

ORIGINAL

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Cc: James McRoy
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Attachments: BOOK 1 PLAN VI INSUFFICIENT FUEL RESERVES - 063005.doc

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JEA EMERGENCY PLAN BOOK

PLAN VI

Effective Date: July 1, 2005

SCOPE: Insufficient fuel reserves to meet projected or actual customer load requirements.

OBJECTIVE: Recognition of an energy supply emergency due to projected fuel shortages and coordination of actions with other Florida electric utilities.

ASSIGNMENT OF RESPONSIBILITY: The Electric Delivery Group is responsible for maintenance of this procedure.

PLAN VI CONCEPT: This Plan VI is designed to govern JEA activities relative to a fuel supply emergency affecting Florida's electric utilities. The Plan coordinates with the Florida Reliability Coordinating Council (FRCC) Florida Electric Emergency Contingency Plan (Fuel Supply Shortage Element), dated November 1998.

The plan incorporates the following key elements associated with various levels of fuel shortages:

- Expedited Emergency Fuel Procurement
- Communication and Coordination
- Waiver of Environmental Restrictions
- Conservation and Load Management
- Modified Dispatch and Commitment
- Load Rotation

Organizational Services – Fuel Management Services is responsible for maintaining an adequate fuel inventory, which recognizes reasonable delays or problems in the delivery or production of fuel. Monthly, Quarterly and Annual projection of fuel use shall be performed in order to accurately project necessary inventories.

Upon first detection of a possible fuel emergency, the Organizational Services Vice President shall notify the Director of Electric Delivery. Short Term Load Forecasting, Production Modeling and/or Unit Commitment analysis of applicable time periods shall be performed. Final determination of projected fuel requirements and inventories shall key the applicable section of Plan VI.

Load Forecasting, continuing Production Modeling and/or Unit Commitment analysis as requested by Fuel Management Services will be used to monitor the extent of the fuel supply emergency.

Upon notification of a fuel supply emergency, the Vice President of Operations and Maintenance shall notify the Chair of the FRCC Reliability Assessment Group (RAG).

DEFINITIONS:

A Fuel Supply Alert will exist at any time that the following occur:

1. JEA's inventoried fuel supply at a plant site is decreased to the range of 25 to 30 days,
2. alternate fuel supply is unavailable in sufficient quantities,
3. alternate power from outside JEA's electric system is not projected to be available in sufficient quantities,
4. alternate JEA generating resources are not capable of providing sufficient replacement power and
5. a continued downward trend in the inventoried fuel supply in item 1 above and persistence in items 2 through 4 is anticipated.

The Chair of RAG, after consultation with and concurrence by the Chair of the FRCC Executive Board, will notify the Florida Public Services Commission and request the initiation of a Fuel Supply Alert (as outline in section V of the Florida Electric Emergency Contingency Plan (Fuel Supply Shortage Element)).

1.0 PROCEDURES FOR STEP A - FUEL SUPPLY FOR 20 TO 25 DAYS

A Fuel Supply Emergency will exist when the following occur:

1. JEA's inventoried fuel supply at a plant site has decreased to the range of 20 to 25 days,
2. alternate fuel supply is not projected to be available in sufficient quantities,
3. alternate power from outside JEA's electric system is not projected to be available in sufficient quantities,
4. alternate JEA generating resources are not projected to be capable of providing sufficient replacement power and
5. a continued downward trend in the inventoried fuel supply in item 1 is anticipated..

The following measures should be implemented and continued during the duration of the emergency:

1.1 Expedite Fuel Procurement:

Fuel Management Services will expedite fuel procurement. Fuel Management Services will request all suppliers to locate and acquire any fuel of the proper quality which meets environmental and operational constraints.

1.2 Communicate Internally:

- 1.2.1 The Vice President of Market Strategy will issue news bulletins explaining why the fuel shortage has occurred, providing an overview of the emergency plan and defining details of Step A.
- 1.2.2 The Vice President of Operations & Maintenance will provide a daily update to the Managing Director/CEO and Vice Presidents.

1.3 Communicate with the Public and Media:

The Vice President of Market Strategy, in coordination with FRCC, will:

- 1.3.1 Issue news releases to the news media providing appropriate information pertaining to the fuel emergency, identifying corrective actions taken, and providing specific conservation information to JEA customers.
- 1.3.2 Provide daily information to the media on status of the emergency.
- 1.3.3 Promote load conservation by the public via announcements to the media that will provide customers with specific information on how to conserve electricity. The Vice President of Customer Relationship will coordinate this effort through the Vice President of Market Strategy.

1.4 Communicate with Governmental Agencies/Officers:

The Vice President of Customer Relationship will update the Mayor's Office, President of City Council, and the City's Emergency Operations Center (Civil Defense).

1.5 Waive Environmental Restrictions:

The Vice President of Environmental Services will start procedures to obtain approval of the Governor and the President to suspend the State Implementation Plan (SIP) requirements of the Clean Air Act in order to burn available fuels that may not meet environmental constraints.

1.6 Curtail JEA Usage:

Curtail all non-essential use of electrical energy at all utility-owned facilities. Monitor usage of energy weekly.

1.7 Promote Load Conservation:

1.7.1 Voluntary

- 1.7.1.1. Increase efforts to educate customers in the efficient use of electrical equipment and supply.
- 1.7.1.2 Urge conservation at the customer level by airing programs instructing them on specific ways to conserve electric energy.
- 1.7.1.3 Request all customers to reduce their kilowatt-hour usage by at least five percent.

1.7.2 Mandatory. No action required.

1.8 Utilize Load Control:

Implement voltage reduction for peak period.

1.9 Modify System Operation:

- 1.9.1 Discontinue non-firm sales to utilities not participating in the FRCC long-term plan.
- 1.9.2 Discontinue sales of economy energy from units whose fuel is in short supply.
- 1.9.3 Review the maintenance schedule to optimize use of obtainable fuels.
- 1.9.4 Purchase all available power from State Grid.

1.10 Curtail Firm Load:

No action required.

2.0 PROCEDURES FOR STEP B - FUEL SUPPLY FOR 15 TO 20 DAYS

If the following items have occurred, additional measures should be implemented:

- 1. JEA's inventoried fuel supply at a plant site has decreased to the range of 15 to 20 days,
- 2. alternate fuel supply is not projected to be available in sufficient quantities,
- 3. alternate power from outside JEA's electric system is not projected to be available in sufficient quantities,
- 4. alternate JEA generating resources are not projected to be capable of providing sufficient replacement power and
- 5. a continued downward trend in the inventoried fuel supply in item 1 is anticipated.

The following are the additional measures that should be implemented:

2.1 Expedite Fuel Procurement:

Fuel Management Services will solicit suppliers of fuel by phone to determine types of fuel available for purchase, as well as quantity and delivery time. Fuel Management Services will maximize on-site inventory as appropriate.

2.2 Communicate Internally:

The Vice President of Market Strategy will update employees.

2.3 Communicate with the Public and Media:

The Vice President of Market Strategy in coordination with FRCC, will:

- 2.3.1 Issue updated news statements.
- 2.3.2 Continue announcements telling customers how to conserve electricity.

2.4 Communicate with Governmental Agencies/Officers:

The Vice President of Market Strategy will update the Mayor's Office, President of City Council, and the City's Emergency Operations Center (EOC) (Civil Defense).

2.5 Waive Environmental Restrictions:

No new action required.

2.6 Curtail JEA Usage:

- 2.6.1 Reduce energy use by at least 20 percent.
- 2.6.2 Discontinue the use of lunchrooms and kitchens. Turn off 25 percent of exterior lights. Turn off hot water heaters.
- 2.6.3 Reset and lock all air conditioning and heating thermostats to 80° and 65°, respectively.

2.7 Promote Load Conservation:

2.7.1 Voluntary

- 2.7.1.1. Request residential and commercial customers to cut back on non-essential usage and adjust thermostat levels five degrees lower than normal (during the heating season), and five degrees higher than normal (during the cooling season).
- 2.7.1.2 Request customers to temporarily discontinue use of indoor advertising devices, outdoor displays, flood lighting (except where essential for safety and security).
- 2.7.1.3 Request all customers to reduce their kilowatt-hour usage by at least 15 percent.

2.7.2 Mandatory.

Request ban of all nighttime sporting activities; closing of all lighted parks, tennis courts, golf courses, etc.; elimination of non-essential outdoor advertising lighting.

2.8 Utilize Load Control:

PLAN VI

Where applicable, increase cycle times with controlled water heaters, space heating, swimming pool pumps, and air conditioners to one hour off every four hours.

2.9 Modify System Operation:

- 2.9.1 Modify unit dispatch to load units with obtainable fuels and then load units, which burn fuel in short supply.
- 2.9.2 Where possible, cycle units fueled by short supply fuel off line, and still allow the same demand and energy output but at a better heat rate and consume less station service.
- 2.9.3 Purchase power when it will extend availability of fuel in short supply, where economically feasible.

2.10 Curtail Firm Load:

No action required.

3.0 PROCEDURES FOR STEP C - FUEL SUPPLY FOR 10 TO 15 DAYS

If the following items have occurred, additional measures should be implemented:

1. JEA's inventoried fuel supply at a plant site has decreased to the range of 10 to 15 days,
2. alternate fuel supply is not projected to be available in sufficient quantities,
3. alternate power from outside JEA's electric system is not projected to be available in sufficient quantities,
4. alternate JEA generating resources are not projected to be capable of providing sufficient replacement power and
5. a continued downward trend in the inventoried fuel supply in item 1 is anticipated.

The following are the additional measures that should be implemented:

3.1 Expedite Fuel Procurement:

Fuel Management Services will locate and purchase any fuel available which can be satisfactorily burned in JEA power plants and helps correct the emergency.

3.2 Communicate Internally:

The Vice President of Market Strategy will issue a bulletin to update employees.

3.3 Communicate with the Public and Media:

The Vice President of Market Strategy, in coordination with FRCC, will:

- 3.3.1 Issue updated news statements.
- 3.3.2 Continue conservation announcements.

3.4 Communicate with Governmental Agencies/Officers:

The Vice President of Customer Relationship will update the Mayor's Office, President of City Council, and the City's Emergency Operations Center (EOC) (Civil Defense).

3.5 Waive Environmental Restrictions:

No new action required.

3.6 Curtail JEA Usage:

- 3.6.1 Discontinue use of air conditioning units serving large areas with a small number of people by moving people.
- 3.6.2 Turn off at least 50 percent of all exterior lights and discontinue the use of non-essential house facilities.

3.7 Promote Load Conservation:

3.7.1 Voluntary

- 3.7.1.1. Request residential customers to further reduce energy consumption by stopping use of certain electrical services such as air conditioning, heating, water heaters, washers, dryers, dishwashers, and other convenience devices and equipment.
- 3.7.1.2 Request air-conditioned offices and buildings (other than critical services such as hospitals) to lower their thermostat setting to 65° (during the heating season), and raise them to 80° (during the cooling season).
- 3.7.1.3 Request commercial establishments, institutional facilities, public and private schools, office buildings, and industrial plants to reduce their consumption, which may require reduction in operating hours.
- 3.7.1.4 Encourage customer use of generation in alternate energy supply.
- 3.7.1.5 Request all commercial and industrial customers to reduce kilowatt-hour usage by 30 percent.

3.7.2 Mandatory (Request to Mayor)

- 3.7.2.1 Request commercial establishments to ban all non-essential use of hot water.

3.7.2.2 Request elimination of window and display lighting.

3.7.2.3 Request ban of all air conditioning and heating during non-use hours and in unoccupied areas of commercial establishments.

3.8 Utilize Load Control:

Increase cycle times two to four hours off during every two to six hour period.

3.9 Modify System Operation:

3.9.1 Reduce firm sales to other utilities to a minimum.

3.9.2 Implement emergency line rating to increase import capability.

3.9.3 Purchase power when it will extend availability of fuel in short supply.

3.9.4 Purchase short-term energy other than peaker energy when it will extend the availability of fuel in short supply.

3.9.5 Lower system distribution voltage two to three percent, where it is expedient to do so.

3.10 Curtail Firm Load:

No action required.

4.0 PROCEDURES FOR STEP D - FUEL SUPPLY FOR 5 TO 10 DAYS

If the following items have occurred, additional measures should be implemented:

1. JEA's inventoried fuel supply at a plant site has decreased to the range of 5 to 10 days,
2. alternate fuel supply is not projected to be available in sufficient quantities,
3. alternate power from outside JEA's electric system is not projected to be available in sufficient quantities,
4. alternate JEA generating resources are not projected to be capable of providing sufficient replacement power and
5. a continued downward trend in the inventoried fuel supply in item 1 is anticipated.

The following are the additional measures that should be implemented:

4.1 Expedite Fuel Procurement:

Fuel Management Services will investigate all possible fuel supply sources in search of any usable fuel that helps correct the emergency.

4.2 Communicate Internally:

The Vice President of Market Strategy will issue a bulletin emphasizing the firm load curtailment customers will experience, rotating blackouts, and why.

4.3 Communicate with the Public and Media:

The Vice President of Market Strategy, in coordination with FRCC, will issue updated news statements explaining the use of rotating blackouts, what the firm load curtailment customers will experience and the reasons that load curtailment actions are being taken..

4.4 Communicate with Governmental Agencies/Officers:

The Vice President of Market Strategy will update the appropriate Governmental Agencies/Officers, and particularly advise them of firm load curtailment and its impact on activities.

4.5 Waive Environmental Restrictions:

No new action required.

4.6 Curtail JEA Usage:

Eliminate all but critical air conditioning and heating: such as, microwave and computer facilities.

4.7 Promote Load Conservation:

4.7.1 Voluntary - Request that all commercial and industrial customers reduce their kilowatt-hour usage by at least 50 percent.

4.7.2 Mandatory - No new action required.

4.8 Utilize Load Control - Increase all cycle periods from six to ten hours.

4.9 Modify System Operation:

4.9.1 Reduce firm sales to other utilities to zero.

4.9.2 Purchase any available energy that would extend the supply of fuel in short supply.

4.10 Curtail Firm Load:

Implement circuit load rotation. The implementation of load rotation will result in the interruption of electrical service to our customers on a rotating basis. Periods of interruption of electrical service will be rotated among the service areas so that no one area will be without electricity for an unduly long period. Selection of areas to be interrupted will be made by the Company operating personnel in the exercise of their judgment according to the circumstances existing at the time of emergency. Whenever possible, during such emergency, JEA will give priority for service to hospitals, military installations, major airports, police, fire, critical telephone exchanges, TV stations, water and sewer facilities, and where no emergency power is available.

5.0 PROCEDURES FOR STEP E - FUEL SUPPLY FOR 0 TO 5 DAYS

If the following items have occurred, additional measures should be implemented:

1. JEA's inventoried fuel supply at a plant site has decreased to the range of 0 to 5 days,
2. alternate fuel supply is not projected to be available in sufficient quantities,
3. alternate power from outside JEA's electric system is not projected to be available in sufficient quantities,
4. alternate JEA generating resources are not projected to be capable of providing sufficient replacement power and
5. a continued downward trend in the inventoried fuel supply in item 1 is anticipated.

The following are the additional measures that should be implemented:

5.1 Expedite Fuel Procurement:

No new action required.

5.2 Communicate Internally:

The Vice President of Market Strategy will issue updated bulletins.

5.3 Communicate with the Public and Media:

The Vice President of Market Strategy, in coordination with FRCC, will issue updated news statements.

5.4 Communicate with Governmental Agencies/Officers:

The Vice President of Customer Relationship will update appropriate Governmental Agencies/Officers.

5.5 Waive Environmental Restrictions:

No new action required.

5.6 Curtail JEA Usage:

No new action required.

5.7 Promote Load Conservation:

No new action required.

5.8 Utilize Load Control

No new action required.

5.9 Modify System Operation:

Bulk Power Operations Group will:

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

5.9.2 Implement plans to insure power availability to all power plants and fuel handling facilities.

5.10 Curtail Firm Load:

No new action required.

Signature:

s/ Garry W. Baker