BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Petition for determination of need for DOCKET NO. 080148-EI Levy Units 1 and 2 nuclear power plants, by Progress Energy Florida, Inc.

COMMISSION

DATED: MAY 1, 2008

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-08-0151-PCO-EI, filed March 12, 2008, the Staff of the Florida Public Service Commission files its Prehearing Statement.

All Known Witnesses a.

Staff is not sponsoring any witnesses.

All Known Exhibits b.

Staff has no direct exhibits.

Staff's Statement of Basic Position c.

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

CMP	<u>155UE 1</u> :	electric system reliability and integrity, as this criterion is used in Section 403.519(4), Florida Statutes?
COM 5	POSITION:	No position pending evidence adduced at hearing.
ECR	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?
OPC	POSITION:	No position pending evidence adduced at hearing.
RCA	<u>ISSUE 3</u> :	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?
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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?

POSITION: No position pending evidence adduced at hearing.

ISSUE 5: Are there any renewable energy sources and technologies or conservation

measures taken by or reasonably available to Progress Energy Florida, Inc. which

might mitigate the need for the proposed generating units?

POSITION: No position pending evidence adduced at hearing.

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?

POSITION: No position pending evidence adduced at hearing.

ISSUE 7: Based on the resolution of the foregoing issues, should the Commission grant

Progress Energy Florida, Inc.'s petition to determine the need for the proposed

generating units?

POSITION: No position pending evidence adduced at hearing.

ISSUE 8: Should this docket be closed?

POSITION: Staff has no position at this time.

Additional Issues

ISSUE 9: Should the Commission separately assess the need for each of the proposed

generating units using the criteria set forth in Section 403.519(4), Florida

Statutes? (WHITE SPRINGS 8; SACE 8)

POSITION: No position pending evidence adduced at hearing.

ISSUE 10: Should the Commission require, as a condition of granting a determination of

need for the proposed units, that Progress Energy Florida, Inc. implement contractual and other strategies required to effectively manage the units' construction cost and schedule and the risks to consumers associated with cost

overruns and project delays? (WHITE SPRINGS 10; SACE 10)

POSITION: No position pending evidence adduced at hearing.

STAFF'S PREHEARING STATEMENT DOCKET NO. 080148-EI PAGE 3

e. <u>Stipulated Issues</u>

Staff is aware of no stipulated issues at this time.

f. Pending Motions

Staff has no pending motions at this time.

g. <u>Pending Confidentiality Claims or Requests</u>

Staff has no pending confidentiality claims or requests at this time.

h. Objections to Witness Qualifications as an Expert

Staff has no objections to any witness' qualifications as an expert in this proceeding.

i. Compliance with Order No. PSC-08-0151-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this day of May, 2008.

KATHERINE E. FLEMI

Senior Attorney

FLORIDA PUBLIC SERVICE COMMISSION

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of STAFF'S PREHEARING STATEMENT has been served by electronic and U. S. mail to John T. Burnett and R. Alexander Glenn, Progress Energy Service Company, LLC, Post Office Box 14042, St. Petersburg, Florida 33733-4042, and that a true copy thereof has been furnished to the following by electronic and U. S. mail this 1st day of May, 2008:

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DOCUMENT NUMBER-DATE

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