

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition to reopen and extend the term of existing territorial agreement in Columbia, Lafayette, Madison, and Suwannee Counties, by Suwannee Valley Electric Cooperative, Inc. and Duke Energy Florida, Inc.

DOCKET NO. 150039-EU  
ORDER NO. PSC-15-0128-PAA-EU  
ISSUED: March 20, 2015

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman  
LISA POLAK EDGAR  
RONALD A. BRISÉ  
JULIE I. BROWN  
JIMMY PATRONIS

NOTICE OF PROPOSED AGENCY ACTION  
ORDER TO REOPEN AND EXTEND THE TERM OF  
THE EXISTING TERRITORIAL AGREEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

On January 27, 2015, Suwannee Valley Electric Cooperative (SVEC) and Duke Energy Florida, Inc. (DEF) filed a joint petition for approval of a stipulation between the two parties that would reopen and extend the term of their existing territorial agreement until March 14, 2016. This Commission approved the existing agreement in March 1995 for a term of 20 years expiring March 14, 2015, unless modified by this Commission.<sup>1</sup> The joint petitioners stated that they need additional time to negotiate a new territorial agreement. The stipulation is shown in Attachment A. We have jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

<sup>1</sup> Order No. PSC-95-0351-FOF-EU, issued March 14, 1995, in Docket 940331-EU, In re: Petition to resolve territorial dispute with Florida Power Corporation by Suwannee Valley Electric Cooperative, Inc.

DECISION

The stipulation regarding the territorial agreement, as shown in Attachment A, extends the term of the existing agreement until March 14, 2016, to allow the joint petitioners additional time to negotiate a new territorial agreement. All other provisions of the existing territorial agreement remain in effect.

The existing territorial agreement provides that all customer transfers were to be completed within five years from the date of our approval (1995). The existing agreement further details the treatment of customer account transfers, customer deposits, cost of facilities, and calculation of lost revenue. In response to a staff inquiry, SVEC and DEF both stated that these actions have been completed to the satisfaction of both parties.

In approving the existing agreement, we found that the agreement is “in the public's interest and that its adoption will further the Commission's policy of avoiding unnecessary and uneconomic duplication of facilities.”<sup>2</sup> We find the requested extension of time is reasonable and does not appear to be detrimental to the parties or the public interest. Any subsequent modification to the territorial agreement will be brought before us for our consideration pursuant to Section 366.04, F.S. We therefore approve of the stipulation to open and extend the existing territorial agreement so SVEC and DEF will have additional time to negotiate a new territorial agreement.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the existing territorial agreement by Suwannee Valley Electric Cooperative, Inc. and Duke Energy Florida, Inc. shall be extended until March 14, 2016. It is further

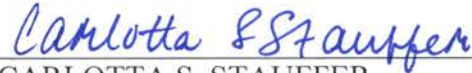
ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the “Notice of Further Proceedings” attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

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<sup>2</sup> Id. at 2.

By ORDER of the Florida Public Service Commission this 20th day of March, 2015.



CARLOTTA S. STAUFFER  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

JEV

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 10, 2015.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

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**STIPULATION REGARDING TERRITORIAL AGREEMENT**  
**Between**  
**Suwannee Valley Electric Cooperative**  
**And**  
**Duke Energy Florida**

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**STIPULATION REGARDING TERRITORIAL AGREEMENT**

Suwannee Valley Electric Cooperative, Inc. ("SVEC") and Duke Energy Florida, Inc. ("DEF") enter into this Stipulation regarding their previous territorial agreement for Columbia, Lafayette, Madison, and Suwannee Counties on this 26<sup>th</sup> day of January, 2015.

**WITNESSETH:**

WHEREAS, SVEC and DEF are parties to a territorial agreement delineating their respective service territories in Columbia, Lafayette, Madison, and Suwannee Counties (the "Agreement"), which was approved by order of the Florida Public Service Commission ("FPSC"); and

WHEREAS, the term of the Agreement expires on March 14, 2015; and

WHEREAS, SVEC and DEF have entered into negotiations for the purpose of reaching a new territorial agreement to replace the Agreement; and

WHEREAS, SVEC and DEF recognize that they will need additional time to successfully conclude their negotiations; and

WHEREAS, SVEC and DEF desire to reopen and extend the term of the Agreement through March 14, 2016, in order to provide sufficient time to pursue the opportunity for a successful conclusion of their negotiations, and to seek Commission approval of the resulting new territorial agreement,

NOW, THEREFORE, SVEC and DEF hereby agree as follows:

1. The Agreement shall be reopened and effective between the parties.

2. The term of the Agreement is extended to and including March 14, 2016.
3. Except as modified herein, the original terms and conditions of the Agreement shall remain in full force and effect.
4. This Stipulation will become effective and enforceable only upon the issuance of an order by the Florida Public Service Commission approving the Stipulation in its entirety.

IN WITNESS WHEREOF, SVEC and DEF have caused this Stipulation to be executed in duplicate by their duly authorized representatives on the day and year first above stated.

SUWANNEE VALLEY ELECTRIC COOPERATIVE, INC.

By: Michael S. McWaters

Name: Michael S. McWaters

Title: Executive V.P. & CEO

DUKE ENERGY FLORIDA, INC.

By: Alex Glenn

Name: ALEX GLENN

Title: STATE PRESIDENT

