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December 7, 2009

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Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED-FPSC
09 DEC -9 AM 9:41
COMMISSION
CLERK

Ladies and Gentlemen:

This firm represents the Town of Indian River Shores (Town) located in Indian River County. The Town is entirely on the barrier island, and fronts on the ocean. The North one-half (approximate) of the Town receives its electric service from Florida Power & Light Company (FPL). The South one-half (approximate) of the Town receives its electric from the municipal power plant owned and operated by the City of Vero Beach (City). The City is operating under authority granted it by the Town in Resolution No. 412 dated October 30, 1986. This Resolution essentially granted City authority to operate and maintain an electric service in the South one-half of the Town for a period of 30 years from the date of agreement. The 30-year agreement can be extended upon agreement of the Town and the City. It will come as no surprise to learn that a great deal of controversy and discussion has taken place within the Town where some residents are being served by the City, and some are being served by FPL. This is particularly true at this point in time when the City's charges have escalated to a far greater degree than those of FPL.

The Town is seeking to understand its options as the time for renewal or non-renewal with the City supply of electric services to the south one-half of the Town approaches. The question has additionally been raised whether the franchise agreement under Resolution No. 412 is actually binding on the Town, since the Public Service Commission (PSC) would appear to have absolute jurisdiction over the area served by any municipal utility or public utility.

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ESTATE PLANNING - PERSONAL INJURY
PROBATE, WILLS & TRUSTS - REAL ESTATE CLOSINGS

DOCUMENT NUMBER-DATE

11832 DEC-9 8

FPSC-COMMISSION CLERK

If the PSC has addressed and approved the arrangement between the City and Town in the October 1986 timeframe or subsequent to that time, then I would request a copy of any portion of the file of the PSC that would assist the Town in determining its current and future options.

Likewise, if documents exist granting formal approval for FPL to serve the North one-half of the Town, we would request copies of those documents and any findings that led to the approval of FPL as the provider.

To summarize, we are trying to understand whether an early exit is a possibility available to the Town, an early exit being prior to the end of the 30-year period, or prior to October 2016.

If there are more resources available to help us understand our situation as it relates to the furnishing of electric services within the Town, we would appreciate you pointing us in that direction. Also, if you have someone on staff who could discuss this, then we would gladly furnish additional information, and further clarify our request.

Thank you in advance for your cooperation in this matter.

Sincerely yours,



Chester Clem, Town Attorney

CC/ybf

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