

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed Revision to ) DOCKET NO. 960214-EU  
Rule 25-6.035, F.A.C., Adequacy ) ORDER NO. PSC-96-1076-FOF-EU  
of Supply ) ISSUED: August 20, 1996  
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The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman  
J. TERRY DEASON  
JOE GARCIA  
JULIA L. JOHNSON  
DIANE K. KIESLING

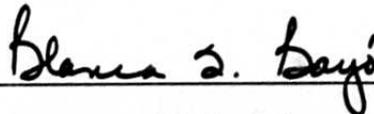
NOTICE OF ADOPTION OF RULE

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has adopted Rule 25-6.035, Florida Administrative Code, relating to adequacy of supply with changes.

The rule was filed with the Department of State on August 16, 1996 and will be effective on September 5, 1996. A copy of the rule as filed with the Secretary of State is attached to this Notice.

This docket is closed upon issuance of this notice.

By ORDER of the Florida Public Service Commission, this 20th day of August, 1996.



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BLANCA S. BAYÓ, Director  
Division of Records & Reporting

( S E A L )

RCB

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

25-6.035 Adequacy of Resources Supply. (1) Each electric utility shall maintain sufficient generating capacity, supplemented by regularly available generating and non-generating resources, in order to meet all reasonable demands for service and provide a reasonable reserve for emergencies. Each electric utility shall also coordinate the sharing of energy reserves with other electric utilities in Peninsular Florida. To achieve an equitable sharing of energy reserves, Peninsular Florida utilities shall be required to maintain, at a minimum, a 15% planned reserve margin. The planned reserve margin for each utility shall be calculated as follows:

$$RM = [(C - L)/L]*100 \quad \text{where:}$$

- "RM" - Is defined as the utility's percent planned reserve margin;
- "C" - Is defined as the aggregate sum of the rated dependable peak-hour capabilities of the resources that are expected to be available at the time of the utility's annual peak; and
- "L" - Is defined as the expected firm peak load of the system for which reserves are required.

The following shall be utilized as the operating reserve standard for Peninsular Florida's utilities: operating reserves shall be maintained by the combined Peninsular Florida system at a value equal to or greater than the loss of generation that would

result from the most severe single contingency. The operating reserves shall be allocated among the utilities in proportion to each utility's maximum demand for the preceding year, and the summer gross Southeastern Electric Reliability Council (SERC) capability of its largest unit or ownership share of a joint unit, whichever is greater. Fifty percent shall be allocated on the basis of demand and fifty percent on the basis of the summer gross SERC capability of the largest unit. Operating reserves shall be fully available within ten minutes. At least 25% of the operating reserves shall be in the form of spinning reserves which are automatically responsive to a frequency deviation from normal.

(2) Treatment of Purchased Power. Only firm purchase power agreements may be included as a resource for purposes of calculating a planned or operating reserve margin. A utility may petition for waiver of this requirement based on the very high availability of specific non-firm purchases.

(3) Treatment of Shared Generating Units. Only the utility which has first call on the generating unit may count the unit towards its planned or operating reserve margin. A utility has first call on a unit if the unit is available and the utility has the contractual right to dispatch the unit to meet its native load and other firm contractual commitments before any other party to the unit's sharing arrangement. A utility may petition the

Commission for approval of other methods demonstrating equivalent reliability on a case by case basis.

(4) Treatment of Non-Firm Load. If non-firm load (i.e. customers receiving service under load management, interruptible, curtailable, or similar tariffs) is relied upon by a utility when calculating its planned or operating reserves, the utility shall be required to make such reserves available to maintain the firm service requirements of other utilities.

(5) Buy-through Power for Interruptible Customers. Interruption of service to non-firm customers is not an emergency. As such, a utility shall not be required to provide buy-through power for another utility's interruptible customers under obligatory emergency interchange schedules. ~~The generating capacity of the utility's plant, supplemented by the electric power regularly available from other sources, must be sufficiently large to meet all reasonable demands for service and provide a reasonable reserve for emergencies.~~

Specific Authority 366.05(1) FS.

Law Implemented 366.03 FS.

History--New 7-29-69, Formerly 25-6.35, Amended 9/5/96.