Lee County Board Of County Commissioners Agenda Item Summary

Blue Sheet No. 2005 11 65

1. ACTION REQUESTED/PURPOSE:

Approve and authorize the Chairman to sign the "Interconnection System Impact Study Agreement" with Florida Power & Light (FPL) that includes a payment of \$50,000.00 deposit to FPL for its performance of the interconnection Feasibility Study.

2. WHAT ACTION ACCOMPLISHES:

Allows FP&L to initiate the necessary review to determine impacts to its transmission system for the connection of the WTE Expansion Project generator.

3. MANAGEMENT RECOMMENDATION: Staff recommends approval

4. Departmental Category	.8 C8A	 	5. Meeting Date:	08-30-2005
6. Agenda: X Consent	7. Requirement/Purpos Statute	se: (specify)	8. Request Initiat Commissioner	
Administrative	Ordinance		Department	Public Works
Appeals	Admin. Code		Division	Solid Waste
Public Walk-On	X Other	AGRMT		y Sampson
9. Background:			1 1 1 1 /de	11 V/39

The Solid Waste Division made its application to FP&L for the addition of a generator at the WTE on January 28, 2005. In April 2005, FP&L determined that the County's technical information was sufficient for FP&L to begin its "Interconnection Feasibility Study" (IFS). Lee County authorized FPL to perform the IFS study in May 2005. FPL has completed this study and is now prepared to perform the next required study as noted above in accordance with its "Open Access Transmission Tariff" requirements.

FP&L requires an ISIS agreement in order for it to complete the study.

Funds are available in:

20092340102.506510

Solid Waste Processing Equipment - S.W. Management - Professional Services

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget:	Services	County Manager/P.W Director
8.1805	l	N. A.	N. A.		Analyst Risk	Grants Mgr.	Januar_ 8.4.05
11. Comi 	mission Act Approve Deferred Denied			RECEIVE COUNTY	ED BY	N. C. J. A. T. J.	
	Defficed Other			U; COUNTY	10 2111	CO. ATTY. FORWARDED TO: Co. Man	

1 2		INTERCONNECTION SYSTEM IMPACT STUDY AGREEMENT			
3 4	ТНІ	and chiefed into this day of			
5 6 7 8 9 10 11	a corporation Provider").	, 2005 by and between Lee County, Florida, a political subdivision and ity of the State of Florida, acting by and through its Board of County Commissioners in body thereof ("Interconnection Customer,") and Florida Power & Light Company, on organized and existing under the laws of the State of Florida, ("Transmission Interconnection Customer and Transmission Provider each may be referred to as a ollectively as the "Parties."			
12 13		RECITALS			
	XX 7 T Y 1				
14 15 16 17	racinty or g	EREAS, Interconnection Customer is proposing to develop a Large Generating generating capacity addition to an existing Generating Facility consistent with the ion Request submitted by the Interconnection Customer dated January 28, 2005; and			
18	WHI	FDFAS Intercommention Cont			
19	Facility with	EREAS, Interconnection Customer desires to interconnect the Large Generating the Transmission System;			
20		y v x			
21	WHI	EREAS, the Transmission Provider has completed an Interconnection Feasibility			
22	Study (the	reasionly Study') and provided the results of said study to the Interconnection			
23	Customer; ar	ad and microsimection			
24					
25	WHE	CREAS, Interconnection Customer has requested the Transmission Provider to			
26 27 28	perform an Interconnection System Impact Study to assess the impact of interconnecting the Large Generating Facility to the Transmission System, and of any Affected Systems;				
29	NOU	THEREPORE			
30	NOW, THEREFORE, in consideration of and subject to the mutual covenants contained herein the Parties agreed as follows:				
31	nerem me Par	rues agreed as follows:			
32	1.0	When wood in this A			
33	1.0	When used in this Agreement, with initial capitalization, the terms specified shall			
34		have the meanings indicated in the Transmission Provider's FERC-approved LGIP.			
35		LOIF.			
36	2.0	Interconnection Cycleman alasta 1 T			
37	2.0	Interconnection Customer elects and Transmission Provider shall cause to be			
38		performed an Interconnection System Impact Study consistent with Section 7.0 of			
39		this LGIP in accordance with the Tariff.			
40	3.0	The scope of the Interconnection Court			
41 42	2.0	The scope of the Interconnection System Impact Study shall be subject to the assumptions set forth in Attachment A to this Agreement.			
43	4.0	The Interconnection System Impact Study will be been			
44		The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study and the technical information in the study and the technical information.			
45		Interconnection Feasibility Study and the technical information provided by Interconnection Customer in the Interconnection Research and information provided by			
46		Interconnection Customer in the Interconnection Request, subject to any modifications in accordance with Section 4.4 of the LGIP. Transmission Provider			

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reserves the right to request additional technical information from Interconnection Customer as may reasonably become necessary consistent with Good Utility Practice during the course of the Interconnection Customer System Impact Study. If Interconnection Customer modifies its designated Point of Interconnection, Interconnection Request, or the technical information provided therein is modified, the time to complete the Interconnection System Impact Study may be extended.

- 5.0 The Interconnection System Impact Study report shall provide the following information:
 - identification of any circuit breaker short circuit capability limits exceeded as a result of the interconnection;
 - identification of any thermal overload or voltage limit violations resulting from the interconnection;
 - identification of any instability or inadequately damped response to system disturbances resulting from the interconnection; and
 - description and non-binding, good faith estimated cost of facilities required to interconnect the Large Generating Facility to the Transmission System and to address the identified short circuit, instability, and power flow issues.
- 6.0 The Interconnection Customer shall provide a deposit of \$50,000 for the performance of the Interconnection System Impact Study. The Transmission Provider's good faith estimate for the time of completion of the Interconnection System Impact Study is November 30, 2005.

Upon receipt of the Interconnection System Impact Study, Transmission Provider shall charge and Interconnection Customer shall pay the actual costs of the Interconnection System Impact Study.

Any difference between the deposit and the actual cost of the study shall be paid by or refunded to the Interconnection Customer, as appropriate.

7.0 Indemnity. The Parties shall at all times indemnify, defend, and hold the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demand, suits, recoveries, costs and expenses, court costs, attorney fees, and all other obligations by or to third parties, arising out of or resulting from the other Party's action or inactions of its obligations under this Agreement on behalf of the indemnifying Party, except in cases of gross negligence or intentional wrongdoing by the indemnified Party.

- 7.1 Indemnified Person. If an Indemnified Person is entitled to indemnification under this Agreement as a result of a claim by a third party, and the indemnifying Party fails, after notice and reasonable opportunity to proceed, to assume the defense of such claim, such Indemnified Person may at the expense of the indemnifying Party contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim.
- 7.2 Indemnifying Party. If an Indemnifying Party is obligated to indemnify and hold any Indemnified Person harmless under this Agreement, the amount owing to the Indemnified Person shall be the amount of such Indemnified Person's actual Loss, net of any insurance or other recovery.
- 7.3 Indemnity Procedures. Promptly after receipt by an Indemnified Person of any claim or notice of the commencement of any action or administrative or legal proceeding or investigation as to which the indemnity provided for in this Agreement may apply, the Indemnified Person shall notify the Indemnifying Party of such fact. Any failure of or delay in such notification shall not affect a Party's indemnification obligation unless such failure or delay is materially prejudicial to the Indemnifying Party.

The Indemnifying Party shall have the right to assume the defense thereof with counsel designated by such Indemnifying Party and reasonably satisfactory to the Indemnified Person. If the defendants in any such action include one or more Indemnified Persons and the Indemnifying Party and if the Indemnified Person reasonably concludes that there may be legal defenses available to it and/or other Indemnified Persons which are different from or additional to those available to the Indemnifying Party, the Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on its own behalf. In such instances, the Indemnifying Party shall only be required to pay the fees and expenses of one additional attorney to represent an Indemnified Person or Indemnified Persons having such differing or additional legal defenses.

The Indemnified Person shall be entitled, at its expense, to participate in any such action, suit or proceeding, the defense of which has been assumed by the Indemnifying Party.

Notwithstanding the foregoing, the Indemnifying Party (i) shall not be entitled to assume and control the defense of any such action, suit or proceedings if and to the extent that, in the opinion of the Indemnified Person and its counsel, such action, suit or proceeding involves the potential imposition of criminal liability on the Indemnified Person, or there exists a conflict or adversity of interest between the Indemnified Person and the Indemnifying Party, in such event the Indemnifying Party

 shall pay the reasonable expenses of the Indemnified Person, and (ii) shall not settle or consent to the entry of any judgment in any action, suit or proceeding without the consent of the Indemnified Person, which shall not be reasonably withheld, conditioned or delayed.

- Nothing in this agreement shall be agreed, altered or construed to waive the Interconnection Customer (Lee County) liability beyond the limits established in the Florida Statutes, as such may be revised or amended from time to time. To the extent permitted by Florida law, the Interconnection Customer (Lee County) will be liable for money damages in tort for any injuries to or losses of property, personal injury, or death caused by the negligent or wrongful act(s) or omission(s) of any official or employee of the Interconnection Customer (Lee County) while acting within the scope of the official's or employee's office or employment under circumstances in which a private person would be held to be liable in accordance with the general laws of the State of Florida.
- 8.0 Assignment. This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any Affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Interconnection Customer shall have the right to assign this Agreement, without the consent of Transmission Provider, for collateral security purposes to aid in providing financing for the Large Generating Facility, provided that Interconnection Customer will promptly notify Transmission Provider of any such assignment. Any financing arrangement entered into by Interconnection Customer pursuant to this article will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Transmission Provider of the date and particulars of any such exercise of assignment right(s), including providing the Transmission Provider with proof that it meets the requirements of this Agreement. Any attempted assignment that violates this article is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.
- 9.0 Severability. If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court or other Governmental Authority having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.
- 10.0 No Warranties. By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any

 particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

- 11.0 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its obligations to the other Party under this Agreement or its regulatory requirements.
- 12.0 General. Each Party makes the following representations, warranties and covenants:
 - 12.1 Good Standing. Such Party is duly organized, validly existing and in good standing under the laws of the state in which it is organized, formed, or incorporated, as applicable; that it is qualified to do business in the state or states in which the Large Generating Facility, Interconnection Facilities and Network Upgrades owned by such Party, as applicable, are located; and that it has the corporate power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement and carry out the transactions contemplated hereby and perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.
 - Authority. Such Party has the right, power and authority to enter into this Agreement, to become a party hereto and to perform its obligations hereunder. This Agreement is a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by general equitable principles (regardless of whether enforceability is sought in a proceeding in equity or at law).
 - 12.3 No Conflict. The execution, delivery and performance of this Agreement does not violate or conflict with the organizational or formation documents, or bylaws or operating agreement, of such Party, or any judgment, license, permit, order, material agreement or instrument applicable to or binding upon such Party or any of its assets.
 - 12.4 Consent and Approval. Such Party has sought or obtained, or, in accordance with this Agreement will seek or obtain, each consent, approval, authorization, order, or acceptance by any Governmental Authority in connection with the execution, delivery and performance of this Agreement, and it will provide to any Governmental Authority notice of any actions under this Agreement that are required by Applicable Laws and Regulations.

13.0 MISCELLANEOUS

- 13.1 Binding Effect. This Agreement and the rights and obligations hereof, shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.
- 13.2 Conflicts. In the event of a conflict between the body of this Agreement and any attachment, appendices or exhibits hereto, the terms and provisions of the body of this Agreement shall prevail and be deemed the final intent of the Parties.
- 13.3 Rules of Interpretation. This Agreement, unless a clear contrary intention appears, shall be construed and interpreted as follows: (1) The singular number includes the plural number and vice versa; (2) reference to any person includes such person's successors and assigns but, in the case of a Party, only if such successors and assigns are permitted by this Agreement, and reference to a person in a particular capacity excludes such person in any other capacity or individually; (3) reference to any agreement (including this Agreement), document, instrument or tariff means such agreement, document, instrument, or tariff as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof; (4) reference to any Applicable Laws and Regulations means such Applicable Laws and Regulations as amended, modified, codified, or reenacted, in whole or in part, and in effect from time to time, including, if applicable, rules and regulations promulgated thereunder; (5) unless expressly stated otherwise, reference to any Article, Section or Appendix means such Article of this Agreement or such Appendix to this Agreement, or such Section to the LGIP or such Appendix to the LGIP, as the case may be; (6) "hereunder", "hereof", "herein", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or other provision hereof or thereof; (7) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and (8) relative to the determination of any period of time, "from" means "from and including", "to" means "to but excluding" and "through" means "through and including".
- 13.4 Entire Agreement. This Agreement, including all Appendices and Schedules attached hereto, constitutes the entire agreement between the Parties with reference to the subject matter hereof, and supersedes all prior and contemporaneous understandings or agreements, oral or written, between the Parties with respect to the subject matter of this Agreement. There are no other agreements, representations, warranties, or covenants which constitute any part of the consideration for, or any condition to, either Party's compliance with its obligations under this Agreement.

- No Third Party Beneficiaries. This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.
- Waiver. The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered a waiver of any obligation, right, or duty of, or imposed upon, such Party. Any waiver at any time by either Party of its rights with respect to this Agreement shall not be deemed a continuing waiver or a waiver with respect to any other failure to comply with any other obligation, right, duty of this Agreement. Termination or Default of this Agreement for any reason by Interconnection Customer shall not constitute a waiver of Interconnection Customer's legal rights to obtain an interconnection from Transmission Provider. Any waiver of this Agreement shall, if requested, be provided in writing.
- 13.7 Headings. The descriptive headings of the various Articles of this Agreement have been inserted for convenience of reference only and are of no significance in the interpretation or construction of this Agreement.
- 13.8 Multiple Counterparts. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
- 13.9 Amendment. The Parties may by mutual agreement amend this Agreement by a written instrument duly executed by the Parties.
- 13.10 Modification by the Parties. The Parties may by mutual agreement amend the Appendices to this Agreement by a written instrument duly executed by the Parties. Such amendment shall become effective and a part of this Agreement upon satisfaction of all Applicable Laws and Regulations.
- 13.11 No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their duly authorized officers or agents on the day and year first above written.

		FLORIDA POWER & LIGHT COMPANY
	BY:	
		Manager, Transmission Services
ATTEST: CHARLIE GREEN CLERK OF COURT		LEE COUNTY BOARD OF COUNTY COMMISSIONERS
BY:	BY:	
Deputy Clerk		Douglas St. Cerny, Chair
		APPROVED AS TO FORM
	BY:	
		Office of the County Attorney

ASSUMPTIONS USED IN CONDUCTING THE INTERCONNECTION SYSTEM IMPACT STUDY

The Interconnection System Impact Study will be based upon the results of the Interconnection Feasibility Study, subject to any modifications in accordance with Section 4.4 of the LGIP, and the following assumptions:

Point of Interconnection to be studied will be at the point where the interconnecting radial line connects to the bus at Transmission Provider's Buckingham substation and configuration to be studied will be a new 138kV generator interconnection extending from the Interconnection Customer's switchyard to Transmission Provider's Buckingham-Lazy Acres 138kV transmission line as shown on the attached one-line diagram.

Load flow analysis performed during the Feasibility Study will model the Large Generating Facility as a Network Resource for Seminole Electric Cooperative, Inc. ("SEC") in accordance with an agreement between SEC and the Interconnection Customer to sell the output of the Large Generating Facility to SEC.

