BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Florida Power & Light Company's Petition to Determine Need for FPL Glades Power Park Units 1 and 2 Electrical Power Plant Docket No. 070098-EI

Dated: March 12, 2007

FLORIDA POWER & LIGHT COMPANY'S <u>PRELIMINARY LIST OF ISSUES</u>

Pursuant to Order No. PSC-07-0120-PCO-EI, issued February 9, 2007, establishing the prehearing procedure in this docket, Florida Power & Light Company ("FPL") hereby files its Preliminary List of Issues. FPL's preliminary positions will be included in its Prehearing Statement to be filed March 30, 2007.

Issue 1: Is there a need for the proposed generating units, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519, Florida Statutes?

Issue 2: Is there a need for the proposed generating units, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519, Florida Statutes?

Is there a need for the proposed generating units, taking into account the need for fuel diversity and supply reliability, as this criterion is used in Section 403.519, Florida Statutes?

Issue 4: Are there any conservation measures taken by or reasonably available to FPL which might mitigate the need for the proposed generating units?

Issue 5: Are the proposed generating units the most cost-effective alternative available, as this criterion is used in Section 403.519, Florida Statutes?

Issue 6: Based on the resolution of the foregoing issues, should the Commission grant FPL's petition to determine the need for the proposed generating units?

Issue 7: Is FPL's decision to build the proposed generating units, based on estimated costs as well as other relevant assumptions, reasonable and prudent?

<u>Issue 8:</u> Should prudently incurred environmental compliance costs of the proposed generating units triggered by a new environmental law or regulation which is enacted after the need determination is granted be recovered through the Environmental Cost Recovery Clause or Fuel and Purchased Power Cost Recovery Clause?

Issue 9: Should an annual review process be established pursuant to which the costs and projections for the proposed generating units would be reviewed on an annual basis by the Commission to determine the prudence of the actual costs incurred and the continued feasibility of the proposed generating units?

<u>Issue 10:</u> If the Commission determines that construction of the proposed generating units should not be continued or if other conditions preclude continuation, should all prudently incurred costs, including associated carrying costs, be accumulated and recovered over a five year period beginning when new base rates go into effect?

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Issue 11: After the proposed generating units are placed in service, should all prudently incurred non-fuel costs (other than those recoverable through the Environmental Cost Recovery Clause) be recoverable through base rates, either utilizing the Generation Base Rate Adjustment ("GBRA") mechanism, if the current FPL base rate agreement is in effect or, if it is not, through new base rates or a GBRA set through a future base rate case?

Issue 12: Have the Applicants appropriately evaluated the cost of CO₂ emission mitigation costs in their economic analysis?

Issue 13: Do the proposed FGPP generating units include the costs for the environmental controls necessary to meet current state and federal environmental requirements, including mercury, NO_x, SO₂, and particulate emissions?

Issue 14: Should this docket be closed?

Dated this 12th day of March, 2007.

Respectfully submitted,

R. Wade Litchfield Associate General Counsel Bryan S. Anderson Natalie F. Smith Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420

By: <u>s/R. Wade Litchfield</u> R. Wade Litchfield

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the above-referenced document has been furnished by United States Mail this 12th day of March, 2007 to the following:

Lorena A. Holley, Esquire Jennifer Brubaker, Esquire Katherine Fleming, Esquire Florida Public Service Commission Gerald L. Gunter Building 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Charles Beck, Esquire Office of Public Counsel 111 W. Madison St., Suite 812 Tallahassee, FL 32399-1400

Michael Gross, Esquire Earthjustice PO Box 1329 Tallahassee, FL 32302

> By: <u>s/R. Wade Litchfield</u> R. Wade Litchfield