1. Please provide comments you have on legal aspects of the Clean Power Plan or proposed standards of performance for Modified and Reconstructed Sources that you believe are important for the Commission to review.

<u>FPL Response</u>: EPA will be taking comments on the proposed rules until October 2014. We anticipate that EPA will address many of the concerns raised during the comment period during the development of the final rules. While several parties have raised legal concerns, we believe that EPA will be afforded great deference by the courts in developing these rules and that EPA will be able to successfully defend those legal challenges.

2. Please provide comments you have on technical aspects of the Clean Power Plan or proposed standards of performance for Modified and Reconstructed Sources that you believe are important for the Commission to review.

FPL Response: Overall, FPL believes that any technical aspects of the Clean Power Plan for our service territory could be addressed during the lengthy time frame afforded by the rule to achieve compliance. One of the more significant challenges for the state will be the addition of natural gas infrastructure to achieve the re-dispatch goals included in the rule. However, FPL is well positioned to continue and, if necessary, expand our pursuit of additional natural gas capacity and future natural gas generation. In December, 2012 FPL issued a Request for Proposals to find the best option for new natural gas supply for our customers. The result is a system comprised of two new pipelines and an interconnection hub. The Sabal Trail Transmission and Florida Southeast Connection pipelines are progressing through the development process. Certification applications for both projects will be filed with the Federal Energy Regulatory Commission in the second half of 2014, construction of the proposed interstate pipeline system will begin in 2016 and operations to deliver natural gas to FPL, Duke Energy Florida and other users will commence in mid-2017.

3. Please provide input on the assumptions EPA employed in setting the Florida-specific interim and final emission targets in the Clean Power Plan.

<u>FPL Response</u>: At this point in our review and analysis of the proposed rule, FPL has some comments regarding EPA's assumptions related to FPL's fleet:

- EPA's modeled prediction is that FPL's Manatee and Martin oil-fired generating facilities will retire. These four 800 MW units provide reliable fuel diversity to the east and west coast reaches of our service territory in the event FPL loses natural gas supply. We believe it is important that FPL maintain the fuel diversity option provided by continued operation of these oil-fired units.
- EPA assumes that FPL's oil fired peaking units at Ft. Lauderdale, Ft. Myers and Port Everglades retire. Though retirement of these units may occur as a result of other emissions regulations, replacement of this peaking power capability would be necessary to maintain system reliability during high load days.
- It appears EPA has used nameplate capacity for all generating units to calculate the state emissions target. In our view, EPA should have used unit net-Summer

capabilities as reported by all generators to NERC, FRCC, and EIA. This approach would catch the summer peak generation and is the more appropriate baseline.

4. Should the effects of actions implemented after 2005, which resulted in a lower C02 footprint, be included in the EPA's Clean Power Plan, and if so, explain how and why?

<u>FPL Response</u>: Since 2005, the following actions have been taken that have reduced CO2 emissions from FPL's generating fleet:

- Nuclear uprates at Turkey Point and St. Lucie Nuclear Station
- Construction of West County Energy Center (new NGCC units)
- Construction of Martin Next Generation Clean Energy Center ("hybrid" solar thermal)
- Construction of Space Coast Next Generation Clean Energy Center (PV solar)
- Construction of DeSoto Next Generation Clean Energy Center (PV solar)
- Modernization of Cape Canaveral Power Plant
- Modernization of Riviera Beach Power Plant
- Modernization of Port Everglades (in progress)

Since EPA uses a 2012 baseline year to determine the interim and final CO_2 targets for Florida, FPL's early actions to reduce CO_2 emissions are factored into the state's interim and final targets. FPL's current emissions rate is 21 % lower than the company's 2005 CO_2 emissions rate and is forecast to be significantly lower in the future. FPL is well-positioned to meet the interim and final targets of the Clean Power Plan.

5. Please discuss the achievability of meeting EPA's proposed Florida-specific interim and final emission targets in the Clean Power Plan.

<u>FPL Response</u>: As a result of the company's past investments in energy efficiency improvements at its fossil fuel-fired generating facilities and planned investments in new clean energy technologies, such as Turkey Point Units 6 and 7, FPL's proposed future generation growth will well-position the company to comply with the interim and final emission targets in the proposed Clean Power Plan.