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February 14, 2019

**BY ELECTRONIC FILING**

Alabama Public Service Commission  
RSA Union Building  
100 North Union Street, Suite 950  
Montgomery, Alabama 36104

Attention: Mr. Walter L. Thomas, Jr., Secretary  
  
Subject: Rate CPE (Contract for Purchased Energy)  
Docket No. U-5213

Dear Mr. Thomas:

In accordance with Alabama Code § 37-1-81, and as required by the Commission's Order in this docket dated March 7, 2017, Alabama Power Company is filing proposed updates to Rate CPE (Contract for Purchased Energy). As with prior revisions to the rate, the energy payments set forth reflect updated avoided cost data for Alabama Power Company. Alabama Power respectfully requests the Commission approve the proposed revisions to Rate CPE at its regularly scheduled March 2019 meeting, effective for billings beginning April 1, 2019.

Consistent with the Commission's rules on electronic filing, the original and one copy of this filing are being supplied by overnight delivery, along with a confirmation copy to be returned in the enclosed self-addressed and stamped envelope.

If you have any questions or need anything further, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard Hutto", with a long horizontal flourish extending to the right.

Richard Hutto  
Vice President, Regulatory Affairs

Attachment

**Rate for Purchase of Energy from a Qualifying Facility**

	115 kV	44 kV	12 kV
	¢/kWh	¢/kWh	¢/kWh
Summer Peak	3.656	3.777	3.850
Summer Intermediate	3.504	3.620	3.690
Summer Off-Peak	2.632	2.719	2.771
Non-Summer Peak	2.774	2.866	2.921
Non-Summer Off-Peak	2.428	2.508	2.556



**Alabama  
Power**

**RATE CPE  
CONTRACT FOR PURCHASED ENERGY**

By order of the Alabama Public Service Commission dated \_\_\_\_\_, 2019 in Docket #U-5213

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**AVAILABILITY**

Available to any Qualifying Facility that seeks to sell its total output, or a portion thereof, to Alabama Power Company in accordance with the Public Utility Regulatory Policies Act of 1978, as amended and Title 18, Part 292 of the Code of Federal Regulations, as implemented by the Alabama Public Service Commission.

**APPLICABILITY**

The terms and conditions of this rate apply to a certified Qualifying Facility that has a nameplate capacity greater than 100 kW AC and that meets the eligibility requirements of Title 18, Part 292 of the Code of Federal Regulations.

Attachment A – Contract for the Purchase of Energy from a Qualifying Facility shall be used for any Qualifying Facility (cogeneration facility or small power production facility) that seeks to sell its total output to Alabama Power Company (less any production consumed on site for station service or similar reasons), as provided herein and in the contract.

Attachment B – Contract for the Purchase of Excess Energy shall be used for any customer of Alabama Power Company that operates a Qualifying Facility (cogeneration or small power production facility) to serve a portion of its retail electric needs, with excess output sold to the Company on an intermittent basis, as provided herein and in the contract.

**GENERAL REQUIREMENTS**

**Delivery and Interconnection**

A Qualifying Facility that seeks to make sales to Alabama Power Company under this rate shall be responsible for all costs of interconnection and the delivery of the energy from the Qualifying Facility to Alabama Power Company and the Alabama Power Company electrical system, including any costs related to or incurred as a result of the transmission of energy across the Alabama Power Company electrical system or other electrical systems.

Any Qualifying Facility that seeks to physically interconnect to Alabama Power Company's electrical system in accordance with Rate CPE and either of the Standard Contracts offered through this rate must apply for interconnection and complete and execute a generation interconnection agreement prior to the project delivering energy to the Company. Each such Qualifying Facility shall be responsible for all costs associated with any corresponding facilities, improvements and upgrades needed for interconnection of the Qualifying Facility or for delivery of energy to the load of Alabama Power Company.



# RATE CPE CONTRACT FOR PURCHASED ENERGY



By order of the Alabama Public Service Commission dated \_\_\_\_\_, 2019 in Docket #U-5213

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For more information regarding the process for interconnecting a generator in accordance with Rate CPE, including a contact for obtaining the interconnection application and agreement, visit [www.alabamapower.com/business/rates-and-pricing/about-our-pricing.html](http://www.alabamapower.com/business/rates-and-pricing/about-our-pricing.html). In addition to the costs described in the preceding paragraph, the Qualifying Facility is responsible for payment of all fees and costs associated with applications, required studies, administration of the interconnection agreement and financial security requirements.

## Rate for Purchase of Energy from a Qualifying Facility

Period	Transmission Voltage ≥115kV	Subtransmission Voltage 44kV or 46kV	Primary Distribution Voltage ≤34.5kV
	¢/kWh	¢/kWh	¢/kWh
Summer Peak	3.656	3.777	3.850
Summer Intermediate	3.504	3.620	3.690
Summer Off-Peak	2.632	2.719	2.771
Non-Summer Peak	2.774	2.866	2.921
Non-Summer Off-Peak	2.428	2.508	2.556

The prices above reflect Alabama Power Company's expected avoided costs for energy delivered by the Qualifying Facility to the system during defined hourly periods for standard system operations. These prices shall be updated no less frequently than annually.

- **Summer** includes calendar months of June through September.
- **Summer Peak** hours are 2:00 PM – 6:00 PM (weekdays only, and excluding holidays).
- **Summer Intermediate** hours are defined as 10:00 AM – 2:00 PM and 6:00 PM – 9:00 PM (weekdays only, and excluding holidays).
- **Summer Off-Peak** hours are all other hours (including weekends and holidays).
- **Non-Summer** includes calendar months October through May.
- **Non-Summer Peak** hours are 7:00 AM – 9:00 PM (weekdays only, excluding holidays).
- **Non-Summer Off-Peak** hours are all other hours (including weekends and holidays).
- **Holidays** include New Year's Day (January 1), Independence Day (July 4), Labor Day (first Monday of September), Thanksgiving Day (fourth Thursday of November), and Christmas Day (December 25). When any of these holidays fall on a Sunday, the Monday following also shall be treated as a holiday.

# **RATE CPE CONTRACT FOR PURCHASED ENERGY**



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## **STANDARD CONTRACT REVIEW AND APPROVAL**

Any contract executed by Alabama Power Company in accordance with this Rate is subject to review by the Staff of the Alabama Public Service Commission to ensure conformity with the terms and conditions set forth in the Standard Contracts, as applicable. Separate approval of such a contract is not required where the contract does not deviate in any material respect from the Standard Contracts.

## **ELECTRIC SERVICE TO QUALIFYING FACILITY**

As applicable, any Qualifying Facility requiring Electric Service from Alabama Power Company must obtain such service in accordance with applicable rates, rules and regulations on file with the Alabama Public Service Commission, including the Rules and Regulations for Electric Service. Supplementary, Back-up, and Maintenance Power shall be provided as required under provisions of Rate Rider RGB, as applicable.