



Florida Power & Light Company, 215 S. Monroe St., Suite 810, Tallahassee, FL 32301

Jessica Cano  
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Juno Beach, FL 33408-0420  
(561) 304-5226  
(561) 691-7135 (Facsimile)



June 5, 2008

**VIA HAND DELIVERY**

Ms. Ann Cole  
Division of the Commission Clerk and  
Administrative Services  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

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COMMISSION  
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070626  
~~080305~~

Re: Florida Power & Light Company's Petition for Approval of Modifications to  
Green Power Pricing Program; Docket No. \_\_\_\_\_

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are an original and fifteen (15) copies of Florida Power & Light Company's Petition for Approval of Modifications to Green Power Pricing Program, with attachments. Also included is a diskette containing the electronic version of FPL's Petition, without attachments, in word processing format.

Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

Jessica A. Cano

CMP \_\_\_\_\_

COM \_\_\_\_\_

CTR \_\_\_\_\_

ECR 2 + diskette

GCL 2

OPC 1 Enclosures

RCA \_\_\_\_\_

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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Florida Power & Light Company's )  
Petition for Approval of Modifications )  
to its Green Power Pricing Program )

Docket No. 080305

Filed: June 5, 2008

**PETITION FOR APPROVAL OF MODIFICATIONS  
TO FLORIDA POWER & LIGHT COMPANY'S  
GREEN POWER PRICING PROGRAM**

Florida Power & Light Company ("FPL"), pursuant to Section 366.82(2), Florida Statutes,<sup>1</sup> and Rule 28-106.301, Florida Administrative Code, hereby petitions the Florida Public Service Commission ("Commission") for approval of modifications to its Green Power Pricing Program and approval of FPL's Second Revised Sheet No. 8.841, the Green Power Pricing – ECCR Rider. FPL requests that its program modifications and revised tariff sheet become effective as of October 1, 2008. In support of this Petition, FPL states as follows:

1. FPL's address is 9250 West Flagler Street, Miami, FL 33174. Correspondence, notices, orders, and other documents concerning this Petition should be sent to:

Jeffrey S. Bartel  
Vice President, Regulatory Affairs  
Florida Power & Light Company  
215 S. Monroe Street  
Suite 810  
Tallahassee, FL 32301  
Tel: 850-521-3910

R. Wade Litchfield  
Vice President and Associate General Counsel  
Jessica A. Cano  
Attorney  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, FL 33408  
Tel: 561-304-5226

2. FPL is a public utility regulated by the Commission pursuant to Chapter 366, Florida Statutes. FPL is subject to the Florida Energy Efficiency Conservation Act ("FEECA"), Sections 366.80-85, 403.519, Florida Statutes. Pursuant to FEECA, the Commission has approved demand side management ("DSM") goals for FPL, as well as FPL's DSM plans and programs. The Green Power Pricing Program (also referred to as the "Green Power Program" or

<sup>1</sup> All references to "Sections" or a "Chapter" are to the 2007 version of the Florida Statutes.

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“GPP”) is one such program that has been approved by the Commission as part of FPL’s DSM plan. FPL has a substantial interest in modifying its Green Power Pricing Program and tariff sheet as requested in this Petition.

### **Current Program**

3. On November 6, 2006, by Order No. PSC-06-0924-TRF-EI, the Commission approved the current program and the associated tariff, FPL’s First Revised Sheet No. 8.841. It is a voluntary program through which customers purchase Tradeable Renewable Energy Credits (“TRECs”) by making a monthly contribution of \$9.75. TRECs encourage the development of renewable energy resources (“renewables”) by providing an additional revenue stream for renewable energy facility developers. All program revenues and expenses are recorded in FPL’s Energy Conservation Cost Recovery accounts. A more detailed description of FPL’s current program, along with the history of the development and approval of this program is included in Attachment A.

### **Program Modifications**

4. Since the approval of the program, the state-wide interest in the development of new renewables within the state of Florida has continued to grow. *See, e.g.*, Section 366.92, Fla. Stat.; Executive Order No. 07-127; House Bill 7135 (2008). The program has been successful in encouraging investment in renewables and increasing public awareness about renewable energy resources in Florida. However, with some modifications, FPL believes that the program can more strongly promote the development of additional renewable resources. For example, instead of using customer contributions for the purchase of TRECs, FPL proposes to use those funds to develop new renewable generation resources within FPL’s service area and continue the solar development commitments initiated under the current program. Specifically, FPL will construct

a minimum of 25 kilowatts of new renewable generation within a year of reaching each incremental funding level of \$250,000, after accounting for program administration and marketing costs. A detailed description of the modified program is included in Attachment A and a projection of participation and revenues are included in Attachment B, both of which are included herein by reference.

5. The modified program will have the same purposes as the current program -- to increase renewable energy generation in the state of Florida, as well as continue to increase customer awareness of renewable energy options. The modified program will be accomplished through a customer funding mechanism similar to the one that proved to be successful in the past. In fact, the monthly rate currently reflected in FPL's First Revised Tariff Sheet No. 8.841 will remain unchanged. The type of service that will be provided pursuant to that tariff, however, will consist primarily of the development of new renewable generation resources which otherwise might not be built. Accordingly, a revised version of the green pricing tariff is attached hereto in legislative and final format as Attachment C.

6. FPL will continue to use the services of Green Mountain but only for marketing activities related to the modified program. Green Mountain's compensation for those services, exclusive of direct costs, will be based on customer participation in the program. As a result, a much greater proportion of the customer contribution will be used by FPL directly for the development of new renewable generation resources, compared to the amount currently used by Green Mountain for the purchase of TREC's and the development of solar resources under the existing program.

7. FPL will continue to record program revenues and expenditures in the Energy Conservation Cost Recovery accounts. In Order No. PSC-06-0924-TRF-EI, the Commission

authorized FPL to defer revenues not used by FPL for program administration expenses, and use them for other program purposes. The revenues not used to pay for the administration and marketing of the modified program will be directly invested in the development of renewable generation resources. In the event that FPL's expenditures exceed revenues, FPL requests continued authority to recover reasonable and prudent expenditures through FPL's ECCR clause.

8. The modified program – like the current program – will necessarily be cost effective to both participants and non-participants. That is because the modified program will cost non-participants nothing so long as there is an adequate number of participants to cover administrative expenses, and customers that do participate will only do so if they perceive the program benefits to equal or exceed their monthly contributions. Given that interest in renewables continues to rise, FPL fully expects participation rates in excess of what is required to cover administrative expenses.

9. FPL's modified program is consistent with the Legislature's and the Governor's goals of increasing renewable generation within the state, and would help achieve the express goals of FEECA by facilitating the development of cost-effective renewable energy. The modified program's revenues and costs, as well as progress toward construction commitments, will be directly monitored and will yield measurable results. For all the above reasons, the modifications to the Green Power Pricing Program should be approved.

10. If the Commission approves the modifications to the program as described herein, FPL would like to inform the customers currently participating in the program of those modifications prior to the time they go into effect. Additionally, some time is needed to transition administratively to the modified program. Accordingly, FPL requests an effective date of October 1, 2008.

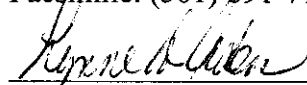
11. FPL is not aware of any contested issues of material fact regarding this Petition.

WHEREFORE, FPL respectfully requests that the Commission approve (i) the modifications to its Green Power Pricing Program as set forth herein and as more fully described in Attachment A, and (ii) its Second Revised Tariff Sheet No. 8.841 in the form attached hereto as Attachment C.

Respectfully submitted this 5th day of June, 2008.

R. Wade Litchfield  
Vice President and Associate General Counsel  
Jessica A. Cano  
Attorney  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, FL 33408  
Tel: (561) 304-5226  
Facsimile: (561) 691-7135

By:

  
\_\_\_\_\_  
Jessica A. Cano

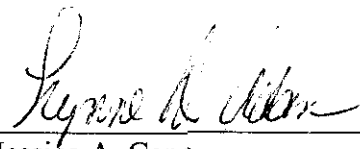
Fla. Bar No. 0037372

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by hand delivery\* or U.S. mail this 5th day of June 2008, to the following:

Michael Cooke\*  
General Counsel  
Office of General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

J. R. Kelly  
Office of the Public Counsel  
c/o The Florida Legislature  
Gerald L. Gunter Building  
111 West Madison Street, Room 812  
Tallahassee, FL 32399-1400

By:   
Jessica A. Cano  
Fla. Bar No. 0037372

## ATTACHMENT A

### Green Power Program Description

#### Background

FPL, with Commission approval, has been promoting the concept of green power since the 1990's. In the 1995 conservation goals and DSM plan approval proceedings, FPL proposed, and the Commission approved, the green pricing concept. FPL's initial research of that concept began in 1996, when FPL proposed a green pricing research project that was ultimately approved by the Commission. It ran for a period of twelve months, and FPL raised over \$89,000 in contributions and installed a 10kW (dc) array of photovoltaic capacity at its Martin plant site.

In the DSM plan review docket following the establishment of FPL's DSM goals in 1999, FPL proposed as part of its DSM Plan a Green Energy Research and Development Program. The Commission approved FPL's DSM Plan, including the Green Energy Research and Development Program, in Order No. PSC-00-0915-PAA-EG, dated May 8, 2000. As part of the Green Power Research and Development Program, FPL conducted market research and other activities to gauge the residential customer interest in and feasibility of offering a green power pricing program. Based upon its investigation, FPL decided to proceed with a Green Power Pricing Research Project (Project) that employed Tradable Renewable Energy Credits (TREC's). This project was approved by the Commission in Order No. PSC-04-0047-CO-EI, dated January 16, 2004.

The Project went to market in November of 2004 as the *Sunshine Energy*® program. When the filing was conducted for that initial Project, the Commission asked

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FPL to evaluate the feasibility of a commercial program, in addition to the residential program. Based upon the results of the Project, FPL proceeded to file for a permanent Green Power Program (GPP or Program) for both residential and business customers in Docket 060577-EI. The permanent program was approved in Order No. PSC-06-0924-TRF-EI, issued on November 6, 2006). (Consummating Order No. PSC-06-0998-CO-EI, issued December 1, 2006).

### **Green Power Pricing Program Results**

The GPP yielded 36,918 residential participants purchasing 36,987 blocks and 266 business participants purchasing 459 blocks as of the end of 2007. The GPP purchased over 952 GWhs of TRECs as of year end 2007 making it the fourth largest renewable energy program in the country.

The revenues exceeded expenses for the research project and the program. From 2004, the first year of the Project, through 2006, expenses were \$5,397,145, with revenues of \$5,701,600, yielding a surplus of \$304,455. The surplus in each year was used to lower the overall ECCR clause costs. As of year-to-date 2008, the cumulative revenue of the GPP was \$5,002,647, with \$4,884,761 cumulative expenses, resulting in \$117,885 excess revenues. Excess revenues were placed in a revenue credit account to be used for construction of new solar facilities or additional marketing efforts.

Solar photovoltaic projects were also built through this Program. Construction of a 250 kW site located at Rothenbach Park in Sarasota was completed in October of 2007. Customers have responded favorably to the construction of solar projects. Four 2 kW solar arrays were also constructed in 2007 at school sites in connection with the State's SunSmart Schools Program. Another 2 kW solar array was constructed at the Miami

Science Museum. The Program also offered to supplement State solar rebates, which resulted in more than 100 kW of solar PV systems installed at customer's residences. Also, the Program, in partnership with a residential home development in Naples (The Quarry), caused homes to be built with a photovoltaic system as a standard feature, resulting in 54 kW.

### **Modified Program Purpose**

The purpose of the modified Program is to further promote the development of renewable energy. By continuing to allow residential and business customers to sign up voluntarily, FPL will foster the development of supplies of renewable energy that might not otherwise be developed.

### **Modified Program Description and Administration**

FPL has proposed a modification to the Green Power Pricing – ECCR Rider for residential and business customers, under which interested residential and business customers may voluntarily pay a premium to assist in the construction of renewable energy assets in Florida. Under the Green Power Pricing – ECCR Rider, residential and business customers may continue to pay a monthly premium of \$9.75 per month to help construct renewable energy assets. The modified Program is similar to the existing Program, with several modifications to reflect a program based on building renewable assets rather than employing Tradeable Renewable Energy Credits.

To construct the renewable energy assets for the modified Program, FPL will enter into contracts with suppliers or customers for the construction of renewable energy generation. FPL may choose to construct the renewable energy assets on FPL owned property or assist the construction of assets at customers' facilities.

The goal of the modified Program is to encourage the development of additional renewable assets in Florida which otherwise might not be built. For purposes of the Program, eligible renewable facilities shall include facilities utilizing biomass fuel, land-fill gas, wind, solar, solar thermal, ocean currents, tides, and other hydrological applications, and other renewable energy sources as identified by FPL.

The monthly premium paid by participating residential and business customers will be designed to cover the cost of the construction of the renewable sites, as well as Program marketing and administration costs. A forecast of Program participation, revenues and expenses is included in Attachment B.

Construction of the new renewable assets will begin as the Program revenues, excluding marketing and administration costs, reach \$250,000. A minimum of 25 kW (or the equivalent) of solar or other renewable generation will be constructed within a year after reaching each incremental level of an additional \$250,000.

FPL may also offer via the modified Program to provide supplemental rebates to possible future State rebates to promote the construction of solar for residential and business applications. This offering would be made as funds become available and will be offered in limited amounts.

The Green Power Program is cost effective to both participating and non-participating customers. If the Program is successful and customer participation continues at levels such that revenues exceed expenses, then non-participating customers will pay nothing. A program that costs non-participating customers nothing is necessarily cost-effective to non-participating customers. As to participating customers, customers will not participate unless they perceive that the total of the benefits they

receive are greater than their monthly premium. Thus, from the standpoint of participating customers, the program is by definition cost-effective.

### **Regulatory Treatment**

FPL proposes to continue to record both revenues and expenses for the Program in its ECCR filings. The Florida Energy Efficiency and Conservation Act encourages the development of renewable energy, and a green pricing program such as this Program is another way by which FPL can promote the development of additional renewable energy. The Commission has previously approved ECCR cost recovery for green pricing efforts. Program expenses will be filed along with other ECCR program expenses as part of the normal ECCR projection and true-up process.

### **Program Monitoring**

The Program will continue to be reflected as a separate program on FPL's ECCR forms, so that revenues and expenses associated with the modified Program will be regularly reported to the Commission. In addition, in its ECCR filings FPL will provide a status report on the Program.

FPL will monitor and maintain records of customers' sign-ups and removals through its reporting system. FPL will also monitor customer responses to various educational and marketing efforts. FPL will also track the total renewable kWh supported by the participating customers.

**ATTACHMENT B**

**Green Power Program Forecast**

<b>Annual Summary</b>	<b>2008 *</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Year-end Participants	33,919	36,325	39,999	44,005	49,110
Program Revenue	\$1,002,340	\$4,051,413	\$4,446,971	\$4,882,641	\$5,428,690
Program Expenses	\$349,534	\$1,966,599	\$2,126,548	\$2,332,651	\$2,645,068
Renewables	\$652,806	\$2,084,814	\$2,320,423	\$2,549,990	\$2,783,622

\* 2008 assumes effective date of revised program of October 1, 2008

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# Attachment C

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## GREEN POWER PRICING - ECCR RIDER

AVAILABLE:

In all territory served by the Company. This Green Power Pricing – ECCR Rider (“Green Power Rider”) is limited to customers receiving service under an Applicable Rate Schedule.

APPLICATION:

~~Applicable, upon request, to Residential Service (RS-1) customers and in conjunction with the Residential Service (RS-1) rate schedule (“Applicable Rate Schedule”). Effective April 1, 2007 the Applicable, upon request, to Rate Schedules under this program will include~~ Customers receiving service under and in conjunction with any of the following rate schedules (“Applicable Rate Schedule”): RS-1, RST-1, GS-1, GST-1, GSCU-1, WIES-1, GSD-1, GSDDT-1, GSLD-1, GSLDT-1, CS-1, CST-1, GSLD-2, GSLDT-2, HLFT, CS-2, CST-2, CS-3, CST-3, GSLD-3, GSLDT-3, CILC-1, SST-1 and ISST-1.

CHARACTER OF SERVICE:

~~Customers requesting service under this rider shall purchase renewable energy credits associated with a 1,000 kWh block of pay a monthly premium to assist in the construction of renewable power resources that generate power produced from: photovoltaic facilities, facilities utilizing biomass fuel, facilities using land-fill gas, facilities using wind, ocean currents, tides and other hydrological applications, and other renewable energy sources (“Green Power Credits”) as approved by the Company. Effective April 1, 2007 Customers can purchase may elect to pay multiple increments of 1,000 kWh blocks premiums.~~

LIMITATION OF SERVICE:

~~Customers requesting service under this rider will be accepted on a first come, first served basis subject to availability of Green Power Credits. If additional Green Power Credits are not available, Customers requesting service under the optional rider may request their name be put on a waiting list until additional Green Power Credits can be secured to serve their request. Any Customer under an Applicable Rate Schedule who has no delinquent balances with the Company is eligible to elect the Green Power Rider. A Customer may terminate participation of the Green Power Rider at any time and may be terminated from the Green Power Rider by the Company if the Customer becomes subject to collection action on this service account. Once a Customer’s participation in the Green Power Rider has been terminated by the Company he/she may not rejoin the Green Power Rider for twelve (12) months following the date of termination. Resale of service is not permitted hereunder.~~

MONTHLY RATE:

Customers taking service under this rider shall pay a \$9.75 monthly charge for each 1,000 kWh block premium in addition to charges applied under the Applicable Rate Schedule. The charge under this rider may be changed in future conservation cost recovery proceedings. All other applicable charges, including, but not limited to the customer charge, base energy charge, base demand charge, fuel cost recovery, capacity cost recovery, conservation cost recovery and environmental cost recovery will be based on the Customer’s otherwise Applicable Rate Schedule. Upon election of the Green Power Rider, the Green Power charge will not be prorated if the billing period is for less than a full month. Upon termination of the Green Power Rider, no Green Power charge will be assessed in the month in which service is terminated if the billing period is for less than a full month.

TERM OF SERVICE:

Not less than one (1) billing period.

SPECIAL PROVISIONS:

A Customer moving from one service address to another may have the Green Power Rider election transferred from the former to the new address.

RULES AND REGULATIONS:

Service under this rider is subject to orders of governmental bodies having jurisdiction and to the currently effective “General Rules and Regulations for Electric Service” on file with the Florida Public Service Commission. In case of conflict between any provisions of this schedule and said “General Rules and Regulations for Electric Service” the provisions of this rider shall apply.

DOCUMENT NUMBER-DATE

Issued by: S. E. Romig, Director, Rates and Tariffs  
Effective: ~~October 24, 2006~~

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## GREEN POWER PRICING - ECCR RIDER

AVAILABLE:

In all territory served by the Company. This Green Power Pricing – ECCR Rider (“Green Power Rider”) is limited to customers receiving service under an Applicable Rate Schedule.

APPLICATION:

Applicable, upon request, to Customers receiving service under and in conjunction with any of the following rate schedules (“Applicable Rate Schedule”): RS-1, RST-1, GS-1, GST-1, GSCU-1, WIES-1, GSD-1, GSDT-1, GSLD-1, GSLDT-1, CS-1, CST-1, GSLD-2, GSLDT-2, HLFT, CS-2, CST-2, CS-3, CST-3, GSLD-3, GSLDT-3, CILC-1, SST-1 and ISST-1.

CHARACTER OF SERVICE:

Customers requesting service under this rider shall pay a monthly premium to assist in the construction of renewable power resources that generate power produced from: photovoltaic facilities, facilities utilizing biomass fuel, facilities using land-fill gas, facilities using wind, ocean currents, tides and other hydrological applications, and other renewable energy sources as approved by the Company. Customers may elect to pay multiple premiums.

LIMITATION OF SERVICE:

Any Customer under an Applicable Rate Schedule who has no delinquent balances with the Company is eligible to elect the Green Power Rider. A Customer may terminate participation of the Green Power Rider at any time and may be terminated from the Green Power Rider by the Company if the Customer becomes subject to collection action on this service account. Once a Customer’s participation in the Green Power Rider has been terminated by the Company he/she may not rejoin the Green Power Rider for twelve (12) months following the date of termination.

MONTHLY RATE:

Customers taking service under this rider shall pay a \$9.75 monthly premium in addition to charges applied under the Applicable Rate Schedule. The charge under this rider may be changed in future conservation cost recovery proceedings. All other applicable charges, including, but not limited to the customer charge, base energy charge, base demand charge, fuel cost recovery, capacity cost recovery, conservation cost recovery and environmental cost recovery will be based on the Customer’s otherwise Applicable Rate Schedule. Upon election of the Green Power Rider, the Green Power charge will not be prorated if the billing period is for less than a full month. Upon termination of the Green Power Rider, no Green Power charge will be assessed in the month in which service is terminated if the billing period is for less than a full month.

TERM OF SERVICE:

Not less than one (1) billing period.

SPECIAL PROVISIONS:

A Customer moving from one service address to another may have the Green Power Rider election transferred from the former to the new address.

RULES AND REGULATIONS:

Service under this rider is subject to orders of governmental bodies having jurisdiction and to the currently effective “General Rules and Regulations for Electric Service” on file with the Florida Public Service Commission. In case of conflict between any provisions of this schedule and said “General Rules and Regulations for Electric Service” the provisions of this rider shall apply.