

## **APPENDIX**

### **The 100-Year Timeline**

- 1899 Purchase option law created.
- 1922 Orlando municipalizes.
- 1927 Insull gains control of FPC.
- 1932 Collapse of stock of original FPC.
- 1935 Adoption of PUHCA.
- 1943 Last municipalization in Florida.
- 1944 SEC approves four-company merger into new FPC.
- 1944 Policy to pay franchise fees to cities begun to prevent municipalizations and pay for the right to do business.
- 1945 Four cities begin attempts at municipalization:
- Apopka
  - Clearwater
  - DeLand
  - Winter Park
- 1947 Cities lose two referenda in Clearwater and Winter Park; Apopka threatens to municipalize and receives higher franchise fees.
- 1947–1953 Pinellas County rate dispute leads to adoption of Dowda Bill giving FRPUC electric rate regulation. Company president testified to FRPUC that the franchise fees represented FPC's "cost of doing business."
- 1955 FPC Board adopts policy of

- two-percent fee for first ten years of franchise
- three-percent fee for second ten years of franchise
- four-percent fee for third ten years of franchise

Eustis attempts to municipalize.

FPC Board votes not to seek early renewals.

- 1959–1962 Winter Garden votes to municipalize. FPC begins three-year fight to stop city from issuing bonds to build its own plant by creating “lasting animosities.”
- 1962 Franchise Fee Deal prepared w/City of St. Petersburg to give them two percent. History of franchise fees written internally.
- 1966–1968 Fight in Haines City over attempt to municipalize results in referendum over whether to spend money on feasibility report, which is defeated.
- 1968 Bartow, Gainesville, and US DOJ sue FPC over antitrust violations.
- 1969–1972 1970 “Standard” Franchise created, the so-called “6%” Franchise, and the company violates its own corporate policy by early renewing 51 of 104 franchises for thirty-year terms.
- 1972 Federal Power Commission Docket opened; twelve cities group sues FPC over bulk rates; FPC has to disgorge thousands of documents to Gainesville and the cities.
- 1974 Transmission Access Tariff T-1 created to settle Federal Power Commission suit and end the twelve cities war.
- 1976 *Plant City* case rendered, defining franchise “fees”

- as matter of contract, overturns FPSC direct pass through ruling.
- 1978 Supreme Court upholds FPSC ruling supporting direct pass through of franchise fees.
- 1984 Supreme Court strikes down as unconstitutional Lake Mary ordinance requiring undergrounding of electric lines. That same year, FPC stops including purchase options in franchises.
- 1989–1992 Palm Bay and North Port purchase options validated and exercised.
- 1992 EPact adopted by Congress.
- 1993 Oldsmar attempted municipalization in TECO's territory frightens FPC. Knowledge of EPact leads FPC to commission study to fight municipalization.
- 1994–1999 FPC implements study to prevent cities from municipalizing and remove the threat of the recapture provision. Creation of 1995 "New Standard" Franchise.
- 1999 *Alachua* decision rendered. Merger deal with CPL signed. Maitland five-year extension granted.
- 2000–2005 Casselberry, Winter Park, Longwood, Belleair, Edgewood, Apopka, and Oviedo litigate and arbitrate.
- 2001 *Casselberry* case validates purchase options.
- 2002 FPC changes negotiation strategy; Oviedo gets purchase option. Fifth District Court of Appeal upholds franchise fees; Second District Court of Appeal reaches opposite result. Casselberry arbitration completed.

- 2003 Winter Park arbitration completed; city votes overwhelming to municipalize on September 9. Belleair arbitration completed. Longwood and Casselberry settle; receive purchase options and substantial cash payments.
- 2004 Apopka settles; receives purchase option and substantial cash payment. Florida Supreme Court upholds Fifth District Court of Appeal, reverses Second District Court of Appeal, and validates franchise fee.
- 2005 Winter Park municipalizes June 1, 2005. Edgewood and Maitland reenter franchise agreements containing purchase options; both receive cash payments. Belleair referendum to be held November, 2005.