Ann Cole

180665-EI



From:	Ann Cole	I	- ANGL - ANGL
Sent:	Wednesday, January 14, 2009 11:19 AM		
То:	Office of the Chairman		
Cc:	Commissioners Advisors; Administrative Assistants - Comm	ission Suite	t.
Subject:	FW: DOCKET NO. 080665-E1		
Attachments: Letter of Support - Gary Aubuchon 01-13-09.DOC			

Thank you for this information. This email and its attachment will be placed in *Docket Correspondence-Consumers* and their Representatives, in Docket No. 080665-EI.

From: Office of the Chairman Sent: Wednesday, January 14, 2009 11:04 AM To: Ann Cole Cc: Commissioners Advisors Subject: FW: DOCKET NO. 080665-EI Added to mailing list on oil14109. Please place in Parties correspondence file. YMP

Please place this correspondence in the file. Thanks

From: Cain, Frank [mailto:Frank.Cain@lcec.net] Sent: Wednesday, January 14, 2009 9:47 AM

To: Office of the Chairman; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner McMurrian; Office of Commissioner Skop; William C. Garner; Roberta Bass; Bill McNulty; Lorena Holley; Larry Harris; Mary Bane; 'pimhof@psc.state.fl.us'; 'kelly.jr@leg.state.fl.us'; Mary Anne Helton **Cc:** Hamilton, Dennie; Vidal, Denise; Ryan, Karen; 'Natalie_Smith@fpl.com'; 'john.butler@fpl.com' **Subject:** DOCKET NO. 080665-EI

SUBJECT DOCKET NO. 080665 – EI – Petition of Florida Power & Light Company for approval of long-term agreement for full requirements electric service with Lee County Electric Cooperative.

On behalf of Representative Gary Aubuchon, Florida House of Representatives, I am sending you this attached electronic copy of a letter Mr. Aubuchon has sent in support of the Docket.

If there are any questions regarding this transmittal please contact me.

Sincerely, s/ Frank R. Cain, Jr., Manager, Power Supply Contract Administration Lee County Electric Cooperative, Inc. (LCEC) 4980 Bayline Drive North Fort Myers, FL 33917-3910

frank.cain@lcec.net

239-656-2347 239-281-6188 Cell 239-656-2254 Confidential Fax

DOCUMENT NUMBER-DATE

1/14/2009

FPSC-COMMISSION CLERK

Florida House of Representatives Representative Gary Aubuchon District 74

Committees & Councils: Health Care Services, Chair Human Services Appropriations, Vice Chair General Government & Health Care Appropriations Health and Family Services Policy Council

Energy & Utilities Roads, Bridges & Ports

January 13, 2009

The Honorable Matthew M. Carter II, Chairman Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: DOCKET NO. 080665-EI - Petition of Florida Power & Light Company For Approval of Long-Term Agreement for Full Requirements Electric Service with Lee County Electric Cooperative

Dear Chairman Carter:

As the State Representative of District 74, I represent customers of Lee County

Electric Cooperative, Inc. (LCEC) and Florida Power and Light (FPL) throughout Southwest

Florida. It is my understanding that as a result of many years of study and consultation with

industry experts, LCEC has determined it is in the best interest of its customers to begin

receiving wholesale power from a larger, more diverse power supplier such as FPL. LCEC

subsequently reached an agreement with their current power supplier, Seminole Electric

Cooperative, for early termination of their all-requirements contract and has entered into a

long-term agreement for full power requirements with Florida Power and Light (FPL).

District Office: 3501 Del Prado Boulevard, Suite 305, Cape Coral, Florida 33904 Phone: (239) 344-4900 Fax: (239) 344-4901

Capitol Office: 402 House Office Building, 402 South Monroe Street, Tallahassee, Florida 32399-1300 Phone: (850) 488-7433 In an effort to validate that FPL retail customers would not be disadvantaged by adding LCEC as a wholesale customer, a condition was placed on the agreement that led FPL to petition the FPSC for approval of the agreement prior to its commencement.

I support the FPL request for approval from the FPSC and believe your review will ensure the proposed agreement is in the best interests of both FPL and LCEC customers. As a member of the House Committee on Energy, I have a continued interest in ensuring diverse energy resources are available to customers throughout the state. This agreement takes a step in the right direction toward promoting energy security and affordability by encouraging diversification. As you know, a prompt decision allowing FPL to serve LCEC customers is critical to ensuring a continued reliable source of energy at a competitive price for all customers. Thank you in advance for your timely consideration in this matter.

Sincerely,

Gary Aubuchon

cc: The Honorable Lisa P. Edgar, Commissioner

cc: The Honorable Nathan A. Skop, Commissioner

cc: The Honorable Katrina J. McMurrian, Commissioner

- cc: The Honorable Nancy Argenziano, Commissioner
- cc: Dr. Mary Bane, Executive Director, Florida Public Service Commission
- cc: Patrick Booter Imhof, General Counsel, Florida Public Service Commission
- cc: J.R. Kelly, Esquire, Office of Public Counsel

District Office: 3501 Del Prado Boulevard, Suite 305, Cape Coral, Florida 33904 Phone: (239) 344-4900 Fax: (239) 344-4901

Capitol Office: 402 House Office Building, 402 South Monroe Street, Tallahassee, Florida 32399-1300 Phone: (850) 488-7433

Ann Cole

From:	Ann Cole	
Sent:	Wednesday, January 14, 2009 11:17 AM	
То:	Office of the Chairman	
Cc:	Commissioners Advisors; Administrative Assistants - Commission Suite	
Subject:	FW: DOCKET NO. 080665-EI	
Attachments: Letter of Support - Dennie Hamilton 01-13-08.pdf		

Thank you for this information. This email and its attachment will be placed in Docket Correspondence-Consumers and their Representatives, in Docket No. 080665-EI.

From: Office of the Chairman Sent: Wednesday, January 14, 2009 11:03 AM To: Ann Cole Cc: Commissioners Advisors Subject: FW: DOCKET NO. 080665-EI

Added to mailing list on oilivlog. Please place in Parties correspondence file. Ump

Please place this correspondence in the file. Thanks

From: Cain, Frank [mailto:Frank.Cain@lcec.net] **Sent:** Wednesday, January 14, 2009 9:47 AM **To:** Office of the Chairman; Office Of Commissioner Edgar; Office of Commissioner Argenziano; Office of Commissioner McMurrian: Office of Commissioner Skop: William C. Garner: Roberta Bass: Bill McNulty: Lorena Holley: Larry Harris:

McMurrian; Office of Commissioner Skop; William C. Garner; Roberta Bass; Bill McNulty; Lorena Holley; Larry Harris; Mary Bane; 'pimhof@psc.state.fl.us'; 'kelly.jr@leg.state.fl.us'; Mary Anne Helton **Cc:** Hamilton, Dennie; Vidal, Denise; 'Natalie_Smith@fpl.com'; 'john.butler@fpl.com' **Subject:** DOCKET NO. 080665-EI

SUBJECT DOCKET NO. 080665 – EI – Petition of Florida Power & Light Company for approval of long-term agreement for full requirements electric service with Lee County Electric Cooperative.

On behalf of Mr. William D. Hamilton, Executive Vice President & Chief Executive Officer of Lee County Electric Cooperative, Inc. I am sending you this attached electronic copy of a letter Mr. Hamilton has sent in support of the Docket.

If there are any questions regarding this transmittal please contact me.

Sincerely, s/ Frank R. Cain, Jr., Manager, Power Supply Contract Administration Lee County Electric Cooperative, Inc. (LCEC) 4980 Bayline Drive North Fort Myers, FL 33917-3910

frank.cain@lcec.net

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Lee County Electric Cooperative, Inc. Post Office Box 3455 North Fort Myers, FL 33918-3455 (239) 995-2121 • FAX (239) 995-7904 www.lcec.net

January 13, 2009

The Honorable Matthew M. Carter II, Chairman Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Dear Chairman Carter:

SUBJECT: DOCKET NO. 080665-EI - Petition of Florida Power & Light Company for Approval of Long-Term Agreement for Full Requirements Electric Service with Lee County Electric Cooperative

My name is Dennie Hamilton, and I serve as Chief Executive Officer of Lee County Electric Cooperative, Inc. ("LCEC"), which provides electric service to nearly 200,000 member customers in Southwest Florida. Our mission at LCEC is to provide efficient, cost-competitive electric distribution and excellent customer service to our member customers.

On August 21, 2007, LCEC entered into a Long-Term Agreement for Full Requirements Electric Service (the "Agreement") with Florida Power & Light Company ("FPL"). The Agreement contains a condition precedent that gives FPL the right to terminate the Agreement if the Florida Public Service Commission ("FPSC") does not grant approval satisfactory to FPL. FPL filed a petition on November 10, 2008, which was placed on the subject docket asking the FPSC to approve the Agreement as prudent and consistent with the interests of FPL's retail customers (the "FPL Petition"). I am writing to express LCEC's strong support for the Agreement and for the FPSC's approval of it as requested by FPL.

LCEC contacted FPL in 2004 to begin exploring the possibility of FPL's providing fullrequirements electric service, with LCEC receiving and paying for electric service from the full range of power supply resources on FPL's electric system. For many years, LCEC has been a member of Seminole Electric Cooperative, Inc., ("Seminole") and purchased its wholesale electric service from Seminole. LCEC has concluded, however, that the interests of the LCEC member customers would be better served by its acquiring wholesale power from a larger, more diverse electric system such as that operated by FPL. LCEC negotiated the terms of the Agreement with FPL over the course of many months. LCEC's goal was to generally replicate the cost-of-service responsibility that determines rates for FPL's retail customers, subject to regulatory accounting differences between the FPSC and the Federal Energy Regulatory Commission ("FERC"), which has authority over wholesale power sales such as this one. Throughout that process, FPL expressed its concern that, whatever arrangement might be reached, FPL needed to be comfortable – and to confirm that the FPSC is comfortable – that FPL's retail customers would not be disadvantaged by its serving LCEC as a full-requirements wholesale customer. The aforementioned condition precedent surfaced to address that concern. The Honorable Matthew M. Carter II, Chairman Page 2 January 13, 2009

LCEC agreed to this condition precedent so long as LCEC can have certainty that FPL will be proceeding with the Agreement by no later than the end of 2009. LCEC needs to ascertain by then that FPL will be serving its load under the Agreement. In the event FPL will not be doing so, LCEC needs sufficient time to make alternative wholesale power arrangements. The Agreement also has a condition precedent for FERC approval, which FPL is not in a position to pursue until the FPSC has reached a decision on the subject FPL Petition. Therefore, a prompt decision on the FPL Petition is important to LCEC.

LCEC strongly supports FPSC approval of the Agreement and respectfully urges the FPSC to view it not as a competition between "us" (the FPL retail customers) and "them" (LCEC's member customers), but rather as a win for both sets of customers. Approving the Agreement will also serve the state of Florida well by showing the FPSC's support for sharing available power resources.

For these reasons, LCEC respectfully urges the FPSC to grant the FPL Petition as promptly as possible. If you have any questions about my letter or about LCEC and its member customers, please do not hesitate to call me.

Sincerely,

Dernie Hamilte

William D. Hamilton Executive Vice President & Chief Executive Officer

jv

cc: The Honorable Lisa P. Edgar, Commissioner
The Honorable Nathan A. Skop, Commissioner
The Honorable Katrina J. McMurrian, Commissioner
The Honorable Nancy Argenziano, Commissioner
Dr. Mary Bane, Executive Director, Florida Public Service Commission
Mr. Patrick Booter Imhof, General Counsel, Florida Public Service Commission
J.R. Kelly, Esquire, Office of Public Counsel