



## 1 P R O C E E D I N G S

2 CHAIRMAN BROWN: And on to our last item. I  
3 told you all it was a light agenda, but don't  
4 expect this, Commissioner Polmann, for the next few  
5 weeks and months.

6 COMMISSIONER POLMANN: I've been warned three  
7 or four times about that already. And I am  
8 anxiously awaiting a larger notebook.

9 CHAIRMAN BROWN: Great. You'll -- you'll get  
10 it.

11 All right. On to Item 4.

12 Welcome.

13 Mr. Coston?

14 MR. WHITCHURCH: Morning. Nate Whitchurch  
15 with the Commission staff.

16 Item 4 is a joint petition filed by Suwannee  
17 Valley Electric Cooperative and Duke Energy  
18 Florida, LLC, requesting approval of an amended  
19 territorial agreement in Columbia, Lafayette,  
20 Suwannee, and Hamilton Counties.

21 The proposed agreement extends the existing  
22 agreement set to expire, clarifies boundary lines,  
23 and consolidates with a previously-expired  
24 agreement in Hamilton County.

25 As a result of the agreement, 29 commercial

1 customers and 102 residential customers will be  
2 transferred from Duke to Suwannee Valley. And 11  
3 commercial customers and 57 residential customers  
4 will be transferred from Suwannee Valley to Duke.

5 The customers have been notified and a  
6 description of the billing differences between  
7 Duke's and Suwannee's rates have been provided to  
8 them.

9 Duke has received feedback from three of the  
10 affected customers. And all have been contacted.  
11 The Commission has also received feedback from one  
12 of the affected residential customers. And they've  
13 also been contacted.

14 Staff recommends approval of this petition.  
15 Staff is also available to answer any questions the  
16 Commission may have. Thank you.

17 CHAIRMAN BROWN: Thank you. Good job.

18 Commissioners, any questions?

19 I have a question about the -- when it will be  
20 operationally feasible for the transfer to be  
21 effectuated. It says within 36 months. Can you  
22 elaborate on that?

23 MR. WHITCHURCH: Yes, ma'am. Section 3.1 of  
24 the agreement states that the companies intend to  
25 have the transfer completed at, quote, the earliest

1 practical -- practical time and, accordingly, no  
2 later than 36 months of the effective date of the  
3 agreement.

4 One of the reasons for 36 months is because of  
5 the time needed to perform necessary analysis to  
6 ascertain the extent of assets being transferred as  
7 well as their valuation. And that process alone  
8 takes about 12 months to complete.

9 CHAIRMAN BROWN: Okay. Thank you.

10 And the security deposits, I imagine, of the  
11 customers are different since the rates are  
12 different for both utilities. What is going to  
13 happen if a deposit is short from another utility?

14 MR. WHITCHURCH: The letters that are sent to  
15 the customers state that the deposits are refunded  
16 to the customers prior to being transferred. So,  
17 that's what will happen with the security deposits.

18 CHAIRMAN BROWN: Okay. Thank you.

19 Commissioners, any other questions?

20 Commissioner, Polmann?

21 COMMISSIONER POLMANN: Thank you, Madam  
22 Chairman.

23 In -- in briefing, it was my understanding  
24 that the utilities worked together in a cooperative  
25 fashion and worked with staff well on this. Could

1           you please offer a comment on that?

2           MR. WHITCHURCH: The companies did cooperate  
3           with staff's discovery questions. And they  
4           cooperated throughout the whole process of this  
5           docket, so -- and this issue, so --

6           COMMISSIONER POLMANN: I -- I would like to  
7           express appreciation to -- for that effort. And I  
8           look forward to having other utilities in this type  
9           of arrangement do so. I think that demonstrates an  
10          efficient effort. And I think that's a good sign,  
11          so -- thank you.

12          CHAIRMAN BROWN: Thank you.

13          Commissioners, any other comments or  
14          questions?

15          Seeing none, if -- I will entertain a motion.

16          COMMISSIONER GRAHAM: Move staff.

17          CHAIRMAN BROWN: Is there a second?

18          COMMISSIONER BRISÉ: Second.

19          COMMISSIONER PATRONIS: Second.

20          CHAIRMAN BROWN: All those in favor, say aye.

21          (Chorus of ayes.)

22          Thanks for your work on this, gentlemen.

23          (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA )  
COUNTY OF LEON )

I, ANDREA KOMARIDIS, Court Reporter, do hereby  
certify that the foregoing proceeding was heard at the  
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IT IS FURTHER CERTIFIED that I  
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DATED THIS 12th day of January, 2017.



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ANDREA KOMARIDIS  
NOTARY PUBLIC  
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EXPIRES FEBRUARY 09, 2017