

**NOTICE OF PURPA EISA 2007
CONSIDERATION AND DETERMINATION PROCESS
TO
ALL INTERESTED PERSONS**

Issued: November 25, 2008

Lee County Electric Cooperative, Inc., (LCEC) hereby gives public notice regarding the process to be followed by it in implementing the statutory directives in the Energy Independence and Security Act of 2007 (EISA 2007), which amended the Public Utilities Regulatory Policies Act of 1978 (PURPA). The EISA 2007 established four new federal standards under Section 111(d) of PURPA, which each non-regulated electric utility (such as LCEC) is required to consider and to “make a determination whether or not it is appropriate to implement such standard[s]” within certain defined timelines based on evidence collected from interested persons after public notice and hearing.

The four new PURPA standards defined by EISA 2007 which LCEC must consider are set forth below. A copy of the complete legislative language relevant to these standards is posted on LCEC’s Website at www.lcec.net. Any active member of LCEC and the Secretary of the Department of Energy (referred to hereinafter as “Eligible Participants”) are eligible to participate in the subject process. Eligible Participants not able to access the LCEC Website who desire a copy of the legislative language should contact LCEC either by:

- phone at (239) 292-1035;
- U.S. mail to LCEC Attn: PURPA Compliance, Post Office Box 3455, North Fort Myers, Florida 33918;
- fax at (239) 995-7904; or
- e-mail to PURPA@lcec.net;

and a copy will be provided.

1. *Integrated Resource Planning*. Each electric utility shall integrate energy efficiency resources into utility, State, and regional plans and adopt policies establishing cost effective energy efficiency as a priority resource.

2. *Rate Design Modifications to Promote Energy Efficiency Investments*. The rates allowed to be charged by any electric utility shall align utility incentives with the delivery of cost-effective energy efficiency and promote energy efficiency investments.

3. *Consideration of Smart Grid Investments*. Each electric utility shall consider smart grid investments based on appropriate factors including total costs, cost effectiveness, improved reliability, security, system performance and societal benefits.

4. *Smart Grid Information*. Each electric utility shall provide its members direct written or electronic access, and other interested persons limited access, to information on

time based electricity prices at wholesale and retail, prices and usage on at least a daily basis, and sources of power provided by LCEC.

Please note that LCEC purchases its full power requirements from Seminole Electric Cooperative, Inc. (Seminole) under a full-requirements contract. For this reason, LCEC's ability to implement Standard 1 may be limited by its power supply contracts. LCEC notes, however, that Seminole follows policies consistent with Standard 1, which LCEC supports. Commenters are urged to take such limitations into account when presenting their views.

In order for LCEC to fully consider the views of the Eligible Participants regarding the standards so that it may determine whether or not it is appropriate to implement such standards, LCEC will follow the procedural schedule set forth below (each component is explained fully in following paragraphs):

- ⌚ Notice – to be posted on November 25, 2008
- ⌚ Initial Comments – to be submitted by February 17, 2009
- ⌚ Reply Comments – to be submitted by March 31, 2009
- ⌚ Request To Participate in Public Hearing – to be submitted by May 29, 2009
- ⌚ Public Hearing – to be held on July 1, 2009 at the LCEC offices at 4980 Bayline Drive, North Fort Myers, Florida commencing at 9:00 a.m.
- ⌚ Determination – to be rendered on or before December 19, 2009

Notice. This Notice is being posted on LCEC's Website, and an abbreviated notice is being sent to all LCEC customers along with the monthly bill. Any Eligible Participant may obtain a copy, at cost, of the relevant portions of EISA 2007 at the LCEC main office following the procedures explained above.

Initial Comments. Any initial comments should (if possible) be typed (double spaced) and paginated, with appropriate headings so that the reader will know with specificity which of the standards is being addressed. The comments should identify the name of the commenting party along with the address, telephone number, and (if available) the email address of the commenting party. LCEC requests that at least three copies of the comments be filed at its office at 4980 Bayline Drive, North Fort Myers, Florida 33917, or alternatively, a single copy may be electronically filed via the PURPA link at LCEC.net. LCEC will post all comments submitted by Eligible Participants on its Website and will make copies of comments available, at cost, to any Eligible Participant that requests a copy.

Reply Comments. The purpose of reply comments (which should conform to the format described above for initial comments) is solely to respond to arguments made in another person's initial comments; therefore, it is important that the person submitting reply comments identify with specificity the initial comment(s) to which he/she is responding and the points (preferably with page references) in the initial comments which he/she is addressing. The filing instructions described above for initial comments should be followed

for reply comments. LCEC will post all reply comments on its Website and will make copies of the reply comments available, at cost, to any Eligible Participant that requests a copy.

Request To Participate in Public Hearing. Any Eligible Participant that desires to participate in the public hearing should so notify LCEC in writing (either by mail at the LCEC office address noted above, by fax at the number noted above, or by e-mail at the e-mail address noted above). The notification should indicate at least the following: (i) the name and address of the person requesting to participate; (ii) whether the person filed initial and/or reply comments; (iii) whether the person desires to make a verbal presentation and, if so, the anticipated length; and (iv) whether any special accommodations need to be made for the presenter.

Hearing. The hearing will be held at the LCEC office at 4980 Bayline Drive, North Fort Myers, Florida 33917 and will be presided over by an impartial third party selected by LCEC. The procedures to be followed at the hearing will be determined by the presiding officer with the goal of ensuring a full and fair record on the issues. A one-day hearing is the standard, but the hearing will continue for as many concurrent days as needed to allow all Eligible Participants to comment. The purpose of the hearing is to collect remarks in addition to those found in the written comments. Therefore, participation in the hearing is not required for written comments to be considered. A transcript of the proceeding will be posted on the LCEC Website and made available to any Eligible Participant upon request at cost.

Determination. The Determination to be made by LCEC as to whether or not it is appropriate to implement any of the four standards will be in writing, will be based on findings supported by the evidence of record, will be posted on the LCEC Website and will be made available for any Eligible Participant at cost.

LCEC encourages parties interested in this matter to contact LCEC with any questions regarding any of the items above.