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RECORDS AND
REPORTING
June 8, 1999

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By Hand Delivery

Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard, Room 110
Tallahassee, Florida 32399-0850

**Re: Petition for Extension of FPL's
Commercial/Industrial New Construction
Research Project**

990733-EI

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company are the original and fifteen (15) copies of Petition for Extension of Florida Power & Light Company's Commercial/Industrial New Construction Research Project. Also enclosed is an additional copy of the Petition which we request that you stamp and return to our runner.

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

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FPSC BUREAU OF RECORDS

Very truly yours,



Charles A. Guyton

- AFA _____
- APP _____
- CAF _____ CAG/ld
- CMU _____ Enclosures
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07053 JUN-8

São Paulo Rio de Janeiro
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Florida Power & Light)
Company for Extension of Commercial/)
Industrial New Construction Research Project)

Docket No.

Filed: June 8, 1999

**Petition of Florida Power & Light Company
for Extension of Commercial/Industrial
New Construction Research Project**

Pursuant to Section 366.82, Florida Statutes (1997) and Florida Administrative Code Rules 28-106.104, 28-106.201 and 28-106.301, Florida Power & Light Company ("FPL") petitions the Florida Public Service Commission ("Commission") for an extension of FPL's Commercial/Industrial New Construction Research Project through December 2000 and continued cost recovery for reasonable and prudent expenditures incurred for FPL's Commercial/Industrial New Construction Research Project through FPL's Energy Conservation Cost Recovery Clause ("ECCR"). In support of this petition FPL states:

1. The name and address of the agency affected is:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

2. The mailing address and telephone number for FPL 9250 West Flagler Street, Miami, Florida 33174, (305) 552-4981. Correspondence, notices, orders and other documents concerning this Petition should be sent to:

Charles A. Guyton
Steel Hector & Davis LLP
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. FPL is an investor-owned electric public utility regulated by the Commission pursuant to Chapter 366, Florida Statutes. FPL is subject to the Florida Energy Efficiency Conservation Act ("FEECA"). The Commission has jurisdiction over FPL's conservation programs approved for cost recovery through FPL's ECCR. FPL substantial interests in achieving its Commission-approved conservation goals and in recovering its associated costs through its ECCR will be substantially affected by the Commission's determination in this proceeding.

4. In the final order in Docket No. 930548-EG, the order establishing FPL's conservation goals for the period 1994 through 2003, the Commission established conservation goals for FPL through the year 2003 which were approximately 300 MW in excess of the level of DSM FPL had found to be reasonably achievable. In establishing these aggressive goals, the Commission discussed the possibility of FPL research and development efforts yielding some of the additional MW needed for FPL to achieve its goals:

FPL witness Hugues indicated that there is a very good possibility that due to changes in technology, FPL's R&D program might be able to achieve the additional 130 MW of DSM-RIM necessary to defer the 2002 need. (Tr. 620, 4499) FPL's R&D program may result in approved programs producing the additional capacity savings in much the same manner as the 1990 DSM Plan produced an additional 342 MW. (Tr. 619-20) The Current R&D program is evaluating approximately seven C/I programs and four residential programs. (Tr. 620) ... It is possible that FPL might exceed its proposed goal, considering its prior history of exceeding internal DSM goals, and the potential contributions from R&D programs and green pricing options.

Order No. PSC-94-1313-FOF-EG, at 32-33.

5. Consistent with the Commission's expectation that FPL would need to develop additional DSM measures through research and development efforts, FPL petitioned the Commission in

October 1996 for approval of the Commercial/Industrial New Construction Research Project. The objective of the Commercial/Industrial New Construction Research Project was to identify conservation opportunities in new construction which would provide cost-effective efficiencies beyond that required by the Florida Energy Efficiency Code. The Commission approved FPL's Commercial/Industrial New Construction Research Project and authorized its ECCR cost recovery in Order No. PSC-97-0091-FOF-EI issued on January 27, 1997 and effective on February 18, 1997.

6. FPL originally envisioned that it would take some 30 months to conduct the Commercial/Industrial New Construction Research Project. However, FPL has encountered some delay in the project due to the selection of the contractor to perform the work and the negotiation of a contract that would allow FPL to terminate the Project at any point FPL determined that the Project was not cost-effective (One of the requirements in the order approving the Project was that "Florida Power & Light Company terminate the Commercial/Industrial (CI) New Construction research project if it is determined not to be cost-effective."). Consequently, FPL seeks to extend the Project through December 2000, without any change to the approved expenditure cap of \$1,525,000.

7. Under the original tentative schedule, 30 months from Commission approval would end in August 1999. The extension through the end of December 2000 would extend the project some 16 months. Not all of the extension may be needed, but some extension will be needed due to the delays encountered to date, and, hopefully, with this lengthy an extension no further delays will be necessary.

8. There has been no agency decision in this proceeding; therefore, FPL cannot provide "a statement of when and how the petitioner received notice of the agency decision."

9. FPL is not aware of any disputed issues of material fact.

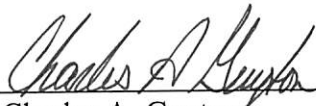
10. The extension of the Commercial/Industrial New Construction Research Project through 2000 and continued ECCR recovery of the Project's reasonable and prudent expenditures is in the public interest and should be approved. Section 366.82, Florida Statutes (1997), and Rules 28-106.104, 28-106.201 and 28-106.301, Florida Administrative Code entitle FPL to the relief it seeks.

WHEREFORE, FPL respectfully requests the Commission grant this petition and extend the Commercial/Industrial New Construction Research Project through December 2000 and approve the continued ECCR recovery of reasonable and prudent expenditures for the Project of not more than \$1,525,000 through FPL's ECCR clause.

Respectfully submitted,

Steel Hector & Davis LLP
Suite 601, 215 S. Monroe St.
Tallahassee, Florida 32301
(850) 222-2300

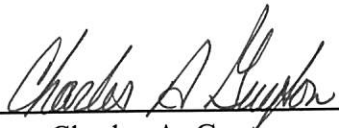
Attorneys for Florida Power &
Light Company

By: 
Charles A. Guyton

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Petition of Florida Power & Light Company for Extension of Commercial/Industrial New Construction Research Project was mailed this 8 th day of June, 1999 to the following:

Jack Shreve, Esquire
Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400



Charles A. Guyton

TAL_1998/31095-1