

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Progress Energy Florida, Inc.'s
petition for approval of long-term fuel
supply and transportation contracts for
Hines Unit 4 and additional system
supply and transportation.

Docket No. 041414-EI

Filed: April 4, 2005

CITIZENS' PREHEARING STATEMENT

The Citizens of the State of Florida, through their attorney, the Public Counsel, pursuant to Order No. PSC-05-0128-PCO-EI hereby file this Prehearing Statement for the above-referenced docket.

APPEARANCES:

PATRICIA A. CHRISTENSEN, ESQUIRE
Associate Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400
On behalf of the Citizens of the State of Florida

(1) WITNESSES:

None at this time

(2) EXHIBITS:

None at this time

(3) STATEMENT OF BASIC POSITION:

Office of Public Counsel has no position at this time as to whether the Commission should grant Progress' Petition. However, OPC reserves that right to amend its position based on the evidence adduced at hearing. OPC has concerns that Progress by seeking approval of these contracts may be looking for pre-approval of the fuel costs associated with these contracts which have been traditionally addressed as part of the annual fuel clause proceedings. OPC does not

believe that the Company should be able to obtain such pre-approval for fuel costs via this proceeding.

(4) ISSUES AND POSITIONS:

ISSUE 1: Did Progress Energy Florida (PEF) adequately solicit potential natural gas providers to provide fuel to the Hines 4 generating unit?

OPC: No position at this time.

ISSUE 2: Is the proposal contemplated in PEF's petition the most cost-effective option considering price and non-price factors?

OPC: No position at this time.

ISSUE 3: Is the 20-year term of the contracts contemplated in PEF's petition appropriate?

OPC OPC has concerns that Progress by seeking approval of these contracts, may be looking for pre-approval of the fuel costs associated with these contracts which have been traditionally addressed as part of the annual fuel clause proceedings. OPC does not believe that the Company should be able to obtain such pre-approval for fuel costs via this proceeding.

ISSUE 4: Based on the resolution of the foregoing issues, should the Commission grant PEF's petition?

OPC: No position at this time

ISSUE 5: Should this docket be closed?

OPC: No position at this time.

(5) STIPULATED ISSUES:

The Citizens are not aware of any stipulated issues at this time.

(6) PENDING MOTIONS

The Citizens are not aware of any pending motions at this time.

(7) PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

The Citizens are not aware of any confidentiality issues at this time.

(8) COMPLIANCE WITH ORDER NO. PSC-05-0160-PCO-EI

The Citizens are not aware of any requirements of Order No. PSC-05-0128-PCO-EI with which parties cannot comply.

(9). OBJECTIONS TO WITNESS'S QUALIFICATIONS

To the extent that opinion testimony has been offered in prefiled testimony, OPC makes no objection to the qualifications of the witness to render that opinion.

Respectfully submitted,

HAROLD MCLEAN
PUBLIC COUNSEL

s/ Patricia A. Christensen
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Prehearing Statement has been furnished to the following individuals as indicated in the service list on this 4th day of April, 2005.

Via electronic and US Mail

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