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May 7, 2010

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

Re: Petition for approval of revisions to tariff interconnection agreements by Tampa Electric Company; FPSC Docket No. 100043-EQ

Dear Ms. Cole:

Enclosed for filing in the above docket are the original and five copies of Tampa Electric Company's answers to the Florida Public Service Commission Staff's Data Request No. 1.

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 connection with this matter.

Sincerely,


James D. Beasley

JDB/pp
Enclosures

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|-----|----------------------------------|
| COM | _____ |
| APA | _____ |
| ECR | cc: Martha Carter Brown (w/enc.) |
| GCL | 1 |
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DOCUMENT NUMBER-DATE

03864 MAY-7 2010

FPSC-COMMISSION CLERK

**TAMPA ELECTRIC COMPANY
DOCKET NO. 100043-EQ
STAFF'S FIRST DATA REQUEST
REQUEST NO. 1
PAGE 1 OF 1
FILED: MAY 7, 2010**

TIER 1, 2, 3 AND NPO

1. Please explain why TECO is adding "claims" to the list the customer and the Company agree to indemnify and hold harmless?
 - A. A claim which is a solid and definitive event refers to the assertion of a right or demand, whether or not the right or demand has been reduced to a judgment. In the context of an indemnification clause as soon as the claim or demand is made, the indemnifying party's obligation springs forward. Tampa Electric has added "claims" to the list, for both the customer and Company indemnity obligations to make clear that it attaches at the point of a claim. This addition was suggested by a customer and Tampa Electric agreed.

TIER 1, 2, 3 AND NPO

- 2.** Has a TECO customer filed a claim against either TECO, its subsidiaries or affiliates, and their respective employees, officers and directors pursuant to a standard interconnection agreement for renewable generation systems? If so, provide information on each claim, its current status, and resolution?

A. No.

TIER 1, 2, 3 AND NPO

3. Has TECO filed a claim against a TECO customer, its subsidiaries or affiliates, and their respective employees, officers and directors pursuant to a standard interconnection agreement for renewable generation systems? If so, provide information on each claim, its current status, and resolution?

A. No.

TIER 1, 2, 3 AND NPO

4. How does TECO currently treat a customer's requests to interconnect a power generator? Is a fee currently being charged? If so, what is the fee and what is it based on?

A. As provided under Tampa Electric's currently approved Tier 2, 3 and Non-Parallel Operation ("NPO") agreements, Tampa Electric charges a \$250 fee for Tier 2 and a \$500 fee for Tier 3 and NPO. An Interconnection Study Fee of up to \$3,000 is provided for under Tier 3 as well. These fees were fully cost supported in the filings submitted to the FPSC that led to their approval.

System expansion costs may be recovered under Tier 3, however any such charges will not be assessed without prior approval of the FPSC per Rule 25-6.065(4)(h).

Fees for Contributions In Aid Construction (CIAC) associated with NPO may be assessed depending on what costs may be incurred to complete the interconnection.

TIER 1, 2, 3 AND NPO

- 5.** Are all customers with backup generation required to sign an interconnection agreement with TECO? If not, explain why not.
- A.** No. Customers are only required to sign an interconnection agreement with Tampa Electric if their backup generation will be operating in parallel or in the case of the NPO agreement for a short time in parallel with Tampa Electric's system. If the customer only operates its backup generation when disconnected from Tampa Electric's system, then a physical interconnection with the company's system does not occur; therefore an agreement is not needed.

TIER 1, 2, 3 AND NPO

- 6.** The Company wishes to include a no-fault clause to be executed by the Customer of all self-generating power equipment and its associated components. Is that correct?
 - A.** No. The interconnection agreement with indemnity protection is associated only with customers desiring to operate their self-generating power equipment in parallel with Tampa Electric.

TIER 1, 2, 3 AND NPO

7. If the customer agrees to indemnify TECO and TECO agrees to indemnify the customer, then who will be responsible for a loss or claim?
 - A. The indemnity and hold harmless clause is negligence based. The party causing the loss (i.e., the negligent party) is required to indemnify and hold harmless the other party.

Tier 2, 3 and NPO

1. If upon approval of the petition, will all Customers with renewable generators and non-export generators be notified of their ability to self-insure?

A. Yes.

Tier 2, 3 and NPO

- 2.** When is the customer required to provide notice of his or her intent to self-insure?
 - A.** Prior to signing the agreement. The customer will be informed of their ability to self-insure during the initial stages of the interconnection process.

Tier 2, 3 and NPO

- 3.** What documentation is the customer to provide TECO regarding his or her intent to self-insure?
 - A.** The customer must provide the following documentation:
 1. Three (3) years of audited financial statements,
 2. Organizational structure and management background,
 3. Brief description of claims administration process, and
 4. Brief description of safety and loss control programs

Tier 2, 3 and NPO

4. Upon receiving the required documentation on self-insurance, by when will TECO provide written approval?
 - A. Tampa Electric will provide written approval in 30 business days, assuming Tampa Electric approves.

Tier 2, 3 and NPO

- 5.** How will the Customers be notified to provide proof of self-insurance.
 - A.** See Tampa Electric's response to Staff's First Data Request No. 2 under Tier 2, 3 and NPO.

Tier 2, 3 and NPO

- 6.** If a Company is authorized to self-insure, why will TECO need proof of its continuing ability to self-insure more frequently than on an annual basis?
 - A.** Tampa Electric will evaluate the customer's ability to self-insure on an annual basis; however, if the customer files bankruptcy or Tampa Electric becomes aware that the customer's financials have deteriorated substantially; Tampa Electric may require the customer to secure insurance rather than rely on the prior self-insurance.

Tier 2, 3 and NPO

7. What criteria will TECO use in determining whether to approve a customer's request to self insure?
 - A. Tampa Electric will evaluate the customer's financial ability to self-insure as well as the customers plans to prevent and manage losses.

Tier 2, 3 and NPO

- 8.** What must a customer provide to prove it's ability to self-insure?

- A.** See Tampa Electric's response to Staff's First Data Request No. 3 under Tier 2, 3 and NPO.

NPO

1. If the proposed tariff is approved by the Commission, will all customers with backup generation be required to sign a new interconnection agreement?

A. No.

NPO

- 2.** Are all participants in TECO's Interruptible Standby Service tariff required to sign an interconnection agreement?
 - A.** Yes, because they are operating a generator behind the meter which is operating in parallel with Tampa Electric. The fact that they take services under Tampa Electric's interruptible standby tariff is irrelevant.

NPO

3. Are participants in TECO's Interruptible Standby Service tariff prevented from delivering energy to the grid?

A. No.

NPO

- 4.** If the customer is required to maintain and protect it's own NPO equipment, will TECO assure the customer they may perform this process?
 - A.** As described in Section 9 of the NPO agreement, NPO equipment includes the customer's generating equipment, interconnection equipment, inverters, protection devices, and other system components, and such equipment is owned and controlled by the customer. Tampa Electric does not control NPO equipment in any way. The NPO agreement does not put Tampa Electric between the customer and this equipment and the customer is free to maintain and protect its own equipment.

NPO

5. How many NPOs has TECO interconnected to date? Have these customers been charged a fee? If so, what was the fee based on?
 - A. The company has interconnected 49 NPO facilities for five different customers. These customers have not been charged the application fee as some were interconnected prior to FPSC approval of the NPO interconnection agreement and others are awaiting approval for this filing to be able to self-insure. Customers requesting non-standard service were charged CIAC based on the cost for each particular request.

NPO

6. At what point should the customer contact TECO to get information about approved protection devices?

A. The company needs the customer's proposed design and protection scheme as early as possible so that utility engineering can provide feedback to the customer and their consultant(s) prior to any equipment installation. Protection schemes usually take several revisions to reach agreement between the parties involved.

Depending on the scope of work, utility engineering and construction may range from weeks to months. Some utility equipment may have a six-month lead time or more for purchase and installation. Schedules need to be coordinated with the customer based on the material lead time and work involved.

NPO

7. Please provide an example of the customer interconnection costs for a typical NPO.
 - A. There really is no typical NPO. However, for all NPOs, the customer interconnection costs include the following:
 1. The \$500 application charge;
 2. CIAC, if any, for non-standard service requests which is specifically calculated for each job (recent examples ranged from \$14,000 to \$1.1 million); and,
 3. The customer's own costs for consultant and contractor services, if applicable, and the material and labor required to install the customer-owned equipment needed to run in parallel with the utility.

NPO

- 8.** Please break the costs down between those costs covered by the customer and CIAC costs paid to the utility.

- A.** See the company's response to Staff's First Data Request No. 7 under NPO above for a breakdown of customer costs.