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July 1, 2015



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

Re: Docket No. 150007-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 black ink that reads "Robert L. McGee, Jr." in a cursive style.

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. 150007-EI**

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

**FOR THE PERIOD  
JANUARY 2016 – DECEMBER 2016**

July 1, 2015



**Project:**

Effluent Limitations Guidelines

**Law/Regulation Requiring Project:**

In June 2013, the EPA published a proposed Effluent Limitations Guidelines (ELG) rule which requested comments on a range of potential regulatory options for addressing certain wastestreams from steam electric power plants and best management practices for Coal Combustion Residual (CCR) surface impoundments. The rule is located in Title 40 Code of Federal Regulations (CFR) Part 423. The EPA has entered into a consent decree requiring it to finalize revisions to the steam electric effluent guidelines by September 30, 2015.

**Description:**

During the 2015-2016 timeframe Gulf plans to complete water balance and design studies to further evaluate the impact of the proposed ELG regulatory options. The project costs will be booked to a preliminary design and investigation account (deferred debit) until the rule is finalized and Gulf determines the best option to comply with the regulation.

The proposed ELG regulations could require the installation of additional controls such as wastewater treatment systems and/or dry ash handling systems at Gulf's generating facilities. The ultimate impact of these proposed regulations will, however, depend on the specific requirements of the final rule.

**Estimated 2016 Capital Expenditures:** To be determined

**Estimated 2016 O&M Expenses:** \$175,000 ± 20%

**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 will regulate 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.

By the effective date of the rule, October 19, 2015, any CCR unit subject to the federal rule must have a publicly available website established, weekly and monthly inspections initiated, and a fugitive dust plan prepared. Additional compliance reporting and demonstrations will be required throughout the life of the CCR unit including groundwater monitoring and potential corrective actions during the 2016-2018 timeframe.

**Description:**

During 2015 Gulf will move forward with the following activities related to compliance with the new CCR regulation: revising the weekly and monthly CCR inspection program, developing a publically available website that will serve as the compliance record for the CCR regulation, installing permanent markers at all CCR ponds, preparing a fugitive dust control plan, developing and installing a new groundwater monitoring system, and performing annual professional engineer (PE) inspections of the CCR impoundments and landfills.

In 2016 Gulf will prepare closure and post-closure care plans for the CCR pond and landfills, conduct hydrologic and hydraulic capacity studies of the CCR ponds, compile a history of the structural integrity reports and design information for the CCR units, and conduct annual professional engineering (PE) and dust control inspections as well as groundwater monitoring. In addition, sites are required to address run-on and run-off of stormwater from CCR units.

The projected 2015 capital expenditures include installation of additional groundwater monitoring systems required for Plant Crist, Plant Smith, and Plant Daniel. The proposed 2016 capital expenditures are associated with installation of a new dry bottom ash handling system for Plant Crist as well as new CCR wastewater management systems for Plant Crist and Plant Smith.

**Estimated 2015 Capital Expenditures: \$660,000 ± 20%**

**Estimated 2015 O&M Expenses: \$62,000± 20%**

**Estimated 2016 Capital Expenditures: \$9.3 Million ± 20%**

**Estimated 2016 O&M Expenses: \$250,000 ± 20%**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: 150007-EI

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 1st day of July, 2015 to the following:

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