



**FLORIDA KEYS ELECTRIC COOPERATIVE ASSOCIATION, INC. - FKEC**

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January 16, 2009

Florida Public Service Commission  
Commission Clerk  
Division of the Commission Clerk and Administrative Services  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0870

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Re: Rule 25-6.0185

To Whom It May Concern:

Pursuant to Rule 25-6.0185, Florida Keys Electric Cooperative Association, Inc. (FKEC), is notifying the Florida Public Service Commission that the Long Term Energy Emergency Plan, as filed herein, is correct and up-to-date with its present operations. This letter and its attachment is set forth to establish the time table for its three (3) year filing of the current / updated Long Term Energy Emergency Plan.

Should you have any questions, please feel free to contact me at (305) 852-2431 or E-mail me at [Scott.Newberry@fkec.com](mailto:Scott.Newberry@fkec.com).

Sincerely,

Scott Newberry  
Chief Executive Officer

Attachment

X:\Susan\DATA\Word\Board09\FPSC LT Emergency Plan.doc

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|----------------------|--|----------------------|----|-----------------------|---------------------------|
| <b>Title</b>         | <b>Capacity and Energy Emergencies</b>   |                      |    |                       |                           |
| <b>Purpose</b>       | To ensure Reliability Coordinators and Balancing Authorities are prepared for capacity and energy emergencies. |                      |    |                       |                           |
| <b>NERC Standard</b> | EOP-002-2  | <b>Dept Assigned</b> | 56 | <b>Effective Date</b> | December 14, 2008 – Rev 5 |

**1.0 Definitions:**

- 1.1 Adequacy – The ability of the electric system to supply the aggregate electrical demand and energy requirements of the end-use customers at all times, taking into account scheduled and reasonably expected unscheduled outages of system elements.
- 1.2 Capacity Emergency - A capacity emergency exists when Florida Keys Electric Cooperative's (FKEC's) Total Transfer Capacity (TTC) plus firm purchases from other systems, to the extent available or limited by transfer capability, is inadequate to meet its demand (FKEC and KEYS load).
- 1.3 Energy Deficient Entity - FKEC would be considered an Energy Deficient Entity when assistance is requested for an Energy Emergency.
- 1.4 Energy Emergency - A condition where a FKEC has exhausted all other options and can no longer provide its customers' expected energy requirements. It is assumed that there is transmission capacity available (ATC) without generation capacity.

**2.0 General:**

- 2.1 This document provides the procedures by which FKEC, a Load Serving Entity, can obtain capacity and energy when it has exhausted all other options and can no longer provide its customers' expected energy requirements. NERC defines this situation as an "Energy Emergency."
  - Note - These procedures should also be used in conjunction with the procedures of EOP-001, "Emergency Operations Planning".
- 2.2 FKEC has a Long-Term "Partial Requirements" contract with Florida Power & Light (FPL), where FPL supplies, as a minimum, 80% of FKEC's energy resources. FPL may supply additional amounts if available.
- 2.3 FKEC also has a Long-Term contract with Keys Energy Services (KEYS) to supply FKEC with up to 12 mW of energy, as required.
- 2.4 This plan recognizes that there may be times when generating capacity is tight or falls below consumer demand due to periods of abnormal weather or events of multiple unanticipated generating outages within the state.
- 2.5 NERC assumes that a capacity deficiency will manifest itself as an energy emergency. The Energy Emergency Alert (EEA) Procedure is initiated by FKEC's Reliability Coordinator, FRCC, who declares various Energy Emergency Alert levels, as defined in Sect 3.0, to provide assistance to FKEC, who would be referred to as an "Energy Deficient Entity."
- 2.6 An EEA may be initiated only by a Reliability Coordinator at 1) the Reliability Coordinator's (RC) own request, or 2) upon the request of a Balancing Authority (BA), or 3) upon the request of a Load Serving Entity (LSE).
  - 2.6.1 An EEA may be initiated for the following reasons:
    - A) When FKEC is, or expects to be, unable to provide its customers' energy requirements, and has been unsuccessful in locating another systems with available resources from which to purchase (transmission available), or
    - B) FKEC cannot schedule the resources due to, for example, Available Transfer Capability (ATC) limitations or transmission loading relief limitations (transmission not available).

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firm (recallable) energy out of available Operating Reserves. FKEC shall notify the RC of the results, as FKEC is not an Interchange Authority (IA) or BA. (2.3)

- 3.2.4 **Evaluating and mitigating transmission limitations.** The RC's shall review all System Operating Limits (SOLs) and Interconnection Reliability Operating Limits (IROLs) and transmission loading relief procedures in effect that may limit FKEC's scheduling capabilities via FPL as its BA. Where appropriate, the RC's shall inform the TP's under their purview of the pending Energy Emergency and request that they increase their ATC by actions such as restoring transmission elements that are out of service, reconfiguring their transmission system, adjusting phase angle regulator tap positions, implementing emergency operating procedures, and reviewing generation re-dispatch options. (2.4)
- 3.2.5 **Coordination of emergency responses.** The RC shall communicate and coordinate the implementation of emergency operating responses. (2.5)
- 3.2.6 **FKEC actions.** Before declaring an Alert 3, FKEC must make use of all available resources. This includes but is not limited to: (2.6)
- A) **All available generation units are on line.** All generation capable of being on line in the time frame of the emergency is on line including quick-start and peaking units, regardless of cost.
  - B) **Purchases made regardless of cost.** All firm and non-firm purchases have been made, regardless of cost.
  - C) **Contractually interruptible loads and demand side management curtailed.** All contractually interruptible retail loads curtailed, and demand-side management activated within provisions of the agreements, and as otherwise identified in EOP-001 "Emergency Operations Planning".

### 3.3 **Alert 3 — Firm load interruption imminent or in progress.**

#### **Circumstances:**

- FKEC foresees or has implemented firm load obligation interruption (shedding of firm load). The available energy to FKEC, as determined from Alert 2, is only accessible with actions taken to increase transmission transfer capabilities.
- 3.3.1 **Continue actions from Alert 2.** The RC's and FKEC shall continue to take all actions initiated during Alert 2. If the emergency has not already been posted on the NERC website, the respective RC's will, at this time, post on the website information concerning the emergency.
- 3.3.2 **Declaration Period.** FKEC shall update its RC of the situation at a minimum of every hour until the Alert 3 is terminated. The RC shall update the energy deficiency information posted on the NERC website as changes occur and pass this information on to the affected RC's (via the RCIS), BA's, and TP's.
- 3.3.3 **Use of Transmission short-time limits.** The RC's shall request the appropriate TP's within their Reliability Area to utilize available short-time transmission limits or other emergency operating procedures in order to increase transfer capabilities into FKEC.
- 3.3.4 **Reevaluating and revising SOLs and IROLs.** FKEC's RC shall evaluate the risks of revising SOLs and IROLs on the reliability of the overall transmission system. Reevaluation of SOLs and IROLs shall be coordinated with other RC's and only with the agreement of the BA or Transmission Operator (TOP) whose equipment would be affected. The resulting increases in transfer capabilities shall only be made available to FKEC, as requestor of Energy Emergency Alert 3 condition. SOLs and IROLs shall only be revised as long as an Alert 3 condition exists or as allowed by the BA or TOP whose equipment is at risk. The following are minimum requirements that must be met before SOLs or IROLs are revised:
- A) **FKEC obligations.** FKEC must agree that, upon notification from its RC of the situation, it will immediately take whatever actions are necessary to mitigate any undue risk to the Interconnection. These actions may include load shedding.



**Energy Emergency Alert 3 Report** - A deficient Balancing Authority or Load-Serving Entity (FKEC) must complete the following report. Upon completion of this report, it is to be sent to the Reliability Coordinator for review within two business days.

|  |  |
|--|--|
| Requesting Balancing Authority:  |  |
| Entity Experiencing energy deficiency (if different from Balancing Authority):<br><b>Florida Keys Electric Cooperative Assoc., Inc.</b>                          |  |
| Date/Time Implemented:   |  |
| Date/Time Released:  |  |
| Declared Deficiency Amount (MW):   |  |
| Total energy supplied by other BA during the Alert 3 period:   |  |
| Conditions that precipitated call for "Energy Deficiency Alert 3":   |  |
| If "Energy Deficiency Alert 3" had not been called, would firm load be cut? If no, explain.  |  |
| Explain below what action was taken in each step to avoid calling for "Energy Emergency Alert 3"   |  |
| All generation capable of being on line in the time frame of the energy deficiency was on line (including quick start and peaking units) without regard to cost? |  |
| All firm and non-firm purchases were made regardless of cost?  |  |
| All non-firm sales were recalled within provisions of the sale agreement?  |  |
| Interruptable load was curtailed where either advance notice restrictions were met or the interruptable load was considered part of <i>spinning reserve</i> ?    |  |
| Available load reductions were exercised (public appeals, voltage reductions, etc )?   |  |
| Operating reserves being utilized?   |  |
| Comments:  |  |
| Reported By:   | Organization:<br><b>Florida Keys Electric Cooperative Assoc., Inc.</b> |
| Title:   |  |