

170 FERC ¶ 61,038  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;  
Richard Glick and Bernard L. McNamee.

Gulf Power Company

Docket No. ER19-1940-001

ORDER ON COMPLIANCE

(Issued January 24, 2020)

1. On May 22, 2019, Gulf Power Company (Gulf Power) submitted proposed revisions to its Open Access Transmission Tariff (Tariff) in compliance with the requirements of Order Nos. 845 and 845-A,<sup>1</sup> which amended the Commission's *pro forma* Large Generator Interconnection Agreement (LGIA) and *pro forma* Large Generator Interconnection Procedures (LGIP).<sup>2</sup> As discussed below, we find that Gulf Power's filing partially complies with the requirements of Order Nos. 845 and 845-A. Accordingly, we accept Gulf Power's compliance filing, effective May 22, 2019, and direct Gulf Power to submit a further compliance filing within sixty (60) days of the date of this order.

**I. Background**

2. On April 19, 2018, the Commission issued Order No. 845, which revised the Commission's *pro forma* LGIA and the *pro forma* LGIP to improve certainty for interconnection customers, promote more informed interconnection decisions, and enhance the interconnection process. The Commission stated that it expects that these reforms will provide interconnection customers better information and more options for

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<sup>1</sup> *Reform of Generator Interconnection Procedures and Agreements*, Order No. 845, 163 FERC ¶ 61,043 (2018) (Order No. 845), *errata notice*, 167 FERC ¶ 61,123, *order on reh'g*, Order No. 845-A, 166 FERC ¶ 61,137 (Order No. 845-A), *errata notice*, 167 FERC ¶ 61,124, *order on reh'g*, Order No. 845-B, 168 FERC ¶ 61,092 (Order No. 845-B) (2019).

<sup>2</sup> The *pro forma* LGIP and *pro forma* LGIA establish the terms and conditions under which public utilities that own, control, or operate facilities for transmitting energy in interstate commerce must provide interconnection service to large generating facilities. Order No. 845, 163 FERC ¶ 61,043 at P 6.

obtaining interconnection service, and as a result, there will be fewer overall interconnection requests and fewer interconnection requests failing to reach commercial operation. The Commission also stated that it expects that, as a result of these reforms, transmission providers will be able to focus resources on those interconnection requests most likely to reach commercial operation.<sup>3</sup> In Order No. 845-A, the Commission generally upheld the reforms it required in Order No. 845 but granted certain requests for rehearing and clarification.

3. In Order No. 845, the Commission adopted 10 different reforms in three categories to improve the interconnection process. First, in order to improve certainty for interconnection customers, the Commission: (1) removed the limitation that interconnection customers may exercise the option to build the transmission provider's interconnection facilities<sup>4</sup> and stand alone network upgrades<sup>5</sup> only in instances when the transmission provider cannot meet the dates proposed by the interconnection customer;<sup>6</sup> and (2) required that transmission providers establish interconnection dispute resolution procedures that allow a disputing party unilaterally to seek non-binding dispute resolution.<sup>7</sup>

4. Second, to promote more informed interconnection decisions, the Commission: (1) required transmission providers to outline and make public a method for determining

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<sup>3</sup> *Id.* P 2; Order No. 845-A, 166 FERC ¶ 61,137 at P 1.

<sup>4</sup> Transmission provider's interconnection facilities are "all facilities and equipment owned, controlled or operated by the Transmission Provider from the Point of Change of Ownership to the Point of Interconnection as identified in Appendix A to the Standard Large Generator Interconnection Agreement, including any modifications, additions or upgrades to such facilities and equipment. Transmission Provider's Interconnection Facilities are sole use facilities and shall not include Distribution Upgrades, Stand Alone Network Upgrades or Network Upgrades." *Pro forma* LGIA, art. 1 (Definitions).

<sup>5</sup> Stand alone network upgrades are "Network Upgrades that an Interconnection Customer may construct without affecting day-to-day operations of the Transmission System during their construction. Both the Transmission Provider and the Interconnection Customer must agree as to what constitutes Stand Alone Network Upgrades and identify them in Appendix A to the Standard Large Generator Interconnection Agreement." *Id.*

<sup>6</sup> Order No. 845, 163 FERC ¶ 61,043 at P 85.

<sup>7</sup> *Id.* P 3.

contingent facilities;<sup>8</sup> (2) required transmission providers to list the specific study processes and assumptions for forming the network models used for interconnection studies; (3) revised the definition of “Generating Facility” to explicitly include electric storage resources; and (4) established reporting requirements for aggregate interconnection study performance.<sup>9</sup>

5. Third, the Commission adopted reforms to enhance the interconnection process by: (1) allowing interconnection customers to request a level of interconnection service that is lower than their generating facility capacity; (2) requiring transmission providers to allow for provisional interconnection agreements that provide for limited operation of a generating facility prior to completion of the full interconnection process; (3) requiring transmission providers to create a process for interconnection customers to use surplus interconnection service<sup>10</sup> at existing points of interconnection; and (4) requiring transmission providers to set forth a procedure to follow when assessing and, if necessary, studying an interconnection customer’s technology changes without affecting the interconnection customer’s queue position.<sup>11</sup>

## II. Gulf Power’s Compliance Filing

6. Gulf Power states that it has revised Attachment J – Large Generator Interconnection Agreement and Attachment J – Large Generator Interconnection Procedures of its Tariff. Gulf Power states that it has adopted the *pro forma* language as directed by the Commission in Order Nos. 845 and 845-A. Gulf Power also establishes new definitions and provisions for the LGIP pertaining to technological changes and

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<sup>8</sup> Contingent facilities are “those unbuilt Interconnection Facilities and Network Upgrades upon which the Interconnection Request’s costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for Re-Studies of the Interconnection Request or a reassessment of the Interconnection Facilities and/or Network Upgrades and/or costs and timing.” *Pro Forma* LGIP, § 1 (Definitions).

<sup>9</sup> Order No. 845, 163 FERC ¶ 61,043 at P 4.

<sup>10</sup> Order No. 845 added a definition for “Surplus Interconnection Service” to section 1 of the *pro forma* LGIP and article 1 of the *pro forma* LGIA, defining the term as “any unused portion of Interconnection Service established in a Large Generator Interconnection Agreement, such that if Surplus Interconnection Service is utilized the Interconnection Service limit at the Point of Interconnection would remain the same.” *Id.* P 459.

<sup>11</sup> *Id.* P 5.

identification of contingent facilities. Gulf Power also adopts some limited administrative revisions to Exhibit 3 of Appendix C of its LGIA.<sup>12</sup>

7. Gulf Power requests an effective date of May 22, 2019 for its proposed Tariff revisions.<sup>13</sup>

### **III. Notice and Responsive Pleadings**

8. Notice of Gulf Power's May 22, 2019 compliance filing was published in the *Federal Register*, 84 Fed. Reg. 24,772 (2019), with interventions and protests due on or before June 12, 2019. PowerSouth Energy Cooperative (PowerSouth) filed a timely motion to intervene.

9. On June 13, 2019, Commission staff issued a deficiency letter that requested additional clarification regarding Gulf Power's procedure for allowing surplus interconnection service (Deficiency Letter). On July 15, 2019, Gulf Power filed its response to the Deficiency Letter (Deficiency Response), amending its May 22, 2019 compliance filing. Notice of Gulf Power's Deficiency Response was published in the *Federal Register*, 84 Fed. Reg. 35,383 (2019), with interventions and protests due on or before August 5, 2019. None was filed.

### **IV. Discussion**

#### **A. Procedural Matters**

10. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2019), PowerSouth's timely, unopposed motion to intervene makes it a party to this proceeding.

#### **B. Substantive Matters**

11. As discussed below, we find that Gulf Power's filing partially complies with the requirements of Order Nos. 845 and 845-A. Accordingly, we accept Gulf Power's compliance filing, effective May 22, 2019, and direct Gulf Power to submit a further compliance filing within sixty (60) days of the date of this order.

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<sup>12</sup> Gulf Power, May 22, 2019 Filing, at 1-4 (Filing).

<sup>13</sup> *Id.* at 3.

## 1. Interconnection Customer's Option to Build

12. In Order No. 845, the Commission revised articles 5.1, 5.1.3, and 5.1.4 of the *pro forma* LGIA to allow interconnection customers to unilaterally exercise the option to build for stand alone network upgrades and the transmission provider's interconnection facilities, regardless of whether the transmission provider can complete construction of such facilities by the interconnection customer's proposed in-service date, initial synchronization date, or commercial operation date.<sup>14</sup> Prior to Order No. 845, this option to build was available to an interconnection customer only if the transmission provider did not agree to the interconnection customer's preferred construction timeline.<sup>15</sup> The Commission stated in Order No. 845 that this reform of the option to build will "benefit the interconnection process by providing interconnection customers more control and certainty during the design and construction phases of the interconnection process."<sup>16</sup>

13. In Order No. 845-A, the Commission granted rehearing and clarification of certain aspects of the revised option to build. Specifically, the Commission revised the definition of stand alone network upgrade in the *pro forma* LGIP and *pro forma* LGIA to: (1) state that, when there is a disagreement, the transmission provider must provide the interconnection customer a written technical explanation outlining why the transmission provider does not consider a specific network upgrade to be a stand alone network upgrade;<sup>17</sup> and (2) clarify that the option to build does not apply to stand alone network upgrades on affected systems.<sup>18</sup> The Commission also made revisions to article 5.2 of the *pro forma* LGIA to allow transmission providers to recover oversight costs related to the interconnection customer's option to build.<sup>19</sup> In addition, the

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<sup>14</sup> Order No. 845, 163 FERC ¶ 61,043 at PP 85-87.

<sup>15</sup> *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 104 FERC ¶ 61,103, at P 353 (2003), *order on reh'g*, Order No. 2003-A, 106 FERC ¶ 61,220, *order on reh'g*, Order No. 2003-B, 109 FERC ¶ 61,287 (2004), *order on reh'g*, Order No. 2003-C, 111 FERC ¶ 61,401 (2005), *aff'd sub nom. Nat'l Ass'n of Regulatory Util. Comm'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007); *see also pro forma* LGIP, § 5.1.3.

<sup>16</sup> Order No. 845, 163 FERC ¶ 61,043 at P 85.

<sup>17</sup> Order No. 845-A, 166 FERC ¶ 61,137 at P 68.

<sup>18</sup> *Id.* P 61.

<sup>19</sup> *Id.* P 75.

Commission clarified that the revised option to build provisions apply to all public utility transmission providers, including those that reimburse the interconnection customer for network upgrades.<sup>20</sup>

**a. Gulf Power's Compliance Filing**

14. Gulf Power proposes revisions to its *pro forma* LGIA amending articles 5.1, 5.1.3, and 5.2(12) to incorporate the *pro forma* LGIA revisions adopted by Order Nos. 845 and 845-A without modification. Additionally, FPL proposes revisions to its *pro forma* LGIP revising section 1 Definitions to incorporate the *pro forma* LGIP revisions adopted by Order Nos. 845 and 845-A without modification.<sup>21</sup>

**b. Commission Determination**

15. We find that Gulf Power's proposed revisions regarding the option to build comply with the requirements of Order Nos. 845 and 845-A because Gulf Power adopts the Commission's *pro forma* LGIP and *pro forma* LGIA revisions without modification.

**2. Dispute Resolution**

16. In Order No. 845, the Commission revised the *pro forma* LGIP by adding new section 13.5.5, which establishes generator interconnection dispute resolution procedures that allow a disputing party to unilaterally seek non-binding dispute resolution.<sup>22</sup> The Commission established these new procedures because dispute resolution was previously unavailable when the parties did not mutually agree to pursue a binding arbitration under section 13.5 of the pre-Order No. 845 *pro forma* LGIP. The Commission further explained that participation in the new non-binding dispute resolution process in *pro forma* LGIP section 13.5.5 does not preclude disputing parties from pursuing binding arbitration after the conclusion of the non-binding dispute resolution process if they seek a binding result.<sup>23</sup>

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<sup>20</sup> *Id.* P 33.

<sup>21</sup> Order No. 845-A, 166 FERC ¶ 61,137 at P 68.

<sup>22</sup> Order No. 845, 163 FERC ¶ 61,043 at P 133; *see also pro forma* LGIP, § 13.5.5.

<sup>23</sup> Order No. 845, 163 FERC ¶ 61,043 at P 139.

a. **Gulf Power's Compliance Filing**

17. Gulf Power proposes revisions to its LGIP that adopt the Commission's *pro forma* LGIP revisions for dispute resolution as required by Order Nos. 845 and 845-A without modification.<sup>24</sup>

b. **Commission Determination**

18. We find that Gulf Power's proposed LGIP revisions regarding dispute resolution comply with the requirements of Order Nos. 845 and 845-A because Gulf Power adopts the Commission's *pro forma* revisions without modification.

3. **Identification and Definition of Contingent Facilities**

19. In Order No. 845, the Commission added a new definition to section 1 of the *pro forma* LGIP, providing that contingent facilities shall mean those unbuilt interconnection facilities and network upgrades upon which the interconnection request's costs, timing, and study findings are dependent, and if delayed or not built, could cause a need for restudies of the interconnection request or a reassessment of the interconnection facilities and/or network upgrades and/or costs and timing.<sup>25</sup> The Commission also added new section 3.8 to the *pro forma* LGIP, which requires transmission providers to include, within section 3.8, a method for identifying the contingent facilities that they will provide to the interconnection customer at the conclusion of the system impact study and include in the interconnection customer's generator interconnection agreement.<sup>26</sup> The Commission specified that the method must be sufficiently transparent to determine why a specific contingent facility was identified and how it relates to the interconnection request.<sup>27</sup> The Commission stated that this transparency will ensure that the method is applied on a non-discriminatory basis.<sup>28</sup> The Commission further required that transmission providers provide, upon the interconnection customer's request, the estimated network upgrade costs and estimated

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<sup>24</sup> Filing at 3.

<sup>25</sup> *Id.* P 218; *see also pro forma* LGIP, § 1 (Definitions).

<sup>26</sup> Order No. 845, 163 FERC ¶ 61,043 at P 199.

<sup>27</sup> *Id.*; *see also pro forma* LGIP, § 3.8.

<sup>28</sup> Order No. 845, 163 FERC ¶ 61,043 at P 200.

in-service completion date associated with each identified contingent facility when this information is readily available and not commercially sensitive.<sup>29</sup>

**a. Gulf Power's Compliance Filing**

20. Gulf Power proposes revisions to its LGIP that adopt the *pro forma* definition of contingent facilities. Additionally, Gulf Power proposes to add a new section 3.8 that outlines a method for determining contingent facilities. Specifically, Gulf Power's proposed revisions to section 3.8 of its LGIP indicate that contingent facilities will be identified through the system impact study and listed in the system impact study report, and that upon request from the interconnection customer, Gulf Power will provide study cases with the identified contingent facilities removed as well as estimated costs and in-service completion times for the identified contingent facilities.<sup>30</sup>

**b. Commission Determination**

21. We find that the revised provisions that identify and describe Gulf Power's method for determining contingent facilities, as Gulf Power proposes in its LGIP, partially comply with the requirements of Order Nos. 845 and 845-A. We find that Gulf Power complies with the requirements of Order Nos. 845 and 845-A because Gulf Power has adopted the definition of contingent facilities and the language regarding the need for the transmission provider to include in LGIP section 3.8 a method for identification of contingent facilities without modification. Further, Gulf Power's proposed Tariff revisions comply with the requirements related to providing estimated network upgrade costs and estimated in-service completion dates associated with contingent facilities to the interconnection customer.

22. However, as specified in Order No. 845, transmission providers must include, in section 3.8 of their LGIPs, a method for determining contingent facilities.<sup>31</sup> The Commission required that this method must provide sufficient transparency to determine why a specific contingent facility was identified and how it relates to the interconnection request.<sup>32</sup> The Commission also required that a transmission provider's method to identify contingent facilities be transparent enough to ensure that it will be applied on a

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<sup>29</sup> *Id.* P 199; *see also pro forma* LGIP, § 3.8.

<sup>30</sup> Filing at 3.

<sup>31</sup> Order No. 845, 163 FERC ¶ 61,043 at P 199.

<sup>32</sup> *Id.* P 200.



non-discriminatory basis.<sup>33</sup> Gulf Power's proposed Tariff revisions lack the requisite transparency required by Order Nos. 845 and 845-A because the proposed Tariff revisions do not detail the specific technical screens or analyses and the specific thresholds or criteria that Gulf Power will use as part of its method to identify contingent facilities.<sup>34</sup> Without this information, an interconnection customer will not understand how Gulf Power will evaluate potential contingent facilities to determine their relationship to an individual interconnection request.<sup>35</sup> Further, including provisions regarding specific thresholds or criteria in Gulf Power's LGIP will ensure Gulf Power's technical screens or analyses will be applied to interconnection requests on a consistent, not unduly discriminatory or preferential basis. Accordingly, we direct Gulf Power to file, within sixty (60) days of the date of this order, a further compliance filing that includes in section 3.8 of its LGIP the method it will use to determine contingent facilities, including technical screens or analyses it proposes to use to identify these facilities. We also require that Gulf Power include in LGIP section 3.8 the specific thresholds or criteria it will use in its technical screens or analysis to achieve the level of transparency required by Order No. 845.

#### **4. Transparency Regarding Study Models and Assumptions**

23. In Order No. 845, the Commission revised section 2.3 of the *pro forma* LGIP to require transmission providers to maintain network models and underlying assumptions on either an Open Access Same-Time Information System (OASIS) site or a password protected website. If the transmission provider posts this information on a password protected website, a link to the information must be provided on its OASIS site. Revised *pro forma* LGIP section 2.3 also requires that "network models and underlying assumptions reasonably represent those used during the most recent interconnection study and be representative of current system conditions." In addition, the Commission revised *pro forma* LGIP section 2.3 to allow transmission providers to require interconnection customers, OASIS site users, and password-protected website users to

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<sup>33</sup> *Id.*

<sup>34</sup> The Commission declined to implement a standard threshold or criteria, such as a specific distribution factor threshold, because different thresholds may be more appropriate for different queue types and geographical footprints. *Id.* at P 220.

<sup>35</sup> See *pro forma* LGIP § 3.8 ("The method shall be sufficiently transparent to determine why a specific Contingent Facility was identified").

sign a confidentiality agreement before the release of commercially sensitive information or critical energy infrastructure information (CEII).<sup>36</sup>

24. In Order No. 845-A, the Commission reiterated that neither the Commission's CEII regulations nor Order No. 845 precludes a transmission provider from taking necessary steps to protect information within its custody or control to ensure the safety and security of the electric grid.<sup>37</sup> The Commission also clarified that, to the extent any party would like to use the Commission's CEII regulations as a model for evaluating entities that request network model information and assumptions (prior to signing a non-disclosure agreement), it may do so.<sup>38</sup> The Commission further clarified that the phrase "current system conditions" does not require transmission providers to maintain network models that reflect current real-time operating conditions of the transmission provider's system. Instead, the network model information should reflect the system conditions currently used in interconnection studies.<sup>39</sup>

**a. Gulf Power's Compliance Filing**

25. Gulf Power proposes revisions to its LGIP to adopt the Commission's *pro forma* LGIP revisions regarding study models and assumptions as required by Order Nos. 845 and 845-A without modification.<sup>40</sup>

**b. Commission Determination**

26. We find that Gulf Power's proposed LGIP revisions regarding study models and assumptions comply with the requirements of Order Nos. 845 and 845-A because Gulf Power adopts the *pro forma* LGIP provisions without modification.

**5. Definition of Generating Facility**

27. In Order No. 845, the Commission revised the definition of "Generating Facility" to include electric storage resources and to allow electric storage resources to interconnect pursuant to the Commission-jurisdictional large generator interconnection

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<sup>36</sup> *Id.* P 236; *see also pro forma* LGIP, § 2.3.

<sup>37</sup> Order No. 845-A, 166 FERC ¶ 61,137 at P 84 (citing Order No. 845, 163 FERC ¶ 61,043 at P 241).

<sup>38</sup> *Id.* P 85 (citing 18 C.F.R. § 388.113(g)(5)(i)).

<sup>39</sup> *Id.* P 88.

<sup>40</sup> Filing at 3.

processes. Specifically, the Commission revised the definition of “Generating Facility” in the *pro forma* LGIP and *pro forma* LGIA as follows:

Generating Facility shall mean Interconnection Customer’s device for the production *and/or storage for later injection* of electricity identified in the Interconnection Request, but shall not include the interconnection customer’s Interconnection Facilities.<sup>41</sup>

The Commission found that this definitional change will reduce a potential barrier to large electric storage resources with a generating facility capacity above 20 MW that wish to interconnect pursuant to the terms in the *pro forma* LGIP and *pro forma* LGIA.<sup>42</sup>

**a. Gulf Power’s Compliance Filing**

28. Gulf Power proposes revisions to its LGIP and *pro forma* LGIA to incorporate the Commission’s revised definition of “Generating Facility” adopted by Order Nos. 845 and 845-A. However, Gulf Power proposes one minor variation to capitalize “Interconnection Customer” to conform to the defined term in its Tariff.<sup>43</sup>

**b. Commission Determination**

29. We find that Gulf Power’s revisions regarding the definition of a “Generating Facility” comply with the requirements of Order Nos. 845 and 845-A because Gulf Power adopts the Commission’s *pro forma* LGIP and *pro forma* LGIA provisions with only the minor variation to capitalize “Interconnection Customer.” We find that the use of the term defined in Gulf Power’s LGIP is consistent with or superior to Order Nos. 845 and 845-A because it adds additional clarity but does not alter the meaning of the definition.

**6. Interconnection Study Deadlines**

30. In Order No. 845, the Commission modified the *pro forma* LGIP to add sections 3.5.2 and 3.5.3, which require transmission providers to calculate and maintain on their OASIS sites or public websites summary statistics related to the timing of the

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<sup>41</sup> Order No. 845, 163 FERC ¶ 61,043 at P 275 (additions italicized); *see also pro forma* LGIP, § 1.

<sup>42</sup> Order No. 845, 163 FERC ¶ 61,043 at P 275.

<sup>43</sup> Gulf Power proposed LGIP, § 1 (Definitions) and *pro forma* LGIA, art. 1 (Definitions).”

transmission provider's processing of interconnection studies and to update those statistics on a quarterly basis.<sup>44</sup> The Commission also revised the pro forma LGIP to add section 3.5.4 to require transmission providers to file informational reports with the Commission if a transmission provider exceeds its interconnection study deadlines for more than 25 percent of any study type for two consecutive calendar quarters.<sup>45</sup> In adopting these reporting requirements, the Commission found that the reporting requirements strike a reasonable balance between providing increased transparency and information to interconnection customers and not unduly burdening transmission providers.<sup>46</sup> In Order No. 845-A, the Commission revised pro forma LGIP section 3.5.3 to clarify that the data reporting and retention requirements begin in the first calendar quarter of 2020.<sup>47</sup>

**a. Gulf Power's Compliance Filing**

31. Gulf Power proposes revisions to its LGIP to add a new section 3.5.2 that incorporates the *pro forma* language of Order Nos. 845 and 845-A. Additionally, Gulf Power proposes revisions to LGIP section 3.5.2.1 to provide for a feasibility study completion deadline of "forty five (45) days;" to LGIP section 3.5.2.2 to provide for a system impact study completion deadline of "ninety (90) days;" and to LGIP section 3.5.2.3 to provide for a facilities study completion deadline of "ninety (90) or one hundred eighty (180) days."<sup>48</sup>

**b. Commission Determination**

32. We find that Gulf Power's proposed revisions in its LGIP that address Gulf Power's study deadline statistics and informational reporting requirements partially comply with the requirements of Order Nos. 845 and 845-A. Gulf Power's proposed revisions to LGIP section 3.5.2 comply where they adopt the *pro forma* language of Order Nos. 845 and 845-A and where they fully incorporate, in LGIP sections 3.5.2.1 and 3.5.2.2, existing study deadlines. However, we find that Gulf Power's proposed LGIP section 3.5.2.3 does not comply with Order No. 845. Although Gulf Power includes a timeline for processing interconnection facilities studies, the proposed

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<sup>44</sup> Order No. 845, 163 FERC ¶ 61,043 at P 305; *see also pro forma* LGIP, §§ 3.5.2 and 3.5.3.

<sup>45</sup> Order No. 845, 163 FERC ¶ 61,043 at P 305; *see also pro forma* LGIP, § 3.5.4.

<sup>46</sup> Order No. 845, 163 FERC ¶ 61,043 at P 307.

<sup>47</sup> Order No. 845-A, 166 FERC ¶ 61,137 at P 107.

<sup>48</sup> Gulf Power proposed LGIP, §§ 3.5.2.1, 3.5.2.2, 3.5.2.3.

facilities study deadlines for reporting purposes do not match the existing deadlines set forth in section 8.3 of FPL's LGIP. Specifically, Gulf Power proposes to replace the bracketed placeholder in new *pro forma* LGIA section 3.5.2.3 with a facilities study completion deadline that states "ninety (90) or one hundred eighty (180) days." However, existing section 8.3 of Gulf Power's LGIP includes additional details regarding the applicability of those deadlines. Specifically, existing section 8.3 of Gulf Power's LGIP states that the facilities study will be completed within "ninety (90) Calendar days, with no more than a +/- 20 percent cost estimate contained in the report, or one hundred eighty (180) calendar days, if the Interconnection Customer requests a +/- 10 percent cost estimate." Gulf Power's LGIP section 3.5.2.3 does not include this additional detail to explain when the facilities study completion deadline is ninety (90) days and when it is one hundred eighty (180) days, which makes unclear the study deadlines Gulf Power will use to calculate and report the facilities study completion statistics. Accordingly, we direct Gulf Power to file, within sixty (60) days of the date of this order, a further compliance filing that replaces its proposed facility study deadlines in its LGIP section 3.5.2.3 with the existing facility study deadlines already included in section 8.3 of its LGIP.

7. **Requesting Interconnection Service below Generating Facility Capacity**

33. In Order No. 845, the Commission modified sections 3.1, 6.3, 7.3, 8.2, and Appendix 1 of the *pro forma* LGIP to allow interconnection customers to request interconnection service that is lower than the proposed generating facility's capacity,<sup>49</sup> recognizing the need for proper control technologies and flexibility for transmission providers to propose penalties to ensure that the generating facility does not inject energy above the requested level of service.<sup>50</sup>

34. The Commission required, in *pro forma* LGIP revised section 3.1, that transmission providers have a process in place to consider requests for interconnection service below the generating facility capacity. The Commission stipulated that such requests should be studied at the level of interconnection service requested for purposes of determining interconnection facilities, network upgrades, and associated costs, but that such requests may be subject to other studies at the full generating facility capacity

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<sup>49</sup> The term generating facility capacity is defined as "the net capacity of the Generating Facility and the aggregate net capacity of the Generating Facility where it includes multiple energy production devices." *Pro forma* LGIA, art. 1.

<sup>50</sup> Order No. 845, 163 FERC ¶ 61,043 at P 367; *see also pro forma* LGIP, §§ 3.1, 6.3, 7.3 and 8.2, and *pro forma* LGIP, app. 1.

to ensure safety and reliability of the system.<sup>51</sup> In addition, *pro forma* LGIP revised section 3.1 states that the interconnection customer is responsible for all study costs and interconnection facility and/or network upgrade costs required for safety and reliability. The Commission also required in *pro forma* LGIP revised section 3.1 that any necessary control technologies and/or protection systems be memorialized in the LGIA.

35. The Commission required, in *pro forma* LGIP revised sections 6.3, 7.3, and 8.2, that the feasibility, system impact, and facilities studies be performed at the level of interconnection service that the interconnection customer requests, unless the transmission provider is otherwise required to study the full generating facility capacity due to safety and reliability concerns. The Commission stated that, if the transmission provider determines that additional network upgrades are necessary based on these studies, it must specify which additional network upgrade costs are based on which studies and provide a detailed explanation of why the additional network upgrades are necessary.<sup>52</sup>

36. Finally, the Commission revised sections 4.4.1 and 4.4.2 of the *pro forma* LGIP to allow an interconnection customer to reduce the size of its interconnection request either prior to returning to the transmission provider an executed system impact study agreement or an executed facilities study agreement.<sup>53</sup>

**a. Gulf Power's Compliance Filing**

37. Gulf Power proposes revisions to its LGIP to adopt the Commission's proposed reforms to *pro forma* LGIP in sections 3.1, 6.3, 7.3, 8.2, and Appendix 1 to incorporate the language set for in Order Nos. 845 and 845-A without modification. However, Gulf Power's proposed Tariff revisions do not fully incorporate the *pro forma* LGIP language

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<sup>51</sup> Order No. 845, 163 FERC ¶ 61,043 at PP 383-84.

<sup>52</sup> *Id.* P 384. The Commission clarified that, if the transmission provider determines, based on good utility practice and related engineering considerations and after accounting for the proposed control technology, that studies at the full generating facility capacity are necessary to ensure safety and reliability of the transmission system when an interconnection customer requests interconnection service that is lower than full generating facility capacity, then it must provide a detailed explanation for such a determination in writing to the interconnection customer. *Id.*

<sup>53</sup> *Id.* P 406; *see also pro forma* LGIP, §§ 4.4.1 and 4.4.2.

adopted by Order No. 845.<sup>54</sup> Order No. 845 adopted the following language as the second sentence of the final paragraph in *pro forma* LGIP section 3.1:

These requests for Interconnection Service shall be studied at the level of Interconnection Service requested for purposes of Interconnection Facilities, Network Upgrades, *and associated costs*, but may be subject to other studies at the full Generating Facility Capacity to ensure safety and reliability of the system, with the study costs borne by the Interconnection Customer.<sup>55</sup>

**b. Commission Determination**

38. We find that Gulf Power's proposed revisions in its LGIP that allow an interconnection customer to request for interconnection service below its full generating facility capacity partially comply with the requirements of Order Nos. 845 and 845-A because they incorporate most of the *pro forma* LGIP without modification. However, as discussed above, FPL's revisions to section 3.1 of its LGIP omit some of the *pro forma* LGIP language required by Order No. 845.<sup>56</sup> Accordingly, we direct FPL to file, within sixty (60) days of the date of this order, a further compliance filing that incorporates the *pro forma* revisions to section 3.1 of its LGIP, as required by Order No. 845.

**8. Provisional Interconnection Service**

39. In Order No. 845, the Commission required transmission providers to allow all interconnection customers to request provisional interconnection service.<sup>57</sup> The Commission explained that interconnection customers may seek provisional interconnection service when available studies or additional studies, as necessary, indicate that there is a level of interconnection service that can occur to accommodate an interconnection request without the construction of any additional interconnection facilities and/or network upgrades, and the interconnection customer wishes to make use

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<sup>54</sup> See Order No. 845-A, 166 FERC ¶ 61,137 at P 117.

<sup>55</sup> Order No. 845, 163 FERC ¶ 61,043 at P 347; *see also id.* P 367. The italics indicate language adopted by Order No. 845 that FPL's Tariff revisions failed to include. We recognize, however, that the *pro forma* LGIP that was available on the Commission's website failed to include that language.

<sup>56</sup> *Id.* PP 347, 367, and app. B.

<sup>57</sup> Order No. 845, 163 FERC ¶ 61,043 at P 438.

of that level of interconnection service while the facilities required for its full interconnection request are completed.<sup>58</sup> To implement this service, the Commission revised the *pro forma* LGIP and *pro forma* LGIA to add a definition for “Provisional Interconnection Service”<sup>59</sup> and for a “Provisional Large Generator Interconnection Agreement.”<sup>60</sup>

40. In addition, the Commission added *pro forma* LGIA article 5.9.2, which details the terms for provisional interconnection service.<sup>61</sup> The Commission also explained that transmission providers have the discretion to determine the frequency for updating provisional interconnection studies to account for changes to the transmission system to reassess system capacity available for provisional interconnection service, and included bracketed tariff language to be completed by the transmission provider to specify the frequency at which they perform such studies in their *pro forma* LGIA.<sup>62</sup> The Commission stated that interconnection customers are responsible for the costs for performing these provisional interconnection studies.<sup>63</sup>

**a. Gulf Power’s Compliance Filing**

41. Gulf Power proposes revisions to adopt the Commission’s *pro forma* definitions related to provisional interconnection service and the *pro forma* language in LGIA article 5.9.2 without modification.

**b. Commission Determination**

42. We find that Gulf Power’s proposed LGIP and *pro forma* LGIA revisions regarding provisional interconnection service partially comply with requirements of Order Nos. 845 and 845-A. Gulf Power proposes to incorporate into its LGIP and *pro forma* LGIA the required definitions without modification, and incorporate article 5.9.2 of the Commission’s *pro forma* LGIA without modification. However, Gulf

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<sup>58</sup> *Id.* P 441.

<sup>59</sup> *Pro forma* LGIP, § 1 (Definitions); *pro forma* LGIP, art. 1 (Definitions).

<sup>60</sup> *Pro forma* LGIP, § 1 (Definitions); *pro forma* LGIP, art. 1 (Definitions). The Commission declined, however, to adopt a separate *pro forma* provisional large generator interconnection agreement. Order No. 845, 163 FERC ¶ 61,043 at P 444.

<sup>61</sup> Order No. 845, 163 FERC ¶ 61,043 at P 438; *see also pro forma* LGIP, § 5.9.2.

<sup>62</sup> Order No. 845, 163 FERC ¶ 61,043 at P 448.

<sup>63</sup> *Id.*



Power does not specify a frequency by which Gulf Power, as the transmission provider, will study and update the maximum permissible output of the generating facility subject to a provisional LGIA. Accordingly, we direct Gulf Power to file, within sixty (60) days of the date of this order, a further compliance filing that specifies in *pro forma* LGIA article 5.9.2 a frequency for studying and updating the maximum permissible output of a generating facility subject to a provisional LGIA.

## 9. Surplus Interconnection Service

43. In Order No. 845, the Commission adopted *pro forma* LGIP sections 1, 3.3, and 3.3.1 and *pro forma* LGIA article 1 to establish surplus interconnection service, which the Commission defined as any unneeded portion of interconnection service established in an LGIA such that if the surplus interconnection service is utilized the total amount of interconnection service at the point of interconnection would remain the same.<sup>64</sup> Surplus interconnection service enables a new interconnection customer to utilize the unused portion of an existing interconnection customer's interconnection service within specific parameters.<sup>65</sup> The Commission required transmission providers to revise their tariffs to include the new definition of surplus interconnection service in their *pro forma* LGIP and *pro forma* LGIA, and provide in the *pro forma* LGIP an expedited interconnection process outside of the interconnection queue for surplus interconnection service.<sup>66</sup> That expedited process must allow affiliates of the existing interconnection customer to use surplus interconnection service for another interconnecting generating facility and allow for the transfer of surplus interconnection service that the existing interconnection customer or one of its affiliates does not intend to use.<sup>67</sup> The transmission provider must perform reactive power, short circuit/fault duty, and stability analyses studies as well as steady-state (thermal/voltage) analyses as necessary to ensure evaluation of all required reliability conditions to provide surplus interconnection service and ensure the reliable use of surplus interconnection service.<sup>68</sup> The original interconnection customer must be able to stipulate the amount of surplus interconnection

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<sup>64</sup> *Id.* P 467; *see also pro forma* LGIP, § 1 (Definitions); *pro forma* LGIP, art. 1 (Definitions).

<sup>65</sup> Order No. 845, 163 FERC ¶ 61,043 at P 467; Order No. 845-A, 166 FERC ¶ 61,137 at P 119.

<sup>66</sup> Order No. 845, 163 FERC ¶ 61,043 at P 467; *see also pro forma* LGIP, §§ 3.3 and 3.3.1.

<sup>67</sup> Order No. 845, 163 FERC ¶ 61,043 at P 483; *see also pro forma* LGIP, § 3.3.

<sup>68</sup> Order No. 845, 163 FERC ¶ 61,043 at PP 455, 467.

service that is available, designate when that service is available, and describe any other conditions under which surplus interconnection service at the point of interconnection may be used.<sup>69</sup> When the interconnection customer, the surplus interconnection service customer, and the transmission provider enter into agreements for surplus interconnection service, they must be filed by the transmission provider with the Commission, because any surplus interconnection service agreement will be an agreement under the transmission provider's OATT.<sup>70</sup>

**a. Gulf Power's Compliance Filing**

44. Gulf Power proposes revisions to its LGIP and LGIA that adopt the Commission's *pro forma* language without modification.

45. In its response to the Deficiency Letter, Gulf Power proposes revisions to its LGIP and *pro forma* LGIA that insert new sections 3.3.2 through 3.3.5 and Appendix 6 to set forth their surplus interconnection procedures.<sup>71</sup>

46. Gulf Power proposes in LGIP section 3.3.2 that a surplus interconnection service customer can initiate a request for surplus interconnection service by notifying Gulf Power in writing. Gulf Power states that the surplus interconnection service customer will need to provide, *inter alia*, the amount of surplus interconnection service capacity requested, the period(s) of time and conditions when surplus interconnection service may be used, and the technical information set forth in LGIP Attachment A to Appendix 1. Gulf Power clarifies in LGIP section 3.3.2(b) that surplus interconnection service customers that are not the interconnection customer with an effective LGIA must also indicate if they are requesting energy resource interconnection service or network resource interconnection service and provide "information demonstrating that the Interconnection Customer with an effective LGIA agrees with allowing the surplus request to proceed."<sup>72</sup>

47. Gulf Power proposes in LGIP section 3.3.3 that, within fifteen (15) business days of receiving the request for surplus interconnection service, Gulf Power shall provide the

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<sup>69</sup> *Id.* P 481.

<sup>70</sup> *Id.* P 499.

<sup>71</sup> Deficiency Response at 2.

<sup>72</sup> Gulf Power OATT, LGIP § 3.3.2 (Initiating a Request for Surplus Interconnection Service).

surplus interconnection service customer a non-binding good faith estimate of the cost and timeframe for completing the surplus interconnection service impact study, as well as tender a surplus interconnection service impact study agreement to the surplus interconnection service customer. Gulf Power also proposes that the surplus interconnection service impact study agreement shall provide that the surplus interconnection service customer shall compensate Gulf Power for the actual cost of the surplus interconnection service impact study. Proposed LGIP section 3.3.3 also states that the surplus interconnection service customer shall deliver the executed surplus interconnection service impact study agreement to Gulf Power together with the required technical data along with a study deposit to be determined by Gulf Power after review of the request.<sup>73</sup>

48. Gulf Power proposes in LGIP section 3.3.4(a) that the surplus interconnection service impact study include reactive power, short circuit/fault duty, and stability analyses, and clarifies under what circumstances additional studies may be required, and that Gulf Power will use reasonable efforts to complete the surplus interconnection service impact study within 90 calendar days of receipt of an executed surplus interconnection service study agreement. Proposed LGIP section 3.3.4(a) also states that Gulf Power will deny surplus interconnection service if that service requires construction of additional network upgrades or transmission provider interconnection facilities with the exception of metering and meter related equipment. Gulf Power may waive any or all of the additional studies if it determines that there is no reasonable expectation that the service will negatively impact the reliability of the transmission system or that no additional interconnection facilities will be necessary.<sup>74</sup>

49. Gulf Power continues in LGIP section 3.3.4(b) that Gulf Power will tender a surplus interconnection service facilities study agreement to the surplus interconnection service customer when it delivers the surplus interconnection system impact study if it determines that additional interconnection facilities are required. Proposed LGIP section 3.3.4(b) also states that Gulf Power will provide a non-binding good faith estimate of the cost and timeframe for completing the surplus interconnection service facilities study, and that, within thirty (30) calendar days of receipt of the completed surplus interconnection system impact study, the surplus interconnection service customer will execute and provide to Gulf Power the surplus interconnection service

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<sup>73</sup> Gulf Power OATT, LGIP § 3.3.3 (Surplus Interconnection Service Impact Study Agreement).

<sup>74</sup> Gulf Power OATT, LGIP § 3.3.4(a) (Surplus Interconnection Service Impact Study).

facilities study agreement, along with the required technical data and a study deposit to be determined by Gulf Power after completion of the surplus interconnection system impact study. In addition, proposed LGIP section 3.3.4(b) states that the surplus interconnection service customer will be responsible for the actual cost of the surplus interconnection service facilities study, and that the surplus interconnection service facilities study will be conducted in accordance with the requirements for an interconnection facilities study specified in section 8 of the LGIP.<sup>75</sup>

50. In LGIP section 3.3.5, Gulf Power proposes that the transmission provider will tender a draft agreement for surplus interconnection service pursuant to the procedures in section 11 of its LGIP. Gulf Power's proposed Tariff requires the transmission provider, original interconnection customer, and surplus interconnection service customer to be parties to the agreement for surplus interconnection service. Additionally, Gulf Power proposes, *inter alia*, that surplus interconnection service is allowed for a maximum of one year following the retirement and permanent cessation of commercial operations of the original Interconnection customer's generating facility, and that surplus interconnection service customers must procure their transmission service separately from Gulf Power, if needed.<sup>76</sup>

**b. Commission Determination**

51. We find that Gulf Power's proposed provisions in its LGIP regarding surplus interconnection service partially complies with the requirements of Order Nos. 845 and 845-A. Gulf Power adopts the *pro forma* definition of surplus interconnection service and *pro forma* provisions in LGIP sections 3.3 and 3.3.1 without modification. Additionally, as required by Order Nos. 845 and 845-A, Gulf Power's proposed process requires that the transmission provider, original interconnection customer, and surplus interconnection service customer file a surplus interconnection service agreement with the Commission that includes the terms and conditions of surplus interconnection service. Gulf Power has proposed a process for evaluating and transferring surplus interconnection service to affiliates and other parties, as well as what studies are required to evaluate and complete this process, that partially complies with the requirements of the Orders.

52. We find that Gulf Power's proposed revisions do not clarify that requests for surplus interconnection service will be evaluated in a separate queue, as required by

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<sup>75</sup> Gulf Power OATT, LGIP § 3.3.4(b) (Surplus Interconnection Service Facilities Study).

<sup>76</sup> Gulf Power OATT, LGIP § 3.3.5 (Surplus Interconnection Service Agreement).

Order Nos. 845 and 845-A.<sup>77</sup> Additionally, we find that Gulf Power's proposal in LGIP section 3.3.4 to deny surplus interconnection service if it requires network upgrades or transmission provider interconnection facilities does not meet the requirements of the Order Nos. 845 and 845-A, which allow a transmission provider to deny surplus interconnection service if it requires network upgrades, but not interconnection facilities.<sup>78</sup> We also find that Gulf Power's proposal in LGIP section 3.3.5 to allow surplus interconnection service for a maximum of one year following the retirement and permanent cessation of commercial operations of the original interconnection customer's generating facility does not meet the requirements of the Order Nos. 845 and 845-A, which permit continued surplus interconnection service if (1) the surplus interconnection service customer's generating facility was studied by the transmission provider for sole operation at the point of interconnection at the time of the interconnection of the surplus service interconnection customer and (2) the original interconnection customer has agreed in writing that the surplus interconnection service customer's generating facility may continue operations at or below its original, limited share of the original interconnection customer's generating facility's capacity.<sup>79</sup>

53. Accordingly, we direct Gulf Power to file, within sixty (60) days of the date of this order, a further compliance filing that: (1) specifies that requests for surplus interconnection service will be evaluated outside of the non-surplus interconnection queue; (2) removes proposed language in LGIP section 3.3.4 that states that surplus interconnection service will be denied if it requires transmission provider interconnection facilities; and (3) adds language to LGIP section 3.3.5 to allow continued surplus interconnection service for up to one year after the original generating facility's retirement only when the two criteria listed above are met.

54. Further, Gulf Power proposes that the deposit amount for a surplus interconnection service study will be determined by transmission provider after review of the request.<sup>80</sup> We find that this provision is unjust and unreasonable and may lead to unduly discriminatory or preferential treatment of interconnection customers. Accordingly, we direct Gulf Power to file, within sixty (60) days of the date of this order, a further compliance filing that revises its surplus interconnection service process to specify a deposit amount for all surplus interconnection service studies.

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<sup>77</sup> Order No. 845, 163 FERC ¶ 61,043 at PP 467 and 486.

<sup>78</sup> Order No. 845-A, 166 FERC ¶ 61,137 at n.283.

<sup>79</sup> Order No. 845, 163 FERC ¶ 61,043 at PP 505-06.

<sup>80</sup> Gulf Power proposed LGIP, § 3.3.3.

## 10. Material Modifications and Incorporation of Advanced Technologies

55. In Order No. 845, the Commission modified section 4.4.2(c) of the *pro forma* LGIP to allow an interconnection customer to incorporate certain technological advancements to its interconnection request, prior to the execution of the interconnection facilities study agreement,<sup>81</sup> without risking the loss of its queue position. The Commission required transmission providers to develop and include in their LGIPs a definition of permissible technological advancements that will create a category of technological changes that, by definition, do not constitute a material modification and, therefore, will not result in the loss of queue position.<sup>82</sup> In addition, the Commission modified section 4.4.6 of the *pro forma* LGIP to require transmission providers to insert a technological change procedure that includes the requisite information and process that the transmission provider will follow to assess whether an interconnection customer's proposed technological advancement is a material modification.<sup>83</sup>

56. The Commission required that the technological change procedure specify what technological advancements can be incorporated at various stages of the interconnection process and clearly identify which requirements apply to the interconnection customer and which apply to the transmission provider.<sup>84</sup> Additionally, the technological change procedure must state that, if the interconnection customer seeks to incorporate technological advancements into its proposed generating facility, it should submit a technological advancement request, and the procedure must specify the information that the interconnection customer must submit as part of that request.<sup>85</sup>

57. The Commission also required that the technological change procedure specify the conditions under which a study will or will not be necessary to determine whether a

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<sup>81</sup> While the Commission clarified that interconnection customers may submit a technological advancement request up until execution of the facilities study agreement, the Commission stated that it will permit transmission providers to propose rules limiting the submission of technological advancement requests to a single point in the study process (prior to the execution of a facilities study agreement), to the extent the transmission provider believes it appropriate. Order No. 845, 163 FERC ¶ 61,043 at P 536.

<sup>82</sup> *Id.* P 518.

<sup>83</sup> *Id.*; see also *pro forma* LGIP, section 4.4.6.

<sup>84</sup> Order No. 845, 163 FERC ¶ 61,043 at P 519.

<sup>85</sup> *Id.*

proposed technological advancement is a material modification.<sup>86</sup> The Commission explained that the technological change procedure must also state that, if a study is necessary to evaluate whether a particular technological advancement is a material modification, the transmission provider shall clearly indicate to the interconnection customer the types of information and/or study inputs that the interconnection customer must provide to the transmission provider, including, for example, study scenarios, modeling data, and any other assumptions.<sup>87</sup> In addition, the Commission required that the technological change procedure explain how the transmission provider will evaluate the technological advancement request to determine whether it is a material modification.<sup>88</sup>

58. Further, the Commission required that the technological change procedure outline a time frame of no more than thirty (30) days after the interconnection customer submits a formal technological advancement request for the transmission provider to perform and complete any necessary additional studies.<sup>89</sup> The Commission also found that, if the transmission provider determines that additional studies are necessary to evaluate whether a technological advancement is a material modification, the interconnection customer must tender a deposit, and the transmission provider must specify the amount of the deposit in the transmission provider's technological change procedure.<sup>90</sup> In addition, the Commission explained that, if the transmission provider cannot accommodate a proposed technological advancement without triggering the material modification provision of the *pro forma* LGIP, the transmission provider must provide an explanation to the interconnection customer regarding why the technological advancement is a material modification.<sup>91</sup>

59. In Order No. 845-A, the Commission clarified that: (1) when studies are necessary, the interconnection customer's technological change request must

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<sup>86</sup> *Id.*; Order No. 845-A, 166 FERC ¶ 61,137 at P 155.

<sup>87</sup> Order No. 845, 163 FERC ¶ 61,043 at 521.

<sup>88</sup> *Id.*

<sup>89</sup> *Id.* P 535; Order No. 845-A, 166 FERC ¶ 61,137 at P 155.

<sup>90</sup> Order No. 845, 163 FERC ¶ 61,043 at P 534. The Commission set the default deposit amount to \$10,000, but stated that a transmission provider may propose a reasonable alternative deposit amount in its compliance filing and include a justification supporting this alternative amount. *Id.*

<sup>91</sup> *Id.* P 522.

demonstrate that the proposed incorporation of the technological change will result in electrical performance that is equal to or better than the electrical performance expected prior to the technological change and will not cause any reliability concerns; (2) if the interconnection customer cannot demonstrate in its technological change request that the proposed technological change would result in equal or better electrical performance, the change will be assessed pursuant to the existing material modification provisions in the *pro forma* LGIP; (3) information regarding electrical performance submitted by the interconnection customer is an input into the technological change study, and this factor alone is not determinative of whether a proposed technological change is a material modification; and (4) the determination of whether a proposed technological change (that the transmission provider does not otherwise include in its definition of permissible technological advancements) is a material modification should include an analysis of whether the proposed technological change materially impacts the timing and costs of lower-queued interconnection customers.<sup>92</sup>

**a. Gulf Power's Compliance Filing**

60. Gulf Power proposes revisions to section 1 of its LGIP to incorporate the following definition of permissible technological advancement:

**Permissible Technological Advancement** shall mean a change or changes by the Interconnection Customer to its originally submitted technical specifications of the proposed Generating Facility, such as turbines, inverters, excitation system, transformer, plant supervisory controls or other technological advancements, that do not increase the Interconnection Customer's requested Interconnection Service or degrade the electrical characteristics of the generating equipment (e.g., the ratings, impedances, efficiencies, capabilities, and performance of the equipment under steady-state and dynamic conditions). A change in or addition of a generation technology type or fuel type does not qualify as a Permissible Technological Advancement and must be studied for whether it constitutes a Material Modification.

61. Gulf Power proposes revisions to section 4.4.2 of its LGIP that adopt the Commission's *pro forma* language without modification.

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<sup>92</sup> Order No. 845-A, 166 FERC ¶ 61,137 at P 155.



62. In addition, LGIP section 4.4.6 sets forth Gulf Power's proposed technological change procedures. The proposed procedures state that the interconnection customer must submit a request in writing, at least fifteen (15) days before its deadline to execute the interconnection facility study agreement. The interconnection customer's technological change request must include: (1) a description of the technological advancement that occurred since the submittal of the original large generating facility interconnection request application; (2) description of how it improves or does not change the performance of the facility; (3) a revised interconnection request application and all attachments including supplemental data with all changes to technical specifications identified; and (4) an attestation from the applicant that the technological advancement does not increase the maximum electrical output of the proposed project above that requested in the original interconnection request. Gulf Power proposes that, within ten (10) days of FPL receiving a written request to propose a technological change, Gulf Power will provide the results of its evaluation of whether the proposed technological change: (1) is a permissible technological advancement; (2) requires a revision of the feasibility or system impact study, or (3) requires further study on whether it is a material modification pursuant to the existing LGIP material modification provisions.<sup>93</sup>

63. Gulf Power proposes that if it determines that the feasibility or system impact studies must be re-run, the studies will be performed at the customer's expense after the customer provides a \$10,000 deposit, if necessary. Upon completion of the re-study Gulf Power will determine if the technology change is deemed a permissible technological advancement or a material modification. Gulf Power also proposes that if the modifications to the large generating facility's technology do not change the technical specifications submitted in the original interconnection request, the customer should clearly state it in the application and the modification will be deemed a permissible technological advancement.<sup>94</sup>

**b. Commission Determination**

64. We find that Gulf Power's proposed LGIP provisions to incorporate a definition of a permissible technological advancement and associated procedures partially comply with the requirements of Order Nos. 845 and 845-A.

65. With regard to Gulf Power's proposed definition of permissible technological advancement, we find that the use of the undefined term "technical specifications" makes it unclear how Gulf Power will determine whether a proposed technological

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<sup>93</sup> Gulf Power proposed LGIP, §§ 4.4.6(1) - 4.4.6(3).

<sup>94</sup> Gulf Power proposed LGIP, §§ 4.4.6(4) - 4.4.6(5).

change is a permissible technological advancement. However, FPL does not define or otherwise explain the term “technical specifications.” Accordingly, we direct FPL to file, within sixty (60) days of the date of this order, a further compliance filing to provide an explanation for the term “technical specifications.”

66. Order No. 845 requires that the technological change procedure explain how the transmission provider will evaluate the technological advancement request to determine whether it is a material modification.<sup>95</sup> FPL’s proposed LGIP revisions do not explain how it will evaluate the technological advancement request to determine whether it is a material modification. Accordingly, we direct Gulf Power to submit, within sixty (60) days of the date of this order, a further compliance filing that revises section 4.4.6 of its LGIP to clarify how it will assess changes to a generating facility’s technical specifications to determine whether the technological advancement request will result in a material modification.

67. With regard to the deadline for completion of a technological change request, Order No. 845 provides that the determination of whether a change is a material modification must be made within thirty (30) days of the initial request.<sup>96</sup> Section 4.4.6 of Gulf Power’s LGIP states that within ten (10) days of Gulf Power receiving a written request to evaluate a proposed technological change, it will provide results of its evaluation of whether the proposed technological change is a permissible technological advancement, requires a revisions of the feasibility or system impact study, or requires further study on whether it is a material modification. However, FPL’s proposal does not provide that the determination of whether a change is a material modification must be made within thirty (30) days. Accordingly, we direct Gulf Power to file, within sixty (60) days of the date of this order, a further compliance filing that revises its proposed technological change procedure to provide that the Gulf Power will determine whether or not a technological advancement is a material modification within thirty (30) calendar days of receipt of the initial request.

68. In addition, because Gulf Power’s filing is silent on whether it will provide an explanation to the interconnection customer regarding why the technological advancement is a material modification, we reiterate that the transmission provider is required to do so if it cannot accommodate a proposed technological advancement without triggering the material modification provision of the *pro forma* LGIP.<sup>97</sup>

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<sup>95</sup> Order No. 845, 163 FERC ¶ 61,043 at P 521.

<sup>96</sup> Order No. 845, 163 FERC ¶ 61,043 at P 535; Order No. 845-A, 166 FERC ¶ 61,137 at P 155.

<sup>97</sup> Order No. 845, 163 FERC ¶ 61,043 at P 522.

**11. Other Issues Raised by Gulf Power**

**a. Issue**

69. Gulf Power corrects what it states are several non-material errors included in its LGIP and *pro forma* LGIA. Gulf Power states that these corrections will help render their filings consistent with the text of Order Nos. 845 and 845-A. Specifically, Gulf Power capitalized certain defined terms, section headings, and inserted missing articles.

**b. Commission Determination**

70. We find that Gulf Power's proposed revisions and modifications in its Tariff, conform with requirements of Order Nos. 845 and 845-A.

The Commission orders:

(A) Gulf Power's compliance filing is hereby accepted, effective May 22, 2019, subject to a further compliance filing as discussed in the body of this order.

(B) Gulf Power is hereby directed to submit a compliance filing within sixty (60) days of the date of this order, as discussed in the body of this order.

By the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.