

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to extend) DOCKET NO. 950188-EG
Conservation Research &) ORDER NO. PSC-95-0537-FOF-EG
Development Program by Florida) ISSUED: April 28, 1995
Power & Light Company.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING EXTENSION OF TIME

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 substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Florida Power & Light Company (FPL) is an investor-owned utility subject to the Florida Efficiency and Conservation Act (FEECA) and its Energy Conservation Cost Recovery (ECCR) Clause.

On February 12, 1990, FPL filed its original Demand Side Management Plan (DSM) which contained programs ready for implementation and program concepts that were being investigated by the company to see if they could be developed into cost-effective programs for the future. On June 12, 1990, FPL filed a petition for approval of its Conservation Research and Development Program (CRD) in order to enable the company to continue research to develop new cost-effective conservation programs. By Order No. 23560, issued October 2, 1990, the Commission approved FPL's CRD Program and allowed for funding of the program for the three year period from 1990 through 1992.

By Order No. PSC 92-1115-FOF-EG, issued October 5, 1992, the Commission extended the CRD program from October 1992 through September 1995, and approved annual expenditure caps of \$800,000

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plus unspent balances from prior years and a three year cap of \$2,400,000. Subsequently, by Order No. PSC-93-1018-FOF-EG, issued July 12, 1993, the Commission approved FPL's request to increase the expenditure cap for the year October 1992 through September 1993 from \$800,000 to \$1,200,000 but kept the three year cap of \$2,400,000.

FPL recently filed a petition requesting Commission approval of a modified DSM Plan, assigned Docket No. 941170-EG. As part of the plan, FPL seeks continuation of the CRD Program for the three years beginning January 1, 1996. On February 16, 1995, FPL filed a petition to extend the present Conservation Research & Development Program from October 1, 1995 through December 31, 1995. This is the three month interval between the end of the present CRD program and the start of the proposed three year funding beginning January 1, 1996. Further, FPL requested an additional \$300,000 for the period and an increase in the expenditure cap for the period to \$1,100,000.

By amended petition filed on March 16, 1995, FPL reiterated its request to extend the time but withdrew its request for additional funds for the program and an increase in the expenditure cap. Previously, in Docket No. 950002-EG, at the annual ECCR true-up hearing held March 8 and 9, 1995, FPL had stipulated not to charge preliminary Real Time Pricing Research to CRD. Accordingly, the company advised that additional funds were no longer needed and that Energy Conservation Cost Recovery Clause (ECCR) funding for the period should remain at the \$2,400,000 limit previously approved in Order No. PSC-93-1018-FOF-EG.

The CRD is an umbrella program for research and development evaluating a wide variety of potentially promising demand side measures for possible future program development and approval through the ECCR clause. FPL states and we agree that the CRD Program has worked well and is serving it's customers by providing a vehicle for the Company to stay abreast of emerging conservation technologies and taking cost-effective technologies and developing them into DSM programs. Many of FPL's existing conservation programs were developed through the CRD Program, and numerous technologies are presently under consideration.

No cost-effectiveness tests were performed for this program. Because of the research nature of the program, no direct demand or energy reductions are quantifiable. However, this program does advance the policy objectives of FEECA through the development of demand side measures.

We recognize that FPL is requesting this three month extension of the CRD program to cover the time gap between the presently funded CRD program and FPL's proposed modified DSM Plan which seeks to continue the CRD program for three years beginning January 1, 1996. The Commission will address the modified DSM Plan at the May 15, 1995 Agenda Conference. In the meantime, we find that it is appropriate to extend the current CRD program for the three months ending December 31, 1995, without any additional funding. FPL shall be allowed to recover reasonable and prudent expenditures up to the limits previously discussed for the CRD program beginning October 1, 1992 and ending September 30, 1995.

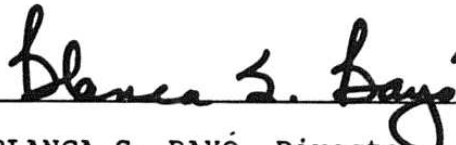
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Power & Light Company's Petition to Extend Conservation and Research Development Program through December 31, 1995 is granted. It is further

ORDERED that by virtue of the Energy Conservation Cost Recovery Clause, Florida Power & Light Company shall be allowed to recover reasonable and prudent expenditures up to \$2,400,000 for the period October 31, 1992 through December 31, 1995. It is further

ORDERED that this Order shall become final and effective and this docket shall be closed unless an appropriate petition for formal proceedings 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 28th day of April, 1995.



BLANCA S. BAYÓ, 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, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 19, 1995.

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 substantially 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.