

**Matilda Sanders**

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**Sent:** Friday, January 04, 2008 3:05 PM  
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**Subject:** Electronic Filing - Docket #070650-EI  
**Attachments:** OUC Prehearing Stmt 1-4-08.doc; OUC Prehearing Stmt 1-4-08.pdf.pdf



OUC



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ring Stmt 1-4-08ring Stmt 1-4-0

A. Person responsible for this electronic filing:

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B. Docket No. 070650-EI

In re: Florida Power & Light Company's Petition to Determine Need for Turkey Point Nuclear Units 6 and 7 Electrical Power Plant.

C. Document being filed on behalf of Orlando Utilities Commission.

D. There are a total of 8 pages, including the Certificate of Service.

E. The document attached for electronic filing is Orlando Utilities Commission's Pre-Hearing Statement.

(See Attached File: OUC Prehearing Stmt 1-4-08.doc and also OUC Prehearing Stmt 1-4-08.pdf)

Thank you for your attention and assistance in this matter.

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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

**BEFORE THE**  
**FLORIDA PUBLIC SERVICE COMMISSION**

In re: Florida Power & Light Company's )  
Petition to Determine Need for )  
Turkey Point Nuclear Units 6 and 7 )  
Electrical Power Plant )

Docket No. 070650-EI

Filed: January 4, 2008

**ORLANDO UTILITIES COMMISSION'S PRE-HEARING STATEMENT**

COMES NOW, the Orlando Utilities Commission, ("OUC"), by and through its under-  
signed counsel, and pursuant to Order Number PSC-07-0869-PCO-EI, files this Pre-Hearing  
Statement:

**A. APPEARANCES:**

Roy Young, Esq.

On Behalf of OUC.

**B. WITNESSES:**

None.

**C. EXHIBITS:**

OUC has no exhibits at this time, but reserves the right to enter any evidence into the re-  
cord.

**D. STATEMENT OF BASIC POSITION:**

OUC's substantial interests are affected by this proceeding and thus, OUC has the requi-  
site standing to intervene and participate as a party in this proceeding.

Clearly, OUC, as a generating electric utility in Florida and part of the statewide grid, is  
impacted in a substantial way by the introduction to the system of possibly two new nuclear  
plants as proposed by FPL herein. This is reason enough to grant OUC's Petition to Intervene.

OUC generally supports FPL's need petition. However, FPL is required by statute and

Public Service Commission (the "Commission") rule to hold discussions with other electric utilities, and to include in its petition a summary of those discussions regarding the other electric utilities' ownership interest in the proposed nuclear plants. OUC is a public agency electric utility, in need of nuclear base load generation resources. OUC has been actively seeking minority ownership interest in nuclear base load facilities throughout Florida, specifically the proposed FPL nuclear power plants subject to the Commission's determination in this proceeding. While informal, preliminary discussions between FPL and OUC have occurred, those discussions must continue in a meaningful way.

**E. STATEMENT OF ISSUES AND POSITIONS**

**ISSUE 1:** Is there a need for the proposed generating units, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(4), Florida Statutes?

**OUC Position:** Yes.

**ISSUE 2:** Is there a need for the proposed generating units, taking into account the need for fuel diversity, as this criterion is used in Section 403.519(4), Florida Statutes?

**OUC Position:** Yes.

**ISSUE 3:** Is there a need for the proposed generating units, taking into account the need for base-load generating capacity, as this criterion is used in Section 403.519(4), Florida Statutes?

**OUC Position:** Yes.

**ISSUE 4:** Is there a need for the proposed generating units, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519(4), Florida Statutes?

**OUC Position:** Yes.

**ISSUE 5:** Are there any renewable energy sources and technologies or conservation measures taken by or reasonably available to Florida Power & Light Company which might mitigate the need for the proposed generating units?

**OUC Position:** None known to OUC.

**ISSUE 6:** Will the proposed generating units provide the most cost-effective source of power, as this criterion is used in Section 403.519(4), Florida Statutes?

**OUC Position:** Based on information available to it, OUC thinks the answer is yes.

**ISSUE 7:** Based on the resolution of the foregoing issues, should the Commission grant Florida Power & Light Company's petition to determine the need for the proposed generating units?

**OUC Position:** Yes but only after finding that FPL should comply with Rule 25-22.081 and that the discussions should continue.

**ISSUE 8:** Should this docket be closed?

**OUC Position:** No.

**ISSUE 9:** If the Commission grants Florida Power & Light Company's petition to determine the need for the proposed generating units, should the Commission's order expressly state support for the development of new nuclear generation, affirm the need to take steps now to preserve new nuclear generation as a resource option to meet future customer needs, acknowledge the risks and costs associated with a project of such magnitude and the corresponding stepwise role of the annual review process, and emphasize the importance of continued regulatory support throughout the process? (FPL 8)

**OUC Position:** No position.

**ISSUE 10:** If the Commission grants Florida Power & Light Company's petition to determine the need for the proposed generating units, is it prudent for FPL to make advance payments for such long-lead procurement items as are reasonably necessary to preserve the potential for 2018-2020 in-service dates for the proposed generating units? (FPL 9)

**OUC Position:** No position.

**ISSUE 11:** If the Commission grants Florida Power & Light Company's petition to determine the need for the proposed generating units, are prudent advance payments made

prior to the completion of the proposed generating units' site clearing work properly characterized as "pre-construction costs," to be recovered pursuant to the mechanism provided in Rule 25-6.0423, F.A.C.? (FPL 10)

**OUC Position:** No position.

**ISSUE 12:** If FPL were to file for recovery by May 1, 2008, would pre-construction costs associated with the proposed generating units that the Commission determines are reasonable and prudent be included for cost recovery purposes as a component of the 2009 Capacity Cost Recovery Factor in the annual Fuel and Purchased Power Cost Recovery proceeding, pursuant to Rule 25-6.0423(5)(c), F.A.C.? (FPL 11)

**OUC Position:** No position.

**ISSUE 13:** Does FPL's nuclear power plant petition contain a summary of any discussions with other electric utilities regarding ownership of a portion of the plant by such electric utilities, consistent with the requirements of Rule 25-22.081, F.A.C.? (FMPA/FMEA 7)

**OUC Position:** No.

**ISSUE 14:** Does not 403.519(4)(b), Fla. Stat., stating that the Commission shall "take into account matters within its jurisdiction, which it deems relevant" allow the Commission to conclude that co-ownership is relevant especially in light of (4)(b)(2) which requires the Commission to consider whether the approval will enhance the reliability of power production within the state (not just in FPL's territory) and (4)(b)(3) requiring the Commission to take into account the plant's contribution to the long-term stability and reliability of the electric grid? (OUC 1)

**OUC Position:** Yes.

**ISSUE 15:** Did Florida Power and Light's Petition, as required by Rule 25-22.081 (2) (d) F.A.C., contain a summary of any discussions Florida Power and Light had with other electric utilities concerning the other electric utilities' ownership of a portion of the Florida Power and Light nuclear plant? (OUC 2)

**OUC Position:** No.

**ISSUE 16:** Does 403.519(4)(a)(5), Fla. Stat., and Rule 25-22.081(2)(d) F.A.C., create any duty on Florida Power & Light (“FPL”) to initiate discussion with other utilities that might have an interest in ownership of a portion of the nuclear plants or is this legislation and rule meaningless and may be ignored all together (FPL says they can satisfy law and rule by not having any discussions and reporting that fact at FPL Response, Paragraph 2, page 2)? (OUC 4)

**OUC Position:** Yes, section 403.519(4)(a)(5), Fla. Stat., and Rule 25-22.081(2)(d), F.A.C., creates a duty on FPL to initiate discussions with other utilities that might have an interest in ownership of a portion of the nuclear plants.

**ISSUE 17:** Does OUC, a utility that presently has ownership in two nuclear power plants, have a substantial interest in having meaningful discussions with Florida Power & Light regarding ownership of a portion of the nuclear power plants at issue here as required by 403.519(4)(a)(5), Fla. Stat.? (OUC 5)

**OUC Position:** Yes, OUC has a substantial interest in having meaningful discussions with FPL regarding ownership of a portion of the nuclear plants at issue here as required by section 403.519(4)(a)(5), Fla. Stat.

**ISSUE 18:** Should the Commission infer any intent by the Legislature from actions that were not taken by the Legislature (an amendment was proposed but withdrawn)? (OUC 6)

**OUC Position:** No. The withdrawal of a proposed amendment does not provide the basis for the Commission to infer any intent by the Legislature concerning the subject matter of the withdrawn amendment.

**ISSUE 19:** Has FPL engaged in meaningful discussions with other electric utilities regarding ownership of a portion of the proposed nuclear plants by such utilities? (SEMINOLE 7)

**OUC Position:** Not to OUC’s knowledge.

**ISSUE 20:** If not, should the Commission require such discussions? (SEMINOLE 8)

**OUC Position:** Yes, the Commission should carry out its expressed statutory duty and ensure that meaningful discussions will take place now and in the future regarding this project.

**F. STIPULATED ISSUES**

None.

**G. PENDING MOTIONS**

OUC's Petition to Intervene.

H. **STATEMENT OF PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY**

OUC has no pending requests or claims for confidentiality.

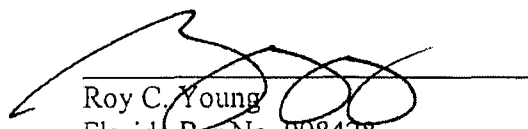
I. **OBJECTIONS TO QUALIFICATIONS OF WITNESSES AS AN EXPERT**

OUC does not anticipate challenging the qualification of any witness in this proceeding at this time.

J. **STATEMENT OF COMPLIANCE WITH ORDERS ESTABLISHING PROCEDURE**

There are no requirements of the Orders Establishing Procedures with which OUC cannot comply.

Respectfully submitted this 4th day of January 2008,



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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing OUC's Pre-hearing Statement has been furnished by electronic mail and/or U.S. Mail this 4th day of January, 2008 to the following:

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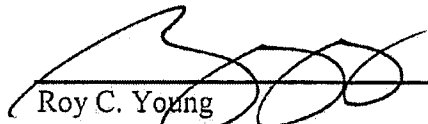
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