

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of post-interconnection study charges to interconnection customer-owned renewable generation by Tampa Electric Company.

DOCKET NO. 120032-EQ
ORDER NO. PSC-12-0148-PAA-EQ
ISSUED: March 29, 2012

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

NOTICE OF PROPOSED AGENCY ACTION ORDER
APPROVING POST-INTERCONNECTION STUDY CHARGES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Background

On January 27, 2012, Tampa Electric Company (“TECO”) filed a Petition for Approval of Post-Interconnection Study Charges for the interconnection of a solar photovoltaic (“PV”) facility at the James A. Haley Veterans Hospital. The petition seeks our approval to charge the James A. Haley Veterans Hospital \$155,200 to cover the cost to upgrade TECO’s transmission and distribution facilities impacted by the solar PV installation.

On April 7, 2008, our amendments to Rule 25-6.065, Florida Administrative Code (“F.A.C.”), relating to interconnection and net metering of customer-owned renewable generation, became effective.¹ The purpose of the rule is to promote the development of customer-owned renewable generation up to 2 Megawatts in size, and the rule expedites the interconnection of such generation. In addition, the rule permits customers to offset electric consumption through net metering, further mitigating costs associated with self-generation.

¹ See Order No. PSC-08-0161-FOF-EI, issued March 19, 2008, Docket No. 070674-EI, In re: Interconnection and Net Metering of Customer-Owned Renewable Generation.

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FPSC-COMMISSION CLERK

The rule requires each investor-owned utility to file standard interconnection agreements and tariffs for our approval. On May 7, 2008, Tampa Electric Company filed tariffs as required by the rule. On September 24, 2008, we approved the tariffs filed by TECO.²

The rule defines three tiers of customer-owned renewable generation eligible for expedited interconnection: Tier 1 - 10 kW or less; Tier 2 - greater than 10kW and less than or equal to 100 kW; or Tier 3 - greater than 100 kW and less than or equal to 2 MW. The rule also prohibits installations from exceeding 90 percent of the customer's utility distribution service rating. The rule allows an Investor Owned Utility ("IOU") to conduct an interconnection study to identify any distribution upgrades that may be necessary for a Tier 3 installation. The study and the necessary upgrades are to be paid by the customer, which ensures that there is no subsidization from other customers. We must approve any costs identified by the IOU resulting from the interconnection before those costs may be charged to a customer. We have jurisdiction over this matter pursuant to Section 366.91, Florida Statutes and Rule 25-6.065, Florida Administrative Code.

The Project and Approval of Charges.

The James A. Haley Veterans Hospital ("Hospital") plans to install up to 4 MW of customer-owned solar photovoltaic renewable generation. The PV installations will be placed on canopies above the hospital's parking lots. TECO's petition seeks recovery approval for charges for the two net metered locations at the Freedom and Liberty parking lots of approximately 1.3 MW. A third installation of approximately 1 MW is being placed on the Romeo parking lot of the Hospital. Unlike the other two systems, this one will be tied into the hospital and will not be net metered. The system includes an interlock relay and will not operate if the Hospital is not receiving power from TECO. This system will be used directly to off-set usage of the Hospital. Given the size of the system and the load of the Hospital, TECO has informed our staff that there is no realistic scenario where the Hospital would ever have excess generation from this PV facility.

The electrical system for the main hospital has a planned redundancy configuration. There are two main circuits, or "preferred" circuits, and an alternate or "backup" circuit for each. A customer-owned relay switches to the alternate circuit if the main circuit experiences an outage which exceeds a particular pre-determined duration.

It is TECO's understanding that all future upgrades to the system will be at the Romeo lot and tied directly into the hospital to help off-set load and will not be net metered. The petition does not seek the recovery of any costs associated with the Romeo lot. Below is a chart that summarizes the proposed installations.

² See Order No. PSC-08-0624-TRF-EI, issued September 24, 2008, Docket No. 080255-EI, In re: Petition for approval of standard interconnection agreements for expedited interconnection of customer-owned renewable generation and associated net metering tariff, by Tampa Electric Company.

Location		Size- kW ac
Freedom Parking Lot	Net Metered	587
Liberty Parking Lot	Net Metered	763
Romeo Parking Lot	Tied into Hospital	925

In order for TECO to determine what utility transmission and distribution facilities would be required to install the PV system in the desired configuration, an Interconnection Study was performed by TECO. TECO's petition seeks our approval of the costs associated with the upgrades to its distribution system.

Below is a chart that summarizes the charges proposed by TECO. A more detailed list of charges is included as Exhibit A of TECO's Petition.

Required Upgrades	Cost
Distribution System Upgrades	\$91,400
Supervisory Control and Data Acquisition System	\$57,900
System Commissioning	\$5,900
Total	\$155,200

Due to restrictions imposed by the rate schedule under which the Hospital currently takes service, the distribution service rating at the parking facilities where the PV system will be installed must be increased. If all 4 MW were installed on the Hospital, the Hospital would be required to take service under standby service tariff. This would increase the cost of electricity to the Hospital. To continue taking service under its current tariff, the Hospital has elected to interconnect two of the systems behind the meter of two Hospital parking facilities.

SunPower Corp. has filed a letter in support of TECO's petition. SunPower Corp. is under contract with the Hospital and has requested an invoice from TECO. Further, Sunpower will be responsible for paying for the upgrades per its contract with the Hospital. TECO has stated that the Hospital is aware of these proceedings and does not dispute the proposed charges.

After review of the proposed upgrades and costs, we find them reasonable. We therefore approve the recovery of costs proposed in the petition by TECO for the post-interconnection study charges to interconnect the renewable generation facilities from the James A. Haley Veterans Hospital.

Closure of Docket

If no person whose substantial interests are affected files a protest of this proposed agency action order within 21 days of issuance, a consummating order will be issued and this docket shall be closed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Tampa Electric Company's Petition to charge \$155,200 for costs resulting from the interconnection of customer-owned renewable generation at the James A. Haley Veterans Hospital, as identified in the Interconnection Study, is approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 29th day of March, 2012.



ANN COLE
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 19, 2012.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.