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COGENERATION & ALTERNATIVE ENERGY
ENERGY REGULATORY LAW

MEMORANDUM
June 28, 2002

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COMMISSION
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TO: Martha C. Brown, Esquire

FROM: Richard A. Zambo
Attorney for FICA

RE: Proposed Revisions To Rule 25-22.082, F.A.C., Selection Of Generating Capacity
FPSC Docket No. 020398-EQ

Please accept these preliminary comments/suggestions filed on behalf of the Florida Industrial Cogeneration Association (FICA) in the referenced proceedings. This is not intended to be an exhaustive listing of issues, and FICA reserves the right to modify or supplement this list as in its discretion may be appropriate.

- 1) In parallel with this Docket, the Commission is also considering, in an undocketed proceeding captioned "Workshop On Florida Renewable Technologies Assessment", strategies to increase the use of renewable resources. FICA, which intends to actively participate in that process, urges the Commission to give careful and due consideration to proposals submitted in such "renewables" proceeding before finalizing its proposed rule revisions in this Docket.
- 2) Some renewable technologies – specifically recovery of waste heat energy from industrial operations – lend themselves more readily to "demand" side reductions rather than supply side. For example, the Florida phosphate industry has reduced firm demand by approximately 400 mW by the installation and use of "process following" waste heat cogeneration. It is estimated that there is a potential for several hundred additional mW from this resource given the proper incentives and regulatory environment. The Commission should consider allowing bidders to propose "contracted" demand side reductions as a substitute for all or a portion of utility capacity needs.
- 3) Application fees should be waived or substantially discounted for renewable technologies in recognition of the fact that owners/operators of renewable facilities are not power plant developers who are staffed and funded to participate in RFP processes on a large scale.

4) Renewables should be given preference/priority in all RFP evaluation procedures.

We appreciate the opportunity to submit these preliminary comments for your consideration. If you have any questions or require anything further, please do not hesitate to contact me.

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