

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building  
101 East Gaines Street  
Tallahassee, Florida 32392-0850

MEMORANDUM

August 15, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF ELECTRIC AND GAS (COLSON)  
DIVISION OF APPEALS (ELIAS) *RVE* *re* *HW* *R-T*

RE : ~~SECRET NO: 900915-EI~~ PETITION TO RESOLVE TERRITORIAL  
DISPUTE BETWEEN SUWANNEE VALLEY ELECTRIC COOPERATIVE,  
INC. AND FLORIDA POWER AND LIGHT COMPANY. (H.R. DRIGGERS  
PROPERTY)

AGENDA: AUGUST 27, 1991 - CONTROVERSIAL - PARTIES MAY PARTICIPATE

PANEL: COMMISSIONER WILSON AND COMMISSIONER EASLEY

CRITICAL DATES: NONE

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CASE BACKGROUND

On October 12, 1990 Florida Power and Light (FPL) petitioned the Commission for a declaratory statement with respect to FPL's obligation to serve Mr. H.R. Driggers pursuant to Section 366.03, Florida Statutes in Docket No. 900825-EI. On November 9, 1990 Suwannee Valley Electric Cooperative (SVEC) filed a response to FPL's petition. SVEC requested that the Commission dismiss the petition for declaratory statement and resolve the matter as a territorial dispute.

On November 29, 1990, FPL submitted a notice of voluntary dismissal of its petition so that the matter could be resolved as a territorial dispute in Docket No. 900915-EI. On December 11, 1990 the Commission issued Order No. 23861 approving the notice of voluntary dismissal.

The SVEC petition to resolve the territorial dispute alleged that FPL received a written request for electric service from Mr. H. R. Driggers to serve his property located in Columbia County, Florida. Mr. Driggers property is located in an area traditionally served by SVEC. SVEC has existing service surrounding Mr. Driggers

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and FPL would have to run over 9,000 feet of distribution line to serve Mr. Driggers.

On June 19, 1991, FPL and SVEC filed a joint motion for resolution of the territorial dispute.

Both parties are requesting the Commission to resolve the territorial dispute based on stipulated facts filed in the joint motion.

#### DISCUSSION OF ISSUES

ISSUE 1: What is the location, purpose, type, and capacity of each utility's facilities existing as of the filing of Suwannee Valley Electric Cooperative petition?

RECOMMENDATION: Suwannee Valley Electric Cooperative has distribution lines adjacent to the disputed property which is capable of providing the requested service.

Florida Power and Light's nearest facilities are approximately 9,000 feet away.

ISSUE 2: What additional facilities will be required by each utility to reliably serve Mr Driggers?

RECOMMENDATION: SVEC will not have to add any new facilities to serve Mr. Driggers except for a transformer and service drop.

FPL will have to extend its service line approximately 9,000 feet in order to serve Mr. Driggers.

ISSUE 3: What is the cost of additional facilities required by each utility to reliably meet the expected customer load and energy growth in the disputed area?

RECOMMENDATION: The approximate cost to SVEC to provide service to Mr. Driggers is \$2,310. The approximate cost to FPL to provide service to Mr. Driggers is \$16,479.

ISSUE 4: What is the ability of each utility to logically extend existing facilities to serve the disputed area?

RECOMMENDATION: Both utilities have the ability to logically extend their existing facilities to serve the disputed area.

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ISSUE 5: Who has historically served the disputed area?

RECOMMENDATION: SVEC had provided service to the previous owner of the property.

ISSUE 6: Will service by FPL constitute an uneconomic duplication of SVEC's facilities?

RECOMMENDATION: FPL will have to install 9,000 feet of distribution line at a cost of \$16,479. This will duplicate the facilities already available from SVEC.

ISSUE 7: Should "customer preference" be a criterion relied upon by the Public Service Commission in resolving territorial disputes?

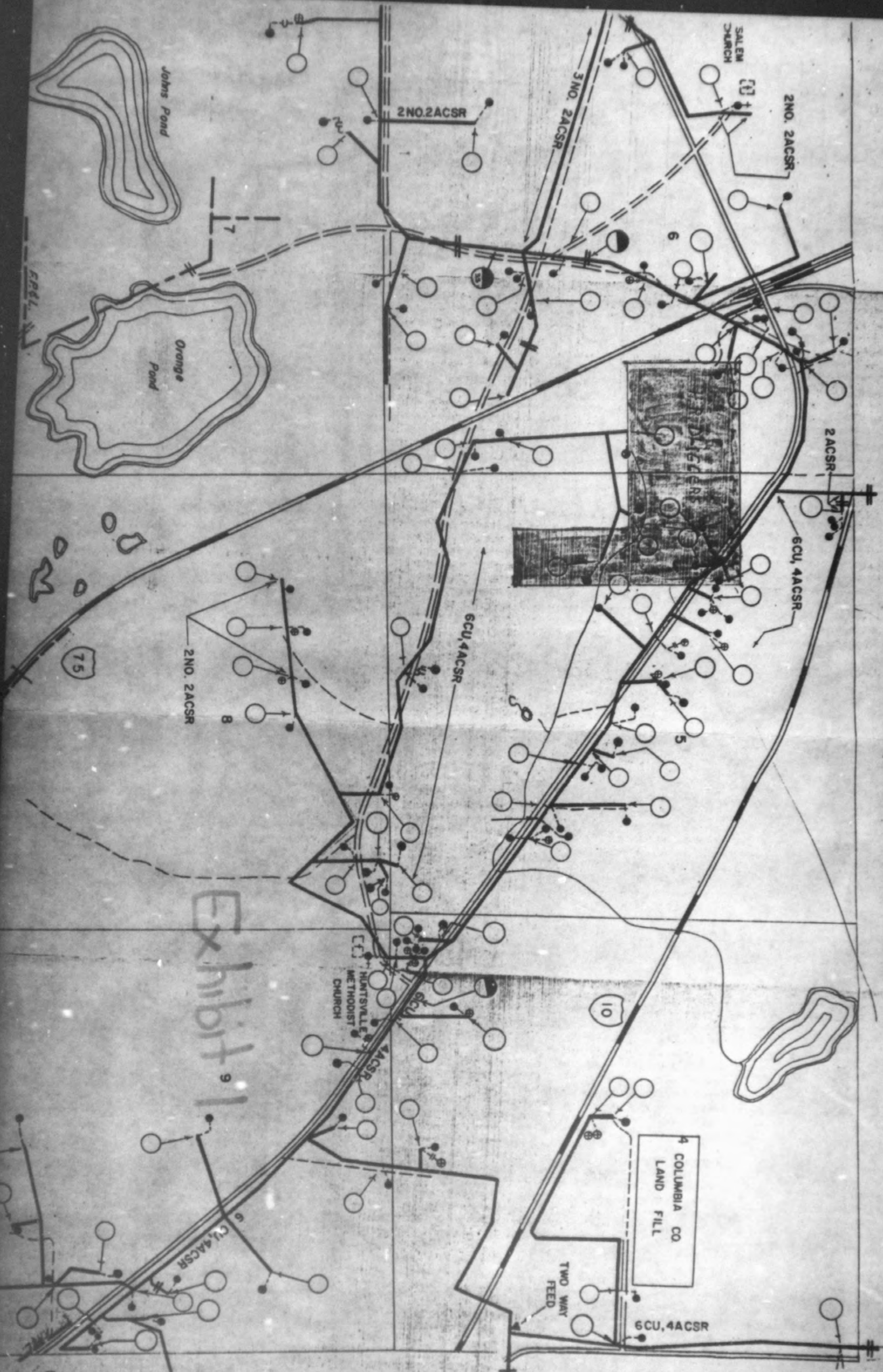
RECOMMENDATION: The Commission should continue to follow its general practice of applying customer preference as a criterion in territorial disputes only in those cases where all other factors are reasonably equal.

ISSUE 8: Based on the foregoing issues, which utility should serve Mr. Diggers?

RECOMMENDATION: SVEC should serve Mr. Driggers.

ISSUE 9: Should this docket be closed and the hearing set for September 4, 1991 be canceled?

RECOMMENDATION: Yes. If the Commission approves this recommendation no issues will remain for determination at the September 4, 1991 hearing. If no party files a timely notice of appeal, this docket should be closed. The hearing should be canceled.



Joins E7C

Exhibit 91

Joins F7B