

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE:

MAY 6, 1999

TO:

DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM:

DIVISION OF ELECTRIC AND GAS (DRAPER)

DIVISION OF LEGAL SERVICES (COLLINS)

RE:

DOCKET NO. 990530-EM - PETITION BY UTILITIES COMMISSION,

CITY OF NEW SMYRNA BEACH, FLORIDA FOR APPROVAL OF GREEN

PRICING RATE SCHEDULE.

AGENDA: 05/18/99 - REGULAR AGENDA - TARIFF FILING - INTERESTED

PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\EAG\WP\990530.RCM

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve the petition for a Green Pricing Rate Schedule by the Utilities Commission of the City of New Smyrna Beach?

RECOMMENDATION: Yes. The proposed Green Pricing Rate Schedule should be approved.

STAFF ANALYSIS: The Utilities Commission of the City of New Smyrna Beach ("Utility Commission") has initiated Pricing/Renewable Energy Program to install photovoltaic (PV) systems on residential and governmental buildings within the Utility Commission's service area. As part of this program, the Utilities Commission filed on April 26, 1999, a petition for approval of its Green Pricing Rate Schedule ("rate schedule"). new rate schedule allows customers from all classes to voluntarily contribute \$5 or \$10 to the Green Fund. The customer simply

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identifies on the monthly bill the amount of the contribution and adds the amount to the regular bill payment. The decision whether to contribute to the Green Fund can be made on a monthly basis. The Green Fund will collect voluntary contributions from the Utility Commission's electric customers which, when combined with available grant money and Utility Commission funds, will allow for the purchase and installation of PV systems in the City of New Smyrna Beach.

The first project to be funded from the Green Fund and from Florida Solar Energy Center subsidies will be a 4 kilowatt PV system at the Coronado Beach Elementary School. The energy produced by the PV installation will be fed into the grid for use of all customers. By installing the first PV system on a school, the City of New Smyrna Beach hopes to provide a training tool for its students and provide exposure for the Volusia County school system.

The objective of the proposed rate schedule is to solicit contributions from electric customers to be used to purchase and install PV systems in the City of New Smyrna Beach. PV systems are currently not cost-effective for the average customer due to the high initial cost. However, with voluntary contributions placed into the Green Fund, the City will be able to acquire and install PV systems on residential and governmental buildings throughout its service area. Staff recommends approval of the Green Pricing Rate Schedule.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If no person whose substantial interests are affected by the Commission's order in this docket timely files a protest within 21 days of the issuance of this order, this docket should be closed.

STAFF ANALYSIS: If no person whose substantial interests are affected by the Commission's order in this docket timely files a protest within 21 days of the issuance of this order, this docket should be closed.