

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition for approval of territorial agreement in Sumter County, by Sumter Electric Cooperative, Inc. and City of Bushnell.

DOCKET NO. 20200138-EU
ORDER NO. PSC-2020-0258-PAA-EU
ISSUED: July 24, 2020

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman
ART GRAHAM
JULIE I. BROWN
DONALD J. POLMANN
ANDREW GILES FAY

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING TERRITORIAL AGREEMENT
IN SUMTER COUNTY, BY SUMTER ELECTRIC
COOPERATIVE, INC. AND CITY OF BUSHNELL

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

On April 17, 2020, Sumter Electric Cooperative, Inc. (SECO) and the City of Bushnell (City or Bushnell) filed a joint petition seeking approval of a territorial agreement in Sumter County (2020 Territorial Agreement). The 2020 Territorial Agreement implements the terms of a 1981 Franchise Agreement, a 2017 Arbitration Award, and a 2019 Transfer Agreement between the utilities which transferred 623 customers and associated facilities from SECO to Bushnell. The 2020 Territorial Agreement and map depicting the new territorial boundaries are contained in Attachment A to this Order.

In September 1981, the City and SECO entered into a Territorial Agreement (1981 Territorial Agreement) and an electric service franchise agreement (1981 Franchise Agreement) pursuant to which the City granted SECO an exclusive 30-year franchise to provide electric service to a portion of the City. The Commission approved the 1981 Territorial Agreement in

1982.¹ In February 1999, the City and SECO amended the 1981 Territorial Agreement to establish new territorial boundary lines (1999 Territorial Agreement), which was approved by the Commission that same year.² The 1999 Territorial Agreement expired on March 29, 2012. The termination of the 1981 Franchise Agreement coincided with the termination of the 1999 Territorial Agreement.

The 1981 Franchise Agreement contained an option for the City to purchase SECO's electric utility assets located within the City limits at or after the expiration of the 30-year franchise. The parties explained that, prior to the expiration of the 1981 Franchise Agreement, they attempted to negotiate a new franchise agreement, a new territorial agreement, and Bushnell's contractual right to purchase SECO facilities and customers per the 1981 Franchise Agreement. In early 2015, however, an impasse developed in the parties' negotiations. In 2016, the City initiated arbitration before a panel of three retired Judges to determine the value of the electric assets within the City limits. The arbitrators rendered the final decision in 2017, which allowed the City to purchase the SECO system and transfer the customers, if it elected to do so. Subsequently, the parties negotiated and received City approval to transfer and purchase the SECO assets via the 2019 Transfer Agreement. As a result of the 2017 Arbitration Award, the 2019 Transfer Agreement, and the New Franchise Agreement, the joint petitioners negotiated the 2020 Territorial Agreement which delineates SECO's and Bushnell's respective service boundaries. Pursuant to Rule 25-6.0440(1)(f), F.A.C., the parties provided a map identifying the geographical areas to be served by SECO and Bushnell (see map in Attachment A).

The 2020 Territorial Agreement establishes the new territorial boundaries reflecting the assets and customers transferred from SECO to Bushnell. We have jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

Decision

Pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440(2), F.A.C., we have the jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and other electric utilities. Unless we determine that the agreement will cause a detriment to the public interest, the agreement should be approved.³

The 2020 Territorial Agreement

SECO and Bushnell executed the 2020 Territorial Agreement on September 24, 2019, to replace the 1999 Territorial Agreement, which expired in March 2012. Upon approval by this Commission, and pursuant to Section 5.3, the 2020 Territorial Agreement will supersede the 1999 Territorial Agreement and all other prior agreements between the parties. Through the 2020 Territorial Agreement, the joint petitioners seek to gain operational efficiencies and customer

¹ Order No. 10676, issued March 30, 1982, in Docket No. 810367-EU, *In re: Joint Stipulation and Petition for Approval of Territorial Agreement between Sumter electric Cooperative, Inc. and the City of Bushnell*.

² Order No. PSC-00-0338-PAA-EU, issued February 18, 2000, in Docket No. 991522-EU, *In re: Joint petition for approval of territorial agreement between City of Bushnell and Sumter Electric Cooperative, Inc.*

³ *Utilities Commission of the City of New Smyrna Beach v. Florida Public Service Commission*, 469 So. 2d 731 (Fla. 1985).

service improvements in their respective retail service territories in Sumter County and eliminate circumstances leading to uneconomic duplication of service facilities and hazardous situations.

The 2020 Territorial Agreement will remain in effect for 30 years from the date our order approving the agreement in its entirety is no longer subject to judicial review. Pursuant to Section 6.1 of the 2020 Territorial Agreement, upon the expiration of the initial 30-year term, the agreement will automatically renew for successive one-year terms. Either party may terminate this agreement after the initial 30-year term, by providing written notification no less than 12 months prior to the effective date of the termination in accordance with Section 8.3 of the 2020 Territorial Agreement. Pursuant to Article V of the 2020 Territorial Agreement, any modifications to this agreement will be submitted to this Commission for approval.

Customer and Facilities Transfer

The transfer of facilities and customers from SECO to Bushnell was completed in the fall of 2019. In response to Commission staff's data request, the parties stated that 623 SECO customers and facilities were transferred to Bushnell at a cost of \$5,874,030. According to the Arbitration Award, transfer value was based upon the new reproduction cost less depreciation method. The three-judge panel rejected the use of the income approach and the market approach, rejected the inclusion of stranded costs, and included a going concern value. Rule 25-6.0440(2)(a), F.A.C., provides that in approving territorial agreements, we may consider the reasonableness of the purchase price of any facilities being transferred. The determination of the transfer value through arbitration in this instance appears reasonable. The customer and facility transfers were finalized by the 2019 Transfer Agreement negotiated by the parties and approved by the Bushnell City Council. The Transfer Agreement provided timelines for Bushnell to construct facilities that were necessary to integrate SECO facilities, provided timelines for SECO to separate and integrate its system after the exchange/transfer, and provided for true-up amounts for any construction by SECO that would be subject to exchange but completed after the agreed valuation date of December 31, 2015.

We recognize that the joint petitioners completed the transfer of facilities and customers pursuant to the provisions contained in the 1981 Franchise Agreement and the 2019 Transfer Agreement prior to our consideration and approval of the 2020 Territorial Agreement. However, Section 366.04(2)(d), F.S., provides that in the exercise of our jurisdiction, we have power over electric utilities to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and other electric utilities under our jurisdiction. We have the exclusive and superior statutory jurisdiction to determine electric utility service areas. *Board of County Commissioners Indian River County v. Graham*, 191 So. 3d 890, 892 (Fla. 2016). Without our active supervision over territorial agreements, such agreements between utilities run afoul of anticompetitive and antitrust law and "can have no validity without the approval of this Commission." Order No. 3051, issued November 9, 1960, in Docket No. 6231-GU, *In re. Territorial Agreement Between Peoples Gas Sys. and City Gas Co.*, at p. 1.⁴ As stated by the Florida Supreme Court in *City of Homestead v. Beard*, 600 So. 2d 450, 452 (Fla. 1992):

⁴ See also *Public Service Commission v. Fuller*, 551 So. 2d 1210, 1212 (Fla. 1989); *City Gas Co. v. Peoples Gas System, Inc.*, 182 So. 2d 429, 436 (Fla. 1965).

In *City Gas Co. v. Peoples Gas System Inc.*, 182 So. 2d 429, 433 (Fla.1965), this Court held that territorial agreements between public utilities were not violative of antitrust law based on the premise that “the public welfare does not need Ch. 542 for protection against this kind of agreement....because the public interest is adequately protected by an alternative arrangement under F.S. Ch. 366, F.S.A.” We further concluded that the “agreement could result in monopolistic control over price, production, or quality of service only by the sufferance of the commission” and that its “statutory powers are more than sufficient to prevent any such outcome if properly employed.” *Id.* at 435. In *Storey*,^[5] which upheld the PSC's approval of the instant agreement, this Court “recognized the importance of the regulatory function as a substitute for unrestrained competition” and commented that “a regulated or measurably controlled monopoly is in the public interest.” 217 So. 2d at 307. Therefore, our decisions exempting territorial agreements from antitrust legislation have been premised on the existence of a statutory system of regulations governing the public utilities that is sufficient to prevent any abuses arising from the monopoly power created by the agreements.

SECO and Bushnell are put on notice that any modification or termination of their territorial boundaries, as addressed by our orders, must first be made by this Commission.⁶

Customer Notification

Pursuant to Rule 25-6.0440(1)(d), F.A.C., in September 2019, SECO notified its 623 customers of their transfer to Bushnell. In August 2019, Bushnell informed the former SECO customers of the transfer and requirements. In response to Commission staff's data request, the joint petitioners provided a copy of Bushnell's customer notification which states that if the customer has an existing account with the City for water, wastewater, or garbage collection, the electric service will be added to the same account; no additional deposit is required of those customers. If the transferred customer did not have an existing account with Bushnell for water, wastewater, or garbage collection, those customers were required to open a new utility account with Bushnell, with a deposit of \$150 or an amount equivalent to two months average electric bill. The City holds the deposit until final settlement of the customer account, at which time the deposit will be applied towards the bill and any remaining balance will be refunded to the customer and account closed pursuant to the utility's Seventh Revised Tariff Sheet No. 4.0.

Conclusion

After review of the petition and the 2020 Territorial Agreement, and evaluation of responses to Commission staff's data request, we find that the 2020 Territorial Agreement is in the public interest and will enable SECO and Bushnell to serve their current and future customers in an efficient manner. It appears that the agreement will eliminate any potential uneconomic duplication of facilities and will not cause a decrease in the reliability of electric

⁵ *Storey v. Mayo*, 217 So. 2d 304 (Fla.1968), *cert. denied*, 395 U.S. 909, 89 S.Ct. 1751, 23 L.Ed.2d 222 (1969).

⁶ *Fuller*, 551 So. 2d at 1212.

service. As such, we find the 2020 Territorial Agreement between SECO and Bushnell will not cause a detriment to the public interest.

This agreement supersedes the prior territorial agreements between SECO and Bushnell. SECO and Bushnell are put on notice that any modification or termination of their territorial boundaries, as addressed by this or other Commission orders, must first be made by this Commission.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the 2020 Territorial Agreement between Sumter Electric Cooperative, Inc. and the City of Bushnell is approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 24th day of July, 2020.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SPS

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 14, 2020.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

TERRITORIAL AGREEMENT

SUMTER ELECTRIC COOPERATIVE, INC., an electric cooperative organized and existing under the laws of the State of Florida ("**SECO**"), and **CITY OF BUSHNELL**, a Municipal Government organized and existing under the laws of the State of Florida ("**BUSHNELL**") (collectively, the "**Parties**") enter into this Territorial Agreement (the "Agreement") on this 24th day of September 2019.

WITNESSETH:

Article I. RECITALS

Section 1.1 **WHEREAS**, **SECO**, by virtue of Florida Statutes Chapter 425 and the Charter issued to it thereunder, and **BUSHNELL**, by virtue of the laws of Florida, 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; and

Section 1.2 **WHEREAS**, the respective areas of service of the Parties are contiguous in many places in Sumter County, and to avoid duplication of service, **SECO** and **BUSHNELL** entered into the most recently effective territorial agreement dated February 1, 1999, and approved by the Commission pursuant to its powers under Section 366.04, Florida Statutes, in Order No. PSC-00-0338-PAA-EAU, issued February 18, 2000 in Docket No. 991522-EU (the "Current Agreement"), which delineates the Parties' service territory in Sumter County; and

Section 1.3 **WHEREAS**, the Parties desire to enter into a new territorial agreement in order to gain further operational efficiencies and customer service improvements in the retail service territory in Sumter County, while continuing to eliminate circumstances giving rise to the uneconomic duplication of service facilities and hazardous situations that the Current Agreement is intended to avoid.

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

Article II. DEFINITIONS

Section 2.1 **Territorial Boundary Lines**. As used herein, the term "Territorial Boundary Lines" shall mean the boundary lines depicted on the maps attached hereto as Composite Exhibit A which delineate and differentiate the Parties respective Territorial Areas in Sumter County, Florida.

Section 2.2 **SECO Territorial Area**. As used herein, the term "**SECO** Territorial Area" shall mean the geographic areas in Sumter County allocated to **SECO** as its retail service territory and labeled as "**SECO** Territorial Area" or "**SECO**" on the maps contained in Composite Exhibit A.

Section 2.3 **BUSHNELL Territorial Area**. As used herein, the term "**BUSHNELL** Territorial Area" shall mean the geographic areas in Sumter County allocated to **BUSHNELL** as its retail service territory and labeled as "**BUSHNELL** Territorial Area" or "**BUSHNELL**" on the maps contained in Composite Exhibit A.

Section 2.4 **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, which such Party shall be entitled to provide retail electric service under this Agreement, irrespective of where a customer's point of connection or metering is located.

Section 2.5 **New Customers**. As used herein, the term "New Customers" shall mean all end use 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.

Section 2.6 Commission. As used herein, the term "Commission" shall mean the Florida Public Service Commission.

Section 2.7 Effective Date. As used herein, the term "Effective Date" shall mean the date on which the Commission's final order granting approval of this Agreement in its entirety becomes no longer subject to judicial review.

Section 2.8 Express Distribution Lines. As used herein, the term "Express Distribution Lines" shall mean a line and related facilities, at distribution voltage, that transports power through the other Party's territory but serves no load within such territory.

Article III. RETAIL ELECTRIC SERVICE

Section 3.1 In General. **SECO** shall have the exclusive authority to furnish retail electric service within **SECO** Territorial Area and **BUSHNELL** shall have the exclusive authority to furnish retail electric service in the **BUSHNELL** Territorial Area, both as shown on the maps contained in Composite Exhibit A. The Territorial Boundary Line shall not be affected by any change, through annexation or otherwise, that may occur in the corporate limits of any municipality (including **BUSHNELL**) lying within or adjacent to **SECO** Territorial Area or the **BUSHNELL** Territorial Area, unless agreed to in writing by the Parties and approved by the Commission.

Section 3.2 Service to New Customers. 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. 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 such 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 3.3 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 3.4 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 service area of the other party, service to such customer will be transferred to such other Party.

Section 3.5 Annexed Areas. In the event any portion of the area within SECO's Territorial Area is subsequently annexed by and into the city limits of Bushnell, Bushnell may (and currently does) impose a franchise fee upon Grantee in return for **BUSHNELL's** permission to occupy Rights-of-Way within the city boundaries. Territories are not affected by annexation for purposes of service, provided however that those Customers annexed into the municipal boundaries of **BUSHNELL** shall be subject to a franchise fee pursuant to such franchise.

Article IV. OPERATION AND MAINTENANCE

Section 4.1 Facilities to Remain. Other than expressly provided 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 **SECO Facilities to be Served**. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of **SECO** to serve any **SECO** facility located in the **BUSHNELL** Territorial Area which facility is used exclusively in connection with **SECO's** business as an electric utility; provided, however that **SECO** shall construct, operate and maintain said lines and facilities in such manner as to minimize any interference with the operation of **BUSHNELL** in the **BUSHNELL** Territorial Area.

Section 4.3 **BUSHNELL Facilities to be Served**. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of **BUSHNELL** to serve any **BUSHNELL** facility (i.e., owned by the **CITY OF BUSHNELL**) located in the **SECO** Territorial Area which facility is used exclusively in connection with **BUSHNELL's** business as a municipal government; provided, however, that **BUSHNELL** shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of **SECO** in the **SECO** Territorial Area.

Section 4.4 Nothing herein shall be construed to prevent or in any way prohibit the right of each party to keep, construct, and maintain Express Distribution Lines within the Territorial Area of the other party.

Article V. PREREQUISITE APPROVAL AND REPORTING

Section 5.1 **Commission Approval**. The provisions and the Parties' performance of this Agreement are subject to the regulatory authority of the Commission, appropriate approval by that body of this Agreement in its entirety shall be required for the Agreement to be fully effective and enforceable, and the Parties agree they are jointly responsible to obtain Commission approval of this Agreement. 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.

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

Section 5.3 Supersedes Prior Agreements. Upon approval by the Commission, this Agreement shall be deemed to specifically supersede the Current Agreements and all other prior agreements between the Parties defining the boundaries of their respective Territorial Areas.

Article VI. DURATION

Section 6.1 Term. This Agreement shall continue and remain in effect for a period of thirty (30) years from the date of the rendering of the Florida Public Service Commission's Order approving this Agreement. Upon the expiration of the initial thirty (30) year Term, this Agreement shall automatically renew for successive one-year renewal terms. Either Party may terminate this Agreement, provided that such termination becomes effective after the initial thirty (30) year term, by providing notice of termination to the other Party no less than 12 months prior to the effective date of the termination. The notice shall be in accordance with Section 8.3 and shall state the effective date of the termination.

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 rights of either Party hereto relative to any other electric utility not a party to this Agreement with respect to the furnishing of retail electric service including, but not limited to, the service territory of either Party hereto relative to the service territory of any other electric utility not a party to this Agreement. The Parties understand that **SECO** or

BUSHNELL may, from time to time and subject to Commission approval, enter into territorial agreements with other electric utilities providing retail service in Sumter, Lake, Marion, Citrus, Levy, Pasco, and Hernando Counties and that, in such event, nothing herein shall be construed to prevent **SECO** or **BUSHNELL** from designating any portion of its Territorial Area under this Agreement as the retail service area of such other electric utility.

Section 7.2 Bulk Power for Resale. 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 made in writing, signed by both Parties, and approved by the Commission.

Section 8.2 Successors and Assigns. 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

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the parties, any right, remedy or claim under or by reason of this Agreement or any provision or conditions hereof; and all 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 representative, successors and assigns.

Section 8.3 Notices. 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 SECO:

CEO
Sumter Electric Cooperative, Inc.
330 South U.S. Hwy 301 (33585)
P.O. Box 301 (33585-0301)
Sumterville, Florida
Facsimile (352)793-2563

To BUSHNELL

City Clerk / City Manager
City of Bushnell
P. O. Box 115
Bushnell, Florida 33513-0115
Facsimile (352) 293-2711

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.

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



SUMTER ELECTRIC COOPERATIVE, INC.

By James P. Duncan
James P. Duncan
CEO

ATTEST:

CITY OF BUSHNELL

By _____
Christina Dixon
City Clerk

By _____
W.C. Spaude
Mayor

(SEAL)

APPROVED AS TO FORM AND LEGALITY:

By: _____
Felix Adams, Legal Counsel
to the City of Bushnell

By: Lewis W. Stone
Lewis W. Stone, Legal Counsel
to Sumter Electric Cooperative, Inc.

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

SUMTER ELECTRIC COOPERATIVE, INC.

By _____
James P. Duncan
CEO

ATTEST:

By Christina Dixon
Christina Dixon
City Clerk



CITY OF BUSHNELL

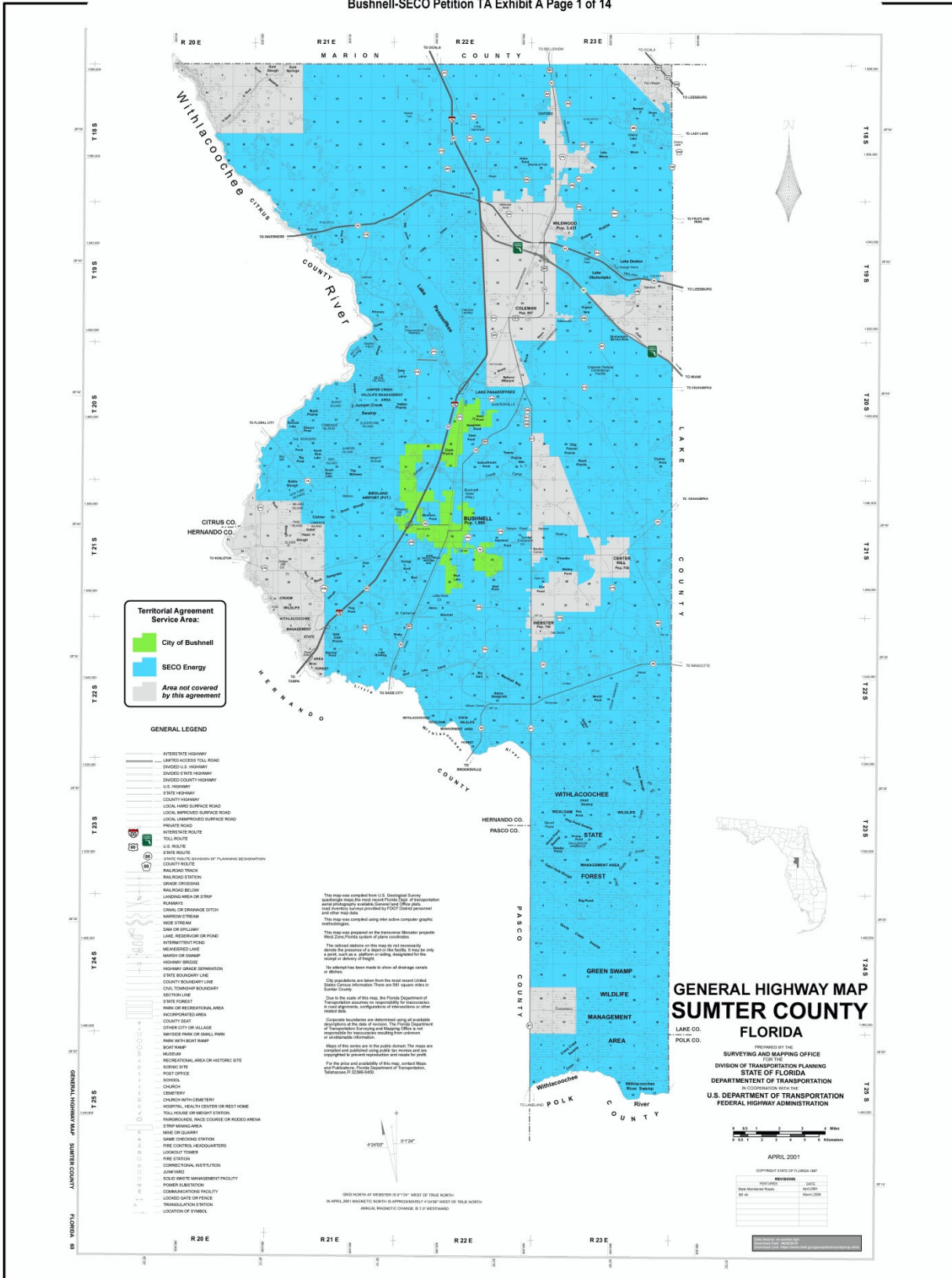
By Karen Davis
Karen Davis
Vice-Mayor

APPROVED AS TO FORM AND LEGALITY:

By: Felix Adams
Felix Adams, Legal Counsel
to the City of Bushnell

By: _____
Lewis W. Stone, Legal Counsel
to Sumter Electric Cooperative, Inc.

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