

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: PETITION OF FLORIDA POWER CORPORA-)	DOCKET NO. 890888-EI
TION FOR APPROVAL OF NEW CURTAILABLE)	ORDER NO. 22066
STANDBY SERVICE RATE SCHEDULE SS-3 AND)	ISSUED: 10-17-89
REVISED RATE SCHEDULE)	
)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 GERALD L. GUNTER
 JOHN T. HERNDON

ORDER APPROVING FPC'S NEW SS-3
 AND REVISED SS-1 RATE SCHEDULES

BY THE COMMISSION:

On July 13, 1989, Florida Power Corporation (FPC) filed a petition requesting approval of its new Curtailable Standby Service Rate Schedule (SS-3) and a revision of its Firm Standby Service Rate Schedules (SS-1). The rates were developed pursuant to the provisions set forth in FPSC Order No. 17159 implementing Section 210 of PURPA concerning standby rates for qualifying facilities (QFS). On June 27, 1988, however, the Federal Energy Regulating Commission (FERC) found the provisions of that order to be inconsistent with FERC regulations. Several parties, including the Commission, have requested rehearing. FERC has not ruled on those requests. It is the position of the Commission, at this time, that until FERC issues a final order relating to Order No. 17159, that order stands. Nonetheless, on August 4, 1989, FICA petitioned to interevne in this docket to preserve its challenges to Order No. 17159. FICA did not object to this filing, per se, but instead, construed intervention in any tariff filed pursuant to the provisions of Order No. 17159 necessary to preserve its challenges to that order.

The proposed new Rate Schedule SS-3 is both developed in accordance with the costing and rate design principles established by the Commission in Order No. 17159, Docket No. 850673-EU, and consistent with FPC's other standby service rate schedules. Generation and bulk transmission charges are based on the level of the curtailment credit prior to the 1988 settlement, adjusted for the 1988 and 1989 rate settlements.

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In the event of partial or full noncurtailment, a 115% penalty is applied to the difference between standby rate charges under curtailable and firm standby service. The proposed rate schedule also includes the same terms regarding purchased power instead of curtailment as are included in the full requirements curtailable service rate schedules (CS-1 and CST-1). The terms provide that for periods in which curtailment would otherwise be requested, the company attempts to purchase off-system power and, if successful, so notifies the customer. The customer can then choose to either curtail or pay the higher charges for the purchased power. For periods in which the company cannot purchase power and the company requests curtailment, the curtailable customer must either curtail or pay the 115% penalty. In either case, the company must serve the load which a customer has declined to curtail. We find that FPC's proposed new Curtailable Standby Service Rate Schedule was developed pursuant to Order NO. 171759 and should be approved.

FPC also requests approval of its proposed revised Rate Schedule SS-1. The proposed addition of Special Provision No. 11 to its Firm Standby Service Rate Schedule SS-1 would provide an eight-hour grace period for QFS to restart generation after a shut down due to a fault on FPC's system. FPC's express intent is to provide a more equitable treatment for customers who require standby power because of conditions in the company's system; "customers taking firm standby service should not be liable for charges for billing demand incurred solely because of fault in FPC's system." We agree and find that FPC's proposed revised Firm Standby Service Rate Schedule should be approved. Therefore, it is

ORDERED that FPC's request for approval of its new Curtailable Standby Service Rate Schedule (SS-3) is granted. It is further

ORDERED that FPC's request for approval of its revised Firm Standby Service Rate Schedule (SS-1) is granted. It is further

ORDERED that this docket shall be closed after the time has run in which to file a petition for reconsideration or notice of appeal if such action is not taken.

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By ORDER of the Florida Public Service Commission,
this 17th day of OCTOBER, 1989.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

BAB

by: Kay Flynn
Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.