

LESLIE J. PAUGH, P.A.

MEMORANDUM

To: Cochran Keating, Roberta Bass
From: Mirant Americas Development, Inc. *JJP*
Re: Revised Market Design, Docket No. 020233-EI
Date: July 30, 2002

Pursuant to Order No. PSC-02-0865-PCO-EI, the Florida Public Service Commission directed parties to meet and continue to negotiate remaining market design issues. The Commission also directed the parties to inform Commission staff "...in writing of any consensus reached so that the results of further negotiations may be reflected in our staff's recommendation on the compliance filing." Order at pg. 3. On July 29, 2002, a stakeholder meeting was held to discuss the Revised GridFlorida Market Design as proposed by the GridFlorida Applicants in their July 2, 2002 Supplemental Post-Workshop Comments.

Mirant Americas Development, Inc. (Mirant) supports the GridFlorida Applicants' proposed two-settlement system, consisting of a voluntary day-ahead and a real-time market. Mirant also agrees that the results of the day-ahead market should be financially binding and that imbalances should be settled at the real-time price. Nodal pricing should be used for both the voluntary day-ahead market and the real-time market and market clearing prices should be calculated and paid to generators rather than the "pay what you bid approach".

Commission staff is respectfully requested to incorporate into its recommendation to the Commission that the Commission issue a final order reflecting Mirant's support of the market design principles as set forth herein and order a continuing collaborative to develop the details of the revised market design protocol, along with market power mitigation measures.

cc: Records and Reporting

DOCUMENT NUMBER DATE

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