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August 16, 2002

-VIA HAND DELIVERY-

Ms. Blanca S. Bayó
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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Dear Ms. Bayó:

020897-EG

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are the original and seven copies of FPL's Petition for Extension of Florida Power & Light Company's Conservation Research and Development Program, together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the document appears is Word 2000.

If there are any questions regarding this transmittal, please contact me at 222-2300.

Respectfully submitted,



Elizabeth C. Daley

Attorney for Florida Power
& Light Company

Enclosure

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power & Light)
Company for Extension of Conservation)
Research and Development Program)

Docket No. 020897-EG
Filed: August 16, 2002

**PETITION FOR EXTENSION OF
FLORIDA POWER & LIGHT COMPANY'S
CONSERVATION RESEARCH AND DEVELOPMENT PROGRAM**

Florida Power & Light Company ("FPL"), pursuant to Section 366.82(2), Florida Statutes (2001), and Rule 28-106.301, Florida Administrative Code, hereby petitions the Florida Public Service Commission ("Commission") to extend FPL's Conservation Research and Development Program ("CRD Program") for one year, through December 31, 2003, and to allow FPL to recover during the extension reasonable and prudent expenditures for CRD Program administration through FPL's Energy Conservation Cost Recovery ("ECCR") Clause, subject to the previously approved cap of \$1,500,000. The grounds for this petition are:

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

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

2. FPL is an investor-owned electric utility regulated by the Commission pursuant to Chapter 366, Florida Statutes (2001). FPL is subject to the Florida Energy Efficiency and Conservation Act ("FEECA"), sections 366.80-86, 403.519, Florida Statutes (2001), and its Energy Conservation Cost Recovery ("ECCR") Clause is subject to the Commission's jurisdiction. FPL is substantially affected thereby. Pursuant to FEECA and Commission rules implementing FEECA, FPL is required to file a demand side management ("DSM") plan for

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Commission approval and is entitled to seek recovery of associated expenditures. FPL currently has a Commission-approved DSM plan, which includes a CRD Program that is due to expire on December 31, 2002. FPL must file a petition for extension of the CRD Program even though FPL has recovered, to date, only about one third of the \$1.5 million allocated for cost recovery for the CRD Program.

3. FPL's address is 9250 West Flagler Street, Miami, Florida 33174. All correspondence, pleadings, motions, notices, orders, and other documents regarding this petition should be sent to:

William G. Walker, III
Vice President, Regulatory Affairs
Florida Power & Light Company
215 S. Monroe Street, Suite 801
Tallahassee, FL 32301

Charles A. Guyton
Steel Hector & Davis
215 South Monroe Street, Suite 601
Tallahassee, FL 32301

4. The CRD Program was first proposed and approved in 1990 as an umbrella program for FPL's research and development activities on a wide variety of potentially promising demand side measures as part of FPL's DSM Plan for the 90s. Order No. 23560. Since then, the Commission has approved modifications to the CRD Program in five separate orders. Order No. PSC-92-1115-FOF-EG; Order No. PSC-93-1018-FOF-EG; Order No. PSC-95-0537-FOF-EG; Order No. PSC-95-0691-FOF-EG. The most recent order approving the CRD Program was in conjunction with approval of FPL's revised DSM Plan in 2000. Order No. PSC-00-0915-PAA-EG. In each of these orders, the Commission has found that the CRD program meets the Commission's criteria for program approval and cost recovery.

5. FPL has performed extensive DSM research through its CRD Program. FPL seeks an extension of the CRD Program until December 31, 2003. However, FPL does not seek to increase the current \$1,500,000 expenditure cap for the CRD Program.

6. The CRD Program is an essential part of FPL's strong, nationally recognized DSM effort. FPL seeks to extend its successful CRD Program in order to fully complete the research and development projects that have been scheduled for the remainder of 2002 and to retain the flexibility to follow up in 2003 concerning those technologies with the greatest potential for success.

7. An extension of the CRD Program will facilitate FPL's ability to achieve the conservation goals required under FEECA and Commission Rule 25-17.0021, Florida Administrative Code, which are to cost-effectively (1) reduce the growth rate of weather-sensitive peak demand; (2) reduce and control the growth rate of energy consumption; and (3) increase the conservation of expensive resources.

8. One of the primary purposes of the CRD Program is to determine reliable assumptions in order to measure the cost-effectiveness of promising DSM technologies. Therefore, an extension of the CRD Program would allow FPL to collect data that is needed to measure the cost-effectiveness of these new technologies.

9. The CRD Program is a proven program that has led to the development of a number of cost-effective DSM programs such as BuildSmart and the C/I Building Envelope Program which includes a new Reflective Roof component. FPL regularly provides detailed reporting on the CRD Program in both its ECCR true-up and projection filings.

10. FPL is not aware of any disputed issues of material facts. This petition is not in response to a prior agency decision. Therefore, FPL cannot provide a statement of when and how FPL "received notice of the agency decision." The extension of the CRD program through December 31, 2003, should be approved, and FPL should be authorized to recover through its ECCR clause its reasonable and prudent expenditures for the CRD Program, subject to the

\$1,500,000 limit that the Commission has previously authorized. FPL is entitled to relief under section 366.82(2), Florida Statutes (2001).

WHEREFORE, FPL respectfully requests that the Commission approve an extension of FPL's CRD Program through December 31, 2003, and allow FPL to recover through its ECCR clause its reasonable and prudent expenditures for the CRD Program, subject to the \$1,500,000 limit that the Commission has previously authorized.

Respectfully submitted,

STEEL HECTOR & DAVIS LLP

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Attorneys for Florida
Power & Light Company

By: Elizabeth C. Daley

Charles A. Guyton
Elizabeth C. Daley

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Petition For Extension of FPL's Conservation Research and Development Program were served by U.S. Mail this 16th day of August, 2002, to the following:

Mary Anne Helton, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0862

Jack Shreve, Esq.
Office of Public Counsel
111 West Madison Street, Room 812
Tallahassee, Florida 32301


Elizabeth C. Daley