

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval for extension of  
Commission's approval of special contract, by  
Tampa Electric Company.

DOCKET NO. 130170-EI  
ORDER NO. PSC-13-0337-PAA-EI  
ISSUED: July 29, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman  
LISA POLAK EDGAR  
ART GRAHAM  
EDUARDO E. BALBIS  
JULIE I. BROWN

NOTICE OF PROPOSED AGENCY ACTION  
ORDER EXTENDING APPROVAL OF SPECIAL CONTRACT

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.

BACKGROUND

In Order No. PSC-13-0120-PAA-EI, we approved a special contract between Tampa Electric Company (TECO) and a potential new customer (Customer) that is considering building a large manufacturing facility in TECO's service area.<sup>1</sup> The Customer is considering locating its new facility at several alternative sites around the country. The Customer's new facility would be a very large, non-firm electric load with electric supply costs representing a substantial portion of the cost of its operations. Although the Customer will need to negotiate contracts with a number of other suppliers of goods and services wherever it decides to locate its new facility, the cost of electric power is a key consideration in the Customer's decision-making process on where to locate its new facility.

At the time TECO filed its petition for approval of the special contract TECO expected the Customer to make a decision by the end of March 2013 regarding the location of its facility. The special contract was approved on the condition that the approval would be rendered null and

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<sup>1</sup> Order No. PSC-13-0120-PAA-EI, issued March 11, 2013, in Docket No. 130037-EI, In re: Petition for approval of special contract by Tampa Electric Company.

void if the special contract was not fully executed within 90 days of the date of our order approving the special contract. Order No. PSC-13-0120-PAA-EI was made final by our Consummating Order issued April 5, 2013.<sup>2</sup> Thus, the special contract expires on July 4, 2013.

TECO explained that the Customer requires additional time to complete the site selection process and TECO wants its service area to remain a viable candidate for the location of the Customer. Accordingly, TECO filed a petition on June 21, 2013, requesting a four-month extension of the special contract through November 4, 2013. In addition, TECO requests that staff be authorized to administratively approve a 60-day extension beyond November 4, 2013, in the event the Customer needs a further extension. We have jurisdiction in this matter pursuant to Sections 366.04, 366.05, and 366.06, Florida Statutes.

### DECISION

As stated above, TECO explained that the Customer is still engaged in due diligence and requires additional time to complete the site selection process. TECO believes that four months is an appropriate time to provide the Customer an opportunity to complete their site selection process. TECO also requests that we authorize our staff to administratively approve a 60-day extension beyond November 4, 2013, in the event the Customer final decision is pushing up against the deadline, but appears close enough at hand to warrant the further extension.

We approved the special contract initially on the basis that it will have only a minimal impact on the general body of ratepayers, will create jobs, and should provide economic benefits to TECO's service area and the state of Florida. We believe those reasons are still valid, and therefore TECO's request to extend the term of the contract while the Customer completes its due diligence for the location of its manufacturing plant is reasonable.

Therefore, we approve TECO's petition for an extension of our approval of the special contract, and we will do so for a period of six months rather than four, through January 6, 2014. This will allow sufficient time for the Customer to complete its due diligence, while avoiding an additional administrative approval process.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that TECO's petition for approval of an extension of its special contract is granted, through and including January 6, 2014. 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 Commission Clerk, 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. It is further

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<sup>2</sup> Order No. PSC-13-0149-CO-EI, issued April 5, 2013.

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

By ORDER of the Florida Public Service Commission this 29th day of July, 2013.



ANN COLE

Commission Clerk

Florida Public Service Commission

2540 Shumard Oak Boulevard

Tallahassee, Florida 32399

(850) 413-6770

www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 19, 2013.

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.