

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to Close) DOCKET NO. 920581-EQ
Standard Offer Contract by Gulf) ORDER NO. PSC-92-0772-PCO-EQ
Power Company.) ISSUED: 8/7/92
_____)

ORDER GRANTING JOINT MOTION OF GULF POWER COMPANY
AND MONSANTO COMPANY FOR STAY

On August 29, 1991, the Commission issued Order No. 24989 approving Gulf Power Company's (Gulf) standard offer contract for the purchase of capacity and energy. Gulf's standard offer was based on a 79 megawatt combustion turbine generating unit with an in-service date of June 1, 1995. The standard offer was scheduled to expire on June 1, 1992, or sooner if the 79 megawatts was fully subscribed or avoided.

On May 14, 1992, Monsanto Chemical Company (Monsanto) notified Gulf that it planned to expand its cogeneration capacity in order to self-serve its needs for electric energy. On May 15, 1992, Monsanto delivered a signed standard offer contract for 16 megawatts to Gulf.

On May 21, 1992, Gulf filed a petition to close the standard offer contract effective May 16, 1992. Gulf stated that it would consider whether to accept Monsanto's signed standard offer. Gulf would also continue discussions with Monsanto that could lead to a negotiated contract instead of the standard offer. On July 14, 1992, Gulf submitted a petition to reject the standard offer. Also on July 14, 1992, Gulf and Monsanto filed this joint motion to stay.

In their joint motion, Gulf and Monsanto state that they have met several times in an effort to negotiate a contract for the sale of firm capacity and energy and that discussions are ongoing. They believe that given 90 days time, they will be able to reach an agreement on the terms and conditions of a negotiated contract.

In expectation of further negotiations, the parties have agreed that Gulf's petition to reject the standard offer contract filed by Gulf on July 14, 1992, in connection with the Tendered Standard Offer Contract was for the sole purpose of maintaining the status quo of the parties and did not fully state the grounds upon which Gulf would justify rejection of the tendered standard offer. In the event that negotiations fail to result in a substitute negotiated contract within 90 days, Monsanto has agreed to allow Gulf up to 10 days from the date an impasse is declared but no later than October 12, 1992, to file an amendment to its July 14,

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1992 petition, provided that Monsanto is given 25 days from the date Gulf files its amended petition to file its answer to such an amended petition.

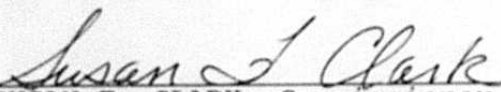
In consideration of the foregoing, it is

ORDERED that the Joint Motion of Gulf Power Company and Monsanto Company for Stay for 90 days from the date their petition was filed is granted. It is further

ORDERED that no action will be taken on Gulf Power Company's Petition to Reject Tendered Standard Offer Contract filed on July 14, 1992, during the period the proceedings are stayed. It is further

ORDERED that if negotiations between the parties during the period of the stay have not resulted in a negotiated contract to be substituted for the tendered standard offer contract, then Gulf Power Company will have 10 days from the date an impasse is declared, but no later than October 12, 1992, to file an amendment to its Petition to Reject Tendered Standard Offer Contract, and Monsanto Company will be allowed 25 days after the filing of such an amendment to file its answer to Gulf Power Company's amended petition.

By ORDER of Commissioner Susan F. Clark, as Prehearing Officer, this 7th day of AUGUST, 1992.


SUSAN F. CLARK, Commissioner
and Prehearing Officer

(S E A L)

DLC:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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

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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 25-22.038(2), 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.