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BEFORE THE PUBLIC SERVICE COMMISSION

IN RE: Petition of Gulf Power)
Company to resolve a territorial)
dispute with Gulf Coast Electric) Docket No. 930885-EU
Cooperative, Inc.)
_____)

RESPONSE OF GULF POWER COMPANY TO
GULF COAST ELECTRIC COOPERATIVE'S MOTION TO STRIKE

Gulf Power Company ["Gulf Power", "Gulf", or "the Company"], by and through its undersigned attorneys, hereby responds to the motion of Gulf Coast Electric Cooperative [the "Co-Op"] to strike paragraph 13 of Gulf's petition.

The Co-Op attacks Gulf Power's allegation that the award to the Co-Op of the right to provide service to the correctional facility and work camp would cost the Department of Corrections [the "DOC"] approximately \$23,027 is both incorrect and irrelevant. The correctness of the exact figure alleged by Gulf is a matter of proof, and is not grounds for a motion to strike; in any event, as the Co-op itself notes in its motion, the Company expressly represented this amount as an approximate figure. (Petition of Gulf Power Company, page 4.)

As to the relevance of the alleged cost, the Florida Public Service Commission [the "Commission"] has uniformly considered this issue in deciding territorial disputes. In arriving at a decision as to what is in the best interest of the

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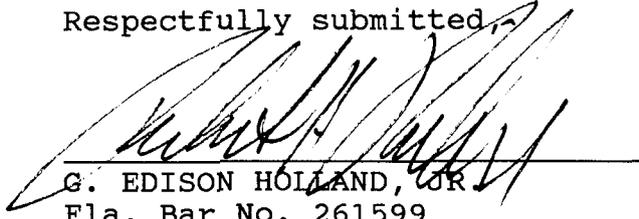
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ratepayers, in particular one which is a public agency subsidized by tax dollars, the matter of rates should be addressed in order to be sure that all costs borne by ratepayers and taxpayers are considered.

The Co-Op also asserts in support of its motion the fact that the Commission has no jurisdiction over the rates of the rural electric cooperatives. As noted in the Company's response to the Co-op's motion to dismiss, filed concurrently herewith, Gulf Power does not contend that the Commission has jurisdiction over the rates of the Co-Op in its petition, but rates are nevertheless properly and routinely considered by the Commission in deciding territorial disputes. See Gulf Power Company vs. Gulf Coast Electric Cooperative, Docket No. 830154-EU, Order No. 12858, issued January 10, 1984; Suwannee Valley Electric Cooperative, Inc. v. Florida Power Corporation, Docket No. 830271-EU, Order No. 12324, issued August 4, 1983; Florida Power & Light vs. Utilities Commission of the City of New Smyrna Beach, Docket No. 790380-EU, Order No. 10300, issued September 18, 1981; Peace River Electric Cooperative, Inc. vs. Florida Power & Light Company, Docket 840293-EU, Order No. 15210, issued October 8, 1985; Gulf Coast Electric Cooperative, Inc. vs. Gulf Power Company, Docket No. 830484-EU, Order No. 13668, issued September 10, 1984.

WHEREFORE, Gulf Power Company respectfully requests that the Commission deny the motion to strike.

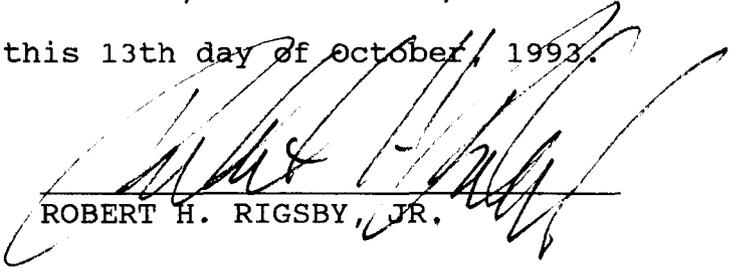
Respectfully submitted,



G. EDISON HOLLAND, JR.
Fla. Bar No. 261599
JEFFREY A. STONE
Fla. Bar No. 325953
ROBERT H. RIGSBY, JR.
Fla. Bar No. 981389
Beggs & Lane
P. O. Box 12950
Pensacola, Florida 32576
(904) 432-2451
Attorneys for Gulf Power Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy hereof has been furnished to John H. Haswell, of Chandler, Lang & Haswell, P.A., at P. O. Box 23879, Gainesville, Florida, 32602, J. Patrick Floyd, at 408 Long Avenue, Port St. Joe, Florida, 32456, Hubbard W. Norris, of Gulf Coast Electric Cooperative, Inc., at P. O. Box 220, Wewahitchka, Florida, 32465, and Mary Ann Helton, Florida Public Service Commission, 101 E. Gaines Street, Tallahassee, Florida 32399, by U.S. First Class Mail, this 13th day of October, 1993.



ROBERT H. RIGSBY, JR.