DOCKET NO. 160025-EU

FILED JAN 22, 2016 DOCUMENT NO. 00421-16 FPSC - COMMISSION CLERK

Matthew R. Bernier Senior Counsel

January 22, 2016

VIA ELECTRONIC FILING

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

Re: Joint Petition of the Orlando Utilities Commission and Duke Energy Florida, LLC, to Approve Territorial Agreement; Docket No. ______

Dear Ms. Stauffer:

On behalf of Duke Energy Florida, LLC, and the Orlando Utilities Commission, please find enclosed for filing the original Joint Petition to approve a territorial agreement in Orange County.

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,

<u>/s/Matthew R. Bernier</u> Matthew R. Bernier

MRB/db Enclosure



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Orlando Utilities Commission and Duke Energy Florida, LLC for approval of a term extension to their territorial agreement in Orange County. Submitted for filing:

January <u>22</u>, 2016

JOINT PETITION TO APPROVE TERRITORIAL AGREEMENT

Orlando Utilities Commission ("OUC") and Duke Energy Florida, LLC ("DEF") (collectively, "the Joint Petitioners"), pursuant to Section 366.04(2)(d), Fla. Stat., and Rule 25-6.0440, F.A.C., jointly petition the Florida Public Service Commission ("the Commission") for approval of an Amendment to their currently effective territorial agreement in Orange and Osceola Counties, attached as Exhibit A, extending the term of the agreement to August 1, 2017, which is intended to allow the Joint Petitioners additional time to pursue their negotiations toward a new territorial agreement to replace the current agreement upon its expiration. In support hereof, the Joint Petitioners represent as follows:

1. DEF is an electric utility organized under the laws of Florida and are subject to the regulatory jurisdiction of the Commission pursuant to Section 366.04(2), Fla. Stat. DEF's principal offices are located in St. Petersburg, Florida.

2. OUC is a municipal utility created by Chapter 9861, Laws of Florida (1923), a Special Act of the Florida Legislature as a part of the government of the City of Orlando.

3. All pleadings, notices and other communications in this matter should be served on the undersigned attorneys for OUC and DEF.

4. OUC and DEF are parties to a currently effective territorial agreement delineating, among other things, their agreement to abide by the respective service territories set forth therein in Orange and Osceola Counties (the "Current Agreement"), which was approved by the Commission in Order No. PSC-07-0608-CO-EU, issued July 30, 2007, in Docket No. 070137-EU. The Current Agreement has a nine year term that will expire on February 1, 2016.

5. With the approach of the Current Agreement's expiration date, OUC and DEF began discussions regarding a new territorial agreement to replace the Current Agreement. It has now become apparent to the parties that pursuing the opportunity to successfully conclude their negotiations will require considerably more time than is afforded by the impending expiration of the Current Agreement. To provide sufficient time for OUC and DEF to thoroughly pursue this opportunity and, if successful, to seek Commission approval of a replacement territorial agreement, the parties have entered into an amendment of the Current Agreement attached as Exhibit A to this Joint Petition (the "Amendment") which, upon approval by this Commission, will extend its expiration date to August 1, 2017.

6. The Commission has long recognized that, properly constructed territorial agreements between adjacent utilities are in the public interest. The Joint Petitioners believe and therefore represent that the Amendment, which will provide them a further opportunity to enter into such a territorial agreement, is similarly in the public interest.

WHEREFORE, OUC and DEF respectfully request that the Commission grant this Joint

Petition and approve the Amendment contained in Exhibit A hereto.

Respectfully submitted,

Dianne M. Triplett Associate General Counsel Duke Energy Florida, LLC Post Office Box 14042 St. Petersburg, Florida 33733-4042 Telephone: 727-820-4692 Facsimile: 727-820-5041 Email: <u>dianne.triplett@duke-energy.com</u>

Matthew R. Bernier Senior Counsel Duke Energy Florida, LLC 106 E. College Ave., Suite 800 Tallahassee, Florida 32301 Telephone: 850.521.1428 Facsimile: 850.521.1437 Email: matthew.bernier@duke-energy.com

Attorneys for DUKE ENERGY FLORIDA, LLC

W. Christopher Browder Vice President and General Counsel Orlando Utilities Commission 100 W. Anderson Street Orlando, Florida 32801 Telephone: 407-434-2167 Facsimile: Email: <u>cbrowder@ouc.com</u>

Attorney for the Orlando Utilities Commission

EXHIBIT A

AMENDMENT TO THE TERRITORIAL AGREEMENT

BETWEEN

ORLANDO UTILITIES COMMISSION

AND

DUKE ENERGY FLORIDA, LLC

IN

ORANGE COUNTY

AMENDMENT TO TERRITORIAL AGREEMENT

Orlando Utilities Commission (OUC) and Duke Energy Florida, LLC (DEF), enter into this Amendment to their Territorial Agreement for Orange County on this _____ day of January, 2016.

WITNESSETH:

WHEREAS, OUC and DEF are parties to a currently effective territorial agreement delineating their respective service territories in Orange and Osceola Counties (the "Current Agreement"), which has been approved by order of the Florida Public Service Commission (the "Commission") in Order No. PSC-07-0608-CO-EU, issued July 30, 2007, in Docket No. 070137-EU; and

WHEREAS, the term of the Current Agreement will expire February 1, 2016; and

WHEREAS, OUC and DEF have entered into negotiations for the purpose of reaching a new territorial agreement to replace the Current Agreement upon its expiration; and

WHEREAS, OUC and DEF recognize that they will be unable to successfully conclude their negotiations by the expiration date of the Current Agreement as it presently exists; and

WHEREAS, OUC and DEF desire to extend the expiration of the Current Agreement to August 1, 2017, 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; and

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

- The term of the Current Agreement, shall be extended to and including August 1, 2017.
- Except as modified herein, the terms and conditions of the Current Agreement shall remain in full force and effect.
- This Amendment to the Current Agreement will become effective and enforceable only upon the issuance of an Order by the Commission approving the Amendment to the Current Agreement in its entirety.

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

ORLANDO UTILITIES COMMISSION BY: NAME: KENNETH P. KSIONER

SETTING MANAGER & CEO TITLE:

DUKE ENERGY FLORIDA

NAME: ALEX CLENN

C. P. C TITLE: STATES PRESIDEN

Approved as to form and issuing OUC Legal Department UAIL: 1/21/14 BY:

DUKE ENERGY, INC. LEGAL DEPARTMEN APPROVED BY: DATE: