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STATE OF FLORIDA

OFFICE OF THE PUBLIC COUNSEL

c/o The Florida Legislature 111 West Madison St. Room 812 Tallahassee, Florida 32399-1400 850-488-9330

September 23, 2002

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0870

RE: Docket No. 020233-EI

Dear Ms. Bayó:

Enclosed are an original and fifteen copies each of Public Counsel's Response to the Florida Municipal Power Agency's Motion for Clarification/Reconsideration, and Public Counsel's Response to Florida Power Corporation's Motion for Reconsideration for filing in the above- referenced docket.

Please indicate receipt of filing by date stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

Sincerely,

John Roger Howe Deputy Public Counsel

JRH/pwd Enclosures

CMP COM CTR

ECR

OPC MMS

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RECEIVED & FILED

FPSC-BUREAU OF RECORDS

Response to FMPA.

METION TO CLANIFICATION

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FPSO-02: PESTOR CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of GridFlorida Regional)	
Transmission Organization Proposal.)	Docket No. 020233-EI
)	Filed: September 23, 2002

PUBLIC COUNSEL'S RESPONSE TO THE FLORIDA MUNICIPAL POWER AGENCY'S MOTION FOR CLARIFICATION/RECONSIDERATION

The Citizens of the State of Florida, through the Office of Public Counsel, pursuant to Rule 25-22.060(3), Florida Administrative Code, respond to the Florida Municipal Power Agency's September 18, 2002, motion for clarification or reconsideration of Part "R" of Order No. PSC-02-1199-PAA-EI as follows:

1. Under the original transco proposal for GridFlorida, all rates for transmission service, both wholesale and retail, were to be under FERC's jurisdiction. Even though the Commission in its December 20, 2001, order rejected the transco in favor of an ISO and insisted upon retaining its traditional ratemaking jurisdiction, the GridFlorida Companies obstinately put forth an alternative rate structure still designed to transfer jurisdiction to FERC. Under the companies' revised proposal, all new transmission assets were to be subject to a FERC-approved system-wide rate, and all existing transmission facilities were to be subject to a FERC-approved zonal rate (although the companies, with FERC's approval, might elect to exempt existing facilities used to serve bundled retail load from zonal rates for a limited period of five years). The demarcation date for identifying new transmission assets would, therefore, only serve to distinguish between two categories of transmission assets, both of which would be removed from Commission jurisdiction in contravention of the Commission's December 20 order.

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FPSC-COMMISSION CLERK

2. In Order No. 02-1199 (at page 63), however, the Commission directed that the GridFlorida filing be modified so that the Commission retains its jurisdiction: "[W]e find that the modified compliance filing does not provide for preservation of our jurisdiction over retail transmission rates and, therefore, does not comply with our December 20 order. The Applicants are directed to modify the GridFlorida compliance filing to recognize our continuing jurisdiction over the total cost of transmission service to retail customers." A true compliance filing in response to Order No. 02-1199 should not distinguish between new and existing transmission assets because the Commission has the same retail jurisdiction over both. The demarcation date for new transmission assets under the rejected rate structure proposal is irrelevant.

Respectfully submitted,

JACK SHREVE PUBLIC COUNSEL

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Attorneys for the Citizens of the State of Florida

CERTIFICATE OF SERVICE DOCKET NO. 020233-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing PUBLIC

COUNSEL'S RESPONSE TO THE FLORIDA MUNICIPAL POWER AGENCY'S MOTION

FOR CLARIFICATION/RECONSIDERATION has been furnished by U.S. Mail or *hand-

delivery to the following parties on this 23rd day of September, 2002:

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