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November 19, 1991

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Mr. Steven C. Tribble, Director
Division of Records and Reporting
FLORIDA PUBLIC SERVICE COMMISSION
101 East Gaines Street
Tallahassee, Florida 32301

911141-EU

Re: Petition to Resolve Territorial Dispute Between
Okefenoke Rural Electric Membership Corporation and
The Jacksonville Electric Authority of the
City of Jacksonville, in Duval County

Dear Mr. Tribble:

EM 862
EC 909

Enclosed herewith for filing on behalf of Okefenoke Rural Electric Membership Corporation is the original and fifteen copies of Comments of Okefenoke Rural Electric Membership Corporation.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

Yours truly,

James Harold Thompson
JAMES HAROLD THOMPSON

JHT/bgs

Enclosures

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012836-11263

RECEIVED & FILED

FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

11505 NOV 19 1991

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Territorial Dispute between)
OKEFENOKE RURAL ELECTRIC MEMBERSHIP)
CORPORATION and THE JACKSONVILLE)
ELECTRIC AUTHORITY OF THE CITY OF)
JACKSONVILLE, IN DUVAL COUNTY)

DOCKET NO.
Filed: November 19, 1991

PETITION TO RESOLVE TERRITORIAL DISPUTE IN DUVAL COUNTY

OKEFENOKE RURAL ELECTRIC MEMBERSHIP CORPORATION ("OREMC"), by and through its undersigned attorneys, files this Petition to Resolve Territorial Dispute between itself and JACKSONVILLE ELECTRIC AUTHORITY ("JEA"), and alleges:

Introduction

1. This is an action to resolve a territorial dispute which involves the duplication of facilities in Duval County, Florida.

2. OREMC is a rural electric cooperative operating in Florida under Chapter 425, Florida Statutes, whose principal place of business is in Nahunta, Georgia, and whose business address is:

OREMC
P. O. Box 602
Nahunta, Georgia 32553

In Florida, OREMC provides electric service to customers in portions of Nassau, Baker and Duval Counties.

3. JEA is a municipal utility operating under the Charter of the City of Jacksonville, Chapter 67-1320, Laws of Florida (1967), as amended, and whose business address is:

JEA
233 West Duval Street
P. O. Box 53015
Jacksonville, Florida 32201

DOCUMENT NUMBER-DATE
11505 NOV 19 1991
PSC-RECORDS/REPORTING

4. All notices and pleadings in this matter should be served on the following:

A. For OREMC:

James Harold Thompson
J. Jeffrey Wahlen
Ausley, McMullen, McGehee,
Carothers & Proctor
P. O. Box 391
Tallahassee, Florida 32302

B. For JEA:

Office of the General Counsel
City of Jacksonville
1300 City Hall
Jacksonville, Florida 32201

Jurisdiction

5. The Florida Public Service Commission (FPSC) has jurisdiction to resolve territorial disputes between the rural electric cooperatives and municipal electric utilities under Section 366.04, Florida Statutes (1990).

6. The FPSC has further jurisdiction over the planning, development and maintenance of a coordinated electric power grid to avoid the uneconomic duplication of distribution, transmission and generation facilities under Section 366.05(5), Florida Statutes.

The Dispute

7. There is no territorial agreement between the parties which has been approved by the FPSC.

8. OREMC currently serves a customer in Duval County, Florida, known as "Holiday Inn - Jacksonville Airport" ("Holiday Inn"), and has served that customer since 1968.

9. On June 17, 1991, Holiday Inn informed OREMC that the hotel desired to cease receiving electric service from OREMC effective October 1, 1991; so that it could begin taking service from the JEA. The Holiday Inn did not discontinue service with OREMC on October 1, 1991, however, OREMC has been advised by Holiday Inn that it now intends to discontinue service with OREMC and begin service with JEA on November 25, 1991.

10. Since August 1991, JEA has constructed electric facilities and lines up to the Holiday Inn property, and has placed a service pole immediately adjacent to OREMC's existing facilities.

11. A map of the area indicating the distribution lines of OREMC and JEA in the subject area is attached hereto and labeled "Exhibit A."

12. OREMC has provided adequate and reliable service to the area in question, and specifically to the Holiday Inn.

13. JEA's construction of new facilities to displace OREMC's existing facilities is in direct violation of the legislative mandate to the FPSC to avoid the uneconomic duplication of electric generation, transmission and distribution facilities.

14. JEA's conduct stems from its assertion that it has an absolute right and obligation to provide electric service to everyone in Duval County, including the right to oust any other electric utility.

15. JEA's assertion set forth above is in direct conflict with the jurisdiction of the FPSC to coordinate, plan, and develop an electric transmission and distribution grid in the State of

Florida and to resolve territorial disputes between electric utility providers.

16. The Florida Legislature did not intend to exempt municipalities from the FPSC's jurisdiction over electric utilities for the purpose of avoiding the uneconomic duplication of facilities and to coordinate, plan and develop an electric grid system.

17. The best interests of the consumers of both utilities will be served if OREMC and JEA would enter into a territorial agreement which establishes a mutually agreeable territorial boundary in Duval County, failing which the FPSC should determine the territorial boundaries between the two utilities.

18. Allowing JEA to seize the existing customers of OREMC will strand OREMC's investment in its electric facilities, impair OREMC's ability to plan and coordinate its system, and adversely affect OREMC's ability to secure adequate capital for future system growth, and have an adverse impact on existing and future members of OREMC.

WHEREFORE, OREMC respectfully requests that the Commission:

A. Take jurisdiction of this matter under Sections 366.04 and 366.05, Florida Statutes (1990 Supp.);

B. Resolve this territorial dispute in favor of OREMC;

C. Order JEA to refrain from providing service to Holiday Inn, now or in the future;

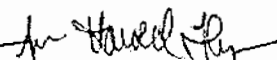
D. Order that the parties enter a territorial agreement, to be approved by the FPSC, in order to avoid further disputes over service areas of the utilities within Duval County, failing which

that the FPSC determine and define the territorial boundaries of the two utilities in Duval County, Florida; and

E. Grant any other additional relief the Commission deems fair, just and reasonable.

DATED this 19th Day of November, 1991.

Respectfully submitted,

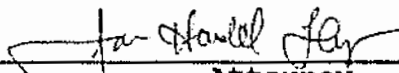


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(904) 224-9115

ATTORNEYS FOR OREMC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail this 19th day of November, 1991, to Office of the General Counsel, City of Jacksonville, 1300 City Hall, Jacksonville, Florida, 32201.



Attorney