



Matthew R. Bernier
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February 12, 2021

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 modification to territorial agreement in Sumter, Lake, Marion, Levy, and Citrus Counties by Sumter Electric Cooperative, Inc., and Duke Energy Florida, LLC; Docket No. 20210018-EU*

Dear Mr. Teitzman:

On behalf of Duke Energy Florida, LLC ("DEF"), please find enclosed for electronic filing in the above-referenced Docket, DEF's Response to Staff's First Data Request (Nos. 1-5).

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/ Matthew R. Bernier

Matthew R. Bernier

MRB/cmkn
Enclosure

cc: Parties of Record

Duke Energy Florida, LLC’s (“DEF”) Response to Florida Public Service Commission’s (“FPSC”) First Data Request (Nos. 1-5) re. Joint Petition for Approval of Modification to Territorial Agreement in Sumter, Lake, Marion, Levy and Citrus Counties by Sumter Electric Cooperative, Inc. (“SECO”), and DEF

Docket No. 20210018-EU

1. Please provide a descriptive timeline of the events resulting in the decision to modify the existing territorial agreement as it relates to the “Quarters Apartments” and the “Lady Lakes Square Apartment Complex.”

Response:

On August 17, 2020, the existing SECO-DEF territorial agreement was approved by the FPSC via Consummating Order No. PSC-2020-0279-CO-EU in Docket No. 20200106-EU. On/about the same date, Sumter Electric Cooperative, Inc. (“SECO”) learned that the Lady Lake Commissioners unanimously approved an apartment complex to be called the “Lady Lake Square Apartments” complex.

On September 25, 2020, SECO contacted DEF about the planned “Lady Lake Square Apartment” complex in the same vicinity of the “Quarters Apartment” complex. Since the units are similar in size, SECO asked if DEF would be willing to modify the territorial areas to avoid building duplicate facilities and to eliminate having to transfer hundreds of services to a different utility.

After internal review, DEF responded to SECO on October 9, 2020, and agreed with the territorial modification, pending FPSC approval. On January 19, 2021, DEF and SECO filed a Joint Petition for Approval of Modification to the Territorial Agreement between SECO and DEF, requesting a modification of the territorial boundaries regarding the “Quarters Apartments” and planned “Lady Lake Square Apartment” complex (DN 01409-2021).

2. Order No. PSC-2020-0252-PAA-EU authorized the transfer of 379 DEF customers to SECO in Docket No. 20200106-EU. However, in Docket No. 20210018-EU, these customers would not be transferred to SECO. Please describe how and when these 379 customers will be notified that they will not be transferred to SECO.

Response:

If the instant petition is approved, DEF will notify the affected 379 customers via mail that they will remain as DEF customers within 30 days.

3. What is the cost to notify the 379 DEF customers that they will not be transferred as contemplated in Docket No. 20200106-EU? How will the notification costs be recorded?

Response:

All costs would be charged to specific DEF funding projects related to the existing territorial agreement between DEF and SECO. The costs will be journaled as O&M expenses and charged to the year in which they occur; therefore, this expense would be charged in 2021. Current expected costs to provide notification to the affected customers is approximately \$1 per customer letter equaling a \$379.00 expense to DEF.

4. Response No. 1 to Staff's First Data Request in Docket No. 20200106-EU stated that "Customer data for customers to be transferred to each utility is obtained and provided to the other utility in order to build the new customer accounts for the receiving utility." Please state if this process has been completed, and if so, what costs have been incurred to date? How would the costs, if any, be recorded and, if customer information has been shared between the utilities, how will the utilities ensure the privacy of this information?

Response:

In the planning phase, DEF provided an estimate of the total kWh consumption from this group of customers to SECO; however, no personally-identifiable information or customer data regarding the 379 affected customers has been provided to SECO by DEF. There are no DEF costs associated with gathering customer data.

5. Did SECO purchase any assets from DEF to serve the 379 customers who were to be transferred? If yes, will those assets be transferred back to DEF? Please discuss.

Response:

SECO has not purchased any DEF assets associated with these 379 customers.