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July 1, 2016

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

Re: Docket No. 160007-EI - Preliminary List of New Projects

Dear Ms. Stauffer:

Attached is Gulf Power Company's Preliminary List of New Projects, to be filed in the above-referenced Environmental Cost Recovery Clause docket. Pursuant to the Order Establishing Procedure, a copy of this Preliminary List of New Projects prepared using Microsoft Word is being provided to Commission staff and all parties.

Sincerely,

A handwritten signature in blue ink that reads "Robert L. McGee, Jr." with a stylized flourish at the end.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

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Attachments

cc: Beggs & Lane
Jeffrey A. Stone, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENVIRONMENTAL COST RECOVERY
CLAUSE**

DOCKET NO. 160007-EI

**PRELIMINARY LIST-
NEW PROJECTS FOR COST RECOVERY**

July 1, 2016



Project:

Coal Combustion Residuals

Law/Regulation Requiring Project:

On April 17, 2015 EPA published the final Coal Combustion Residuals (CCR) rule in the Federal register regulating CCR disposal under Subtitle D of the Resource Conservation and Recovery Act (RCRA). The CCR rule is located in Title 40 Code of Federal Regulations (CFR) Parts 257 and 261. The CCR Rule regulates the disposal of CCR, including coal ash and gypsum, as non-hazardous solid waste in CCR Units at active generating power plants. The CCR Rule includes minimum criteria for active and inactive surface impoundments containing CCR and liquids, lateral expansions of existing units, and active landfills. Failure to meet the minimum criteria can result in the mandated closure of a CCR Unit. Although the EPA does not require individual states to adopt the final criteria, states have the option to incorporate the federal criteria into their state solid waste management plans in order to regulate CCR in a manner consistent with federal standards. The Effluent Limitations Guidelines (ELG) rule also requires modifications to existing wet ash handling systems.

Description:

The Plant Scherer ash pond is scheduled to cease operations and stop receiving coal ash within the next three years. Ash pond closure, including use of advanced engineering methods, will require several years of significant construction and related closure activities. During the 2016-2017 timeframe, Plant Scherer will acquire additional land to accommodate ash pond closure. The Plant Scherer CCR land acquisition project will be part of the Coal Combustion Residuals program that was approved for ECRC cost recovery in Order No. PSC-15-0536-FOF-EI.

2016 Scherer CCR Land Acquisition Capital Expenditures: \$ 0.5 Million ± 20%

2017 Scherer CCR Land Acquisition Capital Expenditures: \$ 0.2 Million ± 20%

All other proposed ECRC costs for Gulf's ownership portion of Scherer Unit 3 are associated with existing environmental capital projects and ongoing O&M programs that will be covered under previously approved ECRC programs.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Environmental Cost**)
Recovery Clause)

Docket No.: **160007-EI**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 1st day of July, 2016 to the following:

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