

FLORIDA PUBLIC SERVICE COMMISSION

Item 5

VOTE SHEET

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FPSC - COMMISSION CLERK

January 5, 2016

Docket No. 150196-EI – Petition for determination of need for Okeechobee Clean Energy Center Unit 1, by Florida Power & Light Company.

Issue 1: Is there a need for the proposed Okeechobee Clean Energy Center Unit 1, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: Yes. Based on a reasonable load forecast and a 20 percent reserve margin criterion, FPL has demonstrated a need for new generation starting in 2019.

APPROVED *as discussed at Commission Conference this date.*

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

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REMARKS/DISSENTING COMMENTS:

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Issue 2: Are there any renewable energy sources and technologies or conservation measures taken by or reasonably available to Florida Power & Light, which might mitigate the need for the proposed Okeechobee Clean Energy Center Unit 1?

Recommendation: No. FPL's forecast of resource needs takes into account all projected DSM from cost-effective programs approved by the Commission. No additional cost-effective DSM has been identified in this proceeding which could mitigate the need for new generation. Similarly, all existing firm generating capacity from renewable resources and qualifying facilities through 2024 is already reflected in FPL's forecast of resource needs.

APPROVED

Issue 3: Is there a need for the proposed Okeechobee Clean Energy Center Unit 1, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: Yes. Staff recommends that FPL's assumptions and forecasts in its analysis of proposed OCEC Unit 1 are reasonable for evaluation purposes.

APPROVED

Issue 4: Is there a need for the proposed Okeechobee Clean Energy Center Unit 1, taking into account the need for fuel diversity, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: No. While the OCEC Unit 1 will not improve FPL's overall fuel diversity, the efficiency of OCEC Unit 1 allows FPL to reduce the total amount of natural gas needed to serve the need of its customers. In addition, overall fuel supply reliability will be enhanced because the OCEC Unit 1 will use light oil as a backup fuel.

APPROVED as discussed at Commission
Conference this date.

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Issue 5: Will the proposed Okeechobee Clean Energy Center Unit 1 provide the most cost-effective alternative, as this criterion is used in Section 403.519(3), Florida Statutes?

Recommendation: Yes. The analyses in the record demonstrate that the OCEC Unit 1 is projected to save customers approximately \$72 million on a net present value basis when compared to the next best alternative. Therefore, the OCEC Unit 1 is the most cost-effective option to meet FPL's projected needs starting in 2019.

APPROVED

Issue 6: Based on the resolution of the foregoing issues, should the Commission grant Florida Power & Light's petition to determine the need for the proposed Okeechobee Clean Energy Center Unit 1?

Recommendation: Yes. Pursuant to Rule 25-22.082(15), F.A.C., if the public utility selects a self-build option, costs in addition to those identified in the need determination proceeding shall not be recoverable unless the utility can demonstrate that such costs were prudently incurred and due to extraordinary circumstances. FPL should file an annual report regarding the status of the OCEC Unit 1, including any enhancements made to the unit, to the Commission's Director of the Division of Accounting and Finance.

APPROVED

Issue 7: Should this docket be closed?

Recommendation: Yes. Upon issuance of an order on FPL's petition to determine the need for the proposed OCEC Unit 1, this docket shall be closed after the time for filing an appeal has run.

APPROVED