

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Approval of) DOCKET NO. 920603-EU
Dade County Resource Recovery) ORDER NO. PSC-92-1226-FOF-EU
Facility Interconnection) ISSUED: 10/29/92
Agreement between Florida Power)
and Light Company and)
Metropolitan Dade County, and)
Rescission of Order Requiring)
Interconnection of Florida Power)
and Light Company's System with)
Dade County Resource Recovery)
Facility.)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING INTERCONNECTION AGREEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On June 15, 1992, Florida Power & Light (FPL) and Metropolitan Dade County (Dade County) filed a petition asking us to approve a negotiated interconnection agreement and to rescind the 1981 order requiring FPL to interconnect with the Dade County Resource Recovery Facility (the QF).

The QF is a small power producer that processes municipal solid waste into refuse-derived fuel that is then converted into steam to drive two 38.5 MW turbines. This waste-to-energy facility was the first of its kind in Florida. From the time of interconnection up to November 1991, the as-available energy generated from the waste was sold to FPL.

In March of 1991, the QF and Florida Power Corporation (FPC) negotiated a contract for the purchase of 43 MWs of firm capacity and energy which was approved by Commission Order 24734, issued

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7/1/91. As a result, in September of that same year FPL and the QF negotiated a Transmission Service Agreement for wheeling services and this Interconnection Agreement to replace the 1981 Order Requiring Interconnection.

In addition to general interconnection provisions regarding safety, reliability and cost responsibilities, the Agreement contains the following unique provisions:

- 1) There are no cost estimates or interconnection design issues involved because the interconnection facilities have been in operation since 1982.
- 2) FPL leases, rather than owns, the adjacent substation facilities. Dade County constructed the facilities and continues to maintain them at its expense. FPL has exclusive access to the substation and the express right to make modifications, including capital improvements to serve FPL's other retail customers. At the expiration of the interconnection agreement, FPL has the option to remove the substation facilities and reconfigure its electric system, or retain the substation at a purchase price to be negotiated at that time.
- 3) The interconnection agreement has an unusually long initial term of 23 years to coincide with the term of Dade County's contract to sell firm capacity and energy from the QF to Florida Power Corporation.

The terms and conditions as set forth in the agreement appear appropriate for the interconnection. They conform to the provisions of our interconnection rules. They do not adversely affect the reliability or cost of providing service to FPL's ratepayers. We therefore approve the agreement, and hold that its terms shall govern the parties' relationship with respect to the interconnection facilities.

The parties have asked us to rescind our prior Order No. 10481 because they have negotiated an interconnection agreement and the Order is no longer relevant. Florida Power Corporation has replaced FPL as the purchaser of the QF's power and FPL, FPC and Dade County have executed the following agreements to accommodate the transaction:

- 1) **A Parallel Operation Agreement** between FPL and FPC to define responsibilities relating to parallel operation of the QF's facility with FPL's and FPC's control areas.

- 2) **A Transmission Agreement** between Dade County and FPL for FPL to provide specified transmission services to wheel capacity and energy from the QF's facility to FPC.
- 3) **An Interconnection Agreement** between Dade County and FPL which provides the terms and conditions for FPL to operate and maintain certain facilities to interconnect the QF's facility to its electric system.

While all the above agreements became effective 11/1/91, they were conditioned upon FPL winning a competitive bid for exclusive use of the Doral substation. FPL won the bid April 1, 1992, and the last agreement was signed:

- 4) **A Lease Agreement** between Dade County and FPL which gives FPL exclusive use of the facilities at the Doral substation facilities in consideration of \$30 a year rent.

We agree that Order No. 10481 is no longer relevant to the parties' relationship with respect to interconnection. We hold, therefore, that this order approving the negotiated interconnection agreement supersedes Order No. 10481 to the extent that the provisions of that order are incompatible or conflict with the interconnection agreement. It is therefore

ORDERED, as set forth in the body of this order, that the Resource Recovery Facility Interconnection Agreement between Florida Power and Light Company and Metropolitan Dade County is approved. It is further

ORDERED that If no substantially affected person files a timely request for a hearing within 21 days of the order, the Interconnection Agreement between FPL and Dade County will be effective and this docket will be closed.

By ORDER of the Florida Public Service Commission, this 29th day of October, 1992.

STEVE TRIBBLE, Director
Division of Records and Reporting

by: Kay Flynn
Chief, Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on November 19, 1992.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.