

ORIGINAL

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Sent: Monday, January 30, 2006 9:41 AM
To: Filings@psc.state.fl.us; dhoward@frcc.com
Cc: Giddens, John
Subject: Reedy Creek Improvement District Fuel Emergency Plan
Attachments: Fuel Supply Shortage Element Rev 1.doc

Attached is the revised long-term energy emergency plan for Reedy Creek Improvement District, as requested in by Mr. James McRoy.

The fuel emergency plan is 3 pages in length and provided in Microsoft Word format. Please contact me if you have any questions at 407-824-6441.

s/ Bernard A. Budnik
 Manager Energy Plants
 Reedy Creek Energy Services
 407-824-6441

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**GENERATING
FUEL EMERGENCY
PLAN**

REEDY CREEK IMPROVEMENT DISTRICT

Revision 1
January 27, 2006

1. FORWARD

- a) Reedy Creek Energy Services (*RCES*) is the operating agent for the Reedy Creek Improvement District (*RCID*) utility systems. *RCES* is responsible for procuring/generating the electrical capacity and energy to provide service to the *RCID* electrical customers. Currently *RCES* operates three generating units; one 55 MW combined cycle unit and two 2.5 MW diesel engines. The combined cycle unit has dual fuel capability with natural gas being the primary fuel and fuel oil as the alternate. Both diesel-generating units operate solely on fuel oil. *RCID*'s generation equals roughly 30% of its electrical resources with the balance provided through purchase power agreements from neighboring utilities and generating resources.

2. PURPOSE

- a) The purpose of this procedure is to outline the actions taken to ensure a continuous source of fuel for *RCID*'s electrical generation resources and contingency actions necessary in the event of a shortage of fuel resources.

3. REFERENCES

- a) Florida Public Service Commission Rule 25-6.0185
- b) FRCC Generating Capacity Shortage Plan

4. NOTES

- a) Per Public Service Commission Rule 25-6.0185 this procedure is to be reviewed every three years with subsequent notification to the Commission of the review completion. Any modification to the plan requires Commission approval upon the notification of review.
- b) All modifications to the plan require notification and submission of the plan to the Florida Reliability Coordinating Council.

5. RESPONSE TO ENERGY EMERGENCIES DUE TO INADEQUATE FUEL SUPPLY

- a) *The following conditions will constitute the declaration of a Energy Emergency and require action per the following steps:*
 - i) Declaration of a fuel supply emergency by the Governor of Florida.

- ii) Inability to meet projected firm RCID electrical load due to inadequate *(or projected inadequate)* fuel supplies.
 - iii) Inability to meet real-time firm RCID electrical demand due to inadequate fuel supplies.
- b) The RCES Energy Control Center shall be notified of the energy emergency as soon as possible after identification.
- c) Plant operations personnel shall be notified of the energy emergency and determine the following:
 - i) Unit availability and maximum capacity.
 - ii) Unit fuel source and availability of alternate fuels *(contractual obligations and market)* in the event of a primary fuel shortage.
 - iii) Potential for rescheduling, restoring from or postponing maintenance activities.
- d) The FRCC shall be notified of the energy emergency by means of the daily capacity assessment report and by notification to the State Emergency Capacity Coordinator. **NOTE:** The daily capacity assessment report is completed day ahead during winter months and morning of the peak during summer months.
- e) The RCES Utility Business Affairs *(UBA)* group will initiate contact with natural gas suppliers and/or the natural gas pipeline companies upon a natural gas energy emergency to determine the availability of additional natural gas supply volumes and/or pipeline capacity to support RCID generation facilities.
- f) RCES UBA will maintain frequent communications with the RCES Energy Control Center concerning fuel supply and electrical energy availability.
- g) RCES UBA will contact all suppliers of its firm energy resources to verify and/or take action with regard to the availability of firm contractual energy capacity.
- h) RCES UBA will contact all regional electrical energy marketing entities to identify availability of electrical capacity and energy for the periods identified as being deficient and unable to meet load requirements.
- i) If load/resource imbalance conditions require, the Energy Control Center shall notify large customers to curtail unnecessary electrical load.

- j) RCES Energy Plant Operations shall evaluate current operational constraints due to environmental limitations and the ability to request a waiver of those limitations.
- k) RCES UBA shall investigate and exercise contractual options to acquire additional capacity and energy to meet load requirements.
- l) The FRCC Security Coordinator shall be notified of the energy emergency and the potential for shedding load if necessary.
- m) In the event sufficient energy resources cannot be obtained, the current Load Shed Procedure shall be initiated by the Energy Control Center to balance load/generation resources.

6. Restoration From Potential and Real-Time Energy Emergencies

- a) Energy emergency activities shall be restored from at the point at which the necessary energy resources are obtained to adequately serve all firm RCID electrical load. As required, the FRCC Security Coordinator shall be notified of the current condition of the RCID Balancing Area.