

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of facility charges to interconnection customer-owned renewable generation of Tropicana Manufacturing Company, by Florida Power & Light Company.

DOCKET NO. 120079-EQ
ORDER NO. PSC-12-0264-PAA-EQ
ISSUED: May 30, 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

PROPOSED AGENCY ACTION ORDER APPROVING CUSTOMER OWNED
RENEWABLE GENERATION FACILITY INTERCONNECTION 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 April 9, 2012, Florida Power & Light Company ("FPL") petitioned for approval of charges that would be necessary for the interconnection of a renewable land fill gas-fired generation facility owned by the Tropicana Manufacturing Company ("Tropicana"). The petition seeks our approval to charge Tropicana approximately \$95,000 to cover the costs of system modifications identified by the interconnection study.

On April 7, 2008, our amendments to Rule 25-6.065, Florida Administrative Code ("F.A.C.")("the rule"), 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 ("MW") in size, and to expedite 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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The rule requires each investor-owned utility to file standard interconnection agreements and tariffs for our approval. On May 7, 2008, FPL filed tariffs as required by the rule. On September 24, 2008, we approved the tariffs filed by FPL.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 a company 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.

In this docket, Tropicana seeks to interconnect its facilities with FPL using the Tier 3 standard interconnection agreement. The interconnection study conducted pursuant to the rule has identified approximately \$95,000 for interconnection facility costs. We have jurisdiction pursuant to Section 366.91, Florida Statutes ("F.S.") and Rule 25-6.065, Florida Administrative Code ("F.A.C.").

Recovery of Charges

Tropicana plans to install 1.6 MW of customer-owned renewable land fill gas-fired generation at its Fort Pierce site. Tropicana plans to interconnect and operate the facility in parallel with the FPL system. Tropicana, however, intends to use all of the generation on-site and does not intend to export the energy to FPL.

In order for FPL to determine what utility transmission and distribution facilities would be required to install the land fill gas-fired generator in the desired configuration, an Interconnection Study was performed. FPL's petition seeks approval of the costs associated with the upgrades to interconnection facilities.

Interconnection facilities installed by FPL will include relay protection cabinets, protection and control materials and equipment, and fiber optic cabling. This equipment will ensure that the Tropicana generation will be tripped in the event that the source feed from FPL is lost, provide isolation from FPL's system during extended outages, and prevent the flow of energy onto FPL's system.

Below is a chart that summarizes the charges proposed by FPL.

² See Order No. PSC-08-0624-TRF-EI, issued September 24, 2008, Docket No. 080265-EI, In re: Petition for approval of net metering tariff and standard interconnection agreements, by Florida Power & Light Company.

Interconnection Upgrade	Cost
Foundation, Conduit, Grounding, and Substation Contractor Labor	\$5,938.00
Relay Protection Cabinets (Quantity=3)	\$42,750.00
Other Materials (Protection & Control ("P&C") + Substation)	\$4,750.00
P&C Contractor Labor	\$23,750.00
FPL P&C & Substation Engineering	\$17,812.00
Total Charge	\$95,000.00

Tropicana has filed a letter in support of FPL's petition. FPL has stated that Tropicana is aware of these proceedings and does not dispute the proposed charges. We recognize that the charges proposed by FPL are an estimate. If Tropicana believes that the final charge from FPL is unreasonable, Tropicana can petition us for resolution of the disagreement.

We therefore approve the recovery of costs, proposed by FPL in the petition, for charges necessary to interconnect the renewable generation facilities from the Tropicana Manufacturing Facility, as identified in the post interconnection study. After review of the proposed upgrades and costs, totaling \$95,000, we find them to be reasonable.

Closure of Docket

We are issuing this Order as Proposed Agency Action. If no person whose substantial interests are affected files a protest of this Proposed Agency Action Order within 21 days of issuance, the docket shall be closed upon issuance of a Consummating Order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the recovery of costs proposed in the petition by FPL for the interconnection charges to interconnect the renewable generation facilities from the Tropicana Manufacturing Company, in the amount of \$95,000, 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 30th day of May, 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.

LDH

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 June 20, 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.