should demonstrate to you that all
23 possible energy efficiencies that cost less than generation
24 have been implemented. A need or just wanting to do business
25 as usual -- this is the twenty-first century and global warming

1 is recognized as a serious problem. The cost of fuel is hard
2 enough to predict and we don't know for certain the amount of
3 tax that will be placed on carbon emissions, but we do know
4 that energy efficiencies can benefit the consumers that you
5 protect because energy efficiency costs less than generation.

6 So as you listen to all this testimony, does the FPL
7 proposal show a need that benefits the ratepayers or is this
8 the comfortable, easy, business as usual way? You have a
9 difficult task. Please listen well. And thank you for the
10 opportunity to speak to you.

11 CHAIRMAN EDGAR: Ms. Elfner, if you would hold on
12 just a moment.

13 Commissioner Carter.

14 COMMISSIONER CARTER: Thank you. And I hope you
15 don't mind me asking a few questions.

16 MS. ELFNER: No. Go right ahead.

17 COMMISSIONER CARTER: I'm intrigued. I see a
18 variation on the theme here about this dinosaur system of the
19 past. I guess if we keep doing what the dinosaurs did, we'll
20 get the same results.

21 You're talking about the future. I guess I'm saying
22 it. Did I read you correctly to think that it probably would
23 be better if power companies, FPL included, would spend
24 resources on modern technology, energy efficient plants,
25 renewable energies versus, as you say, the plants of the past,

1 coal plants and things of that nature? Is there -- should we
2 look at whether or not -- and this may not even -- it's not
3 necessarily an expert -- this is a common sense question, is my
4 opinion.

5 MS. ELFNER: Uh-huh. I appreciate that.

6 COMMISSIONER CARTER: Sometimes they say the expert
7 is somebody from out of town with a briefcase. But is it, is
8 it really a process of determining need to say why don't we
9 look at what it really costs to have state of the art
10 technology in a highly populated state that's going to not only
11 just benefit us from a financial standpoint, but also benefit
12 us from a human standpoint? Is that what I'm hearing you say?

13 MS. ELFNER: I'm saying that we really need to deal
14 with clean energy, and that can be done two different ways as I
15 see it. One is through using some of the resources to
16 encourage consumers to be more efficient and still be able to
17 do the things they want to do. So if you supply everybody with
18 an unlimited supply of compact fluorescent lights, what does
19 that cost you compared to what it reduces the need for? If you
20 encourage solar panels distributed throughout businesses and
21 residential, what is the payoff? What is the cost? Consumers
22 will be willing to put some money up there, but that would be
23 generating an alternative type of electricity; whereas, the
24 energy efficiency of Energy Star[®] appliances, better caulking,
25 more insulation or more effective insulation, those things are

1 energy efficiencies. Does that answer your question?

2 COMMISSIONER CARTER: Yes, ma'am. Just give me one
3 second. I'm a product of the South Georgia public school
4 system, so it takes me a little longer to write stuff down.

5 Thank you, Madam Chairman. Thank you so kindly.

6 CHAIRMAN EDGAR: Sure. Thank you.

7 Ms. Brubaker.

8 MS. BRUBAKER: The next speaker is Eric Draper.
9 Mr. Draper, if you would please give your address for the
10 reporter.

11 Whereupon,

12 ERIC DRAPER

13 was called as a witness and, having been duly sworn, testified
14 as follows:

15 DIRECT STATEMENT

16 MR. DRAPER: My name is Eric Draper. My mailing
17 address is, for my office is 2507 Callaway Road, Tallahassee,
18 Florida 32303. And I'm glad to be here today. I appreciate
19 the PSC taking testimony from folks on this plant.

20 I'm privileged to represent, in the first thing that
21 I say, the Everglades Coalition, which is an organization of
22 nearly 50 conservation organizations that have been working
23 together over the past 20 years to bring about Everglades
24 restoration and have really had quite an effect, I think, in
25 helping get the government committed to the plan to restore

1 both the Everglades and Lake Okeechobee, which is moving
2 forward. And that coalition passed at its January meeting,
3 which occurred in Orlando, Florida, a resolution. I'm not
4 going to read the entire resolution, but I'm going to touch on
5 a few points that I think are important.

6 The resolution begins with expressing concern about
7 the location of the plant near a fish eating creek wildlife
8 management area of Lake Okeechobee, Nicodema Slough (phonetic),
9 and the headwaters of the Caloosahatchee River, which are all
10 components of the Everglades ecosystem. The resolution
11 expresses concern about the operation of the plant requiring up
12 to 26 million gallons a day of water that could otherwise be
13 part of the water supply plan, and that could take place even
14 during drought conditions which currently exist in the
15 Everglades, as previous people testified to; that the plant
16 would produce over 200 pounds of mercury per year, which would
17 be deposited on marshlands through atmospheric deposition; and
18 that additional mercury in the environment could harm fish and
19 wildlife. Scientific research has demonstrated that mercury
20 fallout occurs primarily within a 100 kilometer radius of
21 emission from coal-fired power plants. And, of course, the
22 neurological impacts of methylmercury are well known, and I
23 think the previous speakers have talked about that.

24 We're also concerned about the emission of carbon
25 dioxide. The Everglades Coalition is concerned about the

1 effects of climate change on the Everglades where we have an
2 intrusion of saltwater into the natural Everglades system,
3 which is changing the biological conditions of Everglades
4 National Park.

5 So the Everglades Coalition took the position which
6 is that no coal-fired power plant should be permitted in the
7 historic Everglades drainage basin and that Florida should
8 focus on conservation, energy efficiency and renewable energy
9 sources rather than build additional coal-fired power plants.

10 I'm going to switch over to speaking for Audubon of
11 Florida, the organization for which I am Deputy Director. We
12 managed a 30,000-acre sanctuary that was granted to us by a
13 lease by the trustees in the 1930s, the trustees of the
14 Internal Improvement Trust Fund, and are long-term advocates
15 for Lake Okeechobee. We also manage just west of the proposed
16 facility a privately-owned 15,000-acre sanctuary known as the
17 Corkscrew Swamp Sanctuary. So we feel well-grounded in terms
18 of our location in South Florida to speak to this.

19 We also employ roughly 30 scientists in that system
20 studying the Everglades ecosystem and offering scientific
21 information to government agencies to help design Everglades
22 restoration. We're very concerned about the plant as an
23 organization.

24 I sent a letter to the Public Service Commission
25 dated March 14th, sent it to Commissioner Edgar, in which I

1 raised a number of issues having to do with balanced fuel
2 supply. And I'm going to focus on those issues with regard to
3 this plant. The addition of a plant such as this is contrary
4 to the Public Service Commission's mission, which is to
5 facilitate efficient and safe and reliable utility services at
6 a fair price.

7 We believe that you should have to factor in, and I
8 think this case at this point has been made by previous
9 speakers, that you should definitely have to factor in future
10 energy regulatory costs associated with this plant. We made
11 the point that this is, in fact, a backward and harmful
12 technology, and that once the risks were understood associated
13 with this, that, in fact, when you look at the question of
14 safety and reliability of the fuel supply, that you're going to
15 have to -- that you would need to factor in additional costs.

16 We made the point in the letter that the balanced
17 fuel supply policy itself, which was, of course, adjusted by
18 the Legislature in last year's Senate Bill 888, undermines
19 efforts to curb carbon dioxide emissions from power plants and
20 actually undermines efforts to deal with the, the problems of
21 climate change. We know that you didn't set that policy, but
22 in our letter we recommend that you actually engage with the
23 Legislature in suggesting that maybe some of the changes in
24 that policy that were made last year be readdressed.

25 We believe that the balanced fuel supply, coupled

1 with the Public Service Commission's environmental -- the cost
2 recovery place additional financial risks on the taxpayers.
3 The Public Service Commission's Ten-Year Site Plan has
4 recognized that there will be increased environmental
5 regulations and that ratepayers are at risk as a result of
6 those increased environmental regulations that will take place
7 undoubtedly on coal in the future.

8 The balanced fuel supply actually increases in
9 efficiency because we're asking, you know, utilities to go out
10 and create -- and certainly Florida Power & Light, it can be
11 argued under balanced fuel supply, is overly dependent on
12 natural gas. We don't actually believe that, but that
13 certainly is the argument that could be made. And the most
14 sympathetic view of the company would be that they're actually
15 being pushed by the balanced fuel supply or their sense of what
16 they need to do to build a coal-fired power plant, and it's
17 worth considering that perhaps Florida Power & Light, if left
18 to their own devices, would not be pushing coal so hard but is,
19 in fact, being driven by that policy.

20 The point that I probably most, most want to make is
21 that I think that the, and this is actually Eric Draper's
22 reasoning, not necessarily Audubon's, but building a large new
23 coal-fired plant in that location, in such a remote rural
24 location just doesn't make sense. You've got issues of the
25 transmission lines that you're going to have to build in order

1 to move the produced electricity to the east coast. The load
2 center for Florida Power & Light's service area in a place that
3 most of this electricity is going, unless I misunderstand
4 things, and there's a, I'm at risk of making a mistake here, in
5 fact, the load center is right there along the Atlantic
6 corridor near Palm Beach. So it doesn't make sense to move so
7 much electricity such a long distance.

8 You do have the issue of line loss. I heard a
9 previous speaker say 25 percent. We have not been able to
10 document a 25 percent line loss, but we believe that it's up to
11 10 percent. And I certainly think that that needs to be
12 factored into the cost associated with the power plant, what
13 that line loss is, because, of course, that just translates
14 into the need to generate additional electricity.

15 In addition to that, you have the transmission costs
16 associated with having to move the coal from the port over near
17 Fort Pierce across to the location of the plant, and that adds
18 additional costs also that should be factored in. I made the
19 point that it's well away from the load center. I do want to
20 make the point also that this particular plant is, in fact,
21 water dependent.

22 You could look at alternative approaches to building
23 plants, even if, in fact, Florida Power & Light was to use coal
24 such as coal gasification which could be located in smaller,
25 more efficient facilities closer to the load center. In fact,

1 I would argue that, in fact, there should be distributed
2 generation along the eastern coast rather than putting so much
3 production in such a remote location from the place where the
4 electricity is needed.

5 We just would make a final recommendation that you,
6 that you view this as what, what would probably be viewed as,
7 in the future as an expensive mistake to put such a large plant
8 in that particular location that would tie ratepayers of the
9 future to, to costs associated with regulation and the need to
10 reduce the CO2, along with the water problems of the
11 Everglades, those are all expensive problems that need to be
12 factored in this. And I think it would be a mistake to tie
13 ratepayers to those potential mistakes.

14 Thank you very much.

15 CHAIRMAN EDGAR: Eric, could you -- just for a
16 second. You spoke a few minutes -- if you would, I would like
17 to ask you a question.

18 MR. DRAPER: You want to ask a question? Okay.

19 CHAIRMAN EDGAR: Yes.

20 MR. DRAPER: I didn't hear well.

21 CHAIRMAN EDGAR: I'm sorry.

22 MR. DRAPER: I'm trying to race away.

23 CHAIRMAN EDGAR: You said a few minutes ago that FPL
24 in this instance may be being driven by other policies, and
25 that if left solely to their, their own business plan, not your

1 exact words, my paraphrase, but that they would maybe not be
2 proposing a plant of this technology at this point in time.
3 And I guess I wasn't clear on which policies really you were
4 referring to. You talked about some of the changes in 888 last
5 year and some of the language in that, I think, encouraging
6 fuel diversity or what I think of as a more diverse fuel
7 portfolio for Florida. But could you just elaborate on that
8 point a little bit?

9 MR. DRAPER: Well, my interpretation of that issue
10 has been both looking at Senate Bill 888, which with the
11 diversity, fuel diversity which was used in the language in
12 that legislation and the Public Service Commission's balanced
13 fuel supply, which I believe is an important policy rule-based
14 approach, and that that does tend to push the electric power
15 generators into a position where if they are heavily reliant on
16 natural gas, as Florida Power & Light is, I think it's up to
17 50 percent of their, of their generation is coming from natural
18 gas, and that's well above the national average, which is, I
19 believe, around 30 percent. I'm probably not getting these
20 statistics right, so I probably ought not use them, but well
21 above the Florida average also. And so that Florida Power &
22 Light, whether they have been informally advised or whether
23 their own advisors are telling them, they're probably looking
24 at what their mix is and looking at what you would look at from
25 a, from a, from a regulator's point of view and saying we, you

1 know, we feel that we need to come into, into alignment with
2 the, with these policies. Now I wasn't in their board room
3 when they were making those decisions. I have had some fairly
4 informal discussions with some of their leaders.

5 In addition to that, I think that there is that
6 concern that existed a year ago during the debate on Senate
7 Bill 888, and I did participate as an environmental lobbyist in
8 some of those discussions. At that time it looked like natural
9 gas had, you know, had a higher price tag than it does right
10 now. I think the cost has gone down since then. And it looked
11 like there were some scarcity issues having to do with the
12 hurricane interruptions of natural gas. And so there was this
13 kind of push where we need to get away from so much natural gas
14 and get, you know, get into more coal, more reliance on coal.
15 And so those are the kind of calculations I was doing when I
16 made that assertion. I hope that's clear.

17 CHAIRMAN EDGAR: Thank you, Eric.

18 Ms. Brubaker.

19 MS. BRUBAKER: Thank you. The next speaker is Steve
20 Smith. If you would please, make sure to state your address
21 for the record.

22 The next three speakers after Mr. Smith will be Tommy
23 Perry, Debra Van Sickel and Butch Jones.

24 Whereupon,

25 STEVEN SMITH

1 was called as a witness and, having been duly sworn, testified
2 as follows:

3 DIRECT STATEMENT

4 MR. SMITH: Good morning. My name is Steven Smith.
5 I'm the Executive Director of the Southern Alliance for Clean
6 Energy. And my office is actually in Knoxville, Tennessee,
7 which is 117 North Gay Street, Knoxville, Tennessee 37901, but
8 we have staff and members and supporters throughout the State
9 of Florida and throughout the southeast.

10 I actually have a document that I need to give to
11 the -- can I approach the -- give that --

12 MS. BRUBAKER: Actually we're going to have a staff
13 person collect that and go ahead and distribute it to move
14 things along.

15 And that would be identified, Madam Chairman,
16 document number 151.

17 CHAIRMAN EDGAR: 151.

18 (Exhibit 151 marked for identification.)

19 MR. SMITH: I do -- if we need more, I can -- how
20 many more do we need?

21 CHAIRMAN EDGAR: How many do you have?

22 And if you can just give some of those to
23 Mr. Ballinger there next to you, he can help us distribute.

24 Thank you. And I'm going to ask you to start again
25 with your name, if you would for me.

1 MR. SMITH: No problem.

2 CHAIRMAN EDGAR: Thank you.

3 MR. SMITH: Again, my name is Steven Smith, and I'm
4 the Executive Director of the Southern Alliance for Clean
5 Energy.

6 The Southern Alliance for Clean Energy is a regional
7 non-profit environment and energy advocacy organization that
8 does work throughout the southeast United States, primarily
9 focused on Florida, Georgia, North Carolina, South Carolina and
10 Tennessee.

11 What I wanted to -- I wanted to direct my comments on
12 just a couple of points. As was previously stated by the
13 previous speaker that the Commission's mission is to facilitate
14 the sufficient provision of safe and reliable utility services
15 at a fair price, and I want to focus in initially on safe and
16 reliable at a fair price. And what I've given to you is a
17 graph, and I want to just walk you through it very briefly.
18 And if y'all would bear with me, I think it would be very, very
19 enlightening on a situation that we're dealing with here.

20 This graph on the horizontal axis is time, basically
21 with zero being the present time and going back 650,000 years
22 in time. The blue outline here -- and I'm on the side that
23 says Today's CO2 Concentrations. This is actually a graph of
24 CO2 concentrations and temperature. The blue is actually the
25 CO2 concentrations that have been documented going back in time

1 now over 650,000 years.

2 The way they're able to do this, interestingly
3 enough, just so you know, is that they're able to take ice
4 cores from great ice sheets and glaciers in Greenland,
5 Antarctica and some of the glaciers in other parts of the
6 world, and they're actually able to document when the ice was
7 formed it captured a small amount of oxygen, I mean, of the
8 atmosphere and formed -- and you can go back now and drill down
9 and it's like going back in time and you can actually identify
10 the concentrations of atmospheric gases going back in time. So
11 this is actually a historical record of the atmospheric
12 concentrations going back in time 650,000 years.

13 Now when I hear 650,000 years, I'm like, well, what
14 does that mean? I mean, to really put that in context. Well,
15 let me encourage you to look at a couple of things on this
16 horizontal axis here.

17 Columbus sailed the ocean blue in 1492, I think.
18 Jesus was to have walked on the Earth 2,000 years ago. The
19 first tic on this horizontal axis is 50,000 years. So 2,000
20 years is just slightly to the left of zero. Okay. The great
21 pyramids in Mesopotamian civilizations are ten, 15,000 thousand
22 years ago. Again, just slightly left of zero on this chart.
23 Again, the first tic being 50,000 years.

24 If you go back to 250,000 years, that's when
25 homosapiens as a species were largely identified. My point in

1 this is that during all of recorded human history, going back
2 in time, the concentrations of CO₂, if you look to the left in
3 the vertical axis, have remained relatively constant between a
4 concentration of approximately 180 parts per million up to
5 approximately 300 parts per million. If you go back in time,
6 again, all through reported human history you can develop, you
7 can see a bandwidth of these concentrations very consistent
8 over all this time period.

9 Interestingly, the white line represents temperature
10 variation during that same time period, and you can see
11 basically what are the Ice Ages and the interglacial periods.
12 But, again, I would draw your attention to the fact that CO₂
13 concentrations have been stable for over 650,000 years. If
14 you're on the side that has today's concentration, you will
15 notice that it is now at 382 parts per million. That is a
16 significant deviation from anything that human beings have ever
17 experienced in all of recorded history. 380 parts per million.

18 Now I ask you to turn the page over, if you would,
19 and what you see now is an extension of that line to where we
20 will be on the present course of business as usual, building
21 coal plants, continuing the same ways we produce and consume
22 energy today in 45 years, and that level is 600 parts per
23 million. In essence, a doubling of the concentrations of CO₂
24 in all of recorded human history.

25 Now the reason I bring this up is that FP&L is

1 proposing to build a coal plant that has no way currently
2 available to control CO2 emissions. FP&L will emit, if they're
3 allowed to build this plant, in excess of 14 million tons of
4 CO2 on an annual basis. A very large number. Many states are
5 struggling right now to come up with ways to reverse the trend.
6 To FPL's credit, they basically have a relatively low emission
7 profile from their current generation, and they will brag about
8 that. They brag about it very much in their filings. The
9 reality, though, is that what they are bragging about is the
10 rate of emissions. They are not actually talking about the
11 total emissions. This coal-fired power plant will actually add
12 to the total CO2 emissions. So while they talk about the rate
13 going down, the reality is, what the environment sees, and what
14 triggers the profound impacts that Florida is experiencing now
15 and will experience going forward is the additive amount of CO2
16 that is being put in the atmosphere by this plant.

17 Now I fully appreciate the fact that it is not your
18 responsibility to be an environmental regulator, but the
19 reality is by encouraging FPL, or allowing FPL to build using
20 antiquated technology that emits 14 million tons of CO2 into
21 the atmosphere, you are going to be causing economic hardship
22 going forward for the state of Florida. Scientific evidence
23 very clearly now demonstrates that as we increase the amount of
24 CO2 concentrations in the atmosphere we will experience sea
25 level rises. Sea level rise will have a dramatic impact on the

1 1,200 miles of Florida coast line that are in low lying areas.
2 It will exacerbate beach erosion. It will exacerbate storm
3 surge.

4 There is also evidence that as we increase the amount
5 of CO2 in the atmosphere and the temperatures follow, we will
6 see increased intensity of tropical cyclones. Florida
7 experiences that at a very significant level, more so really
8 than any other state in the United States because of the
9 geography of Florida.

10 I cannot see how allowing FPL to build a
11 14 million-ton additive emitter of CO2 in the atmosphere can
12 lead to safe and reliable utility services. Basically what it
13 is going to do is it is going to further exacerbate a very
14 significant problem, and it is going to cause increased costs,
15 not only to the utility in the form of additional regulation
16 that you will hear about in the professional testimony that is
17 going to be presented, but in the form of having to deal with
18 the consequences of global warming pollution. It will not be
19 safe for the citizens of Florida and it will not be reliable
20 because as these significant weather events move forward it
21 will cause further disruption to the customer base of FPL.

22 Indeed, it is my understanding that this is not even
23 the least cost option available to FPL. They are using this as
24 a hedge against natural gas prices. The logic of that is that
25 choosing a lower cost solid fuel that somehow or another they

1 are going to be able to relieve the economic pressures of
2 long-term natural gas prices. But because they don't
3 adequately factor in the high probability of future carbon
4 regulation, and they certainly are not factoring in the cost of
5 increased weather and disruptions from climate destabilization
6 of which Florida will be ground zero in a lot of ways, there is
7 no way that this is a proper hedge or adequate buffer against
8 natural gas prices.

9 We feel very strongly that FPL should be much more
10 aggressive in their investment of energy efficiency. We all
11 know that Florida is growing at a very significant rate, and we
12 all know that Florida -- we are going to have to come up with
13 strategies to deal with that. Now, while again FPL brags
14 mightily about their energy efficiency investments, largely in
15 peat shaving, but also some direct conservation measures, they
16 actually come before this Commission on a regular basis and
17 advocate for the rate impact measure as the screen for all
18 energy efficiency programs, and by doing that largely screen
19 out long-term investments that can be cost-effective.

20 I would ask that you consider revamping the ability
21 for them to rely so heavily on the RIM test as a measure to
22 screen out cost-effective energy efficiency, and in essence
23 release them, release the break on energy efficiency programs
24 and let's move much more aggressively at looking at energy
25 efficiency investments to try to moderate this growth.

1 I would also strongly encourage you to ask them or
2 challenge them to look at alternative generation. It is my
3 understanding that FPL has been cleared at their Martin
4 facility to build coal gasification technology. They can build
5 gasification trains there using coal gasification technology
6 that would basically allow them to have a very robust
7 generation option, because they could use natural gas when they
8 have got long-term gas prices locked in, and it is low cost,
9 and they could use coal gasification if they need to to be able
10 to take advantage of fuel diversity, and also position
11 themselves for carbon capture and sequestration, which is
12 necessary. They may indeed come before you in the next day or
13 so and tell you that this particular technology is going to be
14 carbon capture ready, but the reality is that all experts
15 clearly identify, and I think they even acknowledge in some of
16 their testimony that pulverized coal technology, which is
17 antiquated technology, even the ultra-supercritical technology
18 is still largely relying on an old way of burning coal instead
19 of using newer clean gasification technology that has the
20 potential for carbon captured sequestration.

21 We are not here necessarily advocating for IGCC, but
22 we would definitely like to see that Florida Power and Light be
23 much for aggressive in their energy efficiency programs. They
24 have a very anemic commitment in the state of Florida to
25 renewable energy. They will go outside in their unregulated

1 subsidiary and build wind turbines all over the country, but in
2 their captive customer base here in Florida they offer a very
3 limited option of renewable energy, and they are not doing
4 enough in the renewable energy area to help with rural economic
5 development in the state and diversify. They should be
6 challenged to do that, efficiency renewables before they go
7 forward.

8 And if they still need generation, they ought to be
9 looking at the most robust technology they can use, which would
10 be some form of natural gas in combination with coal
11 gasification. Pulverized coal should not be built in the state
12 of Florida going forward period. It is absolutely going in
13 180 degrees the wrong direction for the state of Florida to
14 authorize the construction of a 14 million annual ton emitter
15 of CO2 while we are dealing with sea level rise, while we are
16 trying to preserve the Everglades, while our largest economic
17 engine is tourism that is depending on beaches that are washing
18 away because of sea level rise, and because of the
19 vulnerabilities of hurricanes.

20 I ask that you please do not allow FPL to build this
21 plant and that you send them back to the drawing boards.
22 Remove the RIM test, take the break off the real aggressive
23 energy efficiency, and let's see what we can do in south
24 Florida to meet the future needs, and then look at supply-side
25 once we have aggressively pursued the demand-side.

1 I appreciate the opportunity to talk with you today,
2 and I hope that you make the right decision for all the
3 citizens of Florida and for actually all the people of the
4 world. Thank you very much.

5 CHAIRMAN EDGAR: Thank you, Mr. Smith. I appreciate
6 it. Oh, if you would wait a moment. Commissioner Carter.

7 COMMISSIONER CARTER: I want to make a comment just
8 before the next witness comes up.

9 CHAIRMAN EDGAR: Okay. Thank you, Mr. Smith. Whoa,
10 hold on. I'm sorry, Commissioner McMurrin.

11 COMMISSIONER McMURRIAN: Thank you. Mr. Smith, I
12 heard you say, and I don't want to put words in your mouth,
13 because I'm not sure I got it exactly right, but you said that
14 FPL doesn't adequately factor in the effect of carbon
15 regulation. Did I get that -- is that pretty close?

16 MR. SMITH: I think they underestimate and I think
17 there is going to be testimony later about that. I mean, it is
18 my understanding that the projections they are using are on the
19 low end of what is largely being viewed as the potential cost
20 of carbon.

21 COMMISSIONER McMURRIAN: A follow-up. Can you give
22 us advice on how to factor in the effect of carbon regulations
23 when there are so many proposals out there?

24 MR. SMITH: Well, again, it is not, I think, much
25 different than what they are trying to do on natural gas. My

1 sense is that you would want to take a conservative approach,
2 conservative meaning that you would want to look out for the
3 long-term impact on the ratepayers. And, again, I would take a
4 broader definition of this, because it is not just the rate
5 that customers are going to pay that is going to be impacted by
6 carbon dioxide emissions, it is actually the multitude of
7 environmental impacts and economic impacts that the state of
8 Florida are going to factor in.

9 And I think if you were to take a broad definition,
10 looking forward at the likelihood of carbon regulation and now
11 the growing scientific consensus about the impacts of loading
12 the atmosphere with more CO₂, you would find that the effects
13 of increasing carbon dioxide emissions and the potential for
14 ratepayers to pay that, coupled with all of these other impacts
15 are going to largely pale, they are going to be much higher and
16 the impacts of natural gas possible volatility, but, again, I
17 would argue that FPL is perfectly capable of locking in
18 long-term natural gas prices which would moderate some of that
19 volatility. But, the fact that they are trying to use coal as
20 a hedge at the same time as that coal is going to exacerbate
21 these problems that Florida is already experiencing, I would
22 say is not good for the long-term economic health of ratepayers
23 who you are looking out for, but more importantly, all citizens
24 of Florida and the larger region and the world at hand.

25 So I would say challenge to really look at is this

1 the best way going forward. It is my understanding that a lot
2 of the scenarios that they ran in their IRP planning show that
3 this isn't the least cost option. And then if you couple the
4 things, again, that I understand you are not charged to
5 regulate, but as citizens and as looking out for the economic
6 well-being of the state, you must factor into your decision, it
7 really exacerbates the fact that pulverized coal is not a smart
8 option for the state of Florida, period.

9 CHAIRMAN EDGAR: Thank you.

10 MR. SMITH: Thank you very much.

11 CHAIRMAN EDGAR: I appreciate it. And before we call
12 the next witness, I would like to recognize Senator Dave
13 Aronberg. Senator Aronberg, thank you for joining us, if you
14 would. Senator Aronberg is the senator from the 27th district,
15 and has always taken an active interest in the work of the
16 Commission and energy, economic, and environmental issues. And
17 we appreciate your interest in what we do.

18 Commissioner Carter, a comment.

19 COMMISSIONER CARTER: Thank you, Madam Chairman. It
20 is great to see Senator Aronberg here with us this morning on
21 our oversight committee, as well as being actively involved
22 whenever we have hearings throughout the state. He has been
23 actively involved in the community.

24 I have been sitting here, and I want to thank you,
25 Madam Chairman, for allowing for public input from the

1 citizens. The interesting thing here, my grandmama always said
2 that if the only way that you can look good is by making
3 somebody else look good, don't look good at all. And I have
4 taken four pages of notes from the citizens, but from the
5 professional witnesses I have only taken four lines. And what
6 this says to me is that if the professional witnesses would
7 just talk about your issue and don't try to lecture the
8 Commissioners about our responsibilities, it would go a lot
9 better. I think that we have all taken an oath of office. We
10 have served a significant amount of time on this Commission, we
11 have a tremendous staff of professionals, engineers,
12 accountants, attorneys, and we are very serious about what we
13 are doing here. And I think that you do a disservice to the
14 issue that you say you represent when you come in attacking the
15 Commission. I take that very personally.

16 Two things I will not tolerate. One is to have
17 people attacking this Commission, two, attacking the Commission
18 staff. We are here to try to ascertain on an impartial basis
19 the credibility of the case before us, and I think that, Madam
20 Chairman, the citizens have done a fantastic job. They come in
21 and they say I know you are not here to deal with this, but
22 this is an issue that is concerning me. Now, even though you
23 are not talking about the health issues, the health issues are
24 important. But also, there are new technologies. In fact, I
25 was so intrigued -- if I may, Madam Chairman, just bear with me

1 momentarily here. I was going here from a citizen from -- I
2 think she was from Crawfordville, is that right? I am looking
3 for my notes here. My writing has gotten cold on me. And she
4 spoke specifically about the type -- she said we are dealing
5 with a dinosaur mentality. Here we are in the 21st century.
6 She had some very good ideas. She said there are certain
7 things that we need to do in terms of ascertaining the need
8 determination of what the true costs are. Maybe we can have a
9 DSM program where we will pass out bulbs, have some solar, but
10 also look at the context of whether or not we are getting the
11 right type of generation in our renewable base. And I think
12 those are helpful things. That is really what we are trying to
13 ascertain in terms of the need determination. What is the cost
14 and what are those parameters within the confines of those
15 costs. That is what we are really listening for.

16 But to come in and say what our charge is, and I
17 think, you know, lawyers like to be judges, but judges don't
18 like to be lawyers. And I think it would be helpful to us if
19 the professional witnesses, if you want to be a professional
20 witness, then be one of the parties here. Let the citizens
21 have the input, because I'm getting -- I don't know about you,
22 Madam Chairman, but I think it is true because I can see as you
23 are taking notes, too, is that we are getting substantially
24 more from the citizens than we are from the professional
25 witnesses. And I hate to take this time to do that, but I

1 would just challenge the professionals witness, you know, if
2 you are going to be a professional witness, then, you know, do
3 that. And if you are, then deal with the issue. And I think
4 it is very, very helpful. We are legitimately trying to
5 ascertain -- we all took an oath that we will be fair with the
6 industry, and we will be fair with the consumers. And the only
7 way to do that is to have credible information. And to have
8 the credible information that we are looking for is that we are
9 looking for information that will help us make this decision
10 based upon -- we have got -- after you finish, we have got four
11 of these like this that we will be going through. So, we have
12 got -- you know, this is public testimony what we are into now.
13 We want to hear from the citizens. This is from the lawyers,
14 and the experts, and the engineers, and all of the -- I don't
15 want to call them bean counters, but certainly the people with
16 the pocket projectors and the slide rules. But let's deal with
17 the citizens' input and the citizens and the public input.

18 Madam Chairman, thank you for that time.

19 CHAIRMAN EDGAR: Thank you, Commissioner. And
20 actually on that note, it is a little before 12:00. I would
21 like to push through for a while longer, realizing that we have
22 people who have traveled quite a ways to be here and talk.
23 However, I also could use a stretch, I think, and perhaps
24 others could, as well. So, let's take about ten minutes, and
25 then we will come back and we will -- before everybody moves,

1 Mr. Brubaker, if you would go ahead and tell us who the next
2 three people on the list are.

3 MS. BRUBAKER: Certainly. The next three will be
4 Tommy Perry, Deborah Van Sickle, and Butch Jones.

5 CHAIRMAN EDGAR: Okay. And what I am thinking right
6 now is we will push through for about another hour and a half
7 and see where that takes us. I don't want anybody starving to
8 death, so then maybe we will take a late lunch break. Think
9 about that time frame. If there is a concern, let me know on
10 the break. And we will come back at five after by the clock on
11 the wall.

12 (Recess.)

13 CHAIRMAN EDGAR: We are going to go ahead and get
14 started again if I could get everybody's attention. We have --
15 just for a point of reference, my understanding from our staff
16 is that we have about 18 to 20 additional people who have
17 signed up to speak. We do want to get to everybody, and I am
18 getting hungry, quite frankly, so -- but we will keep our
19 priorities in order. We do want to try to get to everybody,
20 and what I would like to do is see how far we get in about the
21 next hour and 15 minutes, hour and a half. And I am hopeful
22 that we can maybe get through everybody. So, again, we want to
23 hear from everybody that would like to speak to us, but if you
24 all would just be cognizant of the time constraints and we will
25 work together and see if we can move through it.

1 Ms. Brubaker.

2 MS. BRUBAKER: Tommy Perry, please.

3 TOMMY PERRY

4 appeared as a witness and, swearing to tell the truth,
5 testified as follows:

6 DIRECT STATEMENT

7 MR. PERRY: Good morning. I am Tommy Perry with the
8 Citizens Power Coalition of Glades County. I brought with me
9 today a thousand signed petitions from local residents that
10 support the power plant in Glades County. The vast majority of
11 these are signed petitions from people living in Glades County
12 or the surrounding counties, people that are living there
13 full-time and part time.

14 The Citizens Power Coalition is a grassroots effort
15 that is supportive of the plant. Today traveling with me there
16 is over a dozen people that have taken away from their time to
17 come up here and show their support of the power plant. Not
18 all of these people are speaking. They are wearing the power
19 buttons, if you look into the audience. There are members of
20 the county commission and the school board, the property
21 appraiser's office, and the City of Moore Haven, which is the
22 only incorporated city in the County of Glades.

23 Many more people wanted to attend, but were not able
24 to. I want to state that it is easy to get opposition to come
25 to these meetings, it is more difficult to get people to

1 support something like this, and we did not have a hard time
2 finding people to come to this meeting today. The support is
3 very big in Glades County. The people truly see the benefits
4 of this plant.

5 The county has studied this plant very diligently.
6 They have shared that with the citizenry of the county. The
7 citizens have had opportunity to attend meetings with the
8 presentation by Florida Power and Light and by outside experts
9 which the county hired to come in and make a presentation to
10 the county. The citizens are informed in their decision-making
11 process, and they are supportive of the plant as a result of
12 that.

13 Over half of the -- roughly half the citizens of
14 Glades County by population are served by Florida Power and
15 Light and are directly impacted by the decision that is made.
16 There are several comments today, and I want to follow through
17 some of those. There was a suggestion that conservation is a
18 way to solve the need problem. Florida's power usage on a
19 residential basis increased 30 percent over the last ten years.
20 It continues to increase. I can say unfortunately at my house,
21 we have probably increased, also. I have four children. They
22 rang in age from 5 to 11. I can go through my house and turn
23 off every light and walk outside and 30 minutes later go back
24 through and do it again. Lights come on frequently.

25 I have tried to encourage the use of the flourescent

1 bulbs in my house. I can tell you that my wife cornered me up
2 in the kitchen this week and she has fluorescent bulbs on one
3 side and standard bulbs on the other side, and she informed me
4 that she was going back to standard bulbs because she did not
5 like the light from the fluorescent bulbs. So I have lost in
6 the kitchen, but I am still working on the bedroom and living
7 room.

8 There is roughly 1,000 new residents that move to the
9 state every day, also. So with the growth in energy use and
10 the number of residents coming to our state, conservation is
11 not the solution that is going to take us to where we need to
12 be. It is a part of the solution, but it is not the only way
13 that we can get there. We do have a scientific poll that has
14 been taken and it shows an 80 percent support rate for the
15 project. That poll was taken earlier on in the process, and I
16 believe the support has risen in Glades County after the poll
17 was taken. Convention wisdom is that 95 to 98 percent of the
18 Glades County residents support the power plant and the project
19 in Glades County.

20 This is not a dirty plant. The plant is a
21 ultra-critical pulverized coal process. I have learned a lot
22 about this as we have gone going through these presentations.
23 It is a very clean burning plant. All the emissions standards
24 exceed the limit -- exceed is the wrong way to say that. Meet
25 the limitations and are far below the limitations for air

1 quality emissions. The plant is very efficient beyond that,
2 and by being efficient that means less tons of coal have to be
3 produced per kilowatt of electricity generated. So, I would
4 submit that being that it is a very clean burning plant and a
5 very efficient plant that this does address many of the air
6 pollution questions that have been addressed.

7 The plant is cost-effective, and to be cost-effective
8 we have to have fuel diversification and coal is a way to do
9 that. It is not fair to look at this and say that coal is not
10 cost-effective because there may or there is possibly a carbon
11 tax coming in the future. The other thing I would say is
12 because we asked that question directly to representatives of
13 Florida Power and Light and how would the carbon tax in the
14 future effect the plant. They have many numbers and facts that
15 they threw out, but what I was left with was the statement the
16 man made. And he said this plant would be the most efficient
17 coal plant in the state of Florida, and by being the most
18 efficient it was the most -- it was the plant that was the most
19 ready to absorb a carbon tax in the future if that did occur.

20 The other thing that he said is that the plant has
21 space and is built in a way that if carbon capture technology
22 becomes commercially available in the future that they could
23 purchase it and add it to the plant. We asked him specifically
24 about gasification of coal. The representative replied that
25 gasification of coal to capture carbon in the future required a

1 reengineering of the plant, and that it was a much, much more
2 expensive process to go through in the future to reengineer the
3 plant and the design of the plant and the gasification compared
4 to the method that would be here where we would capture it in
5 the process that is used here and the scrubbers that are
6 available to make that attachment to the plant.

7 I can tell you that I saw a report that was given to
8 Hendry County. The City of Clewiston is in Hendry County, it
9 is an adjoining county. They are heart of the Taylor project
10 that I think you have heard, and I saw a report or a
11 presentation they were making to the city commission there.
12 And it also made the statement that the gasification process
13 was difficult to add carbon capture in the future and that the
14 pulverized coal process is a much better one.

15 The plant is a new technology. This will be the
16 first plant of its type built in the United States, but it is
17 not an unproven technology. There is a plant in Germany, there
18 is a plant in Japan, so we know that this plant will work. We
19 know it will work efficiently, we know it will have the
20 reliability that we need for power generation in the state of
21 Florida.

22 There was a statement this morning that the plant
23 cost \$6 billion to build. As a taxpayer in Glades County, I
24 hope it does cost \$6 billion to build. I have been told it is
25 going to cost around \$3 billion to build and about 2.65 billion

1 of that would be taxable improvements. The remainder would be
2 pollution control equipment that is not taxable. That is a
3 huge economic benefit to Glades County. Others today I think
4 will address that more thoroughly, but I want you to know that
5 people do recognize that we need the economic development in
6 Glades County. We see this as a catalyst for economic
7 development and we see all growth in Glades County being
8 leveraged off this plant in the future. Glades County
9 desperately needs something like this to anchor our economy to.

10 The plant produces almost 2000 kilowatt hours or
11 megawatts of electricity. The number used earlier today was
12 1000. That was incorrect. It is almost 2000. The power lines
13 that serve this plant, and Florida Power and Light has worked a
14 lot with the landowners where the power lines will cross. I
15 had a landowner come to me, and I work in the surveying field,
16 and he said why didn't they call and ask me if I wanted the
17 power line. And I said I don't know, but the only
18 justification I have come up with and there was a route that
19 crossed some property myself and my brothers own, and the only
20 justification I came up with that is if they called all of
21 their neighbors and asked them if they wanted the power line,
22 the answer would probably be no from everybody and they would
23 be back where they started.

24 Florida Power and Light did come and approach us
25 about the power line crossing our property. They have

1 approached him. They approached everyone along the corridor.
2 I know that the corridor has changed. It has been rerouted,
3 and those changes and moves were made to accommodate the
4 desires and wishes of the residents and landowners along the
5 route. Florida Power and Light continues to work with those
6 landowners to come up with the corridor that is most
7 acceptable.

8 The corridor does not go from the power plant to Fort
9 Lauderdale and Miami. It goes to existing power line corridors
10 that cross Hendry County and connects into those that we don't
11 have been to build the power line this much longer.

12 Water for the plant is provided by wells. There are
13 times when we are trying -- the region is trying to dispose of
14 water from Lake Okeechobee. That excess water is dumped to
15 tide and causes problems in the estuary. The water management
16 district is actively looking for people in our region to accept
17 water during those times, and Florida Power and light with this
18 plant would be someone that could accept water and help protect
19 the estuaries. During times when the water is not plentiful,
20 such as the drought that we are in currently, Florida Power and
21 Light would use the Floridan aquifer for their water source.
22 The Floridan is a plentiful aquifer. It is a deep aquifer and
23 it is in this region. The aquifer unfortunately is not
24 suitable for agricultural and domestic consumption. Domestic
25 consumption can overcome that through the expensive reverse

1 osmosis process. In fact, the City of Clewiston is moving in
2 that direction today in building a plant. But for agriculture,
3 which is the biggest competition with the power plant for
4 water, they have gone to a source that is not suitable for the
5 agricultural users of the water.

6 The trains, and there was some talk about trains this
7 morning. The coal will be delivered to the plant by train.
8 The rails exist in Glades County. They support the local sugar
9 industry. They support other local businesses. Those
10 businesses are excited because the rails will be upgraded as a
11 result of this and ensure that they will continue to have that
12 service available into the future.

13 The only practical way from the presentations I have
14 been to and from the determinations I have made according to
15 those presentations made by both Florida Power and Light and
16 others is that this is the correct way to serve the needs of
17 Florida into the future. And it is positive. It is positive
18 for the state of Florida and it is very positive for our local
19 community, and we are excited about the prospect of it being
20 there and urge you to support this process.

21 I want to thank you for your time today. The 1,000
22 signed certificates, I will carry them over to the lady, and I
23 did not make copies for everybody.

24 CHAIRMAN EDGAR: That's fine. Thank you, Mr. Perry.
25 And, yes, Ms. Brubaker and our staff will take those documents

1 from you.

2 MS. BRUBAKER: And by count we have that identified
3 as Exhibit 152.

4 CHAIRMAN EDGAR: Yes, ma'am, 152.

5 (Exhibit 152 marked for identification.)

6 MS. BRUBAKER: The next speaker is Debra Van Sickle,
7 please.

8 DEBORAH VAN SICKLE

9 appeared as a witness and, swearing to tell the truth,
10 testified as follows:

11 DIRECT STATEMENT

12 MS. VAN SICKLE: Good afternoon. My name is Deborah
13 Van Sickle. I live at 101 Ridgeview Avenue in Clewiston,
14 Florida. I am the senior vice-president and chief lending
15 officer for First Bank. I want to let you know that I have
16 been employed in the Florida banking industry for over 25
17 years, and during the past 25 years I have just seen our state
18 blossom, grow at a rate that -- a growth rate that has been
19 difficult for all of us in all industries to keep up with.

20 One of my concerns with regard to the power plant is
21 if we look at -- I am a capitalist. I believe in democracy. I
22 believe in capitalism, and the market has always seemed to work
23 for us in every instance. And we look at FPL, this is a
24 company that whose customer base and their product we depend on
25 for our very lives. When there is no electricity, there is a

1 lot of hardship that takes place. And when we talk about all
2 of our economic engines, whether it be tourism, ag, the medical
3 industry, all of those engines are driven by and fueled by
4 electricity. Electricity is a very important issue for us in
5 the state, and the continuous supply of that could mean
6 catastrophic and devastating -- I mean, if we had a long-term
7 loss of electricity that long-term loss could -- we could lose
8 lives, devastate economic economies, and various different
9 local and national and regional levels of our state. And also
10 just our national security could be put in harms way. So it is
11 very important that we weigh this issue and we take seriously
12 FPL's recommendations with regard to diversifying the
13 electrical supply.

14 As senior lender for my bank, I know how important it
15 is for us and for -- we work very hard to diversify our
16 portfolio. It just doesn't make good sense to put all of your
17 eggs in one basket and to have all of our eggs, all of our
18 electrical supply eggs in the one basket for fuel is not good
19 for us. And, so I think that their approach for long time
20 management and looking forward, every company has to look
21 forward. Forward planning is just an important issue for
22 survival.

23 You know, let's face it, we need electricity. We
24 must be practical when assessing the need. And, again, a long
25 term outage could devastate economies, and so I think that the

1 risk of poor planning for our future needs with regard to
2 electricity is something that our state cannot afford to take.

3 Most of you know that my community is a rural ag
4 community. Our economic engine is agriculture. I don't ever
5 want to see the day that, you know, we change the economic base
6 from agriculture to something else. I certainly support the
7 power plant because it does bring some diversification to us.
8 We will be taking out approximately 150 acres of land for this
9 power plant and the risk/rewards that come from that exchange
10 of land far outweighs any loss. We believe in Glades and
11 Hendry Counties our farmers -- our farmers are committed to the
12 land. They are very proud to be part of our national food
13 supply, and we never want to see a day where our country is
14 purchasing its food supply from other nations. So we are
15 taking this seriously. We have looked at the economic impact
16 on our communities and we feel that FPL has done that, as well,
17 so we support the power plant. We think it is good for our
18 local economy. We think it is good for our regional and for
19 our state, as well. Thank you very much.

20 CHAIRMAN EDGAR: Thank you.

21 MS. BRUBAKER: The next speaker is Butch Jones, and
22 the three to follow are Ray Bellamy, Larry Luckey, and Bob
23 Giesler.

24 BUTCH JONES

25 appeared as a witness and, swearing to tell the truth,

1 testified as follows:

2 DIRECT STATEMENT

3 MS. JONES: I will make this real simple for you.
4 Butch Jones. That is the easiest name you have had yet.
5 50 East Park Avenue, Moore Haven. I would like to read a
6 prepared statement that I have.

7 Thank you all this morning for the opportunity to let
8 me address the Florida Public Service Commission. I am here as
9 Chairman of the Glades County Commission, and also as a private
10 citizen of Glades County requesting that you allow the siting
11 of this plant in Glades County. I do not tell you with a great
12 deal of pride that I come from one of the most impoverished
13 counties in the state of Florida. What I do tell you with a
14 lot of pride is that I do represent some of the most hard
15 working, honest, sincere, and decent citizens you will find
16 anywhere in this state, many of whom have to overcome daily the
17 tremendous challenges facing them living in the poverty they
18 do.

19 We are predominately an agricultural based economy
20 struggling to provide what services we can for our citizens.
21 Our millage rate has been at the maximum since 1993, and we are
22 currently unable to provide some services due to the lack of
23 funding we have. This plant will provide an economic boost to
24 our county which we have never experienced in our 85 year
25 history. We need this plant for our economic survival as the

1 needs of our constituents continue to exceed our financial
2 ability to provide them.

3 Our unemployment rate currently is and has been for
4 years second only to Hendry County among all Florida counties.
5 This proposed plant will provide a much needed ad valorem tax
6 base, as well as jobs. We do not want to be government
7 supported. I simply ask of you that you allow us the ability
8 to support ourselves.

9 You and I are cognizant of the environmental concerns
10 that have been raised by some organizations and I would like to
11 briefly address this issue. My family has been in Florida
12 since the 1800s, so I guess you might call me a true Cracker.
13 What has been passed down to me from generation to generation
14 and been drilled into me repeatedly is the deep appreciation
15 and respect we have for this pristine state in which we live.

16 As the Florida population continues to grow at the
17 approximate rate of 1,000 people per day, so does our need to
18 provide services to them, a major one being electricity. We
19 must maintain a balance between the needs of a rapidly
20 expanding population while protecting and preserving our
21 environment, and I believe this proposed plant does exactly
22 that.

23 I could not in good conscience approve of this plant
24 if I felt that it would destroy our environment, the area in
25 which I was born and have lived for over 60 years, and all of

1 my family before me. I would greatly prefer to live in a poor
2 pristine county than a more prosperous polluted one if that
3 were the choice I were given. Some of the more populated
4 coastal areas are opposing this proposed power plant and from
5 other parts of the state, and I would like to respond to that
6 by mentioning that we do not ask for neighboring counties for
7 any financial support. Nor do we pass resolutions against
8 their building of landfills, incinerators, subdivisions built
9 on fragile barrier islands, numerous golf courses laden with
10 fertilizers and pesticides near bodies of water, or pump
11 treated sewage into rivers, which many do. And in my opinion
12 these cause greater environmental damage than this plant which
13 they oppose.

14 I will close by thanking you again for allowing me to
15 speak to this Commission and respectfully make the request that
16 I believe is favored by the majority of the citizens of this
17 county that you allow us the chance to strengthen our economy
18 while providing power to 650,000 homes and businesses outside
19 of Glades County. With your approval we anxiously await your
20 decision.

21 I would like to address some issues that have been
22 raised by some speakers prior to me. I worked on the railroad.
23 I am a railroad engineer by profession. I worked on the
24 railroad for 42 and a half years. That is why I wear hearing
25 aids; too many horns. One of the previous speakers had

1 mentioned about the 32 crossings from Ft. Pierce that would
2 take so long to cross. I run GP7 to GP38s, that is four and
3 five units. I pulled trains with 150 to 175 cars. We run
4 between 30 to 60 miles per hour.

5 The average coal car, coal hopper that you will have
6 is approximately 50 feet long. If you were to have a 100 car
7 train, you are looking at 5,000 feet. A mile is 5,280 feet.
8 At 60 miles per hour it will take me exactly one minute to
9 cross a crossing. At 30 miles per hour it will take me two
10 minutes to cross a crossing. I recognize that is a small
11 problem, but I don't think it is anything of any detrimental
12 quality.

13 Of the 17 speakers that have spoken prior to us, I
14 notice that four were from Glades. I have been a member of the
15 Regional Planning Council since 1989, and at our last meeting I
16 would like to mention the fact that the mayor of Fort Myers,
17 the mayor of Naples both supported our coal plant, as did
18 several other county commissioners from southwest Florida. And
19 for the doctor that spoke before, I have atrial fibrillation
20 and pulmonary fibrosis. I cannot walk up a flight of stairs
21 without being short of air. Does this coal plant bother me as
22 far as my medical condition? No, it does not. Once again,
23 thank you for allowing me to speak.

24 CHAIRMAN EDGAR: Thank you, Commissioner.

25 MS. BRUBAKER: Ray Bellamy.

1 RAY BELLAMY

2 appeared as a witness and, swearing to tell the truth,
3 testified as follows:

4 DIRECT STATEMENT

5 DR. BELLAMY: Ray Bellamy. I am a physician here in
6 Tallahassee. And thank you for the opportunity to speak to
7 you.

8 The Florida Medical Association is strongly against
9 pulverized coal plants. The Georgia Medical Association is
10 strongly against pulverized coal plants. I don't think you can
11 separate the issue of economics and health. They are very much
12 linked. This whole project seems to be about economics. I
13 have testified in Blakely, Georgia and here in opposition to
14 the TEC plant. These plants are scheduled to go into poor
15 rural areas which are sparsely populated where not a lot of
16 people can make it up here to object, and those people are the
17 most affected by the adverse effects of the mercury on whether
18 they can eat their fish, the particulate on their lung disease
19 and asthma, and emergency room visits, and cardiac problems
20 that they have to take to the emergency room. Those are the
21 people who will be the most victimized, and yet we will be the
22 victimized in Tallahassee, as well, because that mercury, some
23 of that mercury will get here just the way it has from China,
24 for instance. It goes long distances and effects the whole
25 world.

1 Now, you know that every water body, fresh and salt
2 water in this state is now on mercury alert because of the
3 amount of mercury we already have. This plant will put into
4 the environment as I understand 200 pounds a year or more of
5 mercury. One teaspoon of mercury will contaminate most any
6 lake. It doesn't take much. And we are talking about a
7 compound which is difficult to remove ever from the body, so
8 that all pregnant women and infants with growing and developing
9 nervous systems have to be seriously concerned about this.
10 That means that those people who like to consume the fish they
11 catch have to be warned about the dangers, and it means that
12 all the people who are involved in the sport fishing industry
13 and tourism industry related to the environment have to be
14 worried about the adverse environmental effects on them. So
15 mercury is a big issue and it is difficult to capture much of
16 this mercury from a pulverized coal plant.

17 Certainly it would seem if you must go with coal, you
18 must go with IGCC where you can capture some of that mercury.
19 Now, why not natural gas? As I understand it, it is much
20 cheaper. I have talked to the president of one of our state
21 natural gas companies, and there was never any interruption of
22 natural gas supplies during Katrina and all the other disasters
23 that occurred at that time, and it is much cheaper to build and
24 it is much cheaper to operate, and it is much cleaner. If you
25 are going to build a plant there, I would say natural gas first

1 and IGCC second, but goodness don't even go near a pulverized
2 coal plants.

3 This thing will be there for 50 years. Now, look at
4 the global warming problem, which is a daily issue, and the
5 whole world is waking up and looking to the U.S. for direction,
6 and our governor recognizes it, why can't we? Global warming
7 is -- I mean, this whole plant might be under water before the
8 lifetime of this plant is finished. The amount of carbon that
9 will come out of this plant as I understand it is equivalent to
10 thousands and thousands of cars a year belching out their
11 emissions. Please stay away from pulverized coal completely.
12 Thank you for allowing me to speak. Yes, Commissioner Carter.

13 COMMISSIONER CARTER: Good to see you again.

14 DR. BELLAMY: Yes, sir.

15 COMMISSIONER CARTER: As I understand it you are
16 saying if you are going to build a plant, the first thing you
17 should look at is a natural gas plant.

18 DR. BELLAMY: Absolutely.

19 COMMISSIONER CARTER: And the reason being is not
20 only it is cheaper and much cleaner, but you have less of the
21 dilatory health effects.

22 DR. BELLAMY: Absolutely.

23 COMMISSIONER CARTER: And it is a proven technology.

24 DR. BELLAMY: Absolutely.

25 COMMISSIONER CARTER: And if you are going to go coal

1 of any kind, you certainly should be looking at IGCC.

2 DR. BELLAMY: That is correct.

3 COMMISSIONER CARTER: But the preference would be for
4 natural gas.

5 DR. BELLAMY: For sure.

6 COMMISSIONER CARTER: If there is going to be any
7 kind of plant at all, because that really does -- I mean,
8 notwithstanding the health concern, it does impact the cost
9 factor in terms of determining whether or not this plant should
10 be here.

11 DR. BELLAMY: I think the IGCC technology is now
12 equivalent over time in cost, but it is so much more cleaner
13 environmentally and has the -- it gives you the opportunity to
14 capture much of these pollutants and add carbon capture readily
15 later if needed, and it will be needed.

16 COMMISSIONER CARTER: Just one final question, Madam
17 Chairman. And you said like one teaspoon of mercury pollutes
18 pretty much any lake?

19 DR. BELLAMY: Absolutely.

20 COMMISSIONER CARTER: Madam Chairman. And I guess
21 all of these plants spew out some form of mercury, is that
22 pretty close, or --

23 DR. BELLAMY: Natural gas is pretty clean in that
24 regard, yes. But the coal plants are the worst by far and the
25 pulverized coals are the worst of the worst.

1 COMMISSIONER CARTER: Worst of the worst. Thank you,
2 Doctor Bellamy. Thank you, Madam Chair.

3 CHAIRMAN EDGAR: Thank you.

4 MS. BRUBAKER: Larry Luckey.

5 LARRY LUCKEY

6 appeared as a witness and, swearing to tell the truth,
7 testified as follows:

8 DIRECT STATEMENT

9 MR. LUCKEY: Madam Chairman and the Commissioners, I
10 would like to thank the Public Service Commission for allowing
11 me to speak today. My name is Larry Lucky, L-U-C-K-E-Y, Glades
12 County Property Appraiser. My address is Post Office Box 1106,
13 Moore Haven, Florida, 33471. I came today to speak on behalf
14 of the Glades County Power Park and the enormous support that
15 Glades County citizens and our local communities have expressed
16 about the Glades County Power Park. I went to every community
17 and there has been a meeting in each community, and all of them
18 expressed to me very much support, because we all recognize in
19 Florida that Florida is growing tremendously and is in need of
20 more electrical power.

21 South Florida is growing at an unprecedented rate, as
22 also is the whole state of Florida. The citizens of our county
23 want to be part of that solution by being the selected county
24 site. Florida Power and light would not only provide
25 electrical power for the state of Florida, but also will

1 provide much needed ad valorem tax dollars to Glades County.
2 We need the economical benefits that the power plant will
3 provide. We need the additional supportive businesses and jobs
4 that will come to our county because of its location.

5 Additional revenues will allow Glades County to
6 provide infrastructure we need so badly. It will allow us to
7 be in control of our destiny. It will allow us to maintain the
8 small county atmosphere and the beautiful places to fish, to
9 swim, hike, bike, and just simply to enjoy nature. It will
10 allow us to have the revenues to provide better emergency
11 management services and law enforcement protection. It will
12 allow us to pay our employees wages comparable to our wealthy
13 neighboring counties.

14 But it seems now that since our Commissioners have
15 supported this power plant, we are having opposition from all
16 sides. Let me say we have never asked anything of our wealthy
17 neighboring counties. We have never asked our neighboring
18 county not to build dumps, or landfills, or incinerators. We
19 have never asked them not to build on the edge of the Gulf, or
20 the Atlantic, or the fragile barrier islands. We have never
21 asked them not to build hundreds of miles of canals and golf
22 courses all over their county that are laden with fertilizers,
23 pesticides, and pollutants that are making their way into the
24 estuaries. We have never asked them not to dump enriched
25 treated sewage into the river or condemned them for allowing

1 appeared as a witness and, swearing to tell the truth,
2 testified as follows:

3 DIRECT STATEMENT

4 MR. GIESLER: My grandma told me never to follow a
5 doctor, but what is worse is following a politician, but I had
6 both of them there. But I will get by.

7 Good afternoon, Commissioners. I am here on -- my
8 name is Robert Giesler, G-I-E-S-L-E-R. I am a Commissioner
9 from Glades County. I have been a Commissioner for 14 years.
10 Ten of those years has been as Chairman of the Board, so I have
11 seen everything. And I have been a native of Florida since
12 1981. If that constitutes being a good old boy, then I guess
13 that is what I am.

14 I am here to support the power plant in Glades
15 County. Glades County has a population of about 11,000 people,
16 60 percent who are either retired or below the poverty level.
17 We are a proud people. We have never asked for a handout, but
18 we are putting our hand out to you today to help us get back on
19 our feet. The power plant will benefit us as well as the state
20 of Florida.

21 This plant has to be built somewhere in Florida.
22 People coming in 1,000 a day or whatever they are coming,
23 nobody really knows, I don't think. But it is a need, and the
24 citizens of Glades County are asking you to let Florida Power
25 and Light build it here.

1 The workshops that have held around the county in our
2 communities have told us that this is going to be a state of
3 the art and will have the newest most proven technology to
4 protect our health and the environment and also controlled by
5 the EPA. We, as Commissioners, would never jeopardize the
6 health and welfare of our citizens. All the EPA regulations
7 will protect that.

8 We have been in a ten mill cap since 1993, and we are
9 working on a \$6.5 million budget, which 40 percent comes off
10 the top for law enforcement and EMS. That doesn't leave us
11 much to run the county. We have the same services to perform
12 as Palm Beach County, Dade, and all the big counties, just not
13 as big a volume, but we still have to support the services.

14 Now the city is going to take back some of this money
15 with this property tax bill, which we don't know how much yet,
16 but it is going to be around a million dollars, or maybe just a
17 little bit more than that, so we are going to have to cut
18 services to the bone. Now it looks like we are going to have
19 to cut personnel and services. Try telling this to your
20 constituents. Time is running out for us. We need help and
21 this power plant is one of those that will really help us out a
22 lot. I'm asking you again, please vote for the power plant.
23 And thanks again from all the citizens of Glades County. You
24 have had a few here in opposition. I think out of the ones
25 that spoke there was only two from Glades County and that

1 should tell you a little bit. Thank you. Any questions?

2 CHAIRMAN EDGAR: Questions, Commissioners? No.

3 Thank you, Commissioner.

4 TRACY WHIRLS

5 appeared as a witness and, swearing to tell the truth,

6 testified as follows:

7 DIRECT STATEMENT

8 MS. WHIRLS: Don't be dismayed by the big legal pad.
9 I have been scribbling all over the place. Anyway, for the
10 record my name is Tracy Whirls. I live at 13514 Tangelo Avenue
11 in Clewiston, Florida. I am the executive director of the
12 Glades County Economic Development Council. I am also the
13 enterprise zone coordinator for Glades County, and the
14 part-time program manager for Mainstreet Moore Haven. And I
15 tell you that to illustrate a point about the folks I came with
16 today. We don't have a big budget. We don't have a big staff,
17 and so consequently most of us wear many hats. And so on an
18 average day you wouldn't normally see most of us here, we would
19 be back home working. And that is indicative of how important
20 this project is to Glades County.

21 Now, unlike some of the folks that have spoken to
22 you, most recently, Mr. Luckey, I'm not a Glades County
23 resident. I am certainly not a fifth generation native of the
24 state of Florida. I live in Hendry County, and as a matter of
25 fact, depending upon the final route that is selected for these

1 transmission lines associated with these plants, it might go
2 right down the road right behind my house.

3 Hendry County, like Glades County, will benefit from
4 the FPL power park, not only in terms of additional tax revenue
5 that will be generated by the transmission lines and substation
6 associated with the plant, but also by the job creation.
7 Short-term, 1,600 construction jobs on average for five years
8 during the construction of the plant, which could ramp up to
9 3,000 with an annual average payroll of \$275 million. At
10 build-out, 180 full-time jobs, with an average annual salary of
11 \$60,000 a year in an area where the annual medium income is
12 23,000.

13 Even though I am the Glades County economic
14 development director, I'm not going to belabor the economic
15 impacts of this project, not only for Glades County, but the
16 entire heartland region, which by the way is a rural area of
17 critical economic concern. I will tell you, though, that
18 March 15th, the Glades County economic development council
19 partnered with the Hendry County economic development council
20 and the Workforce development board, and we hosted a job fair
21 in Glades County. We had 128 folks turn out for that job fair,
22 not only from Glades County, but communities around Lake
23 Okeechobee, and those people continue to come to my office
24 every day. Many of those folks are extremely interested in the
25 900 construction jobs that are currently being filled to

1 construct the West County Energy Center near Loxahatchee by
2 FPL, and a lot of those people are very excited about the
3 chance that the new jobs, the high wage jobs, the training that
4 will come with those jobs will not only start now, but continue
5 for the foreseeable future with the siting of this plant in
6 Glades County.

7 I am also not going to tell you too much about the
8 sudden optimism in a county that has seen very few
9 opportunities. The new housing, the new restaurants, the new
10 lodging, and other commercial and industrial prospects that are
11 finally coming our way, largely due to the excitement generated
12 by this project. All that has to do with one kind of need, and
13 this is after all the need hearing to determine if this much
14 new electricity is needed. I'm not a utilities expert. I'm
15 not even a Florida native. I, like a lot of people in this
16 room, moved here 12 years ago from someplace else. And like
17 the 1,000 other people like me who continue to come here every
18 day, I just expect the lights to turn on when I flip the
19 switch. And I don't have to tell this Commission that if 1,000
20 people continue to come to Florida today and short of you
21 putting up a Berlin wall across the border between here and
22 Georgia, I think they will, then we may be facing an
23 electricity deficit by 2012.

24 Now, some folks earlier today have suggested that we
25 can avoid the need for new power plants by increasing

1 conservation and looking at alternative fuels. And even though
2 FPL has managed to avoid building ten new plants by promoting
3 conservation between their customers, I don't think that either
4 conservation, or solar power, or wind generation, or even
5 harvesting the power of the Gulf Stream at this time has the
6 ability to produce enough power to supply 650,000 homes, and
7 that is how many homes could be provided power by this plant.
8 And that that doesn't necessarily mean 650,000 new homes. That
9 means 650,000 homes that receive their power from the statewide
10 grid. That is 650,000 homes in Fort Lauderdale, Miami, backup
11 power for Fort Myers and West Palm Beach, perhaps even St.
12 Lucie County, and certainly Glades and Hendry County.

13 Some in this room would argue that the need for
14 additional power can be met by natural gas, and yet the company
15 has included clean coal in trying to diversify their portfolio.
16 The wisdom of that decision seems to have been brought home to
17 us when we were very close to having the natural gas supply
18 disrupted in the wake of Hurricane Katrina and Rita. I can
19 tell you that our local power provider, not FPL, told us that,
20 you know, had the situation deteriorated much further they were
21 preparing to warn their customers of the advent of rolling
22 blackouts in south Florida.

23 I can also tell you that I was told, again, not by
24 FPL, that the natural gas supply in Florida is largely already
25 spoken for. So the Glades Power Park cannot be a natural gas

1 project even if there were a natural gas pipeline in Glades
2 County to supply it, which there is not.

3 So if natural gas is maxed out, and it takes 15 years
4 or more to site a nuclear plant, where does that leave us? If
5 the 1,100 residents that come to Florida every day continue to
6 come, they will be assured of receiving power. Florida law
7 requires utilities to provide power to residential customers,
8 but at some point in the future if that power supply is not
9 expanded, it is entirely likely that utilities could be forced
10 to tell new commercial and industrial customers that they don't
11 have the capacity to supply them. The economic impacts of
12 that, even on large urban centers are chilling.

13 For a county like Glades County, which has the lowest
14 sales tax revenue in the state of Florida, it would be
15 devastating. We could not continue to promote any kind of
16 economic development. We could potentially have new
17 residential users with no facilities to serve them, no jobs for
18 them to go to, and potentially not the money in the tax base to
19 provide essential services to them.

20 We are going to leave it to the experts to defend the
21 technology selected for the Glades Power Park. We are
22 confident that it will be the cleanest, most efficient coal
23 power plant in the country. It will be the first of its kind
24 with the ability to incorporate carbon capture technology as it
25 becomes available. This, despite what others have told you, is

1 not your grandfather's coal-fired plant. This could be the
2 prototype of new coal-fired electricity production allowing us
3 to reduce our dependence on foreign oil, and reducing our
4 dependence on natural gas, which is subject to the whims of
5 nature all while we wait for new alternatives to be developed.

6 We are confident that when the facts of this project
7 are presented to you, and trusting that you have the ability to
8 make these decisions, that is what you are charged with, that
9 you will agree with us that this is an exciting opportunity not
10 only for Glades and Hendry County, but for the state of
11 Florida, as well. Thank you.

12 CHAIRMAN EDGAR: Thank you. And I need to ask you to
13 spell your last name for me, if you would. I got the Tracy
14 part.

15 MS. WHIRLS: Whirls, W-H-I-R-L-S. It is like a noun
16 verb clause, because I go around in a spin all the time.

17 CHAIRMAN EDGAR: Thank you. Thank you, Ms. Whirls.
18 Ms. Brubaker.

19 MS. BRUBAKER: Paul Beck, please.

20 PAUL BECK

21 appeared as a witness and, swearing to tell the truth,
22 testified as follows:

23 DIRECT STATEMENT

24 MR. BECK: Madam Chairman, Commissioners, my name is
25 Paul Beck, B-E-C-K. My address is 360 Alligator Road, Moore

1 Haven, Florida, 33471. I am County Commissioner for District
2 III in Glades County.

3 You have heard an awful lot today, and I really
4 wouldn't want to be in your position of having to make these
5 decisions, however, there is one error on the record that I
6 would like to get straightened out. There is a lady sitting in
7 the front row down at the end, the blonde, that used my name
8 before I had met her briefly for just about a minute in front
9 of the courthouse. She gave you a heart rendering story of her
10 family's problems and plight around the state, I have no doubt.
11 But she also stated that I had a young child that had died, and
12 the money was gleaming in my eye to try to help the children in
13 Glades County.

14 This is one thing that I can assure you is not true.
15 I have never had any children. I've got three stepdaughters
16 through marriage, and all of them are quite healthy and have
17 their own families going. So I know that much is a mistake. I
18 would like to get that straightened out.

19 Now for the rest of it, I would like to thank you for
20 giving me this time here. I am a third generation resident of
21 Glades County. My grandfather moved into the area to develop
22 it over 100 years ago. He was from Illinois. He got a
23 contract from the Corps of Engineers to come down and open up
24 some canals, Horny Pond Canal and Dais Ditch (phonetic) to
25 drain the land so that people could come down and farm the

1 property.

2 After his job was completed, the rest of them left
3 and went back where they came from. My grandfather decided he
4 liked it so well, he stayed, purchased property, has been there
5 ever since. And I am still on that same piece of property, as
6 the rest of my family. Most people there grow up and move
7 away. We grew up and we stayed and we built our family. And
8 if permitted, this plant will be sited in my district. It will
9 be sited about four miles from my family property. That is
10 pretty close.

11 I was intrigued in the beginning with the
12 possibilities of the tax revenues, jobs, and the building
13 blocks for our future growth when I heard of the FPL proposed
14 site. Glades County is one of the poorest in the state. We
15 desperately need this plant so we will be able to compete in
16 the 21st century. This plant will be one of the most efficient
17 coal technologies in America and in probably the world. There
18 are a few in Europe and Japan, but this is going to be at the
19 forefront here in the United States, and at the most efficient
20 in producing electricity and pollution control.

21 Being built in a modular fashion and as new
22 technology has developed to capture greater amounts and more
23 efficiently the pollutants, these systems will be able to be
24 integrated into this power plant. If we lived in a perfect
25 world, there wouldn't be any problems of any nature, but until

1 then, we are compelled to use the technology that we now have
2 available in the most efficient manner possible.

3 I began this process after it was presented to the
4 Commissioners with an open mind to this, and I have been
5 barraged with information everywhere I would turn and ask for
6 information. But after awhile I got to sorting them out and
7 finding information on my own, and through the state and
8 through my state representative that sends me information quite
9 regularly. The more information I gathered, the more
10 information that I studied, the more I liked the idea of this
11 plant. And as of today I am absolutely convinced that this
12 plant would be a good situation and product for Glades County
13 as we need the jobs and we need the revenue and the pollution
14 controls are there in place.

15 Now, there has been much talk today about CO2,
16 greenhouse gases. This is good. We are up to around 382 parts
17 per million. Plants grow at an optimum, I think, of around
18 1,000 parts per million. There is a lot of talk of biofuels
19 and biodiversity, and if we do produce a little more CO2, and
20 CO2 is all cycled, it doesn't just stay in the atmosphere,
21 plants up take it, they give off oxygen, and it is a cycling
22 effect. But in biofuels and such, it seems to me like the
23 cheaper that they could grow these products it would go into
24 biofuels and human food production since everybody, a lot of
25 people is concerned about starvation around the world and

1 biofuels that this wouldn't necessarily be a bad thing.

2 We have our elements here on earth, I think we all
3 need to be good stewards of nature and good stewards of our
4 planet, but I also think God gave us this stuff to use, not to
5 sit there and just be absolutely abandoned forever more.

6 California, a mention was made of California, how
7 efficiently it is, and I'm sure that it is. Southern
8 California, they have got rolling blackouts in the afternoons.
9 And in the event that that was to happen here in Florida, what
10 kind of pollution is millions of generators that is going to
11 crank up for those hours those evenings going to produce. Will
12 that be more than enough to offset what the power plant would
13 produce. I can assure you the first time that I get caught in
14 a rolling blackout situation, I will have a generator, and it
15 will come on automatically as soon as that power blinks.

16 I am one that is used to electricity. I like my
17 temperature when I sleep at 73 degrees, and I am going to have
18 it that way, because when you get old, I have heard some stuff
19 on -- information on the news here a few months ago that the
20 new sex is a good nights sleep. I enjoy a good nights sleep,
21 and I'm sure many of the people here do also. And the lights,
22 saving lights, the fluorescent lights, you have got mercury
23 vapors in these lights. What happens when you drop one of
24 these and break it in your home? Do you call Hazmat to come
25 clean it up for you? It gets on your furniture. Is your child

1 going to be toxic, be contaminated from that? How long is it
2 going to take to clean out your house from these problems.

3 You know, all of this stuff is not nearly as simple
4 as being presented here today, and I don't know, I get
5 passionate about this. I get very passionate because we need
6 this plant. It is not a bad thing, and I urge you to support
7 this for us, and please give it to us. Don't take it away from
8 us. Thank you.

9 CHAIRMAN EDGAR: Thank you, Commissioner.

10 MS. BRUBAKER: The next speaker is Charlene Walker.
11 I will call the next three. Is Deb Arnason still in the room?
12 You are signed up twice actually, and since everyone else --
13 perhaps it would be more appropriate if you have additional
14 comments to make to wait until everyone else has had a chance
15 to speak.

16 MS. ARNASON: (Inaudible.)

17 MS. BRUBAKER: Was that just in error? Okay. So
18 then the next three speakers will be Rhonda Roff, Doug Wheeler,
19 and Joy Towles-Ezell.

20 CHAIRMAN EDGAR: Thank you.

21 CHARLENE WALKER
22 appeared as a witness and, swearing to tell the truth,
23 testified as follows:

24 DIRECT STATEMENT

25 MS. WALKER: Good afternoon. My name is Charlene

1 Walker. I am water issues chair for the League of Women Voters
2 of Florida. We have two staff people for the whole state, and
3 the rest of us, like me, are volunteers.

4 Most of my points have been made, and I know that I
5 am following some impassioned pleas for this plant. The
6 unfortunate thing is that this plant would be on top of all of
7 the other polluting coal plants in the state. Coal, there is
8 no clean coal. They all have -- all of the power plants that
9 are run by coal pollute the atmosphere, pollute our
10 environment, and make us sick.

11 I am also retired from the American Lung Association,
12 and I have worked with children in Taylor County on asthma
13 programs. They have an over-abundance of children with asthma,
14 older people with lung disease, and I sympathize with all of
15 the people that talked about health issues. We need to
16 consider the impact, the economic impact of health and the
17 environment.

18 The League of Woman Voters continues to oppose the
19 use of coal for power plants, and as we have done since our
20 consensus in 1992 when we testified before this PSC opposing
21 the proposed coal plant near Lake Okeechobee then, we now
22 support more stringent conservation goals for utilities, strong
23 regulation for renewable energy programs, and the inclusion of
24 environmental costs and benefits in evaluating conservation
25 programs.

1 The League opposes this coal plant, and I hope you
2 will consider the health and environmental impacts. Thank you.

3 CHAIRMAN EDGAR: Thank you, Ms. Walker.

4 MS. BRUBAKER: Rhonda Roff.

5 MS. ROFF: I have some documents.

6 MS. BRUBAKER: If I could, Ms. Roff, have you bring
7 those to staff and we will --

8 CHAIRMAN EDGAR: Tom, come give us a hand here.

9 Thank you, Tom.

10 RHONDA ROFF

11 appeared as a witness and, swearing to tell the truth,
12 testified as follows:

13 DIRECT STATEMENT

14 MS. ROFF: My name is Rhonda Roff. I live at --
15 well, I don't live at -- I live on the Big Cypress Seminole
16 Indian reservation, which is about 40 miles south of Clewiston,
17 about 50 miles south of the proposed plant location. My
18 address is Post Office Box 1953, Clewiston, Florida.

19 CHAIRMAN EDGAR: Ma'am, would you spell your last
20 name for me, please?

21 MS. ROFF: It is R-O-F-F.

22 CHAIRMAN EDGAR: Thank you.

23 MS. ROFF: But this is my first time in Tallahassee.
24 I am a chemist. I am a little bit more comfortable behind a
25 test tube than I am behind this microphone, so, I'm sorry, I am

1 feeling kind of nervous. I like Tallahassee very much. It is
2 my first time here, and I am thinking that I might want to get
3 involved in the Taylor Energy Facility, too, because maybe we
4 will buy some land up here.

5 My husband and my daughter are Seminole tribal
6 members. I live on the Seminole Indian Reservation. I used to
7 work for the tribe as a water quality chemist. When I worked
8 for them, I did a study on mercury in the fish in the canals,
9 and determined that the levels in the higher trophic level of
10 fish exceeded the EPA standard at the time, which was I believe
11 .5 in the edible flesh portion. The standard before I had a
12 chance to write my report was lowered down to 0.3, and we still
13 have a lot of people coming out to the reservation to fish the
14 canals. They tend to be poor people who eat the fish, and it
15 scares me a lot.

16 We do have a problem with mercury in the Everglades.
17 It is a cost that I think needs to be considered here, although
18 I recognize it is outside of your purview. I am sad there
19 isn't a more holistic way of looking at a power plant siting
20 that incorporates all of the costs, long-term, short-term,
21 societal, environmental, economic. But that is what we are --
22 that would be too much to do.

23 There are a lot of people in Glades and Hendry County
24 that have signed our petitions as well as people from other
25 areas of the state. We have hundreds of signatures of

1 concerned residents around the state of Florida. Many of the
2 people found the travel costs and the time too burdensome to
3 join us here, so we are representing many others who are not
4 here.

5 I would like to talk a little bit about the costs of
6 the plant that I don't think are being considered yet, at least
7 in the documents, and one of them is the quantity of water. I
8 have provided to you two South Florida Water Management
9 District water supply plan updates on just the chapter on urban
10 and agricultural demand projections. About a year ago when the
11 Kissimmee basin plan was written, even though Moore Haven is
12 outside of the Kissimmee plan basin, the potential siting of a
13 power plant in Moore Haven was considered. And if you -- I
14 don't know if you have these documents, but on Page 27 is a
15 table of the commercial and industrial self supply. For the
16 year 2000, the total demand was 13.83 million gallons per day.
17 The projected demand for the year 2025 is 24.71 million gallons
18 per day.

19 I'm not exactly sure if the request by FPL is 26 or
20 28 million gallons. I have heard both numbers, but either one
21 of those numbers completely outweighs the commercial and
22 industrial self supply in that basin, and even in that basin it
23 is considered to be an impact, a noteworthy impact.

24 Part of our family lives on the Brighton Seminole
25 reservation, and that is about three miles north of the

1 proposed facility, and are very concerned about the competition
2 for water. Again, I recognize this is out of your purview, but
3 it is a dramatic cost, even such that the Kissimmee basin would
4 be considering that. Now, the basin that it does exist in is
5 called the lower west coast, and on Page 17 of the lower west
6 coast urban and ag demand projection, the numbers are similarly
7 stunning. That the total projected demand for the year 2015,
8 which would be two or three years after the plant would go
9 on-line, is not quite twice that which this plant alone is
10 requesting.

11 And regarding another aspect of water that is a very
12 real cost that I think has not been considered yet in the
13 application, the tribe is arguing right now -- and I'm not
14 speaking on behalf of the tribe, but I know this argument is
15 happening, that the surface water and the upper Floridan
16 aquifer will not support that demand during the dry season.
17 The South Florida Water Management District is inclined to
18 request that FPL draw their cooling water from the middle
19 Floridan, which will be much more expensive to treat because as
20 the aquifer layers go down they get more heavily concentrated
21 in dissolved solids, salts, and need to be treated in a more
22 expensive way in order to render them noncorrosive to the
23 cooling systems of the plant. So that is an actual cost that I
24 think has not been factored in yet. I'm not sure if that would
25 be what would be considered a fair cost to pass on to the

1 ratepayer, but that is not for me to decide.

2 Having chosen to site this plant in the rural
3 location and the remote location from where the need for the
4 power exists will require additional costs in transmission
5 lines. FPL representatives have hold told us that the
6 transmission lines will cost \$1 million per mile to construct,
7 and I don't know if that includes the cost of the historical
8 and cultural resource surveys, all the other things that go
9 into the land planning on that. So there is an additional cost
10 that I think is perhaps not what I would consider to be fair to
11 the ratepayers to pass on.

12 Many of us have spoken about the health care costs
13 that we recognize is not the purview of this Commission, but
14 the costs are very real. And two things concern us greatly.
15 Air quality is already horrible in Moore Haven during burning
16 season. The engineers that were -- the engineers that put the
17 air permit application together, there are a lot of questions
18 right now about whether or not they used appropriate background
19 data.

20 The higher the concentration of background
21 contaminants for prevention of significant deterioration, I
22 understand the smaller the margin that Florida Power and Light
23 will be allowed to increase. If, in fact, they used the
24 appropriate local data, it may be an additional expense, an
25 additional burden on the facility to treat the air down to a

1 more stringent air quality limit. I don't know, but I know
2 that that is still a question that is out there.

3 I believe the experts are going to talk about the
4 future cost of CO2 regulations, and I am concerned that the
5 south Florida geology will not -- even if they are able to
6 sequester carbon will not support it. It is a carbonate
7 geology. If you pump an acid gas down into a carbonate
8 geology, something is going to dissolve. That is what the
9 experts are telling me, and I don't have documentation to
10 support that. And, I'm sorry, I know that is out there, but I
11 believe that the cost of carbon regulation will be at the point
12 of discharge at the stack for this facility and it will not be
13 something that can be mitigated by carbon sequestration unless
14 the carbon dioxide stream is piped a long distance away, which
15 may also be an incredibly expensive prospect.

16 Another cost, of course, is the mercury. It is a
17 health cost. It is not in your purview, but I did bring some
18 documents to share with you to point out that we do have a
19 mercury problem in Florida and there is no question about it.
20 There is a Department of Health, Florida Department of Health
21 fish eating guide. There is a study by Greenpeace that is
22 compiled badly. It is somewhere in the middle where they
23 tested almost 1,500 hair samples from around the country, and
24 slightly over 1/5th of them were found to exceed the
25 recommended level for mercury. Hair is the recipient. It is

1 the dumping ground for heavy metals. That is the way the body
2 gets rid of it.

3 Of the hundreds, if not thousands of documents that
4 have been produced regarding mercury on behalf of the
5 Everglades restoration, I have included one in your packet, and
6 it is an assessment of the potential impact of restoration on
7 reducing mercury levels in Florida Bay fish. It acknowledges
8 that mercury exists in the freshwater flow, and the question
9 that is out there proposed for the study is will additional
10 freshwater flows to Florida Bay mitigate that mercury
11 concentration in fish.

12 Florida has a very booming tourist industry, and I am
13 a little bit worried about the impact on that. Near and dear
14 to my heart, though, as a parent of a four year old daughter
15 and an 11 year old son, and we enjoy living in a relatively
16 clean environment there in Hendry County, is a study done by
17 the University of Texas that I believe Bobbi Contee (phonetic)
18 alluded to earlier in her talks that I have included here, and
19 it concludes that very low levels of mercury in the environment
20 are implicated in higher percentages of special education and
21 autism rates in the local area, 43 percent increase in the rate
22 of special education and 61 percent increase in the rate of
23 autism. Of course, there are costs associated with those
24 learning disabilities.

25 Florida schools are required to have school aides for

1 each learning disabled child, but I used to work with
2 handicapped children. For nine years I taught handicapped
3 children how to ride horses, and I saw that for that 45 minute
4 stint that the child had on the horse the parents were able to
5 just stop and breathe and relax. How heartbreaking it was to
6 have a child that had any disability. I think it is an
7 unimaginable cost, an unimaginable risk.

8 About a week or two weeks ago, the New York times and
9 many other national papers, and even our beloved Hendry Glades
10 Sunday News covered the fact, and this one is in Spanish and my
11 Spanish is pretty bad, but the translation I think says that
12 accelerating global warming will leave -- it says (speaking
13 Spanish), if anybody can help me with that. I don't think it
14 is a real number. I think it is 3,000 million, but I think I
15 got that wrong. It is some large number of people will remain
16 without water. (Speaking Spanish.)

17 Does anybody speak Spanish? Sorry. It was headlined
18 in the New York Times and the Sunday Times that the impact of
19 sea level rise and global warming will disproportionately
20 impact the poor. Now, the bright side I think is I think that
21 we don't have the same idea of the need for this plant as
22 Florida Power and Light has. About a year and a half ago, my
23 husband and I began designing an energy efficient solar powered
24 home on the Big Cypress reservation, and the tribal housing
25 authority is behind us, and they are allowing us to go forward

1 with this as a demonstration project. They are going to do a
2 video documentary on its construction, and we will use it as a
3 demonstration project that people can walk through, until of
4 course we mess it up too much for it to be presentable.

5 The cost of this home is something I wanted to have
6 to present to you, and I would like to know if it is possible
7 to present the numbers, the hard numbers. The construction
8 cost of our home turnkey versus what it would cost as a
9 conventional home, and the additional amenities that will make
10 it energy efficient and self powering, I just don't have them.
11 What I do have is that our additional insulation is
12 approximately \$3,700, our roof costs nothing more, our walls
13 will be made out of insulated concrete forms which are, I
14 think, the most amazing. I can't believe everybody is not
15 building with insulated concrete forms. They look like big
16 styrofoam blocks, and you put rebar down in them and pour the
17 concrete in, and what you get is a concrete that cures at much
18 higher psi, much higher strengths than concrete that cures
19 outside of an insulated condition.

20 And they can withstand 200 mile plus wind load, so we
21 are looking forward to this as a safe home as well as an energy
22 efficient home. And incorporating a lot of roof overhang for
23 shading effect on the walls and windows. The roof will be
24 white. My understanding from the Florida Solar Energy Center
25 is that 40 percent of the heat gain is through the roof, so if

1 we can make a white reflective roof, it reduces our demand.

2 We are going to be able to cool this 2,300 square
3 foot home with a 2-ton AC unit as opposed to the 4-ton that was
4 projected if it was a conventional structure, and it is going
5 to be -- I don't speak engineering, but SEER rated such that it
6 will not be kicking on and off a lot, and we will be able to run
7 it from our PV system with battery backup.

8 I wish I had a document that could prove to you that
9 this is true, and all I can do is tell you the story, and I am
10 terrible sorry. Now, for existing homes, our PV engineer
11 consultant has told us that her 2,000 square foot home built in
12 the '70s, CVS (phonetic), she spent \$6,200 and spray foam
13 insulated on the inside of the concrete, and put something
14 else -- oh, windows. She spent \$6,200 total, and her
15 electricity bill has dropped by \$75 per month. She has never
16 had an electricity bill of over \$45 in this home. And what we
17 calculated, a \$75 per month payback reduction in her energy
18 bill is approximately a seven year payback, and I don't think
19 that that is very long at all.

20 So I would encourage these kinds of energy efficiency
21 measures to be implemented in homes and building standards and
22 anyplace that we can get them. I know they have been slow to
23 come, and that is kind of sad, because I have been reading
24 these General Accounting Office reports on energy, and I have
25 probably provided you so much information that you already

1 have, and, I'm sorry, but maybe you could recycle it.

2 There was a report done on February 28th, 2007,
3 called advanced energy technologies key challenges to their
4 development and deployment, and it is such an interesting
5 report saying that the R&D budget for Department of Energy
6 adjusted to 2005 dollars dropped by 85 percent from 1967 to
7 2005, and I just find that to be sad.

8 I have also included some calculations on our new
9 home, just on portions of it, and I am looking forward to
10 comparing it with a very illuminating demonstration project
11 that the Florida Solar Energy Center has done in Lakeland,
12 Florida, where I have also included the web page, copies of the
13 web page. They built a control home and an energy efficient
14 photovoltaic powered home and got approximately 92 percent
15 utility energy savings from that. I don't know all the
16 economics of it, but it is a very, very, exciting project, and
17 the web page is included here, and I would encourage the
18 Commission to take a look at these as very doable options that
19 are getting cheaper all the time. That is what is making it
20 really doable for common people.

21 Thomas Friedman (phonetic), an editorial writer for
22 the New York Times, was reprinted in the Florida Sun Sentential
23 on December 7th talking about a company in China called
24 Suntech. No. Is that right? Yes, Suntech, that is currently
25 producing photovoltaic panels at half the price of its other

1 major competitors. And its sad to think that we can't build
2 these progressive energy providing clean energy resources here
3 and keep jobs here.

4 There is a quote that pretty much says it all here.
5 He says for years our brain dead Congress thought it was
6 helping our power companies and manufacturers by not imposing
7 tough energy efficiency standards on them. In fact, it was
8 just helping some of them commit suicide. Well, it is Thomas
9 Friedman. I didn't say that, but --

10 And the last thing I would like to submit to the
11 record is a fabulous report, but I understand it has a couple
12 of calculation errors and it is going to be rewritten.
13 February 2007, it is called the potential for energy efficiency
14 and renewable energy to meet Florida's growing energy demands.
15 And the American Council for an Energy Efficient Economy, I
16 believe, funded in part at least by Energy Foundation,
17 estimates that if all of its recommendations are implemented we
18 can achieve a 45 percent decrease in electricity demand in 15
19 years. Thank you.

20 CHAIRMAN EDGAR: Ms. Roff, thank you. And, Jennifer,
21 we need to mark the documents.

22 MS. BRUBAKER: Yes. That would be Exhibit Number
23 153.

24 CHAIRMAN EDGAR: Can we combine them all in one
25 composite exhibit?

1 MS. BRUBAKER: Yes, I think that would be simpler.

2 (Composite Exhibit 153 marked for identification.)

3 MS. BRUBAKER: And Doug Wheeler, please. And,
4 Mr. Wheeler, if you would state your address for the record,
5 please.

6 CHAIRMAN EDGAR: And just for planning purposes, I am
7 thinking -- go ahead and have a seat if you would -- that we
8 will take maybe about two more speakers and then to take a
9 break. Jennifer or Bev, can you give me an idea of about how
10 many more we have signed up?

11 MS. BRUBAKER: Certainly. After Mr. Wheeler we will
12 have six others.

13 CHAIRMAN EDGAR: Okay. Mr. Wheeler.

14 DOUG WHEELER

15 appeared as a witness and, swearing to tell the truth,
16 testified as follows:

17 DIRECT STATEMENT

18 MR. WHEELER: Great. My name is Doug Wheeler with
19 the Florida Chamber of Commerce, 136 South Bronough Street,
20 Tallahassee, Florida, 32301.

21 I thank you, Madam Chair and Commissioners. I
22 appreciate the opportunity to speak to you today. I know your
23 time is limited. I know I wasn't expecting when I came in at
24 9:30 this morning, but here we are so I will try to be brief.

25 Again, my name is Doug Wheeler. I am a

1 vice-president with the Florida Chamber of Commerce here in
2 Tallahassee. The Florida chamber is the largest federation of
3 businesses, local chambers, and associations. Our members
4 represent more than 139,000 employers across the state, and as
5 Florida's largest business advocate organization we certainly
6 understand that the availability of energy at reasonable prices
7 is critical to job creation and job growth in Florida, which is
8 why I am here today. I think my notes will be from a little
9 broader perspective than perhaps many of the people before me.

10 Florida's economy is strong. We continue to be a
11 national leader in job growth, but unfortunately many jobs are
12 being threatened with our ever-increasing energy needs in the
13 state of Florida. We have heard several times now that with
14 approximately about 1,000 folks moving here every day our
15 energy needs are constantly increasing. I would say the
16 growing need for reliable and affordable energy greatly effects
17 all components of our state, including families, the businesses
18 and employers around the state, as well as our very and ever
19 important tourism and agricultural industries. And if we do
20 not address this need appropriately, our economy and our jobs
21 will suffer.

22 Florida's need for additional sources of ample
23 affordable energy has gotten so extreme that in some cases
24 Florida businesses are now leaving the state, relocating. For
25 example, I know of one company, one of the largest

1 manufacturers and distributors of fertilizer recently relocated
2 their plant to India rather than here in Florida due to the
3 high cost of energy. And, unfortunately, took those jobs with
4 them.

5 Electricity production has an important role in
6 promoting an economic climate in Florida, which helps
7 businesses be competitive and productive and maintaining a
8 reliable supply of that electricity is essential to protecting
9 and growing Florida's economy, and is essential to attracting
10 and sustaining the businesses that provide economic
11 opportunities for our state and its citizens.

12 We believe it is very important for Florida to
13 possess a diverse energy portfolio inclusive of conservation
14 efforts as well to protect businesses from the unexpected
15 disruptions in supply and production, for example, from
16 hurricanes and the like that have been mentioned. Small
17 businesses in particular, they are the backbone of our economy,
18 tend to suffer the most with these unpredictable price
19 increases. And we feel that without a diverse energy portfolio
20 an unexpected spike in energy prices or availability can
21 cripple a small business and potentially cost jobs across the
22 state.

23 The fact is that businesses locate where there are
24 reliable and affordable energy supplies bringing jobs and
25 economic growth and opportunity with them. Consequently, if

1 there is an unpredictably priced or unreliable energy supply,
2 businesses will not only be hesitant to invest and move to
3 Florida, but may continue the trend of what we are starting to
4 see of businesses actually leaving the state to go to regions
5 with more favorable energy situations.

6 To support the economic vitality of our residences
7 and our businesses in Florida, we feel there needs to be a new
8 generation in the coming years. Energy providers must plan
9 years ahead and evaluate multiple options when looking to meet
10 that ever growing demand, and that is why the Florida Chamber
11 supports efforts to begin building new generation facilities
12 before we are faced with the problems of an electricity
13 deficit, even higher electricity costs, or perhaps as others
14 have mentioned, unfortunately, the rolling blackouts.

15 Again, thank you for the opportunity to speak to you
16 today, and I hope that you will consider these remarks as you
17 make your decision. Thank you.

18 CHAIRMAN EDGAR: Thank you, Mr. Wheeler.

19 MS. BRUBAKER: Joy Towles-Ezell, to be followed by
20 Christian Jacobs. And I will note Ms. Towles-Ezell has passed
21 out some information which we are distributing, and that should
22 be marked, I believe, 154, please.

23 CHAIRMAN EDGAR: Yes, 154. And I will ask you to
24 spell your name for us, as well.

25 JOY TOWLES-EZELL

1 appeared as a witness and, swearing to tell the truth,
2 testified as follows:

3 DIRECT STATEMENT

4 MS. TOWLES-EZELL: Thank you very much. My name is
5 Joy, J-O-Y, Towles, T-O-W-L-E-S, Ezell, E-Z-E-L-L. I live at
6 12677 Josh, J-O-S-H, Ezell, E-Z-E-L-L, Road in Perry, Florida,
7 32348. Thank you very much for letting all the people speak
8 and for listening to us. We really appreciate it.

9 I've got some wonderful friends down from Everglades
10 County that I am very concerned about. And I consider myself a
11 concerned party as a citizen of the state of Florida. I wear
12 quite a few hats. You saw me just a little short while ago
13 when I was here talking about the Taylor Energy Center. I am a
14 member of our local group in Perry, and I am the Big Bend
15 Chapter of the Sierra Club energy chair, and I am also the
16 Florida Chapter energy chair for the statewide Sierra Club.

17 But I wear many hats, but I am speaking as a citizen
18 today, not as a representative of any of those groups in
19 particular. I'm really proud of some of the things that
20 Florida Power and Light does. They have the largest wind farm
21 in the U.S. out in Texas, in Taylor County, Texas. So we are
22 proud of that. It is the Horse Hollow wind farm, and so they
23 know how to do this renewable stuff. It is not something that
24 they don't know how to do.

25 I would like to ditto what George Cavros (phonetic)

1 said awhile ago, and also the things that Rhonda Roff said. I
2 think that George and Rhonda were just right on. Mr. Draper
3 earlier today talked about a resolution by the Everglades
4 Coalition, but he did not give you a copy, and I have provided
5 a copy of that for you. And there are some things in there
6 that tells you exactly where this power plant is planned for,
7 and it says the operation of the proposed Glades power plant
8 will require 26 millions of gallons of water a day in or near
9 the water supply planning areas currently under drought
10 restrictions. And I am very concerned about using that much
11 water. It comes at a cost to all of us in Florida.

12 The resolution talks about the 100-mile radius, or
13 100-kilometer radius that the mercury would primarily fall on.
14 It would be a 100-mile radius that includes habitat where
15 endangered and other fish and wildlife species already carry a
16 high burden of mercury, and that comes at a cost to everyone.
17 And it says the neurological impact of methyl mercury on the
18 development of fetus and children occurs at extremely low
19 levels, and you have all been told that before, whereas the
20 emission of carbon dioxide will contribute to the accumulation
21 of greenhouse gases which contribute to global warming and
22 global climate change, and according to international
23 scientific consensus must be significantly reduced by 2050.

24 And also there is another thing about coal. The
25 extraction and transportation of coal contributes severe

1 societal and environmental harm, including mountaintop removal
2 to other regions, nations, and continents. And, you know, I am
3 thinking that what is better than not expensive coal is free
4 solar. So that is a cost that we would all bear if this plant
5 came into being.

6 So the Everglades Coalition resolved that there would
7 be no coal-fired power plants should be permitted in the
8 historic Everglades drainage basin, and that Florida should
9 focus on conservation, energy efficiency, and renewable energy
10 sources rather than construct more infrastructure dependent
11 upon nonrenewable sources which are harmful to people and
12 wildlife.

13 I was reading a couple of weeks ago about Abu Dhabi
14 in the United Arab Emirates. Yes, that is the desert, but they
15 are building solar concentrators and are building a
16 500-megawatt solar plant to supply their own town with solar
17 energy. And these are the people that have all the oil. So
18 they are thinking ahead, and we should be doing the same thing
19 in Florida. It seemed to me that communities maybe like Moore
20 Haven, or Perry, you know, not very big towns, maybe we could
21 have some of those solar concentrators and have a solar plant
22 close to where we live, and Florida Power would be a great
23 place to do that. They would be a great company to do that for
24 the people. And eventually, you know, if you did that in
25 several small towns it would take up the need for a coal-fired

1 power plant.

2 And I have also turned into you for the record a
3 letter from Dan Kimble (phonetic), who is a superintendent of
4 the United States Department of Interior, the National Park
5 Service, and then the Everglades. And I will just read the
6 summary here. "In summary, we continue to be concerned that
7 emissions from the proposed Glades power plant facility will
8 cause or contribute to impacts to air quality in the Everglades
9 National Park."

10 So I am concerned about that, too, and I hope that
11 you will make a determination that there is no need for this
12 coal-fired power plant in Florida. Thank you very much.

13 CHAIRMAN EDGAR: Thank you, Ms. Ezell. We are trying
14 to do just a little bit of juggling to accommodate as many,
15 many competing schedules as we possibly can. I have told you
16 we would work with you and we will, but I need you all to work
17 with us, as well. And so I think we are going to have --

18 MS. BRUBAKER: Christian Jacobs (phonetic).

19 CHAIRMAN EDGAR: I said two speakers two speakers
20 ago, but now we are going to have two speakers and then we are
21 going to take a very abbreviated late lunch break. And, so,
22 Ms. Jacobs, welcome.

23 CHRISTIAN JACOBS
24 appeared as a witness and, swearing to tell the truth,
25 testified as follows:

1 DIRECT STATEMENT

2 MS. JACOBS: Thank you. And I must say it is always
3 difficult being the last speaker before you all go to lunch,
4 and I do appreciate a long day of hearing so much testimony.
5 As a County Commissioner from Broward County, I often spend
6 days just like this listening to lots of differing points of
7 view.

8 I am here today as a County Commissioner individually
9 not representing all of our board, but representing the issues
10 of my constituents as expressed to me. Broward County is a
11 county with 1.8 million residents. Tourism is a huge part of
12 Broward County's economy and health. The Everglades represents
13 two-thirds of Broward County, and the waters that contribute to
14 the Everglades also contribute to our main sources of drinking
15 water, the Biscayne aquifer. So we do have a concern about the
16 health of the waters even though the proposed plant is
17 considerably far away from Broward County.

18 Some interesting things have been happening on the
19 national scene where regulation is concerned, and we seem to be
20 positioned in a place where the world is about to change, both
21 from the federal side and even in the House and Senate side
22 here in Florida, there are multiple bills looking at emissions.
23 And, in fact, the Supreme Court recently agreed that the states
24 can regulate CO2 emissions, and so as we sit here on the cusp
25 of changes, radical changes in regulations where once there

1 weren't regulations, I think it is a good time to really
2 reevaluate this plant and what it is about to emit in into our
3 state. And if you consider from FPL's standpoint if you wanted
4 to build a plant with coal, you would probably want to do it
5 before that baseline is established and before all of these
6 regulations kick in. And I find it interesting in reading
7 through all the information that I have, and certainly I am no
8 expert on energy, I know you have had lots of scientists up
9 here who know much more than I about the pros and cons of a
10 plant with a coal versus a plant without, but clearly at the
11 end of all the information that I have been able to read that
12 was supplied by FPL to you, it seems that seven of their
13 outcomes say a plant with coal is less expensive and nine of
14 them say it is more expensive. And ironically the only two
15 things that were looked at is gas and coal when we know there
16 are other alternative forms of energy that haven't been looked
17 into.

18 At the end of the day, I have heard FPL say that was
19 kind of 50/50. I think if the shoe was on the other foot, FPL
20 would probably tell you that more studies said it was less
21 expensive than more expensive. But, in fact, nine of the
22 studies said it would cost more money to build a plant with
23 coal. So, when you look at the effects that this plant is
24 going to deliver to us and you look at the costs, we are
25 looking about 40 years out, the cost of coal versus gas, it has

1 been bouncing all over the place. In 1995 it was at \$18.83,
2 for a short time in '99 it dropped down to \$16.63, and back in
3 '05 it jumped back up to 23.59, and it is at some of the
4 highest levels that we have seen in a long time. But when you
5 look out over 40 years, what is coal, what is gas, what are
6 those prices going to be doing, there is much conjecture about
7 where that is going to be.

8 So if you consider that those are rather equal, then
9 you have to jump to the next conclusion, and that is what is
10 the cost of regulation going to be. How much is it going to
11 cost the industry when we start regulating CO2. California is
12 moving forward, and has been very aggressive in saying what
13 they want to do to regulate it. In fact, California as an
14 example of how to be more energy efficient probably rings out
15 among the 50 states of how to do it right and have been quite a
16 model.

17 Since 1974, California has held its per capita energy
18 use constant while the per capita energy in the rest of the
19 United States has spiked by almost 50 percent. That state has
20 been able to substantially curb greenhouse gas emissions
21 because the utility companies have worked so hard in finding
22 alternative measures and in promoting so with that state. But
23 they are not the only state that has taken these initiatives to
24 the extreme. Many other states are doing the same thing, and
25 they are finding that there is quite a benefit for having done

1 that in the amount of energy that is -- less energy, excuse me,
2 that is used and, therefore, they are able to stave off future
3 plants that need to be built.

4 In fact, it has been estimated that if California had
5 not done some of the things that it had beginning back in
6 1974 and getting even more aggressive as they have moved
7 forward, you may have read recently that they are now putting
8 forth changes that will require light bulbs in all of the state
9 to be changed to energy efficient types of light bulbs instead
10 of the current ones that are used that we see often today in
11 our homes and businesses. So California has taken some
12 dramatic steps and as a result they have been able to put off
13 building plants.

14 And the issue here, I think, today at the end of the
15 day for the Commission to really consider is given where we are
16 at this point in history, given where regulation is about to
17 go, clearly into the unknown, we don't know, for example, in
18 this four-page list of bills by the House and Senate in our own
19 state what are they going to regulate. We don't know what the
20 federal government is going to do. We do know, however, that
21 over a 40-year period of time the cost of regulation are going
22 to go up. And as such, at the end of the day, gas hands down
23 is going to come up on the better side of cost when it comes to
24 regulation.

25 When you look at the cost, and I know this isn't

1 something that you all consider, the cost of our health and to
2 the environment, in this setting you are really looking at the
3 financial costs, the money costs. But there are many other
4 costs associated with that, one being mercury, of course.
5 180-pounds per year would be emitted. One of the largest
6 emitters of mercury in the state. This is going to be the
7 largest as proposed coal-fired plant in the state, and covering
8 5,000 acres the impact to the health of the community, I know
9 there have been lot of folks here that have given you testimony
10 about the health and the reasons why they are concerned about
11 it.

12 I share those concerns. Many of the people in
13 Broward County share those concerns, and I wanted to leave
14 those with you just as something that is mentioned and not
15 forgotten, because the environmental costs certainly are
16 important. I guess for me, as a Commissioner, as a
17 policymaker, at the end of the day when I think of a company
18 that says on the one hand we need this plant, this plant needs
19 to be built, and it needs to be built with coal. You can't say
20 that on one hand and then on the other hand come back around
21 and say, well, gee, you know, this is a very large, complex,
22 and uncertain program that we are embarking, and very costly,
23 and because it is so costly it might actually hurt our credit
24 down the line and we would like to be reimbursed for our costs
25 annually. We want to make sure that the cost-recovery of this

1 plant in these uncertain times is something that we come back
2 and are able to recapture. And it would seem to me that it is
3 a rather amazing step to take where you stand on one side
4 declaring that something is necessary while at the same time
5 stating that it is uncertain.

6 Because of its uncertainty, because the world is
7 about to change regulation-wise, and because benchmarks,
8 baselines are about to be set, I would think that before a
9 plant of this size and this intensity is approved for Florida,
10 we really ought to go ahead and set baselines. We ought to let
11 these bills and these changes in energy policies go forward,
12 and then having done that, take a second look at whether or not
13 this plant is a plant that is built with coal or without.

14 And, finally, I think it is important we cannot
15 underestimate the aggressive nature of some states in working
16 to reduce energy use. We, in my opinion, are not doing enough
17 in the state of Florida. We need to do much more. As an
18 agency I think that you are in a great position to demand of
19 FPL that they do better in trying to find ways for
20 conservation. I don't think enough is being done in setting
21 yourselves forward. As has been stated, part of these
22 testimonies today is that the conservation measures taken by
23 FPL must be reasonable and they must be used in its entire
24 strength and breadth to try to draw down the amount of energy
25 that the folks out there are using.

1 So, again, I thank you very much for allowing me the
2 time to talk to you this afternoon, and we will be happy to
3 return at any time if you need or answer any questions that you
4 have. You can reach me at the Broward County governmental
5 center. Thank you.

6 CHAIRMAN EDGAR: Thank you, Commissioner. We
7 appreciate you joining us here.

8 MS. JACOBS: You're welcome.

9 CHAIRMAN EDGAR: Ms. Brubaker.

10 MS. BRUBAKER: We will next call Barney Bishop.

11 BARNEY BISHOP

12 appeared as a witness and, swearing to tell the truth,
13 testified as follows:

14 DIRECT STATEMENT

15 MR. BISHOP: Good afternoon, Madam Chair and fellow
16 Commissioners. My name is Barney Bishop. I am president and
17 CEO of Associated Industries of Florida. We are a nonprofit
18 business organization founded in 1920 with 10,000 members
19 across the state, including areas served by Florida Power and
20 Light.

21 We represent the business community before elected
22 and appointed officials of state government on issues important
23 to the business community. In fact, this is the first time I
24 believe that AIF has ever provided public testimony to the
25 Public Service Commission, but we are here because AIF supports

1 and understands the future needs for energy and the need for a
2 clean environment. And I should also note that our insurance
3 company, Associated Industries Insurance Company, is in the FPL
4 rate area and is a ratepayer, is a consumer of electricity from
5 them. So, AIF supports Florida Power and Light's request for
6 approval of the Glades solid fuel generating units for several
7 reasons, and I have four of them.

8 First, AIF supports policies to ensure that Florida
9 businesses have a reliable and affordable energy supply so they
10 may continue to compete in the global economy while working
11 hard to protect Florida's pristine environment. AIF believes
12 that construction of the Glades unit is an important step
13 toward these goals. The Glades unit will provide reliable and
14 affordable energy supplies using an abundant low cost fuel that
15 can be stockpiled and also kept on hand.

16 Second, high oil and natural gas prices contributed
17 greatly to the cost of electricity paid by customers and our
18 members in recent years. Lower fuel prices from coal will help
19 lower overall fuel costs while also making these costs less
20 volatile. As business owners and managers lower and less
21 volatile fuel costs from the Glades unit are very important to
22 AIF and our members. These units will also reduce Florida's
23 dependence on high cost natural gas and oil. AIF believes that
24 this reduction and reliance on natural gas will helpful fulfill
25 the state of Florida's policy objective of relying less on

1 natural gas and oil.

2 Third, AIF's business members value environmental
3 stewardship. FPL is recognized as a leader in conservation and
4 protecting the environment.

5 Fourth, if Florida Power and Light had suggested
6 natural gas today, I suspect that all of the environmentalists
7 that would have been here today would have been opposed to
8 that, as well, and would tell you that in previous hearings
9 before the Minerals Management Service that many of these same
10 environmental groups are the ones that stand up and are opposed
11 to natural gas drilling. So I think it is a little
12 disingenuous that we have arguments here today from concerned
13 citizens and environmental groups that this should be natural
14 gas instead of coal when, in fact, had FPL suggested natural
15 gas be the solution, they would be here opposing that, as well.

16 I would like to say that AIF recognizes that the
17 choice in this case is between building an advanced technology
18 coal plant or yet more natural gas fired generation on top of
19 the very large amount of natural gas generation already owned
20 and operated by FPL. AIF believes that the addition of the
21 clean coal electric generation technology at the Glades strikes
22 the proper balance by augmenting and balancing FPL's natural
23 gas fired generation with much needed solid fuel generation.

24 And for your information, just so there is no
25 misperception about what AIF's position is, in December of 2005

1 we endorsed all forms of renewable energy, and we endorsed
2 nuclear power. And I would just suggest to you that even with
3 respect to the renewal forms of energy, there are always going
4 to be objections from people no matter what it is. If it is
5 wind turbines, birds are going to get killed. It is unsightly.
6 If it is solar issues, the photovoltaic process creates
7 dangerous chemicals. Even if you tried to do renewable energy,
8 you are always going to still be based on the manufacturing
9 process that relies on fuel and it helps us to get to the
10 promise land of renewable energy.

11 So, we understand. We think this is very important.
12 We appreciate your deliberations. I think you have heard from
13 a wonderful cast of folks today that have very divergent
14 opinions, and I am here on behalf of Associated Industries of
15 Florida asking you to please support construction of this plant
16 and allow FPL to go forward and do what they have to do to
17 provide energy security to the state of Florida. And I will be
18 glad to take any questions, Madam Chair.

19 CHAIRMAN EDGAR: Commissioners, any questions? None
20 from the parties, I see. Thank you, Mr. Bishop. We appreciate
21 your participation.

22 Okay. We are going to take a break. It is 2:00
23 o'clock by the clock on the wall. Let's come back at 2:45. We
24 do have a few additional people who are signed up for public
25 testimony. We will go through that, and then as I said we will

1 take a short break after that to switch gears and talk about
2 the documents that have been submitted. And then we will, I
3 believe, go into opening statements. And, so we are on break
4 until 2:45. Thank you.

5 (Transcript continues in sequence with Volume 2.)

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1 STATE OF FLORIDA)

2 : CERTIFICATE OF REPORTERS

3 COUNTY OF LEON)

4 WE, JANE FAUROT, RPR, and LINDA BOLES, RPR, CRR,
5 Official Commission Reporters, do hereby certify that the
6 foregoing proceeding was heard at the time and place herein
7 stated.

8 IT IS FURTHER CERTIFIED that we stenographically
9 reported the said proceedings; that the same has been
10 transcribed under our direct supervision; and that this
11 transcript constitutes a true transcription of our notes of
12 said proceedings.

13 WE FURTHER CERTIFY that we are not a relative,
14 employee, attorney or counsel of any of the parties, nor are we
15 a relative or employee of any of the parties' attorneys or
16 counsel connected with the action, nor are we financially
17 interested in the action.

18 DATED THIS 17th day of April, 2007.

19 

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24 

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