

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition to extend phase one territorial settlement agreement in Hernando, Citrus, and Pasco Counties, by Duke Energy Florida, LLC and Withlacoochee River Electric Cooperative, Inc.

DOCKET NO. 20250124-EU  
ORDER NO. PSC-2026-0050-PAA-EU  
ISSUED: February 20, 2026

The following Commissioners participated in the disposition of this matter:

GABRIELLA PASSIDOMO SMITH, Chairman  
GARY F. CLARK  
MIKE LA ROSA  
BOBBY PAYNE  
ANA ORTEGA

NOTICE OF PROPOSED AGENCY ACTION  
ORDER GRANTING PETITION TO EXTEND TERRITORIAL AGREEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

On October 14, 2025, Duke Energy Florida, LLC (DEF) and Withlacoochee River Electric Cooperative (WREC) (collectively, joint petitioners) filed an amended joint petition to extend the effective date of their territorial agreement for Hernando, Citrus, and Pasco counties for five years through October 10, 2030.<sup>1</sup> The current agreement between the two utilities expired on October 10, 2025,<sup>2</sup> represented a comprehensive resolution of territorial issues in a three-county area (Citrus, Pasco, and Hernando), and involved the transfer of approximately 5,000 customers. Because of the comprehensive nature of the agreement between the utilities and numerous customer transfers, we allowed a two-phase approach to implement the agreement.<sup>3</sup> We approved the first phase of the agreement by Order No. PSC-05-0965-PAA-EU<sup>4</sup> and the

<sup>1</sup> The amended filing replaced in its entirety an earlier filing that was incomplete (Document No. 14445-2025, filed on October 10, 2025).

<sup>2</sup> Document No. 15310-2025, DEF and WREC's Response to Staff's First Data Request, No. 4.

<sup>3</sup> At the time the agreement was entered into, DEF was operating as Progress Energy Florida, Inc.

<sup>4</sup> Order No. PSC-05-0965-PAA-EU, issued October 10, 2005, in Docket No. 20040133-EU, *In re: Petition of Withlacoochee River Electric Cooperative, Inc. to modify territorial agreement or, in the alternative, to resolve territorial dispute with Progress Energy Florida, Inc. in Hernando County.*

second phase by Order No. PSC-06-0202-PAA-EU.<sup>5</sup> The instant pleading seeks our approval to extend the current agreement for an additional five years.

As for the two phases of the agreement, we previously directed the utilities to file a status report on the transfer of customers every six months, and the phase one transfers were completed as of the joint status report filed on February 19, 2007.<sup>4</sup> For phase two, the utilities petitioned for an extension on the date of which all transfers were to be completed and which we approved in Order No. PSC-08-0502-PAA-EU.<sup>6</sup> Due to the utilities explaining operational constraints and good engineering practices, the utilities petitioned to amend the agreement to allow 117 customers to remain in WREC's service territory and 33 customers to be transferred from DEF to WREC. We approved the amended agreement by Order No. PSC-10-0246-PAA-EI, which resulted in the completion of the phase two transfers.

On May 12, 2010, DEF and WREC petitioned to modify their territorial boundaries because of a requirement by Citrus County for DEF to vacate the County's right-of-way that crossed a runway within the Crystal River Airport due to permitting reasons. We approved the modification by Order No. PSC-10-0559-PAA-EU, which resulted in the transfer of 31 customers to WREC.<sup>7</sup>

This order addresses the joint petition to extend the effective date of their territorial agreement for Hernando, Citrus, and Pasco counties for five years through October 10, 2030. We have jurisdiction over this matter pursuant to Section 366.04, Florida Statutes, and Rule 25-6.0440, F.A.C.

### Decision

Although the current agreement has expired, the joint parties assert their commitment to continue adhering to the terms, conditions, maps, and boundaries set forth in that document.<sup>8</sup> Consequently, the joint petitioners' sole request in this docket is for a five-year extension of the effective date of the territorial agreement they are currently operating under. All other provisions remain unchanged. In response to Staff's First Data Request, the joint parties stated that:

The parties intend to continue ongoing discussions to file, as needed, an amended territorial agreement based on any changes within the territorial areas of the

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<sup>5</sup> Order No. PSC-06-0202-PAA-EU, issued March 14, 2006, in Docket No. 20040133-EU, *In re: Petition of Withlacoochee River Electric Cooperative, Inc. to modify territorial agreement or, in the alternative, to resolve territorial dispute with Progress Energy Florida, Inc. in Hernando County.*

<sup>6</sup> Order No. PSC-08-0502-PAA-EU, issued August 8, 2008, in Docket No. 20080206-EU, *In re: Petition for approval to amend territorial agreement regarding extension of time to finalize Phase II of customer transfers, by Progress Energy Florida, Inc. and Withlacoochee River Electric Cooperative.*

<sup>7</sup> Order No. PSC-10-0559-PAA-EU, issued September 7, 2010, in Docket No. 20100282-EU, *In re: Joint petition for approval of amended territorial agreement in Citrus County by Progress Energy Florida, Inc. and Withlacoochee River Electric Cooperative.*

<sup>8</sup> Document No. 14548-2025, Amended Joint Petition to Extend Settlement Agreement.

parties that occurred since the latest amendment. It is the intention of the parties to complete this process as efficiently as possible.<sup>9</sup>

In their joint petition, the parties request an extension of five years through October 10, 2030. No changes to the terms, conditions, maps, and boundaries were proposed. The parties have shown to have acted in good faith as all relevant customer transfers included in the first and second phases have been completed along with those associated with Order No. PSC-10-0559-PAA-EU.<sup>10</sup>

Rule 25-6.0440(2), F.A.C., provides factors for us to consider when reviewing territorial agreements. We evaluated those factors and approved the territorial agreement in Docket No. 20040133-EU.<sup>11</sup> As such – in the absence of changes to the agreed-upon terms, conditions, maps, and boundaries – we can consider the instant request without embarking upon a renewed evaluation of critical components of Rule 25-6.0440, F.A.C., including the purchase price of facilities, reliability of electric service, or the potential for uneconomic duplication of facilities.<sup>12</sup> Extending the effective date of the joint petitioners' agreement advances the public's interest since doing so will assist the parties in their efforts to develop and file a revised territorial agreement at the end of the five-year period.

We hereby approve the amended joint petition to extend the effective date of the territorial agreement between Duke Energy Florida, LLC and Withlacoochee River Electric Cooperative, Inc. DEF and WREC have represented that they have and will continue to abide by the terms and conditions of the current agreement while they pursue efforts to complete a revised agreement. The parties have also shown good faith in having completed the previously-ordered customer transfers. The five-year extension date of the agreement shall begin effective October 10, 2025, and run through October 10, 2030, as requested by the two utility companies.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission hereby approves the amended joint petition to extend the effective date of the territorial agreement between Duke Energy Florida, LLC and Withlacoochee River Electric Cooperative, Inc. The five-year extension date of the agreement shall begin effective October 10, 2025, and run through October 10, 2030, as requested by the two utility companies. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by

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<sup>9</sup> Document No. 15310-2025, DEF and WREC's Response to Staff's Data Request, No. 1.c.

<sup>10</sup> Document No. 15310-2025, DEF and WREC's Response to Staff's First Data Request, Nos. 1, 2, and 3.

<sup>11</sup> Order Nos. PSC-05-0965-PAA-EU and PSC-06-0202-PAA-EU in Docket No. 20040133-EU, *In re: Petition of Withlacoochee River Electric Cooperative, Inc. to modify territorial agreement or, in the alternative, to resolve territorial dispute with Progress Energy Florida, Inc. in Hernando County.*

<sup>12</sup> See Order No. PSC-08-0502-PAA-EU, issued on August 8, 2008, in Docket No. 20080206-EU, *In re: Petition for approval to amend territorial agreement regarding extension of time to finalize Phase II of customer transfers, by Progress Energy Florida, Inc. and Withlacoochee River Electric Cooperative.*

ORDER NO. PSC-2026-0050-PAA-EU  
DOCKET NO. 20250124-EU  
PAGE 4

the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 20th day of February, 2026.



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ADAM TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
[www.floridapsc.com](http://www.floridapsc.com)

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

MRT

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on March 13, 2026.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.