

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Generic Investigation into the) Docket No. 981890-EU
Aggregate Electric Utility Reserve)
Margins Planned for Peninsular Florida) Filed: February 18, 1999

DUKE ENERGY POWER SERVICES, L.L.C.'S
PETITION FOR LEAVE TO INTERVENE

Duke Energy Power Services, L.L.C. ("DEPS"), pursuant to
Commission Rules 25-22.039, and 25-22.036(7)(a), Florida
Administrative Code, hereby petitions the Commission for leave to
intervene as a full party in Docket No. 981890-EU, In Re: Generic
Investigation into the Aggregate Electric Utility Reserve Margins
Planned for Peninsular Florida, and in support thereof states as
follows.

BACKGROUND

1. The name and address of the Petitioner are:

Duke Energy Power Services, L.L.C.
5400 Westheimer Court
Houston, Texas 77056

All notices, orders, pleadings and other communications in this
docket should be sent to:

ACK _____ Robert Scheffel Wright
AFA 1 _____ John T. LaVia, III
APP _____ LANDERS & PARSONS, P.A.
CAF _____ 310 W. College Ave. (ZIP 32301)
CMU _____ P.O. Box 271
Tallahassee, FL 32302

with courtesy copies sent to:

EAG _____
LEG 2 _____
LIN 5 _____
OPC _____
RCH _____
SEC 1 _____
WAS _____
OTH _____

RECEIVED & FILED
max
FPSC-BUREAU OF RECORDS

Done 2/26/99

DOCUMENT NUMBER-DATE
02135 FEB 18 99
FPSC-RECORDS/REPORTING

Russell D. Gillespie
Duke Energy Power Services, L.L.C.
400 S. Tryon Street / WC18A
P.O. Box 1007
Charlotte, NC 28201-1007

and

Brent C. Bailey
General Counsel
Duke Energy Power Services, L.L.C.
5400 Westheimer Court
Houston, Texas 77056

SUBSTANTIAL INTERESTS AFFECTED

2. The instant docket is a generic investigation relating to methodologies used to evaluate electric system reliability in Peninsular Florida. From Staff's comments at the January 25, 1999 workshop in this docket, it appears that the subject matter of this proceeding may be carried forward into a rulemaking docket following the conclusion of proceedings in this generic investigation. The Commission's determinations in this proceeding of various aspects of the methodology or methodologies by which reserve margins and related reliability factors for Peninsular Florida are evaluated will directly and substantially affect DEPS's development efforts in Florida. DEPS is represented on the Florida Reliability Coordinating Council, and DEPS's affiliate, Duke Energy New Smyrna Beach Power Company Ltd., L.L.P. ("Duke New Smyrna") is an electric utility pursuant to Section 366.02(2), Florida Statutes. (DEPS is presently developing the New Smyrna Beach Power Project, a 500 MW class gas-fired combined cycle power plant that will be owned and operated by Duke New Smyrna. The New Smyrna Beach Power Project

is the subject of FPSC Docket No. 981042-EM, the need determination proceeding for that Project initiated by Duke New Smyrna and the Utilities Commission, City of New Smyrna Beach, Florida.) From its unique vantage point, DEPS will be able to provide useful information to the Commission in this proceeding. DEPS is accordingly entitled to intervene and participate in this proceeding in order to protect its interests.

DISPUTED ISSUES OF MATERIAL FACT

3. DEPS identifies the following disputed issues of material fact in this docket:
 - a. Whether the methodology or methodologies used to evaluate Peninsular Florida reserve margins and reliability adequately and accurately consider the effects of planned and implemented demand-side management measures;
 - b. Whether the methodology or methodologies used to evaluate Peninsular Florida reserve margins and reliability adequately and accurately estimate peak demands;
 - c. Whether the methodology or methodologies used to evaluate Peninsular Florida reserve margins and reliability adequately and accurately evaluate interchange support from both in-state and out-of-state power suppliers;
 - d. Whether the methodology or methodologies used to evaluate Peninsular Florida reserve margins and

reliability are otherwise analytically sound and correctly applied; and

- e. Whether any values determined by the Commission for key factors in reliability evaluation methodologies, e.g., reserve margin or the percentages of reserve margin provided by generation resources and DSM resources, respectively, are correct.

DEPS reserves the right to raise additional issues of material fact in this docket as they become known.

ULTIMATE FACTS WHICH ENTITLE PETITIONER TO RELIEF

4. At this point, this docket is expected to address various issues relating to the evaluation of reserve margins and related reliability factors for Peninsular Florida. These determinations will directly affect the evaluation of need for future power plants in Peninsular Florida. As a developer of power plants in Peninsular Florida, DEPS has a substantial interest in the decision bases and rules by which the need for such power plants will be evaluated.

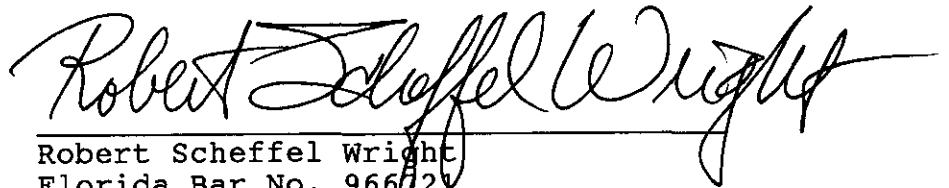
STATUTES AND RULES THAT ENTITLE PETITIONER TO RELIEF

5. The following statutes and rules entitle DEPS to the relief requested herein: Chapters 120 and 366, Florida Statutes, and Chapters 25-6, 25-22, and 28-106, Florida Administrative Code.

RELIEF REQUESTED

WHEREFORE, Petitioner, Duke Energy Power Services, L.L.C. requests that the Commission grant it full party intervenor status in Commission Docket No. 981890-EU as prayed herein.

Respectfully submitted this 18th day of February, 1999.



Robert Scheffel Wright
Florida Bar No. 966721
John T. LaVia, III
Florida Bar No. 853666
LANDERS & PARSONS, P.A.
310 West College Avenue (ZIP 32301)
Post Office Box 271
Tallahassee, Florida 32302
Telephone (850) 681-0311
Telecopier (850) 224-5595

Attorneys for Duke Energy Power
Services, L.L.C.

CERTIFICATE OF SERVICE
DOCKET NO. 981890-EU

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by hand delivery (*) or by United States Mail, postage prepaid, on the following individuals this 18th day of February, 1999:

Robert V. Elias, Esquire*
Leslie J. Paugh, Esquire*
Florida Public Service Commission
2540 Shumard Oak Boulevard
Gunter Building
Tallahassee, Florida 32399

Jeffrey Stone
Beggs & Lane Law Firm
P.O. Box 12950
Pensacola, Florida 32576-2950

Michelle Hershel
Florida Electric Cooperative Association
P.O. Box 590
Tallahassee, Florida 32302

Richard Zambo
Florida Industrial Cogeneration Association
598 SW Hidden River Avenue
Palm City, Florida 34990

Vicki Kaufman
McWhirter Law Firm
117 South Gadsden Street
Tallahassee, Florida 32301

Ken Wiley
Florida Reliability Coordinating Council
405 Reo Street, #100
Tampa, Florida 33609-1094

Susan D. Ritenour
Gulf Power Company
One Energy Place
Pensacola, Florida 32520-0780

Gail Kamaras
Deb Swim
Legal Environmental Assistance Foundation, Inc.
1114-E Thomasville Road
Tallahassee, Florida 32303-6290

Jon Moyle
210 S. Monroe Street
Tallahassee, Florida 32201

Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, #812
Tallahassee, Florida 32399-1400

Thornton Williams
Thornton Williams and Associates
P.O. Box 10109
Tallahassee, Florida 32302


Attorney