State of Florida
Public Service Commission
INTERNAL AFFAIRS AGENDA
Thursday, April 10, 2014
Immediately following Commission Conference
Room 105 - Gerald L. Gunter Building

1. Presentation by Brian Accardo, Director, Department of Environmental Protection's Division of Air Resource Management. (Attachment 1)

2. Overview of the Hurricane Preparedness Meeting, by Adam Hill, Public Service Commission. (Attachment 2)

3. Legislative Update. (No Attachment)

4. Executive Director's Report. (No Attachment)

5. Other Matters. (No Attachment)

BB/mj

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6463.

Attachment 1

Florida Department of Environmental Protection

Overview of the Siting Acts

Florida Public Service Commission
April 10, 2014

Brian Accardo, Director
Division of Air Resource Management

Electrical Power Plant Siting Act (PPSA)

- Created by Florida's Legislature in 1973
- Most recently revised in 2006 & 2008
- Sections 403.501 – 403.518, Florida Statutes (F.S.); Rule 62-17, Part I, Florida Administrative Code (F.A.C.)
- Department of Environmental Protection (DEP) designated as the lead agency
- Multi-agency review with ultimate approval of certification (license) by Siting Board (Governor and Cabinet)
- Applies to new or expanded steam-electric or solar facilities of 75 megawatts (MW) or larger





Transmission Line Siting Act (TLSA)

- Created by Florida's Legislature in 1980
- Most recently revised in 2006
- Sections 403.52 – 403.5365, F.S.; Rule 62-17, Part II, F.A.C.
- Applies to lines 230 kilovolts or higher, ≥ 15 miles, cross county lines

Natural Gas Transmission Pipeline Siting Act (NGPSA)

- Created by Florida's Legislature in 1992
- Sections 403.9401 – 403.9425, F.S.; Rule 62-807, Part II, F.A.C.
- Applies to intrastate, ≥ 15 miles, cross county lines
- Interstate lines are issued a "certificate of public convenience and necessity" (15 U.S. Code § 717f) by the Federal Energy Regulatory Commission (FERC) and are not subject to the NGPSA

What is "Certification"?

- Certification approximates a "one-stop" permit, referred to as a license.
- This license supersedes and encompasses ALL state and local permits and approvals.
  - Examples include: zoning and land use, noise, odor, groundwater, potable water, storm-water, wetlands, roadways, plant and animal species, etc.
- However, it does NOT supersede federal permitting.

Requirements for "Facility" Approval

Under the Siting Act Process

- **Determination of Need** – Public Service Commission (PSC)
- **Land Use & Zoning Consistency** – Local government
- **Site Certification** – DEP, with input from affected agencies, approval is ultimately issued by the Siting Board.

In Addition to the Siting Process

- **Federal Permits** issued independently, if applicable, such as:
  - PSD Prevention of Significant Deterioration
  - NPDES National Pollutant Discharge Elimination System
  - UIC Underground Injection Control
  - NRC U.S. Nuclear Regulatory Commission

PSC Need Determination

- An electrical power plant subject to the PPSA must apply to the PSC for a determination of need taking into account:
  - system reliability and integrity
  - adequate electricity at a reasonable cost
  - fuel diversity and supply reliability
  - cost-effective alternatives
  - utilization of renewable energy sources and technologies, and conservation measures

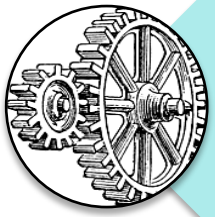
- Pursuant to the PPSA, the PSC is required to submit a report including the commission's determination to DEP.

- An affirmative determination of need is a prerequisite to the DEP's recommendation to the ALJ and continuance of the Siting process.

Who does what when?

DOAH (Division of Administrative Hearings):

The certification process incorporates a legal proceeding, overseen by an Administrative Law Judge (ALJ).



DEP (Siting Coordination Office):

- coordinates with agencies and administers the processing of applications;
- administers and manages the terms and conditions of the final license for the life of the facility.

Certification timelines are controlled by statute, providing the applicant with date certainty for decisions. From start to finish, approximately 13 months are required for final approval.





Final Say on Certification

Ultimate decision on certification is issued by the Siting Board (if disputed) or the DEP Secretary (if not disputed).

Disputed Applications:

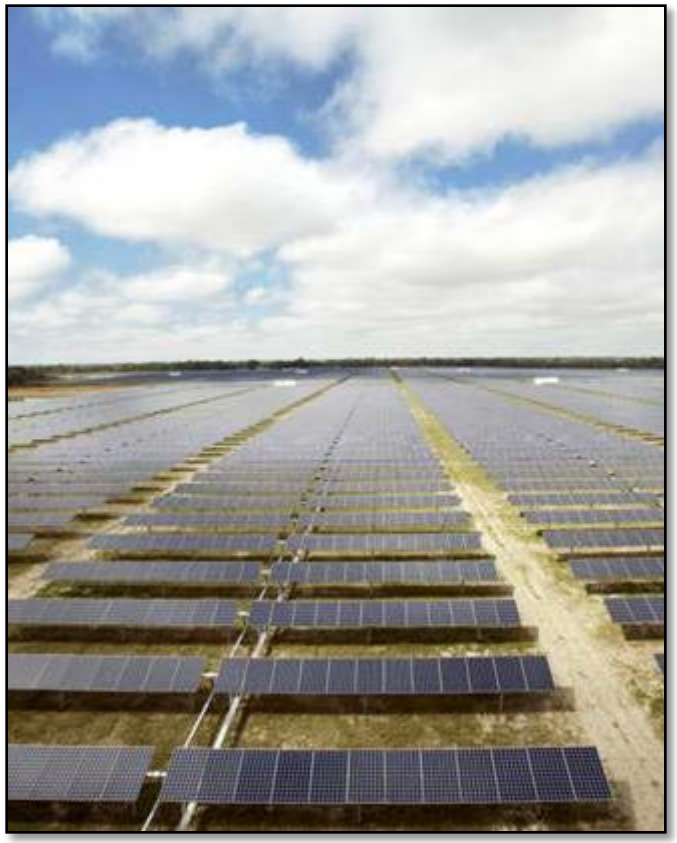
- DEP prepares a draft Final Order for consideration by the Siting Board.
- Siting Board votes on approval or denial of certification.

Non-disputed Applications:

- If all parties to the proceeding agree that there are no disputed issues of fact or law, DEP or the applicant may request to cancel the Certification Hearing.
- If the request is granted, the DEP Secretary will take final action.

Certification Hearing before the ALJ

- For disputed cases, a Certification Hearing is held before an ALJ no later than **265** days after the filing of the application.
- Certification Hearing is held as close as possible to the proposed facility, and may last from one day to several weeks.
- If petitions are filed against state issued draft federal permits (excluding the NRC licensing process) the applicant may consolidate those hearings into the Site Certification Hearing.

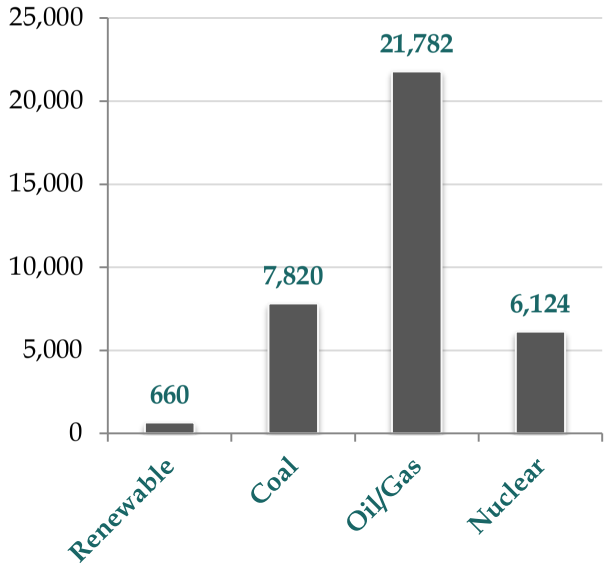


Opportunities for Public Intervention

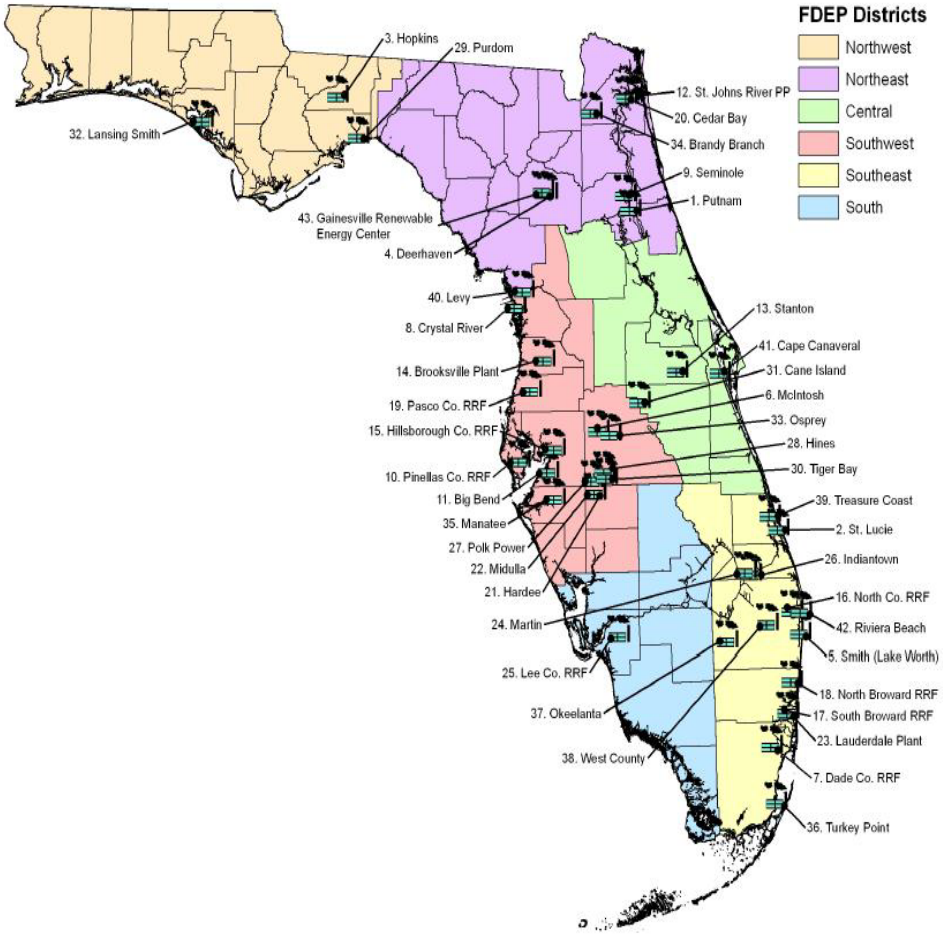
1. Property owners within 3 miles of the plant boundary and ¼ mile of associated corridors must be notified via direct mailing by applicant.
2. "Affected persons" may challenge a local government's Land Use Determination, and/or the application for the proposed project, resulting in a Hearing.
3. Citizens may attend the following meetings, if held:
   - Informational Public Meeting
   - Land Use Hearing (ALJ)
   - Certification Hearing (ALJ)
   - Siting Board Meeting for Land Use
   - Siting Board Meeting for Certification

Florida's Certified Facilities

- Currently 44 power plants are certified under the PPSA.



Total PPSA Megawatts by Facility Fuel Type



- 13 transmission lines are certified under the TLSA

Contact

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Division of Air Resource Management

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http://www.dep.state.fl.us/siting

Attachment 2

HURRICANE PREPAREDNESS MEETING OVERVIEW

By: Adam Hill
Engineering Specialist I
Florida Public Service Commission

Topics Discussed

- Inspection, Maintenance, and Repair Programs
- Communication Plans
- Recovery Plans
- Polar Vortex

Overview

- Overall Trends
- Company-specific Details
- Summary of changes

Overall Trends

- Inspection, Maintenance, and Repair Programs
  - On track for wooden pole inspection programs
    - All poles failing 2012 inspections have been addressed
  - Vegetation trim cycles with increased activity before storm season
- Communication Plans
  - Most have a social media plan
  - Established communication channels with local government and EOCs

Overall Trends

- Recovery Plans and Drills
  - All IOUs have at least 1 annual drill
  - All utilities have emergency recovery plans that prioritize critical infrastructure
- Polar Vortex
  - 4/5 IOUs directly impacted or assisted during winter storms
  - Lessons learned in personnel logistics – transportation, lodging, and dispatch

Company-specific Details

- Florida Power & Light
- Duke Energy
- Tampa Electric
- Gulf Power
- Florida Public Utilities Company
- Municipals
- Cooperatives – Tri-County Electric

Florida Power & Light

- Completed 8-year wooden pole cycle:
  - 2013: Inspected 130,037 poles (13.2% of total)
  - 12.8% pole failure
- Visual inspection on 100% of transmission lines, with additional climbing inspections before storm season
- Storm harden and install flood monitoring on all substations in 100-year flood plane
- Strong public engagement facet – 400 public events
- 350 FPL + contractors sent to assist Georgia Power

Duke Energy

- Year 7 of 8-year wooden pole cycle:
  - 2013: Inspected 97,071 poles (12.3% of total)
  - 15.8% pole failure
- 50 employees assigned to local government EOCs
- Recovery plan has a renewed focus on efficiency – maximizing daylight hours
- Dedicated road clearing crews
- New redundant control center is online
- 250 employees and contractors deployed to Carolinas
- Increased communication with road authorities
- Evaluating damage assessment processes between North and South teams

Tampa Electric

- Year 7 of 8-year wooden pole cycle:
  - 2013: Inspected 49,362 poles (11.7% of total)
  - 17.8% pole failure
- Employees stationed in EOCs for storm response
- Plan to de-energize downtown network prior to flooding to prevent damage
- Emphasis on lightning arrestors during off-season
- Assisted Georgia Power
  - Plan to focus on assigning work quickly in the future

Gulf Power

- Year 7 of 8-year wooden pole cycle – finished 1 year early!
  - 2013: Inspected 21,884 poles (10.8% of total)
  - 3.6% pole failure – finding fewer failures during repeat testing
- All right-of-way inspected and trimmed prior to storm season
- 13 employees assigned to EOCs
- Improved communication with EOC to understand needs
- New training facility & EOC built
- Storm drill will focus on logistics (fuel, transportation)
- 250 employees sent to Georgia
- 74 to Dallas

Florida Public Utilities Company

- Year 6 of 8-year wooden pole cycle:
  - 2013: Inspected 3,887 poles (14.9% of total)
  - 13.5% pole failure
- Planning Interactive Voice System to route calls
- Implemented redundant control software backups
- Hardening feeder for Marianna hospital
- Reliability improvement in response to vegetation management
- No involvement in winter storms

Municipals

- Half of utilities perform their own drills
- All utilities meet to run through storm procedure & share best practices
- Underground transition in Winter Park & Jacksonville Beach – will collect data for efficacy

Cooperatives – Tri-County Electric

- Inspect ALL infrastructure yearly, more frequently for worst performing areas
- System design improvements through conferences
- Yearly update of restoration plan & exercises
- All co-ops use same building specs to aid assistance

Summary of changes

- Largest risk is lack of materials and assistance in case of multiple storms or a large catastrophic storm.
- Secondary challenge is public expectations during a busy storm season
- Communication plans are multifaceted
- Progress in wood-replacement construction continues