

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Tampa
Electric Company d/b/a Peoples
Gas System and Florida Division
of Chesapeake Utilities
Corporation for approval of
territorial boundary agreement
in Hillsborough, Polk, and
Osceola Counties

DOCKET NO. 990921-GU
ORDER NO. PSC-99-2228-PAA-GU
ISSUED: November 10, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING
APPROVAL OF TERRITORIAL BOUNDARY AGREEMENT

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.

On July 15, 1999, Tampa Electric Company d/b/a Peoples Gas System (PGS) and Florida Division of Chesapeake Utilities Corporation (CUC) filed a joint petition for a territorial boundary agreement in Hillsborough, Polk and Osceola Counties. Potential disputes have arisen between CUC and PGS with respect to which of them should serve potential natural gas customers located in these counties. To resolve these potential disputes, the petitioners have entered into an agreement that defines the territorial boundaries in portions of Hillsborough, Polk and Osceola Counties. All terms and conditions pertaining to and implementation of, are set forth in the agreement.

DOCUMENT NUMBER-DATE

1385 | NOV 10 99

FPSC-RECORDS/REPORTING

Over the years, CUC and PGS have engaged in territorial disputes. As each utility expands its system, the distribution facilities become closer and closer, leading to disputes over which is entitled to the unserved areas. The purpose of this Agreement is to set forth new territorial boundaries to reduce or avoid the potential for future disputes between CUC and PGS, and to prevent the potential duplication of facilities. A copy of the Agreement is included as Attachment A and is incorporated by reference in this order.

Rule 25-7.0471(2), Florida Administrative Code, sets forth the factors to be considered for approval of territorial agreements between natural gas utilities. They include: (a) the reasonableness of the purchase price of any facilities being transferred; (b) the reasonable likelihood that the agreement, in and of itself, will not cause a decrease in the reliability of natural gas service to the existing or future ratepayers of any utility party to the agreement; (c) the reasonable likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities, and (d) other relevant factors that may arise from the circumstances of a particular case.

As part of the agreement, CUC will transfer the properties associated with the Fish Hawk Ranch Gate Station, along with the distribution facilities fed by the Fish Hawk Ranch Gate Station used to serve gas customers. As addressed in the Agreement, the properties will be transferred at depreciated book value. We find that the purchase price is reasonable.

As contemplated by Rule 25-7.0473(d), Florida Administrative Code, each customer to be transferred from CUC to PGS in the Fishhawk Ranch subdivision was contacted and informed of the future change in rates. All customers in Fishhawk Ranch are residential. The average residential customer using 25 therms will see a decrease of \$1.45 in base rate charges.

PGS will transfer properties needed to serve the Lancaster Correctional Facility and the North Florida Reception Center to CUC. The facilities are located in Gilchrist County and Union County, respectively. Those properties will be transferred to CUC at depreciated book value. We find the purchase price is reasonable. Under CUC's current rate structure, these customers would be subject to an increase in rates and charges. However, on August 31, 1999, CUC sought approval to amend its Firm Transportation Service Agreement with these customers so that CUC can apply the same rates charged by PGS. By Order No. PSC-99-2229-

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PAA-GU, issued this date as proposed agency action in Docket No. 991265-GU, we approved the amendment.

Prior to the second anniversary of the Agreement, and no more than every fifth anniversary thereafter, CUC and PGS will meet to review the Agreement. They will file a joint report indicating the status of the Agreement.

Over the years, CUC and PGS have engaged in territorial disputes. As each utility expands its system, the distribution facilities become closer and closer, leading to disputes over which is entitled to the unserved areas. The purpose of this Agreement is to set forth new territorial boundaries to reduce or avoid the potential for future disputes between CUC and PGS, and to prevent the potential duplication of facilities.

Approval of this Agreement will not result in the decrease in availability or reliability of natural gas service to existing or future ratepayers of either CUC or PGS. Based on the above analysis, we find that the joint petition of PGS and CUC be approved, effective October 19, 1999.

Based on the foregoing, it is

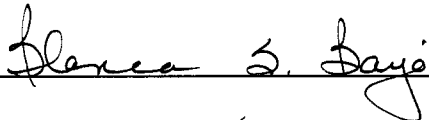
ORDERED by the Florida Public Service Commission that Petition by Tampa Electric Company d/b/a Peoples Gas System and Florida Division of Chesapeake Utilities Corporation for approval of territorial boundary agreement in Hillsborough, Polk, and Osceola Counties is approved, effective October 19, 1999. 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 Director, Division of Records and Reporting, 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

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

By ORDER of the Florida Public Service Commission this 10th day of November, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

TRC

NOTICE OF FURTHER PROCEEDINGS

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 Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 1, 1999.

In the absence of such a petition, this order shall become effective upon the issuance of a consummating order.

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

M E M O R A N D U M

NOVEMBER 10, 1999

RECEIVED--FPSC

SUN NOV 10 PM 1:33

RECORDS AND
REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (COLLINS) *RC RVE*

RE: DOCKET NO. 990921-GU - PETITION BY TAMPA ELECTRIC COMPANY
D/B/A PEOPLES GAS SYSTEM AND FLORIDA DIVISION OF
CHESAPEAKE UTILITIES CORPORATION FOR APPROVAL OF
TERRITORIAL BOUNDARY AGREEMENT IN HILLSBOROUGH, POLK, AND
OSCEOLA COUNTIES

2228-PAA

Attached is a NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING
APPROVAL OF TERRITORIAL BOUNDARY AGREEMENT to be issued in the
above-referenced docket. (Number of pages in order - 18)

TRC

Attachment

cc: Division of Electric and Gas (Makin, Brown, Bulecza-Banks)

I:990921or.trc

*Smarter
RAR
11/10/99*

AMENDED AND RESTATED
TERRITORIAL BOUNDARY AGREEMENT

Section 0.1 THIS AMENDED AND RESTATED TERRITORIAL BOUNDARY AGREEMENT (this "Agreement") is made and entered into this 9 day of July, 1999, by and between **Peoples Gas System, a division of Tampa Electric Company**, a corporation organized and existing under the laws of the State of Florida ("PGS"), and **Chesapeake Utilities Corporation**, a corporation organized and existing under the laws of the State of Delaware doing business in Florida as Central Florida Gas Company ("CUC"). PGS and CUC are hereinafter sometimes referred to singularly as a "party" and collectively as the "parties."

WITNESSETH:

Section 0.2 WHEREAS, CUC is presently providing natural gas service in eastern portions of Hillsborough County near the Hillsborough County-Polk County line, in eastern portions of Polk County near the Polk County-Osceola County line and in other portions of the State of Florida near areas in which PGS presently provides natural gas service; and

Section 0.3 WHEREAS, PGS is presently providing natural gas service throughout the State of Florida, including portions of Hillsborough County, western portions of Polk County near the Hillsborough County-Polk County line, western portions of Osceola County near the Polk County-Osceola County line, and other portions of the State of Florida in which CUC presently provides natural gas service; and

Section 0.4 WHEREAS, potential disputes have arisen between PGS and CUC regarding service to potential natural gas customers located in Hillsborough, Polk, and Osceola Counties; and

Section 0.5 WHEREAS, PGS and CUC desire to resolve the potential disputes between them in order that present and future applicants for natural gas service may expeditiously obtain such

service from one or the other of them; and

Section 0.6 WHEREAS, the respective areas of service of the parties are contiguous in certain areas with the result that duplication of service facilities is likely to occur in the future unless such duplication is precluded by virtue of this Agreement; and

Section 0.7 WHEREAS, the parties recognize that any duplication of said service facilities may result in needless and wasteful expenditures and investments that are detrimental to the public interest; and

Section 0.8 WHEREAS, the parties desire to avoid and eliminate the circumstances giving rise to the aforesaid potential duplications and toward that end have entered into this Agreement to delineate their respective service areas in the localities where such potential duplications are likely or may have occurred; and

Section 0.9 WHEREAS, the Florida Public Service Commission (the "FPSC") is empowered by the legislature of the State of Florida, pursuant to Section 366.04(3)(a), *Florida Statutes*, to approve and supervise territorial agreements between and among natural gas utilities; and

Section 0.10 WHEREAS, there already exists a Territorial Boundary Agreement between the parties dated October 6, 1989, and a modification thereto dated August 9, 1993 (collectively, the "Prior Agreement"), each of which has been approved by the FPSC and relates to territorial boundaries between the parties' respective service areas in Hillsborough and Polk Counties; and

Section 0.11 WHEREAS, this Agreement amends and restates the delineation of the territorial boundaries between the service areas of PGS and CUC prescribed by the Prior Agreement and delineates additional territorial areas, thereby avoiding future potential disputes; and

Section 0.12 WHEREAS, execution of this Agreement by the parties is not conditioned upon the acceptance of or agreement to any other contractual arrangements pending or contemplated by or between the parties.

Section 0.13 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, subject to and upon the terms and conditions herein set forth, hereby agree as follows:

ARTICLE I

TERM OF AGREEMENT

Section 1.1 After this Agreement becomes effective pursuant to Section 4.4 hereof, it shall continue in effect until modification shall be mutually agreed upon and approved by the FPSC, or until termination or modification shall be mandated by a governmental entity or court with appropriate jurisdiction.

ARTICLE II

BOUNDARY PROVISIONS

Section 2.1 The map attached hereto and labeled Exhibit A depicts boundary lines inside or along the governmental boundaries of Polk County delineating, as between the parties, a natural gas service area reserved to PGS. Said boundary lines are more specifically described as follows:

Western Boundary: From the intersection of State Road 54 with the Pasco County-Polk County line (west of State Road 35), run south along the Pasco County-Polk County line to its intersection with the Hillsborough County line, then east along the Hillsborough County-Polk County line to the northeast corner of Hillsborough County, then south along the

Hillsborough County-Polk County line to the northern terminus of County Line Road, then southerly along the centerline of County Line Road to its intersection with the centerline of State Road 60.

Southern Boundary: From the southern terminus of the Western Boundary described above, run east along an imaginary line to an imaginary line made by extending south the centerline of Yarborough Lane, then north to an imaginary line made by extending west the centerline of Wallace Road, then east to a point which is 0.4 mile east of the section line between Section 7 and 8, Township 29 South, Range 25 East (in the approximate center of Lake Hancock).

Eastern Boundary: From the eastern terminus of the Southern Boundary described above, run north to a point 200 feet south of the centerline of U.S. Highway 92, then westerly (along a line generally parallel to and 200 feet south of the centerline of U.S. Highway 92) to a point which is 0.3 mile west of Old Dixie Highway, then north to a point 200 feet north of the centerline of U.S. Highway 92, then easterly (along a line generally parallel to and 200 feet north of the centerline of U.S. Highway 92) to an imaginary line extending north from a point which is 0.4 mile east of the section line between Sections 7 and 8, Township 29 South, Range 25 East (in the approximate center of Lake Hancock), then north to the northeast corner of Section 31, Township 27 South, Range 25 East, then westerly to the northwest corner of Section 31, Township 27 South, Range 25 East, then north to the southwest corner of Section 6, Township 27 South, Range 25 East, then east to the southeast corner of Section 6, Township 27 South, Range 25 East, then north to the Polk County-Lake County line.

Northern Boundary: From the northern terminus of the Eastern Boundary described above,

run west, south and west along the Polk County-Lake County line to its intersection with the Sumter County line, then south along the Polk County-Sumter County line to the Withlacoochee River, then westerly along the Withlacoochee River to its intersection with the Pasco County line, then south and west along the Pasco County-Polk County line to the point of beginning of the Western Boundary described above.

That area in Polk County lying within the boundaries described in this Section 2.1 is reserved to PGS (as relates to CUC) with respect to service to natural gas customers. In addition, although lying within the boundaries described in Section 2.1, CUC shall be entitled to provide natural gas service to that property located in the Lakeland Regional Industrial Park owned by MPI, Inc., its successors and assigns.

Section 2.2 The map attached hereto and labeled Exhibit B depicts boundary lines inside the governmental boundaries of Hillsborough County delineating, as between the parties, a natural gas service area reserved to CUC. Said boundary lines are more specifically described as follows:

From a point of beginning at the northeast corner of Section 7, Township 28 South, Range 21 East, go south to the northeast corner of Section 7, Township 29 South, Range 21 East, then east to the northeast corner of Section 8, Township 29 South, Range 21 East, then north to the northeast corner of Section 8, Township 28 South, Range 21 East, then west to the point of beginning.

That area in Hillsborough County lying within the boundaries described in this Section 2.2 is reserved to CUC (as relates to PGS) with respect to service to natural gas customers.

Section 2.3 The map attached hereto and labeled Exhibit B also depicts boundary lines inside the governmental boundaries of Hillsborough County delineating, as between the parties, a

natural gas service area reserved to PGS. Said boundary lines are more specifically described as follows:

From a point of beginning being 0.3 miles north of the southwest corner of Section 4, Township 30 South, Range 21 East, go south to the southeast corner of Section 8, Township 30 South, Range 21 East, then east to the southeast corner of Section 11, Township 30 South, Range 21 East, then south to the southeast corner of Section 23, Township 30 South, Range 21 East, then west to the southeast corner of Section 21, Township 30 South, Range 21 East, then north to the northeast corner of Section 21, Township 30 South, Range 21 East, then northwesterly to a point 0.3 miles north of the southwest corner of Section 6, Township 30 South, Range 21 East, then east to the point of beginning.

That area in Hillsborough County lying within the boundaries described in this Section 2.3 is reserved to PGS (as relates to CUC) with respect to service to natural gas customers.

Section 2.4 The map attached hereto and labeled Exhibit C depicts boundary lines inside or along the governmental boundaries of Polk and Osceola Counties delineating, as between the parties, a natural gas service area reserved to PGS. Said boundary lines are more specifically described as follows:

From a point of beginning being 0.2 miles east of the southeast corner of Section 5, Township 26 South, Range 30 East, go generally south southeast along the east right-of-way of the Florida Turnpike, S. R. 91, to the southeast corner of Section 16, Township 26 South, Range 30 East, then west to the northeast corner of Section 21, Township 26 South, Range 29 East, then south to the southeast corner of Section 33,

Township 27 South, Range 29 East, then west to the northeast corner of Section 4,
Township 28 South, Range 29 East, then south to the southeast corner of Section 21,
Township 28 South, Range 29 East, then west to the southwest corner of Section 20,
Township 28 South, Range 28 East, then north to the northeast corner of Section 6,
Township 28 South, Range 28 East, then east to the southeast corner of Section 31,
Township 27 South, Range 28 East, then north to the northeast corner of Section 18,
Township 26 South, Range 28 East, being the Polk-Osceola County boundary line,
then north northwest along the Polk-Osceola County line to a point 0.5 miles north
of the south boundary line of Section 6, Township 26 South, Range 28 East, on the
Polk-Osceola County line, then north to a point 0.25 miles east of the northwest
corner of Section 31, Township 25 South, Range 28 East, then east to the northeast
corner of Section 36, Township 25 South, Range 28 East, then south to the southwest
corner of Section 6, Township 26 South, Range 29 East, then east to the point of
beginning.

That area in Polk and Osceola Counties lying within the boundaries described in this Section 2.4 is reserved to PGS (as relates to CUC) with respect to service to natural gas customers.

Section 2.5 PGS grants the following additional property and rights to CUC according to the terms hereinafter provided:

- A. Those properties and appurtenances extending from the FGT pipeline necessary to serve Lancaster Correctional Facility in Gilchrist County and North Florida Reception Center in Union County shall be transferred to CUC at depreciated book value. Upon the transfer of such properties and appurtenances, PGS shall use commercially reasonable efforts to transfer

to CUC any contracts providing for natural gas transportation or service to the aforementioned government facilities to CUC.

- B. CUC shall have the right to purchase gas through the PGS Fish Hawk Ranch Gate Station in Hillsborough County at the rate set forth in PGS's Rate Schedule WHS (Natural Gas Tariff, Original Volume No. 1). PGS reserves the right to approve the amounts, timing and technical standards for transportation through the PGS Fish Hawk Ranch Gate Station. Such approval shall not be unreasonably withheld.

Section 2.6 CUC grants the following additional properties to PGS according to the terms hereinafter provided:

- A. Those properties and appurtenances known as the Fish Hawk Ranch Gate Station shall be transferred to PGS at depreciated book value.
- B. All properties and gas distribution facilities fed by the Fish Hawk Ranch Gate Station and used to serve gas customers shall be transferred to PGS at depreciated book value.

Section 2.7 The parties recognize that the property and appurtenances to be transferred pursuant to sections 2.5 and 2.6 are currently under construction. The parties agree that the transfer of such property and appurtenances shall be consummated upon the later to occur of (a) the completion of their construction, including the receipt of all contributions in aid of construction thereof, or (b) the approval of this Agreement by the FPSC as provided in section 4.4.

Section 2.8 In the event any conflict between the boundary lines as marked on Exhibits A, B and C and the written descriptions of such boundary lines set forth in Sections 2.1-2.4, said written descriptions shall control. This Agreement shall have no effect on the boundaries of the respective service areas of the parties hereto as the same may now or hereafter exist except as

specifically provided herein.

Section 2.9 Each of the parties agrees that it will not, except as provided in Section 2.11, provide or offer to provide natural gas service to future customers within the territory herein reserved to the other party, provided however that PGS shall retain the right to serve facilities owned or operated by Tampa Electric Co. and its affiliated companies located within CUC's territory where practicable.

Section 2.10 The parties recognize that, in specific instances, good engineering practices (or economic constraints on one of the parties) may from time-to-time indicate that small service areas and/or future natural gas customers should not be served by the party in whose territory such areas or customers are then located under Sections 2.1-2.4. In such instances, the parties agree to jointly and expeditiously seek approval of the FPSC for modification of this Agreement in order to permit the appropriate party to provide service to such small service areas and/or future natural gas customers.

Section 2.11 To help facilitate the provision of natural gas service to customers and to minimize costs and delays in providing such service, a party to this Agreement which has a gas main installed on its side of a boundary line established in Sections 2.1-2.4 of this Agreement may temporarily serve customers located on the other side of such boundary line in territory herein reserved to another party; provided, however, that when such temporary service is contemplated by a party, it shall give written notice, setting forth the details of such contemplated service, to the party in whose territory the customer is located under Sections 2.1-2.4 of this Agreement, and to the FPSC, before installing any additional facilities needed for the provision of such temporary service. At such time as the party in whose territory such customers are located under Sections 2.1-2.4 has a gas

main available for providing natural gas service to such customers, the party providing temporary service pursuant to this section shall surrender any such customers upon the request of the party in whose territory such customers are located, and shall convey to such other party, at depreciated book value, such gas mains, service lines, and appurtenances thereto (previously used by the party in providing temporary service and located in the territory of the party which will provide service thereafter) as may be required by the party to serve such customers. Any customer who receives temporary natural gas service under the provisions of this section shall be notified in advance that when service is available from the party in whose territory such customer is located, the customer will be required to receive service from such party at such party's then-current rates, and that such temporary service is provided only as a temporary convenience to the customer.

Section 2.12 Except as provided in Sections 2.5-2.6, nothing in this Agreement is intended to affect the gate stations, regulators, or gas mains of one party which are now or which may in the future be located in the service area of the other party, and any problems between the parties involving these types of facilities shall be settled at the General Office level of the parties. No such facilities shall be used by one party to provide natural gas service to customers located in the service area of the other party except as may be necessary to implement the provisions of Sections 2.1-2.4 or 2.11 hereof as the same may be in effect from time to time.

ARTICLE III

AUBURNDALE POWER PROVISIONS

Section 3.1 Notwithstanding the delineation of territorial boundaries in Section 2.1-2.4 and Exhibits A, B and C of this Agreement, PGS may, through a city gate facility or facilities, take service from an interstate and/or intrastate pipeline and tie into CUC's Pipeline (distribution)

Facilities, for the sole purpose of providing natural gas service to Auburndale Power Partners, Limited Partnership ("Auburndale Power"). Exhibit D hereto is a map showing the location of Auburndale Power's Power Generation Facility, CUC's Pipeline Facilities and PGS's current Delivery and Redelivery Points.

Section 3.2 The parties acknowledge and agree that PGS shall not be permitted to construct its own pipeline facilities or other distribution facilities to serve Auburndale Power's Power Generation Facility.

Section 3.3 If PGS ceases to provide service to the Power Generation Facility, and Auburndale Power (or its successors or assigns) continues to operate the Power Generation Facility and does not assume ownership of PGS's city gate facilities off of the Florida Gas Transmission Company ("FGT") and/or other interstate or intrastate pipelines through which PGS had provided service to the Power Generation Facility, then CUC shall have a right of first refusal to purchase from PGS, at depreciated book value, such city gate facilities and appurtenances thereto.

Section 3.4 If the Power Generation Facility terminates its operation, then CUC shall have a right of first refusal to purchase from PGS, at depreciated book value, PGS's city gate facilities (and appurtenances thereto) off of the FGT and/or other interstate or intrastate pipelines through which PGS had provided service to the Power Generation Facility.

ARTICLE IV

MISCELLANEOUS PROVISIONS

Section 4.1 The failure of either party to enforce any provision of this Agreement in any instance shall not be construed as a waiver or relinquishment on its part of any such provision but the same shall nevertheless be and remain in full force and effect.

Section 4.2 This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 4.3 This Agreement shall be governed by the laws of the State of Florida.

Section 4.4 The parties hereto recognize and agree that each of them is subject to the jurisdiction of the FPSC and further agree that this Agreement shall have no force or effect unless and until it is submitted to and approved by the FPSC in accordance with applicable procedures. The parties further agree that this Agreement, if and when approved by the FPSC, shall be subject to the continuing jurisdiction of the FPSC and may be terminated or modified only by order of the FPSC. No modification or termination of this Agreement by the parties hereto shall be effective unless and until approved by the FPSC (or any successor agency with power to consider approval or modification hereof). Each party agrees to promptly notify the other in writing of any petition, application or request for modification of this Agreement made to the FPSC and to serve upon the other party copies of all pleadings or other papers filed in connection therewith.

Section 4.5 Prior to the second anniversary of the effective date of this Agreement and no more than every fifth anniversary thereafter, the Parties shall meet to review the status of this Agreement and shall submit a joint status report to the FPSC (or any successor agency with power to consider approval or modification hereof).

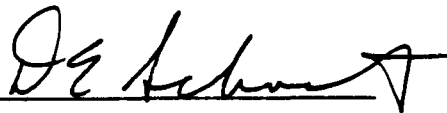
Section 4.6 This Agreement shall be effective on the date it is approved by the FPSC in accordance with Section 4.4 hereof. As soon as practicable following the effective date of this Agreement, each party agrees to file any revisions to its tariffs on file with the FPSC which may be required as a result of the FPSC's approval hereof, and shall provide a copy of any such tariff revisions to the other party.

Section 4.7 This Agreement may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date and year first above stated.

ATTEST:

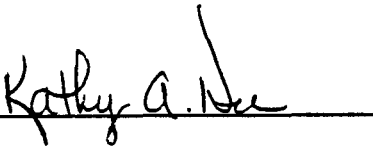
PEOPLES GAS SYSTEM, a division of
Tampa Electric Company

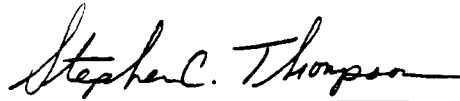
By: 

By: 

ATTEST:

CHESAPEAKE UTILITIES CORPORATION,
doing business as Central Florida Gas Company

By: 

By: 
Stephen C. Thompson, Vice President