

**DATE:**

**TO:** Honorable Mayor and  
Members of the City Commission

**FROM:** Karen S. Johnson, General Manager

**SUBJECT:** Public Utilities Regulatory Policy Act (PURPA) Requirements (B)

Executive Summary:

Staff will make a presentation on the schedule and public participation procedure for consideration and determination of Standards 14 and 15 of the Public Utility Regulatory Policies Act of 1978 (as amended by the Energy Policy Act of 2005), 16 U.S.C. §2621(d)(14) and (15). PURPA jurisdictional members have until August 8, 2007, to begin consideration of time based metering and communications, and interconnection standards for distributed resources.

Recommendation:

The City Commission receive a presentation on the schedule for consideration and determination of Standards 14 and 15 of the Public Utility Regulatory Policies Act of 1978 (as amended by the Energy Policy Act of 2005), 16 U.S.C. §2621(d)(14) and (15) and the public participation procedure for PURPA standards.

Explanation:

The Public Utility Regulatory Policies Act of 1978 (PURPA) was enacted as part of the National Energy Act by President Jimmy Carter. The Energy Policy Act of 2005 (EPAct 2005) adds five additional PURPA standards that state commissions and nonregulated utilities must consider. These include (1) net metering; (2) fuel diversity; (3) fossil fuel generation efficiency; (4) time based metering and communications; and (5) interconnection standards for distributed resources. The City Commission took initial action to meet the PURPA requirements on July 31, 2006.

PURPA jurisdictional members have until August 8, 2007, to begin consideration of time based metering and communications (Standard 14), and interconnection standards for distributed resources (Standard 15). PURPA requires consideration by each electric utility of offering each of its customer classes, and providing to individual customers upon customer request, a time-based rate schedule under which the rate charged by the electric utility varies during different time periods and reflects the variance, if any, in the utility's costs of generating and purchasing electricity at the wholesale level. The time-based rate schedule, if adopted, would enable the electric consumer to manage energy use and cost through advanced metering and communications technology.

The PURPA interconnection standards require consideration of the interconnection of electric utility distribution facilities to certain customers who have on-site generation. If the Gainesville City Commission adopts the standards, it would be required to make the system available for such interconnection and

qualifying customers would be required to meet certain engineering requirements.

Staff recommends the following timeline.

June 15, 2007 - GRU staff recommendation will be released and available at the Office of the General Manager at 301 SE 4<sup>th</sup> Avenue, Gainesville, Florida 32614-7117, or by telephone at 352-393-1000. The GRU staff recommendation will also be available at the Office of the Clerk of the Commission at 200 East University Avenue, Gainesville Florida 32602-0490, or by telephone at 352-334-5015. The Notice (attached) of Hearing will be published in the Gainesville Sun.

On, or before June 25, 2007 – members of the general public planning to participate in the hearing must file a Notice of Intent to Participate in Hearing (attached) and may file written testimony and any other information in support of or in opposition to the adoption of the GRU staff recommendation. Notice of Intent may be filed at the meeting.

June 25, 2007 – public hearing shall be held at the City Commission meeting, after 6 pm.

June 27, 2007 – The General Manager shall issue a Recommended Decision for Gainesville City Commission consideration

July 9, 2007 - The Gainesville City Commission shall issue their decision adopting, modifying or rejecting the Recommended Decision regarding the implementation of Standards 14 and 15.

PURPA requires that all consideration and determination on implementation be completed by August 8, 2008. If these timeframes are not met, the utility must consider and make a determination on the standard at the first rate proceeding conducted after August 8, 2008.

Fiscal Note:

The estimated cost for consideration and determination of PURPA requirements is included in the FY 2007-08 Budget.

Prepared By:

---

Ed Regan, P.E. AGM for Strategic Planning

Submitted By:

---

Karen S. Johnson, General Manager

## NOTICE OF HEARING

The City of Gainesville hereby gives public notice of a Public Hearing to be held at its regularly scheduled meeting on June 25, 2007, during the public hearing portion of the meeting. The Hearing will address the City of Gainesville and Gainesville Regional Utilities (GRU) consideration and determination of Standards 14 and 15 of the Public Utility Regulatory Policies Act of 1978 (as amended by the Energy Policy Act of 2005), 16 U.S.C. §2621(d)(14) and (15)

Standard 14 states that each electric utility shall offer each of its customer classes, and provide individual customers upon customer request, a time-based rate schedule under which the rate charged by the electric utility varies during different time periods and reflects the variance, if any, in the utility's costs of generating and purchasing electricity at the wholesale level. The time-based rate schedule, if adopted, would enable the electric consumer to manage energy use and cost through advanced metering and communications technology.

Standard 15 governs the interconnection of electric utility distribution facilities to certain customers who have on-site generation. If the Gainesville City Commission adopts the standards, it would be required to make the system available for such interconnection and qualifying customers would be required to meet certain engineering requirements.

Parties who wish to participate must meet the following schedule:

- (1) June 15, 2007 - GRU Staff recommendation, as well as all documentation in support thereof, shall be made available to the general public.
- (2) On, or before June 25, 2007 – members of the general public planning to participate in the hearing must file a Notice of Intent to Participate in Hearing by this date and must file written testimony and any other information in support of or in opposition to the adoption of Standards 14 and 15 by this date.
- (3) June 25, 2007 – a public hearing shall be held at the City Commission meeting, after 6 pm.
- (4) June 27, 2007 – The General Manager shall issue a Recommended Decision for Gainesville City Commission consideration at the July 9, 2007, City Commission Meeting.
- (5) July 9, 2007 - The Gainesville City Commission shall issue their decision adopting, modifying or rejecting the Recommended Decision at the July 9, 2007, City Commission Meeting. The Gainesville City Commission shall issue their determination on the implementation of Standards 14 and 15 at the July 9, 2007 meeting.

All filings required above shall be filed with the GRU General Manager, 301 SE 4<sup>th</sup> Avenue, Gainesville, Florida 32614-7117. Parties may request copies of GRU Staff recommendation and any other information relevant to this matter by contacting the Office of the GRU General Manager at the above address or at (352) 393-1000.

**NOTICE OF INTENT TO PARTICIPATE IN HEARING**

Application for Award of Reasonable Costs

To: *Gainesville Regional Utilities*  
*301 SE 4<sup>th</sup> Avenue*  
*Gainesville, FL 33601*

I, \_\_\_\_\_, hereby submit this Application for Award of Reasonable Costs on this \_\_\_\_\_ day of \_\_\_\_\_, 2007, and do hereby swear for and affirm that the information provided herein is true and correct to the best of my knowledge.

Please answer the following questions in the space provided. You may attach separate sheets if necessary. If separate sheets are attached, please use corresponding numbers.

1. Contact Information:

Name	Address	City/State/Zip
( )	( )	
Telephone	Fax	Email

2. Please check which one of the following is applicable to you:

- An electric consumer of Gainesville Regional Utilities. \_\_\_\_\_  
(Customer Account Number)
- An electric consumer of another affected utility. \_\_\_\_\_  
(Name of utility)
- An affected electric utility. \_\_\_\_\_  
(Name of utility)
- Other. \_\_\_\_\_  
(Explain)

3. Please state whether you believe that you have, or represent an interest, that would not otherwise be adequately represented in these proceedings, and if so, please specifically and fully explain the basis of your statement.
4. Please state whether you believe that you have or represent an interest, the representation of which is necessary for a fair determination in these proceedings, and if so, please specifically and fully explain the basis of your statement.
5. Please state whether you believe that you have or represent an interest that is unable to effectively participate because of an inability to pay reasonable fees and costs associated with participation in these proceedings, or which, but for the ability to receive an award of costs, would otherwise entail a significant financial hardship, and if so, please specifically and fully explain the basis of your statement.
6. Please state whether, to your knowledge, persons with the same or similar interests have a common legal representative in this proceeding. Please note that Gainesville Regional Utilities reserves the right to deny reasonable costs to persons with the same or similar interests who do not have a common legal representative.
7. Please state the total amount of costs sought. In addition, please provide sufficient facts to substantiate the amount and reasonableness of the following:
  - (a) Whether the amount sought is based upon actual or reasonable anticipated fees and costs;
  - (b) The number of hours expended or anticipated to be expended by each attorney and/or expert witness for which compensation is sought.
  - (c) The hourly rate of each attorney and/or expert witness for which compensation is sought.
  - (d) An itemized description of work efforts conducted, or expected to be conducted, by each attorney and/or expert witness for which compensation is sought.
  - (e) Other costs and expenses for which compensation is or will be sought.

Submission of this Application does not entitle the applicant to an award of reasonable costs. Gainesville Regional Utilities reserves the right to deny any Application in accordance with the PURPA Procedures. Gainesville Regional Utilities' decision is binding and may not be appealed. Gainesville Regional Utilities reserves the sole right to determine whether it has provided alternative means for providing adequate compensation to affected consumers, thereby negating any right to an award of costs.

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Print Name of Signatory)

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2007, by \_\_\_\_\_ who did take an oath and who did swear or affirm that the facts set forth above are true and correct.

**NOTARY PUBLIC**

\_\_\_\_\_  
Official Notary Signature and Notary Seal

\_\_\_\_\_  
Name of Notary Typed, Printed or Stamped

Commission Expires: \_\_\_\_\_

Personally known \_\_\_\_\_ OR produced identification \_\_\_\_\_.  
Type of identification produced \_\_\_\_\_.