

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed Amendment of ) DOCKET NO. 951316-EU  
Rules 25-6.0440(1), Territorial ) ORDER NO. PSC-96-0127-FOF-EU  
Agreements for Electric ) ISSUED: January 25, 1996  
Utilities; and 25-6.0441, )  
Territorial Disputes for )  
Electric Utilities. )  

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NOTICE OF ADOPTION OF RULES

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has adopted the amendments to Rules 25-6.0440(1) and 25-6.0441, Florida Administrative Code, relating to territorial agreements and disputes for electric utilities without changes.

The rules were filed with the Department of State on January 24, 1996 and will be effective on February 13, 1996. A copy of the rule as filed with the Secretary of State is attached to this Notice.

This docket is closed upon issuance of this notice.

By ORDER of the Florida Public Service Commission, this 25th day of January, 1996.

BLANCA S. BAYÓ, Director  
Division of Records & Reporting

by: Kay Hign  
Chief, Bureau of Records

( S E A L )

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FPSC-RECORDS/REPORTING

**25-6.0440 Territorial Agreements for Electric Utilities.**

(1) All territorial agreements between electric utilities shall be submitted to the Commission for approval. Each territorial agreement shall clearly identify the geographical area to be served by each utility. The submission shall include: (a) a map and a written description of the area, (b) the terms and conditions pertaining to implementation of the agreement, and any other terms and conditions pertaining to the agreement, (c) the number and class of customers to be transferred, (d) assurance that the affected customers have been contacted and the difference in rates explained, ~~and~~ (e) information with respect to the degree of acceptance by affected customers, i.e., the number in favor of and those opposed to the transfer, and (f) an official Florida Department of Transportation (DOT) General Highway County map for each affected county depicting boundary lines established by the territorial agreement. Upon approval of the agreement, any modification, changes, or corrections to this agreement must be approved by this Commission.

(2) **Standards for Approval.** In approving territorial agreements, the Commission may consider, but not be limited to consideration of:

(a) the reasonableness of the purchase price of any facilities being transferred;

(b) the reasonable likelihood that the agreement, in and of itself, will not cause a decrease in the reliability of electrical service to the existing or future ratepayers of any utility party to the agreement; and

(c) the reasonable likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities.

(3) The Commission may require additional relevant information from the parties of the agreement, if so warranted.

Specific Authority: 366.05(1), F.S.

Law Implemented: 366.04(2), 366.04(4), 366.05(7), F.S.

History: New 3/4/90, amended 2/13/96.

**25-6.0441 Territorial Disputes for Electric Utilities.**

(1) A territorial dispute proceeding may be initiated by a petition from an electric utility requesting the Commission to resolve the dispute. Additionally the Commission may, on its own motion, identify the existence of a dispute and order the affected parties to participate in a proceeding to resolve it. Each utility which is a party to a territorial dispute shall provide a map and a written description of the disputed area along with the conditions that caused the dispute. Each utility party shall also provide a description of the existing and planned load to be served in the area of dispute and a description of the type, additional cost, and reliability of electrical facilities and other utility services to be provided within the disputed area.

(2) In resolving territorial disputes, the Commission may consider, but not be limited to consideration of:

(a) the capability of each utility to provide reliable electric service within the disputed area with its existing facilities and the extent to which additional facilities are needed;

(b) the nature of the disputed area including population and the type of utilities seeking to serve it, and degree of urbanization of the area and its proximity to other urban areas,

and the present and reasonably foreseeable future requirements of the area for other utility services;

(c) the cost of each utility to provide distribution and subtransmission facilities to the disputed area presently and in the future; and

(d) customer preference if all other factors are substantially equal.

(3) The Commission may require additional relevant information from the parties of the dispute if so warranted.

(4) Upon resolution of each territorial dispute, the parties to the dispute shall submit to the Commission an official Florida Department of Transportation (DOT) General Highway County map for each affected county depicting boundary lines established by the resolution of the territorial dispute.

Specific Authority: 366.05(1), F.S.

Law Implemented: 366.04(2), 366.04(4), 366.05(7), F.S.

History: New 3/4/90, amended 2/13/96.