

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for Approval of ) DOCKET NO. 921200-EQ  
Interconnection Agreement with ) ORDER NO. PSC-93-0265-FOF-EQ  
Lee County Resource Recovery ) ISSUED: 02/22/93  
Facility by Florida Power and )  
Light Company )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
THOMAS M. BEARD  
SUSAN F. CLARK  
JULIA L. JOHNSON  
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING INTERCONNECTION AGREEMENT

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On October 20, 1992, we approved Florida Power & Light Company's (FPL) petition for approval of a negotiated cogeneration contract for as-available energy with Lee County (Order No. PSC-92-1188-FOF-EQ, Docket No. 920880-EQ). Lee County's 39.7 MW resource recovery facility, scheduled to be completed and placed into service by 1995, is a qualifying facility (QF) pursuant to the Federal Energy Regulatory Commission (FERC) guidelines. FPL now petitions the Commission for approval of the separately negotiated interconnection agreement with Lee County, which was signed on October 29, 1992.

Pursuant to the signed interconnection agreement, Lee County will bear all expenses for expansion and modification of FPL's existing Buckingham substation necessary to facilitate the interconnection. FPL will also design, construct, and own, at Lee County's expense, a switching station (known as Lazy Acres) to be located adjacent to Lee County's plant and a 138 kV transmission line connecting the Lazy Acres switching station to FPL's electric

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system at the Buckingham substation. Pursuant to the agreement, Lee County will design and construct all required transmission access roads and obtain all permits necessary to construct, operate, and maintain the transmission line facilities.

At the expiration of the interconnection agreement, FPL has the option to remove the switching station, substation, and transmission facilities and reconfigure its electric system at Lee County's expense, or retain the facilities and assume all future cost responsibilities.

In addition to general interconnection provisions, the agreement contains the following terms and conditions:

**1. Transfer of Land for Lazy Acres switching station and transmission facilities**

Lee County will transfer to FPL easement rights to property that is necessary for constructing, operating, and maintaining the Lazy Acres switching station and the transmission facilities.

**2. Cost of Interconnection**

FPL has estimated that the cost of interconnecting Lee County's solid waste facility to FPL's system will be approximately \$5.5 million. This estimate includes all substation and transmission line upgrades necessary to accommodate the interconnection.

**3. Assessment of a Regulation Service Charge against Lee County**

Because Lee County's generator will be synchronized with FPL's system, any instantaneous increase or decrease in electrical output from Lee County's units will automatically cause an opposite compensating adjustment in the output of FPL's generators. Thus, FPL will provide Lee County with regulation service to compensate (regulate) for all deviations in the electrical output of Lee County's facility. Regulation swing is the difference between the highest and lowest instantaneous demand (measured in Kw) received and recorded by FPL during each hour, and FPL's regulation service will offset this swing. FPL's Regulation Service Charge is based on FPL's actual cost of generation to respond to real-time fluctuations in the output of Lee County's facility.

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FPL's assessment of a Regulation Service Charge in the Lee County interconnection agreement is similar to its assessment for regulation service to Georgia-Pacific under the terms of an interconnection agreement that we approved in Order No. PSC-92-0790-FOF-EQ, Docket No. 920582-EQ, issued on August 19, 1992. In that order we did not intend to imply that we would automatically approve a regulation service assessment fee. Under some circumstances a regulation service assessment fee may not be appropriate. We do think that the fee is appropriate in this agreement.

The terms set forth in the interconnection agreement comply with our interconnection rules, and they do not adversely affect FPL's system reliability or its costs of providing electric service to its ratepayers. We therefore approve the agreement in its entirety. It is, therefore,

ORDERED that the Petition for Approval of Interconnection Agreement with Lee County Resource Recovery Facility by Florida Power and Light Company is granted. It is further

ORDERED that if no substantially affected person files a timely request for a hearing within 21 days of the issuance of this order, the Interconnection Agreement between FPL and Lee County will be effective, and this docket shall be closed.

By ORDER of the Florida Public Service Commission this 22nd day of February, 1993.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

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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 action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), 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 March 15, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 and effective 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 wastewater 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 effective date of this order, 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.