

State of Florida

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Public Service Commission

February 24, 1999

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

Re: Docket No. 980570-EU - Proposed Amendments to Rule 25-6.0185, F.A.C., Electric Utility Procedures for Long-Term Energy Emergencies

Dear Mr. Webb:

The Commission has approved the amendment of Rule 25-6.0185 for adoption with changes.

We plan to file the rule for adoption on March 4, 1999.

Sincerely,

Richard C. Bellak
Associate General Counsel

ADM0185.RCB
Enclosure

cc: Division of Records & Reporting

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMC _____
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FPSC-RECORDS/REPORTING

STATEMENT OF CHANGE

(5) In reviewing individual utility plans of electric utilities serving areas west of the Apalachicola River, whose electric facilities and emergency contingency plans are coordinated with utilities outside of Florida, the Commission ~~will~~ may take into account such ~~special considerations as may be just and reasonable in light of such~~ utilities' geographical location and interconnections with utilities outside of Florida.

1 25-6.0185 Electric Utility Procedures for Long-Term Energy
2 Emergencies.

3 ~~(1) The Commission has reviewed the Florida Electric Power~~
4 ~~Coordinating Group's Emergency Procedure for Long-Term Energy~~
5 ~~Emergencies, Fuel Supply Shortage Plan dated August 3, 1981 and~~
6 ~~adopts said plan, as amended below, as the Fuel Supply Shortage~~
7 ~~Element of the Florida Electrical Emergency Contingency Plan,~~
8 ~~under Section 377.703, Florida Statutes.~~

9 ~~(1)(2)(a)~~ By December 1, 1982, ~~e~~Each electric utility in
10 Florida that owns or controls electric generation facilities must
11 have on file with ~~shall develop and submit to~~ the Commission a
12 long-term energy emergency plan to establish a systematic and
13 effective means of anticipating, assessing, and responding to a
14 long-term emergency caused by a fuel supply shortage for fuel
15 shortages. A long-term utility energy emergency exists when the
16 fuel supplies of an individual utility are decreasing or are
17 anticipated to decrease below a level adequate to provide
18 continuous, uninterrupted service to its customers. Each
19 utility's plan shall be consistent with the requirements of the
20 Fuel Supply Shortage Element of the Florida Electrical Emergency
21 Contingency Plan. The plans shall also provide for the full
22 reimbursement by an electric utility receiving energy or fuel
23 during an energy emergency. Full reimbursement shall be all of
24 the supplying utility's cost of replacing such energy or fuel
25 with the same or alternate fuel or energy.

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~~struck-through~~ type are deletions from existing law.

1 (2) Beginning on January 31, 1999, and every three calendar
2 years thereafter, each utility subject to this rule must notify
3 the Commission in writing that the utility has reviewed its fuel
4 emergency plan.

5 (a) If a utility determines that its existing plan requires
6 modification, a revised plan shall be submitted for Commission
7 approval with the notification of review.

8 (b) If a utility determines no changes are necessary, the
9 utility must file a letter stating that the required review has
10 been conducted and that the existing plan continues to be
11 adequate.

12 ~~(3)(b)~~ At the time the utility submits its revised plan
13 to the Commission, it shall also provide a copy of the plan to
14 the Florida Reliability Coordinating Council (FRCC). ~~Electric~~
15 ~~Power Coordinating Group (FCG).~~ ~~The Florida Electric Power~~
16 ~~Coordinating Group will assess each utility's plan for~~
17 ~~compatibility with the Fuel Supply Shortage Element of the~~
18 ~~Florida Electrical Emergency Contingency Plan.~~

19 ~~(4)(e)1.~~ The Commission shall review and either may approve
20 or reject each utility's plan. ~~In so doing, the Commission may~~
21 ~~rely upon the FCG for technical advice and assistance in~~
22 ~~assessing the plan's compatibility with the Fuel Supply Shortage~~
23 ~~Element of the Florida Electrical Emergency Contingency Plan.~~
24 The Commission's ~~shall~~ review shall consider whether each
25 utility's plan ~~with regard to whether it adequately:~~

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1 (a) Identifies specific actions to be taken by the utility
2 upon the Governor's declaration of a fuel supply emergency;

3 (b) Addresses interchange of energy and the physical
4 sharing of fuel stocks or fuel deliveries or both;

5 (c) Sets priorities for customer interruptions; and

6 (d) Establishes objective criteria for notifying the
7 Chairman of the FRCC Reliability Assessment Group (RAG) FCG
8 ~~Technical Advisory Group~~ of the existence of a long-term energy
9 emergency on the system of the utility.

10 (5) In reviewing individual utility plans of electric
11 utilities serving areas west of the Apalachicola River, whose
12 electric facilities and emergency contingency plans are
13 coordinated with utilities outside of Florida, the Commission
14 ~~will~~ may take into account such ~~special considerations as may be~~
15 ~~just and reasonable in light of such~~ utilities' geographical
16 location and interconnections with utilities outside of Florida.

17 (6) Plans not approved by the Commission shall be
18 revised and resubmitted to the Commission pursuant to Commission
19 order and within the time specified in the order.

20 ~~(d) Upon approval of an individual utility's plan,~~
21 ~~such plan shall be incorporated as a supplement to the Fuel~~
22 ~~Supply Shortage Element of the Florida Electrical Emergency~~
23 ~~Contingency Plan.~~

24 ~~(3) Where the plan or this rule refers to the Florida~~
25 ~~Electric Power Coordinating Group (FCG), or any committee, group~~

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1 ~~or individual that is a part of FCG, the reference means FCG or~~
2 ~~part thereof, or any other entity which the utilities subject to~~
3 ~~the Commission's jurisdiction under 5377.703 F.S., agree to have~~
4 ~~perform the functions outlined in this rule or plan.~~

5 ~~(4) The Florida Electric Power Coordinating Groups~~
6 ~~Emergency Procedure for Long Term Energy Emergencies, Fuel Supply~~
7 ~~Shortage Plan dated August 3, 1981 is amended as follows:~~

8 ~~(a) On page 3, the following definition is substituted for~~
9 ~~the definition in the Plan:~~

10 ~~II. DEFINITION~~

11 ~~An electric energy emergency exists when Florida has~~
12 ~~inadequate energy generating capability by reason of a~~
13 ~~fuel supply shortage and is thereby prevented from~~
14 ~~operating at required levels to supply its energy~~
15 ~~obligations. An energy emergency differs from a~~
16 ~~short term capacity emergency in that energy~~
17 ~~requirements cannot be met over an extended period.~~
18 ~~The period of advance warning and expected duration of~~
19 ~~an energy emergency is usually measured in terms of~~
20 ~~weeks or months, as opposed to minutes or hours for a~~
21 ~~short term capacity deficiency.~~

22 ~~(b) On page 4, the following paragraph is substituted for~~
23 ~~the last paragraph on page 4:~~

24 ~~The Fuel Supply Shortage Plan is oriented toward energy~~
25 ~~emergencies caused by a fuel supply shortage. As such,~~

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1 ~~service to its customers. If such a long term energy~~
2 ~~emergency exists on the system of the utility, if that~~
3 ~~individual utility's plan includes the elements as~~
4 ~~prescribed by Section IV, and if implementation of~~
5 ~~these actions has been or is anticipated to be~~
6 ~~inadequate to mitigate the energy emergency on its~~
7 ~~system, then the utility will notify the Chairman of~~
8 ~~the FCG Technical Advisory Group (TAG) of this~~
9 ~~impending emergency. The Chairman of TAG, after~~
10 ~~consultation with and concurrence by the Chairman of~~
11 ~~the FCG Executive Committee, will notify the Florida~~
12 ~~Public Service Commission and request the initiation of~~
13 ~~a Fuel Supply Alert. The initiation of a Fuel Supply~~
14 ~~Alert by the Commission will trigger the actions~~
15 ~~indicated below.~~

16 ~~(d) On page 8, the following paragraphs 4, 5, and 6 are~~
17 ~~substituted for paragraphs 4, 5, and 6 of the plan:~~

18 ~~4. TAG will request that the data be collected and~~
19 ~~that the remaining days of fuel supply, expressed~~
20 ~~in terms of Days Burn, for Florida be calculated~~
21 ~~by the procedures detailed in Appendix C,~~
22 ~~"Determination of Remaining Fuel Supply."~~

23 ~~5. The FCG Staff will calculate and publish the Days~~
24 ~~Burn for Florida.~~

25 ~~6. TAG will advise the Executive Committee and the~~

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1 ~~Commission regarding the status of the Florida~~
2 ~~fuel supply situation.~~

3 ~~(c) On page 9, the following paragraphs A, B and C are~~
4 ~~substituted for paragraphs A, B, and C of the Plan.~~

5 ~~A. DESIGNATION~~

6 ~~Following the designation of a Fuel Supply Alert, the~~
7 ~~remaining days of fuel supply (Days Burn) will be~~
8 ~~determined and the FCG Executive Committee, upon advice~~
9 ~~from TAG, may request that the Governor of the State of~~
10 ~~Florida declare a Fuel Supply Emergency in Florida~~
11 ~~pursuant to §377.703, F.S. or other appropriate~~
12 ~~statutory authority.~~

13 ~~B. RESPONSIBILITY~~

14 ~~Upon the declaration of a Fuel Supply Emergency by the~~
15 ~~Governor, the Technical Advisory Group will assume~~
16 ~~emergency responsibility for coordinating the~~
17 ~~initiation and termination of all Fuel Supply Emergency~~
18 ~~actions, monitoring of the fuel supply situation and~~
19 ~~continuing appraisal of the appropriate governmental~~
20 ~~agencies (see Appendix D, "Energy Management and~~
21 ~~Allocation Procedures").~~

22 ~~C. ACTIONS~~

23 ~~Upon the declaration of a Fuel Supply Emergency by the~~
24 ~~Governor, all participating utilities shall take the~~
25 ~~actions indicated in the following steps as deemed to~~

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1 ~~be appropriate by TAG.~~

2 ~~(f) On page 10, the following paragraph 2 under Step A is~~
3 ~~substituted for paragraph 2 in the plan.~~

4 ~~2. Implement energy source conservation measures~~
5 ~~throughout Florida so as to minimize the~~
6 ~~generation of electricity from the fuel in short~~
7 ~~supply considering economic constraints. Insofar~~
8 ~~as practical, optimum usage will be made of~~
9 ~~available purchased energy.~~

10 ~~(g) On page 19, the following paragraph is substituted for~~
11 ~~the first paragraph under the heading "1. Fuel Supply Alert~~
12 ~~Actions".~~

13 ~~Upon the initiation of a Fuel Supply Alert, the FCG~~
14 ~~Public Information Committee (PIC) shall prepare a~~
15 ~~uniform notification for use by all participating~~
16 ~~utilities. The form and content of the notification~~
17 ~~shall be approved, prior to issuance, by the Technical~~
18 ~~Advisory Group.~~

19 ~~(h) On page 19, the following paragraph is substituted for~~
20 ~~paragraph (a) under the heading "2. Fuel Supply Emergency~~
21 ~~Actions".~~

22 ~~(a) PIC shall transmit the previously approved~~
23 ~~notification, as expeditiously as possible, to the~~
24 ~~chief operating officer, energy emergency~~
25 ~~executive or the appropriate designee of each~~

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1 participating utility.

2 ~~(i) On page 20, the following paragraph, (c) and (c) are~~
3 ~~substituted for paragraphs (c) and (c) in the plan.~~

4 ~~(c) PIC will notify the Florida wire services as soon~~
5 ~~as possible after initiation of the emergency and~~
6 ~~shall prepare the appropriate press releases and~~
7 ~~status reports on the Florida situation throughout~~
8 ~~the duration of the emergency. PIC shall~~
9 ~~coordinate all appeals for reduction of~~
10 ~~consumption and conservation coinciding with the~~
11 ~~Fuel Supply Emergency actions contained in Section~~
12 ~~VI of this plan. Issuance of any information by~~
13 ~~PIC shall be at the direction of TAG and uniformly~~
14 ~~administered throughout Florida by the individual~~
15 ~~participants.~~

16 ~~(c) TAG will establish a liaison with the appropriate~~
17 ~~emergency organization of other generating~~
18 ~~utilities contiguous to Florida.~~

19 ~~(j) On page 21, the following paragraph (c) is substituted~~
20 ~~for paragraph (c) in the plan.~~

21 ~~(c) The FCG staff will calculate the remaining days of~~
22 ~~fuel supply, expressed in terms of Days Burn, for~~
23 ~~Florida. The Days Burn for Florida shall be the~~
24 ~~weighted average, based on energy source~~
25 ~~requirement, of the individual participants' Days~~

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1 ~~in short supply with due consideration for the~~
2 ~~economic operation of Florida's generation~~
3 ~~resources.~~

4 Specific Authority: 350.127(2), 366.05(1), F.S.

5 Law Implemented: 366.04(5 ~~3~~), 366.05(7) ~~377,703~~, F.S.

6 History: New 6/28/82, formerly 25-6.185, Amended _____.

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