BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

NOTICE OF NEED DETERMINATION HEARING AND PREHEARING CONFERENCE ON PROPOSED ELECTRICAL POWER PLANT

TO

CITY OF LAKELAND

AND

ALL OTHER INTERESTED PERSONS

DOCKET NO. 990023-EM

IN RE: PETITION BY CITY OF LAKELAND FOR DETERMINATION OF NEED FOR MCINTOSH UNIT 5 AND PROPOSED CONVERSION FROM SIMPLE TO COMBINED CYCLE

ISSUED: February 3, 1999

NOTICE is hereby given that the Florida Public Service Commission will hold a public hearing in the above docket at the time and place listed below. All persons who wish to be heard are urged to be present at the beginning of the hearing on Thursday, April 1, 1999.

10:00 a.m., Thursday, April 1, 1999 Commission Hearing Room 148 The Betty Easley Conference Center 4075 Esplanade Way Tallahassee, Florida

Friday, April 2, 1999, has also been reserved for continuation of the hearing if needed. The starting time of the next day's session will be announced at the conclusion of the prior day. The hearing may be adjourned early if all testimony is concluded.

Any person requiring some accommodation at the hearing or the prehearing conference because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least 48 hours prior to the hearing or prehearing conference. Any person who is hearing or speech impaired should contact the Florida Public Service Commission by using the Florida Relay Service, which can be reached at 1-800-955-8771 (TDD).

DOCUMENT NUMBER-DATE

01318 FEB-32

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PURPOSE AND PROCEDURE

The purpose of this hearing will be for the Commission to take final action to determine the need, pursuant to Section 403.501-519, Florida Statutes, for the construction of a power plant and related facilities in Polk County, Florida. This proceeding shall allow the City of Lakeland to present evidence and testimony in support of its petition for a determination of need for its proposed plant and related facilities in Polk County, Florida; to permit any intervenors to present testimony and exhibits concerning this matter; to permit members of the public who are not parties to the need determination proceeding the opportunity to present testimony concerning this matter; and for such other purposes as the Commission may deem appropriate. All witnesses shall be subject to cross-examination at the conclusion of their testimony.

The proceedings will be governed by the provisions of Chapter 120, Florida Statutes, Section 403.519, Florida Statutes, Chapter 25-22, Florida Administrative Code, and Chapter 28-106, Florida Administrative Code.

Under Section 403.519, Florida Statutes, the Commission is the sole forum for the determination of need for the electrical power plant and associated facilities. In making its determination, the Commission must take into account the need for electric system reliability and integrity, the need for adequate electricity at a reasonable cost, and whether the proposed plant is the most costeffective alternative available. The Commission must expressly consider the conservation measures taken by or reasonably available to the petitioners which might mitigate the need for the proposed plant, and other matters within its jurisdiction which it deems relevant. The Commission's determination of need for the Polk County facility shall create a presumption of public need and necessity and shall serve as the Commission's report as required by Section 403.507(2)(a)(2), Florida Statutes. An order entered by the Commission pursuant to this hearing shall constitute final agency action.

Only issues relating to the need for the power plant and its associated facilities will be heard at the April 1, 1999, hearing. Separate public hearings will be held before the Division of Administrative Hearings to consider environmental and other impacts of the proposed plant and associated facilities.

Members of the public who are not parties to the need determination proceeding will have an opportunity to present testimony regarding the need for the proposed plant and associated facilities. All members of the public who wish to offer testimony

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should be present at the beginning of the hearing. All witnesses will be sworn and will be subject to cross-examination at the conclusion of their testimony.

Written comments regarding the need for the proposed plant and associated facilities may be sent to the Commission at the following address:

Blanca Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
Re: Docket No. 990023-EM

Anyone wishing to become a party to the need determination proceeding should file an appropriate petition pursuant to Rule 25-22.039, Florida Administrative Code with the Director of the Commission's Division of Records and Reporting at the address listed above. Copies of the petition should be sent by mail to all parties. Those wishing to intervene in these proceedings, unless appearing on their own behalf, must be represented by an attorney other person who can be determined to be a qualified orrepresentative pursuant to Chapter 120, Florida Statutes, and Rule 28-106.106, Florida Administrative Code. Petitions for leave to intervene must be filed at least five (5) days before the final must conform with Rule 28-106.201(2), hearing. Administrative Code, and must include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to Commission rule, or that the substantial interests of the intervenor are subject to determination or will be affected through the hearing.

GENERAL LOCATION AND PROJECT DESCRIPTION

The City of Lakeland has proposed the addition of a 120 MW steam turbine to its present McIntosh Unit 5, a 249 MW simple cycle combustion turbine currently under construction at the City's existing C.D. McIntosh Power Plant in Polk County, Florida. The simple cycle combustion turbine is scheduled for commercial operation by July 10, 1999, and the combined cycle unit which would result from addition of the 120 MW steam turbine is scheduled for commercial operation on January 1, 2002.

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PREHEARING CONFERENCE

A prehearing conference will be held at the following time and place:

1:30 p.m., Wednesday, March 17, 1999 Room 152, Betty Easley Conference Center 4075 Esplanade Way Tallahassee, Florida

The purpose of this prehearing conference will be to consider: (1) the simplification of the issues; (2) the identification of the positions of the parties on the issues; (3) the possibility of obtaining admissions of fact and of documents which will avoid unnecessary proof; (4) the identification of exhibits; (5) the establishment of an order of witnesses; and (6) such other matters as may aid in the disposition of the action.

JURISDICTION

Jurisdiction over this determination of need is vested in the Commission by Chapter 366 and Section 403.519, Florida Statutes. This proceeding will be governed by the provisions of Chapter 120, Florida Statutes, as well as Chapter 25-22 and Chapter 28-106, Florida Administrative Code.

<u>APPLICATION</u>

A copy of the Petition to Determine Need and supporting exhibits are available for public inspection during normal business hours at the following location:

Florida Public Service Commission Division of Records and Reporting Room 110, Betty Easley Conference Center 4075 Esplanade Way Tallahassee, Florida NOTICE OF COMMISSION HEARING AND PREHEARING DOCKET NO. 990023-EM PAGE 5

BY DIRECTION of the Florida Public Service Commission, this 3rd day of February, 1999.

BLANCA BAYÓ, Director
Division of Records and Reporting

(SEAL)

WCK