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**Written Statement of Stacy Dochoda  
President and CEO  
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to the  
Quadrennial Energy Review Task Force  
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**FRCC Overview**

On behalf of the Florida Reliability Coordinating Council (FRCC), I appreciate the opportunity to participate on this panel. I am Stacy Dochoda, FRCC President and CEO. The FRCC promotes and assures the reliability of the Bulk Electric System (BES) in peninsular Florida by being the Regional Entity (RE), the Reliability Coordinator (RC), the Planning Coordinator (PC), and the State Capacity Emergency Coordinator (SCEC). FRCC's structure allows a reliability focus on all of the Bulk Electric System oversight responsibilities at one organization.

FRCC has a long history of coordinated operations aimed at furthering reliable operations in peninsular Florida dating back to the 1950's when Florida utilities came together to enhance the transmission interconnection capabilities in order to benefit in the sharing of operating reserves.

**FRCC physical characteristics**

The unique geography of the FRCC region along with the interdependence of the FRCC member systems has required close coordination of FRCC member utilities for many years. The peninsular nature of FRCC results in the region being interconnected with the Eastern Interconnection through only one interface composed of 11 transmission circuits. In addition, the interdependence of the systems, where some utilities rely on transmission services provided by other entities has required the Florida utilities to maintain close coordination and communication

at the Regional level. Overall, this close regional interdependence has fostered a community of shared planning and supportive operations.

The FRCC's projected summer peak demand for 2020 is 49,900 MW, which includes 3200 MW of Demand Response. The available generation capacity in 2020 is expected to be more than 58,000 MW, providing the FRCC with a projected 24% reserve margin in 2020.

Florida's capacity mix is currently 64% natural gas, 17% Coal, 12% Oil, 6% nuclear and 1% renewables. Although the fuel mix is predominantly natural gas, Florida has no native gas production and currently relies on two interstate natural gas pipelines for more than 90% of the supply transported into the Region. These two pipelines currently have the ability to deliver almost 4.4 billion cubic feet per day (Bcf/day). More than 80% of the natural gas supply from these two pipelines is dedicated to serving electric generation needs in Florida.

In regard to future requirements, these existing natural gas pipelines into Florida are almost fully subscribed. However, Florida's natural gas needs are expected to increase in the coming years. To meet the high demand, the gas transportation infrastructure serving the state is expected to increase by 2017. A third major pipeline continues to move through the permitting process, having received Federal Energy Regulatory Commission (FERC) Certificates earlier this year. These projects include Sabal Trail, Sabal Trail Central Florida Hub, and the Florida Southeast Connection pipeline projects. These projects will provide over 1 Bcf/day of capacity and access to a new supply source.

### **Overview of Resource Planning**

Each FRCC utility is responsible for its individual resource planning and is under the jurisdiction of the Florida Public Service Commission. These individual planning processes consider fuel diversity, energy conservation, renewables, load forecasts, demand response and other factors during the development of their resource plans. Each year, the individual resource plans, called Ten Year Site Plans, are consolidated by FRCC, analyzed for resource adequacy and transmission reliability and presented to the Florida Public Service Commission.

## **Overview of transmission planning**

For transmission planning, each transmission planner evaluates the needs of their individual systems and develops long range plans to address those needs. FRCC planning consolidates those plans and ensures that the composite regional plan is reliable. As the Order 1000 forum for FERC jurisdictional entities, FRCC evaluates the rolled-up plan and does system analysis to evaluate whether there are other regional projects that could displace projects within the initial roll-up plan.

## **FRCC Load Forecast**

The projected average annual growth rate for customers over the ten-year planning horizon is 1.5%. The Net Energy for Load (NEL) and summer peak demands are forecasted to be lower than in the previous forecasts and winter peak demands are forecasted to be slightly higher. The current average annual growth rate for NEL is 0.8% per year compared to 1.1% per year in the previous forecast. Firm summer peak demand is expected to grow by 1.1% per year. The impacts of conservation and energy efficiency, including the impacts of energy efficiency building codes and appliance standards, continue to contribute to the declines in per-customer consumption as reflected in the current forecasts of demand and energy consumption.

## **Conclusion**

Even with the modest load growth within FRCC, entities must have plans in place to meet the expected additional demand. FRCC's yearly analyses provide a region-wide view into projected resource adequacy and transmission reliability.