

**Marguerite McLean**

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**Sent:** Tuesday, June 30, 2009 3:48 PM  
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**Cc:** fself@lawfla.com; Martha Brown; John.Butler@fpl.com; Goorland, Scott; Leon, Jack; Gary Perko; Brooke Lewis  
**Subject:** Docket 090172-EI  
**Attachments:** Docket No 090172 - FPL Prehearing Statement.DOC

Electronic Filing

a. Person responsible for this electronic filing:

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b. Docket No. 090172-EI

In re: Petition to Determine Need for FPL EnergySecure Pipeline

c. Document being filed on behalf of Florida Power & Light Company

d. There are a total of 14 pages.

e. The document attached for electronic filing is Florida Power & Light Company's Prehearing Statement.

Thank you for your cooperation.

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DOCUMENT NUMBER-DATE

06590 JUN 30 08

FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Florida Power & Light Company's  
Petition to Determine Need for FPL  
Florida EnergySecure Pipeline

DOCKET NO. 090172-EI

FILED: JUNE 30, 2009

**FLORIDA POWER & LIGHT COMPANY'S PREHEARING STATEMENT**

Florida Power & Light Company ("FPL" or the "Company"), pursuant to Order No. PSC-09-0337-PCO-EI, issued May 15, 2009, hereby files its Prehearing Statement in connection with its Petition to Determine Need for the FPL EnergySecure Pipeline, and states:

**I. FPL WITNESSES**

<b>Witness</b>	<b>Subject Matter</b>
Sam Forrest Vice President Energy Marketing & Trading (EMT) Business Unit Florida Power & Light Company	DIRECT: Provides an overview of FPL's request; describes the benefits of the Florida EnergySecure Line and the adverse consequences of delaying or denying approval; describes the importance of the Project in supplying natural gas transportation for FPL's Modernization Projects; describes the need for increased reliability of natural gas infrastructure in Florida; explains the need to continue to diversify sources of gas supply to Florida; describes the potential to expand the Florida EnergySecure Line to meet future natural gas needs;  SUPPLEMENTAL: Explains FPL's proposed ratemaking treatment of the Florida EnergySecure Line; describes how FPL would make excess transportation capacity available to third party shippers; and discusses why establishment of a separate entity to own and operate the Florida Energy Secure Line is unnecessary and inappropriate.
Robert G. Sharra Director of Project Development EMT Business Unit Florida Power & Light Company	DIRECT: Summarizes FPL's existing firm natural gas transportation capacity; describes the proposed Florida EnergySecure Line and new upstream interstate pipeline (Upstream Pipeline); outlines the Florida EnergySecure Line's capability to increase capacity at low cost; describes the economic and tax benefits of the Project; and describes the adverse consequences of delaying or denying the requested need determination.

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FPSC-COMMISSION CLERK

<p>Clinton M. Collins  Director of Gas Infrastructure  Assets Group  FPL Group, Inc.</p>	<p><b>DIRECT:</b> Provides a technical description of the Project; describes the Project engineering and construction as well as FPL's qualifications to undertake the Project; describes the material acquisition process; describes FPL's commitment to safety and environmental stewardship relating to the various construction techniques that will be employed; describes the proposed operations and maintenance of the Project; and provides an estimate of the installed costs of the Project.</p>
<p>Dr. Rosemary Morley  Director of Load Forecasting and  Analysis  Florida Power &amp; Light Company</p>	<p><b>DIRECT:</b> Describes FPL's load forecasting process and the underlying methodologies and assumptions; presents FPL's long-term load forecast; describes how that forecast differs from the load forecast filed in the 2008 Ten-Year Site Plan; explains that resumption of long-term growth in customers, peak demand, and net energy for load is expected.</p>
<p>Heather C. Stubblefield  Manager - Project Development  EMT Business Unit  Florida Power &amp; Light Company</p>	<p><b>DIRECT:</b> Presents and explains the natural gas transportation solicitation process that FPL used to solicit proposals for gas transportation services; describes the results of that solicitation process.</p>
<p>Juan E. Enjamio  Supervisor  Integrated Analysis  Resource Assessment &amp; Planning  Department  Florida Power &amp; Light Company</p>	<p><b>DIRECT:</b> Discusses FPL's projection of additional resource needs and how those resource needs relate to increased firm natural gas transportation; presents FPL's long-term resource and two alternate resource plans that are used to quantify FPL's natural gas transportation requirements; presents FPL's projected gas requirements; presents an overview of the economic analysis process; describes the results of the economic analyses that examined FPL's gas transportation alternatives.</p>
<p>James K. Guest  Associate  Brown, Williams, Moorehead, &amp; Quinn</p>	<p><b>SUPPLEMENTAL:</b> Explains the appropriate accounting requirements and rate treatment for costs related to the Florida EnergySecure Line.</p>
<p>Jonathan D. Ogur  Associate  Brown, Williams, Moorehead, &amp; Quinn</p>	<p><b>SUPPLEMENTAL:</b> Explains the Florida EnergySecure Line's potential impact on economic efficiency and competition in markets for gas transmission and delivered gas in Florida, to the extent such issues are deemed relevant for purposes of assessing FPL's Petition.</p>

<p>Timothy C. Sexton Vice President Gas Supply Consulting, Inc.</p>	<p><b>DIRECT:</b> Reviews the need for incremental pipeline capacity to serve FPL’s future power generation fuel requirements; evaluates the capacity solicitation process undertaken by FPL to assess alternatives in meeting incremental natural gas pipeline capacity demand; compares the benefits provided by the Florida EnergySecure Line versus other available alternatives; and evaluates FPL’s conclusion that the Florida EnergySecure Line is the best means of providing the needed incremental new transportation capacity required to meet forecasted natural gas fired generation requirements in 2014 and beyond.</p>
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Because this Prehearing Statement is being submitted before FPL’s deadline for submission of rebuttal testimony, FPL reserves the right to present the testimony of any additional witnesses necessary for rebuttal.

**II. EXHIBITS**

<b>WCEC 3</b>	<b>Description</b>	<b>Sponsoring Witness</b>
SF-1	Florida EnergySecure Line Fact Sheet and Map	Sam Forrest
RGS-1	Map of Florida EnergySecure Line Proposed Corridor	Robert G. Sharra
RGS-2	Illustrative Map of the “Company E” Upstream Pipeline Project to be interconnected with the Florida EnergySecure Line	Robert G. Sharra
RGS-3	“Company E” Fact Sheet	Robert G. Sharra
RGS-4	Report entitled “The Economic & Tax Benefits of FPL’s Proposed Natural Gas Pipeline”	Robert G. Sharra
CMC-1	Map of Florida EnergySecure Line and Related Facilities	Clinton M. Collins
CMC-2	FPL Right-of-Way Cross-Section	Clinton M. Collins

CMC-3	Summary of Projected Costs	Clinton M. Collins
RM-1	Actual and Forecasted Summer Peak	Dr. Rosemary Morley
RM-2	Summer Peak Forecasting Error	Dr. Rosemary Morley
RM-3	Annual Percentage Change in Florida's Population	Dr. Rosemary Morley
RM-4	Historical Population Growth	Dr. Rosemary Morley
RM-5	Annual Change in Population, Long-term Moving Averages	Dr. Rosemary Morley
RM-6	University of Florida's Population Forecast Variance	Dr. Rosemary Morley
RM-7	Total Average Customers	Dr. Rosemary Morley
RM-8	Real Household Disposable Income	Dr. Rosemary Morley
RM-9	Real Price of Electricity	Dr. Rosemary Morley
RM-10	Impact of Appliance Efficiency Standards	Dr. Rosemary Morley
RM-11	New Wholesale Contracts	Dr. Rosemary Morley
RM-12	Summer Peak Load Per Customer (kW)	Dr. Rosemary Morley
RM-13	Summer Peak Load (MW)	Dr. Rosemary Morley
RM-14	Long-Term Growth in Summer Peak (MW)	Dr. Rosemary Morley
RM-15	Changes in Forecasted Summer Peak since 2008 Ten-Year Site Plan	Dr. Rosemary Morley
RM-16	Winter Peak Load (MW)	Dr. Rosemary Morley
RM-17	Long-Term Growth in Winter Peak (MW)	Dr. Rosemary Morley
RM-18	Net Energy for Load per Customer (kWh)	Dr. Rosemary Morley
RM-19	Net Energy for Load (GWh)	Dr. Rosemary Morley
RM-20	Long-Term Growth in Net Energy for Load (GWh)	Dr. Rosemary Morley
RM-21	Changes in Forecasted Net Energy for Load since 2008 Ten-Year Site Plan	Dr. Rosemary Morley
HCS-1	Solicitation Letter	Heather C. Stubblefield

HCS-2	Summary of Company E, Company B and Florida EnergySecure Line Transportation Rates (Confidential)	Heather C. Stubblefield
HCS-3	Letter of Intent	Heather C. Stubblefield
JEE-1	Projection of FPL's 2009-2030 Resource Needs	Juan E. Enjamio
JEE-2	Resource Plans Utilized in the Analyses	Juan E. Enjamio
JEE-3	Renewable Resource Assumptions	Juan E. Enjamio
JEE-4	RPS Scenario Renewable Resources Added	Juan E. Enjamio
JEE-5	Projected FPL Energy Fuel Mix by Fuel Type	Juan E. Enjamio
JEE-6	Projection of FPL System Incremental Gas Use	Juan E. Enjamio
JEE-7	Economic Evaluation Results for Different Gas Transportation Alternatives	Juan E. Enjamio
JEE-8	Projection of Approximate Bill Impacts for Different Gas Transportation Alternatives	Juan E. Enjamio
JEE-9	Cost of Capital	Juan E. Enjamio
JKG-1	Letter from Portland General Electric Co. to FERC dated March 12, 1993	James K. Guest
JKG-2	Letter from FERC to Portland General Electric Co. dated April 4, 1993 re Docket No. AC93-8600	James K. Guest
JKG-3	Letter from Portland General Electric Co. to FERC dated December 3, 2003	James K. Guest
JKG-4	Letter from FERC to Portland General Electric Co. dated March 4, 2004 re: Docket No. AC04-7-000	James K. Guest
JDO-1	Vita of Jonathan D. Ogur	Jonathan D. Ogur
JDO-2	Market Shares and Concentration in Gas Transmission Markets	Jonathan D. Ogur
TCS-1	Resume of Timothy C. Sexton	Timothy C. Sexton
TCS-2	Florida Pipeline Capacity Load Factor Calculation	Timothy C. Sexton

TCS-3	Schematic Illustration entitled Capacity to Southeast Markets	Timothy C. Sexton
TCS-4	State by State Comparison of Natural Gas for Electric Generation in the United States	Timothy C. Sexton
TCS-5	2007 Fuel Use for Generation by State	Timothy C. Sexton
TCS-6	Approximate Cost of Service to Transport Natural Gas from Transco CS 85 to Company B Project	Timothy C. Sexton
TCS-7	Gas Cost Savings Analysis	Timothy C. Sexton

Because this Prehearing Statement is being submitted before FPL's deadline for submission of rebuttal testimony, FPL reserves the right to introduce any additional exhibits necessary for rebuttal. In addition, FPL reserves the right to utilize any exhibit introduced by any other party. FPL also reserves the right to introduce any additional exhibit necessary for cross-examination or impeachment at the final hearing.

### **III. STATEMENT OF BASIC POSITION**

FPL is seeking an affirmative determination of need to develop, construct and operate the Florida EnergySecure Line, a new Florida intrastate natural gas pipeline, which will serve the needs of FPL's Cape Canaveral Next Generation Clean Energy Center and Riviera Beach Next Generation Clean Energy Center (respectively, CCEC and RBEC; collectively, the "Modernization Projects"), as well as other current and future gas transportation needs of FPL and the state of Florida.

The Florida EnergySecure Line will be located entirely within Florida, commencing in Bradford County and extending southeast to its terminus at FPL's Martin Plant site. The proposed pipeline is projected to be placed into full commercial operation in January 2014 and will consist of approximately 280 miles of 30-inch mainline pipe, approximately 23 miles of 20 to 24-inch lateral and branch lines, and 2 compressor stations. As initially constructed, the

Florida EnergySecure Line will have a capacity of 600 million cubic feet of natural gas per day (“MMcf/d”), which can be increased as required up to 1.25 billion cubic feet per day (“Bcf/d”). Approximately two-thirds of the initial capacity of the EnergySecure Line will serve the natural gas transportation needs of the Commission-approved modernizations at FPL’s Cape Canaveral and Riviera plants. The remaining 200 MMcf/d of capacity will be delivered to FPL’s Martin Plant for reliability purposes, but will also be offered to other entities within Florida with all resulting revenues to be credited to FPL’s electric utility customers through the Fuel Cost Recovery Clause. Over time, FPL will need the remaining 200 MMcf/d capacity as incremental natural gas firm transportation needs are projected to increase to over 1.6 billion cubic feet per day (“Bcf/d”) by 2030. The Florida EnergySecure Line will continue to serve FPL’s customers as additional gas-fired generation is added to meet customer demand over the useful life of the Project, which is estimated to be in excess of 40 years.

The proposed pipeline will be owned by FPL and connected to a newly-constructed interstate pipeline that will be contracted by FPL and built and separately permitted by a third party (the “Upstream Pipeline”). In conjunction with the Upstream Pipeline, the Florida EnergySecure Line will provide additional access to on-shore gas supplies which will increase natural gas supply diversity and reliability. Furthermore, FPL’s economic analyses demonstrate that the combined Upstream/Florida EnergySecure line proposal is the most cost-effective solution to meet FPL’s natural gas transmission needs. This is the case irrespective of whether FPL makes off-system sales of available capacity, which sales will only serve to improve the economics of the pipeline for FPL’s customers.

The Commission should grant FPL’s petition for a determination of need for the FPL Florida EnergySecure Line based on the statutory criteria set forth in Section 403.9422, Florida Statutes, including: the need for natural gas delivery, reliability, safety and integrity; the need



for abundant, clean-burning natural gas to assure the economic well-being of the public; and the appropriate commencement and terminus of the line. In sum, the Florida EnergySecure Line will provide the following benefits to FPL, its customers, and Florida:

- Increased reliability of natural gas transmission within Florida;
- Increased deliverability of natural gas within Florida with the addition of 600 MMcf/d of new gas supply;
- Enhanced reliability and options in the event of any interruption on the existing Gulfstream or FGT pipelines;
- Additional diversification of the gas supplies available to Florida;
- The most cost-effective solution to meet the needs of the Modernization Projects, as well as other natural gas delivery needs of the State;
- Pipeline-to-pipeline and gas supply-to-gas supply competition; and
- Growth in state and local economies, new construction jobs, and substantial local purchase of materials and supplies.

Denial of the requested need determination would result in the loss of the Florida EnergySecure Line's many benefits for years to come. The proposed pipeline, together with the Upstream Pipeline, captures a once-in-a-generation opportunity where there is sufficient natural gas transportation needs to economically justify construction of a new, geographically separate pipeline into Florida. There is no "do nothing" option: either the Florida EnergySecure Line will be approved and built, or FPL will need to make large, long-term commitments with one of the incumbent gas transportation providers. Once either path is taken, FPL expects that it will be a long time before future gas requirements will again require comparably substantial new gas transportation infrastructure. Thus, if the Commission does not grant the need for the Florida EnergySecure Line, the opportunity to capture the benefits described in FPL's testimony will be lost for many years to come.

#### IV. ISSUES AND POSITIONS

**ISSUE 1:** Is FPL's forecast of future natural gas pipeline transmission capacity requirements reasonable for planning purposes?

**FPL:** Yes. FPL's forecast of future natural gas pipeline transmission capacity was developed using a load forecast that is based on reasonable assumptions, consistent with historical experience, and relies on methods previously reviewed and accepted by the Commission. FPL's forecast demonstrates a need to add approximately 2.7 Bcf/d of gas transportation capacity between 2013 and 2040. (Morley, Enjamio)

**ISSUE 2:** Do existing transmission pipelines in Florida have sufficient excess capacity to fulfill the forecasted need for transmission capacity?

**FPL:** No. The existing infrastructure is substantially subscribed on a long-term firm contractual basis. As such, absent the introduction of incremental pipeline capacity, the infrastructure cannot currently support incremental firm natural gas demand. (Forrest, Sharra, Sexton)

**ISSUE 3:** Is the proposed Florida EnergySecure Line needed to improve or maintain natural gas delivery reliability and integrity within Florida?

**FPL:** Yes. FPL, as well as the rest of Florida, is highly dependent on Gulf Coast gas supplies transported primarily by two incumbent pipeline systems. The Florida EnergySecure Line will increase deliverability of natural gas within Florida with the addition of 600 MMcf/d of new supply. The Florida EnergySecure Line will enhance reliability options in the event of any interruptions on either of the existing pipelines. The Florida EnergySecure Line also will diversify the gas supplies available to Florida by providing additional access to unconventional onshore gas supplies. This increase in supply diversity will mitigate the risk of supply disruptions associated with severe weather events in the Gulf Coast region. (Forrest, Sharra, Sexton)

**ISSUE 4:** Do the proposed design, operation and maintenance procedures of the proposed Florida EnergySecure Line provide a prudent and reasonable level of safety for the public?

**FPL:** Yes. FPL focuses on safety in all aspects of its business. The proposed pipeline will comply with all applicable engineering, construction, and operation standards, including those for safety. FPL brings established project management skills, a highly qualified staff, and the necessary ancillary support to undertake a project of this magnitude. (Collins)

**ISSUE 5:** Will the proposed Florida EnergySecure Line improve the economics of natural gas transmission within Florida to assure the economic well-being of the public?

**FPL:** Yes. The Florida EnergySecure Line will promote competition in Florida's concentrated gas markets by facilitating introduction of a third major natural gas pipeline into the state. The Project will promote economic efficiency in the gas transmission market because it is the most cost-effective solution for meeting FPL's future gas requirements. The Project will promote economic efficiency in delivered gas markets by increasing fuel reliability and operational flexibility through diversification of natural gas supply. The Project also will provide a significant boost to Florida's economy, as well as significant tax benefits to state and local governments. (Forrest, Sharra, Enjamio, Ogur, Sexton)

**ISSUE 6: Are the commencement and terminus of FPL's proposed facilities and laterals appropriate to serve the need identified in Issue 1?**

**FPL:** Yes. Commencement of the Florida EnergySecure Line at FGT Station 16 will create a northern Florida receipt hub or interconnection point for the proposed Upstream Pipeline, the existing FGT pipeline, the Florida EnergySecure Line and, potentially, the Cypress Pipeline. This new north Florida hub will enhance the reliability of natural gas supplies and increase pipeline-to-pipeline supply competition. The terminus of mainline at the FPL's Martin Plant will enable FPL to utilize an existing FPL oil-gas pipeline to deliver gas to the lateral that will serve the RBCEC. By employing the existing oil/gas pipeline, FPL will avoid having to construct approximately 36-miles of new pipeline through environmentally sensitive areas in western Palm Beach County. Subject to FERC approval, delivery to the Martin Plant also will enable FPL to interconnect with the existing Gulfstream and FGT pipelines to create a southern Florida natural gas pipeline hub. This interconnectivity would allow for an increased collective reliability of the flow of natural gas fuel for energy facilities and customers in south Florida. The proposed lateral lines are appropriately located to provide natural gas to the CCEC and RBCEC. (Sharra, Collins)

**ISSUE 7: Are FPL's construction cost estimates reasonable for planning purposes?**

**FPL:** Yes. FPL's construction cost estimates are based on an estimate prepared by a pipeline engineering consultant, modified by FPL to reflect the final project scope, FPL's experience, and current and future market conditions. (Collins)

**ISSUE 8: Are FPL's economic assumptions reasonable for planning purposes?**

**FPL:** Yes. The assumptions utilized in FPL's economic analyses are consistent with assumptions utilized by FPL and accepted by the Commission in the need determination proceedings for the Modernization Projects as well as the solicitation for gas proposals. (Enjamio)

**ISSUE 9: Are the fuel supply and transport costs used by FPL reasonable for planning purposes?**

**FPL:** Yes. The fuel supply and transport cost forecasts used in FPL's economic analyses are consistent with forecasts utilized by FPL and accepted by the Commission in prior proceedings. (Sharra)

**ISSUE 10:** Will the proposed Florida EnergySecure Line, including its connection with the upstream pipeline, provide the most cost-effective and reliable source of natural gas supply, transport, and delivery?

**FPL:** Yes. FPL's economic analyses demonstrate that the EnergySecure Line/Upstream Line provides the lowest life-cycle cost to customers even without consideration of the potential revenues associated with capacity releases and third parties sales. By introducing a new pipeline in to Florida and increasing access to on-shore gas supplies, the Florida EnergySecure Line represents the most reliable source of natural gas, transport and delivery of the available alternatives. (Forrest, Sharra, Stubblefield, Enjamio, Sexton).

**ISSUE 11:** Should the costs associated with the proposed Florida EnergySecure Line be included in FPL's rate base?

**FPL:** Yes. The primary function of the Florida EnergySecure Line is to serve the immediate and future natural gas transportation needs of FPL's electric generating units. Therefore, all prudently incurred costs for the Florida EnergySecure Line should be included in FPL's electric utility rate base. (Forrest, Guest)

**ISSUE 12:** Should FPL be required to file a post-construction report that details the final cost of the EnergySecure Line within 90 days of completion?

**FPL** FPL does not object to filing a post-construction report detailing the final cost of the EnergySecure Line within 90 days of completion. (Forrest)

**ISSUE 13:** Should a separate entity be established to own and operate the pipeline?

**FPL:** No. The Florida EnergySecure Line was not developed as a strategic investment asset for FPL Group, Inc. Rather, it was developed to meet FPL's obligation to serve for the benefit of FPL's customers by providing the most cost-effective and reliable source of natural gas supply. The establishment of a separate entity is not necessary or appropriate to achieve these benefits. Furthermore, establishing a separate entity could unnecessarily trigger affiliate transaction rules and generate legal, administrative, and on-going expenses that ultimately would be passed on to FPL's customers. (Forrest)

**ISSUE 14:** If FPL owns and operates the Florida EnergySecure Line as proposed, will it be subject to the Commission's jurisdiction as an intrastate pipeline company pursuant to Chapter 368, Florida Statutes?

**FPL:** No. FPL's proposed use of the pipeline is to serve FPL's native load and not to engage in the transmission or delivery for sale of natural gas for compensation. However, approximately 200,000 Mcf/day of the proposed pipeline capacity would not be required to serve FPL's customers at the time the pipeline is projected to commence service. Therefore, FPL has proposed to make the approximate 200,000 Mcf/day of transportation capacity available for sale to third parties to defray the cost of service to FPL's customers. While FPL would not be a "natural gas transmission company" as defined by Section 368.103(4), Florida

Statutes, FPL is willing to voluntarily adhere to Sections 368.105-.108, Florida Statutes, until such time as the proposed pipeline capacity is fully utilized to provide service to FPL's customers. FPL will file tariffs specifying the general terms, conditions and rules under which FPL would provide service and FPL will maintain accounting records for the Commission's review. (Forrest).

**ISSUE 15:** **If FPL owns and operates the Florida EnergySecure Line as proposed, will it “ . . . provide transmission access, subject to available capacity, on a basis that is not unreasonably preferential, prejudicial, or unduly discriminatory. . .”, as section 368.105(6) requires?**

**FPL:** Yes. As discussed in Issue 14, FPL will not be subject to regulation under Chapter 368, Florida Statutes, but agrees to voluntarily adhere to Sections 368.105-.108 until such time as the proposed pipeline capacity is fully utilized to provide service to FPL's customers. FPL will follow FERC's capacity release requirements to release any excess transportation capacity on either the FGT or Gulfstream pipelines. To the extent opportunities arise for FPL to sell excess capacity directly off of the Florida EnergySecure Line to third parties, FPL would make the capacity available in an open, transparent and non-discriminatory manner. FPL will post its available capacity from the Florida EnergySecure Line on an electronic bulletin board and will include such detail as the available volume of capacity, the available term, and any reserve price. FPL will award capacity in a non-discriminatory manner to the party(ies) offering the highest net present value bid(s) consistent with the posted criteria. (Forrest)

**ISSUE 16:** **Based on the resolution of the previous issues, should FPL's petition for determination of need for the EnergySecure Line, a natural gas transmission pipeline as defined in Section 403.9403(16), Florida Statutes be approved?**

**FPL:** Yes. The Commission should grant FPL's petition for a determination of need for the Florida EnergySecure Line based on the statutory criteria set forth in Section 403.9422, Florida Statutes, including: the need for natural gas delivery, reliability, safety and integrity; the need for abundant, clean-burning natural gas to assure the economic well-being of the public; and the appropriate commencement and terminus of the line. The Florida EnergySecure Line meets these statutory criteria because it will (i) increase reliability of natural gas transmission within Florida; (ii) increase deliverability of natural gas within Florida with the addition of 600 MMcf/d of new gas supply; (iii) enhance reliability and options in the event of any interruption on the existing Gulfstream or FGT pipelines; (iv) increase diversification of the gas supplies available to Florida; (v) provide the most cost-effective solution to meet the needs of the Modernization Projects, as well as other natural gas delivery needs of the State; (vi) promote pipeline-to-pipeline and gas supply-to-gas supply competition; and (vii) generate growth in state and local economies, new construction jobs, and substantial local purchase of materials and supplies. Failing to approve the Project would deprive the state and FPL's customers of these significant benefits for many years to come. (all witnesses)

**V. POLICY ISSUES**

FPL believes issues 11-13 involve issues of policy.

**VI. STIPULATED ISSUES**

There are no stipulated issues at this time.

**VII. PENDING MOTIONS**

There are no motions pending at this time.

**VIII. PENDING REQUESTS FOR CONFIDENTIAL CLASSIFICATION**

There are no requests for confidential classification pending at this time.

**X. REQUIREMENTS OF THE PREHEARING ORDER THAT CANNOT BE MET**

At this time, FPL is not aware of any requirements in the Order Establishing Procedure with which it cannot comply.

**XI. OBJECTIONS TO WITNESSES' QUALIFICATIONS**

At this time, FPL has no objections to any witness qualifications.

Respectfully submitted this 30th day of June, 2009.

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By: /s/Gary V. Perko  
Gary V. Perko

Attorneys for Florida Power & Light Company

**CERTIFICATE OF SERVICE**  
**Docket No. 090172-EI**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically and by United States mail this 30th day of June, 2009, to the following:

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