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July 18, 1997

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0870

Dear Ms. Bayo:

Re: Docket No. 960111-EU

Enclosed are an original and fifteen copies of Gulf Power Company's Comments on the proposed rules in the above referenced docket.

Sincerely,

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Susan D. Cranmer Assistant Secretary and Assistant Treasurer



DOCUMENT NUMBER-DATE

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Gulf Power Company Comments on Proposed Rules Docket 960111-EU

The following comments are in reference to the May 29, 1997, version of the proposed rules for the submission and review of Ten-Year Site Plans:

The intent of the Ten-Year Site Plan is to provide those agencies that would participate in the permitting process an advance awareness of a utility's plans to install new generation in the state. The environmental fitness of a site for utility use is not the intended focus of the Ten-Year Site Plan.

Gulf Power Company recognizes the Commission Staff's desire to continue to receive planning data from the utilities; however, some of the data requested in these proposed rules is of a more detailed nature than is required by the Ten-Year Site Plan legislation. Much of the data, such as the high and low case scenarios, is not produced on an annual basis by Gulf or the Southern Companies. When a decision to invest must be made, this information will be produced to aid in the decision making process and would be available at that time. Gulf Power Company would urge Staff to again consider the level of data required to meet reasonable expectations of the Ten-Year Site Plan statute. It is also the Company's understanding that many of the water management districts question the level of reporting in the Ten-Year Site Plan since there are other rules, such as the Bidding Rule, that have a formal process in advance of any permit application and could serve to broaden the utility's data requirements for those units that fall under the Power Plant Siting Act.

At page 27, Items No. 3 and 4 - The use of the word "specification" in both of these sections may require information from the utilities that the Commission's Staff does not want or need. "Specification" is a term that generally refers to a very-detailed technical description of a piece of equipment. Use of this term in the rule would imply that the utilities must submit to the Commission Staff the technical specifications of a generating unit. "Specifications" provide information far in excess of a what is utilized by the Staff in its review of the Ten-Year Site Plans. The Commission Staff needs a description of the proposed generating and transmission facilities rather than the "specifications." Gulf recommends that the term "specification" be changed to "description."

At page 28, Item No. 1 - Gulf does not believe that the Commission Staff intended to have the utilities file "any plans for alleviating any transmission constraints" as a part of the Ten-Year Site Plan filing. This seems to imply that any transmission constraints on the utility's system must be addressed in the filing rather than just those resulting from the resource plan. Gulf believes that by requesting information on transmission constraints, the Commission Staff's intent is to determine whether the resource plan causes any problems on

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the transmission system and what improvements will need to be made to alleviate the constraints resulting from the resource plan. This information shows whether the cost impacts of transmission constraints and improvements are properly addressed in the resource planning process. Gulf suggests the following changes:

Describe how any transmission constraints <u>associated with the resource plan</u> were modeled and explain the impacts on the plan. Discuss any plans for alleviating any transmission constraints <u>associated with the resource plan</u>.

This change will better describe what is needed by the Commission Staff in evaluating the Ten-Year Site Plans with regard to impacts on the transmission system associated with resource plans.