



Florida Municipal Power Agency

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VIA Electronic Filing

June 14, 2017

Florida Public Service Commission
Carlotta S. Stauffer, Commission Clerk
Office of the Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Keys Energy Services, City of Key West, Florida – Revised Tariff Sheets

Dear Ms. Stauffer:

This letter is submitted on behalf of Keys Energy Services, City of Key West, Florida pursuant to Rules 25-9.051 through 25-9.071 of the *Florida Administrative Code*.

Electronically filed are the following revisions to the city's tariff sheets in legislative and final filing formats:

- a) First Revised Sheet No. 9.0 – *Net-Metering Service for Renewable Generation System Schedule NMI*;
- b) First Revised Sheet No. 9.1 - *Net-Metering Service for Renewable Generation System Schedule NMI, continued*; and,
- c) First Revised Sheet No. 9.2 - *Net-Metering Service for Renewable Generation System Schedule NMI*.

Also enclosed for information and supportive purposes is a copy of the following:

- 1) Minutes of the Utility Board of Keys Energy – City of Key West, FL approving the City's Fiscal Year 2017 Budget and Five-Year Financial Plan providing for an effective date of October 1, 2016.

If you have any questions or need clarification, please do not hesitate to contact our office.

Very truly yours,

/s/

Jody Lamar Finklea
Deputy General Counsel and Manager of Legal Affairs

**NET-METERING SERVICE FOR
RENEWABLE ~~GENERATING FACILITY~~ GENERATION SYSTEM
SCHEDULE NM1**

Availability, applicability and character of service:

This schedule is available throughout the entire territory served by Keys Energy Services (KEYS). The tariff is offered to customers on a first-come, first-served basis until the time that the total rated generating capacity of interconnected ~~customer-owned renewable generators~~ Renewable Generation Systems (RGS) equals or exceeds 2.5 percent (2.5%) of KEYS' aggregate customer peak demands. KEYS may approve interconnections in excess of the limits set forth, at its sole discretion, to the extent there is no adverse impact on KEYS' system or Florida Municipal Power Agency (FMPA).

This schedule is applicable to customers who:

1. Take retail service from KEYS under an otherwise applicable rate schedule at their premises;
2. ~~Own a renewable generating facility~~ Reside in a premises with a RGS having a generating capacity that does not exceed two megawatts (2 MW), ~~which~~ is located on the customer's premises, and that is primarily intended to offset part or all of customer's own electric requirements at the premises;
3. Are interconnected and operate in parallel with KEYS' electric distribution system;
4. Provide KEYS with an executed Standard Interconnection Agreement for ~~Customer~~ Owned-a Renewable Generation System, are in compliance with the interconnection standards therein, and have executed a Tri-Party Net-Metering Power Purchase Agreement among KEYS, FMPA and the ~~customer~~ RGS Owner for the purchase of the energy output from the ~~customer's renewable generating facility~~ RGS.

Rate:

All rates charged under this schedule will be in accordance with the customer's applicable rate schedule. Customers served under this schedule are responsible for all charges from its otherwise applicable rate schedule. Charges for electric kilowatt-hours (kWh) supplied by KEYS and exported to KEYS will be based on the ~~net~~-metered usage in accordance with Billing (see below).

Metering:

Energy metering under this schedule shall be accomplished by separately registering the flow of electricity from KEYS to ~~customer~~ the premises and excess energy generated by ~~customer~~ the RGS and delivered to KEYS. KEYS will furnish, install, own and maintain metering equipment capable of measuring ~~the such~~ flow of kilowatt hours (kWh) from the point of delivery of energy.

~~Any additional meter(s) installed to measure total renewable electricity generated by the customer for the purposes of receiving Renewable Energy Certificates (or similarly titled credits for renewable energy generated) shall be installed at the expense of the customer, unless determined~~

(Continued on Sheet No. 9.1)

Issued by: Lynne Tejeda
General Manager/CEO

Effective Date: ~~October 1, 2012~~ 2016

~~otherwise during negotiations for the sale of the customer's credits to KEYS or FMPA.~~ Customer shall offer KEYS ~~or~~ and FMPA the right of first refusal to purchase any and all Renewable Energy Certificates or similarly titled credits for renewable energy generated by the customer.

Meter readings shall be taken monthly on the same cycle as required under the applicable rate schedule.

Billing:

Customer shall be billed for consumption and export of energy as follows:

Customer shall be billed for the total amount of electricity delivered to customer by KEYS in accordance with otherwise applicable rate schedules.

Electric energy from the ~~customer-owned renewable generation system~~RGS shall be used first to service the customer's own load and offset the customer's demand for KEYS' electricity. Any kWh electric energy produced by the ~~customer-owned renewable generation system~~RGS that is not consumed by the customer's own load and is delivered to the KEYS' system shall be deemed as "excess ~~customer-owned renewable~~RGS generations." Excess ~~customer-owned renewable~~RGS generation shall be purchased in the form of a credit on the customer's monthly energy consumption bill.

Each billing cycle, the customer shall be credited for the total amount of excess electricity generated by the ~~customer-owned renewable~~RGS generation that is delivered to KEYS' electric system during the previous billing cycle. The credit shall be:

- Tier 1 – Ten (10) kW or less – ~~The first 75~~ Standard Residential Service (Non-Commercial) and Small Commercial Service customers to interconnect ~~an RGS and comply with all requirements of this tariff, the interconnection agreement, and Tri-Party Power Purchase Agreement prior to October 1, 2017~~ will earn credit for excess RGS generation at the full retail rate (rate plus power cost adjustment that KEYS charges to customers in the Standard Residential Service (Non-Commercial) ~~Rate Schedule R-(110)-service~~ or the Small Commercial Service ~~Schedule SC-(210)~~ Rate. ~~Notwithstanding anything in this tariff, the interconnection agreement, or Tri-Party Power Purchase Agreement to the contrary, the full retail incentive rate for the first 75 customers will sunset on January 31, 2037. As of February 1, 2037, the credit for excess RGS generation for all net-metering customers shall be KEYS' avoided cost rate, as determined by KEYS. A customer may only qualify for the full retail rate for excess RGS generation at a single premises. Additional net-metering accounts for the same customer at multiple premises will be credited at KEYS' avoided cost rate, as determined by KEYS. All customers on the Large Commercial Service Rate and Aall other customers after the first 75 will be at KEYS' avoided cost rate, as determined by KEYS.~~
- ~~Tier 2 – Greater than 10 kW and less than or equal to 100kW: Avoided cost.~~
- ~~Tier 3 – Greater than 100 kW and less than or equal to two (2) MW: Avoided cost.~~

~~In the event that a given monthly credit for excess customer-owned renewable generation exceeds the total billed amount for the customer's consumption in any corresponding month, the excess credit shall be applied to the customer's subsequent bill. Excess energy credits produced pursuant to the preceding sentence shall accumulate and be used to offset the customer's energy consumption bill for a period of not more than twelve (12) months. At the end of each calendar year, KEYS shall pay the customer for any unused excess energy credits.~~

(Continued on Sheet No. 9.2)

- Tier 2 - Greater than 10 kW and less than or equal to 100kW: KEYS' avoided cost rate, as determined by KEYS.
- Tier 3 – Greater than 100 kW and less than or equal to two (2) MW: KEYS' avoided cost rate, as determined by KEYS.

In the event that a given monthly credit for excess RGS generation exceeds the total billed amount for the customer's consumption in any corresponding month, the excess credit shall be applied to the customer's subsequent bill. Excess energy credits produced pursuant to the preceding sentence shall accumulate and be used to offset the customer's energy consumption bill for a period of not more than twelve (12) months. At the end of each calendar year, KEYS shall pay the customer for any unused excess energy credits.

In the event that a customer closes an account, the customer's unused excess energy credits shall be paid by KEYS to the customer.

Fees:

The ~~customer~~following fees shall be required ~~to pay fees~~ for application review and processing, as well as interconnection studies: -as follows:

- Tier 1 – ~~No fee for 10 kW or less~~application fee and no study fee;
- Tier 2 - \$320.00 application fee and no study fee; for amounts greater than 10 kW and less than or equal to 100 kW.
- ~~Tier 3 - \$470.00~~ application fee and a deposit of \$2,500.00 for a study fee on amounts greater than 100kW and less than or equal to two (2) MW. RGS owner will be responsible for the actual costs of the interconnection study to be paid in advance of the performance of the study. Customer shall pay the actual cost of study, but not more than \$2,500.00

Fees may be adjusted annually.

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This schedule is applicable to customers who:

1. Take retail service from KEYS under an otherwise applicable rate schedule at their premises;
2. Reside in a premises with a RGS having a capacity that does not exceed two megawatts (2 MW), is located on the customer's premises, and that is primarily intended to offset part or all of customer's own electric requirements at the premises;
3. Are interconnected and operate in parallel with KEYS' electric distribution system;
4. Provide KEYS with an executed Standard Interconnection Agreement for a Renewable Generation System, are in compliance with the interconnection standards therein, and have executed a Tri-Party Net-Metering Power Purchase Agreement among KEYS, FMPA and the RGS Owner for the purchase of the energy output from the RGS.

Rate:

All rates charged under this schedule will be in accordance with the customer's applicable rate schedule. Customers served under this schedule are responsible for all charges from its otherwise applicable rate schedule. Charges for electric kilowatt-hours (kWh) supplied by KEYS and exported to KEYS will be based on the metered usage in accordance with Billing (see below).

Metering:

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(Continued on Sheet No. 9.1)

Customer shall offer KEYS and FMPA the right of first refusal to purchase any and all Renewable Energy Certificates or similarly titled credits for renewable energy generated by the customer.

Meter readings shall be taken monthly on the same cycle as required under the applicable rate schedule.

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(Continued on Sheet No. 9.2)

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In the event that a customer closes an account, the customer's unused excess energy credits shall be paid by KEYS to the customer.

Fees:

The following fees shall be required for application review and processing, as well as interconnection studies:

- Tier 1 – No application fee and no study fee;
- Tier 2 - \$320.00 application fee and no study fee;
- Tier 3 - \$470.00 application fee and RGS owner will be responsible for the actual costs of the interconnection study to be paid in advance of the performance of the study.

Fees may be adjusted annually.

Issued by: Lynne Tejeda
General Manager/CEO

Effective Date: October 1, 2016

MINUTES FROM A BUDGET HEARING/REGULAR MEETING OF THE UTILITY BOARD
OF THE CITY OF KEY WEST, FLORIDA,
HELD AT 5:00 P.M. ON WEDNESDAY, SEPTEMBER 14, 2016
KEYS ENERGY SERVICES BOARD ROOM
1001 JAMES STREET, KEY WEST, FLORIDA

1. Pledge of Allegiance ►

2. Invocation ►

3. Roll Call ►

Present: Mr. Charlie Bradford, Ms. Mona Clark, Mr. Timothy Root, Mr. Steven Wells, Chairman Peter Batty.

Also present at the meeting:

Lynne Tejeda, General Manager & CEO; Nathan Eden, Board Attorney; Jack Wetzler, Assistant General Manager & CFO; Dale Finigan, Engineering & Control Center Director; Dan Sabino, Generation Director; Julio Torrado, Human Resources & Communications Director and Erica Zarate, Customer Services Director

4. Set Agenda ►

Pull Informational Item 6f) to be discussed at a future meeting.

► Chairman Batty closed the Regular Utility Board meeting at 5:01 p.m. and opened the Public Hearing for Fiscal Year 2017 Budget and Five Year Financial Plan

5. **PUBLIC HEARING – FISCAL YEAR 2017 BUDGET AND FIVE YEAR FINANCIAL PLAN 2017-2021**

a) Open Public Hearing ►

b) Presentation and Overview of Fiscal Year 2017 Budget and Five Year Financial Plan 2017-2021 ►

c) Close Public Hearing

► Chairman Batty closed the Public Hearing & opened the Regular Utility Board meeting at 5:06 p.m.

6. Informational Items: ►

a) Department Staff Reports

► The Anatomy of a Power Pole – Dale Finigan

b) Power Supply Report – August ►

c) Rate Comparison Report – July

d) Financial and Operational Indicators - July

e) Investment Committee Update ►

f) ~~Traffic Signal Maintenance Contracts~~

7. Consent Agenda* ►

- a) Approve Minutes - Regular Utility Board Meeting & Budget Workshop – August 17, 2016
- b) Approve Minutes – Audit Committee Meeting – August 17, 2016
- c) Approve Disbursement Report
- d) Approve Customer Service Training and Surveying with Measure X
- e) Approve Change Order #1 with Altec Industries for the annual purchase of parts and on-site visits
- f) Award Florida Keys Media, LLC Contract
- g) Award Unit Price Contract for Tires, Hardware & Associated Vehicle Services Bid #09-16

► **Motion:** To Approve Consent Agenda, **Moved by** Ms. Clark, **Seconded by** Mr. Bradford. Motion passed unanimously.

8. Action Items ►

- a) Approve the Fiscal Year 2017 Budget and Five-Year Financial Plan [2017 to 2021] FY17 Utility Board Travel and Associated Tariffs effective October 1, 2016 ►

► **Motion:** To Approve the Fiscal Year 2017 Budget and Five-Year Financial Plan [2017 to 2021], FY17 Utility Board Travel and Associated Tariffs effective October 1, 2016, **Moved by** Mr. Bradford, **Seconded by**, Mr. Root.

► **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5).
Yes: Mr. Charlie Bradford, Ms. Mona Clark, Mr. Timothy Root, Mr. Steven Wells, Chairman Peter Batty.

- b) Approve Annual Evaluation and Salary Increase for General Manager & CEO ►

► Board Discussion

► **Motion:** To Approve the Annual Evaluation for the General Manager & CEO and the Salary Recommendation from the Manager’s Annual Evaluation Committee for a salary increase of 3.25% plus an additional adjustment of \$4,788.25, bringing Mrs. Tejada’s salary to \$188,000, with an effective date of October 1, 2016. This increase and adjustment is in lieu of compensation increases outlined in Section 2 of the contract for January 1, 2017, **Moved by** Mr. Wells, **Seconded by**, Mr. Root.

► Board Discussion

- ▶ **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5).
Yes: Mr. Charlie Bradford, Ms. Mona Clark, Mr. Timothy Root, Mr. Steven Wells, Chairman Peter Batty.

9. Public Input / Other Business ▶

10. Adjournment ▶

Motion: To Adjourn the Regular Utility Board Meeting of September 14, 2016, at 5:35 p.m., **Moved by** Mr. Wells, **Seconded by**, Mr. Root.

APPROVE:

Peter Batty, Chairman

ATTEST:

Lynne E. Tejeda, General Manager & CEO

/ed