

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

DECEMBER 20, 2005

- RE: **Docket No. 050805-EQ** - Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities and approval of tariff schedule REF-1, by Gulf Power Company.
- Docket No. 050806-EQ** - Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company.
- Docket No. 050807-EQ** - Petition for approval of amended standard offer contract tariff and renewable energy tariff, by Progress Energy Florida, Inc.
- Docket No. 050809-EQ** - Petition for approval of renewable energy tariff by Florida Public Utilities Company.
- Docket No. 050810-EQ** - Petition for approval of standard offer contract for small qualifying facilities and producers of renewable energy, by Tampa Electric Company.

Issue 1: Do the standard offer contracts proposed by FPL, PEF, TECO, Gulf, and FPUC satisfy the requirement of Section 366.91(3), Florida Statutes, to "continuously offer to purchase" energy from renewable facilities?

Recommendation: Yes. However, all proposed standard offer contracts, except for that of FPUC, should be denied, because they fail to include the date on which the contract expires, which is one of the minimum requirements of Rule 25-17.0832(4)(e)4, Florida Administrative Code. FPUC's contract should be approved because a closure date is not necessary if a utility's capacity and energy needs are completely met through purchased power agreements.

MODIFIED

Staff's modified recommendation, that either tariffs already filed be approved or that tariffs be refiled by 12/28/05 and staff be given administrative authority to approve the tariffs so tariffs will be in effect by 1/1/06 to comply with the law, was approved. At least one workshop will be held, to be noticed as a Commissioner workshop. At the conclusion of the workshop it will be determined if another workshop is needed, if it is

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING

[Handwritten signatures: J. Bradley, J. Tom, Dear, L. Ed]

REMARKS/DISSENTING COMMENTS: *concluded the matter should go to rulemaking, that recommendation will be brought before the Commission for decision*

DOCUMENT NUMBER - DATE
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Issue 2: Are the standard offer contracts proposed by FPL, PEF, TECO, Gulf, and FPUC based on the utility's full avoided cost, pursuant to Section 366.051, Florida Statutes?

Recommendation: Yes, with the exception of Gulf. Gulf's standard offer contract is based on a hypothetical unit that is not currently planned for construction. Gulf should be directed to refile its standard offer contract based on its next identified planned generating unit.

See decision in Issue 1

Issue 3: Do the minimum terms contained in the standard offer contracts proposed by FPL, PEF, TECO, Gulf, and FPUC comply with Section 366.91(3), Florida Statutes?

Recommendation: Yes, with the exception of FPL. FPL's standard offer contract included the period for early capacity payments as part of the minimum ten-year term, which does not comply with Rule 25-17.0832(4)(e)7, Florida Administrative Code. FPL should be directed to refile its standard offer contract based on a ten-year term starting with the in-service date of the avoided unit.

See decision in Issue 1

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Issue 4: Do the subscription limits contained in the standard offer contracts proposed by FPL, PEF, TECO, Gulf, and FPUC comply with Section 366.91(1), Florida Statutes?

Recommendation: Only the subscription limits proposed by FPL and FPUC comply with the intent of Section 366.91(1), Florida Statutes, to encourage the development of renewable resources. The standard offer contracts proposed by PEF, TECO, and Gulf do not appear to be consistent with the intent of the statute, because they have subscription limits of only 10 to 20 MW. Such small subscription limits may discourage potential developers of renewable energy projects from signing these standard offer contracts. PEF, TECO, and Gulf should be directed to refile standard offer contracts with subscription limits equal to the capacity of their next planned avoided units.

See decision in Issue 1

Issue 5: Should PEF's separate petition for approval of a standard offer contract be approved?

Recommendation: No. PEF's regular standard offer contract still contains provisions allowing renewable resources and solid waste facilities to sign the contract. This duplication could cause unnecessary confusion for renewable energy providers in choosing the appropriate standard offer contract.

See decision in Issue 1

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Issue 6: Should these dockets be closed?

Recommendation: If the Commission approves staff's recommendation to approve FPUC's proposed standard offer contract and no person whose substantial interests are affected requests a hearing to address this matter, then Docket No. 050809-EQ should be closed. FPUC's tariff should become effective on January 1, 2006. If the Commission approves staff's recommendations to deny the other proposed standard offer contracts, Docket Nos. 050805-EQ, 050806-EQ, 050807-EQ, and 050810-EQ should remain open to allow FPL, PEF, Gulf, and TECO to file revised tariffs consistent with the Commission's vote.

MODIFIED

Consistent with the decision in Issue 1, all the dockets will be closed as stated at the conference.