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October 2, 2012

HAND DELIVERED

RECEIVED - FPSC
12 OCT - 2 PM 2:16
COMMISSION
CLERK

Ms. Ann Cole, Director
Division of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

120247-EU

Re: Joint Petition of Tampa Electric Company and Peace River Electric Cooperative, Inc. for Approval of Agreement for Temporary Territorial Variance

Dear Ms. Cole:

Enclosed for filing in the above-styled matter are the original and fifteen (15) copies of Joint Petition of Tampa Electric Company and Peace River Electric Cooperative, Inc. for Approval of Agreement for Temporary Territorial Variance.

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
Enclosure

cc: Martin P. McDonnell (w/enc.)
Paula K. Brown (w/enc.)

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Tampa Electric Company)
And Peace River Electric Cooperative, Inc. for)
Approval of Agreement for Temporary Territorial)
Variance.)
_____)

DOCKET NO. 120247-EU

FILED: October 2, 2012

**JOINT PETITION OF TAMPA ELECTRIC COMPANY AND
PEACE RIVER ELECTRIC COOPERATIVE, INC. FOR APPROVAL OF
AGREEMENT FOR TEMPORARY TERRITORIAL VARIANCE**

Tampa Electric Company ("Tampa Electric or "the company") and Peace River Electric Cooperative, Inc. ("PRECO"), collectively referred to as "the Parties"), jointly petition the Commission for approval of an Agreement for Temporary Territorial Variance entered into by and between joint petitioners on September 28, 2012, subject to the Commission's approval and, in support thereof, state:

1. Tampa Electric is a Commission regulated electric public utility whose headquarters are located at 702 North Franklin Street, Tampa, Florida 33602.
2. PRECO is a rural electric cooperative whose principal offices are located at 210 Metheny Road, Wauchula, Florida 33873.
3. The name address and telephone number of joint petitioners representatives for purpose of legal service during this proceeding for Tampa Electric are:

James D. Beasley
J. Jeffrey Wahlen
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302
(850) 224-9115

Paula K. Brown, Manager
Regulatory Coordination
Tampa Electric Company
Post Office Box 111
Tampa, FL 33602
(813) 228-1444

DOCUMENT NUMBER-DATE

06647 OCT-2 2012

FPSC-COMMISSION CLERK

4. The name, address and telephone number for PRECO is:

Martin P. McDonnell
Rutledge, Ecenia & Powell, P.A.
119 South Monroe Street, Suite 202
Tallahassee, Florida 32301
(850) 681-6788

5. Tampa Electric is an investor owned electric public utility subject to the Commission's jurisdiction under Chapter 366, Florida Statutes. PRECO is a rural electric cooperative subject to the jurisdiction of the Commission under Chapter 366, Florida Statutes, for the purpose of resolving territorial issues (Section 366.04(2)(d),(e), Florida Statutes.)

6. Mosaic Fertilizer LLC ("Mosaic") has filed a complaint and request for expedited relief against both Tampa Electric and PRECO in Docket No. 120225-EU. The relief requested by Mosaic in that complaint proceeding is to obtain a single source provider of transmission level retail electric service to each of two proposed phosphate mining sites that traverse the east/west boundary line separating Manatee and Hillsborough Counties in Florida.

7. Both of the mining sites are approximately 700 acres in size. One is located mostly within Manatee County and one is located mostly within Hillsborough County.

8. Tampa Electric and PRECO are parties to a territorial agreement entered into on January 9, 1987 and approved by the Commission on May 22, 1987 in Order No. 17585 issued in Docket No. 870303-EU. That territorial agreement in part sets forth a territorial boundary line between Tampa Electric's and PRECO's service territories in the vicinity of the two Mosaic proposed phosphate mining sites. That territorial boundary, in the specific area where the two sites are located, is the county line separating Hillsborough and Manatee Counties with Tampa Electric authorized to provide service north of that boundary line in Hillsborough County where the two sites are located and PRECO authorized to provide electric service south of the boundary

line in Manatee County. Attached hereto as Exhibit "A" is a Section Township Range Map of Hillsborough Count with the two proposed Mosaic phosphate mining sites, 20-E Mining Area and F-1 Clay Settling Area, shaded in gray in the lower right hand corner of the map.

9. Tampa Electric and PRECO have worked diligently to develop a solution, consistent with good engineering and business practices, to enable them to honor Mosaic's request for a single source transmission level power supply to each of the two proposed Mosaic phosphate mining sites in a manner that will avoid unnecessary and uneconomic duplication of transmission facilities.

10. Attached hereto as Exhibit "B" is an Agreement for Temporary Territorial Variance ("Variance Agreement") entered into by and between Tampa Electric and PRECO on September 28, 2012. Under the Variance Agreement, if approved by the Commission, Tampa Electric essentially would serve one of the two mining sites (the one located mostly within Hillsborough County) and PRECO would serve the other (the one located mostly within Manatee County), thereby providing single source electric service to each of the sites. The Variance Agreement contains language clarifying Tampa Electric's continuing right to provide electric service to other facilities in Hillsborough and Polk Counties.

11. Two other utilities, Florida Power & Light Company ("FPL") and Progress Energy Florida, Inc. ("Progress"), have territorial agreements addressing the area where the two proposed Mosaic phosphate mining sites are located. Both FPL and Progress have consented to the approval of the Variance Agreement, as reflected in attachments to that agreement.

12. Tampa Electric and PRECO have also entered into a new 25-year territorial agreement, subject to the approval of the Commission. The Parties will seek approval of that agreement through a separate petition so as not to delay the Commission's consideration of this

Variance Agreement in accordance with Mosaic's request for an expedited determination of how its electrical needs at the two phosphate mining sites should be met.

13. The Parties have discussed the Variance Agreement with Mosaic and Mosaic has yet to indicate its degree of acceptance. The Variance Agreement provides for a single source transmission level electric service to each of the Mosaic mining sites, which should satisfy the concerns expressed by Mosaic in the separate complaint proceeding.

14. The Parties assert there is no likelihood that the Variance Agreement will cause a decrease in the reliability of electric service to any existing or future ratepayers of either utility. In addition, the Variance Agreement will avoid potential uneconomic duplication of facilities.

15. The Parties assert that the Variance Agreement is in the public interest and should be approved.

16. Mosaic has indicated that its mining operations in the two areas in question will continue for approximately five years. Tampa Electric and PRECO are prepared to continue providing temporary service for the duration of Mosaic's phosphate mining operations in the two areas.

17. Mosaic has indicated that it needs a commitment regarding the provision of single source transmission level electric service at the two areas in question at the earliest possible date to accommodate its phosphate mining operations at those locations. To accommodate Mosaic's needs, Tampa Electric and PRECO request that the Commission take up this petition at the earliest possible date.


18. The relief requested herein is of a temporary nature and does not require the amendment of any Commission approved territorial agreement.

19. As is indicated in the Variance Agreement, during the existence of the agreement, the Parties have committed to provide the Commission with annual reporting on the continuing nature of the service provided under the agreement.

20. The Parties are not aware of any disputed issues of material fact relative to the matters addressed in this petition.

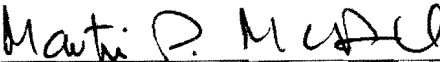
WHEREFORE, Tampa Electric and PRECO respectfully request the Commission to take expedited action to authorize Tampa Electric and PRECO to provide temporary retail electric service as provided for in the Variance Agreement to accommodate Mosaic's two proposed mining operations along the Hillsborough/Manatee County line for the period that such mining operations continue. The Parties further commit to report to the Commission on an annual basis regarding their continuing provision of such temporary electric service through the duration thereof.

DATED this 22nd day of October 2012.



JAMES D. BEASLEY
J. JEFFRY WAHLEN
Ausley & McMullen
Post Office Box 391
Tallahassee, Florida 32302

ATTORNEY FOR TAMPA ELECTRIC
COMPANY



MARTIN P. McDONNELL
Rutledge, Ecenia & Powell, P.A.
119 South Monroe Street, Suite 202
Tallahassee, Florida 32301

ATTORNEY FOR PEACE RIVER
ELECTRIC COOPERATIVE

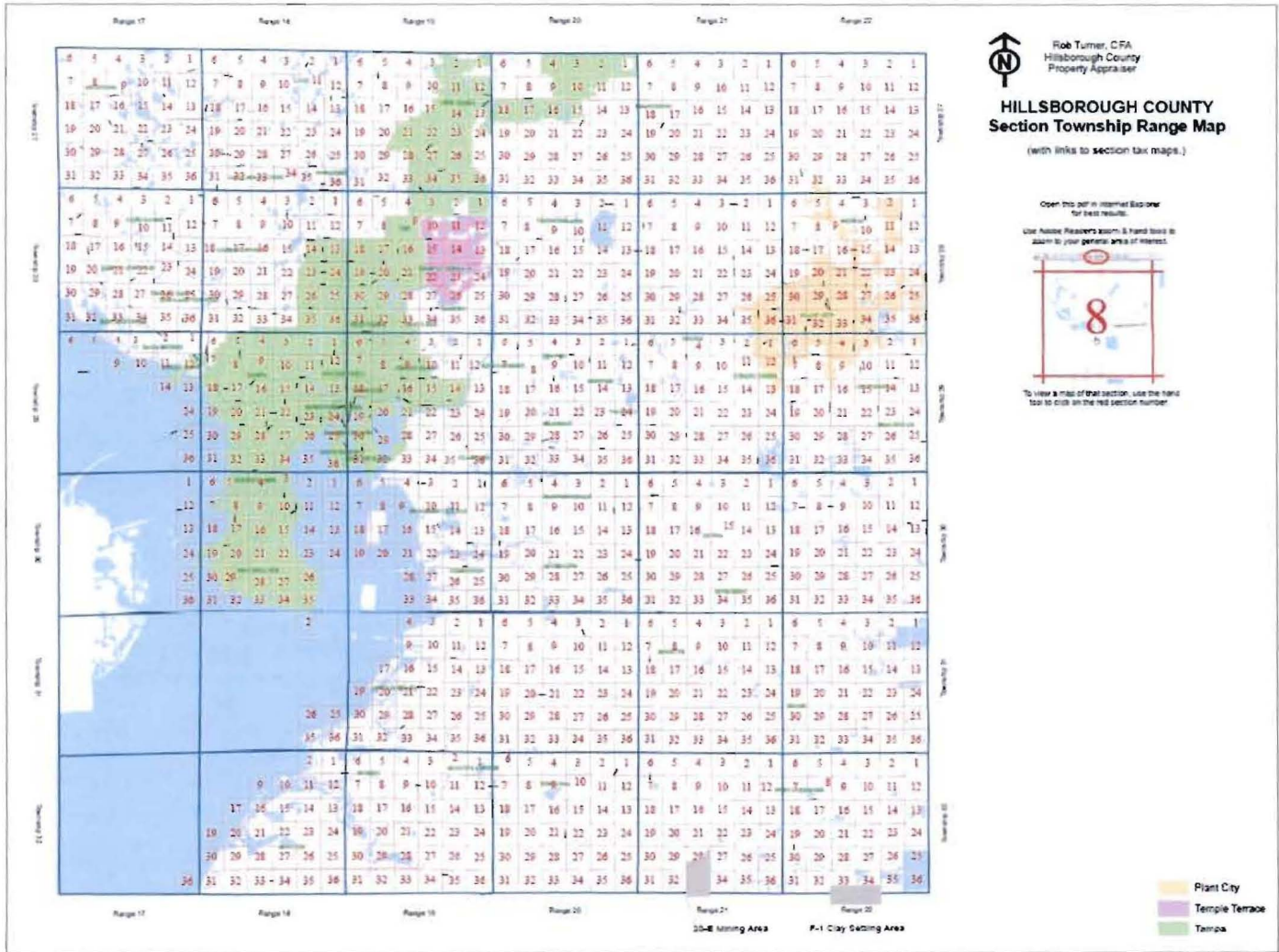


Exhibit "A"

AGREEMENT FOR TEMPORARY TERRITORIAL VARIANCE

Tampa Electric Company ("Tampa Electric") and Peace River Electric Cooperative, Inc. ("PRECO"), collectively referred to as the "Parties", enter into this Agreement for Temporary Territorial Variance ("Agreement"), this 28th day of September, 2012.

WITNESSETH:

WHEREAS, Tampa Electric and PRECO are Parties to a territorial agreement for the provision of retail electric service dated January 9, 1987 and approved by the Florida Public Service Commission ("Commission") on May 22, 1987 (the Existing Agreement); and

WHEREAS, Mosaic Fertilizer LLC ("Mosaic") has requested the provision of retail electric service at transmission voltage (69 KV or above) to serve two phosphate related loads in two separate areas, each of which is located partly in the service territory of Tampa Electric and partly in the service territory of PRECO as those service territories are defined in the Existing Agreement; and

WHEREAS, Mosaic has requested that each of the two phosphate related loads addressed in this Agreement be served by either Tampa Electric or PRECO, but not both; and

WHEREAS, Tampa Electric and PRECO have concluded that Mosaic's request for single provider electric service can best be accomplished by Tampa Electric serving one of the phosphate related loads and PRECO serving the other phosphate related load, each on a temporary basis, until Mosaic's need for such service has concluded.

NOW, THEREFORE, in consideration of ten dollars (\$10.00), and other good and valuable considerations the receipt and adequacy of which are hereby acknowledged by the Parties, Tampa Electric and PRECO agree as follows:

1. This Agreement addresses the provision of electric service at transmission voltage on a temporary basis to the following two Mosaic phosphate loads:

(a) An area of Mosaic's phosphate operations referred to as the F1 Clay Settling Area located in the general area of Sections 3 and 4 of Township 33 South, Range 22 East, in Manatee County, Florida, and extending into Hillsborough County, Florida associated with the same phosphate operations ("F1 Clay Settling Area"), said area containing approximately 100 acres in Hillsborough County and 600 acres in Manatee County and as shown in Attachment A.

(b) An area of Mosaic's phosphate operations known as Mining Unit 20E, located in the general area of Sections 28 and 33 in Township 32 South, Range 21 East of Hillsborough County, Florida, and extending into Manatee County, Florida in the area of Section 4, Township 33 South, Range 21 East ("Mining Unit 20E Area"), said area containing approximately 600 acres in Hillsborough County and 100 acres in Manatee County and as shown in Attachment B.

2. For the term of this Agreement PRECO shall serve the Mosaic transmission voltage phosphate load within the F1 Clay Settling Area, except that Tampa Electric shall serve all existing pump load in Hillsborough and Polk County including sand pump loads associated with the F1 Clay Settling Area and the new booster pump(s) to be located in Hillsborough County associated with the dredging operation of the F-1 Clay Settling Area. Tampa Electric shall also continue to serve all other phosphate and phosphate related load in this area of

Hillsborough County, including but not limited to Four Corners Plant, Four Corners Mine and Fort Green Mine.

3. For the term of this Agreement Tampa Electric shall serve the Mosaic transmission voltage phosphate load in the Mining Unit 20E Area.

4. The Parties agree that the above temporary service assignments are economically sound for all affected persons and are consistent with good engineering practices.

5. This Agreement is subject to the approval of the Commission and shall become effective on the date of issuance of a Commission order approving same. This Agreement shall extend for an initial term of five years from its effective date, and thereafter shall extend for succeeding one year terms until terminated by either party upon one year's advance written notice to the other party. This Agreement may be terminated in advance of the expiration of the initial term or any subsequent one year extension term upon receipt of written notice by Mosaic that the accommodations afforded it by this Agreement are no longer required.

6. Upon termination of this agreement, the Parties' rights and obligations with respect to the provisions of electric service to Mosaic load in the areas addressed herein shall revert to and be governed by the existing territorial agreement or any subsequent Commission approved territorial agreement between the Parties governing the provision of electric service to the areas addressed herein.

7. During the existence of this Agreement, the Parties shall provide the Commission an annual report on the continuing nature of the electric service provided hereunder by March 30 of the year following the year in which this Agreement becomes effective and by March 30th of each year thereafter.

8. Florida Power & Light Company ("FPL") and Progress Energy Florida, Inc. ("Progress") are adjacent utilities with existing approved territorial agreements addressing the areas for temporary electric service which are the subject of this Agreement. Attached hereto are signed consent statements wherein FPL and Progress have consented to the approval of this Agreement as being economically sound for all affected persons and consistent with good engineering practices.

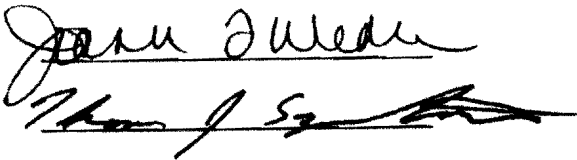
9. Tampa Electric and PRECO agree to jointly seek approval of this Agreement by the Commission.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

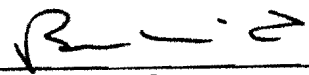
11. This Agreement shall be non-assignable unless approved by both Parties and the Commission.

IN WITNESS WHEREOF, Tampa Electric and PRECO have executed this Agreement on the day and year first above written.

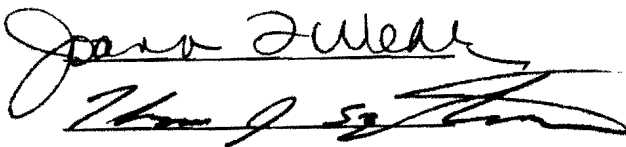
Witnesses:



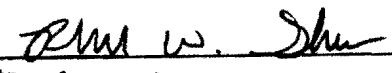
TAMPA ELECTRIC COMPANY

By: 
Its Vice President

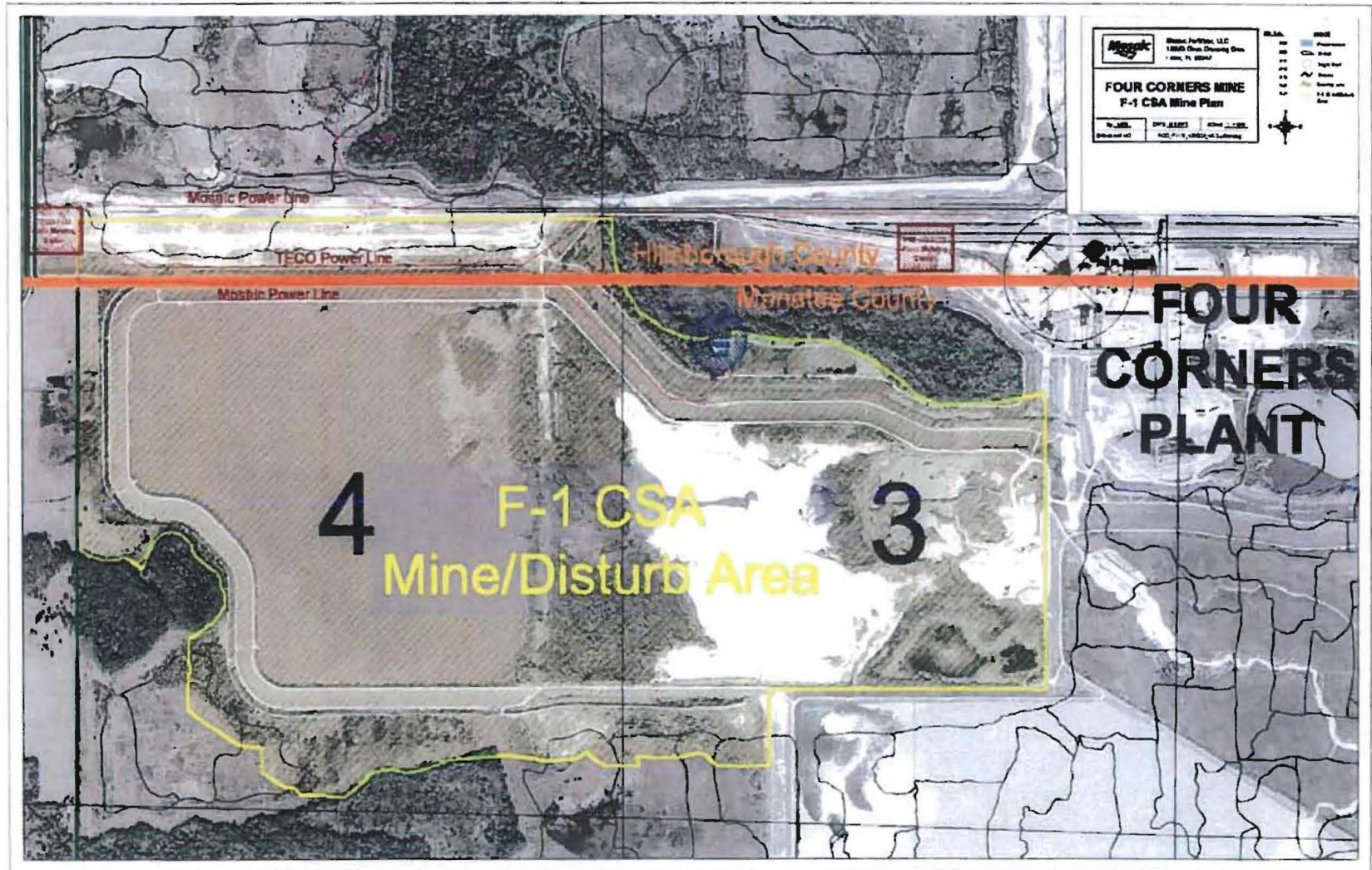
Witnesses:



PEACE RIVER ELECTRIC
COOPERATIVE, INC.

By: 
Its General Manager/CEO

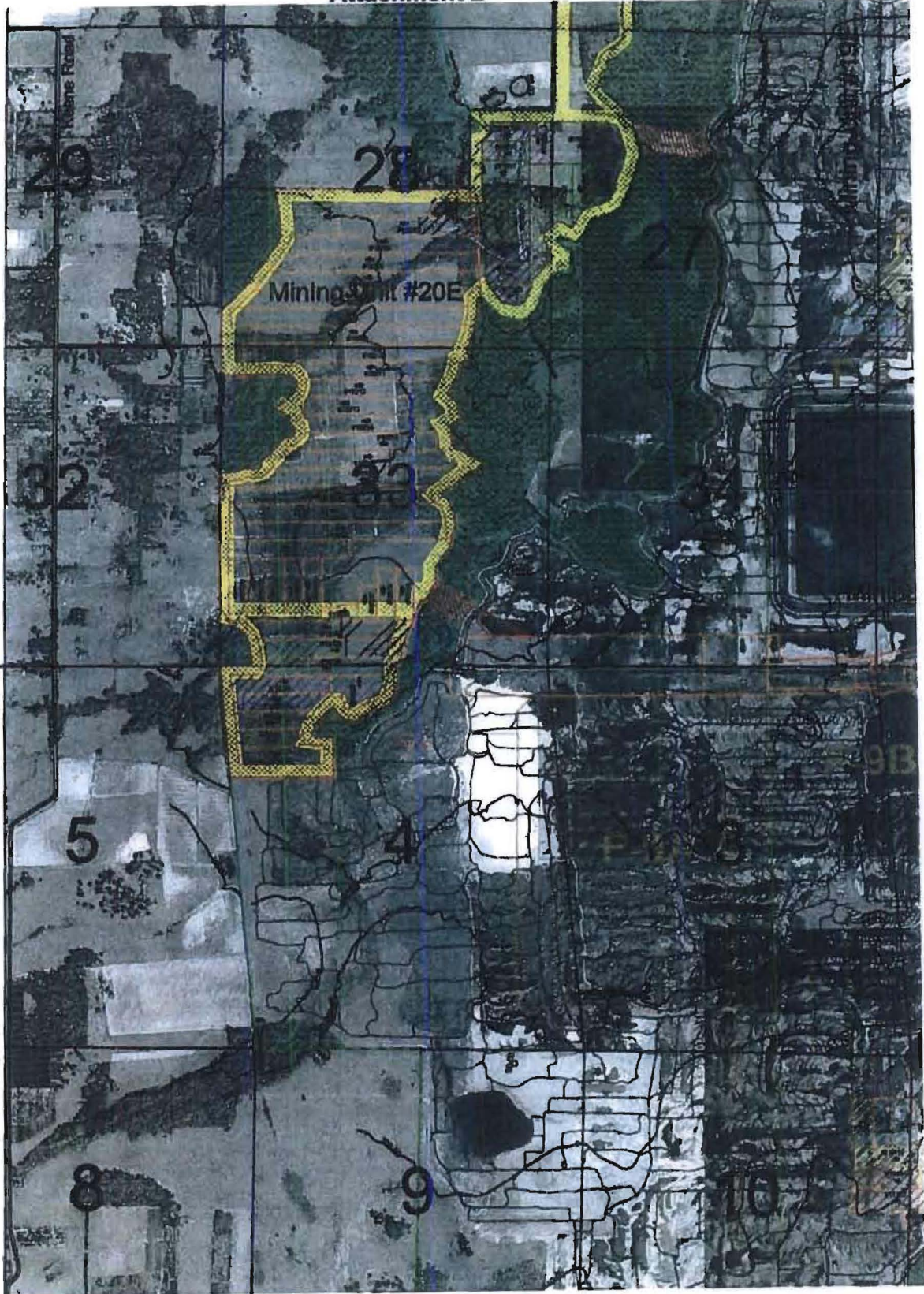
Attachment A
(Manatee County - TS 33 South, Range 22 East)



Attachment B

Hillsborough County (TS 32 South, Range 21 East)

Manatee County



**FLORIDA POWER & LIGHT COMPANY'S CONSENT TO
APPROVAL OF AGREEMENT FOR TEMPORARY
TERRITORIAL VARIANCE BETWEEN TAMPA ELECTRIC
COMPANY AND PEACE RIVER ELECTRIC COOPERATIVE, INC.**

Florida Power & Light Company ("FPL"), by and through its undersigned counsel or representative, states as follows:

1. FPL has read the Agreement for Temporary Territorial Variance by and between Tampa Electric Company ("Tampa Electric") and Peace River Electric Cooperative, Inc. ("PRECO") wherein these two companies have agreed, subject to Florida Public Service Commission ("FPSC") approval, for PRECO to serve certain transmission voltage phosphate load within an area known as the F1 Clay Settling Area and Tampa Electric to serve certain Mosaic transmission voltage phosphate load in an area known as the Mining Unit 20E Area, both of said areas traversing the boundary between Hillsborough County and Manatee County in Florida, which serves as the northern boundary of FPL's territory in the areas of concern for these facilities.

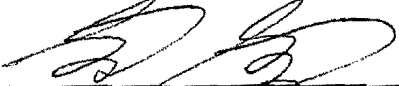
2. FPL believes that the proposed temporary variance described in the Agreement between Tampa Electric and PRECO is economically sound for all affected persons and consistent with good engineering practices.

3. Accordingly, FPL consents to the FPSC's approval of the Temporary Territorial Variance sought by Tampa Electric and PRECO to serve the Mosaic loads more particularly described in the Agreement for Temporary Territorial Variance.

DATED this 28th day of September, 2012.

FLORIDA POWER & LIGHT COMPANY

By: _____


Scott A. Goorland
Principal Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5633 (telephone)
(561) 691-7135 (fax)
scott.goorland@fpl.com

**PROGRESS ENERGY FLORIDA, INC.'S CONSENT TO
APPROVAL OF AGREEMENT FOR TEMPORARY
TERRITORIAL VARIANCE BETWEEN TAMPA ELECTRIC
COMPANY AND PEACE RIVER ELECTRIC COOPERATIVE, INC.**

Progress Energy Florida, Inc. ("Progress"), by and through its undersigned counsel or representative, states as follows:

1. Progress has read the Agreement for Temporary Territorial Variance by and between Tampa Electric Company ("Tampa Electric") and Peace River Electric Cooperative, Inc. ("PRECO") wherein these two companies have agreed, subject to Florida Public Service Commission ("FPSC") approval, for PRECO to serve certain transmission voltage phosphate load within an area known as the F1 Clay Settling Area and Tampa Electric to serve certain Mosaic transmission voltage phosphate load in an area known as the Mining Unit 20E Area, both of said areas traversing the boundary between Hillsborough County and Manatee County in Florida.


2. Progress cannot economically provide service to certain Mosaic transmission load in the area defined above as Mining Unit 20E and defined in the Temporary Territorial Variance by and between Tampa Electric and PRECO. Progress is not in a position to state whether the above-referenced agreement will be economically sound and consistent with good engineering practices, but Progress does not have any information to suggest that the agreement will not be economically sound and consistent with good engineering practices. Therefore, Progress has no objection to the proposed temporary variance.

3. Accordingly, Progress consents to the FPSC's approval of the Temporary Territorial Variance sought by Tampa Electric and PRECO to serve the Mosaic loads more particularly described in the Agreement for Temporary Territorial Variance. This consent

applies only to the proposed temporary territorial variance sought which does not otherwise amend or modify the existing territorial agreement.

DATED this 1st day of October, 2012.

PROGRESS ENERGY FLORIDA, INC.

By: 

**Diane Triflett, Esq.
Associate General Counsel
Progress Energy Service Co, LLC**