BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for determination of need for DOCKET NO. 070393-EI Lake Agnes-Gifford 230 kV transmission line in Polk and Orange Counties, by Progress FILED: August 21, 2007 Energy Florida and Tampa Electric Company.

Agnes-Gifford 230 kV transmission line lk and Orange Counties, by Progress y Florida and Tampa Electric Company.

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-07-0586-PCO-EI, filed July 17, 2007, the Staff of the Florida Service Commission files its Prehearing Statement. Public Service Commission files its Prehearing Statement.

All Known Witnesses a.

Staff is not sponsoring any witnesses.

All Known Exhibits b.

Staff has no known exhibits.

Staff's Statement of Basic Position c.

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

| CMP | | Is there a need for Progress Energy Florida and Tampa Electric Company's proposed Lake Agnes-Gifford 230 kV electrical transmission line project, given the need for electric system reliability and integrity, as prescribed in |
|-----|--|--|
| | _3_ | section 403.537, Florida Statutes? |
| CTR | POCITION. | NY CONTRACTOR |
| ECR | POSITION: | No position at this time. |
| GCL | | |
| OPC | Issue 2: | Is there a need for Progress Energy Florida and Tampa Electric Company's proposed Lake Agnes-Gifford 230 kV electrical transmission line project |
| RCA | Quinters (gradient cates 2 martis): V | given the need for abundant, low cost electrical energy to assure the economic |
| SCR | 4-Christian Artifician Company | well-being of the citizens of the State, as prescribed in section 403.537, |
| SGA | | Florida Statutes? |
| SEC | POSITION: | No position at this time. |
| ОТН | | DOCUMENT NUMBER-CATE |
| | | 071,33 AUG 21 5 |

-non-commission CLERK

Are Progress Energy Florida's and Tampa Electric Company's planned Issue 3:

substation at Lake Agnes in Polk County and its planned Gifford substation in Orange County the appropriate starting and ending points for the proposed Lake Agnes-Gifford 230kV electrical transmission line project, as prescribed

in section 403.537, Florida Statutes?

POSITION: No position at this time.

Should the Commission grant Progress Energy Florida and Tampa Electric Issue 4:

Company's petition for determination of need for the proposed Lake Agnes-

Gifford 230 Kv electrical transmission line project?

POSITION: No position at this time.

Pending Motions e.

There are no pending motions.

Pending Confidentiality Claims or Requests f.

There is one pending confidentiality request for Document No. 06594-07.

Compliance with Order No. PSC-07-0586-PCO-EI. g.

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Respectfully submitted this 23rd day of August, 2007.

KEINO YOUNG STAFF COUNSEN

FLORIDA PUBLIC SERVICE COMMISSION

Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0863

Telephone: (850)413-6226

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for determination of need for Lake DOCKET NO. 070393-EI Agnes-Gifford 230 kV transmission line in Polk and Orange Counties, by Progress Energy Florida and Tampa Electric Company.

FILED: August 21, 2007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement was furnished to the following, by electronic and U.S. Mail to Lee L. Willis / James D. Beasley, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida 32302 on behalf of TAMPA ELECTRIC COMPANY and Kenneth Hoffman, Esquire, Rutledge Law Firm, Post Office Box 551, Tallahassee, Florida 32302 on behalf of PROGRESS ENERGY FLORIDA, INC. on this 23rd day of August, 2007.

Progress Energy Florida, Inc. Mr. Paul Lewis, Jr. 106 East College Avenue, Suite 800 Tallahassee, FL 32301-7740

Tampa Electric Company Ms. Paula K. Brown Regulatory Affairs P.O. Box 111 Tampa, FL 33601-0111

Progress Energy Service Company. LLC R. Alexander Glenn, Esquire P.O. Box 14042 St. Petersburg, FL 33733-4042

Rutledge Law Firm Kenneth Hoffman, Esq. P.O. Box 551 Tallahassee, FL 32302

KEINO YOUNG, STAFF COUNSEL FLORIDA PUBLIC SERVICE COMMISSION

Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Telephone No. (850) 413-6226