

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING



DIVISION OF APPEALS
DAVID E. SMITH
DIRECTOR
(904) 413-6245

ORIGINAL
FILE COPY

Public Service Commission

June 26, 1997

Mr. Carroll Webb
Joint Administrative Procedures
Committee
120 Holland Building
Tallahassee, Florida 32399

Re: Docket No. **960111-EU** - Proposed Rules 25-22.070, 25-22.071, and 25-22.072, F.A.C., Contents Submission, and Review of Ten-Year Site Plans

Dear Mr. Webb:

Enclosed are an original and two copies of the following materials concerning the above referenced proposed rule:

1. A copy of the rules and the form incorporated by reference into the rule.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rules.
4. A federal standards statement.
5. A statement of estimated regulatory costs.

If there are any questions with respect to these rules, please do not hesitate to call me.

Sincerely,

Christiana T. Moore
Christiana T. Moore
Associate General Counsel

ADM10SITE.MRD
Enclosures
cc: Division of Records & Reporting

ACK _____
 AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG _____
 LIN _____
 PC _____
 CH _____
 EC _____
 MS _____
 TH _____

DOCUMENT NUMBER-DATE
 06445 JUN 26 97
 FPSC-RECORDS/REPORTING

1 25-22.070 Ten-Year Site Plans - Definitions.

2 (1) "Electric Utility" means any municipal electric utility,
3 investor-owned electric utility, rural electric cooperative, public
4 utility district, joint operating agency, or combinations thereof,
5 that owns, maintains, or operates an electric generation,
6 transmission, or distribution system within the state.

7 (2) "Power Plant" means any electrical generating facility
8 using any process or fuel, including nuclear materials, and shall
9 include those directly associated transmission lines required to
10 connect to an existing transmission network.

11 (3) "Directly Associated Transmission Lines" means only new
12 corridors and transmission lines from the power plant to the first
13 structure on an existing transmission system.

14 (4) "Potential Sites" are sites within the state that an
15 electric utility is considering for possible location of a power
16 plant, a power plant alteration, or an addition resulting in an
17 increase in generating capacity.

18 (5) "Preferred Sites" are sites within the state on which an
19 electric utility intends to construct a power plant, a power plant
20 alteration, or an addition resulting in an increase in generating
21 capacity.

22 Specific Authority: 350.127(2), 186.801(4) F.S.

23 Law Implemented: 186.801, 366.04(5), F.S.

24 History: New _____.

25

CODING: Words underlined are additions; words in
~~struck-through~~ type are deletions from existing law.

1 25-22.071 Submission and Review of the Ten-Year Site Plans.

2 (1) Filing Requirements:

3 (a) All electric utilities in the State of Florida with
4 existing generating capacity of 250 mW or greater shall prepare a
5 ten-year site plan, and submit 25 copies to the Florida Public
6 Service Commission's Division of Records and Reporting on the first
7 working day of April of each year, unless extended. The plan shall
8 date from December 31 of the prior calendar year.

9 (b) Any electric utility, other than those filing ten-year
10 site plans pursuant to (1)(a), that elects to construct an
11 additional generating facility exceeding 75 mW gross generating
12 capacity shall prepare a ten-year site plan, and submit 25 copies
13 to the Public Service Commission's Division of Records and
14 Reporting in the year the decision to construct is made or at least
15 three years prior to application for site certification, and every
16 year thereafter until the facility becomes fully operational.

17 (2) The Commission will provide a copy of the ten-year site
18 plans to appropriate federal, state, and local agencies, water
19 management districts, and regional planning councils.

20 (3) The Commission will solicit comments from various
21 federal, state, and local agencies, water management districts, and
22 regional planning councils regarding the individual utility ten-
23 year site plans. Any written comments shall be filed with the
24 Commission within 60 days from the date of receipt of the plans.
25 The state agencies from which comments will be solicited will

CODING: Words underlined are additions; words in
~~struck-through~~ type are deletions from existing law.

1 include:

2 (a) The Department of Environmental Protection.

3 (b) The Department of Transportation.

4 (c) The Department of Agriculture and Consumer Services.

5 (d) The Department of Health.

6 (e) The Game and Fresh Water Fish Commission.

7 (f) The Board of Trustees of the Internal Improvement Trust

8 Fund.

9 (g) The Department of Community Affairs.

10 (4) The Commission will complete its review of the plans
11 within nine months following submission and will report its
12 findings, along with any comments or recommendations, to the
13 Florida Department of Environmental Protection and the utilities
14 filing a plan. Other agencies to which the Commission sent the
15 plan for review, and other entities may request a copy of the
16 review from the Division of Electric and Gas, 2540 Shumard Oak
17 Boulevard, Tallahassee, Florida 32399.

18 (5) Plans that have been previously classified by the
19 Commission as unsuitable may be classified suitable based on
20 additional data.

21 (6) The electric utilities in Florida shall compile aggregate
22 statewide and peninsular Florida (the area east of the Apalachicola
23 River) data derived from the individual electric utility base case
24 ten-year site plans and shall submit this data to the Commission by
25 July 1 of each year.

CODING: Words underlined are additions; words in
~~struck through~~ type are deletions from existing law.

1 | Specific Authority: 350.127(2), 186.801(4) F.S.

2 | Law Implemented: 186.801, 366.04(5), 366.05(7) F.S.

3 | History: New _____.

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

1 25-22.072 Contents of Ten-year Site Plans.

2 (1) Individual electric utility ten-year site plans required
3 by Rule 25-22.071 shall include at a minimum the information listed
4 in Form PSC/EAG 43. Form PSC/EAG 43 (/97), entitled "Electric
5 Utility Ten-Year Site Plan Information and Data Requirements," is
6 incorporated by reference into this rule and is available from the
7 Division of Electric and Gas.

8 (2) When an application for certification of a preferred site
9 for a proposed facility has been filed with the Department of
10 Environmental Protection, no further environmental or land use data
11 shall be submitted to the Commission for that site.

12 Specific Authority: 350.127(2), 186.801(4) F.S.

13 Law Implemented: 186.801, 366.04(5), 366.05(7) F.S.

14 History: New _____.

15
16
17
18
19
20
21
22
23
24
25

CODING: Words underlined are additions; words in
~~struck-through~~ type are deletions from existing law.

State of Florida

Public Service Commission

ELECTRIC UTILITY TEN-YEAR SITE PLAN

INFORMATION AND DATA REQUIREMENTS

Form PSC/EAG 43

(/97)

ELECTRIC UTILITY TEN-YEAR SITE PLAN
INFORMATION AND DATA REQUIREMENTS

The Public Service Commission is responsible for ensuring that Florida's electric utilities plan, develop, and maintain a coordinated electric power grid throughout the state. The Commission also must ensure that electric system reliability and integrity is maintained, that adequate electricity at a reasonable cost is provided, and that plant additions are cost-effective. In order to carry out these responsibilities, the Commission must have information sufficient to assure that an adequate, reliable, and cost-effective supply of electricity is planned and provided. To that end, the Ten-Year Site Plan shall include at a minimum the information and data specified in this form. Where numbered schedules are listed, the data required shall be reported on the schedules:

Description of Existing Facilities

A description of each existing generating and transmission facility shall be provided in the ten-year site plan to permit an evaluation of the capabilities of existing electric utility resources. The information to be provided shall include at least:

1. A description of electric power generating facilities.
2. Schedule 1: A tabular display of existing generating facilities as of December 31 of the year prior to the year the plan is filed.
3. An electric system map or maps showing all transmission lines with voltage rating of 230 kV or greater and all interties

with voltage rating of 69 kV or greater.

4. A map showing the reporting electric utility's service area, where service area is defined as all areas in which the reporting utility provides electric service at both distribution and transmission levels.

Forecast of Electric Power Demand, and
Energy Consumption

The demand forecast provides a key element of the demonstration of the reliability need for additional generating capacity. The following data shall be provided for a ten year historical period and a ten year forecast period unless otherwise noted:

1. Schedules 2.1, 2.2, 2.3: Tabular displays of energy consumption (GWH) and number of customers by customer classification (residential, commercial, industrial, and other) within the reporting electric utility's service area. Other sales and purchases within the state and out-of-state shall be included and identified.

2. Schedules 3.1, 3.2, 3.3: Tabular displays of base case winter and summer peak demand (MW), and net energy for load (GWH) in the reporting service area. Provide, if available, high and low ten year load forecasts of winter and summer peak demand, and net energy for load in the reporting service area based upon high and low rates of economic growth, using the format of tables 3.1-3.3. Provide the major assumptions for each growth scenario. If banded forecasts are not available, describe how the forecasts are tested for sensitivity to varying economic conditions and customer growth

rates. Provide the forecast sensitivities for winter and summer peak demand, and net energy for load. The tables shall include electric utility-sponsored residential and commercial/industrial Demand Side Management (DSM) data.

3. Schedule 4: A tabular display of monthly peak demand and net energy for load for the most recent calendar year that actual data is available and for the first two forecast years.

4. Schedule 5: A base case ten year fuel quantity forecast, in volumetric units such as tons of coal, cubic feet of natural gas, and barrels of oil for all fuels used to generate electricity at the electric utility generating facilities. The data shall be further broken down by type of unit within fuel type such as Combined Cycle (CC), Combustion Turbine (CT), and Steam. Include the most recent two years of actual data.

5. Schedules 6.1, 6.2: A base case ten year forecast showing the annual net energy for load (GWH), broken down by fuel type. Include separate categories for purchases from other utilities and for purchases from non-utility generators. The data shall be further broken down by type of unit within fuel type such as CC, CT, and Steam. Include the most recent two years of actual data. Also, convert the data described above into percent of net energy for load.

Forecasting Methods and Procedures

Each electric utility shall provide documentation of the forecasting procedures used and the rationale for their use. Describe the types of data and data sources used, and discuss any significant assumptions and informed judgments implicit in the forecast.

Forecast of Facilities Requirements

Each electric utility submitting a ten-year site plan shall illustrate how its existing and proposed generating facilities will provide for the forecasted load. The capacity forecast shall consider all existing generating capability and all plants currently under construction, and compare this total capability to projected demand plus required reserves to determine requirements for additional generating facilities. The requirements forecast shall identify all such facilities whose commercial operation is expected during the ten-year period following December 31 of the forecast year. Specific information to be provided in the forecast of facilities requirement shall include:

1. Schedules 7.1, 7.2: Tabular displays listing a ten-year projection of electric capacity, and summer and winter peak demand with resulting reserve margins.

2. Schedule 8: A tabular display of the generating unit additions and changes, including unit specific data for each unit which is expected to commence commercial operation during the ten-year forecast period.

3. Schedule 9: A status report and specifications of

proposed generating facilities.

4. **Schedule 10:** A status report and specifications of proposed directly associated transmission lines corresponding with proposed generating facilities.

5. Identify the supply-side resources, by year and type, that will need to be constructed by the electric utility or purchased from a non-utility source, after fully integrating cost-effective demand-side resources for the ten-year planning horizon. Include any repowerings, life extensions, and purchases from electric utility and non-utility sources.

Other Planning Assumptions and Information

The ten year site plan shall provide sufficient information to assure the Commission that an adequate and reliable supply of electricity at the lowest cost possible is planned for the state's electric needs. In addition to the data requirements previously identified, the ten-year site plan shall address the following specific areas of the plan including planning assumptions and plan sensitivity.

1. Describe how any transmission constraints were modeled and explain the impacts on the plan. Discuss any plans for alleviating any transmission constraints.

2. Discuss the extent to which the overall economics of the plan were analyzed. Discuss how the plan is determined to be cost-effective. Discuss any changes in the generation expansion plan as a result of sensitivity tests to the base case load forecast.

3. Explain and discuss the assumptions used to derive the

base case fuel price forecast. Explain the extent to which the utility tested the sensitivity of the base case plan to high and low fuel price scenarios. If high and low fuel price sensitivities were performed, explain the changes made to the base case fuel price forecast to generate the sensitivities. If high and low fuel price scenarios were performed as part of the planning process, discuss the resulting changes, if any, in the generation expansion plan under the high and low fuel price scenario. If high and low fuel price sensitivities were not evaluated, describe how the base case plan is tested for sensitivity to varying fuel prices.

4. Describe how the sensitivity of the plan was tested with respect to holding the differential between oil/gas and coal constant over the planning horizon.

5. Describe how generating unit performance was modeled in the planning process.

6. Describe and discuss the financial assumptions used in the planning process. Discuss how the sensitivity of the plan was tested with respect to varying financial assumptions.

7. Describe in detail the electric utility's Integrated Resource Planning process. Discuss whether the optimization was based on revenue requirements, rates, or total resource cost.

8. Define and discuss the electric utility's generation and transmission reliability criteria.

9. Discuss how the electric utility verifies the durability of energy savings for its DSM programs.

10. Discuss how strategic concerns are incorporated in the

planning process.

11. Describe the procurement process the electric utility intends to utilize to acquire the additional supply-side resources identified in the electric utility's ten-year site plan.

12. Provide the transmission construction and upgrade plans for electric utility system lines that must be certified under the Transmission Line Siting Act (403.52 - 403.536, F.S.) during the planning horizon. Also, provide the rationale for any new or upgraded line.

Environmental and Land Use Information

1. The following information on potential sites for each new generating facility identified in the requirements forecast shall be provided if the utility has obtained a price for the site either through purchase, option, or other means:

a. A United States Geological Survey map at a scale of 1 inch:24,000 feet showing the general location of the potential site.

b. A description of the existing land use(s) of the site and adjacent area.

c. A description of the general environmental features in the vicinity of the site (i.e., wetlands, uplands, water bodies, other unique features, etc.).

d. A description of projected quantities of water needed for the following uses:

- 1) Industrial processing;
- 2) Industrial cooling;

3) Other uses (such as domestic, irrigation, other potable or non-potable uses).

e. A description of potential water supply sources by type (including ground, surface, reclaimed wastewater, other) for each of the above uses.

2. The following information on each identified preferred site for each required facility shall be provided if the utility has obtained a price for the site either through purchase, option, or other means. These sites shall be fully disclosed in the ten-year site plan as soon as all parcels of land making up the site have either been purchased by, or are under option to, the utility or are the subject of condemnation proceedings.

Land and Environmental Features

a. A United States Geological Survey map at a scale of 1 inch:24,000 feet showing the general location of the preferred site.

b. A map showing the general layout of the proposed facilities on the preferred site.

c. A map of the preferred site and adjacent areas in the vicinity of the preferred site, showing the level III, (or if level III is not available, the level II), Florida Land Use, Cover and Forms Classification System (FLUCCS) land use cover.

d. A description of the existing land use(s) of the preferred site and adjacent areas.

e. A description of the general environmental features on and in the vicinity of the site (i.e., wetlands, uplands, water

bodies, other unique features, etc.), including the following:

- 1) A description of the natural environment, including the types and acreages of the wetland systems, upland systems, water bodies, etc.;
- 2) A description of all known state and federally listed wildlife and plant species listed as threatened, endangered, or species of special concern;
- 3) A statement indicating whether all or portions of the preferred site have been designated by the applicable regional planning council(s) as a natural resource of regional significance in their Strategic Regional Policy Plan(s);
- 4) A description of any other significant features on the preferred site.

f. A description of the design features and mitigation options being considered in the development of the preferred site.

g. A description of local government future land use designations for the site and adjacent areas.

h. A description of the criteria used in the site selection process and the conclusions that resulted in the selection of the preferred site over other potential sites, including consideration of existing or proposed utility and other linear corridors.

Water Supply

i. A general description of the existing ground and surface water resources of the preferred site and adjacent areas, including a description of any water resource caution areas identified by the

applicable water management district(s).

j. A description of the geologic features of the preferred site and adjacent areas.

k. A description of projected quantities of water needed for the following uses:

- 1) Industrial processing.
- 2) Industrial cooling.
- 3) Other uses (such as domestic, irrigation, other potable or non-potable uses).

l. A description of potential water supply sources by type (including ground, surface, reclaimed wastewater, other) for each of the uses listed in subsection k. To the extent known, identify the specific aquifers or surface water bodies being considered.

m. A general description of the available water conservation strategies that are being considered in the project design to minimize water demands, including a description of how they may influence the selection and design of the facility's cooling and processing methodologies.

n. A description of potential thermal, industrial, point, and non-point discharges and the applicable pollution control systems that are being considered in the project design to avoid or minimize the adverse impacts of the proposed facility.

o. A general description of any proposed fuel delivery and storage and solid or liquid waste disposal facilities and the applicable design features and pollution control systems that are being considered to avoid or minimize adverse impacts to ground and

surface water resources.

Air and Noise Emissions

p. Estimates of air emissions and a description of potential control systems that are being considered (or used) in the project design to avoid or minimize the adverse impacts of the proposed facility.

q. Estimates of noise emissions and a description of potential control systems that are being considered (or used) in the project design to avoid or minimize the adverse impacts of the proposed facility.

Other

3. Provide the status of the application for certification of the preferred site with the Department of Environmental Protection: certified, certification pending, or certification denied.

Schedule 1
Existing Generating Facilities
As of December 31, 19XX

Plant Name	Unit No.	Location	Unit Type	Fuel		Fuel Transport		Alt. Fuel Days Use	Commercial In-Service Month/Year	Expected Retirement Month/Year	Gen. Max. Nameplate KW	Net Capacity		
				Oil	Coal	Oil	Coal					Summer MW	Winter MW	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

**Schedule 2.1
History and Forecast of Energy Consumption and
Number of Customers by Customer Class**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
<u>Rural and Residential</u>						<u>Commercial</u>		
<u>Year</u>	<u>Population</u>	<u>Members per Household</u>	<u>GWH</u>	<u>Average No. of Customers</u>	<u>Average KWH Consumption Per Customer</u>	<u>GWH</u>	<u>Average No. of Customers</u>	<u>Average KWH Consumption Per Customer</u>

Schedule 2.2
History and Forecast of Energy Consumption and
Number of Customers by Customer Class

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<u>Year</u>	<u>GWH</u>	<u>Industrial Average No. of Customers</u>	<u>Average KWH Consumption Per. Customer</u>	<u>Railroads and Railways GWH</u>	<u>Street & Highway Lighting GWH</u>	<u>Other Sales to Public Authorities GWH</u>	<u>Total Sales to Ultimate Consumers GWH</u>

Schedule 2.3
History and Forecast of Energy Consumption and
Number of Customers by Customer Class

(1)	(2)	(3)	(4)	(5)	(6)
<u>Year</u>	Sales for Resale GWH	Utility Use & Losses GWH	Net Energy for Load GWH	Other Customers (Average No.)	Total No. of Customers

Schedule 3.1
History and Forecast of Summer Peak Demand
Base Case

<u>Year</u>	<u>Total</u>	<u>Wholesale</u>	<u>Retail</u>	<u>Interruptible</u>	<u>Residential Load Management</u>	<u>Residential Conservation</u>	<u>Comm./Ind. Load Management</u>	<u>Comm./Ind. Conservation</u>	<u>Net Firm Demand</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**Schedule 3.2
History and Forecast of Winter Peak Demand
Base Case**

<u>Year</u>	<u>Total</u>	<u>Wholesale</u>	<u>Retail</u>	<u>Interruptible</u>	<u>Residential Load Management</u>	<u>Residential Conservation</u>	<u>Comm./Ind. Load Management</u>	<u>Comm./Ind. Conservation</u>	<u>Net Firm Demand</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

Schedule 3.3
History and Forecast of Annual Net Energy for Load – GWH
Base Case

(1) Year	(2) Total	(3) Residential Conservation	(4) Comm./Ind. Conservation	(5) Retail	(6) Wholesale	(7) Utility Use & Losses	(8) Net Energy for Load	(9) Load Factor %
---------------------------	----------------------------	---	--	-----------------------------	--------------------------------	---	--	--

Schedule 4

Previous Year and 2-Year Forecast of Retail Peak Demand and Net Energy for Load by Month

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Month	Actual		Forecast		Forecast	
	Peak Demand MW	NEL GWH	Peak Demand MW	NEL GWH	Peak Demand MW	NEL GWH
January						
February						
March						
April						
May						
June						
July						
August						
September						
October						
November						
December						

**Schedule 6.2
Energy Sources**

	Energy Sources		Units		Actual		Actual		(16)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
(1) Annual Firm Interchange				%					
(2) Nuclear				%					
(3) Residual			Total	%					
(4)			Steam	%					
(5)			CC	%					
(6)			CT	%					
(7)			Diesel	%					
(8) Distillate			Total	%					
(9)			Steam	%					
(10)			CC	%					
(11)			CT	%					
(12)			Diesel	%					
(13) Natural Gas			Total	%					
(14)			Steam	%					
(15)			CC	%					
(16)			CT	%					
(17) Other (Specify)				%					
(18) Net Energy for Load				%					

**Schedule 7.1
Forecast of Capacity, Demand, and Scheduled Maintenance at Time of Summer Peak**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Year	Total Installed Capacity MW	Firm Capacity Import MW	Firm Capacity Export MW	OF MW	Total Capacity Available MW	System Firm Summer Peak Demand MW	Reserve Margin before Maintenance MW	Reserve Margin % of Peak	Scheduled Maintenance MW	Reserve Margin after Maintenance MW	Reserve Margin % of Peak

Schedule 9
Status Report and Specifications of Proposed Generating Facilities

- (1) Plant Name and Unit Number:
- (2) Capacity
 - a. Summer:
 - b. Winter:
- (3) Technology Type:
- (4) Anticipated Construction Timing
 - a. Field construction start - date:
 - b. Commercial In - service date:
- (5) Fuel
 - a. Primary fuel:
 - b. Alternate fuel:
- (6) Air Pollution Control Strategy:
- (7) Cooling Method:
- (8) Total Site Area:
- (9) Construction Status:
- (10) Certification Status:
- (11) Status with Federal Agencies:
- (12) Projected Unit Performance Data
 - Planned Outage Factor (POF):
 - Forced Outage Factor (FOF):
 - Equivalent Availability Factor (EAF):
 - Resulting Capacity Factor (%):
 - Average Net Operating Heat Rate (ANOHRR):
- (13) Projected Unit Financial Data
 - Book Life (Years):
 - Total Installed Cost (In - Service Year \$/KW):
 - Direct Construction Cost (\$/KW):
 - AFUDC Amount (\$/KW):
 - Escalation (\$/KW):
 - Fixed O&M (\$/KW - Y):
 - Variable O&M (\$/MWH):
 - K Factor:

Schedule 10
Status Report and Specifications of Proposed Directly Associated Transmission Lines

- (1) Point of Origin and Termination:**
- (2) Number of Lines:**
- (3) Right-of-Way:**
- (4) Line Length:**
- (5) Voltage:**
- (6) Anticipated Construction Timing:**
- (7) Anticipated Capital Investment:**
- (8) Substations:**
- (9) Participation with Other Utilities:**

MEMORANDUM

February 28, 1997

TO: DIVISION OF APPEALS (MOORE)

FROM: DIVISION OF RESEARCH AND REGULATORY REVIEW (CUTTING) *jcc*
CBW

SUBJECT: REVISED STATEMENT OF ESTIMATED REGULATORY COST FOR DOCKET No. 960111-EU,
PROPOSED RULES 25-17.085, 25-17.0851, AND 25-17.0852, FAC. TEN-YEAR SITE
PLANS

SUMMARY OF THE RULE

Until 1995, ten-year site plans were submitted to the Department of Community Affairs (DCA) by all utilities with existing generating capacity of 250 MW (or greater) and by other utilities with planned facilities greater than a 50 MW capacity. Since 1995, plans have been submitted to the Florida Public Service Commission, pursuant to s. 186.801(1), F.S. The Commission is required to evaluate the plans and classify them as suitable or unsuitable. The Commission will also solicit and accept comments from affected agencies regarding the plans.

Proposed Rules 25-17.085, 25-17.0851, and 25-17.0852, FAC, would implement the statutory requirement for electric utilities to submit ten-year site plans to the Commission. The plans include information on future power needs and the locations of potential and preferred sites for proposed power plants. The proposed rules are based on the DCA ten-year site plan rules. Substantive modifications to those rules include, but are not limited to, the following:

1. deletion of the statutory purpose;
2. references to DCA are changed to the Commission;
3. deletion of the filing fee schedule;
4. specific Department of Environmental Protection requirements have been deleted; and
5. a change in the minimum filing criteria from 50 MW to 75 MW gross generating capacity.

In addition to the changes listed above, Form PSC/EAG 43 has been developed and

made part of the proposed rule. The reporting schedules that comprise Form PSC/EAG 43 specify the content and reporting format of data that was previously submitted to the Commission in response to informal data requests. Finally, specific language describing the data points regarding air and noise emissions and water resources for preferred sites has been included in the proposed rules.

ESTIMATED NUMBER AND DESCRIPTION OF INDIVIDUALS AND ENTITIES REQUIRED TO COMPLY

The number of utilities filing a plan can change from year to year due to a decision to construct new generating capacity. As previously stated, utilities with a minimum of 250 mW of existing generating capacity must file annually. Under the proposed rule, all other utilities must file a plan in the year the decision is made to construct at least 75 mW of new generating capacity or at least three years prior to application for certification, and every year thereafter until the facility becomes fully operational. As of April 1, 1996, 11 utilities had submitted ten-year site plans. Of these, 4 were investor owned electric utilities, 5 were municipal electric companies and 2 were rural electric cooperatives.

DIRECT COSTS TO THE AGENCY AND OTHER STATE OR LOCAL GOVERNMENT ENTITIES

Commission staff expects additional administrative costs for distributing plans to local, state, and federal agencies, and other interested parties, and for review of the comments provided by those parties. However, the inclusion of Form PSC/EAG 43 in the ten-year site plan rules should reduce staff effort to obtain additional data that was previously supplied via informal data requests to the utilities.

Some utilities have stated that they may seek confidential treatment for certain data required by the rules. The Commission may incur costs associated with the disposition of confidentiality claims and the treatment of the data.

To the extent that the required environmental and land use data can be obtained and verified from publicly available sources (e.g., United States Geological Survey, Water Management Districts, etc.), there should be minimal additional costs to other state and local governmental entities as a result of the proposed rules. These entities

will also continue to have the opportunity to provide input on the ten-year site plans to the Commission.

ESTIMATED TRANSACTIONAL COSTS TO INDIVIDUALS AND ENTITIES REQUIRED TO COMPLY

On January 15, 1997, a data request was sent to 54 utilities, including investor owned electric utilities, rural electric cooperatives, municipal electric utilities, the Florida Electric Cooperatives Association, and the Florida Municipal Electric Association. The same request was also forwarded to the state water management districts, affected state agencies, and interested parties. The data request provided an opportunity to file comments on the entire proposed rule; however, it focused on the following sections: Environmental and Land Use Information; Land and Environmental Features; and Air and Noise Emissions. The following analysis is based on the 13 responses to the data request, discussions with other Commission staff, and the revised Economic Impact Statement submitted by the Division of Research and Regulatory Review on February 12, 1996, in this docket. Summary responses will be addressed in turn.

In general, reporting utilities would experience some increased level of effort and cost in providing the data required by the proposed rules. However, nonreporting utilities would benefit from the increase in the minimum new generating facility size criteria from 50 MW to 75 MW. All utilities would benefit from the deletion of the annual filing fee required by the DCA rules. This fee ranged from \$150 to \$1,000 depending on the megawatt hours of energy sold annually. Streamlined communications with other state agencies through the Commission should also benefit reporting utilities by reducing the number and cost of providing responses to informal data requests.

RESPONSES OF INVESTOR OWNED UTILITIES

Florida Power Corporation (FPC)

FPC stated that the inclusion of the phrase "...a power plant alteration, or an addition resulting in an increase in generating capacity" to the definitions of "Potential Sites" and "Preferred Sites" (see 25-17.085 (4) and (5), FAC) increases the scope of the definitions and would cause FPC to produce environmental data which

otherwise would not have been required. Estimated costs to comply with this requirement today were not submitted, but FPC estimates that costs could accumulate to approximately \$500,000 or more, depending on future resource plans.

FPC has a similar concern in the Other Planning Assumptions and Information section of the rule. The proposed rule requires that a utility describe how any transmission constraints were modeled and explain the impacts on the ten-year site plan. FPC stated that a ten-year site plan is "primarily a demand and supply information submittal and does not include an assessment of transmission constraints (redispatch costs)." FPC also believes that future market conditions will change, thus calling into question the analytical value of a transmission constraint study that would annually cost several hundred thousand dollars to create. FPC believes that a general discussion of these issues is sufficient for the ten-year site plan.

Florida Power & Light Company (FP&L)

Much of the analysis required by the proposed rule is already performed by existing FP&L personnel. However, FP&L estimates it will require an additional 2.5 man days to comply with the additional requirements of the three proposed rule sections listed in the data request.

Gulf Power Company (Gulf Power)

Similar to FP&L, Gulf Power currently performs many of the analyses required by the proposed rules. However, Gulf Power estimates that it will incur additional costs with regard to the following items:

1. Production of a service area map would cost in excess of \$2,000 for the first year with minimal update costs in the future.
2. Schedules 3.1, 3.2 and 3.3 of proposed Form PSC/EAG 43 call for tabular displays of base case winter and summer peak demand (MW), and net energy load (GWH) in the reporting service area; In addition, forecast sensitivities for these three cases are also required by the proposed rules. Gulf Power does not currently perform forecast sensitivities on an annual basis. If a suitable proxy is not available in a particular year, Gulf Power estimates its costs in the range of \$5,000 to \$7,000 to perform the sensitivity tests.
3. Schedule 9 of proposed Form PSC/EAG 43 requires information to be

submitted regarding proposed generating facilities. Gulf Power states that generic unit performance data is available but that if more specific data was required, additional costs would be incurred.

4. Given that Gulf Power does not typically study the transmission system in conjunction with its capacity resource needs, Gulf Power did not provide a dollar estimate for including in the plan a discussion of how transmission constraints were modeled and their impact on the plan. If something beyond including a discussion of the transmission system were required, Gulf Power would have to evaluate additional compliance costs.
5. Gulf Power estimates that the cost to produce all of the information requested for a potential site would be \$28,800.
6. Gulf Power estimates that the cost to produce all of the information requested for a preferred site would be \$75,600.
7. The proposed rules require that the information listed in items 5 and 6 be resubmitted annually in the ten-year site plan. Costs would be incurred to revise and update this material.

Tampa Electric Company (TECO)

TECO states that there would be minimal additional costs to prepare and submit the information required in the following sections of the proposed rules: Description of Existing Facilities, Forecast of Electric Power Demand, Energy Consumption, Forecasting Methods and Procedures, Forecast of Facilities Requirements. However, TECO states that it would be "unduly burdensome and would result in additional direct costs" to prepare and submit the data required in the sections titled: Other Planning Assumptions and Information, Environmental and Land Use Information, Land and Environmental Features, and Air and Noise Emissions. In addition, TECO states that the information required in the latter three sections "may not be relevant for a review of a Ten-Year Site Plan."

If required to comply, TECO estimates that the cost to provide the proposed Environmental and Land Use Information, Land and Environmental Features, and Air and Noise Emissions for potential and preferred sites is as follows: existing site - \$10,000 to \$15,000; and new (green field) site - \$25,000 to \$40,000. The cost estimate for a new site assumes that a site selection study was conducted, thereby providing a substantial amount of the required information.

RESPONSES OF MUNICIPAL ELECTRIC COMPANIES

Gainesville Regional Utilities (GRU)

GRU states that the information requested by the proposed rule amendments is presently required in "notifications, reports, and applications for generation and transmission additions" and will result in "replication of reporting requirements, with additional attendant costs."

Jacksonville Electric Authority (JEA)

JEA states that there would be no additional cost to provide the Environmental, Environmental Features, and Air and Noise Emissions information. However, the additional cost to produce the Land Use and Land Features information would be approximately \$1,000 and require no more than two man days.

Lakeland Electric & Water (Lakeland)

Lakeland's estimate of the total additional cost for complying with the proposed rule changes is \$3,840.

City of Tallahassee (Tallahassee)

Tallahassee provided a data point by data point comparison between the estimated man hours required to comply with the current rules to the man hours required under each section of the proposed rules. The man hour rate used with the estimates was \$35.00 per hour. Tallahassee reported no cost to comply with either the current or proposed version of Rule 25-17.085 Ten Year Site Plan Definitions and Rule 25-17.0851 Submission and Review of the Ten-Year Site Plans.

With regard to Rule 25-17.0852 (section No. 1 Schedules) Tallahassee reported no difference in man hours (41.5) required between the current and proposed rules. However, with regard to the section titled Other Planning Assumptions and Information, Tallahassee estimated an additional 40 man hours (up from 31 to 71 hours) would be needed to comply with the proposed rules. The proposed data points for Environmental and Land Use Information on Potential New Generating Facilities were not part of the

existing rules, and Tallahassee estimates 8.5 man hours to comply with these new requirements. In addition, the Land and Environmental Features section consists of 15 separate data points of which none were part of the existing rules. Tallahassee estimates 32.5 man hours to prepare and submit this information. Finally, the Air and Noise Emissions data points are also new requirements. Tallahassee estimates 6.5 man hours to prepare and submit this data.

In summary, the total cost to comply with the existing rules is 72.5 man hours or \$2,538, and the total cost to comply with the proposed rules is 160 man hours or \$5,600.

RESPONSES OF RURAL ELECTRIC COOPERATIVES

The Florida Keys Electric Cooperative Association, Inc. and the West Florida Electric Cooperative both responded that they were exempt from the rules due to their small size or lack of ownership of generation or transmission facilities.

Seminole Electric Cooperative, Inc. responded that there would be no additional cost to provide Environmental and Land Use Information, Land and Environmental Features, and Air and Noise Emissions for a site which it intends (e.g., preferred site) to submit an application for certification with the Department of Environmental Protection (DEP). If the same information was required for all "Potential Sites," the cost of consulting services to compile and submit this information is estimated to be \$75,000 to \$125,000 per site.

IMPACT ON SMALL BUSINESS, SMALL CITIES, OR SMALL COUNTIES

No direct impact on small businesses is foreseen as none of the affected utilities qualify as a small business as defined in Section 288.703(1), Florida Statutes (1995). However, with regard to small cities or counties that currently own or contemplate construction of a generating facility, three potential impacts have been identified. First, small cities and counties would benefit from the change in the minimum filing requirement from 50 MW to 75 MW. Second, these same entities would benefit from the elimination of the filing fee. Third, these entities would incur the

costs necessary to comply with the new data requirements of the proposed rules.

REASONABLE ALTERNATIVE METHODS

Three utilities suggested alternatives to the proposed rules. In general, FPC believes that the data requirements for potential sites are "too burdensome and should be eliminated." FPC also suggests that the transmission information requirements be deleted and replaced with information in the "Available Transfer Capabilities" (ATC) posted by utilities on the OASIS¹ according to ATC calculation procedures approved by the Florida Reliability Coordinating Council (FRCC). Further, additional generation information and transmission reliability criteria required under Other Planning Assumptions and Information should be deleted and replaced with information that is currently filed with the Federal Energy Regulatory Commission as part of the FERC 715 filing made by the FRCC.

Gulf Power states that some of the environmental and land use information is beyond the scope of a ten-year site plan review and should be deleted because the information belongs within a DEP site permitting process.

Similar to Gulf Power's position, TECO's primary concern is that some of the environmental information should be part of a site certification filing.

JCC:tf/e-tenyr3.tnf

¹OASIS stands for Open Access Same-time Information System.

**STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE**

In 1995, the Florida Legislature amended section 186.801, Florida Statutes, to transfer responsibility for reviewing electric utility ten-year site plans from the Department of Community Affairs (DCA) to the Public Service Commission. Prior to this transfer of responsibility, electric utilities filed ten-year site plans pursuant to the former statute and the DCA's rules that were adopted in 1973. (Chapter 9J-25, F.A.C.) The Commission's role in the process was to review the plans and provide its comments to the DCA. In order to analyze the plans and provide meaningful comments, Commission staff requested supplemental information from the utilities.

Section 186.801 requires ten-year site plans to estimate the utility's power generating needs and the general location of its proposed power plant sites. The Commission is required to make a preliminary study of the proposed plans and classify them as "suitable" or "unsuitable" within nine months of their receipt. The Commission may also suggest alternatives. The plans are for planning purposes only and may be amended by a utility at any time. The statute lists what the Commission must review, and authorizes it to adopt rules governing the method of submitting, processing, and studying the plans.

In addition, Chapter 366, Florida Statutes, provides that the Commission is responsible for ensuring that Florida's electric utilities plan, develop, and maintain a coordinated electric power grid. It requires the Commission to ensure that electric system reliability and integrity is maintained, that adequate electricity at a reasonable cost is provided, and that plant additions are cost-effective. A utility's plan should be robust and adequately address risks associated with various planning assumptions. The ten-year site plans allow the Commission to monitor the utilities' planning activities.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.