

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for approval of amendment to territorial agreement between Florida Power & Light Company and City of Lake Worth Utilities.

DOCKET NO. 030391-EU
ORDER NO. PSC-03-0775-PAA-EU
ISSUED: June 30, 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 AMENDED TERRITORIAL AGREEMENT

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 April 24, 2003, Florida Power & Light Company (FPL) and the City of Lake Worth (Lake Worth) filed a petition to amend the "Territorial Agreement and Contract for Interchange Service" that has governed the parties' service territories in and around Lake Worth since 1972. The petition requests approval of an amendment that eliminates all terms and conditions related to interchange and interconnection service, but retains all terms and conditions that relate to territorial matters. The proposed amendment separates the parties' wholesale power contract from their retail service territorial agreement and deletes reference to an interchange agreement that has been replaced. The amendment is consistent with

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the recent agreement between FPL and the Florida Municipal Power Association (FMPA) to include Lake Worth as an all-requirements member under their Network Service Agreement for the provision of wholesale power. FPL and Lake Worth assert that the proposed amendment to their 1972 agreement does not change any provisions of the existing agreement that govern the boundaries between their service territories. All substantive territorial provisions remain in place.

We find that the amended territorial agreement is in the public interest, and we approve it. The proposed amendment is attached to this Order and incorporated herein.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amended territorial agreement between Florida Power & Light Company and the City of Lake Worth as attached to and incorporated in this Order, is hereby approved as set forth in the body of this 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 petition is filed, the territorial agreement shall remain in effect pending resolution of the protest. 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 30th
day of June, 2003.

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

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

MCB

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 July 21, 2003.

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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.

EXHIBIT A

Amendment to the Territorial Agreement and
Contract for Interchange Service
Between
Florida Power & Light Company
and
Lake Worth Utilities Authority, City of Lake Worth, Florida

This Amendment to the Territorial Agreement and Contract for Interchange Service Between Florida Power & Light Company and Lake Worth Utilities Authority, City of Lake Worth, Florida is made and entered into this 12th day of November, 2002 by and between Florida Power & Light Company ("FPL") and the Florida Municipal Power Agency ("FMPA"), as agent for the City of Lake Worth, successor to Lake Worth Utilities Authority, ("Lake Worth"). FPL and FMPA are herein referred to individually as Party and collectively as the Parties.

WHEREAS, Lake Worth has provided written notice to FPL that FMPA has been authorized to act as agent for Lake Worth with respect to interchange service contracts, interconnection agreements, power supply agreements and transmission service agreements;

WHEREAS, Lake Worth and FPL entered into a Territorial Agreement and Contract for Interchange Service, dated March 6, 1972 (the "Lake Worth Agreement");

WHEREAS, FMPA has requested, and FPL has agreed, to include Lake Worth as an All-Requirements Member under the Network Service Agreement Between Florida Power & Light Company and the Florida Municipal Power Agency dated March 6, 1996 (the "NSA");

WHEREAS, to effect such change FMPA and FPL have, among other things, executed and filed with the Federal Energy Regulatory Commission Amendment No. 6 to the NSA, dated October 31, 2002, to include Lake Worth as an All-Requirements Member;

WHEREAS, upon the NSA Amendment No. 6 becoming effective, Lake Worth will receive interchange service under FMPA's Contract for Interchange Service Between Florida Power & Light Company and the Florida Municipal Power Agency dated January 3, 1991 ("FMPA Interchange Contract"); and

WHEREAS, among other things, Amendment No. 6 provides that the Lake Worth Agreement will be amended to eliminate all interchange and interconnection related terms and conditions concurrently with the date that Network Service to Lake Worth becomes effective, thus preserving all terms and conditions relating to territorial matters;

NOW THEREFORE, the parties agree that the Lake Worth Agreement shall be amended as follows:

Section 1: Upon Amendment No. 6 to the NSA becoming effective: (a) Sections 0.4 and 0.5; Articles II, III, IV (including associated interchange schedules as amended from time to time), V, VI VII and VIII; and Exhibit C of the Lake Worth Agreement are hereby deleted in their entirety and shall have no further force and effect; (b) "P.O. Box 3100, Miami, Florida" in the third line of Section 9.4 shall be replaced with "P.O. Box 029100, Miami, Florida 33102-9100"; and (c) the title of the Lake Worth Agreement shall be replaced in its entirety with the following: "Territorial Agreement between Florida Power & Light Company and The City of Lake Worth, Florida."

Section 2: Except as expressly modified by this Amendment, the terms of the Lake Worth Agreement shall remain in full force and effect and shall continue to govern the relationship of the parties as to territorial matters consistent with the terms of the Lake Worth Agreement.

Section 3: In the event that either or both FPL and Lake Worth conclude that this Amendment must be filed with the Florida Public Service Commission, FPL and Lake Worth shall jointly make such a filing and shall provide one another such support and cooperation as may be reasonably required to effectuate the filing and to obtain any required approvals of the Florida Public Service Commission.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective authorized representatives as of the date first stated above.

ATTEST:

FLORIDA POWER & LIGHT COMPANY

By: David T. Bromley

By: [Signature] 11/19/02
Vice President

ATTEST:

FLORIDA MUNICIPAL POWER AGENCY
(as agent for the City of Lake Worth)

By: [Signature]

By: [Signature] 11/18/02
General Manager