

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL  
FILE COPY

IN RE: TERRITORIAL DISPUTE BETWEEN  
CLAY ELECTRIC COOPERATIVE, INC.  
AND FLORIDA POWER CORPORATION  
IN ALACHUA COUNTY.

DOCKET NO. ~~900064-EU~~

DIRECT PREFILED TESTIMONY OF STEVE L. LAW  
ON BEHALF OF CLAY ELECTRIC COOPERATIVE, INC.

DOCUMENT NUMBER-DATE  
03554 APR 25 1990  
FPSC-RECORDS/REPORTING

1 Q. Please state your name and business address.  
2 A. Steve L. Law, 8616 NW 39th Avenue, Gainesville, FL 32606.  
3 Q. What is your occupation?  
4 A. I am district engineer in the Gainesville district office for  
5 Clay Electric Cooperative, Inc.  
6 Q. What is your background and training?  
7 A. I have been employed by Clay Electric for 14 years. I was  
8 field engineer in our Lake City office for 5 years and I have  
9 been district engineer in the Gainesville district office for  
10 7 months. Prior to taking over this position as district  
11 engineer Arlee Terrell was district engineer until September  
12 of 1989 when he ret. d. I completed Clay Electric's  
13 engineering technician program in 1986. I have attended  
14 various engineering seminars and have taken college credit  
15 courses to increase my knowledge in engineering.  
16 Q. What is the purpose of your testimony?  
17 A. As district engineer it is my responsibility to make initial  
18 contact with new developments. During these discussions we  
19 attempt to determine from the developer the location of  
20 easements, rights-of-way, and routes by which Clay would  
21 provide service to the development.  
22 Q. Are you familiar with a development just north of Archer  
23 known as "Marchant Meadows?"  
24 A. Yes I am. It is a development owned by the Patten  
25 Corporation who purchased the property in 1989 from the

1 Marchant family. A Mr. David Woodington from Patten  
2 contacted Clay Electric regarding needed information for  
3 Clay's service to the property. Mr. Woodington initially  
4 spoke with Arlee Ferrell until his retirement in September of  
5 1989 at which time I took over. In the latter part of  
6 September, 1989 I was contacted by Alachua County Land  
7 Surveyors, Inc., agents of Patten Corporation handling the  
8 layout and platting, with regard to the necessary easements  
9 for the subdivision. I contacted Terry Clayton of Patten  
10 Corporation to make the appropriate arrangements to discuss  
11 our service to the property. Mr. Clayton and I met on the  
12 subdivision site and discussed Clay's proposal to extend  
13 Clay's lines into Marchant Meadows. It was at this time that  
14 Mr. Clayton marked locations on our maps and requested the  
15 relocation of a pole on State Road 241 that he said  
16 interfered with a common driveway for his development.

17 Q. Up to that point, Mr. Law, did anyone from Patten Corporation  
18 ever mention service by Florida Power Corporation?

19 A. No.

20 Q. Did you bring up potential service by Florida Power  
21 Corporation to this subdivision prior to the discussion about  
22 the relocation of the poles?

23 A. No I didn't because based on our maps and our historic  
24 service to the area, there was no question in my mind that  
25 the area was in Clay's service area.

1 Q. What happened next?

2 A. I determined that the pole in question belonged to Florida  
3 Power Corporation. I then called Mr. Clayton and advised him  
4 that the pole belonged to FPC and that the pole was part of  
5 an express feeder line running from FPC's Archer substation  
6 west to State Road 241 and then running south down to 41  
7 towards the Town of Archer.

8 Q. At the time you were discussing the matter with Mr. Clayton  
9 on the site, did FPC have any service locations on this  
10 property?

11 A. No.

12 Q. What did you advise Mr. Clayton?

13 A. I advised Mr. Clayton that he would have to contact FPC if he  
14 wanted the poles relocated.

15 Q. What happened next?

16 A. Several days later I called Mr. Clayton to see where we were  
17 on completing our plans for service to the subdivision. At  
18 this time Mr. Clayton advised me that FPC was going to serve  
19 the subdivision. Mr. Paul Waters, the district manager for  
20 our Gainesville district office and I contacted Mr. Clayton  
21 and advised him that this area was historically served by  
22 Clay Electric and we asked why FPC was now going to serve the  
23 area. Mr. Clayton advised us that FPC would not relocate the  
24 poles in question unless they served the subdivision. He  
25 also indicated that FPC would clear all rights-of-way at no

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

charge. Because of the economics of this proposal, Mr. Clayton chose to allow FPC to serve the subdivision.

Q. Did Mr. Clayton tell you that he did not regard service by Clay Electric as adequate or reliable?

A. No he did not, in fact, he said it didn't make any real difference to him who served the subdivision. He was simply interested in getting the lowest price for developing the property.

Q. Did FPC subsequently extend service on to the disputed property?

A. Yes, I have been on the site several times and have observed the construction of the poles and a transformer running from FPC's express feeder line on State Road 241 westerly into the property. The exact location is shown on Mr. Waters Exhibit \_\_\_\_\_ (PW-1) and as you can see from that exhibit, FPC extended service by running five poles, wire and a transformer across the north boundary of the developers Lot 26, then southerly down the western boundary of Lot 26, and then westerly into the sales office which is on the developer's Lot 24 on U.S. 41.

Q. If Clay provided service to this subdivision, what would be the approximate cost?

A. Based on service to the back lot lines as the proposed service has been requested by FPC, we estimate the cost to be around \$51,500. I have an estimate attached hereto as

1 Exhibit \_\_\_\_\_ (SL-1). I have also shown the location of  
2 service to the back lot lines on my Exhibit \_\_\_\_\_ (SL-2).

3 Q. Would there have been any external improvements or extensions  
4 of the Clay Electric system needed to serve this area?

5 A. No. Clay has already upgraded its Archer substation to 20  
6 megawatts, and upgraded its Archer feeder from that  
7 substation to handle the expected growth in this area.

8 Q. Were the upgrades to the Archer substation and the Archer  
9 feeder in response to this territorial dispute?

10 A. No, those upgrades had been planned for several years, and  
11 were completed prior to our learning anything about this  
12 dispute.

13 Q. Are you familiar with this area of your service territory?

14 A. Yes I am, I have been on the property many times and have  
15 traveled up and down both State Road 241 and U.S. Highway 41.

16 Q. How would you describe the character of the area?

17 A. It's rural. Clay serves farms and rural homesites on all  
18 sides of the property including a subdivision just south of  
19 this property. The property itself is farm land about to be  
20 divided up into five acre or more lots. Mr. Waters has  
21 attached photographs to his deposition showing the rural  
22 character of the area.

23 Q. Does the Town of Archer or any other municipality provide  
24 municipal services to this area?

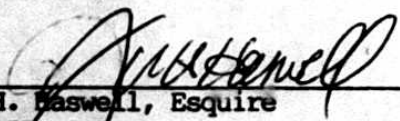
25 A. No it does not. There is no water, sewer and no cable

- 1 television service to the site. It is my understanding from  
1 the developer that the five acre tracts will be served by  
2 wells and septic tanks.
- 3 Q. Is there any doubt in your mind that Clay Electric can  
4 provide adequate and reliable service to this area?
- 5 A. No, no doubt whatsoever. We have adequate facilities and  
6 capacity in our feeder lines and substation to serve this  
7 area for many, many years as it develops.
- 8 Q. What would be required for Clay Electric to provide service  
9 to the sales office of the developer?
- 10 A. Our service lies immediately adjacent to U.S. 41, and all we  
11 would need to do is place a pole on Lot 24 and run a line  
12 from our facilities on U.S. 41 to that pole and hang a  
13 transformer on it.
- 14 Q. How many feet of line would be required?
- 15 A. 175 feet of service wire.
- 16 Q. How much would that cost?
- 17 A. Approximately \$1,300.00
- 18 Q. How fast do you see this area developing?
- 19 A. I don't know. So far the only new structure out there is the  
20 sales office. I believe Mr. Clayton has indicated that the  
21 sales of lots are going slower than he had hoped.
- 22 Q. In the geographic area of the triangle formed by U.S. 41,  
23 241, and County Road SW22, does Clay have any active  
24 services?

- 1           A. Yes it does. We serve a customer adjacent to Lot 23 shown on  
2           the developer's plat, which I believe is an outparcel from  
3           his development, and we have two service locations on the  
4           Marchant property immediately south of the development. The  
5           Marchant's owned all of the property in the triangle and sold  
6           off all but the southern tip to Patten Corporation. They  
7           continue to own a residence in that extreme southern portion  
8           of the property and Clay continues to serve them at that  
9           site.
- 10          Q. Does this conclude your testimony?
- 11          A. Yes it does, but I reserve the right to make further comments  
12          in the event of new formation that may be developed in  
13          discovery.

14

**TO BE SHOWN TO AT HEARING.**

  
\_\_\_\_\_  
John H. Haswell, Esquire  
CHANDLER, GRAY, LANG,  
HASWELL & EWALL, P.A.  
211 N. E. 1st Street  
P. O. Box 23879  
Gainesville, FL 32602  
(904) 376-5226  
Florida Bar No. 162536



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Direct Pre-Filed Testimony of Steve L. Law has been furnished to PAMELA I. SMITH, ESQUIRE, Staff Attorney, Florida Power Corporation, P. O. Box 14042, St. Petersburg, FL 33734; and MICHAEL A. PALECKI, ESQUIRE, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, FL 32301 by U.S. Mail this 24 day of April, 1990.

  
\_\_\_\_\_  
Of Counsel

CLAY ELECTRIC COOPERATIVE, INC.

\*\*\*\*\* JOB ESTIMATE \*\*\*\*\*

JOB NAME MERCHANT MEADOWS  
 DISTRICT GV  
 ENGINEER SL  
 W.O. # COST EST.  
 J.O. #

LABOR PER HOUR \$14.00  
 OVERHEAD PER HOUR \$28.00  
 DATE 03/29/90  
 EXTRA CONST. MNHRS. 0.00  
 EXTRA RET. MNHRS. 0.00  
 EXTRA REL. MNHRS. 0.00  
 EXTRA CONV. MNHRS. 0.00  
 EXTRA R/W MNHRS. 0.00  
 CREW SIZE 4

MATERIAL COST

NEW CONSTRUCTION..... \$27,837.97  
 CONVERSION ..... \$0.00  
 MISCELLANEOUS ..... \$0.00  
 TOTAL MATERIAL ..... \$27,837.97

MANHOURS  
 RIGHT-OF-WAY ..... 0.00  
 NEW CONSTRUCTION ..... 562.00  
 CONVERSION ..... 0.00  
 RETIREMENT ..... 0.00  
 RELOCATION ..... 0.00  
 562.00

LABOR COST

NEW CONSTRUCTION..... \$7,868.00  
 CONVERSION ..... \$0.00  
 RETIREMENT ..... \$0.00  
 RELOCATION ..... \$0.00  
 RIGHT-OF-WAY..... \$0.00  
 TOTAL LABOR ..... \$7,868.00

TOTAL JOB COST

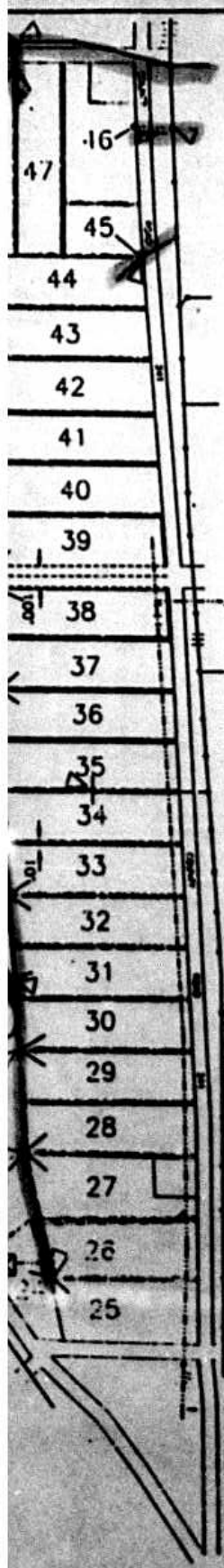
NEW CONSTRUCTION ..... \$51,441.97  
 CONVERSION ..... \$0.00  
 RETIREMENT ..... \$0.00  
 RELOCATION ..... \$0.00  
 RIGHT-OF-WAY ..... \$0.00  
 =====  
 TOTAL COST ..... \$51,441.97  
 =====

OVERHEAD COST

NEW CONSTRUCTION..... \$15,736.00  
 CONVERSION ..... \$0.00  
 RETIREMENT ..... \$0.00  
 RELOCATION ..... \$0.00  
 RIGHT-OF-WAY..... \$0.00  
 TOTAL LABOR ..... \$15,736.00

SALVAGE MATERIAL ..... \$0.00

TOTAL COST LESS SALVAGE: \$51,441.97  
 =====



F.P.C.  
EXPRESS  
FEEDER

C.E.C.  
DISTRIBUTION  
LINE

EXISTING  
F.P.C.  
LINE

EXHIBIT (SL-2)

<p><b>MARCHANT MEADOWS</b></p>		<p>SCALE =</p> <p>DATE =</p> <p>DRAWN BY</p>
<p><b>CLAY ELECTRIC COOPERATIVE, INC.</b></p>		
<p>NO. 10-37</p>	<p>DATE 11-19-58</p>	<p>BY</p>