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STATE OF FLORIDA



OFFICE OF COMMISSION CLERK
ADAM J. TEITZMAN
COMMISSION CLERK
(850) 413-6770

Public Service Commission

NOTICE OF COMPLAINT

TO

Florida Power & Light Company
134 West Jefferson Street
Tallahassee, FL 32301-1713
(via Certified Mail No. 7020 2450 0001 8211 0205)
&
1230 E. 15th Street
Panama City, FL 32405
(via Certified Mail No. 7020 2450 0001 8211 0212)

2025 JUN -3 PM 4:59
COMMISSION
CLERK

Re: Docket No. 20250082-EU - Complaint against Florida Power & Light Company for expedited enforcement of a commission order approving territorial agreement, by Gulf Coast Electric Cooperative, Inc.

Notice is hereby given, via certified U.S. mail, that the above-referenced complaint was filed with the Florida Public Service Commission on June 3, 2025. A copy of the complaint is attached for your convenience.

You may file a response to this complaint with the Office of Commission Clerk, with a copy sent to the complainant. Filing may be accomplished electronically via the Commission's website (see <https://secure.floridapsc.com/ClerkOffice/EfilingPublic>), or by mail at the address below.

NOTICED this 3rd day of June, 2025.

Sincerely,

Adam J. Teitzman
Commission Clerk

AJT/hw
Enclosure

cc: Gulf Coast Electric Cooperative, Inc.
Office of Public Counsel
Office of General Counsel
Office of Consumer Assistance & Outreach
Docket File

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of Gulf Coast Electric Cooperative, Inc. Against Florida Power & Light Company (formerly known as Gulf Power Company) for Violation of a Commission Order Approving Territorial Agreement

Docket No:

Filed: June 3, 2025

**COMPLAINT OF GULF COAST ELECTRIC COOPERATIVE,
INC. FOR EXPEDITED ENFORCEMENT OF A COMMISSION
ORDER APPROVING TERRITORIAL AGREEMENT**

Gulf Coast Electric Cooperative, Inc. ("GCEC" or "Complainant"), by undersigned counsel, files its Complaint against Florida Power & Light Company ("FPL"), formerly known as Gulf Power Company ("Gulf Power"), for expedited enforcement of the territorial agreement between GCEC and FPL, which was approved by Commission Order Nos. PSC-01-0891-PAA-EU and PSC-01-0891A-PAA-EU, and was subsequently amended and approved by Order No. PSC-2019-0134-PAA-EU (collectively, the "Territorial Order"). As grounds therefor, GCEC states:

1. The name and mailing address of the Complainant are:

Gulf Coast Electric Cooperative, Inc.
722 West Highway 22
P.O. Box 220
Wewahitchka, FL 32465
Telephone: 850-639-2216

2. The names, mailing addresses, and other contact information of the persons authorized to receive all pleadings, notices, and other documents with respect to this Complaint are:

D. Bruce May, Jr.
Kathryn Isted
Holland & Knight LLP
315 S. Calhoun St., Suite 600
Tallahassee, FL 32301
Telephone: 850-224-7000
E-mail: bruce.may@hkllaw.com
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and

J. Patrick Floyd
Law Offices of J. Patrick Floyd Chtd.
408 Long Avenue
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E-Mail: j.patrickfloyd@jpatrickfloyd.com

and

John Bartley
Gulf Coast Electric Cooperative, Inc.
722 West Highway 22
P.O. Box 220
Wewahitchka, FL 32465
Telephone: 850-639-2216
E-Mail: jbartley@gcec.com

3. The name and address against whom this Complaint is lodged are:

Florida Power & Light Company
1230 E. 15th Street
Panama City, FL 32405

4. Under Florida law, a territorial agreement approved by an order of the Commission is deemed to have “merged with” and become “a part of” the Commission order. *Fla. Pub. Serv. Comm’n v. Fuller*, 551 So. 2d 1210, 1212 (Fla. 1989).

5. Section 366.095, Florida Statutes, confers on the Commission the power to enforce its orders approving territorial agreements and to impose penalties on any entity subject to its jurisdiction that is found to have refused to comply with or to have willfully violated the Commission order. *See In re: Pet. cf Fla. Power and Light for a Declaratory Statement Regarding Territorial Agreement with the City cf Homestead*, Order No. PSC- 20803.

6. GCEC is an electric cooperative organized and existing under chapter 425, Florida Statutes, and presently furnishes electric service to members in Bay, Walton, Washington, Jackson, Gulf, and Calhoun Counties.

7. FPL is an investor-owned electric utility and historically has been engaged in the business of selling electricity to customers in the Peninsular Florida region. In 2021, Gulf Power merged into FPL with FPL being the surviving entity. As a result, FPL now provides electricity to customers in portions of Northwest Florida previously served by Gulf Power, including certain customers in Bay, Walton, Washington, and Jackson Counties.

8. Both FPL and GCEC are electric utilities subject to the jurisdiction of the Commission under chapter 366, Florida Statutes. Both have a duty to comply with Commission orders under section 366.095, Florida Statutes, and both are subject to the Commission's mandate in section 366.04(5), Florida Statutes, to avoid "uneconomic duplication of generation, transmission and distribution facilities."

9. The Commission has emphasized the importance of fully exercising its "jurisdiction over electric service territorial agreements, not just to approve them in the first instance, but to actively supervise their implementation and enforce their terms." Order No. PSC-13-0207-PAA-EM, at 20. This is because territorial agreements are horizontal market divisions among competitors "considered to be *per se* Federal antitrust violations" unless sanctioned and actively supervised by the state. *Id.*

BACKGROUND

10. As shown below, FPL has breached its Territorial Agreement with GCEC and violated the Commission's Territorial Order by racing to extend its distribution lines to serve a residential subdivision in Bay County where GCEC has had existing facilities in place for over 30 years,

without providing any notice to GCEC as required by the Territorial Order. FPL's breaches of the Territorial Agreement and violations of the Territorial Order are willful and ongoing.

11. The Commission has a longstanding "policy of encouraging territorial agreements" that establish lines-on-the-ground territorial boundaries between adjacent utilities, Order No. PSC-03-0739-PAA-EU, at 3, as those agreements "avoid costly competition and wasteful duplication," *Gainesville-Alachua Cnty. Reg'l Elec., Water & Sewer Utils. Bd. v. Clay Elec. Co-op., Inc.*, 340 So. 2d 1159, 1161 (Fla. 1976) (quoting Order No. PSC-7040). That policy is reflected in Rule 25-6.0440(1), Florida Administrative Code, which requires that "[e]ach territorial agreement must clearly identify the geographical area to be served by each utility" and must be accompanied by "a map and written description of the area." Consistent with that rule, FPL's territorial agreements with other electric utilities use maps and legal descriptions to establish "lines-on-the-ground" boundaries that geographically divide its service territory from that of the adjacent electric utility.

12. Here, however, the Territorial Agreement that FPL inherited when it merged with Gulf Power is vastly different than FPL's other territorial agreements. It does not adhere to Rule 25-6.0440, nor does it establish a traditional "lines-on-the-ground" territorial boundary between the respective services areas of GCEC and FPL. Instead, it requires the utility receiving a request for service to perform a series of complex analytics, and satisfy intricate distance-to-load criteria and notice prerequisites, before it can extend service to the requesting customer.

13. This peculiar territorial agreement structure evolved from a long line of Commission and court decisions involving recurring territorial conflicts between GCEC and Gulf Power, which span back over 45 years.¹ The Commission expressed serious concern about this never-ending

¹ *In Re: Compl. cf Gulf Coast Elec. Coop., Inc.*, Docket No. 810171-EU, Order No. 10444, issued Dec. 8, 1981; *In Re: Pet. cf Gulf Power Co. involving a dispute with Gulf Coast Elec. Coop.*, Docket No. 830154-EU, Order No. 12858, issued Jan. 1, 1984; *In Re: Pet. cf Gulf Coast Elec. Coop., Inc. against Gulf Power Co. concerning a territorial dispute*, Docket No. 830484-EU, Order No. 13668, issued Sept. 10, 1984; *In Re: Pet. cf Gulf Coast Elec. Coop., Inc. against*

conflict in 1995 when Gulf Power filed a territorial dispute over whether GCEC was entitled to serve a new prison. After a protracted hearing, the Commission awarded service to Gulf Power and observed:

The parties have a long history of territorial conflict. They have never successfully negotiated a territorial agreement, despite specific suggestions from the Commission and from the Florida Supreme Court. Territorial conflict appears to be a way of life for these utilities. It boils over into litigation intermittently, but it is always simmering beneath the surface, to the detriment of the utilities, their ratepayers, and the public interest. It is time to resolve the larger conflict between Gulf Power and Gulf Coast.

Order No. PSC-95-0271-FOF-EU, at 9–10. Accordingly, the Commission ordered the parties to negotiate “a territorial agreement to resolve duplication of facilities and establish a territorial boundary in south Washington and Bay Counties.” *Id.* at 2. The Commission also warned: “If the parties are not able to resolve their differences, we will conduct additional evidentiary proceedings to establish a boundary ourselves. We intend to resolve the continuing dispute between these utilities once and for all.” *Id.* at 11. On appeal, the Florida Supreme Court overturned the Commission’s award of service to Gulf Power and instructed the agency to award service to GCEC. *Gulf Coast Elec. Coop. v. Clark*, 674 So. 2d 120, 123 (Fla. 1996). The Court, however, did not disturb the portion of the Commission’s order regarding the development of a territorial agreement. *See id.* at 122.

Gulf Power Co. to refrain from offering elec. serv. or constructing duplicate facilities into disputed areas in Washington Cnty., Docket No. 850087-EU, Order No. 16106, issued May 13, 1986; *In Re: Pet. of Gulf Coast Elec. Coop. to resolve territorial dispute with Gulf Power Co. in Washington Cnty.*, Docket No. 850247-EU, Order No. 16105, issued May 13, 1986; *Gulf Coast Elec. Coop. v. Fla. Pub. Serv. Comm’n*, 462 So. 2d 1092 (Fla. 1985); *Gulf Power Co. v. Fla. Pub. Serv. Comm’n*, 480 So. 2d 97 (Fla. 1985); *In Re Pet. to resolve territorial dispute with Gulf Coast Elec. Coop., Inc. by Gulf Power Co.*, Docket No. 930885-EU, Order No. PSC-95-0271-FOF-EU, issued Mar. 1, 1995, *aff’d*, *Gulf Coast Elec. Coop. v. Clark*, 674 So. 2d 120 (Fla. 1996); *In Re Pet. to resolve territorial dispute with Gulf Coast Elec. Coop., Inc. by Gulf Power Co.*, Docket No. 930885-EU, Order No. PSC-98-0174-FOF-EU, issued January 28, 1998, *aff’d*, *Gulf Coast Elec. Coop. v. Johnson*, 727 So. 2d 259 (Fla. 1999); *In Re Pet. to resolve territorial dispute with Gulf Coast Elec. Coop., Inc. by Gulf Power Co.*, Docket No. 930885-EU, Order No. PSC-01-0891-PAA-EU, issued Apr. 9, 2001 & Order No. PSC-01-0891A-PAA-EU, issued Mar. 26, 2002; *In re: Compl. against Gulf Power Co. for expedited enforcement of territorial order by Gulf Coast Elec. Coop.*, Docket No. 20180125-EU, Order No. PSC-2019-0134-EU, issued Apr. 16, 2019.

14. Thereafter, pursuant to the Commission's directive in Order No. PSC-95-0271-FOF-EU, Gulf Power and GCEC attempted to negotiate a traditional territorial agreement but were unable to agree on a territorial boundary. A 3-member panel of Commissioners then conducted an evidentiary hearing to resolve the matter. At the hearing, Gulf Power argued against the Commission drawing any service territory boundaries. GCEC argued that boundary lines were the only way to effectively prevent future duplication of facilities. The Commission's staff witness recommended that the Commission employ discreet territorial boundaries in areas where the facilities are in close proximity to ensure that future uneconomic duplication does not occur.

15. After the hearing, by a 2-to-1 vote, the Commission panel rejected the recommendation of the Commission's staff witness and elected not to establish a territorial boundary. Instead, the panel directed the companies to "establish detailed procedures and guidelines addressing subtransmission, distribution, and requests for new service which are enforceable with the respective company." *See* Order No. PSC-98-0174-FOF-EU, at 11, *aff'd*, *Gulf Coast Elec. Coop. v. Johnson*, 727 So. 2d 259 (Fla. 1999). To justify its departure from a traditional lines-on-the-ground territorial boundary, the majority predicted that, although the facilities of Gulf Power and GCEC "were comingled, further conflict [wa]s not likely because the facilities [we]re already in place." *See id.* at 10. Commissioner Susan Clark filed a lengthy dissent challenging the majority's rationale for not imposing a territorial boundary as "illogical," and vigorously disagreeing with the majority's prediction that future territorial conflict was unlikely:

I disagree with the majority's refusal to establish a delimited territorial boundary. In my opinion, the greater weight of evidence in this lengthy docket constrains us to resolve the historical race to serve between Gulf Power and Gulf Coast in south Washington and Bay Counties for the benefit of the ratepayers of both utilities. That there will be future uneconomic duplication in the identified areas of south Washington and Bay counties is elemental.... The duplication has become so pronounced that it has become a question of which company places a service drop first. ... To date, the parties

have failed to develop any form of a territorial agreement between them while continuing to race to serve the same customers. As such, it is our responsibility to cautiously but conclusively terminate the uneconomic duplication by establishing a territorial boundary between the utilities and the disputed area.

Id. at 13–14.

16. As GCEC was constrained to comply with the majority’s directive in Order No. PSC-98-0174-FOF-EU, GCEC joined with Gulf Power and submitted enforceable Procedures and Guidelines for Avoiding Further Uneconomic Duplication of Facilities (the “Guidelines”). The Commission approved those Guidelines as a “territorial agreement” in Order Nos. PSC-01-0891-PAA-EU and PSC-01-0891A-PAA-EU.

The Guidelines

17. Under the Guidelines, the “Utility”² receiving a request for service (the “Requested Utility”) is required to notify the other Utility of the request and refrain from serving unless the Requested Utility affirmatively determines that it has “Existing Facilities”³ in the area that satisfy certain distance-to-load criteria found in Section 2.2 of the Guidelines. *See* Guidelines § 2.1; *see also id.* § 2.4 (placing “primary responsibility” on the Requested Utility for ensuring the distance-to-load criteria for providing service are met). Specifically, the criteria in Section 2.2 allow the Requested Utility to agree to provide service under the following circumstances:

- (a) For any size Load⁴ where the requested Utility’s Existing Facilities are within 1,000 feet of the Point of Delivery or are no more than 1,000 feet further from the Point of Delivery than the Existing Facilities of the other Utility.
- (b) For a Load greater than 100 kVA where:

² Section 1.6 of the Guidelines defines the “Utility” as either GCEC or FPL (as the successor of Gulf Power).

³ Section 1.3 of the Guidelines defines “Existing Facilities” as “the Utility’s nearest facilities that are of a sufficient size, character (number of phases, primary voltage level, etc.) and accessibility so as to be capable of serving the anticipated Load of a Customer without requiring any significant modification of such facilities.”

⁴ Section 1.4 of the Guidelines defines “Load” as “the connected Load stated in terms of kilovolt-amperes (kVa) of the building or facility for which electrical service is being requested.”

- (i) the construction required is predominantly the addition of new pole line and the requested Utility's Existing Facilities are no more than 1,500 feet further from the Point of Delivery than the Existing Facilities of the other Utility, or
 - (ii) the construction required is predominantly the upgrade of existing pole line (e.g. phase additions, reconductoring, etc.) and the requested Utility's Existing Facilities are within 3,000 feet of the Point of Delivery.
- (c) For a Load greater than 500 kVA where:
 - (i) the construction required is predominantly the addition of new pole line and the requested Utility's Existing Facilities are no more than 2,000 feet further from the Point of Delivery than the Existing Facilities of the other Utility, or
 - (ii) the construction required is predominantly the upgrade of existing pole line (e.g. phase additions, reconductoring, etc.) and the requested Utility's Existing Facilities are within 4,000 feet of the Point of Delivery.
- (d) For a Load greater than 1000 kVA where:
 - (i) the construction required is predominantly the addition of new pole line and the requested Utility's Existing Facilities are no more than 2,500 feet further from the Point of Delivery than the Existing Facilities of the other Utility, or
 - (ii) the construction required is predominantly the upgrade of existing pole line (e.g. phase additions, reconductoring, etc.) and the requested Utility's Existing Facilities are within 5,000 feet of the Point of Delivery.

18. If the foregoing distance-to-load criteria are not met, the Requested Utility "should direct the Customer to request service from the other Utility." Guidelines § 2.1. However, if the Requested Utility believes that its "Cost of Service"⁵ would not be significantly more than that of the other Utility even though it did not meet the distance-to-load criteria in Section 2.2, the

⁵ Section 1.1 of the Guidelines defines "Cost of Service" as "the initial cost of the construction (including fully-loaded labor, materials, engineering and supervision overheads, etc.) of the modification or addition of facilities required to provide requested service to the Customer less any initial payments by the Customer as a contribution in aid to construction."

Requested Utility must follow the procedure in Section 2.3 to determine if the Requested Facility may agree to provide service. *Id.* § 2.3.

19. Under the procedure in Section 2.3 of the Guidelines, before extending its facilities, the Requested Utility must formally notify the other Utility providing all relevant information about the request. If the other Utility believes its facilities will be uneconomically duplicated if the request is honored, the two Utilities are to meet, exchange information, and participate in a “comparative analysis” of their respective costs to serve the customer. *See* Order No. PSC-01-0891-PAA-EU, at 3; Guidelines § 2.3. According to the Commission, this “comparative analysis” is a cornerstone of the Guidelines and is crucial “to avoid future uneconomic duplication of facilities.” *See* Order No. PSC-01-0891-PAA-EU, at 3. As part of this analysis, the Requested Utility may only provide service if it meets specified cost of service criteria set forth in Section 2.3(d).

20. To further combat against the Utilities racing to serve the same customer, the Territorial Order also mandates that distribution extensions or upgrades are to be performed “only when necessary and prudent from an engineering standpoint for reliability and Customer service,” and may “not to be put in place to position the Utility for future anticipated development.” *See* Order No. PSC-01-0891-PAA-EU, at 5–6; Guidelines § V.

21. Although the majority’s decision in Order No. PSC-98-0174-FOF-EU requiring complex Guidelines in lieu of a traditional territorial boundary may have been well intentioned, the Guidelines have proven ineffective in reducing territorial conflicts between the two Utilities. For example, in 2018, GCEC filed a complaint against Gulf Power (the “2018 Dispute”) alleging that Gulf Power raced to serve a lift station for a residential subdivision in Bay County without first notifying GCEC in accordance with the Guidelines. *See* Order No. PSC-2019-0134-EU, at 2. The 2018 Dispute was ultimately settled with Gulf Power relinquishing services to the lift station

to GCEC and removing 3,000 feet of its lines that it installed to serve the lift station. *Id.* at 2–3. The settlement also modified the Guidelines to require the Requested Utility to provide more robust notice to the other Utility before extending its facilities. *Id.* at 3.

FPL’S VIOLATION OF TERRITORIAL ORDER

22. The current territorial dispute is history repeating itself once again. Like in the 2018 Dispute, FPL has violated and continues to violate the Territorial Order by, among other things, ignoring its obligation to notify GCEC and racing to serve a residential subdivision in Bay County (the “Subdivision”), which GCEC previously agreed to serve, and is entitled to serve under the Territorial Order.

23. From November 2020 through the first part of December 2023, GCEC received a series of requests from Garden Street Communities SE (“Customer”) to provide electric service to a Subdivision being developed with a total projected Load of approximately 3,575 kVA.

24. Because the Subdivision’s projected Load is greater than 1000 kVA, in order for GCEC to serve the Subdivision without first notifying FPL and following the comparative analysis procedure in Section 2.3 of the Guidelines, GCEC would need to satisfy the distance-to-load criteria in Section 2.2(d)(i). Specifically, GCEC’s Existing Facilities would need to be “no more than 2,500 feet further from the Point of Delivery than the Existing Facilities of [FPL].” *See* Guidelines § 2.2(d)(i). GCEC easily satisfied this criteria.

25. At the time of the service requests, as shown on the map attached hereto as Exhibit A (the “Map”), GCEC had Existing Facilities in place in close proximity to the proposed Subdivision that could energize the Subdivision from different locations (“Points of Delivery”). In particular, GCEC had three-phase electrical lines in place (depicted as Location 2 on the Map) sufficient to

serve the Subdivision's entire projected Load located within 1,736 feet of the Subdivision's southern entrance (the "South Point of Delivery"), which is depicted as Location 5 on the Map.⁶

26. By comparison, based on information and belief, at the time GCEC received the requests to serve the Subdivision, FPL's Existing Facilities closest to the Subdivision (depicted as Location 1 on the Map) were approximately 8,220 feet from the South Point of Delivery (depicted as Location 5 on the Map). In other words, at the time GCEC received the service requests, its three-phase Existing Facilities (Location 2 on the Map) were 6,484 feet closer to the Subdivision than FPL's Existing Facilities (Location 1 on the Map) (8,220 feet minus 1,736 feet equals 6,484 feet).

27. Accordingly, at the time of the service requests, GCEC's Existing Facilities were "no more than 2,500 feet further from the Point of Delivery than the Existing Facilities of [FPL]." *See* Guidelines § 2.2(d)(i). In fact, GCEC's Existing Facilities were 6,484 feet closer to the Subdivision than FPL's Existing Facilities. GCEC therefore easily satisfied the distance-to-load criteria under Section 2.2 of the Guidelines and had a right to serve the Subdivision without notifying FPL or following the comparative analysis procedure in Section 2.3. *See* Guidelines §§ 2.1, 2.2.

28. Based on information and belief, sometime in the first part of 2024, FPL received a request from the same Customer to provide electric service to the same Subdivision. As mentioned above, the Subdivision's projected Load is greater than 1000 kVA. Thus, for FPL to serve the Subdivision without notifying GCEC and following the comparative analysis procedure in Section

⁶ GCEC also had highly visible single and two-phase electrical lines in place immediately adjacent to the Subdivision, which together were sufficient to energize the entire Subdivision. GCEC's two-phase line (depicted as Location 4 on the Map) is only 249 feet from the Subdivision's northern entrance (the "North Point of Delivery"), and GCEC's single-phase line (depicted as Location 3 on the Map) is only 471 feet from Subdivision's eastern entrance (the "East Point of Delivery"). In addition, GCEC has recently determined that another Point of Delivery has been developed on the Subdivision's eastern entrance (the "East Point of Delivery"), which is depicted as Location 7 on the Map. GCEC's three-phase Existing Facilities are 1,055 feet from the East Point of Delivery.

2.3 of the Guidelines, FPL would need to satisfy the distance-to-load criteria in Section 2.2(d)(i). Specifically, FPL's Existing Facilities would need to have been "no more than 2,500 feet further from the Point of Delivery than the Existing Facilities of [GCEC]." *See* Guidelines § 2.2(d)(i).

29. Based on information and belief, at the time FPL received the service request from the Customer, FPL could not meet the distance-to-load criteria in Section 2.2 because FPL's Existing Facilities closest to the Subdivision were approximately 6,484 feet farther away from a Point of Delivery than the three-phase Existing Facilities of GCEC.

30. Had FPL performed any due diligence when it received the service request, it would have clearly seen that GCEC had highly visible Existing Facilities adjacent to the Subdivision—far closer than FPL's Existing Facilities. Not only would FPL have seen GCEC's three-phase Existing Facilities located within 1,736 feet of the South Point of Delivery, it also would have seen GCEC's single and two-phase distribution lines in place even closer to the Subdivision.

31. Because FPL could not meet the distance-to-load criteria in Section 2.2 of the Guidelines, it was required by Section 2.3 to notify GCEC of the request for service providing "all relevant information about the request," follow Section 2.3's comparative analysis procedure, and demonstrate that its Cost of Service would not be significantly more than that of GCEC.

32. FPL made no effort to notify GCEC of the request for service or engage in a comparative analysis of the Utilities' Costs of Service. Instead, upon information and belief, FPL has raced to extend its facilities and serve the Customer in disregard of the Territorial Agreement's requirements. As a result, FPL is uneconomically duplicating GCEC's Existing Facilities and has violated the Commission's Territorial Order and Sections 2.1, 2.2 , 2.3, and 2.4 of the Territorial Agreement.

33. FPL reportedly takes the position that when it received the Customer's service request it was *planning* to extend its facilities closer to the Subdivision some six or more months into the

future. Hence, according to FPL, it had “Existing Facilities” that satisfied the distance-to-load criteria under Section 2.2 of the Guidelines which gave it a right to serve the Subdivision. But to be an *Existing* Facility, the facility must be *in existence* at the pertinent time, namely, when the Receiving Utility “receiv[es] a bona-fide request for service from a Customer.” Guidelines § 2.1; *see also* Cambridge Dictionary (“[E]xisting” . . . “refer[s] to something that exists now.”); Guidelines § 1.3 (defining “Existing Facilities” as “the Utility’s nearest facilities that are of a sufficient size, character (number of phases, primary voltage level, etc.) and accessibility so as to be capable of serving the anticipated Load of a Customer without requiring any significant modification of such facilities.”). FPL’s contemplated facilities planned for the future cannot satisfy this requirement.

34. Because FPL did not have *Existing* Facilities that satisfied the distance-to-load criteria in Section 2.2 of the Guidelines at the time it received the Customer’s request for service, it was required by Section 2.3 to notify GCEC of the request for service, provide GCEC with all relevant information about the request, follow the comparative analysis procedure, and demonstrate that its Cost of Service would not be significantly more than that of GCEC. FPL’s failure to do this violated and continues to violate the Territorial Order and breaches the parties’ Territorial Agreement.

35. FPL’s ongoing violation of the Territorial Order creates further uneconomic duplication of GCEC’s facilities and deprives GCEC of its right to serve under the Territorial Order. The ongoing violation therefore adversely affects GCEC’s substantial interests.

EFFORTS TO RESOLVE DISPUTE

36. The Territorial Order requires the parties to make “every effort” to resolve a dispute over compliance with the Guidelines “including if necessary, expedited hearing before the Commission.” Guidelines § 2.4. The Territorial Order goes on to specify that “[d]uring a period

of unresolved dispute, the requested Utility may provide temporary service to the Customer or may elect to request the other Utility to provide temporary service to the Customer and either means of temporary service shall be without prejudice to either Utility's position in the dispute as to which utility will provide permanent service." *Id.*

37. In compliance with the Territorial Order, the parties have engaged in a phone call on November 22, 2024, and meetings on February 10, 2025 and April 10, 2025, all in an effort to resolve the conflict. Thus far, however, the parties have failed to resolve their differences. If, after this Complaint is filed, the Commission determines that mediation is available under section 120.573, Florida Statutes, GCEC is prepared to participate in that mediation in a good faith effort to resolve this matter.

**THE GUIDELINES HAVE PROVEN INEFFECTIVE TO REDUCE
OR ELIMINATE UNECONOMIC DUPLICATION OF FACILITIES**

38. When the Commission approved the Guidelines as a "territorial agreement," it acknowledged that they were "unique" and did "not establish a traditional 'line-on-the-ground' territorial boundary." *See* Order No. PSC-01-0891-PAA-EU, at 3–4. Consequently, the Commission instructed the parties file reports "for at least the next two years" regarding the effectiveness of the agreement so that the Commission could have "the appropriate basis to determine whether the proposed territorial agreement is effective." *Id.* at 4.

39. As reported above, and as Commissioner Susan Clark warned in her dissent in Order No. PSC-98-0174-FOF-EU, the Guidelines have proven to be ineffective in curtailing FPL from racing to serve customers that had previously requested service from GCEC, and preventing the uneconomic duplication of facilities that results from that behavior. Moreover, the Guidelines have proven to be confusing and have generated, rather than reduced, territorial dispute litigation.

40. Based on the events described in this Complaint, and on other threatened encroachments by FPL, GCEC is concerned that territorial conflicts will only escalate unless the Commission intercedes and requires the parties to accept traditional lines-on-the-ground territorial boundaries.

RELIEF REQUESTED

WHEREFORE, to avoid unnecessary and further uneconomic duplication of facilities, GCEC respectfully requests that the Commission conduct an expedited hearing and enter an order:

- (1) Finding that FPL has violated the Territorial Order;
- (2) Enforcing the Territorial Order and directing FPL to cease and desist the extension of its electric distribution facilities to the Subdivision;
- (3) Finding that GCEC, and not FPL, is the appropriate electric utility to provide service to the Subdivision;
- (4) Requiring FPL and GCEC to enter into a new territorial agreement with traditional “lines-on-the-ground” territorial boundaries to replace and supersede the Territorial Agreement; and
- (5) Granting GCEC such other relief as the Commission deems appropriate, including relief under section 366.095, Florida Statutes.

Dated this 3rd day of June 2025.

HOLLAND & KNIGHT LLP

/s/D. Bruce May, Jr.

D. Bruce May, Jr.

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Counsel for Gulf Coast Electric Cooperative, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was furnished by U.S. Mail and E-Mail this 3rd day of June, 2025 to: Shane Boyett (shane.boyett@fpl.com), External Affairs Manager, Florida Power & Light Company, 1230 East 15th Street, Panama City, Florida 32405, and Monica Barnes, Esq. (monica.barnes@fpl.com), Senior Attorney, Florida Power & Light Company, 700 Universe Boulevard LAW/JB, Juno Beach, Florida 33408.

/s/D. Bruce May, Jr. _____
Attorney

EXHIBIT A

(Map of GCEC's Existing Facilities in close proximity to the proposed Subdivision)

Utilized Bay County Property Appraisers GIS Aerial Imagery to locate existing FPL Structures. Aerial Imagery was recorded between Nov 2023 and February 2024.

This map represents the nearest facilities of both GCEC & FPL that were known to exist when the request for service was initiated.

