

127 FERC ¶ 61,277
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Sudeen G. Kelly, Marc Spitzer,
and Philip D. Moeller.

Tampa Electric Company	Docket Nos.	OA08-20-001 OA08-20-002
Florida Power Corporation		OA08-22-002
Florida Power & Light Company		OA08-29-001
Orlando Utilities Commission		NJ08-6-001

ORDER CONDITIONALLY ACCEPTING COMPLIANCE FILINGS, AND
GRANTING SAFE HARBOR STATUS

(Issued June 18, 2009)

1. On October 7, 2008, pursuant to the Commission’s Order on Compliance and Conditionally Granting Supplemental Petition for Declaratory Order issued on July 9, 2008,¹ Tampa Electric Company (Tampa Electric), Florida Power Corporation (Florida Power) and Florida Power & Light Company (FPL), (collectively, Florida Companies) each submitted revisions to their transmission planning process to comply with the July 9 Order. Each of the Florida Companies submitted substantively similar Attachment Ks. Also, on October 31, 2008, Orlando Utilities Commission (Orlando) submitted revisions to its supplemental filing for its “safe harbor” Open Access Transmission Tariff (OATT) that updates the transmission planning process identified in Attachment K. Orlando’s Attachment K is also substantively similar to the Attachment Ks submitted by the Florida Companies.

¹ *Tampa Electric Co.*, 124 FERC ¶ 61,026 (2008) (July 9 Order).

2. In this order, we will accept Florida Companies' respective compliance filings, as in compliance with the July 9 Order. In addition, we will grant safe harbor status to Orlando.

I. Background

3. In Order No. 890,² the Commission reformed the *pro forma* OATT to clarify and expand the obligations of transmission providers to ensure that transmission service is provided on a non-discriminatory basis. One of the Commission's primary reforms was designed to address the lack of specificity regarding how customers and other stakeholders should be treated in the transmission planning process. To remedy the potential for undue discrimination in planning activities, the Commission directed all transmission providers to develop a transmission planning process that satisfies nine principles and to clearly describe that process in a new attachment to their OATT (Attachment K).

4. The nine planning principles each transmission provider was directed by Order No. 890 to address in its Attachment K planning process are: (1) coordination; (2) openness; (3) transparency; (4) information exchange; (5) comparability;³ (6) dispute resolution; (7) regional participation; (8) economic planning studies; and (9) cost allocation for new projects. The Commission also directed transmission providers to address the recovery of planning-related costs. The Commission explained that it adopted a principles-based reform to allow for flexibility in implementation of and to build on transmission planning efforts and processes already underway in many regions of the country. The Commission also explained, however, that although Order No. 890 allows for flexibility, each transmission provider has a clear obligation to address each of the nine principles in its transmission planning process, and that all of these principles must be fully addressed in the tariff language filed with the Commission. The Commission emphasized that tariff rules, as supplemented with web-posted business

² *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008) *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009).

³ In Order No. 890-A, the Commission clarified that the comparability principle requires each transmission provider to identify, as part of its Attachment K planning process, how it will treat resources on a comparable basis and, therefore, how it will determine comparability for purposes of transmission planning. *See* Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 at P 216.

practices when appropriate,⁴ must be specific and clear to facilitate compliance by transmission providers and place customers on notice of their rights and obligations.

5. On December 7, 2007, Florida Companies filed in compliance with Order No. 890's planning requirements. Also on December 7, 2007, Orlando filed a supplement to its July 13, 2007 petition for declaratory order concerning its safe harbor OATT to, among other things, update the transmission planning process identified in Attachment K. They filed their transmission planning process as a proposed attachment to their respective OATTs to comply with the nine planning principles and other requirements in response to Order No. 890. The Commission accepted Florida Companies' filings, subject to modification and a further compliance filing to address a number of issues. The Commission also conditionally granted Orlando's supplemental petition.

6. On October 7, 2008, Florida Companies submitted a revised Attachment K in response to the Commission's July 9 Order. On October 31, 2008 Orlando submitted a revised Attachment K in compliance with the Commission's July 9 Order. The revised Attachment Ks addressed the Commission's directive relating to eight of the nine Order No. 890 planning principles: coordination; openness; comparability; dispute resolution; regional participation; economic planning studies; and cost allocation. In addition, the revised Attachment Ks address the issue of recovery of transmission planning costs.

II. Notice of Filing and Responsive Pleadings

7. Notice of Tampa Electric's filing in Docket No. OA08-20-001 was published in the *Federal Register*, 73 Fed. Reg. 61,849 (2008), with interventions and protests due on or before October 28, 2008. None was filed.

8. Notice of Tampa Electric's filing in Docket No. OA08-20-002 was published in the *Federal Register*, 73 Fed. Reg. 62,267 (2008), with interventions and protests due on or before October 30, 2008. None was filed.

9. Notices of Florida Power's filing in Docket No. OA08-22-002 and FPL's filing in Docket No. OA08-29-001 were published in the *Federal Register*, 73 Fed. Reg. 61,106 (2008), with interventions and protests due on or before October 28, 2008. None was filed.

⁴ Order No. 890, FERC Stats. & Regs. ¶ 31,241 at P 1649-55.

10. Notice of Orlando's filing in Docket No. NJ08-6-001 was published in the *Federal Register*, 73 Fed. Reg. 67,504 (2008), with interventions and protests due on or before November 21, 2008. None was filed.

III. Discussion

11. We find that Florida Companies' revised transmission planning processes, with certain modifications, comply with the July 9 Order. Accordingly, we will accept Florida Companies' respective compliance filings in Docket Nos. OA08-20-001, OA08-20-002, OA08-22-002, and OA08-29-001, to be effective December 7, 2007, as requested. We also grant safe harbor status, subject to certain modifications, to Orlando in Docket No. NJ08-6-001, effective January 1, 2009, as requested.

12. Although the Commission accepts Florida Companies' compliance filings below, subject to further compliance filing to address certain discrete issues, the Commission remains interested in the development of transmission planning processes and will continue to examine the adequacy of the processes accepted to date. We reiterate the encouragement made in prior orders for further refinements and improvements to the planning processes as transmission providers, their customers, and other stakeholders gain more experience through actual implementation of the processes. As part of the Commission's ongoing evaluation of the implementation of the planning processes, the Commission intends to convene regional technical conferences later this year to determine if further refinements to these processes are necessary. The focus of the 2009 regional technical conferences will be to determine the progress and benefits realized by each transmission provider's transmission planning process, obtain customer and other stakeholder input, and discuss any areas that may need improvement. The conferences will examine whether existing transmission planning processes adequately consider needs and solutions on a regional or interconnection-wide basis to ensure adequate and reliable supplies at just and reasonable rates. The Commission will also explore whether existing processes are sufficient to meet emerging challenges to the transmission system, such as the development of interregional transmission facilities, the integration of large amounts of location-constrained generation, and the interconnection of distributed energy resources.

A. Coordination

1. July 9 Order

13. In the July 9 Order, the Commission directed the Florida Companies to review their planning diagram in Attachment K to provide for the posting of the initial plans.

2. Commission Determination

14. We find that Florida Companies' modifications to the planning diagram satisfy Order No. 890's coordination principle. Florida Companies' Attachment K proposal modifies the planning diagrams to provide that the initial local transmission plans will be sent to the Florida Reliability Coordinating Council for posting.⁵ Additionally, the Florida Companies modify section 1.1 (Coordination) of Attachment K to provide that the results of the local transmission network planning process will be posted by the Florida Reliability Coordinating Council in accordance with the Florida Reliability Coordinating Council Regional Transmission Planning Process. Therefore, we find that Florida Companies' proposals meet the coordination requirements of the July 9 Order.

B. Openness

1. July 9 Order

15. In the July 9 Order, the Commission directed the Florida Companies to explain whether any interested entities or persons may participate in the process. In addition, the Commission directed the Florida Companies to revise their Attachment Ks to reflect the quorum and voting process.

2. Commission Determination

16. We find that Florida Companies' proposed modifications partially comply with the Commission's directives to explain whether any interested entities or persons may participate in the process and to reflect the quorum and voting process. To clarify whether interested parties may participate in the process, Florida Companies revised their Attachment Ks to state that any interested entities or persons may participate in the committees via participation within one of the identified sectors, i.e., Supplier Sector, Non-Investor Owned Utility Wholesale Sector, Load Serving Entity Sector (including municipals and cooperatives), Generating Load Serving Entity Sector, Investor Owned Utility Sector, and General Sector (this sector provides for any entity or individual's participation).⁶ Further, they added a new Appendix 2 to their Attachment Ks (Florida Reliability Coordinating Council Quorum and Voting Sectors) which establishes a

⁵ See Florida Companies' Attachment K, section 3 Flow Diagram (Transmission Provider's (TP) Local/Regional Coordination Transmission Network Planning Process Overview) and Appendix 1 Flow Diagram (Transmission Provider's (TP) Local Transmission Network Planning Process).

⁶ Florida Companies' Attachment K, section 2.2 (Openness).

quorum and sector voting process to comply with the Commission's directive in the July 9 Order.

17. Florida Companies explain that representation at any meeting of standing committees of 60 percent or more of the total voting strength of the standing committee constitutes a quorum, provided that action on matters dealing with the scope of funding of members will require 60 percent or more of the total voting strength of members of the standing committee representing voting members that are services members.⁷ Florida Companies also explain that if a quorum is not present at any meeting of the standing committees, no actions may be taken for the purpose of voting. Further, Florida Companies state that each voting representative at a meeting is assigned a vote, divided by the number of voting representatives present in the sector. With the exception of the Investor Owned Utility Sector, no voting representative will have more than one (1) vote. The Investor Owned Utility Sector voting representative may have up to 1.167 votes. According to Florida Companies' Attachment K provisions, action by the standing committee will require a vote equal to or greater than 60 percent of the total voting strength of the standing committee. Moreover, Florida Companies explain that at the Florida Reliability Coordinating Council regional level, interested entities have an opportunity to raise any special requirements that they have and believe have not been addressed at the local level.

18. As noted above, we find that the above-described revisions made by the Florida Companies partially comply with the Commission's compliance directives in the July 9 Order concerning the openness principle. Under Florida Companies' planning process, no voting representative may have more than one vote except an Investor-Owned Utility Sector voting representative, who may have up to 1.167 votes. It is unclear why a voting representative in the Investor-Owned Utility Sector may have more votes in the Standing Committees (e.g., Planning Committee) than a voting representative in other sectors. Therefore, we direct the Florida Companies to explain, in a compliance filing to be submitted within 60 days of the date of this order, why a voting representative in the Investor-Owned Utility Sector may have 1.167 votes when voting representatives in any other sector in the Planning Committees (i.e., Suppliers, Non-Investor Owned Utility Wholesalers, Load Serving Entities, Generating Load Serving Entities and General) are limited to 1 vote.

⁷ According to the Florida Reliability Coordinating Council's Rules of Procedures for its Standing Committees, the Florida Reliability Coordinating Council's three Standing Committees are the Planning Committee, Operating Committee, and Compliance Committee. See *The Florida Reliability Coordinating Council's* website at: <https://www.frcc.com>

19. In addition, Florida Companies have not specified what matters would be subject to a vote by the standing committee. In any event, whether stakeholder input into the transmission planning process is forwarded to Florida Companies for their consideration should not be subject to a vote, as any and all input provided by stakeholders at the meetings should be forwarded to Florida Companies for their consideration in the transmission planning process. Further, Florida Companies' Attachment K and Appendix-2 provisions lack an explanation that clearly defines what services members and voting representatives mean. Accordingly, we will require Florida Companies to make a compliance filing, within 60 days of the date of this order, explaining what matters would be subject to vote of the standing committee; defining what services members and voting representatives mean in the context of the voting process; explaining how a proposal would be forwarded to the transmission provider if a majority vote is not obtained and how Florida Companies will ensure they receive all stakeholder input provided at stakeholder meetings for them to consider in the transmission planning process.

C. Comparability

1. July 9 Order

20. In the July 9 Order, the Commission found that Florida Companies' Attachment K planning process complied with the comparability principle described in Order No. 890, subject to modifications. The Commission also found that, because Order No. 890-A was issued on December 27, 2007, after Florida Companies submitted their Order No. 890 Attachment K compliance filings, Florida Companies did not have an opportunity to demonstrate that their Attachment Ks comply with the comparability requirement of Order No. 890-A.⁸ Specifically, Order No. 890-A required that the transmission provider needs to identify as part of its Attachment K planning process "how it will treat resources on a comparable basis and, therefore, should identify how it will determine comparability for purposes of transmission planning."⁹ Therefore, the Commission directed Florida Companies to file compliance filings addressing the necessary demonstration required by Order No. 890-A.¹⁰

⁸ See Order No. 890, FERC Stats. & Regs. ¶ 31,241 at P 439; Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 at P 174-75.

⁹ *Id.* (citing Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 at P 216).

¹⁰ Florida Companies' Attachment K, section 5.2 (Comparability).

2. Commission Determination

21. We find that Florida Companies have sufficiently described how they will treat resources on a comparable basis and identified how they will determine comparability for purposes of transmission planning. Florida Companies' planning provisions clearly indicate when and where in the planning process customers/stakeholders have an opportunity to provide their input regarding data provided to develop baseline assumptions. The transmission provider consults and interacts with its customers/stakeholders any time during the study process that either the customer or the transmission provider deem necessary and/or at various stages of the planning process (e.g., Scoping Meeting, Feasibility, System Impact and Facilities Studies). Topics such as load growth projections, planned generation resource additions/deletions, new delivery points and possible transmission alternatives are discussed.¹¹ The data required for planning the transmission system for both retail and wholesale customers is comparable. Transmission customers/users (retail and wholesale) accurately reflect their demand resources appropriately in their load forecast projections.¹² Florida Companies' local planning process provides that in the development of its annual 10-year expansion plan, transmission customers are required to submit data by January 1 of each year, such as load forecasts, network resource forecasts, transmission delivery points, planned generation resource additions/upgrades (including network resources) and any demand resources.¹³ In its second quarter meeting, Florida Companies will review and validate the input data assumptions received from each customer/stakeholder, discuss the proposed study schedule and study requirements, which includes customer/stakeholder proposed study scenarios for transmission provider consideration in the analysis.

22. Florida Companies' planning process includes opportunities for customers/stakeholders to propose alternative solutions. Under Florida Companies' planning process, to the extent a customer/stakeholder has a demand resource or a generation resource that is not incorporated into the transmission plan it may request that such resource be considered on a comparable basis or as an alternative to transmission expansion. The customer/stakeholder sponsoring such demand resource or generation resource should participate in the planning process and provide the necessary information (e.g., cost, performance, lead time to install) in order for the transmission provider to

¹¹ Florida Companies' Attachment K, section 1.1 (Coordination). We interpret transmission alternatives to mean generation resources or demand resources.

¹² *Id.*

¹³ Florida Companies' Attachment K, Appendix 1 and section 4.1 (Information Exchange).

consider such demand resource or generation resource alternatives comparably. Further, the transmission provider will treat customer/stakeholder resources and its own resources on a comparable basis for transmission planning purposes.¹⁴

23. Florida Companies' planning provisions indicate how the transmission provider will select the preferred transmission solutions. The transmission provider, in consultation with the customers/stakeholders, will compare the alternatives and select the preferred solution/mitigation alternatives based on feasibility, timing and cost effectiveness that provide a reliable and cost-effective transmission solution, taking into account neighboring transmission providers' transmission plans.¹⁵

24. Therefore, we find the Florida Companies' planning process complies with the comparability requirements of the July 9 Order.

D. Dispute Resolution

1. July 9 Order

25. In the July 9 Order, the Commission encouraged Florida Companies to consider adding a mediation step in their dispute resolution processes in their compliance filings.¹⁶

2. Commission Determination

26. We find that Florida Companies' Attachment K revisions comply with the Commission's suggestion to add a mediation step to their dispute resolution process.¹⁷ Florida Companies' Attachment Ks provide that if a dispute arises between a transmission customer and the transmission provider under the local or regional transmission processes, the senior representatives of the transmission provider and the customer will attempt to resolve the dispute and may mutually agree to utilize a

¹⁴ Florida Companies' Attachment K, section 5.2 (Comparability). We interpret Florida Companies' statement that it will treat customer/stakeholder resources and its own resources on a comparable basis for transmission planning purposes to mean that it will compare generation resources or demand resources to transmission in order to select a solution.

¹⁵ Florida Companies' Attachment K, Appendix 1 (Local Transmission Network Planning Process).

¹⁶ Florida Companies' Attachment K, section 6.1 (Dispute Resolution).

¹⁷ *Id.*

mediation service for that purpose. Therefore, we find that Florida Companies' planning process complies with the dispute resolution requirements of the July 9 Order.

E. Regional Participation

1. July 9 Order

27. In the July 9 Order, the Commission required Florida Companies to modify their Attachment Ks to provide a description of the Southeast Reliability Corporation reliability planning process and how it safeguards and augments the reliability of the Florida Reliability Coordinating Council system.

2. Commission Determination

28. Florida Companies' Attachment Ks provide that the Florida Reliability Coordinating Council has a reliability coordination arrangement with Southern Company Services, Inc. (Southern), which is located in the Southeast Subregion of Southeast Reliability Corporation. Florida Companies explain that the purpose of the reliability coordination arrangement is to safeguard and augment reliability on an inter-regional basis for Southern and the Florida Reliability Coordinating Council bulk-power supply systems.

29. Florida Companies further explain that the arrangement also provides the mechanism for inter-regional joint studies and recommendations designed to improve the reliability of the interconnected bulk-power system.¹⁸ As noted above, section 7.4 of Florida Companies' Attachment Ks also provide a link to a description of how the Florida Reliability Coordinating Council interregional coordination process facilitates the communication of modeling information and system expansion plans to ensure reliability. We find that Florida Companies' revisions to their Attachment Ks clarify the mutual duties of Southern and the Florida Reliability Coordinating Council under the reliability coordination arrangement and the means by which the arrangement safeguards and augments the reliability of the Florida Reliability Coordinating Council system. Therefore, we find that the revisions discussed above satisfy the regional participation requirements of the July 9 Order.

¹⁸ Florida Companies' Attachment K, section 7.3.

F. Economic Planning Studies**1. July 9 Order**

30. In the July 9 Order, the Commission directed Florida Companies to revise their Attachment Ks to explain in detail how coordination of economic studies and coordination in the Eastern Interconnection Reliability Assessment Group is accomplished. The Commission also required Florida Companies to provide a mechanism for the clustering or batching of requests for economic planning studies. In addition, the Commission required the Florida Companies to revise their Attachment Ks to explain the methodology used for customers requesting additional studies and the cost treatment.

2. Commission Determination

31. We find that Florida Companies' provisions explaining how inter-regional economic studies may be requested and providing additional information on the Southeastern Regional Transmission Planning forum complies with the July 9 Order.

32. Florida Companies clarify that the Eastern Interconnection Reliability Assessment Group's primary purpose is to ensure reliability among the regional entities and that Florida Companies do not have economic planning responsibilities.¹⁹ Florida Companies' Attachment Ks provide that transmission providers within the Florida Reliability Coordinating Council and the Southeastern Regional Transmission Planning forum coordinate with each other as necessary in the performance of economic studies.²⁰ Florida Companies' Attachment Ks explain that the Florida Reliability Coordinating Council Southeastern Region Economic Study Request document posted under the Florida Southeast Reliability Corporation Inter-Regional Transmission Information folder on the Florida Reliability Coordinating Council website describes the process and procedures for requesting inter-regional economic studies.²¹

¹⁹ Tampa Electric Transmittal at 7; Florida Power Transmittal at 5; FPL Transmittal at 5; and Orlando Transmittal at 4.

²⁰ Florida Companies' Attachment K, sections 7.3 and 7.4 (Regional Participation).

²¹ See The Florida Reliability Coordinating Council information at: www.southeasternrtp.com and <https://www.frcc.com>

33. We also find that Florida Companies' Attachment Ks partially comply with the Commission's directives to provide a mechanism for the clustering or batching of requests for economic planning studies and to explain the methodology used for customers requesting additional studies and the cost treatment. Florida Companies' Attachment Ks provide that stakeholders will collectively be allowed to request the performance of up to five (5) economic planning studies annually at no charge to the individual requesting customers.

34. Florida Companies explain that the cost of the sixth and subsequent economic planning studies requested in a calendar year will be assessed to the individual customer(s) requesting such studies. They also explain that if there are similar interests for certain economic studies, stakeholders can coordinate with each other and the transmission provider during the transmission planning process to collectively select the five no-charge economic studies.²²

35. Florida Companies further explain that if more than five economic planning studies are requested and the stakeholders are unable to agree on the selection of the five no-charge economic planning studies, then the transmission provider will select the five no-charge economic planning studies by selecting one study per stakeholder based on the time the economic planning study request was submitted on OASIS (up to a maximum of five stakeholders) and continuing this iterative process until the five no-cost economic planning studies have been selected.

36. Additionally, Florida Companies' Attachment Ks provide that in the event the transmission provider receives more than one request for an economic planning study which the transmission provider determines the study: (i) will have overlapping time periods of study; (ii) may involve the same facilities; or (iii) can be reasonably performed on a clustered basis, then the transmission provider will, either at the request of transmission customer(s) requesting the studies or if the transmission provider deems it to be appropriate, offer to cluster two or more qualifying study requests which meet the aforementioned criteria for an economic planning study.²³

37. Florida Companies' Attachment Ks also provide that the Florida Reliability Coordinating Council Regional Transmission Planning Process includes both economic and congestion studies and one of the sensitivities may include evaluating the Florida Reliability Coordinating Council Region with various generation dispatches that test or

²² Florida Companies' Attachment K, section 8.1 (Economic Planning Studies).

²³ *Id.*

stress the transmission system, including economic dispatch from all generation (firm and non-firm) in the region.

38. Florida Companies explain that other sensitivities may include specific areas where a combination/cluster of generation and load-serving capability involving various transmission providers/owners in the Florida Reliability Coordinating Council experience or may experience significant and recurring transmission congestion on their transmission facilities. Further, Florida Companies' Attachment Ks provide that members of the Florida Reliability Coordinating Council Planning Committee may also request specific economic analyses that would examine potential generation resource options, or other types of regional economic studies, and to the extent information is available, may request a study of the cost of congestion.²⁴ However, Florida Companies' Attachment Ks economic planning studies provisions do not explicitly provide the opportunity for members of the Florida Reliability Coordinating Council Planning Committee to request economic analysis solutions that would examine potential demand resource options to be studied.²⁵

39. For the above reasons, we find that Florida Companies' planning process partially complies with the economic planning studies requirements of the July 9 Order and direct Florida Companies, within 60 days of the date of this order, to revise section 8 (Economic Planning Studies) of their Attachment Ks to clarify that members of the Florida Reliability Coordinating Council Planning Committee may also request specific economic analyses that would examine potential demand resource options.

G. Cost Allocation

1. July 9 Order

40. The Commission required Florida Companies to describe in detail how their cost allocation procedures apply to economic projects identified through the economic study process and regional projects involving several transmission owners.

2. Commission Determination

41. We find that Florida Companies' revised Attachment Ks comply with the July 9 Order's directive to describe in detail how their cost allocation procedures apply to economic projects identified through the economic study process and regional projects

²⁴ Florida Companies' Attachment K, section 8.2 (Economic Planning Studies).

²⁵ Order No. 890, FERC Stats. & Regs. ¶ 31,241 at P 549.

involving several transmission owners. With respect to economic projects identified through the economic planning studies process, section 9.4 (Cost Allocation) of Florida Companies' Attachment Ks provides that the costs of economic transmission facility improvements that are specifically related to economic projects that were evaluated in the economic planning study process (versus transmission facility improvements undertaken, for example, pursuant to a transmission service request or to resolve reliability issues) will be allocated proportionally to the project participant(s) based on the MW requested by a participant(s) that elects to proceed with the installation of such transmission improvements. In addition, Florida Companies' cost allocation provisions apply to projects identified through the economic study process and regional projects involving several transmission owners.

42. Florida Companies explain that project participants that take firm transmission service on those transmission facilities will be entitled to a monthly credit against their transmission service bill.²⁶ They provide that if after twenty years of taking transmission service the project participant(s) has not fully offset the initial investment with transmission service credits, such participant(s) will receive the balance of the outstanding credits for the initial transmission investment. They also provide that the transmission provider may seek approval from appropriate state and federal regulatory bodies to incorporate, at the appropriate times, the credits that are provided to the project participant(s) in taking transmission service into retail and wholesale rates respectively.²⁷ Therefore, we find that Florida Companies' cost allocation methodology complies with the requirements of the July 9 Order.

H. Recovery of Planning Costs

1. July 9 Order

43. The Commission required the Florida Companies to explain how the planning costs will be recovered and the mechanism that they will use to recover the planning costs incurred.

2. Commission Determination

44. We find that Florida Companies' proposed revisions comply with the July 9 Order's directive to explain how planning costs will be recovered and the mechanism that they will use to recover the planning costs incurred. Florida Companies explain that

²⁶ Florida Companies' Attachment K, section 9.4 (Cost Allocation).

²⁷ *Id.*

planning study costs incurred by the Transmission Provider in the performance of the first five economic planning studies will be absorbed by the transmission provider in its normal course of business of performing its obligations under Attachment K. Florida Companies state that the cost of the sixth and additional economic planning studies in a calendar year will be assessed to the individual customer(s) requesting such studies. Additionally, Florida Companies' Attachment K provides that general transmission planning costs not associated with economic planning studies are routine cost-of-service items that would be reflected in both wholesale and retail transmission rates as appropriate.²⁸

I. Other Issues

45. In Docket No. OA08-20-002, Tampa Electric submitted a revised tariff sheet that contains no substantive change, but only an editorial correction regarding a reference to the Florida Reliability Coordinating Council website. We accept the tariff sheet, effective October 7, 2008, as requested. Similarly, in Docket No. NJ08-6-001 Orlando also proposed to update internet links and correct typographical errors by replacing specific internet links with a single reference to a webpage on the Florida Reliability Coordinating Council's website that will provide a directory of all Florida Reliability Coordinating Council materials referred to in its Attachment K. Orlando states that no substantive change was made and requests a January 1, 2009 effective date.

46. In the July 9 Order, the Commission noted that Orlando would have to make similar revisions to its proposed Attachment K as it directed Florida Companies to undertake. Orlando submitted a substantially similar Attachment K to those submitted by Florida Companies. Regarding its revisions to Attachment K, we grant Orlando safe harbor tariff status, subject to the same modifications required of the Florida Companies, as discussed above.

The Commission orders:

(A) Tampa Electric's compliance filing including typographical corrections, is hereby accepted, subject to a further compliance filing, effective October 7, 2008, as discussed in the body of this order.

(B) Tampa Electric is hereby directed to submit a compliance filing, within 60 days of the date of this order, as discussed in the body of this order.

²⁸ Florida Companies' Attachment K, section 10.1 (Recovery of Planning Costs).

(C) Florida Power's compliance filing is hereby accepted, subject to a further compliance filing, effective October 7, 2008, as discussed in the body of this order.

(D) Florida Power is hereby directed to submit a compliance filing, within 60 days of the date of this order, as discussed in the body of this order.

(E) FPL's compliance filing is hereby accepted, subject to a further compliance filing, effective October 7, 2008, as discussed in the body of this order.

(F) FPL is hereby directed to submit a compliance filing, within 60 days of the date of this order, as discussed in the body of this order.

(G) Safe harbor status is hereby granted to Orlando, effective January 1, 2009, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.