

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for determination of need for Duval-Raven 230 kV transmission line in Baker, Columbia, Duval, and Nassau Counties, by Florida Power & Light Company.

Docket No. 150263-EI

Filed: February 1, 2016

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

Pursuant to Florida Public Service Commission ("FPSC" or the "Commission") Order No. PSC-15-0585-PCO-EI, Florida Power & Light Company ("FPL" or the "Company") hereby submits its Prehearing Statement regarding the issues to be addressed at the hearing scheduled for February 24, 2016.

1) **WITNESS**

Direct

<u>WITNESS</u>	<u>SUBJECT MATTER</u>	<u>ISSUES</u>
Francisco Prieto	Provides an overview of the FPL transmission system; describes the Duval-Raven 230 kV transmission line project ("DRP"), including the design and operating voltage of the proposed transmission line, the starting and ending points of the line, the approximate cost of the DRP, and the projected in-service date; addresses the specific conditions, contingencies, and factors which demonstrate the need for the DRP, including a discussion of FPL's transmission planning process and the reliability benefits of the DRP; presents the major alternatives to the DRP that were evaluated and rejected by FPL in favor of the DRP; and discusses the adverse consequences to FPL's electric system and customers if the DRP is delayed or denied.	1, 2, 3, 4

2) EXHIBITS

Witness	Subject Matter	Filed Exhibit No.
None	Notices of Final Hearing and Affidavits of Publication	None
Francisco Prieto	Exhibit “A” to the Petition to Determine Need for the Duval-Raven 230 kV transmission line in Baker, Columbia, Duval, and Nassau Counties	None
Francisco Prieto	Map of Transmission and Generation	FP-1
Francisco Prieto	Duval-Raven Expected Construction Schedule	FP-2
Francisco Prieto	List of Contingencies	FP-3

In addition to the above prefiled exhibits, FPL reserves the right to utilize any exhibit introduced by any other party. FPL additionally reserves the right to introduce any additional exhibit necessary for rebuttal, cross-examination, or impeachment at the final hearing.

3) STATEMENT OF BASIC POSITION

FPL has petitioned the Commission for an affirmative determination need for the construction and operation of an electrical transmission line, the Duval-Raven 230 kV Project (“DRP”). The DRP maximizes system reliability, increases power transfer capability, and meets local area load requirements by serving proposed future distribution substations east of Interstate-75, south of Interstate-10, and west of the existing 230 kV transmission line in Baker, Columbia, and Union Counties while minimizing cost to customers. The DRP will primarily consist of the construction of approximately 38.5 miles (subject to final certification under the Florida Transmission Line Siting Act or “TLSA”) of a single circuit 230 kV transmission line in portions of Baker, Columbia, Duval, and Nassau Counties.

The need for the DRP is based on the following considerations:

- The need to provide additional transmission reinforcement to the existing 115 kV and 230 kV transmission network between Columbia, Bradford, and Baldwin substations in a

reliable manner consistent with reliability standards and criteria established by the North American Electric Reliability Council (“NERC”), at the direction of the Federal Energy Regulatory Commission (“FERC”), and adopted by the Florida Reliability Coordinating Council (“FRCC”).

- The need to serve the increasing load and customer base in the area east of Columbia and west of Baldwin and Bradford Substations.
- The opportunity, subject to final corridor siting certification under the TLSA, to efficiently and effectively integrate and serve existing and future new distribution substations that are needed to serve projected load growth within Baker, Bradford, Columbia, and Union Counties.

Over the past five years (2010-2014), the load in FPL’s North Region, an area that includes all or portions of Brevard, Volusia, Flagler, St. Johns, Putnam, Bradford, Union, Columbia, Baker, and Duval Counties and the specific Project Service Area, has grown by a Compound Annual Average Growth Rate (“CAAGR”) of 1.3%. FPL is forecasting the North Region to continue to grow at CAAGR of 1.8% over the next five years (2015-2019). Transmission assessment studies conducted by FPL during 2014 and 2015 have identified regional transmission system limitations in Baker, Bradford, Columbia, and Union Counties. These studies show that by 2018, the existing 115 kV transmission network between Baldwin, Bradford, and Columbia Substations will not have sufficient capacity to provide reliable service to potential future distribution substations.

A new transmission line sited west from FPL’s existing Duval Substation in Duval County to FPL’s planned Raven Substation in Columbia County would be the most reliable, cost-effective means to serve the projected load growth within Baker, Bradford, Columbia, and Union Counties. A study of transmission improvements for this area evaluated various alternatives which resulted in the selection of the DRP as the most cost-effective and efficient

means to both reinforce the existing 230 kV and 115 kV networks and provide electrical service to existing and future load areas and substations within the Baldwin-Columbia-Bradford transmission facilities. In summary, the DRP presents the best alternative for satisfying the need for a reliable and cost-effective supply of power to FPL's existing and future customers within Baker, Bradford, Columbia, and Union Counties. FPL's petition, prefiled testimony, and exhibits demonstrate the need for the Duval-Raven Project in the proposed time frame as the most cost-effective alternative available, taking into account the demand for electricity, the need for electric system reliability and integrity, the need for abundant, low-cost electrical energy to assure the economic well-being of the residents of this state, the location of the project (starting and ending points of the line), and other relevant matters pursuant to Section 403.537(1)(c), Florida Statutes (2015).

For these reasons, and those set forth more fully in FPL's Petition and prefiled testimony and exhibits, FPL satisfies the statutory elements for granting an affirmative determination of need for DRP pursuant to Section 403.537, Florida Statutes.

4) STATEMENT OF ISSUES AND POSITIONS

ISSUE 1: **Is there a need for Florida Power & Light Company's proposed Duval-Raven 230 kV transmission line project, given the need for electric system reliability and integrity, as prescribed in section 403.537, Florida Statutes?**

FPL: Yes. There is a need for FPL's proposed Duval-Raven 230 kV transmission line project, taking into account the need for electric system reliability and integrity. This transmission line is needed to: (a) serve the forecasted load and customer base in FPL's North Region; (b) increase the capacity of the existing 230 kV transmission network between the Duval, Baldwin, and Bradford Substations and relieve the loading on the existing 115 kV transmission network between the Baldwin, Bradford, and Columbia Substations consistent with the reliability standards and criteria established by the North American Electric Reliability Corporation; and (c) provide another electrical feed from the Duval Substation in Duval County to the Lake City area in Columbia County largely adjacent to an existing 115 kV transmission network, thereby greatly improving the reliability and power transfer capability to FPL's customers in this area. (Prieto)

ISSUE 2: Is there a need for Florida Power & Light Company’s proposed Duval-Raven 230 kV transmission line project, given the need for abundant, low cost electrical energy to assure the economic well-being of the citizens of the state, as prescribed in section 403.537, Florida Statutes?

FPL: Yes. There is a need for FPL’s proposed Duval-Raven 230 kV transmission line project, taking into account the need for abundant, low cost electrical energy to assure the economic well-being of the citizens of the state. A study of transmission improvements for this part of the state evaluated various alternatives which resulted in the selection of the DRP as the most cost-effective and efficient means to both reinforce the existing 230 kV and 115 kV networks and provide electrical service to existing and future load areas and substations within the Baldwin-Columbia-Bradford transmission facilities. (Prieto)

ISSUE 3: Are Florida Power & Light Company’s Duval Substation in Duval County and its planned Raven Substation in Columbia County the appropriate starting and ending points for the proposed Duval-Raven 230 kV transmission line as prescribed in section 403.537, Florida Statutes?

FPL: Yes. A new transmission line sited west from FPL’s existing Duval Substation in Duval County to FPL’s planned Raven Substation in Columbia County would be the most reliable, cost-effective means to serve the projected load growth within Baker, Bradford, Columbia, and Union Counties. The load flow maps contained in Appendices A and B to Exhibit A to the Petition demonstrate that the appropriate ending points are the Duval Substation and the planned Raven Substation, respectively. (Prieto)

ISSUE 4: Should the Commission grant Florida Power & Light Company’s petition for determination of need for the proposed Duval Raven 230 kV transmission line project?

FPL: Yes. There is a need for the Duval-Raven 230 kV transmission line project starting in December 2018, taking into account the need for electric system reliability and integrity, the need for abundant, low-cost electrical energy to assure the economic well-being of the residents of this state, and the location of the project (the starting and ending points of the line). (Prieto)

5) STIPULATED ISSUES

FPL: None at this time.

6) PENDING MOTIONS

FPL: None at this time.

7) PENDING REQUESTS FOR CONFIDENTIALITY

Florida Power & Light Company's request for confidential classification of certain information provided in Exhibit A to its Petition and Exhibit FP-3 to the prefiled direct testimony of FPL witness Francisco Prieto, dated January 11, 2016. [DN 00172-16]

8) OBJECTIONS TO A WITNESS' QUALIFICATION AS AN EXPERT

FPL: None at this time.

9) STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

There are no requirements of the Order Establishing Procedure with which FPL cannot comply.

Respectfully submitted this 1st day of February, 2016.

William P. Cox, Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408
Telephone: (561) 304-5662
Facsimile: (561) 691-7135
will.cox@fpl.com

By s/ William P. Cox
William P. Cox
Florida Bar No. 0093531

CERTIFICATE OF SERVICE
Docket No. 150263-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 1st day of February, 2016 to the following:

Leslie Ames, Esq.
Lee Eng Tan, Esq.
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
lames@psc.state.fl.us
ltan@psc.state.fl.us

By: s/ William P. Cox
William P. Cox
Florida Bar No. 0093531