

ORIGINAL

SQUIRE, SANDERS & DEMPSEY L.L.P.

Including
STEEL HECTOR & DAVIS LLP

215 South Monroe Street, Suite 601
Tallahassee, Florida 32301-1804

Office: +1.850.222.2300
Fax: +1.850.222.8410

SQUIRE SANDERS | LEGAL
COUNSEL
WORLDWIDE

cguyton@ssd.com

May 26, 2006

VIA HAND DELIVERY

Blanca S. Bayó, Director
Division of the Commission Clerk &
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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05 MAY 26 PM 4: 57
COMMISSION
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Re: Docket No.: 060220-EC

Dear Ms. Bayó:

In lieu of errata sheets, enclosed for filing on behalf of Seminole Electric Cooperative, Inc. are the original and fifteen (15) copies of revised pages of its Need Study and various direct testimonies. The following revised pages should be substituted:

- (1) Need Study – pages 2, 19, 33, 34, 43, 50, 73, 74, 78, and 81; 04646-06
- (2) Direct Testimony of Timothy S. Woodbury – page 17; 04647-06
- (3) Direct Testimony of Michael P. Opalinski – pages 8, 10, 12 and 13; 04648-06
- (4) Direct Testimony of William T. Lawton - pages 3 and 7; 04649-06
- (5) Direct Testimony of Lane Mahaffey – pages 8 and 21; and 04650-06
- (6) Direct Testimony of Wm. Jack Reid – page 5 04657-06

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If there are any questions regarding this transmittal, please contact me at 222.2300.

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Blanca S. Bayó, Director
May 26, 2006
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SQUIRE, SANDERS & DEMPSEY L.L.P.
Including
STEEL HECTOR & DAVIS LLP

Very truly yours,

SQUIRE, SANDERS & DEMPSEY L.L.P.



Charles A. Guyton
Partner

CAG:gcm

Enclosure

Copy to: Martha Carter Brown, Esq. (w/enclosures)
Lee Colson (w/enclosures)

TALLAHASSEE/55458.1

1 of the options being considered, 2012, the fuel forecasts used only long term
2 pricing provided by Global Insights.

3

4 Seminole develops internally the projections of fuel transportation costs (including
5 related services) that are not presently covered by contract. Fuel transportation
6 includes costs paid directly to transporters (railroads, pipelines, trucking
7 companies, etc.) plus the costs for related services required to deliver fuels to
8 Seminole (i.e., railcars, import terminal services). When a contract renewal is
9 required, Seminole analyzes market conditions and historic price increases to
10 insure that future costs reflect and provide for such events.

11

12 **Q. Does Seminole consider fuel price volatility in the future planning of its**
13 **operations?**

14 A. Yes. Seminole utilizes sensitivity analyses to assure that its plans are resilient to
15 market shifts and robust relative to fuel price uncertainty. As described further in
16 Mr. Mahaffey's testimony, Seminole has used a combination of qualitative and
17 quantitative techniques to assess the risks associated with fuel price uncertainty.
18 Seminole also seeks to maintain a diverse fuel supply portfolio, which combines
19 long-term and short-term commitments as a hedge against market uncertainty.

20