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State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

COMMISSION
CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE: April 14, 2011

TO: Office of Commission Clerk (Cole)

FROM: Division of Regulatory Analysis (Ellis, Graves, Lewis, Ma, Matthews) *POE*
Division of Economic Regulation (Kummer) *ca*
Office of the General Counsel (Evans, Harris, Murphy, Tan) *Peri Off*

RE: Docket No. 110089-EQ – Petition for approval of revisions to renewable energy tariff, by Florida Public Utilities Company.

Docket No. 110091-EQ – Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company.

Docket No. 110092-EI – Petition for approval of amended standard offer contract, by Progress Energy Florida, Inc.

Docket No. 110093-EI – Petition for approval of revisions to standard offer contract and rate schedules COG-1 and COG-2, by Tampa Electric Company.

Docket No. 110095-EQ – Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities or small qualifying facilities and approval of revised tariff schedule REF-1, by Gulf Power Company.

AGENDA: 04/26/11 – Regular Agenda – Tariff Suspension – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Unassigned

CRITICAL DATES: 05/31/11 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\RAD\WP\110089.RCM.DOC

DOCUMENT NUMBER-DATE

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Case Background

On February 22, 2007, the Commission adopted amendments to Rule 25-17.0832, Florida Administrative Code (F.A.C.), and new Rules 25-17.200 through 25-17.310, F.A.C., relating to renewable generating facilities. The new rules require each investor-owned utility (IOU) to file with the Commission by April 1 of each year a standard offer contract for the purchase of firm capacity and energy from renewable generating facilities and small qualifying facilities with a design capacity of 100 kW or less. The electric investor-owned utilities, consisting of Florida Power & Light Company (FPL), Progress Energy Florida, Inc. (PEF), Tampa Electric Company (TECO), Gulf Power Company (GULF), and Florida Public Utilities Company (FPUC) have all filed the required standard offer contracts by the April 1, 2011 deadline. The Commission has jurisdiction over these contracts under Sections 366.04 and 366.91, Florida Statutes (F.S.).

Discussion of Issues

Issue 1: Should the Commission suspend the revised Standard Offer Tariffs filed by the electric investor-owned utilities?

Recommendation: Yes. (Ellis, Graves, Lewis, Ma, Matthews)

Staff Analysis: Pursuant to Rule 25-17.250, F.A.C., the electric investor-owned utilities filed for revisions to their respective standard offer contracts on April 1, 2011. If the Commission does not take action upon these rate schedules within 60 days after filing, they will automatically go into effect. Staff is recommending that the proposed tariffs be suspended to allow staff sufficient time to review the petitions and gather all pertinent information in order to present to the Commission an informed recommendation on the tariff proposals.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility requesting such increase a reason or written statement of good cause for doing so within 60 days. Staff believes the reason stated above is good cause consistent with the requirement of Section 366.06(3), F.S.

Docket Nos. 110089-EQ, 110091-EQ, 110092-EI, 110093-EI, 110095-EQ
Date: April 14, 2011

Issue 2: Should this docket be closed?

Recommendation: No. If the Commission approves Issue 1, these dockets should remain open to allow staff adequate time to review the filings and bring a recommendation back to the Commission on the merits of the filings. (Evans, Harris, Murphy, Tan)

Staff Analysis: If the Commission approves Issue 1, these dockets should remain open to allow staff adequate time to review the filings and bring a recommendation back to the Commission on the merits of the filings.