

# AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET  
P.O. BOX 391 (ZIP 32302)  
TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

ORIGINAL

October 22, 2002

HAND DELIVERED

RECEIVED-FPSC  
02 OCT 22 PM 4: 23  
COMMISSION  
CLERK

Ms. Blanca S. Bayo, Director  
Division of Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Application of Cargill Fertilizer, Inc. to engage in self-service wheeling of waste heat cogenerated power to, from and between points within Tampa Electric Company's Service Territory; FPSC Docket No. 020898-EQ

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of Motion of Tampa Electric Company to Hold the Procedural Schedule in Abeyance.

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.

Sincerely,

  
James D. Beasley

JDB/pp  
Enclosures

cc: All Parties of Record (w/encls.)

AUS \_\_\_\_\_  
CAF \_\_\_\_\_  
CMP \_\_\_\_\_  
COM 3 \_\_\_\_\_  
CTR \_\_\_\_\_  
ECR \_\_\_\_\_  
GCL \_\_\_\_\_  
OPC \_\_\_\_\_  
MMS \_\_\_\_\_  
SEC 1 \_\_\_\_\_  
OTH \_\_\_\_\_

RECEIVED & FILED

  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

11503 OCT 22 02

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application of Cargill Fertilizer, Inc.	)	Docket No. 020898-EQ
to engage in self-service wheeling of waste	)	Filed: October 22, 2002
heat cogenerated power to, from and	)	
between points within Tampa Electric	)	
Company's service territory.	)	
<hr/>		

**MOTION OF TAMPA ELECTRIC COMPANY TO HOLD THE PROCEDURAL SCHEDULE IN ABEYANCE**

Pursuant to Rule 28-106.204, Florida Administrative Code, Tampa Electric Company ("Tampa Electric" or the "Company") hereby requests that the currently effective procedural schedule in this case, including those dates pertaining to formal discovery, be temporarily suspended or, in the alternative, that all procedural dates be pushed out by at least 120 days to permit the parties to obtain clarification from the Federal Energy Regulatory Commission ("FERC") with regard to the terms on which self-service wheeling can be provided to Cargill Fertilizer, Inc. (Cargill") and to explore the possibility of mediation in light of that clarification. In support whereof, the Tampa Electric says:

1. On August 16, 2002, Cargill filed with this Commission a Petition For Permanent Approval Of Self-Service Wheeling Program And Request For Expedited Treatment ("Petition") and a Motion To Continue Self-Service Wheeling Of Waste Heat Cogenerated Power During Resolution Of Petition For Permanent Approval ("Cargill Motion").

DOCUMENT NUMBER-DATE

11503 OCT 22 8

FPSC-COMMISSION CLERK

2. At its October 1, 2002, Agenda Conference, this Commission voted to grant Cargill's motion for an interim extension of the previously approved<sup>1</sup> two-year self-service wheeling experiment pending the outcome of a Commission hearing on the question of whether self-service wheeling should be implemented on a permanent basis. The interim continuation of self-service wheeling was based on Cargill's corporate undertaking to cover any cost attributable to self-service wheeling incurred by ratepayers during the interim period<sup>2</sup>.

3. The Federal Energy Regulatory Commission ("FERC") has stated that it generally expects unbundled retail wheeling customers, including those that self-supply station power, to take service under the same OATT that applies to wholesale customers<sup>3</sup>. Therefore, Cargill self-service wheeling has been provided pursuant to the Company's FERC Open Access Transmission Tariff ("OATT").

4. As explained in Tampa Electric's August 30<sup>th</sup> response to the Petition and as discussed during the Commission's October 1<sup>st</sup> Agenda Conference, given the experience gained during the self-service experiment conducted pursuant to Order No. PSC-00-1596-TRF-EQ, Tampa Electric has come to realize that some departures from the provisions of the OATT are necessary in order to continue self-service wheeling, even on an interim basis, in a manner that recognizes that retail competition is not permitted under Florida law and that this Commission will retain full jurisdiction over the unbundled retail service currently provided to Cargill. In an effort to secure the necessary

---

<sup>1</sup> See Order No. PSC-00-1596-TRF-EQ, issued On September 6, 2000.

<sup>2</sup> See Order No. PSC-02-1451-PCO-EQ, issued on October 21, 2002.

<sup>3</sup> See, e.g., *PJM Interconnection, L.L.C., et al.*, 94 FERC ¶61,251 at 61,891 n. 60, *reh'g denied*, 95 FERC ¶61,333 (2001); *Washington Water Power Company*, 78 FERC 61,178 at 61,726 (1997).

FERC approvals, Tampa Electric filed a transaction specific Transmission Service Agreement with the FERC on October 9, 2002 covering self-service wheeling to Cargill and requesting the necessary waivers. Tampa Electric consulted with both Cargill and the Commission Staff in preparing this filing. It is Tampa Electric's expectation that the FERC will act on this filing by mid-December, provided that no protests are filed at the FERC by interested third parties. A copy of this filing is attached as Exhibit 1.

5. By letters dated October 9, 2002 and October 16, Cargill has asked Commission General Counsel, Harold McLean to convene mediation concerning the matters raised by the Petition. Cargill has further suggested to Mr. McLean that it would be willing to waive its request for an expedited hearing in this case so that mediation could be given a chance before intensive hearing preparation commences.

6. Tampa Electric is a strong supporter of the Commission's effort to promote mediation as a viable alternative to administrative litigation. With the help of the Commission Staff, the Company has participated in the mediation process several times in the recent past with significant success. While Tampa Electric is certainly willing to pursue mediation in this case, the Company is not yet in a position to do so. Until the FERC has clarified the terms and conditions pursuant to which ongoing self-service wheeling service can be provided to Cargill, the critical parameters within which the parties have discretion to mediate will not be known. Therefore, it would not be an efficient use of the time and resources of the Commission or the parties to initiate mediation until the FERC has addressed Tampa Electric's October 9<sup>th</sup> filing.

7. Under the current procedural schedule, Cargill's direct testimony must be filed on or before November 13, 2002. In anticipation of this obligation, Cargill has filed

a number of discovery requests and, on October 18<sup>th</sup>, a Motion For Order Compelling Expedited Discovery. Tampa Electric respectfully suggests that unless the procedural schedule and formal discovery are suspended or otherwise held in abeyance, the positions of the parties are likely to harden as the result of intensive preparation for hearings, thereby reducing the potential for a mediated solution.

8. Suspension of the procedural schedule pending FERC consideration of Tampa Electric's October 9<sup>th</sup> filing and subsequent efforts by the parties to mediate the matters at issue in this proceeding will cause no harm either to Cargill or to ratepayers. Pursuant to Order No. PSC-02-1451-PCO-EQ, self-service wheeling to Cargill will continue on an interim basis until the Commission has considered and addressed Cargill's Petition. Ratepayers will be protected as the result of Cargill's corporate undertaking to cover any net cost to ratepayers attributable to self-service wheeling during the interim period. In short, the status quo is preserved and the need for expedition has been eliminated.

9. Tampa Electric has consulted Cargill with regard to this Motion. Cargill has indicated that it will review the Motion after it is filed before taking a position.

WHEREFORE, Tampa Electric respectfully requests that the Commission issue an order temporarily suspending the currently effective procedural schedule in this case, including those dates pertaining to discovery or, in the alternative, pushing out all procedural dates, including those dates pertaining to discovery, by at least 120 days to permit the parties to obtain clarification from the Federal Energy Regulatory Commission

with regard to the terms on which self-service wheeling can be provided to Cargill and to explore the possibility of mediation in light of that clarification.


DATED this 22<sup>nd</sup> day of October 2002.

Respectfully submitted,

HARRY W. LONG, JR.  
Assistant General Counsel  
Tampa Electric Company  
Post Office Box 111  
Tampa, Florida 33601  
(813) 228-1702

And

LEE L. WILLIS  
JAMES D. BEASLEY  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, FL 32302  
(850) 224-9115

By: 

**ATTORNEYS FOR TAMPA ELECTRIC COMPANY**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Motion, filed on behalf of Tampa Electric Company, has been served by hand delivery (\*), electronic mail (\*\*) or U. S. Mail on this 22<sup>nd</sup> day of October 2002 to the following:

Rosanne Gervasi\*  
Staff Counsel  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Mr. Michael Haff\*  
Division of Economic Regulation  
Florida Public Service Commission  
Room 200G  
Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Ms. Vicki Gordon Kaufman\*\*  
Mr. Joseph A. McGlothlin  
Mr. Timothy J. Perry  
McWhirter, Reeves, McGlothlin,  
Davidson, Decker, Kaufman & Arnold  
117 South Gadsden Street  
Tallahassee, FL 32301

Mr. John W. McWhirter, Jr.  
McWhirter, Reeves, McGlothlin,  
Davidson, Decker, Kaufman & Arnold  
400 North Tampa Street, Suite 2450  
Tampa, FL 33601-3350

  
\_\_\_\_\_  
ATTORNEY



BRUSSELS CINCINNATI CLEVELAND COLUMBUS DAYTON NEW YORK WASHINGTON, D.C.

October 9, 2002

Ms. Magalie R. Salas  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

FILED  
OFFICE OF THE SECRETARY  
02 OCT -9 PM 3:55  
FEDERAL ENERGY  
REGULATORY COMMISSION

Re: Tampa Electric Company  
Docket No. ER03- -000

Dear Ms. Salas:

Tampa Electric Company ("Tampa Electric") hereby tenders for filing, pursuant to Section 205 of the Federal Power Act ("FPA") <sup>1/</sup> and Part 35 of the Federal Energy Regulatory Commission's ("Commission's") Regulations under the FPA, <sup>2/</sup> a transaction-specific service agreement for non-firm point-to-point transmission service ("Service Agreement") between Tampa Electric and Cargill Fertilizer, Inc. ("Cargill"). As explained below, the Service Agreement is submitted under Tampa Electric's open access transmission tariff ("OATT"), <sup>3/</sup> but is intended specifically to accommodate self-service retail wheeling by Cargill pursuant to a mandate of the Florida Public Service Commission ("FPSC") under Florida state law.

The transaction-specific Service Agreement tendered with this filing is not intended to supersede the preexisting umbrella service agreement for non-firm point-to-point transmission service between Tampa Electric and Cargill, <sup>4/</sup> which should remain in effect and apply to any transactions under the OATT that do not involve self-service retail wheeling. Nor does the Service Agreement affect the preexisting "Agreement to Provide Qualifying Facility Transmission Service"

<sup>1/</sup> 16 USC §824d.

<sup>2/</sup> 18 CFR §35.0, *et seq.* (2002).

<sup>3/</sup> The OATT is designated as Tampa Electric's FERC Electric Tariff, Second Revised Volume No. 4. Tampa Electric has designated the Service Agreement with Cargill as Service Agreement No. 76 under the OATT.

<sup>4/</sup> The preexisting service agreement is designated as Service Agreement No. 59 under the OATT.



Ms. Magalie R. Salas  
October 9, 2002  
Page 2

between Tampa Electric and Cargill, <sup>5/</sup> which provides for the wheeling of power to facilitate a sale by Cargill to Florida Power Corporation.

Tampa Electric proposes that the Service Agreement be made effective on October 1, 2002.

A. Communications

Tampa Electric is a public utility organized under the laws of the State of Florida, with its principal place of business located at 702 North Franklin Street, Tampa, Florida 33602. Communications concerning this filing should be addressed to:

Ms. Angela L. Llewellyn  
Administrator, Regulatory Coordination  
Tampa Electric Company  
P.O. Box 111  
Tampa, FL 33601-0111  
Telephone: (813) 228-1752  
Facsimile: (813) 228-1770  
E-mail: [allewellyn@tecoenergy.com](mailto:allewellyn@tecoenergy.com)

Peter C. Lesch, Esq.  
Thompson Hine LLP  
1920 N Street, N.W.  
Suite 800  
Washington, D.C. 20036-1600  
Telephone: (202) 263-4175  
Facsimile: (202) 331-8330  
E-mail: [peter.lesch@thompsonhine.com](mailto:peter.lesch@thompsonhine.com)

B. List of Documents

The following documents are enclosed with this letter:

- (1) Transaction-specific service agreement for non-firm point-to-point transmission service between Tampa Electric and Cargill, designated as Service Agreement No. 76; and
- (2) Form of notice suitable for issuance by the Commission and publication in the *Federal Register*.

---

<sup>5/</sup> That agreement is designated as Tampa Electric's Second Revised Rate Schedule FERC No. 39.

Ms. Magalie R. Salas  
October 9, 2002  
Page 3

Pursuant to Section 35.8(b) of the Commission's Regulations, Tampa Electric has also enclosed with the original of this filing a diskette containing the form of notice.

C. The Service Agreement

1. Background

Cargill is an industrial enterprise that conducts phosphate mining and fertilizer production operations at a number of locations in Florida. Cargill takes interruptible retail electric service from Tampa Electric at several delivery points within Tampa Electric's service territory. Behind two of these retail delivery points, Cargill owns and operates cogeneration facilities that have been designated as "qualifying facilities," or "QFs," under pertinent state and federal regulations. Both QF facilities are waste-heat generators.

One of Cargill's fertilizer plants is located near Riverview, Florida. The electric meter at the interconnection between Tampa Electric and Cargill at this site is called the "New Millpoint" meter. Cargill owns and operates the transformer substation and internal distribution system behind the New Millpoint meter and utilizes on-site cogeneration to serve its facilities at the site and in the vicinity. The capacity of the New Millpoint cogeneration plant is often adequate to serve the entire electrical demand of the New Millpoint fertilizer plant, with sufficient surplus to permit sales in the wholesale market. Cargill does, however, take interruptible standby service at New Millpoint under Tampa Electric's retail Rate Schedule SBIT-3.

A second Cargill fertilizer plant is located near Bartow, Florida. The electric meter at the interconnection between Tampa Electric and Cargill at this site is called the "Ridgewood Master" meter. Cargill owns and operates the transformer substation and internal distribution system behind the Ridgewood Master meter and utilizes on-site cogeneration to serve its facilities at the site. The Ridgewood Master cogeneration plant is also connected to Cargill's Hooker's Prairie mine by a 12-mile-long distribution line. The capacity at the Ridgewood Master cogeneration plant is often adequate to serve the entire electrical demand of both the Ridgewood Master fertilizer plant and the Hooker's Prairie mine, with sufficient surplus to permit sales in the wholesale market. Cargill does, however, take interruptible standby service at Ridgewood Master under Tampa Electric's retail Rate Schedule SBIT-1, and industrial interruptible service at the separate Hooker's Prairie interconnection with Tampa Electric under Tampa Electric's retail Rate Schedule IST-1.

Another possible use of the surplus energy produced by Cargill at the New Millpoint and/or Ridgewood Master cogeneration facilities, besides service of sales at wholesale, is to serve Cargill's own load at the other locations that cannot

Ms. Magalie R. Salas  
October 9, 2002  
Page 4

be satisfied by its on-site generation at those locations. This alternative use, of course, requires wheeling of the surplus energy over Tampa Electric's transmission system.

Section 212(h) of the FPA <sup>6/</sup> contains a general prohibition against the mandatory transmission of electric energy directly to an ultimate consumer. However, Section 212(h) also contains the caveat that "[n]othing in this subsection shall affect any authority of any State or local government under State law concerning the transmission of electric energy directly to an ultimate consumer."

Florida state law does, in fact, provide for retail self-service wheeling under certain conditions. Section 366.051 of the Florida Statutes provides, in pertinent part, as follows:

Public utilities shall provide transmission or distribution service to enable a retail customer to transmit electrical power generated by the customer at one location to the customer's facilities at another location, if the Commission finds that the provision of this service, and the charges, terms, and other conditions associated with the provision of this service, are not likely to result in higher cost electric service to the utility's general body of retail and wholesale customers or adversely affect the adequacy or reliability of electric service to all customers.

This statutory language is tracked closely in Section 25-17.0883, Florida Administrative Code, which pertains to the FPSC's administration of QF activities in Florida.

Acting at the behest of Cargill and pursuant to the state statute and regulations, the FPSC ordered Tampa Electric to provide retail self-service wheeling for Cargill on an experimental basis, for an initial period that ended on September 30, 2002. Tampa Electric, mindful of the Commission's statements that it generally expects unbundled retail wheeling customers to take service under the same open access tariff that applies to wholesale customers, <sup>7/</sup> undertook to provide the service under its standard umbrella service agreement for non-firm point-to-point transmission service under the OATT. <sup>8/</sup>

---

<sup>6/</sup> 16 USC §824k(h).

<sup>7/</sup> See, e.g., *Washington Water Power Company*, 78 FERC ¶61,178 at 61,726 (1997).

Ms. Magalie R. Salas  
 October 9, 2002  
 Page 5

undertook to provide the service under its standard umbrella service agreement for non-firm point-to-point transmission service under the OATT. 8/

Tampa Electric found with experience, however, that the standard service agreement was an imperfect vehicle for the performance of retail self-service wheeling. The standard agreement incorporates all of the provisions of the OATT, without qualification. It became apparent that several of the ancillary services that a transmission provider must offer to a transmission customer serving load in its control area, and that such a transmission customer must obtain from the transmission provider or otherwise provide for, simply do not fit the circumstances of retail self-service wheeling, to the extent that the customer continues to take bundled retail service from the transmission provider.

Energy Imbalance Service under OATT Schedule 4 does not fit because discrepancies between the amount of energy scheduled for delivery and the customer's load are balanced instead under retail service schedules. In Cargill's case, due to the QF status of its facilities, any tendered self-service energy that exceeds its load at the remote location must be purchased by Tampa Electric on an "as available" basis under retail Rate Schedule COG-1. If the tendered self-service energy is less than Cargill's load at the remote location, then, to the extent that the shortfall is not met with Generation to Schedule Imbalance ("GSI") Service under OATT Schedule 4A, it will be met under the applicable retail Rate Schedule SBIT-1, SBIT-3, or IST-1, subject to certain limitations in circumstances of retail curtailment (*see below*).

Operating Reserve - Spinning Reserve Service under OATT Schedule 5 and Operating Reserve - Supplemental Reserve Service under OATT Schedule 6 also do not fit because operating reserves coverage is subsumed within the bundled retail services that Cargill continues to take from Tampa Electric. 9/

Apart from the need to disengage these ancillary services, there are also certain departures from the provisions of GSI Service under OATT Schedule 4A that are necessary to accommodate retail self-service wheeling. Schedule 4A provides that GSI Service does not apply to a QF generator in Tampa Electric's control area to the extent that the generator tenders for transmission more energy than it has scheduled. This is so because Tampa Electric must purchase the excess energy on an "as available" basis under retail Rate Schedule COG-1. In the circumstances of retail self-service wheeling, however, if the amount of

8/ See footnote 4, *supra*, and accompanying text.

9/ An alternative way of looking at Schedules 4, 5, and 6 in this context is that they provide the transmission customer with the option of taking the services under the ancillary service schedules or obtaining them by some other means, and Cargill has simply obtained them via the retail services provided by Tampa Electric.

Ms. Magalie R. Salas  
October 9, 2002  
Page 6

energy tendered by Cargill as a QF generator exceeds the load at the remote location on Tampa Electric's system, then Tampa Electric must purchase the excess energy under retail Rate Schedule COG-1 *regardless* of whether the amount of energy tendered by Cargill was greater than, equal to, or less than the amount scheduled. <sup>10/</sup> If the amount tendered was less than the amount scheduled but *greater* than the remote load, then the cost to Tampa Electric of the "as available" energy would be offset by the cost to Cargill of the GSI Service charge for the under-delivery at the generator.

The provisions of GSI Service, as applied to retail self-service wheeling, must also be qualified under circumstances where curtailment of interruptible retail services is in effect. In those circumstances, Tampa Electric must normally shut off all retail service at the New Millpoint, Ridgewood Master, and Hooker's Prairie meters, because Tampa Electric has no capability to limit the flow of energy to less than the full load that is not met with on-site generation. Each of the retail Rate Schedules SBIT-1, SBIT-3, and IST-1 under which Tampa Electric serves Cargill contains an "Optional Provision" that allows the customer to avoid interruption of service by electing the following procedure:

During periods when the Company would otherwise interrupt customers served under this schedule, the Company will attempt to purchase sufficient energy from other systems to prevent, in whole or in part, such interruptions. The customer agrees that whenever the Company is successful in making such purchases, the customer will pay, as part of its monthly service bill, an extra charge per kilowatt-hour for each kilowatt-hour consumed during the time of such purchase. The extra charge per kilowatt-hour shall be the amount per kilowatt-hour paid to the outside source less the amount per kilowatt-hour otherwise billed under the schedule, plus 2 mills (\$0.002) per kilowatt-hour.

If Cargill does not invoke the Optional Provision procedure to otherwise avoid interruption of retail service, therefore, Tampa Electric cannot provide retail self-service wheeling during periods of such interruption unless the amount of energy tendered for transmission, together with any GSI Service provided by Tampa Electric, is equal to or greater than the load at the remote location that is not met with on-site generation. Moreover, in order to prevent Cargill from "gaming"

---

<sup>10/</sup> Under Schedule 4A, if a transmission customer schedules more than one concurrent transaction at a point of receipt, the energy actually tendered for transmission at the point of receipt will be allocated among the transactions in proportion to the amounts scheduled. Transactions scheduled under the Service Agreement tendered with this filing are subject to that provision of Schedule 4A.

Ms. Magalie R. Salas  
October 9, 2002  
Page 7

GSI Service in such circumstances by scheduling more energy for self-service wheeling than it can possibly deliver in order to ensure that service at the remote site will not be interrupted, during periods when GSI Service is necessary to avoid interruption, it will be provided only to the extent that an equivalent amount of Optional Provision power would otherwise be available for that purpose.

The FPSC has ordered that Tampa Electric continue to provide self-service wheeling for Cargill pending completion of a formal review and determination by the FPSC on the merits of such service under the statutory standards. Given the imperfect fit of the standard umbrella transmission service agreement to the circumstances of retail self-serve wheeling, as described above, Tampa Electric is tendering the transaction-specific Service Agreement to cover the extended period of service. Tampa Electric submits that it is appropriate to address the particular circumstances of retail self-service wheeling in a transaction-specific transmission service agreement because Cargill's situation as a QF with both generation and remote load on Tampa Electric's system is unique, and there is no current expectation that additional retail self-service wheeling transactions will occur.

## 2. The Provisions of the Service Agreement

Section 6.0 of the Service Agreement provides that the purpose of the agreement is to facilitate self-service wheeling under the Florida statute, as mandated by the FPSC pursuant to Florida regulations, and that transmission of Cargill's power for sales at wholesale will be provided under other transmission service agreements on file with the Commission.

Section 7.0 of the Service Agreement provides for a term commencing on October 1, 2002 and ending on the earlier of: (1) the date after which self-service wheeling is no longer required, as determined by the FPSC; (2) the termination date, if any, that is mutually agreed upon by Tampa Electric and Cargill; or (3) such other date as it is terminated or superseded pursuant to an order of the Commission.

Section 8.0 of the Service Agreement specifies the points of receipt as either or both of the New Millpoint and Ridgewood Master metering points, and the points of delivery as any of the New Millpoint, Ridgewood Master, and/or Hooker's Prairie metering points.

Under Section 9.0 of the Service Agreement, the parties acknowledge that Tampa Electric will continue to provide bundled retail service to Cargill at the New Millpoint, Ridgewood Master, and Hooker's Prairie metering points under retail Rate Schedules SBIT-3, SBIT-1, and IST-1, respectively, and to purchase as-available energy produced by Cargill's cogeneration facilities pursuant to Rate Schedule COG-1. In recognition of such bundled retail service and purchase

Ms. Magalie R. Salas

October 9, 2002

Page 8

obligation, the parties agree that, subject to approval by the Commission, the ancillary services under OATT Schedules 4, 5, and 6 shall not apply to transactions under the Service Agreement.

Section 10.0 of the Service Agreement provides that Cargill shall take GSI Service from Tampa Electric for transactions under the Service Agreement, and that, subject to approval by the Commission, certain departures from the provisions of OATT Schedule 4A shall apply. One such departure, as described in Subsection 10.1, is that Tampa Electric will purchase, on an as-available basis, any tendered energy (or, where applicable under Schedule 4A, the allocated portion thereof) that exceeds Cargill's load at the remote location, regardless of whether the amount tendered is greater than, equal to, or less than the amount scheduled for transmission. If the amount tendered is less than the amount scheduled, however, the cost of as-available energy to Tampa Electric will be netted against the cost to Cargill of GSI Service for the shortfall at the generator. Another departure, as described in Subsection 10.2, is that GSI Service shall be available to avoid interruption of service at the remote location only to the extent that an equivalent amount of power would otherwise be available under the Optional Provision section of Tampa Electric's applicable retail rate schedule.

Finally, Section 11.0 of the Service Agreement provides that self-service wheeling shall not be available to avoid interruption of electric service at a remote location unless: (1) the amount of power tendered by Cargill, together with available GSI Service, as applicable, is equal to or greater than the load at the remote location; and (2) to the extent applicable, the condition described in Subsection 10.2 of the Service Agreement (*see above*) has been met.

Tampa Electric respectfully requests the Commission to grant whatever waiver of OATT Schedules 4, 5, and 6, and whatever approval of departures from the provisions of OATT Schedule 4A, that may be necessary to allow Tampa Electric to provide retail self-service wheeling for Cargill under the terms of the Service Agreement.

**D. Proposed Effective Date**

Tampa Electric proposes that the Service Agreement be made effective on October 1, 2002, to permit retail self-service wheeling to continue as mandated by the FPSC. Accordingly, Tampa Electric requests, pursuant to Section 35.11 of the Commission's Regulations, that the 60-day notice requirement under Section 35.3(a) of the Regulations be waived.

Ms. Magalie R. Salas  
October 9, 2002  
Page 9

E. Service and Posting

A copy of this filing is being provided to each of the following persons:

Mr. Roger Fernandez  
Utilities Superintendent  
Cargill Fertilizer, Inc.  
8813 Highway 41 South  
Riverview, FL 33569

Mr. Charles Hill  
Director, Division of External Affairs  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

A copy of the filing is also available for public inspection in Tampa Electric's offices at 702 North Franklin Street, Tampa, Florida.

Respectfully submitted,



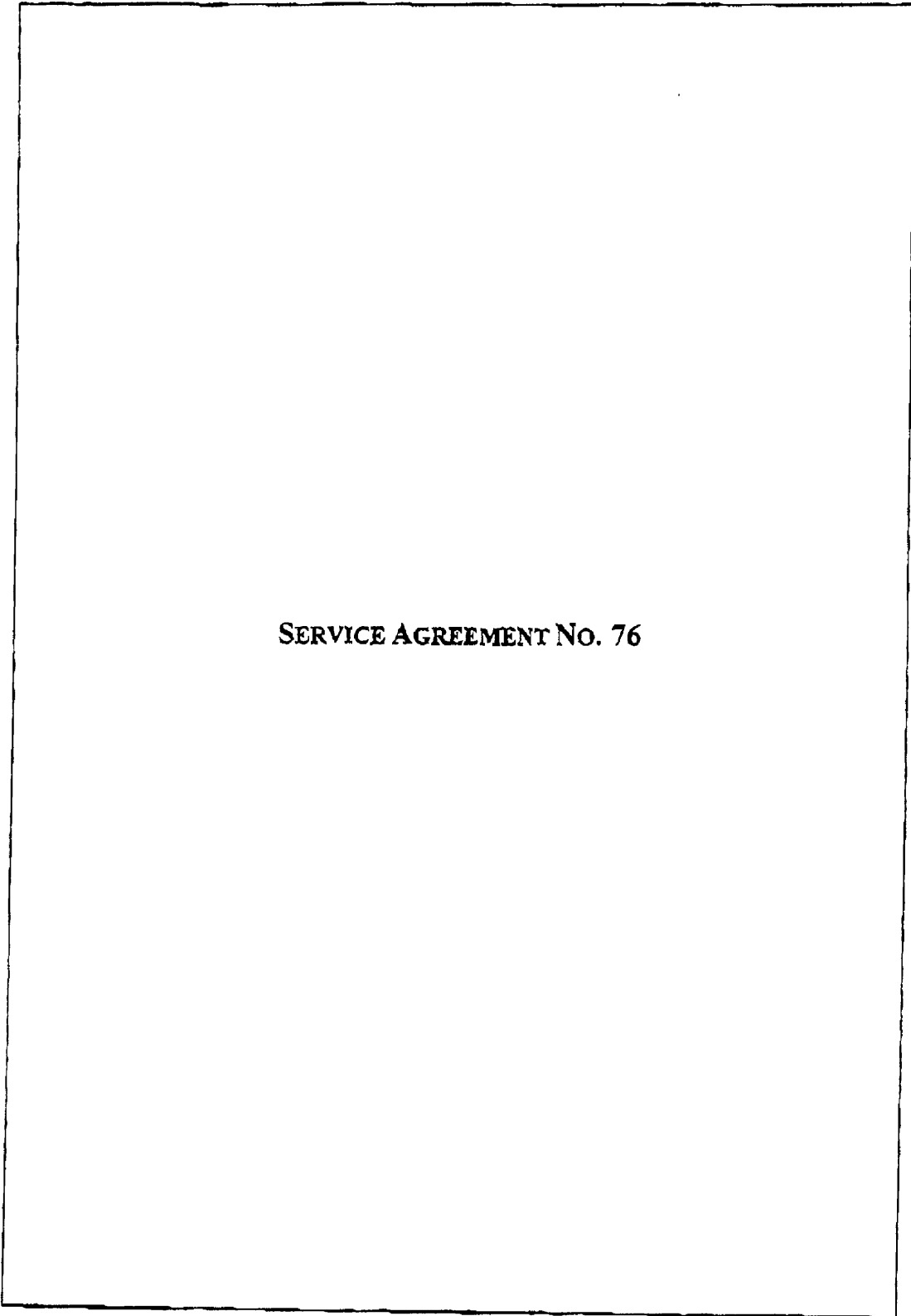
Peter C. Lesch  
Attorney for Tampa  
Electric Company

Enclosures



**SERVICE AGREEMENT**

Tampa Electric Company  
FERC Electric Tariff  
Second Revised Volume No. 4



**SERVICE AGREEMENT No. 76**

Issued by: J.B. Ramil  
President

Effective: October 1, 2002

Issued on: October 9, 2002

Cargill SSW\_TSA.doc

**Transaction-Specific Service Agreement For  
Non-Firm Point-To-Point Transmission Service**

- 1.0 This Service Agreement, dated as of October 8, 2002, is entered into by and between Tampa Electric Company ("Transmission Provider") and Cargill Fertilizer, Inc. ("Transmission Customer"). Transmission Provider and Transmission Customer are also referred to herein, individually, as a "Party," and jointly, as the "Parties."
- 2.0 The Transmission Customer has been determined by the Transmission Provider to be a Transmission Customer under Part II of the Tariff and has filed a Completed Application for Non-Firm Point-to-Point Transmission Service under the Tariff.
- 3.0 Service under this Service Agreement shall be provided by the Transmission Provider upon request by an authorized representative of the Transmission Customer.
- 4.0 The Transmission Customer agrees to supply information that the Transmission Provider deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.
- 5.0 The Transmission Provider agrees to provide and the Transmission Customer agrees to take and pay for Non-Firm Point-To-Point Transmission Service in accordance with the provisions of Part II of the Tariff and this Service Agreement.
- 6.0 The Parties agree that the purpose of this Service Agreement is to facilitate, for the term specified in Section 7.0 hereof, self-service

wheeling pursuant to Section 366.051, Florida Statutes, as mandated by the Florida Public Service Commission ("FPSC") under Section 25-17.0883, Florida Administrative Code. Transmission of the Transmission Customer's power for sales at wholesale shall be provided pursuant to other transmission service agreements on file with the Commission.

- 7.0** This Service Agreement shall commence on October 1, 2002, and shall terminate on the earlier of: (1) the date after which self-service wheeling by the Transmission Provider for the Transmission Customer is no longer required, as determined by the FPSC; (2) the termination date, if any, that is mutually agreed upon by the Parties; or (3) such other date as it is terminated or superseded pursuant to an order of the Commission.
- 8.0** The Point(s) of Receipt for transactions under this Service Agreement may include either or both of the points of interconnection between the Transmission Provider and the Transmission Customer at the New Millpoint and Ridgewood Master metering points. The Point(s) of Delivery for transactions under this Service Agreement may include either or both of the New Millpoint and Ridgewood Master metering points, as well as the point of interconnection between the Transmission Provider and the Transmission Customer at the Hooker's Prairie metering point.
- 9.0** The Parties acknowledge that, during the term of this Service Agreement, the Transmission Provider will continue to provide bundled

retail service to the Transmission Customer at the New Millpoint, Ridgewood Master, and Hooker's Prairie metering points under the Transmission Provider's retail Rate Schedules SBIT-3, SBIT-1, and IST-1, respectively. The Transmission Provider will also continue to purchase energy produced by the Transmission Customer's qualifying cogeneration facilities, as available, under the Transmission Provider's Rate Schedule COG-1. In recognition of such bundled retail service and purchase obligation, the Parties agree that, subject to approval by the Commission, the following ancillary services under the Tariff shall not apply to transactions under this Service Agreement: Schedule 4 (Energy Imbalance Service); Schedule 5 (Operating Reserve - Spinning Reserve Service); and Schedule 6 (Operating Reserve - Supplemental Reserve Service).

10.0 The Parties agree that, for transactions under this Service Agreement, the Transmission Customer shall take and pay for Generation to Schedule Imbalance ("GSI") Service under Schedule 4A of the Tariff. The Parties agree further that, subject to approval by the Commission, the following departures from the provisions of Schedule 4A shall apply to transactions under this Service Agreement:

10.1 Regardless of whether the amount of power (or, where applicable under Schedule 4A, the allocated portion thereof) that the Transmission Customer tenders for transmission at the Point(s) of Receipt is greater than, equal to, or less than the amount that it

has scheduled for transmission from such Point(s) of Receipt, if such tendered amount (or, where applicable under Schedule 4A, the allocated portion thereof) exceeds the load at the Point(s) of Delivery (*i.e.*, the load not served by the Transmission Customer's on-site generation), then the excess shall be deemed "as available" energy and purchased by the Transmission Provider pursuant to its applicable cogeneration rate schedule on file with the FPSC. If the amount tendered by the Transmission Customer is less than the amount scheduled, then the cost of such as-available energy to the Transmission Provider shall be netted against the cost of GSI Service charges to the Transmission Customer that result from the shortfall.

10.2 During periods when, in the absence of GSI Service, the Transmission Customer's load at the Delivery Point(s) would be subject to curtailment pursuant to the Transmission Provider's applicable retail rate schedule, GSI Service shall be available only to the extent that an equivalent amount of power would otherwise be available to the Transmission Customer under the Optional Provision section of the Transmission Provider's applicable retail rate schedule.

11.0 The Parties agree that transmission service under this Service Agreement shall not be available to avoid interruption of electric service to the Transmission Customer at the Point(s) of Delivery pursuant to the

Transmission Provider's applicable retail rate schedule unless: (1) the amount of power (or, where applicable under Schedule 4A, the allocated portion thereof) that the Transmission Customer tenders at the Point(s) of Receipt, together with available GSI Service, as applicable, is equal to or greater than the load at the Point(s) of Delivery (*i.e.*, the load not served by the Transmission Customer's on-site generation); and (2) to the extent applicable, the condition described in Subsection 10.2 hereof has been met.

- 12.0** Any notice or request made to or by either Party regarding this Service Agreement shall be made to the representative of the other Party as indicated below.

**Transmission Provider:**

Gail McKaig  
Manager, Transmission Access  
Tampa Electric Company  
P.O. Box 111  
702 N. Franklin Street (33602)  
Tampa, FL 33601-0111  
Telephone: (813) 228-4196  
Facsimile: (813) 228-4720

**Transmission Customer:**


Roger Fernandez  
Utilities Superintendent  
Cargill Fertilizer, Inc.  
8813 Highway 41 South  
Riverview, FL 33569  
Telephone: (813) 671-6238  
Facsimile: (813) 671-6149

- 13.0 The Tariff is incorporated herein and made a part hereof. To the extent that there is any inconsistency between the provisions of the Tariff and the provisions of this Service Agreement, the provisions of this Service Agreement shall control.

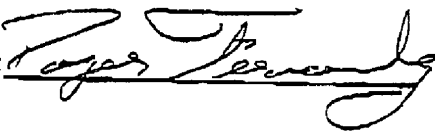


IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

**Transmission Provider:**

By  VP 10/8/02  
 Title Date

**Transmission Customer:**

By:  VTL. Supt. 10/08/2002  
 Title Date

**FORM OF NOTICE**

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Tampa Electric Company

)

Docket No. ER03-

## NOTICE OF FILING

Take notice that on October 9, 2002, Tampa Electric Company (Tampa Electric) tendered for filing a transaction-specific service agreement with Cargill Fertilizer, Inc. (Cargill) for non-firm point-to-point transmission service under Tampa Electric's open access transmission tariff. Tampa Electric proposes that the service agreement be made effective on October 1, 2002.

Copies of the filing have been served on Cargill and the Florida Public Service Commission.

Any person desiring to intervene or to protest this filing should file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. All such motions or protests should be filed on or before the comment date, and, to the extent applicable, must be served on the applicant and on any other person designated on the official service list. This filing is available for review at the Commission or may be viewed on the Commission's web site at <http://www.ferc.gov>, using the "FERRIS" link. Enter the docket number excluding the last three digits in the docket number filed to access the document. For assistance, call (202) 502-8222 or TTY, (202) 502-8659. Protests and interventions may be filed electronically via the Internet in lieu of paper; see 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site under the "e-Filing" link. The Commission strongly encourages electronic filings.

Comment Date:

Secretary