

Hublic Serbice Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

# -M-E-M-O-R-A-N-D-U-M-

- **DATE:** June 5, 2008
- TO: Office of Commission Clerk (Cole)
- FROM: Office of the General Counsel (Jacger) PAR to the Division of Economic Regulation (Redemann, Rieger) SOR 191
- **RE:** Docket No. 080141-EU Joint petition of Tampa Electric Company and Withlacoochee River Electric Cooperative, Inc. for approval of limited amendments to territorial boundaries.
- AGENDA: 06/17/08 Regular Agenda Proposed Agency Action Interested Persons May Participate

| COMMISSIONERS ASSIGNED: | All Commissioners            | CO   | HUL BI | RECE |
|-------------------------|------------------------------|------|--------|------|
| PREHEARING OFFICER:     | McMurrian                    | OLEI | -2     | NED  |
| CRITICAL DATES:         | None                         | RK   | РМ З:  | -FPC |
| SPECIAL INSTRUCTIONS:   | None                         |      | 46     | Ő    |
| FILE NAME AND LOCATION: | S:\PSC\GCL\WP\080141.RCM.DOC | ·    |        |      |

# Case Background

On March 7, 2008, Tampa Electric Company (TECO) and Withlacoochee River Electric Cooperative, Inc. (WREC) jointly filed a petition to approve certain changes in the Joint Petitioners' existing Commission approved service territory boundary. The Joint Petitioners request the Commission modify their existing service territory boundary in Meadow Point so that groups of lots currently transected by the existing boundary line can be served entirely by one

DOCUMENT NUMBER-DATE

04688 JUN-28

FPSC-COMMISSION CLERK

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Petitioner. Relevant Commission-approved agreements were considered in Docket Nos. 900752-EU, 020147-EU and 041408-EU.<sup>1</sup>

This is staff's recommendation regarding the utility's petition for a relocation of territorial boundaries. The petition is appended to this recommendation as Attachment A. The Commission has jurisdiction over this matter pursuant to section 366.04, Florida Statutes, and Rule 25-6.0440, Florida Administrative Code.

<sup>&</sup>lt;sup>1</sup> See Order No. 23905, issued December 20, 1990, in Docket No. 900752-EU, <u>In re: Amendment to Tampa Electric Company/Withlacoochee River Electric Cooperative, Inc. Territorial Agreement</u>, which approved an amendment to the territorial agreement; Order No. PSC-02-0790-PAA-EU, issued June 10, 2002, in Docket No. 020147-EU, <u>In re: Joint petition of Tampa Electric Company and Withlacoochee River Electric Cooperative</u>, Inc. for approval of <u>customer transfers to conform to territorial boundaries and other relief</u>, which approved the customer transfer and facilities; Order No. PSC-06-0128-PAA-EU, issued February 16, 2006, in Docket No. 041408-EU, <u>In re: Joint petition of Tampa Electric Company and Withlacoochee River Electric Cooperative</u>, Inc. for expedited interim approval of customer transfers pending consideration of joint application for permanent relocation of territorial boundaries, in which no customers or facilities were transferred.

## **Discussion of Issues**

<u>Issue 1</u>: Should the Commission approve the Tampa Electric Company and Withlacoochee River Electric Cooperative petition for permanent relocation of territorial boundaries?

**<u>Recommendation</u>**: Yes. The petition (Attachment A) by Tampa Electric Company and Withlacoochee River Electric Cooperative for permanent relocation of their territorial boundaries should be approved. (Redemann, Rieger)

**Staff Analysis**: As stated earlier, on March 7, 2008, TECO and WREC jointly filed a petition (Attachment A) to approve certain changes in the Joint Petitioners' existing Commissionapproved service territory boundary. TECO and WREC have been asked to provide service to portions of the Meadow Point subdivision ("Meadow Point") now under construction in Pasco County, Florida. Specifically, Meadow Point is located one mile north of the Pasco-Hillsborough county line, 3.5 miles east of Bruce B. Downs Blvd. The current approved service territory boundary between the Petitioner's respective service territories transects Meadow Point in a manner that does not follow the topography and street grids in a logical manner. As a result, service to the portion of Meadow Point located within their existing service area by each Petitioner would be inefficient and not in the best interest for the electric customers in Meadow Point.

The Joint Petitioners ask that the Commission modify their existing service territory boundary in Meadow Point so that groups of lots currently transected by the existing boundary line can be served entirely by one Petitioner or the other. Attachment A to this petition shows the lots at issue and the existing service territory boundary line (Segment A - B). The Petitioners request that the boundary line be modified so that TECO's new service territory would include the crosshatched area and WREC's new service area would include the area north of the cross-hatched area. The proposed boundary follows lot lines and will make it much more cost-effective for WREC and TECO to serve the customers. This modification will result in approximately 17 lots being transferred from WREC to TECO and approximately 18 lots being transferred from TECO to WREC. TECO and WREC sent a joint letter to the developer advising of the proposed change in the territorial boundary.

Subject to its approval by the Commission, this joint petition is intended to serve as an amendment to the June 12, 1990, territorial agreement, which the Commission approved in Order No. 23905, issued in Docket No. 900752-EU on December 20, 1990. By letter dated April 25, 2008, the petitioners completed the joint petition application. A copy of the written service territory boundary (Attachment B) was provided. In addition, since the area in question is currently under construction, there are no existing customers who will be transferred. This agreement is not likely to cause a decrease in reliability of electric service to the existing or future ratepayers of any utility party to the agreement. By adjusting the service territory boundary to conform to the proposed Meadowbrook subdivision development plan, each utility will be able to serve customers more efficiently and avoid uneconomic duplication of facilities.

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The requirements for territorial agreements have been completed as required by Rule 25-6.0440, Florida Administrative Code. Therefore, staff recommends the petition (Attachment A) by TECO and WREC for permanent relocation of their territorial boundaries should be approved.

Issue 2: Should this docket be closed?

**<u>Recommendation</u>**: If a protest is not received from a substantially affected person within 21 days of issuance of the Proposed Agency Action Order, a consummating order will be issued and the docket should be closed. (Jaeger)

<u>Staff Analysis</u>: If a protest is not received from a substantially affected person within 21 days of issuance of the Proposed Agency Action Order, a consummating order will be issued and the docket should be closed.

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Joint Petition of Tampa Electric Company And Withlacoochee River Electric Cooperative, Inc. for Permanent Relocation of Territorial Boundaries

DOCKET NO.

FILED: March 7, 2008

#### JOINT PETITION OF TAMPA ELECTRIC COMPANY AND WITHLACOOCHEE RIVER ELECTRIC COOPERATIVE, INC. FOR APPROVAL OF LIMITED AMENDMENTS TO TERRITORIAL BOUNDARIES

Tampa Electric Company ("Tampa Electric" or "the company") and Withlacoochee River Electric Cooperative, Inc. ("WREC"), jointly petition the Florida Public Service Commission ("Commission") to approve certain proposed changes in the Joint Petitioners' existing Commission approved service territory boundary, as described in more detail below and in the Exhibits attached hereto. In support thereof, the Joint Petitioners say:

1. Tampa Electric is a Commission regulated electric utility within the meaning of Section 366.02, Florida Statutes, whose principal place of business is located in Tampa, Florida. WREC is a rural electric cooperative organized and existing under Chapter 425, Florida Statutes, and under the Rural Electrification Act, 7 USC, Section 901, et. seq., with a principal place of business in Dade City, Florida.

2. The name, address and telephone numbers of the Joint Petitioners are as follows:

| Tampa Electric Company                 | Withlacoochee River Electric Cooperative, Inc.  |
|--|---|
| Post Office Box 111<br>Tampa, FL 33601 | Post Office Box 278<br>Dade City, FL 33526-0278 |
| (813) 228-4111                         | (352) 567-5133                                  |

3. All notices and pleadings in this matter should be served upon the following:

For Tampa Electric:

Paula K. Brown Administrator - Regulatory Coordination Tampa Electric Company Post Office Box 111 Tampa, FL 33601 (813) 228-1444 Lee L. Willis James D. Beasley Ausley & McMullen Post Office Box 391 Tallahassee, FL 32302 (850) 224-9115

For WREC:

Billy E. Brown Withlacoochee River Electric Cooperative, Inc. Post Office Box 278 Dade City, FL 33526-0278

4. Tampa Electric and WREC are parties to a territorial agreement that was approved by this Commission in Order No. 23905 issued in Docket No. 900752-EU on December 20, 1990. On June 10, 2002 the Commission entered Order No. PSC-02-0790-PAA-EU in Docket No. 020147-EU approving customer transfers to conform to the territorial boundaries between Tampa Electric and WREC. The provisions of that order became final and effective upon the Commission's issuance of its consummating order on July 10, 2002, Order No. PSC-02-0926-CO-EU. The territorial boundary between Tampa Electric and WREC was further amended on February 16, 2006 with the Commission's issuance of Order No. PSC-06-0128-PAA-EU in Docket No. 041408-EU. That proposed agency action became final with the issuance of Order No. PSC-06-0200-CO-EU, dated March 13, 2006.

5. The Petitioners have been asked to provide service to portions of the Meadow Point subdivision ("Meadow Point") now under construction in Pasco County, Florida. Specifically, Meadow Point is located one mile north of the Pasco-Hillsborough County line, 3.5 miles east of Bruce B. Downs Blvd. The currently approved service territory boundary between the Petitioner's respective service territories transects Meadow Point in a manner that does not follow the topography and street grids in a logical manner. As a result, service to the portion of Meadow Point located within their existing service area by each Petitioner would be inefficient and not in the best interest of electric customers in Meadow Point.

6. The Joint Petitioners ask that the Commission modify their existing service territory boundary in Meadow Point so that groups of lots currently transected by the existing boundary line can be served entirely by one Petitioner or the other.

7. Exhibit A to this petition shows the lots at issue and the existing service territory boundary line (Segment A - B). The Petitioners request that the boundary line be modified as illustrated in Exhibit B to this petition. In Exhibit B, Tampa Electric's new service territory would cover the area highlighted with red cross hatching and WREC's new service area would be represented by the un-highlighted area of the map. The proposed service territory boundary follows lot lines and will make it much more cost-effective for WREC and Tampa Electric to serve the customers in question.

8. Except as explicitly described above, the joint petitioners request that the existing service territory boundary remain unchanged. Subject to its approval by the Commission, this joint petition is also intended by Tampa Electric and WREC to serve as and constitutes an amendment to the June 12, 1990 territorial agreement which the Commission approved in Order No. 23905, issued in Docket No. 900752-EU on December 20, 1990. Tampa Electric and WREC agree that each and every provision of that 1990 agreement should remain in full force in effect, except to the extent modified herein and by earlier amendments approved by the Commission. Joint Petitioners urge the Commission to so rule in its disposition of this joint petition.

9. Tampa Electric and WREC are not aware of any disputed issues of material fact relative to the matters addressed in this joint petition.

10. The undersigned has conferred with representatives of WREC and is authorized to file this Joint Petition on behalf of both Tampa Electric and WREC.

WHEREFORE. Tampa Electric and WREC petition the Commission to approve the above-described permanent service territory boundary changes and to approve this joint petition as an amendment to the territorial agreement approved by the Commission in Order No. 23905 issued in Docket No. 900752-EU on December 20, 1990.

DATED this <u>1</u> day of March 2008.

Respectfully submitted,

Mum lasson in,

LEE L. WILLIS JAMES D. BEASLEY Ausley & McMullen Post Office Box 391 Tallahassee, FL 32302 (850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

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Attachment A Page 5 of 6

#### CERTIFICATE OF SERVICE

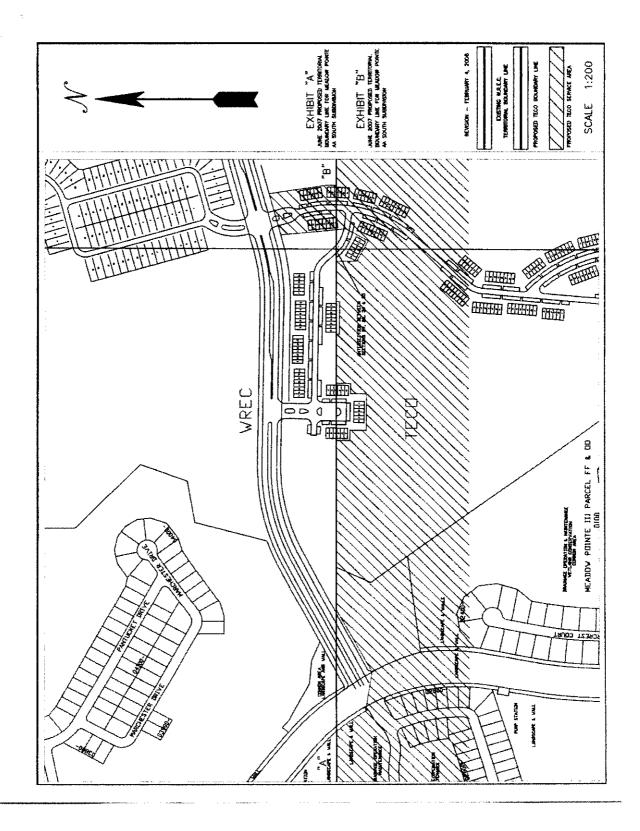
I HEREBY CERTIFY that a true copy of the foregoing Joint Petition has been served by hand delivery (\*) or U. S. Mail on this <u>7</u> day of March 2008 to the following:

Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Billy E. Brown Executive V. P. and General Manager Withlacoochee River Electric Cooperative, Inc. Post Office Box 278 Dade City, FL 33526-0278

Chan -ORNEY

AT



### 2. Hillsborough County and Polk County Area

Commence at the northwest corner of Section 6, T27S, R17E, which is the Pasco - Hillsborough County line; thence east along the north line of Sections 6, 5 and 4; to the northeast corner of Section 4, T27S, R17E; thence north along the west section line of Section 34 to the northwest corner of Section 34, T26S, R17E; thence east along the north line of Sections 34 and 35, T26S, RI7E to the northeast corner of Section 35, thence south along the east line of Section 35 to the north line of the south 1/2 of the south 1/2 of Section 36, Township 26 South, Range 17 East, thence east along the north line of the south 1/2 of the south 1/2 of Section 36 to the east line of Section 36, thence, south along the east line of Section 36 to the south county line of Pasco County, thence east along the south county line of Pasco County, to the southwest corner of Section 35, Township 26 South, Range 19 East, thence north along the west line of Section 35 to the northwest corner of this section, thence east from the northwest corner of this section to a point 2,380 feet west of the northeast corner of Section 34, Township 26 South, Range 20 East, more or less, to a point on the west right of way line of a proposed road of the proposed plat of Meadow Pointe AA South; thence S 33° 53' 38" E along said right of way line a distance of 221.44 feet; thence departing said right of way line, S 83° 07' 32" E a distance of 164.01 feet to a point on the west right of way line of said proposed road; thence departing said right of way line, N 62° 06' 59" E a distance of 434.02 feet to the north boundary of said section 34; thence along said north boundary of Section 34, S 89° 57' 40" E a distance of 813.30 feet; thence S 01° 26' 00" W a distance of 71.13 feet; thence S 89° 00' 00" E a distance of 81.31 feet; thence S 01°00' 00" W a distance of 80.00 feet; thence S 89° 00' 00" E a distance of 139.00 feet; thence N 01° 00' 00 " E a distance of 80.00 feet; thence S 89° 00' 00" E a distance of 81.00 feet; thence N 01° 00' 00" E a distance of 76.18 feet to the north boundary of said Section 34; thence S 89° 57' 40" E along Section 34 a distance of 243.87 feet; thence S 01° 00' 00" W a distance of 14.27 feet; thence S 89° 00' 00" E a distance of 174.67 feet; thence N 01° 00' 00" E a distance of 17.20 feet to the north boundary of said Section 34; thence S 89° 57' 40" E along said north boundary of Section 34 a distance of 184.27 feet; thence S 00° 02' 20" W a distance of 97.69 feet; thence S 60° 45' 00" E a distance of 147.28 feet; thence N 22° 21' 00" E a distance of 124.78 feet; thence N 05° 30' 00" W a distance of 54.45 feet to a point on the north boundary of Section 35, Township 26 South, Range 20 East; thence continue N 05° 30' 00" W a distance of 295.30 feet to a point on the south right of way line of proposed Oldwoods Avenue; thence N 74° 30' 00" E along said right of way line a distance of 227.22 feet; thence departing said right of way line, S 09° 12' 00" E a distance of 297. 26 feet; thence S 02° 13' 00" W a distance of 61.31 feet to a point on the north boundary of said Section 35; thence east to the northeast corner of Section 34, - Township 26 South, Range 21 East, thence south along the east boundary of Section 34, Township 26 South, Range 21 East to the south county line of Pasco County, thence east along the south county line of Pasco County to the southeast corner of Section 36, Township 26 South, Range 21 East, thence north along the east boundaries of Section 36 and Section 25, Township 26 South, Range 21 East to a point where the Hillsborough River intersects the east boundary line of Section 25, Township 26 South, Range 21 East, thence northeasterly along the Hillsborough River to the Pasco-Polk County line, thence south along the east county line of Pasco County to the Seaboard Coastline Railroad, thence southeasterly along this railroad to the north county line of Hillsborough County; thence east to the Hillsborough-Polk County line. Continue at the SW corner of Section 31, T26S, R23E; thence north along the west boundaries of Sections 31 and 30, T26S, R23E to the NW corner of the south half of the north half of Section

30, T26S, R23E; thence east along the north boundary of said south half of the north half to the east boundary of said Section 30; thence continue east along the north boundary of the south half of the north half of Section 29, T26S, R23E, to the east boundary of the west half of said Section 29; thence north along said east boundary to the north boundary of said Section 29; thence continue north along the west boundary of the east half of Section 20, T26S, R23E, to the north boundary of the south half of said Section 20; thence east along said north boundary to the east boundary of said Section 20; thence continue east along the north boundary of the south half of Section 21, T26S, R23E, to the intersection with the centerline of Sherrouse Road; thence easterly along the centerline of said road to another intersection with the north boundary of the south half of Section 21, T26S, R23E; thence east along said north boundary to a point 769.80 feet west of the intersection of said north boundary and the westerly right-of-way U.S. Highway 98 (SR 700 & 35) and make a turn to the right and run southeasterly on a line parallel with and 553.84 feet from the said westerly right-of-way of U.S. Highway 98 to the south boundary of said Section 21; thence east along south boundary to the east boundary of said Section 21; thence continue east along the south boundary of Section 22, T26S, R23E to the east boundary of the west half of the west half of said Section 22; thence north along said east boundary 2616.65 feet; thence east and parallel to the north boundary of the south half of said Section 22, to the east boundary of said Section 22; thence north along said east boundary to the north boundary thereof, thence continue north along the east boundary of Sections 15, 10, and 3, all in T26s, R23E to the NW corner of Section 2, T26S, R23E; thence west along said south boundary of Section 34, T25S, R23E to the southwest corner of Section 34, T25S, R23E thence north along the west boundaries of Sections 34, 27, 22, is, and 10, T25S, R23E to the center line of the Withlacoochee River and the Polk. Sumter County line and the Point of Termination.