

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to resolve) DOCKET NO. 930885-EU
territorial dispute with Gulf) ORDER NO. PSC-97-0466-PHO-EU
Coast Electric Cooperative, Inc.) ISSUED: April 23, 1997
by Gulf Power Company.)
_____)

Pursuant to Notice, a Prehearing Conference was held on Monday, February 3, 1997, in Tallahassee, Florida, before Commissioner Susan F. Clark, as Prehearing Officer.

APPEARANCES:

JOHN H. HASWELL, Esquire, Chandler Lang & Haswell, P.A.,
Post Office Box 23879, Gainesville, Florida 32602 and
J. PATRICK FLOYD, Esquire, 408 Long Avenue, Port St. Joe,
Florida 32456
On behalf of Gulf Coast Electric Cooperative, Inc..

JEFFREY A. STONE, Esquire, and RUSSELL A. BADDERS,
Esquire, Beggs & Lane, 700 Blount Building, 3 West Garden
Street, Post Office Box 12950, Pensacola, Florida
32576-2950
On behalf of Gulf Power Company.

VICKI D. JOHNSON, Esquire, Florida Public Service
Commission, 2540 Shumard Oak Boulevard, Tallahassee,
Florida 32399-0850
On behalf of the Commission Staff.

PREHEARING ORDER

I. CASE BACKGROUND

By Order No. PSC-95-0271-FOF-EU, the Florida Public Service Commission resolved a territorial dispute between Gulf Power Company (Gulf or Gulf Power) and Gulf Coast Electric Cooperative (GCEC or Gulf Coast) concerning which utility should provide electric service to the Washington County Correctional Facility. The order also directed the parties to negotiate in good faith to reach a territorial agreement as to all the areas of potential dispute in south Washington and Bay counties. Because the parties have been unable to agree on a boundary, this matter is scheduled for an evidentiary hearing so that the Commission may determine the appropriate boundary for the utilities. By mutual request by the parties, the hearing has been rescheduled for April 29 - 30, 1997.

DOCUMENT NUMBER-DATE

04090 APR 23 000820

FPSC-RECORDS/REPORTING

II. PROCEDURE FOR HANDLING CONFIDENTIAL INFORMATION

A. Any information provided pursuant to a discovery request for which proprietary confidential business information status is requested shall be treated by the Commission and the parties as confidential. The information shall be exempt from Section 119.07(1), Florida Statutes, pending a formal ruling on such request by the Commission, or upon the return of the information to the person providing the information. If no determination of confidentiality has been made and the information has not been used in the proceeding, it shall be returned expeditiously to the person providing the information. If a determination of confidentiality has been made and the information was not entered into the record of the proceeding, it shall be returned to the person providing the information within the time periods set forth in Section 366.093(2), Florida Statutes.

B. It is the policy of the Florida Public Service Commission that all Commission hearings be open to the public at all times. The Commission also recognizes its obligation pursuant to Section 366.093, Florida Statutes, to protect proprietary confidential business information from disclosure outside the proceeding.

In the event it becomes necessary to use confidential information during the hearing, the following procedures will be observed:

- 1) Any party wishing to use any proprietary confidential business information, as that term is defined in Section 366.093, Florida Statutes, shall notify the Prehearing Officer and all parties of record by the time of the Prehearing Conference, or if not known at that time, no later than seven (7) days prior to the beginning of the hearing. The notice shall include a procedure to assure that the confidential nature of the information is preserved as required by statute.
- 2) Failure of any party to comply with 1) above shall be grounds to deny the party the opportunity to present evidence which is proprietary confidential business information.
- 3) When confidential information is used in the hearing, parties must have copies for the Commissioners, necessary staff, and the Court Reporter, in envelopes clearly marked with the nature of the contents. Any party wishing to examine the confidential material that is not subject to an order granting confidentiality shall be

provided a copy in the same fashion as provided to the Commissioners, subject to execution of any appropriate protective agreement with the owner of the material.

- 4) Counsel and witnesses are cautioned to avoid verbalizing confidential information in such a way that would compromise the confidential information. Therefore, confidential information should be presented by written exhibit when reasonably possible to do so.
- 5) At the conclusion of that portion of the hearing that involves confidential information, all copies of confidential exhibits shall be returned to the proffering party. If a confidential exhibit has been admitted into evidence, the copy provided to the Court Reporter shall be retained in the Division of Records and Reporting's confidential files.

Post-hearing procedures

Rule 25-22.056(3), Florida Administrative Code, requires each party to file a post-hearing statement of issues and positions. A summary of each position of no more than 50 words, set off with asterisks, shall be included in that statement. If a party's position has not changed since the issuance of the prehearing order, the post-hearing statement may simply restate the prehearing position; however, if the prehearing position is longer than 50 words, it must be reduced to no more than 50 words. The rule also provides that if a party fails to file a post-hearing statement in conformance with the rule, that party shall have waived all issues and may be dismissed from the proceeding.

A party's proposed findings of fact and conclusions of law, if any, statement of issues and positions, and brief, shall together total no more than 60 pages, and shall be filed at the same time. The prehearing officer may modify the page limit for good cause shown. Please see Rule 25-22.056, Florida Administrative Code, for other requirements pertaining to post-hearing filings.

III. PREFILED TESTIMONY AND EXHIBITS; WITNESSES

Testimony of all witnesses to be sponsored by the parties and Staff has been prefiled. All testimony which has been prefiled in this case will be inserted into the record as though read after the witness has taken the stand and affirmed the correctness of the testimony and associated exhibits. All testimony remains subject to appropriate objections. Each witness will have the opportunity

to orally summarize his or her testimony at the time he or she takes the stand. Upon insertion of a witness' testimony, exhibits appended thereto may be marked for identification. After all parties and staff have had the opportunity to object and cross-examine, the exhibit may be moved into the record. All other exhibits may be similarly identified and entered into the record at the appropriate time during the hearing.

Witnesses are reminded that, on cross-examination, responses to questions calling for a simple yes or no answer shall be so answered first, after which the witness may explain his or her answer.

The Commission frequently administers the testimonial oath to more than one witness at a time. Therefore, when a witness takes the stand to testify, the attorney calling the witness is directed to ask the witness to affirm whether he or she has been sworn.

IV. ORDER OF WITNESSES

On April 21, 1997, the parties filed a stipulation withdrawing the testimony and exhibits of witnesses whose names are preceded by an asterisk (*). The testimony of witnesses whose names are preceded by a double asterisk (**) has been partially withdrawn to the extent shown in Attachment 1 to this order.

<u>Witness</u>	<u>Appearing For</u>	<u>Issue #</u>
<u>Direct</u>		
Archie W. Gordon	GCEC	1 - 7
Stephen Page Daniel	GCEC	3 - 7
** G. Edison Holland, Jr.	Gulf	2, 5, 6, 7
* Russell L. Klepper	Gulf	2, 5, 6, 7
William C. Weintritt	Gulf	1 - 7
Theodore S. Spangenberg, Jr.	Gulf	2, 6, 7
Todd Bohrmann	STAFF	1, 6, 7
<u>Rebuttal</u>		
William F. Pope	Gulf	2, 3, 5, 6, 7
Theodore S. Spangenberg, Jr.	Gulf	2, 6, 7
William C. Weintritt	Gulf	2, 6, 7

<u>Witness</u>	<u>Appearing For</u>	<u>Issue #</u>
Russell L. Klepper	Gulf	2, 5, 6, 7
G. Edison Holland, Jr.	Gulf	2, 6, 7
** Stephen Page Daniel	GCEC	3 - 7
William S. Dykes	GCEC	1, 2, 5, 6, 7
* Alex M. Cockey	GCEC	2, 5, 6, 7
* David J. Hedberg	GCEC	2, 5, 6, 7
* George Pratt	GCEC	5, 6
Archie W. Gordon	GCEC	1 - 7

V. BASIC POSITIONS

GCEC: Because Gulf Power Company and Gulf Coast were unable to mutually agree on the establishment of a territorial boundary in those areas of South Washington County and Bay County where their facilities are in close proximity, are co-mingled, cross, or where further uneconomic duplication may occur, the Commission therefore implemented the second phase of its final order in this case, as clarified, for the purpose of establishing territorial boundaries between the two facilities in the aforesaid areas. Gulf Coast supports the Commission's directive and has submitted testimony and exhibits to assist the Commission in establishing such boundary. It is Gulf Coast's position that such a boundary is necessary, in the public interest, to prevent the uneconomic duplication of facilities of these two utilities, to avoid further territorial disputes between the two utilities and to allow Gulf Coast the opportunity to rationally and prudently plan the growth of its existing system in an area where its territorial integrity is preserved. It is further Gulf Coast's position that unless the Commission does draw a finite boundary in the aforesaid areas that the rate payers of Gulf Coast will continue to be subject to the predatory practices of Gulf Power in seeking to gain the loads of all future customers in the aforesaid areas thereby hindering Gulf Coast from opportunities to increase its density, load diversity, and to provide its customers with the lowest cost energy possible following reasonable and prudent utility practices. In addition, both

utilities will continue to plan to serve the same areas. The "proposals" submitted by Gulf Power will simply guarantee further co-mingling, crossing, and uneconomic duplication of facilities. In addition, it is very clear from the pre-filed testimony of Gulf Power's witnesses that it believes territorial issues should be resolved by the filing of territorial dispute petitions instead of agreeing on a reasonable territorial boundary.

GULF:

It is the basic position of Gulf Power Company that the Commission should decline to establish territorial boundaries in this proceeding because drawing "lines on the ground" is not in the public interest and is not necessary to prevent further uneconomic duplication of electric facilities. In fact, "lines on the ground" could actually lead to and compel the further uneconomic duplication of electric facilities, contrary to the specific statutory mandate the Commission is charged with enforcing. The dynamic system that Florida presently uses to allocate utility territory provides the Commission and the utilities in this case with an inherent flexibility that allows the public interest to be served. This flexibility has been useful and effective in the resolution of territorial issues in the past and is still needed with regard to territorial issues that may arise in the future. For the Commission to actually "draw lines on the ground" between two utilities in the absence of an agreement between those utilities appears to be without precedent in Florida. In this case, there is no active, bona fide dispute between the two utilities over service to a particular customer or group of customers actively seeking electric service. In the past, the Commission has wisely recognized that Subsection 366.04(2)(e) of the Florida Statutes speaks in terms of an existing territorial dispute. Until an actual and real controversy arises, the Commission has declined to intercede in and preclude a potential dispute by establishing territorial boundaries. There is no compelling reason for changing Commission policy in this case. As recognized by Commission Staff authors of a Florida State University Law Review article, the present "innovative" system provides continuity, without imposing a single rigid model or predetermined result on the citizens that may be served by these utilities in the future. The Florida legislature has consistently declined to mandate such a rigid policy for the state whenever such proposals have been presented during legislative sessions.

STAFF: Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions.

VI. ISSUES AND POSITIONS

ISSUE 1: What are the areas of South Washington and Bay Counties where the electric facilities of Gulf Power and Gulf Coast are commingled and in close proximity?

POSITIONS

GCEC: Those areas identified by Mr. Gordon in Exhibit AWG-3 and AWG-6 and on the following maps: Washington County - 2218NW, 2218NE, 2218SW, 2218SE, 2220, 2221, 2320, 2321, 2322, 2418, 2419, 2420, 2421, 2518, 2519, 2520, 2521, 2618, 2619, 2620, 2717, 2718, 2719, and 2720. Bay County - 2828NW, 2828NE, 2828SW, 2828SE, 2830NW, 2830NE, 2830SW, 2731, 2733, 2632, 2633, 2634, 2533, 2534, 2433, and 2639.

GULF: Those places on the following identified maps (which comprise Exhibit WCW-1) in which one utility's facilities are within 1000 feet of the other utility's facilities: map numbers 2218NE, 2218NW, 2218SE, 2218SW, 2220, 2221, 2320, 2321, 2322, 2518, 2519, 2618, 2533, 2534, 2632, 2633, 2634, 2639, 2731, 2733, 2828NW, 2828SW, 2828NE, 2828SE, 2830NE, 2830NW, and 2830SW. (Weintritt)

STAFF: Those areas included on the following maps: 2218NW, 2218SW, 2220, 2221, 2320, 2321, 2420, 2433, 2533, 2534, 2632, 2633, 2634, 2828NW, 2828NE, and 2830NW.

ISSUE 2: What are the areas in South Washington and Bay Counties where further uneconomic duplication of electric facilities is likely to occur?

POSITIONS

GCEC: Those areas identified on Exhibit AWG-3 and AWG-6, together with those areas depicted on Exhibits AWG-2 and AWG-5 where the facilities of the two utilities are clearly intermingled, in close proximity, or cross each

other. Future uneconomic duplication of facilities of South Washington and Bay Counties are also likely to occur in the same areas as identified in Issue 1.

GULF: Further uneconomic duplication of electric facilities is not likely to occur in South Washington and Bay Counties. Future uneconomic duplication of electric facilities can be easily avoided by these utilities through the application of and compliance with guidelines previously established by this Commission or through refinements such as those set forth in Exhibit GEH-3 or Exhibit GEH-4. (Holland, Klepper, Weintritt, Spangenberg, Pope)

STAFF: No position pending development of evidence at hearing.

ISSUE 3: What is the expected customer load, energy, and population growth in the areas identified in response to Issues 1 and 2?

POSITIONS

GCEC: The expected customer load, energy, and population growth are as identified in Exhibit AWG-8, SPD-3, SPD-4 and SPD-5.

GULF: The expected customer load, energy and population growth on Gulf Power's system in the full portions of South Washington and Bay Counties shown on the maps identified as Exhibit WCW-1 (enumerated in Gulf's position on Issue 1 above) are as follows:

YEAR	CUSTOMER LOAD (KW) *	ENERGY (KWH) *	CUSTOMERS*
1995	15,495	28,819,654	1,371
1996	15,818	32,712,628	1,438
1997	17,112	35,269,973	1,511
1998	18,946	41,093,598	1,588
1999	20,219	43,700,186	1,668
2000	21,759	46,881,912	1,753

*All values given are determined by the customers presently served by Gulf Power with the expected growth assuming no change in the method of determining customers affiliation.

This forecast is based on reasonable planning assumptions and does not require significant facility upgrades or additions in order for Gulf Power to provide the required electric service. (Weintritt, Pope)

STAFF: The forecasts for customer load, energy and population growth made by Gulf Power and Gulf Coast for their respective systems in South Washington and Bay Counties appear reasonable.

ISSUE 4: What is the location, type and capacity of each utility's facilities in the areas identified in response to Issues 1 and 2?

POSITIONS

GCEC: In South Washington County: Gulf Coast customers in the identified areas of South Washington County are served primarily by the Crystal Lake subdivision which is located on the east side of State Road 77 near the Bay/Washington County line. This substation is 7,500kva, 115kv to 25kv. South Washington County distribution facilities are served off of the substation circuit at 25kv (preferred service) with backup service available from the north circuit of the Southport substation in Bay County.

In Bay County: Gulf Coast customers in the identified areas of Bay County are served by the following substations; Bayou George South 8,000kva, 46kv to 25kv; Bayou George North 10,000kva, 115kv to 25kv; Fountain 7,500kva, 115kv to 25kv; Southport 15,000kva, 115kv to 25kv.

Bay and South Washington County distribution facilities are served off of the following main distribution feeders from the substations at 25kv (preferred and/or backup service) from a flexible switching distribution system.

GULF: Gulf Power's customers in the identified areas of South Washington County are served by two separate Gulf Power

substations. Sunny Hills Substation is a 12 MVA, 115 KV to 25 KV substation located south of Gap Pond in Sunny Hills, Florida. Vernon Substation is an 11.5 MVA, 115 KV to 25 KV substation located south of Vernon, Florida. From each of these substations, 25 KV feeders provide the preferred and back-up sources for reliable service to the identified area. Local overhead and underground distribution lines, and transformers provide service to Gulf Power's customers as shown on the following Florida grid coordinated maps that are part of Exhibit WCW-1: map numbers 2218NE, 2218NW, 2218SE, 2218SW, 2220, 2221, 2320, 2321, 2322, 2518, 2519 and 2618.

Gulf Power's customers in the identified areas of Bay County are served by Gulf Power's Bay County Substation. Bay County Substation is a 13.75 MVA, 115 KV to 12.47 KV substation located in Bay Industrial Park, off Highway 231, north of Panama City, Florida. A 12.47 KV feeder from Bay County Substation provides the preferred source of feed with another 12.47 KV feeder from Highland City Substation providing the back-up source of feed. Local overhead and underground distribution lines, and transformers provide service to Gulf Power's customers as shown on the following Florida grid coordinated maps that are part of Exhibit WCW-1: map numbers 2533, 2534, 2632, 2633, 2634, 2639, 2731, 2733, 2828NW, 2828SW, 2828NE, 2828SE, 2830NE, 2830NW, and 2830SW. (Weintritt)

STAFF: The location, type and capacity of each utility's facilities is as indicated in each company's position.

ISSUE 5: Is each utility capable of providing adequate and reliable electric service to the areas identified in response to Issues 1 and 2?

POSITIONS

GCEC: Yes, both Gulf Power and Gulf Coast are capable of providing adequate and reliable service to all areas of South Washington and Bay Counties. Notwithstanding Gulf Power's claims that its distribution reliability is much better than Gulf Coast's, the reliability of Gulf Coast's system is just as reliable as Gulf Power's.

GULF: Gulf Power, with its own generation, transmission and distribution facilities, is fully capable and prepared to provide all aspects of adequate and reliable service to

the identified areas both now and in the foreseeable future, at rates that are subject to the regulatory jurisdiction of the Commission. The distribution reliability of Gulf Power is much better than that of GCEC. Gulf Power's main backbone feeder system in the identified areas is fully adequate to provide reliable service to the area. Based on its history of providing adequate and reliable electric service at prices that are historically among the lowest in the state, Gulf Power would ordinarily be the economic choice to extend facilities and provide electric service to future electric service customers who might otherwise find themselves on the "wrong" side of an arbitrary boundary line allocating territory to the two utilities involved in this proceeding. Gulf Power's basic business objective of providing reasonably priced electric service to customers in Northwest Florida through the incentives inherent in the free enterprise system and the profit motive would be hindered by arbitrarily drawing a boundary line that would preclude Gulf Power from serving customers who would otherwise request that it provide them electric service. Gulf Power contends that although GCEC may be capable of providing adequate and reliable electric service to the identified areas, there is no assurance that GCEC will do so because their customers have no available means of effectively protesting the adequacy, the reliability or the price of electric service provided by GCEC. (Holland, Weintritt, Pope, Klepper)

STAFF: Yes.

ISSUE 6: How should the Commission establish the territorial boundary between Gulf Power and Gulf Coast in South Washington and Bay Counties where the electric facilities are commingled and in close proximity and further uneconomic duplication of facilities is likely to occur?

POSITIONS

GCEC: The Commission should examine the maps furnished to it by the two utilities which includes the location, type and capacity of each utility's facilities, as well as the detail maps submitted showing the location of each utility's facilities with respect to each other. A territorial boundary should then be drawn between the two utilities in such a manner that further co-mingling,

crossing, construction of facilities in close proximity, and where further uneconomic duplication is likely, will be avoided. The methodology is that as submitted by Mr. Gordon in his direct testimony and supported by Mr. Daniel, regarding the criteria to use.

GULF:

The Commission should not establish a territorial boundary between these two utilities in South Washington or Bay Counties. Given the established guidelines of the Commission and the Florida Supreme Court regarding the resolution of territorial disputes, future uneconomic duplication of facilities is not likely to occur in these areas. The Commission can effectively prevent the uneconomic duplication of electric facilities by these two utilities through a mechanism that does not include drawing "lines on the ground." Drawing "lines on the ground" is not in the best interest of the customers of the two utilities. In the past, the Commission has declined to even consider such action in the absence of an active and bona fide dispute between the two utilities over service to a particular customer or group of customers actively seeking electric service. No such dispute exists in this case.

The Commission's present system for resolving territorial disputes is adequate to resolve any future disputes that may arise between GCEC and Gulf Power. The Commission should seek a resolution of this matter through mechanisms other than drawing "lines on the ground." Consumers would be better served if the Commission directed each utility to follow Commission imposed guidelines for line extension to new customers, based on the Commission's "lowest cost to the utility" policy historically used in resolving territorial disputes. Refinements to the Commission's existing guidelines and policies such as those set forth in Exhibit GEH-3 or Exhibit GEH-4 may enhance the ability of the two utilities to work out potential disputes without the need for active litigation before the Commission.

The guidelines established by the Commission for line extensions to new customers should include consideration of the cost of generation to serve loads in question in addition to the cost of distribution and/or transmission line extensions in determining which utility has the lowest cost to serve. Such guidelines would allow the Commission to comply with the statutory directive that the Commission ". . . prevent the further uneconomic

duplication . . . " of generation, transmission and distribution facilities while at the same time retaining the opportunity for customer choice where all other factors are substantially equal and further uneconomic duplication of facilities is not a potential result.

If the Commission concludes that territorial boundaries must be established, it is important that such boundaries reasonably and adequately take into account the capabilities of existing electric service facilities, the economics of facilities expansion, and the type and character of the electric load that is to be served in particular areas from such facilities. It is important for the Commission to recognize that different types of electric facilities have differing capabilities with regard to type and character of electric load that can be served without changes to facilities. Therefore, a "lines on the ground" solution of this matter, if implemented, should follow the principles and concepts set forth in the direct testimony of Mr. Spangenberg with different boundaries established for different types and characters of loads. (Holland, Klepper, Weintritt, Spangenberg, Pope)

STAFF: Absent Gulf Power and Gulf Coast entering into a territorial agreement prior to the Commission's vote, the Commission should establish territorial boundaries in those places where Gulf Power's and Gulf Coast's existing distribution facilities are in close proximity to each other, commingled, or both. These territorial boundaries should be discrete line segments of sufficient length to separate the two utilities' existing distribution facilities, where necessary, to ensure that further uneconomic duplication does not occur. Customer transfers should be kept to a minimum. In locations where Gulf Power's and Gulf Coast's distribution facilities are neither in close proximity nor commingled, the Commission should not establish a territorial boundary at this time. Gulf Power and Gulf Coast should be directed to work together to ensure that future expansion of facilities to serve in these areas is done in a cost-effective manner and without uneconomic duplication of facilities. Should Gulf Power's and Gulf Coast's retail electric distribution facilities become commingled, in close proximity, or both in the future, the Commission, on its own motion, should establish additional territorial boundaries. (Bohrmann)

ISSUE 7: Where should the territorial boundary be established?

POSITION:

GCEC: The territorial boundary should be established as described in Mr. Gordon's direct testimony and as detailed on Exhibit AWG-4 and AWG-7.

GULF: A territorial boundary should not be established between these two utilities. The public interest is not served by precluding the continuation of the process of resolving territorial disputes on a case-by-case basis. See also Gulf Power's position on Issue 6, above. (Holland, Klepper, Weintritt, Spangenberg, Pope)

STAFF: No position pending development of evidence at hearing.

VII. EXHIBIT LIST

The direct testimony and exhibits of the witness whose name is preceded by an asterisk (*) have been withdrawn as shown on Attachment 1 to this order.

<u>Witness</u>	<u>Proffered</u> <u>By</u>	<u>I.D. No.</u>	<u>Description</u>
<u>DIRECT:</u> Gordon	GCEC	_____ (AWG - 2)	Facilities location for Bay County
Gordon	GCEC	_____ (AWG - 3)	Detail maps showing GPC and Gulf Coast facilities Bay County
Gordon	GCEC	_____ (AWG - 4)	Territorial boundary description for Bay County
Gordon	GCEC	_____ (AWG - 5)	Facilities location map for Washington County
Gordon	GCEC	_____ (AWG - 6)	Detail maps of Washington County showing facilities
Gordon	GCEC	_____ (AWG - 7)	Territorial boundary description for Washington County

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
Gordon	GCEC	<u>(AWG - 8)</u>	Basic data response to Staff's request for information on customers, sales, demand, facilities, etc.
Daniel	GCEC	<u>(SPD - 2)</u>	Current resume of Stephen Page Daniel
Daniel	GCEC	<u>(SPD - 3)</u>	Analysis of consumer energy and demand growth and substation capacity-Gulf Coast
Daniel	GCEC	<u>(SPD - 4)</u>	Consumer energy and demand growth and substation capacity - GPC
Daniel	GCEC	<u>(SPD - 5)</u>	Substation capacity load and available capacity in disputed area - Gulf Coast
Daniel	GCEC	<u>(SPD - 6)</u>	Outage data - Gulf Coast
Holland	Gulf	<u>(GEH - 1)</u>	Comparison of residential electric service prices between Gulf Power and GCEC
Holland	Gulf	<u>(GEH - 2)</u>	FSU Law Review Article "Drawing the Lines: Statewide Territorial Boundaries for Public Utilities in Florida"
Holland	Gulf	<u>(GEH - 3)</u>	Territorial Policy Statement
Holland	Gulf	<u>(GEH - 4)</u>	Policy Statement
Holland	Gulf	<u>(GEH - 5)</u>	Supreme Court of Florida Order No. 85,464

<u>Witness</u>	<u>Proffered By</u>	<u>I.D. No.</u>	<u>Description</u>
* Klepper	Gulf	<u>(RLK - 1)</u>	Summary of Professional Credentials
* Klepper	Gulf	<u>(RLK - 2)</u>	Resolution and NARUC Principles to Guide the Restructuring of the Electric Industry
Weintritt	Gulf	<u>(WCW - 1)</u>	Maps depicting area identified by Staff as having facilities of Gulf Power and GCEC in close proximity
Weintritt	Gulf	<u>(WCW - 2)</u>	GCEC Rural Utilities Service Form 7, Part H for the year ending 12/31/94
Weintritt	Gulf	<u>(WCW - 3)</u>	Gulf Power Contract for Electric Service Resale by GCEC (12/1/47)
Weintritt	Gulf	<u>(WCW - 4)</u>	Paragraph 14 of Gulf Power's FERC Electric Tariff (6/15/79)
Weintritt	Gulf	<u>(WCW - 5)</u>	GCEC Resolution terminating service from Gulf Power (6/1/81)
<u>REBUTTAL:</u>			
Pope	Gulf	<u>(WFP - 1)</u>	Tabulation of Gulf Power's Transformer Capacity
Pope	Gulf	<u>(WFP - 2)</u>	Tabulation of GCEC's Transformer Capacity
Weintritt	Gulf	<u>(WCW - 6)</u>	Bay County example areas
Weintritt	Gulf	<u>(WCW - 7)</u>	Washington County example areas

<u>Witness</u>	<u>Proffered</u> <u>By</u>	<u>I.D. No.</u>	<u>Description</u>
Holland	Gulf	<u> </u> (GEH - 6)	Alabama Electric Cooperative promotional brochure
Dykes	GCEC	<u> </u> (WSD - 1)	Job description
Dykes	GCEC	<u> </u> (WSD - 2)	Excerpt from map 2320
Dykes	GCEC	<u> </u> (WSD - 3)	Letter dated December 1, 1993 from Collins to Dykes regarding utility permit with sketch of facility's location
Dykes	GCEC	<u> </u> (WSD - 4)	Excerpt from map 2828 showing GPC crossing under Gulf Coast's lines
Dykes	GCEC	<u> </u> (WSD - 5)	Excerpt from map 2633
Dykes	GCEC	<u> </u> (WSD - 6)	Excerpt from map 2830NW
Dykes	GCEC	<u> </u> (WSD - 7)	Excerpt from map 2633 regarding Sweetwater Village subdivision
Dykes	GCEC	<u> </u> (WSD - 8)	Excerpt from map 2321/Deer Run ranchettes/Sunset Pines subdivision
Dykes	GCEC	<u> </u> (WSD - 9)	Area coverage policy
Dykes	GCEC	<u> </u> (WSD - 10)	Letter dated May 13, 1996 from Dykes to Weintritt
Dykes	GCEC	<u> </u> (WSD - 11)	Excerpt from maps numbers 57 and 58 regarding Duma Jack Road/Pinehurst Road

<u>Witness</u>	<u>Proffered</u> <u>By</u>	<u>I.D. No.</u>	<u>Description</u>
Dykes	GCEC	<u>(WSD - 12)</u>	Excerpt from map 2533/Big Buck Store
Gordon	GCEC	<u>(AWG - 9)</u>	Town map 3-33 Southport
Gordon	GCEC	<u>(AWG - 10)</u>	"As built" detail map 3-33, submarine cable crossing
Gordon	GCEC	<u>(AWG - 11)</u>	Proposed location map - Bay County water project 1954
Gordon	GCEC	<u>(AWG - 12)</u>	Shertzer letter dated January 23, 1964 - Bay County water project
Gordon	GCEC	<u>(AWG - 13)</u>	Memo of April 26, 1970 from Archie Gordon to Arthur Day
Gordon	GCEC	<u>(AWG - 14)</u>	Letter dated May 18, 1970 from Gordon to O'Dowd, Deltona Corporation
Gordon	GCEC	<u>(AWG - 15)</u>	Letter dated August 4, 1970 from Roberts to Gordon
Gordon	GCEC	<u>(AWG - 16)</u>	Letter dated August 28, 1970 from Gordon to Benton, Delton Corporation Development
Gordon	GCEC	<u>(AWG - 17)</u>	Five page composite exhibit regarding Gulf Coast's schedule AX/Roberts letter to Hinkley dated December 8, 1970
Gordon	GCEC	<u>(AWG - 18)</u>	Record of construction map/Sunny Hills
Gordon	GCEC	<u>(AWG - 19)</u>	Company's new tariff dated December 2, 1971

Parties and Staff reserve the right to identify additional exhibits for the purpose of cross-examination.

VIII. PROPOSED STIPULATIONS

There are no proposed stipulations at this time.

IX. PENDING MOTIONS

Gulf Coast Electric Cooperative, Inc.'s Motion to Compel Discover by Gulf Power Company.

Gulf Coast Electric Cooperative, Inc.'s Motion to strike Direct Testimony by Gulf Power Company's witnesses Spangenberg, Holland, Weintritt and Klepper.

Joint Motion and Stipulation for Continuance of Final Hearing by Gulf Power Company and Gulf Coast Electric Cooperative, Inc.

X. RULINGS

Gulf Coast Electric Cooperative, Inc.'s Motion to Compel Discovery by Gulf Power Company was denied as to Interrogatory Nos. 14, 15, and 32 as Gulf Power Company has already provided its response. Ruling on the Motion to Compel as to Interrogatory Nos. 31 and 42 is reserved.

The Chairman's office granted the Joint Motion and stipulation for Continuance of Final Hearing, therefore, the hearing in this matter will be held on April 29 - 30, 1997.

XI. OTHER MATTERS

Ruling on the Motion to Strike Testimony is deferred to the presiding officer at the hearing. Some of the testimony which is the subject of this motion has been withdrawn as shown on Attachment 1 of this order.

It is therefore,

ORDERED by Commissioner Susan F. Clark, as Prehearing Officer, that this Prehearing Order shall govern the conduct of these proceedings as set forth above unless modified by the Commission.

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ORDER NO. PSC-97-0466-PHO-EU
DOCKET NO. 930885-EU
PAGE 20

By ORDER of Commissioner Susan F. Clark, as Prehearing
Officer, this 23rd day of April, 1997.



SUSAN F. CLARK, Commissioner
and Prehearing Officer

(S E A L)

VDJ

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 or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

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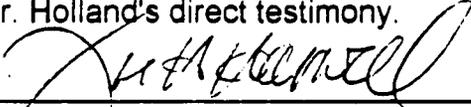
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition to resolve territorial dispute) Docket No. 930885-EU
with Gulf Coast Electric Cooperative,)
Inc. by Gulf Power Company)
_____)

**STIPULATION FOR WITHDRAWAL OF TESTIMONY
BY GULF POWER COMPANY AND
GULF COAST ELECTRIC COOPERATIVE, INC.**

Gulf Power Company ("Gulf Power") and Gulf Coast Electric Cooperative, Inc. ("GCEC") by and through their undersigned attorneys do hereby stipulate to the withdrawal of the following testimony previously filed in this docket:

1. The direct testimony of Russell Klepper, a Gulf Power witness.
2. The rebuttal testimony of Alex M. Cockey, a GCEC witness.
3. The rebuttal testimony of David J. Hedberg, a GCEC witness.
4. The rebuttal testimony of George Pratt, a GCEC witness.
5. Line 3 of Page 3 through Line 20 of page 31 of the rebuttal testimony of Stephen Page Daniel.
6. Starting on Line 25 of Page 4 of the direct testimony of G. Edison Holland, commencing with the words "Gulf Power's witness Klepper...." through Line 4 on Page 5 of Mr. Holland's direct testimony.



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Gulf Power Company

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by regular U.S. mail to the following:

Vicki Johnson, Esquire
Staff Counsel
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

this 18th day of April, 1997.



Russell A. Badders

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