BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition of Tampa Electric Company, IMC Phosphates Company and Progress Energy Florida, Inc. for approval of provision of electric service by Progress Energy Florida, Inc. to certain facilities owned and operated by IMC Phosphates Company in Tampa Electric Company's Commission-approved service territory. DOCKET NO. 030526-EU ORDER NO. PSC-03-1215-PAA-EU ISSUED: October 27, 2003

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON BRAULIO L. BAEZ RUDOLPH "RUDY" BRADLEY CHARLES M. DAVIDSON

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING AN AGREEMENT BY IMC PHOSPHATES COMPANY, TAMPA ELECTRIC COMPANY, AND PROGRESS ENERGY FLORIDA, INC.

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 June 12, 2002, IMC Phosphates Company (IMC), Tampa Electric Company (TECO), and Progress Energy Florida, Inc. (Progress) (collectively, the Joint Petitioners) filed a petition seeking our review and approval of a service agreement made pursuant to the Settlement Agreement approved by us in Order No. PSC-02-0929-AS-EI,

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In Re: Joint petition of Florida Power Corporation and Tampa Electric Company for expedited declaratory relief concerning provision of electric service to an industrial customer's facilities located in Tampa Electric Company's Commission-approved service territory, issued July 11, 2002, in Docket No. 020105-EI. Under the Settlement Agreement, either TECO or Progress may provide electric service to IMC's mobile facilities, even if the facilities traverse the other utility's approved territorial boundaries. However, each such service agreement requires our approval to be consistent with our statutory authority and as part of our ongoing, supervision the active in settlement, application, and implementation of territorial agreements.

We have jurisdiction in this matter pursuant to several provisions of Chapter 366, Florida Statutes, including Sections 366.04 and 366.05, Florida Statutes.

The Joint Petitioners' agreement provides that Progress will supply electricity to a new IMC mobile facility. The facility in question is located in Polk County and consists of a new pumping line located in TECO and Progress' service areas. The pumping line, which qualifies as a Mobile Facility under the Settlement Agreement, crosses the service territory between TECO and Progress. According to the agreement, approximately 70% of the load represented by IMC's pumping line is located in TECO's service territory, with the remaining 30% located in Progress' service Progress will be the single supplier for the entire territory. load, including the portion of load occurring in TECO's service territory, in accordance with the provisions of the Settlement Agreement. In particular, pursuant to Section (4)(d), TECO will be compensated for the service Progress provides to IMC in TECO's service area.

We find that the agreement resolves a potential retail territorial dispute between Progress and TECO, addresses service reliability, and is consistent with our longstanding policy of encouraging joint agreements. Therefore, the agreement is in the public interest and is hereby approved. ORDER NO. PSC-03-1215-PAA-EU DOCKET NO. 030526-EU PAGE 3

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the agreement between IMC Phosphates Company, Tampa Electric Company, and Progress Energy Florida, Inc. is hereby approved as set forth in the body of this Order. It is further

ORDERED that the agreement shall be effective with the issuance of a Consummating Order. 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 Director, Division of the Commission Clerk and Administrative Services, 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. If an appropriate action is filed, the agreement shall remain in effect pending the resolution of the protest. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this <u>27th</u> Day of <u>October</u>, <u>2003</u>.

HLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

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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 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 Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>November 17, 2003</u>.

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.