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April 22, 1998

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

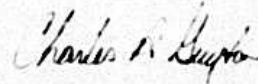
**By Hand Delivery**

**Re: Green Pricing Quarterly Report  
Docket No. 960624-EG**

Dear Ms. Bayó

Enclosed for filing on behalf of Florida Power & Light Company (FPL) are the original and fifteen (15) copies of Florida Power & Light Company's Green Pricing Research and Development Project Third Quarterly Report. The report covers the first quarter of 1998. If you or your Staff have any questions regarding this filing, please contact me.

Very truly yours,



Charles A. Guyton

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ORIGINAL

**FLORIDA POWER & LIGHT COMPANY**  
**Green Pricing R&D Project**  
**Third Quarterly Report**  
**Report Period: First Quarter 1998**

**PERIOD FOR ACTIVITIES:**

January, February, and March 1998

**PROGRAM STATUS:**

The FPL Green Pricing Research and Development Project (GPRDP) was approved by the Commission in Order No. PSC-97-FOF-0528-EG, dated May 7, 1997. This program is designed to allow FPL the flexibility to test FPL customer response to a Green Pricing Initiative. Under the GPRDP, FPL will solicit contributions from its customers to be used to purchase, install, maintain, and operate Photovoltaic (PV) modules on FPL's system.

**ACTIVITIES CONDUCTED:**

Over the past 6 months, FPL has put in place the infrastructure for an expanded solicitation plan to more aggressively stimulate consumer interest in supporting the solar energy pilot project. The original plan limited solicitations to direct mail and bill inserts. However, FPL's consumer research pointed out the need for increased consumer education and greater awareness of solar energy and its potential before customers would commit financial support. To that end, we are implementing the following:

1. A communications campaign employing FPL proprietary publications along with paid advertisements in selected geographic areas. This will be used to educate and create consumer awareness. The campaign will emphasize the benefits of solar power and of the GPRDP.
2. Broad-based solicitation to residential and small commercial customers through bill inserts which will allow for customers to give a round-up, or other amount contribution.
3. Solicitation of targeted environmental group members through a direct mail campaign. Demographic data indicates that customers most likely to contribute tend to be members of environmental groups. The mailing list would be developed in conjunction with L.E.A.F.
4. Personal solicitation of large commercial/industrial customers who have demonstrated interest in environmental causes.

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**Three key findings from the qualitative research directed the changes to the plan:**

1. Consumers were skeptical of FPL's intentions and wanted a visible demonstration of FPL's commitment to the environment and to solar power before considering contributing to the project.
2. Consumers want the donation process to be easy, with the preferred method being a one-time contribution, as a round-up of the bill.
3. The potential market for contributions to the project from residential customers was small and requires greater reliance on commercial and industrial customers.

Significant modifications to FPL's existing infrastructure were required, including changes to the information management systems, billing systems, payment processing, and the creation of a Green Pricing tracking database to provide for the appropriate accounting of contributions. The system changes also necessitated appropriate training of personnel for payment processing, customer service, and accounting. With the systems now in place, we are pursuing the following 1998 timeline:

- |    |  |            |
|----|--|------------|
| 1. | L.E.A.F Review   | April      |
| 2. | Residential bill insert information/solicitation   | May/June   |
| 3. | Stories in:  |            |
|    | General service bill insert  | June       |
|    | National Accounts newsletter   | June       |
|    | Large Accounts newsletter  | April      |
|    | Internal Communications (including employee/retiree magazine, newsletter, video news magazine) | May        |
| 4. | Account Manager customer solicitation  | April-June |
| 5. | Targeted Direct Mail   | April-June |
| 6. | Advertising in select markets  | April-May  |
| 7. | Public Relations   | April-July |

FPL believes the expanded marketing plan will give the project greater potential for success.

**BUDGET/EXPENDITURES:**

The GPRDP has an approved two year cost cap of \$475,000

FPL's expenditures during the First Quarter 1998 are \$18,890

FPL's 1998 annual expenditures are \$18,890

FPL's program to date expenditures are \$43,174.14