

MEMORANDUM

DECEMBER 7, 1998

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RECORDS AND REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (JAYE) *used for RVE*

RE: DOCKET NO. 981255-EG - PETITION FOR EXTENSION OF CONSERVATION RESEARCH AND DEVELOPMENT (CRD) PROGRAM BY FLORIDA POWER & LIGHT COMPANY

98-1609-FOF-EG

Attached is a NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING EXTENSION OF CONSERVATION RESEARCH AND DEVELOPMENT PROGRAM BY FLORIDA POWER & LIGHT COMPANY to be issued in the above-referenced docket. (Number of pages in order - 4)

GAJ/js *js*
Attachment
cc: Division of Electric and Gas (Harlow)
I:981255or.gaj

2/0

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for extension of
Conservation Research and
Development (CRD) Program by
Florida Power & Light Company.

DOCKET NO. 981255-EG
ORDER NO. PSC-98-1609-FOF-EG
ISSUED: December 2, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING EXTENSION OF CONSERVATION RESEARCH AND
DEVELOPMENT PROGRAM BY FLORIDA POWER & LIGHT COMPANY

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.

On October 2, 1990, the Commission issued Order No. 23560 in Docket No. 900091, approving Florida Power & Light Company's (FPL) Conservation Research and Development Program as part of FPL's Demand Side Management (DSM) Plan for the 1990's. The Conservation Research and Development Program is an umbrella program under which a wide variety of potentially promising demand side measures are evaluated for possible future development.

On June 9, 1995, the Commission issued Order No. PSC-95-0691-FOF-EG in Docket No. 941170-EG which approved FPL's current DSM Plan. The plan included the modified Conservation Research and Development Program. The Commission ordered that FPL's expenditures for the program be capped at \$3,600,000, ending in December, 1998.

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On October 2, 1998, FPL petitioned the Commission to extend the Conservation Research and Development Program beyond December, 1998, until a new DSM Plan is approved. FPL has also requested recovery of reasonable and prudent expenditures for the program through the Energy Conservation Cost Recovery Clause. FPL has not requested recovery of expenditures beyond the approved \$3,600,000 cap.

The Conservation Research and Development Program has resulted in many of the DSM programs which are currently offered by FPL or have been offered in the past, including:

- Commercial/Industrial Off-Peak Battery Program
- Commercial/Industrial Building Envelope Program
- Buildsmart
- Commercial/Industrial Air Conditioner Program
- Commercial/Industrial Lighting Program
- Commercial/Industrial Efficient Motors Program

The program has also led to the development of several more specific DSM research and development programs, including:

- New Home Construction Research Project
- Commercial/Industrial New Construction
- Daylight Dimming Research Project
- Demand Load Control Research Project
- Cool Communities
- Commercial/Industrial Dehumidification Project

A number of technologies have also been examined that did not warrant a program. FPL has developed technical briefs on these technologies that are distributed to customers upon request.

The program was originally approved through December, 1998. However, FPL has requested that the program be extended until we approve a new DSM Plan for FPL. According to FPL, as of September, 1998, total actual expenditures in the program have been \$352,741. The total Commission-approved budget for the program is \$3,600,000. FPL has not requested recovery of expenditures in excess of \$3,600,000 through the ECCR clause.

Upon consideration, we will grant FPL's petition to extend its Conservation Research and Development Program until we approve FPL's new DSM Plan. We do so because: (1) the program provides a vehicle for the company to stay abreast of emerging conservation

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technologies; (2) no additional costs beyond the already approved \$3,600,000 are being requested for recovery; and, (3) approving additional time for the project will allow FPL to complete the evaluation of several additional technologies.


Based upon the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that Florida Power & Light Company's Petition for Extension of Conservation Research and Development Program is approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission this 2nd day of December, 1998.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

GAJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 23, 1998.

In the absence of such a petition, this order shall become effective 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 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.