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Public Service Commission

June 13, 2008

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Susan D. Ritenour  
Secretary and Treasurer  
Gulf Power Company  
One Energy Place  
Pensacola, FL 32520-0780

**Re: Docket No. 080260 – Gulf Power Company’s Petition for Approval of Standard Interconnection Agreements for Tier 1 through Tier 3 Customer-Owned Renewable Generation Systems and Revisions to Tariff Sheets iv, 4.2, 4.16 and 9.1**

Dear Ms. Ritenour:

After reviewing the filing by Gulf Power Company (Gulf Power) in the above docket in response to PSC Order No. PSC-08-0161-FOF-EI, staff has the following questions. For ease of reference, the items of interest are listed by section from Rule 25-6.065, Florida Administrative Code. The remaining questions are listed by Gulf Power Company’s tariff sections and as “additional questions.” Please provide a written response to each question by June 27.

Upon receipt of your response, staff may schedule a meeting or conference call to discuss the responses and any revisions necessary to the proposed standard interconnection agreements or tariffs filed in this docket.

PSC Rule, Subsection 4(a), (b) – Facility Requirements:

1. Section 1.b.iii. There is a footnote in section 1.b.iii, detailing the Customer’s responsibility for costs associated with additional design review, if required by the company. No where else does the agreement utilize footnotes. Why is this footnote located in section 1.b.iii as opposed to creating and adding the footnote language to section 1.b.iv. instead? *Tariff Section 1.b.iii.*

PSC Rule, Subsection 4(f) – Standard Application Fee:

2. For Tier 2 and 3 applications, justify the Standard Application Fee of \$477 in Section 11 of the Tariff? Specifically, what were the factors that led to the estimated Administrative and Engineering work hours and costs listed in Exhibit C? *Tariff Section 11.*
3. Under section 11, Standard Application Fee, if for some reason the customer increases generation, requiring being raised (or dropped) from one tier to the next tier, will the customer

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be required to pay an additional “standard application fee” for the next tier’s interconnection agreement (see section 5.a.)?

- a. If the customer goes from Tier 1 to Tier 2, will the customer be required to pay the standard application fee for Tier 2 customers?
- b. If the customer goes from Tier 2 to Tier 3, will the customer be required to pay the standard application fee for Tier 3 customers and pay a deposit for the interconnection study?

PSC Rule, Subsection 4(g) – Interconnection Study Charge

4. For Tier 3 applications, justify the Interconnection Study Charge deposit of \$2,680 in Section 11 of the Tariff? Specifically, what were the factors that led to the estimated Field Work and Data Gathering; Analysis and Load Study; and Travel Time work hours and costs listed in Exhibit D of Gulf Power’s petition? *Tariff Section 11.*
5. Under section 11, Interconnection Study Charge Deposit of \$2,680:
  - c. Rule (4)(g) permits a charge, but is silent as to a deposit. Why does Gulf Power desire to require a deposit instead of a flat charge amount for the Interconnection Study?
  - d. Since the Tier 3, section 11 tariff is silent, if the amount for the Interconnection Study exceeds \$2,680 deposit charged, will the Customer be required to pay the difference?
6. Staff notes that, under section 11, there appears to be some potentially confusing language with regards to who will be liable for the costs and/or charges following the Interconnection Study is completed. Was this intended as a disclaimer? Will such additional cost or charges following the completion of the Interconnection Study need to be submitted to the Florida Public Service Commission for a determination and will that not slow down the interconnection?

PSC Rule Subsection 5(a) – Construction Codes and Standards:

7. In section 3: Construction Codes and Standards, Gulf Power’s language differs from the PSC rule (section 5(a)) by stating that a customer is responsible for ensuring that a facility achieves and maintains compliance with all applicable city, county, state, and federal construction codes prior to *and during* its operation. Why is the tariff’s language different from that in the PSC rule? *Tariff Section 3.*

PSC Rule, Subsection 5(e) – Customer Insurance:

8. Why are the maximum dollar amounts for required insurance coverage in the PSC rule (\$1 million for Tier 2 and \$2 million for Tier 3) used as the minimum dollar amounts for each respective tier in Gulf Power’s tariff? *Tariff Section 8.*

PSC Rule, Subsection 6(b) – Modifications/Additions to the Facility:

9. Section 9. The last sentence in section 9 adds “. . . by the Customer.” to the requirement in Rule (6)(b). The Rule (6)(b), states: “The [IOU] shall reconnect the customer-owned

renewable generation as soon as the condition necessitating disconnection is remedied.”  
Please explain the difference in language from the Rule. How will the Customer remedy a condition if it is on Gulf Power’s side of the meter? *Tariff Section 9.*

PSC Rule, Subsection 6(c) – Conditions Warranting Disconnection of the Customer’s Facility:

10. Why does Gulf Power’s tariff list other factors, in addition to those listed by the PSC rule, which can be grounds for customer disconnection? *Tariff Section 10.*
11. Under section 4.c., Gulf Power seeks access to the Customer’s premises in times of emergency or hazardous conditions. This language seems beyond the scope of the Rule and was not covered under previous Small Photovoltaic System (SPS) tariff. Had situations arisen under Gulf Power’s past SPS tariff which necessitate this language? What sort of post-access-to-premise notice will the Customer receive from Gulf Power if no prior notice is given?  
*Tariff Section 4.c.*

PSC Rule, Subsection 7(a) – Interconnection Application:

12. Section 2 is missing the following language: “Upon request the investor-owned utility shall provide a hard copy of the application within 5 business days,” which is required by subsection 7(2) of 25-6.065, FAC. Why is this language not included? *Tariff Section 2.*

PSC Rule, Subsection 7(b)(c) – Administrative Requirements:

13. How did Gulf Power determine which supporting materials would be required for a customer to submit in conjunction with their Interconnection Agreement? *Tariff Section 14.a.b.*

Tariff Section 5 - Modifications/Additions:

14. How did Gulf Power arrive at 60 days as the amount of time a customer has to notify the company if the customer adds another renewable generation system which utilizes the same utility-interactive inverter or utilizes a separate utility-interactive inverter? *Tariff Section 5.b.*

Tariff Section 14: Change in Facility Ownership:

15. Since there is no apparent language in the PSC rule, how did Gulf Power arrive at the language and 30 day written notice requirement for any changes in facility ownership? *Tariff Section 14.*

Tariff Section 19 - Termination:

16. Under section 19, Termination of the agreement. Why is permanent isolation from the grid at the customer’s expense? Who should pay if Gulf Power initiates termination of the agreement?

Susan D. Ritenour

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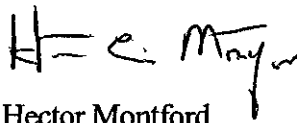
17. In section 19, is there a substantive difference between "isolate from the grid" and "disconnect from the grid"? Would not substituting "isolation procedure" for "disconnect procedure" in the last sentence be more consistent?
18. Involuntary Termination of the Net Metering Interconnect Agreement. Staff notes that there appears to be no procedure allowing Gulf Power to initiate involuntary termination of the net metering interconnect agreement for breach by the Customer within the proposed Tariffs or the Rule, other than perhaps subsection (11), covering Dispute Resolution. Should such a situation arise, how would Gulf Power initiate an involuntary termination of the net metering interconnect agreement?
19. Since there is no apparent language in the PSC rule, how did Gulf Power arrive at the language for terminating an Interconnection Agreement? *Tariff Section 19.*

Additional Questions:

20. Please address whether the customer would be provided with a copy of the associated pages of the tariff with the interconnection agreement.
21. Is it correct that customers would be ineligible for time of use rates under net metering?
22. Conjunctive billing is not addressed in the interconnection agreement or amended tariff language. Should this be addressed as a result of HB 7135?

Please file the response to these questions in the above referenced docket file. If you have any questions regarding the information requested above, feel free to contact me at (850) 413-6648 or via email at [hmontfor@psc.state.fl.us](mailto:hmontfor@psc.state.fl.us).

Sincerely,



Hector Montford  
Government Analyst

cc: Division of Legal Services (M. Brown, Sayler)  
Division of Economic Regulation (Futrell, Kummer, Draper)  
✓ Office of Commission Clerk (Docket No. 080260)