



November 11, 2024

BY UPS

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

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Dear Mr. Teitzman:

Enclosed are four final and two legislative copies of proposed revisions to a Sumter Electric Cooperative, Inc. (SECO Energy) tariff sheet. The following rate sheet was modified:

- Line Extension Charges
 - Fourth Revised Sheet No. 16.1
 - Fifth Revised Sheet No. 16.2
 - First Revised Sheet No. 16.3

The revisions to Line Extension Charges include minor wording updates and added definitions. Notable changes are:

- Elimination of underground and overhead differentials when calculating refundable credit
- Deferral of revenue credit for Commercial/Industrial and Builder/Developer
- Deletion of provisions for line extensions with more than one member.
- Removal of the Engineering service fee.

We are proposing an effective date of Jan. 1, 2025. During the review process, if you have any questions or need additional information regarding this filing, please contact me at 352-569-9622 or by email at anh.reynolds@secoenergy.com.

Sincerely,

Anh Reynolds
Vice President of Financial and Administrative Services

cc: Curtis Wynn, CEO

COM _____
 AFD _____
 APA _____
 ECO _____
 ENG _____
 GCL _____
 IDM _____
 CLK _____

3 finals & 1 legislative copy





LINE EXTENSION CHARGES

PURPOSE:

The purpose of this policy is to implement a specific and consistent method of applying SECO Energy's (*Cooperative*) line extension policy and establish a uniform method by which Contributions In Aid of Construction (CIAC) will be computed for member/applicant whose electrical service requirements necessitate extension of the Cooperative's distribution facilities or construction/modification of facilities that exceed *Basic Facilities* requirements.

POLICY:

A. APPLICABILITY

This policy shall apply to all member/applicants in all rate classifications who request a design of new or revised services or extensions of the *Cooperative's* distribution facilities after the effective date of this policy.

B. COMPUTATION OF CIAC

1. For *members/applicants* in rate classes that do not include separately computed demand charges, the CIAC shall be calculated as follows:

$$\text{CIAC} = \text{CF} - 4[(\text{kWh}_a \times \text{E}_s)]$$

2. For *members/applicants* in rate classes that include both per kWh energy charges and per kW demand charges, the CIAC shall be calculated as follows:

$$\text{CIAC} = \text{CF} - 4[(\text{kWh}_a \times \text{E}_s)] + 4\text{kW}_a[(\text{D}_s - (\text{D}_p \times \text{DF})]$$

CF represents the Cost of Facilities as defined in Section E.

kWh_a represents customer's annual expected kWh usage

E_s represents difference between SECO's current retail energy charge per kWh and current wholesale energy charge per kWh including PCA charges

kW_a represents customer's cumulative monthly demand for a one-year period

D_s represents SECO's current monthly demand charge per kW

D_p represents SECO's wholesale demand expense per kW

DF represents the average demand coincidence factor of the rate class of the new member

(Continued on Sheet No. 16.2)



LINE EXTENSION CHARGES

Page 2 (Continued from Sheet No. 16.1)

C. CIAC FOR FACILITIES

1. *Members/applicants* requesting service at the distribution voltage level or transmission voltage level shall pay a CIAC based upon the cost of facilities, less any applicable credit.
2. The *Cooperative* shall calculate an appropriate CIAC for line extensions and modifications constructed to serve members who receive service at the primary and secondary distribution voltage level. The secondary voltage must be within the guidelines of the *Cooperative's* standards for electric service. These voltages include 120v, 240v, 208v, 277v, and 480v.
3. If a *Member/applicant* requests construction/modification of facilities that exceed *Basic Facilities* requirements, the *Member/applicant* shall pay the additional cost of the requested construction/modification.
4. In the case of Commercial/Industrial Facilities and a builder/developer of single family, multi-family, or mobile home communities, the *Cooperative* may defer the *Revenue Credit* portion of the CIAC. Eligible refund amount and schedule is subject to Board Policy 208.

D. AREA LIGHTING AND ASSOCIATED FACILITIES

1. A *Member/applicant* requesting one security open bottom light per Board Policy 208 will not require a CIAC.
2. All other *Member/applicant* light requests will require the *Member/applicant* to pay the total estimated *Cost of Facilities* prior to construction scheduling and start unless *Cooperative* approves alternative arrangements.

(Continued on Sheet No. 16.3)



LINE EXTENSION CHARGES

Page 3 (Continued from Sheet No. 16.2)

E. DEFINITIONS

1. *Basic Facilities*

Facilities that will provide reliable electric service to the Member/applicant at the lowest cost to the Cooperative and include minimum sized transformers, a maximum of 80' of service, and meter installation.

2. *Cooperative*

Sumter Electric Cooperative, Inc. dba SECO Energy

3. *Cost of Facilities*

Cost of Facilities (CF): Estimated cost of labor and materials to construct, modify or extend facilities. Includes new poles, primary and secondary conductors, and the appropriate materials (i.e. UK6, pull boxes, etc.) to provide service. This excludes the cost of Basic Facilities. Labor avoidance credit will be applied when appropriate.

4. *Member/Applicant*

The member/applicant is the person or entity seeking extension of distribution facilities by the Cooperative.

5. *Non-fuel Energy Charge*

The Cooperative's total energy charge less purchase power.

6. *Revenue Credit*

Revenue Credit is defined as 4 years of estimated revenue generated by the new metered service. The Revenue Credit is the difference between full retail rate revenue and the current wholesale power cost, including Power Cost Adjustment charges.

7. *Sales and Revenue Estimates*

Estimates of revenue, KWH sales and KW demand used in the formulas in this policy will be based upon the most current data available.



LINE EXTENSION CHARGES

PURPOSE:

The purpose of this policy is to implement a specific and consistent method of applying SECO Energy's (Cooperative) line extension policy and establish ~~to define~~ a uniform method by which Contributions In Aid of Construction (CIAC) will be computed for member/applicant whose electrical service requirements necessitate extension of the Cooperative's distribution facilities or construction/modification of facilities that exceed Basic Facilities requirements.

POLICY:

A. APPLICABILITY

This policy shall apply to all member/applicants in all rate classifications who request a design of new or revised services or extensions of the *Cooperative's* distribution facilities after the effective date of this policy.

~~E~~B. COMPUTATION OF CIAC

1. For *members/applicants* in rate classes that do not include separately computed demand charges, the CIAC shall be calculated as follows:

$$\text{CIAC} = \text{CF} - 4[(\text{kWh}_a \times \text{E}_s)]$$

2. For *members/applicants* in rate classes that include both per kWh energy charges and per kW demand charges, the CIAC shall be calculated as follows:

$$\text{CIAC} = \text{CF} - 4[(\text{kWh}_a \times \text{E}_s)] + 4\text{kW}_a[(\text{D}_s - (\text{D}_p \times \text{DF}))]$$

CF ~~represents the Cost of Facilities as defined in Section E.~~ ~~represents installed cost of new poles and conductors and appropriate fixtures to provide service, excluding transformer, service drops, and meters~~

kWh_a represents customer's annual expected kWh usage

E_s represents difference between SECO's current retail energy charge per kWh and current wholesale energy charge per kWh including PCA charges

kW_a represents customer's cumulative monthly demand for a one-year period

D_s represents SECO's current monthly demand charge per kW

D_p represents SECO's wholesale demand expense per kW

DF represents the average demand coincidence factor of the rate class of the new member

(Continued on Sheet No. 16.2)

Effective ~~June-January 1, 2015~~2025

Issued By: ~~James P. Dunnean~~Curtis Wynn, CEO



LINE EXTENSION CHARGES

Page 2 (Continued from Sheet No. 16.1)

CD. CIAC FOR UNDERGROUND FACILITIES

1. Members/applicants requesting service at the distribution voltage level or transmission voltage level shall pay a CIAC based upon the cost of facilities, less any applicable credit.
 1. ~~When a member/applicant requests underground electric facilities, the member/applicant shall pay SECO the full cost of facilities to be installed, including underground feeder backbone and/or additional facilities.~~
 2. ~~The Cooperative shall calculate an appropriate CIAC for line extensions and modifications constructed to serve members who receive service at the primary and secondary distribution voltage level. The secondary voltage must be within the guidelines of the Cooperative's standards for electric service. These voltages include 120v, 240v, 208v, 277v, and 480v.~~
 3. ~~If a Member/applicant requests construction/modification of facilities that exceed Basic Facilities requirements, the Member/applicant shall pay the additional cost of the requested construction/modification.~~

~~The CIAC for the cost differential between the overhead and underground facilities is non-refundable. The remaining CIAC balance is refundable on a prorated basis. The proration will be straight-line over 48 months based on the individual additions of permanent member accounts in a quarter. At the end of 48 months, any balance remaining will be retained by SECO. The Cooperative will refund the prorated collections to the member/applicant (builder/developer) who paid the cost of the facilities installation.~~

E. CIAC FOR SERVICE AT PRIMARY VOLTAGE OR TRANSMISSION VOLTAGE

~~In the case of Commercial/Industrial Facilities and a builder/developer of single family, multi-family, or mobile home communities, the Cooperative may defer the Revenue Credit portion of the CIAC. Eligible refund amount and schedule is subject to Board Policy 208. Members/applicants requesting service at the distribution voltage level or transmission voltage level shall pay a CIAC based upon the cost to serve them less an appropriate credit for taking delivery at the higher voltage level.~~

F. LINE EXTENSIONS WITH MORE THAN ONE MEMBER/APPLICANT

~~In cases where two or more members/applicants are to be served by a line extension, the Cooperative will prorate the CIAC over the number of members/applicants expected to be served within a four-year period by the line extension.~~

DG. OUTDOOR LIGHTING SYSTEMS AREA LIGHTING AND ASSOCIATED FACILITIES



LINE EXTENSION CHARGES

Page 3 (Continued from Sheet No. 16.2)

E. DEFINITIONS

1. Basic Facilities

Facilities that will provide reliable electric service to the Member/applicant at the lowest cost to the Cooperative and include minimum sized transformers, a maximum of 80' of service, and meter installation.

2. Cooperative

Sumter Electric Cooperative, Inc. dba SECO Energy

23. Cost of Facilities

~~_____ The costs for poles, conductor etc. used in the formulas may be either the Cooperative's~~
~~_____ estimated or actual costs of constructing or modifying the required facilities.~~ Cost of
Facilities (CF): Estimated cost of labor and materials to construct, modify or extend facilities.
Includes new poles, primary and secondary conductors, and the appropriate materials (i.e. UK6,
pull boxes, etc.) to provide service. This excludes the cost of Basic Facilities. Labor avoidance
credit will be applied when appropriate.

3. Distribution Facilities

~~_____ All electrical equipment of the Cooperative required to deliver electricity to homes and~~
~~_____ businesses.~~

4. _____

4. Member/Applicant

~~_____ The member/applicant is the person or entity seeking extension of distribution facilities~~
~~_____ by the Cooperative.~~

55. Non-fuel Energy Charge

~~_____ The Cooperative's total energy charge less purchase power.~~

66. Overhead Revenue Credit

~~_____ Pertains to distribution facilities which are installed above ground on supporting~~
~~_____ poles.~~ Revenue Credit is defined as 4 years of estimated revenue generated by the new metered
service. The Revenue Credit is the difference between full retail rate revenue and the current
wholesale power cost, including Power Cost Adjustment charges.

77. Sales and Revenue Estimates

1. A Member/applicant requesting one security open bottom light per Board Policy 208 will not require a CIAC.

Member/applicants requesting the installation of outdoor lighting systems in residential and commercial developments shall pay a CIAC based on the total cost to provide such service.

2. All other Member/applicant light requests will require the Member/applicant to pay the total estimated Cost of Facilities prior to construction scheduling and start unless Cooperative approves alternative arrangements.

H. — DEFINITIONS

I. — Cooperative

— Sumter Electric Cooperative, Inc.

(Continued on Sheet No. 16.3)

Effective ~~June~~ January 1, 2015 ~~2025~~
Issued By: ~~James P. Dunean~~ Curtis Wynn, CEO

_____ Estimates of revenue, KWH sales and KW demand used in the formulas in this policy _____ will be based upon the most current data available.

~~8. *Underground*~~

~~_____ *Pertains to distribution facilities which are installed below ground or on the ground.*~~

Effective January 1, ~~2009~~2025

Issued By: ~~James P. Duncan~~Curtis Wynn, CEO & General Manager