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Subject: Docket No. 080148
Attachments: SACE Prehearing Stmt.doc

a. Person responsible for filing

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- b. Docket No. 080148-EI, In Re: Petition for Determination of Need for Levy Units 1 and 2 Nuclear Power Plants
- c. Filed on behalf of The Southern Alliance for Clean Energy, Inc.
- d. Total Pages = 8
- e. Southern Alliance for Clean Energy Prehearing Statement; cover letter

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MOSES WILIAMS, ESQ.

E. LEON JACOBS, JR., ESQ.

May 2, 2008

Ann Cole
Director, Office of the Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Florida 32399-0850

RE: Docket No. 080148-EI

Dear Ms. Cole:

On behalf of the Southern Alliance for Clean Energy, Inc., enclosed please find for filing the Prehearing Statement consisting of seven pages. I thank you for your attention to this matter.

Sincerely,

/s/ E. Leon Jacobs, Jr.

E. Leon Jacobs, Jr.
Attorney for The Southern Alliance for Clean Energy

Enclosures

BEFORE THE PUBLIC SERVICE COMMISSION

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.) FILED: May 2, 2008
)
)
_____)

THE SOUTHERN ALLIANCE FOR CLEAN ENERGY, INC.'S
PREHEARING STATEMENT

The Southern Alliance for Clean Energy, Inc. ("SACE"), by and through its undersigned counsel, and pursuant to Order No. PSC-08-0151-PCO-EI, Order Establishing Procedure in this docket, hereby submits its Prehearing Statement.

A. **APPEARANCES**

E. Leon Jacobs, Jr.
Williams & Jacobs, Jr.
1720 S. Gadsden Street, MS 14, Suite 201
Tallahassee, Florida 32301

B. **WITNESSES**

SACE will not sponsor any witnesses.

C. **PREFILED EXHIBITS**

SACE will not sponsor any direct exhibits. However SACE reserves the right to use other exhibits during cross examination of the Participant's witnesses, and will file a notice in accordance with the orders governing procedure identifying any documents that Progress Energy Florida ("PEF") claims to be confidential which the SACE may use during cross examination.

DOCUMENT NUMBER-DATE

2

03655 MAY-2 8

FPSC-COMMISSION CLERK

D. STATEMENT OF BASIC POSITION

PEF has not submitted adequate data upon which the Florida Public Service Commission (“Commission”) can base its decision as to whether the proposed addition of the nuclear power plant in Levy County is the most cost effective alternative available to PEF to meet projected demand. The glaring absence of finality in the projected costs, the uncertainty in the comparison analyses, and ancillary issues such as transmission reliability, represent fatal flaws in the Commission’s ability to make findings of fact to support a decision under section 403.519, Florida Statutes. Most specifically, the Commission is unable to ascertain whether there is a “need for adequate electricity at reasonable cost, and whether renewable energy sources and technologies, as well as conservation measures, are utilized to the extent reasonably available.” § 403.519(4), F.S.

When coupled with uncertainty in core issues resulting from the use of a new reactor technology, PEF’s analysis cannot offer the Commission any assurance that this proposal is the most cost effective manner by which to supply the demand projected in the application.

For these reasons, the Commission should deny this petition. The Commission can only consider this petition with the benefit of a true and accurate definition of the design, and the requisite costs that this facility will impose, and a true and accurate analysis of cost effective alternatives.

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?

POSITION: No.

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?

POSITION: No.

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?

POSITION: No.

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.

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: Yes.

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.

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.

ISSUE 8: Should this docket be closed?

POSITION: Yes.

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?

POSITION: Yes.

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?

POSITION: Yes.

F. STIPULATED ISSUES

SACE has not stipulated to any issues at this time.

G. PENDING MOTIONS OR OTHER MATTERS

SACE has no pending motions or other matters.

H. PENDING REQUESTS OR CLAIMS OF CONFIDENTIALITY

SACE has no pending confidentiality requests or claims.

I. OBJECTIONS TO WITNESS' QUALIFICATIONS AS AN EXPERT

None at this time.

J. COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

SACE has complied with all applicable requirements of the order establishing procedure in this docket.

Respectfully submitted this 2nd day of May, 2008.

/s/ E. Leon Jacobs

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1720 S. Gadsden St. MS 14
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(850) 222-1246
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The Southern Alliance for Clean Energy

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy and correct copy of the foregoing was served on this 2nd day of May, 2008, via electronic mail and via US Mail on:

Katherine Fleming Florida Public Service Commission Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850	J.R. Kelly / Stephen Burgess Office of Public Counsel c/o The Florida Legislature 11 I W. Madison Street, Room 8 12 Tallahassee, FL 32399-1400
James W. Brew / F. Alvin Taylor Brickfield, Burchette, Ritts & Stone, P.C. 1025 Thomas Jefferson Street, NW, Eighth Floor, West Tower Washington, DC 20007-5201	Mr. Paul Lewis, Jr. Progress Energy Florida 106 East College Avenue, Suite 800 Tallahassee, FL 32301-7740
J. Michael Walls/Dianne M. Tripplett Carlton Fields Law Firm Post Office Box 3239 Tampa, FL 33601	PCS Administration (USA), Inc. Karin S. Torain Suite 400 Skokie Boulevard Northbrook, IL 60062
John T. Burnett / R. Alexander Glenn Progress Energy Service Company, LLC Post Office Box 14042 St. Petersburg, FL 33733-4042	Charles Gauthier Department of Community Affairs Division of Community Planning 2555 Shumard Oak Boulevard Tallahassee, FL 32399-2100
Michael P. Halpin Department of Environmental Protection Siting Coordination Office 2500 Blairstone Road, MS 48 Tallahassee, FL 32301	Bob Krasowski 1086 Michigan Ave. Naples, FL 34103

This 2nd day of May, 2008.

Respectfully submitted,

/s/ E. Leon Jacobs

E. Leon Jacobs, Jr.
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