



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

RECEIVED-FPSC
NOV 15 PM 3:32
RECORDS AND REPORTING

DATE: NOVEMBER 16, 2000

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF ECONOMIC REGULATION (SPRINGER, E. DRAPER) *mas*
DIVISION OF LEGAL SERVICES (WALKER) *RVE*

RE: DOCKET NO. 001615-EI - PETITION FOR EXTENSION OF
EXPERIMENTAL REAL TIME PRICING RATE, BY FLORIDA POWER &
LIGHT COMPANY.

AGENDA: 11/28/00 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\001615.RCM

CASE BACKGROUND

In Docket No. 940423-EG the Commission approved Florida Power & Light Company's (FPL) Experimental Real Time Pricing (RTP-GX) rate schedule. See Order No. PSC-94-1232-FOF-EG, issued October 11, 1994. The purpose of the pilot program is to determine customer response to marginal price signals. In Docket No. 981356-EG, the Commission granted FPL's request for an extension of the RTP-GX rate through December 31, 2000. See Order No. PSC-99-0058-FOF-EG, issued January 6, 1999.

On July 20, 2000, FPL filed a petition to modify and extend the Real Time Pricing rate schedule effective for the period January 1, 2001, through December 31, 2002. FPL proposed modifications to the components of the rates to increase price volatility and simplify the existing RTP-GX rate schedule, and to reduce the program's demand eligibility level from 1,000 kw to 500 kw. These tariff changes were suspended at the September 5, 2000, Agenda Conference to allow staff additional time for discovery.

DOCUMENT NUMBER-DATE

14736 NOV 15 8

FPSC-RECORDS/REPORTING

DOCKET NO. 001615-LI
DATE: November 16, 2000

See Order No. PSC-00-1871-PCO-EI, issued October 13, 2000 in Docket No. 000902-EI.

On October 25, 2000, FPL filed a second petition. In this new petition (Docket No. 001615-EI), FPL is seeking approval to extend the existing RTP-GX rate schedule beyond its December 31, 2000 ending date. They are seeking a 3-month extension of the existing rate to allow time for customer notification and education regarding the proposed changes in Docket No. 000902-EI. This recommendation addresses the requested 3-month extension.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve Florida Power & Light Company's petition to extend the existing Real Time Pricing rate schedule through March 31, 2001?

RECOMMENDATION: Yes. The proposed extension of the existing Real Time Pricing pilot program should be approved. [SPRINGER, E. DRAPER]

STAFF ANALYSIS: On October 25, 2000, FPL filed a Petition for Extension of its Experimental Real Time Pricing Rate, which expires December 31, 2000. In the petition, FPL seeks to extend the existing RTP-GX rate schedule offering through March 31, 2001. The existing RTP-GX rate schedule allows for its extension by order of the Commission.

FPL states that it would like to have sufficient time between Commission approval of the proposed revisions and extension of the RTP-GX rate in Docket No. 000902-EI and the effective date of these modifications to provide notice to its customers. Staff is currently conducting discovery on the proposed modifications to the RTP-GX rate.

Staff recommends approval of FPL's petition to extend the current RTP-GX rate through March 31, 2001. This extension will allow staff to complete its discovery in Docket No. 000902-EI and will allow FPL ample time to notify and provide an explanation to its RTP-GX customers of the revisions to the RTP-GX rate. A recommendation in Docket No. 000902-EI is scheduled to be filed on December 7, 2000, to be addressed at the December 19, 2000, Agenda Conference. Customers who are currently taking service under the RTP-GX rate will not be adversely impacted by the extension of the existing rate schedule.

DOCKET NO. 001615-LI

DATE: November 16, 2000

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no protest is filed within 21 days of the issuance of the order. [WALKER]

STAFF ANALYSIS: If a protest is filed within 21 days of the issuance of the order approving this petition, the tariff should remain in effect pending resolution of the protest, with any charges held subject to refund pending resolution of the protest. If no protest is filed, this docket shall be closed upon the issuance of a Consummating Order.