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February 18, 2019

VIA: ELECTRONIC FILING

Mr. Adam J. Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 20180231-EI; Petition for approval of the big bend south gypsum storage area closure project for cost recovery through the environmental cost recovery clause, by Tampa Electric Company

Dear Mr. Teitzman:

Attached for filing in the above docket is Tampa Electric Company's Responses to Staff's Second Data Request (Nos. 1-2) dated February 12, 2019.

Thank you for your assistance in connection with this matter.

Sincerely,

James D. Beasley

JDB/pp Attachment

cc: Emily Knoblauch (w/attachment)

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- 1. Please refer to page 3, paragraph 8, of TECO's Petition. TECO recognizes that by ceasing combustion of coal in Big Bend Units 1 and 2 the production of gypsum is reduced and the South Gypsum Storage Area (SGSA) is no longer needed.
 - a. Does TECO consider the closure of the SGSA as a result of ceasing combustion of coal in Big Bend Units 1 and 2?
 - b. Why was/will the classification of the SGSA change(d) from a beneficial reuse storage area to a CCR Landfill?
- A. a. While the closure is an indirect result of ceasing coal firing in Units 1 and 2 and reducing coal firing in Units 3 and 4, that is not the primary driver for the project. These operational changes did result in a reduction in flue gas desulfurization ("FGD") production at the facility, thus eliminating any need to continue operating the SGSA as a beneficial use storage area. However, the closure project is more a direct result of the SGSA's change in status under the definitions of "landfill" and "waste pile", which are stated in Part 257.90 of the Rule, as follows:

"... For purposes of this subpart, a CCR landfill also includes sand and gravel pits and quarries that receive CCR, *CCR piles, and any practice that does not meet the definition of a beneficial use of CCR.*

"CCR pile or pile means any noncontainerized accumulation of solid, non-flowing CCR that is placed on the land. CCR that is beneficially used offsite is not a CCR pile."

The SGSA's change in status to a regulated landfill also resulted in the need to perform groundwater Assessment Monitoring and comply with established Groundwater Protection Standards ("GPS"). The groundwater monitoring has revealed that the SGSA is not able to meet certain GPS unless it is closed by removal of the gypsum, which is in direct contact with the land at the site. Therefore, the closure project is mandatory under the CCR Rule.

b. The change in status was not discretionary on Tampa Electric's part. It was triggered automatically by the rule when the SGSA ceased operation as a beneficial use storage area. However, the company's

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evaluation of the CCR Rule's applicability was ongoing at that time and revealed this change in regulatory status later in 2018.

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- Please refer to TECO's response to Staffs First Data Request, Request No. 3.
 - a. When was/will the classification of the SGSA change(d) from a beneficial reuse storage area to a CCR Landfill?
 - b. Why was/will the classification of the SGSA change(d) from a beneficial reuse storage area to a CCR Landfill?
 - c. If TECO continued co-firing Big Bend Units 1 and 2 with both coal and natural gas, thus producing gypsum as a CCR, would the SGSA still be exempt from the CCR Rule?
- A. a. The change in classification from beneficial reuse storage area to a CCR landfill happened in early 2018 when the SGSA ceased operation for storage of saleable FGD gypsum.
 - b. As detailed in the company's response to Staff's Second Data Request No. 1.b., the change was triggered automatically under the provisions of the CCR Rule.
 - c. No. The area would not be exempt because it has ceased operation and will not be used in the future for CCR (product) storage at Big Bend Station. All FGD gypsum product will be stored temporarily either in the North Stackout Area or in the East Gypsum Storage Area on the site.