## ANDREW B. JACKSON

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August 13, 1997

Telephone (941) 382-3686 Fax (941) 382-1509

UNGINAL FILE COPY

Ms. Blanca S. Bay'o, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No. 970640-EU

Dear Ms. Bay'o:

Enclosed for filing in the subject docket is the original and one copy of Glades Electric Cooperative, Inc.'s Notice of Service of its Response to Staff's First Set of Interrogatories to Glades Electric Cooperative, Inc. (Nos: 1-10).

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above referenced document in WordPerfect format. Thank you for your assistance in this matter.

Sincerely,

Andrew B. Jaceson, Attorney Glades Electric Cooperative, Inc.

ABJ/cs Enclosures

ACK

AT A

cc: Parties of Record

BOCUMENT NUMBER-DATE

08263 AUG 15 5

FPSC-RECORDS/REPORTING

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of sale of facilities and transfer of customers from Glades Electric Cooperative, Inc. to Florida Power Corporation.

Docket No. 970640-EU

FILE COPY

Submitted for filing: August 13, 1997

## NOTICE OF SERVICE OF GLADES ELECTRIC COOPERATIVE, INC.'S RESPONSE TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-10)

NOTICE is hereby given that on August 13, 1997, Glades Electric Cooperative, Inc. served its Responses to Staff's First Set of Interrogatories (Nos. 1-10) to Glades Electric Cooperative, Inc. upon the following individuals by U.S. Mail:

James A. McGee, Esq. Florida Power Corporation Post Office Box 14042 St. Petersburg, Florida 33733-4042 Wm. Cochran Keating IV, Esq. Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Respectfully submitted,

By:

Andrew B. Jackson, Attorney Glades Electric Cooperative, Inc.

Florida Bar No. 0038826

P.O. Box 2025

Sebring, Florida 33870 Telephone: (941) 382-3686 Facsimile: (941) 382-1509

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of sale of facilities and transfer of customers from Glades Electric Cooperative, Inc. to Florida Power Corporation.

Docket No. 970640-EU

Submitted for filing August 13, 1997

## GLADES ELECTRIC COOPERATIVE, INC.'S RESPONSE TO STAFF'S FIRST SET OF INTERROGATORIES TO GLADES ELECTRIC COOPERATIVE INC. (NOS. 1-10)

Glades Electric Cooperative, Inc. ("GEC") hereby responds to Staff's First Set of Interrogatories (Nos. 1-10).

#### INTERROGATORIES

- 1. Please state whether all electric facilities used by Glades Electric Cooperative, Inc.

  (Glades) to serve retail customers will be located wholly within its service area, as defined and approved by the Commission in Docket Nos. 870348-EU and 891034-EU, upon Commission approval of the proposed transfer of customers and sale of facilities from Glades to Florida Power Corporation (FPC). (Electric facilities are defined as electric distribution lines, transmission lines, substations, and generating units.)

  If your response is negative, please provide the following:
  - a. Description of those facilities located outside Glades' respective service area
  - Depreciated value of those facilities.
  - c. Location of those facilities indicated on a map with sufficient detail to allow for identification of primary distribution lines and transformers.

Response: Yes.

Please state whether the end-use facilities of all existing Glades customers will be located
wholly within its service area, as defined and approved by the Commission in Docket Nos
870348-EU and 891034-EU, upon Commission approval of the proposed transfer of
customers and sale of facilities from Glades to FPC

If your response is negative, please provide the following:

- a. Number of existing Glades customers whose end-use facilities will not be located wholly within Glades' designated service area upon Commission approval of the proposed transfer of customers and sale of facilities from Glades to FPC.
- Customer class of each such customers.
- A county map detailing the location of each such customers

Response: Yes

 Please indicate the number and customer class of Glades' "foreign" customers who have already been transferred to FPC as a result of this proposed transfer of customers and sale of facilities from Glades to FPC.

Response: No customers have been previously transferred.

 Please indicate when all customer transfers made pursuant to this proposal will be completed.

Response: It is anticipated that all of the customer transfers will be completed by the end of 1997.

 Please explain how Glades intends to handle the customer deposits of its customers that will be transferred to FPC pursuant to this proposal.

Response: Deposits will be first applied toward payment of the customer's final bill, with the balance being refunded to the customer.

Please describe the method proposed for transferring and disposing of the capital credits
of those Glades customers who will be transferred to FPC pursuant to this proposal

Response: Capital Credits will be refunded to the customers as general retirements occur.

Please state whether Glades has notified all potentially affected customers of their pending transfer to FPC and explained to those customers the difference in rates between Glades and FPC. If so, please explain how those customers were notified. If Glades chose not to notify any or all of those customers, please explain why.

Response: Glades and FPC jointly notified all potentially affected customers of the pending transfer by letter (see attached copy of sample letter).

8. Please state whether Glades solicited or received comments, either written or verbal, from potentially affected customers to determine the degree of acceptance of the proposed transfer. If so, please indicate the number of customers that expressed approval, disapproval, or not opinion concerning the proposed transfer, and include the reasons stated by each customer for their opinion.

Response: Glades received two telephone calls on response to the letter. The callers were requesting information concerning the transfer and expressed no opinion concerning the proposed transfer.

9. Exhibit B to the Petition for Approval of the Transfer of Customers and Sale of Facilities lists a group of active Glades' "foreign" customer accounts that will be transferred to FPC without any revenue consideration. Please explain why there is no revenue consideration for these accounts.

Response:

The group of active customers that will be transferred without any revenue consideration were "foreign" customers that were connected after the Territorial Agreement between Sebring Utilities Commission ("SUC") and Glades was approved. Glades served these accounts at SUC's request under the provisions of subparagraph (b) at the bottom of page 4 and the top of page 5 of the Territorial Agreement which is attached to the Petition. This group of customers never became "Glades" customers. Glades was serving them until the Host utility determined that it was appropriate to extend is facilities to serve them, therefore no revenue was charged for this group of customers.

10. Please state whether Glades proposes or will agree to inform the commission if the property transfers to FPC proposed in the Agreement are not approved by the United States Department of Agriculture, the Rural Utilities Service, and the Cooperative Financing Corporation.

Response: Approval has already been received from both RUS and CFC.

AS TO #7 (Inherrogatories)

# GLADES ELECTRIC COOPERATIVE, INC. and FLORIDA POWER CORPORATION

October 20, 1995

Aubrey A. Mayes P.O. Box 1143 Sebring, Florida 53871-1143

Re: Glades Electric Cooperative, Inc. ("GEC")
Florida Power Corporation ("FPC")
Territorial Agreement

Dear Mr. Mayes:

Pursuant to an existing Public Service Commission approved Territorial Agreement between GEC and FPC, your account will be transferred to FPC before the end of this year. There should only be a brief power interruption of a few minutes when the transfer occurs. You will be notified of the actual transfer date a ouple of weeks prior to the transfer. We are enclosing a schedule which gives you a comparison between FPC and GEC's rates. As you can see from the schedule, your electrical rates will be reduced.

On behalf of GEC, the Cooperative appreciates your membership and support in the past. If you should ever need electrical service in the Cooperative' service area in the future we would welcome the opportunity to serve you. You will be receiving a refund of your membership fee and any deposit amount above the amount of your finel billing from the Cooperative in the near future. If you should have any questions concerning this transfer, please feel free to call Mrs. Sissie Wherrel, GEC's Lake Placid Supervisor at 1-800-226-4025.

On behalf of FPC, we welcome you as a new consumer and are looking forward to serving your future electrical needs. If you should have any questions concerning this transfer, please feel free to call Mr. John Martz, Area Manager at (813)471-5841.

Sincerely,

Jim Higginbotham, Manager GEC

John Martz, Area Manager, PPC

(The Florida Public Service Commission requires that each communer have the opportunity to express their approval or disapproval of transfer. If you went to express your approval or disapproval or make any other communits, please contact the utilities at the telephone runthers listed above on or before November 20, 1986.)

RECEIVED

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HOGRE HAVER, 1.



Munthly kWh Usage	CONSUMER MONTHLY BILL			
	Procedential		Commercial	
	GBC	FPC	GEC	FPC
500	\$52.00	\$45.17	\$58.50	\$46,66
750	\$78.75	\$63,31	\$81.50	\$64.13
1,000	\$95.50	\$81.47	\$104.50	\$81.60
1,500	\$139.00	\$117.79	\$150.50	\$116,56

### AFFIDAVIT

STATE OF FLORIDA

COUNTY OF HIGHLANDS

Docket No. 970640-EU

I, Andrew B. Jackson, having been first duly sworn, hereby depose and affirm that I am the Attorney for Glades Electric Cooperative, Inc.; that I am the person who provided answers for the Response of Glades Electric Cooperative, Inc. to Staff's First Set of Interrogatories (Nos. 1-10) to Glades Electric Cooperative, Inc. and that said answers are true and correct to the best of my knowledge and belief.

Dated this 13th day of August, 1997.

GLADES ELECTRIC COOPERATIVE, INC.

Andrew B. Jackson

The foregoing was acknowledged before me this 13th day of August, 1997, by Andrew B. Jackson, who is personally known tome and who took an oath.

Coleen Shoudel Notary

COLEEN SHONDEL
COLEEN SHONDEL
COMMISSION MUMBER
C C 557934
MY COMMISSION EXPIRES
JUNE 11,2000