

RECEIVED-FPSC
13 JUL 10 AM 10:14
COMMISSION
CLERK

Exhibit B

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Planned PPAs

11. Please provide an update on the Company's planned purchased power agreements, including the amount sought each year for the period 2016 through 2020, a list of parties with whom the company is negotiating, and the current status of these negotiations.

RESPONSE:

(REDACTED)

The company issued two Requests for Proposal (RFPs) in the second half of 2012 requesting bids for power to be provided beginning in the second quarter of 2016.

The first RFP was for power from the SERC region to be delivered to DEF's interface with Georgia Power. The RFP was for a term of five years beginning in June 2016, consistent with the expiration of current contracts with Southern Company and Georgia Power and for a capacity equivalent to DEF's allocation on the Georgia-Florida interface, currently 424 MW. The RFP drew responses from 11 bidders. This RFP has progressed to the selection of a candidate counterparty ([REDACTED]) and the exchange of draft contracts. DEF hopes to get the contract approved by both parties before the end of 2013.

The second RFP is for power from Florida. This RFP requested power for a three year term beginning in June of 2016 in capacity blocks of up to 500 MW. This RFP drew 19 responses. From those 19 responses, the company has created a short list of parties with whom we are continuing to negotiate. These parties are [REDACTED], although the Company has reserved the right to negotiate with other bidders if these negotiations do not prove sufficiently fruitful. At this time, the company has exchanged initial term sheets with the other parties, but is also continuing to evaluate the exact amount of capacity to be contracted based on the evolution of the efforts to demonstrate reliable and compliant operation of the existing Units 1 and 2 on alternate fuel and the ongoing evaluation of the transmission system capability (both the DEF system and impacts on neighboring parties). DEF plans to work to completion of these contracts, as needed, in the first half of 2014.

12. Please discuss what alternatives are available to the Company if insufficient capacity can be secured through firm contracts for the period 2016 through 2020.