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COMMISSION
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March 11, 2011

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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Re: Report of Seminole's Standards as required under Florida Statutes, Section 366.92

Dear Ms. Cole:

Please find attached Standards for Renewable Energy, Conservation, and Energy Efficiency for Seminole Electric Cooperative, Inc. (Seminole), as required by Florida Statutes, Section 366.92. Seminole is filing these Standards on behalf of itself and Central Florida Electric Cooperative, Clay Electric Cooperative, Glades Electric Cooperative, Peace River Electric Cooperative, Sumter Electric Cooperative, Suwannee Valley Electric Cooperative, Talquin Electric Cooperative, Tri-County Electric Cooperative, and Withlacoochee River Electric Cooperative.

If you or others have questions to this filing, please contact me at 813-739-1314 or at bmcnamara@seminole-electric.com.

Sincerely,

Bob McNamara
Senior Director of Strategic and Environmental Affairs

Attachment

cc: Member Managers

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FPSC-COMMISSION CLERK

**Standards for Renewable Energy, Conservation, and Energy Efficiency
To Meet Reporting Requirements under Florida Statutes, Sec 366.92**

Seminole Electric Cooperative, Inc. (Seminole) hereby submits its Standards for Renewable Energy, Conservation, and Energy Efficiency on behalf of itself and the following Member Systems:

Central Florida Electric Cooperative
Clay Electric Cooperative
Glades Electric Cooperative
Peace River Electric Cooperative
Sumter Electric Cooperative
Suwannee Valley Electric Cooperative
Talquin Electric Cooperative
Tri-County Electric Cooperative
Withlacoochee River Electric Cooperative

Standards for Renewable Energy, Conservation, and Energy Efficiency To Meet Reporting Requirements under Florida Statutes Sec. 366.92

Renewable Energy Resources

General –Seminole’s Board of Trustees has an established policy regarding the acquisition of renewable energy resources. Seminole’s objective under this policy is to maintain a leadership position as a Florida utility committed to the use of a diverse mix of renewable energy resources while ensuring that the addition of new renewable energy resources does not adversely affect Seminole’s wholesale electric rates.

Seminole has contracted for renewable capacity and energy from a variety of sources including landfill gas, wood biomass, energy crops and municipal solid waste. These contracts for renewable energy places Seminole as a leader among Florida electric utilities, in terms of the percentage of system energy served, expecting to provide approximately 6.7% of total system energy requirements by 2013. Seminole will continue to promote and encourage the expansion of in-state renewable resources.

Seminole's Approach to Resource Expansion – Seminole will engage the following strategies to achieve continuing expansion of its renewable energy resource portfolio:

- Open Door Negotiation Policy – Seminole will continue to proactively seek out renewable resource partners and retain its open door policy for arm's length negotiations with all renewable providers.
- Competitive Bid – Seminole will continue to utilize competitive bidding as one of its tools for acquiring competitively priced conventional and renewable resources. All of Seminole's bid solicitations for power supply resources will include the solicitation of renewable energy proposals. In addition, Seminole will periodically issue bid solicitations that exclusively seek renewable resources.
- Price Point – Seminole uses projected avoided costs as its price point for evaluating proposals for renewable energy. Integral in this approach is an assumed value for capacity, energy, and renewable energy credits/green tags (RECs), and a fuel price forecast.
- Ease of Contracting – Seminole will strive to reduce the administrative burdens associated with the contracting process and ongoing contract administration. Seminole will structure performance guarantee terms that are fair and do not impose significant administrative burden and/or risk on either party.
- Seminole will seek state and federal grants, subsidies, and other financial incentives to the extent such resources are available and applicable to reduce the cost of renewable energy resources.

- Seminole shall keep abreast of the development and costs of new renewable energy resources and renewable fuels that can be utilized in Seminole's existing electric generators. (e.g. completed an investigation into the feasibility of biomass fuels co-firing at an existing coal generating plant; determined to not be cost effective at this time).
- Consumer-Owned Renewable Resources – Seminole's wholesale power contracts with its ten Members provide for net metering service for the Members' consumer-owned renewable generating resources. There are over 200 small photovoltaic installations currently operating under this program on Seminole's Member Systems.

Energy Conservation and Efficiency Measures

General – Seminole and its Members are jointly committed to the active promotion of cost effective conservation and energy efficiency by Member consumers. Seminole is the primary wholesale electric supplier to ten, non-profit, Member electric distribution cooperatives in Florida. Seminole provides firm wholesale electric service under a single wholesale rate structure. Seminole also provides non-firm service options to its Members under interruptible rate schedules. The rate signals contained in Seminole's rate schedules provide a cost-basis for our Members to gauge the cost effectiveness of demand-side management and energy efficiency programs. Seminole's Members assess the viability of these programs in their respective service areas and Seminole's load forecast of power supply needs reflects the effect of its Members' demand-side management and energy efficiency programs.

Seminole promotes demand-side management as a "first priority option" through two programs made available to our ten Member Systems. Under the Coordinated Load Management Program, Seminole's Members may install and operate direct control load management systems for the purpose of reducing coincident peak demand. The resulting reductions in Seminole's coincident peak demand lower Seminole's requirements for system generating capacity (and associated reserves) and provide demand cost reductions to the participating Member Systems. Under the Load Management Generator Program, Seminole's Member Systems may install (or partner with their retail customers to install) distributed peaking generation. These generators serve a dual need: (1) to enhance reliability by providing back-up generation during transmission and/or distribution system outages, and (2) to offset and avoid a portion of Seminole's system generation requirements.

Seminole's Members have implemented a range of energy efficiency and energy conservation programs that have reduced Seminole's total requirements for electric energy and capacity. These reductions have not been specifically quantified or estimated but are included in Seminole's load history. As such, Seminole's load forecast effectively extrapolates the growth of past programs into the future.

Targeted Expansion – Seminole promotes and encourages the continued expansion of its demand-side management and energy conservation/efficiency resources. Seminole is

working jointly with its Members to ensure that cost effective demand-side management and energy conservation/efficiency alternatives are pursued as a first-priority resource. Through these joint efforts, Seminole and its Members have resolved to expand their aggregate demand-side management capability to further reduce future supply side requirements. Similarly, Seminole and its Members have resolved to expand consumer education, energy efficiency, and conservation programs to mitigate further growth in kWh usage per consumer. The current focus of Seminole's joint program with its Members is to expand consumer education programs and information related to energy efficiency and energy conservation. Initiatives that have been implemented or are underway include the statewide distribution of an energy-related brochure for consumer use, development of energy-related programs for use at community and consumer meetings, and establishment of guidelines for conducting consumer energy audits.

Seminole's Approach to Resource Expansion - Seminole and its Members will engage the following strategies to achieve demand-side resource expansion and improved system-wide efficiencies:

- Consumer Education –Promote a Member System wide consumer education program emphasizing energy conservation and efficiency.
- On-Site Energy Audit/Survey - Promote the use of on-site energy audits/surveys to assist consumers with their decisions relating to energy conservation and energy efficiency.
- On-Line Energy Audit/Survey – Promote the use of interactive websites to provide consumers with on-line tools to assist in making intelligent energy decisions.
- Joint Energy Efficiency Working Group – Seminole and its Members have formed a joint working group to share information on successful energy conservation and energy efficiency programs and to assess the feasibility of specific programs.
- Time-of-Use Rate – Seminole has implemented a time-of-use energy rate at the wholesale level. Seminole's Members may use this alternative rate to structure time-of-use rate options for eligible retail customers (residential and/or commercial/industrial).
- Distribution Losses – Seminole's Members continue to upgrade their distribution systems by moving to higher delivery voltages and improved equipment efficiency specifications. Over the past 15 years, Seminole's Members have achieved, in aggregate, a 3% reduction in their total energy requirements due to loss reduction alone.
- Generating Plant Efficiency – Seminole will continue efforts to improve generating plant efficiency (heat rate) to stay amongst its industry peers, as gauged by comparison to published performance benchmarks.

- **Generating Plant Modifications – Seminole will continue efforts to achieve greater plant efficiencies through equipment improvement, replacement and modification.**