

STATE OF FLORIDA

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Public Service Commission

December 19, 2007

VIA ELECTRONIC FILING

The Honorable Kimberly D. Bose
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Order No. 890 Compliance Filing Attachment K
Docket No. OA08-20-000, Tampa Electric Company Compliance Filing
Docket No. OA08-22-000, Florida Power Corporation Compliance Filing
Docket No. OA08-29-000, Florida Power & Light Company Compliance Filing

Dear Ms. Bose:

Forwarded herewith are a Notice of Intervention and Comments of the Florida Public Service Commission in the above dockets.

Sincerely,

/s/

Cindy Miller
Senior Attorney

CBM:tf

cc: Chuck Gray, National Association of Regulatory Utility Commissioners

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

In the Matter of:)	
)	
Order No. 890 Compliance Filing, Attachment K)	
)	
Tampa Electric Company Compliance Filing)	Docket No. OA08-20-000
)	
Florida Power Corporation Compliance Filing)	Docket No. OA-08-22-000
)	
Florida Power & Light Company Compliance Filing)	Docket No. OA-08-29-000

**FLORIDA PUBLIC SERVICE COMMISSION
NOTICE OF INTERVENTION**

Pursuant to Rule 214(a)(2), of the Federal Energy Regulatory Commission's (FERC) Rules of Practice and Procedure, the Florida Public Service Commission (FPSC) hereby files its Notice of Intervention in the above-captioned proceeding.

COMMUNICATIONS

Pursuant to Rule 203(b)(3) of the FERC's Rules of Practice and Procedure, the following persons are designated for receipt of communications and service on this proceeding:

Cindy Miller, Senior Attorney
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
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Tom Ballinger
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Florida Public Service Commission
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tballing@psc.state.fl.us

The Florida Public Service Commission (FPSC) is a state public utility commission whose interests are not adequately represented by any other party in the proceeding. The FPSC, pursuant to Chapters 350, 366, and 403, Florida Statutes, is given the authority to regulate electric utilities within the State of Florida and to exercise the police power of the state for the

protection of the public welfare. Section 366.015, Florida Statutes, encourages participation by the FPSC in Federal agency proceedings which affect those utilities over which the FPSC has primary regulatory jurisdiction. The FPSC has primary regulatory jurisdiction over Tampa Electric Company, Florida Power Corporation d/b/a/ Progress Energy Florida, Inc., and Florida Power & Light Company

In Florida, the FPSC has broad authority under Chapter 366, Florida Statutes, over the planning, development, and maintenance of a coordinated electric grid throughout Florida. This includes establishing the provision for the sharing of energy reserves of all electric utilities in the state. To the extent a deficiency is determined to exist in the Florida grid, the FPSC is authorized, after appropriate evidentiary proceedings, to order utilities to correct the deficiency.

Accordingly, the FPSC respectfully has timely filed this Notice of Intervention.

Respectfully submitted,

/ s / Cindy B. Miller

Cindy B. Miller, Senior Attorney
Office of the General Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6082

DATED December 19, 2007

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

In the Matter of:)	
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Order No. 890 Compliance Filing, Attachment K)	
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)	

COMMENTS OF THE FLORIDA PUBLIC SERVICE COMMISSION

The Florida Public Service Commission (FPSC) files these comments in support of the open transmission access stakeholder process developed by the Florida Reliability Coordinating Council (FRCC).

The FPSC has statutory authority over the adequacy and reliability of Florida’s electric system, and FPSC staff have monitored and participated in the FRCC meetings and conference calls. These comments describe that stakeholder process and the FPSC’s oversight activities.

Florida Public Service Commission Authority

The FPSC has broad-based authority over the adequacy and reliability of Florida’s electric system pursuant to Chapter 366, Florida Statutes. Section 366.04, known as the “Grid Bill,” gives the FPSC jurisdiction over the “planning, development, and maintenance of a coordinated electric power grid throughout Florida to assure an adequate and reliable source of energy for operational and emergency purposes in Florida.” As one means of carrying out this

role, the FPSC regularly attends Federal Energy Regulatory Commission (FERC) and FRCC meetings and technical conferences addressing transmission planning process requirements.

Transmission Planning Process

Through its monitoring activities, the FPSC became aware of transmission constraints in Central Florida. In 2005, the FPSC requested Peninsular Florida's utilities, through the FRCC, to complete a major planning assessment known as the Florida Central Coordinated Study. The assessment identified an immediate need for additional transmission transfer capability along the Interstate 4 corridor to move electricity generated in the Polk County region south of Lakeland to load centers in the Greater Orlando area. Many of these projects are expected to be completed by 2009. Permitting activities, as well as construction activities in active transmission corridors, are expected to result in all identified projects being completed by 2011.

The Florida Central Coordinated Study also brought to light two areas that the FPSC believed Florida's utilities should pursue to improve the coordinated transmission planning process. First, utilities should develop a methodology for allocating the costs of new transmission projects that affect more than one utility. Under the then existing arrangement, utilities paid for new transmission projects in their service territory regardless of whether a neighboring utility's actions caused that need. Second, Peninsular Florida's utilities should establish a uniform process for queuing transmission service requests. At the September 7, 2006, Ten-Year Site Plan workshop, the FPSC directed the FRCC to address these areas of concern. The FPSC will continue to actively participate in FRCC meetings to ensure that these directives are carried out. If necessary, the FPSC will initiate formal proceedings to ensure that Florida's

electric utilities coordinate their planning efforts to ensure the reliability of the state's electric grid.

At the August 15, 2007, workshop on Ten-Year Site plans for Electric Utilities, the FPSC reviewed the steps in the FRCC transmission planning process, key aspects of which are the coordination among all the participants and the goal of providing openness and transparency. The FRCC also was required to provide a status update on the Florida Central Coordinated Study and elaboration on cost allocation for transmission.

In response to FERC's Order 890, certain FRCC-region Transmission Providers sponsored a Strawman Attachment K, dated October 30, 2007.¹ The document acknowledges the FPSC's role in the process: providing input, guidance, regulatory oversight and decision-making when applicable. Attachment K also recognizes the value of annual FPSC workshops to review transmission and generation expansion plans for Florida. The utilities filed a final version on December 7, 2007.

A feature of the final version of the Attachment K filings in this proceeding is its description of Principle 6, Dispute Resolution. This appears in Section 9 of the utilities' filings regarding cost allocation. The Dispute Resolution process provides for entities with jurisdiction to review disputes, as a potential way to more efficiently resolve disputes. The FPSC will receive written notice when a dispute on cost allocation occurs.

In conclusion, the FPSC endorses the stakeholder process developed by the FRCC. This process enabled stakeholders to participate in an open dialogue on these important transmission

¹ The sponsors were Florida Power & Light Company, JEA, Orlando Utilities Commission, Progress Energy Florida, Inc. and Tampa Electric Company.

issues. The FPSC will take timely action to review disputes in this important area when written notice of such disputes is received.

Respectfully submitted,

/ s / Cindy B. Miller

Cindy B. Miller, Senior Attorney
Office of the General Counsel

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(850) 413-6082

DATED: December 19, 2007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that the foregoing Notice of Intervention and Comments will be served today by electronic mail upon each person designated on the official service list compiled by the Secretary in these proceedings.

Dated this 19th Day of December 2007.

/ s / Cindy B. Miller
Cindy B. Miller, Senior Attorney
Office of the General Counsel

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