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September 5, 2008

Ms. Ann Cole, Director Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

RE: Post-Workshop Comments in Docket No. 080503-EI, Establishment of Rule on Renewable Portfolio Standard

Dear Ms. Cole:

Please find attached for filing, the Florida Electric Cooperatives Association's (FECA) Post-Workshop Comments in the above-referenced docket.

Thank you for your assistance. Please call me if you have any questions.

Michelle Hershel

Sincerely.

Director of Regulatory Affairs

<u>Post-Workshop Comments of the Florida Electric Cooperatives Association</u> on

Proposed Rule 25-17.410, Florida Renewable Energy Credit Market and Proposed Rule 25-17.420 Municipal Electric Utility and Rural Electric Cooperative Renewable Energy Reporting

I. Proposed Rule 25-17.410(1)(b), Florida Renewable Energy Credit Market

It appears that the intent of proposed Rule 25-17.410(1)(b) is to give direction to the investor-owned utilities to allow for the participation from eligible entities in the development and administration of the renewable energy credit market. We believe the following amended language will clarify the staff's intent:

(b) Municipal electric utilities and rural electric utilities are encouraged to participate in the The investor-owned utilities shall allow participation by municipal electric utilities and rural electric cooperatives in the development of a Florida Renewable Credit Market to ensure fair and equitable access to all possible participants in both the development and administration of the REC market.

After a lengthy discussion of this section of the proposed rule at the August 26 workshop, it is apparent that there is still a question as to which entity, i.e. investor-owned utilities, the FPSC, or some other organization, should ultimately develop the Florida Renewable Credit Market. Once this is decided through the rulemaking process, all eligible entities should be allowed to participate in and develop the REC market. All parties at the workshop seemed to agree that participation and development of the REC market should be open to all interested, eligible entities. FECA will reserve any additional comments on this section for staff's next revision to the proposed rule.

II. Proposed Rule 25-17.420, Municipal Electric Utility and Rural Electric Cooperative Renewable Energy Reporting

FECA believes that proposed Rule 25-17.420 is not necessary and redundant. FECA's members always have, and will continue to, voluntarily submit information to the Commission through a data request or other informal means. With the adoption of the proposed rule, FECA's members would be required to file 3 separate

reports on renewables¹ in addition to filing renewable information in 10-year site plans and in power plant need determination petitions. FECA believes that a utility should not be required to look at more than one rule to determine the information that must be filed for renewables.

If staff needs information from the co-ops to fill in data gaps that they feel they must report to the legislature, a data request should be issued. This will provide staff with the flexibility to ask for information that they need at the time, which will avoid unnecessary and unused data collection. Since the Commission will receive necessary information from the co-ops regarding renewable energy resources and the statute is not ambiguous, a reporting rule is not necessary.

If staff still feels a reporting rule is necessary, FECA offers the following proposal:

Strike all of staff's proposed Rule 25-17.420 and insert:

25-17.420 Municipal Electric Utility and Rural Electric Cooperative Renewable Energy Reporting

(1) Each municipal electric utility and rural electric cooperative shall submit to the Commission an annual report no later than April 1 of each year for the previous calendar year. Each utility's report shall include a renewable energy standard which promotes, encourages, and expands the use of renewable energy resources.

PSC Rules 25-17.300 and 25-6.065 include similar reporting requirements for renewables