State of Florida

Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: May 27, 2003
TO: Division of Commission Clerk and Administrative Services TB
FROM: Division Of Economic Regulation (Munroe) LM
RE: Docket No. 030400-EM: Requests for approval of electric utilities' long-term energy emergency plans, filed pursuant to Rule 25-6.0185, F.A.C.

Please add to the docket file the attached electric utilities' long-term energy emergency plans: Progress Energy Florida, Inc., Florida Municipal Power Agency, and Tampa Electric Company.

Two copies of each plan are attached. Thank you.

LM:kb
Attachment

TAMPA ELECTRIC COMPANY

LONG TERM
ENERGY EMERGENCY PLAN

FOR

FUEL SUPPLY SHORTAGE

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TAMPA ELECTRIC COMPANY
LONG TERM ENERGY EMERGENCY PLAN
FOR FUEL SUPPLY SHORTAGE

I. INTRODUCTION

The uncertainty in fuel supply (oil, coal and natural gas) is beyond the control of prudent planning and has the potential for fuel shortages for both Tampa Electric Company (TEC) and the entire state. This could result in a long-term electrical energy deficiency that would adversely affect all customers. Therefore, this "Tampa Electric Company Long Term Energy Emergency Plan For Fuel Supply Shortage" (Plan) was developed which will enable TEC to best cope with the energy shortage and thereby, protect the health, safety and welfare of its customers during the period of deficiency.

II. PURPOSE

The purpose of this Plan is to establish a systematic and effective means of anticipating, assessing and responding, in an appropriate and coordinated manner, to a long-term energy emergency caused by a fuel supply shortage.

III. DEFINITIONS

A long term energy emergency exists when utility fuel supplies are decreasing or are anticipated to decrease below a level adequate to provide for continuous service at required levels as established by customer's normal energy needs. An energy emergency differs from a short-term capacity emergency in that energy requirements cannot be met over an extended period. The period of advance warning and expected duration of an energy emergency is usually measured in terms of weeks or months, as opposed to hours or minutes for a short-term capacity deficiency. This plan addresses contingencies for 10, 15, 25, 35, and 50-day fuel shortages.

IV. AUTHORITY

A. EMERGENCY DECLARATION

	Activity	Person Responsible
1.	Regularly monitor fuel inventories and system load and publish weekly fuel inventory projections.	Director, Wholesale Marketing & Fuels
2.	Alert the Vice President, Energy Supply Trading & Services, any time fuel supplies appear to be in jeopardy due to availability of and/or quality constraints and it is probable	Director, Wholesale Marketing & Fuels

	Activity	Person Responsible
	that Inventory levels will drop below desirable levels. If an energy emergency needs to be declared, this Officer will notify the TEC President to announce the declaration.	
3.	After an energy emergency is declared, or at the direction of the Vice President, Energy Supply Trading & Services the following procedure will be followed in determining the fuel supply situation and inventory plan.	
	a. Monitor and prepare short-term forecast of system load.	Director, Energy Control Center
	b. Monitor and forecast fuel inventories (including reasonable delays or delivery problems).	Director, Wholesale Marketing & Fuels
	c. Using the above data, run the "Commit" Program and provide the amount of each type of fuel expected to be used to the Fuels Department. The estimated fuel consumption should be established on a daily basis for the first 30 days and then on a weekly basis for up to 75 days.	Director, Asset Management
	d. Using the output of b and c above, prepare and distribute a daily or weekly report on the overall fuel supply situation.	Director, Wholesale Marketing & Fuels

	Activity	Person Responsible
4.	Declare an energy emergency when necessary and notify the Chairman of the Florida Reliability Coordinating Council ("FRCC"), Director of Reliability of the existence of a long-term energy emergency on the TEC system. Also, declare when to move to each step in the plan and declare when the energy emergency is over. Implement all or any part of this Plan in cooperation with the FRCC. Implement the Fuel Supply Shortage Element of the Florida Electrical Emergency Contingency Plan upon the declaration of an Emergency Alert by the Florida Public Service Commission or upon the declaration of any Energy Emergency by the Governor of the State of Florida.	TEC President or by delegation to: Vice President, Energy Supply Trading & Services Vice President, Energy Delivery

B. ENERGY EMERGENCY COORDINATOR

	Activity	Person Responsible
1.	After the energy emergency is declared, the Energy Emergency Coordinator is required to coordinate all activities involved in implementing the Energy Emergency Plan.	Director, Energy Control Center Alternate: Emergency Manager, Energy Delivery

C. IMPLEMENTATION PLAN

The individuals below will assist the Energy Emergency Coordinator and be responsible for implementing the part of the plan listed by their title.

	Activity	Person Responsible
1.	Expedite fuel procurement	Director, Wholesale Marketing & Fuels
1A	Expedite water borne coal transportation	Vice President, Energy Trading & Services

	Activity	Person Responsible
2.	Communicate with TEC employees	Director, Corporate Communication
3.	Communicate with media and public	TEC Public Information Officer
4.	Communicate with Governmental organizations	Vice President, Governmental Affairs and Vice President, Regulatory Affairs
5.	Purchase power and control sales	Director, Wholesale Marketing & Fuels Director, Business Marketing and Sales
6.	Obtain approval to waive/modify environmental restrictions	Vice President, Energy Supply Trading & Services
7.	Facilitate the TEC energy use curtailment	TEC Emergency Manager
7A	Curtail TEC energy use	Vice President, Technology and Support Services Vice President, Energy Supply Operations Vice President, Energy Delivery
8.	Promote load conservation (voluntary and mandatory)	Director, Energy & Market Planning Director, Business Marketing and Sales
9.	Utilize load control	Director, Energy Control Center
10.	Curtail customer load	Director, Energy Control Center
11.	Modify system operations	Director, Energy Control Center

Also see Attachment I, "Long-Term Energy Emergency Plan Summary"

V. EMERGENCY PLAN

When a long-term energy emergency is declared, the following steps and actions may be taken so as to minimize the effect of the fuel shortage upon customers.

A. STEP A

After the Energy Emergency has been declared and the total fuel inventory has decreased to 50 days and a continued downward trend is anticipated, the following measures should be implemented and continued for the duration of the emergency.

1. Expedite Fuel Procurement:

   a. Oil - Request TEC suppliers to locate and acquire any oil of the proper quality to meet both environmental and operational constraints.

   b. Coal - Attempt to purchase available coal from any sources that meet both environmental and operational constraints.

   c. Natural Gas - Procure additional gas supply from TEC suppliers and/or other utilities in the state. Request additional transportation from upstream pipelines and other pipeline customers if needed.

   d. Continue inventory tracking, forecasting, and reporting.

1A. Expedite waterborne coal transportation:

   Establish priorities with transportation companies to ensure prompt delivery of TEC coal in adequate quantities. Also, when required, assist the transportation companies in obtaining ample supplies of diesel fuel and other petroleum products to operate tugboats in transporting coal to TEC.

2. Communicate with TEC Employees:

   a. Issue newsletter bulletin that explains why the fuel shortage has occurred, provides an overview of the Emergency Plan and communicates details of Step A.

   b. Provide updates as needed via GroupWise and/or Intranet to employees.

3. Communicate with Public and Media

a. Issue news release to the news media. It will explain why the fuel shortage has occurred, communicate actions TEC is taking to deal with the problem, and will provide specific conservation information to customers.

b. Provide daily briefings to media on status of emergency.

c. Promote load conservation by the public via advertisements that will provide customers with specific information on how to conserve electricity.

4. Communicate with Governmental Organizations:

   a. Notify appropriate agencies.

5. Wholesale Power Sales and Purchases:

   a. Discontinue non-firm sales.

   b. Contact firm wholesale customers and request voluntary 5% load reduction.

6. Waive/Modify Environmental Restrictions:

   Start procedures to obtain approval of the Florida Governor and the President of the United States to suspend/modify the State Implementation Plan (SIP) requirements of the Clean Air Act (CAA) so as to be able to burn available fuels that may not meet the environmental constraints. See Attachment II, "Environmental Petition Form".

7. Curtail TEC Energy Use:

   Curtail all non-essential uses of electrical energy at all utility owned facilities. This should reduce TEC energy usage by at least 10% at all offices and operation centers. Monitor usage of energy weekly.

8. Promote Load Conservation:

   a. Voluntary:

      (1) Increase efforts to educate customers in the efficient use of electrical equipment and supplies.

(2) Inform customers through advertising programs of specific ways to conserve electric energy.

(3) Request all customers to reduce their energy usage by at least 5%. Provide examples of how this can be achieved.

b. Mandatory - No action required.

9. Utilize Load Control:

Utilize direct load control to reduce system demand on peak periods and optimize the use of TEC's base load generating units by increasing off times of air conditioning and heating to 2 to 4 hours per day. Water heating will be off 4 to 6 hours per day.

10. Curtail Customer Load - No action required.

11. Modify System Operations:

a. Maintain 75% of the Operating Margin as non-spinning reserve.

b. Review the maintenance schedule to optimize use of obtainable fuels.

B. STEP B

If the total fuel supply has decreased to 35 days and a continued downward trend is anticipated, the following additional measures should be implemented.

1. Expedite Fuel Procurement:

a. Oil - Suppliers of oil should be solicited by telephone to determine types of oil available for purchase as well as quantity and delivery time. Maximize on site inventory.

b. Coal - Purchase any coal that is available and can be burned in the TEC power plants.

c. Natural Gas – Procure additional gas supply from TEC suppliers and/or other utilities in the state. Request additional transportation from upstream pipelines and other pipeline customers if needed.

d. Develop plans for any physical transfers of fuel that would be practical.

e. Continue inventory tracking, forecasting and reporting.

1A. Expedite waterborne coal transportation:

a. Review priorities to assure prompt delivery.

2. Communicate with TEC Employees:

a. Issue updated GroupWise and Intranet announcements to employees.

3. Communicate with Public and Media:

a. Issue updated news statement.

b. Continue advertisements telling customers how to conserve electricity.

4. Communicate with Governmental Organizations:

a. Request legal authority from the proper governmental organization for the actions to be taken in steps 6 -11.

b. Update appropriate governmental agencies.

5. Wholesale Power Sales and Purchases:

a. Contact cogenerators, utilities and power marketers and arrange non-emergency power purchases.

b. Identify and reserve available electric transmission service(s).

c. Contact all firm wholesale customers and request voluntary 15% load reduction.

6. Waive/Modify Environmental Restrictions - No new action required.

7. Curtail TEC Energy Use:

a. Reduce energy use by at least 20% at all offices and operation centers.

b. Discontinue the use of lunchroom kitchens, turn off

25% of exterior lights, turn off hot water heaters.

c. Reset and lock air conditioning thermostats and heating thermostats to 80° and 65°, respectively.

8. Promote Load Conservation:

a. Voluntary:

(1) Request residential and commercial customers to cut back on essential usage and to adjust thermostat settings 5° down from normal during a heating season and 5° up from a normal setting during a cooling season.

(2) Request customers to temporarily discontinue use of indoor advertising devices, outdoor displays and flood lighting except that essential for safety and security.

(3) Request all customers to reduce their energy usage by at least 15%. Provide specific examples of how this can be achieved.

b. Mandatory:

(1) Ban all nighttime sporting activities. Close all lighted parks, tennis courts, golf courses, etc. Also, eliminate nonessential outdoor flood lighting and restrict the use of outdoor advertising lighting.

9. Utilize Load Control:

a. Increase off times of controlled space heating and air conditioners to 6 hours per day. Water heaters will be off 8 to 10 hours per day.

10. Curtail Customer Load - No action required.

11. Modify System Operations:

a. Modify unit dispatch load units with obtainable fuels (other than No. 2 oil) first, and then load units that burn the fuel in short supply.

b. Where possible, cycle units fueled by short supply

fuel off line and still allow the same demand and energy output.

C. STEP C

When the total fuel supply has decreased to 25 days and a continued downward trend is anticipated, the following additional measures should be implemented:

1. Expedite Fuel Procurement:

   a. Oil - Locate and purchase any oil available that would satisfactorily burn in TEC power plants.

   b. Coal - Locate and purchase any usable coal.

   c. Natural gas – Procure additional gas supply from TEC suppliers and/or other utilities in the state. Request additional transportation from upstream pipelines and other pipeline customers if needed.

   d. Implement physical transfers of fuel that is necessary and practical.

   e. Continue inventory tracking, forecasting and reporting.

1A. Expedite waterborne coal transportation:

   a. Review priorities to assure prompt delivery.

2. Communicate with TEC Employees:

   a. Issue updated GroupWise and Intranet announcement to employees.

3. Communicate with Public and Media:

   a. Issue updated news statement.

   b. Continue advertising conservation.

4. Communicate with Governmental Organizations:

   a. Request legal authority from the proper governmental agency for the actions to be taken in steps 6-11.

   b. Update governmental agencies.

5. Wholesale Power Sales and Purchases:

   a. Purchase all available non-emergency power, reserve available electric transmission service(s).

   b. Contact other utilities regarding potential emergency power purchases.

   c. Contact all firm wholesale customers and request voluntary 30% load reduction.

   d. Reduce firm sales to minimums based on individual contracts.

6. Waive/Modify Environmental Restrictions - No new action required.

7. Curtail TEC Energy Use:

   a. Discontinue the use of air conditioning units serving large areas with a small number of people (moving the people as necessary).

   b. Turn off at least 50% of all exterior lights and discontinue the use of Atrium and TECO Hall facilities.

8. Promote Load Conservation:

   a. Voluntary:

      (1) Direct residential customers to further reduce energy consumption by stopping use of certain electrical services such as air conditioning, heating, hot water heaters, clothes dryers, dishwashers and other convenience devices and equipment.

      (2) Conditioned offices and buildings other than critical services such as hospitals will be directed to lower thermostat settings to 65° during the heating season and raise thermostat settings to 80° during cooling season.

      (3) Commercial establishments, institutional facilities, public and private schools, office buildings and industrial plants will be directed

to further reduce their consumption which may require a reduction in their operating hours.

(4) Encourage customer use of generation and alternate energy supplies.

(5) Request all commercial and industrial customers to reduce their energy usage by at least 30%. Provide specific examples of how this can be achieved.

b. Mandatory:

(1) In commercial establishments, ban all non-essential use of hot water.

(2) Elimination of window and display lighting.

(3) Ban all air conditioning and heating during non-use hours and in unoccupied areas of commercial establishments.

9. Utilize Load Control:

a. Increase air conditioning and heating off time to 6 to 8 hours per day. Water heaters will be off 12 to 14 hours per day.

10. Curtail Customer Load - No action required.

11. Modify System Operations:

a. Implement emergency line ratings so as to increase import capability.

b. Lower system distribution voltage 2 to 4 percent where it is expedient to do so.

D. STEP D

When the total fuel supply has decreased to 15 days supply and a continued downward trend is anticipated, the following additional measures should be implemented.

1. Expedite Fuel Procurement:

a. Investigate all possible fuel sources in search of any usable fuel.

b. Continue inventory tracking, forecasting and reporting.

2. Communicate with TEC Employees:

   a. Issue GroupWise and Intranet announcement. Emphasize that most customers will experience rotating blackouts and why.

3. Communicate with Public and Media:

   a. Issue updated news statement explaining that most customers will experience rotating blackouts and why.

4. Communicate with Governmental Organizations:

   a. Request legal authority from the proper governmental agencies for the actions to be taken in steps 6-11.

   b. Update appropriate governmental agencies. In particular, advise them of customer load curtailment and its impact on their activities.

5. Wholesale Power Sales and Purchases:

   a. Purchase all available emergency and non-emergency power, reserve available electric transmission service(s) and tag transaction(s).

   b. Request voluntary 50% load reduction from all firm wholesale customers.

   c. Maintain firm sales minimums and notify firm wholesale customers of impending load curtailment.

6. Waive/Modify Environmental Restrictions - No new action required.

7. Curtail TEC Energy Use:

   a. Eliminate all but critical air conditioning and heating such as that for microwaves and computer facilities.

8. Promote Load Conservation:

   a. Voluntary:

      (1) Request all commercial and industrial customers to reduce their energy usage by at

least 50%. Provide specific examples of how this can be achieved.

b. Mandatory:

(1) Reduce street and area lighting where possible.

(2) Discontinue service to interruptible customers.

9. Utilize Load Control:

a. Increase air conditioning and heating off periods to at least 8 to 10 hours per day. Water heaters will be off 16 to 18 hours per day.

10. Curtail Customer Load:

The implementation of this step will result in the interruption of electrical service to our customers on a rotating basis. The periods of interruption to electrical service will be rotated among the service areas so that no one area will be without electricity for an unduly long period of time.

Whenever possible during such emergencies, the Company will give priority for service to critical customers such as hospitals, vital parts of military installations and major airports, major TV stations, and water and sewer facilities where no emergency power source is available.

The TEC Load Curtailment Plan will be used in determining which circuits or loads should be curtailed for a Long Term Energy Emergency. Application of this Plan will be made by company personnel in the exercise of their judgment according to circumstances existing at the time of the emergency. The selection will be based upon giving minimal disruption of convenience and general social and economic well being of the TEC service area, considering practical implementation procedures and effectiveness as well as community and governmental response. These actions can result in some customer's service being interrupted more than others.

If the energy shortage is long enough and severe enough, it may become necessary to implement additional interruptions of service that result in moderate or even severe disruption to the community.

E. STEP E

When the total fuel supply has decreased to the area of 10 days and a continued downward trend is expected, the following additional measures should be implemented:

1. Expedite Fuel Procurement - No new action required.

2. Communicate with TEC Employees:

   a. Issue updated GroupWise and Intranet announcement.

3. Communicate with Public and Media:

   a. Issue updated news statement.

4. Communicate with Governmental Organizations:

   a. Update appropriate governmental agencies.

5. Wholesale Power Sales and Purchases.

   a. Notify firm wholesale customers of their contribution to firm load curtailment. Firm wholesale customers will be notified of TEC's percentage of firm load curtailment and advised that their firm sales will be reduced by the same percentage.

   b. Continue purchasing all available power, reserve available electric transmission service(s) and tag transaction(s).

6. Waive/Modify Environmental restrictions - No new action required.

7. Curtail TEC Energy Use - No new action required.

8. Promote Load Conservation - No new action required.

9. Utilize Load Control - No new action required.

10. Curtail Customer Load - No new action required.

11. Modify System Operations:

    a. Implement plans to ensure the orderly shut down of all units burning the fuel in short supply in the event the fuel is exhausted.

b. Implement plans to ensure power availability to all power plants and fuel handling facilities.

VI. DETAILED DEPARTMENT PLANS FOR EACH STEP OF EMERGENCY

A. FACILITY SERVICES

Upon declaration of a long-term energy emergency, the TEC Emergency Manager will work with Facility Services Department to implement the following:

1. Step A - Curtail all non-essential uses of electric energy at all utility owned facilities.

This should reduce TEC energy usage by at least 10% at all offices and operation centers. Some measures to be taken are:

a. Turn off all unnecessary lights i.e., work areas, conference rooms and hallways.

Each department head should inform their employees (meeting/memo) to conserve electricity. This is in addition to informational releases by Corporate Communications.

b. Refrain from using any piece of equipment requiring electrical power that can be delayed for a long period of time.

c. The Meter Reading Department will take weekly readings at all TEC facilities and provide information for monitoring to the Facility Service Department.

d. The Facility Service Department will assist those departments not meeting their reduction goal by making additional recommendations.

e. The Facility Service Department will provide the Energy Emergency Coordinator the results of the weekly monitoring.

f. The Building Service Department will take such actions recommended by the Energy Emergency Coordinator.

2. Step B - Reduce TEC energy usage 20% at all offices and operation centers. Some additional measures to achieve this are:

a. Discontinue the use of breakroom kitchens i.e., stoves, microwaves and refrigerators.

b. Turn off 25% of exterior lights. Each department head and/or building landlord will be responsible for doing this. The Facility Service Department will assist those departments who need help in achieving this goal.

c. The Facility Service Department will turn off all hot water heaters.

d. The Facility Service Department will reset and lock all air conditioning thermostats to 80° and 65°, respectively.

3. Step C -

a. Turn off at least 50% of all exterior lights.

b. Cancel the use of the TECO Plaza Hall or Atrium.

c. Discontinue the use of air conditioning units servicing large areas with a small number of people. This may involve relocating personnel.

4. Step D - Eliminate all air conditioning and heating except for critical systems such as microwave and computer facilities.

B. BUSINESS MARKETING AND SALES

Upon declaration of a long-term energy emergency, the Business Marketing and Sales Department, with the cooperation of the Conservation and Load Management Department, will be responsible for the steps listed below. These goals will generally be achievable; however, consideration must be given to the general social and economic well being of the TEC service area, as well as community and governmental response.

1. Step A - Business Marketing and Sales account managers will contact all assigned commercial and industrial customers, including interruptible load customers, and advise them of the fuel shortage and the need to curtail their load by 5% until further notice. They will also be advised of the potential for further curtailment if the fuel supply continues to diminish.

2. Step B - The Business Marketing and Sales account managers will contact all assigned commercial/industrial customers, including interruptible load customers, and advise them the fuel supply has diminished to a point which makes it necessary to request a further curtailment of 10% for a total of 15% of their load until further notice. Also, advise them of the specific conservation measures that should be taken as stated in Section VI. C.

3. Step C - The Business Marketing and Sales account managers will contact all assigned commercial and industrial customers, including interruptible load customers, and advise them the fuel supply has diminished to a point which makes it necessary to request a further curtailment of 15% for a total of 30% of their load until further notice. Also, advise them of the specific conservation measures that should be taken as stated in Section VI. C.

4. Step D - The Business Marketing and Sales account managers will contact all assigned commercial and industrial customers, including interruptible load customers, and advise them the fuel supply has diminished to a point which makes it necessary to request a further curtailment of 20% for a total of 50% of their load until further notice. Also, advise them of the specific conservation measures that should be taken as stated in Section VI .C.

5. Step E - The Business Marketing and Sales account managers will contact all commercial and industrial customers (including interruptible load customers) and advise them of the continued need to maintain all load curtailment action until further notice.

Note: In all steps, the Business Marketing and Sales Department will:

   a. Maintain communications with each interruptible load customer for the purpose of providing status reports

on the fuel shortage emergency and answering any questions.

b. Be responsible for communicating with each interruptible load customer upon restoring partial load to each customer. The restoration process will follow the same steps as curtailment, however, in reverse.

C. ENERGY MANAGEMENT SERVICES

Upon the declaration of a long-term energy emergency, the Energy Management Services Department, with the cooperation of the Business Marketing and Sales Department, will be responsible for the steps listed below. (These goals will generally be achievable; however, considerations must be given to the general social and economic well being of the TEC service area, as well as community and governmental response.

1. Step A - Promote Load Conservation:

   a. Voluntary Measures:

      (1) Inform customers through advertising programs of specific ways to conserve electric energy.

      (2) Educate customers in the efficient use of electrical equipment and appliances.

      (3) Request all customers to curtail their load by 5%.

   b. Mandatory Measures - No action required.

2. Step B - Promote Load Conservation:

   a. Voluntary Measures:

      (1) Announce to the public by newspaper, television and radio that an electric supply emergency exists and that the Company is requesting them to conserve electricity.

      (2) Direct commercial customers to temporarily discontinue use of indoor advertising devices, outdoor displays and flood lighting except that which is essential for safety and security.

(3) Request residential and commercial customers to do without all non-essential electrical services, cut back on essential usage and adjust thermostat setting 5° down from a normal setting during a heating season and 5° up from a normal setting during a cooling season.

(4) Notify the public daily through news media as to the status of the Company's electric supply emergency and the extent to which the emergency plan is working.

b. Mandatory Measures:

(1) Initiate a governmental ban on all nighttime sporting activities, including closure of all lighted parks, tennis courts, golf courses, etc.

(2) Eliminate non-essential outdoor flood lighting, and restrict the use of outdoor advertising lighting.

3. Step C - Promote Load Conservation:

a. Voluntary Measures Residential:

(1) Announce to the public that the Company's electric energy emergency supply continues to worsen and that it is requesting its customers to control and cease use of certain electric energy consuming devices.

(2) Direct residential customers to further reduce energy consumption by eliminating use of non-essential electrical services, such as electric hot water heaters, clothes dryers, dishwashers, air conditioning, heating and other convenience devices and equipment.

(3) Notify customers daily through news media as to the status of the electric supply emergency and the extent to which the plan is working.

b. Voluntary Measures: Commercial:

(1) Direct conditioned offices and buildings other than critical services such as hospitals to lower

thermostat settings to 65° during the heating season and raise thermostat to 80° during the cooling season.

(2) Direct commercial establishments, institutional facilities, public and private schools, office buildings and industrial plants to further reduce their consumption, which may require a reduction in their operating hours.

(3) Encourage customer use of generation and alternate energy supplies.

(4) Ask all commercial and industrial customers to curtail their load by 30%.

c. Mandatory Measures: Residential - No new action required.

d. Mandatory Measures: Commercial:

(1) Eliminate window and display lighting.

(2) Ban air conditioning and heating during non-use hours.

(3) Ban air conditioning and heating in unoccupied areas.

(4) Ban all non-essential hot water use. Exceptions: Medical facilities, educational facilities and food establishments.

4. Step D - Promote Load Conservation:

a. Voluntary Measures: Residential

(1) Announce to the public that the electric supply continues to deteriorate and that the Company's rotating feeder disconnect plan, which will interrupt electrical service mainly to residential and small commercial customers for specified periods of time, will be implemented to achieve capacity and energy reduction as dictated by the electric supply emergency. This plan will allow for feeder disconnect as often as required to achieve desired results.

b. Voluntary Measures: Commercial

(1) Encourage strict temperature control of HVAC systems.

(2) Ask all commercial and industrial customers to curtail their load by 50%.

c. Mandatory Measures: Street and Area Lighting

(1) Reduce exterior TEC Street and Area Lighting Systems as practical within prudent guidelines.

5. Step E - Residential/Commercial/Industrial Customer Action:

a. Voluntary Measures:

(1) Continue observance of previous four steps.

b. Mandatory Measures:

(1) Begin rotating blackouts.

D. ENVIRONMENTAL AFFAIRS

Upon the declaration of an energy emergency the Environmental Affairs Department will be responsible for the following actions in support of the Vice President Energy Supply Trading & Services:

1. Step A -To obtain the most expeditious relief, so as to be able to burn available fuels having a higher content of sulfur, TEC must petition the Governor of Florida. Following an open public meeting on the action, a Hearing Officer issues a recommended order to the Governor which forms the basis for his decision on whether to petition the President of the United States for authority to suspend/modify the State Implementation Plan (SIP) requirements of the Clean Air Act (CAA). See Attachment II, "Environmental Petition Form".

   At the public hearing, the following information will most likely be required by TEC:

   a. The nature and extent of the energy emergency;

   b. Current and projected unemployment impacts associated with the energy emergency;

   c. Current and projected loss of necessary energy supplies for residential use associated with the energy

emergency;

d. Alternative strategies including conservation, alternative fuels and power wheeling for emergency and the consequences of these strategies on unemployment and on residential energy supply;

e. Amount of energy savings expected to result from temporary suspension of portions of the implementation plan.

f. To the extent possible, pollutant emission levels both before and after the proposed temporary suspension of portions of the implementation plan; and

g. To the extent possible, preliminary assessment of the air quality and health effect impacts of the proposed temporary suspension of portions of the implementation plan.

2. Provide copies of submitted petition to Florida Reliability Coordinating Council, Florida Public Service Commission, Florida Department of Environmental Protection (FDEP) Tallahassee, FDEP – Tampa, U.S. EPA – Region IV, and Environmental Protection Commission of Hillsborough County.

E. FIRM LOAD CURTAILMENT COORDINATOR

Upon declaration of a long term energy emergency the Firm Load Curtailment Coordinator will be responsible for the following:

1. During steps A, B and C - Stay knowledgeable of actions taken and results obtained through these steps.

2. During Step D - Interrupt electrical service to our customers on a rotating basis. The periods of interruption to electrical service will be rotated among the service areas so that no one area is without electricity for an unduly long period of time.

Whenever possible during such emergencies, the Company will give priority for service to critical customers such as hospitals, emergency shelters, vital parts of military installations and major airports, major TV stations, and water and sewer facilities where no emergency power source is available.

The TEC Load Curtailment Plan will be used in determining which circuits or loads should be curtailed for a Long Term Energy Emergency. Application of this Plan will be made by company operating personnel in the exercise of their judgment according to circumstances existing at the time of the emergency. The selection will be based upon giving minimal disruption of convenience and general social and economic well being of the TEC service area, considering practical implementation procedures and effectiveness as well as community and governmental response. These actions can result in some customers' service being interrupted more than others.

If the energy shortage should be long enough and severe enough, it may become necessary to implement additional interruptions of service that can result in moderate or even severe disruption to the community.

For more detailed information, refer to the TEC Load Curtailment Handbook.

F. FUELS

Upon declaration of a long term energy emergency the Wholesale Marketing & Fuels Department will be responsible for the following:

1. Formulate emergency fuel procurement strategies, policies, and guidelines based upon analysis of internal and external variables impacting TEC's fuel operations and update them as emergency conditions change.

2. Monitor fuel market conditions and assess future trends. Report market information to management.

3. Assure a constant fuel supply to generation plants in accordance with environmental and performance standards as long as possible under the constraints caused by the fuel emergency.

4. Investigate alternate sources of supply, in accordance with the procurement arrangements set forth by the emergency strategy, to allow the company to respond to changes in regulation, operating requirements, or market conditions.

5. Manage existing fuel inventories in a way that assures the most efficient use of fuels under the constraints caused by the fuel emergency.

6. Provide fuel and transportation availability information for planning and control of operations under the fuel emergency conditions.

7. The actions taken by TEC (except for the Wholesale Marketing & Fuels Department) under the Long Term Energy Emergency Plan are primarily oriented toward causing demand side reductions in energy use and coordinating the exchange of available energy with other utilities through existing interchange agreements. However, the Wholesale Marketing & Fuels Department will investigate the feasibility of physical transfers of fuel. Then, if during the emergency, a physical transfer of fuel should become practical and necessary due to some physical limitation of the electrical system, the bilateral transfers will be accomplished through mutual agreement between the utilities involved. The principle upon which these transfers will be based is that the original owner or procurer of the fuel shall be made whole in terms of the cost, quantity, and quality of fuel transferred as soon after the emergency as practicable.

8. Develop information, reports, and testimony relating to TEC's emergency fuel procurement activities for management, customers, and governmental agencies.

G. GOVERNMENTAL / REGULATORY AFFAIRS

Upon the declaration of a long-term energy emergency, Governmental Affairs Department and Regulatory Affairs Departments will be responsible for the following actions:

1. Step A

   a. Coordinate with the Vice President of Corporate Communications those messages communicated to TEC and with media and public prior to the release of such communications to provide public officials with sufficient advance time to prepare proper responses for public inquiry.

   b. Assist Vice President, Energy Supply Trading & Services with governmental contact to waive/modify environmental restrictions.

   c. Notify selected public officials of energy emergency. Relate message developed in subpart 1a above. Advise of TEC emergency plan and steps to be taken.

2. Step B

   a. Contact appropriate city and county official, including but not limited to school officials, and Tampa Sports Authority to implement Step 7.b., Mandatory Load Conservation, to prohibit nighttime sporting activities and to close lighted parks, tennis courts, golf courses, etc.

   b. Update public officials.

3. Step C

   a. Contact local state and federal agencies to implement Step 7.b. curtailment of air conditioning and heating, non-essential use of hot water and elimination of window and display lighting.

   b. Update public officials.

4. Step D

   a. Contact city and county to reduce street and area lighting in Section 7.b.

   b. Advise public officials of customer load curtailment in Section 9 and its potential impact on their activities.

5. Step E

a. Communicate all notices to governmental organizations.

H. ENERGY DELIVERY TRANSMISSION ENGINEERING & OPERATIONS

Upon the declaration of a long-term energy emergency, the Energy Delivery Engineering and Construction Department will be responsible for the following:

1. Step A

    a. No action required

2. Step B

    a. Develop emergency line ratings for the lines requested by Grid Operations so as to allow maximum power transfer capability to TEC.

I. ENERGY SUPPLY OPERATIONS

Upon the declaration of a long-term energy emergency, the Energy Supply Operations Department will be responsible for the following actions:

1. Step A

    a. Eliminate or reduce convenience lighting except where required for safe work conditions.

    b. Eliminate unnecessary air conditioning of unoccupied areas.

    c. Review plant operations to determine unnecessary uses of energy, eliminating or reducing uses where practical.

    d. Identify areas where additional reductions can by made if worsening situations dictate.

2. Step B

    a. With critical review of lighting and plant operations, continue elimination and reduction of unnecessary lighting and air conditioning.

    b. Reset required air conditioning and heating

thermostats to 80° and 65°, respectively.

c. Discontinue use of lunchroom kitchens.

d. Turn off water heaters.

e. Turn off 25% of exterior lights.

f. Discontinue lighting during daylight hours where possible.

3. Step C

a. Continued review of energy uses making reductions where possible.

b. Reduce all lighting, interior and exterior, to the minimum required for safety and business need.

c. Eliminate all non-essential air conditioning and heating load.

4. Step D

a. Low load situation should allow removing units from service resulting in a reduction in associated station service. An attempt should be made to accomplish as much reduction as possible.

b. Review plants for orderly shutdown of units.

5. Step E

a. Proceed with orderly shutdown of units as fuel supply is exhausted.

J. CORPORATE COMMUNICATIONS

Upon the declaration of a long-term energy emergency, the Corporate Communications Department will be responsible for the following actions:

1. Step A

a. Communicate with TEC employees.

(1) Issue Newsletter or GroupWise bulletin that explains why the fuel shortage has occurred,

provides an overview of the Emergency Plan and communicates details.

(2) Provide updates and contact as needed via GroupWise and/or Intranet to employees.

b. Communicate with public and news media.

(1) Issue news release to the media to explain why the fuel shortage has occurred, communicate actions TEC is taking to deal with the problem and provide specific conservation information to customers. This information will also be provided to Customer Inquiry representatives.

(2) Provide daily briefings to media on status of emergency.

(3) Promote load conservation by the public via advertisements that will provide customers with specific information on how to conserve electricity.

2. Step B

a. Communicate with TEC employees.

(1) Issue Newsletter or GroupWise bulletin that will update employees on actions taken to date.

(2) Continue with updated GroupWise and Intranet communications.

b. Communicate with public and news media.

(1) Issue news statement about the continued downward trend in fuel supply. Statement will also explain Company actions to solve the problem and will communicate conservation information as outlined in this Step. This information will also be provided to Customer Inquiry representatives.

(2) Continue advertisements that provide customers with specific information on how to conserve electricity.

3. Step C

   a. Communicate with TEC employees.

      (1) Issue Newsletter or GroupWise bulletin to communicate.

      (2) Continue with updated GroupWise and Intranet communications.

   b. Communicate with public and news media.

      (1) Issue news statement about the continued downward trend in fuel supply, communicate conservation information and steps company is taking to solve the problem. This information will also be provided to Customer Inquiry representatives.

      (2) Continue advertising that communicates conservation information.

4. Step D

   a. Communicate with TEC employees.

      (1) Issue Newsletter or GroupWise bulletin to communicate. Emphasize that most customers will experience rotating blackouts and why they will occur.

   b. Communicate with public and news media.

      (1) Issue news statement about the continued downward trend in fuel supply and need to conserve. As outlined in this Step, announce that most customers will experience rotating blackouts, why, they will occur, and what the company is doing to solve the problem. This information will also be provided to Customer Inquiry representatives.

      (2) In addition to conservation information, advertising will also explain why rotating blackouts are occurring. Ads will describe that the outages are being distributed evenly among all customers, except for hospitals, fire and police, etc., after consideration of

disruption of convenience and general social and economic well-being of the community.

5. Step E

   a. Communicate with TEC employees.

      (1) Issue Newsletter or GroupWise bulletin to communicate.

   b. Communicate with public and news media.

      (1) Issue news statement to explain the continued downward trend in fuel supply. Communicate company actions and the need for customer conservation. This information will also be provided to Customer Inquiry representatives.

      (2) Continue advertising that explains why rotating blackouts are occurring. Continue conservation ads.

K. WHOLESALE MARKETING & FUELS

Upon declaration of a long-term energy emergency, Wholesale Marketing & Fuels will be responsible for the following actions:

1. Step A

   a. Cut all non-firm sales to wholesale customers.

   b. Contact all firm wholesale customers, request 5% voluntary load reduction.

2. Step B

   a. Contact utilities and power marketers regarding firm and non-firm power purchases. Coordinate with Grid Operations and Asset Management concerning power purchase needs. Make appropriate power purchases from resources available in the wholesale market. Reserve available transmission service(s) to bring those purchase(s) into the TEC system, and tag the transaction(s).

   b. Request all firm wholesale customers reduce their load by 15%.

3. Step C

   a. Purchase all available non-emergency power. Coordinate purchases with Grid Operations and Asset Management. Reserve available transmission service(s) to bring those purchase(s) into the TEC system, and tag the transaction(s).

   b. Reduce firm sales to minimums based on individual contracts.

   c. Contact other utilities regarding potential emergency power purchases.

   d. Request all firm wholesale customers voluntarily reduce their load by 30%.

4. Step D

   a. Purchase all available emergency and non-emergency power. Coordinate purchases with Grid Operations and Asset Management. Reserve available transmission service(s) to bring those purchase(s) into the TEC system, and tag the transaction(s).

   b. Request voluntary 50% load reduction from firm wholesale customers.

   c. Maintain firm sales minimums and notify wholesale customers of impending load curtailment.

5. Step E

   a. Notify firm wholesale customers of their contribution to firm load curtailment.

   b. Continue purchasing all available power. Coordinate purchases with Grid Operations and Asset Management. Reserve available transmission service(s) to bring those purchase(s) into the TEC system, and tag the transaction(s).

L. GRID OPERATIONS

Upon the declaration of a long-term energy emergency, the Grid Operations Department will be responsible for the following actions:

1. Step A

    a. Utilize Load Control - In order to reduce generation peaks and intermediate loads and to conserve energy, increase off time of heating and air conditioning to 2 to 4 hours per day. Water heating will be off 4 to 6 hours per day.

    b. Provide the Energy Emergency Coordinator with a short-term demand and energy forecast during the emergency.

    c. Provide Asset Management an hourly load profile for the first 30 days and weekly peaks up to 75 days.

    d. Continue to maintain 75% of operating margin as non-spinning reserve.

    e. Review maintenance schedule to optimize obtainable fuels.

2. Step B

    a. Utilize Load Control - Increase off time of controlled heating and air conditioners to 6 hours per day. Water heaters will be shut off 8 to 10 hours per day.

    b. Modify unit dispatch to add units with obtainable fuels (other than #2 oil) first, and then load units which burn the fuel in short supply.

    c. Identify circuits that need emergency line ratings to allow maximum import and power transfer capability. Request Transmission Engineering & Operations to furnish these ratings.

3. Step C

    a. Utilize Load Control - Increase heating and air conditioning off time to 6 to 8 hours per day. Water heaters will be off 12 to 14 hours per day.

    b. Implement emergency line ratings so as to increase import capability.

c. Lower system distribution voltage 2 to 4 percent where it is expedient to do so.

4. Step D

a. Utilize Load Control - Further increase heating and air conditioning off time to 8 to 10 hours per day. Water heaters will be off 16 to 18 hours per day.

b. Implement plans to ensure the orderly shutdown of all units burning the fuel in short supply in the event fuel is exhausted.

c. Implement plans to ensure power availability to all power plants and fuel handling facilities.

5. Step E

a. Continue as Step D.

M. ASSET MANAGEMENT

Upon the declaration of a long-term energy emergency, the Asset Management Department will be responsible for the following actions:

1. Step A

a. Run the "Commit" Program and provide the amount of each type of fuel to be used to the Wholesale Marketing & Fuels Department. The estimated fuel consumption should be on a daily basis for the first 30 days and then on a weekly basis for up to 75 days. Update the estimate as required.

b. Review maintenance schedule to optimize obtainable fuels.

2. Step B

    a. Modify unit dispatch to add units with obtainable fuels (other than #2 oil) first, and then load units which burn the fuel in short supply.

3. Step C

    a. Continue as Step B.

4. Step D

    a. Continue as Step C.

5. Step E
    a. Continue as Step D.

Attachment I

LONG-TERM ENERGY EMERGENCY PLAN SUMMARY

	ACTION	50 Days* Emergency Declared STEP A	35 Days STEP B	25 Days STEP C	15 Days STEP D	10 Days STEP E
1.	Expedite Fuel: Oil	Purchase any proper oil.	Determine types of oil available.	Purchase any satisfactory burnable oil.	Search for and purchase any usable fuel.	
	Coal	Purchase any proper coal. Expedite coal transportation.	Purchase any satisfactory burnable coal. Plan fuel transfers.			
	Natural Gas	Purchase additional gas and transportation.	Purchase additional gas and transportation.	Purchase additional gas and transportation.	Purchase additional gas and transportation.	Purchase additional gas and transportation.
2.	Communicate With TEC Employees	Issue Groupwise and Intranet announcements.				
3.	Communicate With Public and Media	Issue news release. Provide daily status briefing. Promote load conservation.				
4.	Communicate With Governmental Organizations	Coordinate with Corporate Communications in notifying appropriate agencies. Request Governor to waive regulations.	Request legal authority for actions such as, waive/modify environmental restrictions, to be taken in this step. Update governmental agencies.			

Attachment I

LONG-TERM ENERGY EMERGENCY PLAN SUMMARY

	ACTION	50 Days* Emergency Declared STEP A	35 Days STEP B	25 Days STEP C	15 Days STEP D	10 Days STEP E
5.	Wholesale Market Power Sales and Purchases	Stop non-firm sales to wholesale customers. Request voluntary 5% MWH reduction from firm wholesale customers.	Arrange non-emergency power purchases, reserve transmission services and tag transaction(s). Request voluntary 15% MWH reduction from firm wholesale customers.	Reduce firm sales to a minimum. Purchase all available non-emergency power, reserve available transmission service, and tag transaction(s). Request 30% voluntary MWH reduction from firm wholesale customers.	Reduce firm sales to a minimum. Purchase all available emergency and non-emergency power, reserve available transmission service, and tag transaction(s). Request voluntary 50% MWH reduction from firm wholesale customers.	Notify firm wholesale customers of the percentage of firm load curtailment and advise that their firm sales will be reduced by the same percentage. Continue purchasing all available power.
6.	Waive/Modify Environmental Restrictions	Requests Governor to suspend SIP of CAA.				
7.	Curtail TEC Energy Use:	Curtail non-essential energy uses.				
	Offices and Operation Center	Reduce MWH's by 10%. Monitor usage weekly.	Reduce MWH's BY 20%. Set thermostats to 65° for heating and to 80°for cooling. Cut off 25% of exterior lights. Cut off hot water heaters.	Further reduce A/C. Cut off 50% of exterior lights. Cancel use of TECO Plaza Halls or atrium.	Cut off all but critical A/C and heating.	
8.	Promote Load Conservation: Voluntary	Request 5% MWH reduction. Educate customers.	Request 15% MWH reduction. Adjust thermostats -5%.	Commercial & Industrial: Request 30% MWH reduction.	Commercial & Industrial: Request 50% KWH reduction.	

Attachment I

LONG-TERM ENERGY EMERGENCY PLAN SUMMARY

	ACTION	50 Days* Emergency Declared STEP A	35 Days STEP B	25 Days STEP C	15 Days STEP D	10 Days STEP E
		Advertise conservation.	Cut out indoor & outdoor advertising lights. Cut out flood lighting as possible.	Set thermostats to 65° to 80°. Encourage alternate energy usage. Reduce operating hours if necessary. Residential: Stop using A/C, heating, H.W.H., dryers, dish washers, etc.		
	Mandatory		Ban night sports. Close lighted parks, etc. Ban non-essential flood and outdoor advertising lighting.	Ban displays & window lighting. Ban in commercial establishments: a) A/C and heating during nonuse hours and in unoccupied areas b) Non-essential use of hot water.	Reduce street and area lighting where possible.	
9.	Utilize Load Control	Heat & A/C off 2-4 hrs. W.H. off 4-6 hrs.	Heat & A/C off 6 hrs. W.H. off 8-10 hrs.	Heat & A/C off 6-8 hrs. W.H. off 12-14 hrs.	Heat & A/C off 8-10 hrs. W.H. off 16-18 hrs.	
10.	Curtail Customer Load					Implement "Load Curtailment Plan."
11.	Modify System Operations	Review maintenance schedule Place 75% of Operating	Modify unit dispatch. Cycle units off-line.	Use emergency line ratings. Reduce voltage 2 to 4%.		Implement orderly shutdown of units as required. Ensure

Attachment I

LONG-TERM ENERGY EMERGENCY PLAN SUMMARY

ACTION	50 Days* Emergency Declared STEP A	35 Days STEP B	25 Days STEP C	15 Days STEP D	10 Days STEP E
	Margin on non-spin reserve.				power available to plants.

*Refers to total fuel supply in pipe line. Consideration is to be given to the "realistic days supply" which is defined as the "days supply" calculated as though there would be no fuels receipts but then adjusted for realistic, expected fuel deliveries.

ATTACHMENT II
ENVIRONMENTAL PETITION FORM

BEFORE THE STATE OF FLORIDA
OFFICE OF GOVERNOR

In The Matter of:)
Petition for Declaration)
of Energy Emergency and)
Other Relief;)

TAMPA ELECTRIC COMPANY

Petitioner)

Petitioner, TAMPA ELECTRIC COMPANY, pursuant to Chapters 120, 377 and 252, Florida Statutes, and Section 110(f) of the Clean Air Act, 42 U.S.C. § 7401 et seq., hereby requests that the Governor of the State of Florida petition the President of the United States to determine that a national or regional energy emergency exists of such severity that (1) a temporary suspension of portions of Chapter 62, Florida Administrative Code (FAC) is necessary and (2) other means of responding to the energy emergency may be inadequate. In support of this request, Petitioner states:

IDENTIFICATION OF PARTIES

1. The name and address of Petitioner is TAMPA ELECTRIC COMPANY, Post Office, Box 111, Tampa, Florida 33601.

2. (Identify any other known parties).

BACKGROUND

3. Petitioner is the owner and operator of various steam electric power plants located in Hillsborough County, Florida, that are subject to regulation by the Florida Department of Environmental Protection (FDEP) and the Environmental Protection Commission of Hillsborough County (EPCHC) and the provisions of the Florida State Implementation Plan (SIP) contained in Chapters 62-204,210,212,213,214,296, and 297, FAC, regulating sources of air pollution.

4. Electric generating units owned by Petitioner located at the Francis J. Gannon Generating Station and Big Bend Generating Station in Hillsborough County, Florida, currently utilize coal as a primary energy source. Additional electric generating unites owned by Petitioner located at the Big Bend Generating Station in Hillsborough County, Florida, currently utilize oil as a primary energy source. Electric generating units owned by Petitioner located at the Bayside Power Station in Hillsborough County, Florida, currently utilize natural gas as a primary energy source. Electric generating units owned by

Petitioner located at the Polk Power Station in Polk County, Florida, currently utilize gasified coal and natural gas as primary energy sources. Electric generating units owned by Petitioner located at the Phillips Power Station in Highland County, Florida currently utilize oil as a primary energy source.

5. Petitioner currently serves approximately _____ residential customers and a substantial number of industrial customers located both in Hillsborough County and portions of Pasco, Pinellas and Polk County, Florida.

FACTS SUPPORTING RELIEF

(Insert here the facts which support the Petition for Declaration of an Energy Emergency. The following is an example of how those facts could be presented).

6. Petitioner obtains its _____ sulfur content fuel supplies from _____. Petitioner has been advised that due to (insert here reasons for supply unavailability) a continuing supply of _____ sulfur content fuels will not be available and Petitioner will be required to supply its current fuel needs with fuel containing up to _____ sulfur content.

7. Petitioner's total net generating capability is _____megawatts. Approximately _____ percent of that total is produced by _____ generating units which presently must burn _____ sulfur content fuel or below. On _____, 20_____, Petitioner had approximately _____ (barrels or tons) of _____ sulfur content fuel on hand. Projected burn rates predict that this inventory will be consumed within _____ days. Should Petitioner be unable to continue to replenish its _____ sulfur content fuel inventories, major curtailments of electric service would be required in the absence of permission to burn higher sulfur content fuel.

8. A low sulfur fuel shortage could significantly impact residential energy use of its _____ residential customers and its industrial customers on interruptible service arrangements.

9. Petitioner's ability to mitigate the impacts of a low sulfur fuel curtailment in the near term is limited by (insert here any discussion of seasonally high loads expected for the particular month and the inability to burn natural gas). It is not presently possible to determine the extent to which the expected shortfall can be mitigated through purchases of power and conservation.

10. Air quality modeling results for the Petitioner's units presently burning low sulfur fuels show that _____ percent sulfur content fuel could be burned at the _____ Stations without exceeding the State of Florida Ambient Air Quality Standards and the National Ambient Air Quality Standards. Increases in particulate matter emissions from the present limits of _____ pounds per million BTU's of heat input would not cause significant impact levels for total suspended particulate matter to be exceeded in the Hillsborough County air quality maintenance.

REQUEST FOR RELIEF

Based upon the foregoing, Petitioner respectfully requests that the Governor:

a) immediately designate a Hearing Officer to conduct any necessary informal public hearings;

b) issue an Executive Order declaring the existence of an energy emergency pursuant to Chapters 377 and 252, Florida Statutes, and suspending the procedural requirements of Chapter 120, Florida Statutes and regulations thereunder, as they may apply to any of his further actions in the energy emergency;

c) petition the President of the United States to determine that the shortage of _____ fuel has created a regional or national energy emergency and to authorize the Governor to suspend, as a matter of federal law, rules governing _____ emissions of the State Implementation Plan as may be necessary to allow _____ fired power plants owned by Petitioner to burn available fuels; and

d) upon a subsequent satisfactory showing, suspend, as a matter of state and federal law, the applicability of any rules governing _____ emissions in Chapter 62-296, FAC, or any other rules, ordinances, or regulations of the State of Florida or its political subdivisions, as may be necessary to permit _____ fired electric power plants owned by Petitioner to burn available fuels.

TAMPA ELECTRIC COMPANY

By: _____

FMPA CAPACITY EMERGENCY PLAN

PURPOSE

The purpose of this plan is to provide the Personnel of the Florida Municipal Power Agency with a specific set of guidelines and procedures to use for the All-Requirements Project when responding to generating capacity shortages. The All-Requirements Project is the wholesale supplier of electricity to the City of Bushnell, City of Clewiston, Fort Pierce Utilities Authority, City of Green Cove Springs, Town of Havana, Keys Energy Services (Utility Board of the City of Key West), Kissimmee Utility Authority, Lake Worth Utilities, City of Leesburg, City of Jacksonville Beach, City of Ocala, City of Starke, and City of Vero Beach.

This plan is intended to coordinate with the individual All-Requirements Project participant's emergency plans and with the Florida Reliability Coordinating Council plan for responding to generating capacity shortages in the State of Florida.

This plan provides the Florida Municipal Power Agency operations personnel with procedures for use to contact and inform All-Requirement Project participants' operation and management personnel of a Generating Capacity Advisory, Generating Capacity Alert, Generating Capacity Emergency, or System Load Restoration.

A generating capacity shortage exists when any one of the electric utilities in the state of Florida has inadequate generating capability, including purchased power, to supply its firm load obligations.

The FRCC definitions of a Generating Capacity Advisory, Generating Capacity Alert, Generating Capacity Emergency and System Load Restoration are defined in Appendix G.

The FMPA ALL-REQUIREMENTS PROJECT CAPACITY EMERGENCY PLAN is designed to address the timely notification of project participants so they can notify their own emergency and public information personnel, customers, news media, local government personnel, municipal emergency agencies, fire, police and the Public Service Commission.

The Orlando Utilities Commission dispatch center will be notified of a Generating Capacity Advisory, Alert, Emergency or System Load Restoration by the State Capacity Emergency Coordinator via the state messaging system. The OUC dispatch center personnel will notify FMPA personnel of the Generating Capacity Advisory, Alert, Emergency or System Load Restoration.

The FMPA personnel will notify specified personnel at the cities of Bushnell, Clewiston, Fort Pierce, Green Cove Springs, Havana, Jacksonville Beach, Key West, Kissimmee, Lake Worth, Leesburg, Ocala, Starke and Vero Beach. If FMPA personnel cannot be reached, then OUC dispatch center personnel will notify specified personnel at the cities of Bushnell, Clewiston, Fort Pierce, Green Cove Springs, Havana, Jacksonville Beach, Key West, Kissimmee, Lake Worth, Leesburg, Ocala, Starke and Vero Beach.

GENERATING CAPACITY ADVISORY

The State Capacity Emergency Coordinator will, via the state messaging system, notify the Orlando Utilities Commission (OUC) dispatch center that an Advisory has been declared. Personnel of the OUC dispatch center will immediately notify the Florida Municipal Power Agency (FMPA). Personnel of FMPA will immediately notify the participants of the All-Requirements Project.

FMPA shall notify the State Capacity Emergency Coordinator if any of the All-Requirements participants are issuing or planning to issue public appeals for conservation.

When a Generating Capacity Advisory has been issued OUC dispatch personnel will immediately contact one of the FMPA personnel listed in Appendix A.

Then FMPA personnel (or OUC personnel if FMPA cannot be contacted) will contact All-Requirements participants office and fax as listed in Appendix A. The FMPA personnel will fax a GENERATING CAPACITY ADVISORY FOR AREA 1 sheet in Appendix B, or a GENERATING CAPACITY ADVISORY FOR AREA 2 sheet in Appendix C. Provide participant with reason Generating Capacity Advisory was declared:

a) Temperature projections exceeded the prescribed criteria.

b) One or more utilities are issuing or planning to issue a public appeals for conservation.

c) Disruption of the Gas Pipeline(s) serving the FRCC Region

Recommended participant action:

a) Implement utility public awareness programs if appropriate.

b) Notify utility emergency personnel if appropriate.

c) Notify local emergency agencies if appropriate.

GENERATING CAPACITY ALERT

The State Capacity Emergency Coordinator will, via the state messaging system, notify the Orlando Utilities Commission (OUC) dispatch center that an Alert has been declared. Personnel of the OUC dispatch center will immediately notify the Florida Municipal Power Agency (FMPA). Personnel of FMPA will immediately notify the participants of the All-Requirements Project.

When a Generating Capacity Advisory has been issued OUC dispatch personnel will immediately contact one of the FMPA personnel listed in Appendix A.

Then FMPA personnel (or OUC personnel if FMPA cannot be contacted) will contact All-Requirements participants office and fax as listed in Appendix A. The FMPA personnel will fax a GENERATING CAPACITY ALERT sheet in Appendix D.

Provide participant with reason Generating Capacity Alert was declared is that the state operating margin is such that the loss of the largest generating unit in the state will necessitate interruption of firm load in the state.

a) __% reserves during peak on ___/ ___/ ___
b) __ MWs of FMPA resources are out of service or unexpected high loads, FMPA is purchasing power that can be recalled by the seller.

Recommended participant action:

a) Notify Utility emergency personnel, if appropriate.
b) Notify local emergency agencies, if appropriate
c) Prepare a Generating Capacity Alert announcement for the news media.
d) Implement utility public awareness programs
e) Implement Load Management/Interruptible Service
f) Implement procedures to reduce utility and city use of power

GENERATING CAPACITY EMERGENCY

The State Capacity Emergency Coordinator will, via the state messaging system, notify the OUC dispatch center that an Emergency has been issued. Personnel of the OUC dispatch center will immediately notify FMPA. Personnel of FMPA will immediately notify the participants of the All-Requirements Project.

OUC shall monitor the capability of FMPA generating resources and FMPA All-Requirements participant load. FMPA shall be notified by OUC if FMPA generating resources are not sufficient to serve the FMPA load and emergency purchases may not be available.

FMPA shall notify the State Capacity Emergency Coordinator if any of the All-Requirements participants have implemented firm load reductions.

When a Generating Capacity Emergency has been issued or FMPA generating resources are not sufficient to serve the FMPA load and emergency purchases may not be available, OUC dispatch personnel will immediately contact one of the FMPA personnel listed in Appendix A.

Then FMPA personnel (or OUC personnel if FMPA cannot be contacted) will contact All-Requirements participants' office and fax as listed in Appendix A. The FMPA personnel will fax a GENERATING CAPACITY EMERGENCY sheet in Appendix E.

Provide participant with the reason that a Generating Capacity Emergency was declared due to state has lost firm load.

Status of All-Requirements Project situation:

a) __% reserves during peak on ___/ ___/ ___
b) __ MWs of FMPA resources are out of service or unexpected high loads, FMPA is purchasing power that can be recalled by the seller.
c) FMPA projects to be deficient by ____MW during the peak on ___/ ___/ ___ and, if purchase power is not available, will be contacting participants to reduce firm load.
d) FMPA has requested firm load reductions of ___ MWs in the cities of _____.

Recommended participant action:

a) Notify utility emergency personnel, if appropriate.
b) Notify local emergency agencies, if appropriate
c) Prepare a Generating Capacity Alert announcement for the news media.
d) Implement utility public awareness programs
e) Implement Load Management/Interruptible Service
f) Implement procedures to reduce utility and city use of power
g) Prepare to reduce firm load.

SYSTEM LOAD RESTORATION

The State Capacity Emergency Coordinator will, via the state messaging system, notify the Orlando Utilities Commission (OUC) dispatch center that all firm load has been restored. Personnel of the OUC dispatch center will immediately notify the Florida Municipal Power Agency (FMPA). Personnel of FMPA will immediately notify the participants of the All-Requirements Project.

FMPA shall notify the State Capacity Emergency Coordinator when firm load has been restored if any of the All-Requirements participants have implemented firm load reductions.

When System Load Restoration has been issued, OUC dispatch personnel will immediately contact one of the FMPA personnel listed in Appendix A.

Then FMPA personnel (or OUC personnel if FMPA cannot be contacted) will contact All-Requirements participants' office and fax as listed in Appendix A. The FMPA personnel will fax a SYSTEM LOAD RESTORATION sheet in Appendix F.

NOTIFICATION TO DEPARTMENT OF ENERGY

A report to Department of Energy Emergency Operations Center is necessary when the events below occur. Form EIA-417 (Appendix H) outlines the appropriate reporting procedures for the following conditions:

1. Uncontrolled loss of 300 MW firm system loads for more than 15minutes from a single incident.
2. Load shedding of more than 100 MW implemented under emergency operational policy
3. System-wide Voltage reductions of three percent or more
4. Public appeal to reduce the use of electricity for purposes of maintaining the continuity of the electric system
5. Actual or suspected physical attacks that could impact electric power system adequacy or reliability; or vandalism which target components of any security systems
6. Actual or suspected cyber or communications attacks that could impact electric power system adequacy or vulnerability
7. Fuel supply emergencies that could impact electric power system adequacy or reliability
8. Loss of electric service to more than 50,000 customers.
9. Complete operational failure or shut-down of the transmission and/or distribution electrical system.

The DOE Emergency Operations Center (EOC) (202) 586-8100 shall be notified as soon as practicable without undue interference with service restoration and, in any event, within 3 hours after the beginning of the interruption.

FMPA shall notify the DOE Emergency Operations Center (EOC) if FMPA requests meet any of the above conditions outlined in Form EIA-417.

Also, FMPA shall notify the DOE Emergency Operations Center (EOC) for any issuance of a public appeal by All-Requirements project participant(s) to reduce the use of electricity due to a Generating Capacity Advisory, Generating Capacity Alert, or Generating Capacity Emergency.

FMPA will fill out United States Department of Energy, Office of Energy Emergency Operations, Power System Emergency Report Form EIA-417.

REVIEW CAPACITY EMERGENCY PLAN

This plan and attached messages will be reviewed once a year by the Operations Manager of FMPA.

The Operations Manager of FMPA will issue revisions of the plan to the following:

All-Requirements participants
Florida Reliability Coordinating Council
Florida Public Service Commission
Orlando Utilities Commission Dispatch Center

Appendix A

FMPA Personnel Contact List

NAME	OFFICE	HOME	CELLULAR TELEPHONE	Nextel Radio #
Steven H. McElhaney	(407) 355-7767	(407) 359-7899	(407) 468-5935	158*43639*106
Homer O. Bryant	(407) 355-7767	(407) 292-8564	(407) 468-5934	158*43639*105
Gene E. Way	(407) 355-7767	(407) 273-1228	(407) 947-9984	158*43639*112

All-Requirements Contact List

	OFFICE	DISPATCH	FAX	Nextel Radio	Cell Phone
City of Bushell Vince Ruano	(352) 793-2591		(352) 793-2711		
City of Clewiston Kevin McCarthy	(863) 983-1454		(863) 983-3406		(863) 228-0360
Fort Pierce Utilities Authority Tom Richards	(772) 466-1600 ext. 3400	(772) 461-5875 *	(772) 465-6984	158*43639*8 158*43639*9	
City of Green Cove Springs Jimmy Knight	(904) 529-2249	(904) 529-2229	(904) 529-2232		
Town of Havana Susan Friedon	(850) 539-6493		(850) 539-8932		(850) 524-2268
City of Jacksonville Beach Joe Calendar	(904) 247-6281	(904) 247-6171 * (904) 247-6204	(904) 247-6120	158*43639*1	
Keys Energy Harry Bethel	(305) 295-1062	(305) 295-1059 *	(305) 295-1060	158*43639*10	
Kissimmee Utility Authority Ken Davis	(904) 247-6281	(904) 247-6171 * (904) 247-6204	(904) 247-6120	158*43639*1	
Lake Worth Utilities Walt Gill	(561) 586-1706	(561) 586-1704 *	(561) 586-1759		
City of Leesburg Lloyd Shank	(352) 728-9834	(352) 728-9830 *	(352) 728-9809	158*43639*3	
City of Ocala Dean Shaw	(352) 351-6600	(352) 351-6609 *	(352) 351-8263	158*43639*108	(352) 898-2112
City of Starke Ricky Thompson	(904) 964-3389		(904) 966-0584		
City of Vero Beach Jimmy Castleberry	(772) 978-5030	(772) 978-5041 *	(772) 978-5090	158*43639*6 158*43639*7	

* NOTE: The dispatch offices of these cities can be reached by the Orlando Utilities Commission Dispatcher via a NEXTEL radio communication system.

Appendix B

FLORIDA MUNICIPAL POWER AGENCY
ALL-REQUIRMENTS PROJECT
EMERGENCY CONTINGENCY PLAN
GENERATING CAPACITY SHORTAGE ELEMENT

GENERATING CAPACITY ADVISORY FOR AREA 1*

FOR ADDITIONAL INFORMATION CALL
FMPA OFFICE (407) 355-7767

- (Area 1 includes Jacksonville, Pensacola & Tallahassee)

NOTE: Havana, Green Cove Springs, Jacksonville Beach, and Starke are in AREA 1.

Definition of Advisory:

_____Temperature projections exceed the prescribed criteria in two cities of area 1.

_____One or more utilities in area 1 are issuing or planning to issue public appeals for conservation.

_____Disruption of the Gas Pipeline(s) serving the FRCC Region

RECOMMENDED ACTION:

_____Notify utility emergency personnel.

_____Notify local emergency personnel.

_____Implement utility public awareness programs.

Generating Capacity Advisory declared for ___ / ___ / ___

THROUGH

___ / ___ / ___

Date & Time issued ___ / ___ / ___ ___ : ___

By:_____

Appendix C

FLORIDA MUNICIPAL POWER AGENCY
ALL-REQUIRMENTS PROJECT
EMERGENCY CONTINGENCY PLAN
GENERATING CAPACITY SHORTAGE ELEMENT

GENERATING CAPACITY ADVISORY FOR AREA 2*

FOR ADDITIONAL INFORMATION CALL
FMPA OFFICE (407) 355-7767

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* (Area 2 includes Miami, Orlando, St. Petersburg & Tampa)

NOTE: Bushnell, Clewiston, Fort Pierce, Key West, Kissimmee, Lake Worth, Leesburg, Ocala, and Vero Beach are in AREA 2.

Definition of Advisory:

_____Temperature projections exceed the prescribed criteria in two cities of area 2.

_____One or more utilities in area 2 are issuing or planning to issue public appeals for conservation.

_____Disruption of the Gas Pipeline(s) serving the FRCC Region

RECOMMENDED ACTION:

_____Notify utility emergency personnel.

_____Notify local emergency personnel.

_____Implement utility public awareness programs.

Generating Capacity Advisory declared for ___ / ___ / ___

THROUGH

___ / ___ / ___

Date & Time issued ___ / ___ / ___ ___ : ___

By:_____

Appendix D

FLORIDA MUNICIPAL POWER AGENCY
ALL-REQUIRMENTS PROJECT
EMERGENCY CONTINGENCY PLAN
GENERATING CAPACITY SHORTAGE ELEMENT

GENERATING CAPACITY ALERT

FOR ADDITIONAL INFORMATION CALL
FMPA OFFICE (407) 355-7767

Definition of Alert:

A Generating Capacity Alert exists when the state operating margin is such that the loss of the largest generating unit will necessitate interruption of firm load in the state.

Generating Capacity Alert is declared for ___ / ___ / ___.

ALL-REQUIREMENTS PROJECT SITUATION:

_____FMPA projects ___% reserves during the peak on ___ / ___ / ___.

_____Due to FMPA resources out of service, FMPA is purchasing power that can be recalled by the seller.

_____Due to unexpected high loads, FMPA is purchasing power that can be recalled by the seller.

RECOMMENDED ACTION:

_____Notify utility emergency personnel.

_____Notify local emergency personnel.

_____Prepare a Generating Capacity Alert announcement for the news media.

_____Implement utility public awareness programs.

_____Implement Load Management/Interruptible Service programs

_____Implement procedures to reduce utility and city use of power.

Date & Time issued ___ / ___ / ___ ___ : ___

By: _____

Appendix E

FLORIDA MUNICIPAL POWER AGENCY
ALL-REQUIRMENTS PROJECT
EMERGENCY CONTINGENCY PLAN
GENERATING CAPACITY SHORTAGE ELEMENT

GENERATING CAPACITY EMERGENCY

FOR ADDITIONAL INFORMATION CALL
FMPA OFFICE (407) 355-7767

Definition of Emergency:

A Generating Capacity Emergency exists when any one of the electric utilities in the state of Florida has inadequate generating capability, including purchased power, to supply its firm load obligations.

Generating Capacity Emergency is issued for ___ / ___ / ___.

ALL-REQUIREMENTS PROJECT SITUATION:

_____FMPA projects ___% reserves during the peak on ___ / ___ / ___.

_____Due to FMPA resources out of service, FMPA is purchasing power that can be recalled by the seller.

_____Due to unexpected high loads, FMPA is purchasing power that can be recalled by the seller.

_____FMPA projects to be deficient by ___ MW during the peak on ___/ ___ /___ and, if purchase power is not available, will be contacting participants to reduce firm load.

_____FMPA has requested firm load reductions of ___ MW in the cities of _____

RECOMMENDED ACTION:

_____Notify utility emergency personnel.

_____Notify local emergency personnel.

_____Prepare a Generating Capacity Emergency announcement for the news media.

_____Implement utility public awareness programs.

_____Implement Load Management/Interruptible programs

_____Implement procedures to reduce utility and city use of power.

_____Prepare to reduce load.

Date & Time issued ___ / ___ / ___ ___ : ___

By: _____

Appendix F

FLORIDA MUNICIPAL POWER AGENCY
ALL-REQUIRMENTS PROJECT
EMERGENCY CONTINGENCY PLAN
GENERATING CAPACITY SHORTAGE ELEMENT

SYSTEM LOAD RESTORATION

FOR ADDITIONAL INFORMATION CALL
FMPA OFFICE (407) 355-7767

Definition of Restoration:

A System Load Restoration is complete when firm load reduction has been terminated and power supply is adequate.

RECOMMENDED ACTION:

_____Notify utility emergency personnel.

_____Notify local emergency personnel.

_____Prepare a System Load Restoration announcement for the news media.

_____Implement utility public awareness programs.

System Load Restoration is issued for ___ / ___ / ___.

Date & Time issued ___ / ___ / ___ ___ : ___

By:_____

Appendix G

FRCC Generating Capacity Advisory

A "Generating Capacity Advisory" is similar to a hurricane watch. It is intended to give early warning of potential electricity shortfalls and bring utilities, emergency management officials, the Governor and the Florida Public Service Commission to a state of readiness.

The Advisory is primarily for information purposes. It automatically kicks off utility tracking activities, and it initiates inter-utility and inter-agency communication. While advisories do not usually require public action, general information about the potential problem can be distributed to consumers to forewarn them of conditions if necessary.

The Advisory is triggered by either (1) a forecast of extreme temperatures around the state or (2) a public conservation appeal by an individual utility, or (3) disruption of the gas pipeline(s) serving the FRCC Region may threaten to adversely affect the generation capacity in the FRCC Region. Due to the geographical and electrical configuration of Florida, the state has been divided into two areas. Area 1 includes Gainesville, Tallahassee and Jacksonville (north Florida). Area 2 includes Orlando, Tampa, St. Petersburg and Miami (central and south Florida).

Temperature thresholds have been set for each of these cities and when a predetermined number of cities exceed their temperature triggers, an Advisory is declared for that area. The temperatures are important since severe weather (hot or cold) can be accompanied by significant increases in electric demand.

An Advisory also is declared when any individual utility plans to or calls for voluntary conservation from its customers. At times the problem may be local and may not require or allow statewide assistance. Even in this circumstance, the Advisory sensitizes all utilities to the problem and heightens awareness in case the event escalates into a potential statewide problem.

FRCC Generating Capacity Alert

The second stage of the plan is a "Generating Capacity Alert." It is based on a reserve margin - the difference between available statewide resources and the amount of peak electric demand projected for that day. An alert will be called when (1) the reserves fall below the size of the largest generating unit in the state (currently a little more than 900 MW), or, (2) disruption of the gas pipeline(s) serving the FRCC Region will adversely affect the generation capacity in the FRCC Region.

The reason for this trigger is that when reserves fall below this level, loss of that size unit to an unexpected mechanical failure could lead to blackouts somewhere since insufficient backup is available.

The Alert starts actions to increase reserves. For example, available emergency supply options would be explored. Additionally, utilities can reduce electric demand through load management programs. These programs give utility dispatchers control over certain appliances and electrically-powered equipment according to pre-arranged customer agreements. Through remote control equipment and installation of special switches on appliances (such as electric water heaters, air conditioning/heating systems and pool pumps), the dispatcher can cycle appliances on and off as needed during a peak demand period. Close to 1500 MW of load management is available statewide. Utilities also can ask consumers to implement voluntary conservation measures.

Some utilities have industrial or commercial customers on interruptible service. Under this agreement, the customer gets lower priced energy in exchange for the utility's right to interrupt their electricity on short notice to lower electric demand. The difference between load management and interruptible

service is that the first selectively cycles specific appliances on and off for short periods of time, while the second cuts off service to the industrial load entirely.

Typically, industrial customers on interruptible service have backup power (either they own small generators or are co-generators) and are able to supply their own electric needs for these periods. A little more than 1100 MW of interruptible load is available statewide

FRCC Generating Capacity Emergency

A "Generating Capacity Emergency" occurs when firm load is lost or, in other words, blackouts occur or are inevitable somewhere in Florida. Rolling blackouts, manually activated by utilities, are a last resort to avoid system overload and possible equipment damage. Without them, the electric system could experience an automatic shutdown that would result in more widespread and longer blackouts. By the time rolling blackouts are used, utilities would have exhausted every available means to balance supply and demand.

Prior to rolling blackouts, actions include bringing all generating units to full capability, starting all units that are available, purchasing energy from outside the state, reducing non-essential electric use at utility facilities, using load management, cutting off interruptible customers, reducing voltage within established safe limits, and issuing appeals to consumers for emergency cutbacks of electricity use and voluntary conservation.

At this stage of the shortage plan, actions and information are coordinated among utilities, emergency agencies, the Governor, the Florida Public Service Commission, and the media. Frequent status reports are provided to agencies and the media. The Division of Emergency Management would consider using the Emergency Broadcast System (EBS) to inform citizens of events and to direct them to available shelters if conditions warranted.

Recognizing the consequences of a loss of electricity, individual utility emergency plans include provisions for special facilities critical to the safety and welfare of citizens such as hospitals, fire and police departments, mass transit, communication services, water supply and sanitation facilities, and national defense installations. Every effort is made to maintain power to these facilities, but utilities recommend that emergency facilities or anyone with critical equipment should install emergency or portable generating equipment.

Although the state shortage plan is set up to give consumers advance warnings, there can be circumstances (such as the sudden loss of the transmission lines that connect Florida to the rest of the U.S., or the loss of multiple generating units) where blackouts suddenly could occur without the opportunity to issue warnings.

When the power goes out during rolling blackouts, consumers should immediately turn off major appliances and the heating or air conditioning system. Once power is restored, appliances can be returned to use gradually as needed. This prevents sudden power drain as electricity is restored and avoids the possibility of an overload that could knock out power on a local electrical supply circuit.

A Generating Capacity Emergency exists when any one of the electric utilities in the state of Florida has inadequate generating capability, including purchased power, to supply its firm load obligations. The loss of firm load due to a transmission or distribution outage, temporary problem or isolated event may be reported, but would not cause the implementation of the plan since conservation may not have an impact.

The loss of firm load due to automatic under-frequency relay operation would not cause the implementation of the plan unless it is anticipated that the outages will extend over several hours.

FRCC System Load Restoration

"System Load Restoration" is the last phase of the plan and is instituted when rolling blackouts have been terminated and power supply is adequate. It is the recovery stage and concerted efforts are made to provide frequent system status reports. Messages to consumers would focus on the timing and location of facility repairs, appropriate safety information and consumer self-help instructions.

Appendix H

DOE Form EIA-417
Attached

Progress Energy Florida
Plan for a Long Term Energy Emergency
Caused by a Fuel Supply Shortage

Introduction

This plan outlines the procedure to be used in the event of a fuel emergency involving Progress Energy Florida (PEF). Should an extended fuel emergency occur, one in which the energy supply in the entire state is subject to jeopardy, then this plan applies.

A Fuel Supply Committee is established and will consist of one representative from each of the following sections: Power Trading, Energy Control, Portfolio Management, Coal Procurement, Gas Trading & Logistics, and Oil Trading & Logistics. The Vice President of Regulated Commercial Operation or his appointed representative will serve as chairman. The chairman will closely monitor fuel supplies, deliveries, and anticipated usage rates. When fuel levels reach potentially serious levels, the chairman will activate the committee.

The committee has authority and the responsibility to decide when the levels of fuel supply or rates of change in these levels are such that declaration of an ALERT is required. They will inform the Senior Vice President, Energy Supply, when an ALERT is declared. The committee will be responsible for recommending when the appropriate fuel emergency condition should be declared and so notify the Senior Vice President, Energy Supply, so that he may implement the appropriate portion of this plan.

Definitions

The classifications of degree of supply levels are defined in the following fuel emergency situations. These situations could occur at any site where generation and fuel storage facilities exist, thus causing a site emergency. Likewise, they could occur at multiple sites or system-wide.

ALERT

An ALERT condition exists when the potential for a fuel emergency arises and specific Company actions are deemed prudent.

FUEL EMERGENCY

When the inventory of fuel (on a system basis) is such that current or anticipated usage will result in the supply reaching the following levels before deliveries can be made and a downward trend is anticipated to continue:

Light Oil – 10 days
Residual – 10 days
Coal – 10 days
Natural Gas – Long-term loss of major pipeline supply source

ALERT

When an ALERT condition is declared, the following actions will be taken. These actions will be done under the direction of the Senior Vice President, Energy Supply, as normal operational events in an attempt to minimize the potential for a more severe emergency condition. These actions, while not necessarily in the sequence to be performed, include the following:

1. Notify the Senior Vice President, Energy Delivery, that a fuel supply ALERT is declared and in progress.

2. Defer or reschedule, to the extent practicable, maintenance on oil or coal-fired units, taking into consideration heat rate and availability.

3. Operate oil, natural gas, and coal-fired generation utilizing the lowest heat rate source to minimize the consumption of distillate oil and residual oil by oil-fired units and/or coal by coal-fired units, and/or natural gas by natural gas fired units, consistent with conserving the fuel in short supply.

4. Purchase maximum amounts of energy available from outside the Company consistent with conserving the fuel in short supply.

5. Utilize load management procedures and voltage reductions to control demand and energy consistent with conserving the fuel in short supply.

6. Shut down low inventory and/or high heat rate units and/or natural gas units, over weekends and overnight, if practicable, to conserve the fuel which is in short supply.

7. Place maximum allowable Operating Reserve in the non-synchronized quick-start category to minimize fuel consumption.

8. Request the Fuel Supply Committee to implement fuel transfers to eliminate geographical shortages and locate fuel where it can most efficiently be utilized.

9. Request the Environmental Service Department to remove environmentally initiated constraints for generating units and plants, which inhibit the most efficient use of available fuel.

Granting Authority in Fuel Supply Emergency

After the Fuel Supply Committee has determined that a specific fuel emergency exists, they will inform the Senior Vice President, Energy Supply, who will implement the associated corrective actions for the specific FUEL EMERGENCY condition in effect consistent with system security constraints. The Senior Vice President, Energy Supply, will have the authority to implement and cancel steps within the specific FUEL EMERGENCY condition as system conditions permit.

Declaration of Fuel Emergency

When a FUEL EMERGENCY is declared, the Senior Vice President, Energy Supply, shall ensure all actions normally anticipated to occur during an ALERT has taken place and then will invoke the following steps as needed:

1. Notify appropriate Progress Energy Florida personnel that a FUEL EMERGENCY is in effect. The Corporate Communications Department will have the responsibility for notification of employees, customers, and the general public. News media representatives will be contacted to assist.

2. Curtail Company use wherever possible.

3. Request Senior Vice President, Energy Delivery, to limit transmission line equipment outages to emergency outages if the outages would reduce delivery of energy into the system.

4. Obtain all emergency energy available from neighboring systems.

5. Request Senior Vice President, Energy Delivery, to reevaluate transmission limits to maximize delivery of energy into the system.

6. Advise Energy Control personnel to contact industrial and commercial customers and request voluntary reduction of load.

7. Advise the Corporate Communications Department to make general radio and television appeals to the public to minimize electrical energy consumption.

8. Contact municipal systems and cooperative systems and request that their customers voluntarily reduce their load.

9. Curtailment of interruptible customers. Interruptible customers will be curtailed during periods when it would be necessary to operate liquid fuel combustion turbine to serve interruptible customers, and when it has been determined that present inventory of light oil less consumption, plus known shipments, will reduce inventory to below **12** hours minimum required for emergencies, or when residual oil inventory and/or coal inventory is expected to be below 3 days and a downward trend is expected to continue.

10. Declare force majeure and discontinue from energy sales to neighboring systems, or as directed by Governor's orders during the emergency. (Except under extreme conditions, assistance could be provided if the fuel inventory as above the 12-hour emergency minimum.)

11. In the event the supply situation continues to degrade, the Senior Vice President, Energy Supply, working with the FRCC, will ask the FPSC to obtain a declaration of a Fuel Supply Emergency from the Governor.

Customer Priorities for Load Interruption

In the early stages of a capacity emergency, PEF will curtail recallable interchange sales and those interchange sales declining a buy-through option. During Phase 1, interruptible and curtailable customers are notified that emergency purchases may be required. During Phase 2, emergency purchases for interruptible and curtailable customers begin. During Phase 3, interruptible and curtailable customer loads are interrupted. During Phase 4, emergency purchases are made to support firm load. Also, at various points during a developing capacity emergency several other actions are undertaken to mitigate the severity of the emergency, including maximizing available generation, activating DSM, activating voltage reduction, reduction of PEF energy consumption and public appeals for conservation.

Firm load curtailment occurs during Phase 5, when service to firm loads are interrupted on a rotating basis in order to maintain a balance between available generation and system load. The load interruptions will be rotated in order that no single customer or area is without electricity for an extended period of time.

The priority for interruption of individual customers and feeders is determined and reviewed on an annual basis as part of the PEF under-frequency relay program update. Each year, each feeder on the PEF system is reviewed and classified for purposes of potential firm load interruption. Feeders serving critical customers or loads are classified as 'no trip' and are exempt from interruption providing that resources exist to continue serving this critical group of customers. The types of customers and loads designated as no trip are as follows:

Critical PEF facilities
Hospitals and nursing homes
Customers on life-sustaining medical equipment
Airports and FAA facilities
Police and fire stations
Telephone and satellite communication facilities
Water treatment and pumping facilities
Critical government facilities
Newspaper, radio, and TV stations
Malls and large public arenas
Major commercial and industrial customers

Whenever possible during a capacity emergency, PEF will sustain uninterrupted service to critical customers.

Statewide Fuel Supply Emergency

In the event a Fuel Supply Emergency is declared by the Governor of Florida due to conditions either within the Company or in another utility, Progress Energy Florida will take the actions listed within this plan consistent with the actions directed by the Governor's order and the FRCC, specifically:

1. The Fuel Supply Committee will be responsible for fuel calculations and transferring to the FRCC staff, upon request,

PE's DAYS BURN by fuel type. They will also supply any additional data relating to fuel supply conditions requested by the FRCC staff.

2. The Senior Vice President, Energy Supply, will assure the operation of all generating units as appropriate to share energy so as to minimize a statewide fuel shortage.

3. The Director, Gas & Oil Trading, will be responsible for arranging any necessary transfer of fuels and the conditions affecting the transfer and payment and/or return of such fuel.

Authority for Reduction of Fuel Emergency Conditions

If any portion of this plan has been activated by the Governor due to a long-term fuel emergency within the state, then it will remain in effect until the emergency is declared over by the Governor.

Should this plan, however, be initiated by the Fuel Supply Committee, this Committee will then advise the Senior Vice President, Energy Supply, when the levels of supply or rates of change in these levels are such that a fuel emergency condition can be terminated. The Senior Vice President, Energy Supply, will decide when to declare the termination of the appropriate emergency condition. The Fuel Supply Committee chairman will then notify all affected departments of the termination of the fuel emergency condition and institute relaxation of the conservation measures consistent with system reliability requirement. The Fuel Supply Committee chairman will also notify the appropriate state and federal agencies as required.

Revised

May 2003
June 2002
December 1998
September 1997
October 1992
January 1992