



JAMES A. MCGEE
ASSOCIATE GENERAL COUNSEL
PROGRESS ENERGY SERVICE COMPANY, LLC

April 25, 2003

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

030466-EU

Re: Joint Petition of Withlacoochee River Electric Cooperative and Progress Energy Florida for approval of a term extension to their territorial agreements in Citrus and Pasco Counties.

Dear Ms. Bayó:

Enclosed for filing on behalf of Progress Energy Florida, Inc., formerly Florida Power Corporation, and Withlacoochee River Electric Cooperative, Inc., are an original and fifteen copies of the subject Joint Petition.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. A 3½ inch diskette containing the above-referenced document in Word format is also enclosed. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc
Enclosures

cc: John H. Haswell, Esquire

DOCUMENT NUMBER - DATE

03857 APR 28 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of Withlacoochee River Electric)
Cooperative and Progress Energy Florida for)
approval of a term extension to their territorial)
agreements in Citrus and Pasco Counties.)
_____)

Docket No. _____

Filed: April 28, 2003

JOINT PETITION

Withlacoochee River Electric Cooperative, Inc. (“WREC”) and Progress Energy Florida, Inc., formerly Florida Power Corporation, (“Progress Energy”) (collectively, “the Joint Petitioners”) pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440, F.A.C., jointly petition the Florida Public Service Commission (“the Commission”) for approval of an Amendment to three Commission-approved territorial agreements in Citrus and Pasco Counties, attached as Exhibit A, that would extend the term of the agreements through December 31, 2004, in order to allow the Joint Petitioners sufficient time to renegotiate and consolidate their four existing territorial agreements into a single, updated territorial agreement with respect to their service territories in Citrus, Hernando and Pasco Counties. In support hereof, the Joint Petitioners represent as follows:

1. The Joint Petitioners are electric utilities organized under the laws of Florida and are subject to the regulatory jurisdiction of the Commission pursuant to Section 366.04(2), F.S. WREC’s principal offices are located in Dade City, Florida. Progress Energy’s principal offices are located in St. Petersburg, Florida.

2. All pleading, notices and other communications in this matter should be served on the undersigned attorneys for WREC and Progress Energy.

3. WREC and Progress Energy are parties to four currently effective territorial agreements delineating their respective service territories in Citrus County (the “Citrus Agreement”), western Pasco County (the “West Pasco Agreement”), eastern Pasco County (the “East Pasco Agreement”), and Hernando County (the “Hernando Agreement”). The Commission approved the Citrus and West Pasco Agreements by Order No. 19610, issued July 5, 1988 in Docket No. 880234-EU; the East Pasco Agreement by Order No. 20368, issued November 30, 1988 in Docket No. 881164-EU; and the Hernando Agreement by Order No. 25309, issued November 7, 1991 in Docket No. 910940-EU.

4. The Citrus and West Pasco Agreements have 15-year terms that will expire on July 5, 2003. The East Pasco Agreement also has a 15-year term that will expire on November 30, 2003. The Hernando Agreement has an initial 15-year term that expires on November 7, 2006, and is subject to automatic renewal for an additional 15-year term.

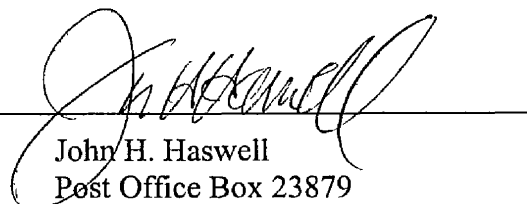
5. Recognizing the impending expirations of the Citrus and West Pasco Agreements, followed by the expiration of the East Pasco Agreement later this year, WREC and Progress Energy began discussions aimed at negotiating new territorial agreements to replace the Citrus and West Pasco Agreements and then negotiating a replacement for the East Pasco Agreement. In the course of these discussions, however, WREC and Progress Energy concluded that their interests and those of their customers would be better served by consolidating all four existing Territorial Agreements, including the Hernando Agreement, into a single comprehensive and updated territorial agreement.

6. In view of the expanded scope of work to produce a comprehensive consolidated territorial agreement, including a detailed field review of the existing territorial boundary lines to determine where modification may be necessary to accommodate changed circumstances, WREC and Progress Energy recognized that the remaining term of the Citrus, West Pasco and East Pasco Agreements would not provide the time required to properly prepare the consolidated

territorial agreement. Accordingly, the Joint Petitioners have executed an amendment that would extend the term of these three agreements to and including December 31, 2004, in order to allow sufficient time to prepare, file and obtain Commission approval of a consolidated territorial agreement for their respective service territories in Citrus, Hernando and Pasco Counties. The Amendment is expressly contingent upon approval in its entirety by the Commission.

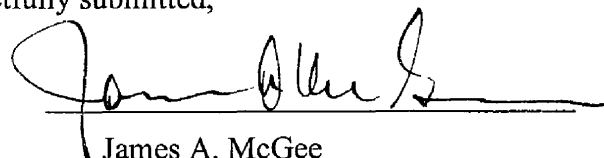
WHEREFORE, the Joint Petitions respectfully request that the Commission approve the Amendment contained in Exhibit A hereto.

Respectfully submitted,



John H. Haswell
Post Office Box 23879
Gainesville, FL 32602-3879
Telephone: 352-376-5226

Attorney for
**Withlacoochee River Electric
Cooperative, Inc.**



James A. McGee
Associate General Counsel
Progress Energy Service Co., LLC
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: 727-820-5184

Attorney for
Progress Energy Florida, Inc.

EXHIBIT A

**AMENDMENT TO TERRITORIAL AGREEMENTS
Between Progress Energy Florida, Inc., and
Withlacoochee River Electric Cooperative, Inc.**

AMENDMENT TO TERRITORIAL AGREEMENTS

Withlacoochee River Electric Cooperative, Inc. (WREC) and Progress Energy Florida, Inc., formerly Florida Power Corporation, (Progress Energy) enter into this Amendment to their Territorial Agreements for Citrus and Pasco Counties on this 24th day of April, 2003.

WITNESSETH:

WHEREAS, WREC and Progress Energy are parties to four currently effective territorial agreements delineating their respective service territories in Citrus County (the Citrus Agreement), western Pasco County (the West Pasco Agreement), eastern Pasco County (the East Pasco Agreement), and Hernando County (the Hernando Agreement). The Florida Public Service Commission (FPSC) approved the Citrus and West Pasco Agreements by Order No. 19610, issued July 5, 1988 in Docket No. 880234-EU; the East Pasco Agreement by Order No. 20368, issued November 30, 1988 in Docket No. 881164-EU; and the Hernando Agreement by Order No. 25309, issued November 7, 1991 in Docket No. 910940-EU; and

WHEREAS, in recognition of the impending expirations of the Citrus and West Pasco Agreements on July 5, 2003, and the East Pasco Agreement on November 7, 2003, WREC and Progress Energy began negotiations for the purpose of entering new territorial agreements to replace the soon to expire agreements, and, in the course thereof, concluded that their interests and those of their customers would be best served by consolidating all of the existing Territorial Agreements, including the Hernando Agreement, into a single updated agreement; and

WHEREAS, in view of the expanded scope of work to produce a comprehensive consolidated territorial agreement, WREC and Progress Energy desire to extend the

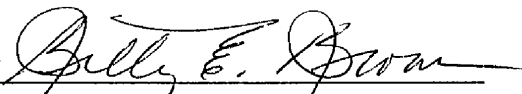
expiration dates of the Citrus, West Pasco and East Pasco Agreements in order to provide sufficient time to properly prepare the consolidated territorial agreement.

NOW, THEREFORE, WREC and Progress Energy hereby agree as follows:


1. The terms of the Citrus, West Pasco and East Pasco Agreements shall be extended to and including December 31, 2004.
2. Except as modified herein, the terms and conditions of the Citrus, West Pasco and East Pasco Agreements shall remain in full force and effect.
3. This Amendment to the Territorial Agreements will become effective and enforceable only upon the issuance of an order by the Florida Public Service Commission approving the Amendment in its entirety.

IN WITNESS WHEREOF, WREC and Progress Energy have caused this Amendment to be executed in duplicate by their duly authorized representatives on the day and year first above stated.

**Withlacoochee River Electric
Cooperative, Inc.**

By 
Name: Billy E. Brown
Title: Executive Vice President

Progress Energy Florida, Inc.

By 
Name: Vincent M. Dolan
Title: Vice President