

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20250039-EU

FILED: April 28, 2025

**CITY OF QUINCY’S RESPONSES TO THE PSC’s
FIRST DATA REQUEST**

The City of Quincy ("Quincy"), by and through the undersigned counsel, hereby respectfully submits the following answers to the questions posed by the PSC in its letter dated April 16, 2025 (hereinafter “FDR” for “First Data Request”), and would show the following:

PSC FDR 1. “Rule 25-6.0441(1), Florida Administrative Code (F.A.C.), states, in part, that “each utility party must provide a description of the planned load to be served in the area of dispute” Paragraph 22 of the Petition reflects that 155 single-family residential lots were planned for the subject property, as of March 10, 2025 (the date the Petition was filed).”

Quincy’s RESPONSE to 1: Paragraph 22 of the Petition was correct to the extent that it reflected plans at the time for 155 lots on the newly annexed Bostick property. There is also a multi-unit build planned that is the equivalent of 75 single-family lots for the 4th phase of the development project (hereinafter “Phase 4”)(See Talquin Petition ¶21); Quincy Opposition ¶11). The location of the Phase 4 build is geographically contiguous with the Bostick property (See Exhibit A, Map Displaying Development Area). Phase 4 is entirely within Quincy’s territorial boundary as defined in the 1995 agreement between Talquin and Quincy, and also completely within the original City limits as they were prior-to the Bostick annexation.

After detailed consideration and analysis, Quincy Electric now anticipates and currently plans for **a total new load from the entire development (including Phase 4) of 1150 KVA**. 775 KVA of that total for the disputed Bostick property (5KVA per lot) and 375 KVA for Phase 4. Our existing distribution facilities are more than sufficient to handle this new load, as detailed in the answer to FDR 3.b, below.

FDR 1.a. “Paragraph 28 of the Petition references that rezoning efforts could impact the subject property. Please provide an update regarding the planned density for the subject property, specifically addressing whether the number of lots that are planned for this property has changed since March 10, 2025, or is finalized.”

Quincy’s RESPONSE to 1.a: The Quincy Building & Planning Department has directed the developer Gen Land Corp. (hereinafter “Gen Land”), to submit plans reflecting an increase to the size of the lots planned for the Bostick property. This has not been completed to date. This will decrease the number of planned single-family lots on the Bostick property.

FDR 1.b. “If applicable, identify the density changes and discuss how such changes would impact the planned load for serving this area.”

RESPONSE to 1.b: We anticipate that the decrease in the number of lots on the Bostick property will not effect the total estimated load. The square footage of the homes may change, but not enough to impact the total load.

FDR 2. “Paragraph 22 of the Petition includes the term ‘Talquin’s historic service area.’ Please state whether the utilities are in complete agreement with what this term means, or whether the use of this term itself is a matter of dispute. If applicable, provide a response from each party stating their respective definition for the term ‘Talquin’s historic service area.’”

RESPONSE to 2: The density of the planned Bostick development is inconsistent with Talquin’s “historical service area”, relative to Quincy Electric.

Quincy’s “historic service area” has always been within our city limits and the adjacent areas, while Talquin’s “historic service area” has been the rural and ex-urban areas that are located at distances from our distribution facilities such that cost-effective service connections were infeasible. As the 1995 territory map illustrates, the lines between the two utilities respected Quincy’s political boundaries, but also included all higher-density, urban and suburban areas proximate to our infrastructure.

Talquin’s reference to connecting a customer outside of their 1995 territorial limit in April 2024 was a one-off extraordinary occurrence (see Petition ¶16).

FDR 3.a. “Please describe whether overhead or underground construction activities would be needed to serve the disputed area. Include in the description the approximate distance the new construction would traverse from current facilities.”

RESPONSE to 3.a: Our plan is to construct 10 spans of two-phase, primary #2 ACSR, overhead power lines to cover a distance of 2000 feet. These will connect to and start at our current distribution lines on Barack Obama Blvd near the intersection of Main Line Drive, and proceed west along Mainline Drive to the west side of Ben Bostick Road.

FDR 3.b. “Describe the age or general condition of nearest existing facilities (i.e., the starting point for new construction to the disputed area) in terms of being adequately sized to reliably serve the planned and/or future electrical load for the disputed area.”

RESPONSE to 3.b: The overhead primary line on Barack Obama Blvd. is 25 years old. The line consists of 2 phases of #2 ACSR. The line is lightly loaded and can carry the additional load without needing to be replaced with a larger conductor.

The distribution lines that we are extending are connected to our South Distribution Station, where we step down from 69KV to 12.47KV. The Station was constructed in 1989. The Station has been updated and upgraded within the past 10 years, including a complete replacement of all breakers. The excess available capacity at the Station is well within the planned new load. We will not need to invest in further transformer capacity at the South station in order to satisfy the load to the new development.

FDR 4. “Please state the most current estimate of the cost for provisioning facilities to the subject area.”

RESPONSE to 4: The 10-span overhead distribution line extension will cost \$30,000.00. This, of course, does not include the cost of the underground primary and service laterals and pad-mounted transformers necessary to connect each home, which will dwarf the \$30k we are planning to spend to distribute to the development. These costs must be incurred regardless of which utility services the development.

We are currently pursuing a CDBG grant to offset the cost of connecting the homes in the planned development. Contrast this with Talquin’s plan to levy these costs on Gen Land and then “partially refund” that amount over time, subject to “eligibility” (see Petition ¶24).

As detailed below, in our response to FDR 5.b, our rates are lower than Talquin’s. Even absent the potential grant money, these savings could potentially be used to offset the initial connection costs over time using a refund mechanism, similar to Talquin’s plan.

FDR 5.a. (was directed to Talquin only)

RESPONSE to 5.a: (n/a)

FDR 5.b. “Please state one or more factors Quincy believes should merit the Commission’s consideration pursuant to Rule 25-6.0441(2)(d), F.A.C.”

RESPONSE to 5.b: There are three specific additional factors that merit the Commission’s consideration, Further, the circumstances generally favor denial of Talquin’s Petition and resolving the dispute by declaring the Bostick property to be Quincy’s territory.

I. Granting the Petition will Bring the Two Utilities into Physical Proximity

Exhibit A illustrates the physical proximity and contiguous boundary between the disputed Bostick property (which was partially within the City prior to annexation), and the land on which the Phase 4 development will occur (completely within the City’s historical boundary).

As detailed in Quincy’s Opposition, ¶¶ 14 – 19, granting Talquin’s Petition would bring the distribution equipment, lines and transformers of the two utilities into dangerous and unnecessary physical proximity. There is no point along the current contiguous areas served by the two utilities where there is the level of density that the new development will create. This can be avoided by approval of a modification to the 1995 Agreement placing the entirety of the Bostick property within Quincy’s territory.

II. Quincy Electric Distributes Market-Priced Power

As detailed in Quincy’s Opposition ¶20, we distribute power purchased on the open market from FPL. This is one reason that Quincy Electric’s rates are substantially

lower than Talquin's. Legal precedent and public policy favor distribution of market-priced power over that purchased from co-operatives such as Seminole, Talquin's sole provider.

III. Customer Preference

Gen Land, the project developer, came to the City to request that the City annex their property into the City limits. The City then petitioned Gadsden County and completed the necessary annexation as requested because the developer in the disputed area has expressed a preference for Quincy's services for electricity, gas, water, sewer, fire service and police. Part of the property is already located within the City. The City highlights this factor, as customer preference which is a consideration under Rule 25-6.0441(2)(d).

IV. Circumstances Generally Favor Resolving this Dispute in Favor of Quincy

In conclusion, there are multiple additional general factors both tangible but also involving intangible elements that favor Quincy, and that further involve some facts already stated in more detail herein above:

1. **Historical Provision of Service:** Quincy has had the lead role in providing electric service within the City limits and adjacent areas. This highlights the City's established presence and experience in the region.

2. **Existing Infrastructure:** The City has existing electric infrastructure near the disputed area, enabling it to extend services efficiently without unnecessary duplication of facilities, thereby promoting economical service provision.

3. **Municipal Authority and Local Control:** As a municipal utility, Quincy is better positioned to respond promptly to the broader array customer needs, maintain local control over utility services, promote public safety (fire and police are funded from Enterprise Fund), and support economic development initiatives within the community. If allowed to have customers within the City limits, those customers would have to pay an additional fee by the City for Police and fire service, since the City would not collect the necessary Enterprise Fund contributions to cover these costs. This represents a potential hardship for residents of the proposed multi- and single-family residences.

4. **Reliability and Economical Service:** Quincy contends that its proximity and existing investments allow it to offer comparable, reliable and cost-effective electric service to Talquin Electric. The City's utility rates are lower than Talquin's. All things considered, this aligns with the PSC's emphasis on reliable and economical service provision.

Respectfully submitted this 28th day of April, 2025.

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