

060000

Matilda Sanders

ORIGINAL

From: Karen.Culpepper@fmpa.com
Sent: Tuesday, April 11, 2006 1:44 PM
To: Filings@psc.state.fl.us
Subject: Filing for Docket 060266-EU
Attachments: PSC Dkt. 060266-EU.pdf

-Hi Matilda,

Attached for filing is **Florida Municipal Power Agency's Amended Fuel Emergency Plan** which supplements and replaces the original plan filed on February 7, 2006, and a cover letter.

This is PSC Docket number 060266-EU. The plan and cover letter comprise four (4) pages. Please contact me either by email or telephone if you have any questions.

As always, thank you for your assistance!

Karen

Karen R. Culpepper, CLA
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03249 APR 11 08
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Florida Municipal Power Agency

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Jody Lamar Finklea
Assistant General Counsel | Manager of Legal Affairs

ELECTRONIC FILING

April 11, 2006

Ms. Blanca S. Bayó, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 10
Tallahassee, FL 32399-0850

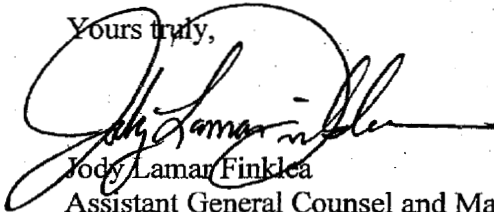
Re: PSC Docket 060266-EU

Dear Ms. Bayó:

We are filing an amended Fuel Emergency Plan which supplements and replaces the Agency's earlier electronic filing on February 7, 2006. This Plan properly indicates the retirement dates of certain of the listed units.

If you have any questions or require further information, please advise.

Yours truly,



Jody Lamar Finklea
Assistant General Counsel and Manager of Legal Affairs

cc: Parties of Record

DOCUMENT NUMBER - DATE
03249 APR 11 2006
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FLORIDA MUNICIPAL POWER AGENCY FUEL EMERGENCY PLAN

Florida Municipal Power Agency (FMPA) is a non-profit, governmental joint-action agency consisting of 29 municipalities. FMPA, under the All-Requirements Project (ARP), supplies all energy requirements for the Cities of Ocala, Leesburg, Bushnell, Jacksonville Beach, Green Cove Springs, Clewiston, Vero Beach, Ft. Pierce, Key West, Starke, Havana, Newberry, Fort Meade, Lake Worth and the Kissimmee Utility Authority (KUA). In supplying this power, FMPA has various resources in its portfolio. These power resources include purchases from other utilities, FMPA generation and non-FMPA generation. (The terms "FMPA generation" and "Non-FMPA generation" do not refer to whether FMPA has an ownership interest in a particular power resource; instead these terms delineate between power resources under FMPA's operational control, FMPA generation, and those power resources not under FMPA's operational control, non-FMPA generation.) The generating resources that FMPA controls are units located at Vero Beach, Ft. Pierce, Key West, Lake Worth and KUA. These units, the MW capacity of each unit and the types of fuel available for each unit are listed in Attachment A. For non-FMPA generating units, the Owner-Operator is responsible for the fuel supply.

This fuel emergency plan details how FMPA anticipates handling different fuel emergencies for FMPA generation while serving the electrical needs of the All-Requirements municipalities. There are two types of fuel that can be used in these generating units - natural gas and oil. Due to the oil embargo in the 1970's and the gas pipeline rupture in 1998, FMPA is developing this plan to handle constraints on either of the two fuels. This plan will be enacted if the State of Florida and/or FRCC declares a fuel emergency.

- **Natural Gas Emergency Plan**

When one or more natural gas pipelines are severely constrained, Florida Gas Transmission, Inc. (FGT) or Gulfstream is required to notify FMPA of the constraint on their pipeline and inform FMPA of the amount of natural gas available. Immediately upon notification of the constraint, FMPA will implement its plans to reduce its natural gas usage on the affected line(s). The plan is as follows:

1. During the time of the fuel emergency, any purchase power available shall be utilized to the extent appropriate, taking into account relevant surrounding factors. All load management and interruptible load will be implemented and all non-firm sales will be terminated. Any natural gas available on the alternate pipeline will be utilized as deemed appropriate.
2. If more natural gas reduction is required, switching will be initiated on all Vero Beach units and KUA Hansel and Cane Island units from natural gas to an alternate fuel.

3. If further natural gas reduction is required, Key West will be notified to start all units. Vero Beach and Ft. Pierce will begin to take all units using natural gas off up to the MW amount that equals the amount supplied by the Key West units.
4. If more natural gas reduction is required, acquire the proper authorization from Florida Department of Environmental Protection (DEP) to allow the generating units to violate their stated permits.
5. If all the above options have been utilized and FMPA is still using too much natural gas, FMPA will call on the other utilities for emergency power. If emergency power is available, FMPA will purchase the necessary amount of emergency power and reduce the natural gas fired units by the amount of MWs purchased.
6. If FMPA is still above the natural gas restriction after all of these steps, FMPA will declare an emergency and go to its Capacity Emergency Plan for reducing load.

- Fuel Oil Emergency Plan

Fuel oil is stored at all the generating sites mentioned previously. In general, for generation that can utilize natural gas, enough fuel oil is on site to run a unit at 50% capacity factor for approximately 5 to 10 days except for Ft. Pierce. At Ft. Pierce, some of the units are not permitted (due to environment constraints) to use fuel oil unless natural gas is not available. As such, only enough fuel oil is on site at Ft. Pierce for the units to run at a 25% capacity factor for approximately 5 to 10 days. If fuel oil shipments are delayed due to unforeseen circumstances, FMPA has several days to implement a change to alternate fuels. During that time period, FMPA will analyze the situation and determine the best plan to ensure reliability in the most cost efficient manner. FMPA will utilize all alternate fuels and aggressively seek out purchase power to prevent power interruption.

Under any fuel emergency, FMPA plans to work with all utilities to prevent power interruption to any customer. If alternative fuels and purchase power are not available, FMPA will implement its Capacity Emergency plan to prepare for the possibility of reducing load. The Capacity Emergency plan provides for notification to the State of Florida and the FRCC and provides for the method of reducing load.

ATTACHMENT A

Operating Utility	Unit and MW Capability	Primary Fuel	Alternate Fuel
Vero Beach	Vero #1 - 11 MW	Natural Gas	None
	Vero #2 (Heat Recovery unit) - 15 MW	None	None
	Vero #3 - 33 MW	Natural Gas	Oil
	Vero #4 - 54 MW	Natural Gas	Oil
	Vero #5 - 35 MW	Natural Gas	Oil
Ft. Pierce	King #5 (Heat Recovery unit) - 10 MW	None	None
	King #7 - 28 MW	Natural Gas	Oil*
	King #8 - 46 MW	Natural Gas	Oil*
	King #9 - 21 MW	Natural Gas	Oil
	King Diesels - 5 MW	Oil	
Key West	Key West Ct #1 - 17 MW	Oil	
	Key West Ct #2, #3 - 34 MW	Oil	
	Medium Speed Diesels #1, #2 - 11 MW	Oil	
	High Speed Diesels #1, #2, #3 - 4.5 MW	Oil	
	CudJoe #1, #2 - 3 MW - expected retire by 10/1/06	Oil	
	Big Pine - 1.5 MWs - expected retire by 10/1/06	Oil	
Lake Worth	T. G. Smith S-2 (Heat Recovery Unit)- 20 MW	None	None
	T. G. Smith S-3 - 26 MW	Natural Gas	Oil
	T. G. Smith GT 5 - 10 MW	Natural Gas	Oil
	T. G. Smith GT 1 - 31 MW	Oil	
	T. G. Smith MUs - 10 MW	Oil	
KUA	Hansel 8 - 2 MW - unit retired 10/01/05	na	na
	Hansel 14 - 2 MW - unit retired 10/01/05	na	na
	Hansel 15 - 2 MW - unit retired 10/01/05	na	na
	Hansel 16 - 2 MW - unit retired 10/01/05	na	na
	Hansel 17 - 2 MW - unit retired 10/01/05	na	na
	Hansel 18 - 2 MW - unit retired 10/01/05	na	na
	Hansel 19 - 2.5 MW - unit retired 10/01/05	na	na
	Hansel 20 - 2.5 MW - unit retired 10/01/05	na	na
	Hansel CC - 45 MW	Natural Gas	Oil
	KUA	Cane Island CT #1 - 30 MW	Natural Gas
Cane Island CC #2 - 120 MW		Natural Gas	Oil
Cane Island CC #3 - 240 MW		Natural Gas	Oil

* Approval required by the Department of Environmental Protection