BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Ten-Year Site Plans of Electric Utilities
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DOCKET NO.: 20210000 (Undocketed)

FILED: September 2, 2021

GAINESVILLE REGIONAL UTILITIES' RESPONSE TO A CUSTOMER'S WRITTEN COMMENTS REGARDING GAINESVILLE REGIONAL UTILITIES' 2021 TEN-YEAR SITE PLAN

The City of Gainesville d/b/a Gainesville Regional Utilities ("GRU") filed its 2021 Ten-Year Site Plan with the Florida Public Service Commission ("PSC") on April 1, 2021. On August 19, 2021, a customer of GRU requested that the PSC open a docket to investigate the adequacy, reliability, and resiliency of GRU's electric system. The customer also requested that GRU clarify Section 2.5, Fuel Price Forecast Assumptions, of GRU's Ten-Year Site plan. The PSC does not need to open a docket to investigate the adequacy, reliability, and resiliency of GRU's electric system. As explained below, GRU's transmission capabilities are adequate, reliable, and resilient. The PSC does not need further clarification of GRU's Ten-Year Site Plan as explained below, there is no change in the generation capacity at Deerhaven Unit 2.

Single Point Electric System Failure

The customer suggests that GRU should spend capital to improve GRU's transmission capabilities rather than invest in other planned capital improvements. The customer's stated basis for his position is taken from two bullet points in a memorandum to city commissioners from GRU's General Manager of Utilities. In this memorandum, the General Manager explained to the Gainesville city commission why GRU planned the

interconnection of a solar facility at GRU's Parker Road substation rather than at GRU's Deerhaven substation.

The Customer, an attorney, represents landowners who have objected to the solar facility's location near the Parker Road substation. The location of the solar facility is currently being mediated in Alachua County, pursuant to the provisions of the Florida Land Use and Environmental Dispute Resolution Act, Section 70.51, F.S.

The customer did not emphasize the third bullet point in the same memorandum which states "[f]rom a system reliability perspective, feeding the power into Parker provides a more diverse distribution network and reduces the probability of power disruption." That third bullet point, together with the explanation of the multi-system evaluations described in this response, explains why there is no need for the PSC to open a docket to explore GRU's adequacy, reliability, and resiliency.

GRU's transmission system is and continues to be reliable. GRU operates and maintains a 138 kV transmission loop with a single 230 kV radial. As a part of GRU's planning process, it partners with the Florida Reliability Coordinating Council (FRCC) to identify and mitigate potential faults and failures of the GRU-owned electric transmission system and the immediate surrounding areas. Some of the analyses and studies conducted on a recurring basis to ensure the reliability and resiliency of the GRU transmission system include:

- Daily Operational Planning Analysis (OPA) - (FRCC – Daily) - In this analysis, daily loads, generation capacity, and planned transmission outages are submitted to the FRCC. Analysis is completed on a state level to identify if another failure (in addition to

the planned outages) creates potential system faults resulting in transmission line overloads, generation outages, and/or customer power outages. Each entity must identify (and be prepared to implement) a mitigation plan for the potential faults identified.

- Long-term Analysis – (FRCC - Twice weekly) - This analysis is similar to the OPA process, except the information (daily peak loads, generation capacity, planned transmission outages, and planned generation outages) is submitted for the next 30 days. Every Monday and Thursday, FRCC completes an analysis for the next 7 days and 28 days. Each entity must identify (and be prepared to implement) a mitigation plan for the potential faults identified.

- Real Time Contingency Analysis (RTCA) - (GRU - Every 5 minutes) - This is an automated internal analysis that is completed every 5 minutes. RTCA looks at the current GRU system conditions (including load, generation, transmission, etc.), systematically models removing different transmission components (entire lines and individual components), and analyzes if that potential fault results in a transmission component overload or generation loss. If such a scenario is identified, System Control personnel are alerted and a mitigation plan must be developed.

- Individual Component Outages – (GRU – As needed) - GRU conducts an internal engineering review of the GRU electric system based on requests to remove transmission system components from service. Using modeling software, the scenario is run with the requested component(s) out of service and potential system fault(s) identified, if any.

GRU participates with the FRCC and conducts internal system evaluations on varying time horizons to ensure that the system remains reliable and safe for GRU customers.

For the situation mentioned by the customer to occur, there would have to be multiple abnormalities/failures present on the system at the same time. Given the multiple system evaluations that are conducted, the likelihood of occurrence of the mentioned situation is extremely low.

Dual Fuel Upgrade (Deerhaven Unit 2)

The customer requested that GRU "clarify" its statement regarding the capabilities of Deerhaven Unit 2 ("DH2") to generate power using natural gas. There is no need to clarify the explanation of the dual-fuel capabilities of DH2. The explanation of the dual-fuel capabilities appears in Section 2.5, Fuel Price Forecast Assumptions. The amount of generation each plant is able to produce is found in Section 1.1, Generation. There is no change in DH2's generation capacity.

The drivers for implementing the DH2 dual-fuel retrofit project were increasing fuel flexibility and lowering fuel costs. At the time the project was proposed and approved, natural gas prices were near historic lows. The ability of DH2 to serve more load with natural gas creates new cost-saving opportunities for GRU's customers, as the unit can use whichever fuel is most cost-effective. The project also increases fuel flexibility: DH2 will be able to burn coal exclusively, gas exclusively, or co-fire with both fuel types if the need arises.

Before the retrofit project, DH2 was able to use natural gas as a fuel, but only in limited quantities and only when co-fired with coal; the unit could not sustain load on natural gas alone. Now that the project is nearly complete, the unit can sustain significant load on natural gas alone. The added ability to burn more natural gas did not remove the ability

to burn coal, nor did it have any impact on the stated capacity of the unit. The unit is still available for the rated net capacity of 228 MW (both summer and winter). That generation capacity can be reached with the unit burning exclusively coal or co-firing coal and gas. At the time of this writing, the unit is in the middle of testing and tuning the range of gas flow, and in verifying maximum output while burning gas. As of the week of 8/23, the unit reached a verified output of 244 MW gross (~225 MW net) exclusively on natural gas. Additional testing and tuning is scheduled to identify the true maximum MW output exclusively on natural gas.

Conclusion

Based on the foregoing explanations, the PSC should not take any additional actions other than to determine GRU's 2021 Ten-Year Site Plan as "suitable."

/s/ *Lisa C Bennett*
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that GAINESVILLE REGIONAL UTILITIES' RESPONSE TO A CUSTOMER'S WRITTEN COMMENTS REGARDING GAINESVILLE REGIONAL UTILITIES' 2021 TEN-YEAR SITE PLAN has been served by electronic mail to Nathan A. Skop, Esquire, 420 NW 50th Blvd., Gainesville, Florida 32607, n_skop@hotmail.com, this 2nd day of September, 2021.

/s/ Lisa C. Bennett

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