VOTE SHEET

JANUARY 21, 2003

RE: Docket No. 020953-EI - Petition to determine need for Hines Unit 3 in Polk County by Florida Power Corporation.

<u>ISSUE 1</u>: Is there a need for the proposed Hines Unit 3, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes? <u>RECOMMENDATION</u>: Yes. Florida Power Corporation has a need for additional capacity by December 2005, the in-service date of Hines Unit 3. The Commission approved a joint proposal from the investor-owned utilities in Peninsular Florida to increase minimum planning reserves to at least 20 percent by the summer of 2004. Without the Hines Unit 3 capacity, FPC's reserve margin will decrease to approximately 17 percent in 2005/06 and 14 percent by 2006/07. The Hines Unit 3 addition allows FPC to maintain a minimum 20 percent Reserve Margin. FPC is projected to grow into the capacity to be provided by the addition of Hines Unit 3.

APPROVED

COMMISSIONERS ASSIGNED: Deason, Baez, Bradley

COMMISSIONERS' SIGNATURES

MAJORITY
MALUIN SCA
Q. Jem Dreason
Chi in hadle

REMARKS/DISSENTING COMMENTS:

DOCUMENT NEMPER-DATE

00625 JAN 218

DISSENTING

FPSC+COPELISSIGN OF FRK

 \sim

VOTE SHEET JANUARY 21, 2003 Docket No. 020953-EI - Petition to determine need for Hines Unit 3 in Polk County by Florida Power Corporation.

(Continued from previous page)

<u>ISSUE 2</u>: Is there a need for the proposed Hines Unit 3, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes? <u>RECOMMENDATION</u>: Yes. As discussed in Issue 1, Hines Unit 3 will contribute to the reliability of FPC's system. Also, the results of FPC's resource planning analyses show that the economics favor combined cycle units over combustion turbine (CT), coal, or nuclear when a generator is needed to run more than approximately 20 percent of the time. With current projections, Hines Unit 3 is expected to provide adequate electricity at a reasonable cost.

APPROVED

<u>ISSUE 3</u>: Has Florida Power Corporation met the requirements of Rule 25-22.082, Florida Administrative Code, "Selection of Generating Capacity"? <u>RECOMMENDATION</u>: Yes. FPC administered its RFP process and evaluated the resulting bids fairly and appropriately.

APPROVED

<u>ISSUE 4</u>: Is the proposed Hines Unit 3 the most cost-effective alternative available, as the criterion is used in Section 403.519, Florida Statutes? <u>RECOMMENDATION</u>: Yes. Hines Unit 3 appears to be the most cost-effective alternative over the 25 years during which FPC's ratepayers will be obligated for the cost of the unit.

APPROVED

VOTE SHEET JANUARY 21, 2003 Docket No. 020953-EI - Petition to determine need for Hines Unit 3 in Polk County by Florida Power Corporation.

(Continued from previous page)

<u>ISSUE 5</u>: Are there any conservation measures taken by or reasonably available to Florida Power Corporation which might mitigate the need for the proposed power plant? <u>RECOMMENDATION</u>: No. There are no conservation measures reasonably available to FPC which might mitigate the need for the proposed power plant.

APPROVED

<u>ISSUE 6</u>: Has Florida Power Corporation adequately ensured the availability of fuel commodity and transportation to serve Hines Unit 3? <u>RECOMMENDATION</u>: Yes. While FPC has yet to sign a contract to supply natural gas to the proposed unit, FPC will provide the Commission with a copy of the signed contract for commodity and transportation to serve Hines Unit 3.

APPROVED

<u>ISSUE 7</u>: Based on the resolution of the foregoing issues, should the Commission grant Florida Power Corporation's petition to determine the need for the proposed Hines Unit 3?

<u>RECOMMENDATION</u>: Yes. FPC's petition for determination of need for Hines Unit 3 meets the statutory requirement of Section 403.519, Florida Statutes, as discussed in prior issues. FPC should continue to monitor the cost-effectiveness of Hines Unit 3 prior to committing substantial capital dollars.



VOTE SHEET JANUARY 21, 2003 Docket No. 020953-EI - Petition to determine need for Hines Unit 3 in Polk County by Florida Power Corporation.

(Continued from previous page)

. . * . `

<u>ISSUE 8</u>: Should this docket be closed? <u>RECOMMENDATION</u>: The docket should be closed after the time for filing an appeal has run.

APPROVED