

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Environmental Cost
Recovery

Docket No. 130007-EI
Filed: October 3, 2013

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**MOTION OF THE FLORIDA INDUSTRIAL POWER USERS GROUP
TO ESTABLISH SEPARATE “SPIN-OFF” DOCKET TO
EXAMINE FPL’S PETITION TO REPLACE EXISTING PEAKING
GAS TURBINES WITH NEW COMBUSTION TURBINE EQUIPMENT**

The Florida Industrial Power Users Group (FIPUG) moves to establish a separate “spin-off” docket to enable the Commission and all interested parties to review facts and information, and to present thorough and complete evidence related to FPL’s efforts to replace existing peaking gas turbines with new combustion turbine equipment. FPL seeks to recover \$822 million dollars in capital expenditures through the Environmental Cost Recovery Clause (“ECRC”), with the principal cost components including “the power block at \$771 million and transmission interconnection and integration at \$51 million.” See, FPL Petition for Approval of Cost Recovery at page 9 filed on June 28, 2013. Granting FIPUG’s Motion will provide the Commission and the parties with additional and needed time to: (1) evaluate the prudence and reasonableness of FPL’s actions concerning the new peaking power plants; (2) review the prudence of other alternatives considered by FPL; and (3) better understand the environmental issues and constraints that FPL relies upon to justify its request. Granting this Motion will also allow for a more efficient resolution of the remaining issues in the ECRC Docket.

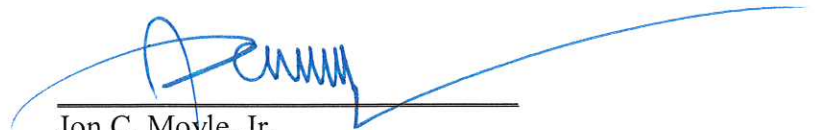
This Commission has previously opted to segregate complicated issues from cost recovery clause proceedings. In this year’s Environmental Cost Recovery Clause docket, on June 28, 2013, FPL filed a separate petition with exhibits totaling 21 pages, along with the direct testimony and

exhibits of five (5) witnesses totaling 81 pages. Intervenors in the case have filed the testimony of three (3) witnesses, and FPL has offered rebuttal testimony from four (4) witnesses. The issues identified thus far, before a host of post-rebuttal testimony depositions scheduled for the week of October 7-11, 2013, present complex issues related to environmental regulations and the purported impact flowing from such regulations, the economics of alternatives considered, or not considered by FPL, and the appropriateness, from a policy perspective, of allowing FPL to recover \$822 million through the environmental cost recovery clause.

Moreover, the fact scenario in this case is ever-evolving and arguably not ripe for consideration during the annual environmental clause filing hearing. For example, on August 5, 2013, FPL filed with the Commission three air construction permits consisting of hundreds of pages. FPL intends that these voluminous documents be adopted and sponsored as exhibits in the testimony of its witness LaBauve. See FPSC Document No. 04528-13. Furthermore, in its rebuttal testimony filed on September 27, 2013, FPL has introduced new evidence, including a summary of new analyses of its proposed option as compared to available alternatives and also including testimonial allegations that FPL has received “up-to-date information” that “results in extended maintenance intervals and hence lower capital-part cost estimates for the type of CTs that FPL proposes to install at Lauderdale and Ft. Myers.” Rebuttal Testimony of Juan Enjamio at page 7, line 22 through page 8, line 4. Mr. Enjamio further states in his rebuttal testimony that “I have updated the economic evaluation of the three FPL options was presented in my direct testimony to reflect these lower costs and have also used the lower costs in evaluating the combined DeSoto/Fort Myers alternatives.” *Id.* Respectfully, these numerous and complex issues, particularly considered in light of new evidence introduced by FPL in its rebuttal testimony, are better handled in a separate docket on a more manageable schedule.

Accordingly, FIPUG respectfully requests that the Commission create a separate docket for this matter to consider these and related issues in a less compressed time frame. FIPUG is authorized to represent that the Office of Public Counsel and DeSoto County Generating Company, LLC, intervenors in this docket, support this motion. FIPUG was unable to reach FPL to determine its position on FIPUG's Motion.

WHEREFORE, FIPUG requests this Commission to grant this motion, and to establish a separate docket in which to examine the issues related to FPL's efforts to recover \$822 million for the cost of new peaking power plants through the Environmental Cost Recovery Clause.



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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing motion was furnished to the following by Electronic Mail, on this 3rd day of October, 2013:

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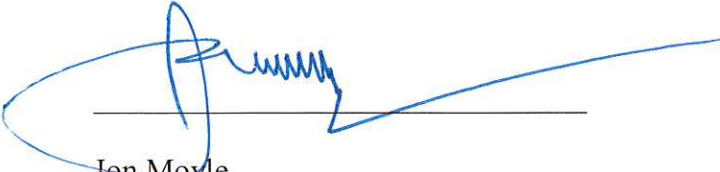
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