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April 29, 1997

BY HAND DELIVERY

970512-EU

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

> Re: Petition of Florida Power & Light Company to Resolve a Territorial Dispute with Clay Electric Cooperative in Baker County

Dear Ms. Bayo:

MKL/ths

RCH Enclosures EVED & FILED

EDING-BURGAU DE RECORE

OPC

WAS ___

OTH ___

SEC ____

Enclosed for filing in the above-styled docket are the original and fifteen (15) copies of Florida Power & Light Company's Petition to Resolve Territorial Dispute in Baker County.

DOCUMENT NUMBER-DATE

FPSC-RECORDS/REPORTING

FRE COPY.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Florida Power &)	
Light Company to Resolve a Territorial)	Docket No.
Dispute with Clay Electric)	
Cooperative in Baker County)	Filed: April 29, 1997
)	

Petition to Resolve Territorial Dispute in Baker County

Florida Power & Light Company ("FPL"), pursuant to Section 366.04.04(2)(e), Florida Statutes (1995) and Rules 25-6.044(1) and 25-22.036(4)(b), Florida Administrative Code, petitions the Florida Public Service Commission ("Commission") to resolve a territorial dispute between FPL and Clay Electric Cooperative, Inc. ("Clay") in Baker County and states:

 All pleadings and other documents required to be served or filed in this proceeding by any other party should be mailed to the following representatives on behalf of FPL:

Mark K Logan Bryant Miller & Olive 201 South Monroe Street, Ste. 500 Tallahassee, Florida 32301 904.222.8611

Patrick M. Bryan, Esq. Law Department Florida Power & Light Company 700 Universe Blvd. Juno Beach, Florida 33408 Mr. W.G. Walker, III Vice President Florida Power & Light Company Regulatory Affairs P.O. Box 029100 Miami, Florida 33102-9100

FPL seeks relief in this Petition from the Commission against:

Clay Electric Cooperative, Inc. C/O William C. Phillips, General Manager P.O. Box 308 Keystone Heights, Florida 32656-0308

- 3. FPL is an investor-owned electric utility that owns, maintains and operates an electric generation, transmission and distribution system within the State of Florida through which FPL provides retail electric distribution service to customers in numerous counties throughout Florida including Baker County. FPL is regulated by the Commission as a public utility pursuant to Chapter 366, Florida Statutes (1995).
- 4. Clay is a rural electric cooperative organized and existing pursuant to Chapter 425, Florida Statutes (1995). Clay owns, operates and maintains an electric generation, transmission and distribution system within the State of Florida through which Clay provides retail electric service to customers in north Florida, including Baker County.
- 5. FPL and Clay are both expressly subject to Commission jurisdiction with respect to the resolution of territorial disputes. Section 366.04(2)(e), Florida Statutes (1995). FPL and Clay are also subject to the Commission's jurisdiction over the planning, development and maintenance of a coordinated electric power grid throughout Florida, including the Commission's mandate to avoid "uneconomic duplication of generation, transmission, and distribution facilities." Section 366.04(5), Florida Statutes (1995).
- 6. Both FPL and Clay currently provide retail electric service to customers within Baker County, Florida. In the central portion of the county, between State Roads 8 (Interstate10) and State Road 10 (U.S. Highway 90), FPL provides service via two substations. The first, known as the Wiremill substation, is located just off Rhoden Road and serves the Sanderson area. The second substation, known as the Macclenny substation, serves the Macclenny and Glen St.

 Mary areas. A composite set of maps depicting the area is attached as Exhibit "A."

- FPL's Wiremill substation provides retail electric service to a major industrial customer located adjacent to the substation itself. Service is provided via a 3-phase line running from the substation.
- 8. The River City Plastics Incorporated ("River City") is in the process of preparing a site for the construction of a new plastic pipes manufacturing facility. The facility, when complete and operational, is expected to generate a demand of over 2MW at an 80% load factor. The River City facility will be located immediately adjacent to an existing FPL industrial customer (Florida Wire and Cable) approximately 1/4 mile from the Wiremill substation itself.
- 9. On information and belief, FPL has learned that Clay and River City have signed an agreement for Clay to provide retail electric service to the facility once built. This agreement also calls for Clay to provide service to the site during construction of the facility. This despite the immediate proximity of FPL's facilities and the fact that the closest Clay substation that can serve River City is located approximately 3.5 miles away and the closest facilities (3-phase line) that can actually provide service are located more than 1.4 miles away. However, Clay's entire existing 3-phase line may require reconductoring or upgrading in order to actually serve River City.
- Clay has begun the process of constructing a line to the River City site in order to provide electric service during construction of the River City facility.
- 11. FPL can provide retail electric service to River City in the same reliable and efficient manner that it currently provides its other customers served by the Wiremill and Macclenny substations. Service can be provided by FPL with minimal cost or increase in facilitier. FPL's existing load in the area of dispute is 8.6 MVA. FPL's existing capacity in the area is 40 MVA which provides more than adequate capacity for anticipated future load demands in the area.

- 12. Clay cannot provide reliable electric service to River City without the construction of substantial additional electric distribution facilities. Allowing Clay to construct and operate the additional facilities needed for Clay to actually provide service to River City will result in uneconomic duplication of both existing and future FPL facilities contrary to established Commission precedent.
- 13. The interests of the existing and future customers of both FPL and Clay are best served by FPL providing River City service as well as any other future customers in the immediate vicinity of the Wiremill substation.

WHEREFORE, FPL respectfully requests that the Commission:

- A. Take jurisdiction of this matter pursuant to Section 366.04, Florida Statutes
 (1995);
 - B. Resolve the territorial dispute in favor of FPL;
- C. Find that Clay's proposed provision of retail electric service to River City will
 result in unnecessary and uneconomic duplication of facilities;
- D. Order Clay to cease the construction and installation of uneconomic and duplicative facilities designed to provide River City with construction service;
- E. Order Clay to refrain from providing retail electric service to River City or any other similarly situated customer within the immediate vicinity of FPL's Wiremill and Macclenny substations; and
- F. Grant any other such relief that the Commission may determine is just and reasonable.

Respectfully submitted,

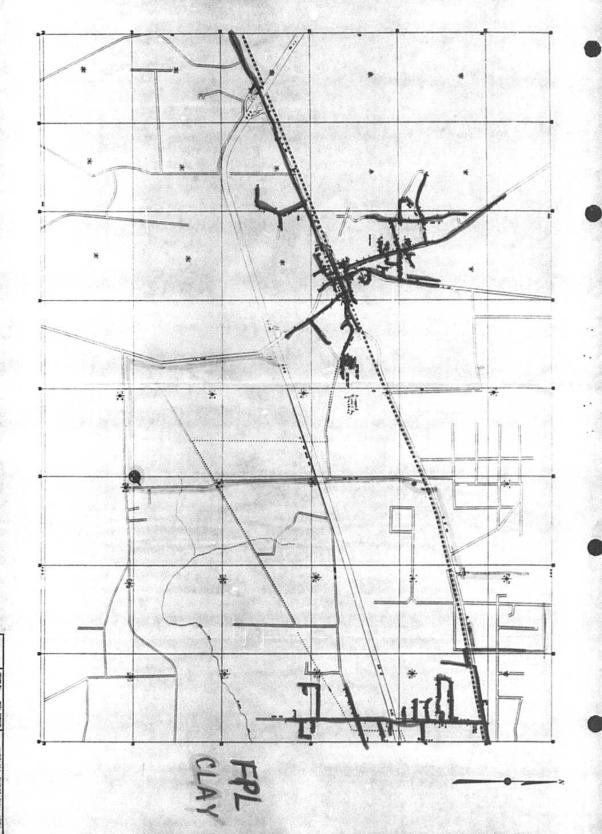
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Florida Bar No. 0494208
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Patrick M. Bryan, Esq. Law Department Florida Power & Light Company 700 Universe Blvd. Juno Beach, Florida 33408

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing Petition was furnished to William C. Phillips, General Manager, Clay County Electric Cooperative, Inc., P.O. Box 308 Keystone Heights, Florida 32656-0308, this 29th day of April, 1997.

Mark K. Logan



NAME AND PARTY A

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