

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Approval of )	DOCKET NO. 900958-EQ
Incentive Rider for delivery of )	ORDER NO. 23999
as-available Energy From Qualifying) )	ISSUED: 1-17-91
Facilities by Florida Power )	
& Light. )	
_____ )	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 FRANK S. MESSERSMITH

ORDER AUTHORIZING OF INCENTIVE PAYMENTS

BY THE COMMISSION:

Florida Power and Light (FPL) petitioned to offer Qualifying Facilities (QF's) who sell as-available energy an incentive to commit capacity during times of a generation capacity alert. The incentive is a \$2.71/MWH payment. The incentive payment shall be paid only for those hours when (1) the QF committed a certain amount of capacity during the capacity generation alert, and (2) the QF actually delivered the committed capacity.

As a result of these incentive payments, we find FPL shall receive operational benefits as system operators can now better schedule for emergency purchases or load reduction measures if needed. We also find FPL shall benefit from the ability to obtain additional assurances from QF's during 1991, when FPL's Turkey Point nuclear plant will be off-line.

Because the QF's are committing capacity, even though for a short period of time, FPL's proposed incentives are really capacity payments to the QF's, and capacity payments are not permitted under our current Rules 25-17.080 through 25-17.091, Florida Administrative Code, which govern the purchase of as-available energy. However, we find that if FPL files a separate tariff labeled "Payments for Purchases of Power During Generation Capacity Alerts," the incentive payment is permissible under our rules governing the purchase of "firm" capacity and energy. This separate tariff governing the incentive payments shall not be a rider to FPL's Co-Generator 1 Tariff. We find the separate tariff shall be effective when it is filed, as long as there are no extraordinary changes made to the language originally provided by FPL.

DOCUMENT NUMBER-DATE

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The effective date for the proposed incentive shall end December 31, 1991. Within sixty days after the termination of the effective date, FPL shall file a report with this Commission which shall identify (1) the number of times FPL invoked the incentive, (2) the amount of as-available energy FPL used during each instance, with the figure confirmed by the applicable QF owner/operator, and (3) whether the results of the implementation of this incentive warrants an extension or reinstatement of the program in the future.

Accordingly, it is

ORDERED by the Florida Public Service Commission that Florida Power & Light's petition to offer incentive payments of \$2.71/MWH to Qualifying Facilities during times of generation capacity alert shall be approved, with the effective period ending December 31, 1991. It is further

ORDERED that these payments shall be filed under a separate tariff labeled "Payments for Purchases of Power During Generation Capacity Alerts." It is further

ORDERED that Florida Power & Light shall file the above specified report within 60 days after the termination of the effective date. It is further

ORDERED that this Order shall become final unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission, this 17th day of JANUARY, 1991.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )  
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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

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 action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on February 7, 1991.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

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.

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.