

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Tampa)
Electric Company and Peace River) DOCKET NO. 870303-EU
Electric Cooperative, Inc. for) ORDER NO. 17585
Approval of a Territorial Agreement.) ISSUED: 5-22-87

The following Commissioners participated in the disposition of this matter:

KATIE NICHOLS, Chairman
THOMAS M. BEARD
GERALD L. GUNTER
JOHN T. HERNDON
MICHAEL MCK. WILSON

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING TERRITORIAL AGREEMENT

BY THE COMMISSION:

On January 9, 1987, Tampa Electric Company (TECO) and Peace River Electric Cooperative, Inc. (PRECO) entered into a territorial agreement setting forth their respective boundaries for the provision of electric service in southwestern Polk County and southeastern Hillsborough County. By joint Petition filed with the Commission on March 24, 1987, TECO and PRECO seek approval of their agreement.

Before this agreement was reached the affected service area could be served either by TECO or PRECO. The agreement states that it was entered into to prevent the uneconomic duplication of facilities. Pursuant to its terms PRECO will transfer thirty-two customers and the facilities necessary to serve them to TECO. TECO will make no transfers to PRECO. Payment for the electric facilities transferred by PRECO to TECO is replacement cost new, less depreciation, plus an amount equal to the expected revenues for one year from the thirty-two transferred accounts. However, consistent with the Uniform System of Accounts, an acquiring utility may include in Electric Plant in Service only the original cost less depreciation of acquired plant. Since original cost information was not included in the joint Petition, the Commission can approve the territorial agreement but not the amount of the addition to TECO's Electric Plant in Service as a result of it.

The agreement preserves the right of TECO to continue to serve its existing transmission (69 KV) level customers in the area otherwise allocated to PRECO. Either company may serve new transmission level customers in the area covered by the agreement. Should they both desire to serve the same customer, service will be awarded on the basis of relative costs to construct additional facilities necessary to serve the new customer.

We have reviewed the agreement and find that it is reasonable, and it is, therefore, approved.

It is, therefore,

DOCUMENT NUMBER-DATE

04513 MAY 22 1987

PSC-RECORDS/REPORTING

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MAY 27 1987

Ausley, McMullen, McGehee,
Carothers & Proctor

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ORDERED by the Florida Public Service Commission that the Territorial Agreement dated January 9, 1987 between Tampa Electric Company and Peace River Electric Cooperative, Inc. is hereby approved.

By ORDER of the Florida Public Service Commission
this 22nd day of MAY, 1987.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

BED

by: Kay Flynn
Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes (1985), to notify parties of any administrative hearing or judicial review of Commission orders that may be available, as well as the procedures and time limits that apply to such further proceedings. 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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 11, 1987. In the absence of such a petition, this order shall become effective June 12, 1987 as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on June 11, 1987, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by 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

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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 of the effective date 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.