MEMORANDUM

March 5, 1990

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (PALECKI) Ju (

RE : DOCKET NO. 890646-EI - ORDER APPROVING SETTLEMENT OF

TERRITORIAL DISPUTE

22634

Attached is an Order Approving Settlement Of Territorial Dispute in the above-referenced docket which is ready to be issued.



(6190L)MAP:bmi

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Peti			
Company for			
territorial	dispute	e with	Florida
Power Corpo	ration.		

DOCKET NO. 890646-EI ORDER NO. 22634 ISSUED: 3-5-90

The following Commissioners participated in the disposition of this matter:

MICHAEL Mck. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER JOHN T. HERNDON

ORDER APPROVING SETTLEMENT OF TERRITORIAL DISPUTE

BY THE COMMISSION:

On May 9, 1989, Tampa Electric Company filed a complaint against Florida Power Corporation for resolution of a territorial dispute regarding provision of electricity to Agrico Chemical Company. According to the Complaint, Agrico had requested FPC to provide service to certain of its Polk County facilities then being served by TECO under the terms of a 1960 territorial agreement between TECO and FPC. TECO contended that this would have been in violation of the 1960 agreement.

Under the 1960 territorial agreement the service boundary between FPC and TECO was drawn on the county line between Polk and Hardee Counties. Agrico's Fort Green mine property is essentially split by the line. Twenty-six square miles are within the TECO service area and twenty-five square miles are within the FPC service area. Further to the south four square miles are within FPC's service area, but this property is unaffected by the instant territorial dispute.

FPC provides 69kV interruptible service to Agrico at a metering station in northwestern Hardee County, approximately two miles south of the Polk County line (its own territory). Agrico claims that its mining operations are moving south and

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will soon be operating predominantly in Hardee County (FPC's territory). According to Agrico it has mined all but 19% (2,990 acres) of the land remaining within TECO's service area. As the mining progresses it follows the phosphate reserves into Hardee County (FPC's territory).

When intervenor Agrico answered TECO's complaint on May 30, 1989, it intended to employ FPC's 69kV transmission line to serve all of Agrico's internal electrical distribution system, including the plant (in TECO's service area) as well as any draglines within the TECO service area. According to Agrico, wich the bulk of its mining operations moving into FPC'S territory continued use of TECO power would cause an unnecessary duplication of facilities and foster economic waste.

In addition Agrico claimed that a dual power supply would be dangerous. Typically, phosphate mining facilities consist of draglines; large electrical machines which move about the area (and sometimes over territorial boundaries) and dig ore from the ground. The ore is placed in a pit where it is made into a slurry with high pressure water. The slurry is pumped through a pipeline to the processing plant.

The slurry pipeline is a large, powerful system. The pipe is typically 20 inches in diameter and the pipelines can be from one to ten miles long. Large booster pumps, each driven by a 1,250 hp electric motor, are placed along the pipeline at intervals of approximately 3,000 to 4,000 feet in order to provide sufficient velocity necessary to keep solids in suspension within the pipeline. It is sometimes necessary that these pipelines cross territorial boundaries when the mining operation is located away from the processing plant.

Agrico asserts that each pipeline should be served by a single power source.

According to Agrico's experts, a blink in power due to lightning, which may go unnoticed by other customers, can shut down the phosphate operation. Such a shut-down in the pumps can produce water hammer that can cause pipes and/or pumps to burst, creating a hazard to employees in the vicinity.

According to Agrico, if some pumps shut down, and others continue to operate (such as those provided electricity from a separate power source), a dangerous situation is created. Graeme R. Addie, Agrico's slurry pump expert from Australia, submitted testimony that no technology available could prevent this type of water hammer and that a dual power supply would significantly increase its likelihood. TECO on the other hand disputed Agrico's claim that a single power source was necessary for safety reason. According to TECO, any such safety problems could be solved with currently available technology.

The parties to the territorial dispute were also in disagreement as to whether Agrico's proposed use of FPC power in TECO's territory would be in violation of the Supreme Court's ruling in Lee County Cooperative v. Marks, 501 So.2d 585 (Fla. 1987). According to TECO any customer taking power from a service point in one utility's territory and using the power inside another utility's territory would be in direct contravention of Lee County.

Agrico and FPC deny that a similar factual circumstance was addressed by the Supreme Court of Florida in Lee County Electric Cooperative v. Marks. According to Agrico, it has moved into Hardee County in order to mine available phosphate, not to switch electric supplies. Here, unlike Lee County Cooperative, the customer has not built a line solely for the purpose of establishing a point of delivery for electric power within one utility's service area to be transmitted to a facility located within another utility's service area. involves, among other this situation Rather. contiguous property owned by the customer which crosses the service area boundary between FPC and TECO. Electric service is being provided at a new point of service within FPC's service area for the specific purpose of serving Agrico mining facilities located and operated within FPC's service area. Also, unlike Lee County Cooperative, the electric load in this case moved to a different service area and is expected to stay there on a long-term basis. In Lee County, the Supreme Count found that the "extension cord" transmission line was a "transparent device" to avoid the territorial agreement. Agrico and FPC contend that this is not the case here.

Despite these conflicts, on November 15, 1989, the parties filed with the Commission a proposed settlement to the territorial dispute. (see attachment A). There are actually two proposed settlements, one between TECO and Agrico, and one between TECO and FPC. The proposed agreement between TECO and FPC however essentially provides only that FPC does not oppose the settlement between TECO and Agrico, should it be approved by the Commission.

There are three principal conditions to the settlement agreement between Agrico and TECO:

- 1. All fixed facilities to TECO's territory including processing plants and washer facilities will continue to be served by TECO at the applicable TECO rate schedule. Agrico will then discontinue its efforts to serve these facilities through FPC's 69kV line in Hardee County.
- 2. Any Agrico mobile facility having its dragline in FPC's service area shall take service from FPC notwithstanding the fact that a portion of such mobile facility may be physically located in TECO's service area. The term mobile facility is defined to include slurry pipelines and pumps as well as draglines. This provision resolves the safety issue raised by Agrico, regarding dual power supply on slurry pipelines which cross over territorial boundaries.
- Any Agrico mobile facility having its dragline in TECO's service area shall take service from TECO pursuant to the Mobile Facility Adjustment Rider Interruptible (MFI). The intent of the MFI is to allow Agrico and other qualifying customers to pay no more for electricity supplied by TECO and utilized to power a mobile facility, than the cost of FPC This provision addresses the unique supplied electricity. ability of phosphate draglines to move about and cross over territorial boundaries. The proposed MFI rider eliminates the motivation for qualifying customers to migrate between TECO to achieve rate advantages. In addition, the and FPC settlement agreement provides that Agrico will promptly inform FPC and TECO prior to the time an Agrico dragline crosses the Polk/Hardee County line which separates their respective service areas.

In implementing this tariff, TECO has agreed to provide with its surveillance reports being filed with the Commission, billing information for customers under this service. The information provided by TEC) will allow the computation of the difference between the current interruptible tariff and this mobile rate in terms of revenues.

The settlement with Agrico and the implementation of the MFI rider will enable TECO to avoid possible loss of a significant phosphate mining load from its system. This avoidance of risk and retention of load benefits all of TECO's customers. Any loss of revenue that TECO may incur with the implementation of the MFI rider is a reasonable trade-off in that it is negligible when compared to the phosphate mining load TECO will retain as a result of this settlement. Thus the compromise settlement proposed by the parties appears to be a reasonable means of resolving this territorial dispute.

In consideration of the foregoing it is

ORDERED by the Florida Public Service Commission that the settlement agreement between Tampa Electric Company and Agrico Chemical Company, filed November 15, 1989, is hereby approved. It is further

ORDERED by the Florida Public Service Commission that the limited settlement agreement between Tampa Electric Company and Florida Power Corporation filed November 15, 1989, is hereby approved. It is further

ORDERED that the Tampa Electric Company will include an attachment to its surveillance reports providing billing information for customers under the Mobile Facilities Rider in order to allow the computation of the difference between the previous interruptible tariff and the Mobile Facilities rate in terms of revenues.

ORDERED that this docket be closed, if no Motion for Reconsideration or Notice of Appeal is timely filed.

By ORDER of the Florida Public Service Commission this ____ day of March, 1990.

STEVE TRIBBLE, Director

Division of Records and Reporting

(S E A L) (6190L)MAP:bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric)
Company for resolution of territorial)
DOCKET NO. 890646-E1
dispute with Florida Power Corporation.)
Submitted for Filing 11/15/89

JOINT MOTION FOR CONTINUANCE AND FOR APPROVAL OF SETTLEMENT AGREEMENT

Agrico Chemical Company, a division of Freeport-McMoRan Resources Partners Limited Partnership ("Agrico") and Tampa Electric Company ("Tampa Electric") which are two of the parties to the above-styled proceeding hereby move the Commission to continue the present schedule in the above-styled proceeding pending Commission consideration and approval of the Settlement Agreement entered into by and between the above parties. Movants further request the issuance of a Commission order approving the Settlement Agreement effective on the date of approval of Tampa Electric's proposed MFI rider. In support of this Motion, the Movants say:

Continuance

1. Tampa Electric and Agrico have entered into a Settlement Agreement, subject to Commission approval, which would resolve their differences regarding the provision of electric service to Agrico's facilities. A copy of that Settlement Agreement is attached hereto as Exhibit "A". Tampa Electric, Agrico and Florida Power Corporation ("Florida Power") have entered into a separate Settlement Agreement wherein Florida Power has indicated that it will not oppose the dismissal of this proceeding provided Tampa Electric and Agrico resolve their differences with respect to Agrico's consumption of electricity delivered to it by Florida Power within Florida Power's service territory on a sufficiently

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agreeable basis to induce Agrico and Tampa Electric to mutually seek the dismissal of this proceeding. A copy of that Agreement is attached hereto as Exhibit "B".

- 2. Tampa Electric and Agrico are seeking Commission approval of the Settlement Agreement attached hereto as Exhibit "A". Upon approval of the Agreement and the MFI rider, the issues raised in Tampa Electric's Petition will have been rendered most and this proceeding may then be properly dismissed. Considerable time and expense both to the Commission and to the parties can be saved if the schedule in this docket is continued pending Commission review and approval of the Settlement Agreement and the MFI rider.
- 3. Florida Power has advised Tampa Electric and Agrico that it does not object to the requested continuance.

Approval of the Settlement Agreement

- 4. Tampa Electric and Agrico hereby request Commission approval of the Settlement Agreement attached hereto as Exhibit "A". The Staff of the Commission scheduled and conducted a settlement conference in the offices of the Commission on October 23, 1989 and met individually and collectively with Tampa Electric, Florida Power and Agrico for the purpose of encouraging a settlement of the issues involved in this docket. Through ensuing discussions, Agrico and Tampa Electric were able to fashion a Settlement Agreement which accommodates Agrico's concerns and which recognizes the propriety of having a separate rate classification for mobile facilities used in phosphate mining operations.
- 5. Tampa Electric is simultaneously petitioning the Commission to approve the MFI rider which is an integral part of the Settlement Agreement. A copy of the MFI rider is attached to the Settlement Agreement

as Exhibit "A". Approval of such proposed rider will resolve the controversy in this action. In addition, the settlement with Agrico and the implementation of the MFI rider will enable Tampa Electric to avoid the threat of loss of significant phosphate mining load from-its system; This avoidance of risk is of significant benefit to all customers of Tampa Electric.

WHEREFORE Agrico and Tamp: Electric move the Commission for a continuance of the schedule in the above-styled proceeding pending Commission review and final approval of the Settlement Agreement and the MFI rider which is the subject of a separate Petition simultaneously filed herewith. Agrico and Tampa Electric further request that upon final approval of the Settlement Agreement and the MFI rider, this proceeding be dismissed.

DATED this 14 day of November, 1989.

Respectfully submitted,

ZROY C. YOUNG

Young, van Assenderp, Varnadoe, & Benton, P.A.

225 South Adams Street
Tallahassee, Florida 32302

ATTORNEY FOR AGRICO CHEMICAL COMPANY

TEE L. WILLIS and JAMES D. BEASLEY

Ausley, McMullen, McGehee, Carothers and Proctor

Post Office Box 391

Tallahassee, Florida 32302

(904)224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Joint Motion for Continuance has been furnished by U. S. Mail this 15 day of November, 1989 to the following parties of record:

Mr. Albert H. Stephens Office of the General Counsel Florida Power Corporation Post Office Box 14042 St. Petersburg, Florida 33733 Ms. Sylvia H. Walbolt Carlton, Fields, Ward, Emmanuel Smith and Cutler, P.A. Post Office Box 3239 Tampa, Florida 33601

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Mr. Michael A. Palecki* Division of Legal Services Florida Public Service Commission 101 East Gaines Street Tallahassee, Florida 32301

ATTORNEY

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between AGRICO CHEMICAL COMPANY, a division of Freeport-McMoRan Resource Partners Limited Partnership ("Agrico") and TAMPA ELECTRIC COMPANY ("Tampa Electric"). which are two of the parties to the proceeding currently pending before the Florida Public Service Commission ("FPSC") entitled <u>Tampa Electric Company</u>, Complainant v. Florida Power Corporation, Respondent, Docket No. 890646-EJ.

WITNESSET II:

WHEREAS, the Staff of the FPSC scheduled and conducted a settlement conference in the offices of the Commission on October 23, 1989 and met individually and collectively with each of the parties and with FLORIDA POWER CORPORATION ("Florida Power") for the purpose of encouraging a settlement of this matter; and

WHEREAS, the parties wish to amicably resolve the disputed issues involved in the above-referenced complaint proceeding and to avoid the time and expense of further litigation and the uncertainties of the outcome of such litigation; and

WHEREAS, the parties recognize the unique situation involved with providing electric power to dragline/slurry systems and tailings pipelines which are mobile in nature; and

WHEREAS, the parties desire to avoid the unnecessary duplication of electric facilities and the unnecessary impairment of the generation, transmission and distribution processes of Florida Power and Tampa Electric;

NOW, THEREFORE, in consideration of the foregoing, said parties do hereby mutually agree as follows:

- 1. <u>Definitions</u>. As used in this Settlement Agreement the following terms shall have the following definitions:
- 1 1. "Tampa Electric's service area" means that area north of the Polk/Hardee County line in the area assigned to Tampa Electric by the Florida Power/Tampa Electric territorial agreement approved by the FPSC.
- 1.2. "Florida Power's service area" means that area south of the Hardee/Polk County line in the area assigned to Florida Power by the Florida Power/Tampa Electric territorial agreement approved by the FPSC.
- 1.3. "Mobile facility" means (i) a mobile, integrated phosphate dragline together with the slurry pipeline, electric pumps, tolemetry and other associated equipment used to enable phosphate ore to be transported via pipeline from the dragline work site to the washer facility, and (ii) tailings pipelines.
- 1.4. "Beneficiation plant" means Agrico's Fort Green mine phosphate processing plant located approximately 1.5 miles north of the Hardee County line within Tampa Electric's service area.
- 1.5. "Washer facility" means the phosphate washing facility and equipment located at the beneficiation plant.
- 1.6. "Fixed facilities" means all facilities which utilize electric power but which are not mobile facilities.
- 1.7. "Tailings pipelines" means sand and clay slurry pipelines, electric pumps, telemetry and other associated equipment used to transport sand, clay and other waste material from a washer facility or beneficiation plant to the mining site.

Z. Basic Considerations. The parties hereby acknowledge receipt of good and valuable considerations from each other, including the mutual covenants hereinafter set forth.

3. Provision of Electric Power

3.1 Tampa Electric asserts that it has the continuing right and obligation under the Florida Statites and independent of this Settlement Agreement to provide exclusive electric service to all of the fixed facilities of Agrico located in Polk County and other areas within Tampa Electric's service area, including but not limited to Agrico's Fort Green beneficiation plant and washer facility, Payne Creek beneficiation plant and washer facility, South Pierce chemical plant, Pierce plant and Agrico's Big Bend Terminal. Agrico has disagreed with Tampa Electric's position on this issue. However, for purposes of settlement, Tampa Electric and Agrico agree that during the term of this Agreement Tampa Electric shall have the continuing right and obligation under Florida Statutes to provide exclusive electric service to all of the above mentioned fixed facilities of Agrico. Agrico agrees that during the term hereof, all of its fixed facilities located in Tampa Electric's service area, including but not limited to the beneficiation plant and washer facility, will continue purchasing all of their electrical requirements from Tampa Electric, exclusive of any such requirements which Agrico meets with on-site cogeneration. Service to the fixed facilities shall be provided at the applicable Tampa Electric rate schedule.

- 3.2. Any Agrico mobile facility which has its dragline located within Tampa Electric's service area shall take service from Tampa Electric pursuant to the Mobile Facility Adjustment Rider-Interruptible ("MFI") which Tampa Electric will propose for approval by the FPSC in connection with its Rate Schedule IS-1, ISI-1, IS-3, or ISI-3. A copy of the proposed MFI rider is attached hereto as Exhibit "A" and incorporated herein by reference. It is the intent of the parties that the effect of the MF1 rider shall be to allow Agrico and any other qualifying Customer to pay no. more for electricity supplied by Tampa Electric and utilized to power a mobile facility where the dragline of said mobile facility is located within Tampa Electric's service area than the Customer would pay had Florida Power actually supplied the electricity and billed the Customer. Tampa Electric will submit the MFI for approval by the FPSC and the parties agree that the same should be approved by the FPSC. This Settlement Agreement is specifically conditioned on FPSC final approval of the MFI. The MFI shall expire two years after the effective date of FPSC final approval, or on the effective date of new rates approved by the FPSC in any full revenue requirements rate case order of Florida Power or Tampa Electric, whichever first occurs.
- 3.3. Any Agrico mobile facility having its dragline located within Florida Power's service area shall take service from Florida Power pursuant to the applicable Florida Power rate schedule, notwithstanding the fact that a portion of such mobile facility may be physically located in Tampa Electric's service area.
- 3.4. No Agrico mobile facility shall be required to take electric service simultaneously from Florida Power and Tampa Electric.

3.5. Agrico will promptly inform Florida Power and Tampa Electric prior to the time an Agrico dragline crosses the Polk/Hardee County line which separates the service areas of Florida Power and Tampa Electric.

4. General Provisions

- 4.1 Agrico agrees not to pursue any antitrust, rate discrimination claim or other legal action, either in a judicial or administrative forum, against Tampa Electric or its affiliates where the basis for such claim or action involves Tampa Electric's providing electric service to Agrico and such claim or action accrued or occurred prior to FPSC approval of this Settlement Agreement. Agrico releases Tampa Electric and its affiliates from any and all liability relating to any such claim or action with such release effective as of the date of FPSC approval of this Agreement.
- 4.2. The settlement reached in this docket is based on the unique factual circumstances of this case and shall have no precedential value in any other proceeding before the Commission.
- 4.3. The parties reserve the right to assert different positions in this docket on these matters if this proposed settlement is not accepted by the Commission in its entirety.
- 4.4. The parties agree that this Settlement Agreement, along with the MFI rider, will be submitted to the FPSC for approval and that the agreement is enforceable only upon the approval by the FPSC. If the proposed settlement and MFI rider are not both accepted by the FPSC, they shall be null and void and of no binding effect on the parties.
- 4.5. The term of this Agreement shall be coextensive with the term of the MFI as provided in paragraph 3.2 above.

- 4.6. Upon final execution of this Agreement, the parties will jointly move the FPSC to stay the proceedings in Docket No. 890646-El pending FPSC review and approval of this Agreement and the MFI to be submitted by Tampa Electric.
- 4.7 This Agreement shall be executed in duplicate with a duplicate original being provided to each of the parties hereto.

DATED this 14 day of November, 1989.

AGRICO CHEMICAL COMPANY

Its Senior Vice President,
Florida Operations

TAMPA ELECTRIC COMPANY

Its President

ORIGINAL SHEET NO. 6.550

MOBILE FACILITY ADJUSTMENT RIDER - INTERRUPTIBLE

SCHEDULE: MFT

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Electric Company AVAILABLE: Entire Tampa service area for The term "mobile facility" means (i) mobile integrated phosphate facilities. dragline together with the slurry pipeline, electric pumps, telemetry and other associated equipment used to inable phosphate ore to be transported via pipeline from the dragline worl site to a washer facility or beneficiation plant, and (ii) sand and clay slurry pipelines, electric pumps, telemetry and other associated equipment used to transport sand, clay and other waste material from a washer facility or beneficiation plant to the mining site. "Fixed facility" means all facilities which utilize electric power which are not mobile facilities. The rider will be available initially for a period of two years after its effective date, or until the effective date of new rates approved by the Florida Public Service Commission in any full revenue requirements rate case of Florida Power Corporation or the company, whichever first occurs.

APPLICABLE: To any mobile facility on a voluntary basis and upon application by the mobile facility provided it meets all of the following criteria:

- (a) The mobile facility is served pursuant to Rate Schedule IS-1, IST-1, IS-3 or IST-3 by Tampa Electric and its dragline is located within Tampa Electric's service area;
- (b) The mobile facility is not served by Tampa Electric pursuant to rate schedule SSI; and
- (c) The entity which owns the mobile facility takes electric service only from Tampa Electric to serve all of the entity's fixed facilities located in Tampa Electric's service area and each of the entity's mobile facilities when the dragline of such mobile facility is located in Tampa Electric's service area.

Resale not permitted.

CHARACTER OF SERVICE: This rider is offered in conjunction with the rates, terms, and conditions of the interruptible tariff the Customer is billed under for regular service and only affects the total amount due in the event of credits made in accordance with this rider.

MONTHLY CREDITS: The Customer bill for any mobile facility meeting the criteria for this MFI Schedule will be computed using Florida Power Corporation's billing charges. This computation would duplicate the amount of the bill the Customer would actually pay if the Customer were on Florida Power Corporation's system.

Exhibit "A"

SETTLEMENT AGREEMENT

This Settlement Agreement, made and entered into this ______ day of November, 1989, by and between AGRICO CHEMICAL COMPANY, a division of Freeport-McMoRan Resource Partners Limited Partnership ("Agrico"), FLORIDA POWER CORPORATION ("Florida Power") and TAMPA ELECTRIC COMPANY ("Tampa Electric");

WITTESSETH:

That Florida Power hereby agrees that if Agrico and Tampa Electric resolve their differences with respect to Agrico's consumption of electricity delivered to it by Florida Power within Florida Power's service territory on a sufficiently agreeable basis to induce Agrico and Tampa Electric to mutually seek the dismissal of that certain territorial dispute entitled Tampa Electric Company. Complainant v. Florida Power Corporation, Respondent, now pending before the Florida Public Service Commission (FPSC), in Docket No. 890646-EI, then Florida Power will not oppose such dismissal. Subject to the approval of such dismissal by the FPSC, Agrico hereby releases Florida Power from any anti-trust, rate discrimination, or other legal or equitable claim or action whatsoever, without regard to whether the same might properly be brought in an administrative forum or in a judicial forum, at law or in equity, where the basis for such claim or action relates directly or indirectly to the provision of electric service or rates or cha ges for such service, and such claim or action arose, accrued or occurred prior to the date of this Agreement.

IN WITNESSETH WHEREOF, the parties have executed this Agreement acting by and through their duly authorized officers this $\cancel{14}^{22}$ day of November, 1989.

TAMPA ELECTRIC COMPANY

AGRICO CHEMICAL COMPANY

Dire

Its: President

: Don 17 Mono

FLORIDA POWER CORPORATION

Exhibit "B"

ts: Executive Vice President