

Eric Fryson

From: Keating, Beth [BKeating@gunster.com]
Sent: Monday, May 07, 2012 12:34 PM
To: Filings@psc.state.fl.us
Cc: Pauline Robinson
Subject: Docket No. 120069-EQ
Attachments: 20120507122826853.pdf

Attached for electronic filing, please find Florida Public Utilities Company's Responses to Staff's First Data Requests in the referenced Docket. Please do not hesitate to contact me if you have any questions.

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a. Person responsible for this electronic filing:

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b. Docket No. 120069-EQ: **Petition for approval of revisions to renewable energy tariff, by Florida Public Utilities Company**

c. On behalf of: Florida Public Utilities Company

d. Number of Pages: 5

e. Description: FPUC's Responses to Staff's Data Requests



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FPSC-COMMISSION CLERK



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May 7, 2012

VIA E-MAIL FILINGS@PSC.STATE.FL.US

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

Re: Docket No. 120069-EQ: **Petition for approval of revisions to renewable energy tariff, by Florida Public Utilities Company**

Dear Ms. Cole:

Attached for electronic filing in the referenced docket, please find Florida Public Utilities Company's responses to Staff's First Data Requests.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,

Beth Keating
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MEK

DOCUMENT NUMBER-DATE

02889 MAY-7 2012

Docket No. 120069-EQ - Petition for approval of revisions to renewable energy tariff, by Florida Public Utilities Company

Florida Public Utilities Company's Response to Staff's First Data Requests

Florida Public Utilities Company (hereinafter "FPUC", "Buyer", or "Company") provides its responses to Staff's First Data Requests, dated April 23, 2012.

1. Please complete the tables below describing payments to a renewable provider based on the proposed tariffs included in FPUC's revised standard offer contract for the Northeast Division. Please assume the renewable generator is a 50 MW facility providing firm capacity at the minimum capacity factor required for full capacity payments. Additionally, please assume an in-service date of January 1, 2013 and a contract duration of 20 years. Please provide this information for the following scenarios where applicable:
- Normal Payments
 - Levelized Payments
 - Early Payments
 - Early Levelized Payments

Company Response:

Northeast Florida Division (JEA Purchased Power Provider)

Committed Capacity (MW)	50
Capacity Factor (%)	70%
Payment Type:	Normal

	Energy (MWh)	Capacity Rates (\$/kw-mo)	Total Capacity Payments (\$000)	Energy Rates (\$/MWh)	Total Energy Payments (\$000)	Total Payments to Renewable Provider (\$000)
2013	306,600	\$11.38	\$6,828,000.00	\$47.74	\$14,637,084.00	\$21,465,084.00
2014	306,600	\$11.38	\$6,828,000.00	\$47.74	\$14,637,084.00	\$21,465,084.00
2015	306,600	\$11.38	\$6,828,000.00	\$47.74	\$14,637,084.00	\$21,465,084.00
2016	306,600	\$11.38	\$6,828,000.00	\$47.74	\$14,637,084.00	\$21,465,084.00
2017	306,600	\$11.38	\$6,828,000.00	\$47.74	\$14,637,084.00	\$21,465,084.00
2018	306,600	\$11.38	\$6,828,000.00	\$47.74	\$14,637,084.00	\$21,465,084.00
2019	306,600	*	*	*	*	*
2020	306,600	*	*	*	*	*
2021	306,600	*	*	*	*	*
2022	306,600	*	*	*	*	*
2023	306,600	*	*	*	*	*
2024	306,600	*	*	*	*	*
2025	306,600	*	*	*	*	*
2026	306,600	*	*	*	*	*
2027	306,600	*	*	*	*	*

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2028	306,600	*	*	*	*	*
2029	306,600	*	*	*	*	*
2030	306,600	*	*	*	*	*
2031	306,600	*	*	*	*	*
2032	306,600	*	*	*	*	*

2. Please complete the tables below describing payments to a renewable provider based on the proposed tariffs included in FPUC's revised standard offer contract for the Northwest Division. Please assume the renewable generator is a 50 MW facility providing firm capacity at the minimum capacity factor required for full capacity payments. Additionally, please assume an in-service date of January 1, 2013 and a contract duration of 20 years. Please provide this information for the following scenarios where applicable:

- Normal Payments
- Levelized Payments
- Early Payments
- Early Levelized Payments
-

Company Response:

Northwest Florida Division (Gulf Power Purchased Power Provider)

Committed Capacity (MW)	50
Capacity Factor (%)	70%
Payment Type:	Normal

	Energy (MWh)	Capacity Rates (\$/kw-mo)	Total Capacity Payments (\$000)	Energy Rates (\$/MWh)	Total Energy Payments (\$000)	Total Payments to Renewable Provider (\$000)
2013	306,600	\$0.00	\$0.00	\$51.25	\$15,713,250.00	\$15,713,250.00
2014	306,600	\$0.00	\$0.00	\$51.25	\$15,713,250.00	\$15,713,250.00
2015	306,600	\$0.00	\$0.00	\$51.25	\$15,713,250.00	\$15,713,250.00
2016	306,600	\$0.00	\$0.00	\$51.25	\$15,713,250.00	\$15,713,250.00
2017	306,600	\$0.00	\$0.00	\$51.25	\$15,713,250.00	\$15,713,250.00
2018	306,600	*	*	*	*	*
2019	306,600	*	*	*	*	*
2020	306,600	*	*	*	*	*
2021	306,600	*	*	*	*	*
2022	306,600	*	*	*	*	*
2023	306,600	*	*	*	*	*
2024	306,600	*	*	*	*	*
2025	306,600	*	*	*	*	*
2026	306,600	*	*	*	*	*

2027	306,600	*	*	*	*	*
2028	306,600	*	*	*	*	*
2029	306,600	*	*	*	*	*
2030	306,600	*	*	*	*	*
2031	306,600	*	*	*	*	*
2032	306,600	*	*	*	*	*

* - Data not available for these years

3. On June 21, 2011, the Commission issued PAA Order PSC-11-0269-PAA-EI, approving FPUC's petition for Amendment No. 1 to purchased power contract for generation service between FPUC and Gulf Power Company in Docket No. 110041-EI. The Order states in part that, "the proposed Amendment eliminates the ratchet provision and reduces the minimum capacity purchase quantity." On page 2 of FPUC's petition for Approval of revisions to its Renewable Energy Tariff, FPUC states that, "the current electric power purchase agreement between FPUC and Gulf Power... contains a so-called "ratchet" provision based upon prior demand levels."
- a. Please explain why the "ratchet" provision has not been removed from the Renewable Energy Tariff, as indicated in Order PSC-11-0269-PAA-EI, approving FPUC's Amendment No. 1.

Company Response:

Although the Amendment No. 1 has been approved by the Commission, the Commission's Order Approving Amendment No. 1, Order No. PSC-11-0269-PAA-EI, as well as the Commission's subsequent Orders in that proceeding, Order PSC-12-0056-FOF-EI and Order PSC-12-0081-CO-EI, are the subject of a Notice of Administrative Appeal to the Florida Supreme Court. The specific terms of Amendment No. 1 provide that the Amendment is "... expressly conditioned upon the receipt of a Final Order by the Approval Deadline that grants the Requested Approval." The Amendment further defines a "Final Order" as "... an order of the FPSC that is no longer subject to appeal or further review by a court or other governmental authority."

Per the terms of the Amendment, the approval deadline was originally July 31, 2011. That deadline has, however, been extended by mutual agreement of the parties as reflected in agreements submitted in Docket No. 110041-EI on July 29, 2011, and on January 5, 2012. The January 5, 2012, agreement letter reflects that Gulf will invoice FPUC for power according to the rates and terms in the original Purchased Power Agreement pending the outcome of any appeal of the Commission's "Final Order" approving Amendment No. 1. Thereafter, payments will be subject to true-up if the Commission's decision is upheld. Thus, FPUC is currently being invoiced as if Amendment No. 1 were not in effect and the "ratchet" provision were applicable. Consequently, FPUC has not amended or updated its Renewable Energy Tariff to reflect Amendment No. 1, but would intend to do so if and when the Florida

Supreme Court issues a decision upholding the Commission’s decisions in Docket No. 110041-EI.

- b. Would the removal of the “ratchet” provision change the payments of the proposed Renewable Energy Tariff? If so, please include these changed values.

Company Response:

Yes, removal of the “ratchet” provision would change the payments, as reflected below.

Northwest Florida Division (Gulf Power Purchased Power Provider)

Committed Capacity (MW)	50
Capacity Factor (%)	70%
Payment Type:	Normal

	Energy (MWh)	Capacity Rates (\$/kw-mo)	Total Capacity Payments (\$000)	Energy Rates (\$/MWh)	Total Energy Payments (\$000)	Total Payments to Renewable Provider (\$000)
2013	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2014	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2015	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2016	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2017	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2018	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2019	306,600	\$0.00	\$0.00	\$48.40	\$14,839,440.00	\$14,839,440.00
2020	306,600	*	*	*	*	*
2021	306,600	*	*	*	*	*
2022	306,600	*	*	*	*	*
2023	306,600	*	*	*	*	*
2024	306,600	*	*	*	*	*
2025	306,600	*	*	*	*	*
2026	306,600	*	*	*	*	*
2027	306,600	*	*	*	*	*
2028	306,600	*	*	*	*	*
2029	306,600	*	*	*	*	*
2030	306,600	*	*	*	*	*
2031	306,600	*	*	*	*	*
2032	306,600	*	*	*	*	*

* - Data not available for these years