

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to Resolve ) DOCKET NO. 911141-EU  
Territorial Dispute between ) ORDER NO. PSC-93-1676-FOF-EU  
Okefenoke Rural Electric ) ISSUED: November 18, 1993  
Membership Corporation and )  
Jacksonville Electric Authority. )  
\_\_\_\_\_ )

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
SUSAN F. CLARK

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING JOINT PLAN TO ELIMINATE DUPLICATE ELECTRIC FACILITIES AND RESOLVE TERRITORIAL DISPUTE

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On November 19, 1991, Okefenoke Rural Electric Membership Corporation (Okefenoke) filed a petition to resolve its territorial dispute with Jacksonville Electric Authority (JEA). The dispute arose over the question of who should serve the Airport Holiday Inn in Duval County. The petition alleged that Okefenoke had been serving the Holiday Inn until JEA constructed electric facilities and lines to provide service to the Inn, thereby displacing Okefenoke's existing facilities. As the case progressed, it became apparent that the scope of the dispute actually involved all of northern Duval County, where uneconomic duplication of the parties' electric facilities was extensive.

After a hearing on June 17, 1992, we issued Order No. PSC-92-1213-FOF-EU, which directed JEA to develop a plan to eliminate the extensive duplication of JEA's and Okefenoke's electric facilities in all of northern Duval County. We retained jurisdiction of the dispute to review JEA's plan, and directed Okefenoke to cooperate in its development.

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JEA submitted an initial plan to eliminate duplicate electric facilities on February 24, 1993. In that plan JEA proposed to purchase or condemn all of Okefenoke's facilities in Duval County by September, 1993. Okefenoke objected to the plan, and in its response to JEA's proposal Okefenoke asked the Commission to resolve the duplication by establishing a territorial boundary between JEA and Okefenoke in Duval County. Thereafter, the parties attempted to negotiate a joint resolution to the problem and they were eventually able to reach a mutually acceptable agreement. The agreement is incorporated in the parties' Joint Motion for Approval of Plan to Eliminate Duplicate Electric Facilities and to Resolve Territorial Dispute, which we hereby approve.

The joint plan establishes a territorial boundary between Okefenoke and JEA at the Duval County line, and it provides for the purchase by JEA of all Okefenoke's electric facilities in Duval County. The plan completely eliminates existing, and prevents further, duplication of facilities in Northern Duval County.

Section 1 of the agreement provides that Okefenoke relinquishes all rights to serve in Duval County. It also provides that JEA will not serve electric customers north or west of the Duval County line in areas where Okefenoke provides electric service, with the exception of a small number of customers near Yulee, Florida. Approximately 2,400 Okefenoke customers will be transferred to JEA. The parties expect that the transfers will be completed by the middle of January, 1994. Each of the customers to be transferred was contacted by letter for their response to the service transfer. The large majority of the customers who responded to the notification were in favor of or did not object to the transfer. Section 3 of the agreement describes the amount of purchase and payment method by which JEA will compensate Okefenoke for lost revenues, transfer of customers and service facilities, and expenses associated with this matter.

The parties agree that if for some reason it is more economical and efficient for JEA to provide electric service in Okefenoke's territory on an interim basis, they will jointly petition the Commission for permission to provide that service. The parties must also bring all permanent territorial boundary changes to us for approval before they occur. The agreement will remain in effect until modified by the Commission.

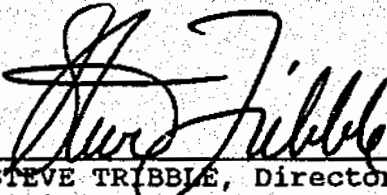
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We find that the parties' agreement is in the public interest, and it will further our longstanding goal of avoiding unnecessary and uneconomic duplication of facilities. We approve the agreement in its entirety. It is therefore,

ORDERED by the Florida Public Service Commission that the Joint Motion for Approval of Plan to Eliminate Duplicate Electric Facilities and to Resolve Territorial Dispute is approved. It is further,

ORDERED that this Order shall become final and this docket shall be closed unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission this 18th day of November, 1993.

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )  
MCB: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 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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this

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order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on December 9, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 and effective 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 effective date of this order, 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.