



Stephanie A. Cuello  
SENIOR COUNSEL

March 24, 2025

**VIA ELECTRONIC FILING**

Adam J. Teitzman, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: *Joint Petition for Approval of Territorial Agreement in Dixie, Gilchrist, Levy, Marion, and Alachua Counties by Central Florida Electric Cooperative and Duke Energy Florida, LLC.*; Docket No. 20250030-EU

Dear Mr. Teitzman:

On behalf of Duke Energy Florida, LLC (“DEF”) and Central Florida Electric Cooperative (“CFEC”), please find enclosed for electronic filing in the above-referenced docket, DEF and CFEC’s Response to Staff’s Second Data Request (Nos. 1-7).

Thank you for your assistance in this matter. If you have any questions concerning this filing, please feel free to contact me at (850) 521-1428.

Sincerely,

*/s/ Stephanie A. Cuello*

Stephanie A. Cuello

SAC/clg  
Enclosures

cc: Devan Prewett and Michael Barrett

**Duke Energy Florida, LLC’s (“DEF”) Response to Florida Public Service Commission’s (“FPSC”) Second Data Request (Nos. 1-7) re. Joint Petition for Approval of Territorial Agreement Dixie, Gilchrist, Levy, Marion, and Alachua Counties by Central Florida Electric Cooperative and Duke Energy Florida, LLC.**

**Docket No. 20250030-EU**

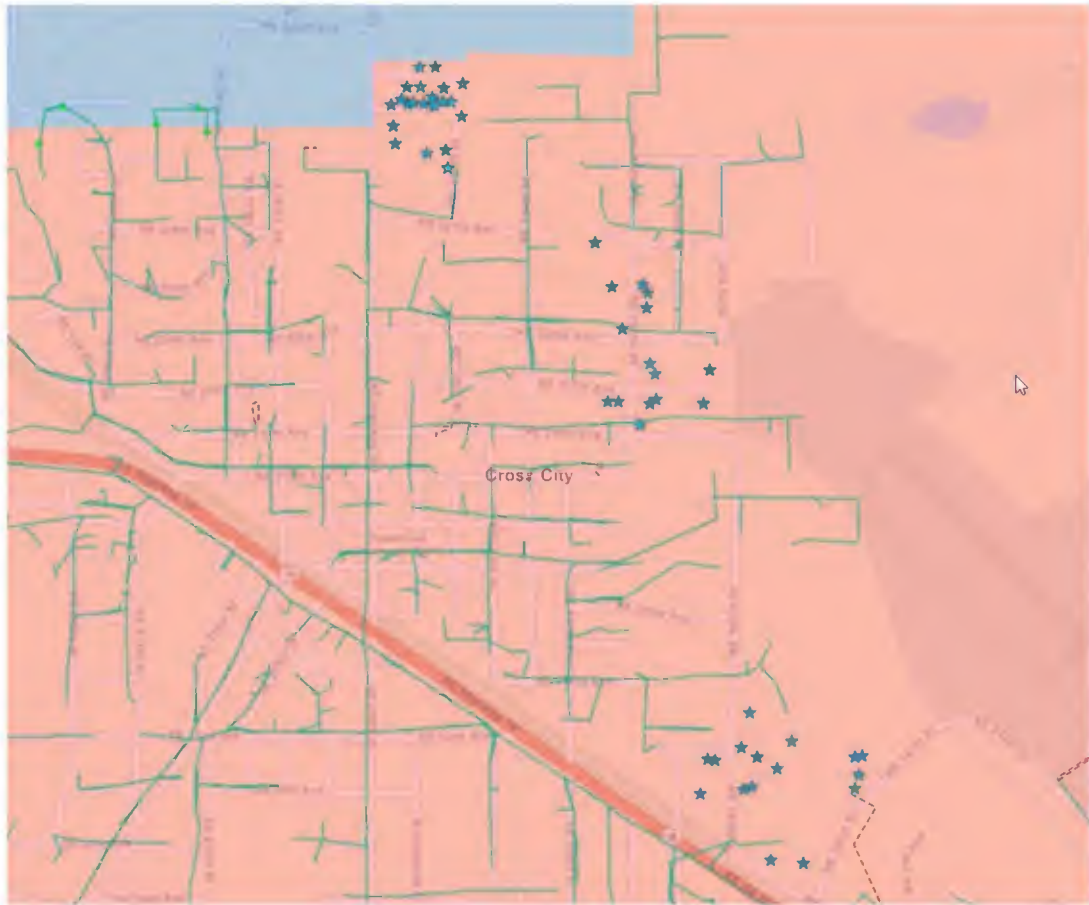
1. Staff’s First Data Request, Question 1.a., states in part, “Please provide the analysis that demonstrates the proposed territorial agreement will result in the avoidance of uneconomic duplication of facilities and wasteful expenditures.”
  - a. Provide the quantitative analysis the joint petitioners used to determine that the proposed territorial agreement will avoid the uneconomic duplication of facilities and wasteful expenditures. If there is no quantitative analysis available, what facts and circumstances provide specific support for the joint petitions’ claim the “the Agreement will avoid duplication of services and wasteful expenditures . . .”
  - b. Please provide an example of where the approval of the proposed territorial agreement will have the greatest impact regarding the avoidance of uneconomic duplication of facilities or wasteful expenditures.

**Response:**

- a. Please note that while we will provide a direct response to the question, the Parties’ primary concern when updating Territorial Agreements is safety and the protection of public welfare. See § 366.01, Fla. Stat. Additionally, the Parties sought to serve customers within their respective historic service territories.

There is no formal quantitative analysis performed. However, the petitioners believe it is not economically efficient to maintain duplicative coincident facilities and creates potentially hazardous situations both for lineworkers and the public. Therefore, the Parties previously provided and identified examples of duplicative coincident facilities.

- b. In the picture below, the blue stars indicate an example of locations of inadvertent services by CFEC into DEF service territory. CFEC’s electrical system starts at the north and weaves over and around multiple streets and roadways. These facilities cross over and under multiple DEF facilities to access customers being inadvertently served well inside DEF’s service territory. The identification and transfer of these customers is an example of collaboration between utilities to eliminate these duplicative, inefficient and dangerous crossings. In this case, DEF serving a customer within its historical service territory allows CFEC to remove duplicative facilities allowing for the avoidance of uneconomic duplication of facilities or expenditures.



2. The joint petitioners response to Staff’s First Data Request, Question 1.b., states, in part, that there are “several areas where the Parties have facilities in coincident locations creating areas of dangerous crossings and overlapping wires.” The response included 3 photographs identified as Attachment 1. Please provide an estimate for how many such areas currently exist (fewer than 10, between 10 and 20, or more than 20).

**Response:**

The Parties estimate more than 20 areas currently exist.

3. The joint response to Staff’s First Data Request, Question 2.c., states, in part, “The September 2023 reference was a typographical error.”
  - a. Exhibit E to the joint petition is titled in a manner to suggest that the letters therein are “sample letters.” Please clarify if the typographical error was only on the sample letter, or whether it was also included in the actual letters that customers received. If applicable, discuss what follow-up actions each utility took regarding the typographical error.
  - b. Provide examples of actual customer letters for each utility (one residential and one

commercial class customer letter per utility), with identifying information redacted.

- c. Explain any deviation that may exist between the bill amounts appearing in the joint petitioners' response to Staff's First Data Request, Question 2.d.1, and the bill amounts appearing the letters provided in response to Staff's Second Data request, Question 2.b.

**Response:**

- a. CFEC Response: Only the sample letter in Exhibit E said "September 2023". The actual letters sent to customers said "June 2024".

Note that the \$129.50 per 1,000 kWh was the correct base rate amount for June 2024, not including Wholesale Power Cost Adjustment or Storm Recovery Charge which are subject to change each month. In our response to Staff's First Data Request, we stated that the June 2024 rate was \$129.86. The \$129.86 amount included the Wholesale Power Cost Adjustment and Storm Recovery Charges.

- b. See Attachment 1.
  - c. All changes to DEF rates are due to orders of the Commission.
4. The joint response to Staff's First Data Request, Question 2.e., states, in part, "The Parties have discussed options such as delaying the customer transfers from CFEC to DEF until rate increases imposed on DEF customers that will go into effect on March 1, 2025, due to 2024 hurricane costs is no longer on the DEF bill."
    - a. What are the currently known future residential bill changes (1,000 kwh) for each utility and the related effective dates, if any?
    - b. Section 3.1 of the proposed territorial agreement sets forth an agreement to complete transfers in a 36 month timeframe. With the understanding that engineering studies are still pending, please provide the joint petitioners' best estimate (Year 1, Year 2, or Year 3) of when the majority of customers (by county) will be transferred.

**Response:**

- a. DEF Response: DEF anticipates that all clause related rates will be adjusted this year, but we cannot specify the final rates the Commission will order. The base rate will change consistent with the settlement approved by Commission.

CFEC Response: CFEC is in the early stages of a rate analysis. While no changes are known for certain at this time, it is possible that we could see a 5-7% increase on the residential rate.

- b. The engineering work required to transfers customers dictates the transfer timelines, which the Parties anticipate will take place in years 2 and 3 for all counties that have customer transfer work required.

5. The joint responses to Staff’s First Data Request, Questions 6.b., and 7.b., states, in part, that the utility “does not have the historical record to explain the exact reason for the inadvertent service . . .”
- a. For the CFEC customer addresses listed in Staff’s First Data Request, Questions 6.b., please provide an estimate of when retail service was established for the majority of these addresses, by decade (earlier than 1990, 1990 through 1999, 2000 through 2009, 2010 through 2020, or later than 2020).
  - b. For the DEF customer addresses listed in Staff’s First Data Request, Questions 7.b., please provide an estimate of when retail service was established for the majority of these addresses, by decade (earlier than 1990, 1990 through 1999, 2000 through 2009, 2010 through 2020, or later than 2020).
  - c. When did the utilities become aware of the extent (the number of) inadvertent service connections?
  - d. What are likely contributing factors (e.g., adequacy of mapping resources, human error, utility processes or practices, etc.) to the inadvertent service connections?
  - e. How are the contributing factors to inadvertent service connections being addressed, and what plans do the utilities have for addressing them on a going-forward basis?
  - f. Please clarify whether the utilities share mapping-related data and information with each other. Describe how the joint petitioners engage with one another in the instance of a service request for customer locations near or overlapping a map boundary.

**Response:**

- a. CFEC Response: We estimate the majority of inadvertent services were established between 2010 through 2020.
- b. While DEF does not have comprehensive historic records of the origination of the individual premise services, DEF estimates the majority of the inadvertent services were established between 2010 through 2020.
- c. The Parties became aware of the number of inadvertent service connections around 2020 when encroachment analysis began for the new territorial agreement.
- d. All of these can be contributing conditions but neither utility has specific documentation as to the cause for the inadvertent services.
- e. DEF Response: DEF has developed a plan to continuously educate internal engineering and field personnel regarding the territorial service boundaries so as to avoid inadvertent service connections in the future as much as possible. Additionally,

should the agreement be approved, DEF will update all internal mapping systems to demonstrate the new territorial boundaries.

CFEC Response: CFEC will update our GIS maps to include the latest and most accurate territorial boundaries should the agreement be approved. We also have improved our processes in our Member Services and Engineering Departments to verify CFEC territory each time a customer applies for new service.

- f. Yes. DEF and CFEC now utilize and share sophisticated GIS technology that clearly defines territorial service areas down to the parcel level, allowing each utility to easily identify in which service territory a parcel is located. DEF and CFEC have established an open line of communication regarding territorial discussions, and in accordance with Sections 2.2, 2.4 and 2.5, neither Party will knowingly serve to attempt to serve any new customer located within the territorial area of the other Party and will notify the other Party of any customer requesting service in the incorrect service area.
6. Staff's First Data Request, Question 9.a., sought further information from CFEC about information in Paragraph 7 of the joint petition. The question states, in part, "For each such method, please describe the actions the utility took, if any, in responding to those comments." What actions, if any, did CFEC use to respond to customer comments?

**Response:**

CFEC, through some direct discussions, but also with and through interactions by the Trustee for that District, described to the customers the process that was being followed to ensure the Territory Agreement was being correct, and the logic behind some of the transfers.

7. The joint response to Staff's First Data Request, Question 10.a., states, in part, "The Parties have been working collaboratively since 2020 to negotiate a comprehensive new territorial agreement encompassing Dixie, Gilchrist, Levy and Marion counties."
- a. Section 0.4 of the proposed territorial agreement states that a prior agreement for Dixie and Gilchrist County expired in 2007. Explain what steps, if any, the joint petitioners took after the expiration of the above-referenced agreement and prior to 2020 to prepare a new territorial agreement, and why a new territorial agreement was not ultimately filed with the Commission.
- b. Section 0.4 of the proposed territorial agreement states that a prior agreement for Levy and Marion County expired in 2014. Explain what steps, if any, the joint petitioners took after the expiration of the above-referenced agreement and prior to 2020 to prepare a new territorial agreement, and why a new territorial agreement was not ultimately filed with the Commission.

**Response:**

- a. Pursuant to the authority of the Commission, DEF and CFEC have entered into

territorial agreements in the past to establish their respective territorial boundaries. Territorial Agreements typically require years of cooperative engagement to review, field check and negotiate. During the period identified, the joint petitioners relied on the prior order for direction, while planning to implement process for a coordinated territorial update. This process was formalized, and significant work began in 2020.

A new territorial agreement has now been filed with the Commission that is the subject of these proceedings.

- b. The process is the same as set forth in 7a. above, only the counties are different. See the detailed answer above in 7a.



July 8, 2024

[REDACTED]  
CHIEFLAND, FL 32626

Duke Energy Account [REDACTED]

Dear [REDACTED]

To ensure that electric utilities in Florida, such as Duke Energy Florida (DEF), 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.

In an effort to efficiently serve the customers in your area, we will soon enter into a territorial agreement with Central Florida Electric Cooperative (CFEC) that 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 Florida Public Service Commission (FPSC) before it can become effective, and you will have the opportunity prior to that approval to provide your comments to FPSC. If you wish, we will provide the pertinent contact information for the FPSC when the territorial agreement has been filed and docketed.

If approved by the FPSC, the terms of the amended territorial agreement call on Central Florida Electric Cooperative to provide your electric service and your electrical account would be transferred. You will not need to do anything to initiate this transfer as DEF and CFEC will handle all of the arrangements on your behalf.

To provide you with a rate comparison, in June 2024, the residential rate of CFEC for 1,000 kilowatt-hours (kWh) was \$129.86. For the same month, the residential rate of Duke Energy for 1,000 kWh was \$157.47. The rates of both utilities are subject to periodic change and may be raised or lowered in the future.

Please contact me if you have any questions or concerns about the proposed transfer of your service to the CFEC, or if you would like information about contacting the FPSC. You can reach me by phone at 727-820-5846.

Sincerely,

[REDACTED]  
Luisa Walsh  
Territorial Program Manager  
Duke Energy

Cc: CFEC





July 8, 2024

[REDACTED]  
Chiefland, FL 32644

Duke Energy Accounts: [REDACTED]  
[REDACTED]

Dear [REDACTED]

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If approved by the FPSC, the terms of the amended territorial agreement call on Central Florida Electric Cooperative to provide your electric service and your electrical account would be transferred. You will not need to do anything to initiate this transfer as DEF and CFEC will handle all of the arrangements on your behalf.

To provide you with a rate comparison, in June 2024, the commercial rate of CFEC for 1,500 kilowatt-hours (kWh) was \$193.54. For the same month, the commercial rate of DEF for 1,500 kWh is \$174.70. The rates of both utilities are subject to periodic change and may be raised or lowered in the future.

Please contact me if you have any questions or concerns about the proposed transfer of your service to the CFEC, or if you would like information about contacting the FPSC. You can reach me by phone at 727-820-5846.

Sincerely,

[REDACTED]  
Luisa Walsh  
Territorial Program Manager  
Duke Energy

Cc: CFEC



CENTRAL FLORIDA  
ELECTRIC COOPERATIVE, INC.

P.O. Box 9, Chiefland, Florida 32644 Phone 352.493.2511 1.800.227.1302

July 2, 2024

CFEC Member



Account Number: 

Dear Member,

To ensure that electric utilities in Florida, such as Central Florida Electric Cooperative, are able to provide reliable and economical electric service to their customers, utilities enter into agreements with one another establishing geographical territories in which each utility is the exclusive provider of electric service. Utilities enter into these territorial agreements in an effort to avoid unnecessary and uneconomic construction of duplicate electrical distribution lines and other facilities that can occur when two utilities serve customers in the same area. Approval of the Florida Public Service Commission is required to ensure these objectives are met.

Over the past many years, we at Central Florida Electric Cooperative (CFEC) have had the pleasure of serving customers in your area because of territorial agreements with our neighboring utility, Duke Energy. We have recently entered into a new territorial agreement with Duke Energy that will revise some of the service area boundaries between the two utilities and enable each to serve its customers more reliably and economically. The new agreement must be approved by the Public Service Commission before it can become effective, and you will have the opportunity to provide your comments to the Commission before making its decision. If you wish, we will provide the pertinent contact information when the territorial agreement has been filed and docketed with the Commission.

If approved, the terms of the new territorial agreement call on Duke Energy to provide electric service in your area. Your account will be transferred to Duke Energy as soon as practicable after approval of the agreement. While we regret losing the opportunity to serve you and your neighbors in the future, Duke Energy 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 Duke Energy and CFEC will handle all of the arrangements on your behalf. If you have a deposit with Central Florida Electric Cooperative, it will be refunded directly to you. You should not experience any significant disruption of service as a result of this transfer, and you will be notified in the event that anything more than a minimal service interruption is required.

To provide you with a rate comparison, for June 2024, the residential rate of CFEC for 1,000 kilowatt-hours (kWh) was \$129.50. For the same month, according to the information we have been provided, the residential rate of Duke Energy for 1,000 kWh was \$157.47 and the commercial rate for 1,500 kWh was \$174.70. The rates of both utilities are subject to periodic change and may be raised or lowered in the future.

Please let me know if you have any questions or concerns about this change in your electric service. You can reach me by phone at 352.493.2511, by email at [dgeorge@cfec.com](mailto:dgeorge@cfec.com) or by regular mail at Central Florida Electric Cooperative, Attn: Denny George, PO Box 9, Chiefland, FL 32644.

Sincerely,  
Denny George  
General Manager



CENTRAL FLORIDA  
ELECTRIC COOPERATIVE, INC.  
P.O. Box 9, Chiefland, Florida 32644 Phone 352.493.2511 1.800.227.1302

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July 2, 2024

CFEC Member



Account Number: 

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Please let me know if you have any questions or concerns about this change in your electric service. You can reach me by phone at 352.493.2511, by email at [dgeorge@cfec.com](mailto:dgeorge@cfec.com) or by regular mail at Central Florida Electric Cooperative, Attn: Denny George, PO Box 9, Chiefland, FL 32644.

Sincerely,  
Denny George  
General Manager