

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power
& Light Company for extension of
Experimental Real Time Pricing
Rate, Rate Schedule RTP-GX,
through December 2000.

DOCKET NO.. 981356-EG
ORDER NO. PSC-99-0058-FOF-EG
ISSUED: January 6, 1999

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.

ORDER APPROVING EXTENSION OF
REAL TIME PRICING TARIFF RATE SCHEDULE RTP-GX

BY THE COMMISSION:

Pursuant to Order No. PSC-94-1232-FOF-EG, issued October 11, 1994, Docket No. 940423-EG, (Order) Florida Power and Light Company (FPL) received approval for its Real Time Pricing Rate Schedule (RTP-GX). The rate was approved on an experimental basis to become effective on February 1, 1995, and to end on December 31, 1998, when the customers on the rate are required to return to their otherwise applicable rate schedule. On October 19, 1998, FPL filed a petition to extend the availability of the RTP-GX rate through December 2000. This order addresses that petition.

We approve FPL's petition to extend the effective date of its Experimental Real Time Pricing rate schedule to December 2000 by amending Tariff Sheets Nos. 8.620 and 8.624.

The RTP-GX rate was approved in October, 1994, on an experimental basis. The rate became effective on February 1, 1995, and was scheduled to expire on December 31, 1998. The RTP-GX rate is designed to gauge customer reaction to hourly price signals. The purpose of the RTP-GX rate is to encourage customers to shift their usage of electricity from high-cost hours to lower-cost hours by providing price signals which better reflect system costs

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throughout the day. Under the rate, FPL transmits to customers by 4:00 p.m. a set of 24 hourly prices that will be in effect for the following day beginning at midnight. Customers then have the opportunity to adjust their usage to take advantage of lower cost hours.

The rate as originally approved was available to firm customers whose maximum monthly demands exceeded 1,500 Kilowatts (kW). In November 1995, FPL petitioned the Commission to modify the rate to lower the minimum required monthly demand to 1,000 kW, due to its inability to attract a sufficient number of participants in the experiment. At the time FPL petitioned for the change, there were only four RTP-GX customers. By the end of 1996, there were 39 RTP-GX customers. As of September 30, 1998, there were 42 customers. Participation in the experiment is limited to a maximum of 50 customers.

FPL asserts that since the end of 1996, when it secured an adequate number of customers for a meaningful experiment, it has not experienced sufficient extreme load conditions on its system to allow it to gather data to measure customer responses to the hourly prices under the RTP-GX rate. Citing the lack of extreme load conditions and the delay in signing up a sufficient number of customers, FPL is requesting that the RTP-GX rate be extended to the end of calendar year 2000 to allow collection of sufficient data for a meaningful experiment.

It is reasonable to extend the availability of the RTP-GX rate schedule through the end of 2000, provided that FPL continues to comply with the requirements of the Order. In that Order, FPL was required to file with the Commission quarterly reports of all costs incurred during the RTP-GX experiment, and their impact on FPL's return on equity. In addition, FPL was precluded from seeking recovery of the Marginal Reliability Cost Transactions and Marginal Recovery Transactions costs incurred while the RTP-GX experiment is in effect. These costs represent the revenue differences between standard and RTP-GX rates, and they are reported "below the line" for purposes of the surveillance report. We approve the revision of Tariff Sheets Nos. 8.620 and 8.624 to extend the RTP-GX rate through the end of 2000. The effective date for the revised tariffs is December 18, 1998.

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Based on the foregoing, it is

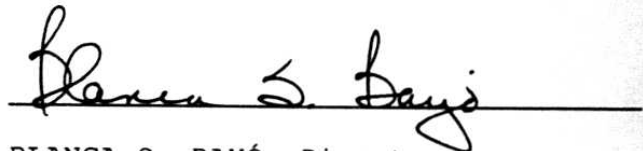
ORDERED by the Florida Public Service Commission that Florida Power & Light Company's petition to revise Tariff Sheets Nos. 8.620 and 8.624 to extend the Real Time Pricing Rate Schedule RTP-GX to terminate on December 31, 2000, is approved. It is further

ORDERED that the effective date of the revised tariffs is December 18, 1998. It is further

ORDERED that if a protest is filed in accordance with the requirement set forth below, the tariff shall remain in effect with any increase in revenues held subject to refund pending resolution of the protest. It is further

ORDERED that if no protest is filed in accordance with the requirements set forth below, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 6th day of January, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

LJP

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

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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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files 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 January 27, 1999.

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 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 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.