

LILA A. JABER  
CHAIRMAN

STATE OF FLORIDA



CAPITAL CIRCLE OFFICE CENTER  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850  
(850) 413-6044

# Public Service Commission

October 17, 2002

## VIA ELECTRONIC FILING

The Honorable Pat Wood  
Chairman  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

RE: Docket No. RT01-67-000, GridFlorida, LLC  
Docket No. RT01-77-000, Southern Company Services, Inc.  
Docket No. RT01-100-000, Regional Transmission Organizations  
Docket No. RM01-12-000, Electricity Market Design and Structure  
Docket No. EL02-101-000, Cleco Power LLC et. al.

Dear Chairman Wood:

On September 5, 2002, the Florida Public Service Commission (FPSC) forwarded you a copy of our Order No. PSC-02-1199-PAA-EI. This Order contains the FPSC's final determinations specifically approving the structure and governance aspects, the planning and operations aspects, and certain aspects of the rate design and pricing protocols of the proposed GridFlorida Independent System Operator (ISO). It was the FPSC's intent to conduct an evidentiary hearing in late-October, 2002, to evaluate the merits of a market design proposal that includes (1) financial transmission rights for transmission capacity allocation; (2) unbalanced schedules with a voluntary day-ahead market; (3) market clearing prices for balancing energy and congestion management; and (4) sharing of gains on real-time energy sales.

On October 3, 2002, the Florida Office of Public Counsel (OPC) filed a notice of administrative appeal of FPSC Order No. PSC-02-1199-PAA-EI to the Florida Supreme Court. The Florida Rules of Appellate Procedure provide that the timely filing of a notice of appeal shall automatically operate as a stay pending review when the state, any public officer in an official capacity, board, commission or other body seeks review. Therefore, on October 15, 2002, the FPSC abated further proceedings regarding GridFlorida pending disposition of OPC's appeal of our Order.

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It has been and continues to be our intent to contribute to the development of an RTO that satisfies the policy concerns and responsibilities of both the FPSC and the FERC. The FPSC will keep you informed regarding the appeal of our Order.

Sincerely,

/ s /

Lila A. Jaber  
Chairman

LAJ:rsb

cc: Commissioner Linda Key Breathitt  
Commissioner Nora Mead Brownell  
Commissioner William L. Massey  
Daniel L. Larcamp  
Kevin A. Kelly  
Shelton M. Cannon  
Cynthia A. Marlette  
FPSC Commissioners  
Parties of Record in GridFlorida FPSC Docket No. 020233-EI