

July 13, 2021

Donald Phillips and Damian Kistner
Florida Public Service Commission
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: 20210000-OT
GRU's Response to TYSP Data Request #2

Dear Mr. Phillips and Mr. Kistner,

Gainesville Regional Utilities hereby submits its electronic version of the Public Service Commission's Ten-Year Site Plan Data Request #2. This document will also be emailed to you.

Please let me know if you have any questions regarding this document.

Sincerely,

/s/Jamie Verschage
Power Planning and Contracts Manager
Gainesville Regional Utilities

Gainesville Regional Utilities' Response to Supplemental Data Request #2
July 13, 2021

1. Please explain how your Company's Sales to Residential, Commercial, and Industrial classes, as well as the Total Sales to Ultimate Customers, were affected by the COVID-19 Pandemic so far.

The forecast published in GRU's 2020 TYSP was developed just before the pandemic was officially recognized. Working from home and distance learning strengthened residential sales by 1.5% over calendar year 2020. Non-residential sales were negatively impacted in sectors including public schools, restaurants and bars, medical and dental offices, and the many government facilities prevalent in Alachua County. The overall drop in non-residential sales for calendar year 2020 was 7.3% compared against the original forecast. Overall, retail energy sales were 2.2% lower than originally projected. None of these reported sales figures were weather adjusted. During the first half of 2021, overall electric energy sales have been relatively strong and show little sign of being negatively affected by any external events.

2. Please discuss your Company's expectation of the potential impact of the COVID-19 Pandemic and the economic recovery on your Company's Total Sales to Ultimate Customers in 2021 and 2022.

Similar to, but on a smaller scale than the 2008 recession, GRU has projected a step (down) function in its forecast of electric energy sales going forward. Residential energy sales are expected to remain at levels similar to the prior (2020) forecast. Non-residential sales are projected lower in amplitude, but with a similar rate of growth in the 2021 forecast. As of mid-2021, economic impacts related to Covid-19 have largely subsided and in-person learning and full attendance for football games is anticipated for UF this fall. As a result, overall sales levels for 2021 are projected to be slightly lower in the 2021 forecast, compared with the 2020 forecast. Today, other prevailing economic forces are likely to be shaping future energy sales. For example, high real estate prices, general inflation, increased energy costs, and regulatory uncertainty are likely to replace the effects of the Covid-19 pandemic on future electric sales.

3. Please discuss your Company's expectation of the potential impact of the increasing society-wide awareness of the Climate Change issue on your Company's Total Sales to Ultimate Customers in the near future.

GRU serves a relatively progressive and educated customer base, and Climate Change awareness is already prevalent throughout GRU's electric service area. Increased appliance efficiency standards, building codes, and customer behavior has driven down per-customer use over the past ten years, but increased Climate Change awareness is not expected to significantly impact energy sales in the near future.

Gainesville Regional Utilities' Response to Supplemental Data Request #2
July 13, 2021

4. Please discuss your Company's expectation of the potential impact of the increased utilization of the electric vehicles in your service area on the Company's Total Sales to Ultimate Customers in the near future.

GRU estimates it has approximately 500 electric vehicles within its service territory, and this figure is expected to triple over the next six years. Each electric vehicle is expected to increase energy sales by approximately 3.6 MWh per year. The expected impacts of these electric vehicles were included as part of GRU's electric sales forecasts.