

Ruth Nettles

From: Stright, Lisa [Lisa.Stright@pgnmail.com]
Sent: Friday, April 03, 2009 9:12 AM
To: Filings@psc.state.fl.us
Cc: Burnett, John; Simpson, Gail
Subject: Rate Notification Letter to PEF/SECO customers - Dkt# 080632-EU
Attachments: SECO-PEF rate differences letter to FPSC 4.3.09.pdf

This electronic filing is made by:

Gail Simpson
299 First Avenue North
St. Petersburg, FL 33733
(727) 820-5184
Gail.simpson@pgnmail.com

Docket No. 080632-EU

On behalf of Progress Energy Florida

Consisting of 4 pages.

**The attached document for filing is a letter
Notifying the FPSC that the current rate information
Has been sent to both PEF and SECO customers
That are subject to transfer under the new agreement
in the above-referenced docket.**

Lisa Stright

Regulatory Analyst - Legal Dept.
Progress Energy Svc Co.
106 E. College Ave., Suite 800
Tallahassee, FL 32301
direct line: (850) 521-1425
VN 230-5095
lisa.stright@pgnmail.com



April 3, 2009

Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Rate differences re-notification prior to transfer of customers between Progress Energy Florida, Inc. (PEF) and Sumter Electric Cooperative, Inc. (SECO) regarding the joint amended territorial agreement in Sumter, Lake, Marion, and Citrus Counties by Sumter Electric Cooperative, Inc. and Progress Energy Florida, Inc.; Docket No. 080632-EU

Dear Ms. Cole:

As requested by the Florida Public Service Commission (FPSC), PEF and SECO have provided current rate information via letter to all customers that are subject to transfer under the new agreement between the parties which has been filed with the Commission, Docket No. 080632. The letter (see attached) provides the residential rates of both PEF and SECO. A summary of the responses received during the 30-day period since the letters were mailed is provided below to be included in the docket.

Both SECO and PEF sent notification letters on March 1, 2009, and March 3, 2009, respectively. A total of 317 letters were mailed. In response, SECO received one telephone inquiry on March 18, 2009 from a concerned customer. SECO discussed the customer's concern and provided the phone number to the FPSC as was requested by the customer. SECO believes this customer was satisfied after the rate differences and service territories were explained. PEF did not receive any response from the notification letter.

Should you have any further questions regarding our rate differences or customer transfer notifications, please contact me at (727) 820-5509.

Sincerely,

A handwritten signature in cursive script that reads 'Gail Simpson'.

Gail Simpson
Manager, Public Policy and Constituent Relations

cc: Ben Brickhouse, Sumter Electric
John Burnett, Esquire
Lewis W. Stone, Esquire

Progress Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, FL 33733

DOCUMENT NUMBER-DATE

02941 APR-3 8

FPSC-COMMISSION CLERK



March 3, 2009

RE: Account No. [REDACTED]

Dear Customer:

To ensure that electric utilities in Florida, such as Progress Energy Florida Inc. (PEF), are able to provide reliable and economical electric service to their customers, utilities enter into agreements with one another establishing the geographical areas in which each utility is the exclusive provider of electric service. These agreements help avoid the unnecessary and uneconomic construction of duplicate electrical distribution lines and other facilities to serve their customers. Approval of the Florida Public Service Commission (FPSC) is required to ensure these objectives are met.

Over the past many years, we at PEF have had the pleasure of serving customers in your area under territorial agreements approved by the FPSC in the 1990's between our company and our neighboring utility, Sumter Electric Cooperative, Inc. (SECO). We have entered into an amended territorial agreement with SECO that was filed with the FPSC on October 9, 2008, which will revise some of the service area boundaries between the utilities and enable each utility to serve its customers more reliably and economically. The new agreement must be approved by the FPSC before it can become effective and customers have the opportunity prior to that approval to provide their comments to the Commission.

If approved by the FPSC, the terms of the amended territorial agreement call on SECO to provide electric service in your area. Your account would be transferred to SECO at some point within the next three years. While we regret losing the opportunity to serve you in the future, SECO is an excellent utility and I am confident you will find their service to be satisfactory. You will not need to do anything to initiate this transfer since PEF and SECO will handle all of the arrangements on your behalf. You will be contacted and provided additional information closer to the date of the actual transfer.

You may recall receiving a similar letter last year. Due to recent rate changes by Progress Energy, we are mailing a second letter to provide you an update on current rates. In January, 2009, the residential rate of PEF for 1,000 Kilowatt-Hours (KWH) for PEF was \$137.87. The projected rate expected to be implemented in April 2009 will be \$122.70 contingent on Commission approval. Comparatively, the residential rate for SECO for 1,000 KWH for January 2009 was \$122.85, which remains SECO's current rate. The rates of both utilities are subject to change and may be raised or lowered in the future.

Please let us know if you have any questions or concerns about the proposed transfer of your service to Sumter Electric Cooperative, Inc., or if you would like information about contacting the FPSC. You can reach us by telephone at 1-800-510-0140 or in writing at the mailing address below.

Sincerely,

Customer Service
Progress Energy Florida

Progress Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, FL 33733

DOCUMENT NUMBER-DATE

02941 APR-3 8

FPSC-COMMISSION CLERK



Sumter
Electric
Cooperative,
Inc.

March 2, 2009

Dear SECO Member:

To ensure that electric utilities in Florida, such as Sumter Electric Cooperative, Inc. (SECO), are able to provide reliable and economical electric service to their customers, utilities enter into agreements with one another establishing the geographical areas in which each utility is the exclusive provider of electric service. These agreements help avoid the unnecessary and uneconomic construction of duplicate electrical distribution lines and other facilities to serve their customers. Approval of the Florida Public Service Commission (FPSC) is required to ensure these objectives are met.

Over the past many years, we at SECO have had the pleasure of serving customers in your area under territorial agreements approved by the FPSC in the 1990s between our company and our neighboring utility, Progress Energy Florida Inc. (PEF). We have entered into an amended territorial agreement with PEF that was filed with the FPSC on October 9, 2008, which will revise some of the service area boundaries between the utilities and enable each utility to serve its customers more reliably and economically. The new agreement must be approved by the FPSC before it can become effective, and customers have the opportunity prior to that approval to provide their comments to the Commission.

If approved by the FPSC, the terms of the amended territorial agreement call on PEF to provide electric service in your area. Your account would be transferred to PEF at some point within the next three years. While we regret losing the opportunity to serve you in the future, PEF is an excellent utility and we are confident you will find their service to be satisfactory. You will not need to do anything to initiate this transfer since SECO and PEF will handle all of the arrangements on your behalf. You will be contacted and provided additional information closer to the date of the actual transfer.

You may recall receiving a similar letter last year. Due to recent rate changes by Progress Energy, we are mailing a second letter to provide you an update on current rates. In January 2009, the residential rate for PEF for 1,000 Kilowatt-Hours (KWH) was \$137.87. If the Commission approves the rate reduction, the projected rate expected to be implemented in April 2009 will be \$122.70. Comparatively, the residential rate for SECO for 1,000 KWH for January 2009 was \$122.85, and the current rate is \$122.85. The rates of both utilities are subject to change and may be raised or lowered in the future.

(over)

A Touchstone Energy[®] Cooperative 

PO Box 301 330 South US Highway 301 Sumterville, FL 33585-0301 (352) 793-3801	15720 US Highway 441 Ennis, FL 32726-6561 (352) 357-5600	850 North Howey Road Groveland, FL 34736-2234 (352) 429-2195	610 US Highway 41 South Inverness, FL 34450-6030 (352) 726-3944	4872 SW 60th Avenue Ocala, FL 34474-4316 (352) 237-4107
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SECO Member
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March 2, 2009

Please contact Customer Service if you have any questions or concerns about the proposed transfer of your service to Progress Energy Florida, or if you would like information about contacting the FPSC. You can reach us by phone at 1-352-793-3801 or in writing to Customer Service, Sumter Electric Cooperative, Inc., PO Box 301, Sumterville, FL 33585.

Sincerely,

A handwritten signature in cursive script that reads "Barry Bowman".

Barry Bowman
Director of Corporate Communications &
Energy Services