

ORIGINAL

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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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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 geographic and weather conditions as well as a diverse mix of economic activity and
2 demographic characteristics.

3
4 **Q. Please describe the existing consumer base of Seminole's Members.**

5 A. The Members' consumer mix is 90 percent residential, 9 percent commercial/
6 industrial, and 1 percent other. Residential consumers represent 70 percent of total
7 energy sales, with commercial/industrial consumers representing 28 percent, and
8 other consumers representing 2 percent. Commercial/industrial energy sales are
9 primarily to small to medium sized retail businesses. Industrial sales, primarily small
10 manufacturing and mining, represent only a small portion of total energy sales. Other
11 consumers consist of irrigation, street and highway lighting, public buildings, and
12 sales for resale.

13
14 **Q. What have been Seminole's recent energy sales and peak demands?**

15 A. Seminole provided 15,348 GWh of energy to its Members in 2004. This represents
16 an increase of 3.7 percent from 2003 and an average annual compound growth rate
17 (AAGR) of 5.2 percent over the past 5 years. The 2003/2004 winter peak of 3,365
18 MW and the 2004/2005 winter peak of 3,776 MW were both lower than the
19 2002/2003 winter peak of 3,982 MW due to milder winters. Seminole's highest peak
20 demand on record occurred on February 14, 2006 at 4113 MW (estimated). The
21 volatility in winter demands over the past four years illustrates the weather sensitive
22 nature of Seminole's winter peak demand. Seminole's summer peak shows much

1 **Q. Please summarize the key assumptions used in the load forecast.**

2 A. Demographic, economic, end-use, and weather data are the four assumption
3 categories behind Seminole's forecasts. The main demographic and economic data
4 are population, income, non-farm employment, and the price of electricity. County
5 population projections are produced by the Bureau for Business and Economic
6 Research (BEBR) at the University of Florida. County real per capita income and
7 total non-farm employment projections are produced by Moody's Economy.com.
8 Monthly real price of electricity is calculated by Staff from revenue and energy data
9 provided by its Members. End-use information is obtained from Seminole's
10 Residential Consumer Survey. Information on housing characteristics, demographic
11 composition, and appliance saturations has been collected for each Member system
12 since 1980. Weather information is produced by the National Oceanic and
13 Atmospheric Administration. Seminole uses 25 year averages of five weather
14 stations in and around the Members' service areas as representative of normal
15 weather.

16

17 **Q. Please describe Seminole's current consumer, energy, and seasonal peak demand**
18 **forecast.**

19 A. Seminole's Members are expected to continue to experience strong growth in the
20 number of consumers, increasing at an AAGR of 2.8 percent over the next ten years
21 and reaching 1,087,362 consumers in 2015. Consumer growth for the following five
22 years (i.e., 2016-2020) is projected to slow down, increasing at an AAGR of 2.0
23 percent and reaching 1,199,628 consumers in 2020.