## **State of Florida**



# Hublic 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, 2010
- TO: Office of Commission Clerk (Cole)
- FROM: Division of Regulatory Analysis (Ellis, S. Brown) 583 777 Office of the General Counsel (M. Brown, Tan) 715 M MCB LLT
- **RE:** Docket No. 100164-EQ Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities or small qualifying facilities and approval of revised tariff schedule REF-1, by Gulf Power Company.

Docket No. 100167-EI – Petition for approval of revisions to standard offer contract and rate schedules COG-1 and COG-2, by Tampa Electric Company.

Docket No. 100168-EI – Petition for approval of amended standard offer contract, by Progress Energy Florida.

Docket No. 100169-EI – Petition for approval of a renewable energy tariff and standard offer contract, by Florida Power & Light Company.

AGENDA: 05/18/10 – Regular Agenda – Tariff Suspension– Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

- PREHEARING OFFICER: Administrative
- CRITICAL DATES: 5/28/10 (60-Day Suspension Date)
- SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\RAD\WP\100167.RCM.05.18.10DOC

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### **Case Background**

On February 22, 2007, the Commission adopted amendments to Rule 25-17.0832, Florida Administrative Code, and new Rules 25-17.200-25-17.310, Florida Administrative Code, relating to renewable generating facilities. The new rules require each investor-owned utility (IOU) to file with the Commission by April 1 of each year a standard offer contract for the purchase of firm capacity and energy from renewable generating facilities and small qualifying facilities with a design capacity of 100 kW or less. Gulf Power Company (Gulf), Tampa Electric Company (TECO), Progress Energy Florida, Inc. (PEF), and Florida Power & Light Company (FPL) have filed the required standard offer contracts. The Commission has jurisdiction over these contracts under Section 366.04 and 366.91, Florida Statutes.

#### **Discussion of Issues**

**Issue 1**: Should the Commission suspend the revised standard offer tariffs filed by Gulf Power Company, Tampa Electric Company, Progress Energy Florida, and Florida Power & Light Company?

#### Recommendation: Yes. (Ellis, S. Brown)

<u>Staff Analysis</u>: Pursuant to Rule 25.17.250, Florida Administrative Code, Gulf, TECO, PEF, and FPL filed for revisions to their respective Standard Offer Contracts on April 1, 2010. Staff is recommending that the proposed tariffs be suspended to allow staff sufficient time to review the petitions and gather all pertinent information in order to present the Commission an informed recommendation on the tariff proposals.

Pursuant to Section 366.06(3), Florida Statutes, the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such increase a reason or written statement of good cause for doing so within 60 days. Staff believes the reason stated above is good cause consistent with the requirement of Section 366.06(3), Florida Statutes.

Docket Nos. 100164-EQ, 100167-EI, 100168-EI, 100169-EI Date: May 6, 2010

Issue 2: Should these dockets be closed?

**<u>Recommendation</u>**: No. If the Commission approves Issue 1, these dockets should remain open to allow staff adequate time to review the filings and bring a recommendation back to the Commission on the merits of the filings. (M. Brown, Tan)

<u>Staff Analysis</u>: If the Commission approves Issue 1, these dockets should remain open to allow staff adequate time to review the filings and bring a recommendation back to the Commission on the merits of the filings.