BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Florida Power & Light Company's proposed merger with Entergy Corporation, the formation of a Florida transmission company ("Florida transco"), and their effect on FPL's retail rates.

DOCKET NO. 001148-EI

FILED: SEPTEMBER 10, 2001

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-01-1549-PCO-EI, filed July 26, 2001, the Staff of the Florida Public Service Commission files its Prehearing Statement.

a. All Known Witnesses

Staff has no witnesses.

b. All Known Exhibits

Staff has no exhibits to identify at this time.

c. Staff's Statement of Basic Position

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Positions on the Issues

ISSUE 1: Is participation in a regional transmission organization (RTO) pursuant to FERC Order No. 2000 voluntary?

POSITION: Yes.

DOCUMENT NUMBER - DATE

STAFF'S PREHEARING STATEMENT DOCKET NO. 001148-EI PAGE 2

<u>ISSUE 2:</u> What are the benefits to Peninsular Florida associated with FPL's participation in GridFlorida?

POSITION: No position at this time.

<u>ISSUE 3:</u> What are the benefits to FPL's ratepayers of its participation in GridFlorida?

POSITION: No position at this time.

<u>ISSUE 4:</u> What are the estimated costs to FPL's ratepayers of its participation in GridFlorida?

POSITION: No position at this time.

ISSUE 5: Is FPL's decision to transfer ownership and control of its transmission facilities of 69 kV and above to GridFlorida appropriate?

POSITION: No position at this time.

<u>ISSUE 6:</u> Is FPL's decision to participate in GridFlorida prudent?

POSITION: No position at this time.

<u>ISSUE 7:</u> What policy position should the Commission adopt regarding the formation of GridFlorida?

POSITION: No position at this time.

ISSUE 8: Is Commission authorization required before a utility can unbundle its retail electric service?

POSITION: No position at this time.

STAFF'S PREHEARING STATEMENT DOCKET NO. 001148-EI PAGE 3

ISSUE 9: Is Commission authorization required before a utility can stop providing retail transmission service?

POSITION: No position at this time.

<u>ISSUE 10:</u> Is Commission authorization required before FPL can sell its retail transmission assets?

POSITION: No position at this time.

ISSUE 11: Is a Regional Transmission Organization for the Southeast region of the United States a better alternative for Florida than the GridFlorida RTO?

POSITION: No position at this time.

e. Pending Motions

Staff has no pending motions.

f. Pending Confidentiality Claims or Requests

There are no pending confidentiality claims or requests.

g. Compliance with Order No. PSC-01-1549-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

STAFF'S PREHEARING STATEMENT DOCKET NO. 001148-EI PAGE 4

Respectfully submitted this 10th day of September,

WM. COCHRAN KEATING IV

Staff Counsel

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that one true and correct copy of STAFF'S PREHEARING STATEMENT has been furnished by U. S. Mail this 10th day of September, 2001, to the following:

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