DOCKET NO. 20200218-EI
FILED 9/17/2020
DOCUMENT NO. 07689-2020
FPSC - COMMISSION CLERK

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Duke Energy Florida,	)	DOCKET NO
Tampa Electric Company and Mosaic Fertilizer	·, )	FILED: September 17, 2020
LLC for Approval of Amended Intermittent	)	
Electric Standby Power Agreement.	)	
	)	

### JOINT PETITION FOR APPROVAL OF AMENDMENT TO INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT

Tampa Electric Company ("Tampa Electric"), Duke Energy Florida ("DEF"), and Mosaic Fertilizer, LLC ("Mosaic"), ("Joint Petitioners") petition the Florida Public Service Commission for an order approving the attached Amendment to Intermittent Electric Standby Power Agreement (the "Amendment") entered into by and between the Joint Petitioners. Approval of the Amendment will assist in avoiding future disputes between Tampa Electric and DEF regarding the provision of electric service to Mosaic's South Pasture Beneficiation Plant and South Fort Meade Beneficiation Plant located in Hardee County, Florida. The Amendment modifies and amends the Agreement to expand Mosaic's ability to utilize Mosaic-generated renewable energy to serve its own facilities in ways not presently authorized under the Agreement. Presently, the Agreement addresses Mosaic's South Pierce Generating Facility and the provision of electricity to Mosaic's South Pasture Beneficiation Plant. The Amendment would address the provision of electricity from Mosaic's Bartow Generating Facility to Mosaic's South Fort Meade Beneficiation Plant and/or Mosaic's South Pasture Beneficiation Plant. The Amendment would also include the provision of electricity from Mosaic's South Pierce Generating Facility to Mosaic's South Fort Meade Beneficiation Plant. Attached to this Petition is Exhibit "A" which graphically depicts the changes that would be accomplished by the Amendment. The proposed Amendment will have no rate impact on the customers of Tampa Electric or DEF but is simply a

means to allow Mosaic to more efficiently utilize its renewable energy generation for its own purposes. In support of this Petition, the Joint Petitioners state:

- 1. Mosaic is engaged in the integrated business of mining and processing phosphate, and manufacturing fertilizer in numerous counties in central and south central Florida, and has operations and facilities located in the service territories of a number of public utilities, including, but not limited to DEF and Tampa Electric.
- 2. The Joint Petitioners previously entered into an "Intermittent Electric Standby Power Agreement" that was approved by the Florida Public Service Commission ("Commission") on October 1, 2015 (the "Agreement"). The Joint Petitioners have been performing their respective obligations under the Agreement. However, Mosaic notified DEF and Tampa Electric that it desired to enhance its ability to efficiently provide Mosaic-generated renewable energy to Mosaic-owned mining facilities making use of Mosaic-owned transmission facilities.

  Accommodating this request requires an Amendment to the Agreement to which Tampa Electric and DEF are agreeable. Attached hereto as Exhibit "B" is a copy of the Amendment.
- 3. The details of the Amendment assure that Mosaic's needs for intermittent electric standby power will be met in a manner acceptable to Mosaic and at the same time fair for Tampa Electric, DEF and their respective general body of customers. As detailed in the Amendment, the Joint Petitioners intend to only amend certain provisions of the Agreement but to the extent the Amendment does not address a provision of the Agreement, those provisions remain unchanged.
- 4. The Joint Petitioners recognize that, due to the specialized nature of Mosaic's integrated phosphate operations, this Amendment benefits the Joint Petitioners, is put in place to deal with specific facts affecting Mosaic, and that this Amendment has no precedential effect, legal or

otherwise, upon the Joint Petitioners or the Commission except in connection with the Joint Petitioners' ability to enforce their rights and obligations under the Agreement and/or Amendment.

- 5. The Commission approved territorial agreement between DEF and Peace River Electric River Electric Cooperative, Inc. ("PRECO") assigns the affected portions of Hardee County to PRECO, but authorizes DEF to provide transmission level service needed by phosphate mining customers in the area, given PRECO's lack of appropriate facilities. While the South Pasture Beneficiation Plant and South Fort Meade Beneficiation Plant is located in PRECO's retail service territory, PRECO has read the Amendment and agrees that it reflects a reasonable accommodation of Mosaic's intermittent electrical standby power needs. Attached as Exhibit "C" is PRECO's consent to approval and implementation of the Amendment.
- 6. Based on the foregoing, the Joint Petitioners now seek Commission approval of the attached Amendment, in order to efficiently and expeditiously assist in avoiding future disputes between Tampa Electric and DEF regarding the provision of electric service to Mosaic's South Pasture Beneficiation Plant and South Fort Meade Beneficiation Plant and to enable Mosaic to more efficiently provide electric service to these facilities.
- 7. The proposed Amendment will have no rate impact on the customers of Tampa Electric or DEF but is simply a means to allow Mosaic to more efficiently utilize its renewable energy generation for its own purposes.
- 8. The Joint Petitioners are not aware of any disputed issues of material fact relative to the matters addressed or the relief requested herein.
- The Joint Petitioners respectfully request that the Commission approve the attached
   Amendment, in its entirety.

WHEREFORE, Joint Petitioners move the Commission for expedited approval of the

#### attached Amendment.

#### DATED this 17th day of September, 2020

/s/ James D. Beasley

# JAMES D. BEASLEY J. JEFFRY WAHLEN MALCOLM N. MEANS

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Attorneys for Tampa Electric Company

/s/ Dianne Triplett

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Duke Energy Florida, Inc. 299 1<sup>St</sup> Avenue North, FL 151 St. Petersburg, Florida 33701

Attorneys for Duke Energy Florida

/s/ Jon C. Moyle

#### JON C. MOYLE KAREN PUTNAL

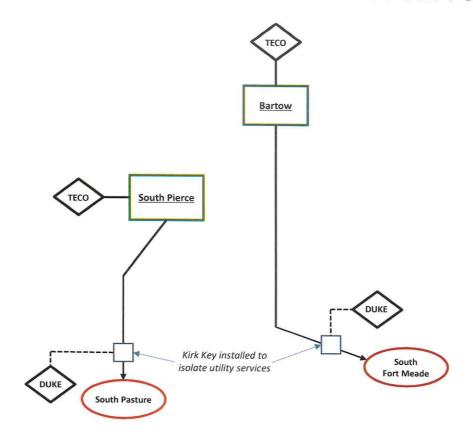
The Moyle Finn, P.A. 118 North Gadsden Street Tallahassee, Florida 32301 Phone: (850) 681-3823

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Counsel for Mosaic Fertilizer, LLC

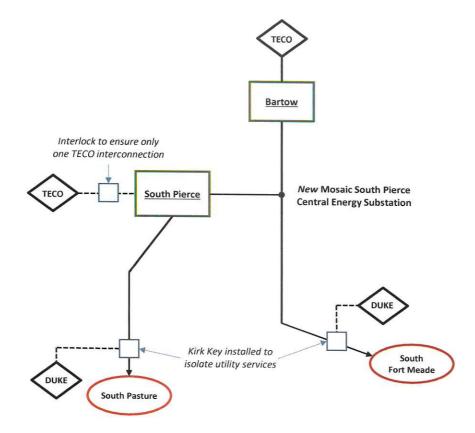
#### **EXHIBIT A**

### South Pierce to South Pasture and Bartow to South Fort Meade





### **South Pierce and Bartow Combined**





#### **EXHIBIT B**

# FIRST AMENDMENT TO INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT

THIS FIRST AMENDMENT TO THE INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT ("First Amendment") is made as of the 16<sup>th</sup> day of September 2020, by and between Duke Energy Florida, Inc. ("DEF"), Tampa Electric Company ("Tampa Electric") and Mosaic Fertilizer, LLC ("Mosaic") (collectively the "Parties").

#### **BACKGROUND:**

- A. The Parties previously entered into an "Intermittent Electric Standby Power Agreement" that was approved by the Florida Public Service Commission ("Commission") on October 1, 2015 (the "Agreement").
- B. The Parties desire to modify and amend the Agreement as more fully set forth herein. In essence, the Amendment modifies and amends the Agreement to expand Mosaic's ability to utilize Mosaic-generated renewable energy to serve its own facilities in ways not presently authorized under the Agreement. Presently, the Agreement addresses Mosaic's South Pierce Generating Facility and the provision of electricity to Mosaic's South Pasture Beneficiation Plant. The Amendment would include the provision of electricity from Mosaic's South Pasture Beneficiation Plant. The Amendment would also include the provision of electricity from Mosaic's South Pierce Generating Facility to Mosaic's South Fort Meade Beneficiation Plant.

#### **AGREEMENT:**

- 1. <u>Definitions</u>. Any capitalized terms used herein that are not otherwise defined shall have the same meaning as set forth in the Agreement.
- 2. <u>Modifications to the Agreement</u>. The following modifications and amendments are hereby made to the Agreement:
  - a. Paragraph 1 of the Agreement is hereby amended such that the following two definitions are added as follows:
  - 1(j). **Bartow Generating Facilities** means: A Mosaic-owned 78 MW nameplate capacity qualifying facility generating station which consists of two steam-turbine generators that generate renewable energy from waste heat captured during the production of sulfuric acid used in the integrated phosphate fertilizer production processes.
  - 1(k). South Fort Meade Beneficiation Plant means: The Mosaic-owned phosphate beneficiation facility located in Hardee County (Section 25 Township 32S

Range 25E) which processes mined phosphate materials in the production of fertilizer products.

- b. Paragraph 1(e) of the Agreement is hereby amended and restated in its entirety as follows:
- 1(e). **South Pasture South Fort Meade Tie Line** means: The extension of a Mosaic-owned 69 kV transmission line which has or will connect Mosaic's South Pierce Generating Facilities and Mosaic's Bartow Generating Facilities with Mosaic's South Pasture Beneficiation Plant and Mosaic's South Fort Meade Beneficiation Plant;
- c. Paragraph 1(i) of the Agreement is hereby amended and restated in its entirety as follows:
- 1(i). Tampa Electric Intermittent Electric Standby Power 12 Month Cap means: Up to 3,500 MWh annually of Tampa Electric-supplied and Mosaic-purchased intermittent standby electricity that will flow through the South Pierce Bartow Standby Interruptible Service Meter, and that will be transferred by Mosaic to the South Pasture Beneficiation Plant or the South Fort Meade Beneficiation Plant over the South Pasture South Fort Meade Tie-Line. The 3,500 MWh is an annual cap, calculated monthly from the Effective Date of this Agreement and each twelve months thereafter, unless the start month of the twelve month period is changed pursuant to the process for exceedance of the cap set forth in paragraph 6.
- d. Paragraph 3 of the Agreement is hereby amended and restated in its entirety as follows:
- 3. Point of Provision of Intermittent Electric Standby Power: Tampa Electric will provide Intermittent Electric Standby Power under this Agreement to Mosaic for use by Mosaic at the South Pasture Beneficiation Plant and South Fort Meade Beneficiation Plant through Tampa Electric's South Pierce Standby Interruptible Service Meter or Tampa Electric's Bartow Standby Interruptible Service Meter and such electric power will be delivered by Mosaic to the South Pasture Beneficiation Plant or the South Fort Meade Beneficiation Plant by Mosaic's South Pasture-South Fort Meade Tie Line.
- e. Paragraph 4 of the Agreement is hereby amended and restated in its entirety as follows:
  - 4. Calculation and Reporting of Intermittent Electric Standby Power: Intermittent Electric Standby Power supplied by Tampa that flows through the South Pierce Service Meter or the Bartow Service Meter, and that will be purchased and transferred by Mosaic to the South Pasture Beneficiation Plant or the South Fort Meade Beneficiation Plant over the South Pasture South Fort Meade Tie-Line,

will be determined and calculated monthly by DEF based on hourly data. The calculation will be made by calculating the amount, if any, by which the combined/aggregated South Pasture Beneficiation Plant load as measured on the Fort Green 3 Substation Meter and the South Fort Meade Beneficiation Plant load as measured on the Mosaic South Pierce Central Energy Substation Meter exceeds the combined/aggregated Mosaic-owned South Pierce total generation as measured by Tampa Electric on the South Pierce Generator Meter, measured on an hourly basis, and the Mosaic-owned Bartow total generation as measured by Tampa Electric on the Bartow Generator Meter. DEF shall provide to Mosaic and Tampa Electric a monthly report reflecting the cumulative Intermittent Electric Standby Power provided to Mosaic during the 12 calendar months preceding the month in which the report is submitted. The determination of whether the Tampa Electric Intermittent Electric Standby Power 12 Month Cap has been exceeded will be made by reference to the cumulative Intermittent Electric Standby Power reflected in the monthly reports provided by DEF. Tampa Electric agrees to provide hourly South Pierce Generation Facilities data and Mosaic agrees to permit DEF access to the Fort Green 3 Substation Meter to facilitate DEF's acquisition of interval data and the determinations and calculations of Tampa Electric Intermittent Standby Electric Power flows to the South Pasture Beneficiation Plant. The same information will be provided for the South Fort Meade Beneficiation Plant. Stated differently, at any point in time, when the combined generation output of the Bartow Generation Facilities and the South Pierce Generation Facilities exceeds the combined load of the South Pasture Beneficiation Plant and the South Fort Meade Beneficiation Plant, Mosaic is consuming no Tampa Electric Intermittent Standby Electric Power and thus no Tampa Electric Intermittent Standby Electric Power is counted against the Tampa Electric Intermittent Standby Electric Power Annual Cap. DEF shall provide the Parties with an annual report detailing the amount of Tampa Electric supplied Intermittent Standby Electric Power provided to the South Pasture Beneficiation Plant and the South Fort Meade Beneficiation Plant.

- f. Paragraph 5 of the Agreement is hereby amended and restated in its entirety as follows:
  - 5. Authorized Charges: DEF is authorized to include an additional monthly charge of \$200.00 to Mosaic's account maintained for the Mosaic South Pasture Beneficiation Plant Interruptible Standby account and the Mosaic South Fort Meade Beneficiation Plant Interruptible Standby account to compensate DEF for its reasonable costs and expenses associated with monitoring, calculating and reporting Tampa Electric Intermittent Standby Electric Power flows as described in paragraph 4 of the Agreement. DEF is further authorized to charge Mosaic in accordance with its current Commission approved Rate Schedule, SS 2, Interruptible Standby Service or any successor rate schedule, associated with the new DEF South Pasture Standby Service Meter that will be used to measure DEF service to South Fort Meade Standby Service Meter that will be used to measure DEF service to the South Fort

- Meade Beneficiation Plant, whenever standby electrical service is transferred from Tampa Electric to DEF.
- g. Paragraph 6 of the Agreement is hereby amended and restated in its entirety as follows:
  - 6. Exceedance of Tampa Electric Intermittent Standby Electric Power 12 Month Cap: If the Tampa Electric Intermittent Standby Electric Power 12 Month Cap is exceeded during any month as reflected in monthly reports submitted by DEF pursuant to paragraph 4, within 30 days of issuance of subject report, and Mosaic's reasonable verification and confirmation of same within 15 days of receipt of such information, Mosaic will disconnect the South Pasture Beneficiation Plant from the South Pierce Generation Facility and connect the South Pasture Beneficiation Plant to the DEF South Pasture Standby Service Meter. Mosaic will then purchase (at a minimum) an amount of Standby Service MWh from DEF that equals or exceeds the total amount of Tampa Electric Intermittent Electric Standby Power MWh consumed during the relevant 12 month period during which the Tampa Electric Intermittent Standby Electric Power 12 Month Cap was measured and exceeded. When the Standby Service MWh from DEF has met or exceeded that prior service from Tampa Electric, Mosaic will reconnect the South Pasture Beneficiation Plant to the South Pasture Tie Line. Upon reconnection of the South Pasture Beneficiation Plant to the South Pasture Tie Line, the Tampa Electric Intermittent Electric Standby Power 12 Month Cap will be reset to zero (0) MWh, and the 12 month period for measuring exceedances will be restarted. The parties will use their normal billing cycles for the purposes of gathering data and preparing reports as set forth in this Agreement. These provisions will also apply to the South Fort Meade Beneficiation Plant and the 12 Month Cap remains at level as set forth in Section 1 above.
- h. Paragraph 7 of the Agreement is hereby amended and restated in its entirety as follows:
  - 7. Notification of Additions to the South Pasture South Fort Meade Tie Line and Material Changes to the South Pierce Generating Facilities or the Bartow Generating Facilities: Mosaic will timely notify Duke and Tampa Electric prior to adding any electric loads in Hardee County to the South Pasture South Fort Meade Tie Line which are remote from the South Pasture Beneficiation Plant or the South Fort Meade Beneficiation Plant and not capable of being measured by the Fort Green 3 Substation Meter or the substation meter measuring service to South Fort Meade Beneficiation Plant (and thus included in DEF's monthly calculation of Tampa Electric Intermittent Standby Electric Power as detailed in paragraph 4.) Mosaic will timely notify DEF and Tampa Electric prior to adding any additional Mosaic load of 6 MW or greater served through or from the South Pasture Beneficiation Plant or served through or from the South Pasture Beneficiation Plant. Mosaic will timely notify Duke and Tampa Electric prior to making any permanent material changes to the electric generating capacity of the South Pierce

Generating Facilities of the Bartow Generating Facilities, which either increases or decreases the output of the units by 6 MW or greater of either generating facility, and will notify Duke and Tampa Electric should major outages of a more permanent nature be planned or occur (e.g., extended outages or derations of the units or the sulfuric acid plants that provide the steam to run the units). Notwithstanding the foregoing, however, such notification will not increase or have any impact on the amount of the Tampa Electric Intermittent Electric Standby Power 12 Month Cap set forth in section 1(i).

- 3. <u>No Other Modifications</u>. Except as specifically amended or modified hereby, all the terms, covenants, and conditions of the Agreement shall remain in full force and effect and are hereby ratified and affirmed. In the event of a conflict between the terms of this First Amendment and the Agreement, the terms of this First Amendment shall control.
- 4. <u>Presentation of Agreement to the Commission</u>. The Parties agree to file an executed copy of this Amendment with the Commission for review and approval as expeditiously as possible, and to support the Commission's timely approval of this Amendment without modification.
- 5. <u>Counterparts</u>. This First Amendment may be executed in any number of counterparts, but all such counterparts when taken together shall constitute one and the same instrument. Facsimile and Portable Document Format ("PDF") signatures shall be binding on the parties hereto.

[Signature page to follow.]

#### SIGNATURE PAGE TO FIRST AMENDMENT TO INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Steam Sales Agreement to be executed on their behalf by duly authorized representatives, all as of the Effective Date first set forth above.

Duke Energy Florida	
By:	Date:
Print Name:	
Title:	
Tampa Electric Company  By: /s/ Frank Busot	Date: 09/04/2020
Print Name: Frank Busot	
Title VP Regulatory Affairs	
The Mosaic Company	
By:	Date:
Title	

## SIGNATURE PAGE TO FIRST AMENDMENT TO INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Steam Sales Agreement to be executed on their behalf by duly authorized representatives, all as of the Effective Date first set forth above.

Duke Energy Florida

Callestery				
By:			Date: 9/4/2020	
Print Name:	Catherine Stempie	en		
Title:	State President, F	lorida		
Tampa Electr	ic Company			
Ву:		Date:		
Print Name:				
Title				
The Mosaic C	Company			
Ву:		Date:		
Title				

## SIGNATURE PAGE TO FIRST AMENDMENT TO INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Steam Sales Agreement to be executed on their behalf by duly authorized representatives, all as of the Effective Date first set forth above.

Duke Energy Florida	
By:	Date:
Print Name:	
Title:	
Tampa Electric Company	
By:	Date:
Print Name:	
Title	
The Mosaic Company	
By: C42E43B99C534FC	Date: 9/16/2020
Title Vice President Procurement	

#### **EXHIBIT C**

# PEACE RIVER ELECTRIC COOPERATIVE, INC.'S CONSENT TO APPROVAL AND IMPLEMENTATION OF THE PROPOSED AMENDMENT TO THE INTERMITTENT ELECTRIC STANDBY POWER AGREEMENT

Peace River Electric Cooperative, Inc. ("PRECO") states as follows:

- PRECO has read the proposed Amendment to the Intermittent Electric Standby Power Agreement by and between Duke Energy Florida, Inc. ("DEF"), Tampa Electric Company ("Tampa Electric") and Mosaic Fertilizer, LLC ("Mosaic") (collectively "the Parties") wherein the Parties have agreed to make certain accommodations to satisfy Mosaic's need for Tampa Electric to provide and sell electric power to Mosaic at the South Pierce Standby Interruptible Service Meter and the South Fort Meade Standby Interruptible Service Meter which serves Mosaic load on an intermittent, non-regular basis at Mosaic's South Pasture Beneficiation Plant and/or the South Fort Meade Beneficiation Plant over its South Pierce Generating Facility or Mosaic's Bartow Generation Plant to meet the load of Mosaic's South Pasture Beneficiation Plant and/or the load of Mosaic's South Fort Meade Beneficiation Plant.
- 2. PRECO concurs that the proposed provision of intermittent electric standby power to Mosaic by Tampa Electric is a reasonable accommodation of Mosaic's express needs and consents to the Florida Public Service Commission's approval of the Amendment to the Intermittent Electric Standby Power Agreement as proposed by DEF, Tampa Electric and Mosaic and the Parties' subsequent implementation of such Amendment to the Agreement.
- 3. PRECO agrees that there shall be no revenue sharing by or between PRECO, DEF or Tampa Electric in connection with the Intermittent Electric Standby Power Agreement.

Signature

Signature

Shaw Shaw GM/CEO

Print Name and Title

O9-02-2020

Date