Docket No. 20170225-E1 – Petition for determination of need for Dania Beach Clean Energy Center Unit 7, by Florida Power & Light Company.

**Issue 1:** Is there a need for the proposed Dania Beach Clean Energy Center Unit 7, taking into account the need for electric system reliability and integrity, as this criterion is used in Section 403.519(3), F.S.?

**Recommendation:** Yes. The record indicates that FPL has demonstrated a need for the DBEC Unit 7 in the 2024 to 2026 timeframe to maintain its system reliability and integrity. FPL’s decision to retire the Lauderdale units in 2018 results in a significant impact on the Southeastern Florida region’s reliability and FPL is responsible for ensuring that the reliability and integrity of Southeastern Florida is maintained. Once completed, the proposed DBEC Unit 7 will enhance FPL’s system reliability. Further, as discussed in Issue 5, the primary issue in this proceeding is about the timing of the DBEC Unit 7 and its impact on regional reliability and system economics.

**APPROVED**

**COMMISSIONERS ASSIGNED:** Graham, Brown, Clark

**COMMISSIONERS’ SIGNATURES**

**MAJORITY**

**DISSENTING**

**REMARKS/DISSenting COMMENTS:**
Issue 2: Are there any renewable energy sources and technologies or conservation measures taken by or reasonably available to FPL, which might mitigate the need for the proposed Dania Beach Clean Energy Center Unit 7?

Recommendation: No. No additional cost-effective renewable resource has been identified in this proceeding that could mitigate the need for new generation. Similarly, no additional cost-effective Demand-Side Management (DSM) has been identified in this proceeding that could mitigate the need for new generation.

APPROVED

Issue 3: Is there a need for the proposed Dania Beach Clean Energy Center Unit 7, taking into account the need for adequate electricity at a reasonable cost, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: Yes. The record indicates that FPL’s financial, fuel and environmental cost estimates are reasonable. As discussed in Issue 5, the primary driver of this proposed plan is replacing the old outdated Lauderdale units with the more efficient DBEC Unit 7.

APPROVED

Issue 4: Is there a need for the proposed Dania Beach Clean Energy Center Unit 7, taking into account the need for fuel diversity and supply reliability, as this criterion is used in Section 403.519(3), F.S.?

Recommendation: While DBEC Unit 7 will not improve FPL’s overall fuel diversity, the unit efficiency allows FPL to reduce the total amount of natural gas needed to serve the need of its customers. In addition, overall fuel supply reliability will be maintained because DBEC Unit 7 will use the existing oil backup infrastructure on the site.

APPROVED
Item 9

Docket No. 20170225-EI – Petition for determination of need for Dania Beach Clean Energy Center Unit 7, by Florida Power & Light Company.

(Continued from previous page)

**Issue 5:** Will the proposed Dania Beach Clean Energy Center Unit 7 provide the most cost-effective alternative available, as this criterion is used in Section 403.519(3), F.S.?

**Recommendation:** Yes. The retirement and replacement of the Lauderdale units with DBEC Unit 7 is estimated to result in a net present value (NPV) savings of approximately $299 million to $364 million. Therefore, DBEC Unit 7 is the most cost-effective alternative that maintains FPL’s system and Southeastern Florida area reliability compared to other alternatives.

**APPROVED**

**Issue 6:** Based on the resolution of the foregoing issues and other matters within its jurisdiction which it deems relevant, should the Commission grant FPL’s petition to determine the need for the proposed Dania Beach Clean Energy Center Unit 7?

**Recommendation:** Yes.

**APPROVED**

**Issue 7:** Should this docket be closed?

**Recommendation:** Yes. Upon issuance of an order on FPL’s petition to determine the need for the proposed DBEC Unit 7, this docket shall be closed after the time for filing an appeal has run.

**APPROVED**