#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for approval of amendment to territorial agreement in St. Johns County, by Florida Power & Light Company and JEA.

DOCKET NO. 20200162-EU ORDER NO. PSC-2020-0319-PAA-EU ISSUED: September 21, 2020

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman ART GRAHAM JULIE I. BROWN DONALD J. POLMANN ANDREW GILES FAY

# NOTICE OF PROPOSED AGENCY ACTION ORDER FOR APPROVAL OF AMENDMENT TO TERRITORIAL AGREEMENT

#### 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 (F.A.C.).

#### Background

On June 3, 2020, Florida Power & Light Company (FPL) and JEA, collectively the joint petitioners or parties, filed a petition seeking our approval of a Third Amendment to their existing territorial agreement in St. Johns County. The existing service boundary line bifurcates a planned subdivision located in St. Johns County. The proposed Third Amendment allows FPL and JEA to swap certain parcels within their respective service territories in St. Johns County, which will allow JEA to serve the entire planned subdivision. The proposed Third Amendment, legal descriptions, and maps depicting the swapped land parcels and revised service boundaries are provided in Attachment A to this order.

We approved the parties' first territorial agreement in St. Johns County in 1965.<sup>1</sup> Thereafter, we re-affirmed the territorial boundary in 1980.<sup>2</sup> In 1996, as the result of a territorial dispute, FPL and JEA entered into a new territorial agreement which replaced the prior

<sup>&</sup>lt;sup>1</sup> Order No. 3799, issued April 28, 1965, in Docket No. 7421-EU.

<sup>&</sup>lt;sup>2</sup> Order No. 9363, issued May 9, 1980, in Docket No. 790886-EU, *In re: Petition of Jacksonville Electric Authority for approval of a territorial agreement between JEA and Florida Power and Light Company.* 

agreement.<sup>3</sup> After the discovery of an inconsistency between the 1996 Agreement and a territorial agreement between JEA and Clay Electric Cooperative, we approved a new territorial agreement between FPL and JEA in 1998.<sup>4</sup> In 2012, we approved an amendment that altered a segment of the territorial boundaries between the parties so that a single utility could serve the electric needs of a new private development planned for an undeveloped area.<sup>5</sup> In 2014, the parties entered into the second amendment to the existing territorial agreement to alter the boundary to align it with planned roadways and accommodate new expanding development.<sup>6</sup>

In this order we address the proposed Third Amendment to the existing territorial agreement. We have jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

# Decision

Pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440, F.A.C., we have jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and other electric utilities. Unless we determine that the agreement will cause a detriment to the public interest, the agreement shall be approved.<sup>7</sup>

On June 3, 2020, FPL and JEA entered into the Third Amendment to their 1998 territorial agreement, which shall continue and remain in effect until we issue an order modifying or withdrawing our approval of this Agreement after proper notice and hearing. Other than the proposed parcel swaps, all other parts of the territorial agreement remain in effect. The proposed Third Amendment finalizes the territorial boundary adjustments between FPL and JEA that are necessary to accommodate development and facilitate the provision of electricity to the expanding development by one utility, and is also intended to avoid duplication of services in the areas subject to the parcel swaps. Pursuant to the agreed upon amendment, three parcels (5, 6, and 7) located within JEA's territory will be transferred to FPL and one parcel (parcel 4) located within FPL's territory will be transferred to JEA. Total acreage of the swapped parcels is 22.30 acres located in St. Johns County.

Currently, the subject parcels are undeveloped; therefore, there are no customers or electric facilities in parcels 4, 5, 6, and 7 pursuant to paragraph 2 of the proposed 2020

<sup>&</sup>lt;sup>3</sup> Order No. PSC-96-0212-FOF-EU, issued February 14, 1996, and finalized by Order No. PSC-96-0755-FOF-EU, issued June 10, 1996, in Docket No. 950307-EU, *In re: Petition of Jacksonville Electric Authority to Resolve a Territorial Dispute With Florida Power & Light Company in St. Johns County.* 

<sup>&</sup>lt;sup>4</sup> Order No. PSC-98-1687-FOF-EU, issued December 14, 1998, in Docket No. 980755-EU, *In re: Joint petition for approval of new territorial agreement between Florida Power & Light Company and Jacksonville Electric Authority*.

<sup>&</sup>lt;sup>5</sup> Order No. PSC-12-0561-PAA-EU, issued October 22, 2012, in Docket No. 120171-EU, *In re: Joint petition for approval of amendment to territorial agreement in St. Johns County between Florida Power & Light Company, a Florida corporation, and JEA, a Florida municipal corporation.* 

<sup>&</sup>lt;sup>6</sup> Order No. PSC-14-0469-PAA-EU, issued August 29, 2014, in Docket No. 20140130-EU, *In re: Joint petition for approval of amendment to territorial agreement between Florida Power & Light Company and JEA*.

<sup>&</sup>lt;sup>7</sup> Utilities Commission of the City of New Smyrna Beach v. Florida Public Service Commission, 469 So. 2d 731 (Fla. 1985).

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Amendment. With the parcel swap, JEA will provide electricity to 342 residential customers in the planned development for parcel 4 (13.43 acres), and FPL will provide electricity to parcels 5, 6, and 7 (total of 8.87 acres) if developed in the future. With the parcel swap, the Parties will be better positioned to provide electric service in the future to other development within this area.

Paragraph 18 of the petition states that since the areas subject to the parcel swap in this 2020 Amendment are currently undeveloped, there are no infrastructure or customer accounts to be transferred; therefore, no customers were notified pursuant to Rule 25-6.0440(1), F.A.C.

In paragraph 20 of the petition, the Parties state that approval of the proposed 2020 Amendment will not cause a decrease in reliability of electric service to the existing or future customers.

# Conclusion

After review of the petition and record, we find that the proposed Third Amendment will enable FPL and JEA to exchange four land parcels within their respective retail service territories, achieve necessary changes to accommodate development, and serve their current and future customers efficiently. We have determined that the proposed Third Amendment to the existing agreement eliminates any potential uneconomic duplication of facilities and will not cause a decrease in reliability of electric service. We hereby approve the proposed Third Amendment dated June 3, 2020, to the exiting territorial agreement between FPL and JEA in St. Johns County. The proposed Third Amendment to the territorial agreement shall become effective on the date our Order becomes final.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the proposed Third Amendment, dated June 3, 2020, to the existing territorial agreement between Florida Power & Light Company and JEA in St. Johns County. 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the 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.

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By ORDER of the Florida Public Service Commission this 21st day of September, 2020.

Commission Clerk

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

(850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is

provided to the parties of record at the time of issuance and, if applicable, interested persons.

WLT

#### 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 October 12, 2020.

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/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

# THIRD AMENDMENT TO TERRITORIAL AGREEMENT BETWEEN FLORIDA POWER & LIGHT COMPANY AND JEA

This Third Amendment to the Territorial Agreement, dated June 3, 2020, ("2020 Amendment") is entered into by Florida Power & Light Company a corporation organized and existing under the laws of the State of Florida ("FPL") and JEA, a body politic and corporate created by Charter (collectively, the "Parties"), and each of which is an electric utility as defined in Section 366.02(2), Florida Statutes.

#### WITNESSETH

- WHEREAS, FPL and JEA have an existing Territorial Agreement entered into in 1998, as amended by that certain Amendment to Territorial Agreement between FPL and JEA, dated May 25, 2012 ("2012 Amendment"), and by that certain Second Amendment to Territorial Agreement between FPL and JEA, dated March 13, 2014 ("2014 Amendment") (such agreement and amendments are collectively referred to as the "Territorial Agreement");
- WHEREAS, the current territorial boundary between FPL and JEA traverses an
  area where an expanding private development is planned in northeast St. Johns
  County, Florida;
- 3. WHEREAS, the 2012 Amendment and 2014 Amendment aligned the territorial boundaries between FPL and JEA over certain parcels that will be included in the development, and the Parties now desire to amend the Territorial Agreement to finalize the territorial boundary adjustments between FPL and JEA that are necessary to accommodate the development; and

- WHEREAS, amending the territorial boundary in the Territorial Agreement will avoid uneconomic duplication of services and provide for the cost effective provision of service to utility customers;
- 5. NOW THEREFORE, in consideration of the following mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, subject to and upon the terms and conditions herein set forth, do hereby agree to amend the Territorial Agreement as follows:
- Territorial Exchange. The Parties agree to amend the boundaries in the Territorial Agreement in order to exchange four parcels within their respective retail service territories.
  - a) The first parcel is located within FPL's bounded service territory northwest of the intersection of Preservation Trail and Crestview Drive and is approximately 13.43 acres ("Swap Parcel 4"). A legal description and sketch of Swap Parcel 4 is attached as Exhibit "A." Upon approval of this 2020 Amendment by the Florida Public Service Commission ("FPSC"), Swap Parcel 4 will be transferred from FPL to JEA.
  - b) The second parcel is located within JEA's bounded service territory south of the intersection of Palm Valley Road and Preservation Trail and is approximately 0.50 acres ("Swap Parcel 5"). A legal description and sketch of Swap Parcel 5 is attached as Exhibit "B." Upon approval of this 2020 Amendment by the FPSC, Swap Parcel 5 will be transferred from JEA to FPL.

- c) The third parcel is located within JEA's bounded service territory north of Park Lake Drive and Tavernier Drive and is approximately 0.55 acres ("Swap Parcel 6"). A legal description and sketch of Swap Parcel 6 is attached as Exhibit "C." Upon approval of this 2020 Amendment by the FPSC, Swap Parcel 6 will be transferred from JEA to FPL.
- d) The fourth parcel is located within JEA's bounded service territory north of Nocatee Parkway, south of Palm Valley Road, and is bordered on the west by Crosswater Parkway, and is approximately 7.82 acres ("Swap Parcel 7"). A legal description and sketch of Swap Parcel 7 is attached as Exhibit "D." Upon approval of this 2020 Amendment by the FPSC, Swap Parcel 7 will be transferred from JEA to FPL.
- Transition. There are currently no existing customers or electric facilities within Swap Parcel 4, Swap Parcel 5, Swap Parcel 6, or Swap Parcel 7. Thus, no transition of electric service is required.
- 3. Condition Precedent. The approval of this 2020 Amendment by the FPSC without modification, unless otherwise agreed to by the Parties, shall be an absolute condition precedent to the validity, enforceability and applicability hereof. This 2020 Amendment shall have no effect whatsoever until such approval has been granted by the FPSC, and the date of the FPSC's order, if any, granting such approval shall be deemed to be the effective date of the 2020 Amendment.
- 4. Existing Territorial Agreement. All other parts of the Territorial Agreement shall remain in effect.

IN WITNESS WHEREOF, this 2020 Amendment has been caused to be executed by FPL in its name by its Senior Vice President, and by JEA in its name by its Chief Executive Officer, on the day and year first written above.

# FLORIDA POWER & LIGHT COMPANY

By:
Date: June 3, 2020
Name: Manuel B. Miranda
Title: Senior Vice President, Power Delivery
JEA
By:
Date:
Name: Paul McElroy

Title: Interim Chief Executive Officer

**IN WITNESS WHEREOF,** this 2020 Amendment has been caused to be executed by FPL in its name by its Senior Vice President, and by JEA in its name by its interim Chief Executive Officer, on the day and year first written above.

# FLORIDA POWER & LIGHT COMPANY

By:			
Date:			

Name: Manuel B. Miranda

Title: Senior Vice President, Power Delivery

**JEA** 

Date: June 3, 2020

Name: Paul McElroy

Title: Interim Chief Executive Officer

# Exhibit "A"

Legal description and sketch of Swap Parcel 4 in accordance with Rule 25-6.0440, F.A.C.



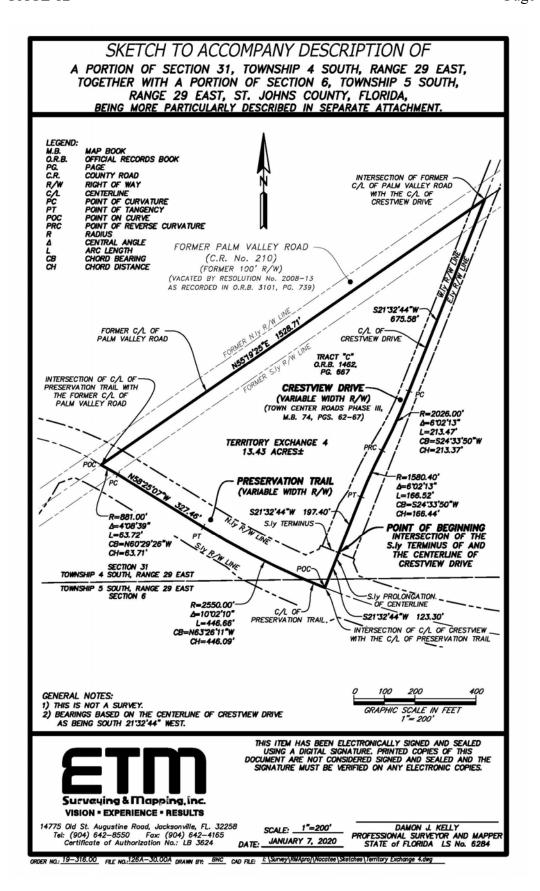
Work Order No. 19-316.00 File No. 126A-30.00A

#### **Territory Exchange 4**

A portion of Section 31, Township 4 South, Range 29 East, together with a portion of Section 6, Township 5 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For a Point of Beginning, commence at the intersection of the Southerly terminus of and the centerline of Crestview Drive, a variable width right of way, as depicted on Town Center Roads Phase III, recorded in Map Book 74, pages 62 through 67, of the Public Records of said county; thence South 21°32'44" West, along the Southerly prolongation of said centerline of Crestview Drive, 123.30 feet to its intersection with the centerline of Preservation Trail, a variable width right of way as presently established; thence Northwesterly along said centerline of Preservation Trail the following 3 courses: Course 1, thence Northwesterly along the arc of curve concave Northeasterly having a radius of 2550.00 feet, through a central angle of 10°02'10", an arc length of 446.66 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 63°26'11" West, 446.09 feet; Course 2, thence North 58°25'07" West, 327.46 feet to the point of curvature of a curve concave Southwesterly having a radius of 881.00 feet; Course 3, thence Northwesterly along the arc of said curve, through a central angle of 04°08'39", an arc length of 63.72 feet to its intersection with the former centerline of Palm Valley Road, a former 100 foot right of way as vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of North 60°29'26" West, 63.71 feet; thence North 55°19'25" East, departing said centerline of Preservation Trail and along said former centerline of Palm Valley Road, 1528.71 feet to its intersection with said centerline of Crestview Drive; thence Southerly along said centerline of Crestview Drive the following 4 courses: Course 1, thence South 21°32'44" West, departing said former centerline, 675.58 feet to the point of curvature of a curve concave Northwesterly having a radius of 2026.00 feet; Course 2, thence Southwesterly along the arc of said curve, through a central angle of 06°02'13", an arc length of 213.47 feet to a point of reverse curvature, said arc being subtended by a chord bearing and distance of South 24°33'50" West, 213.37 feet; Course 3, thence Southwesterly along the arc of a curve concave Southeasterly having a radius of 1580.40 feet, through a central angle of 06°02'13", an arc length of 166.52 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South 24°33'50" West, 166.44 feet; Course 4, thence South 21°32'44" West, 197.40 feet to the Point of Beginning.

Containing 13.43 acres, more or less.



# Exhibit "B"

Legal description and sketch of Swap Parcel 5 in accordance with Rule 25-6.0440, F.A.C.



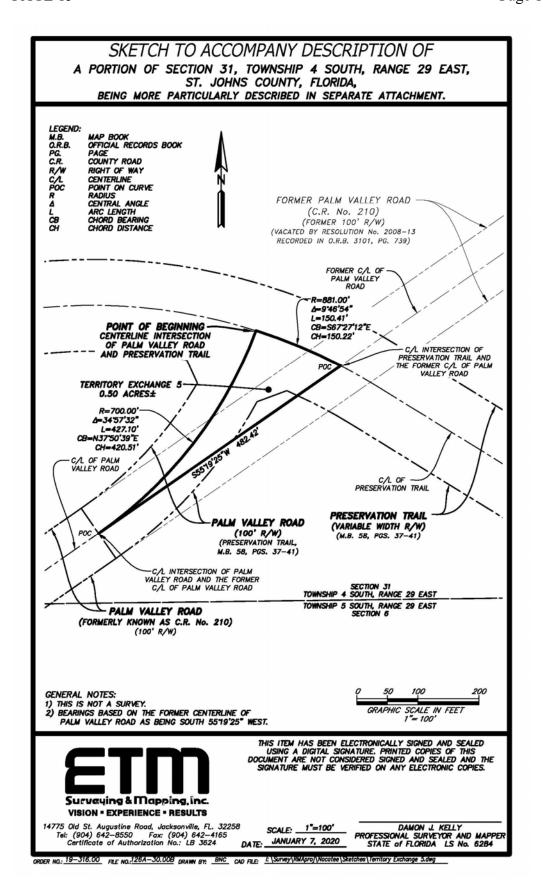
Work Order No. 19-316.00 File No. 126A-30.00B

#### **Territory Exchange 5**

A portion of Section 31, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For a Point of Beginning, commence at the centerline intersection of Palm Valley Road, a 100 foot right of way, and Preservation Trail, a variable width right of way, both as depicted on Preservation Trail, recorded in Map Book 58, pages 37 through 41, of the Public Records of said county; thence Southeasterly along said centerline of Preservation Trail and along the arc of a curve concave Southwesterly having a radius of 881.00 feet, through a central angle of 09°46′54″, an arc length of 150.41 feet to its intersection with the former centerline of former Palm Valley Road, a former 100 foot right of way vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of South 67°27′12″ East, 150.22 feet; thence South 55°19′25″ West, departing said centerline of Preservation Trail and along said former centerline, 482.42 feet to its intersection with said centerline of Palm Valley Road; thence Northeasterly, departing said former centerline, along said centerline of Palm Valley Road and along the arc of a curve concave Northwesterly having a radius of 700.00 feet, through a central angle of 34°57'32″, an arc length of 427.10 feet to the Point of Beginning, said arc being subtended by a chord bearing and distance of North 37°50'39″ East, 420.51 feet.

Containing 0.50 acres, more or less.



# Exhibit "C"

Legal description and sketch of Swap Parcel 6 in accordance with Rule 25-6.0440, F.A.C.



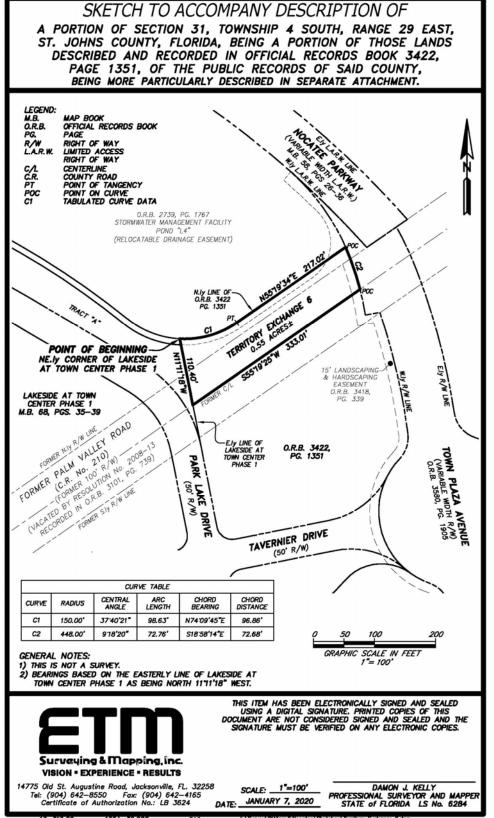
Work Order No. 19-316.00 File No. 126A-30.00C

#### **Territory Exchange 6**

A portion of Section 31, Township 4 South, Range 29 East, St. Johns County, Florida, being a portion of those lands described and recorded in Official Records Book 3422, page 1351, of the Public Records of said county, being more particularly described as follows:

For a Point of Beginning, commence at the Northeasterly corner of Lakeside at Town Center Phase 1, a plat recorded in Map Book 68, pages 35 through 39, of said Public Records, said corner lying on the Northerly line of said Official Records Book 3422, page 1351; thence Easterly along said Northerly line and along the arc of a curve concave Northerly having a radius of 150.00 feet, through a central angle of 37°40'21", an arc length of 98.63 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 74°09'45" East, 96.86 feet; thence North 55°19'34" East, continuing along said Northerly line, 217.02 feet to a point lying on the Westerly right of way line of Town Plaza Avenue, a variable width right of way as described and recorded in Official Records Book 3580, page 1905, of said Public Records; thence Southerly, departing said Northerly line, along said Westerly right of way line and along the arc of a curve concave Westerly having a radius of 448.00 feet, through a central angle of 09°18'20", an arc length of 72.76 feet to its intersection with the former centerline of Palm Valley Road, a former 100 foot right of way vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of South 18°58'14" East, 72.68 feet; thence South 55°19'25" West, departing said Westerly right of way line and along said former centerline, 333.01 feet to a point lying on the Easterly line of said Lakeside at Town Center Phase 1; thence North 11°11'18" West, departing said former centerline and along said Easterly line, 110.40 feet to the Point of Beginning.

Containing 0.55 acres, more or less.



ORDER NO.: 19-316.00 FILE NO.:126A-30.00C DRAWN BY: BAC CAD FILE: I:\Survey\RMAproj\Nocatee\Sketches\Territory Exchange 6.dwg

# Exhibit "D"

Legal description and sketch of Swap Parcel 7 in accordance with Rule 25-6.0440, F.A.C.



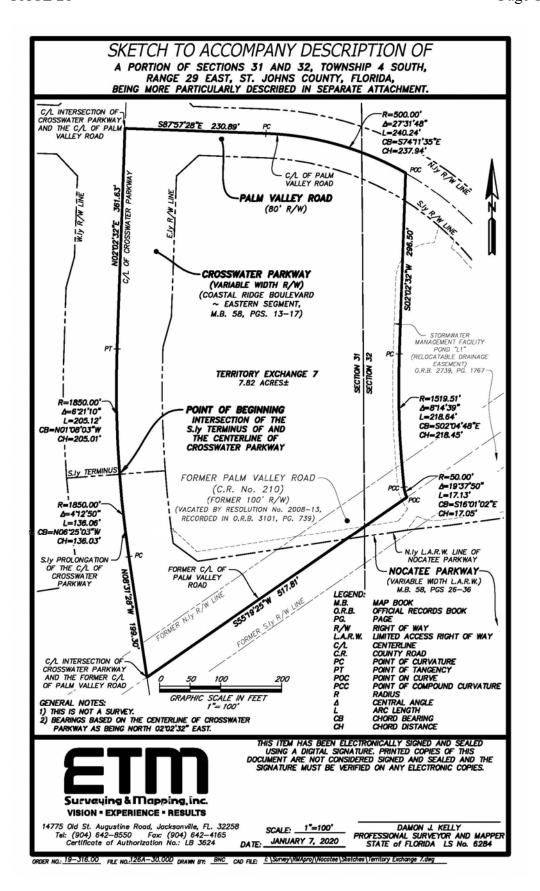
Work Order No. 19-316.00 File No. 126A-30.00D

#### **Territory Exchange 7**

A portion of Sections 31 and 32, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For a Point of Beginning, commence at the intersection of the Southerly terminus of and the centerline of Crosswater Parkway, a variable width right of way, as depicted on Coastal Ridge Boulevard ~ Eastern Segment, recorded in Map Book 58, pages 13 through 17 of the Public Records of said county; thence Northerly, along said centerline of Crosswater Parkway and along the arc of a curve concave Easterly having a radius of 1850.00 feet, through a central angle of 06°21'10", an arc length of 205.12 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North 01°08'03" West, 205.01 feet; thence North 02°02'32" East, continuing along said centerline, 361.63 feet to its intersection with the centerline of Palm Valley Road, an 80 foot right of way as presently established; thence South 87°57'28" East, departing said centerline of Crosswater Parkway and along said centerline of Palm Valley Road, 230.89 feet to the point of curvature of a curve concave Southerly having a radius of 500.00 feet; thence Easterly continuing along said centerline and along the arc of said curve, through a central angle of 27°31'48", an arc length of 240.24 feet to a point on said curve, said arc being subtended by a chord bearing and distance of South 74°11'35" East, 237.94 feet; thence South 02°02'32" West, departing said centerline, 296.50 feet to the point of curvature of a curve concave Easterly having a radius of 1519.51 feet; thence Southerly along the arc of said curve, through a central angle of 08°14'39", an arc length of 218.64 feet to a point of compound curvature, said arc being subtended by a chord bearing and distance of South 02°04'48" East, 218.45 feet; thence Southerly along the arc of a curve concave Easterly having a radius of 50.00 feet, through a central angle of 19°37'50", an arc length of 17.13 feet to a point lying on the former centerline of Palm Valley Road (County Road No. 210), a former 100 foot right of way vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of South 16°01'02" East, 17.05 feet; thence South 55°19'25" West, along said former centerline, 517.81 feet; thence North 08°31'28" West, departing said former centerline of Palm Valley Road, 199.30 feet to the point of curvature of a curve concave Easterly having a radius of 1850.00 feet, lying on the Southerly prolongation of said centerline of Crosswater Parkway; thence Northerly, along said Southerly prolongation and along the arc of said curve, through a central angle of 04°12'50", an arc length of 136.06 feet to the Point of Beginning, said arc being subtended by a chord bearing and distance of North 06°25'03" West, 136.03 feet.

Containing 7.82 acres, more or less.



# Appendix "B"

Official Florida Department of Transportation ("DOT") General Highway County map, as well as two more detailed maps, for each affected county depicting the boundary lines established by the territorial agreement, in accordance with Rule 25-6.0440, F.A.C.

