



Matthew R. Bernier  
Senior Counsel

December 7, 2016

**VIA ELECTRONIC FILING**

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

Re: *Joint petition to approve territorial agreement in Columbia, Lafayette, Suwannee, and Hamilton Counties by Suwannee Valley Electric Cooperative and Duke Energy Florida, LLC; Docket No. 160211-EU*

Dear Ms. Stauffer:

Please find enclosed for electronic filing, Suwannee Valley Electric Cooperative and Duke Energy Florida, LLC's Joint Response to Staff's Second Data Request.

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,

*s/ Matthew R. Bernier*  
Matthew R. Bernier

MRB/mw

Enclosures

cc: Walter Trierweiler (wtrierwe@psc.state.fl.us)  
Joshua D. Crapps (gatorcrapps@yahoo.com)  
Michael S. McWaters (mmcwaters@svec-coop.com)

**SUWANNEE VALLEY ELECTRIC COOPERATIVE  
AND DUKE ENERGY FLORIDA, LLC'S JOINT RESPONSE TO  
STAFF'S SECOND DATA REQUEST REGARDING THE  
JOINT PETITION OF SUWANNEE VALLEY ELECTRIC COOPERATIVE  
AND DUKE ENERGY FLORIDA, LLC FOR APPROVAL  
OF A TERRITORIAL AGREEMENT IN COLUMBIA, LAFAYETTE,  
SUWANNEE AND HAMILTON COUNTIES  
DOCKET NO. 160211-EU**

1. In regards to the response given to question five of staff's first set of interrogatories:
  - a. Please provide the types of facilities each utility intends to purchase if the agreement were approved.

**Response:**

The known facilities each utility may purchase as a result of this agreement are solely limited to the distribution facilities associated with the customers subject to transfer.

- b. For any known facilities each utility intends to purchase as a result of this agreement, please provide the facility detail and the current estimated costs associated with purchasing these facilities.

**Response:**

Should the agreement be approved, SVEC may be interested in purchasing Duke Energy Florida's (DEF) existing facilities located on the north side County Road 150, east of the Town of Jennings, and potentially other assets as well. DEF may be interested in purchasing SVEC's existing facilities located on River Road south of US Highway 90 and north of Interstate 10, and potentially other assets as well. The Parties have not yet undertaken a detailed analysis to identify the full extent of distribution facilities that may need to be transferred.

The Parties have not performed the necessary analyses to ascertain the extent of the assets that may be transferred as the valuation process is time-consuming and detailed in nature, often taking 12 months to complete. For this reason, the analysis is not undertaken until a proposed agreement is approved; the proposed agreement accommodates this analysis time by providing the Parties with up to 36 months to complete the transfer of customers and the related facilities. See Proposed Agreement, Article III. The Parties believe that the net purchase by both Parties would not exceed \$100,000 and would be generally evenly split among both Parties.

2. Please provide an estimated amount that each party will pay for transferred customers referenced in Section 3.4, using the assumption that all customers were transferred in October 2016.

**Response:**

SVEC has calculated total revenue over the past 12 months for the customers subject to transfer to Duke to be estimated at \$111,535.

Duke Energy has calculated total revenue over the past 12 months for the customers subject to transfer to SVEC to be estimated at \$260,411.99.