

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Territorial Dispute Between
Talquin Electric Cooperative, Inc. and
the City of Quincy

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DOCKET NO. 20250039-EU

FILED: March 30, 2025

**CITY OF QUINCY'S OPPOSITION TO THE PETITION OF
TALQUIN ELECTRIC COOPERATIVE, INC.
TO RESOLVE TERRITORIAL DISPUTE**

The City of Quincy ("Quincy" or "QE"), by and through the undersigned counsel, hereby respectfully submits its Opposition to the Petition filed by Talquin Electric Cooperative Inc. ("Talquin") on March 10, 2025, and would state the following:

1. As set forth below, the Petition is premature, incomplete, and contrary to the public interest. Quincy urges the Florida Public Service Commission ("Commission" or "PSC") to deny the Petition and, in the alternative, to expand Quincy's territory to include the entirety of the newly annexed Bostick property. In the second alternative, Quincy respectfully requests an adjournment of the territorial dispute until such time as the details of the planned new development and the projected costs of both utilities to extend distribution have been calculated and proposed.
2. The persons to whom all notices and other documents should be sent in connection with this docket are:

Gary A. Roberts, Esq. City Attorney, Quincy Florida 130 Salem Court Tallahassee, Florida 32301 garyr@garyrobertslaw.com (850) 513-0505	Robert M. Nixon City Manager, Quincy Florida 404 West Jefferson Street Quincy, Florida 32351 rnixon@myquincy.net (850) 618-1884
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JURISDICTION OF THE COMMISSION

3. Quincy concurs with the Petition paragraphs 3 – 9 establishing the jurisdiction of the Commission to adjudicate Talquin’s request. The City has annexed the area that is the subject of the dispute. The Bostick property is now split between the historic territories of the two utilities as defined by the expired 1995 Agreement. *See, e.g.* ORDER NO. PSC-2021-0453-PAA-EU on DOCKET NO. 20210160-EU, approving an Agreement between Winter Park and Duke Energy, p.3:¶1, (“The proposed amendment will eliminate uneconomic duplication of service facilities and resolve split parcels due to annexation and create cohesive boundaries”).

FACTUAL BACKGROUND

The Parties

4. Quincy Electric (QE) is a municipal utility providing electrical service to its residents since 1923. QE is a member of the Florida Municipal Power Agency (FMPA) and currently serves 5,766 connections. Duke Energy provides transmission network connection to a point of interconnection at QE’s primary substation, allowing QE to distribute power to its customers with energy purchased from Florida Power & Light (“FPL”) and the Southeastern Power Authority (“SEPA”) . The interconnection has a capacity of 15mW, and QE’s current peak load is approximately 10mW. The interconnecting substation is 4.5 miles from the newly annexed Bostick property.

5. Talquin is a cooperative operating under a statutory construction that traces back to the Rural Electrification Act of 1936, and purchases its power from the Seminole generation cooperative¹. The purpose of the REA was to assure electricity for rural citizens who otherwise would not have had access to market-based power. Cooperatives such as Talquin currently serve

1 From Talquin’s [website](https://www.talquinelectric.com/about/about-cooperatives/), <https://www.talquinelectric.com/about/about-cooperatives/>

only 10% of Florida’s population, but are responsible for providing power to 60% of the State’s area².

The Planned Development

6. The City of Quincy has directed the developer to increase the lot sizes for the Bostick property, and the rezoning decision has been postponed until this has been completed. There is no set date for groundbreaking, which is estimated to be at least six months away, if not more than a year. While Quincy recognizes the necessity of this current dispute process, the full contours of the planned new construction have yet to take shape.

7. Using the numbers from the petition as a baseline (subject to future revision), the proposed development consists of 125 homes in Talquin’s current service territory and 105 homes in Quincy’s current service territory. This calculation includes the 75 homes planned for the “Phase 4” development, which is entirely within Quincy’s 1995 territorial boundary and historical City limits, separate from the Bostick annexation (See Petition ¶21). The estimated demand for the new development is 1380 – 1840 Kw.

8. QE maintains multiple distribution substations that step down 69kV intermediate distribution lines to 12.47kV. The south substation, located within a mile of the planned development on S. Atlanta Street, is currently underutilized and has more than enough current excess capacity to serve the planned development. QE’s plan to electrify the new development would be to extend our 12.47kV line from S. Atlanta Street along Highway 90 to the Bostick property.

ARGUMENTS IN OPPOSITION

I. The Petition is Premature and Lacks Necessary Cost Analysis

2 From [FECA](https://fecanet.org/our-history/), <https://fecanet.org/our-history/>

9. Talquin's Petition does not include an estimated cost for providing a distribution system for the proposed residential development. Without this data, the Commission cannot adequately evaluate the economic feasibility or comparative costs of service expansion by either utility.

10. Furthermore, because the planning process for the development is still ongoing, including the pending lot reconfiguration, Quincy reserves the right to supplement this opposition with additional materials as the parameters of the development are finalized.

11. Talquin's Petition inaccurately portrays the division of territory within the new development by neglecting to include the 75 homes planned for Phase 4, which are in Quincy's undisputed territory. When accounted for, the development is nearly evenly split between the two existing service territories, further reinforcing Quincy's claim to serve the entirety of the Bostick property.

12. Talquin asserts that it has invested in service to the Bostick property but does not specify when this investment was made or whether it was in anticipation of a 155-home residential development. Additionally, Talquin states that it previously served a nursery on the property but provides no specifications for the existing line and distribution facility that served this customer. Unlike the facts in *Okefenoke v. JEA* (referred to in the Petition ¶10), there is no history of QE "skimming" economically advantageous customers from Talquin. To the contrary, the Petition describes an ongoing cooperative relationship between the utilities (Petition ¶30). Also unlike *Okefenoke*, Talquin does not currently serve a customer on the Bostick property (much less 155 customers), and the service to the prior nursery is unlikely to be reusable as the sole distribution facility to the planned development.

13. Moreover, Talquin fails to include details of the intermediate distribution facilities necessary to serve the new development. Quincy is confident that once these costs are determined, it will be demonstrated that both QE and Talquin will incur approximately the same cost to extend service: Quincy has the distribution substation in place, but will have to extend a new line, while Talquin has an existing distribution line to the previous nursery customer that will almost certainly require further investment in intermediate step-down equipment. This comparison further supports Quincy's claim to serve the development given its location within the City limits.

II. Expanding Talquin's Territory Would Result in Hazardous Duplication of Utility Infrastructure

14. If the Commission grants Talquin's Petition, it would result in Quincy's distribution system coming into unavoidable proximity with Talquin's system. The duplication of electric utility facilities in close residential quarters can lead to hazardous conditions, including electrical hazards, congestion and conflicts over distribution paths, operational confusion for utility workers, and increased risks of accidental damage to infrastructure such as transformers.

15. Talquin's Exhibit B, while 30 years old, still accurately reflects the relative density of development on both sides of the territorial boundary. The map demonstrates that nearly the entire boundary consists of sparsely developed land on the Talquin side, with only one small area in the southeast corner indicating relatively dense development on both sides. Allowing a split-service model in the Bostick development would introduce new and unnecessary risks.

16. The Commission has three primary options in response to Talquin's Petition:

(Option #1) Grant the Petition, expanding Talquin's service territory to include the Bostick property. This would not, however, account for the 75 homes planned for "Phase 4".

(Option #2) Take no action, reaffirming the 1995 boundaries, resulting in a division of service laterals on the annexed land of 125 homes to Talquin and 30 homes to Quincy, with the 75 Phase 4 lots serviced by QE.

(Option #3) Expand Quincy's territory to include the entire Bostick property, ensuring a single-service provider for the entire 225 parcel development, including Phase 4.

17. The Commission is charged with prescribing "uniform systems and classifications of accounts", Fla. Stat. § 366(2)(a). Only Option #3 prevents unnecessary duplication of distribution systems, thereby eliminating potential safety hazards.

18. Additionally, this option is consistent with Quincy's limited sovereign right (subject to PSC oversight) to maintain a municipal utility monopoly within its incorporated limits. It is also consistent with Talquin's founding purpose of serving areas for which urban electrification is unavailable, as well as the nature of its customer base.

19. A fourth option—expanding Talquin's service territory to include Phase 4—would violate Quincy's sovereign rights while also exacerbating the hazards of proximate distribution systems.

III. The Central Factors are Equal, the Remaining Factors Favor Expanding Quincy's Territory

20. QE will deliver market-priced power to the customers in the new development, sourced, in part from FPL. This factor favors expanding Quincy's territory. See *Choctawhatchee Elec. Coop., Inc. v. Graham*, 132 So.3d 208, 211 (Fla. 2014) ("The Commission also determined that Gulf Power was entitled to a preference as an investor-owned utility"). See also *Tampa Elec. Co. v. Withlacoochee River Elec. Co-op., Inc.*, 122 So.2d 471 (Fla. 1960), footnote 6. To the

extent that power is purchased from SEPA, multiple public policy concerns, including, *e.g.*, sourcing renewable hydroelectric power, would be advanced by favoring QE.

21. The defining factors of this dispute are as follows:

- a. “[T]he ability of the utilities to expand services within their own capabilities and the nature of the area involved, including population, the degree of urbanization of the area, its proximity to other urban areas”, Fla. Stat. § 366(2)(e), see also Fla. Admin. Rule §§ 25-60441(2)(a),(b). The new development is a contiguous expansion of the Quincy City limits. Quincy is late to the party of the expanding population of the State of Florida, but her arrival was inevitable. As detailed herein above, Talquin has not established an existing superior capability to deliver the intermediate distribution line necessary to serve the new homes.
- b. “The cost of each utility to provide distribution and subtransmission facilities to the disputed area presently and in the future”, Fla. Admin. Rule § 25-60441(2)(c). As detailed herein above, neither party has provided a detailed cost estimate. The Petition describes Talquin’s relevant transmission topology in detail, but provides no detail with respect to distribution other than the fact of a prior service drop. Talquin’s nearest transmission interchange is located only one half mile closer to Bostick than QE’s, and QE has a substantial existing intermediate distribution system within a mile that feeds a 12kV line.
- c. “Any other factor the Commission finds relevant in reaching a determination that the resolution of the territorial dispute is in the public interest,” Fla. Admin. Rule § 25-60441(2)(d). QE will deliver market-priced power, and expanding its territory will

prevent an otherwise inevitable hazardous proximity of infrastructure between the two utilities.

22. Quincy reserves the right to present evidence of customer preference in supplement to this opposition.

CONCLUSION

23. For the foregoing reasons, the City of Quincy respectfully requests that the Commission DENY Talquin's Petition. In the alternative, Quincy requests that the Commission EXPAND Quincy's service territory to include the entirety of the newly annexed Bostick property in order to avoid unnecessary duplication of utility facilities and ensure the safe, reliable provision of electric service to the planned development, consistent with expansion of the Quincy urban area. In the second alternative, Quincy respectfully requests an adjournment of the dispute pending the submission of detailed plans and cost estimates by both parties for establishing distribution to the planned development.

Respectfully submitted this 30th day of March, 2025.

GARY A. ROBERTS & ASSOCIATES, LLC

/s/ Gary A Roberts

GARY A. ROBERTS, ESQUIRE

FLORIDA BAR NO. 0069620

130 Salem Court

Tallahassee, Florida 32301

(850) 513-0505

(850) 513-0318-Facsimile

Email: garyr@garyrobertslaw.com

City Attorney, for City of Quincy, FL

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically to **Malcolm N. Means** and **Kevin A. Forsthoefel** counsel for Talquin Electric Cooperative, Inc. on this 30th day of March 2025.

/s/ Gary A Roberts _____

GARY A. ROBERTS, ESQUIRE