

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of electric utilities' long-term energy emergency plans, filed pursuant to Rule 25-6.0185, F.A.C. | DOCKET NO. 090047-EM
ORDER NO. PSC-09-0232-PAA-EM
ISSUED: April 15, 2009

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman
LISA POLAK EDGAR
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING LONG-TERM ENERGY EMERGENCY PLANS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Rule 25-6.0185, F.A.C., requires electric utilities that own or control electric generation facilities to file a long-term energy emergency plan and periodic updates with the Florida Public Service Commission (Commission) and the Florida Reliability Coordinating Council (FRCC). The 15 affected utilities are required to review their plans every three calendar years and either submit a revised plan for Commission approval or provide a letter indicating the adequacy of the existing plan. In Order No. PSC-06-0438-PAA-EU, issued May 22, 2006, in Docket No. 060226-EU, titled In re: Requests for approval of electric utilities' long-term energy emergency plans, filed pursuant to Rule 25-6.0185, F.A.C., we approved the utilities' long-term energy emergency plans and ordered the utilities to file new plans, or a letter indicating no changes were made, no later than January 31, 2009.

The following utilities submitted plans: Florida Power & Light Company, Progress Energy Florida, Inc., Tampa Electric Company, Gulf Power Company, Orlando Utilities Commission, JEA, Utilities Commission of New Smyrna Beach, City of Lakeland, Seminole Electric Cooperative, City of Tallahassee, Florida Municipal Power Agency, Reedy Creek Improvement District, Homestead Energy Services, Gainesville Regional Utilities, and Florida Keys Electric Cooperative Association. We have jurisdiction to approve these plans pursuant to Sections 366.04 and 366.05, Florida Statutes (F.S.).

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Each plan was reviewed for compliance with Rule 25-6.0185, F.A.C. Specifically, this rule requires all long-term emergency plans to contain: (1) a description of specific actions to be taken by the utility upon the Governor's declaration of a fuel supply emergency; (2) a description of the interchange of energy and the physical sharing of fuel stocks and/or fuel deliveries; (3) a description of priorities for customer interruptions; and (4) objective criteria for notifying the Chairman of the FRCC Reliability Assessment Group (RAG) of the existence of a long-term emergency. The plans from the 15 affected utilities meet the established criteria for long-term energy emergency plans. Changes to the plans primarily consist of position name and duty changes as well as personnel name updates. A more detailed summary of plan changes by each utility is presented in Attachment A, attached hereto. Below is a summary of how each section of the rule is addressed by the plans.

Identification of Specific Actions

Upon the declaration of a fuel emergency either by the Governor or the utility itself, the general order of specific actions is as follows: (1) reduce power usage at utility-owned facilities, (2) public appeals to conserve energy, (3) optimization of fuels, (4) direct customer appeals, (5) voltage reductions to conserve fuels, (6) implement interruptible and load management programs, (7) initiate request for relaxation of environmental constraints, and (8) implementing firm load curtailment procedures.

Interchange of Energy and the Sharing of Fuels

All utilities monitor and forecast energy supplies for generation as well as load reserves on a constant basis. The plans specify the actions to be taken when the energy supply falls below a specific threshold or in the event of the Governor's declaration of an emergency. The utilities' plans generally address these requirements by ceasing exports, obtaining power from affiliates or other utilities, and purchasing fuel from other utilities or any available suppliers.

Priorities for Customer Interruptions

The utilities' plans address priorities for customer interruptions as follows: (1) appeals for voluntary consumption reductions by both residential and commercial customers; (2) load management and interruptible load-shedding procedures; and (3) curtailment of firm load as necessary. These actions are described in detail in the plans or referenced procedures. At all stages, provisions were made to insure customer notification. Special provisions were included to insure firm power to customers on life support and for essential services such as fire and police services, hospitals, national defense, water, sanitation and communication services, cold storage facilities, and public and commercial transportation.

Notification of the FRCC

Utilities addressed the notification of the FRCC as a step in their plans with some utilities listing the person assigned to this function.

Conclusion

All plans meet the established criteria for long-term energy emergency plans. The majority of the changes to the plans consist of position name and duty changes as well as personnel name updates. After a thorough review of the utilities' long-term energy emergency plans, we find that the plans meet the established requirements specified in Rule 25-6.0185, F.A.C., and are hereby approved.

Rule 25-6.0185(2), F.A.C., requires each utility subject to the rule to notify the Commission in writing every three calendar years that the utility has reviewed its fuel emergency plan. As a result, each affected utility shall file the next plan update, or letter indicating no changes, with the Commission Clerk no later than January 31, 2012, and every three-calendar years thereafter. In addition, the utilities shall file a type and strike version of its plan which clearly indicates any changes as well as a clean copy of the plan.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the long-term energy emergency plans are hereby approved as set forth in the body of this Order. It is further

ORDERED that each utility subject to Rule 25-6.0185, Florida Administrative Code, shall file the next compliance letter or plan update no later than January 31, 2012. It is further

ORDERED that each utility subject to Rule 25-6.0185, Florida Administrative Code, shall submit a type and strike version of its long-term energy emergency plan which clearly indicates any changes as well as a clean copy of its plan. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 15th day of April, 2009.

ANN COLE
Commission Clerk

By: 
Dorothy E. Menasco
Chief Deputy Commission Clerk

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 6, 2009.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

PLAN CHANGES

FLORIDA POWER & LIGHT COMPANY

- a. Non-substantive changes of formatting and organizational and title changes
- b. Adds process flowcharts and a communications matrix
- c. Changes overall structure to achieve consistency with the federal Incident Command System model
- d. Removes section addressing response to severe storms which is unnecessary in the fuel emergency plan

PROGRESS ENERGY FLORIDA, INC.

- a. Renames company oversight group to Fuels and Power Optimization Group
- b. Adds reference to company's General Load Reduction Plan

TAMPA ELECTRIC COMPANY

- a. Updates section titles and page numbering in Table of Contents
- b. Revises authority and department responsibilities for specific actions
- c. Expands potential coal transportation modes
- d. Delays news release to media, daily briefings to the media, and promotion of load conservation by the public until second level (35 days of fuel remaining versus 50 days) of emergency
- e. Deletes the request for voluntary 5 percent load reduction of firm wholesale customers at the first level of an emergency. The first load reduction request is 15 percent at the second level of the emergency (35 days of fuel remaining).

GULF POWER COMPANY

No modifications from previously filed plan

ORLANDO UTILITY COMMISSION

- a. Changes format of document and made it one of many specific plans referenced by a top-level document for general emergencies
- b. Creates separate plans from information previously included as a section in this plan
- c. Assigns some responsibilities to a new position, Manager of Fuel Services

JEA

- a. Changes title of plan
- b. Makes extensive formatting changes and reworked arrangement of information
- c. Delineates responsibilities for various departments
- d. Incorporates references to other formally documented procedures
- e. Generalizes procedures and consolidated steps of plan
- f. Adds section outlining internal and external notification procedures
- g. Adds section on activation aligning with FRCC fuel supply shortage plan

UTILITIES COMMISSION, CITY OF NEW SMYRNA BEACH

- a. Reformats the general Emergency Response Plan
- b. Fuel shortage emergencies are now addressed in a separate document

CITY OF LAKELAND

- a. Expands purpose to include short-term energy emergencies
- b. Deletes “long-term” as a criteria for plan implementation
- c. Personnel names, title, and telephone number changes
- d. Defines “total fuel supply” as on property and in delivery pipeline
- e. Adds implementation of a plan for switching fuels
- f. Adds maximizing generation from units using non-limited fuel
- g. Specifies use of firm load curtailment as a last resort

SEMINOLE ELECTRIC COOPERATIVE

- a. Adds petroleum coke as a fuel source
- b. Updates the name of the previous Payne Creek Facility to its new designation as the Midulla Generating Station
- c. Changes solid fuel normal operating inventory range of 35-55 days to an annual average of 50 days or more
- d. Establishes natural gas fuel inventory (Midulla only) to 50 to 100 hours burn time for full load operation
- e. Updates natural gas storage availability to 570,000 Dth for May through October
- f. Updates Seminole’s position titles and contact names at the electrical cooperatives served by Seminole

CITY OF TALLAHASSEE

Revises system description including fuel receiving and storage capabilities

FLORIDA MUNICIPAL POWER AGENCY

- a. Adds the City of Fort Meade, Beaches Energy Services (Jacksonville Beach), and the City of Newberry to the list of municipalities supplied by the All-Requirements Project
- b. Replaces Orlando Utilities Commission dispatch center with Florida Municipal Power Pool Balancing Authority as the action agency for many emergency procedures
- c. Revises instructions for notification of the Department of Energy Emergency Operations Center
- d. Updates names and telephone numbers on emergency contact lists
- e. Reformats the list of generating stations and capacities

REEDY CREEK IMPROVEMENT DISTRICT

Revises date of FRCC Generating Capacity Shortage Plan to July 2007

HOMESTEAD ENERGY SERVICES

Changes to number of customers, peak load, and firm capacity resources

GAINESVILLE REGIONAL UTILITIES

No changes

FLORIDA KEYS ELECTRIC COOPERATIVE ASSOCIATION, INC.

No changes