

November 6, 2013

# VIA E-FILING

Ms. Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Joint Petition of City of Winter Park and Duke Energy Florida, Inc. for approval of a territorial agreement in Orange County; Docket No. \_\_\_\_\_\_

Dear Ms. Cole:

Please find enclosed for filing the original joint petition of City of Winter Park and Duke Energy Florida, Inc. for approval of a territorial agreement in Orange County.

Thank you for your assistance in this matter. Please don't hesitate to call me at (850) 521.1428 should you have any questions.

Respectfully,

/s/ Matthew R. Bernier
Matthew R. Bernier
Associate General Counsel
Duke Energy Florida, Inc.

MRB

cc: Gail Simpson (DEF)

Usher L. Brown (Attorney for City of Winter Park)

# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re:    | Joint  | Petit | tion o | f Cit | y ( | of |
|-----------|--------|-------|--------|-------|-----|----|
| Winter    | Park   | and   | Duke   | e En  | erg | зy |
| Florida,  | Inc.   | for   | appro  | val   | of  | a  |
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| County.   | •      |       |        |       |     |    |

| Docket No |  |
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Submitted for filing: November 6, 2013

#### **JOINT PETITION**

The City of Winter Park ("Winter Park") and Duke Energy Florida, Inc. ("DEF") (collectively, "the Joint Petitioners"), pursuant to Section 366.04(2)(d), Florida Statutes, and Rule 25-6.0440, F.A.C., jointly petition the Florida Public Service Commission ("the Commission") for approval of a territorial agreement within the city of Winter Park in Orange County. 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), Florida Statutes. Winter Park's principal office is located in Winter Park, Florida. DEF's principal office is located in St. Petersburg, Florida.
- 2. All pleadings, notices, and other communications in this matter should be served on the undersigned attorneys for Winter Park and DEF.
- 3. In Docket No. 050117, the Florida Public Service Commission granted DEF's (under its former name) Petition of Progress Energy Florida, Inc. to Relieve it of The Statutory Obligation to Provide Certain Customers Within The City of Winter Park With

Electrical Service, delineating the territorial boundary established in the 2003 award regarding Winter Park's purchase of a portion of DEF's distribution system.

- 4. Winter Park and DEF have agreed to clearly delineate the territorial boundaries in Orange County in their entirety through the territorial agreement ("the Agreement"). A copy of the Agreement and associated maps delineating the respective Territorial Areas of Winter Park and DEF is provided as Attachment 1.1
- 5. Each Party will have the exclusive authority to furnish retail electric service within their territorial area. The Joint Petitioners recognize that exceptional circumstances, economic constraints or good engineering practices may indicate that a new customer's point of use either cannot or should not be served by the Party in whose territorial area the point of use is located. In such circumstances, upon written request by the Party in whose territorial area the New Customer's Point of Use is located, the other Party may, in its sole discretion, agree in writing to provide temporary service to the New Customer until such time the requesting party provides written notice of its intent to service the point of use.
- 6. The Joint Petitioners expect that all transfers of Extra-Territorial customers will be completed within 24 months of the effective date and will notify the Commission in writing if circumstances require additional time. The Extra-Territorial customers served by DEF on the Effective Date of the Agreement and located in the Winter Park Territorial Area in Exhibit B, with the exception of the customers listed on Exhibits C and D, will continue to be served by DEF until the electrical services are disconnected. Any future service within the area depicted on Exhibit B identified as the Winter Park Territorial Area will be

<sup>&</sup>lt;sup>1</sup> Attachment 1 includes the Agreement and the Exhibits thereto: Exhibit A (Maps Depicting the Territorial Boundary Lines of and Service Territories of Winter Park and DEF); Exhibit B (Location of All Extra-Territorial Customers Including Customers Listed on Exhibit C and Exhibit D); Exhibit C (Temporary Service Extra-Territorial Customers Transferred from DEF to Winter Park); Exhibit D (Extra-Territorial Customers to be served by Winter Park); and Exhibit E (Locations of Exhibit C Extra-Territorial Customers).

considered a New Customer and will be served by Winter Park. The Extra-Territorial customers who are listed on Exhibit C were transferred to Winter Park by DEF and are being served by Winter Park on a temporary basis and will be considered New Customers. In addition, the Extra-Territorial Customers listed on Exhibit D will be served by Winter Park upon final approval of the Agreement.

- 7. In conjunction with the transfer of Extra-Territorial customers, the receiving Party may purchase the electric distribution facilities of the transferring Party used exclusively for providing electric service to the transferred customers pursuant to the terms of the Agreement.
- 8. Prior to the filing of this Joint Petition, the 11 customers (2 residential and 9 commercial) subject to transfer under the Agreement have been sent written notification of the Agreement between Winter Park and DEF and the transfer provisions described above. Sample copies of the letters providing such notification are attached as Attachment 2. As of the time of filing, no negative responses to the notification letters have been received. A summary of the responses ultimately received, if any, will be provided by supplemental filing.
- 9. The Commission has long recognized that properly constructed territorial agreements between adjacent utilities are in the public interest. The Joint Petitioners believe and therefore represent that the Agreement is in the public interest and should be approved.

WHEREFORE, Winter Park and DEF respectfully request that the Commission grant this Joint Petition and approve the Agreement contained in Attachment 1 hereto.

# Respectfully submitted,

Usher L. Brown

Brown, Garganese, Weiss

& D'Agresta, P.A.

111 N. Orange Ave.

Orlando, Florida 32802

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Email: <a href="mailto:lbrown@orlandolaw.net">lbrown@orlandolaw.net</a>

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St. Petersburg, Florida 33701

Telephone: 727-820-4692

Email: <u>dianne.triplett@duke-energy.com</u> Email: <u>matthew.bernier@duke-energy.com</u>

Attorneys for Duke Energy Florida, Inc.

# Attachment 1

# **TERRITORIAL AGREEMENT**

Section 0.1: The City of Winter Park ("Winter Park"), and Duke Energy Florida, Inc. d/b/a Duke Energy, ("DEF") (collectively, the "Parties") enter into this Territorial Agreement ("Agreement") on this 21st day of October, 2013.

#### WITNESSETH:

<u>Section 0.2</u>: WHEREAS, Winter Park and DEF are each authorized, empowered and obligated by their corporate charter and laws of the State of Florida to furnish retail electric service to persons upon request within their respective service areas in Orange County; and

Section 0.3: WHEREAS, in Docket No. 050117, the Florida Public Service Commission granted DEF's (under its former name) *Petition of Progress Energy Florida, Inc. to Relieve It of the Statutory Obligation to Provide Certain Customers Within the City of Winter Park with Electrical Service,* delineating the territorial boundary established in the 2003 arbitration award regarding Winter Park's purchase of a portion of DEF's distribution system.

<u>Section 0.4</u>: WHEREAS, the Parties desire to clearly delineate the territorial boundaries in Orange County in their entirety through this Agreement in order to gain further operational efficiencies and customer service improvements in Orange County, while continuing to eliminate circumstances giving rise to the uneconomic duplication of service facilities and hazardous situations.

Section 0.5: WHEREAS, the Commission is empowered by the Florida legislature, pursuant to Section 366.04(2)(d), Florida Statutes, to approve territorial agreements, and the Commission, as a matter of long-standing regulatory policy, has encouraged retail territorial agreements between electric utilities subject to its jurisdiction based on its findings that such agreements, when properly established and administered by the parties and actively supervised by the Commission, avoid uneconomic duplication of facilities, promote safe and efficient operations by utilities in rendering electric service provided to their customers, and therefore serve the public interest.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, which shall be construed as being interdependent, the Parties hereby agree to the Agreement as follows:

#### ARTICLE I

#### **DEFINITIONS**

Section 1.1: Territorial Boundary Line(s). As used herein, the term "Territorial Boundary Line(s)" shall mean the boundary line(s) depicted on the maps attached hereto as Exhibit A which delineate and differentiate the Parties respective Territorial Areas in Orange County.

Section 1.2: Winter Park Territorial Area. As used herein, the term "Winter Park Territorial Area" shall mean the geographic areas in Orange County allocated to Winter Park as its retail service territory and labeled as

"Winter Park Territorial Area" or "Winter Park" on the maps contained in Exhibit A.

Section 1.3: DEF Territorial Area. As used herein, the term "DEF Territorial Area" shall mean the geographic areas in Orange County allocated to DEF as its retail service territory and labeled as "DEF Territorial Area" or "DEF" on the maps contained in Exhibit A.

Section 1.4: Point of Use. As used herein, the term "Point of Use" shall mean the location within the Territorial Area of a Party where a customer's end-use facilities consume electricity, wherein such Party shall be entitled to provide retail electric service under this Agreement, irrespective of where the customer's point of delivery or metering is located.

Section 1.5: New Customers. As used herein, the term "New Customers" shall mean all customers applying for retail electric service after the Effective Date of this Agreement at a Point of Use in the Territorial Area of either Party.

<u>Section 1.6</u>: <u>Extra-Territorial Customers</u>. As used herein, the term "Extra-Territorial Customers" shall mean those customers served by either Party on the Effective Date of the Agreement who are located within the service territory of the other Party established by such Agreement.

Section 1.7: Temporary Service Customers. As used herein, the term

"Temporary Service Customers" shall mean customers who are being temporarily served under the temporary service provisions of the Agreement.

<u>Section 1.8</u>: <u>Commission</u>. As used herein, the term "Commission" shall mean the Florida Public Service Commission.

Section 1.9: Effective Date. As used herein, the term "Effective Date" shall mean the date on which the final order of the Commission granting approval of this Agreement in its entirety becomes no longer subject to judicial review.

# **ARTICLE II**

#### RETAIL ELECTRIC SERVICE

Section 2.1: In General. Except as otherwise specifically provided herein, Winter Park shall have the exclusive authority to furnish retail electric service within the Winter Park Territorial Area and DEF shall have the exclusive authority to furnish retail electric service within the DEF Territorial Area. The Territorial Boundary Line shall not be altered or affected by any change that may occur in the corporate limits of any municipality or county lying within the Winter Park or DEF Territorial Area, through annexation or otherwise, unless such change is agreed to in writing by the Parties and approved by the Commission.

<u>Section 2.2</u>: <u>Service to New Customers</u>. The Parties agree that neither of them will knowingly serve or attempt to serve any New Customer whose

Point of Use is located within the Territorial Area of the other Party, except as specifically provided in Sections 2.3 and 4.4 below. However, in those instances where the Territorial Boundary Line traverses the property of an individual New Customer or prospective New Customer, the Party in whose service area the preponderance of the Customer's electric energy usage is expected to occur shall be entitled to serve all of the Customer's usage. With respect to new residential customers, however, the Parties recognize that in some instances, the information needed to locate the various points of the New Customer's usage in relation to the Territorial Boundary Line with reasonable certainty may be unavailable or difficult to determine, and agree that in such event the Party with the greater portion of the New Customer's property in its service area shall be entitled to serve all of the New Customer's usage.

Section 2.3: Temporary Service. The Parties recognize that in exceptional circumstances, economic constraints or good engineering practices may indicate that a New Customer's Point of Use either cannot or should not be immediately served by the Party in whose Territorial Area such Point of Use is located. In such instances, upon written request by the Party in whose Territorial Area the New Customer's Point of Use is located, the other Party may, in its sole discretion, agree in writing to temporarily provide service to such New Customer until such time as the requesting Party provides written notice of its intent to serve the Point of Use. Prior to the commencement of temporary service, the Party providing such service shall inform the New

Customer of the temporary nature of its service and that the other Party will ultimately serve the New Customer. Any such agreement for temporary service which lasts, or is anticipated to last, for more than one year shall be submitted to the Commission for approval in accordance with Section 5.1 hereof. Such temporary service shall be discontinued upon written notice from the requesting Party of its intent to provide service, which the Parties shall coordinate to minimize any inconvenience to the customer. In conjunction with such discontinuance, the Party providing temporary service hereunder shall be compensated by the requesting Party in accordance with Section 3.5 for its distribution facilities used exclusively to provide such service. However, the Party providing temporary service hereunder shall not be required to pay the other Party for any loss of revenue associated with the provision of such temporary service, nor shall the Party providing temporary service be required to pay the other party any Going Concern value as set forth in Section 3.3.1.

Further, the existing customers that are being provided temporary service by the Parties as of the Effective Date of this Agreement and listed on Exhibit C, shall be considered New Customers upon approval of this Agreement and shall thereafter be subject to the provisions of this section.

Section 2.4: Referral of Service Request. In the event that a prospective New Customer requests or applies for service from either Party to be provided to a Point of Use located in the Territorial Area of the other Party, the Party

receiving the request or application shall advise the prospective New Customer that such service is not permitted under this Agreement as approved by the Commission, and shall refer the prospective New Customer to the other Party.

Section 2.5: Correction of Inadvertent Service Errors. If any situation is discovered during the term of this Agreement in which either Party is inadvertently providing retail electric service to a customer's Point of Use located within the Territorial Area of the other Party, service to such customer will be transferred to such other Party at the earliest practical time, but in any event within 12 months of the date the inadvertent service error was discovered. Until service by the other Party can be reasonably established, the inadvertent service will be deemed to be temporary service provided and governed in accordance with Section 2.3 above.

#### **ARTICLE III**

#### TRANSFER OF CUSTOMERS AND FACILITIES

Section 3.1: In General. In order to achieve the operational efficiencies and other benefits contemplated by this Agreement in a timely manner, all Extra-Territorial Customers shall be transferred to the Party in whose Territorial Area such customers are located at the earliest practical time, consistent with sound utility practices and reasonable customer notice. The Parties expect the transfer of any Extra-Territorial Customers to be completed

within twenty-four (24) months of the Effective Date and will notify the Commission in writing if circumstances require additional time to complete the transfer.

Section 3.2: Extra-Territorial Customers. The Extra-Territorial Customers, which includes Temporary Service Customers being served as of the Effective Date of this Agreement, are located in the Winter Park Territorial Area identified in Exhibit B, and listed on Exhibit C and Exhibit D, hereto. The Extra-Territorial Customers served by DEF on the Effective Date of this Agreement and located in the Winter Park Territorial Area in Exhibit B will continue to be served by DEF until such time that those electrical services are disconnected. Any future service within the area depicted on Exhibit B identified as the Winter Park Territorial Area will be considered a New Customer pursuant to Section 1.5, shall be served by Winter Park, and shall be subject to the compensation provisions in Section 3.3.2. The Extra-Territorial customers listed on Exhibit C were transferred to Winter Park and are currently being served on a temporary basis by Winter Park at the request of DEF and shall be considered New Customers and shall be subject to the compensation provisions in Section 3.3.1 upon approval of this Agreement.

<u>Section 3.3</u>: <u>Compensation for Existing and Future Transferred</u>

Customers.

<u>Section 3.3.1</u>: <u>Going Concern Customers.</u> For the temporary service customers listed on Exhibit C, and the customers listed on Exhibit D, upon

approval of the Agreement, the receiving Party shall compensate the transferring Party, for each customer account transferred, an amount equal to two and one-half (2.5) multiplied by (a) the transferring Party's total revenues from the sale of electric service (including the customer, fuel and demand charges but excluding taxes and fees) to such account during the most recent 12 complete billing months available at the time of transfer, or (b) if service was provided for less than 12 complete billing months, the average monthly amount of such revenues multiplied by 12. In the case of a customer account that was not billed for any part of the preceding 12 billing months, the amount to be paid for the transfer of such account shall be the transferring Party's prevailing average annual amount of such revenues from customers of the same class (i.e., residential, commercial, etc.) multiplied by 2.5. In addition, the same compensation methodology shall be followed for the total revenues (including pole rental and fixture maintenance charges) of each transferred street or security lighting account.

The Going Concern payments made for the customers listed on Exhibit C and Exhibit D will be deducted from future Going Concern payments (calculated under Section 3.3.2) made for New Customers in the same location as the customers listed on Exhibit C and depicted on Exhibit E and New Customers in the same location as the customers listed on Exhibit D. For purposes of this subsection, the area in which the customers on Exhibit C are located is depicted on the map in Exhibit E.

Section 3.3.2: Compensation for Future Customers. For New Customers that initiate service during the term of this Agreement within the area identified in Exhibit B, Winter Park shall provide DEF one year's history of billed revenues for these customers within sixty (60) days of the one-year anniversary of the New Customer's electric service. Winter Park will compensate DEF for each customer account transferred an amount equal to two and one-half (2.5) multiplied by (a) the transferring Party's total revenues from the sale of electric service (including the customer, fuel and demand charges but excluding taxes and fees) to such account during the most recent 12 complete billing months available at the time of transfer, or (b) if service was provided for less than 12 complete billing months, the average monthly amount of such revenues multiplied by 12. In addition, the same compensation methodology shall be followed for the total revenues (including pole rental and fixture maintenance charges) of each transferred street or security lighting account. The transferring Party shall have the right to audit the books and records of the receiving Party as they relate to the billing and revenues used to calculate the compensation to the transferring Party.

Section 3.4: Transfer of Related Service Facilities. In conjunction with the transfer of Extra-Territorial Customers pursuant to Sections 3.1 and 3.2 above, the receiving Party may purchase the electric distribution facilities of the transferring Party used exclusively for providing electric service to the

transferred customers for an amount determined in accordance with Section 3.5 below.

Section 3.5: Compensation for Transferred Facilities. If service facilities are transferred pursuant to Section 3.4 above, the receiving Party shall compensate the transferring Party an amount based upon the replacement cost (new), less depreciation calculated on a straight line basis over the life of the asset (facility) as determined from the transferring Party's books and records, and the cost to the transferring Party for reintegration of its remaining system to the extent such reintegration costs are reasonably required by sound utility practices. The replacement cost shall be determined by applying a cost escalator such as the Handy Whitman Index or a common engineering cost estimation methodology to the original cost, as long as both Parties apply the same escalation method.

Section 3.6: Transfer Closings. The Parties shall mutually agree on a closing date for each transfer, allowing sufficient time for the Parties to identify the customers and facilities to be transferred; to determine the compensation for transferred customers and facilities; and to prepare the appropriate closing statements, assignments and other instruments to transfer and convey the transferring party's interest in the electric distribution facilities to the receiving party pursuant to Section 3.4 above.

Section 3.7: Time of Payment. Compensation applicable under Section 3.3.1 shall be paid to the transferring Party by the receiving Party for Extra-Territorial Customers listed on Exhibit C upon approval of the Agreement, and for Extra-Territorial Customers listed on Exhibit D at the completion of the customer transfers, and shall be made in cash within 60 days of the presentation of an invoice from the transferring Party. Additionally, compensation for customers applicable under Section 3.3.2 shall be paid to the transferring Party after completing one year of service provided by the receiving Party and in shall be made in cash within 60 days of the presentation of an invoice from the transferring Party.

Section 3.8: Transfer Instruments. For each transfer made under this Agreement, the transferring Party will make, execute, and deliver to the receiving Party a conveyance, deed or other instrument of transfer, as is appropriate, in order to convey all rights, titles and interests of the transferring Party in any facilities, rights-of-way, easements, road permits, or other rights to the receiving Party.

# **ARTICLE IV**

# **OPERATION AND MAINTENANCE**

<u>Section 4.1</u>: <u>Facilities to Remain</u>. Other than as expressly provided for herein, no generating plant, transmission line, substation, distribution line or related equipment shall be subject to transfer or removal hereunder; provided,

however, that each Party shall operate and maintain its lines and facilities in a manner that minimizes any interference with the operations of the other Party.

Section 4.2: Winter Park Facilities to be Served. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of Winter Park to serve any Winter Park facility located in a DEF Territorial Area which is used exclusively in connection with Winter Park's business as an electric utility; provided, however, that Winter Park shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of DEF in the DEF Territorial Area.

Section 4.3: DEF Facilities to be Served. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of DEF to serve any DEF facility located in the Winter Park Territorial Area which is used exclusively in connection with DEF business as an electric utility; provided, however, that DEF shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of Winter Park in the Winter Park Territorial Area.

Section 4.4: Retail Service at Facility Sites. Where either Party serves any of its facilities located in the Territorial Area of the other Party pursuant to Sections 4.3 or 4.4 above, such Party may provide limited retail service on the site of the facility to prevent potential safety hazards or unsound operating conditions that would result from the construction and maintenance of lines

and related facilities by the other Party to provide retail service at the site. As used in this section, limited retail service shall mean no more than three separate retail accounts with a combined load of 25 kW or less at any such site.

#### **ARTICLE V**

# PREREQUISITE APPROVAL

Section 5.1: Commission Approval. The provisions and the Parties performance of this Agreement are subject to the regulatory authority of the Commission, and appropriate approval by the Commission of this Agreement in its entirety shall be an absolute condition precedent to the validity, enforceability and applicability hereof. This Agreement shall have no effect whatsoever until Commission approval has been obtained. Any proposed modification to this Agreement shall be submitted to the Commission for approval. In addition, the Parties agree to jointly petition the Commission to resolve any dispute concerning the provisions of this Agreement or the Parties performance hereunder.

<u>Section 5.2</u>: <u>Liability in the Event of Disapproval</u>. In the event approval of the Commission pursuant to Section 5.1 is not obtained, neither Party will have any claim against the other arising under this Agreement.

<u>Section 5.3</u>: <u>Supersedes Prior Agreements</u>. Upon approval by the Commission, this Agreement shall be deemed to specifically supersede all prior

agreements between the Parties regarding their respective retail service areas in Orange Counties.

#### **ARTICLE VI**

#### **DURATION**

<u>Section 6.1</u>: <u>Term</u>. This Agreement shall continue and remain in effect for a period of twenty (20) years from the Effective Date.

#### **ARTICLE VII**

#### **CONSTRUCTION OF AGREEMENT**

Section 7.1: Other Electric Utilities. Nothing in this Agreement is intended to define, establish or affect in any manner the right of either Party to furnish retail electric service with any other electric utility that is not a party to this Agreement. The Parties understand that Winter Park or DEF may, from time to time, and subject to Commission approval, enter into territorial agreements with other electric utilities that have adjacent or overlapping service areas and that, in such event, nothing herein shall be construed to prevent Winter Park or DEF from designating any portion of its Territorial Area under this Agreement as the retail service area of such other electric utility.

<u>Section 7.2</u>: <u>Bulk Power for Resale</u>. Nothing herein shall be construed to prevent either Party from providing a bulk power supply for resale purposes, regardless of where the purchaser for resale may be located. Further, no other

section or provision of this Agreement shall be construed as applying to a bulk power supply for resale purposes.

Section 7.3: Intent and Interpretation. It is hereby declared to be the purpose and intent of the Parties that this Agreement shall be interpreted and construed, among other things, to further this State's policy of actively regulating and supervising the service territories of electric utilities; supervising the planning, development, and maintenance of a coordinated electric power grid throughout Florida; avoiding uneconomic duplication of generation, transmission and distribution facilities; and encouraging the installation and maintenance of facilities necessary to fulfill the Parties respective obligations to serve.

# **ARTICLE VIII**

#### **MISCELLANEOUS**

Section 8.1: Negotiations. Whatever terms or conditions may have been discussed during the negotiations leading up to the execution of this Agreement, the only terms and conditions agreed upon are those set forth herein, and no alteration, modification, enlargement or supplement to this Agreement shall be binding upon either of the Parties unless agreed to in writing by both Parties, and approved by the Commission.

<u>Section 8.2</u>: <u>Successors and Assigns</u>. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon or give to

any person or corporation, other than the Parties, any right, remedy or claim under or by reason of this Agreement or any provision or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding only upon the Parties and their respective representatives, successors and assigns.

<u>Section 8.3</u>: <u>Notices</u>. Notices and other written communications contemplated by this Agreement shall be deemed to have been given if sent by certified mail, postage prepaid, by prepaid private courier, or by confirmed facsimile transmittal, as follows:

To WINTER PARK:

To DEF:

City Manager
City of Winter Park
401 Park Avenue, South
Winter Park, Florida 32789

Manager, Public Policy & Constituency Relations
Duke Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, Florida 33733
Facsimile 727-820-5044

Either Party may change its designated representative or address to which such notices or communications shall be sent by giving written notice thereof to the other Party in the manner herein provided.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in their respective corporate names and their corporate seals affixed by their duly authorized officers on the day and year first above written.

DUKE ENERGY FLORIDA, IMC.

By

State President

DUKE ENERGY, INC.
LEGAL DEPARTMENT
APPROVED BY:
DATE:
DUKE ENERGY, INC.
LEGAL DEPARTMENT
APPROVED BY:
DATE:
DUKE ENERGY FLORIDA, IMC.

State President

CITY OF WINTER PARK

By

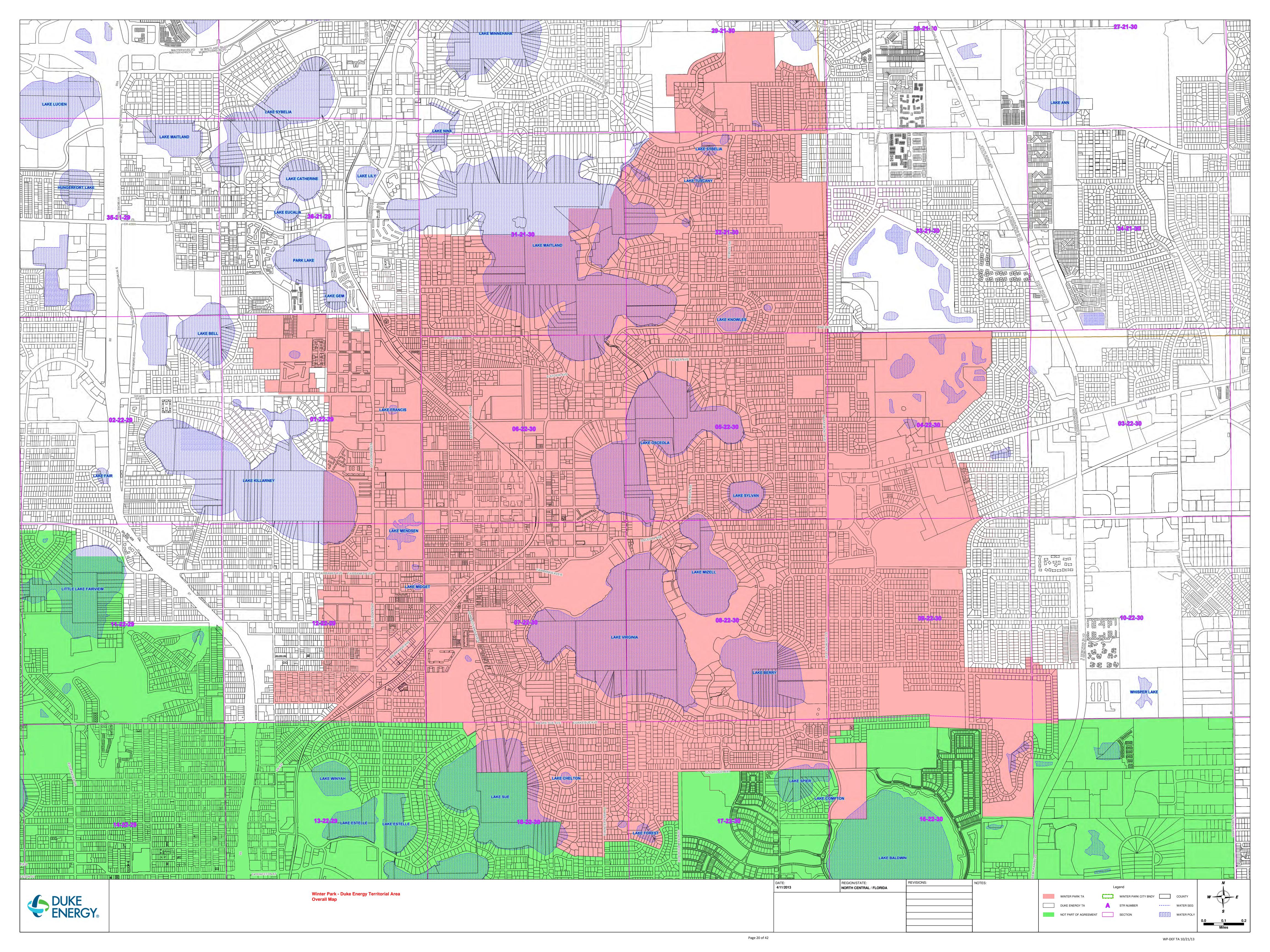
Mayor

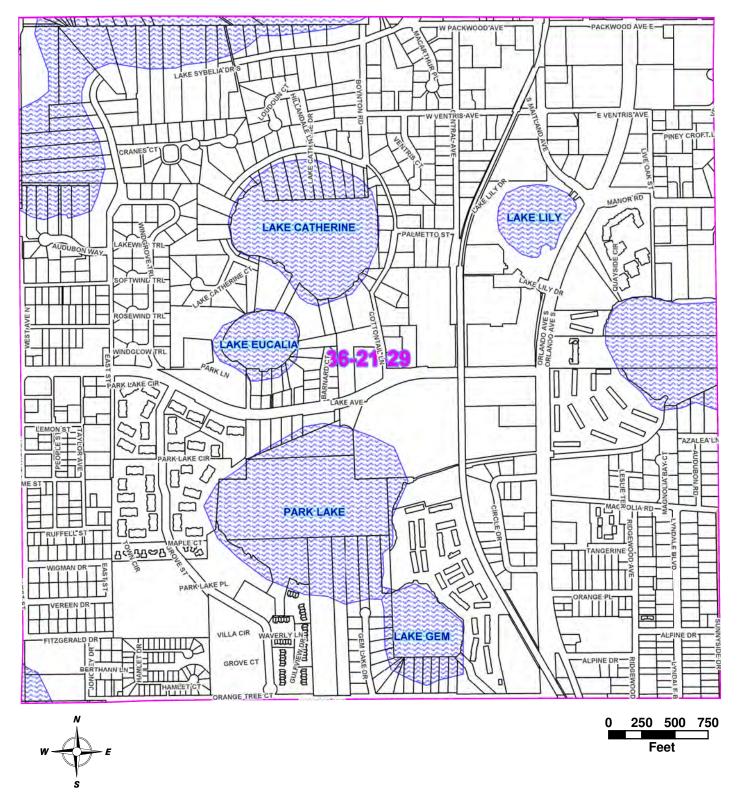
Mayor

(SEAL)

# **E**XHIBIT **A**

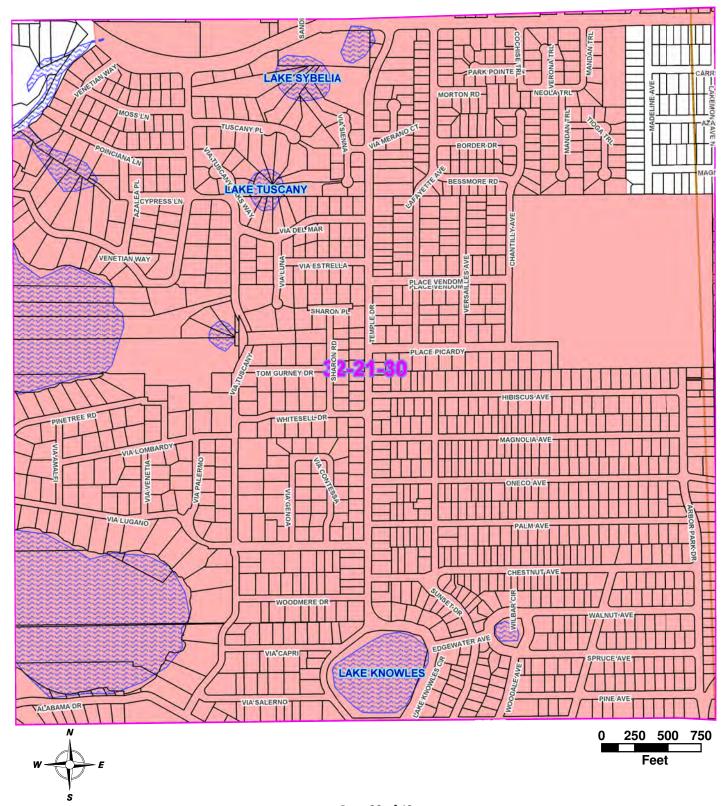
# Maps Depicting The Territorial Boundary Lines And Service Territories Of Winter Park And DEF



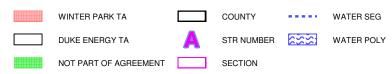


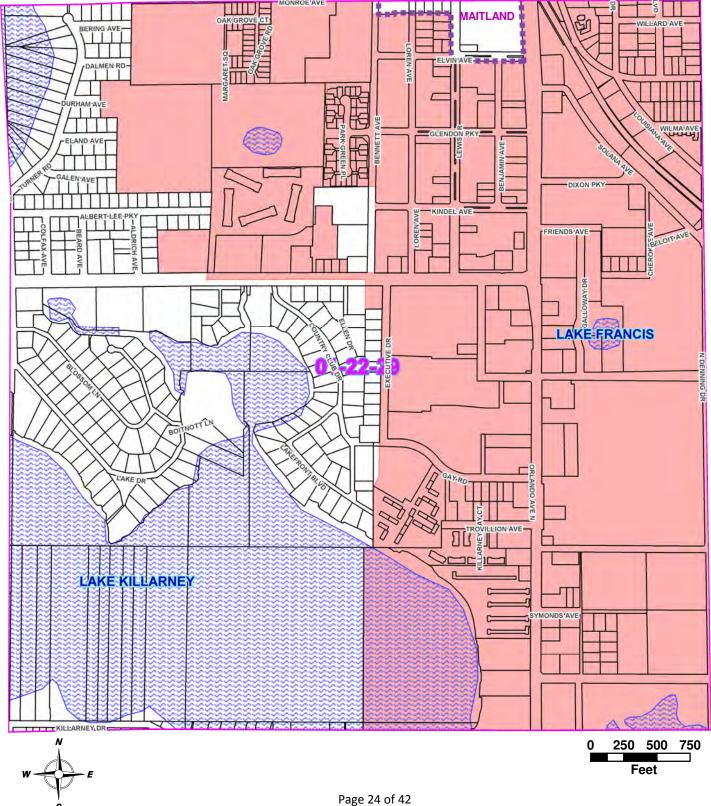
WINTER PARK TA COUNTY •••• WATER SEG DUKE ENERGY TA STR NUMBER WATER POLY NOT PART OF AGREEMENT SECTION LAKE MAITLAND 250 500 750 Feet

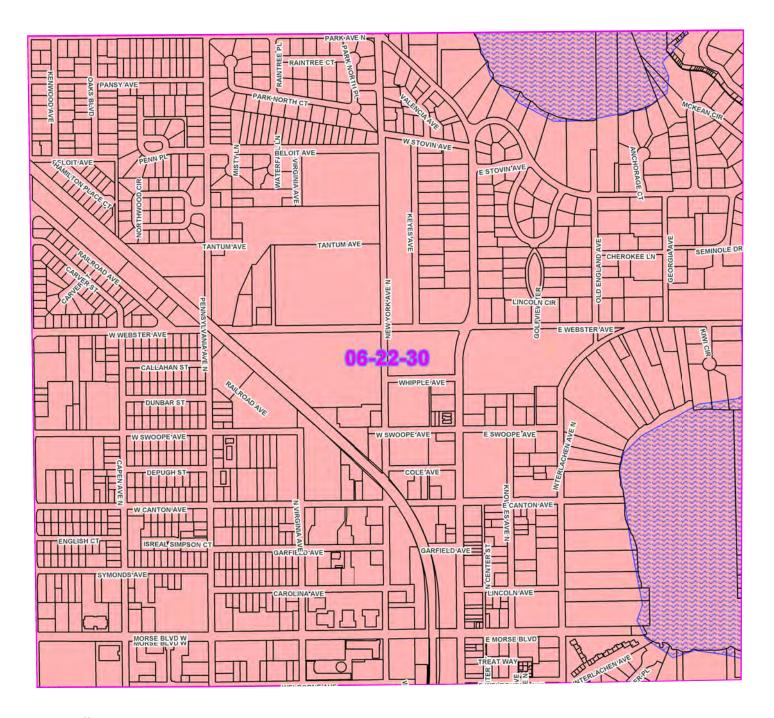
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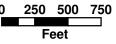
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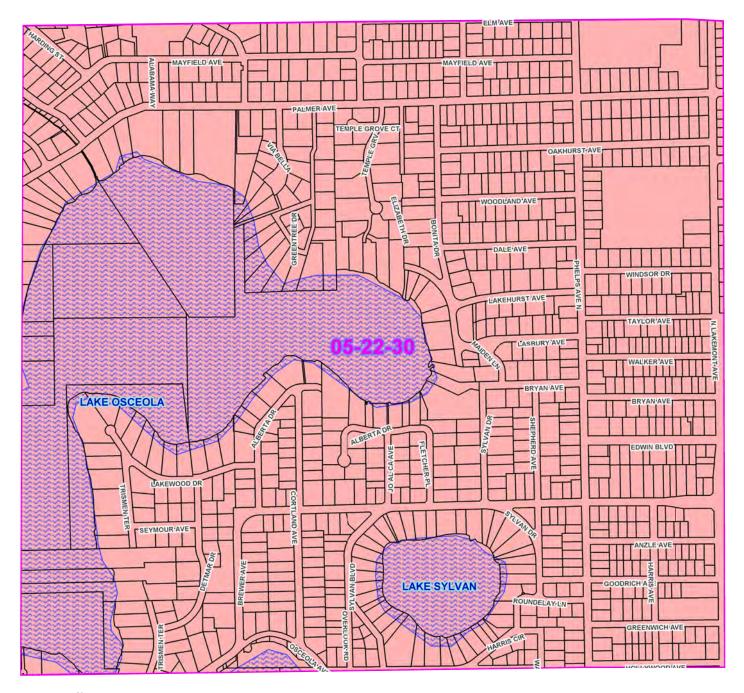




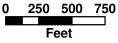


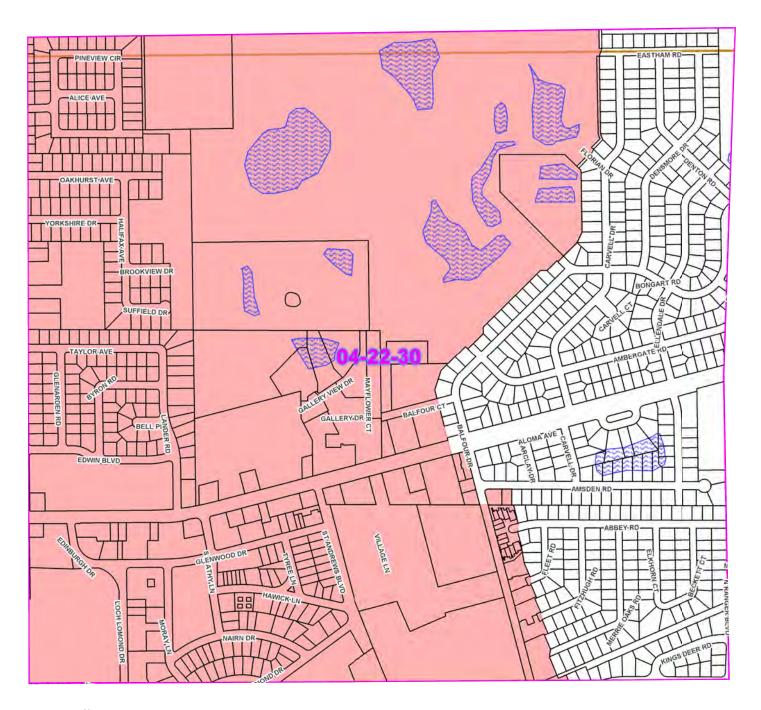




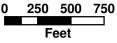




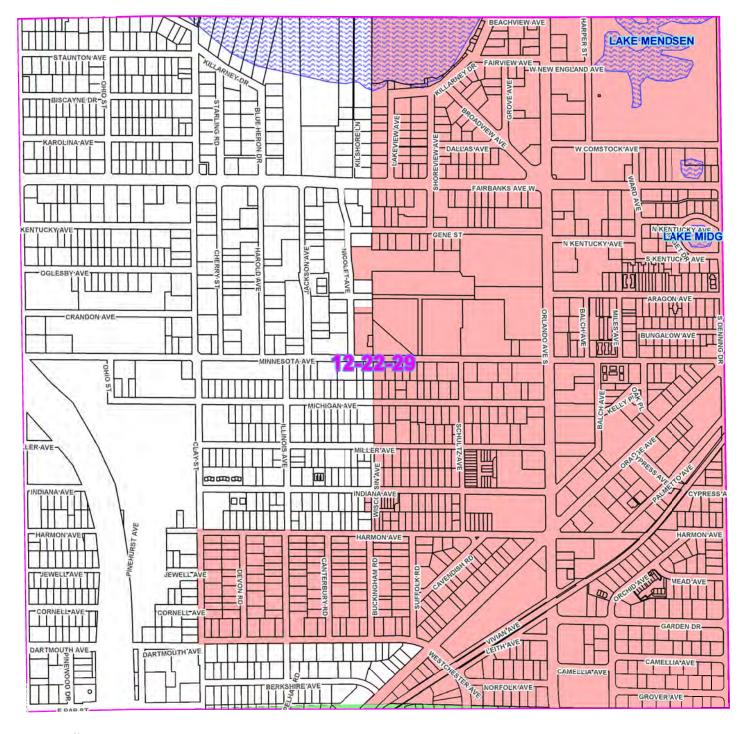




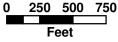




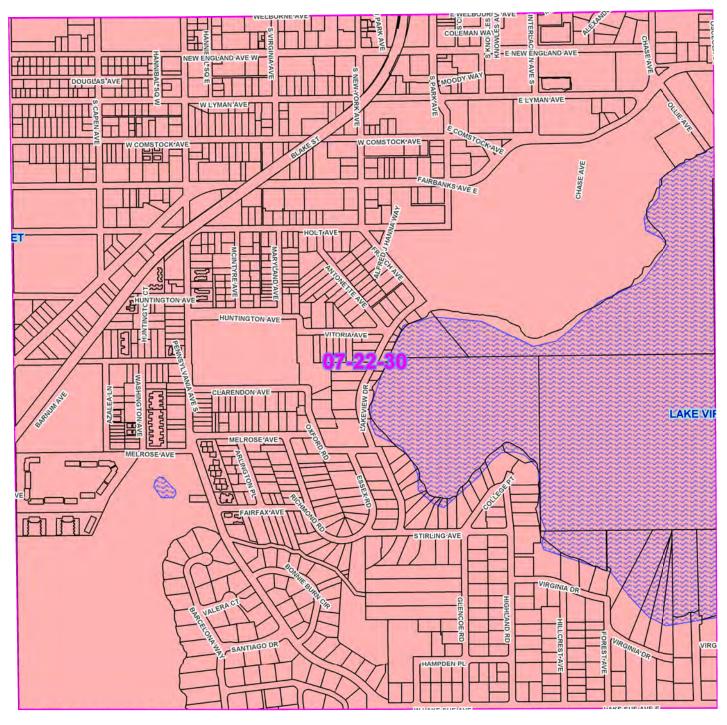




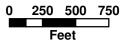


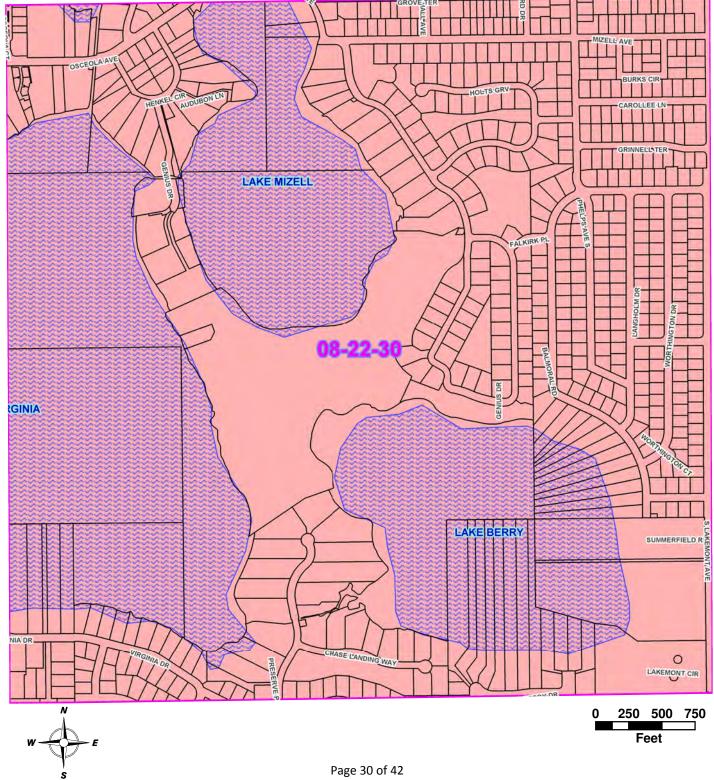


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WINTER PARK TA

COUNTY

WATER SEG

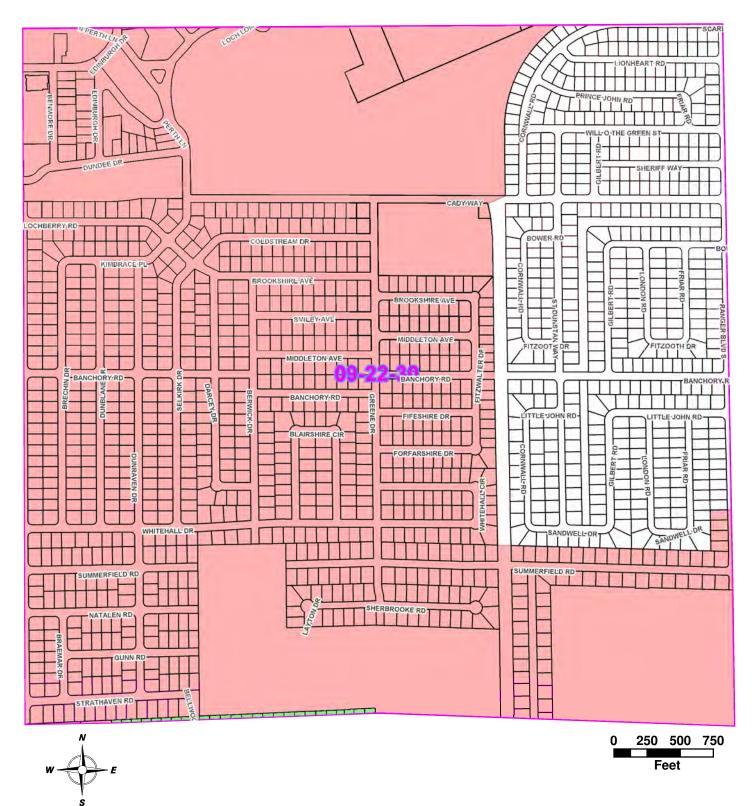
DUKE ENERGY TA

STR NUMBER

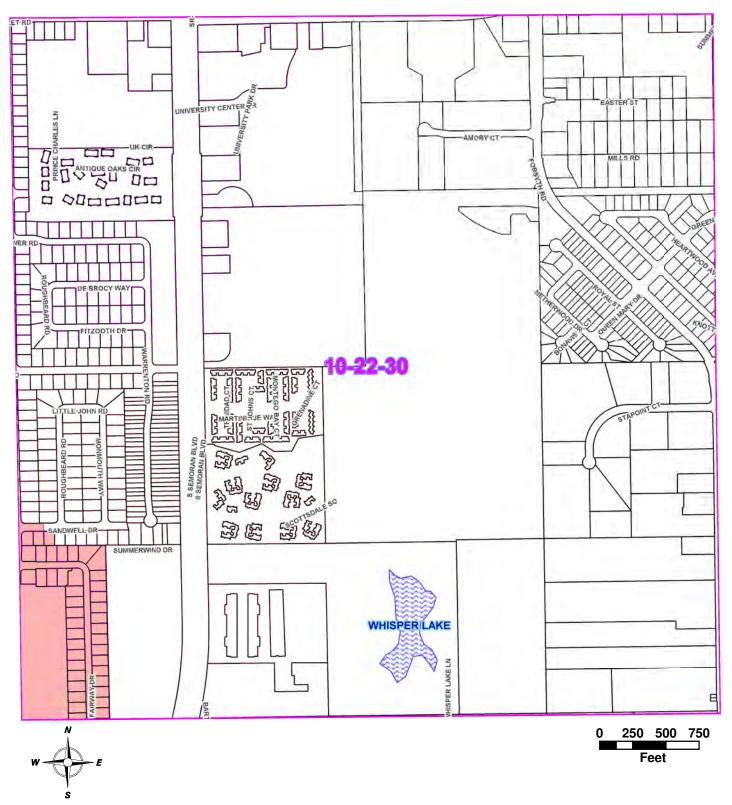
WATER POLY

NOT PART OF AGREEMENT

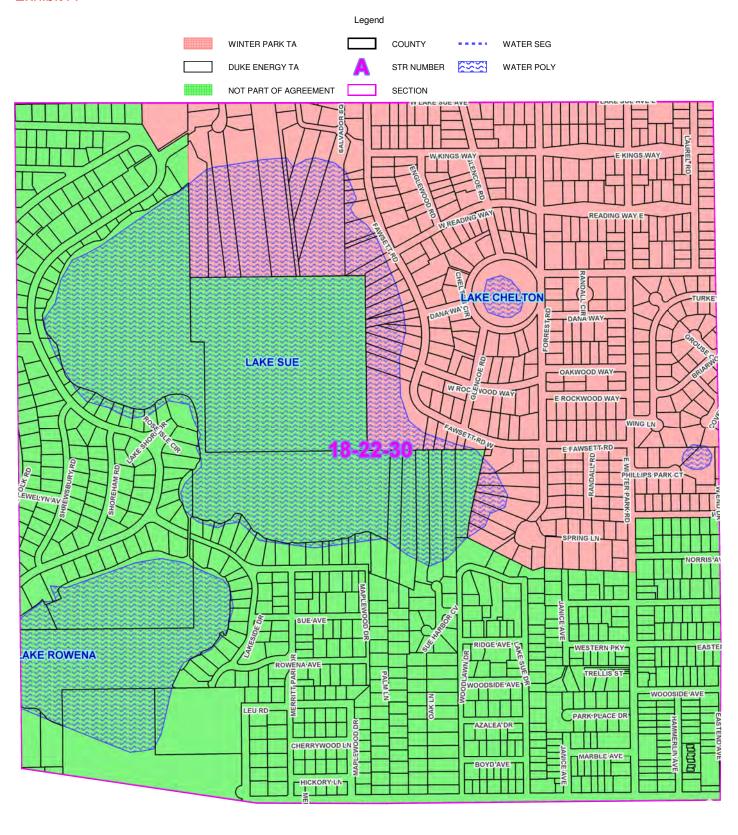
SECTION



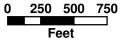


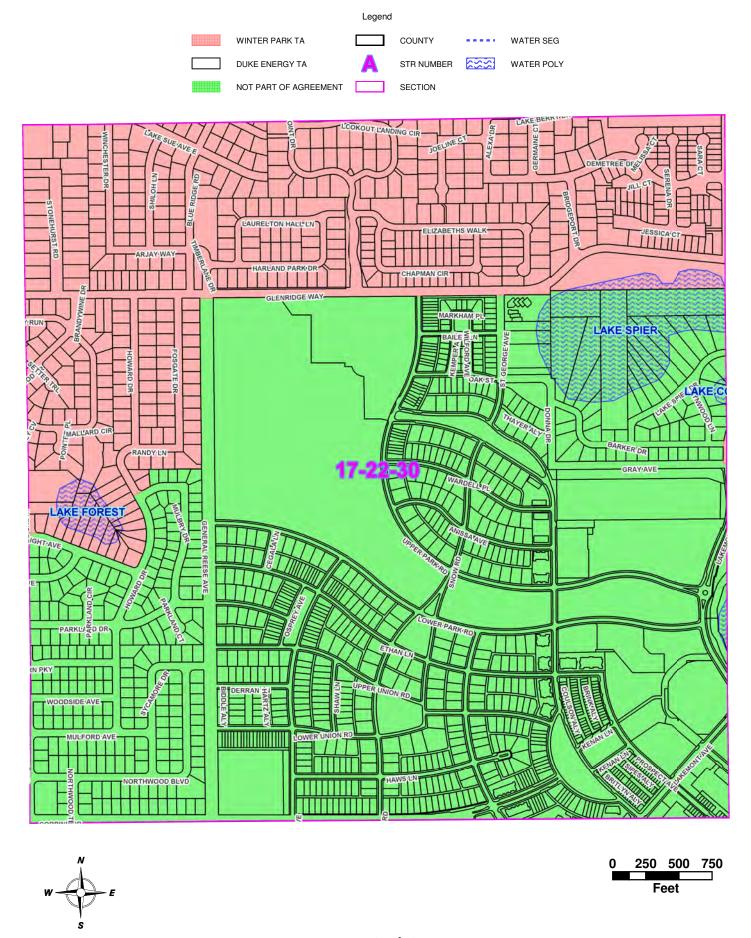


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Legend

WINTER PARK TA

COUNTY

WATER SEG

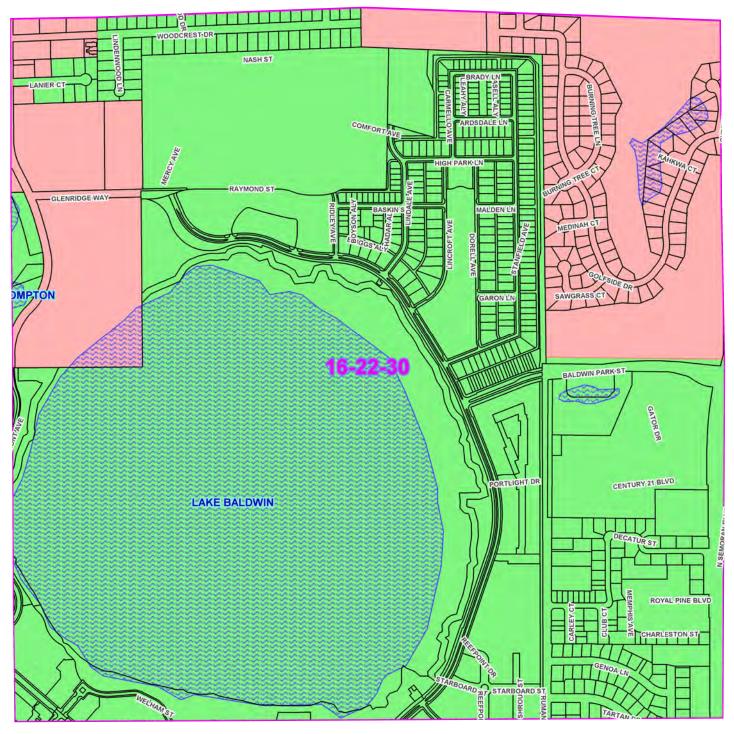
DUKE ENERGY TA

STR NUMBER

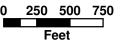
WATER POLY

NOT PART OF AGREEMENT

SECTION







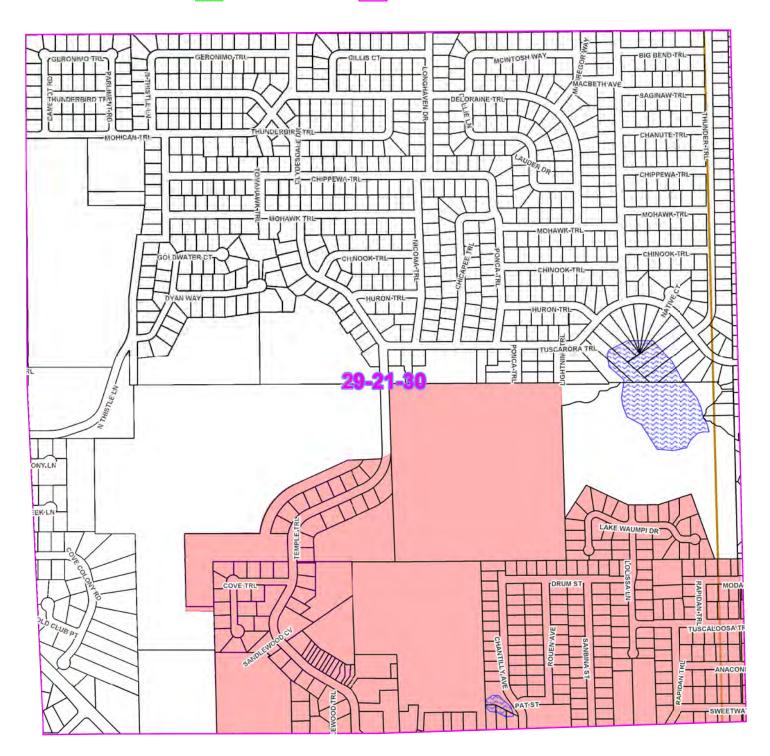
#### Exhibit A

Legend

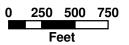
WINTER PARK TA COUNTY WATER SEG

DUKE ENERGY TA STR NUMBER SESS WATER POLY

NOT PART OF AGREEMENT SECTION



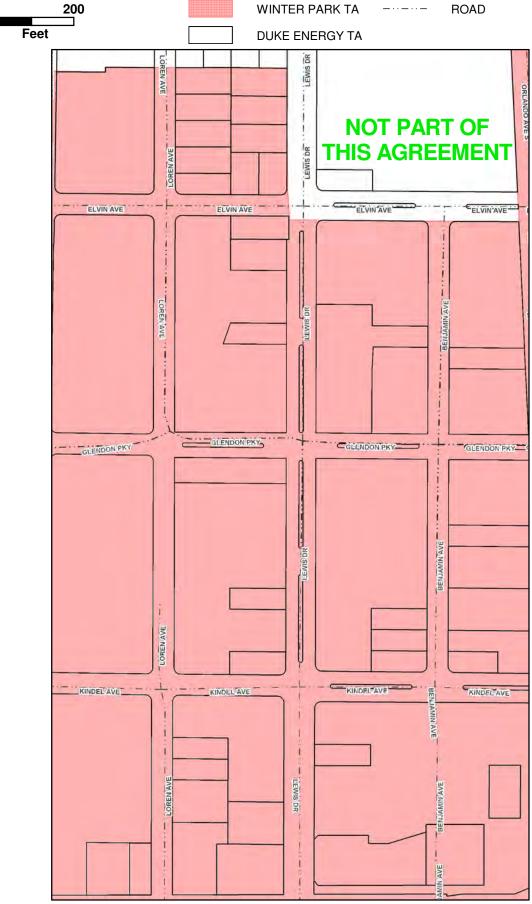




#### Ехнівіт В

# LOCATION OF ALL EXTRA-TERRITORIAL CUSTOMERS INCLUDING CUSTOMERS LISTED ON EXHIBIT C AND EXHIBIT D





### **EXHIBIT C**

## TEMPORARY SERVICE EXTRA-TERRITORIAL CUSTOMERS TRANSFERRED FROM DEF TO WINTER PARK

| No. | Name                   | Service Address                                 | Premise<br>Number |
|-----|------------------------|---|-------------------|
| 1.  | Fuji Sushi             | 1449 Lee Road, Winter Park, FL 32789            | 474629794         |
| 2.  | Fortis Enterprises LLC | 933 Lewis Drive, Suite A, Winter Park, FL 32789 | 474627782         |
| 3.  | Savage Partners LLC    | 933 Lewis Drive, Suite B, Winter Park, FL 32789 | 474628788         |
| 4.  | Savage Partners LLC    | 933 Lewis Drive, Suite C, Winter Park, FL 32789 | 474628285         |
| 5.  | Savage Partners LLC    | 933 Lewis Drive, Winter Park, FL 32789          | 474629291         |
| 6.  | Precision Paint        | 989 Lewis Drive, Winter Park, FL 32789          | 605537556         |
| 7.  | Brannon Construction   | 1006 Lewis Drive, Winter Park, FL 32789         | 474611183         |
| 8.  | Valerie Campos         | 1101 Lewis Drive, Winter Park, FL 32789         | 474622249         |
| 9.  | Raymond Naffke (light) | 1101 Lewis Drive, Winter Park, FL 32789         | 193419159         |

Temporary Service Customers are being served by Winter Park as of 2-15-13.

### **EXHIBIT D**

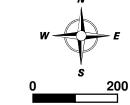
# EXTRA-TERRITORIAL CUSTOMERS TO BE SERVED BY WINTER PARK

| No. | Name                                   | Service Address                      | Premise<br>Number |
|-----|--|--------------------------------------|-------------------|
| 1.  | Lin Ha Corporation<br>(Dryclean World) | 1451 Lee Road, Winter Park, FL 32789 | 474630297         |
| 2.  | Tetra Tech EC Inc.                     | 1451 Lee Road, Winter Park, FL 32789 | 874295939         |

### **EXHIBIT E**

# LOCATION OF EXHIBIT C EXTRA-TERRITORIAL CUSTOMERS

#### Legend

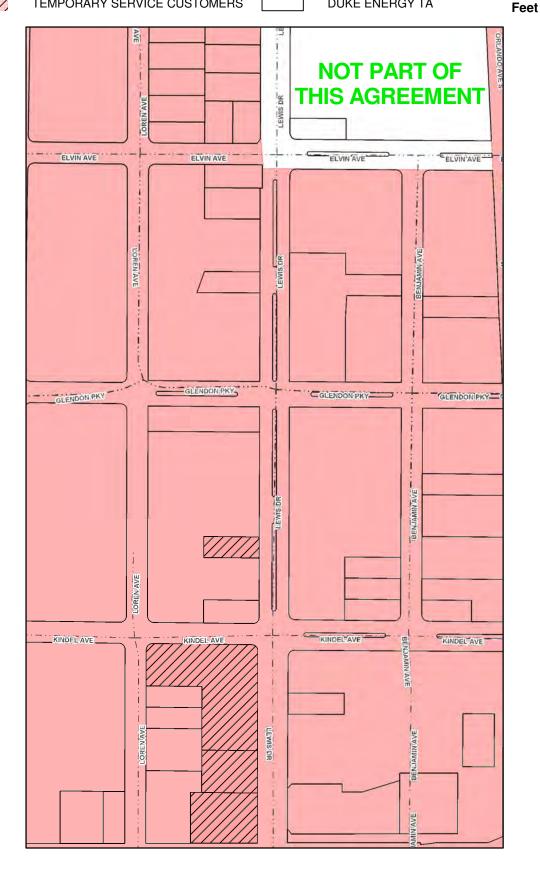




ROAD
TEMPORARY SERVICE CUSTOMERS

WINTER PARK TA

DUKE ENERGY TA



### Attachment 2



**DATE** 

CUSTOMER NAME ADDRESS

RE: Duke Energy Account No. \*\*\*\*\*\*\*\*

#### Dear Customer:

To ensure that electric utilities in Florida, such as Duke Energy (Duke), are able to provide reliable and economical electric service to their customers, utilities enter into territorial agreements with one another establishing the geographical areas in which each utility is the exclusive provider of electric service in an effort to avoid the unnecessary and uneconomic construction of duplicate electrical distribution lines and other facilities to serve their customers. In an effort to efficiently serve the customers in your area, we will soon enter into a territorial agreement with Winter Park that will revise some of the service area boundaries between the utilities and enable each utility to serve its customers more reliably and economically.

The new agreement must be approved by the Florida Public Service Commission (FPSC) before it can become effective and you will have the opportunity prior to that approval to provide your comments to the FPSC. If you wish, we will provide the pertinent contact information for the FPSC when the territorial agreement has been filed and docketed. If approved by the FPSC, the terms of the territorial agreement will call on Winter Park to provide permanent electric service to your account.

To provide you a rate comparison, in October 2013, the residential rate of Duke for 1,000 Kilowatt - Hours (KWH) was \$119.95. For the same month, the residential rate of Winter Park for 1,000 KWH was \$116.59. The rates of both utilities are subject to periodic change and may be raised or lowered in the future.

Please contact Customer Service if you have any questions or concerns about the proposed permanent transfer of your service to Winter Park, or if you would like information about contacting the FPSC. You can reach us by phone at 1-800-700-8744.

Sincerely,

Customer Service Duke Energy