

Diamond Williams

110018-EU

From: danlarson [danlarson@bellsouth.net]
Sent: Monday, May 09, 2011 4:13 PM
To: Filings@psc.state.fl.us
Cc: Larry Harris; ken.hoffman@fpl.com; will.cox@fpl.com; Richzambo@aol.com; marsha@reuphlaw.com; mhammond@swa.org
Subject: Electronic Filing (Docket 110018-EU)
Attachments: Larson Posthearing Statement.pdf
Electronic Filing

a. Person responsible for this electronic filing:

Mr. & Mrs. Daniel R. Larson
16933 W. Harlena Dr .
Loxahatchee , FL 33470
Phone: (561) 791-0875
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b. Docket No. 110018-EU

In re: Joint petition for modification to determination of need for expansion of an existing renewable energy electrical power plant in Palm Beach County by Solid Waste Authority of Palm Beach County and Florida Power & Light Company, and for approval of associated regulatory accounting and purchased power agreement cost recovery.

c. Document being filed on behalf of:

Mr. & Mrs. Daniel R. Larson
16933 W. Harlena Dr .
Loxahatchee , FL 33470
Phone: (561) 791-0875
danlarson@bellsouth.net

d. There are a total of 5 pages.

e. The document attached for electronic filing is: Larson Posthearing Statement.pdf

Thank you for your attention and cooperation to this request.

Sincerely,

s/ Daniel R. Larson
Daniel R. Larson
Petitioner

s/ Alexandria Larson
Alexandria Larson
Petitioner

DOCUMENT NUMBER-DATE

03206 MAY -9 =

FPSC-COMMISSION CLERK

5/9/2011

ALEXANDRIA AND DANIEL LARSON
POST-HEARING STATEMENT OF ISSUES AND POSITIONS

Alexandria and Daniel Larson file this Post-Hearing Statement of Issues and Positions as follows:

ISSUE 1: Are the Solid Waste Authority of Palm Beach County (SWA) and Florida Power & Light Company (FPL) the proper applicants within the meaning of Section 403.519, Florida Statutes?

**** Yes. FPL must be included as an applicant for the determination of need consistent with the holding in Tampa Electric Co. v. Garcia, 767 So. 2d 428 (Fla. 2000).**

ISSUE 2: Is there a need for the SWA Expanded Facility taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes?

**** No. According to FPL, "There is no measurable capacity benefit from SWA". Additionally, FPL summer reserve margins are entirely adequate without the SWA contract. The proposed contract unjustly burdens FPL ratepayers with additional costs for energy and capacity that is not required to meet electric system reliability and integrity standards.**

ISSUE 3: Is there a need for the SWA Expanded Facility, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes?

**** No. According to FPL, "There is no measurable capacity benefit from SWA". Additionally, FPL summer reserve margins are entirely adequate without the SWA contract. The proposed contract unjustly burdens FPL ratepayers with additional costs for energy and capacity that is not required to meet electric system reliability and integrity standards.**

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

ISSUE 4: Is there a need for the SWA Expanded Facility, taking into account the need for fuel diversity and supply reliability, as this criterion is used in Section 403.519, Florida Statutes?

**** No. FPL recently extended the PPA for the existing SWA facility and already has solar. FPL summer reserve margins are entirely adequate without the SWA contract. The proposed contract unjustly burdens FPL ratepayers with additional costs for energy and capacity that is not required for fuel diversity or supply reliability.**

ISSUE 5: Are there any renewable energy sources and technologies, as well as conservation measures, taken by or reasonably available to Florida Power & Light Company (FPL) or SWA which might mitigate the need for the SWA Expanded Facility as this criterion is used in Section 403.519, Florida Statutes?

**** Yes. The FPL energy efficiency and conservation goals adopted by the Commission would avoid the need for FPL to purchase the energy and capacity from the SWA Expanded Facility altogether. Additionally, FPL is seeking to build an additional 500 MW of solar generation in the state.**

ISSUE 6: Is the SWA Expanded Facility the most cost-effective alternative available, as this criterion is used in Sections 377.709 and 403.519, Florida Statutes?

**** No. FPL summer reserve margins are adequate without the SWA contract. FPL doesn't need to buy additional energy and capacity. Irrespective of how the resource plan was manipulated to fabricate a phantom need, the most cost effective alternative is not purchasing unneeded energy and capacity from the SWA Expanded Facility.**

ISSUE 7: Is the proposed contract between SWA and FPL reasonable, prudent, and in the best interest of FPL's customers and appropriate and consistent with the provisions of Section 377.709, Florida Statutes?

**** No. FPL doesn't need to purchase energy and capacity from the SWA Expanded Facility. The proposed contract unjustly burdens FPL ratepayers with additional costs for energy and capacity that is not required because FPL profits \$60 million dollars from capitalizing an advanced capacity payment which violates Section 377.709(3)(b)(1)(b.), Florida Statutes.**

ISSUE: 8: Is FPL's proposal to recover the advanced capacity payment to SWA through the Energy Conservation Cost Recovery Clause pursuant to Section 377.709, F.S., consistent with Rules 25-17.200 through 25-17.310, F.A.C.?

**** No.**

ISSUE 9: Should the Commission allow FPL to recover from its customers the advanced capacity payment associated with the Expanded Facility's electrical component made to SWA pursuant to and/or resulting from the proposed contract, as well as the carrying costs and administrative costs incurred by FPL, through the Energy Conservation Cost Recovery Clause (ECCR), pursuant to Section 377.709, F.S.?

**** No. The Advanced Capacity Payment is expressly limited to the "design costs of electrical component" pursuant to Section 377.709(3)(b)(1)(b.), Florida Statutes. Unlike a traditional PPA, FPL profits \$60 million dollars from capitalizing an advanced capacity payment equal to the "budgeted cost of the power block" in violation of the statute.**

ISSUE 9A: If yes, what amount should FPL be allowed to recover from its ratepayers?

**** The Advanced Capacity Payment should be denied because there is no need. If granted by the Commission, the amount must be limited to the "design costs of electrical component" pursuant to Section 377.709(3)(b)(1)(b.), Florida Statutes. SWA stated this amount was \$1,657,500. FPL should not profit \$60 million from a PPA.**

ISSUE 9B: To the extent FPL incurs firm capacity costs associated with the contract between SWA and FPL that are not recovered through the ECCR, should FPL be allowed to recover those costs through the capacity clause?

**** No. There is no need for FPL to purchase the energy and capacity from the SWA Expanded Facility under the proposed PPA. FPL should not be allowed to profit \$60 million under the proposed PPA. FPL wants customers to pay for something that is not required because FPL will profit.**

ISSUE 10: Should FPL be allowed to recover from its customers all payments for energy made to SWA pursuant to and/or resulting from the proposed contract between SWA and FPL through the Fuel and Purchased Power Cost Recovery Clause?

**** No. There is no need for FPL to purchase the energy and capacity from the SWA Expanded Facility under the proposed PPA. FPL summer reserve margins are adequate without the SWA contract. The proposed contract unjustly burdens FPL ratepayers with additional costs for energy and capacity that is not required.**

ISSUE 11: Based on the resolution of the foregoing issues, should the Commission grant the Joint Petition for Modification to Determination of Need by SWA and FPL and for Recovery of Purchased Power Contract Costs?

**** No. The Commission must deny the determination of need, cost recovery, and contract approval requested within the joint petition. FPL has no need to purchase energy and capacity from the SWA Expanded Facility. The PPA unjustly burdens FPL ratepayers with additional costs for energy and capacity that is not required.**

ISSUE 12: Should this docket be closed?

**** Yes.**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following via Electronic Mail this 9th day of May, 2011 to all parties of record as indicated below.

s/ Daniel R. Larson
Daniel R. Larson
Petitioner

s/ Alexandria Larson
Alexandria Larson
Petitioner

<p>Florida Power & Light Company Mr. Ken Hoffman 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1858 Phone: (850) 521-3900 Fax: (850) 521-3939 Email: ken.hoffman@fpl.com</p> <p>Florida Power & Light Company Bryan S. Anderson/William P. Cox/Eric 700 Universe Boulevard Juno Beach, FL 33408-0420 Phone: 561-304-5253 Fax: 561-691-7135 Email: will.cox@fpl.com</p> <p>Richard A. Zambo, P.A. Richard A. Zambo 2336 S.E. Ocean Boulevard, #309 Stuart, FL 34996 Phone: 772-221-0263 Fax: 772-283-6756 Email: richzambo@aol.com</p>	<p>Rutledge Law Firm Marsha E. Rule 119 South Monroe Street, Suite 202 Tallahassee, FL 32301 Phone: 850-681-6788 Fax: 681-6515 Email: marsha@reuphlaw.com</p> <p>Solid Waste Authority Executive Director 7501 North Jog Road West Palm Beach, FL 33412 Phone: 561-640-4000 Fax: 561-640-3400 Email: mhammond@swa.org</p>
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