BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for expedited approval of DOCKET NO. 070546-EI temporary territorial variance by Tampa Electric Company.

ORDER NO. PSC-07-0906-PAA-EI ISSUED: November 8, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman MATTHEW M. CARTER II KATRINA J. McMURRIAN NANCY ARGENZIANO NATHAN A. SKOP

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING TAMPA ELECTRIC COMPANY'S REOUEST FOR TEMPORARY TERRITORIAL VARIANCE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On July 30, 2007, Tampa Electric Company (TECO) filed a petition for expedited approval of a temporary territorial variance. This variance will enable TECO to provide retail electric service to a transmission level (69 kV) customer in Manatee County who is located within an area currently served by Peace River Electric Cooperative, Inc. (PRECO). We have previously considered agreements for service within the territory. The relevant agreements were considered in Docket Nos. 810466-EU, 870303-EU, 870816-EU, and 940376-EU.

DOCUMENT NUMBER-DATE

¹ See Order No. 10564, issued February 3, 1982, in Docket No. 810466-EU, In re: Joint application of Tampa Electric Company and Florida Power and Light Company for approval of retail territorial agreement relative to respective electric systems and service areas, which approved a territorial boundary line between the respective areas at the Hillsborough-Manatee County line; Order No. 17585, issued May 22, 1987, in Docket No. 870303-EU, In re: Joint Petition of Tampa Electric Company and Peace River Electric Cooperative, Inc. for approval of a territorial agreement, which approved TECO's right to continue to serve its existing transmission (69KV) level customers in the area otherwise allocated to PRECO; Order 18332, issued October 22, 1987, in Docket No. 870816-EU, In re: Joint petition for approval of territorial agreement between Florida Power & Light Company and Peace River Electric Cooperative, Inc., which approved an agreement that delineated the utilities' respective service territories in a multi-county area which included that area in Manatee County allocated to PRECO which TECO proposed to serve; and Order No. PSC-94-1522-FOF-EU, issued December 12, 1994, in Docket No. 940376-EU, In re: Joint petition for approval of territorial agreement between Florida Power Corporation and Peace River Electric

We have jurisdiction over this matter pursuant to section 366.04, Florida Statutes, and Rule 25-6.0440, Florida Administrative Code.

The utility has indicated that a mining company (Mosaic Fertilizer LLC or Mosaic), to which it currently provides transmission level (69 kV) retail service in Hillsborough County, needs electric service at its Altman facility in rural northern Manatee County. A map and legal description of the Altman facility are included with TECO's petition. The petition, map, and legal description are in Attachment A to this Order. The location of the Altman facility is currently in an area served by Peace River Electric Cooperative, Inc. (PRECO). However, PRECO does not have facilities in place to provide the necessary service. According to the utility's petition, Mosaic has indicated that it has a pressing need to commence taking electric service at the Altman facility at the earliest possible date to accommodate its phosphate mining operations.

The petition indicates that the prior service agreements contemplate the consideration of good engineering practices and the avoidance of uneconomic duplication of generation, transmission and distribution facilities. The adjacent utilities, Florida Power & Light Company (FPL), PRECO, and Progress Energy Florida, Inc. (Progress), agree that TECO should be authorized to serve the Altman facility pursuant to the proposed variance. Included with the petition are the signed consent statements of FPL, PRECO, and Progress recommending that TECO's petition be approved. According to the utilities, the relief requested by TECO is economically sound for all affected persons and consistent with good engineering practices.

TECO can provide immediate electric service to the Altman facility from an existing meter located within TECO's electric service territory just over the Manatee/Hillsborough County border in Hillsborough County. This facility currently supplies service to Mosaic's Four Corners Plant which processes phosphate ore. TECO's existing meter is located approximately 3.5 miles from the Altman facility. Mosaic will be responsible for constructing a 69 kV transmission line from the Altman facility and tying into Mosaic's existing 69 kV line which is fed from the existing TECO meter. TECO has indicated that it will not be necessary for it to invest in any additional facilities to accommodate this project.

The petition states that service to the Altman facility will be temporary. Mosaic has indicated to TECO that it expects to require the provision of electric service for a period of several years. TECO is prepared to provide service as long as necessary. TECO commits to report to the Commission on an annual basis regarding the status of such temporary service to the Altman facility through the duration of the service.

Upon consideration, we find that TECO's petition for a temporary territorial variance is in the public interest, and it is approved. During the period of its retail electric service to the Altman mining facility in Manatee County, the utility shall report to us annually regarding the status of such temporary service.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the findings set forth in the body of this Order are hereby approved. It is further

ORDERED that Tampa Electric Company's petition for temporary territorial variance is granted. It is further

ORDERED that, during the period of its retail electric service to the Altman mining facility in Manatee County, Tampa Electric Company shall report to the Commission annually regarding the status of the temporary service. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by close of business on the date set forth in the "Notice Of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed

By ORDER of the Florida Public Service Commission this 8th day of November, 2007.

ANN COLE

Commission Clerk

(SEAL)

LCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 29, 2007.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re: Petition of Tampa Electric) | |
|-------------------------------------|----------------------|
| Company for expedited approval of) | 40-6111 |
| temporary territorial variance. | DOCKET NO. 070546-EI |
| · · ·) | FILED: July 30, 2007 |

TAMPA ELECTRIC COMPANY'S PETITION FOR EXPEDITED APPROVAL OF TEMPORARY TERRITORIAL VARIANCE

Tampa Electric Company ("Tampa Electric" or "the company") hereby petitions the Florida Public Service Commission ("the Commission") for expedited approval of a temporary territorial variance to enable Tampa Electric to provide retail electric service to a customer located outside Tampa Electric's Commission approved service territory and, as grounds therefor, says:

1. The name, address, telephone number and facsimile number of the petitioner are:

Tampa Electric Company Post Office Box 111 Tampa, FL 33601 (813) 228-4111 (813) 228-1770 (facsimile)

- 2. Tampa Electric is an investor-owned public utility subject to the jurisdiction of the Commission under Chapter 366, Florida Statutes.
- 3. Any pleadings, motions, notices, orders or other documents required to be served upon the petitioner or filed by any party to this proceeding should be served upon the following individuals:

Paula Brown
Administrator, Regulatory Coordination
Tampa Electric Company
Post Office Box 111
Tampa, FL 33601
(813) 228-1444
(813) 228-1770 (fax)

Lee L. Willis James D. Beasley Ausley & McMullen Post Office Box 391 Tallahassee, FL 32302 (850) 224-9115 (850) 222-7952 (fax)

DOCUMENT NUMBER DATE

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.. FPSC-COMMISSION CLERK

- 4. Mosaic Fertilizer LLC ("Mosaic") has indicated that it needs electric service at its Altman mining facility ("Altman facility"), located in rural northern Manatee County, Florida. A map and legal description of the Altman facility are attached hereto as Exhibits "A" and "B", respectively. The facility in question will soon commence operations as an industrial phosphate mining operation located in a portion of Manatee County not presently served by any electric utility. The Altman facility requires transmission level retail electric service.
- 5. Certain existing Commission approved electric utility territorial agreements are relevant to the provision of electric service to the Altman facility. The first is a territorial agreement by and between Tampa Electric and Florida Power & Light Company ("FPL"). Under this agreement, the Altman facility is located in FPL's service territory, although FPL does not presently have transmission facilities readily available with which to serve the Altman facility's needs. There is also a Commission approved territorial agreement by and between Tampa Electric and Peace River Electric Cooperative, Inc. ("PRECO"). Under this agreement the Altman facility is located within PRECO's service territory. However, PRECO does not have facilities in place to provide the requested service and is unable to provide the requested service in an economically feasible manner. Tampa Electric can provide immediate electric service to the Altman facility from an existing meter located just over the Manatee/Hillsborough County border in Hillsborough County, within Tampa Electric's service territory. The third Commission approved territorial agreement to be considered is between PRECO and Progress Energy Florida, Inc. ("Progress"). That agreement addresses the relative rights and obligations as between PRECO and Progress regarding the provision of retail electric service in six Florida counties, including that portion of Manatee County where the Altman facility is located.
- 6. The various territorial agreements and the provisions of Chapter 366, Florida Statutes, contemplate the consideration, among other things, of good engineering practices and

the avoidance of further uneconomic duplication of generation, transmission and distribution facilities in determining the appropriate provision of electric service by an electric utility to an applicant therefor.

- 7. After carefully considering the existing Commission approved territorial agreements, the relative proximity of transmission facilities of FPL, PRECO, Progress and Tampa Electric to the Altman facility and other facts pertaining to the Altman facility's current need for electric service, FPL, PRECO and Progress have concluded that the relief requested in this petition is economically sound for all affected persons and consistent with good engineering practices. Accordingly, FPL, PRECO and Progress agree that Tampa Electric should be authorized to serve the Altman facility pursuant to the temporary territorial variance requested in this petition. See consents signed on behalf of FPL, PRECO and Progress, attached hereto collectively as Exhibit "C" and made a part hereof.
- 8. FPL, PRECO and Progress have agreed to Tampa Electric providing service to the Altman facility from the Tampa Electric meter in Hillsborough County without the need for any payment or other compensation to FPL, PRECO or Progress or any other party. FPL, PRECO and Progress will receive some benefit from the approval of this petition in that they will avoid having to attempt to provide retail electric service to the Altman facility at a time when that effort would be uneconomic and logistically challenging.
- 9. Mosaic indicates that although its Altman mining operations will be, by definition, temporary, it expects to require the provision of electric service to the Altman facility for a period of several years. Tampa Electric is prepared to provide that service during the period that Altman mining operations continue and to report to the Commission on an annual basis regarding the status of such temporary service through its conclusion.

ATTACHMENT A

ORDER NO. PSC-07-0906-PAA-EI DOCKET NO. 070546-EI PAGE 8

> 10. Mosaic has indicated it has a pressing need to commence taking electric service at the Altman facility at the earliest possible date to accommodate its phosphate mining operations at that facility. To accommodate Mosaic's needs Tampa Electric requests that the Commission

take up this petition at the earliest possible date.

11. The relief requested herein is of a temporary nature and does not require the

amendment of any Commission approved territorial agreement.

WHEREFORE, Tampa Electric Company respectfully requests that the Commission take expedited action to authorize Tampa Electric to provide temporary retail electric service outside the company's Commission approved service territory to Mosaic's Altman facility located in northern Manatee County for the period that such mining operations continue. Tampa Electric further commits to report to the Commission on an annual basis regarding Tampa Electric's

continuing provision of such temporary electric service through the duration thereof.

DATED this day of July 2007.

Respectfully submitted,

LEE L. WILLIS

JAMES D. BEASLEY

Ausley & McMullen

Post Office Box 391

Tallahassee, Florida 32302

(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

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ATTACHMENT A

Exhibit "A"

Map

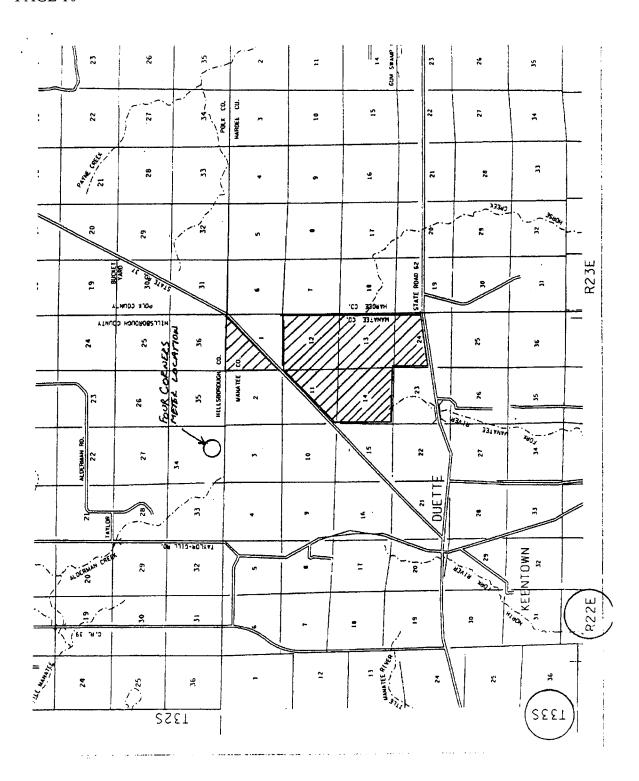


Exhibit "B"

Legal Description

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Altman Legal Description In Township 33 South, Range 22 East, Manatee Co:

Section 1: (Jameson Tract)

Section 1: All that part lying north and west of Brewster - Parrish Road ("SR 37").

Parcel 4: (Altman Tract)

Section 11: All that part lying south and east (or southeasterly) of SR 37.

Section 12: All that part lying south and east (or southeasterly) of SR 37.

Section 13: All, LESS the following described parcel: Begin at the Southwest corner of Section 13, thence proceed N 00°08'22" W, along the west line of the Section, 703.32 feet to the Watershed Boundary Line between the Horse Creek and East Fork Manatee River Basins; thence S 70°39'27" E, along the Watershed Boundary Line, 656.33 feet; thence N 54°20'37" E, 808.35 feet; thence N 87°01' 51" E, 1471.24 feet; thence S 80°42'49" E, 1522.00 feet; thence S 35°44'47" W, 453.75 feet; thence S 12° 20' 01" E, 368.48 feet; thence S 47°27'45" W, 120.57 feet to the south line of the Section; thence N 89°39'59" W, along the south line of the Section, 1329.46 feet to the southeast corner of the SW 1/4 of the Section; thence N 89°41'26" W, along the south line of the Section, 2641.09 feet to the POINT OF BEGINNING.

Section 14: All, LESS the following described parcel: Begin at the southeast corner of Section 14, thence proceed N 88°49'39" W, along the south line of the Section, 2612.74 feet to the southwest corner of the SE 1/4 of the Section; thence N 88°49'12" W, along the south line of the Section, 2612.69 feet to the southwest corner of the section; thence N 00°09'14" E, along the west line of the Section, 5259.60 feet to the northwest corner thereof; said point also being on the Watershed Boundary Line between the Horse Creek and East Fork Manatee River basins; thence S 62°44'01" E, along the Watershed Boundary Line 911.05 feet; thence S 39°26'30" E, 2045.00 feet; thence S 09°12'34" E, 1639.06 feet; thence S 44°35' 27" E, 830.69 feet; thence N 70°36'14" E, 1118.03 feet; thence S 37°25'01" E, 701.66 feet; thence S 70°39'27" E, 819.34 feet to the east line of the Section; thence S 00°08'22" E, along the east line of the Section, 703.32 feet to the POINT OF BEGINNING.

Section 24: All that part lying north of Parrish - Wauchula Road ("SR 62") LESS the following described parcel: Begin at the Northwest corner of Section 24, thence proceed S 89°41'26" E, along the north line of the Section, 2641.09 feet to the northeast corner of the NW 1/4 of the Section; thence S 89°39'59" E, along the north line of the Section, 1329.46 feet to the Watershed Boundary Line between the Horse Creek and East Fork Manatee River Basins; thence S 47°27'45" W along the Watershed Boundary Line. 937.28 feet; thence S 47°27'45" W, 1057.84 feet; thence S 44°00'59" W, 862.70 feet; thence S 47°00'11" W, 985.07 feet; thence S 69°40'57' E, 1180.90 feet to the north rightof-way line of State Road 62; thence S 80°20'42" W, along the north right-of-way of State Road 62, 54.02 feet; thence S 81°43'26" W, 199.90 feet; thence S 83°26'32" W, 100.04 feet; thence S 84°35'11" W, 100.12 feet; thence S 82°35'00" W, 200.02 feet; thence S 82°35'00" W, 200.02 feet; thence S 81°43'26" W, 499.61 feet; thence S 81°22'48" W, 500.01 feet; thence S 81°49'02" W, 499.49 feet to the west line of the Section; thence N 00°44'51" E, along the west line of the Section, 763.16 feet to the southwest corner of the NW 1/4 of the Section; thence N 00°41'53" E, along the west line of the Section, 2638.46 feet to the POINT OF BEGINNING.

ATTACHMENT A

ORDER NO. PSC-07-0906-PAA-EI DOCKET NO. 070546-EI PAGE 13

Exhibit "C"

FPL Consent
PRECO Consent
PROGRESS Consent

FLORIDA POWER & LIGHT COMPANY'S CONSENT TO APPROVAL OF TAMPA ELECTRIC COMPANY'S PETITION FOR EXPEDITED APPROVAL OF TEMPORARY TERRITORIAL VARIANCE

Florida Power & Light Company ("FPL"), by and through its undersigned counsel or representative, states as follows:

- 1. FPL has read the Petition for Expedited Approval of Temporary Territorial Variance filed on behalf of Tampa Electric Company ("Tampa Electric") wherein Tampa Electric has asked the Florida Public Service Commission to authorize Tampa Electric to provide temporary retail electric service to Mosaic Fertilizer LLC's Altman facility located in northern Manatee County, Florida.
- 2. FPL believes that the relief requested by Tampa Electric in its Petition is economically sound for all affected persons and consistent with good engineering practices.
- 3. Accordingly, FPL hereby consents to the approval of the temporary territorial variance requested by Tampa Electric to serve the Altman facility located in northern Manatee County, Florida, as more particularly described in Tampa Electric's Petition for approval of such temporary territorial variance.

DATED this the day of June 2007.

FLORIDA POWER & LIGHT COMPANY

Natalie F. Smith, Esq.

Counsel for FPL

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PEACE RIVER ELECTRIC COOPERATIVE, INC.'S CONSENT TO APPROVAL OF TAMPA ELECTRIC COMPANY'S PETITION FOR EXPEDITED APPROVAL OF TEMPORARY TERRITORIAL VARIANCE

Peace River Electric Cooperative, Inc. ("PRECO"), by and through its undersigned counsel or representative, states as follows:

1. PRECO has read the Petition for Expedited Approval of Temporary Territorial Variance filed on behalf of Tampa Electric Company ("Tampa Electric") wherein Tampa Electric has asked the Florida Public Service Commission to authorize Tampa Electric to provide temporary retail electric service to Mosaic Fertilizer LLC's Altman facility located in northern

Manatee County, Florida.

2. PRECO believes that the relief requested by Tampa Electric in its Petition is

economically sound for all affected persons and consistent with good engineering practices.

3. Accordingly, PRECO hereby consents to the approval of the temporary territorial variance requested by Tampa Electric to serve the Altman facility located in northern Manatee County, Florida, as more particularly described in Tampa Electric's Petition for approval of such temporary territorial variance.

DATED this 29thday of May 2007.

PEACE RIVER ELECTRIC COOPERATIVE, INC.

Andrew B. Jackson, Attorney for Peace River Electric Cooperative, Inc.

Florida Bar No. 0038826

PROGRESS ENERGY FLORIDA, INC.'S CONSENT TO APPROVAL OF TAMPA ELECTRIC COMPANY'S PETITION FOR EXPEDITED APPROVAL OF TEMPORARY TERRITORIAL VARIANCE

Progress Energy Florida, Inc. ("Progress"), by and through its undersigned counsel or representative, states as follows:

- 1. Progress has read the Petition for Expedited Approval of Temporary Territorial Variance filed on behalf of Tampa Electric Company ("Tampa Electric") wherein Tampa Electric has asked the Florida Public Service Commission to authorize Tampa Electric to provide temporary retail electric service to Mosaic Fertilizer LLC's Altman facility located in northern Manatee County, Florida.
- 2. Progress believes that the relief requested by Tampa Electric in its Petition is economically sound for all affected persons and consistent with good engineering practices.
- 3. Accordingly, Progress hereby consents to the approval of the temporary territorial variance requested by Tampa Electric to serve the Altman facility located in northern Manatee County, Florida, as more particularly described in Tampa Electric's Petition for approval of such temporary territorial variance.

DATED this $\frac{\hat{A}}{T}$ day of $\frac{JULY}{2007}$.

PROGRESS ENERGY FLORIDA, INC.

By: John F. D