

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Tampa Electric Company and the City of Lakeland for approval of temporary power service by Lakeland to a customer located in Tampa Electric's service area.

DOCKET NO. 970999-EU
ORDER NO. PSC-97-1485-FOF-EU
ISSUED: November 24, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
DIANE K. KIESLING
JOE GARCIA

NOTICE OF PROPOSED AGENCY ACTION:
ORDER APPROVING JOINT PETITION FOR TEMPORARY POWER SERVICE

BY THE COMMISSION:

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

On August 4, 1997, Tampa Electric Company (TECO or Company) and the City of Lakeland (City or Lakeland) filed a joint petition to allow the City to provide temporary electric service to Tenorock Fish and Game Preserve (Tenorock). Under the territorial agreement between TECO and Lakeland approved by this Commission in Order No. PSC-92-0570-FOF-EU, issued June 25, 1992, Tenorock is located within TECO's service area. Tenorock requires electricity to operate a one-horsepower electric pump at its site. This pump will use approximately 6,692 KWH annually. Based upon the current rates and charges for TECO's GS rate schedule, Tenorock will pay approximately \$592.00 annually when it becomes a permanent TECO customer.

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The territorial agreement between the parties allows one utility to serve customers in the other utility's service area when:

economic constraints on either utility or good engineering practices may indicate that a Customer's temporary end use and/or small discrete service areas and/or future retail Customers should not be immediately served by the utility in whose service territory they are located. In such instances, upon written request by the utility in whose territory the end use facility is located to the other utility, the other utility may agree in writing to provide service to such Customer's temporary end use, small discrete service areas, and future retail customers.

The Tenorock site is located approximately 5400 feet from the closest City-owned distribution facility. Under the temporary power service arrangement, the City will extend its distribution facilities northeasterly along Tenorock Mine Road to the site. The City will not require a CIAC payment from either Tenorock or TECO. The City will remain connected to the Tenorock site until TECO can economically install the necessary equipment to provide the site with permanent electric service. At that time, the City will disconnect its service line and once again abide by the terms and conditions of the territorial agreement. TECO will reimburse the City for the costs of removing the City's distribution facilities service the Tenorock site.

Currently, TECO does not know whether it will waive collection of any contribution in aid of construction (CIAC) when Tenorock receives permanent electric service. However, under Rule 25-6.064(11), Florida Administrative Code, if TECO waives collection of CIAC even when it is found to be owing, the Commission "will reduce the utility's net plant in service by an equal amount for ratemaking purposes, as though the CIAC had been collected, except when the company's annual revenues from a customer are sufficient to offset the unpaid line extension CIAC under subsection (4) or (5) [of Rule 25-6.064, Florida Administrative Code]".

As this Commission stated in Tampa Electric Company Notification of Intent to Provide Electric Service on an Interim Basis in Peace River Electric Cooperative Inc.'s Service Area, Order No. PSC-92-0415-FOF-EU, issued May 27, 1992, we are concerned that the temporary power service arrangement between these

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utilities could be provided indefinitely on a virtually permanent basis outside of our purview in violation of this Commission's intent when approving the territorial agreement between the City and TECO. We approve this temporary power service arrangement with the condition that the City and TECO return to this Commission for further review of the temporary power service arrangement and possible modification of the territorial agreement if TECO has not begun providing permanent electric service to the Tenorock site by April 30, 1998.

Based on the foregoing, it is

ORDERED that the joint petition by Tampa Electric Company and the City of Lakeland for approval of temporary power service by Lakeland to a customer located in Tampa Electric's service area is approved. It is further

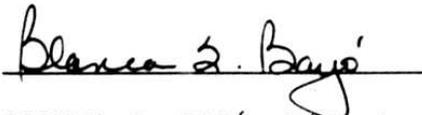
ORDERED that Tampa Electric Company and the City of Lakeland return to this Commission for further review of this temporary power service arrangement and possible modification of their territorial agreement if Tampa Electric Company has not begun providing permanent service to Tenorock by April 30, 1998. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" 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 24th
day of November, 1997.

A handwritten signature in black ink, reading "Blanca S. Bayó", is written over a horizontal line.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

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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.

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 Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the action proposed files a petition for a formal proceeding, as provided by Rule 25-22.036(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a)(d) and (e), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 15, 1997.

In the absence of such a petition, this Order shall become final on the day subsequent to the above date.

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

If this Order becomes final on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the date this Order becomes final, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.