

**Steel Hector & Davis**

Tallahassee, Florida

Charles A. Guyton  
(904) 222-3423

January 9, 1996

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FILE COPY

**BY HAND DELIVERY**

Blanca S. Bayó, Director  
Division of Records and Reporting  
Florida Public Service Commission  
4075 Esplanade Way, Room 110  
Tallahassee, Florida 32399-0850

960041-EG

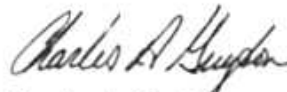
Re: Florida Power & Light Company  
Gas Engine Driven Chiller Research Project Modification

Dear Ms Bayó:

Enclosed for filing on behalf of Florida Power & Light Company are the original and fifteen copies of the Petition For Modification Of Florida Power & Light Company's Gas Engine Driven Chiller Research Project.

If you or your staff have any questions regarding this transmittal, please contact me at 222-2300.

Very truly yours,



Charles A. Guyton  
Attorney for Florida Power  
& Light Company

cag

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enc

MS  
DIVISION OF RECORDS

Tallahassee Office  
215 South Monroe  
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DOCUMENT NUMBER-DATE

00297 JAN-96

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West Palm Beach, FL 33401-6198  
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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In RE: Petition for Modification of )  
Florida Power & Light Company's )  
Gas Engine Driven Chiller Research )  
Project )

Docket No. 960091-EG  
Filed: January 9, 1996

PETITION FOR MODIFICATION OF  
FLORIDA POWER & LIGHT COMPANY'S  
GAS ENGINE DRIVEN CHILLER RESEARCH PROJECT

Florida Power & Light Company ("FPL"), pursuant to Section 366.82, Florida Statutes (1995) and Commission Order No. PSC-95-1343-S-EG approving a stipulation between FPL and Peoples Gas System, Inc. ("Peoples"), hereby petitions the Florida Public Service Commission ("Commission"): (1) to modify FPL's Gas Engine Driven Chiller Research Project by deleting the requirement that one of the sites to be selected incorporate a waste heat recovery process and (2) to authorize FPL to recover through its Energy Conservation Cost Recovery ("ECCR") Clause reasonable and prudent expenditures associated with FPL's modified Gas Engine Driven Chiller Research Project. In support of this petition FPL states:

1. FPL is an investor-owned electric utility regulated by the Commission pursuant to Chapter 366, Florida Statutes. FPL is subject to the Florida Energy Efficiency Conservation Act ("FEECA"), and its ECCR clause is subject to the Commission's jurisdiction. Pursuant to FEECA and the Commission rules implementing FEECA, FPL has an approved DSM plan. See, Order Nos. PSC-95-0691-FOF-EG, PSC-95-1343-S-EG, and PSC-95-1343A-S-EG. FPL also has an approved Gas Research and Development Plan. See, Order No. 95-1146-FOF-EG. FPL

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FPSC-RECORDS/REPORTING

has a substantial interest in research conducted pursuant to its approved Gas R&D Plan and the recovery through its ECCR clause of related expenditures.

2. FPL's address is 9250 West Flagler Street, Miami, Florida 33174.

Correspondence, notices, orders, motions and other documents concerning this proceeding should be sent to:

Charles A. Guyton  
Steel Hector & Davis  
Suite 601  
215 S. Monroe St.,  
Tallahassee, Florida 32301

William G. Walker  
Vice President, Regulatory Affairs  
Florida Power & Light Company  
9250 West Flagler Street  
Miami, Florida 33174

3. In Order No. PSC-95-1146-FOF-EG, the Commission approved for FPL a Gas Research and Development Plan. The plan contained five individual research and development projects and was filed pursuant to Order No. PSC-94-1313-FOF-EG.

4. Among the five individual research projects included in FPL's Gas R&D Plan was the Gas Engine Driven Chiller Research Project. The Gas Engine Driven Chiller Research Project is a commercial/industrial project intended to determine the actual operating characteristics and cost-effectiveness of natural gas engine driven chillers in FPL's service territory. Anticipated project duration is 42 months with projected expenditures between \$220,000 and \$ 1,140,000 depending upon whether new or used chillers are employed for the two planned sites.

5. Although FPL did not originally propose that any of the gas engine driven chiller sites include a waste heat recovery system, the Commission Staff recommended, FPL agreed,

and the Commission required that one of the gas engine driven chiller sites to be used by FPL include a waste heat recovery system. See, Order No. 95-1146-FOF-EG.

6. In Order No. PSC-95-1343-S-EG the Commission approved a stipulation between FPL and Peoples resolving Peoples protests to FPL's DSM Plan. In that stipulation FPL agreed, among other things:

to seek revision of its Gas Engine Driven Chiller Research Project to remove heat recovery requirements so that gas engine-driven chillers with heat recovery would not be an application FPL is actively researching and could be eligible for FPL's BCI patterned gas research and development project....

The purpose of this petition is to honor that stipulation with Peoples.

7. There are several reasons the Gas Engine Driven Chiller Research Project should be modified to delete the requirement that one of the sites include a waste heat recovery system. First, it is consistent with the Commission's prior approval of the stipulation between FPL and Peoples. Second, deletion of the requirement would take gas engine driven chiller with a heat recovery system out of the category of applications FPL is actively researching and make them eligible for FPL's Gas Commercial/Industrial Business Custom Incentive ("Gas BCI") Research Project. The Gas Commercial/Industrial BCI Research Project was also agreed to in the FPL/Peoples stipulation, and FPL is seeking approval of that research project. As filed the Gas Commercial/Industrial Business Custom Incentive Research Project will not limit to one application (as does the current Gas Engine Driven Chiller Research Project) gas engine driven chillers with heat recovery systems that may be employed. Third, heat recovery systems are site

specific and the results of monitoring any one site are not likely to be readily transferable. Fourth, by removing the heat recovery system requirement, the Commission will increase the likelihood of FPL being able to use an existing gas engine-driven chiller site, thereby reducing research project costs as urged by the Commission.

8. As modified FPL's Gas Engine Driven Chiller Research Project would still be designed to help achieve the goals set forth in FEECA and Florida Administrative Code Rule 25-17.001. If FPL is able to identify as a result of the research efforts outlined in the Gas Engine Driven Research Project cost-effective, achievable potential for gas engine driven chillers, FPL will be able to cost-effectively reduce the growth rate of weather sensitive peak demand and reduce and control the growth rate of energy consumption. The Gas Engine Driven Research Project is necessary to determine cost-effectiveness of gas engine driven chillers on FPL's system based upon Florida-specific data. Cost-effectiveness calculations will be performed using the Commission's cost-effectiveness methodology.

9. As modified, FPL's Gas Engine Driven Chiller Research Project is reasonably monitorable and will be monitored as previously set forth and approved in FPL's Gas R&D Plan.

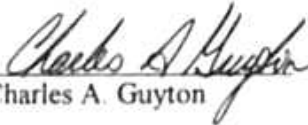
10. FPL is not aware of any disputed issues of material facts. FPL's modified Gas Engine Driven Research Project should be approved and incorporated into FPL's approved DSM Plan, and the Commission should authorize recovery of the reasonable and prudent expenditures for FPL's modified Gas Engine Driven Chiller Research Project.

**WHEREFORE,** FPL respectfully requests that the Commission: (1) approve FPL's modified Gas Engine Driven Chiller Research Project and incorporate it as part of FPL's

approved DSM Plan, and (2) authorize the recovery through FPL's ECCR clause of the reasonable and prudent expenditures for FPL's modified Gas Engine Driven Chiller Research Project.

Respectfully submitted,

STEEL HECTOR & DAVIS  
215 South Monroe Street  
Suite 601  
Tallahassee, Florida 323012  
(904) 222-2300

By:   
Charles A. Guyton

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 9th day of January, 1996 a copy of the Petition For Modification of Florida Power & Light Company's Gas Engine Driven Chiller Research Project was served upon the following people by First Class United States Mail or hand delivery(\*):

Robert Elias, Esq.\*  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Robert Scheffel Wright, Esq.  
Landers & Parsons  
310 West College Avenue  
Third Floor  
Tallahassee, Florida 32301

Jack Shreve, Esq.  
John Roger Howe, Esq.  
Office of Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, Florida 32399-1400

By:   
Charles A. Guyton