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February 22, 1993

Steven C. Tribble, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301

RE: Territorial Dispute Between Okefenokee Rural Electric Membership Corporation and the Jacksonville Electric Authority of the City of Jacksonville, in Duval County - FPSC Docket No. 911141-EU

Dear Mr. Tribble:

Enclosed for filing in this docket are the original and fifteen (15) copies of the JEA proposal required by the Commission's October 27, 1992 Order Resolving Territorial Dispute.

Thank you for your assistance.

Yours truly,

BRUCE PAGE
Assistant General Counsel

- ACK
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG
- LEG 1 Enclosures
- LIN 3
- CCC _____
- FDI _____
- SES 1
- VIS _____
- CTR _____

BP:mlr

c (with enclosures):
James Harold Thompson, Esquire

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FPSC-RECORDS/REPORTING

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Petition to resolve)
territorial dispute between)
Okefenoke Rural Electric) DOCKET NO. 911141-EU
Membership Corporation and)
Jacksonville Electric)
Authority.)
)

JACKSONVILLE ELECTRIC AUTHORITY'S PLAN
TO ELIMINATE DUPLICATIVE ELECTRIC FACILITIES

The Florida Public Service Commission ordered the Jacksonville Electric Authority (JEA) to submit a plan to eliminate the duplication of facilities in the northern parts of Jacksonville. The Commission's October 27, 1992 Order declared that the Commission would resolve the territorial dispute by respecting the City's right to serve and by insisting on the lawful exercise of that right. The territory in dispute is entirely within the corporate, municipal limits as they existed on July 1, 1974. The Order set forth four methods by which JEA could eliminate duplication and lawfully exercise its right to serve: territorial agreement, franchise agreement, purchase, or eminent domain.

The parties have begun the negotiation process as outlined in the attached correspondence. In addition, Okefenoke Rural Electric Membership Corporation (OREMC) has provided maps, records and customer data to JEA, and JEA has provided Holiday Inn billing history to Okefenoke. OREMC has cooperated fully with JEA in providing all information requested and has pledged to continue such cooperation. JEA has retained Resource Management International, Inc. to assist the parties in determining the value of Okefenoke's system in Jacksonville. Resource Management International has previously been retained by an

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electric utility wishing to sell its system, and has provided valuation testimony adopted by the Commission.

JEA will tender an offer to purchase OREMC's system located within the City by April 1, 1993. The offer will include full compensation necessary to acquire the tangible assets, going concern and any purchased power obligations for all OREMC customers and facilities located within the City of Jacksonville. JEA believes that negotiating the terms of the transfer will take six months or until September 30, 1993. JEA will submit quarterly progress reports to the Commission.

Should the negotiations to purchase fail, JEA will exercise its right of eminent domain on or before September 30, 1993. A resolution authorizing that action has been passed by JEA.

In the meantime, JEA will abide by the Order and will cooperate with OREMC to ensure safe and reliable service.

Respectfully submitted,

CHARLES W. ARNOLD, JR.
GENERAL COUNSEL

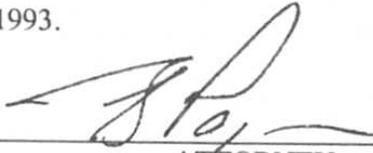


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ATTORNEYS FOR JEA

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy hereof has been furnished to James Harold Thompson, Esquire, Washington Square Building, 227 S. Calhoun Street, Tallahassee, Florida 32301 by U.S. Mail, this 22 day of February, 1993.



ATTORNEY