



FECA

Florida Electric Cooperatives Association, Inc.

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September 11, 2007

Mr. Mark Futrell
Florida Public Service Commission
2450 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Post-Workshop Comments on Renewable Portfolio Standard

Dear Mark:

The Florida Electric Cooperatives Association, Inc. (FECA) submits the attached post-workshop comments on issues discussed at the August 23 workshop on a renewable portfolio standard. Please call me if you have any questions. Thank you for your assistance in this matter.

Sincerely,

William B. Willingham, Esq.

The Florida Electric Cooperatives Association's Comments in Response to Questions Raised During the August 23, 2007 Florida Public Service Commission's Staff Workshop on a Renewable Portfolio Standard

The following comments are submitted on behalf of the Florida Electric Cooperatives Association, Inc.¹ in response to the numerous questions raised by staff during the August 23, 2007, workshop on a renewable portfolio standard ("RPS"). In addition, FECA notes that one of the most important policy questions was not included in staff's list of questions, namely the question of what impact will a given RPS have on electric rates and the affordability of such an important commodity? As set forth below, FECA believes that the Commission lacks authority to adopt an RPS for any cooperative, but we encourage staff to continue these workshops to share ideas on renewable energy policies and alternatives. In addition, most of the questions raised by staff involve policy issues that have not been resolved by the Florida Legislature, and the PSC needs specific legislative authority before it can adopt a rule that addresses these issues. In the mean time, FECA's members will continue to pursue renewable generation sources that are competitively priced.

Although most of the questions raised by staff appear to require policy decisions by the Legislature or Congress, FECA believes the following questions raised by staff have been squarely addressed by the Florida Legislature:

- 1. Does the statute require all utilities to meet the goal?*
- 2. What renewable resources should be eligible to meet the goal?*

The Statute does not apply to electric cooperatives

Section 366.92(3), F.S., states that "The commission may adopt appropriate goals for increasing the use of existing, expanded, and new Florida renewable energy resources. The commission may change the goals." However, section 366.11(1), F.S., clearly does not include section 366.92 in the list of sections that apply to electric cooperatives. Therefore, Section 366.92 is not applicable to cooperatives or municipalities.

The renewable resources presently eligible are set forth in Section 377.803

Section 366.92(2), F.S., states "Florida renewable energy resources" only includes "renewable energy, as defined in s. 377.803, that is produced in Florida." Section 377.803(6),

¹ FECA's members include the Alabama Electric Cooperative, Inc., Central Florida Electric Cooperative, Inc., CHELCO, Clay Electric Cooperative, Inc., Escambia River Electric Cooperative, Inc., Florida Keys Electric Cooperative Association, Inc., Glades Electric Cooperative, Inc., Gulf Coast Electric Cooperative, Inc., Okefenoke Rural Electric Membership Corporation, Peace River Electric Cooperative, Inc., Seminole Electric Cooperative, Inc., Sumter Electric Cooperative, Inc., Suwannee Valley Electric Cooperative, Inc., Talquin Electric Cooperative, Inc., Tri-County Electric Cooperative, Inc., West Florida Electric Cooperative, Inc., Withlacoochee River Electric Cooperative, Inc. Lee County Electric Cooperative is not represented by the undersigned counsel.

F.S., defines renewable energy as "electrical, mechanical, or thermal energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen, biomass, solar energy, geothermal energy, wind energy, ocean energy, waste heat, or hydroelectric power." Clearly there may be other sources that can be added to this statute in the future, and we encourage Staff to continue this dialogue between the utilities and other parties to help flesh out all of the appropriate resources that should be considered by the Legislature if it elects to address this issue in the future.

FECA is committed to working with staff to continue discussions on the numerous policy issues related to implementing an RPS. However, we believe it is not possible to consider an RPS without considering the impact that it would have on electric rates and electric consumers in Florida, and we believe the Legislature is the proper forum to take on the important task of carefully balancing the costs of mandating an RPS with the potential societal and environmental benefits such a mandate may provide to the citizens of Florida.

Respectfully submitted,



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