

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for approval of amendment  
to territorial agreement in Manatee County, by  
Florida Power & Light Company and Peace  
River Electric Cooperative, Inc.

DOCKET NO. 150234-EU  
ORDER NO. PSC-16-0042-PAA-EU  
ISSUED: January 25, 2016

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman  
LISA POLAK EDGAR  
ART GRAHAM  
RONALD A. BRISÉ  
JIMMY PATRONIS

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING AMENDMENT TO 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 (F.A.C.).

Background

On October 30, 2015, Florida Power & Light Company (FPL) and Peace River Electric Cooperative, Inc. (Peace River) filed a joint petition for approval of an amendment to their existing territorial agreement in Manatee County.<sup>1</sup> The amendment would alter the territory so that a new housing development would lie entirely within Peace River's territory rather than be divided between FPL and Peace River's service territories, as it is now. The amendment is Exhibit A to the petition, while the maps and written description are provided in Attachments A-C to the petition. The petitioners responded to Commission Staff's First Data Request on November 25, 2015. We have jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

Decision

Pursuant to Section 366.04(2)(d), F.S., this Commission has the jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities,

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<sup>1</sup> Order No. 18322, issued October 22, 1987, in Docket No. 870816-EU, In re: Joint petition for approval of territorial agreement between Florida Power & Light Company and Peace River Electric Cooperative, Inc.

and other electric utilities. Rule 25-6.0440(2), Florida Administrative Code, states that in approving territorial agreements, we may consider:

- (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.

Unless this Commission determines that the agreement will cause a detriment to the public interest, the agreement shall be approved.<sup>2</sup>

Under the current agreement, a new private development is divided between the petitioners' service territories, with the larger portion located in Peace River's existing territory. FPL and Peace River jointly request that we approve a realignment of their existing territorial boundary so that the new development will lie entirely within Peace River's service territory. The petitioners state that the area is currently under development. There are no facilities providing service and no customer accounts to be transferred.

FPL and Peace River represent that approval of the amendment is in the public interest. According to the petitioners, the amendment will not cause a decrease in the reliability of electrical service to existing or future members of either utility, it will likely eliminate or prevent uneconomic duplication of facilities, and it will promote this Commission's stated policy of encouraging territorial agreements between and among Florida's electric utilities.

After review of the amendment and the petitioners' response to its data request, we find that the amendment will enable FPL and Peace River to better serve their current and future customers. We agree that the amendment will serve to eliminate any potential uneconomic duplication of facilities and will not cause a decrease in the reliability of electric service. As such, we find that amendment between FPL and Peace River will not cause a detriment to the public interest and we hereby approve it.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amendment to the existing territorial agreement in Manatee County between Florida Power & Light Company and Peace River Electric Cooperative, Inc., be approved. 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

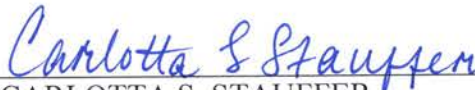
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<sup>2</sup> Utilities Commission of the City of New Smyrna v. Florida Public Service Commission, 469 So. 2d 731 (Fla. 1985).

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

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

By ORDER of the Florida Public Service Commission this 25th day of January, 2016.



CARLOTTA S. STAUFFER  
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.

JEV

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 February 15, 2016.

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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.