

Eric Fryson

From: Kim Hancock [khancock@moylelaw.com]
Sent: Thursday, September 27, 2012 12:00 PM
To: Filings@psc.state.fl.us
Cc: Pauline Robinson; jbeasley@ausley.com; jwahlen@ausley.com; marty@reuphlaw.com; Vicki Kaufman; Jon Moyle; Steve.Davis@mosaicco.com
Subject: Docket No. 120225-EU
Attachments: Mosaic Response to Staff 1st Data Request 9.27.12.pdf

In accordance with the electronic filing procedures of the Florida Public Service Commission, the following filing is made:

a. The name, address, telephone number and email for the person responsible for the filing is:

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- b. This filing is made in Docket No. 120225-EU.
- c. The document is filed on behalf of Mosaic Fertilizer LLC.
- d. The total pages in the document are 7 pages.
- e. The attached document is Mosaic's Response to Staff's 1st Data Request.

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DOCUMENT NUMBER-DATE
06498 SEP 27 2012
FPSC-COMMISSION CLERK

9/27/2012



September 26, 2012

Ms. Ann Cole, Commission Clerk
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, Florida, 32399-0850

Re: Docket No. 120225-EU- Complaint and request for expedited relief of Mosaic Fertilizer LLC against Peace River Electric Cooperative and Tampa Electric Company for single source electric supplier.

Dear Ms. Cole:

In response to Pauline Robinson's request of September 21, 2012, please find the original and five copies of the responses of Mosaic Fertilizer LLC ("Mosaic") to Ms. Robinson's requests.

As a preliminary matter, please note that there are two sites at issue in this docket: F1CSA, which is adjacent to the Four Corners Plant (hereinafter referred to as "F1") and MU20E, which is west of County Road 39 (hereinafter referred to as "20E"). Each site is addressed in the responses below.

As clarification of the information provided during our conference call yesterday, please note that, given the facts associated with these two mining areas, for reasons of continuity, reliability, safety, efficiency, cost effectiveness and timeliness of service provision, Mosaic respectfully suggests that Tampa Electric Company ("TECO") is better able to serve Mosaic's loads at both sites. Finally, Mosaic respectfully requests, because its interests will be affected by the resolution of this matter, that it be informed and advised of all material terms of any proposed settlement or other resolution of the issues raised in this case.

1. Please provide the maps referenced in Mosaic's July 24, 2012, letter, showing the two areas at issue in this docket. If the maps are large and cannot be emailed or faxed, Mosaic should email, prior to the meeting, a hand drawn map depicting the nearest existing facilities, the territorial lines, and the two anticipated mining sites.

Mosaic Response: See attached maps.

2. What types of facilities are to be served - drag lines only or drag lines and processing facilities?

DOCUMENT NUMBER-DATE

06498 SEP 27 2012

FPSC-COMMISSION CLERK

Mosaic Response: The facilities to be served are described below.

F1 – There are 3 types of equipment which must be served, each of which is integral to Mosaic’s mining processes: (1) Pre-production dredge mining that will remove clay overburden from the area to be mined; (2) Pre-production sand pumping which will remove sand stored above ground in the area to be mined; (3) Production mining utilizing draglines and associated pumping system. There may also be post-mining water management pumps.

20E – There are two types of equipment which must be served, each of which is integral to Mosaic’s mining processes: (1) Pre-production dewatering pumps which lower the water table in the area to be mined; (2) Production mining utilizing draglines and associated pumping system. There may also be post-mining water management pumps in the area.

- b. If draglines only, where is the processing plants that are associated with and who serves those facilities?

Mosaic Response: Please see description of equipment to be served provided in Response No. 1. Both sites’ production mining pump systems will discharge at the Four Corners processing plant which is served by TECO. The dredge pre-production pump system for the F1 area discharges approximately 2 miles west of CR39 in TECO’s service area of Hillsborough County. The sand pump system begins in the F1 area and discharges east of SR37 in TECO’s service area of Polk County. Pre and post-production water pumps will discharge at various sites normally within 1 mile of the area to be dewatered.

3. If the load in question is only draglines, in which utility’s service territory will the facilities be located when service is initially needed?

Mosaic Response: Please see description of equipment to be served provided in Response No. 1. Mosaic expects dragline production mining loads to begin in Hillsborough County/TECO service territory at both sites.

4. When are the facilities expected to cross into the adjacent utility’s service territory?

Mosaic Response:

F1 – Mosaic expects pre-production mine activity to begin January 2013 with the dredge operation described in Response No. 1. This operation will begin with a floating dredge located in the Peace River Electric Cooperative (“PRECO”) service area (Manatee

County) and a pump system booster pump located in the TECO service area (Hillsborough County). Sometime in early 2013, sand pumping will begin with a slurry pit and possibly 1 booster pump located in PRECO's territory (Manatee County) and approximately 4 pump system booster pumps located in TECO's service area (Hillsborough and Polk Counties). Thus, equipment related to the same mining operation will be in service in both service territories.

20E – A production dragline mining pump system is expected to cross the TECO/PRECO service territory boundary, moving from TECO service territory into PRECO service territory, in the spring of 2013.

5. Does Mosaic know for how long it will mine in the two sites and whether they will be crossing back across the territorial boundary on a frequent basis?

Mosaic Response:

F1 – Mosaic expects dragline production mining to last approximately 4 years, preceded by approximately 1 year of pre-production dredge mining. Pre-production sand pumping is expected to begin in early 2013 and last approximately 1-1/2 years. There is expected to be a period of time when production mining and sand pumping are both taking place (approximately 6 months overlap). Both the pre-production dredge mining and sand pumping operations will have continuous pump systems that cross between the PRECO/TECO service territory the entire time they are in service.

The dragline production mining process is expected to have a pump system that crosses the utility service boundaries for approximately 6 months. The dragline and slurry pit will cross the utility service boundary many times during this period. There will be periods of time when the dragline will be located exactly on the utility service boundary, and the dragline may cross this boundary multiple times a day.

20E – The dragline pumping system is expected to cross the PRECO/TECO service territory boundary (moving southward from TECO service territory into PRECO service territory) for approximately 6 months. There will be periods of time when the dragline will be located on the utility service boundary, and the dragline may cross this boundary multiple times a day.

6. Mosaic stated that it will traverse the territorial boundary between TECO and PRECO. Does Mosaic know whether it will predominantly mine in TECO's or in PRECO's territory?

Mosaic Response:

F1 – Mining itself will predominately be in the PRECO service area.

20E – Mining itself will predominately be in the TECO service area.

7. Why does Mosaic believe PRECO will not be able to secure adequate transmission facilities in time to provide service?

Mosaic Response:

F1 – PRECO has no 69KV transmission service located near the F1 mining site. Mosaic is very concerned that arranging a wholesale transaction to wheel Seminole Electric Cooperative, Inc. generation across TECO's transmission lines that are located in the immediate area (which Mosaic understands to be one of the resolutions under consideration) will take longer to finalize and put in place than the December 31, 2012 expiration date of the existing TECO/Seminole/PRECO service to the F1 mining area. Mosaic is also concerned that PRECO/Seminole may need to construct/acquire a meter station and possibly an interrupter switch and it is unclear if these can be in service by January 1, 2013. Further, Mosaic needs to know what the future service interconnection point will be so Mosaic can construct Mosaic-owned 69KV transmission lines before January 1, 2013 and know that the new Mosaic power lines will be connected to a circuit that will still be in service after the December 31, 2012 termination of the existing TECO/Seminole/PRECO agreement.

For now Mosaic is assuming that the existing Mosaic-owned 69KV transmission lines located in Manatee County and connected to the secondary side of the existing "PRECO FCO Plant Metering Station" (see F1 map) will still be energized after January 1, 2013. Mosaic plans to connect the dredge transformer to the secondary side of these Mosaic-owned transmission lines and have the dredge operation ready for service during January 2013. If future service to the F1 mining area is eventually provided by PRECO, either Mosaic or a utility company will have to rebuild approximately 1 mile of 69KV power line labeled as "TECO Power Line" on the F1 map due to approximately 1 mile of this line being located inside the dragline mining area. If the PSC rules that TECO is to provide service to the F1 mining area, only about 500 feet of Mosaic 69KV power line construction will be required to connect to the existing "Mosaic Power Line" as shown on the F1 map. The connection to existing TECO service would also eliminate the potential need to construct or acquire a 69KV metering station and a 69KV interrupter switch. (Note: Refer to the F1 map that shows "Mosaic Power Line" running east/west and immediately north of existing PRECO meter labeled as "PRECO FCO Plant Metering Station." This is an existing Mosaic-owned 69KV power line that is connected downstream of the TECO Four Corners West meter.)

20E – Mosaic does not expect that either utility company will be required to acquire any facilities to provide service to this area. However, Mosaic will need to expand existing Mosaic-owned 69KV transmission lines to serve this load. If Mosaic extends transmission lines that are downstream of TECO's Four Corners West meter, and uses this extended line to provide service to both the Hillsborough and Manatee County areas, Mosaic will only need to build approximately ½ mile of 69KV transmission line. This option would facilitate service from a common utility company metering point for the entire dragline pumping system. Such a service arrangement is much more conducive to the safety, reliability and efficiency of electric service to Mosaic's operations. If Mosaic extends Mosaic-owned 69KV transmission lines currently downstream of the PRECO/PEF Peacock meter, Mosaic will need to build approximately 2 miles of transmission lines to reach the mining site. For issues of safety, cost and reliability, Mosaic does not wish to split service to the pump system and build unneeded, duplicative transmission lines.

8. Has either PRECO or TECO provided service to Mosaic in the other's territory before?

Mosaic Response: Yes.

- b. If so, when, and what was the agreement?

Mosaic Response: During 2003, Mosaic connected the PRECO/PEF Peacock meter for loads located in TECO's Hillsborough County service area due to a failure of TECO's 230/69KV Mines Substation that serves surrounding Mosaic loads. Additionally, during 2004, Mosaic temporarily connected the TECO Four Corners West meter to serve Manatee County loads that are normally served from PRECO's Peacock meter due to utility company transmission lines knocked down by Hurricane Charlie.

Sincerely,

s/ Jon C. Moyle, Jr.
Jon C. Moyle, Jr.

JCM/kh

Attachments

cc: Pauline E. Robinson, Office of the General Counsel
James D. Beasley, Tampa Electric Company
Martin P. McDonnell/Marsha E. Rule, Peace River Electric Cooperative



