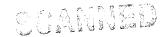
Susan D. Ritenour
Secretary and Treasurer
and Regulatory Manager

One Energy Place Pensacola, Florida 32520-0781

Tel 850.444.6231 Fax 850.444.6026 SDRITENO@southernco.com





July 5, 2006

Ms. Blanca S. Bayo, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0870

Dear Ms. Bayo:

REF-1 tariff sheet no. 9.53 (standard offer contract rate for purchase of firm capacity and energy from renewable energy facilities). It was to be submitted to the Commission for approval by the letter dated March 31, 2006, but it was inadvertently left out of the package. A coded copy of the tariff sheet has been provided to show the changes to the existing tariff sheet.

Upon approval, please return a copy of the approved tariff sheets to my attention.

Sincerely,

lw

Enclosures

CC:

Beggs &Lane

Jeffrey A. Stone, Esquire

Florida Public Service Commission

Susan D. Ritenau (lw)

Connie Kummer

Tariff Sheet



Section No. IX First Revised Sheet No. 9.53 Canceling Original Sheet No. 9.53

PAGE EFFECTIVE DATE 7 of 15

(Continued from Schedule REF-1, Sheet No. 9.52)

For the year 2014, the repayment obligation shall be determined as above except that the period for which the availability requirement applies and which is subject to repayment shall be the three months ending August 2014.

In addition to the foregoing, when early capacity payments have been elected and received, the failure of the Renewable Facility to satisfy the availability requirement set forth above shall also result in a obligation for additional repayments by the Renewable Facility to the Company. The amount of such additional repayment shall be equal to the difference between: (1) what the Renewable Facility would have been paid during the previous twelve months ending August 31 had it elected the normal payment option; and (2) what it was paid pursuant to the payment option selected. The latter amount is the amount the Renewable Facility would have been entitled to retain for the previous twelve months ending August 31 had it satisfied the minimum availability factor performance criteria. For the year 2014, the additional repayment obligation shall be determined as above except that the period for which the availability requirement applies and which is subject to repayment shall be the three months ending August 2014.

DETERMINATION OF THE AVAILABILITY FACTOR

In October of each year of this Contract, the Company will calculate the availability of the Renewable Facility over the most recent twelve month period ending August 31. For purposes of this Schedule, availability is defined by the NERC GADS formula for EAF. The Renewable Facility will be entitled to continue to receive capacity payments as long as an EAF of 89% is maintained for each performance period. If the Renewable Facility fails to maintain a 89% EAF, then the Company may deem the Renewable Facility to be in non-performance of its committed capacity and, thereby, invoke the provisions of Section 8 of the Renewable Standard Offer Contract.

(A) Equivalent Availability Factor Calculation

Each October during the term of this contract the Company will calculate the Renewable Facility's equivalent availability factor during the previous twelve month period ending August 31. The formula to be used for this calculation is as follows:

 $EAF = \{[AH - (EUDH + EPDH + ESEDH)] / PH\} X 100 (%) where,$

AH = Available Hours
Sum of all SH, RSH, Pumping Hours, and Synchronous Condensing Hours.

EPDH = Equivalent Planned Derated Hours
Product of the Planned Derated Hours and the Size of Reduction, divided by the NMC.

ISSUED BY: Susan Story

Legislative Format



Section No. IX
<u>First RevisedOriginal Sheet No. 9.53</u>
<u>Canceling Original Sheet No. 9.53</u>

PAGE EFFECTIVE DATE
7 of 15 January 1, 2006

(Continued from Schedule REF-1, Sheet No. 9.52)

For the year 201412, the repayment obligation shall be determined as above except that the period for which the availability requirement applies and which is subject to repayment shall be the three months ending August 201412.

In addition to the foregoing, when early capacity payments have been elected and received, the failure of the Renewable Facility to satisfy the availability requirement set forth above shall also result in a obligation for additional repayments by the Renewable Facility to the Company. The amount of such additional repayment shall be equal to the difference between: (1) what the Renewable Facility would have been paid during the previous twelve months ending August 31 had it elected the normal payment option; and (2) what it was paid pursuant to the payment option selected. The latter amount is the amount the Renewable Facility would have been entitled to retain for the previous twelve months ending August 31 had it satisfied the minimum availability factor performance criteria. For the year 201412, the additional repayment obligation shall be determined as above except that the period for which the availability requirement applies and which is subject to repayment shall be the three months ending August 201412.

DETERMINATION OF THE AVAILABILITY FACTOR

In October of each year of this Contract, the Company will calculate the availability of the Renewable Facility over the most recent twelve month period ending August 31. For purposes of this Schedule, availability is defined by the NERC GADS formula for Equivalent Availability Factor (EAF). The Renewable Facility will be entitled to continue to receive capacity payments as long as an EAF of 8994% is maintained for each performance period. If the Renewable Facility fails to maintain a 8994% EAF, then the Company may deem the Renewable Facility to be in non-performance of its committed capacity and, thereby, invoke the provisions of Section 8 of the Renewable Standard Offer Contract.

(A) Equivalent Availability Factor Calculation

Each October during the term of this contract the Company will calculate the Renewable Facility's equivalent availability factor during the previous twelve month period ending August 31. The formula to be used for this calculation is as follows:

 $EAF = \{[AH - (EUDH + EPDH + ESEDH)] / PH\} X 100 (%) where,$

AH = Available Hours Sum of all SH, RSH, Pumping Hours, and Synchronous Condensing Hours.

EPDH = Equivalent Planned Derated Hours
Product of the Planned Derated Hours and the Size of Reduction, divided by the NMC.

ISSUED BY: Susan Story