

120228-EQ



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COMMISSION  
CLERK

August 27, 2012

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

Re: Petition for Approval of Modifications to Standard Interconnection Agreements  
Contained in the Approved Tariffs

Dear Ms. Cole:

Enclosed for filing are the original and 7 copies of Progress Energy Florida's  
Petition for Approval of Modifications to Standard Interconnection Agreements  
Contained in the Approved Tariffs. The above-referenced interconnection agreements  
concern Tariff Sheet Nos. 7.310 through 7.333.

Please acknowledge receipt and filing of the above by stamping the duplicate  
copy of this letter and returning same to this writer.

Thank you for your assistance in this matter and please let me know if you have  
any questions.

Sincerely,

*Dianne M. Triplett*  
Dianne M. Triplett

DMT/at  
Enclosures

COM	_____
AFD	_____
APA	_____
ECO	1
ENG	5
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FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Petition by Progress Energy Florida, Inc.  
For Approval of Modifications to  
Standard Interconnection Agreements  
Contained in the Approved Tariff

Docket No. 120228-EQ

**PETITION FOR APPROVAL OF MODIFICATIONS TO  
STANDARD INTERCONNECTION AGREEMENTS  
CONTAINED IN THE APPROVED TARIFF**

Pursuant to Rule 25-9.001(3), F.A.C., Progress Energy Florida (“PEF” or the “Company”) respectfully petitions the Florida Public Service Commission (“PSC” or the “Commission”) for approval of modifications to the Standard Interconnection Agreements for Tier 1, Tier 2, and Tier 3 Customer-Owned Renewable Generation Systems (hereinafter “Standard Interconnection Agreements”) contained in PEF’s approved tariff. The Standard Interconnection Agreements will remain in compliance with the contractual requirements in Rule 25-6.065, F.A.C., however, modifications to the agreements are needed to address issues presented by state and government agencies and require Commission approval pursuant to Commission Rule 25-9.001(3), F.A.C. PEF also respectfully requests that the Commission consider its petition in an expedited manner.

**SUMMARY OF PETITION**

PEF filed its Standard Interconnection Agreements, prepared in accordance with Rule 25-6.065, F.A.C., with the Commission as part of its tariff for Tier 1, Tier 2, and Tier 3 Systems. On September 24, 2008, the Commission approved PEF’s tariffs incorporating the Standard Interconnection Agreements. Rule 25-6.065(5) provides that a utility’s Standard Interconnection Agreement “shall, at a minimum, contain the

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FPSC-COMMISSION CLERK

following...” provisions. The required provisions in subsections (d) and (e) are the subject of this Petition. Subsection (d) requires, in relevant part: “A provision that the customer shall hold harmless and indemnify the investor-owned utility for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the investor-owned utility.” For ease of reference, this subsection is hereinafter referred to as the “indemnity provision.”

PEF’s Standard Interconnection Agreements for Tier 1, Tier 2, and Tier 3 Systems contain the required provision in subsection (d). See Attachments A and B, paragraph 11.

Rule 25-6.065(5) subsection (e) requires, in relevant part: “A requirement for general liability insurance for personal and property damage, or sufficient guarantee and proof of self-insurance, in the amount of no more than \$1 million for Tier 2, and no more than \$2 million for Tier 3. The investor-owned utility shall not require liability insurance for Tier 1.” For ease of reference, this subsection is hereinafter referred to as the “insurance provision.” PEF’s Standard Interconnection Agreements go beyond the requirement of subsection (e) by requiring Tier 2 and Tier 3 customers to maintain general liability insurance for personal injury and property damage in the amount of *not less than* \$1 million and \$2 million, respectively, and recommends Tier 1 customers to maintain general liability insurance for personal injury and property damage in the amount of not less than \$100,000. See Attachments A and B, paragraph 8.

State and government agencies that are PEF customers are seeking to install Tier 1, Tier 2, and Tier 3 customer-owned renewable generation systems. Section 768.28, Fla. Stat., provides for a limited waiver of state sovereign immunity for state agencies. State or government entities, who are PEF customers, assert that they are not legally permitted

to agree to the indemnity provision contained in PEF's Standard Interconnection Agreements. Further, these state and government entities assert that they are self-insured and can only agree to a lesser amount of the Tier 2 and Tier 3 insurance provisions, not the full \$1 million/\$2 million required by PEF's Standard Interconnection Agreements. PEF thus respectfully requests approval for modification of its Tier 1, Tier 2, and Tier 3 Standard Interconnection Agreements so that PEF can execute the Standard Interconnection Agreements without the indemnity and insurance provisions to which the state and government entities state they legally cannot agree. PEF further requests that the Commission consider this petition on an expedited basis so that there is no delay in interconnecting any previously planned renewable generation systems.

**I. Preliminary Information.**

1. The Petitioner's name and address are:

Progress Energy Florida, Inc.  
299 1<sup>st</sup> Avenue North  
St. Petersburg, Florida 33701

2. Any pleading, motion, notice, order, or other document required to be served upon PEF of filed by any party to this proceeding should be served upon the following individuals:

Dianne M. Triplett  
dianne.triplett@pgnmail.com  
John T. Burnett  
john.burnett@pgnmail.com  
Progress Energy Service Company, LLC  
299 1<sup>st</sup> Avenue North  
St. Petersburg, Florida 33701  
(727) 820-4692 / (727) 820-5519 (fax)  
Paul Lewis, Jr.  
paul.lewisjr@pgnmail.com  
Progress Energy Service Company, LLC  
106 E. College Avenue, Ste. 800

**II. Commission approval is required to modify approved tariffs to enter into standard interconnection agreements.**

3. Pursuant to Rule 25-9.001(3), F.A.C., the Commission must approve any modification to PEF's Commission-approved tariff. The Commission has previously considered and approved a similar request from PEF with respect to a single state agency customer. See Order PSC-12-0173-PAA-EI, Docket 120012 (Apr. 2, 2012). As the Commission noted in that order, there is no legal standard for a request to modify a tariff. However, the Commission utilized the standard set forth in Section 120.542 F.S., applicable to rule waivers, to find that PEF had provided sufficient justification to modify its tariff. Therefore, PEF will demonstrate the requested modifications of the tariff meet the Section 120.542 standard with respect to waiving the interconnection rule, Rule 25-6.065, F.A.C.

4. Rule 25-6.065, F.A.C. is the Interconnection and Net Metering of Customer-Owned Renewable Generation Commission rule. The rule's purpose is "to promote the development of small customer-owned renewable generation, particularly solar and wind energy systems; diversify the types of fuel used to generate electricity in Florida; lessen Florida's dependence on fossil fuels for the production of electricity; minimize the volatility of fuel costs; encourage investment in the state; improve environmental conditions; and, at the same time, minimize costs of power supply to investor-owned utilities and their customers." Rule 25-6.065(1), F.A.C.

5. Rule 25-6.065, F.A.C. implements Sections 366.81, 366.82(1) and (2), 366.91(1) and (2), and 366.92, Florida Statutes. Each of these sections concern

renewable energy and reflect the Legislature's intent to promote the development of renewable energy. None of these statutory sections dictate the provisions that are to be included in the Standard Interconnection Agreement. Rather, the Legislature left to the Commission's discretion the right to prescribe rules to govern the utility's agreements between the utility and its customers.

6. Section 768.28, Florida Statutes, is entitled "Waiver of sovereign immunity in tort actions; recovery limits; limitation on attorney fees; statute of limitations; exclusions; indemnification; risk management programs." Section 768.28(5) provides, in relevant part, "Neither the state nor its agencies or subdivisions shall be liable to pay a claim or a judgment by any one person which exceeds the sum of \$200,000 or any claim or judgment, or portions thereof, which, when totaled with all other claims or judgments paid by the state or its agencies or subdivisions arising of the same incident or occurrence, exceeds the sum of \$300,000."

7. Pursuant to the above statute, state and government agencies have advised PEF that they are self-insured for liability pursuant to Section 768.28 (16)(a) and their liability is limited by Section 768.28 (5). Therefore, state and government agencies cannot agree to the indemnity provision contained in PEF's Standard Interconnection Agreements. To address these limitations, PEF is requesting that a sentence be added to the end of paragraph 11 and that the first sentence of paragraph 11 of all three Standard Interconnection Agreements be modified to include the bracketed words as follows:

11. The Customer, [to the extent permitted by law without waiving or limiting any defenses of sovereign immunity], shall hold harmless and indemnify the Company for all loss to the third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. [Nothing herein

shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defenses as allowed by law.]

8. With respect to the insurance provision in Paragraph 8 of Tier 1 agreements, PEF requests the bracketed language be added even though PEF's Tier 1 agreement contains only a suggestion to carry insurance:

8. The Company recommends that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than one hundred thousand dollars (\$100,000) [to the extent permitted by law. For government agencies, proof of self-insurance consistent with law shall satisfy this requirement.]

With respect to the insurance provision in Paragraph 8 of Tier 2 agreements, PEF requests the bracketed language be added:

8. The Company requires that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than one million dollars (\$1,000,000) [to the extent permitted by law]. The Customer shall provide the Company proof of continuing insurance coverage on an annual basis. [For government entities, the policy coverage shall not exceed the entity's maximum liability established by law. Proof of self-insurance consistent with law shall satisfy this requirement.]

Likewise, with respect to the insurance provision in Paragraph 8 of Tier 3 agreements, PEF requests the bracketed language be added:

8. The Company requires that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than two million dollars (\$2,000,000) [to the extent permitted by law]. The Customer shall provide the Company proof of continuing insurance coverage on an annual basis. [For government entities, the policy coverage shall not exceed the entity's maximum liability established by law. Proof of self-insurance consistent with law shall satisfy this requirement.]

9. To avoid potential future circumstances in which state and government agencies are unable to agree to PEF's Standard Interconnection Agreements due to

conflicting legal requirements, PEF requests adding the following paragraph to each agreement:

33. For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

In modifying the tariffs as described, PEF will efficiently avoid requesting numerous modifications to individual Standard Interconnection Agreements at the request of state and government agencies.

10. Finally, as a housekeeping measure, paragraphs 3 and 14 of each agreement reference PEF's website where PEF's tariffs and interconnection applications are located. The website address is updated to reference the current document locations.

11. The requested modifications to the tariff meet the standard set forth for waiving rule requirements. Specifically, section 120.542 requires that (1) the purpose of the rule will otherwise be satisfied even though a variance to the rule has been requested and (2) substantial hardship of a technological, economic, legal, or other type of hardship will result from compliance with the rule.

12. First, the purpose of Rule 25-6.065, F.A.C. is to encourage renewable energy generation. PEF is only seeking modifications to its Tier 1, Tier 2, and Tier 3 Standard Interconnection Agreements, so that state and government agencies can execute the agreements and not violate applicable laws. Without these modifications, state and government agencies state that they cannot deploy their renewable energy generation systems. As a result, the purpose of Rule 25-6.065, F.A.C. will not be met with respect to these state and government agency customers unless PEF's tariff modification is granted. Thus, the purpose of the rule is satisfied with the proposed modifications.

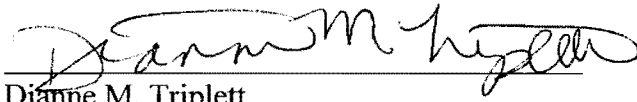


13. The second prong of the Section 120.542 test, regarding substantial hardship, is also met by the requested tariff modifications. Because all agency rules necessarily implement a legislative purpose, Section 120.542 establishes this minimum standard to avoid the arbitrary avoidance or subversion of legislative intent while protecting individuals from unfair or unreasonable outcomes if the rule requirements are always strictly enforced. See generally, Florida Dep't. of Business and Professional Regulation, Div. of Para-Mutuel Wagering v. Investment Corp. of Palm Beach, 747 So. 2d 374, 383 n.7 (Fla. 1999) (“[Section 120.542] is intended to give agencies much-needed flexibility to address unique or unusual situations that are not contemplated by agency rules that, by necessity, are written to address general circumstances.”) (quoting Blanton & Rhodes, Flexibility, Flexibility, Flexibility, The New Variance & Waiver Provision, Fla. Bar Journal, Mar. 1997 at 35, 38-39). In this situation, the Commission did not, in Rule 25-6.065, appear to intend to exclude state and government agency customers from the possibility of interconnecting their renewable energy generation systems to PEF’s system. Strict application of the rule in such circumstances effectively means that state and government agencies cannot participate in the program. The requested tariff modifications can avoid this unintended outcome and legal hardship. Thus, the Commission should approve PEF’s tariff modifications.

**III. Conclusion.**

14. For the reasons stated above, PEF respectfully requests that the Commission approve its Petition. PEF notes that it has attached redline and clean versions of the Standard Interconnection Agreements.

Respectfully submitted this 27<sup>th</sup> day of August, 2012.



Dianne M. Triplett

Associate General Counsel

John T. Burnett

Associate General Counsel

PROGRESS ENERGY FLORIDA, INC.

Post Office Box 14042

St. Petersburg, FL 33733-4042

Telephone: (727) 820-4692

Facsimile: (727) 820-5249

**PROGRESS ENERGY FLORIDA, INC.  
STANDARD INTERCONNECTION AGREEMENT  
FOR TIER 1 CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS (10kw or less)**

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (hereinafter called the Customer), located at the address shown in the attached Application and Compliance Form, and Progress Energy Florida, Inc., a corporation organized and existing under the laws of the State of Florida (hereinafter called the Company).

**WITNESSETH:**

WHEREAS, the Customer has made a request to interconnect its renewable generation Tier 1 system(s), 10 kilowatts or less in total, which is primarily intended to offset part or all of the customer's electricity requirements, with the Company's electric supply grid at the Customer's presently metered location.

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

**General Responsibilities of Both Parties:**

1. The Customer certifies that the system's hardware and its installation, operation and maintenance is in compliance and shall continue to comply with the applicable standards, codes and manufacturer's instructions set forth in the Application and Compliance Form attached hereto and incorporated herein, and that all other information therein provided by the Customer is true and correct. The Customer shall notify the Company in writing of any changes to its system.
2. The Customer shall not be required to pay any application fee for this Tier 1 Customer-owned renewable generation system interconnection.
3. In order to commence the process for interconnection, the Customer shall provide the Company a completed application. Applications can be downloaded from the Company's website: [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page).
4. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on the Company's utility system in delivering and restoring system power; and is responsible for insuring that the equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to insure that it is operating correctly and safely.
5. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1 and UL 1741.
6. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to item 5 listed above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
7. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.
8. The Company recommends that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than one hundred thousand dollars (\$100,000) to the extent permitted by law. For government entities, proof of self-insurance consistent with law shall satisfy this requirement.
9. The total capacity of the Customer generation system(s) does not exceed 90% of the rating of service currently provided to the customer (based on service size, transformer rating, etc.) and has a total gross power rating of 10kw or less.



10. The Company may isolate the Customer's system from the distribution grid using the manual disconnect switch, if available, or by disconnecting the meter without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Conditions which may require the disconnection of the Customer's system are:
  - (a) Company utility system emergencies or maintenance requirements.
  - (b) Hazardous conditions existing on the Company's utility system due to the operation of the Customer's generation or protective equipment as determined by the Company.
  - (c) Adverse electrical effects (such as power quality problems) on the electrical equipment of the company's other electric consumers caused by the Customer's generation as determined by the Company.In the event the Company disconnects the Customer's system without prior notice, the Company will leave a door hanger notifying the customer of the disconnection including an explanation of the conditions requiring such action.
11. The Customer, to the extent permitted by law without waiving or limiting any defenses of sovereign immunity, shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. Nothing herein shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defenses as allowed by law.
12. Prior to connection and parallel operation of the Customer's generation system with the Company's electric system, the Customer shall provide 10 days notice and permit the Company, if it should so choose, to inspect the system and its component equipment and the documents necessary to insure compliance with various sections of this Agreement and to have personnel present on the in-service date of the Customer's generation system equipment and protective apparatus.
13. In no event shall any statement, representation, or lack thereof, either express or implied, by the Company, relieve the Customer of exclusive responsibility for the Customer's generation system. Specifically, any company inspection of the Customer's system shall not be construed as confirming or endorsing the Customer's system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the Customer's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any of the Customer's equipment or procedures.
14. The Company will install metering equipment on the Customer's premises capable of measuring any excess kilowatt-hours produced by the Customer's system and delivered to the Company's electric system. The cost of the meter, installation, maintenance, and any costs of reading and billing associated with this meter equipment shall be borne by the Company. The value of such excess generation shall be reflected on the Customer's bill based on the Company's applicable net metering for customer-owned renewable generation tariff approved by the Florida Public Service Commission. This tariff can be found at the Company's website - [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page).
15. In the event the Company elects to install a manual disconnect switch, it shall be at the Company's expense. The Company installed disconnect switch shall be the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generator and any Customer wiring connected to the Company's system. The disconnect switch shall be mounted separate from, but adjacent to the Company's meter socket. The Customer shall ensure that such disconnect switch shall remain readily accessible to the Company and be capable of being locked in the open position with a single Company utility lock.
16. On termination of services pursuant to this Agreement, the Company shall remove any additional metering equipment related to this Agreement. At the Customer's expense, within 10 working days following the termination, the Customer shall permanently isolate the generation system and any associated equipment from the Company's electric supply system, and notify the Company that the isolation is complete.

**Inspection and On-going Compliance:**

17. The Company will provide the Customer with as much notice as reasonably possible, either in writing, e-mail, facsimile or by phone as to when the Company may conduct inspections and/or document review. Upon reasonable notice, the Company shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement or, if necessary, to meet the Company's legal obligation to provide service to its Customers. At any time without notice in the event of emergency or hazardous conditions, the Company shall have access to the customers premise to operate a manual disconnect switch or disconnect the meter.



- 29. The Customer must execute this Interconnection Agreement and the Customer's subsequent application submitted there under and return it to the Company at least thirty calendar days prior to beginning parallel operations.
- 30. This Agreement shall be governed by and construed and enforced in accordance with the laws, rules and regulations of the State of Florida and the Company's Tariff as may be modified, changed, or amended from time to time.
- 31. The Company's tariff and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements, as may be applicable, are incorporated by reference.
- 32. This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.
- 33. For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

IN WITNESS WHEREOF, the Customer has executed this Agreement the day and year first written above.

CUSTOMER

\_\_\_\_\_  
Signature of Customer or Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

Customer Account Number \_\_\_\_\_

**PROGRESS ENERGY FLORIDA, INC.  
STANDARD INTERCONNECTION AGREEMENT  
FOR TIER 2 CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS (>10kw, <= 100kw)**

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (hereinafter called the Customer), located at the address shown in the attached Application and Compliance Form, and Progress Energy Florida, Inc., a corporation organized and existing under the laws of the State of Florida (hereinafter called the Company).

**WITNESSETH:**

WHEREAS, the Customer has made a request to interconnect its renewable generation Tier 2 system(s), more than 10 kilowatts or less than or equal to 100 kilowatts in total, which is primarily intended to offset part or all of the customer's electricity requirements, with the Company's electric supply grid at the Customer's presently metered location.

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

**General Responsibilities of Both Parties:**

1. The Customer certifies that the system's hardware and its installation, operation and maintenance is in compliance and shall continue to comply with the applicable standards, codes and manufacturer's instructions set forth in the Application and Compliance Form attached hereto and incorporated herein, and that all other information therein provided by the Customer is true and correct. The Customer shall notify the Company in writing of any changes to its system.
2. The Customer shall pay an application fee of \$240 for this Tier 2 Customer-owned renewable generation system interconnection.
3. In order to commence the process for interconnection, the Customer shall provide the Company a completed application. Applications can be downloaded from the Company's website: [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page).
4. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on the Company's utility system in delivering and restoring system power; and is responsible for insuring that the equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to insure that it is operating correctly and safely.
5. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1 and UL 1741.
6. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to item 5 listed above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
7. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.
8. The Company requires that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than one million dollars (\$1,000,000) to the extent permitted by law. The Customer shall provide the Company proof of continuing insurance coverage on an annual basis. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law. Proof of self-insurance consistent with law shall satisfy this requirement.
9. The total capacity of the Customer generation system(s) does not exceed 90% of the rating of service currently provided to the customer (based on service size, transformer rating, etc.) and has a total gross power rating of greater than 10kw up to 100kw.

10. The Company may isolate the Customer's system from the distribution grid using the manual disconnect switch without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Conditions which may require the disconnection of the Customer's system are:
- Company utility system emergencies or maintenance requirements.
  - Hazardous conditions existing on the Company's utility system due to the operation of the Customer's generation or protective equipment as determined by the Company.
  - Adverse electrical effects (such as power quality problems) on the electrical equipment of the company's other electric consumers caused by the Customer's generation as determined by the Company.
  - Failure of the Customer to maintain the required insurance coverage.
- In the event the Company disconnects the Customer's system without prior notice, the Company will leave a door hanger notifying the customer of the disconnection including an explanation of the conditions requiring such action.
11. The Customer, to the extent permitted by law without waiving or limiting any defenses of sovereign immunity, shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. Nothing herein shall be intended to serve as a waiver of limitation of Customer's sovereign immunity defenses as allowed by law.
12. Prior to connection and parallel operation of the Customer's generation system with the Company's electric system, the Customer shall provide 10 days notice and permit the Company, if it should so choose, to inspect the system and its component equipment and the documents necessary to insure compliance with various sections of this Agreement and to have personnel present on the in-service date of the Customer's generation system equipment and protective apparatus.
13. In no event shall any statement, representation, or lack thereof, either express or implied, by the Company, relieve the Customer of exclusive responsibility for the Customer's generation system. Specifically, any company inspection of the Customer's system shall not be construed as confirming or endorsing the Customer's system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the Customer's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any of the Customer's equipment or procedures.
14. The Company will install metering equipment on the Customer's premises capable of measuring any excess kilowatt-hours produced by the Customer's system and delivered to the Company's electric system. The cost of the meter, installation, maintenance, and any costs of reading and billing associated with this meter equipment shall be borne by the Company. The value of such excess generation shall be reflected on the Customer's bill based on the Company's applicable net metering for customer-owned renewable generation tariff approved by the Florida Public Service Commission. This tariff can be found at the Company's website – [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page).
15. The Customer must install a manual AC load break disconnect switch at their expense which shall be mounted separate from, but adjacent to the Company's meter socket. The Customer shall ensure that such disconnect switch shall remain readily accessible to the Company and be capable of being locked in the open position with a single Company utility lock.
16. On termination of services pursuant to this Agreement, the Company shall remove any additional metering equipment related to this Agreement. At the Customer's expense, within 10 working days following the termination, the Customer shall permanently isolate the generation system and any associated equipment from the Company's electric supply system, and notify the Company that the isolation is complete.

**Inspection and On-going Compliance:**

17. The Company will provide the Customer with as much notice as reasonably possible, either in writing, e-mail, facsimile or by phone as to when the Company may conduct inspections and/or document review. Upon reasonable notice, the Company shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement or, if necessary, to meet the Company's legal obligation to provide service to its Customers. At any time without notice in the event of emergency or hazardous conditions, the Company shall have access to the customers premise to operate the manual disconnect switch.

**Modifications/Additions to Customer-owned Renewable Generation:**

18. If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross power rating, the Customer must notify the Company by submitting a new application specifying the modification at least thirty days prior to making the modification.

31. The Company's tariff and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements, as may be applicable, are incorporated by reference.
32. This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.
33. For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

IN WITNESS WHEREOF, the Customer has executed this Agreement the day and year first written above.

CUSTOMER

COMPANY

\_\_\_\_\_  
Signature of Customer or Authorized Representative

\_\_\_\_\_  
Signature of Company Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Title of Company Representative

Customer Account Number \_\_\_\_\_



**PROGRESS ENERGY FLORIDA, INC.  
STANDARD INTERCONNECTION AGREEMENT  
FOR TIER 3 CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS (>100kw, <= 2mw)**

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (hereinafter called the Customer), located at the address shown in the attached Application and Compliance Form, and Progress Energy Florida, Inc., a corporation organized and existing under the laws of the State of Florida (hereinafter called the Company).

**WITNESSETH:**

WHEREAS, the Customer has made a request to interconnect its renewable generation Tier 3 system(s), more than 100 kilowatts or less than or equal to 2 megawatts in total, which is primarily intended to offset part or all of the customer's electricity requirements, with the Company's electric supply grid at the Customer's presently metered location.

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

**General Responsibilities of Both Parties:**

1. The Customer certifies that the system's hardware and its installation, operation and maintenance is in compliance and shall continue to comply with the applicable standards, codes and manufacturer's instructions set forth in the Application and Compliance Form attached hereto and incorporated herein, and that all other information therein provided by the Customer is true and correct. The Customer shall notify the Company in writing of any changes to its system.
2. The Customer shall pay an application fee of \$750 for this Tier 3 Customer-owned renewable generation system interconnection.
3. In order to commence the process for interconnection, the Customer shall provide the Company a completed application. Applications can be downloaded from the Company's website: [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page).
4. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on the Company's utility system in delivering and restoring system power; and is responsible for insuring that the equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to insure that it is operating correctly and safely.
5. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1 and UL 1741. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to item 5 listed above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.
6. The Company requires that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than two million dollars (\$2,000,000). The Customer shall provide the Company proof of continuing insurance coverage on an annual basis to the extent permitted by law. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law. Proof of self-insurance consistent with law shall satisfy this requirement.
7. The total capacity of the Customer generation system(s) does not exceed 90% of the rating of service currently provided to the customer (based on service size, transformer rating, etc.) and has a total gross power rating of greater than 100kw up to 2mw.

8. The Company may isolate the Customer's system from the distribution grid using the manual disconnect switch without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Conditions which may require the disconnection of the Customer's system are:
- (a) Company utility system emergencies or maintenance requirements.
  - (b) Hazardous conditions existing on the Company's utility system due to the operation of the Customer's generation or protective equipment as determined by the Company.
  - (c) Adverse electrical effects (such as power quality problems) on the electrical equipment of the company's other electric consumers caused by the Customer's generation as determined by the Company.
  - (d) Failure of the Customer to maintain the required insurance coverage.
- In the event the Company disconnects the Customer's system without prior notice, the Company will leave a door hanger notifying the customer of the disconnection including an explanation of the conditions requiring such action.
9. The Customer, to the extent permitted by law without waiving or limiting any defenses of sovereign immunity, shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. Nothing herein shall be intended to serve as a waiver of limitation of Customer's sovereign immunity defenses as allowed by law.
10. Prior to connection and parallel operation of the Customer's generation system with the Company's electric system, the Customer shall provide 10 days notice and permit the Company, if it should so choose, to inspect the system and its component equipment and the documents necessary to insure compliance with various sections of this Agreement and to have personnel present on the in-service date of the Customer's generation system equipment and protective apparatus.
11. In no event shall any statement, representation, or lack thereof, either express or implied, by the Company, relieve the Customer of exclusive responsibility for the Customer's generation system. Specifically, any company inspection of the Customer's system shall not be construed as confirming or endorsing the Customer's system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the Customer's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any of the Customer's equipment or procedures.
12. The Company will install metering equipment on the Customer's premises capable of measuring any excess kilowatt-hours produced by the Customer's system and delivered to the Company's electric system. The cost of the meter, installation, maintenance, and any costs of reading and billing associated with this meter equipment shall be borne by the Company. The value of such excess generation shall be reflected on the Customer's bill based on the Company's applicable net metering for customer-owned renewable generation tariff approved by the Florida Public Service Commission. This tariff can be found at the Company's website – [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page).
13. The Customer must install a manual AC load break disconnect switch at their expense which shall be mounted separate from, but adjacent to the Company's meter socket. The Customer shall ensure that such disconnect switch shall remain readily accessible to the Company and be capable of being locked in the open position with a single Company utility lock.
14. On termination of services pursuant to this Agreement, the Company shall remove any additional metering equipment related to this Agreement. At the Customer's expense, within 10 working days following the termination, the Customer shall permanently isolate the generation system and any associated equipment from the Company's electric supply system, and notify the Company that the isolation is complete.

**Inspection and On-going Compliance:**

15. The Company will provide the Customer with as much notice as reasonably possible, either in writing, e-mail, facsimile or by phone as to when the Company may conduct inspections and/or document review. Upon reasonable notice, the Company shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement or, if necessary, to meet the Company's legal obligation to provide service to its Customers. At any time without notice in the event of emergency or hazardous conditions, the Company shall have access to the customers premise to operate the manual disconnect switch.

**Modifications/Additions to Customer-owned Renewable Generation:**

16. If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross power rating, the Customer must notify the Company by submitting a new application specifying the modification at least thirty days prior to making the modification.

31. The Company's tariff and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements, as may be applicable, are incorporated by reference.
32. This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.
33. For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

IN WITNESS WHEREOF, the Customer has executed this Agreement the day and year first written above.

CUSTOMER

COMPANY

\_\_\_\_\_  
Signature of Customer or Authorized Representative\_\_\_\_\_  
Signature of Company Representative\_\_\_\_\_  
Title of Authorized Representative\_\_\_\_\_  
Title of Company Representative

Customer Account Number \_\_\_\_\_

## **Attachment A**

### **Legislative Format Tariffs (1 copy)**

Second Revised Sheet No. 7.310  
Second Revised Sheet No. 7.311  
Second Revised Sheet No. 7.313  
Second Revised Sheet No. 7.320  
Second Revised Sheet No. 7.321  
Second Revised Sheet No. 7.323  
Second Revised Sheet No. 7.330  
Second Revised Sheet No. 7.331  
Second Revised Sheet No. 7.333

(Note: there were no changes to page 3 of the three agreements)

**PROGRESS ENERGY FLORIDA, INC.  
STANDARD INTERCONNECTION AGREEMENT  
FOR TIER 1 CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS (10kw or less)**

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (hereinafter called the Customer), located at the address shown in the attached Application and Compliance Form, and Progress Energy Florida, Inc., a corporation organized and existing under the laws of the State of Florida (hereinafter called the Company).

**WITNESSETH:**

WHEREAS, the Customer has made a request to interconnect its renewable generation Tier 1 system(s), 10 kilowatts or less in total, which is primarily intended to offset part or all of the customer's electricity requirements, with the Company's electric supply grid at the Customer's presently metered location.

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

**General Responsibilities of Both Parties:**

1. The Customer certifies that the system's hardware and its installation, operation and maintenance is in compliance and shall continue to comply with the applicable standards, codes and manufacturer's instructions set forth in the Application and Compliance Form attached hereto and incorporated herein, and that all other information therein provided by the Customer is true and correct. The Customer shall notify the Company in writing of any changes to its system.
2. The Customer shall not be required to pay any application fee for this Tier 1 Customer-owned renewable generation system interconnection.
3. In order to commence the process for interconnection, the Customer shall provide the Company a completed application. Applications can be downloaded from the Company's website: [www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy).
4. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on the Company's utility system in delivering and restoring system power; and is responsible for insuring that the equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to insure that it is operating correctly and safely.
5. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1 and UL 1741.
6. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to item 5 listed above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
7. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.
8. The Company recommends that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than one hundred thousand dollars (\$100,000) to the extent permitted by law. For government entities, proof of self-insurance consistent with law shall satisfy this requirement.
9. The total capacity of the Customer generation system(s) does not exceed 90% of the rating of service currently provided to the customer (based on service size, transformer rating, etc.) and has a total gross power rating of 10kw or less.

10. The Company may isolate the Customer's system from the distribution grid using the manual disconnect switch, if available, or by disconnecting the meter without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Conditions which may require the disconnection of the Customer's system are:
- (a) Company utility system emergencies or maintenance requirements.
  - (b) Hazardous conditions existing on the Company's utility system due to the operation of the Customer's generation or protective equipment as determined by the Company.
  - (c) Adverse electrical effects (such as power quality problems) on the electrical equipment of the company's other electric consumers caused by the Customer's generation as determined by the Company.
- In the event the Company disconnects the Customer's system without prior notice, the Company will leave a door hanger notifying the customer of the disconnection including an explanation of the conditions requiring such action.
11. The Customer, to the extent permitted by law without waiving or limiting any defenses of sovereign immunity, shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. Nothing herein shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defenses as allowed by law.
12. Prior to connection and parallel operation of the Customer's generation system with the Company's electric system, the Customer shall provide 10 days notice and permit the Company, if it should so choose, to inspect the system and its component equipment and the documents necessary to insure compliance with various sections of this Agreement and to have personnel present on the in-service date of the Customer's generation system equipment and protective apparatus.
13. In no event shall any statement, representation, or lack thereof, either express or implied, by the Company, relieve the Customer of exclusive responsibility for the Customer's generation system. Specifically, any company inspection of the Customer's system shall not be construed as confirming or endorsing the Customer's system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the Customer's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any of the Customer's equipment or procedures.
14. The Company will install metering equipment on the Customer's premises capable of measuring any excess kilowatt-hours produced by the Customer's system and delivered to the Company's electric system. The cost of the meter, installation, maintenance, and any costs of reading and billing associated with this meter equipment shall be borne by the Company. The value of such excess generation shall be reflected on the Customer's bill based on the Company's applicable net metering for customer-owned renewable generation tariff approved by the Florida Public Service Commission. This tariff can be found at the Company's website - [www.progress-energy.com/florida/home/renewable-energy/interconnect.page](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page) - ~~[energy/connecting\\_renewable\\_resources/selling\\_renewable\\_energy](#)~~.
15. In the event the Company elects to install a manual disconnect switch, it shall be at the Company's expense. The Company installed disconnect switch shall be the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generator and any Customer wiring connected to the Company's system. The disconnect switch shall be mounted separate from, but adjacent to the Company's meter socket. The Customer shall ensure that such disconnect switch shall remain readily accessible to the Company and be capable of being locked in the open position with a single Company utility lock.
16. On termination of services pursuant to this Agreement, the Company shall remove any additional metering equipment related to this Agreement. At the Customer's expense, within 10 working days following the termination, the Customer shall permanently isolate the generation system and any associated equipment from the Company's electric supply system, and notify the Company that the isolation is complete.

**Inspection and On-going Compliance:**

17. The Company will provide the Customer with as much notice as reasonably possible, either in writing, e-mail, facsimile or by phone as to when the Company may conduct inspections and/or document review. Upon reasonable notice, the Company shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement or, if necessary, to meet the Company's legal obligation to provide service to its Customers. At any time without notice in the event of emergency or hazardous conditions, the Company shall have access to the customers premise to operate a manual disconnect switch or disconnect the meter.

- 29. The Customer must execute this Interconnection Agreement and the Customer's subsequent application submitted there under and return it to the Company at least thirty calendar days prior to beginning parallel operations.
- 30. This Agreement shall be governed by and construed and enforced in accordance with the laws, rules and regulations of the State of Florida and the Company's Tariff as may be modified, changed, or amended from time to time.
- 31. The Company's tariff and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements, as may be applicable, are incorporated by reference.
- 32. This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.
- ~~32-33.~~ For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

IN WITNESS WHEREOF, the Customer has executed this Agreement the day and year first written above.

CUSTOMER

\_\_\_\_\_  
Signature of Customer or Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

Customer Account Number \_\_\_\_\_

**PROGRESS ENERGY FLORIDA, INC.  
STANDARD INTERCONNECTION AGREEMENT  
FOR TIER 2 CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS (>10kw, <= 100kw)**

THIS AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (hereinafter called the Customer), located at the address shown in the attached Application and Compliance Form, and Progress Energy Florida, Inc., a corporation organized and existing under the laws of the State of Florida (hereinafter called the Company).

**WITNESSETH:**

WHEREAS, the Customer has made a request to interconnect its renewable generation Tier 2 system(s), more than 10 kilowatts or less than or equal to 100 kilowatts in total, which is primarily intended to offset part or all of the customer's electricity requirements, with the Company's electric supply grid at the Customer's presently metered location.

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

**General Responsibilities of Both Parties:**

1. The Customer certifies that the system's hardware and its installation, operation and maintenance is in compliance and shall continue to comply with the applicable standards, codes and manufacturer's instructions set forth in the Application and Compliance Form attached hereto and incorporated herein, and that all other information therein provided by the Customer is true and correct. The Customer shall notify the Company in writing of any changes to its system.
2. The Customer shall pay an application fee of \$240 for this Tier 2 Customer-owned renewable generation system interconnection.
3. In order to commence the process for interconnection, the Customer shall provide the Company a completed application. Applications can be downloaded from the Company's website: [www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy).
4. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on the Company's utility system in delivering and restoring system power; and is responsible for insuring that the equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to insure that it is operating correctly and safely.
5. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1 and UL 1741.
6. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to item 5 listed above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
7. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.
8. The Company requires that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than one million dollars (\$1,000,000) to the extent permitted by law. The Customer shall provide the Company proof of continuing insurance coverage on an annual basis. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law. Proof of self-insurance consistent with law shall satisfy this requirement.
9. The total capacity of the Customer generation system(s) does not exceed 90% of the rating of service currently provided to the customer (based on service size, transformer rating, etc.) and has a total gross power rating of greater than 10kw up to 100kw.



10. The Company may isolate the Customer's system from the distribution grid using the manual disconnect switch without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Conditions which may require the disconnection of the Customer's system are:
- (a) Company utility system emergencies or maintenance requirements.
  - (b) Hazardous conditions existing on the Company's utility system due to the operation of the Customer's generation or protective equipment as determined by the Company.
  - (c) Adverse electrical effects (such as power quality problems) on the electrical equipment of the company's other electric consumers caused by the Customer's generation as determined by the Company.
  - (d) Failure of the Customer to maintain the required insurance coverage.
- In the event the Company disconnects the Customer's system without prior notice, the Company will leave a door hanger notifying the customer of the disconnection including an explanation of the conditions requiring such action.
11. The Customer, to the extent permitted by law without waiving or limiting any defenses of sovereign immunity, shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. Nothing herein shall be intended to serve as a waiver of limitation of Customer's sovereign immunity defenses as allowed by law.
12. Prior to connection and parallel operation of the Customer's generation system with the Company's electric system, the Customer shall provide 10 days notice and permit the Company, if it should so choose, to inspect the system and its component equipment and the documents necessary to insure compliance with various sections of this Agreement and to have personnel present on the in-service date of the Customer's generation system equipment and protective apparatus.
13. In no event shall any statement, representation, or lack thereof, either express or implied, by the Company, relieve the Customer of exclusive responsibility for the Customer's generation system. Specifically, any company inspection of the Customer's system shall not be construed as confirming or endorsing the Customer's system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the Customer's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any of the Customer's equipment or procedures.
14. The Company will install metering equipment on the Customer's premises capable of measuring any excess kilowatt-hours produced by the Customer's system and delivered to the Company's electric system. The cost of the meter, installation, maintenance, and any costs of reading and billing associated with this meter equipment shall be borne by the Company. The value of such excess generation shall be reflected on the Customer's bill based on the Company's applicable net metering for customer-owned renewable generation tariff approved by the Florida Public Service Commission. This tariff can be found at the Company's website – [www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy).
15. The Customer must install a manual AC load break disconnect switch at their expense which shall be mounted separate from, but adjacent to the Company's meter socket. The Customer shall ensure that such disconnect switch shall remain readily accessible to the Company and be capable of being locked in the open position with a single Company utility lock.
16. On termination of services pursuant to this Agreement, the Company shall remove any additional metering equipment related to this Agreement. At the Customer's expense, within 10 working days following the termination, the Customer shall permanently isolate the generation system and any associated equipment from the Company's electric supply system, and notify the Company that the isolation is complete.
- Inspection and On-going Compliance:**
17. The Company will provide the Customer with as much notice as reasonably possible, either in writing, e-mail, facsimile or by phone as to when the Company may conduct inspections and/or document review. Upon reasonable notice, the Company shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement or, if necessary, to meet the Company's legal obligation to provide service to its Customers. At any time without notice in the event of emergency or hazardous conditions, the Company shall have access to the customers premise to operate the manual disconnect switch.
- Modifications/Additions to Customer-owned Renewable Generation:**
18. If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross power rating, the Customer must notify the Company by submitting a new application specifying the modification at least thirty days prior to making the modification.

31. The Company's tariff and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements, as may be applicable, are incorporated by reference.
32. This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.
- ~~32-33.~~ For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

IN WITNESS WHEREOF, the Customer has executed this Agreement the day and year first written above.

CUSTOMER

COMPANY

\_\_\_\_\_  
Signature of Customer or Authorized Representative

\_\_\_\_\_  
Signature of Company Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Title of Company Representative

Customer Account Number \_\_\_\_\_

**PROGRESS ENERGY FLORIDA, INC.  
STANDARD INTERCONNECTION AGREEMENT  
FOR TIER 3 CUSTOMER-OWNED RENEWABLE GENERATION SYSTEMS (>100kw, <= 2mw)**

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between \_\_\_\_\_ (hereinafter called the Customer), located at the address shown in the attached Application and Compliance Form, and Progress Energy Florida, Inc., a corporation organized and existing under the laws of the State of Florida (hereinafter called the Company).

**WITNESSETH:**

WHEREAS, the Customer has made a request to interconnect its renewable generation Tier 3 system(s), more than 100 kilowatts or less than or equal to 2 megawatts in total, which is primarily intended to offset part or all of the customer's electricity requirements, with the Company's electric supply grid at the Customer's presently metered location.

NOW, THEREFORE, in consideration of the mutual covenants and agreements expressed herein, the Company and the Customer agree as follows:

**General Responsibilities of Both Parties:**

1. The Customer certifies that the system's hardware and its installation, operation and maintenance is in compliance and shall continue to comply with the applicable standards, codes and manufacturer's instructions set forth in the Application and Compliance Form attached hereto and incorporated herein, and that all other information therein provided by the Customer is true and correct. The Customer shall notify the Company in writing of any changes to its system.
2. The Customer shall pay an application fee of \$750 for this Tier 3 Customer-owned renewable generation system interconnection.
3. In order to commence the process for interconnection, the Customer shall provide the Company a completed application. Applications can be downloaded from the Company's website: [www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy).
4. The Customer is responsible for the protection of its generation equipment, inverters, protection devices, and other system components from damage from the normal and abnormal operations that occur on the Company's utility system in delivering and restoring system power; and is responsible for insuring that the equipment is inspected, maintained, and tested in accordance with the manufacturer's instructions to insure that it is operating correctly and safely.
5. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1 and UL 1741.
6. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to item 5 listed above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
7. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.
8. The Company requires that the Customer maintain general liability insurance for personal injury and property damage in the amount of not less than two million dollars (\$2,000,000). The Customer shall provide the Company proof of continuing insurance coverage on an annual basis to the extent permitted by law. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law. Proof of self-insurance consistent with law shall satisfy this requirement.
9. The total capacity of the Customer generation system(s) does not exceed 90% of the rating of service currently provided to the customer (based on service size, transformer rating, etc.) and has a total gross power rating of greater than 100kw up to 2mw.

10. The Company may isolate the Customer's system from the distribution grid using the manual disconnect switch without prior notice to the Customer. To the extent practical, however, prior notice shall be given. The system will be reconnected as soon as practical once the conditions causing the disconnection cease to exist. Conditions which may require the disconnection of the Customer's system are:
- Company utility system emergencies or maintenance requirements.
  - Hazardous conditions existing on the Company's utility system due to the operation of the Customer's generation or protective equipment as determined by the Company.
  - Adverse electrical effects (such as power quality problems) on the electrical equipment of the company's other electric consumers caused by the Customer's generation as determined by the Company.
  - Failure of the Customer to maintain the required insurance coverage.
- In the event the Company disconnects the Customer's system without prior notice, the Company will leave a door hanger notifying the customer of the disconnection including an explanation of the conditions requiring such action.
11. The Customer, to the extent permitted by law without waiving or limiting any defenses of sovereign immunity, shall hold harmless and indemnify the Company for all loss to third parties resulting from the operation of the customer-owned renewable generation, except when the loss occurs due to the negligent actions of the Company. The Company shall hold harmless and indemnify the Customer for all loss to third parties resulting from the operation of the Company's system, except when the loss occurs due to the negligent actions of the Customer. Nothing herein shall be intended to serve as a waiver of limitation of Customer's sovereign immunity defenses as allowed by law.
12. Prior to connection and parallel operation of the Customer's generation system with the Company's electric system, the Customer shall provide 10 days notice and permit the Company, if it should so choose, to inspect the system and its component equipment and the documents necessary to insure compliance with various sections of this Agreement and to have personnel present on the in-service date of the Customer's generation system equipment and protective apparatus.
13. In no event shall any statement, representation, or lack thereof, either express or implied, by the Company, relieve the Customer of exclusive responsibility for the Customer's generation system. Specifically, any company inspection of the Customer's system shall not be construed as confirming or endorsing the Customer's system design or its operating or maintenance procedures nor as a warranty or guarantee as to the safety, reliability, or durability of the Customer's equipment. The Company's inspection, acceptance, or its failure to inspect shall not be deemed an endorsement of any of the Customer's equipment or procedures.
14. The Company will install metering equipment on the Customer's premises capable of measuring any excess kilowatt-hours produced by the Customer's system and delivered to the Company's electric system. The cost of the meter, installation, maintenance, and any costs of reading and billing associated with this meter equipment shall be borne by the Company. The value of such excess generation shall be reflected on the Customer's bill based on the Company's applicable net metering for customer-owned renewable generation tariff approved by the Florida Public Service Commission. This tariff can be found at the Company's website – [www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy](http://www.progress-energy.com/florida/home/renewable-energy/interconnect.page.environment/renewable-alternative-energy/connecting-renewable-resources/selling-renewable-energy).
15. The Customer must install a manual AC load break disconnect switch at their expense which shall be mounted separate from, but adjacent to the Company's meter socket. The Customer shall ensure that such disconnect switch shall remain readily accessible to the Company and be capable of being locked in the open position with a single Company utility lock.
16. On termination of services pursuant to this Agreement, the Company shall remove any additional metering equipment related to this Agreement. At the Customer's expense, within 10 working days following the termination, the Customer shall permanently isolate the generation system and any associated equipment from the Company's electric supply system, and notify the Company that the isolation is complete.

**Inspection and On-going Compliance:**

17. The Company will provide the Customer with as much notice as reasonably possible, either in writing, e-mail, facsimile or by phone as to when the Company may conduct inspections and/or document review. Upon reasonable notice, the Company shall have access to the Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by this Interconnection Agreement or, if necessary, to meet the Company's legal obligation to provide service to its Customers. At any time without notice in the event of emergency or hazardous conditions, the Company shall have access to the customers premise to operate the manual disconnect switch.

**Modifications/Additions to Customer-owned Renewable Generation:**

18. If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross power rating, the Customer must notify the Company by submitting a new application specifying the modification at least thirty days prior to making the modification.

31. The Company's tariff and associated technical terms and abbreviations, general rules and regulations and standard electric service requirements, as may be applicable, are incorporated by reference.
32. This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between the Company and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.
- ~~32-33. For those Customers which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.~~

IN WITNESS WHEREOF, the Customer has executed this Agreement the day and year first written above.

CUSTOMER

COMPANY

\_\_\_\_\_  
Signature of Customer or Authorized Representative\_\_\_\_\_  
Signature of Company Representative\_\_\_\_\_  
Title of Authorized Representative\_\_\_\_\_  
Title of Company Representative

Customer Account Number \_\_\_\_\_