

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination of Need for
the Orlando/St. Cloud Regional Resiliency
Connection 230 kV Transmission Line
Project in Orange and Osceola Counties, by
Orlando Utilities Commission

DOCKET NO. 20200107-EM

FILED: May 26, 2020

PREHEARING STATEMENT OF THE ORLANDO UTILITIES COMMISSION

Orlando Utilities Commission (“OUC”), by and through undersigned counsel and pursuant to the Order Establishing Procedure for this docket, Order No. PSC-2020-0135-PCO-EM, hereby files its Prehearing Statement.

APPEARANCES

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On behalf of the Orlando Utilities Commission.

1. OUC WITNESSES

OUC will call the following witness, who will address the issues indicated:

<u>Direct & Rebuttal Testimony</u>	<u>Issues</u>
Aaron B. Staley, P.E.	1, 2, 3, 4

2. OUC KNOWN EXHIBITS

- Exhibit No. ___ [AS-1] Résumé of Aaron B. Staley, P.E.;
- Exhibit No. ___ [AS-2] Map of Major Transmission Lines in the Project Area;
- Exhibit No. ___ [AS-3] Diagram of St. Cloud Area Transmission Lines & Facilities;
- Exhibit No. ___ [AS-4] Potential Routes within Study Area;
- Exhibit No. ___ [AS-5] Typical Pole Design;
- Exhibit No. ___ [AS-6] Load Flow Study Results – Summary and Details (CONFIDENTIAL); and
- Exhibit No. ___ [AS-7] Load Flow Study Solar Integration With and Without Project.

3. STATEMENT OF BASIC POSITION

OUC is an electric utility within the meaning of Section 366.02(2), Florida Statutes, that operates a system of generation, transmission, and distribution facilities in Orange and Osceola Counties. OUC is therefore a proper applicant for the PSC’s determination of need for the Orlando/St. Cloud Regional Resiliency Connection 230 kV Transmission Line Project (“Project”). OUC’s electric service area covers approximately 248 square miles and includes the City of Orlando, portions of unincorporated Orange County, and portions of Osceola County. Additionally, pursuant to an Interlocal Agreement, OUC serves the entire electric service requirements of St. Cloud and treats the St. Cloud load and customers

as part of OUC's retail obligations for planning and energy conservation purposes. Including the customers in St. Cloud, OUC serves a total of approximately 242,000 electric customer accounts: 211,000 residential customers, 25,000 commercial customers, 5,700 industrial customers, and a small number of street and highway lighting customers and other public authorities.

OUC's transmission system includes 31 substations interconnected through approximately 335 miles of 230 kV, 115 kV, and 69 kV transmission lines. Additionally, through the Interlocal Agreement, OUC is responsible for planning, operating, and maintaining St. Cloud's four substations, 55 miles of transmission lines, and three interconnections. OUC also has a total of 22 interconnections with other electric utilities operating in the Florida Reliability Coordinating Council ("FRCC") grid.

OUC's Petition for Determination of Need, together with the testimony and exhibits of Aaron B. Staley, P.E., OUC's witness for this case, provide all information required by PSC Rule 25-22.076, Florida Administrative Code ("F.A.C."), which prescribes the filing requirements for transmission line need determination petitions.

The Project is needed to ensure system reliability and integrity for the St. Cloud area specifically, because the electrical loads on the system serving the St. Cloud area are rapidly approaching the transmission capability of the grid to deliver power reliably to customers in that area. If OUC does not add the Project, the system serving St. Cloud will be at risk for overloads and under-voltage conditions beginning in 2023; in the event of unusually warm summer weather, such reliability issues could arise even sooner. The Project is also needed to ensure the delivery of abundant, low-cost electric energy to meet

the needs of customers of OUC and other utilities in the central Florida area. Specifically, there is one 74.5 MW solar facility already under construction in the St. Cloud area, and the developers of more than 300 MW of additional new solar capacity have requested or are expected to request interconnection evaluation in the same area. Without the Project, the capability of the transmission system serving this area cannot accommodate the delivery of this amount of solar power under all conditions; the Project will significantly enhance the 230 kV backbone transmission system in this area and facilitate the integration of new solar capacity.

Through its ongoing transmission planning studies, OUC recognized that projected load growth in the St. Cloud area would require additional transmission capacity in order to maintain reliable service. Accordingly, OUC evaluated a number of potential alternatives to address these reliability concerns, including capacitor banks, upgrades to existing 69 kV facilities within the St. Cloud area, and several additional 230 kV transmission line projects. After extensive evaluation and consideration, including consideration of the significant growth in planned solar generation that would deliver power into the transmission system serving the area, OUC determined that the Orlando/St. Cloud Regional Resiliency Connection 230 kV Transmission Line, with its starting point at the Magnolia Ranch Substation in Orange County and its ending point at the St. Cloud East Substation in Osceola County, will best meet the reliability and economic needs for additional transmission capacity to serve the area. OUC is in the final stages of analyzing three potential routes for the Project from Magnolia Ranch to St. Cloud East. The final

route of the Project has not been determined, pending further evaluation of local impacts, land acquisition, and permitting issues, but the starting and ending points will not change.

In conclusion, the Project is needed to ensure system reliability and integrity to the St. Cloud area, to promote the delivery of abundant, low-cost electricity to the customers of OUC and other utilities in the area, and to facilitate the delivery of planned solar generating capacity under development in the area. Accordingly, the PSC should grant OUC's requested determination of need for the Project.

4. STATEMENT OF FACTUAL ISSUES AND POSITIONS

ISSUES

Pursuant to Section 403.537, Fla. Stat., the issues to be decided in this docket are as follows:

ISSUE 1: Is there a need for OUC's proposed Orlando/St. Cloud Regional Resiliency Connection 230 kV Transmission Line, taking into the account the need for electric system reliability and integrity, in accordance with Section 403.537(1)(c), Florida Statutes?

OUC Position: Yes.

ISSUE 2: Is there a need for OUC's proposed Orlando/St. Cloud Regional Resiliency Connection 230 kV Transmission Line, taking into the account the need for abundant, low-cost electrical energy to assure the economic well-being of the residents of the state, in accordance with Section 403.537(1)(c), Florida Statutes?

OUC Position: Yes.

ISSUE 3: Are OUC's existing Magnolia Ranch substation in Orange County and the St. Cloud East substation in Osceola County the appropriate starting and ending points of the proposed transmission line?

OUC Position: Yes.

ISSUE 4: Should the PSC grant OUC's petition for determination of need for the proposed Orlando/St. Cloud Regional Resiliency Connection 230 kV Transmission Line project?

OUC Position: Yes. The Orlando/St. Cloud Regional Resiliency Connection 230 kV Transmission Line will ensure system reliability and integrity, provide for the transmission and delivery of abundant, low-cost electrical energy to retail customers, and enhance the integration of planned solar generating resources into the Florida grid. Accordingly, the PSC should grant OUC's petition determining that this Project is needed.

5. STIPULATED ISSUES

None at this time.

6. PENDING MOTIONS

OUC presently has pending its Motion for Temporary Protective Order filed on May 19, 2020, requesting confidential protection of its response to the PSC Staff's First Request for Production of Documents (No. 1).

7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

OUC has 2 pending requests for confidential classification, its First Request filed on May 1, 2020, and its Second Request filed on May 19, 2020.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT

OUC does not expect to challenge the qualifications of any witness to testify, although OUC reserves all rights to question witnesses as to their qualifications as related to the credibility and weight to be accorded their testimony.

9. **STATEMENT REGARDING SEQUESTRATION OF WITNESSES**

OUC does not intend to invoke the rule requiring sequestration of witnesses.

10. **STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE**

There are no requirements of the Order Establishing Procedure with which the Orlando Utilities Commission cannot comply.

Respectfully submitted this 26th day of May, 2020.

/s/Robert Scheffel Wright

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail this 26th day of May, 2020, to the following parties.

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/s/Robert Scheffel Wright
Attorney