

RICHARD A. ZAMBO, P.A.

ATTORNEYS AND COUNSELLORS
598 S.W. HIDDEN RIVER AVENUE
PALM CITY, FLORIDA 34990
Telephone (561) 220-9163
FAX (561) 220-9402

COPY

REGISTERED PROFESSIONAL ENGINEER
REGISTERED PATENT ATTORNEY

COGENERATION & ALTERNATIVE ENERGY
ENERGY REGULATORY LAW

June 2, 1997

Ms. Blanca S. Bayó, Director
Division of Records & Reporting
Florida Public Service Commission
Capitol Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Allocation of Demand Side Management Costs
FPSC Docket No. 970046-EI

Dear Ms. Bayó:

Enclosed for filing in the above Docket, please find an original and 15 copies of the response of the Florida Industrial Cogeneration Association to inquiries of Staff. Also enclosed is a double-sided high density 3.5 inch floppy disk containing this document in WordPerfect 5.1 format as prepared on a MS-DOS based computer.

If you have any questions or require anything further, please contact this office immediately. Thank you for your assistance in this matter.

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Sincerely,

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FPSC BUREAU OF RECORDS

Richard A. Zambo
Florida Bar No. 0312525

cc: Leslie J. Paugh, Esquire w/enc.
Mark Futrell w/enc.

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relating to who should pay for such programs are also likely to become moot (or at the very least, subject to new policy constraints) as energy suppliers (including deregulated utilities), consumers, policy makers and regulators adapt to the competitive market.

In light of these and other factors, FICA respectfully suggests that rather than proceed with the instant Docket as noticed, the Commission should consider an alternative course of action. More specifically, the Commission should direct additional time and resources to the further identification, analysis, and potential resolution of the many issues that Florida will face if Congress mandates nationwide retail competition in the electric utility industry. Unless Florida is adequately prepared to deal with the substantial changes and adaptations which will likely be necessary, the State's jurisdiction over such matters could be preempted by Federal action and jurisdiction. Following up on last year's PURC energy forum series, and the Commission's recent initiative in organizing its Electric Industry Work Group, FICA urges the Commission to assume an even greater role in the deregulation debate by initiating the "cooperative" development of basic, comprehensive deregulation principals (as has been done in a number of other states as well as by the American Legislative Exchange Council (ALEC)) based on input from all stakeholders. This would bring the Commission's resources to bear on what is certainly one of the most significant issue facing the electric utility industry and electric consumers today.

We appreciate the opportunity to submit these comments, and hope they will be useful to you. If you have questions or would like to discuss this matter please do not hesitate to call. We apologize for the delay in providing this response, which was due in part to our internal approval processes.

Respectfully Submitted,



Richard A. Zambo
Attorney for FICA
Florida Bar No. 0312525

RAZ/sn

xc: Leslie J. Paugh, Esquire
Mark Futrell