

VOTE SHEET

May 5, 2009

Docket No. 080193-EQ – Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company.

**Issue 1:** Does Florida Power & Light Company's standard offer contract encourage the development of renewable energy, pursuant to Sections 366.91 and 366.92, F.S.?

**Recommendation:** Yes. FPL's standard offer contract encourages the development of renewable energy, pursuant to the requirements of the statutes. The standard offer is continuously available exclusively to renewable generators, provides a minimum term of ten years, and allows them to select from an array of payment options. Further, the contract provides valuable pricing information that can be used for subsequent negotiations.

**APPROVED**

COMMISSIONERS ASSIGNED: Edgar, McMurrian, Argenziano

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

*Katrina J. McMurrian*  
*Mary Argenziano*  
*Edgar*

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REMARKS/DISSENTING COMMENTS:

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**Issue 2:** Does FPL's standard offer contract protect the economic viability of existing renewable facilities, pursuant to Section 366.92, F.S.?

**Recommendation:** Yes. FPL's standard offer contract supports the economic viability of renewable generators. The standard offer contract is continuously and exclusively available to renewable generators, allowing them to select from an array of payment options. Further, the contract provides valuable pricing information that may be used for subsequent negotiations.

**APPROVED**

**Issue 3:** Is the requirement in FPL's standard offer contract that renewable generators must achieve availability of 97 percent to receive full capacity payments reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17.0832 F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** No. The availability requirement in the standard offer contract should reflect the projected availability of the avoided unit over the term of the contract. The Commission should deny the tariff as submitted. FPL should revise and re-submit the tariff to reflect the availability based on projected performance of the avoided unit over the contract term. In the event of curtailment, pursuant to Section 8.4.6 of the standard offer contract, adjustments should be made so that the curtailment period does not impact the renewable generator's calculated availability.

**APPROVED**

**Issue 4:** Is the requirement that the equivalent availability factor (EAF) be based on the expected EAF of FPL's next planned generating unit reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17.0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** Yes, the requirement in the standard offer contract that the equivalent availability factor will be based on the expected EAF of FPL's next planned generating unit is reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17.0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C. As discussed in Issue 3, FPL's standard offer contract should be revised to reflect the projected availability of the avoided unit over the term of the contract. The appropriate projected availability will comply with requirements of Rules 25-17.200 through 25-17.310 and 25-17.0832, F.A.C., which have been approved to implement Sections 366.051 and 366.91, F.S.

**APPROVED**

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**Issue 5:** Is the requirement in FPL's standard offer contract that renewable generators have an annual capacity billing factor (ACBF) of at least 80 percent to receive capacity payments reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17.0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** Yes. The requirement of an annual capacity billing factor of at least 80 percent for a renewable energy facility to receive capacity payments reflects the projected performance of FPL's next planned generating unit. The requirement conforms to provisions of Rule 25-17.0832 and Rules 25-17.200 through 25-17.310, F.A.C., and is consistent with Sections 366.91 and 366.92, F.S., as well.

**APPROVED**

**Issue 6:** Are Sections 8.4.6 and 8.4.8 of FPL's standard offer contract, that permit FPL to reduce output or not accept energy from renewable generators reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17-0832, F.A.C., Rules 25-17.200 through 25-17.301, F.A.C.

**Recommendation:** Yes. Reductions allowed by Sections 8.4.6 and 8.4.8 of FPL's standard offer contract are the same reductions that would be made to the dispatch of FPL's next planned generating unit. Reductions made by FPL to the energy purchased from a renewable provider under the provisions of Sections 8.4.6 or 8.4.8 of the standard offer contract should not impact the equivalent availability factor or computation of annual capacity billing factor. The reductions should be mathematically removed from calculations of the equivalent availability factor and the annual capacity billing factor attributed to the renewable provider.

**APPROVED**

**Issue 7:** Is the requirement in FPL's standard offer contract that committed capacity testing procedures be based on a test period of 24 hours reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17-0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** Yes. The committed capacity testing reasonably shows the capability of the renewable generator to make energy available as if it were provided by the next planned generating unit, in compliance with requirements of Rule 25-17.0832, F.A.C., Rules 25-17.200 through 25-17.310, F.A.C., and consistent with Sections 366.91 and 366.92, F.S.

**APPROVED**

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**Issue 8:** Are the maintenance requirements in FPL's standard offer contract reasonable and consistent with Sections 366.91 and 366.92, F.S., and Rules 25-17.0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** Yes. The maintenance requirements in FPL's standard offer contract are reasonable and consistent with Sections 366.91 and 366.92, F.S., and Rules 25-17.0832 and 25-17.200 through 25-17.310, F.A.C.

**APPROVED**

**Issue 9:** Are the trip test requirements in FPL's standard offer contract reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17.0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** Yes. The provisions included in the standard offer contract reflect the next planned generating unit and the recommended maintenance and testing procedures provided by appropriate equipment manufacturers, and are reasonable and consistent with Sections 366.91 and 366.92, F.S., and Commission rules.

**APPROVED**

**Issue 10:** Is the requirement in FPL's standard offer contract giving it a right of first refusal as to tradable renewable energy credits (TREC)s reasonable and consistent with Sections 366.91 and 366.92, F.S., Rule 25-17.0832, F.A.C., and Rules 25-17.200 through 25-17.310, F.A.C.?

**Recommendation:** No. Rule 25-17.280, F.A.C., provides that tradable renewable energy credits shall remain the exclusive property of the renewable generating facility. The Commission should deny FPL's tariff, with respect to a right of first refusal for purchase of TREC)s. All arrangements between the renewable provider and any other party, with regard to any renewable attributes, should be the subject of negotiated contractual provisions, at the discretion of the renewable provider.

**APPROVED**

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**Issue 11:** Should the standard offer contract filed by Florida Power & Light Company be approved?

**Recommendation:** No. The tariff should be denied as filed. If the Commission approves staff recommendations in Issues 3 and 10, FPL should file within 90 days a revised standard offer contract in accord with the Commission's decision. If the revised tariff complies with the Commission's decision, staff should be granted the administrative authority to approve the revised tariff.

## **MODIFIED**

The tariff should be denied as filed. The Commission directs FPL to file a revised 2009 renewable energy tariff and standard offer contract within 30 days of this conference.

**Issue 12:** Should this docket be closed?

**Recommendation:** If the Commission approves staff's recommendations, FPL should file a revised standard offer contract within 90 days in accordance with the Commission's decision. This docket should be administratively closed by staff after review and approval of the revised contract.

## **MODIFIED**

Based on the modification to Issue 11, this docket should be closed.