



Matthew R. Bernier
Senior Counsel
Duke Energy Florida, Inc.

April 9, 2015

VIA HAND DELIVERY

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Joint petition for approval of territorial agreement in Lake and Sumter counties by the City of Leesburg and Duke Energy Florida, Inc.; Docket No. 150077-EU*

Dear Ms. Stauffer:

Please find enclosed for filing on behalf of Duke Energy Florida, Inc. ("DEF") and the City of Leesburg ("Leesburg"), an original and ~~five (5)~~ ⁴ copies of DEF and Leesburg's Joint Response to Staff's First Data Request (Nos. 1-8). **A.A. 4/9*

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

Matthew R. Bernier / KCC

Matthew R. Bernier
Senior Counsel
Matthew.Bernier@duke-energy.com

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- GCL 2 _____
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- TEL _____
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MRB/mw
Enclosures
cc: Certificate of Service

ECO: 2 copies 7DOT Maps

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COMMISSION CLERK

Duke Energy Florida, Inc.
Docket No.: 150077
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 9th day of April, 2015 to all parties of record as indicated below.

Matthew A. Bernin / KCC

Attorney

John Villafrate
Office of General Counsel
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Leesburg, FL 34749-1357
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**DUKE ENERGY FLORIDA, INC. AND THE CITY OF LEESBURG'S
RESPONSE TO STAFF'S FIRST DATA REQUEST (NOS. 1 - 8)
Docket No. 150077-EI**

1. Please provide a copy of an official Florida Department of Transportation General Highway County map for each affected county depicting boundary lines established by the territorial agreement, as required by Rule 25-6.0440(1)(f), Florida Administrative Code.

RESPONSE

Official Florida Department of Transportation maps with the territorial boundaries affected for the proposed Agreement in Lake and Sumter counties are attached as Attachment 1.

2. Please list any differences between the prior agreement which expired on July 22, 2013, and the proposed agreement.

RESPONSE

The territorial boundaries in the proposed Agreement have been modified in comparison to those as set forth in the prior Leesburg and DEF territorial agreement approved by the Commission on July 22, 1983, by Order No. 12289 in Docket No. 820492-EU.

The proposed Agreement has been negotiated for a term of 30 years and after the expiration of that term, the Agreement shall remain in effect until and unless either Party provides written notice of termination. The prior Agreement had a duration of 30 years.

The territorial boundary maps in the proposed agreement have been updated to a GIS format and demonstrate the territorial boundary lines in much greater detail. A written description is included in the proposed agreement as required pursuant to Rule 25-6.0440(1)(a), F.A.C.

3. Are the territorial boundary lines in the proposed agreement the same as in the prior agreement which expired on July 22, 2013? If not, please provide a map showing the areas transferred.

RESPONSE

The territorial boundaries in the proposed Agreement have been modified. The maps submitted with the proposed Agreement represent the modified boundaries and are attached herein as Attachment 3.

4. Please refer to Attachment A of the petition, page 5 of 68, Sections 0.1 and 0.3:
 - a. Please explain why there is a lapse in time between the July 22, 2013 expiration date of the prior agreement and the February 9, 2015 date shown in Section 0.1.

RESPONSE

DEF and the City of Leesburg needed to perform due diligence to evaluate the Prior Agreement and determine any conflicts, known or unknown, which necessitated

resolution as a part of the new Agreement. Part of this due diligence included validating the proposed territorial boundaries as depicted in the Joint Petition between DEF and the City of Leesburg. After the expiration of the Prior Agreement, the Parties continued to abide by its term while the new Agreement was being negotiated.

- b. Are the parties abiding by the terms of the prior agreement for the period of time between its expiration and Commission approval of the new agreement? If not, please explain.

RESPONSE

Yes, the Parties have been abiding to the terms of the prior agreement and have worked together collaboratively to construct the proposed Agreement.

5. Please explain why certain customers (i.e., extra-territorial) are located within the service territory of the other party, i.e., Leesburg.

RESPONSE

Due to the location of the Extra-Territorial customers that are subject to transfer to DEF, and based on sound economic considerations and good engineering practices, it was not operationally and economically feasible for DEF to serve these customers previously. However, DEF and Leesburg have concluded that DEF will now serve these customers should the proposed Agreement be approved.

6. Will any facilities be transferred in conjunction with the transfer of customers, and if so, what is the purchase price?

RESPONSE

As set forth in Section 3.4 Compensation for Transferred Facilities, DEF may elect to purchase the electric facilities used exclusively for providing electric service to the Extra-Territorial customers using a common engineering cost estimation methodology such as the Handy Whitman Index. The Parties have tentatively agreed to exchange and purchase the required facilities. The Parties have not yet valued the facilities but plan to as soon as practical should the proposed Agreement be approved.

7. Please provide a map that displays the extra-territorial customers before and after the transfer.

RESPONSE

The territorial boundary maps as set forth in the prior Leesburg and DEF territorial agreement approved by the Commission on July 22, 1983, by Order No. 12289 in Docket No. 820492-EU 2 display the Extra-Territorial customers before any transfer would occur should the proposed Agreement be approved are attached as Attachment 2. The territorial boundary lines that would display the Extra-Territorial customers after any transfer would occur should the proposed Agreement be approved is attached as Attachment 3.

8. Please refer to Exhibit D, sample customer notification letter. The letter is for a general service non-demand commercial customer. Are the other 17 customers in Exhibit B also general service non-demand commercial customers? If not, please provide sample letters for each of the customers whose service is other than general service non-demand commercial.

RESPONSE

All eighteen of the Extra-Territorial customers subject to transfer are general service non-demand commercial customers.

Attachment 1

Official Florida Department of
Transportation General Highway County
map for Lake and Sumter counties for
each affected county depicting boundary
lines established by the territorial
agreement

Attachment 2

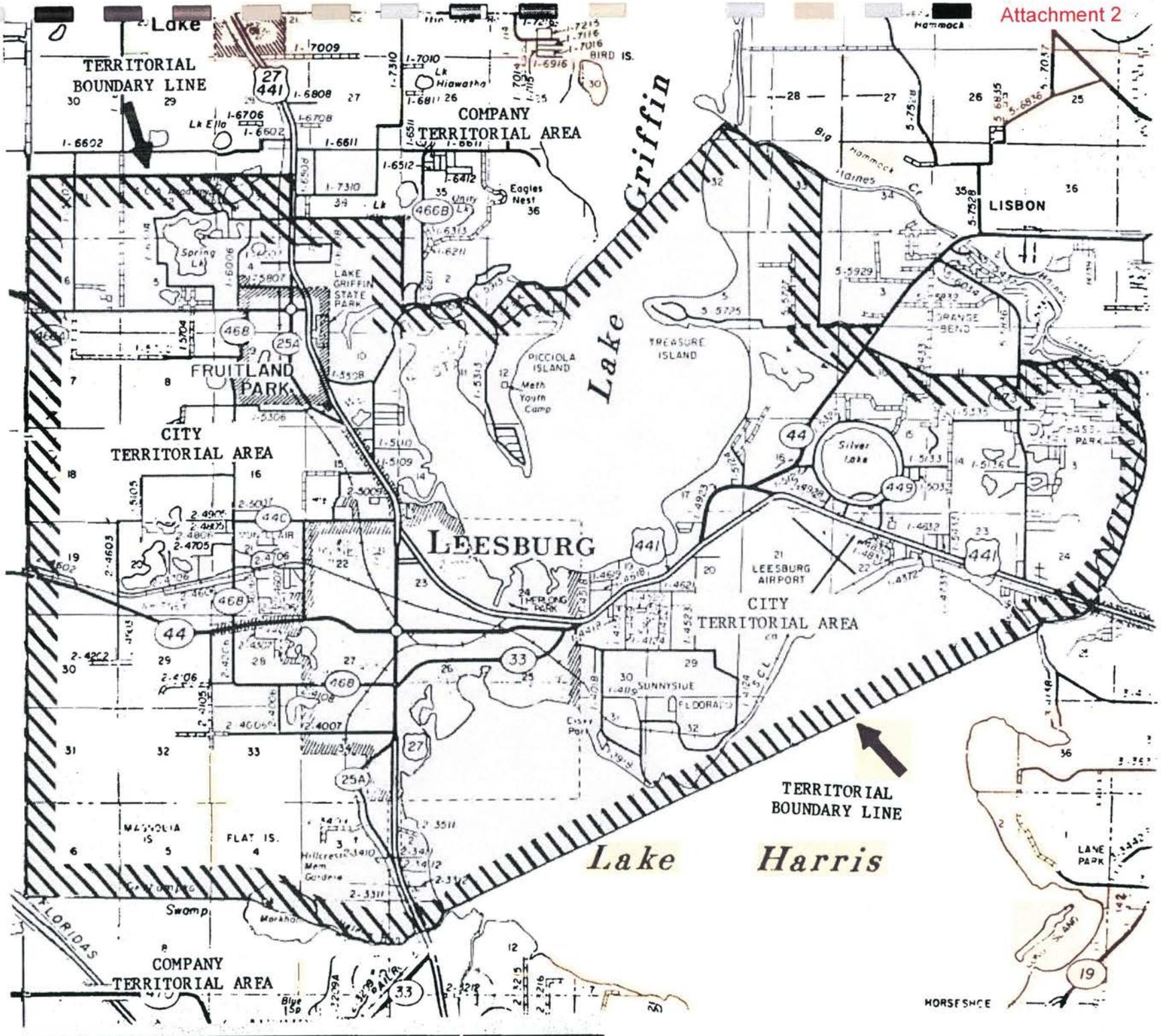
Territorial maps that display the
Extra-Territorial customers before
the transfer

EXHIBIT A

to
Territorial Agreement
between Florida Power Corporation
and
the City of Leesburg

Sheet 1 -- Composite Territorial Map
Sheets 2 - 8 -- Detailed Territorial Maps

NOTE: In the event of any conflict or inconsistency between the Composite Territorial Map and the Detailed Territorial Map, the latter shall control.



Territorial Agreement
 between Florida Power Corporation
 and
 the City of Leesburg

EXHIBIT A
 TO

Sheet 1 of 8

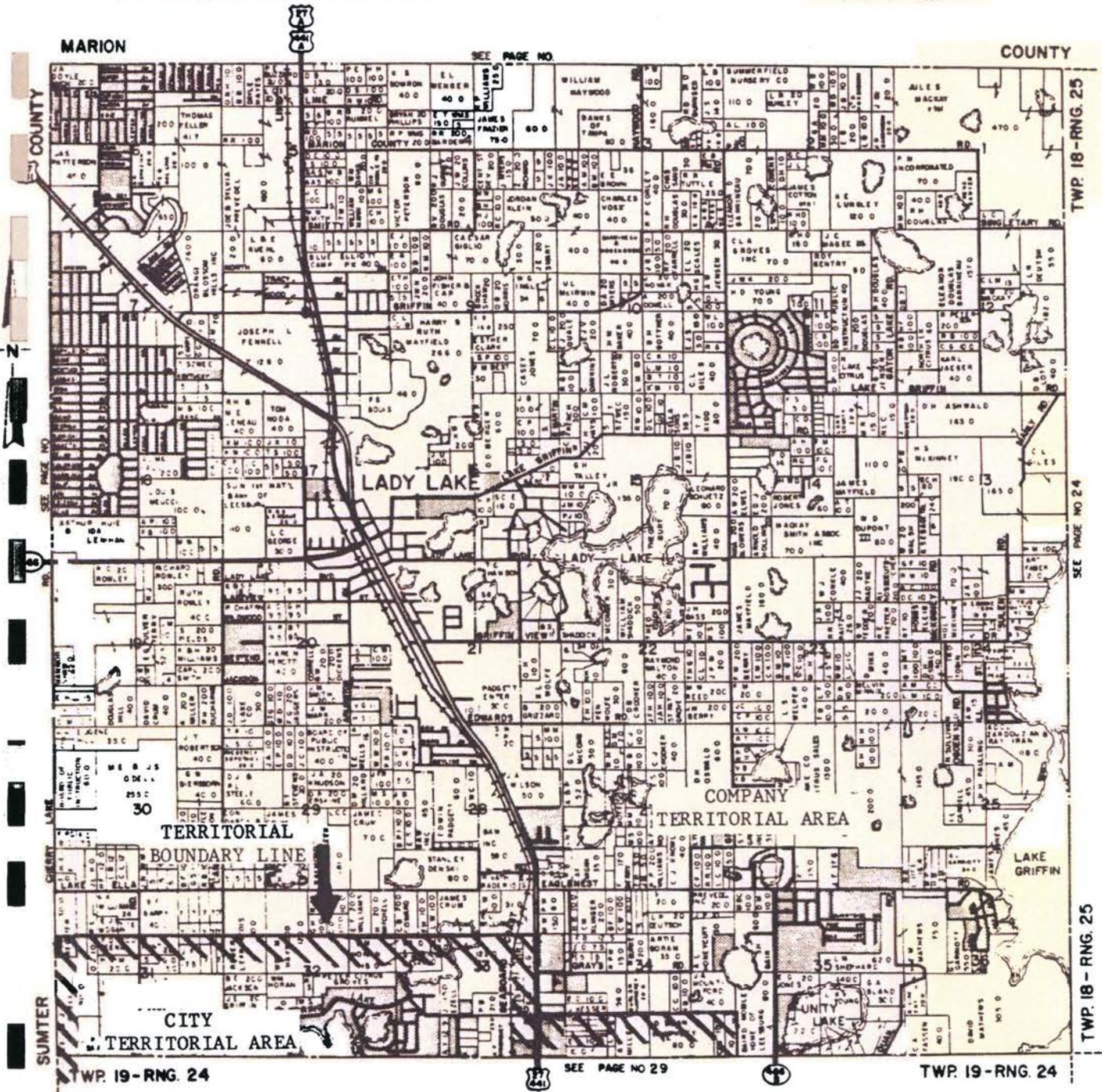
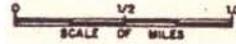


EXHIBIT A

to
Territorial Agreement
between Florida Power Corporation
and
the City of Leesburg

TWP. 18-RNG. 25

SEE PAGE NO.



MARION COUNTY

SEE PAGE NO. 26

TWP. 18-RNG. 24

SEE PAGE NO. 23

TWP. 18-RNG. 24

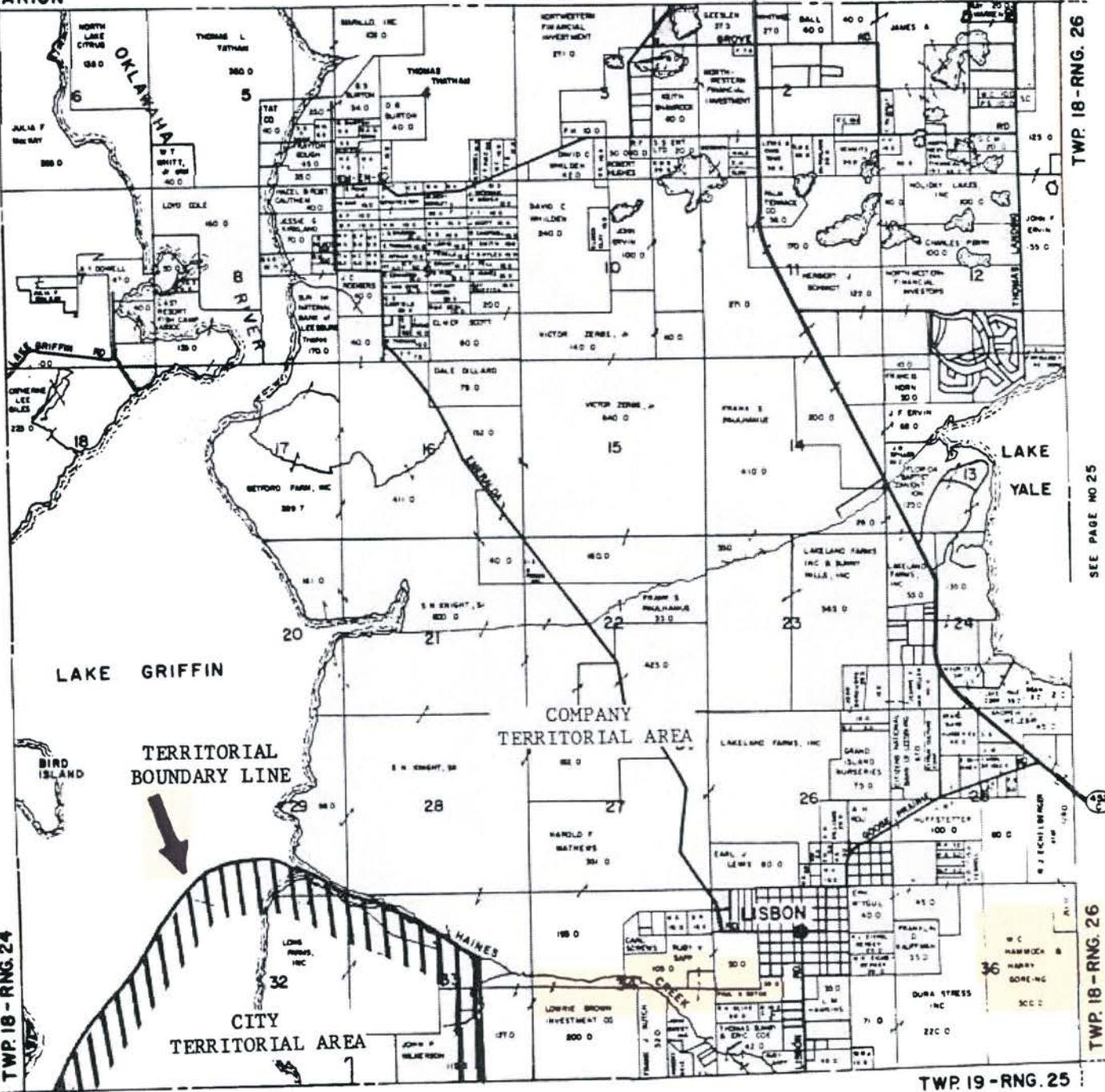
TWP. 18-RNG. 26

SEE PAGE NO. 25

TWP. 18-RNG. 26

TWP. 19-RNG. 25

SEE PAGE NO. 30



TERRITORIAL BOUNDARY LINE

COMPANY TERRITORIAL AREA

CITY TERRITORIAL AREA

EXHIBIT A

Sheet 3 of 8

to
Territorial Agreement
between Florida Power Corporation
and
the City of Leesburg

TWP. 19-RNG. 24

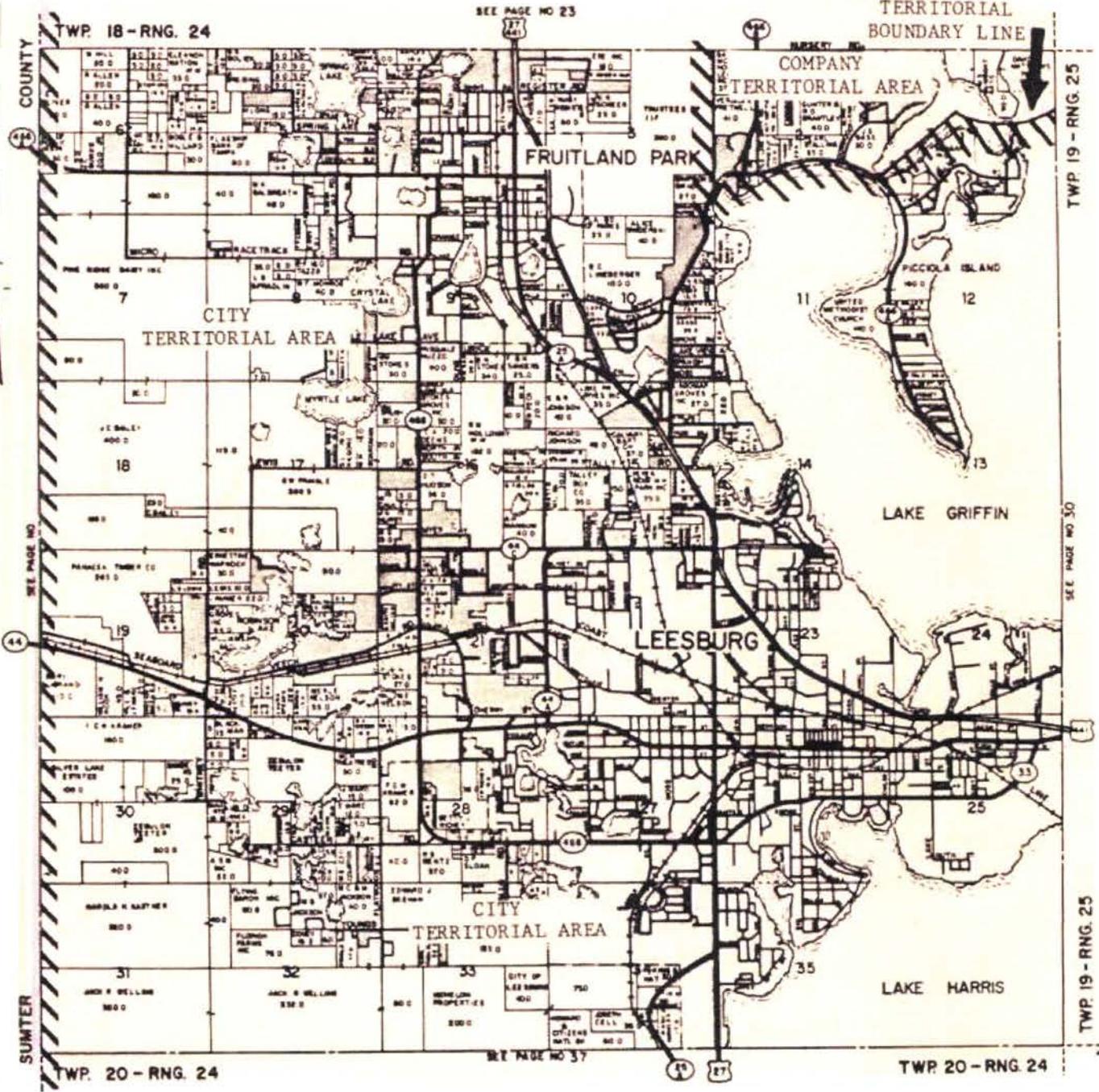
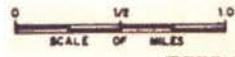
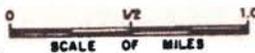


EXHIBIT A

Sheet 4 of 8

to
Territorial Agreement
between Florida Power Corporation
and
the City of Leesburg

TWP. 19 RNG. 25

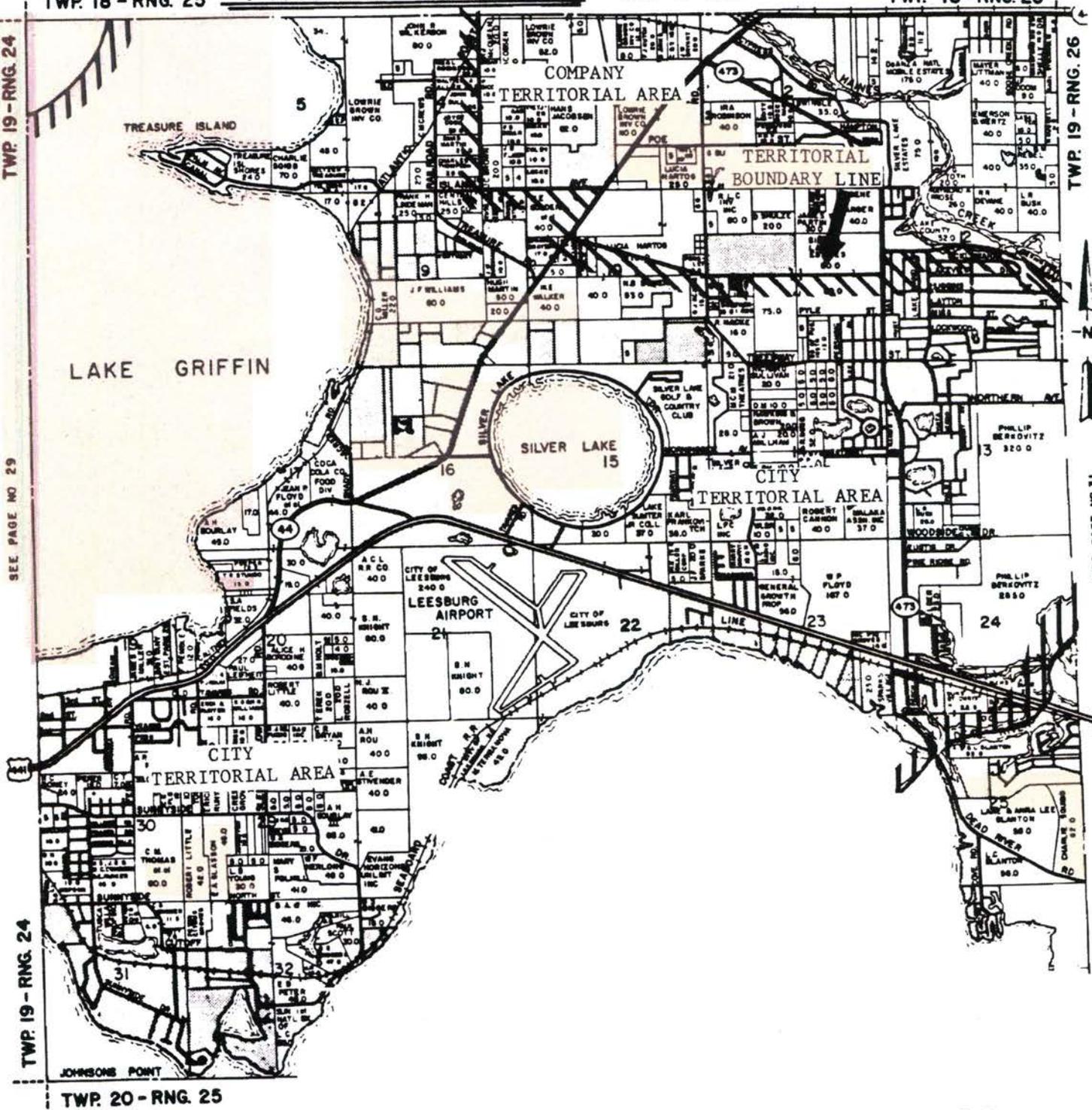


TWP. 18 - RNG. 25

TWP. 18 - RNG. 25

TWP. 19 - RNG. 24

TWP. 19 - RNG. 26



SEE PAGE NO 29

SEE PAGE NO 31

EXHIBIT A

Sheet 5 of 8

to
 Territorial Agreement
 between Florida Power Corporation
 and
 the City of Leesburg

TWP. 19-RNG. 26

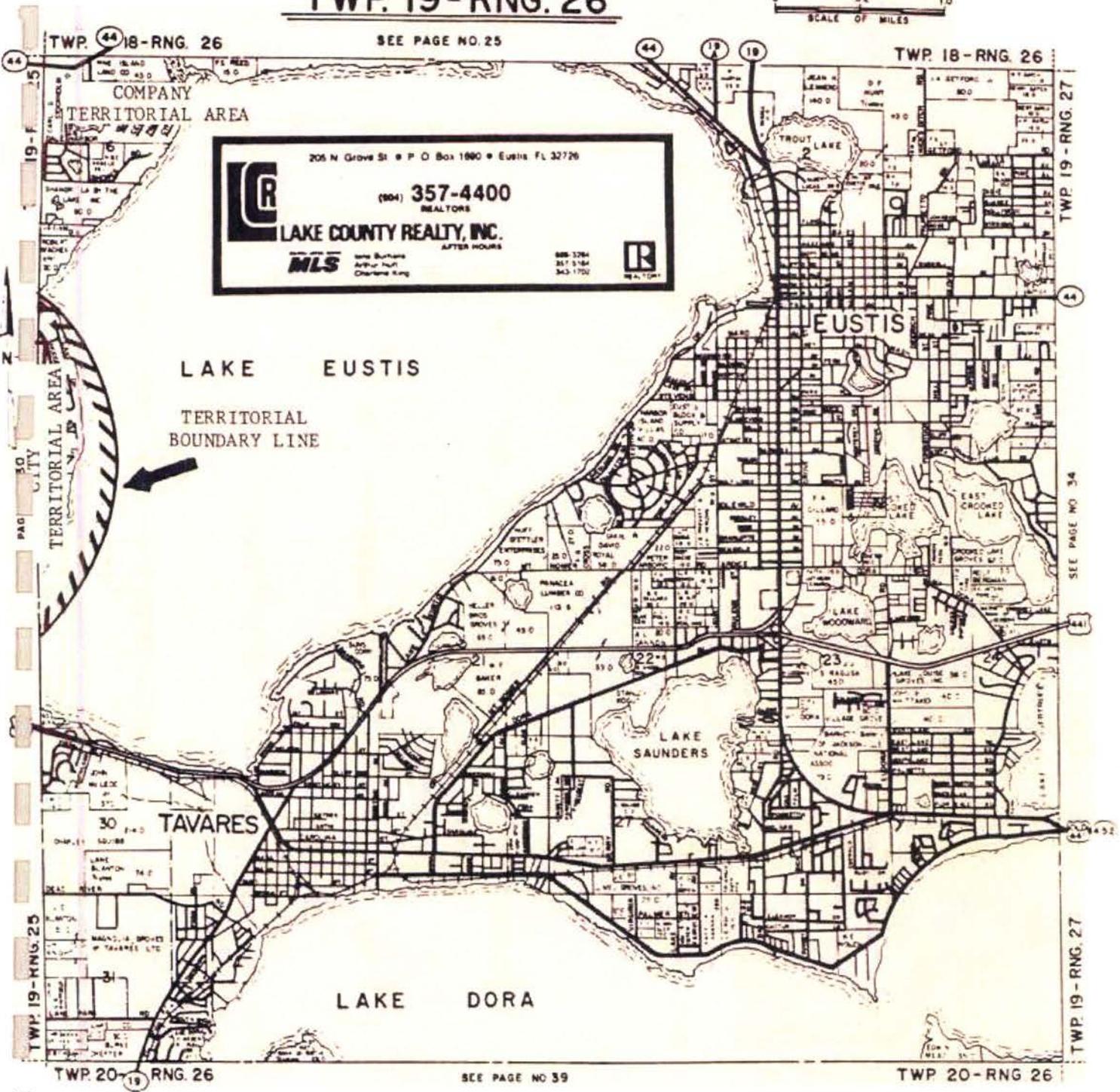


EXHIBIT A

Sheet 6 of 8

to
 Territorial Agreement
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 and
 the City of Leesburg

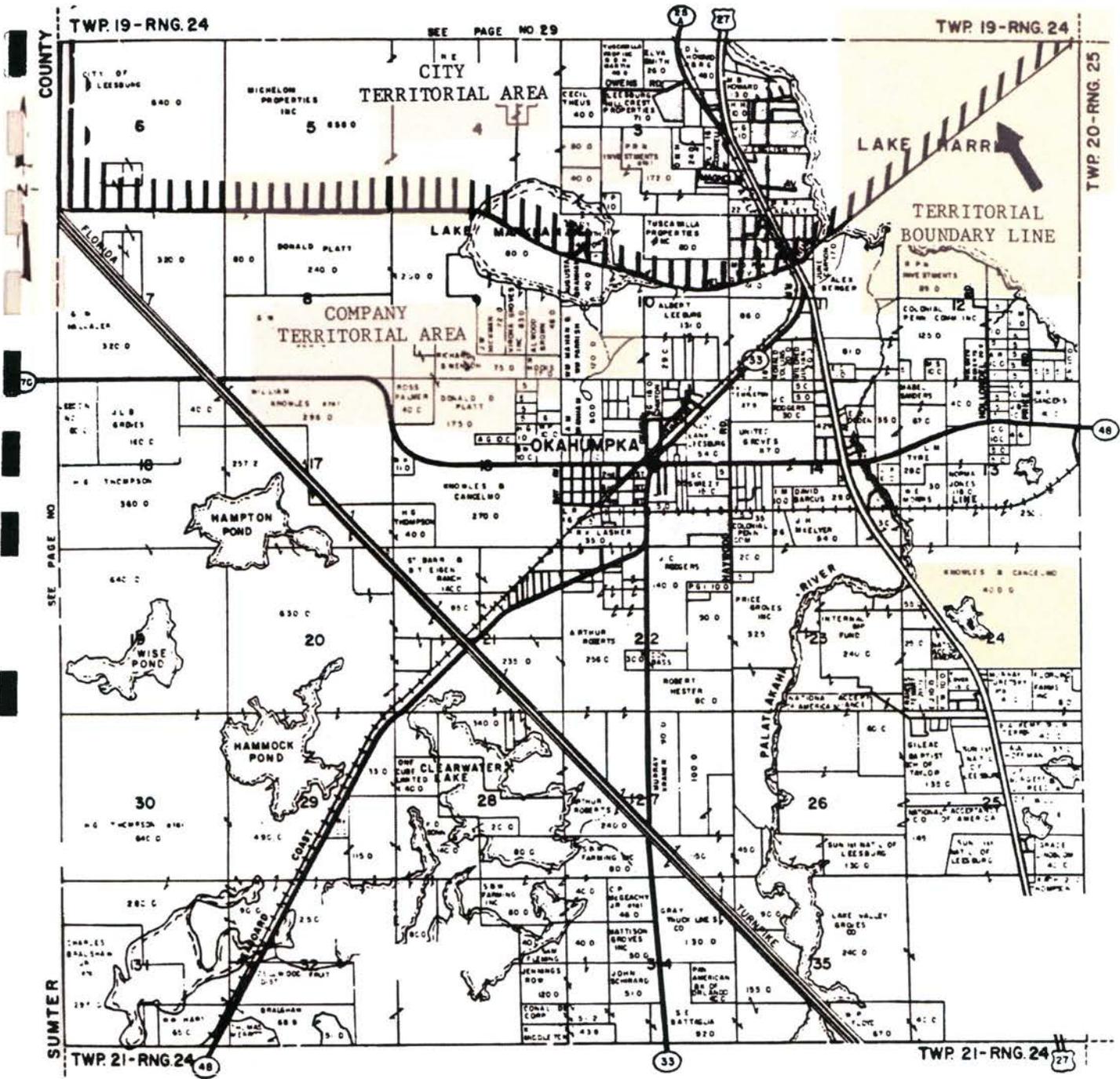
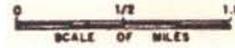
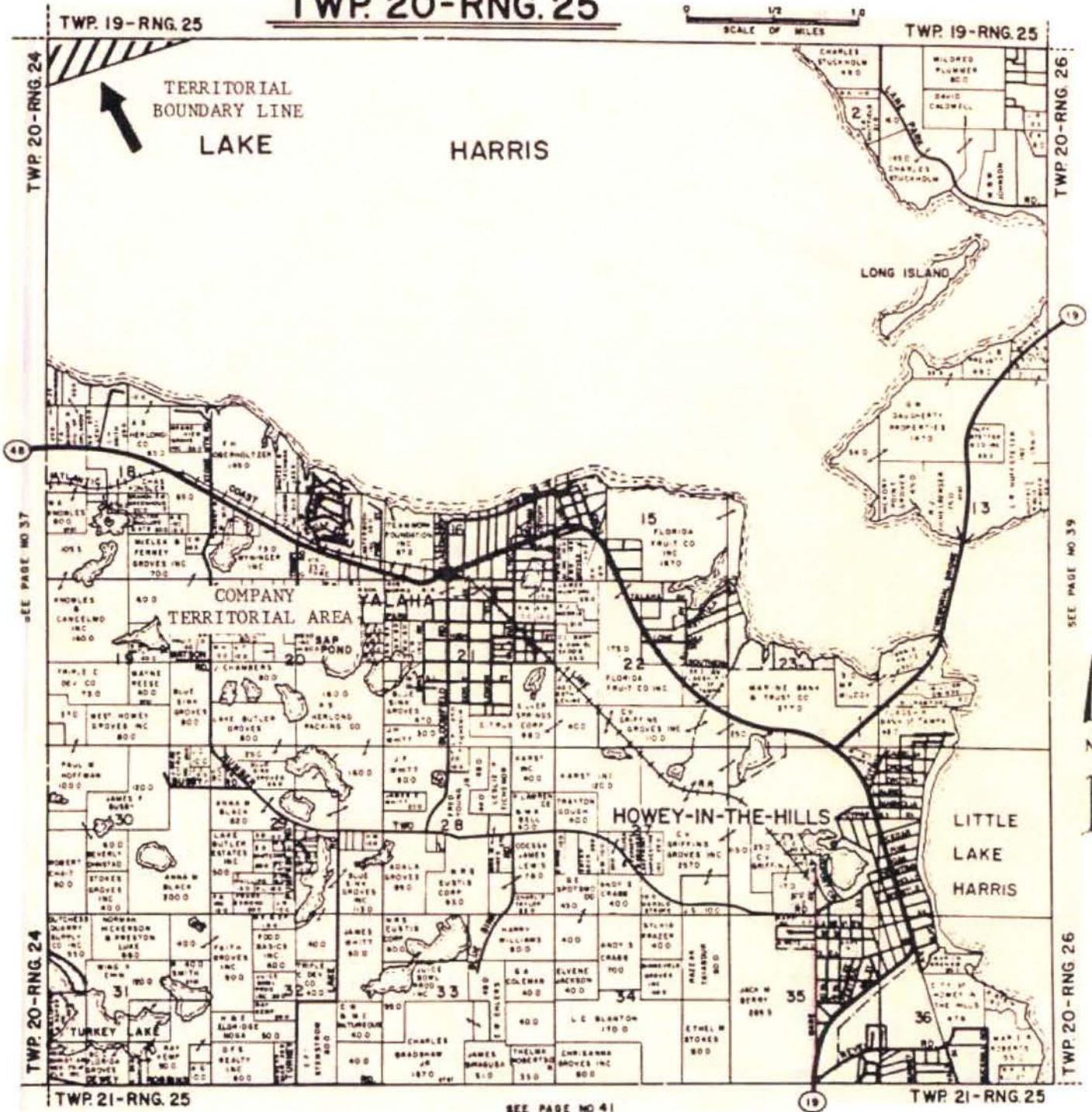
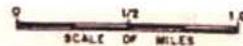


EXHIBIT A

Sheet 7 of 8

to
Territorial Agreement
between Florida Power Corporation
and
the City of Leesburg

TWP. 20-RNG. 25



SEE PAGE NO 41

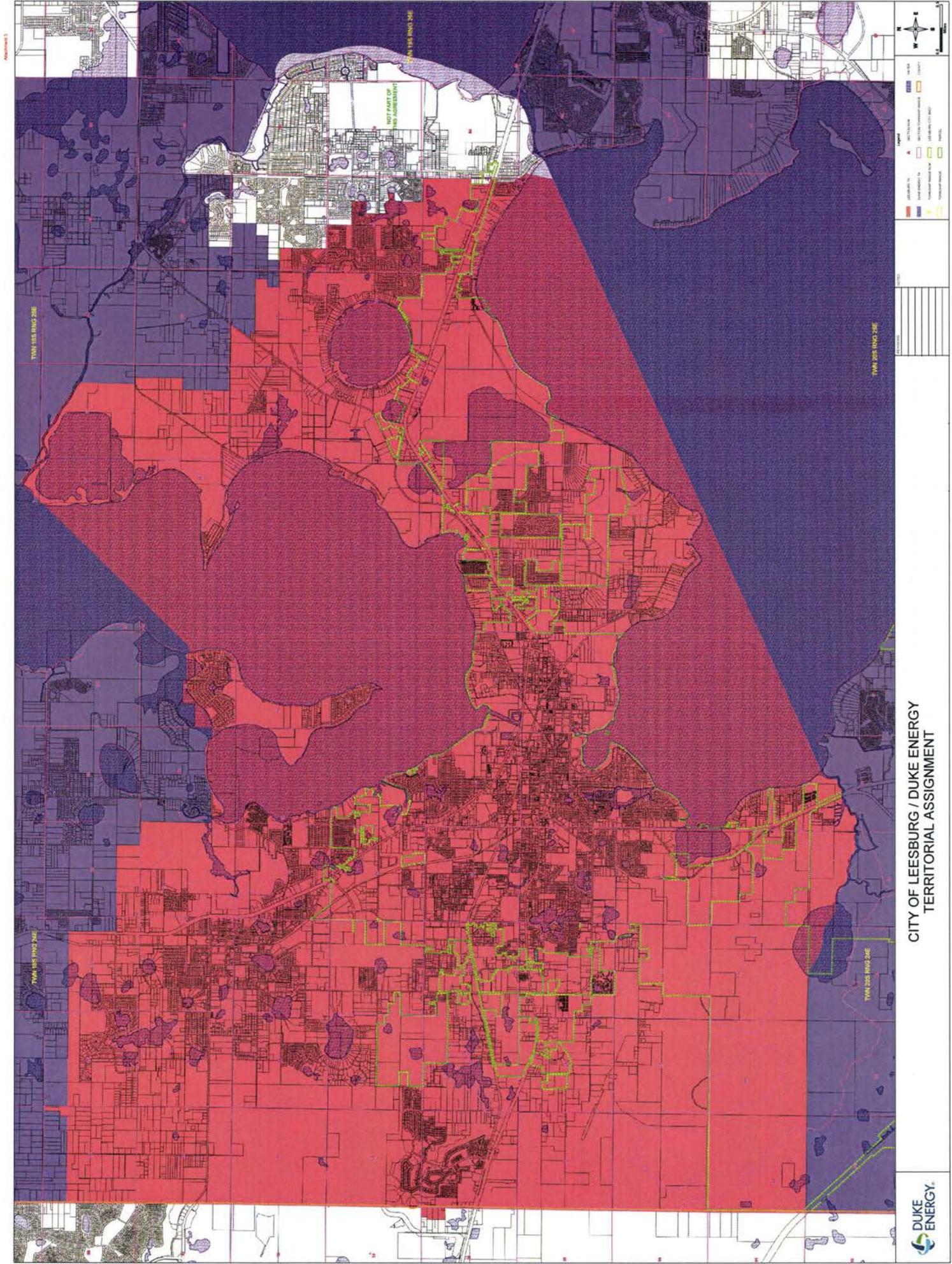
EXHIBIT A

Sheet 8 of 8

to
 Territorial Agreement
 between Florida Power Corporation
 and
 the City of Leesburg

Attachment 3

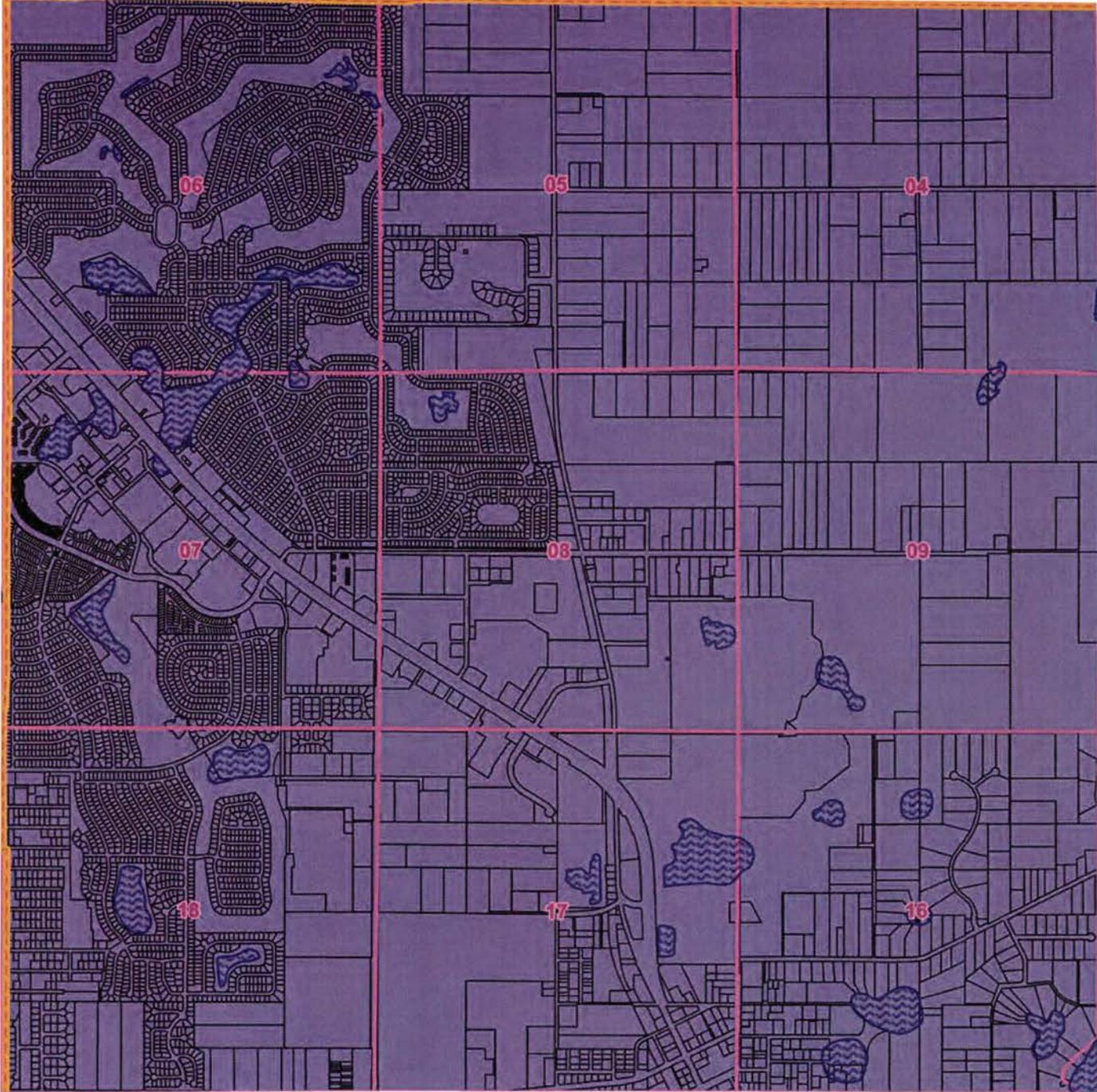
Territorial maps that display the
Extra-Territorial customers after
the transfer



CITY OF LEESBURG / DUKE ENERGY
TERRITORIAL ASSIGNMENT



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



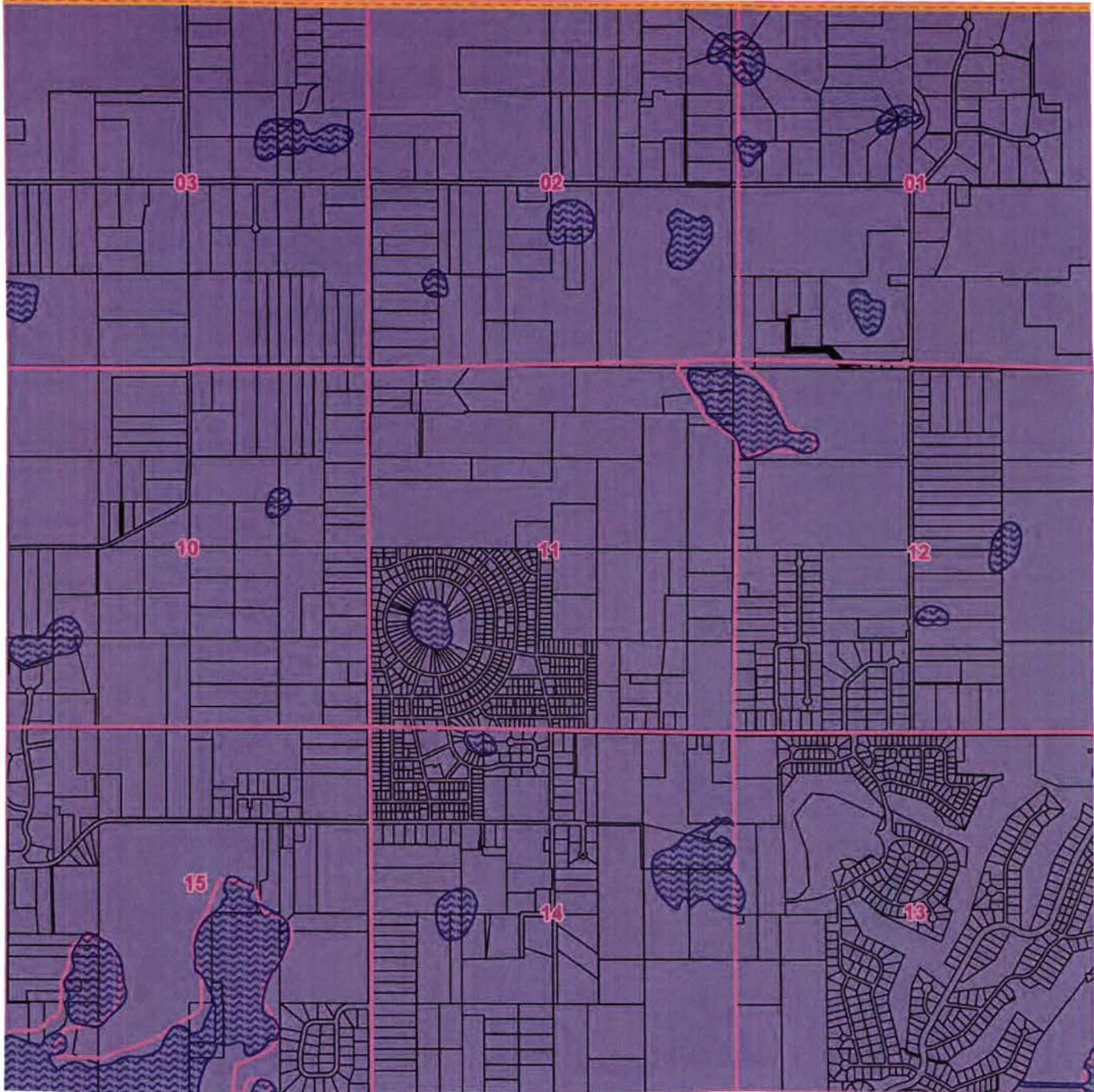
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-  SECTION NUM
-  PARCEL
-  WATER
-  COUNTY

**NORTHWEST QUAD
 TWN - 18 S RNG - 24E
 LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



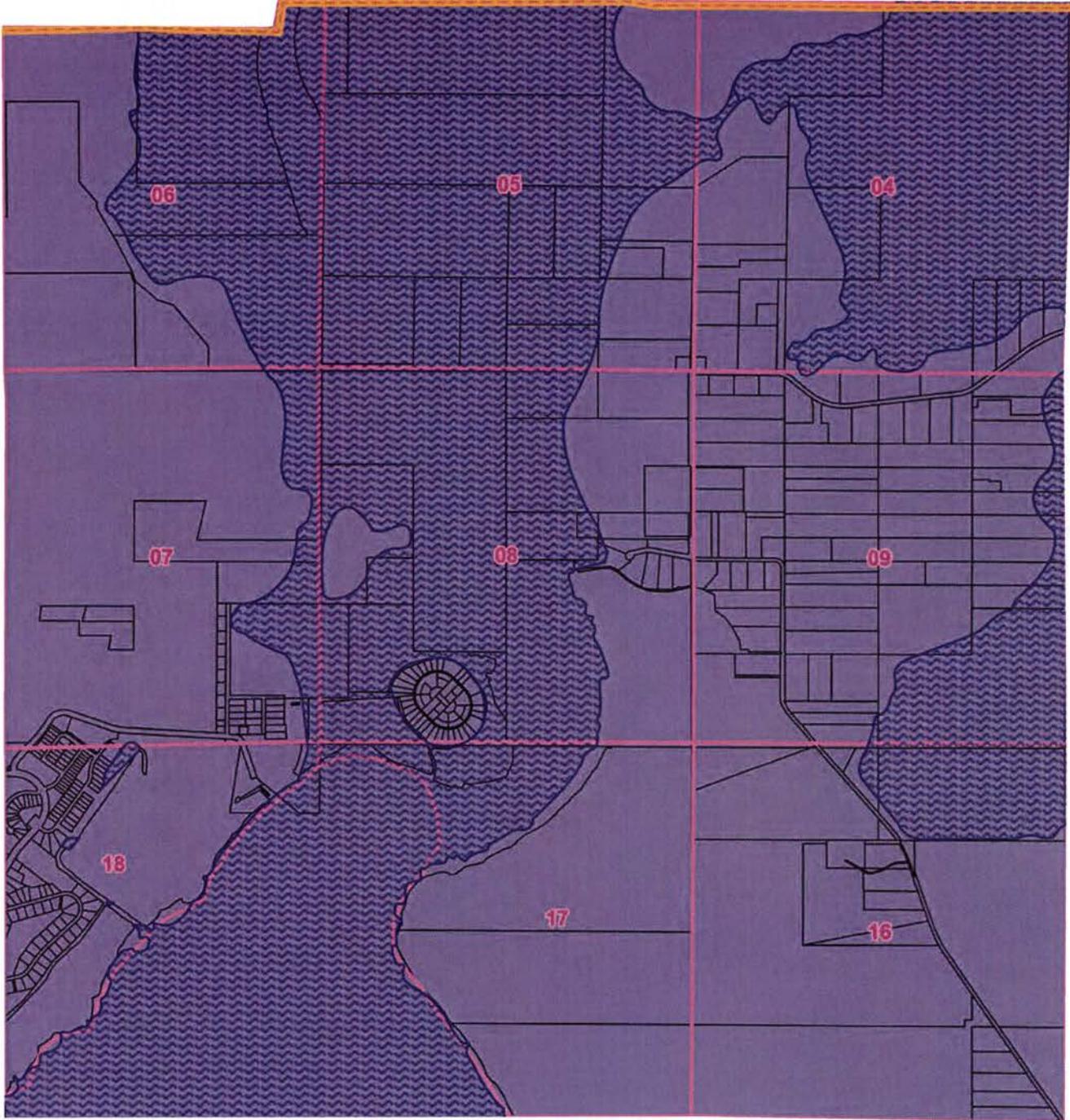
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LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



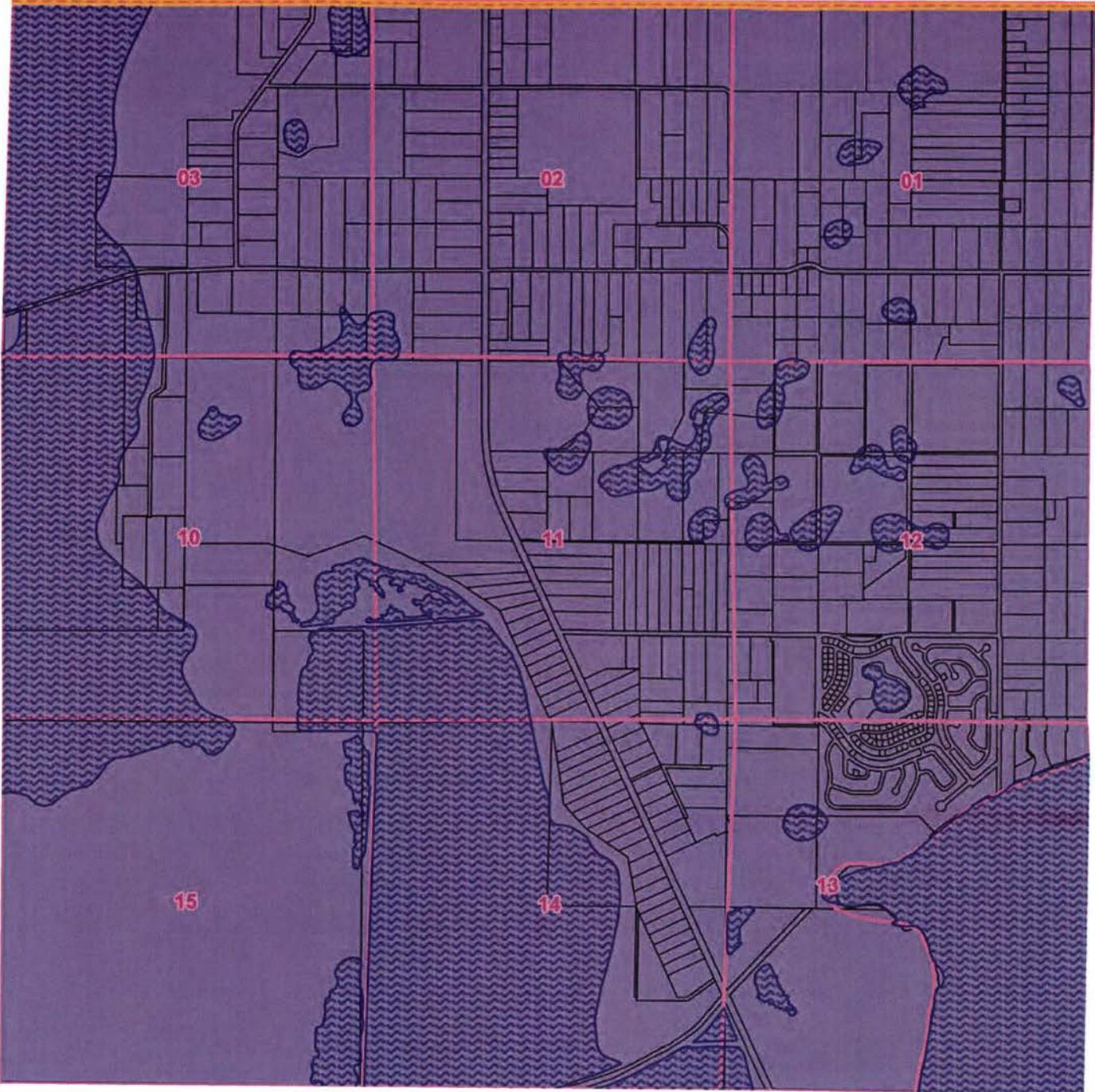
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



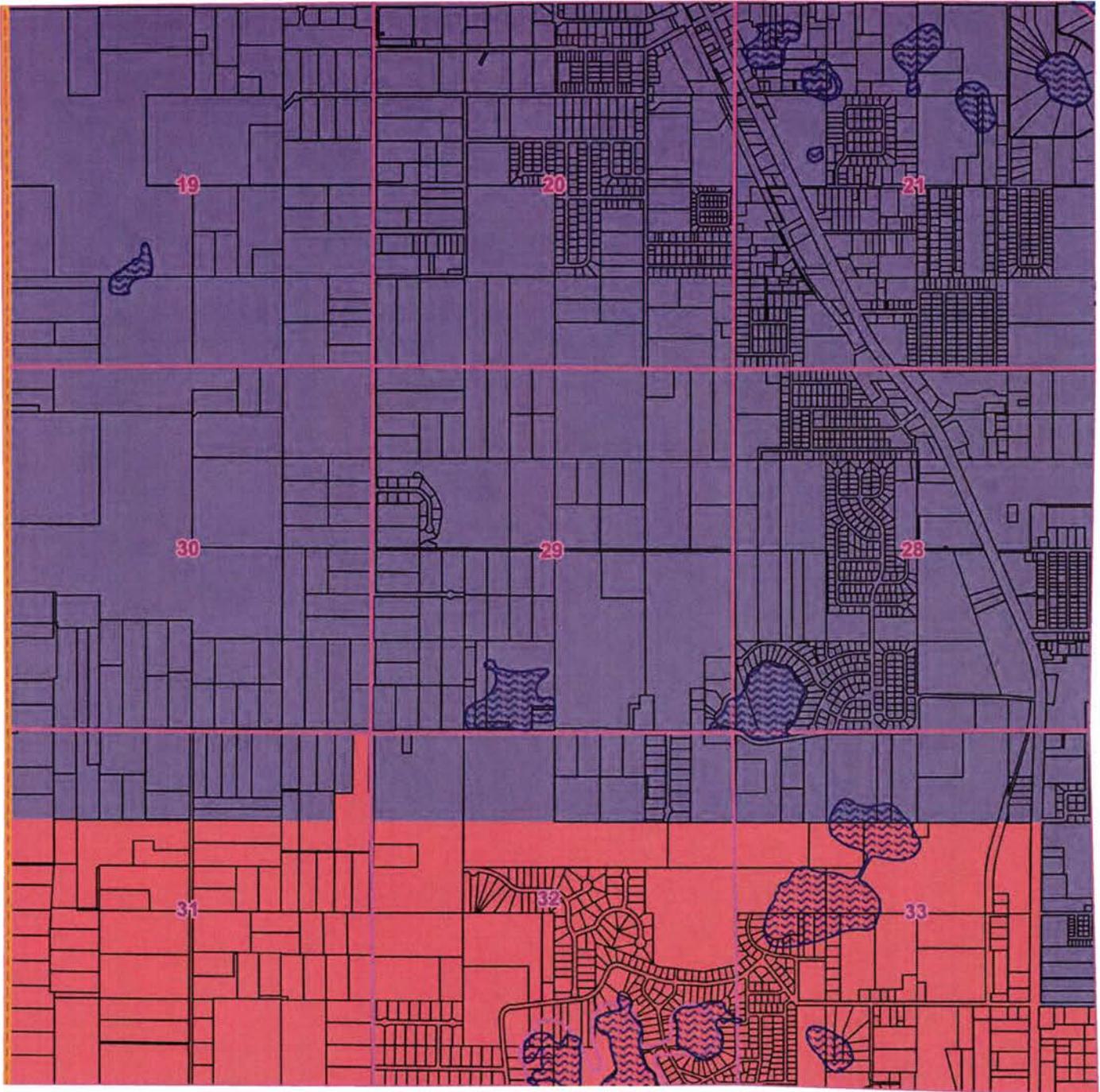
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



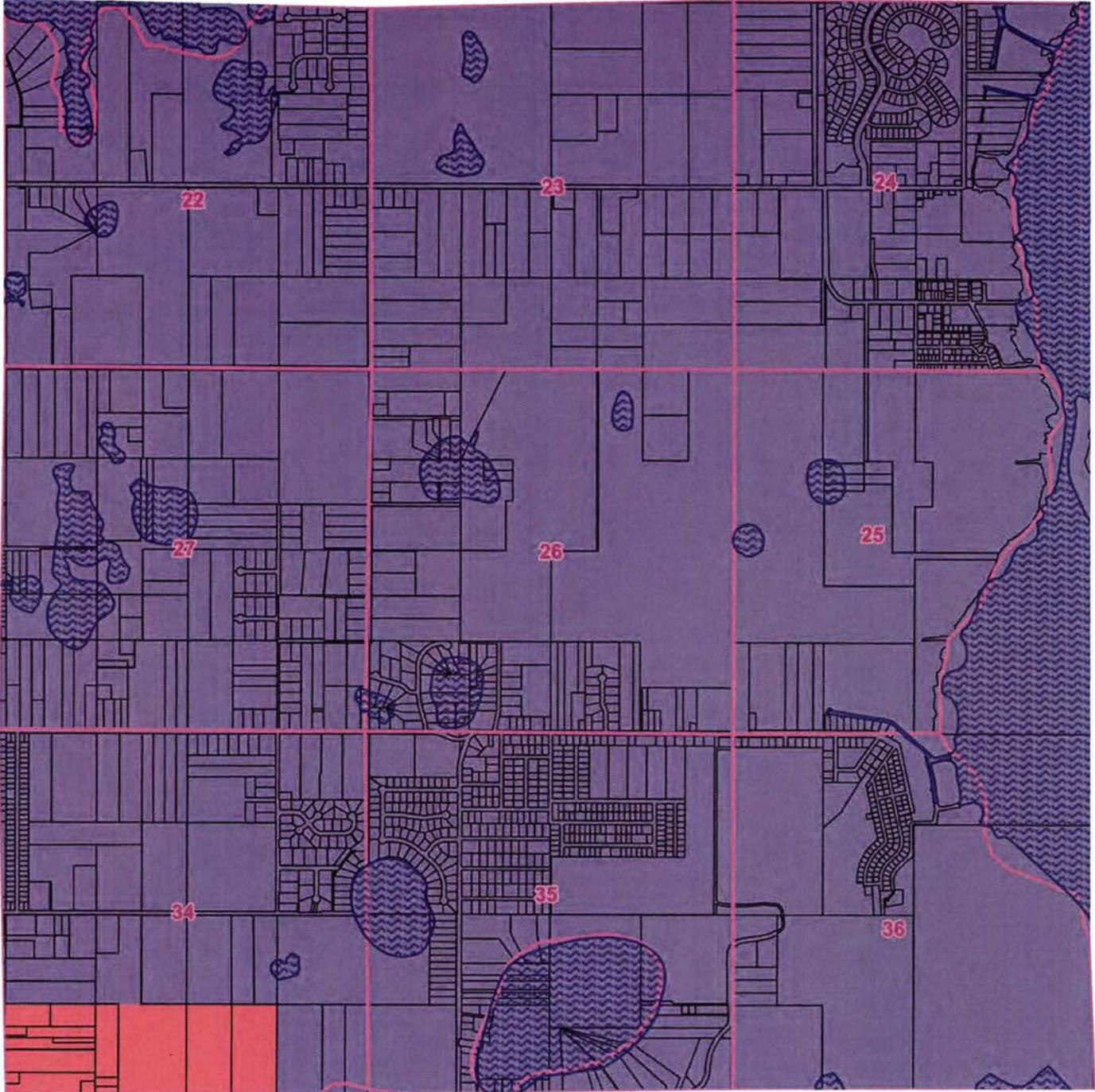
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LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



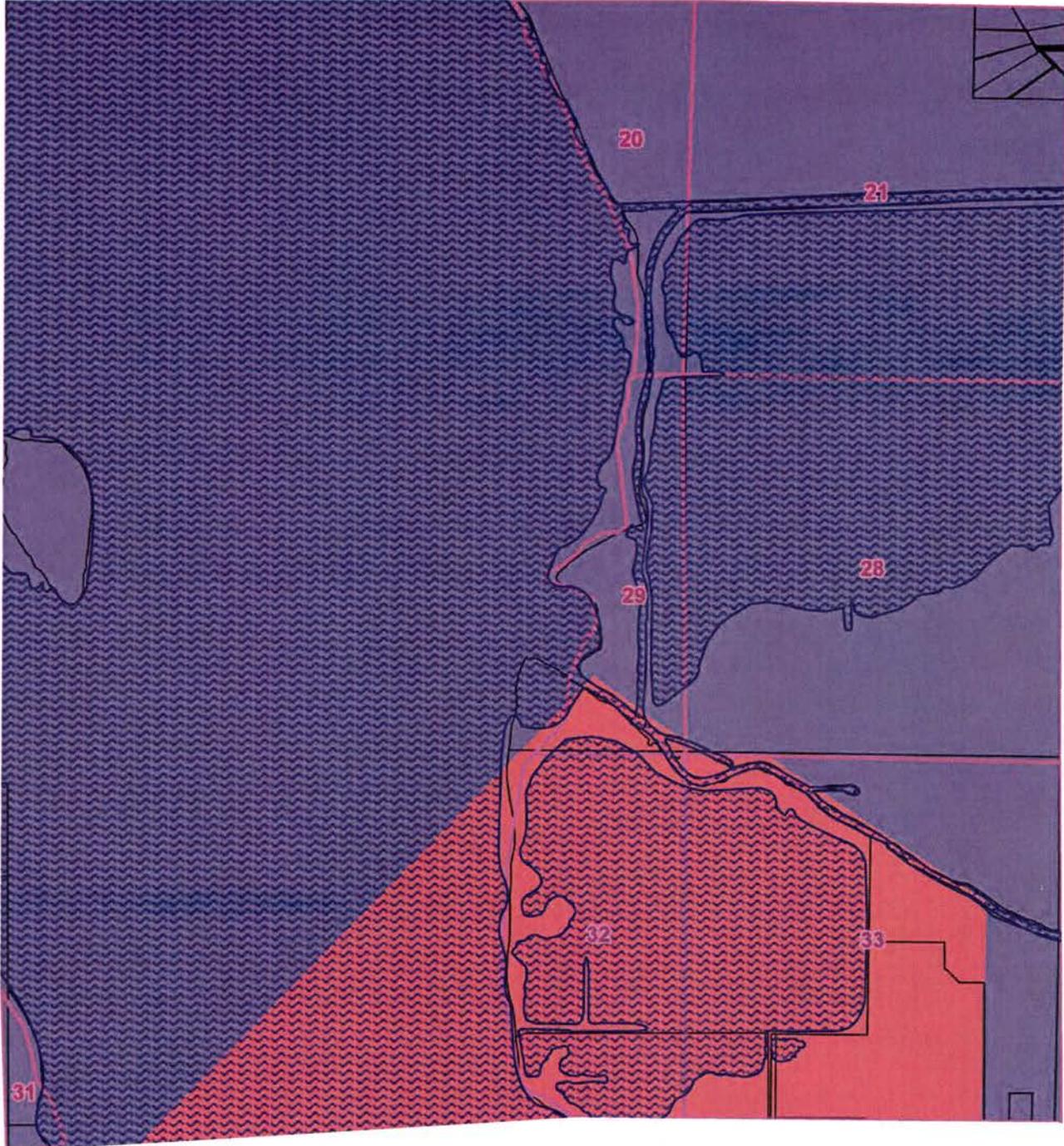
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**SOUTHEAST QUAD
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 LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



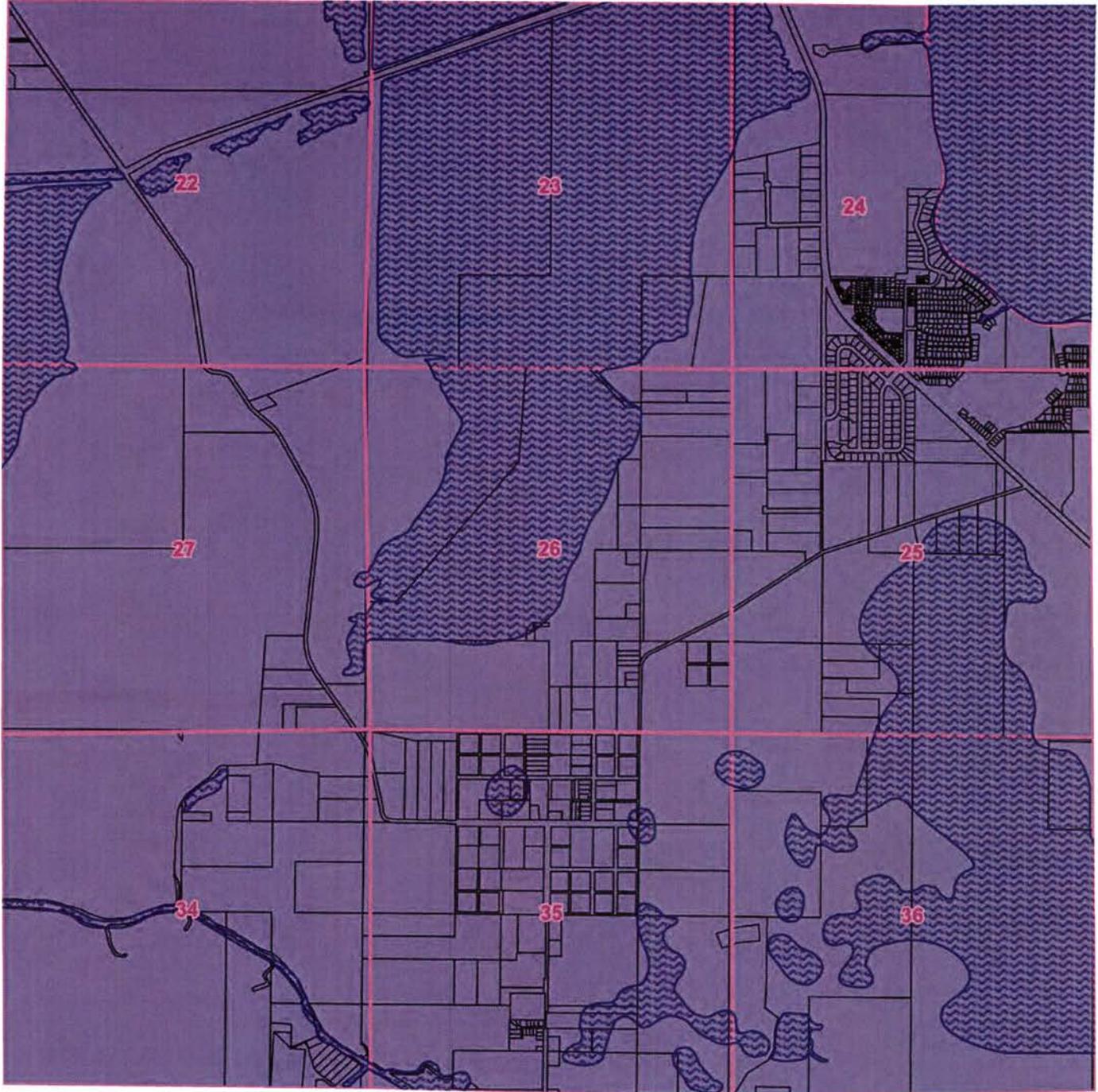
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LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



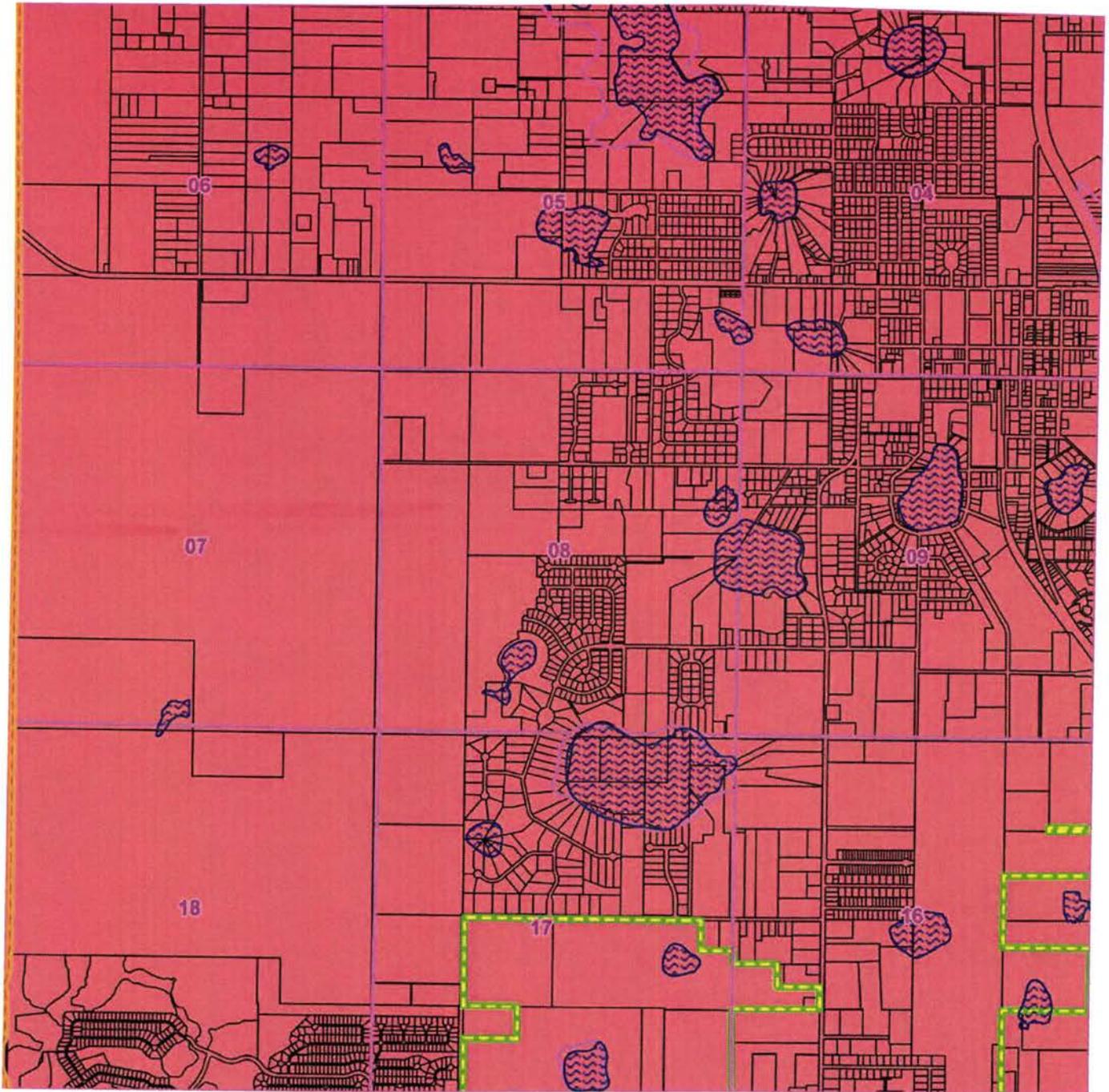
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**SOUTHEAST QUAD
TWN - 18S RNG - 25E
LAKE COUNTY, FL**

DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



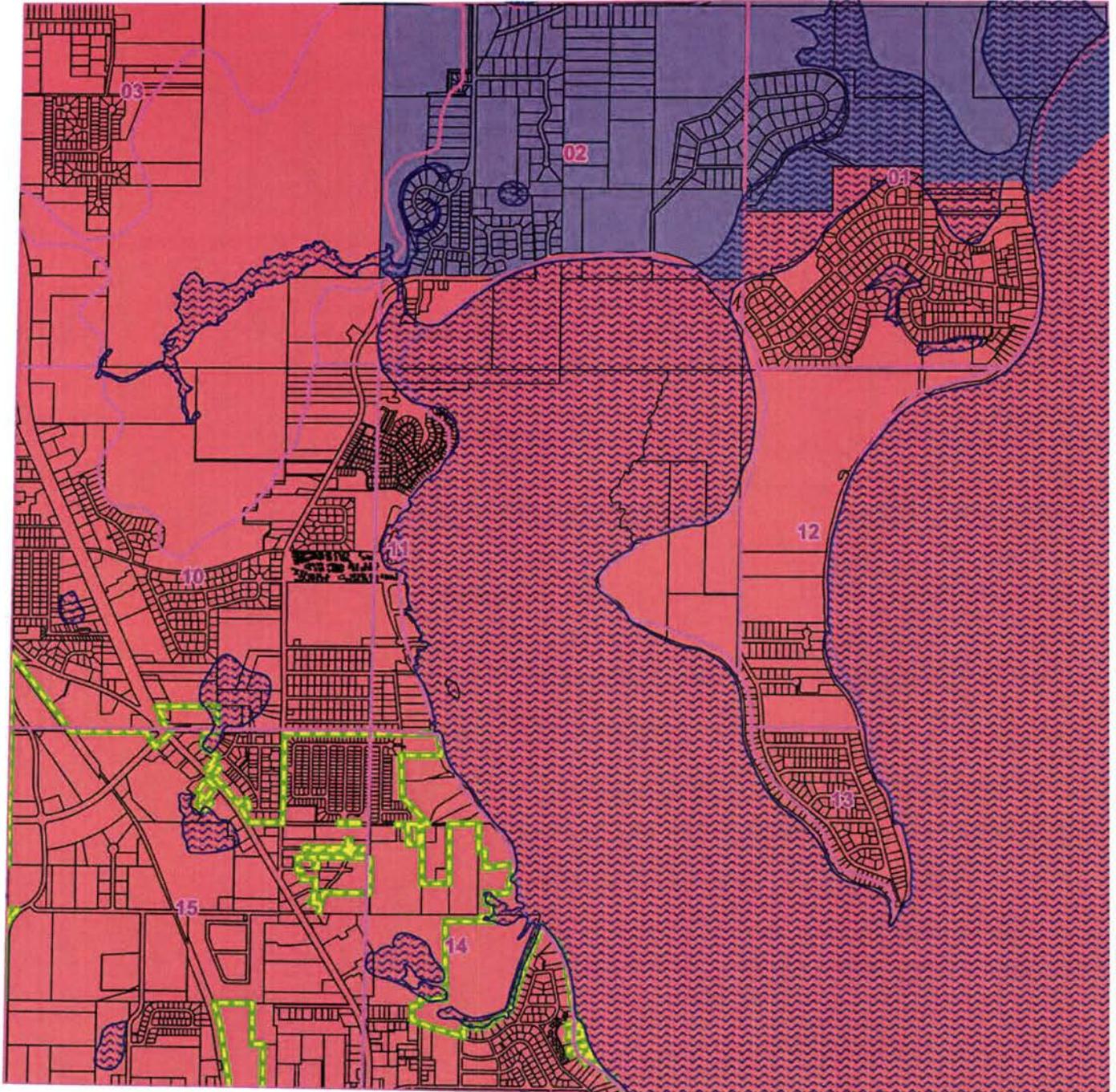
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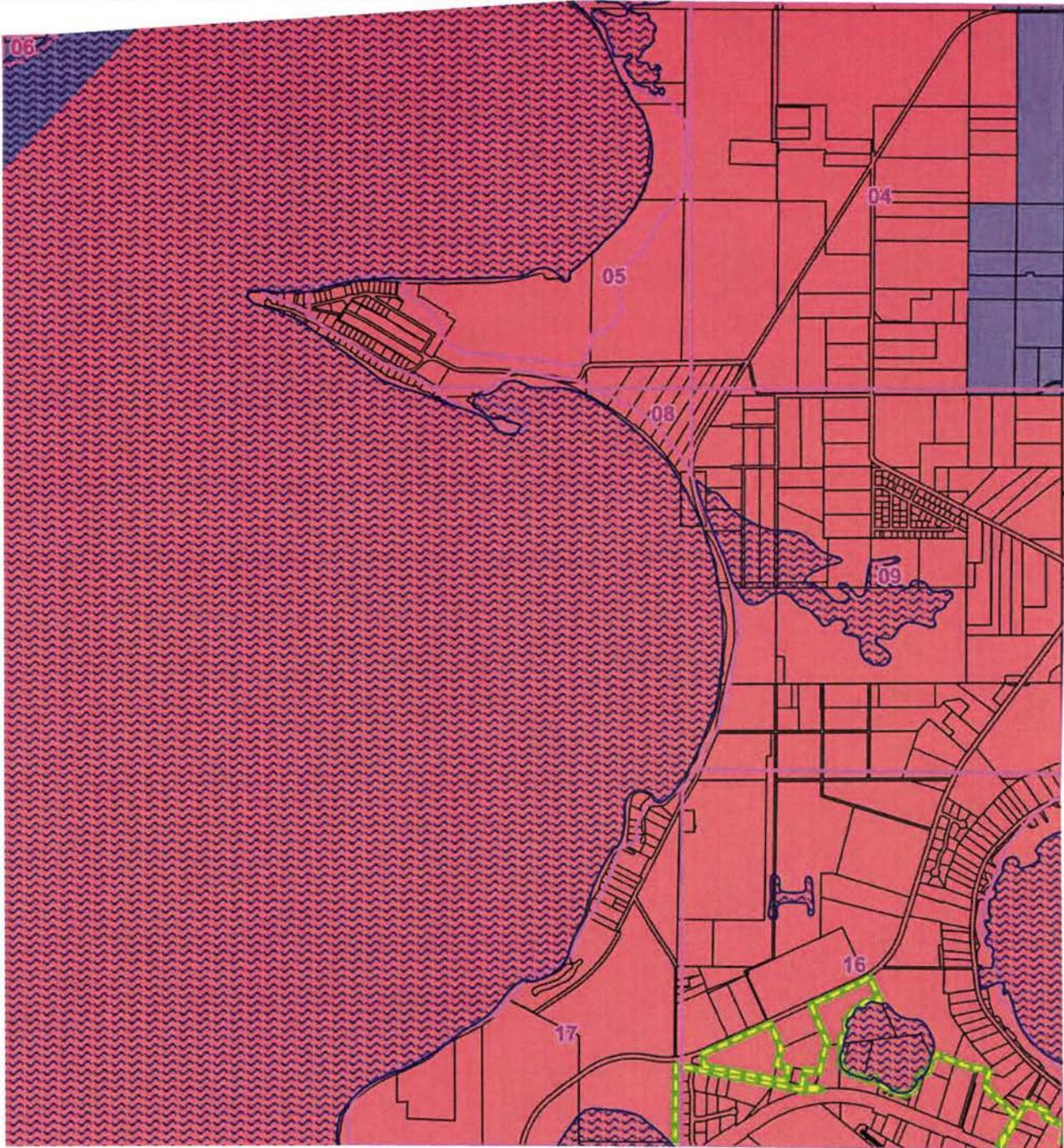
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 LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



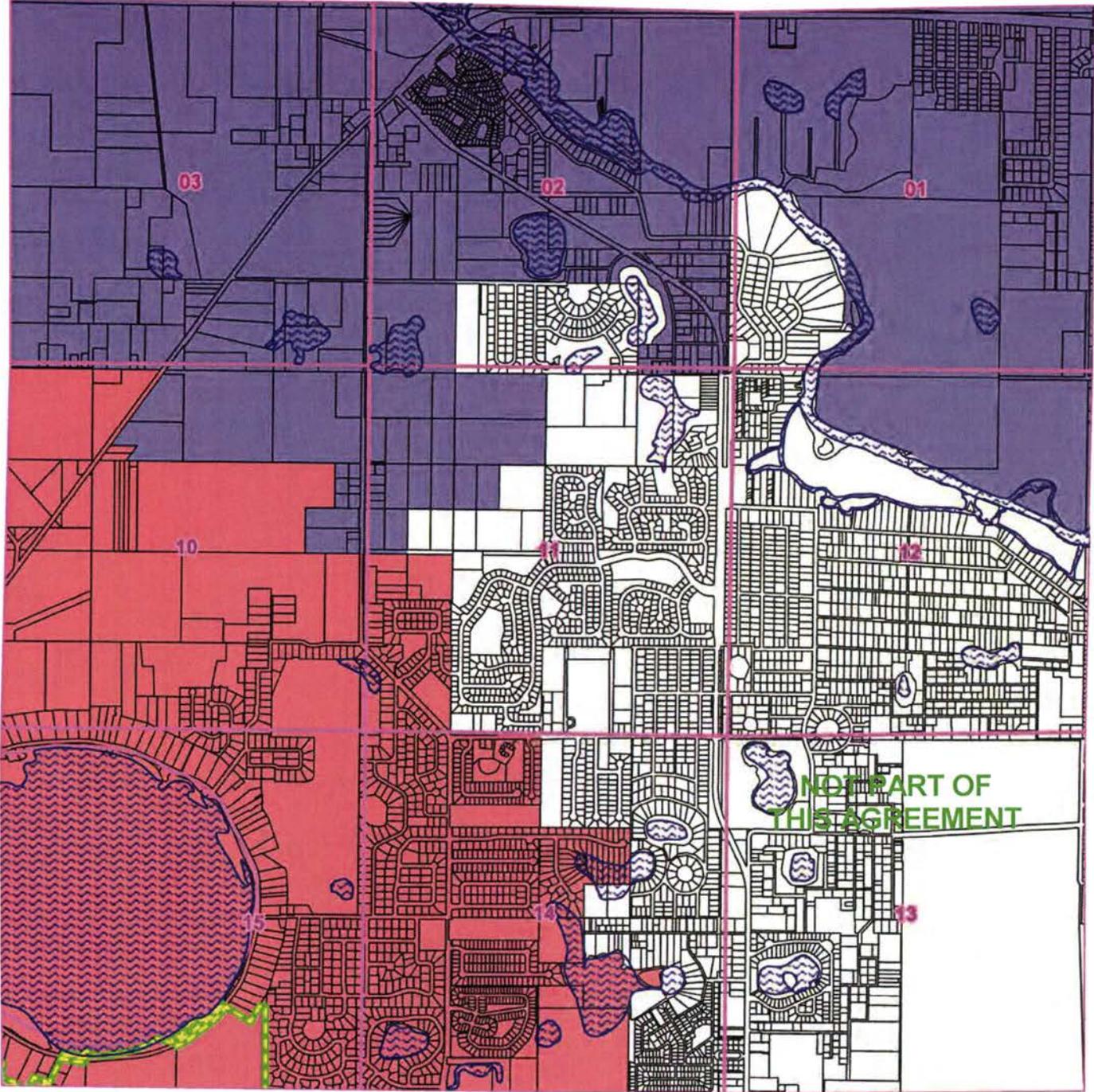
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



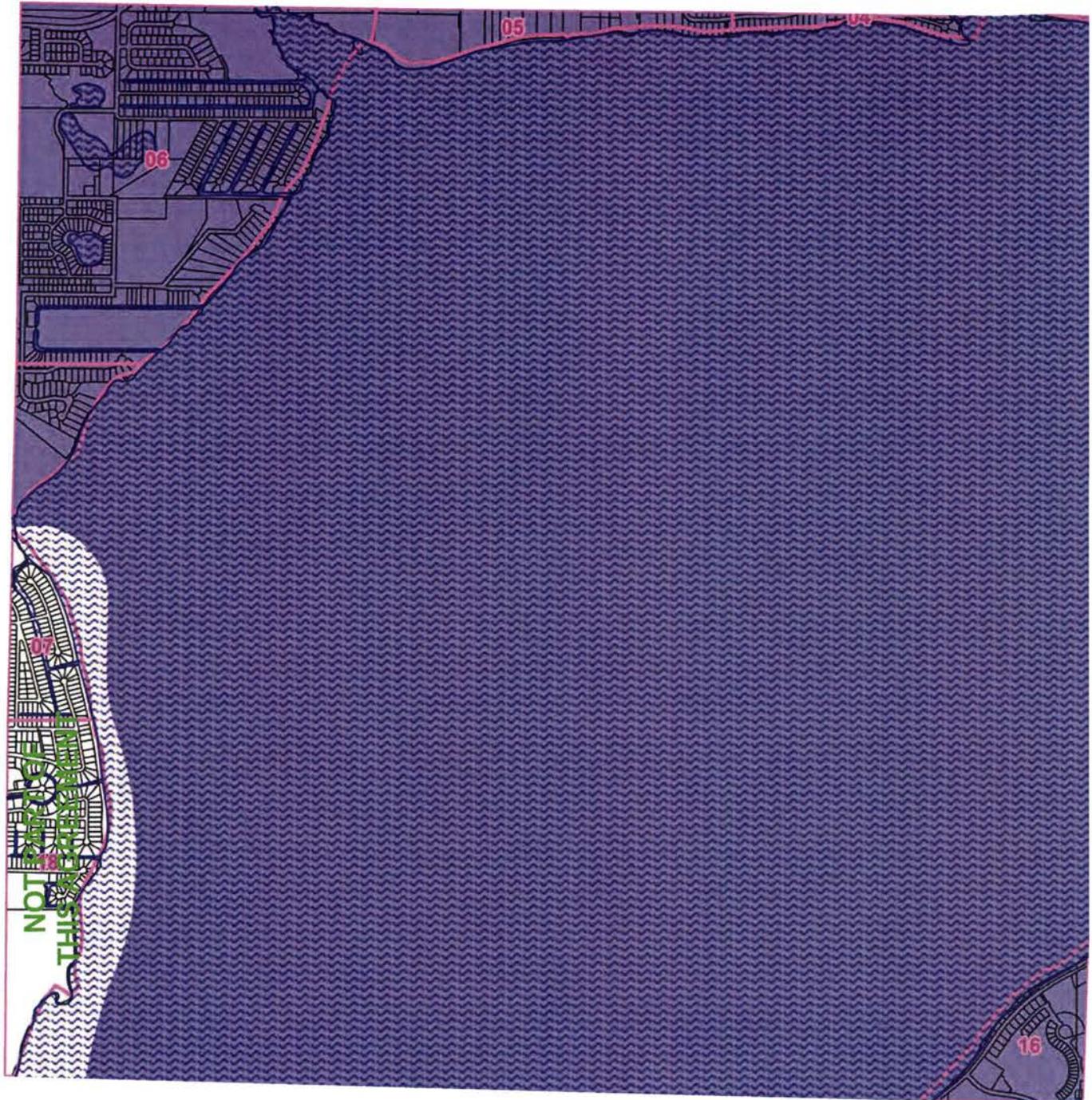
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**NORTHEAST QUAD
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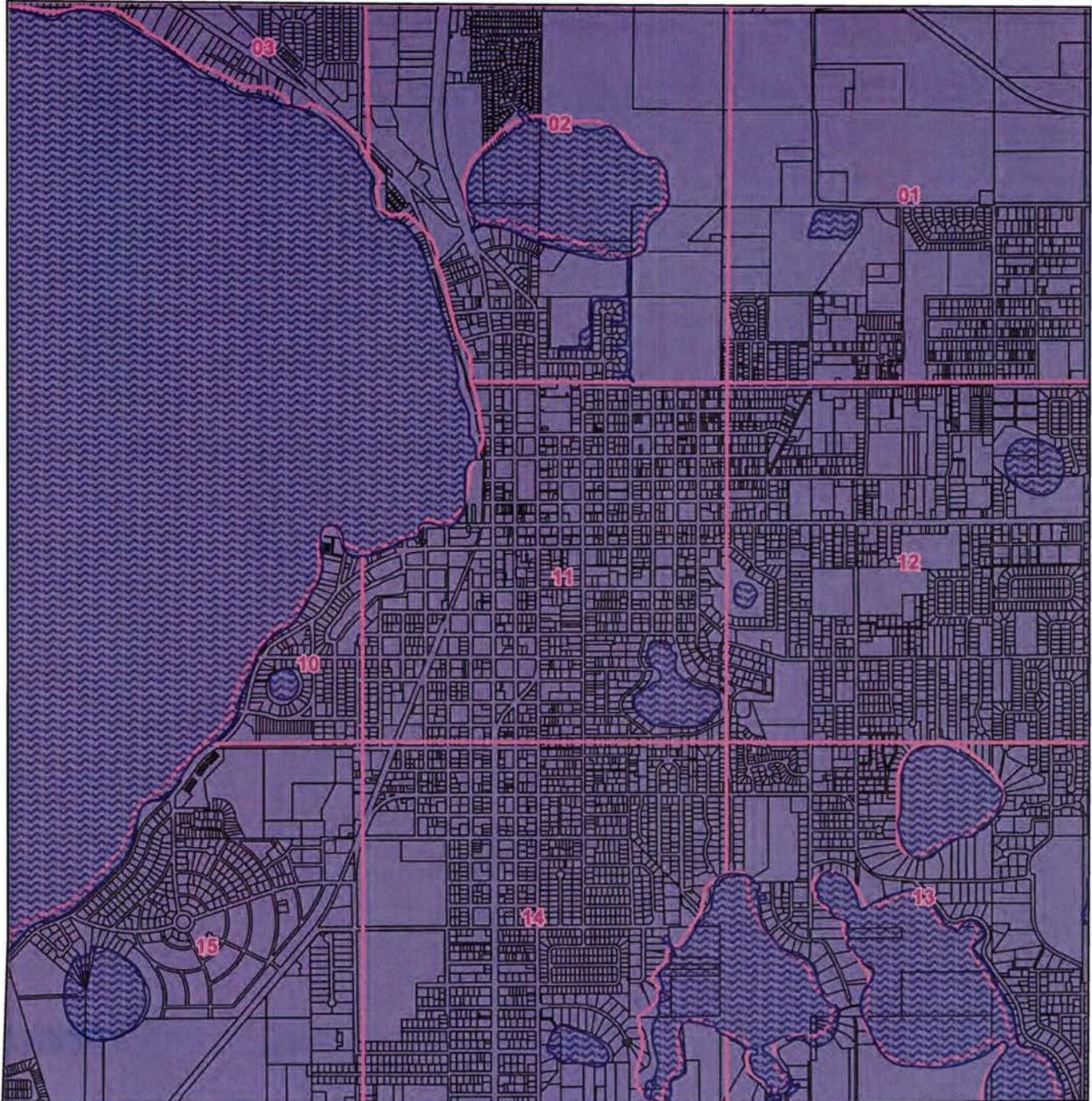
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT

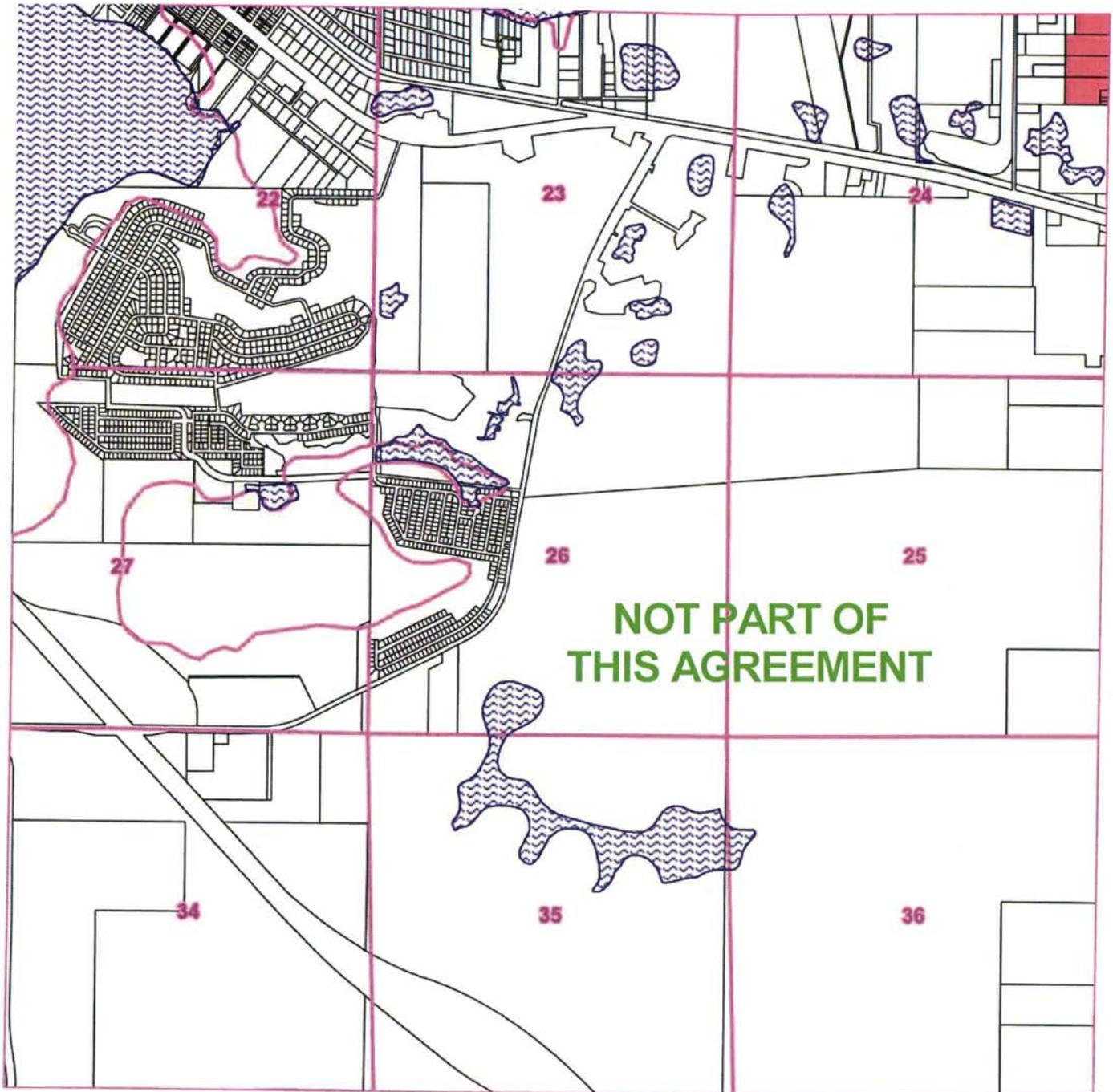


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LAKE COUNTY, FL**





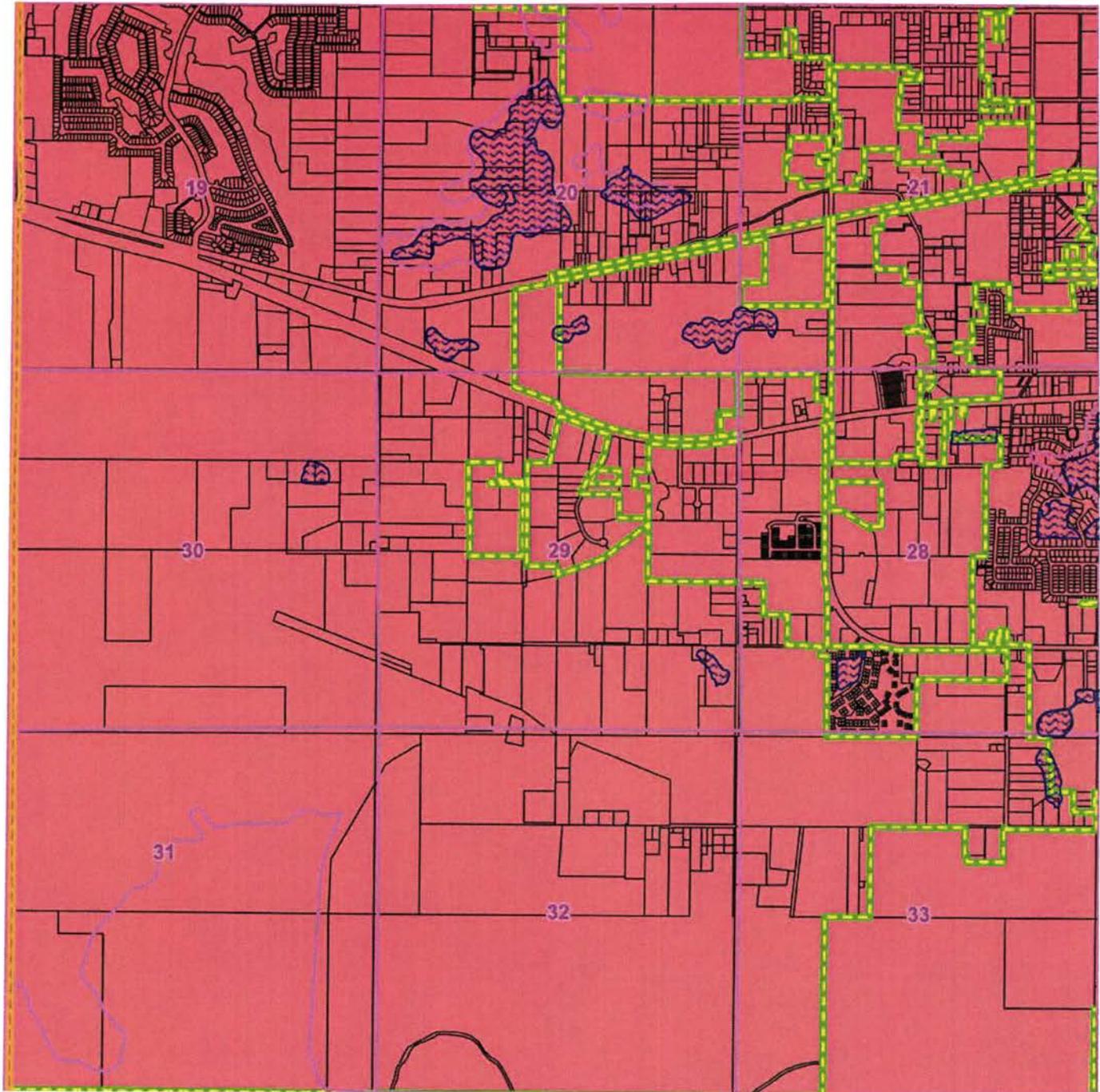
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 TWN - 19S RNG - 23E
 SUMTER COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



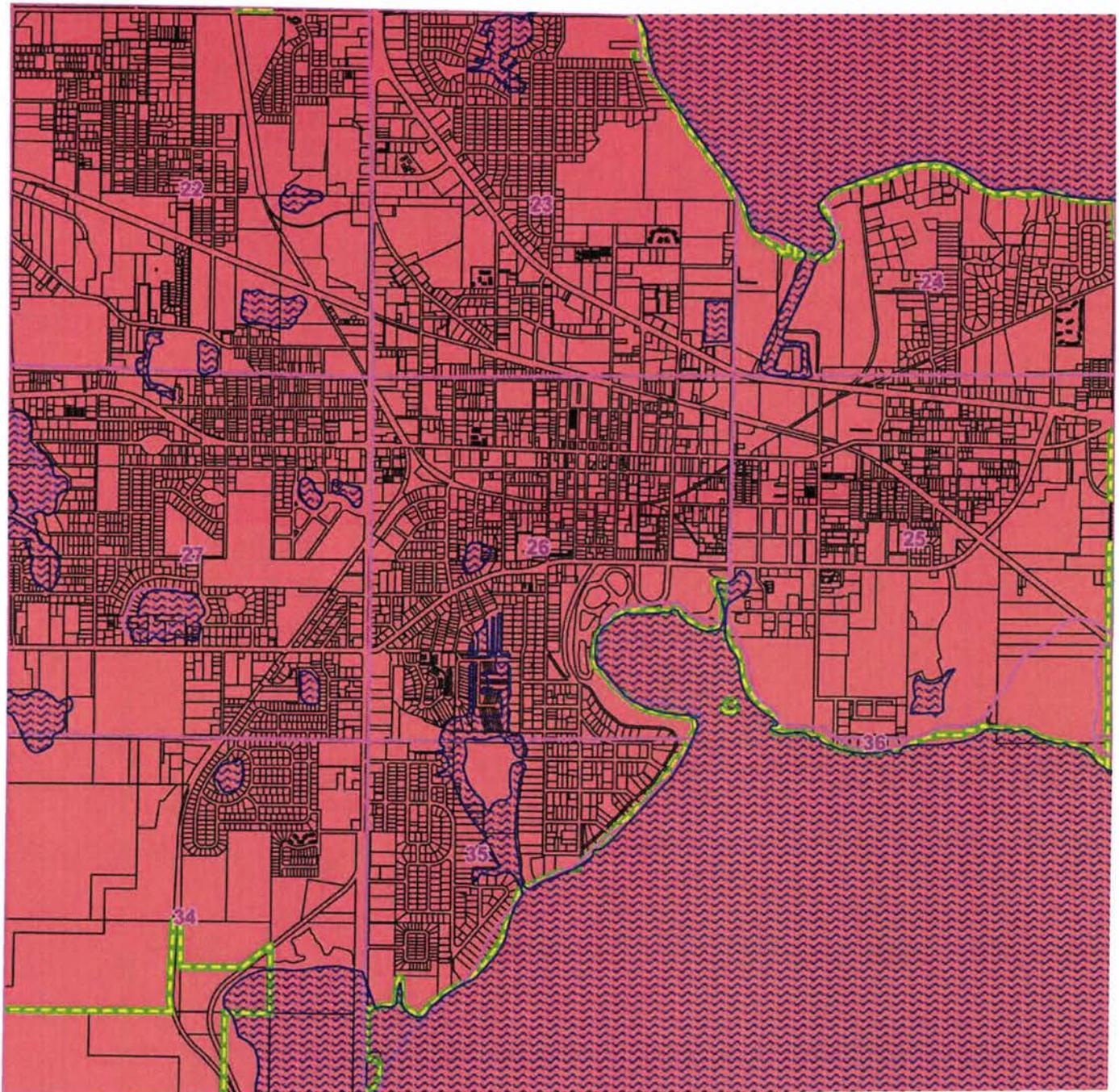
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



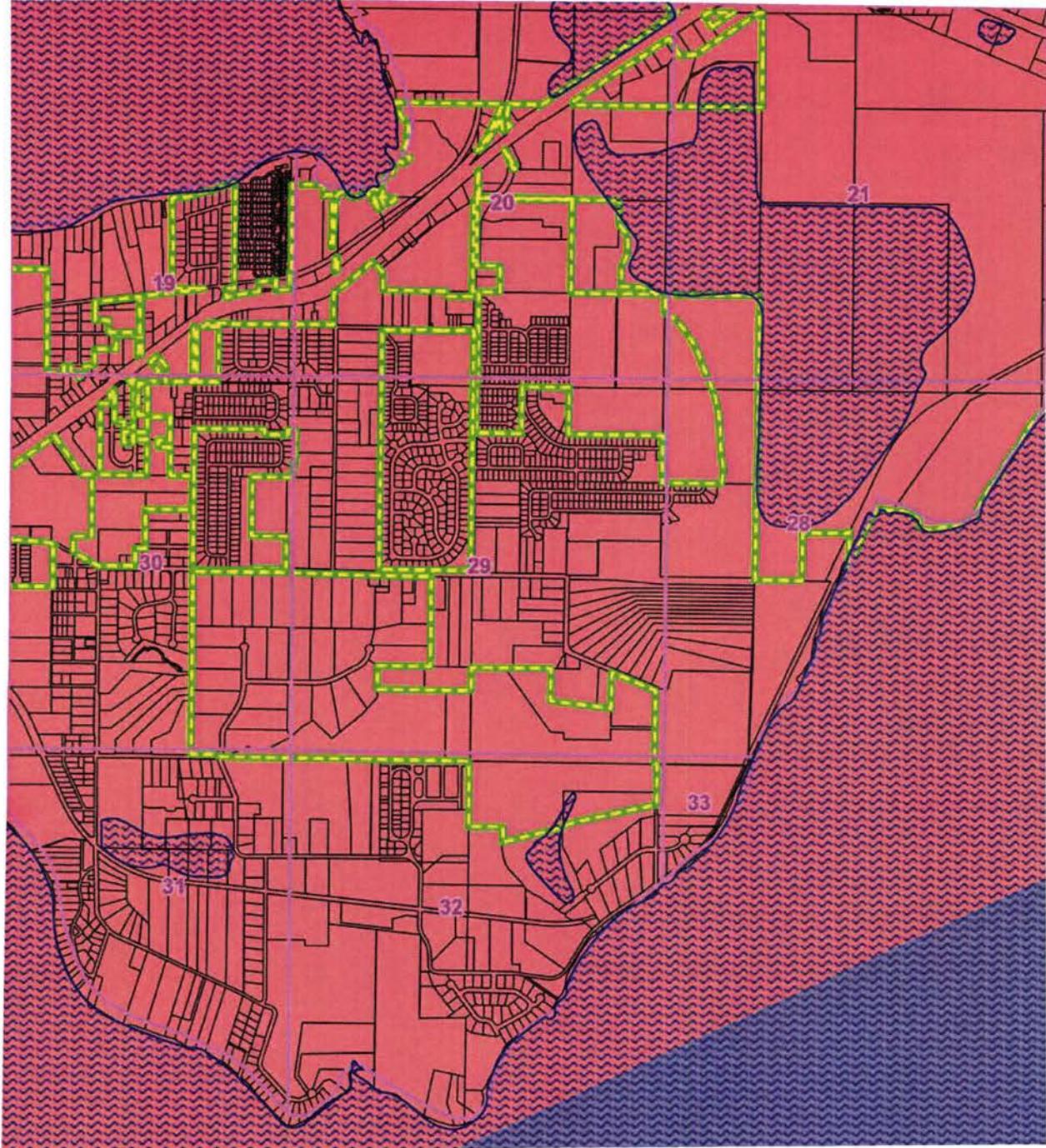
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SOUTHEAST QUAD
 TWN - 19S RNG - 24E
 LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEEBURG, FL TERRITORIAL AGREEMENT

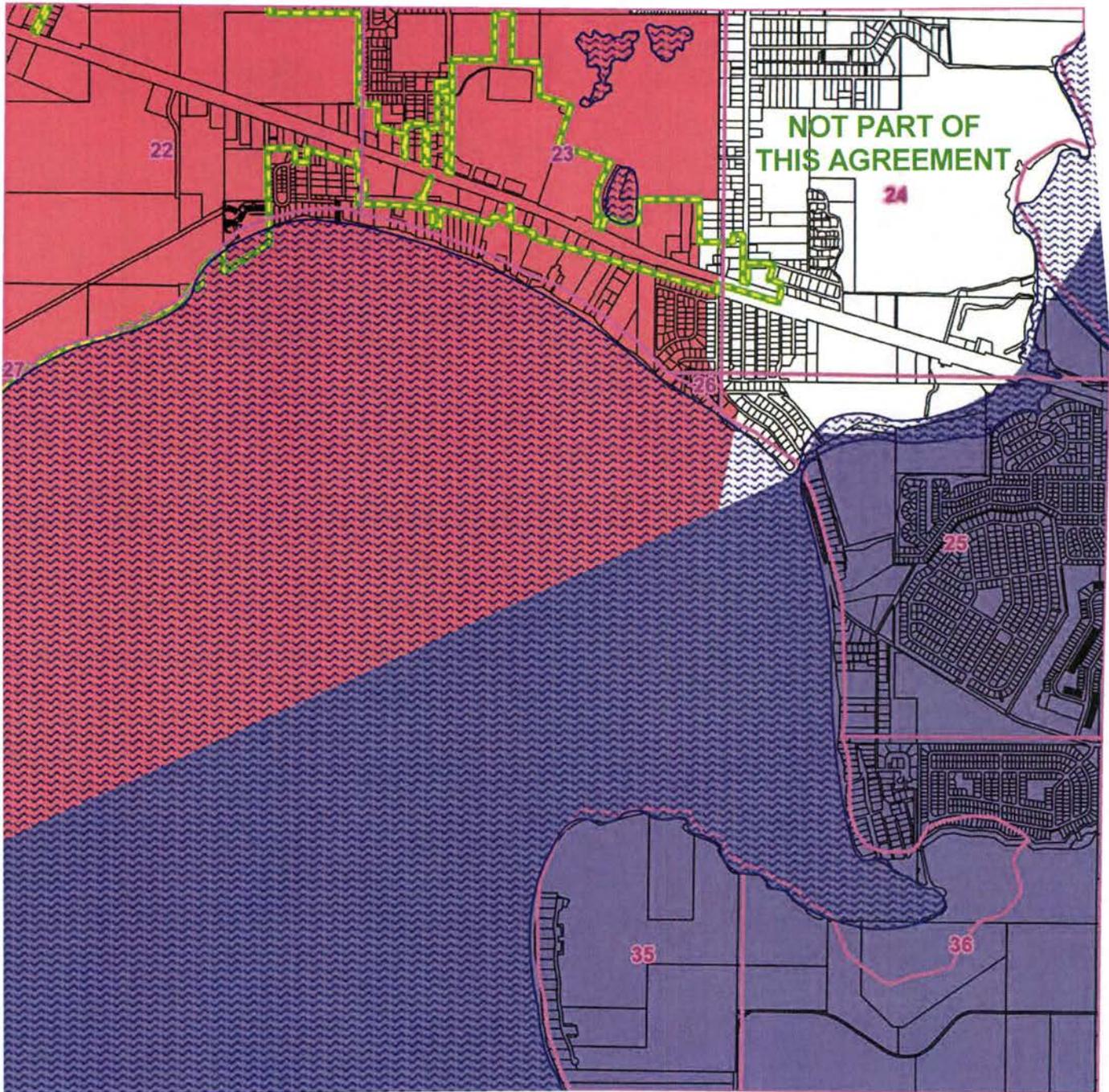


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**SOUTHWEST QUAD
TWN - 19S RNG - 25E
LAKE COUNTY, FL**





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SOUTHEAST QUAD
 TWN - 19S RNG - 25E
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



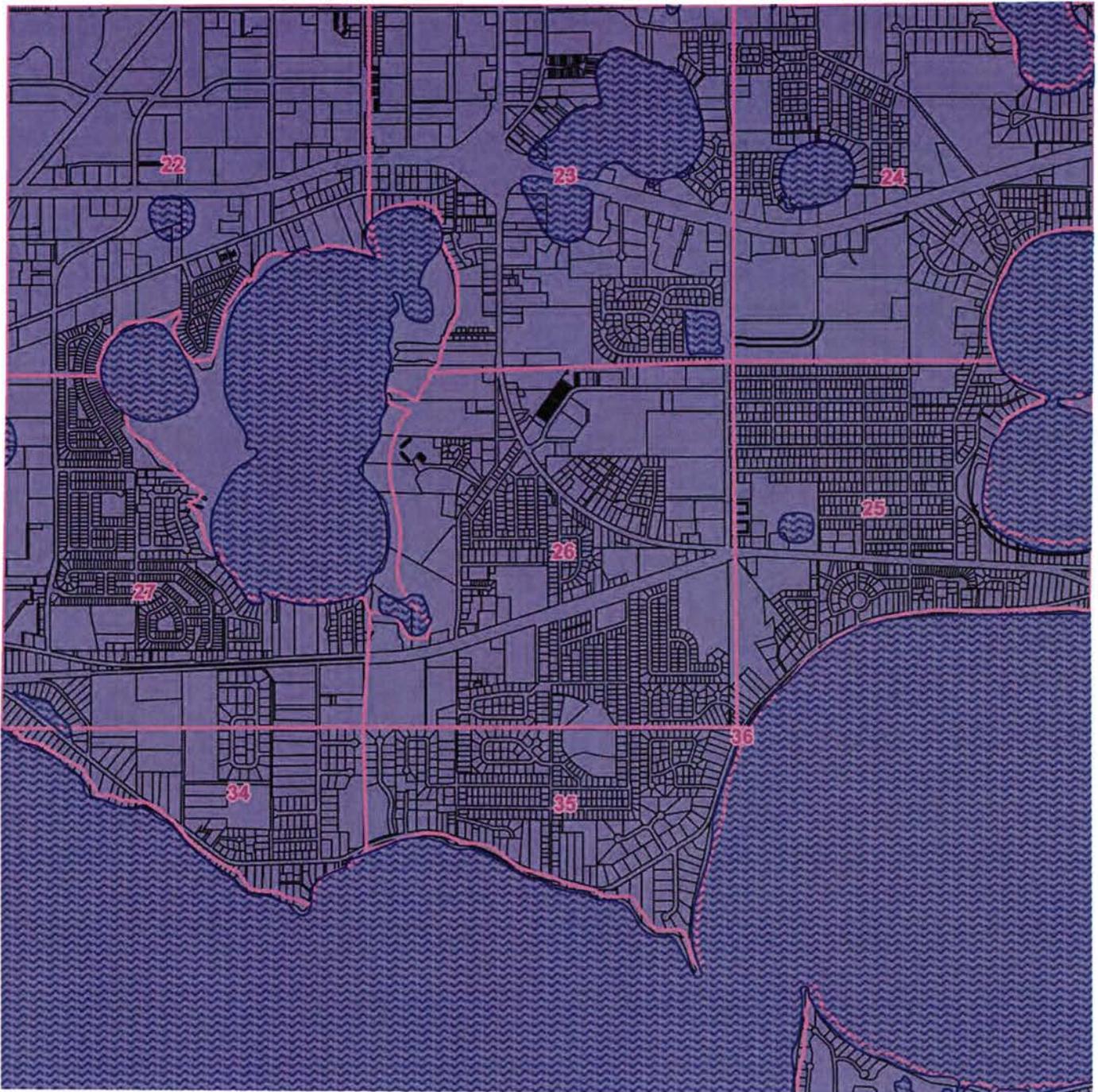
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SOUTHWEST QUAD
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DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



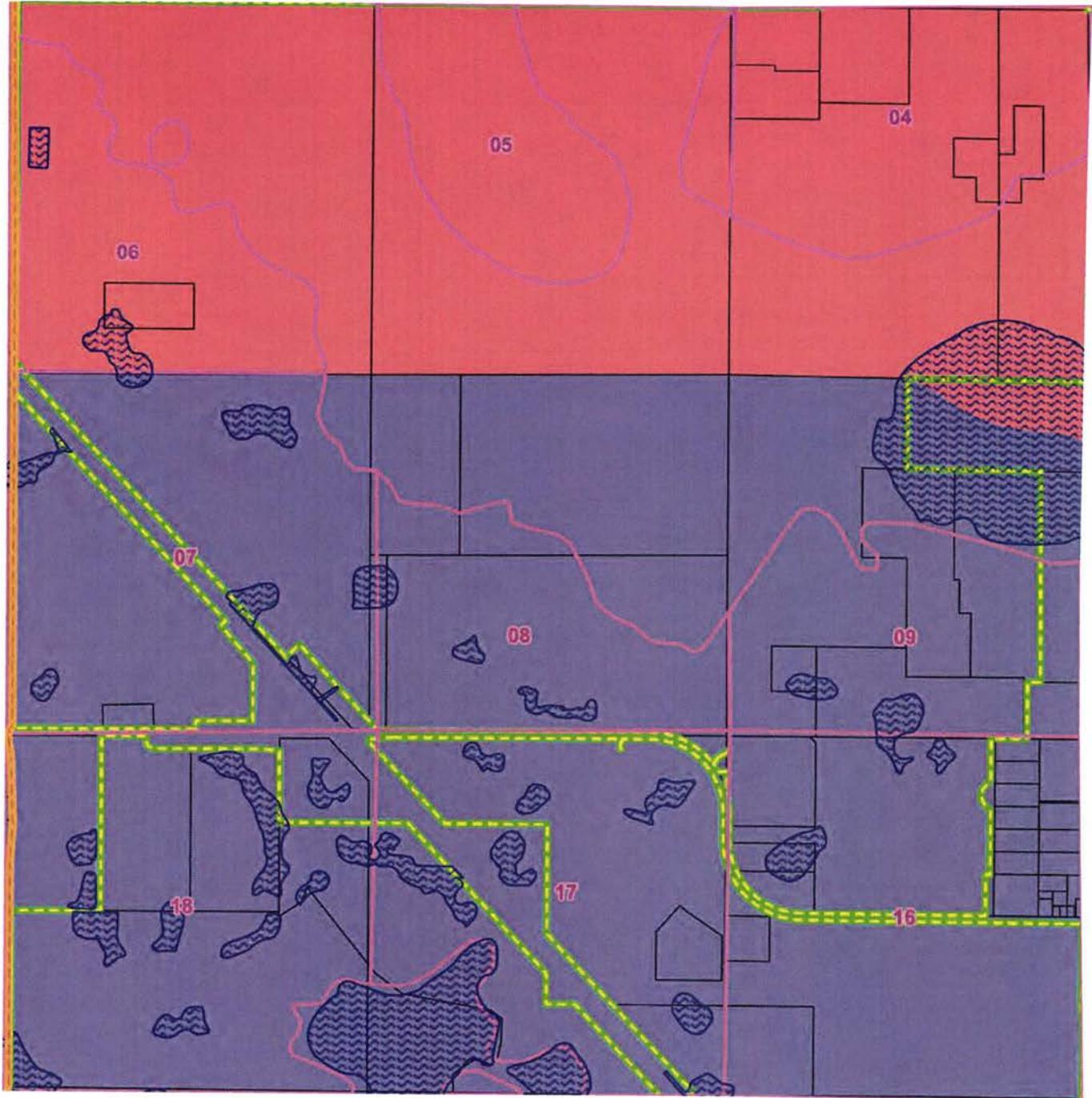
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|  | CITY OF LEESBURG TA |  | S-T-R |  | WATER |
| | |  | LEESBURG CITY BNDY |  | COUNTY |

SOUTHEAST QUAD
TWN - 19S RNG - 26E
LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



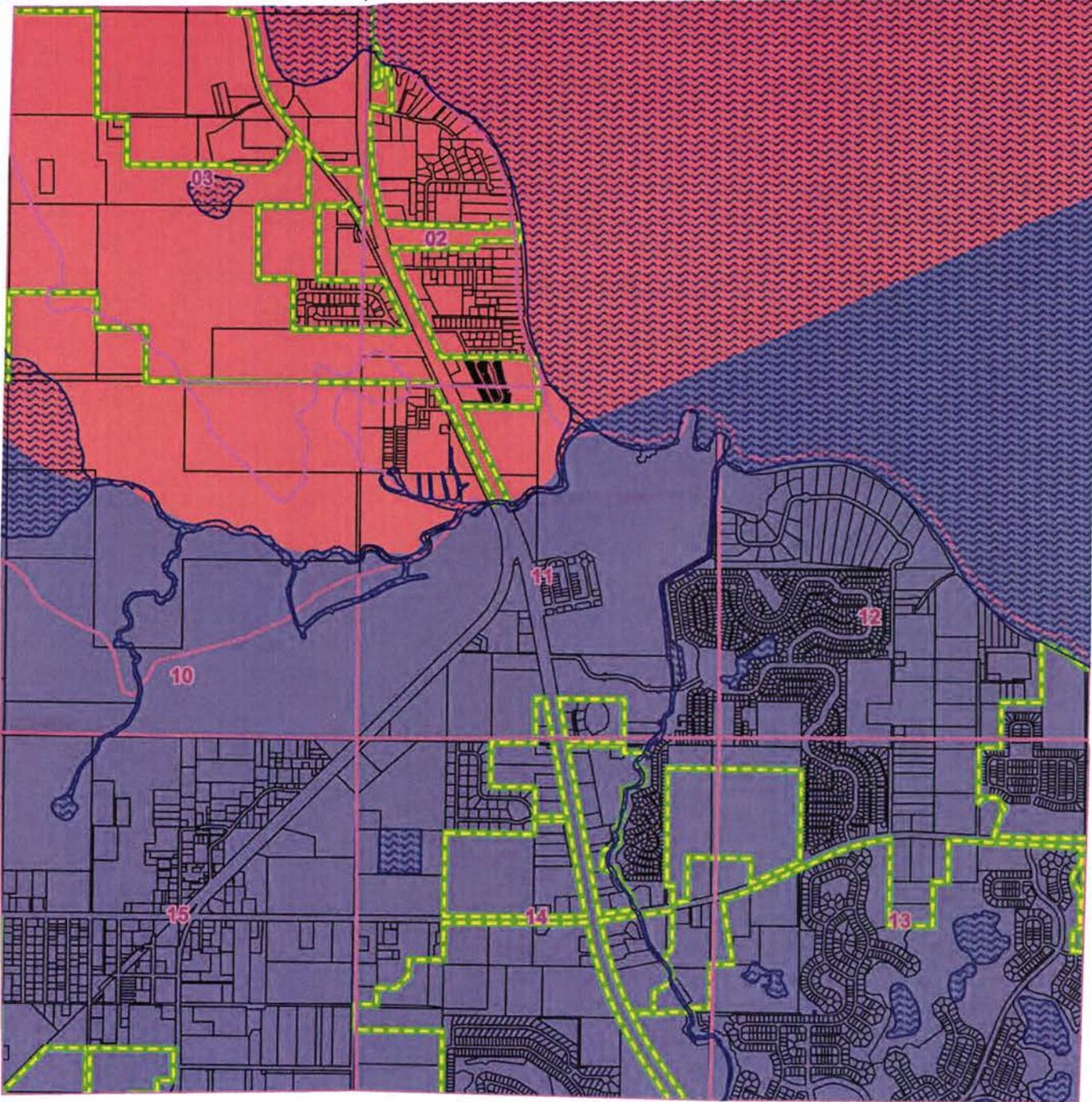
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|  | DUKE ENERGY TA |  | SECTION NUM |  | PARCEL |
|  | CITY OF LEESBURG TA |  | S-T-R |  | WATER |
| | |  | LEESBURG CITY BNDY |  | COUNTY |

**NORTHWEST QUAD
TWN - 20S RNG - 24E
LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



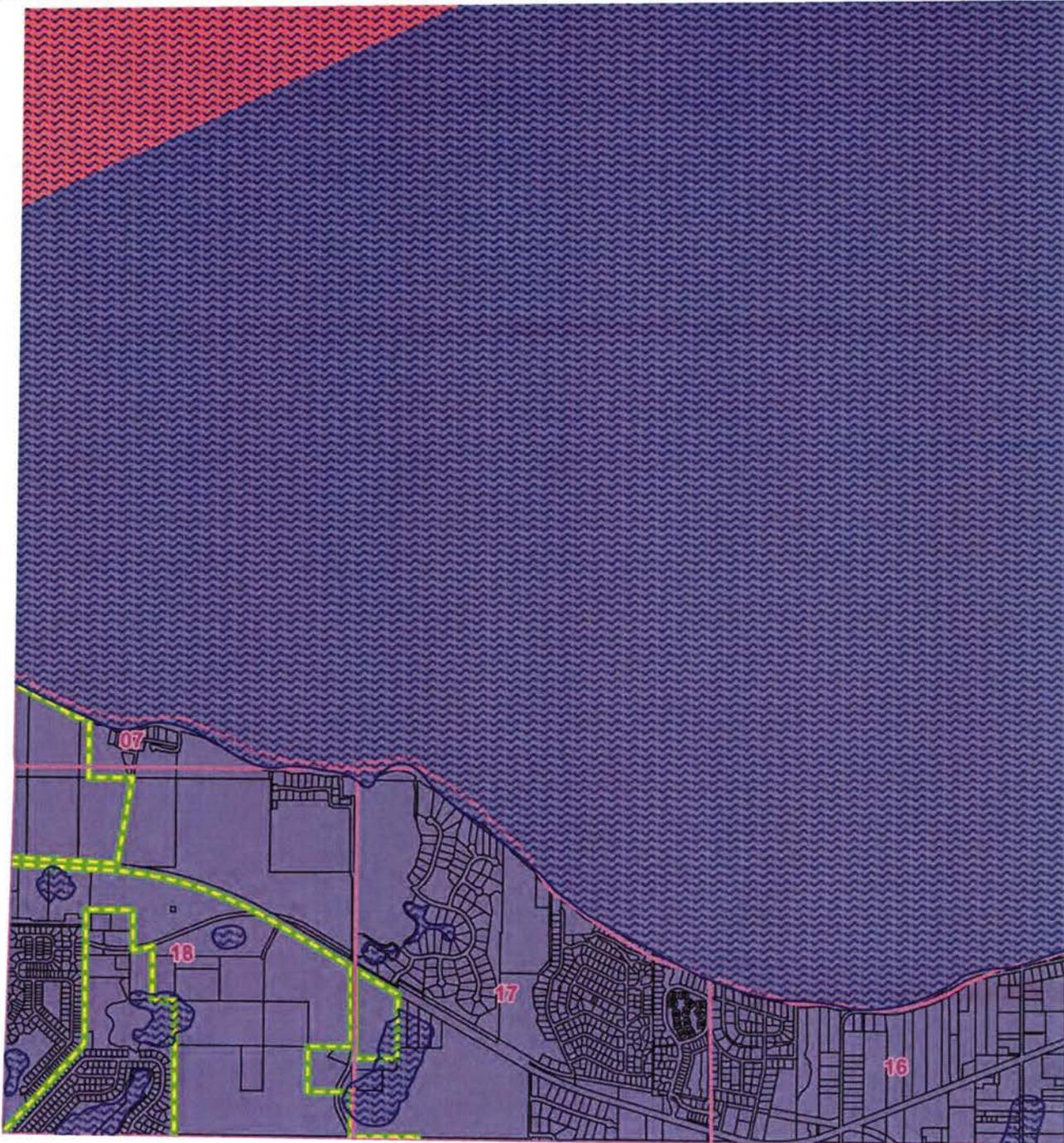
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|  | DUKE ENERGY TA |  | SECTION NUM |  | PARCEL |
|  | CITY OF LEESBURG TA |  | S-T-R |  | WATER |
| | |  | LEESBURG CITY BNDY |  | COUNTY |

NORTHEAST QUAD
 TWN - 20S RNG - 24E
 LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



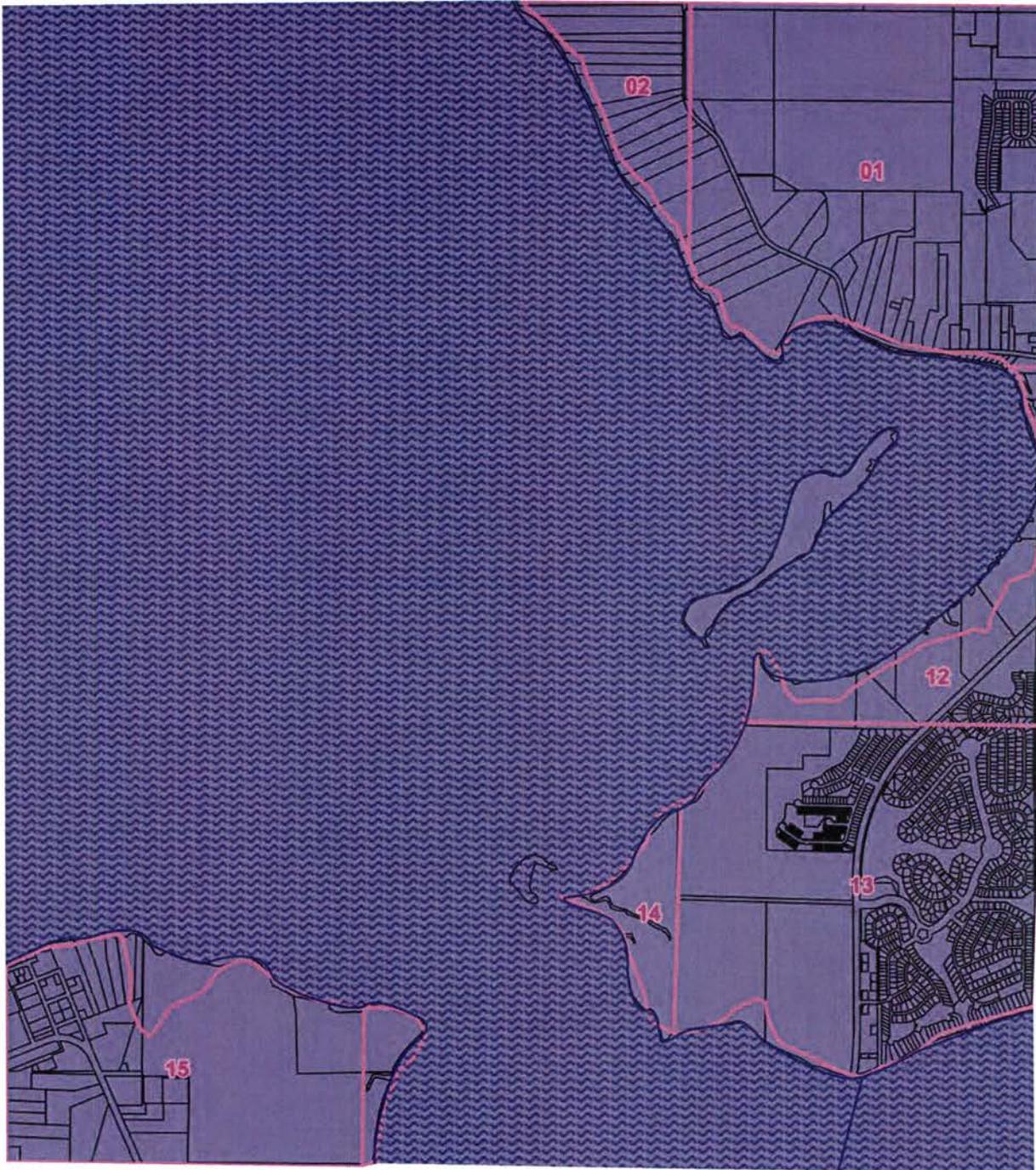
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|  | CITY OF LEESBURG TA |  | S-T-R |  | WATER |
| | |  | LEESBURG CITY BNDY |  | COUNTY |

**NORTHWEST QUAD
TWN - 20S RNG - 25E
LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



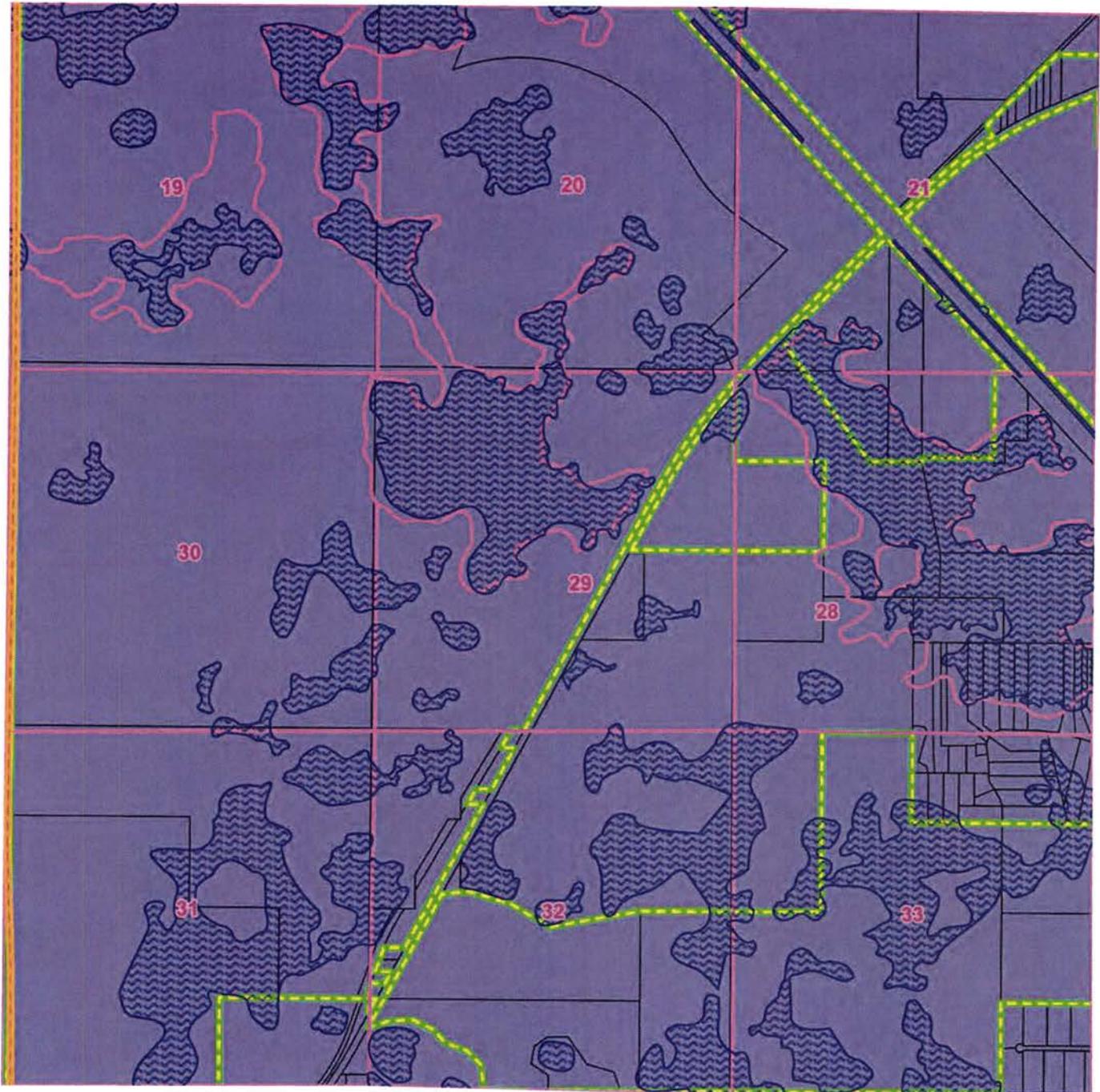
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|  | DUKE ENERGY TA |  | SECTION NUM |  | PARCEL |
|  | CITY OF LEESBURG TA |  | S-T-R |  | WATER |
| | |  | LEESBURG CITY BNDY |  | COUNTY |

**NORTHEAST QUAD
TWN - 20S RNG - 25E
LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



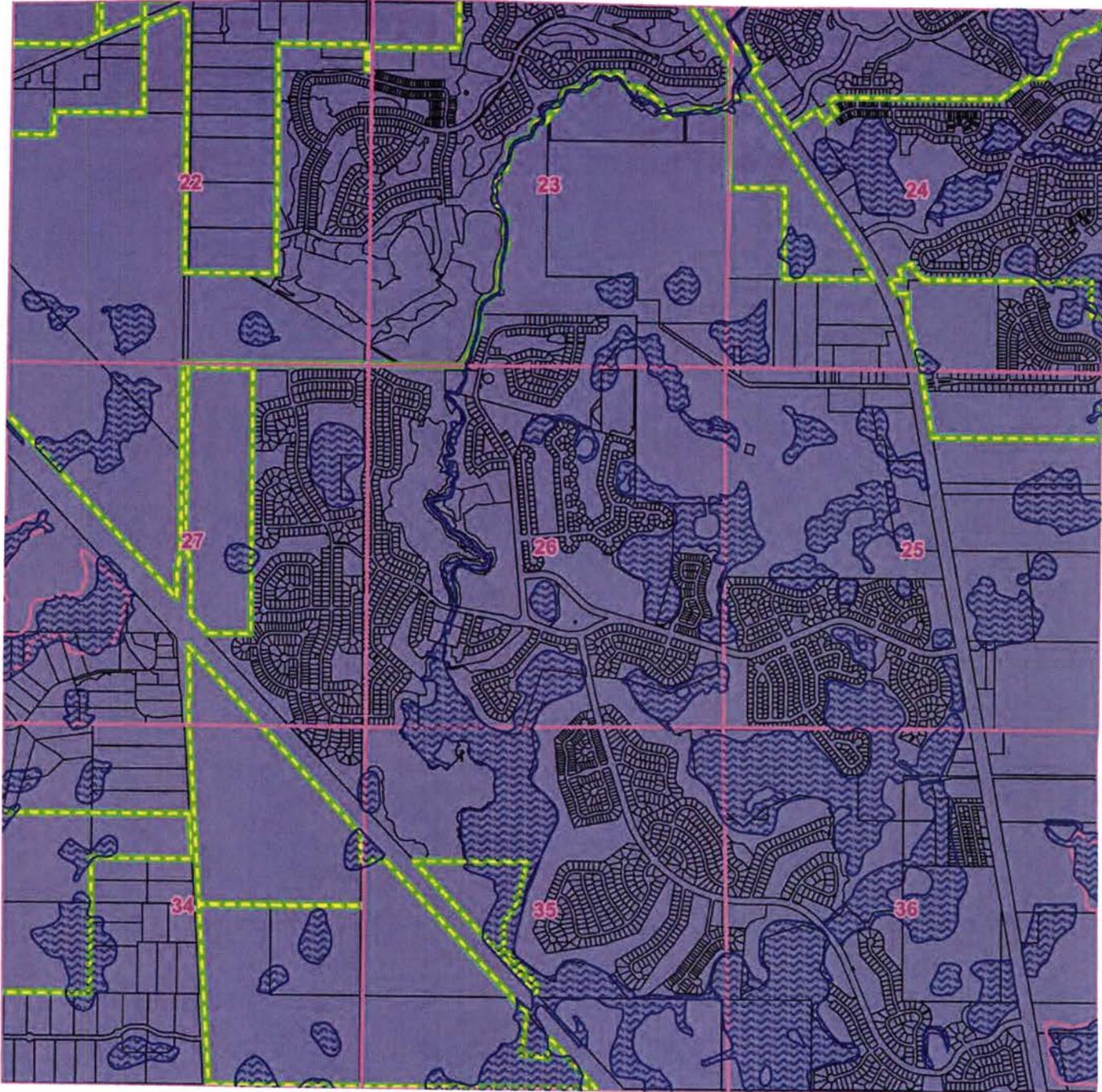
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|  DUKE ENERGY TA |  SECTION NUM |  PARCEL |
|  CITY OF LEESBURG TA |  S-T-R |  WATER |
| |  LEESBURG CITY BNDY |  COUNTY |

SOUTHWEST QUAD
TWN - 20S RNG - 24E
LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



Legend

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|  | DUKE ENERGY TA |  | SECTION NUM |  | PARCEL |
|  | CITY OF LEESBURG TA |  | S-T-R |  | WATER |
| | |  | LEESBURG CITY BNDY |  | COUNTY |

SOUTHEAST QUAD
 TWN - 20S RNG - 24E
 LAKE COUNTY, FL



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



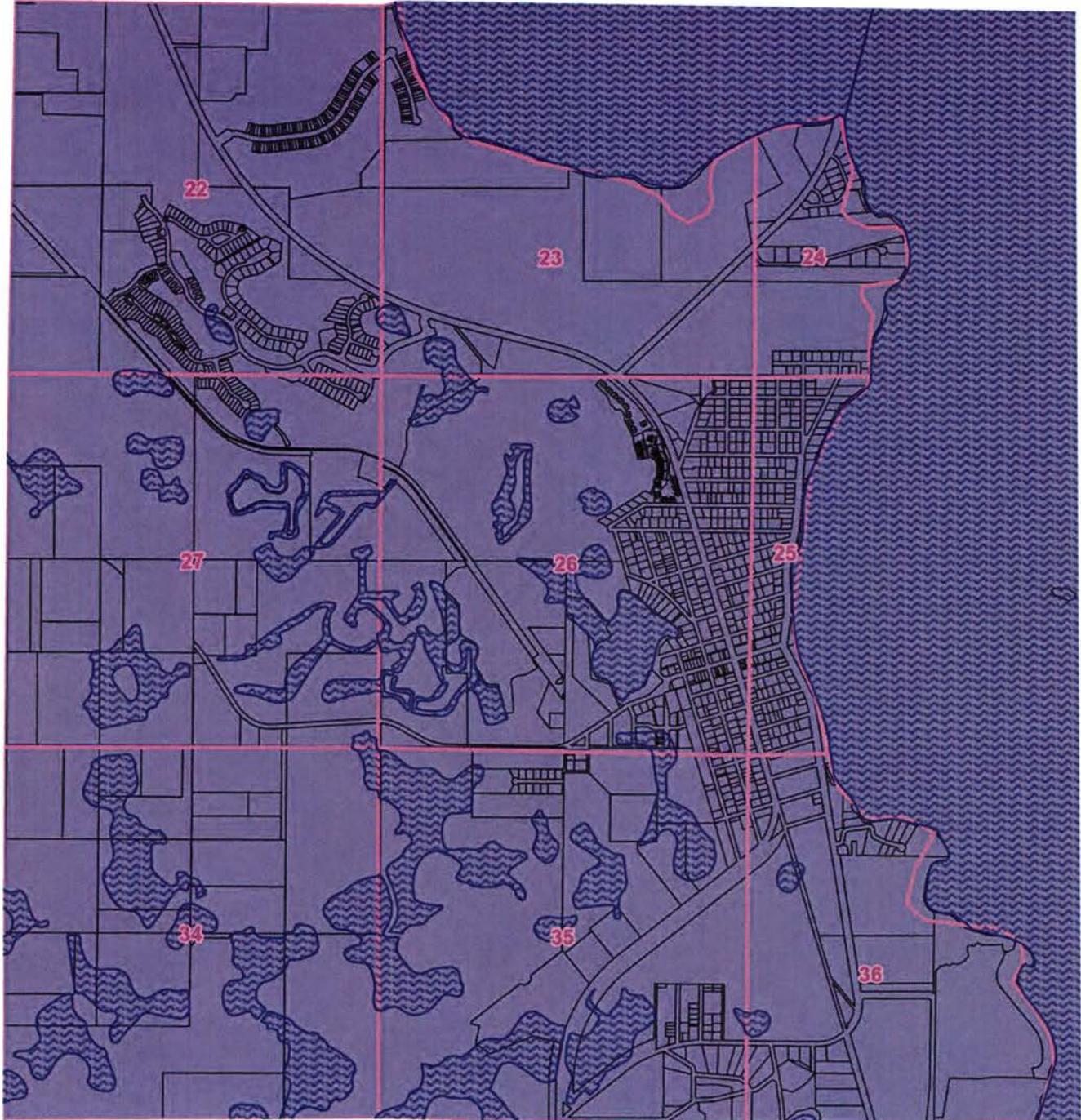
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|  | DUKE ENERGY TA |  | SECTION NUM |  | PARCEL |
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 TWN - 20S RNG - 25E
 LAKE COUNTY, FL**



DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT



Legend

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