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June 24, 2008

-VIA ELECTRONIC DELIVERY -

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 080265-EI – Florida Power & Light Company's Petition For Approval of Net Metering Tariff and Standard Interconnection Agreements

Dear Ms. Cole:

Pursuant to Staff's request dated June 10, 2008, enclosed for filing are Florida Power & Light Company's responses to Staff's questions regarding FPL's proposed interconnection agreements and tariff language.

Please contact me if you have any questions about this transmittal.

Sincerely,

/s/ Jessica A. Cano

Jessica A. Cano

cc: Martha Brown, Division of Legal Services (w/ enc.)
Karen Webb, Office of Strategic Projects & Resource Planning (w/ enc.)

Q.

Please address whether the customer would be provided with a copy of the associated pages of the tariff with the interconnection agreement.

A.

FPL plans on mailing copies of the new tariff to all existing and pending customers as soon as the new tariff is approved. Copies of the document will also be made available on the internet site www.FPL.com/netmetering.

Q.

Is it correct that customers would be ineligible for time of use rates under net metering?

A.

No, customers would not be ineligible for time of use rates under net metering.

Q.

Conjunctive billing is not addressed in the interconnection agreement or amended tariff language. Should this change as a result of HB 7135?

A.

It appears that HB 7135 may be in conflict with the Conjunctive Billing Rule, 25-6.102 FAC. Once the bill is signed, implementation of the bill may require tariff revisions.

Q.

The amended language states that in the last billing cycle month of each calendar year, any unused credits for excess kWh generated will be *credited* to the next month's billing cycle. The rule language states that at the end of each calendar year, the utility shall *pay* the customer for an unused energy credits. Please describe FPL's understanding of the two terms "credit" and "pay" and indicate whether the customer would be free to choose end-of-year compensation in the form of a check. Please also indicate how the use of the term "credit" differs from the amended language addressing when a customer closes the account, and "any of the customer's unused credits for excess kWh generated will be *paid* to the customer…"

A.

The term "credit" as used in the tariff language means that the unused energy payment would be applied to the customer's next electric service bill. At the end of the calendar year, any unused credits would be applied to the customer's account or the customer would be given the option to receive payment in the form of a check.

Q.

Please indicate whether the language addressing customer charges and demand charges may be found in FPL's existing tariff language, and if so, please indicate where in the tariff that language may be found.

A.

Language addressing applicable customer charges and demand charges is found in each of FPL's existing rate schedules. FPL's proposed language addressing customer charges and demand charges for net metered customers may be found in Tariff Sheet No. 10.010 in the last paragraph under the section entitled NET METERING OF CUSTOMER-OWNED RENEWABLE GENERATION.

Q.

Involuntary Termination of the Net Metering Interconnect Agreement. Staff notes that there appears to be no procedure allowing the FPL 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, please explain how FPL would initiate an involuntary termination of the net metering interconnect agreement.

A.

FPL would initiate an involuntary termination of the net metering interconnection agreements by notifying the customer of its intent to terminate and the reasons thereforth.

Q.

Item 3: Tier 1 does not contain a provision as in Tier 2 (Item 3.6) where the policy for obtaining deficient information from the customer is outlined. If this is not an omission, please indicate the reason for the exclusion.

A.

Tier 1 was designed to be a simplified form. It is anticipated that on such small installations, the customer would simply be called if insufficient information was provided. If customer could not be reached, the form would be mailed back for completion.

Q.

Item 4.1 indicates the conditions for conducting an inspection of the customer's equipment. The second sentence in this item seemingly indicates that FPL would conduct such an inspection only in the event of an emergency or hazardous condition, is this correct? Please indicate how item 4.1 complies with subsections (5)(b) and (7)(d) of rule 25-6.065, F.A.C. ("the rule").

A.

FPL only anticipates inspecting Tier 1 equipment when an emergency or hazardous condition exists or when a new technology is installed that FPL has not previously encountered.

Q.

Item 6.2 lists the conditions for disconnection. In addition to the language stated in subsection (6)(c), the agreement indicates that the listed reasons are "by way of illustration not limitation." Please explain this interpretation of subsection (6)(c) of the rule, and provide examples of other reasons for disconnection.

A.

Subsection (6)(c) of the rule provides a list of conditions which shall be cause for the utility to disconnect customer-owned generation from its system, but it does not indicate that this list is exclusive. FPL did not interpret the rule language to apply only to certain prespecified conditions but rather to any condition that may cause adverse effects on the utility's system or the safety of FPL's employees and the general public.

Q.

Item 7.1 tracks the language of subsection (5)(b). Item 7.2 appears to be in addition to this language. Please explain the difference between item 7.1 and 7.2. Please provide examples of when item 7.2 would apply. Please provide reasoning behind the 60 day requirement.

A.

Section 7.1 is to address modifications of an increase in the gross power rating of an existing Customer-owned renewable generation system with the same technology (adding more solar panels to an existing photovoltaic system). Section 7.2 is to address the inclusion of a customer adding a separate technology to an existing Customer-owned renewable generation system (adding a wind system to an existing photovoltaic system). FPL believes the 60 day notification requirement is reasonable given the utility's limited experience with multiple systems utilizing the same inverter.

Q.

Item 7.4 indicates that the "interconnection agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the maximum output of the generation system(s) which is connected to the FPL meter." Please explain how this provision complies with subsection (2)(b) of the rule. Would a Customer moving from Tier 1 to Tier 2, or Tier 1 to Tier 3, be required to pay an additional application fee and/or interconnectionstudycharge?

A.

Subsection (2)(b) of the rule defines "Gross power rating" as the total manufacture's AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with the investor-owned utility's distribution facilities. This definition applies to a single system. The language in section 7.4 was intended to make clear that the total gross power rating of a modified system or multiple systems would be used to determine the appropriate interconnection agreement. The meter is the point of interconnection where the customer's system would operate in parallel with FPL's system, which is why this is where the maximum output is established.Customers do not pay any fees or charges for Tier 1 installations, so they would not be paying an "additional" application fee and/or interconnection study charge for entering either Tier 2 or Tier 3.

Q.

Item 8.1 states that "the customer shall indemnify, hold harmless and defend FPL from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property..." Please explain the difference in language between this item and subsection (5)(d) of the rule, particularly the intention of the term "defend."

A.

The language in Section 8.1 is taken directly from the current FPL Interconnect Agreement Small Photovoltaic Systems 10 KW or Less as filed with and approved by the FPSC.

Q.

Item 8.2 indemnity language is not identical to the indemnity language in item 8.1. Please explain the difference in language between these two items.

A.

The language in Section 8.2 is taken from subsection (5)(d) of the rule. The language in Section 8.1 is taken from the current FPL Interconnect Agreement Small Photovoltaic Systems 10 KW or Less that has been approved by the PSC.

Q.

Item 11.1 states that the customer "shall retain any renewable energy certificates produced by the customer-owned renewable generation equipment," as opposed to the rule language in subsection (9) that states the customer "shall retain any renewable energy certificates associated with the electricity produced by their customer-owned renewable generation equipment." Please explain the difference in language for this item.

A.

There was not meant to be a difference in the meaning of the language FPL used as compared to what is in the rule. The renewable certificates will be retained by the customer.

Q.

Item 12.2 addresses the retail purchase or sale of electricity. Please address whether this language is found in FPL's existing tariff, and if so, please provide the location of this language within the tariff.

A.

The retail sale of electricity is prohibited by FPL's 10th Revised Sheet No. 6.020 Section 3.1. FPL's proposed language addressing the retail purchase or sale of electricity may be found in Tariff Sheet No. 10.010 in the last paragraph under the section entitled NET METERING OF CUSTOMER-OWNED RENEWABLE GENERATION.

Q.

Item 15.1 addresses the termination of interconnection agreements. Please describe the application of this provision in cases when the system owner sells the residence upon which the system is installed, leaving the system to be owned and maintained by a new owner. Also, please describe application of this provision in cases when the system owner retains ownership of the system although residence is occupied by a renter or new owner. Please distinguish between the usage of the term "isolate" and "disconnect" as presented in item 15.1, as the two terms are used seemingly interchangeably. After completion of the requirements indicated in item 15.1, would FPL confirm the disconnect has been properly completed?

A.

In the event a customer moves and a new customer establishes a new account with FPL at the same premise, the new customer will need to enter into a new interconnection agreement. In the case where the property owner retains ownership of the system although residence is occupied by a renter or new owner the renter or new owner as the customer of record will need to enter into a new interconnection agreement.

In reference to the terms "isolate" and "disconnect", the point is to place the systems in a state that it does not feed energy back into the electric grid. FPL may elect to confirm with the customer that the disconnect has been properly completed.

Q.

Item 3.1 requires the customer to provide a written report that the customer-owned renewable generation complies with IEEE 1547, IEEE 1547.1, and UL 1741 standards. Please describe the process by which a customer might obtain this report, or indicate whether the certification sticker issued with the system would be sufficient for this provision.

A.

FPL believes that submitting the manufacturer specification sheets for the component equipment used in the customer-owned renewable generation along with the application may be sufficient to meet this provision provided the specification sheets document that the equipment complies with the applicable IEEE and UL standards. The certification sticker for the equipment may also be sufficient for this provision.

Q.

Item 3.6 indicates that FPL may elect to inspect the customer-owned renewable generation system. Please indicate whether this refers to the initial inspection addressed under subsection (5)(b) of the rule, or if this provision is intended to allow the utility on-going inspection opportunities. Please also indicate why this provision is included for Tier 2 alone.

A.

Section 3.6 refers to the initial inspection addressed under subsection (5)(b) of the rule. As previously indicated FPL only anticipates inspecting Tier 1 equipment when an emergency or hazardous condition exists or when a new technology is installed that FPL has not previously encountered.

Q.

Item 4.1 addresses the initial inspection addressed under subsection (5)(b) of the rule. Items 4.3, 4.4, and 4.5 indicate that the customer may be subject to on-going inspection. This language appears to fall outside the scope of the rule. Please indicate how on-going inspection requirement complies with subsection (5)(b) and (7)(d) of the rule and why it is necessary.

A.

Subsection (5)(b) of the rule requires a provision that permits the investor-owned utility to inspect customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with subsections (2) through (4). FPL must reserve the right to inspect the system if there is a need to disconnect in accordance with section 6 of the Interconnection Agreement, to ensure the customer is in compliance with section 7, as warranted and to ensure the customer's equipment has not been modified such that the equipment no longer complies with Subsections 2 through 4 of the rule.

Q.

Item 6.2 indicates that the customer "shall be solely responsible to disconnect the customer-owned renewable generation and customer's other equipment if conditions on the FPL distribution system could adversely affect the customer-owned renewable generation." Please clarify how the customer will know the customer needs to isolate the system – will FPL provide contemporaneous notice to the customer when isolation is required? Further, please clarify whether this language serves to notify the customer that FPL is not responsible for damage to the customer's system, or if FPL is requiring interconnected customers to disconnect during troublesome conditions on the grid. If the customer is required to disconnect during these conditions, please explain the involved process from notifying the customer of grid issues to notifying the customer that reconnection may occur. Please also note whether additional interconnection application must be made in this event.

A.

Yes, FPL will provide notice to the customer if isolation is required. The language is intended to serve as notification to the customer that FPL is not responsible for damage to the customer's system. An additional application would not be required to reconnect the customer's system.

Q.

Item 6.3 lists the conditions for disconnection. In addition to the language stated in subsection (6)(c), the agreement indicates that the listed reasons are "by way of illustration not limitation." Please explain this interpretation of subsection (6)(c) of the rule, and provide examples of other reasons for disconnection. Additionally, the following language seemingly exceeds the authority granted to FPL pursuant to subsection (6)(a)-(b): "FPL has the right to disconnect the customer-owned renewable generation at any time." Please explain this requirement.

A.

Subsection (6)(c) of the rule provides a list of conditions which shall be cause for the utility to disconnect customer-owned generation from its system, but it does not indicate that this list is exclusive. FPL did not interpret the rule language to apply only to certain prespecified conditions but rather to any condition that may cause adverse effects on the utility's system. The language in Item 6.3 "FPL has the right to disconnect the Customer-owned renewable generation at any time" will be applied in those instances when the customer-owned generation has been determined to have adverse effects on FPL's system or the safety of FPL's employees and the general public.

Q.

Item 7.1 tracks the language of subsection (5)(b). Item 7.2 appears to be in addition to this language. Please explain the difference between item 7.1 and 7.2. Please provide examples of when item 7.2 would apply. Please provide reasoning behind the 60 day requirement.

A.

Section 7.1 is to address modifications of an increase in the gross power rating of an existing Customer-owned renewable generation system with the same technology (adding more solar panels to an existing photovoltaic system). Section 7.2 is to address the inclusion of a customer adding a separate technology to an existing Customer-owned renewable generation system (adding a wind system to an existing photovoltaic system). FPL believes the 60 day notification requirement is reasonable given the utility's limited experience with multiple systems utilizing the same inverter.

Q.

Item 7.4 indicates that the "interconnection agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the maximum output of the generation system(s) which is connected to the FPL meter." Please explain how this provision complies with subsection (2)(b) of the rule.

A.

Subsection (2)(b) of the rule defines "Gross power rating" as the total manufacture's AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with the investor-owned utility's distribution facilities. This definition applies to a single system. The language in section 7.4 was intended to make clear that the total gross power rating of a modified system or multiple systems would be used to determine the appropriate interconnection agreement. The meter is the point of interconnection where the customer's system would operate in parallel with FPL's system, which is why this is where the maximum output is established.

Q.

Item 8.1 states that "the customer shall indemnify, hold harmless and defend FPL from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property..." Please explain the difference in language between this item and subsection (5)(d) of the rule, particularly the intention of the term "defend."

A.

The language in Section 8.1 is taken directly from the current FPL Interconnect Agreement Small Photovoltaic Systems 10 KW or Less as filed with and approved by the FPSC.

Q.

Item 8.2 indemnity language is not identical to the indemnity language in item 8.1. Please explain the difference in language between these two items.

A.

The language in Section 8.2 is taken from subsection (5)(d) of the rule. The language in Section 8.1 is taken from the current FPL Interconnect Agreement for Small Photovoltaic Systems 10 KW or Less that has been approved by the PSC.

Q.

Item 9.1 & 9.2. Please explain whether a new interconnection agreement and application fee would be required after the assignment of this agreement.

A.

No application fee would be required after the assignment of the Customer-owned renewable generation, but a new Interconnection agreement would need to be signed by the assignee.

Q.

Item 10.1. Please explain how FPL will know whether the customer fails to renew the required insurance policy.

A.

FPL will rely on the good faith of the Customer to maintain the proper level of insurance.

Q.

Item 11.1 states that the customer "shall retain any renewable energy certificates produced by the customer-owned renewable generation equipment," as opposed to the rule language in subsection (9) that states the customer "shall retain any renewable energy certificates associated with the electricity produced by their customer-owned renewable generation equipment." Please explain the difference in language for this item.

A.

There was not meant to be a difference in the meaning of the language FPL used as compared to what is in the rule. The renewable certificates will be retained by the customer.

Q.

Item 12.2 addresses the retail purchase or sale of electricity. Please address whether this language is found in FPL's existing tariff, and if so, please provide the location of this language within the tariff.

A.

The retail sale of electricity is prohibited by FPL's 10th Revised Sheet No. 6.020 Section 3.1. FPL's proposed language addressing the retail purchase or sale of electricity may be found in Tariff Sheet No. 10.010 in the last paragraph under the section entitled NET METERING OF CUSTOMER-OWNED RENEWABLE GENERATION.

Q.

Item 15.1 addresses the termination of interconnection agreements. Please describe the application of this provision in cases when the system owner might leave the system with a residence to be occupied by a new owner.

A.

In the event a customer moves and a new customer establishes a new account with FPL at the same premise, the new customer will need to enter into a new interconnection agreement.

Q.

Item 16.1. If the tariff is amended, please explain whether the customer will be required to pay an application fee when signing a new interconnection agreement.

A.

A new application fee would not be required in this instance.

Q.

Please address whether the customer would be provided with a copy of the associated pages of the tariff with the interconnection agreement.

A.

FPL plans on mailing copies of the new tariff to all existing and pending customers as soon as the new tariff is approved. Copies of the document will also be made available on the internet site www.FPL.com/netmetering.

Q.

Please explain why the application review for Tier 2 consists of one hour of labor at $40 per hour, while the application review for Tier 3 consists of three hours of labor at $50 per hour.

A.

A Tier 3 interconnection would have a greater impact on FPL's distribution which is why FPL has its engineering staff review the documentation for Tier 3. The review of a Tier 2 application will be more of an administrative function.

Q.

Please explain why the processing of meter change request for Tier 2 consists of one hour of labor at $20 per hour, while the processing of meter change request for Tier 3 consists of two hours of labor at $40 per hour.

A.

Tier 3 meters have more programming and setup involved.

Q.

Please indicate whether the fees listed in the application cost justification include payroll loading fees, and if so, please explain.

A.

The fees listed in the application cost justification do not include payroll loading fees.

Q.

Item 1.1 describes the point of interconnection to be where the customer's wiring is connected to the lugs in the metering cabinet where FPL's meter is located. Please explain how this differs from usual practice, and why it is important to define this in only for Tier 3.

A.

The Small Generator Interconnection Procedure, which includes the Small Generator Interconnection Agreement (Attachment N of Florida Power & Lights Open Access Transmission Tariff with the FERC), is the current process used for interconnecting generation less than 20 MW. The glossary of terms includes the definition for the Point of Interconnection - the point where the Interconnection Facilities connect with the Transmission Provider's Transmission System. For Tier 1, 2 and 3 interconnections the Point of Interconnection will be the meter. FPL felt we needed to clearly define this for the Tier 3 interconnections due to the fact that distribution upgrades may be required on the FPL side of the point of interconnection and would be the responsibility of FPL to install. The customer would be responsible for all costs of the distribution upgrades.

Q.

Item 2.4 states that in the event the customer-owned renewable generation does not pass the Fast Track Screens and the customer elects to proceed with an interconnection study, the customer shall be required to pay a deposit of the lesser of fifty percent of good faith estimated interconnection study costs or earnest money of $1,000. Please indicate whether this requirement is duplicated from somewhere within FPL's existing tariff, or if this requirement has been created for Tier 3 interconnection customers. Please confirm that the deposit requirements and earnest money are not required for customers in Tiers 1 and 2.

A.

This requirement is the same as the processing fee and deposit required in the current small generation interconnection request application form in our Open Access Transmission Tariff filed with the FERC. This requirement of the customer to pay a deposit of the lesser of fifty percent of good faith estimated interconnection study costs or earnest money of $1,000 will only be used in those rare instances that the request does not pass the Fast Track Screens and a further study is needed. Since Tier 1 and 2 interconnections do not require any study to be performed, this deposit will not be needed/required.

Q.

Item 3.1 requires the customer to provide a written report that the customer-owned renewable generation complies with IEEE 1547, IEEE 1547.1, and UL 1741 standards. Please describe the process by which a customer might obtain this report, or indicate whether the certification sticker issued with the system would be sufficient for this provision.

A.

FPL believes that submitting the manufacturer specification sheets for the component equipment used in the customer-owned renewable generation along with the application may be sufficient to meet this provision provided the specification sheets document that the equipment complies with the applicable IEEE and UL standards. The certification sticker for the equipment may also be sufficient for this provision.

Q.

Item 3.3 requires the customer to provide FPL with a one-line diagram depicting the customer-owned renewable generation and metering equipment. Please explain the reason for this requirement and why it is necessary for Tier 3 systems alone.

A.

Tier 3 systems are larger scale systems and require a study of the Fast Track Screens to be performed. There needs to be a one-line diagram included to make sure these Customer-owned renewable generation systems are connected correctly and will be used later, if it is determined through the Fast Track Screens that there are impacts on FPL's system and that the customer needs to proceed through the interconnection Study Process.

Q.

Item 4.1 addresses the initial inspection addressed under subsection (5)(b) of the rule. Items 4.3, 4.4, and 4.5 indicate that the customer may be subject to on-going inspection. This language appears to fall outside the scope of the adopted rule. Please indicate how on-going inspection requirement complies with subsection (5)(b) and (7)(d) of the rule and why it is necessary.

A.

Subsection (5)(b) of the rule requires a provision that permits the investor-owned utility to inspect customer-owned renewable generation and its component equipment, and the documents necessary to ensure compliance with subsections (2) through (4). FPL must reserve the right to inspect the system if there is a need to disconnect in accordance with section 6 of the Interconnection Agreement, to ensure the customer is in compliance with section 7, as warranted and to ensure the customer's equipment has not been modified such that the equipment no longer complies with Subsections 2 through 4 of the rule.

Q.

Item 6.2 indicates that the customer "shall be solely responsible to disconnect the customer-owned renewable generation and customer's other equipment if conditions on the FPL distribution system could adversely affect the customer-owned renewable generation." Please clarify whether this language serves to notify the customer that FPL is not responsible for damage to the customer's system, or if FPL is requiring interconnected customers to disconnect during troublesome conditions on the grid. If the customer is required to disconnect during these conditions, please explain the involved process from notifying the customer of grid issues to notifying the customer that reconnection may occur. Please also note whether additional interconnection application must be made in this event.

A.

Yes, FPL will provide notice to the customer if isolation is required. The language is intended to serve as notification to the customer that FPL is not responsible for damage to the customer's system. An additional application would not be required to reconnect the customer's system.

Q.

Item 6.3 lists the conditions for disconnection. In addition to the language stated in subsection (6)(c), the agreement indicates that the listed reasons are "by way of illustration not limitation." Please explain this interpretation of subsection (6)(c) of the rule, and provide examples of other reasons for disconnection. Additionally, the following language "FPL has the right to disconnect the Customer-owned renewable generation at any time." apparently exceeds the authority granted to FPL pursuant to subsection (6)(a)-(b). Please explain this requirement.

A.

Subsection (6)(c) of the rule provides a list of conditions which shall be cause for the utility to disconnect customer-owned generation from its system, but it does not indicate that this list is exclusive. FPL did not interpret the rule language to apply only to certain prespecified conditions but rather to any condition that may cause adverse effects on the utility's system. The language in Item 6.3 "FPL has the right to disconnect the Customer-owned renewable generation at any time" will be applied in those instances when the customer-owned generation has been determined to have adverse effects on FPL's system or the safety of FPL's employees and the general public.

Q.

Item 7.1 tracks the language of subsection (5)(b). Item 7.2 appears to be in addition to this language. Please explain the difference between item 7.1 and 7.2. Please provide examples of when item 7.2 would apply. Please provide reasoning behind the 60 day requirement.

A.

Section 7.1 is to address modifications of an increase in the gross power rating of an existing Customer-owned renewable generation system with the same technology (adding more solar panels to an existing photovoltaic system). Section 7.2 is to address the inclusion of a customer adding a separate technology to an existing Customer-owned renewable generation system (adding a wind system to an existing photovoltaic system). FPL believes the 60 day notification requirement is reasonable given the utility's limited experience with multiple systems utilizing the same inverter.

Q.

Item 7.3 indicates that the "interconnection agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the maximum output of the generation system(s) which is connected to the FPL meter." Please explain how this provision complies with subsection (2)(b) of the rule.

A.

Subsection (2)(b) of the rule defines "Gross power rating" as the total manufacture's AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with the investor-owned utility's distribution facilities. This definition applies to a single system. The language in section 7.4 was intended to make clear that the total gross power rating of a modified system or multiple systems would be used to determine the appropriate interconnection agreement. The meter is the point of interconnection where the customer's system would operate in parallel with FPL's system, which is why this is where the maximum output is established.

Q.

Items 8.1 and 8.2 require Tier 3 customers to pass through a screening process as part of the interconnection study process. Please provide copies of the screens with descriptions adequate to explain the necessity of each screen.

A.

The screens have been developed through a collaboration of developers and utility experts to minimize studies required for interconnection of small (less than or equal to 20 MW) generation facilities. Each screen is based on an area of concern that would require further analysis on a case by case basis in the event that the proposed interconnection does pass the screen. Screen 1.2.1.1, 1.2.1.3, 1.2.1.4, 1.2.1.6 and 1.2.1.8 are related to concerns of aggregate interconnection and an areas electric systems ability to support the cumulative generation interconnects. Screens 1.2.1.2, 1.2.1.5 and 1.2.1.7 identify particular interconnection standards that have been determined, and if met will not require additional study for a specific proposed interconnection.

Subsection 2.2.1 of Attachment N of FPL's Open Access Transmission Tariff

Fast Track Screens

1.1. Applicability

The Fast Track Screens process is available to a Customer proposing to interconnect its Customer-owned renewable generation Tier 3 system with FPL's system and if the Customer's proposed Customer-owned renewable generation system meets the codes, standards, and certifications requirements of the Interconnection Agreement.

1.2. Initial Review

Within twenty (20) calendar days after FPL notifies the Customer it has received a completed application FPL shall perform an initial review using the screens set forth below; shall notify the Customer of the results; and shall include with such notification copies of the analysis and data underlying FPL's determinations under the screens.

1.2.1. Screens

1.2.1.1 For interconnection of a proposed Customer-owned renewable generation system to a radial distribution circuit, the aggregated generation, including the proposed Customer-owned renewable generation, on the circuit shall not exceed 15 % of the line section annual peak load as most recently measured at the substation. A line section is that portion of FPL's electric system connected to a Customer bounded by automatic sectionalizing devices or the end of the distribution line.

1.2.1.2 For interconnection of a proposed Customer-owned renewable generation system to the load side of spot network protectors, the Customer-owned renewable generation system must utilize an equipment package in compliance with the terms of the Interconnection Agreement.

1.2.1.3 The proposed Customer-owned renewable generation system, in aggregation with other generation on the distribution circuit, shall not contribute more than 10 % to the

distribution circuit's maximum fault current at the point on the high voltage (primary) level nearest the proposed Point of Interconnection/Change of Ownership.

1.2.1.4 The proposed Customer-owned renewable generation system, in aggregate with other generation on the distribution circuit, shall not cause any distribution protective devices and equipment (including, but not limited to, substation breakers, fuse cutouts, and line reclosers), or Customer equipment on the system to exceed 87.5% of the short circuit interrupting capability; nor shall the interconnection be proposed for a circuit that already exceeds 87.5% of the short circuit interrupting capability.

1.2.1.5 Using the table below, determine the type of interconnection to a primary distribution line. This screen includes a review of the type of electrical service provided to the Customer, including line configuration and the transformer connection to limit the potential for creating over-voltages on FPL's electric power system due to a loss of ground during the operating time of any anti-islanding function.

Primary Distribution Line Type	Type of Interconnection to Primary Distribution Line	Result/Criteria
Three-phase, three wire	3-phase or single phase, phase-to-phase	Pass screen
Three-phase, four wire	Effectively-grounded 3 phase or Single-phase, line-to-neutral	Pass screen

1.2.1.6 If the proposed Customer-owned renewable generation system is to be interconnected on single-phase shared secondary, the aggregate generation capacity on the shared secondary, including the proposed Customer-owned renewable generation system, shall not exceed 90% of the Customer's utility distribution service rating.

1.2.1.7 If the proposed Customer-owned renewable generation system is single-phase and is to be interconnected on a center tap neutral of a 240 volt service, its addition shall not create an imbalance between the two sides of the 240 volt service of more than 20 % of the nameplate rating of the service transformer.

1.2.1.8 The proposed Customer-owned renewable generation system, in aggregate with other generation interconnected to the transmission side of a substation transformer feeding the circuit where the Customer-owned renewable generation system proposes to interconnect shall not exceed 10 MW in an area where there are known, or posted, transient stability limitations to generating units located in the general electrical vicinity (e.g., three or four transmission busses from the Point of Interconnection/Change of Ownership).

1.2.1.9 No construction of facilities by FPL on its own system shall be required to accommodate the Customer-owned renewable generation system.

1.2.2. If the proposed interconnection passes the Fast Track Screens, the interconnection request shall be approved and FPL will provide the Customer an executable Interconnection Agreement within ten (10) calendar days after such determination.

1.2.3. If the proposed interconnection fails the screens, but FPL determines that the Customer-owned renewable generation may nevertheless be interconnected consistent with safety, reliability, and power quality standards, FPL shall provide the Customer an executable Interconnection Agreement within ten (10) calendar days after such.

Q.

Item 8.1 discusses the interconnection study process "Fast Track Screens." Please explain or define the following phrases used when describing the "Fast Track Screen" process: "exceeds an acceptable level of impact to the FPL electric system", "prudent utility practice", "shall not exceed established industry criteria."

A.

"exceeds an acceptable level of impact to the FPL electric system" - means that the proposed interconnection does not have a negative impact on the reliability of the FPL system and its other customers.

"prudent utility practice" - means any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.

"shall not exceed established industry criteria." - means criteria established by the IEEE, Florida Reliability Coordinating Council (FRCC), North American Electric Reliability Council (NERC) and the Federal Energy Regulatory Commission (FERC).

Q.

Item 8.3.1. seemingly suggests that a Tier 3 customer would not be subject to interconnection study fees if that customer passes the Fast Track Screens. Is this correct?

A.

Correct, the customer would not be subject to the interconnection study fees if that customer were to pass the Fast Track Screens.

Q.

Item 8.3.3. states that interconnection study fees shall be based on FPL's actual costs and will be invoiced to the customer after the study is completed and delivered and will include a summary of FPL's professional time. This seemingly indicates that the interconnection study fees would be variable/open-ended, is this correct? If the fee would be variable, would the customer be granted an estimate of the charges before the study is conducted? Please describe how a variable interconnection study fee would comply with subsections (4)(g) and (4)(h)of the rule. Please explain whether each interconnection study fee charged would be subject to review by the PSC.

A.

It is correct to say that the interconnection study cost would be variable from customer to customer. An estimate would be provided to the customer before the study commences and the customer must agree to the terms and sign an interconnection study agreement. The customer would be billed for the actual cost of the study. FPL has no objection to submitting the cost information to the PSC for review in each of the rare cases where a study would need to be performed.

Q.

Item 9. Please indicate whether the cost responsibility provisions outlined under item 9 are consistent with FPL's existing tariff or if these provisions have been created for Tier 3 customers. Please explain whether the charges and costs would be subject to review by the PSC prior to upgrading FPL's distribution system.

A.

The cost responsibilities set forth in Section 9 is consistent with FPL Open Access Transmission Tariff filed with the FERC. FPL has no objections to PSC review of the Interconnection Agreement, which will include FPL's best estimate of the necessary costs, prior to the upgrading of FPL's distribution system.

Q.

Item 10.1 states that "the customer shall indemnify, hold harmless and defend FPL from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property..." Please explain the difference in language between this item and subsection (5)(d) of the rule, particularly the intention of the term "defend."

A.

The language in Section 10.1 is taken directly from the current FPL Interconnect Agreement Small Photovoltaic Systems 10 KW or Less as filed with and approved by the FPSC.

Q.

Item 10.2 indemnity language is not identical to the indemnity language in item 10.1? Please explain the difference in language between these two items.

A.

The language in Section 10.2 is taken from subsection (5)(d) of the rule. The language in Section 10.1 is taken from the current FPL Interconnect Agreement Small Photovoltaic Systems 10 KW or Less approved by the PSC.

Q.

Item 11.1 defines the limitation of liability under the interconnection agreement. Please explain why liability limitation is outlined in Tier 3 alone.

A.

Due to the larger size of the Tier 3 systems, FPL felt that an explicit liability limitation was an important part of the agreeement.

Q.

Item 12.1 & 12.2. Please explain whether a new interconnection agreement and application fee would be required after the assignment of this agreement.

A.

No application fee would be required after the assignment of the interconnection agreement, but a new interconnection agreement would need to be signed by the assignee/new customer.

Q.

Item 13.1. Please explain how FPL will know whether the customer fails to renew the required insurance policy.

A.

FPL will rely on the good faith of the Customer to maintain the proper level of insurance.

Q.

Item 14.1 states that the customer "shall retain any renewable energy certificates produced by the customer-owned renewable generation equipment," as opposed to the rule language in subsection (9) that states the customer "shall retain any renewable energy certificates associated with the electricity produced by their customer-owned renewable generation equipment." Please explain the difference in language for this item.

A.

There was not meant to be a difference in the meaning of the language FPL used as compared to what is in the rule. The renewable certificates will be retained by the customer.

Q.

Item 15 is found only in Tier 3. Please explain the different treatment of the tiers. Please explain whether the charges and costs would be subject to review by the PSC.

A.

Section 15 was added for those instances where distribution upgrades would be required. Tier 3 is the only Tier that the rule allows for a study to be performed; this is because customer-owned generation of these sizes could have impacts on the distribution system, whereas we do not foresee this occuring with Tier 1 and Tier 2 interconnections. For this reason, Section 15 was not included in either the Tier 1 or 2 interconnection agreements. Please refer to FPL's response to Data Request Tier 3 Question No. 14. FPL has no objections to PSC review of these costs.

Q.

Item 16.2 addresses the retail purchase or sale of electricity. Please address whether this language is found in FPL's existing tariff, and if so, please provide the location of this language within the tariff.

A.

The retail sale of electricity is prohibited by FPL's 10th Revised Sheet No. 6.020 Section 3.1. FPL's proposed language addressing the retail purchase or sale of electricity may be found in Tariff Sheet No. 10.010 in the last paragraph under the section entitled NET METERING OF CUSTOMER-OWNED RENEWABLE GENERATION.

Q.

Item 19.1 addresses the termination of interconnection agreements. Please describe the application of this provision in cases when the system owner might leave the system with a residence to be occupied by a new owner. Please indicate whether a new interconnection study would be required with a change of ownership.

A.

A new interconnection study would not be necessary in this instance because nothing is being added/removed from the Customer-owned renewable generation system. The original system owner has the right assign the system to the new owner under the provisions set forth in Section 12.

Q.

Item 20.1. If the tariff is amended, please explain whether the customer will be required to pay an application fee when signing a new interconnection agreement.

A.

A new application fee would not be required in this instance.

Q.

Please explain why the application review for Tier 2 consists of one hour of labor at $40 per hour, while the application review for Tier 3 consists of three hours of labor at $50 per hour.

A.

A Tier 3 interconnection would have a greater impact on FPL's distribution which is why FPL has its engineering staff review the documentation for Tier 3. The review of a Tier 2 application will be more of an administrative function.

Q.

Please explain why the processing of meter change request for Tier 2 consists of one hour of labor at $20 per hour, while the processing of meter change request for Tier 3 consists of two hours of labor at $40 per hour.

A.

Tier 3 meters have more programming and setup involved.

Q.

Please indicate whether the fees listed in the application cost justification include payroll loading fees, and if so, please explain.

A.

The fees listed in the application cost justification do not include payroll loading fees.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically this 24th day of June 2008, to the following:

Martha C. Brown, Senior Attorney
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By: *s/ Jessica A. Cano*
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