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> > April 19, 2005

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VIA HAND DELIVERY

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission **Betty Easley Conference Center** 2540 Shumard Oak Boulevard, Room 110 Tallahassee, FL 32399-0850

> Re: Docket No. 050145-EI

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are the original and fifteen copies of FPL's Prehearing Statement.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the copy to me. Please contact me if you have questions regarding this filing.

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our assistance with this filing.

Sincerely,

Kenneth A. Hoffman

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power & Light Company for Determination of Need for St. Johns-Pellicer-Pringle 240 kV Transmission Line

Docket No. 050145-EI

Filed: April 19, 2005

PREHEARING STATEMENT OF FLORIDA POWER & LIGHT COMPANY

Pursuant to Order No. PSC-05-0352-PCO-EI issued March 31, 2005, Florida Power &

Light Company ("FPL") hereby files its Prehearing Statement.

APPEARANCES

Kenneth A. Hoffman, Esq. Rutledge, Ecenia, Purnell & Hoffman, P.A. P. O. Box 551 Tallahassee, Florida 32302 Telephone: 850-681-6788 Telecopier: 850-681-6515

Garson Knapp, Esq. Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 (561) 304-5720 (Telephone) (561) 625-7504 (Telecopier)

On behalf of Florida Power & Light Company

A. WITNESSES ON BEHALF OF ISSUES

<u>Direct</u>

Vicente Ordax, Jr.	FPL	1,2,3,4
		DECEMENT NEMAER-DATE

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B. EXHIBITS

Sponsoring Witness	Description of Exhibit
None	Notices of Final Hearing and Affidavits of Publication
Vincente Ordax, Jr.	Exhibit "A" to the Petition to Determine Need for the St. Johns-Pellicer-Pringle Project including Attachments 1-10 and Appendices A and B.

FPL also reserves the right to introduce exhibits for cross-examination, impeachment, or for any other purpose authorized by the applicable Florida Rules of Evidence and rules or orders of this Commission.

C. STATEMENT OF BASIC POSITION

FPL's proposal to build a new 230kV transmission line extending from FPL's existing St. Johns Substation in St. Johns County to FPL's planned Pringle Substation (scheduled to be in service by the end of 2008) in Flagler County (the "Project") should be approved.

The Project is clearly the most cost-effective alternative available, taking into account the demand for electricity, the need for electric system reliability and integrity, and the need for abundant, low-cost electrical energy to assure the economic well-being of the citizens of this state. Further, the Project meets area load requirements by serving proposed future distribution substations along the I-95/US-1 corridor while maximizing system reliability and minimizing cost to customers.

Over the past five years (2000-2004), the load in FPL's North Region (also referred to as "Project Service Area"), an area extending north to Nassau County and south to Indian River County on Florida's east coast, has grown by a Compound Annual Average Growth Rate ("CAAGR") of 3.7%. FPL is forecasting the North Region to continue to grow as a CAAGR of

3.2% over the next five years (2005-2009). Transmission assessment studies conducted by FPL during 2004 have identified regional transmission system limitations in St. Johns and Flagler Counties. These studies show that by 2008, the existing 115kV transmission network which closely parallels the coast between Bunnell and St. Johns Substations will not have sufficient capacity to provide reliable service to existing and proposed substations.

A study of transmission alternatives has resulted in FPL's selection of the Project as the most cost-effective and efficient means to provide both electrical service to the new load areas and substations west of its existing transmission facilities and reinforce the existing 115kV coastal network. For these reasons, FPL's Petition to Determine the Need for the St. Johns-Pellicer-Pringle Project should be approved.

- D. ISSUES
- Issue 1:

Is there a need for Florida Power & Light Company's proposed St. Johns-Pellicer-Pringle 230kV electrical transmission line project, given the need for electric system reliability and integrity, as prescribed in section 403.537, Florida Statutes?

- **FPL Response:** Yes. FPL's Petition and testimony demonstrate the need for a 230kV line by December 2008 to: (a) serve the increasing load and customer base in the area south of the St. Johns Substation, north of the Pringle Substation and to the west of the existing Bunnell-St. Johns 115kV transmission line in a reliable manner consistent with NERC and FRCC Transmission System Standards; (b) provide additional reinforcement to the existing 115kV transmission line between the Bunnell and St. Johns Substations by providing a 230dV injection point from the planned Pellicer Substation into the Forest Grove-Matanzas 115kV line section; and (c) efficiently and effectively integrate and serve new distribution substations that are needed to serve the load growth in the Project Service Area. (Ordax).
- **Issue 2:** Is there a need for Florida Power & Light Company's proposed St. Johns-Pellicer-Pringle 230kV electrical transmission line project, given the need for abundant, low cost electrical energy to assure the economic well-being of the citizens of the State, as prescribed in section 403.537, Florida Statutes?

- **FPL Response**: Yes. See FPL's Position on Issue 1. (Ordax).
- **Issue 3:** Are Florida Power & Light Company's existing St. Johns Substation in St. Johns County and its planned Pringle Substation in Flagler County the appropriate starting and ending points of the proposed St. Johns-Pellicer-Pringle 230kV electrical transmission line project, as prescribed in section, as prescribed in section 403.537, Florida Statutes.
- **FPL Response**: Yes. The load flow maps contained in Appendices A and B to Exhibit "A" to the Petition demonstrate that the appropriate starting and ending points are the St. Johns Substation and the planned Pringle Substation, respectively. (Ordax).
- **Issue 4:** Should the Commission grant Florida Power & Light Company's petition for determination of need for the proposed St. Johns-Pellicer-Pringle 230kV electrical transmission line project?

<u>FPL Response</u>: Yes. (Ordax).

E. STIPULATED ISSUES

None at this time.

F. ALL PENDING MOTIONS OR OTHER MATTERS FPL SEEKS ACTION UPON

None.

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G. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

On April 15, 2005, pursuant to Rule 25-22.006(4), Florida Administrative Code, FPL filed a Request for Confidential Classification of the materials provided in Appendices A and B of Exhibit "A" to the Petition. FPL intends to introduce the claimed confidential portions of Exhibit "A" to FPL's Petition for Determination of Need, as set forth in FPL's Request for Confidential Classification, into the record at the final hearing. FPL has provided unredacted copies of the claimed confidential information to the Commissioners and Staff under confidential cover.

H. ANY REQUIREMENTS SET FORTH IN THIS ORDER THAT CANNOT BE COMPLIED WITH, AND THE REASONS THEREFOR

There are no requirements set forth in Order No. PSC-05-0352-PCO-EI (Order Establishing Procedure) with which FPL cannot comply.

I. OBJECTIONS TO A WITNESS' QUALIFICATIONS AS AN EXPERT

None.

Respectfully submitted,

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KENNETH A. OFFMAN, ESQ. Rutledge, Ecenia, Purnell & Hoffman, P.A. P. O. Box 551 Tallahassee, Florida 32302 Telephone: 850-681-6788 Telecopier: 850-681-6515

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Attorneys for Florida Power & Light Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing was furnished by Hand Delivery to the following this 19th day of April 2005:

Martha Carter-Brown, Esq. Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

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KENNETH A CHOFFMAN, ESQ.