

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for approval of amendment to territorial agreement in St. Johns County between Florida Power & Light Company, a Florida corporation, and JEA, a Florida municipal corporation.

DOCKET NO. 120171-EU
ORDER NO. PSC-12-0561-PAA-EU
ISSUED: October 22, 2012

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING AN AMENDMENT TO A TERRITORIAL AGREEMENT BETWEEN FLORIDA POWER & LIGHT COMPANY AND JACKSONVILLE ELECTRIC AUTHORITY

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Background

On June 11, 2012, Florida Power & Light Company (FPL) and Jacksonville Electric Authority (JEA) filed a joint petition for approval of an agreement amending an existing territorial agreement (amended agreement) between the two utilities in St. Johns County. FPL and JEA are parties to a currently effective territorial agreement (current territorial agreement) delineating their respective territories in Duval and St. Johns counties, which was approved by this Commission through Order No. PSC-98-1687-FOF-EU.¹

This Order addresses the parties' joint petition for approval of the amended agreement. We have jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

Decision

¹ See Order No. PSC-98-1687-FOF-EU, issued December 14, 1998, in Docket No. 980755-EU, In re: Joint Petition of for approval of new territorial agreement between Florida Power & Light Company and Jacksonville Electric.

DOCUMENT NUMBER-DATE

07176 OCT 22 02

FPSC-COMMISSION CLERK

Pursuant to Section 366.04(2)(d), F.S., we have jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and other electric utilities. Pursuant to Rule 25-6.0440(2), F.A.C., when approving territorial agreements, we may consider the reasonableness of the purchase price of any facilities being transferred, the likelihood that the agreement will cause a decrease in the reliability of electric service to existing or future ratepayers, and the likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities. Unless we find that the agreement will cause a detriment to the public interest, the agreement shall be approved.²

On June 11, 2012, FPL and JEA filed a joint petition for approval of an amended agreement. According to the petition, the amended agreement will alter the territorial boundary between the parties along Palm Valley Road, south of the Nocatee Parkway, in St. Johns County. The area lies just northwest of, and is contiguous with, the current territorial boundary between FPL and JEA. The property, which consists of approximately 17 acres, will contain 28 proposed single-family residential lots. While the area is presently within JEA's territory, it is part of a larger residential development in FPL's service territory that began construction in April 2012.

JEA's infrastructure is located over a half mile from the property, while FPL's infrastructure is approximately 600 feet away. Due to the close proximity of FPL's existing infrastructure to this site, the parties agreed to modify the territorial boundary to allow FPL to serve the electric needs of the additional seventeen acres of the overall development. In response to Commission staff's data request, FPL has stated it plans to extend three-phase primary underground cable and conduit from existing underground facilities to the area. FPL also indicated that facility design is complete and FPL plans to meet a requested end of October 2012 service timeline.

According to the amended agreement, there are currently no existing customers or electric facilities in the amended area, and FPL's provision of service to the area will avoid unnecessary duplication of services and provide for the most cost effective provision of service to utility customers. The amended agreement also states that all other parts of the current territorial agreement shall remain in effect. The amended agreement, as well as associated maps and territory description delineating the proposed amended area, are attached to this Order as Attachment A.

Based on all of the above, we find that the amended agreement proposed by FPL and JEA eliminates existing or potential uneconomic duplication of facilities and does not cause a decrease in the reliability of electric service to existing or future ratepayers. We find that the joint petition for approval of the amended territorial agreement between FPL and JEA is in the public interest and shall be approved.

² Utilities Commission of the City of New Smyrna v. Florida Public Service Commission, 469 So. 2d 731 (Fla. 1985).

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the joint petition for approval of the amended territorial agreement between FPL and JEA is granted. The territory subject to the amended territorial agreement is more properly described in Attachment A. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 22nd day of October, 2012.



HONG WANG
Chief Deputy Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

MTL

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 12, 2012.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Duplicate Original Copies

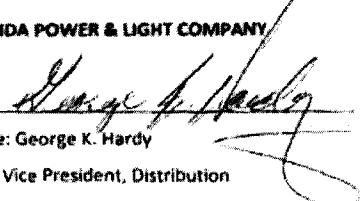
AMENDMENT TO TERRITORIAL AGREEMENT
BETWEEN
FLORIDA POWER AND LIGHT COMPANY
AND
JEA

1. **WHEREAS**, Florida Power and Light Company (FPL) and JEA have an existing Territorial Agreement entered into in 1998 (Territorial Agreement); and,
2. **WHEREAS**, this Amendment to the Territorial Agreement entered into by the parties on this 25th day of May, 2012, alters the territory between the parties along Palm Valley Road south of the Nocatee Parkway in St. Johns County. A new private development is planned for this undeveloped area, for which there is currently no infrastructure in place to serve the electric needs. The new development lies just northwest of, and is contiguous with, the current territorial boundary between FPL and JEA, within JEA's territory. Due to the close proximity of existing FPL infrastructure to this site, and the distance of existing JEA electric infrastructure to this site, FPL and JEA have agreed to modify the territorial boundary to allow FPL to serve the electric needs of the new private development; and,
3. **WHEREAS**, there are currently no existing customers or electric facilities in the region subject to this Amendment to the Territorial Agreement; and,
4. **WHEREAS**, amending the Territorial Agreement to allow FPL to provide service to the region subject to this Amendment will avoid unnecessary duplication of services and provide for the most cost effective provision of service to utility customers,
5. **NOW THEREFORE**, FPL and JEA agree to amend the territorial boundary between the utilities as provided in Exhibits A, B, and C to this Amendment. Exhibit A is a general highway map of St. Johns County, Florida, showing the existing territorial boundaries and area to be transferred. Exhibit B is a more detailed map identifying the existing and new territorial boundary lines. Exhibit C provides a written description of the new territorial boundary lines pursuant to this Amendment.
6. All other parts of the Territorial Agreement shall remain in effect.

Duplicate Original Copies

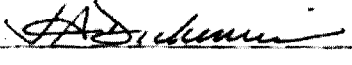
IN WITNESS WHEREOF, this Agreement has been cause to be executed by FPL in its name by its Vice President, and by JEA in its name by its Chief Executive Officer, on the day and year first written above.

FLORIDA POWER & LIGHT COMPANY

By: 
Name: George K. Hardy
Title: Vice President, Distribution

Date: 5-22-2012

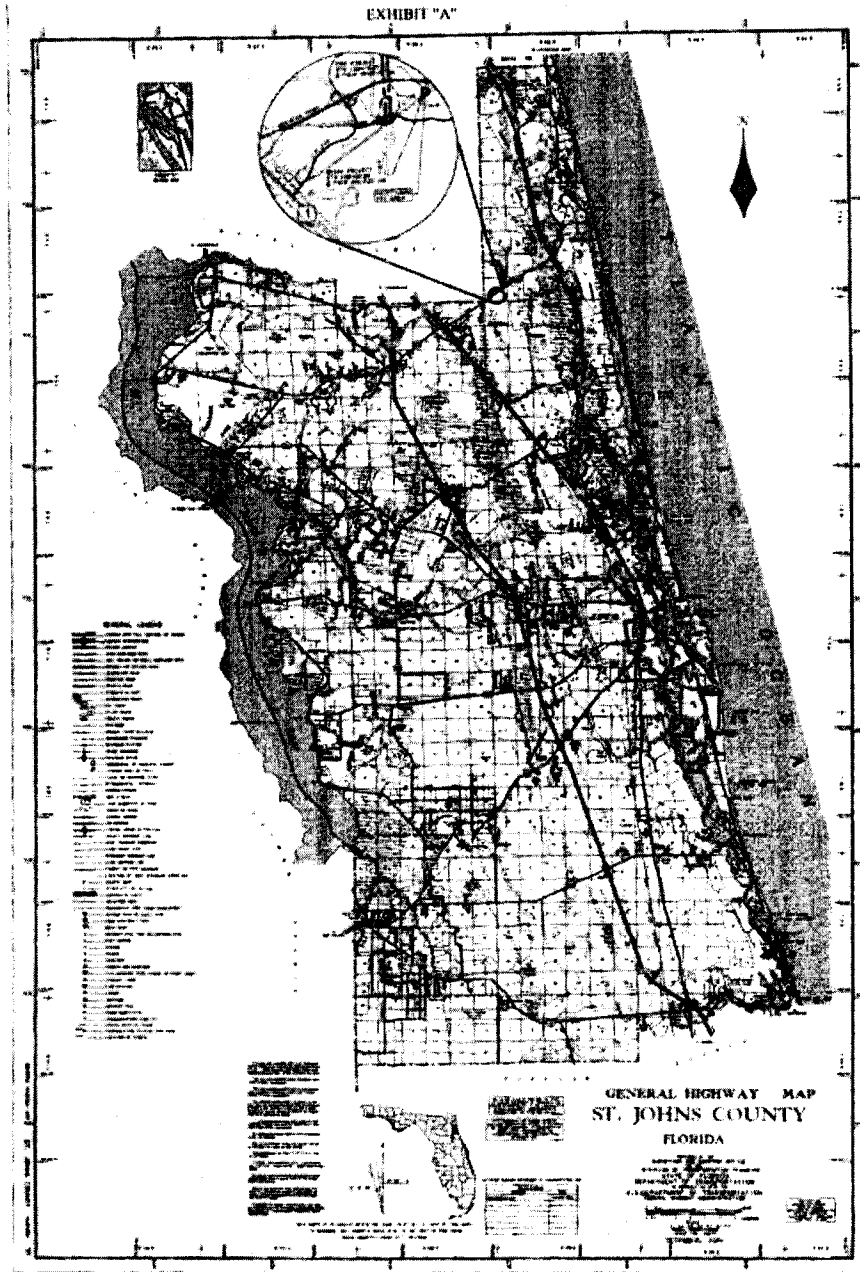
JEA

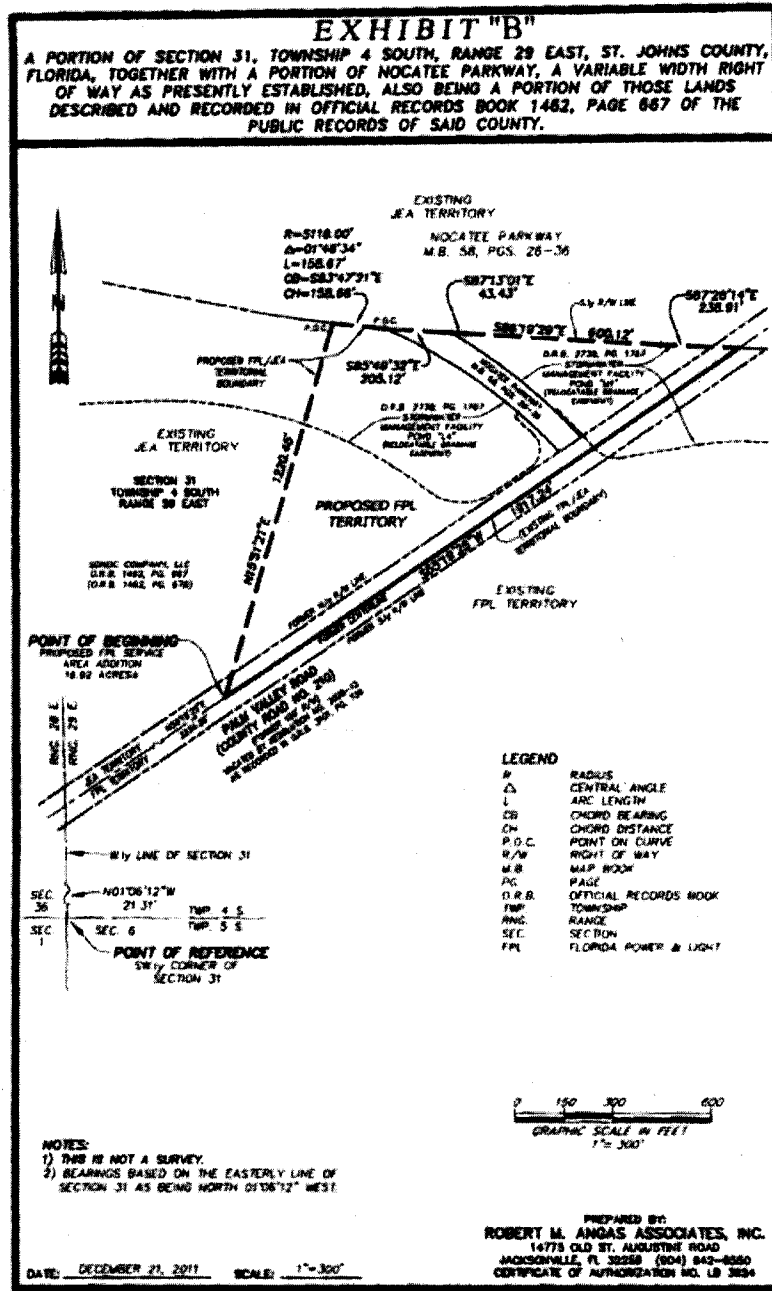
By: 
Name: James A. Dickenson
Title: Chief Executive Officer

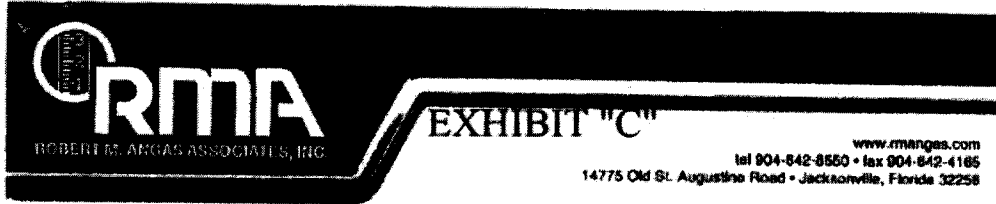
Date: May 25, 2012

Form Approved:


Office of General Counsel







Revised November 7, 2011
October 24, 2011
Nocatee Towncenter Central

Work Order No. 11-115.00
File No. 121F-22.00A

FPL Service Area Addition

A portion of Section 31, Township 4 South, Range 29 East, St. Johns County, Florida, together with a portion of Nocatee Parkway, a variable width right of way as presently established, also being a portion of those lands described and recorded in Official Records Book 1462, page 667 of the Public Records of said county and being more particularly described as follows:

For a Point of Reference, commence at the Southwesterly corner of said Section 31; thence North 01°06'12" West, along the Westerly line of said Section 31, a distance of 21.31 feet to its intersection with the former centerline of Palm Valley Road (County Road No. 210), a 100 foot right of way vacated by Resolution No. 2008-13 as recorded in Official Records Book 3101, page 739 of said Public Records; thence North 55°19'25" East, departing said Westerly line and along said former centerline, 3234.38 feet to the Point of Beginning.

From said Point of Beginning, thence North 15°51'21" East, departing said centerline, 1220.45 feet to a point lying on the Southerly right of way line of said Nocatee Parkway, said Southerly right of line being a curve concave Northerly having a radius of 5118.00 feet; thence Easterly along said curved Southerly right of way line, through a central angle of 01°46'34", an arc length of 158.67 feet to a point on said curve, said arc being subtended by a chord bearing and distance of South 83°47'21" East, 158.66 feet; thence South 85°49'32" East, departing said Southerly right of way line, 205.12 feet to a point lying on said Southerly right of way line; thence Easterly along said Southerly right of way line the following 3 courses: Course 1, thence South 87°13'01" East, 43.43 feet; Course 2, thence South 86°19'29" East, 600.12 feet; Course 3, thence South 87°28'14" East, 238.91 feet to a point lying on said former centerline of Palm Valley Road; thence South 55°19'25" West, departing said Southerly right of way line and along said former centerline, 1917.24 feet to the Point of Beginning.

Containing 16.92 acres, more or less.

