Matilda Sanders

From:	Rhonda Dulgar [rhonda@gbwlegal.com]
Sent:	Friday, January 18, 2013 4:33 PM
То:	Caroline Klancke; bkeating@gunster.com; kelly.jr@leg.state.fl.us; cecilia.bradley@myfloridalegal.com; Schef Wright; Filings@psc.state.fl.us
Subject:	Electronic Filing - Docket 120263-El
Attachments	: 120263.CityOfMarianna.Comments.1-18-13.pdf

a. Person responsible for this electronic filing: Robert Scheffel Wright Gardner, Bist, Wiener, Wadsworth, Bowden, Bush, Dee, LaVia & Wright, P.A. 1300 Thomaswood Drive Tallahassee, FL 32308 swright@gbwlegal.com (850) 385-0070

b. 120263-EI

Petition for Approval to Modify Demonstration Project Consisting of Proposed Time-of-Use and Interruptible Rate Schedules and Corresponding Fuel Rates in the Northwest Division, by Florida Public Utilities Company.

c. Document being filed on behalf of the City of Marianna, Florida.

d. There are a total of 4 pages.

e. The document attached for electronic filing is Comments of the City of Marianna, Florida Regarding Proposed Tariff Amendments.

(see attached file: 120263.CityOfMarianna.Comments.1-18-13.pdf)

Thank you for your attention and assistance in this matter.

Rhonda Dulgar

Secretary to Jay LaVia & Schef Wright

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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Petition for Approval to Modify Demonstration Project Consisting of Proposed Time-of-Use and Interruptible Rate Schedules and Corresponding Fuel Rates in the Northwest Division, by Florida Public Utilities Company

DOCKET NO. 120263-EI Filed: January 18, 2013

<u>COMMENTS OF THE CITY OF MARIANNA, FLORIDA REGARDING PROPOSED</u> <u>TARIFF AMENDMENTS</u>

The City of Marianna, Florida ("Marianna" or "City") hereby files its preliminary comments regarding the proposed modifications to the rate schedules of Florida Public Utilities' Company's ("FPU") Northwest Division that are the subject of this docket. In summary, the City does not object to the proposed expansion of the subscription limits to the subject rate schedules *per se*, but the City maintains its strong objections to the underlying rates and to the proposed amendment to FPU's power purchase agreement with Gulf Power Company, upon which FPU's Time-of-Use ("TOU") and Interruptible Service ("IS") rates depend, for the reasons articulated by the City in its pleadings in Docket No. 100459-EI, <u>Florida Public Utilities</u> <u>Company's Petition for Authority to Implement a Demonstration Project of Proposed Time-of-Use and Interruptible Rate Schedules In the Northwest Division, and in Docket No. 110041-EI, Petition for Approval of Amendment No. 1 to Generation Services Agreement with Gulf Power Company, by Florida Public Utilities Company. Accordingly, the City's decision not to object to the proposed limited expansion of the subscription limits to the two rate schedules that are the subject of this docket cannot be and may not be construed as the City's agreement, acknowledgement, or acquiescence to the underlying rates.</u>

FPU's TOU and IS rate schedules were approved, subject to the rights of substantially affected parties to protest such approval, by PSC Order No. 11-0112-TRF-EI, issued on February 11, 2011. FPU has stated that those rates depend on the approval of a related amendment to the

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wholesale power purchase agreement between FPU and Gulf Power Company, which is the subject of PSC Docket No. 110041-EI, and which was approved by PSC Order PSC-11-0269-PAA-EI, issued on June 21, 2011. Although the City intervened in both dockets on the basis that, as a major customer of FPU, it is entitled to evidentiary hearings (1) on proposed new rates for which the City is eligible, and (2) on an amendment to a power purchase agreement that will have significant effects on the City's rates, the Commission dismissed the City's protests. The City has appealed the Commission's decisions dismissing the City from both dockets, and those appeals remain pending before the Florida Supreme Court.

In the instant docket, FPU has requested the Commission's approval to increase the subscription limit on one of the subject TOU rate schedules, specifically the General Service Large Demand Time of Use (Experimental) rate, Rate Schedule GSLDT-EXP, and the Interruptible Service (Experimental) rate, Rate Schedule IS-EXP. The City does not object to the limited expansion of the subscription limits on the availability of these rates, but the City continues and strongly maintains its objections to the underlying rates, for the reasons set forth in the City's pleadings in Docket No. 100459-EI. The City also continues and strongly maintains its objections to the wholesale power purchase agreement between FPU and Gulf Power, for the reasons set forth in its pleadings in Docket No. 110041-EI. Accordingly, the City's decision not to object to the limited expansion of the subscriptions limits proposed in this docket cannot and may not be construed as the City's agreement that the underlying rates are appropriate or that the proposed amendment to the FPU-Gulf Power wholesale power contract are appropriate.

WHEREFORE, as explained in the foregoing, the City of Marianna submits these comments to the Commission to advise the Commission (1) that the City does not object *per se* to the expansion of the subscription limits for FPU's Rate Schedule GSLD-TOU and Rate

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Schedule IS-TOU, but (2) that the City maintains its strong objections to the underlying rates and to the proposed amendment to the wholesale power purchase agreement between FPU and Gulf Power Company upon which those rates depend. Accordingly, the City's decision not to object to the limited expansion of the subject subscription limits cannot be and may not be construed as the City's agreement with or acquiescence in either the underlying TOU and IS rates or the proposed amendment to the wholesale power purchase agreement between FPU and Gulf Power.

Respectfully submitted this <u>18th</u> day of January, 2013.

fel Wright Robert Scheffel Wright

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Attorneys for the City of Marianna, Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic delivery and U.S. Mail this <u>18th</u> day of January, 2011, to the following:

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Robert Steffel Wright