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July 3, 2008

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

Re:

Gulf Power Company's Response to Staff's Additional

Supplemental Data Request in Docket No. 080260-EI

Dear Ms. Cole:

Enclosed are an original and seven copies of Gulf Power's responses to Staff's additional supplemental data request in Docket No. 080260-EI – Gulf Power Company's Petition for Approval of Standard Interconnection Agreements for Tier 1 through Tier 3 Customer-Owned Renewable Generation Systems and Revisions to Tariff Sheets iv, 4.2, 4.16 and 9.1.

Sincerely,

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Gulf Power Company Responses to Staff's Additional Data Request Dated 6/24/08 Net Metering & Interconnection (Docket No. 080260)

Section 10 of the three Tariffs

1. In clarifying staff's initial question #10, staff notes that section 10 of all three Tariffs uses the following language "The Company may disconnect ... for any of the following reasons, which are by way of illustration, and not limitation: ..." (emphasis added). However, subsection (6)(c) of the Rule sets forth only four conditions which "shall be cause" for the disconnection of the customer's renewable generation system. Would the company please explain what other conditions or situations would become a "condition" warranting the disconnection of the customer's system?

Response:

As explained in Gulf's response to question 10 of Staff's First Data Request, given Gulf Power's relative inexperience with interconnected customer-owned renewable generation, it is not possible to predict every circumstance which may necessitate disconnection of a customer's system. Additional conditions warranting the disconnection of a customer's facility might include refusal by the customer to allow the Company to inspect the facility in accordance with the standard interconnection agreement, or if Gulf Power receives a request from the local government that the facility be disconnected because of safety concerns relating to the customer's dwelling or the facility itself.

For Tier 1 Customers: Sections 9 & 10

1. Pursuant to subsection (6)(a), a Tier 1 customer is not required to install a manual disconnect switch; however, based on the conditions listed in section 10, Tier 1 Tariff, section 9, Tier 1 Tariff, states that "the Company may disconnect service to the Customer's premises. This will result in the Customer not being able to receive electric service from the Company until the conditions warranting disconnection are resolved by the Customer." Staff notes several issues with section 9 as it is currently worded: 1) Section 9 lacks any affirmative customer notice of the disconnection of electrical service and subsection (6)(b) of the Rule requires at least "doorhanger notice"; 2) The company does not explain how it would physically disconnect electrical service; 3) If service is disconnected, when would the company explain to the customer its reasons for the disconnection; and 4) Would the customer be charged for the physical reconnection of service once the condition is resolved?

Response:

If disconnection is required and advanced notice is practicable under the circumstances, Gulf Power will provide the customer with advanced notice of its intent to disconnect the system and the reasons for the disconnection. This notice would also explain the means by which the disconnection would be accomplished. If advanced notice is not practicable under the circumstances, the Company will, at a minimum, leave a door hanger notifying the customer of the disconnection and explaining the conditions necessitating such action. The customer would not be charged for the physical reconnection of the system once the

condition is resolved unless the customer was disconnected under one name and requested to be reconnected under a different name. In the latter case, the customer is treated as if they are opening a new account and a connection charge would apply.

2. The "by the Customer" language in section 9, Tier 1 Tariff implies that all the reasons stated in section 10 of the Tariff may be resolved solely by the customer. However, what if the condition warranting disconnection of service (condition) is on the company's side of the meter?

Response:

As explained in Gulf's response to question 9 of Staff's First Data Request, it appears that the words "by the Customer" included in section 9 of the Tier 1 agreement were included in error. Gulf is amenable to removing this language if Staff believes doing so is appropriate.

3. If the condition exists on the customer's side of the meter, (a) how would the company determine such a condition existed; (b) how would the customer know the condition existed; and (c) how would the customer be able to resolve the condition if the company fails to provide the customer any notice of disconnection of service or of the existence of the condition?

Response:

As a practical matter, if a problematic condition exists on the customer's side of the meter, Gulf Power typically learns of the condition because of a customer's inquiry after the customer has experienced power quality problems or disruptions in service. Gulf may also learn of the condition if Gulf is called upon to investigate similar problems experienced by the customer's neighbors and determines through its investigation that the customer's facility is the cause of the problems. In either case, if a condition warranting disconnection is detected by Gulf Power, the Company will provide notice to the customer as discussed in response to question # 1 above.

4. If a condition warranting disconnection of service exists on the customer's side of the meter, would the company be willing to work with the customer to resolve it if the customer requests it? If so, how would the company bill / charge the customer for resolving that condition? Would those charges / fees be governed under subsection (4) of the Rule?

Response:

Gulf Power will work with customers to help determine whether the problem is occurring on the Company's or the customer's side of the meter. There is currently no charge for this service to the customer. If the problem is found to be on Gulf Power's side of the meter, the Company will fix the problem at no charge to the customer. If the problem is found to be on the customer's side of the meter, the customer will need to hire an electrical contractor or contact the manufacturer of the defective equipment to resolve the problem and abide by all applicable National Electrical Code (NEC), National Electrical Safety Code (NESC) and local government rules and regulations.

For Tier 2 & 3 Customers: section 9

1. Pursuant to subsection (6)(b), when the company opens the manual disconnect switch for the reasons stated in section 10 of the tariff (or subsection (6)(c) of the Rule), the company is required to leave at least a "doorhanger" providing the customer notice that the company has disconnected the customer and explain the condition necessitating such action. However, section 9 of the tier 2 & 3 tariffs fails to included the required "doorhanger notice" language. If the failure to include "doorhanger notice" is not an omission, would the company explain its reasoning for not including this required notice?

Response:

If Gulf Power disconnects a customer without prior notice, Gulf intends to provide notice as required by section (6)(b) of the Rule. Gulf does not interpret the Rule to require specific reference to the notice in the interconnection agreements themselves.

Nevertheless, if Staff believes doing so is appropriate, Gulf is amenable to amending the language of its agreements to include reference to doorhanger notice.