BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

|  |  |
| --- | --- |
| In re: Petition for approval of curtailable service tariff modifications, by Florida Power & Light Company. | DOCKET NO. 20170216-EI  ORDER NO. PSC-2018-0049-TRF-EI  ISSUED: January 22, 2018 |

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman

ART GRAHAM

DONALD J. POLMANN

GARY F. CLARK

ORDER APPROVING FLORIDA POWER & LIGHT COMPANY’S

CURTAILABLE SERVICE TARIFF MODIFICATIONS

BY THE COMMISSION:

BACKGROUND

On October 4, 2017, Florida Power & Light Company (FPL or company) filed a Petition for Approval of Curtailable Service Tariff Modifications. The company is seeking to institute a 30-day notice for customers enrolled in its Curtailable Service (CS) tariffs, including CS Time of Use, to transfer to the Commercial/Industrial Demand Reduction Rider (CDR) tariff. The CS and CDR are optional tariffs for Commercial/Industrial (C/I) customers who are willing to curtail a portion of their demand in exchange for a monthly credit. In addition, FPL proposes to close the CS tariffs to new customers due to a lack of interest.

On October 13, 2017, FPL waived the 60-day suspension deadline through March 1, 2018. Commission staff issued a data request to FPL on November 13, 2017, and the company responded on November 27, 2017. On November 27, 2017, FPL filed a notice of correction to its petition, correcting a scrivener’s error. A second data request was filed by Commission staff on December 4, 2017, for which responses were received on December 11, 2017. Attachment A provides the CS tariff pages indicating the proposed changes. We have jurisdiction over this matter pursuant to Sections 288.035 and 366.06, Florida Statutes.

DECISION

The CS and CDR Tariffs

The CS tariffs are available to C/I customers with a monthly demand of 500 kilowatts (kW) or greater. Customers who choose to take service under CS agree to curtail at least 200 kW of their load when requested by the company. For their compliance, the customer receives a credit of $1.93 per kW of curtailable load. Customers are required to provide three years’ notice to discontinue service under the CS tariffs.

The CDR is available to C/I customers who have at least 200 kW of non-firm demand, above their firm demand level, available for the utility to control. This demand must be demonstrated for at least three out of seven months of the summer Controllable Rating Period (April 1 through October 31). Customers who take service under the CDR agree to have load control equipment installed at their site. A credit of $8.20 is given for each kW of utility-controlled demand. The CDR provides higher credits than the CS tariffs since the customer cedes control of a portion of their demand to FPL. Both tariffs appear to be cost-effective according to our standards.

FPL’s Proposal

FPL is seeking to institute a 30-day notice for existing customers to transfer from the CS tariffs directly to the CDR. FPL’s tariffs do not offer a direct transfer between non-firm service options at this time. Customers currently must terminate service from the CS tariffs with three years’ notice in order to then join the CDR.

Currently, the company provides service to 31 customers under CS tariffs. According to FPL, 16 of those customers have the required demand to qualify for the CDR. Out of those 16, seven customers have expressed interest in a direct transfer from the CS tariffs to the CDR. The credits provided to customers under both tariffs are recovered by the company as Demand-Side Management programs through the Energy Conservation Cost Recovery Clause (ECCR). In the company’s petition, FPL states that the ECCR impact of all 16 eligible customers transferring to the CDR would be 0.0008 cents per kilowatt hour (kWh) or less than $0.01 per 1,000 kWh. These 16 potential transferees would join 526 customers who presently take service under the CDR.

FPL also seeks to close the CS tariffs to new customers. According to FPL, no new customers have opted to take service under the CS tariffs since 2010. It should be noted that this petition will allow CS customers to transfer to any non-firm service option, but the CDR is the only current alternative. FPL will also update Tariff Sheet Nos. 8.542 and 8.545 to correct outdated cross-references.

Upon review of the pleadings and data discussed above, we find that the proposed change is an efficient transfer between Commission-approved, cost-effective programs. FPL’s customers will benefit from higher credits while the company and ratepayers will benefit from improved load control. We further find that the closure of the CS tariffs is reasonable given the lack of new participants since 2010.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Power & Light Company’s Petition for Approval of Curtailable Service Tariff Modifications, as stated in Attachment A, is hereby granted. It is further

ORDERED that if a protest is filed within 21 days of the issuance of this order, the tariff modifications contained in Attachment A shall not go into effect pending resolution of the protest. If no timely protest is filed, this docket shall be closed and the modifications contained in Attachment A shall become effective upon the issuance of a consummating order.

By ORDER of the Florida Public Service Commission this 22nd day of January, 2018.

|  |  |
| --- | --- |
|  | /s/ Hong Wang |
|  | HONG WANG  Chief Deputy Commission Clerk |

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413‑6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SBr

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on February 12, 2018.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

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.























