

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of a purchase and sale agreement between Florida Power & Light Company and Calypso Energy Holdings, LLC, for the ownership of the Indiantown Cogeneration LP and related power purchase agreement.

DOCKET NO. 160154-EI

DATED: September 9, 2016

COMMISSION STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-16-0332-PCO-EI, filed August 11, 2016, the Staff of the Florida Public Service Commission files its Prehearing Statement.

1. All Known Witnesses

There are no known witnesses at this time.

2. All Known Exhibits

There are no known exhibits at this time.

3. Staff's Statement of Basic Position

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.

4. Staff's Position on the Issues

LIST OF PROPOSED ISSUES
160154-EI INDIANTOWN

ISSUE 1: Is FPL's proposal to acquire the ICL Facility as proposed in its Petition (the "ICL Transaction") cost effective?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 2: Is the purchase price for the ICL Facility in the proposed ICL Transaction fair and reasonable?

POSITION: Staff has no position pending evidence adduced at the hearing.

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ISSUE 3: What are the operational and regulatory risks associated with FPL's proposed ICL Transaction and has FPL appropriately accounted for these risks under the transaction?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 4: In its economic evaluation of and selection of the proposed transaction, did FPL take into account all reasonable measures to mitigate future purchase power agreement ("PPA") impacts to ratepayers?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 4A: Is FPL's assessment of the fair value of the existing PPA with Indiantown Cogeneration, L.P. reasonable?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 5: Is FPL's proposal to acquire the ICL Facility through its proposed ICL Transaction prudent?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 6: If the Commission approves FPL's proposed ICL Transaction, what is the proper accounting treatment for the transaction?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 7: If the Commission approves FPL's proposed ICL Transaction, what is the proper rate of return?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 8: Should FPL be permitted to recover the costs associated with the ICL Transaction as set forth in FPL's Petition?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 9: Should FPL be required to file, with the Commission, the actual accounting entries to record the ICL transaction for both FPL and the subsidiary Indiantown within six months of the ICL transaction being consummated?

POSITION: Staff has no position pending evidence adduced at the hearing.

ISSUE 10: Should the Docket be closed?

POSITION: Staff has no position pending evidence adduced at the hearing.

5. Stipulated Issues

There are no stipulated issues at this time.

6. Pending Motions

Staff has no pending motions at this time.

7. Pending Confidentiality Claims or Requests

Staff has no pending confidentiality claims or requests.

8. Objections to Witness Qualifications as an Expert

Staff has no objection to witnesses' qualifications as experts.

9. Compliance with Order No. PSC-16-0332-PCO-EI

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

Respectfully submitted this 9th day of September, 2016.

/s/ Walt Trierweiler

WALT TRIERWEILER

Senior Attorney

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Blvd.

Tallahassee, FL 32399-0850

(850) 413-6199

wtrierwe@psc.state.fl.us

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the original of STAFF'S PREHEARING STATEMENT has been filed with Office of Commission Clerk and one copy has been furnished to the following by electronic mail, on this 9th day of September, 2016:

Bryan Anderson/Will Cox
Florida Power & Light Company
700 Universe Blvd.
Juno Beach, FL 33408-0420
bryan.anderson@fpl.com
will.cox@fpl.com

Jon C. Moyle, Jr./Karen A. Putnal
Moyle Law Firm, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoyle@moylelaw.com
kputnal@moylelaw.com

/s/ Walt Trierweiler

WALT TRIERWEILER
Senior Attorney
FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6199
wtrierwe@psc.state.fl.us