

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for determination that the)
Osprey Plant acquisition or, alternatively, the)
Suwannee Simple Cycle Project is the most) DOCKET NO. 150043-EI
cost effective generation alternative to meet) Filed: May 6, 2015
remaining need prior to 2018, by Duke Energy)
Florida, Inc.)
_____)

**PREHEARING STATEMENT OF
WHITE SPRINGS AGRICULTURAL CHEMICALS, INC.
d/b/a PCS PHOSPHATE – WHITE SPRINGS**

Pursuant to the Florida Public Service Commission’s Order No. PSC-15-0110-PCO-EI, filed February 20, 2015, White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (“PCS Phosphate”), through its undersigned attorneys, files its Prehearing Statement in the above matter.

APPEARANCES:

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1. WITNESSES

PCS Phosphate does not plan to call any witnesses at this time.

2. EXHIBITS

PCS Phosphate does not plan to offer any exhibits at this time, but may introduce exhibits during the course of cross-examination.

3. STATEMENT OF BASIC POSITION

Duke Energy carries the burden of demonstrating that 1) it has a capacity need prior to the summer of 2018; 2) the Osprey acquisition, as defined in the Asset Purchase and Sale Agreement (“the Agreement”), or, in the alternative, the Suwannee combustion turbine construction project, represent the best available resource options to meet that need; and 3) the expected costs of the proposed alternatives are reasonable. Duke maintains that there are substantial economic benefits to its customers of pursuing the Osprey power purchase and acquisition while simultaneously acknowledging that there is considerable uncertainty associated with that transaction, including in particular the need for timely regulatory approvals. PCS Phosphate understands that the Agreement contains specific provisions, described in Duke’s testimony, that are intended to preserve the economic benefits to consumers in the event of project delays, cost overruns, and other contingency events. It is essential that each of those measures is fully applied and enforced.

4. STATEMENT ON SPECIFIC ISSUES

ISSUE 1: Does DEF have a need for additional generation capacity prior to 2018?

PCS Phosphate: PCS agrees with the Office of Public Counsel.

ISSUE 2: Is the acquisition of Calpine's Osprey Plant the most cost-effective way to meet DEF's generation need prior to 2018?

PCS Phosphate: PCS agrees with the Office of Public Counsel.

ISSUE 3: Does the Asset Purchase and Sale Agreement for the Osprey Plant contain adequate provisions to protect DEF's customers?

PCS Phosphate: PCS agrees with the Office of Public Counsel. All provisions of the Agreement that are designed to protect Duke Energy consumers must be fully enforced, and any costs of delay or mitigation exceeding those assumed in the Agreement should not be borne by Duke Energy’s customers.

ISSUE 4: **If the Osprey Plant cannot be acquired under the terms and conditions of the Asset Purchase and Sale Agreement, is construction of the DEF Suwannee Generation Project the next most cost-effective way to meet DEF's generation need prior to 2018?**

PCS Phosphate: PCS agrees with the Office of Public Counsel.

ISSUE 5: **Given the resolution of the foregoing issues, how and when may DEF request recovery of the final costs for the Osprey Plant acquisition or the Suwannee Simple Cycle Project?**

PCS Phosphate: PCS agrees with the Office of Public Counsel.

5. STIPULATED ISSUES

None.

6. PENDING MOTIONS

None.

7. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY

None.

8. OBJECTIONS TO QUALIFICATIONS OF WITNESS AS EXPERT

None at this time.

9. REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE

There are no requirements of the Procedural Order with which PCS Phosphate cannot comply.

Respectfully submitted

STONE MATTHEIS XENOPOULOS & BREW, PC

*/s/ James W. Brew*_____

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White Springs Agricultural Chemicals, Inc. d/b/a/

PCS Phosphate – White Springs

Dated: May 6, 2015

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original Prehearing Statement of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (“PCS Phosphate”) has been filed with Office of Commission Clerk and one copy has been furnished to the following by electronic mail, on this 6th day of May, 2015.

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