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July 18, 2011

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COMMISSION  
CLERK

110228-EI

**VIA HAND DELIVERY**

Ms. Ann Cole, Commission Clerk  
Office of Commission Clerk  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

**Re: Docket No. 11 \_\_\_\_\_ -EI**

***In re: Florida Power & Light Company's Petition to Request Exemption under Rule 25-22.082(18), F.A.C., from Issuing a Request for Proposals for the Modernization of the Port Everglades Plant***

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are the original and seven (7) copies of FPL's Petition to Request Exemption under Rule 25-22.082(18), F.A.C., from Issuing a Request for Proposals ("RFP") for the Modernization of the Port Everglades Plant and exhibits.

Included in this submittal is a computer diskette containing FPL's Petition in Word format and exhibits in PDF format. Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

William P. Cox  
Senior Attorney

WPC:bag  
Enclosures

- COM \_\_\_\_\_
- APA \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- RAD \_\_\_\_\_
- SSC \_\_\_\_\_
- ADM \_\_\_\_\_
- OPC \_\_\_\_\_
- CLK \_\_\_\_\_

6+10 also fwd containing petitions and exhibits.

DOCUMENT NUMBER-DATE

04952 JUL 18 =

FPSC-COMMISSION CLERK

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

In re: Florida Power & Light Company's )  
Petition to Request Exemption under Rule )  
25-22.082(18), F.A.C., from Issuing a Request )  
for Proposals for the Modernization of the )  
Port Everglades Plant )

Docket No. 110228-El

Dated: July 18, 2011

**PETITION**

Pursuant to Rule 25-22.082, Florida Administrative Code ("F.A.C."), Florida Power & Light Company ("FPL" or the "Company") respectfully petitions this Commission for exemption from Rule 25-22.082, F.A.C., the "Bid Rule," which rule would otherwise direct the issuance of a Request for Proposals ("RFP") in connection with FPL's proposed modernization of its Port Everglades power plant (the "Project"), prior to FPL's filing a petition for determination of need for the Project with the Commission, and in support thereof states:

**I. Introduction and Overview**

1. With this Project, FPL would propose to remove four 1960s-era oil and natural gas-fueled steam electric generating units located in eastern Broward County, totaling 1,200 MW of generating capacity, and to replace them with a highly efficient, state-of-the-art combined-cycle power plant with up to 1,280 MW of generation in 2016, which results in savings to FPL's customers of more than \$400 million in cumulative present value of revenue requirements ("CPVRR"). The modernized generating facility is strategically located to serve the most concentrated area of FPL's south Florida customer base in Miami-Dade and Broward Counties. This facility would produce reliable base load capacity to a unique and critical region on the FPL system where demand is the highest, improve the fuel efficiency of generation at the Port Everglades plant by approximately 35%, and improve the environmental profile of this facility, which will in turn result in a significant reduction in system emissions.

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2. The Bid Rule provides that an exemption shall be granted upon a finding by the Commission that (1) the proposal will likely result in a lower cost supply of electricity, *or* (2) will increase the reliable supply of electricity, *or* (3) otherwise will serve the public welfare. Thus, the Bid Rule provides for a broad range of exceptions from what otherwise is a time-consuming and expensive administrative process. The Rule allows a utility to utilize and leverage the enormous benefits of existing, already paid for land, electric and gas infrastructure, fuel transportation facilities, and water supply, without the time, expense, and delay of a bidding process, thereby providing significant value and benefits to customers and the state of Florida as a whole. Specifically, Subsection 18 of the Bid Rule provides:

- (18) Upon a showing by a public utility and a finding by the Commission that a proposal not in compliance with this rule's provisions will likely result in a lower cost supply of electricity to the utility's general body of ratepayers, increase the reliable supply of electricity to the utility's general body of ratepayers, or otherwise will serve the public welfare, the Commission shall exempt the utility from compliance with the rule or any part of it for which such justification is found.

Rule 25-22.082(18), F.A.C.

3. The Commission granted exemptions from the Bid Rule for the modernizations of power plants at Cape Canaveral and Riviera Beach – the last two FPL power plant projects to go through the Commission's Need Determination process and projects that are very similar to this one. *In re: Petition to determine need for West County Energy Center 3 electrical power plant, by Florida Power & Light Company; In re: Petition for determination of need for conversion of Riviera Plant in Palm Beach County, by Florida Power & Light Company; In re: Petition for determination of need for conversion of Cape Canaveral Plant in Brevard County, by Florida Power & Light Company*, Docket Nos. 080203-EI, 080245-EI, and 080246-EI, Order No. PSC-08-0591-FOF-EI (issued Sept. 12, 2008).

4. FPL's proposal to modernize the Port Everglades plant satisfies all of the criteria

supporting an exemption, although satisfying any one criterion would be sufficient under the Bid Rule. Also, as described in detail in this Petition, granting the requested exemption will provide greater assurance that this Project will be completed in a timely manner, thereby ensuring the following benefits for FPL's customers: (1) lower cost supply of electricity; (2) improved system reliability; and (3) significant public welfare benefits, including a significant reduction in FPL's greenhouse gas emissions rate as well as a reduction of FPL's air emissions by millions of tons over the Project's operating life.

5. Granting the exemption from the RFP process for the proposed Project will facilitate timely construction of a highly efficient, reliable source of generating capacity at a critical location on FPL's system, and will serve the public welfare by allowing FPL to proceed much more expeditiously with the Project, which will provide cleaner, more efficient power generation than the existing plant, with associated fuel cost savings, air emission reductions, and much needed jobs for Florida's economy. Expediting the schedule through exemption from the Bid Rule process also will enable FPL to more quickly resolve and reduce project uncertainties and their attendant costs, which will further benefit the public.

6. FPL submits that conducting an RFP would not result in the identification of any alternative that would offer the economic and strategic benefits associated with the proposed Project at the Port Everglades site. The primary benefits of this location are that (1) it is near FPL's highest concentration of load, (2) it would require only minimal transmission enhancements, (3) it has existing gas delivery infrastructure, (4) it has access to an abundant supply of water for cooling purposes, (5) it is accessible to water transportation, which provides an optimal delivery location for backup fuel supply, and (6) the land is already dedicated to generation of electricity. Any other proposed alternative site and associated power plant facility proposed by a third party through an RFP process would incur significant costs in each of these

areas, making any alternative site a more costly alternative to Port Everglades.

7. Also, any alternative proposal would need to be priced so as to allow for a substantial risk premium taking into account the complexity, schedule, and budget uncertainties inherent in such a project, even if a proposing entity were willing to provide a firm bid, as required by an RFP. Moreover, FPL's customers are ultimately ensured of lowest cost construction because FPL will competitively bid the construction and procurement of major equipment for the new facility.

8. Finally, FPL notes that the Commission approved exemptions from the Bid Rule for the modernizations of FPL's power plants at Cape Canaveral and Riviera Beach. Order No. PSC-08-0591-FOF-EI at 4-5, 16. These projects were approved by the Commission and granted determinations of need pursuant to the relevant proceedings, after having been exempted from the Bid Rule on the basis of the many merits of the projects as well as projected costs that in real dollars *exceed* the projected costs of modernizing the Port Everglades power plant. *Id.*

9. For these reasons, going through the RFP process would serve no apparent constructive purpose, but would only add unnecessarily at least four months of time to the project development process, assuming no litigation, appeals, or other RFP process delays. In granting this exemption from the Bid Rule, the Commission would retain full rights to review the merits of the project in detail through the Determination of Need process that FPL anticipates initiating as early as December 2011. Through that process, FPL would demonstrate to the Commission's satisfaction consistent with the Need Determination criteria in Section 403.519, Florida Statutes, that the modernized Port Everglades power plant would meet the need for electric system reliability and integrity, the need for base-load generating capacity, and the need for adequate electricity at a reasonable cost, while providing the most cost-effective source of power, reducing air emission compliance costs, and contributing to the long-term stability and

reliability of the electric grid.

## II. Petitioner and Jurisdiction

10. The Petitioner's name and address are:

Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, Florida 33408

11. The names and addresses of FPL's representatives to receive communications regarding this docket are:

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12. FPL is a Florida corporation with headquarters at 700 Universe Boulevard, Juno Beach, Florida 33408. FPL is a public utility as defined in Section 366.82(1), Florida Statutes, subject to the jurisdiction of the Commission pursuant to Chapter 366, Florida Statutes.

13. FPL serves approximately 4.5 million retail customers throughout Florida. Its service area comprises about 27,650 square miles in 35 Florida counties. Approximately 9 million people live within the area FPL serves, which ranges from St. John's County in the north to Miami-Dade County in the south, and westward to Manatee County, with the highest concentration of customer load in Miami-Dade, Broward, and Palm Beach Counties.

14. This Petition does not involve any prior agency determination or decision, or seek reversal or modification of any proposed agency action. FPL is not aware of any disputed issues of material fact with respect to the matters stated in this Petition.

### **III. Granting FPL an Exemption from the Bid Rule Complies with Rule 25-22.082(18), F.A.C.**

15. Pursuant to Rule 25-22.082(18), F.A.C., and the flexibility it was designed to allow, if FPL demonstrates that an exemption from the issuance of an RFP would either (1) likely result in a lower cost of electricity to FPL's customers, *or* (2) likely result in an increase in the reliable supply of electricity to its customers, *or* (3) otherwise service the public welfare, then the Commission *must* grant the requested Bid Rule exemption.<sup>1</sup> A Bid Rule exemption requires only that one of the three criteria in the rule be met. For the reasons discussed below, FPL believes that all three criteria will be clearly satisfied by the Commission granting the requested exemption for FPL.

#### **A. The Project will likely result in a lower cost supply of electricity**

16. FPL has needs for new generation in its south Florida service area (*i.e.*, Miami-Dade and Broward Counties) beginning in 2016 in order to maintain the balance between electricity supply and demand in Miami-Dade and Broward Counties. These needs are expected to increase over time, especially in view of FPL's plans to remove Turkey Point Unit 1 from service as a generating unit by 2016, in order to provide significant cost savings for FPL's customers.

17. Turkey Point Unit 1 operates at very low capacity factors due to the high price of fuel oil and the low fuel efficiency of the unit. Significant operations and maintenance ("O&M") and capital costs can be avoided if that unit is removed from service. FPL has compared the system cost for customers if Turkey Point Unit 1 continues to operate to the system cost if Turkey Point Unit 1 is removed from service (and used only as a synchronous condenser to support the transmission system). The results of this comparison indicate that the cost to

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<sup>1</sup> This is an exemption authorized by the Bid Rule itself under specific circumstances; it is not a waiver. Therefore, the requirements of Section 120.542, Florida Statutes, for a rule waiver do not apply.

customers would be reduced by more than \$65 million CPVRR if Turkey Point Unit 1 is removed from service.

18. As a result, FPL has two self-build choices in 2016 to meet the generation needs resulting from increased demand and the removal of Turkey Point Unit 1 from service: (1) bring back units from inactive reserve;<sup>2</sup> or (2) modernize the Port Everglades generation unit. In comparison to bringing back units from inactive reserve, modernizing the Port Everglades generation unit will result in more than \$400 million CPVRR savings to FPL's customers. Cost savings from a modernized Port Everglades unit would result from (1) the greater fuel efficiency of this new unit, (2) reduced emission costs, (3) reduced O&M expenses, and (4) enhanced unit availability that enables the unit to generate more electricity.

19. Based on FPL's own investigation into the availability of other viable sites (FPL or third party-built facility), it was determined that there are no viable sites located within the proximity of FPL's south Florida service area that have the attributes and resources of the Port Everglades site. Port Everglades has multiple advantages including (1) adequate land size and zoning, (2) access to fuel transportation infrastructure (gas pipeline), (3) transmission facilities,<sup>3</sup> and (4) water supply and transportation.

20. In order for a third party to match these necessary attributes and resources, it would need to find a site suitable for power generation in the vicinity of FPL's south Florida

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<sup>2</sup> In 2009, FPL determined that, based on much lower load growth projections, it would be able to meet its system reliability criteria even if a number of its older, less efficient generating units were temporarily removed from service, which would result in significant O&M savings. As a result, FPL removed from service several of its power generation units: Cutler 5 and 6, Sanford 3, Turkey Point 2, and Port Everglades 1 through 4. FPL has decided to retire Cutler 5 and 6 and Sanford 3, but Turkey Point 2 and Port Everglades 1 through 4 have continued to be considered as possible candidates to meet FPL's future needs.

<sup>3</sup> In addition, if the Port Everglades site is not modernized by 2020 and assuming there are no viable cost-effective alternative third party generation sites as discussed above, there will be an imbalance of FPL customer demand versus FPL generation capacity that will require either an estimated \$500 to 600 million in transmission infrastructure build out costs or a need to bring back inefficient generating units that are presently in inactive reserve, which as stated above would result in higher costs to the customers of more than \$500 million compared to modernizing Port Everglades.



service area that could be acquired and zoned for industrial use. FPL identified in a siting study a total of three (3) 100-acre plus sites that could be developed by a third party in Broward County that ranged in value from \$20 to \$54 million. Such sites would also need to interconnect into the existing transmission system. FPL estimates the transmission interconnection cost to be as much as \$65 million dollars and generic integration costs in the range of \$250 to \$350 million dollars in order to bring to FPL's system the required generation to match the reliability of the generation located at the Port Everglades site. With regards to fuel supply to the site, an extension of one of the two gas transporters would be required in order to meet the supply quantities and pressures in the Broward/Miami-Dade area at a significantly higher additional cost than the estimated \$48 million compressor installation cost for Port Everglades. The cost of gas infrastructure expansion into this region of the state is estimated to cost in excess of \$600 million.

21. The anticipated costs of gas delivery, transmission service, land, and water supply would make the prospect of a third party plant located in Miami-Dade or Broward County a more costly and unrealistic option. As a result, modernization of the Port Everglades site will result in significant customer savings when compared to other viable sites upon which FPL or a third party might propose to construct a power plant to meet FPL's reliability needs.

22. The Port Everglades plant site is ideally located to minimize the costs of delivering gas to the site and transmitting electricity from the site. The site has ready access to a gas pipeline for necessary fuel transportation and the necessary electrical infrastructure to export the energy. If the site is modernized as proposed, the only resulting cost for needed gas infrastructure upgrades is an estimated \$48 million associated with compression requirements. With its location at an existing deepwater port on the Atlantic Ocean, the Port Everglades site not only has sufficient water supply for use by the generation unit, it also has convenient access to

barge transportation for fuel oil deliveries, equipment during and after construction, and other supplies.

**B. The Project will result in a more reliable supply of electricity**

23. As discussed above, the Port Everglades plant site in Broward County is strategically located to serve FPL's customers in the most concentrated area of FPL's entire system. FPL needs a very efficient and reliable generating unit to serve its customers in this area in the most cost-effective manner. Load that is close to generation sources is less reliant upon the transmission system to import large amounts of power into the area to serve the load. The power system has been planned and designed to achieve a high level of reliability for FPL's customers with the existing Port Everglades units. However, because the existing Port Everglades units are older and less efficient, they do not dispatch as often, and imports of power via the transmission system are relied upon more often. Over time, as loads continue to grow, the ability to import more and more power over the transmission system into this area will require either out of merit order dispatch of the Port Everglades Units 1 through 4 during off peak periods or additional transmission infrastructure investment in order to maintain the same level of reliability.

24. With the modernization of the Port Everglades units, reliability will be significantly enhanced given that the efficiency of the new unit will be base load dispatched and will reduce the need for new transmission investment to increase import capability. Therefore, the location of the Project will provide reliability benefits to FPL's customers that no power generation alternative outside of Broward and Miami-Dade Counties could match without significant transmission infrastructure investment.

**C. The Project will provide other public welfare benefits**

25. FPL's proposal to modernize the Port Everglades plant will result in a number of

significant public welfare benefits. First, the proposed modernization will result in certain economic benefits associated with the construction and operation of the new plant. The construction of the new plant would create an estimated 650 direct jobs at its peak and also support numerous local businesses, and the operation of the new plant will enable FPL to provide more capacity to meet the needs of businesses that seek to expand. In addition, in the new plant's first full year of operation, it is estimated to provide more than \$20 million in new tax revenue to local governments and school districts.

26. Second, the modernization project will result in significant environmental benefits. Because the new plant will be much more efficient than the existing plant with respect to emissions of greenhouse gases, the Carbon Dioxide (CO<sub>2</sub>) emission rate, and the air emission of other compounds such as Sulfur Dioxide (SO<sub>2</sub>), Particulate Matter (PM), and Nitrogen Oxides (NO<sub>x</sub>), will be dramatically reduced. These air emission reductions have clear environmental and cost savings benefits for FPL's customers. Specifically, there would be an approximate 90% reduction and over 10,000 tons per year decrease in air emissions for which there are federal Environmental Protection Agency ("EPA") and Florida Department of Environmental Protection ("FDEP") standards.<sup>4</sup> Also, there will be an approximate 50% reduction in the rate of greenhouse gas emissions. The existing Port Everglades plant generates about 1,740 pounds of CO<sub>2</sub> per 1,000 kilowatt-hours generated. The new modernized plant would generate about 770 pounds of CO<sub>2</sub> per 1,000 kilowatt-hours generated.

27. Further, the air quality impact of the new modernized Port Everglades plant on the surrounding areas will be significantly lower than the existing plant due to the greatly reduced air emissions. The air quality effects in the sensitive Everglades National Park, which is located a short distance to the southwest of the site, will also be greatly reduced through the significant

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<sup>4</sup> This comparison represents the baseline actual highest emissions in a 24 month period over the past five years for the Port Everglades plant as reported to FDEP and EPA versus the maximum potential emissions for the Project's new plant.

reduction in the emissions of NO<sub>x</sub>, PM, and SO<sub>2</sub>. The Everglades National Park has special protection related to these air pollutants from new or modified sources, as it is designated a Class I area by the EPA and federal land managers.

28. Third, the use of the existing site and facilities will not result in additional land use impacts, such as impact on wetlands associated with locating new gas pipelines or transmission facilities. The Project will provide new, efficient generation capacity using an existing generating site and other already committed resources such as water. The modernized plant will actually require less cooling water than the existing plant and will not require any additional land. The absence of such impacts with the new plant will benefit FPL's customers.

**IV. The Commission has recently granted exemptions from the Bid Rule for projects that are similar in nature, benefits, and costs**

29. On September 12, 2008, the Commission granted exemptions from the Bid Rule for two very similar projects: specifically, the modernization of aging power plants at Cape Canaveral and Riviera Beach.<sup>5</sup> Order No. PSC-08-0591-FOF-EI. The Cape Canaveral power plant consisted of two 1960s-era oil and natural gas fueled steam electric generating units and is being replaced with one highly efficient 1,219 MW combined cycle power plant, for service beginning in 2013. The Riviera Beach power plant also had two 1960s-era oil and natural gas fueled steam electric generating units and is being replaced with one highly efficient 1,207 MW combined cycle power plant for service beginning in 2014. At the time of the Commission's Need Determination approval Order, the Cape Canaveral conversion total cost was estimated at \$1.1 billion, while the Riviera Beach conversion total cost was estimated at \$1.3 billion. Order No. PSC-08-0591-FOF-EI at 8.

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<sup>5</sup> Photos and architectural renderings of these two projects showing the sites as they existed before demolition, and as they will appear upon completion, are attached as Exhibits A (Cape Canaveral) and B (Riviera Beach) to this Petition.

30. The Cape Canaveral and Riviera Beach projects will provide many of the same benefits that the proposed modernization of Port Everglades will bring. However, the proposed project at Port Everglades will be an even more efficient plant, producing greater reductions in emissions and greater fuel savings for customers.<sup>6</sup> In addition, as discussed above, the project at Port Everglades will provide important transmission reliability benefits for the system, given its unique location. Moreover, the projected cost of the Port Everglades modernization is estimated at \$1.185 billion, which compares favorably to the cost projections upon which Determinations of Need were granted by the Commission for the Cape Canaveral and Riviera Beach projects. See *infra* Table 1, Total Plant Cost Comparison for Cape Canaveral, Riviera Beach, and Port Everglades. In 2016 dollars, Port Everglades is projected to be a lower cost resource option than both Cape Canaveral and Riviera Beach.

**Table 1 – Total Plant Cost Comparison (Cape Canaveral, Riviera Beach, Port Everglades)**

<b>Cost Category</b>	<b>Cape Canaveral Estimate Approved in Need Determination (2013 \$MM)</b>	<b>Riviera Beach Estimate Approved in Need Determination (2014 \$MM)</b>	<b>Port Everglades Modernization Estimate (2016 \$MM)</b>
<b>Total Plant Cost-Nominal</b>	1,115	1,276	1,185
<b>Total Plant Cost-Real (2016)</b>	1,218	1,353	1,185

FPL currently expects that it will complete the Cape Canaveral and Riviera Beach modernizations at, or below, the costs projected in their respective determinations of need.

<sup>6</sup> A photo and an architectural rendering of the Port Everglades modernization project showing the site as it exists today, and as it will appear upon completion, are attached as Exhibit C to this Petition.

**V. Granting the Petition will provide greater assurance that FPL can bring the benefits of the Project to its customers in a timely manner**

**A. The Bid Rule RFP Process is Not the Exclusive Method for Determining Cost-Effectiveness**

31. The Commission's Rule 25-22.082(1), F.A.C., specifies the use of the RFP process as "an *appropriate* means to ensure that a public utility's selection of a proposed generation addition is the most cost-effective alternative available." (Emphasis added). While the RFP process is one method available to determine cost-effectiveness, it is not and was never intended to be the *exclusive* means of making such a determination. In fact, from its inception, the Commission intended for the Bid Rule to provide for flexibility and to allow for an exemption from the RFP process if issuing an RFP would be unproductive and an exemption would be in the best interest of a utility's customers. See, e.g., *In re: Proposed Amendment of Rule 25-22.081, F.A.C., Contents of Petition; and Proposed New Rule 25-22.082, F.A.C., Selection of Generation Capacity*, Hearing Transcript, Docket No. 92188-EU (Sept. 29, 1993), p.20; Special Agenda Conference Transcript, Item No. 1 (Dec. 6, 1993), pp. 18-22.

**B. An RFP Issued by FPL for a Combined-Cycle Plant May Delay the Benefits of the Project for FPL's Customers and is Unlikely to Result in a Lower Cost Alternative for Generation Capacity**

32. By granting the Bid Rule exemption requested in this Petition, the Commission will help ensure that the benefits of the Project discussed above accrue for FPL's customers in a timely manner. Without this Bid Rule exemption, the RFP would unnecessarily add at least four months to the plant development process. As a result, it would be more difficult to accommodate any unforeseen delays in the construction schedule for the new plant, which is scheduled to be operational in 2016.

33. FPL's analysis discussed above clearly demonstrates that it is highly unlikely based on the unique attributes of the Port Everglades site (*i.e.*, location in proximity to load, gas

infrastructure, transmission, and water) that the RFP process would result in a more cost-effective alternative to meet the projected generation requirements of FPL in 2016 than the proposed new facility at Port Everglades. Further, the Port Everglades modernization will result in more than \$400 million CPVRR savings over the only other self-build alternative that can provide needed generation in South Florida by 2016, bringing back Port Everglades Units 1 through 4 from inactive reserve.

34. In all of FPL's RFPs to solicit alternative proposals to compare to its self-build units over the past decade, no bidder has matched the cost competitiveness of FPL's self-build plants. Also during that same time period, the ability of bidders to provide FPL with competitive bids in general has declined significantly, due in part to the diminishing pool of companies that have the financial strength to undertake these types of projects. FPL has repeatedly demonstrated its ability to successfully implement the power plant projects that have been pursued under its management. FPL has consistently completed the construction of the proposed projects on time and within budget with a team of experts that monitor and manage the processes very closely.

## **VI. The Petition is timely**

35. FPL is making this request as quickly as possible based on its ongoing analysis of its generation needs. Following its April 1, 2011, Ten-Year Site Plan submission, where FPL estimated that it would have a need for new generation in 2016, FPL has performed a thorough analysis to confirm the 2016 generation need, consistent with removing Turkey Point Unit 1 from generation service in 2016 and thereby avoid significant costs to customers. FPL completed its analysis in late June 2011 and is now making this filing at the earliest opportunity so as to provide the Commission with sufficient and reasonable time to address FPL's request prior to the time needed to construct the new plant at the Port Everglades site.

## **VII. Conclusion and Statement of Requested Relief**

36. The Commission should grant FPL an exemption from the Bid Rule, in accordance with Rule 25-22.082(18), F.A.C. An exemption is appropriate to ensure timely construction and operation of cleaner, more efficient power generation than the existing generation, with associated customer cost savings and other public welfare benefits. All other things being equal, granting the requested exemption will provide flexibility to the schedule for constructing and operating the new plant by at least four months compared with undergoing the RFP process and thereby provides a process that will allow for reasonable energy production and expansion.

37. The additional time provided from a grant of the requested bid exemption will result in greater assurance that FPL will be able to bring the benefits of the Project to its customers in a timely manner, including: (1) utilization of more fuel efficient power generation with associated cost savings; (2) increased supply of reliable electricity for FPL's customers; (3) significant emission reduction benefits; and (4) new jobs to help bolster Florida's economy. As discussed in this Petition, it is highly unlikely that the RFP process would result in a more cost-effective alternative to FPL's self-build option.

38. Under the Bid Rule itself, the Commission has the authority to eliminate administratively burdensome and unnecessary requirements to facilitate the approval process for this important and beneficial project. FPL respectfully submits that the facts and circumstances warrant the Commission exercising that authority in this instance.

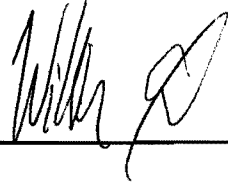


**WHEREFORE**, FPL respectfully requests that the Commission exempt FPL from the Bid Rule as provided for in Rule 25-22.082(18), F.A.C., and determine that FPL is not required to issue an RFP to solicit proposals for comparison to the Project described in this Petition, based upon a finding that an exemption would likely result in a lower cost supply of electricity to FPL's customers, increase the reliable supply of electricity to FPL's customers, and serve the public welfare.

**DATED** this 18th day of July, 2011

Respectfully submitted,

FLORIDA POWER & LIGHT COMPANY

By:  \_\_\_\_\_

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Managing Attorney  
William P. Cox  
Senior Attorney  
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# EXHIBIT A

DOCUMENT NO.    DATE  
04952-11    7,18,11  
FPSC - COMMISSION CLERK

**Cape Canaveral Plant**  
*Cocoa, Florida*

Existing Conditions



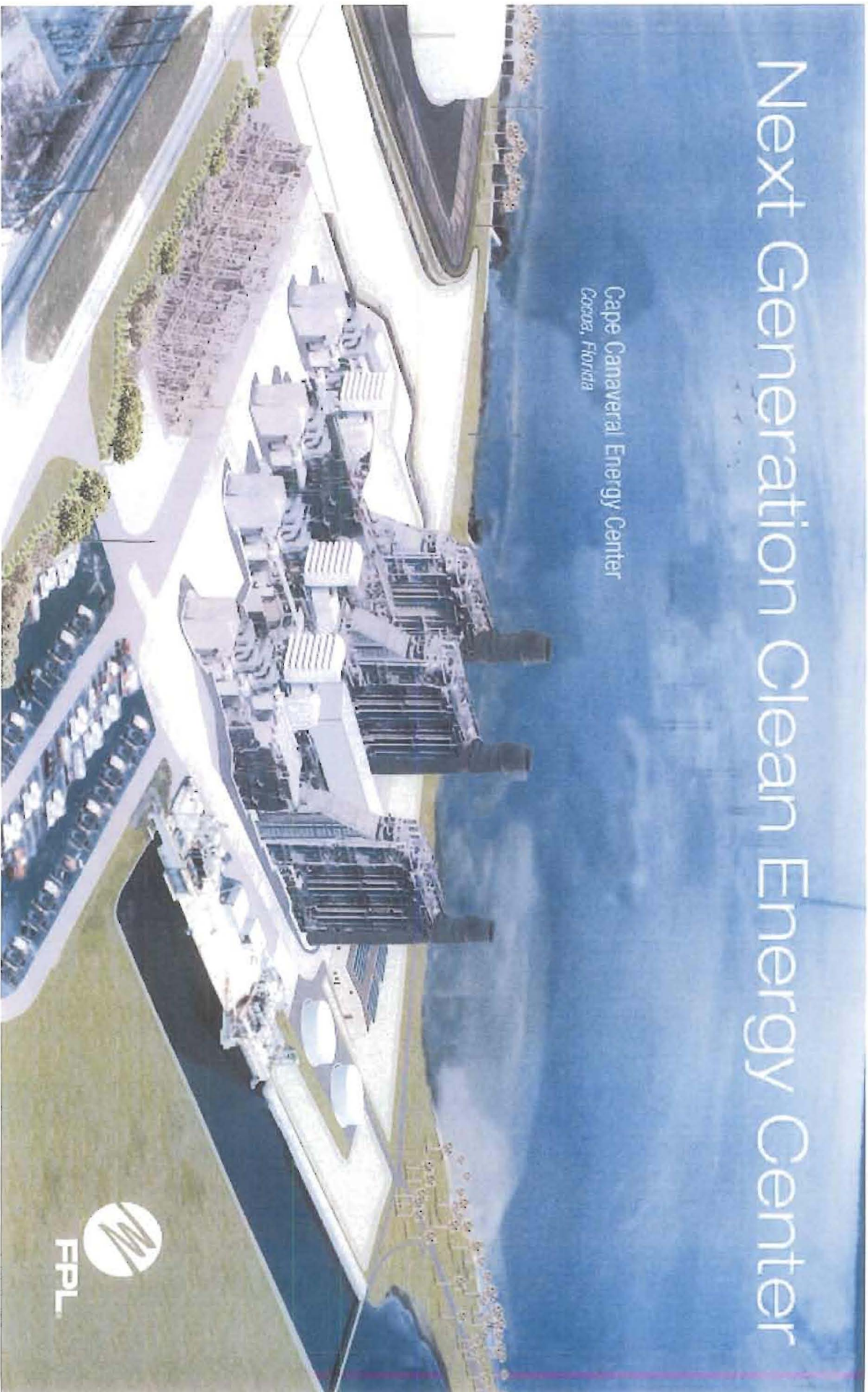
FPL

DOCUMENT NO. DATE  
D4952-11 7/18/11  
FPSC - COMMISSION CLERK



# Next Generation Clean Energy Center

Cape Canaveral Energy Center  
*Cocoa, Florida*



# EXHIBIT B



Riviera Beach Plant  
Riviera Beach, Florida

Existing Conditions



Riviera Beach Energy Center  
Riviera Beach, Florida

Next Generation Clean Energy Facility



# EXHIBIT C





**Port Everglades Plant**  
Hollywood, FL







## Port Everglades Next Generation Clean Energy Center



The information shown on this rendering is illustrative only. Final configuration of the site will be determined through the State of Florida SCA process.