

RIGIMAL

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

November 5, 2004

VIA OVERNIGHT DELIVERY

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

-8 AM I WED THS RK



Re: Joint Petition of the City of St. Cloud and Progress Energy Florida for approval of a territorial agreement in Osceola and Orange Counties.

Dear Ms. Bayó:

Enclosed for filing pursuant to Commission Rule 25-6.0440, F.A.C., are an original and seven copies of the subject Joint Petition.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. A $3\frac{1}{2}$ inch diskette containing the above-referenced document in Word format is also enclosed. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc Enclosures

cc: Roy Young, Esquire

DOCUMENT NUMBER-DATE

100 Central Avenue (33701) • Post Office Box 14042 (33733) • St. Petersburg, Florida | | 993 NOV -8 3 Phone: 727.820.5184 • Fax: 727.820.5519 • Email: james.mcgee@pgnmail.com



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of the City of St. Cloud and Progress Energy Florida for approval of a territorial agreement in Osceola and Orange Counties.

Docket No. 041293 - EU

Submitted for filing: November 5, 2004

JOINT PETITION

Joint Petitioners, the City of St. Cloud, ("St. Cloud") and Progress Energy Florida, Inc., ("Progress Energy") pursuant to Section 366.04(2)(d), Florida Statutes, and Rule 25-6.0440, Florida Administrative Code, hereby jointly petition the Florida Public Service Commission (the "Commission") for approval of a territorial agreement between the parties in Osceola and Orange Counties, Florida. In support hereof, Joint Petitioners state as follows:

1. All notices and pleadings in this matter should be served on the following:

For St. Cloud:	For Progress Energy:
Roy C. Young	James A. McGee
Young & van Assenderp, P.A.	Associate General Counsel
P.O. Box 1833	Progress Energy Service Co., LLC
Tallahassee, Florida 32302	P.O. Box 14042
	St. Petersburg, FL 33733-4042

2. Joint Petitioners are electric utilities as defined in Section 366.02(2), Florida Statutes, and are subject to jurisdiction of the Commission with respect to territorial agreements and territorial disputes pursuant to Section 366.04(2)(d) and

> DOCUMENT NUMBER-DATE 1993 NOV-8 중 FPSC-COMMISSION CLERK

(e), Florida Statutes. St. Cloud's principal offices are located at 1300 Ninth Street, St. Cloud, Florida 34769. Progress Energy's principal offices are located at 100 Central Avenue, St. Petersburg, Florida 33701.

3. St. Cloud and Progress Energy have previously entered into a territorial agreement dated July 31, 1970, and approved by the Commission on May 7, 1971, in Order No. 5121, Docket No. 70388-EU, that has been effective in avoiding the uneconomic duplication of facilities within the parties respective Territorial Areas in Osceola and Orange Counties. On November 4, 2004, St. Cloud and Progress Energy entered into a new territorial agreement reestablishing their Territorial Areas in Osceola and Orange Counties (the "Agreement"), the effectiveness of which is expressly conditioned upon approval by the Commission in its entirety.

4. The Agreement provides for a term of 15 years from the date of the Commission's order granting approval. The respective Territorial Areas of the parties are essentially the same as under the prior agreement, with the exception of several minor modifications to the Territorial Boundary Line to accommodate changed conditions. None of these boundary line modifications require the transfer of any customers.

5. A copy of the Agreement, including a map and legal description depicting and defining the Territorial Boundary Line, is appended as Attachment 1

to this joint petition. In addition to the map included as an exhibit to the Agreement, the Joint Petitioners are in the process of finalizing a set of large scale color-coded maps that will identify their respective Territorial Areas in much greater detail, and better serve the parties and their service and engineering representatives in administering the Agreement during its term. Upon completion, the Joint Petitioners will submit these detailed maps by supplemental filing for Commission approval in conjunction with the Agreement. Also, in accordance with Commission Rule 25-6.0440(1)(f), official General Highway County maps for Osceola and Orange Counties depicting the Territorial Boundary Line established by the Agreement are appended hereto as Attachment 2.

6. The Joint Petitioners represent that approval of the Agreement will not cause a decrease in the reliability of electrical service to the existing or future customers of either utility. To the contrary, the Joint Petitioners assert that approval of the Agreement will (a) enable the two utilities to plan and operate their systems more efficiently and thereby serve to improve reliability, (b) further the objective of eliminating uneconomic duplication of facilities, and (c) promote the Commission's long-standing policy of encouraging territorial agreements between and among Florida's electric utilities. WHEREFORE, St. Cloud and Progress Energy jointly request that the Commission grant this Joint Petition and approve the Territorial Agreement between the parties, as set forth in Attachment 1 hereto.

Respectfully submitted,

Roy C. Young

Young & van Assenderp, P.A. Post Office Box 1833 Tallahassee, Florida 32302-1833 Telephone: 850-222-7206 Facsimile: 850-561-6834

Attorney for THE CITY OF ST. CLOUD James A. McGee Associate General Counsel Progress Energy Service Co., LLC Post Office Box 14042 St. Petersburg, Florida 33733-4042 Telephone: 727-820-5184 Facsimile: 727-820-5519

Attorney for **PROGRESS ENERGY FLORIDA, INC.**

ATTACHMENT_1

TERRITORIAL AGREEMENT between the City of St. Cloud and Progress Energy Florida, Inc.

<u>AGREEMENT</u>

Section 0.1 THIS AGREEMENT, made and entered into this <u>4</u>th day of <u>November</u>, 2004, by and between the CITY OF ST. CLOUD, a municipal corporation organized and existing under the laws of the State of Florida (hereinafter called the "CITY"), and PROGRESS ENERGY FLORIDA, INC., formerly Florida Power Corporation, a private corporation organized and existing under the laws of the State of Florida (hereinafter called the "COMPANY"), which entities are herein collectively called the "Parties."

WITNESSETH:

<u>Section 0.2</u> WHEREAS, the CITY, by virtue of legislative authority, is authorized and empowered to furnish electricity and power to private individuals and corporations, both within and without its corporate limits, and pursuant to such authority, presently furnishes electricity and power to customers both inside and outside of its corporate limits;

<u>Section 0.3</u> WHEREAS, the COMPANY, by virtue of its Charter, is authorized and empowered to furnish electricity and power to persons, firms and corporations throughout the State of Florida and presently furnishes electricity and power to customers outside the City of St. Cloud, in Osceola County and Orange County;

<u>Section 0.4</u> WHEREAS, the respective service areas of the Parties hereto are contiguous in many places, and in some have come to coincide, with the result that, absent an allocation of their service areas, duplication of service facilities of the other Party occupying the same area would occur;

<u>Section 0.5</u> WHEREAS, any such duplication of said service facilities by the Parties would result in needless and wasteful expenditures and the creation of potentially hazardous situations, both of which would be detrimental to the economical and safe operations of the Parties;

<u>Section 0.6</u> WHEREAS, the Parties hereto desire to avoid and eliminate the circumstances giving rise to the aforesaid duplications and resulting in said uneconomical and unsafe operations and to that end have agreed to an allocation of service areas;

<u>Section 0.7</u> WHEREAS, in order to accomplish said service area allocation, the Parties have agreed upon a boundary hereinafter referred to as the "Boundary Line," said Boundary Line meandering in a southerly, then easterly, then northerly, and lastly a westerly direction and encompassing the herein called "City Service Area" (the area outside of the Boundary Line, being called herein the "Company Service Area"); and

Section 0.8 WHEREAS, subject to the provisions hereof, the City Service Area has been allocated to the CITY as its service area and the Company Service Area has been allocated to the COMPANY as its service area.

<u>Section 0.9</u> 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 hereto, subject to and upon the terms and conditions herein set forth, do hereby agree as follows:

ARTICLE I DEFINITIONS

<u>Section 1.1</u> Boundary Line. As used herein, the term "Boundary Line" shall mean that line labeled "Boundary Line", as shown on the map attached hereto and marked Exhibit 1, and as more particularly described in the metes and bounds description set forth in said Exhibit 1, which Exhibit is incorporated herein by this reference thereto, and made a part hereof. In the event of any discrepancy between the map and the metes and bounds description, the latter shall prevail.

<u>Section 1.2</u> City Service Area. As used herein, the term "City Service Area" shall mean all of the territory and lands in Osceola and Orange Counties, Florida, encompassed by the Boundary Line referred to in Section 1.1, including the lands excepted in the metes and bounds description of Exhibit 1.

Section 1.3 Company Service Area. As used herein, the term "Company Service Area" shall mean all of the territory and lands in Osceola and Orange Counties, Florida, lying to the north, east, south and west of the Boundary Line referred to in Section 1.1, except as excepted in the metes and bounds description of Exhibit 1.

<u>Section 1.4</u> City Area. As used herein, the term "City Area" shall mean all of the territory and lands lying within and encompassed by the city limits of the City of St. Cloud as the same now exist.

Section 1.5 Annexed Area. As used herein, the term "Annexed Area" shall mean any area presently located in the Company Service Area and subsequently annexed by and to the City of St. Cloud, provided, that the term "Annexed Area" shall only include the annexation of lands in the Company Service Area which are contiguous to the City Area as it now exists or as the City Area may be subsequently expanded by an Annexed Area. Said Annexed Area shall not be deemed to be contiguous to the City Area unless there is a substantial common boundary (the width of a public street or highway may constitute such common boundary). It is expressly understood that the term "Annexed Area" shall not include any area located in the Company Service Area and subsequently annexed by and to the City of St. Cloud whenever said area is merely contiguous to a previously annexed public highway right-of-way or said area is merely contiguous to any area so previously annexed and there exists no substantial common boundary with said City Area.

<u>Section 1.6</u> Merely Contiguous to a Public Highway Right-of-Way. As used herein, "merely contiguous to a public highway right-of-way" shall mean that the sole and only connecting link between the Annexed Area in the Company Service Area and the City Area is a public highway right-of-way extending from said City Area to said Annexed Area.

Section 1.7 Enfranchised Area. As used herein, the term "Enfranchised Area" shall mean any area in the Company Service Area now or hereafter incorporated, wherein the COMPANY has a franchise to serve and which is subsequently annexed by and to the City of St. Cloud.

<u>Section 1.8</u> New Customer. As used herein, the term "New Customer" shall mean any person that applies to either the CITY or the COMPANY for retail electric service after the effective date of this Agreement.

<u>Section 1.9</u> Transmission Lines. As used herein, the term "Transmission Lines" shall mean all transmission lines of either Party having a capacity of 69 KV or more.

<u>Section 1.10</u> Commission. As used herein, the term "Commission" shall mean the Florida Public Service Commission.

ARTICLE II AREA ALLOCATIONS AND NEW CUSTOMERS

Section 2.1 Allocations. The City Service Area, as herein defined, is hereby allocated to the CITY as its service area for the period of time hereinafter specified; and the Company Service Area, as herein defined, is hereby allocated to the COMPANY as its service area for the same period; and, except as otherwise specifically contemplated herein, neither Party shall deliver any electric energy at or across the Boundary Line for use in any service area of the other. However, in those instances where the Boundary Line traverses the property of an individual customer or prospective 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. The Parties recognize that in some such instances, the information needed to locate the various points of the customer's usage in relation to the 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 customer's usage.

Section 2.2 Responsibility for Service. It shall be the responsibility of the CITY to provide or arrange for service to any customer located within the City Service Area and requesting the same; and it shall be the responsibility of the COMPANY to provide or arrange for service to any customer located in the Company Service Area requesting the same; provided, however, that neither Party shall hereafter serve any customer located in the service area herein allocated to the other Party, except as specified in this Agreement.

<u>Section 2.3</u> Service to New Customers. The Parties agree that neither of them will knowingly serve any New Customer whose end use facilities are located within the territorial area, as described in this Agreement of the other Party, except as specifically provided in this Section of this Agreement.

Section 2.4 Temporary Service. The Parties recognize that in exceptional circumstances, economic constraints or good engineering practices may indicate that a New Customer's end use facilities either cannot or should not be immediately served by the utility in whose territorial area they are located. In such instance, upon written request by the Party in whose territorial area the end use facilities are located, to the other Party, the

other Party may agree in writing to temporarily provide service to such customer's end use facilities. Any such agreement for temporary service which lasts or is anticipated to last for longer than one year shall be submitted to the Commission for approval in accordance with Article V, Section 5.1 hereof, . 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.

Section 2.5 Referral of Service Request. In the event that a New Customer or prospective New Customer requests or applies for service from either Party at a location within the service area of the other Party, the Party receiving such a request or application shall refer the New Customer or prospective New Customer to the other Party with citation to this Agreement as approved by the Commission pursuant to Article V below, and shall notify the other Party of such request or application.

<u>Section 2.6</u> There are no known customers to be transferred pursuant to this Agreement.

Section 2.7 Corrected Maps and Property Descriptions. If any situation is discovered during the term of this Agreement in which either of the Parties is inadvertently providing retail electric service to end use facilities located within the service area of the other Party, then, at the option of the Party in whose service area such end use facilities are actually located, service to such end use facilities will be transferred to the Party in whose service area such facilities are actually located. In the event of any such transfer, any electric facilities of the transferring Party used solely to provide retail electric service to the end use facilities being transferred will also be transferred to the other Party in consideration for the payment by the other Party to the transferring Party of the replacement cost new, less depreciation, calculated on a thirty (30) year straight line basis, of the electric facilities being transferred. Any such transfer shall occur within six (6) months of the discovery of the inadvertent error.

<u>Section 2.8</u> Bulk Power for Resale. Nothing herein shall be construed to prevent either Party from providing a bulk power supply to wholesale customers for resale purposes wheresoever they may be located. Further, no other provision of this Agreement shall be construed as applying to a bulk power supply for resale.

ARTICLE III OPERATION AND MAINTENANCE

Section 3.1 Facilities to Remain. All Generating Plants, Transmission Lines, Substations, and related facilities now or hereafter constructed and/or used by either Party in conjunction with their respective electric utility systems, shall be allowed to remain where situated and shall not be subject to removal hereunder; PROVIDED, HOWEVER, that each Party shall operate and maintain said lines and facilities in such a manner as to minimize any interference with the operations of the other Party and so as not to interfere unreasonably with the exercise of police power; with respect to the use of public ways; AND PROVIDED FURTHER, that this Section shall likewise be applicable to any such COMPANY lines and facilities, including substations, now or hereafter located in any part of the Company Service Area which subsequently may become an Annexed Area, as defined herein, and to any CITY lines and facilities, including Generating Plants and/or Substations, now or hereafter located on any part of the Company Service Area or elsewhere.

<u>Section 3.2</u> Municipal Facilities to be Served. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of the CITY to serve any municipal facility of the City of St. Cloud located in the Company Service Area and for such purpose to construct all necessary lines and facilities; PROVIDED, HOWEVER, that the CITY shall construct, operate and maintain said lines and facilities in such manner as to minimize any interference with the operations of the COMPANY in the Company Service Area.

Section 3.3 Company Facilities to be Served. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of the Company to serve any Company facility located in the City Service Area and for such purpose to construct all necessary lines and facilities; PROVIDED, HOWEVER, that the Company shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of the CITY in the City Service Area.

<u>Section 3.4</u> Retail Service at Facility Sites. Where either Party provides service to its facility located in the service area of the other Party pursuant to Sections 3.2 or 3.3 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.

ARTICLE IV ANNEXATIONS

Section 4.1 Annexed Area. Upon any part of the Company Service Area becoming an Annexed Area as defined herein, and subject to the provisions of the next succeeding Section, the COMPANY shall transfer to the CITY all customers and related facilities located in said Annexed Area. Prior to commencement of such transfer, the CITY shall pay the COMPANY a sum equal to two and one-half (2.5) times the total annual revenues derived by the COMPANY from the customers to be transferred during the preceding calendar year, together with the replacement cost (new), less depreciation calculated on a thirty (30) year straight line basis, of the facilities to be transferred.

<u>Section 4.2</u> Enfranchised Area. The provisions of the foregoing Section shall not apply to customers of the COMPANY located in an Enfranchised Area, as herein defined, until the expiration by the terms of the COMPANY's franchise covering such area.

ARTICLE V PREREQUISITE APPROVAL

<u>Section 5.1</u> Florida Public Service Commission. The provisions of this Agreement are subject to the regulatory authority of the Commission, and appropriate approval by that body of the provisions of this Agreement shall be a prerequisite to the validity hereof. This Agreement shall have no effect whatsoever until that approval has been obtained, and the date of the Commission's Order, if any, granting approval of this Agreement shall be deemed to be the effective date of this Agreement. Any proposed modification to this Agreement shall be submitted to the Commission for approval. The Parties agree to jointly petition the Commission to resolve any dispute concerning the provisions of this Agreement or the Parties' performance of this Agreement.

ARTICLE VI DURATION

<u>Section 6.1</u> The term of this Agreement shall be fifteen (15) years from the effective date hereof, as provided in Section 5.1 above.

ARTICLE VII CONSTRUCTION OF AGREEMENT

<u>Section 7.1</u> It is understood and agreed that the purpose of this Agreement is to set up an administrative working arrangement between the COMPANY and the CITY for the term hereof, which working arrangement is deemed to be to their mutual best interest, but nothing herein contained shall be construed as an abandonment or relinquishment by the CITY of its statutory authority now or hereafter existing for such CITY to serve consumers outside its corporate limits or of any other authority now existing, with respect to the operation and maintenance of the utilities owned and operated by said CITY.

ARTICLE VIII MISCELLANEOUS

<u>Section 8.1</u> Intent and Interpretation. It is hereby declared to be the purpose and intent of this Agreement, in accordance with which all provisions of this Agreement shall be interpreted and construed, to eliminate and avoid the needless and wasteful expenditures, and the hazardous situations, which result from unrestrained competition, between two utilities operating in overlapping service areas.

Section 8.2 Negotiations. Whatever terms or conditions may have been discussed during the negotiations leading up to the execution of this Agreement, the only ones 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 hereto unless the same shall be writing and hereto attached and signed by both Parties.

<u>Section 8.3</u> 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 the Parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions 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 upon the Parties hereto and their respective representatives, successors and assigns.

<u>Section 8.4</u> Notices. Notices given hereunder shall be deemed to have been given to the CITY if mailed by certified mail, postage prepaid, to: City Manager, City Hall, 1300 Ninth Street, St. Cloud, Florida 34769; and to the COMPANY if mailed by certified mail, postage prepaid, to: President, Progress Energy Florida, P. 0. Box 14042, St. Petersburg, Florida 33733. Such address to which such notice shall be mailed may be, at any time, changed by designating such new address and giving notice thereof in writing in the manner as herein provided.

IN WITNESS WHEREOF, this Agreement is hereby executed in the name of the CITY by its Mayor-Councilman, duly authorized thereto by a resolution of the St. Cloud City Council adopted on the $\underline{S^{+}}$ day of $\underline{J_0}$, 2004, and its corporate seal hereto affixed by its City Clerk, and by the COMPANY in its name by one of its duly authorized Vice Presidents and its corporate seal hereto affixed and attested by its Assistant Secretary, on the day and year first above written.

PROGRESS ENERGY FLORIDA, INC.

ATTEST:

Assistant Secretary

(SEAL)

ATTEST:

(SEAL

Lori McCorkle, City

By: Unchan Vice President

CITY OF ST. CLOUD, FLORIDA By: Glenn Sangiovanni, Mayor-Councilman Approved as to Form: By: Daniel F. Mantzaris, City Attorney

EXHIBIT 1

MAPS DEPICTING BOUNDARY LINE AND LEGAL DESCRIPTION OF BORDER

Exhibit 1

St. Cloud Electric Service Area

- St. Cloud Electric Service Area

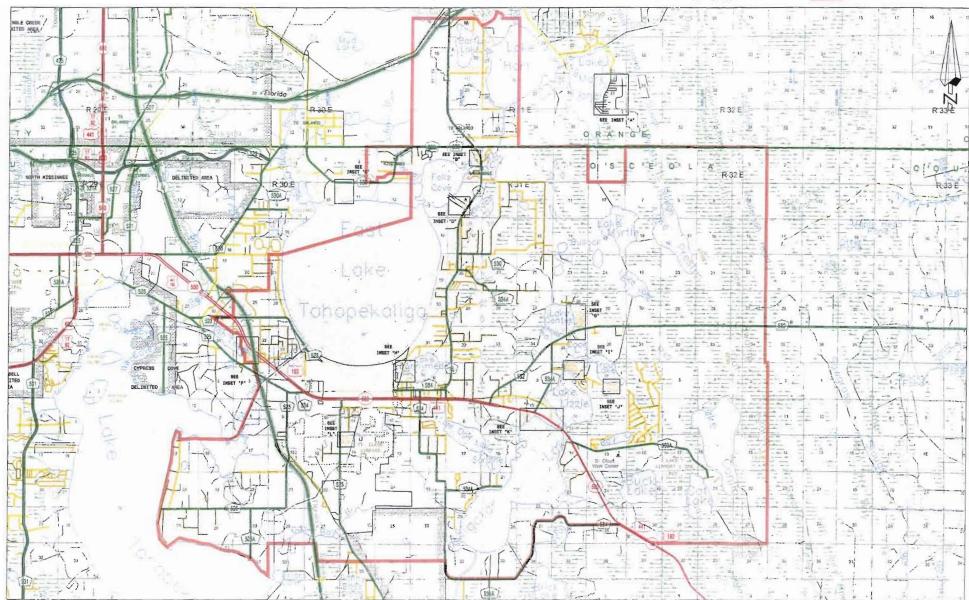
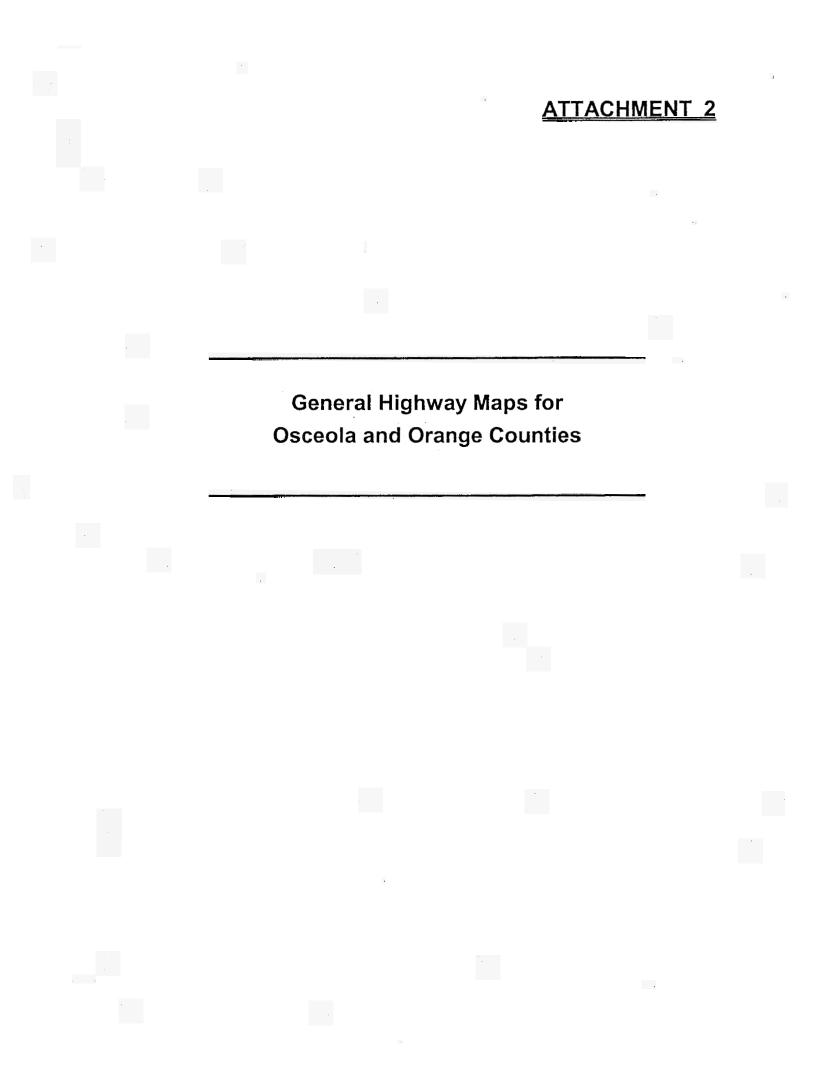


Exhibit 1

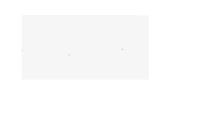
Progress Energy - City of St. Cloud Territorial Boundary Legal Description

Starting East along the Osceola/Orange County line along the north lines of Sections 2 and 1, Township 25 S, Range 30 E to the Southwest corner of Section 31, Township 24 S, Range 31 E; thence North (into Orange County) along West section lines of Sections 31, 30, 19 and 18 to the Northwest corner of the Southwest 1/4 of Section 18, all Sections being in Township 24 S, Range 31 E: thence East along the East-West 1/2 Section lines of Sections 18, 17 to the point of departure of the north right-of-way of Kirby Smith Road from the 1/2 section line of Section 17; thence southeasterly along the northeasterly right-of-way line of Kirby Smith Road to the intersection of North Shore Golf Club Boulevard; thence northeasterly along the northwesterly right-of-way line of North Shore Golf Club Boulevard to the westerly extension of the north line of Tract "J", North Shore at Lake Hart Parcel 4 as recorded in Plat Book 47, Page 135, Orange County, Florida; thence easterly and southerly along the rear lot lines of Tract "J" and Lots 1 through 18, North Shore at Lake Hart Parcel 4 as recorded in Plat Book 47, Page 135, Orange County, Florida, to the East-West 1/2 Section line of Section 16; thence east along said East-West 1/2 Section line of Section 16 to the Northeast corner of the Southeast 1/4 of Section 16, all Sections being in Township 24 S, Range 31 E, in Orange County; thence South along the East section lines of Sections 16, 21, 28 and 33, all sections being in the Township 24 S, Range 31 E to the Northwest corner of Section 3 Township 25 S. Range 31 E: thence East along the North Section lines (Orange-Osceola County line) of Sections 3 and 2 to the Northeast corner of Section 2, all Sections being in Township 25 S, Range 31 E; thence South along the East section line of Section 2 to the Northwest corner of Section 12, all Sections in Township 25 S, Range 31 E; thence East along the North Section line of Section 12 Township 25 S, Range 31 E; to the Southwest corner of Section 6, Township 25 S, Range 32 E; thence North along the West Section line of Section 6 to the Northwest corner of Section 6, Township 25 S, Range 32 E; thence. East along North Section line (Orange-Osceola County Line)

of Sections 6,5,4 and 3 to the Northeast corner of Section 3, all Sections being in Township 25 S, Range 32 E; thence continue South along the East Section lines of Sections 3, 10, 15, 22, 27 and 34 to the Southeast corner of Section 34, all Sections being in Township 25 S, Range 32 E; thence South along the East Section Lines of Sections 3, 10, 15,22 and 27 to the Southeast corner of Section 27, all Sections being in Township 26 S, Range 32 E; thence West along the South Section Lines of Section 27, 28, 29 and 30 to the point where it intersects with the centerline of State Road # 500 all Sections being in Township 26 S, Range 32 E; thence Northwesterly along the centerline of State Road # 500 to the point where centerline of State Road #534 intersects with the centerline of State Road #500 in Section 25, Township 26 S, Range 31 E; thence Westerly, Southerly, Westerly, Northerly along the center line of State Road #534 to the point where it intersects East-West 1/2 Section Line of Section 31, Township 26 S, Range 31 E; thence West along the East-West 1/2 Section line of Section 31, Township 26 S, Range 31 E; to the Northeast corner of the Southeast 1/4 of Section 36, Township 26 S, Range 30 E; continue West along East-West 1/2 Section Lines of Sections 36.35 and 34 to the point where it intersects with the easterly right-of-way line of the Florida State Turnpike, all Sections being in Township 26 S, Range 30.E; thence Northerly along the easterly right-of-way line of the Florida State Turnpike to the point where it intersects with North Section line of Section 34, Township 26 S, Range 30.E; continue West along the North Section lines of Sections 34 and 33 to the Northwest corner of Section 33, all sections being in Township 26 S, Range 30 E; thence South along the West Section line of Section 33, Township 26 S, Range 30 E to the point where it intersects with Tohopekaliga Lake; thence meandering along the East shoreline of said Lake to the point where St. Cloud canal enters to Tohopekaliga Lake in Section 8, Township 26 S, Range 30 E.



PLEASE SEE EXHIBIT 1 OF ATTACHED PROGRESS ENERGY – CITY OF ST. CLOUD TERRITORIAL AGREEMENT



.

, .