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April 13, 1995

### VIA HAND DELIVERY

Ms. Blanco S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 101 East Gaines Street Tallahassee, Florida 32399-0850

RE: In Re: Petition of Jacksonville Electric Authority to Resolve a Territorial Dispute with Florida Power & Light Company in St. Johns County, Docket No.: 950307-EU

yours,

Dear Ms. Bayo:

Enclosed please find an original and 15 copies of Florida Power & Light Company's Answer to Jacksonville Electric Authority's Petition to Resolve Territorial Dispute in St. Johns County for filing in the above-referenced docket. Also enclosed is a copy of the Answer on disk in WP5.1 format.

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LIN 3cc:	Bruce Page, Esquire Kenneth A. Hoffman, Esquire
OPC /	Edward Tancer, Esquire
RCH	Beth Culpepper, Esquire
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FPSC-RECORDS/REPORTING

# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION



IN RE: Petition of Jacksonville Electric Authority to Resolve a Territorial Dispute with Florida Power & Light Company in St.

DOCKET NO. 950307-EU

Filed: April 13, 1995

# FLORIDA POWER AND LIGHT COMPANY'S ANSWER TO JACKSONVILLE ELECTRIC AUTHORITY'S PETITION TO RESOLVE TERRITORIAL DISPUTE IN ST. JOHNS COUNTY

FLORIDA POWER AND LIGHT COMPANY ("FPL") files it answer to JACKSONVILLE ELECTRIC AUTHORITY'S (JEA'S) Petition to Resolve Territorial Dispute in St. Johns County and states:

- FPL admits paragraph 1.
- 2. FPL admits paragraph 2.
- 3. FPL admits that JEA is a municipal electric utility. FPL is without knowledge as to the remainder of paragraph 3.
  - 4. FPL admits paragraph 4.
- 5. FPL admits that JEA and FPL are subject to the jurisdiction of the Florida Public Service Commission pursuant to Section 366.04, Florida Statutes (1993). The statute speaks for itself. FPL denies the remainder of paragraph 5.
- 6. FPL states that Section 366.04, Florida Statutes, speaks for itself. FPL denies the remainder of paragraph 6.
- 7. FPL notes JEA's recitation of Commission Order No. PSC-92-1213-FOF-EU (October 27, 1992) and the approval of a staff recommendation on February 7, 1995 in Commission Docket No. 930885-EU [Commission Order No. PSC-95-0271-FOF-EU (March 1, 1995)]. These Commission actions, as JEA's references to Chapter 366, Florida Statutes, speak for themselves. FPL denies the remainder of paragraph 7.

DOCUMENT NUMBER-DATE

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- 8. FPL admits that the FPL and JEA entered into an agreement dated March 19, 1963. FPL denies the remainder of paragraph 8.
- 9. FPL admits that the Florida Public Utilities Commission issued Order No. 3799 on April 28, 1965. FPL denies the remainder of paragraph 9.
- 10. FPL admits that JEA and FPL entered into an agreement dated April 13, 1979. FPL denies the remainder of paragraph 10.
- 11. FPL admits that the Commission issued Order No. 9363 on May 9, 1980. FPL denies the remainder of paragraph 11.
- 12. FPL admits that JEA serves customers within FPL's territory. FPL denies the reminder of paragraph 12.
  - 13. FPL denies paragraph 13.
  - 14. FPL denies paragraph 14.
  - 15. FPL denies paragraph 15.
  - 16. FPL denies paragraph 16.
  - 17. FPL denies paragraph 17.
  - 18. FPL denies paragraph 18.
  - 19. FPL denies paragraph 19.
  - 20. FPL denies paragraph 20.
  - 21. FPL denies paragraph 21.
  - 22. FPL denies paragraph 22.

#### FIRST AFFIRMATIVE DEFENSE

23. JEA is estopped from claiming that it has temporarily released any customers to FPL or that is has an exclusive right to serve those customers. JEA has consistently and methodically requested FPL to serve customers within JEA's territory throughout

the 30-plus year history of territorial agreements between the utilities. FPL has consistently and methodically complied with these requests. Until just prior to the filing of this dispute JEA has never claimed that there was anything temporary regarding any request for FPL to provide service. Further, FPL has expended considerable resources to serve these customers and it disingenuous, to say the least, for JEA to claim, some 30 years later, that these were "temporary" requests for FPL to provide service. Moreover, JEA's assertion that its consistent, dedicated practice of requesting FPL to serve customers in its territory was done to "avoid significant investments (to the detriment of JEA's ratepayers)" suggests JEA's intentional abandonment of territory. Surely JEA does not expect FPL's customers to subsidize JEA's growth until it is in a position to reap the rewards of 30 years of FPL's dedicated service. Unfortunately, JEA's history in this region suggests exactly such conduct. See Commission Order, PSC 92-1213-FOF-EU at p. 4 ("JEA has "cream-skimmed the most lucrative services in northern Duval County, leaving Okefenoke to serve the rest."). Fairness mandates that the Commission not countenance JEA's cry of "wolf" after more than three decades of deliberately avoiding the responsibility of providing reliable electric service throughout its service territory.

#### SECOND AFFIRMATIVE DEFENSE

24. JEA has affirmatively waived any claim to the customers currently served by FPL in St. Johns County or to the territory naturally emanating from existing FPL service points. This

intentional abandonment of portions of JEA's service territory requires that the Commission re-draw the territorial boundary between the parties in a rationale manner taking into account the historical record of service and existing facilities in the area.

#### THIRD AFFIRMATIVE DEFENSE

25. JEA is barred by the doctrine of laches from asserting any right to the customers or territory currently served by FPL in St. Johns County.

WHEREFORE, FPL requests that this Commission: a) deny JEA's petition; b) redraw the territorial boundary in St. Johns County, pursuant to Section 1.1 of the Territorial Boundary Agreement dated April 13, 1979, between FPL and JEA, consistent with the boundary as proposed by FPL (attached to this Answer as Exhibit "A"; and c) approve the permanent transfer of all customers within the redrawn portion of St. Johns County to FPL.

Respectfully submitted,

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Florida Bar No.: 509159

Attorneys for Florida Power & Light Company

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by hand delivery to the parties listed below on this \\dag{3}\dag{4}\dag{4}\dag{4} day of April, 1995.

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Mark K. Logan



