

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 8, 2013
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Laura V. King, Economic Analyst, Division of Economics *LVK*
RE: Document to be filed in Docket No. 130166-GU

A copy the Asset Purchase and Sale Agreement referenced in the joint petition filed by The Lake Apopka Natural Gas District and Peoples Gas System is attached and should be filed the docket. If you have any questions, please let me know.

RECEIVED FPSC
13 JUL - 8 AM 10:29
COMMISSION
CLERK

ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (the "Agreement") is made and entered into as of the ____ day of May, 2013 (the "Execution Date"), by and between **The Lake Apopka Natural Gas District**, a Public Body Corporate and Independent Special District of the State of Florida ("Lake Apopka" or "Buyer"), and **Peoples Gas System, a division of Tampa Electric Company**, a Florida corporation ("PGS" or "Seller"). Lake Apopka and PGS shall sometimes be referred to hereinafter individually as a "Party," and collectively as the "Parties."

WITNESSETH:

WHEREAS, Lake Apopka and PGS are parties to an agreement dated February 5, 1990 (the "1990 Agreement"), whereby PGS agreed to provide natural gas service within a portion of the statutorily defined boundaries of the Buyer on the condition that PGS would transfer to Lake Apopka certain facilities installed by PGS for the provision of natural gas service to customers at such time as Lake Apopka advised it was ready to provide such service itself;

WHEREAS, subsequent to the 1990 Agreement, Lake Apopka and PGS entered into other agreements dated March 9, 1994, an undated agreement (involving Seller's extension of facilities to serve Drum Service Corporation and other customers on Kelly Park Road) approved by Buyer's Board of Directors at its meeting held March 25, 1994, and an undated agreement approved by Buyer's Board of Directors at its meeting held March 25, 1996 (collectively, the "Post-1990 Agreements" and, together with the 1990 Agreement, the "Transfer Agreements"), whereby, in all of such agreements, PGS agreed to transfers of facilities similar to those contained in the 1990 Agreement;

WHEREAS, by letter dated July 9, 2012, Lake Apopka notified PGS that Lake Apopka desired to acquire all facilities installed by PGS pursuant to the Transfer Agreements that were located within the statutorily described boundaries of the Lake Apopka Natural Gas District;

WHEREAS, Lake Apopka initiated a civil action in the Circuit Court in and for Orange County, Florida, against Peoples Gas System (Florida), Inc. (Case No. 2012 CA 17067), seeking specific performance, injunctive relief and damages (the "Litigation");

WHEREAS, Peoples Gas System (Florida), Inc., is not a utility or a party to the Transfer Agreements, but is an affiliate of PGS;

WHEREAS, PGS is willing, subject to the terms and conditions of this Agreement, to transfer to Lake Apopka all facilities installed pursuant to the Transfer Agreements, together with customers served with natural gas through such facilities; and

WHEREAS, the Parties desire to settle the disputes between them represented by the Litigation.

NOW, THEREFORE, for and in consideration of the premises, the covenants and agreements herein set forth and for other good and valuable consideration in hand paid

by Buyer to Seller, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer, intending to be legally bound, hereby covenant and agree as follows:

1. Property and Other Transfers; Separation of Seller's System from Transfer Facilities.

(a) Transfers of Property, Records and Customer Deposits. At the Closing (as defined in Section 7 hereof), and in accordance with, upon and subject to the terms and conditions of this Agreement, Seller, in consideration of the Purchase Price (as defined below) to be paid to Seller on the Closing Date (as defined in Section 7 hereof, and as the same may be modified pursuant to the provisions of Exhibit C), shall grant, bargain, sell, convey and assign unto Buyer, and Buyer shall purchase from Seller, all of Seller's right, title and interest in and to the gas distribution facilities installed by Seller pursuant to or as a result of the Transfer Agreements (the "Transfer Facilities," as the same are more particularly described in the narrative attached hereto as Exhibit A, and the calculation of the Purchase Price attached hereto as Exhibit E, which contains information available from Seller's plant accounting records, as well as all governmental permits, franchises, and licenses (if any) currently held by Seller for the operation of the Transfer Facilities, such permits, etc. (if any) , being listed on Exhibit B hereto (the "Authorizing Instruments") (collectively with the Transfer Facilities, the "Property").

(b) System Separation; Transfer of Customers; Customer Deposits. Buyer understands and agrees that (i) Seller's distribution facilities through which the Transfer Facilities are currently served with natural gas will be physically and operationally separated from the Transfer Facilities as a part of the consummation of the transactions contemplated by this Agreement, and (ii) customers currently provided with natural gas service by Seller through the Transfer Facilities will be unable to receive natural gas service from Buyer until the Buyer's natural gas distribution facilities have been connected to the Transfer Facilities through which such customers currently receive service from Seller.

(1) Seller's separation of its natural gas distribution system from the Transfer Facilities and Buyer's tie-in of its natural gas distribution system with and introduction of natural gas into the Transfer Facilities shall be accomplished in accordance with the procedures and timetable set forth in Exhibit C.

(2) Customers currently served by Seller through the Transfer Facilities will be transferred from Seller to Buyer. Exhibit C contains the text and timing for notices to the customers to be transferred from Seller to Buyer, including the form of Seller's notice to each customer that the Buyer shall provide natural gas service to each after the Closing.

(3) Seller will render a final bill for service to customers currently served by Seller through the Transfer Facilities in accordance with the procedures and timetable set forth in Exhibit C. In Seller's final bill to each such customer, Seller shall reflect a credit toward the payment of any amount due Seller for natural gas service in the amount of any deposit then held by Seller. If the amount of the deposit held exceeds the amount of the final bill, Seller shall pay such excess amount to the customer. Seller has provided to Buyer the

name, address, account number and start date of all customers for whom Seller held a deposit as of the Closing, their corresponding customer deposit amount, and accounting records related thereto.

(4) Buyer understands and agrees that the procedures and timetable set forth in Exhibit C require cooperative actions by both Parties both before and after the Closing. Each Party agrees to cooperate with the other Party to accomplish the system separation and customer transfer procedures set forth in Exhibit C.

(c) Seller shall assign to Buyer at the Closing, such assignment to be effective as to each customer as of the Effective Time (as defined in and identified as provided in Exhibit C), Seller's agreements with all customers served by the Transfer Facilities through transportation service under Seller's Rider ITS (which agreements are listed on Exhibit D hereto), together with Seller's rights and obligations under such agreements, and Buyer shall assume all of Seller's rights and obligations with respect to such transportation customers as of the Effective Time. Copies of the agreements listed on Exhibit D, the letters of authorization for all customers receiving transportation service under Seller's Rider NCTS (the "NCTS Customers"), and Seller's agreements with the pool managers supplying natural gas to the NCTS Customers have heretofore been provided to Buyer.

2. Assumed and Excluded Liabilities.

As of the Effective Time, Buyer shall assume, be responsible for and hereby agrees to perform and discharge all obligations and liabilities related to the Property or any portion thereof, or the operation thereof, which arise from and after the Effective Time (the "Assumed Liabilities"), provided, however, that nothing contained herein is intended to, nor shall be construed to, constitute a waiver of Buyer's sovereign immunity. Buyer hereby assumes no responsibility for or any obligation or liability related to the Property or any portion thereof, or the operation thereof, which arises prior to the Effective Time (the "Excluded Liabilities").

3. Purchase Price.

3.1 **Payment.** The purchase price for all of the Property (including Seller's system separation costs and the value of the natural gas within the Transfer Facilities as of the date of the Closing) shall be the sum of Seven Hundred Eighty-Nine Thousand Seven Hundred Ninety-Three Dollars (\$789,793.00) (the "Purchase Price"), the calculation of which is shown in more detail on Exhibit E. At Closing, Buyer shall make payment of the Purchase Price to Seller as hereinafter provided.

3.2 Property Taxes.

Seller shall be required to escrow with the Orange County Tax Collector, for payment of the tax collector of Orange County, an amount equal to the current ad valorem taxes due (real and personal) and ad valorem and non-ad valorem assessments, prorated through the Closing Date (as the same may be modified pursuant to Exhibit C) in accordance with section 196.295, Florida Statutes. This fund shall be used to pay any ad valorem taxes and non-ad valorem assessments due. Buyer

shall cooperate with Seller regarding the tax payment, but in no event shall Buyer be responsible for any ad valorem taxes (real or personal) for the year in which the Closing occurs, which are not canceled after the date of the Closing.

3.3 Allocation. Within sixty (60) days following the Closing Date (as the same may be modified pursuant to Exhibit C), Seller shall prepare its allocation of the Purchase Price, in accordance with Section 1060 of the Internal Revenue Code of 1986, as amended ("IRC"), and any cases, regulations, rulings and other relevant guidance decided or issued thereunder to be used for filings, declarations and reports with the Internal Revenue Service in respect thereof. Buyer, as a tax exempt entity, will not participate in, or assume any liability for, Seller's allocation of the Purchase Price for tax purposes.

4. Seller's Permits, Other Authorizations, and Records Relating to the Property.

4.1 Permits. True and correct copies of all Authorizing Instruments have been delivered to Buyer.

4.2 Authorizing Instruments. The list of the Authorizing Instruments set forth on Exhibit B is true and complete.

4.3 Records Relating to the Property. Seller has, prior to the Execution Date, provided to Buyer copies of such surveys, maps, plans and specifications, construction records, engineering, as-built drawings, title information, service, maintenance and repair records and contracts, agreements and files, building permits, licenses, certificates of occupancy, environmental, soil and geology reports, documentation of known defects, consent orders, remediation and monitoring reports and specifications, warranties, service and maintenance history of equipment, pressure test records, compliance inspection reports, Florida Public Service Commission facility inspection reports and audits, customer service agreements, and invoices, receipts, construction contracts and other system cost source documents relative to the Property and Transfer Facilities as were reasonably available to Seller within the scope of its established recordkeeping system (collectively, the "Records"), and Buyer has inspected such Records as were provided by Seller.

5. Seller's Representations and Warranties. Seller represents, warrants and agrees with Buyer as follows:

5.1 Seller has good and transferable title to the Property, and the Property shall be delivered to Buyer on the Closing Date (as the same may be modified pursuant to Exhibit C) free and clear of and from any security interest, pledge, lien or encumbrance; and

5.2 Seller has full authority, authorization and power to enter into this Agreement and to sell and convey the Property to Buyer in accordance with the terms and conditions of this Agreement.

5.3 Seller has not received notice that the Transfer Facilities violate any Florida Public Service Commission, United States, or State of Florida Department of Transportation safety standards.

Seller's representations and warranties set forth in this Agreement shall be updated as of the Closing Date (as the same may be modified pursuant to Exhibit C) and shall survive such date in accordance with Section 14.3 hereof.

6. Buyer's Representations and Warranties. Buyer represents, warrants and agrees with Seller as follows:

6.1 Buyer has full authority, authorization and power to enter into this Agreement and to purchase the Property from Seller in accordance with the terms and conditions of this Agreement;

6.2 No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Buyer;

6.3 Except as expressly set forth in Section 5, Buyer understands and hereby acknowledges and agrees that neither Seller nor any affiliate of Seller or any of their respective representatives has made, and that each expressly disclaims, any representation or warranty, express or implied, at law or in equity, in respect of the Property or any portion thereof or otherwise, including with respect to merchantability or fitness for any particular purpose, and that Buyer is engaging in the transactions contemplated hereby on an "AS IS, WHERE IS, WITH ALL FAULTS" basis. Notwithstanding anything in this Agreement to the contrary, and without limiting the generality of the foregoing sentence, Buyer understands and hereby acknowledges that certain portions of the Transfer Facilities are installed upon the real property of certain third party customers of Seller, and that neither Seller nor any affiliate of Seller or any of their respective representatives has made, and that each expressly disclaims, any representation or warranty with respect thereto. Buyer further acknowledges, represents and warrants that Buyer is not in a significantly disparate bargaining position with respect to Seller in connection with the transactions contemplated by this Agreement and that Buyer freely and fairly agreed to this acknowledgment as part of the negotiations for the transactions contemplated by this Agreement.

Buyer's representations and warranties set forth in this Agreement shall survive the Closing Date (as the same may be modified pursuant to Exhibit C) in accordance with Section 14.3 hereof.

7. Closing. Consummation of the transactions contemplated herein (the "Closing") shall take place in accordance with the procedures described in Exhibit C, at the location and time agreed upon between the Parties (the "Closing Date," as the same may be modified pursuant to Exhibit C). Subject to modification as provided in Exhibit C, the Closing Date shall be June 3, 2013. If modified pursuant to Exhibit C, the Closing Date shall be as soon thereafter as reasonably practicable after the Remedial Action (as defined in Exhibit C) is completed successfully. In no event shall the Closing Date occur later than [July 31, 2013]. Effective as of the Effective Time, the Transfer Agreements

shall be terminated, and neither Party shall have any further rights or obligations thereunder.

8. Deliveries by Seller at Closing. Seller shall deliver or cause to be delivered, in addition to all other items specified elsewhere in this Agreement, the following to Buyer at the Closing:

(a) Bill of Sale. A bill of sale duly executed by Seller conveying to Buyer the Transfer Facilities and other items to be sold pursuant to this Agreement, "AS IS, WHERE IS," but warranting that Seller has good and transferable title to the Property free and clear of and from any security interest, pledge, lien or encumbrance.

(b) Assignment and Assumption Agreements. Assignment, Assumption and Consent Agreements with respect to the transportation agreements listed in Exhibit D hereto (the "Assignment, Assumption and Consent Agreements"), each in form and substance mutually agreeable to the Parties, duly executed by Seller.

(c) Release of All Claims with Respect to the Litigation. A Mutual Release of All Claims with Respect to the Litigation in the form attached hereto as Exhibit F, duly executed by or on behalf of Seller.

(d) Warranties. To the extent assignable, an assignment of all warranties for the Transfer Facilities from suppliers or contractors.

(e) Other. Such other documents, instruments, UCC termination statements and certificates as Buyer may reasonably and timely request in order to document or to consummate the transactions contemplated by this Agreement or in order to evidence the compliance by Seller with any obligation in this Agreement.

9. Deliveries by Buyer at Closing. Buyer shall deliver or cause to be delivered, in addition to all other items specified elsewhere in this Agreement, the following to Seller at the Closing:

(a) Purchase Price. The Purchase Price, which shall be paid to Seller in accordance with the Wire Transfer Instructions set forth on Exhibit G.

(b) Assignment and Assumption Agreements. The Assignment, Assumption and Consent Agreements, duly executed by Buyer.

(c) Release of All Claims with Respect to the Litigation. A Mutual Release of All Claims with Respect to the Litigation in the form attached hereto as Exhibit F, duly executed by or on behalf of Buyer.

(d) A notice of voluntary dismissal, with prejudice, by Buyer of the Litigation, duly executed by counsel for Buyer, the same to be filed with the Clerk of the Circuit Court for Orange County, Florida, as soon as practicable after the Closing Date (as the same may be modified pursuant to Exhibit C).

Notwithstanding any other provision of this Agreement, such voluntary dismissal with prejudice shall not preclude either Party from taking any position in the future before any court, administrative agency or governmental authority with respect to the right to provide natural gas service within the statutorily described boundaries of the Lake Apopka Natural Gas District.

(e) Other. Such other documents, instruments and certificates as Seller may reasonably and timely request in order to document or to consummate the transactions contemplated by this Agreement or in order to evidence the compliance by Buyer with any obligation in this Agreement.

10. Conditions Precedent to Buyer's Obligation to Close. The obligations of Buyer hereunder (including the obligation of Buyer to close the transactions herein contemplated) are subject to the following conditions precedent (any of which may be waived by Buyer, in whole or in part):

(a) Deliveries. Seller shall have complied with all of the delivery requirements set forth in Sections 4.3 and 8 hereof.

(b) Representations and Warranties. The representations and warranties of Seller made hereunder shall be true in all material respects at and as of the Closing Date (as the same may be modified pursuant to Exhibit C), with the same force and effect as though made at and as of the Closing Date (as the same may be modified pursuant to Exhibit C), except for changes permitted or contemplated by this Agreement and except to the extent that any representation or warranty is made as of a specified date, in which case such representation or warranty shall be true in all material respects as of such date.

(c) Agreements. Seller shall have performed and complied in all material respects with all of its respective covenants, obligations, undertakings and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(d) No Proceedings. There shall be no action pending or, to the knowledge of Buyer, threatened before any court or other governmental authority which seeks to (a) invalidate or set aside, in whole or in part, this Agreement or any other document to be delivered hereunder, (b) restrain, prohibit, invalidate or set aside, in whole or in part, the consummation of the transactions contemplated hereby or thereby, or (c) obtain substantial damages in connection therewith.

11. Conditions Precedent to Seller's Obligation to Close. The obligations of Seller hereunder (including the obligation of Seller to close the transactions herein contemplated) are subject to the following conditions precedent (any of which may be waived by Seller, in whole or in part):

(a) Deliveries. Buyer shall have complied with all of the delivery requirements set forth in Section 9 hereof.

(b) Representations and Warranties. The representations and warranties of Buyer made hereunder shall be true in all material respects at and

as of the Closing Date (as the same may be modified pursuant to Exhibit C), with the same force and effect as though made at and as of the Closing Date (as the same may be modified pursuant to Exhibit C), except for changes permitted or contemplated by this Agreement and except to the extent that any representation or warranty is made as of a specified date, in which case such representation or warranty shall be true in all material respects as of such date.

(c) Agreements. Buyer shall have performed and complied in all material respects with all of its respective covenants, obligations, undertakings and agreements required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(d) Filings; Approvals; Waivers. All filings, declarations and registrations with, and all approvals, consents and waivers from, all governmental authorities and other persons required by applicable law or otherwise required for the consummation of the transactions contemplated hereby shall have been made or obtained, as applicable, in form and substance reasonably satisfactory to Seller.

(e) No Proceedings. There shall be no action pending or, to the knowledge of Seller, threatened before any court or other governmental authority which seeks to (a) invalidate or set aside, in whole or in part, this Agreement or any other document to be delivered hereunder, (b) restrain, prohibit, invalidate or set aside, in whole or in part, the consummation of the transactions contemplated hereby or thereby, or (c) obtain substantial damages in connection therewith.

12. Termination. This Agreement may be terminated at any time:

(a) by Buyer, if Seller shall breach in any material respect any of its representations, warranties, covenants or obligations hereunder and such breach shall not have been cured in all material respects or waived and Seller shall not have provided reasonable assurance that such breach will be cured promptly in all material respects on or before the Closing Date (as the same may be modified pursuant to Exhibit C), but only if such breach, singly or together with all other such breaches, constitutes a failure of the condition contained in Section 10 as of the date of such termination;

(b) by Seller, if Buyer shall breach in any material respect any of its representations, warranties, covenants or obligations hereunder and such breach shall not have been cured in all material respects or waived and Buyer shall not have provided reasonable assurance that such breach will be cured promptly in all material respects on or before the Closing Date (as the same may be modified pursuant to Exhibit C), but only if such breach, singly or together with all other such breaches, constitutes a failure of the condition contained in Section 11 as of the date of such termination;

(c) unless otherwise agreed, by either Party if the Closing has not occurred on or before [July 31, 2013]; or

(d) by mutual agreement of the Parties.

In the event this Agreement is terminated pursuant to paragraph (b) of this Section 12, the Parties shall execute and deliver the Mutual Release of All Claims attached hereto as Exhibit F, the Transfer Agreements shall terminate effective as of the termination date of this Agreement, and neither Party shall have any further rights or obligations thereunder.

13. Covenants.

13.1 Following the Closing Date (as the same may be modified pursuant to Exhibit C), each of the Parties shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the documents to be delivered hereunder.

13.2 Buyer agrees to make any Records provided by Seller to Buyer prior to the Execution Date available after the Closing Date (as the same may be modified pursuant to Exhibit C) for inspection and copying by Seller or any affiliate of Seller at Seller's expense during the normal business hours of Buyer, upon reasonable prior notice from Seller. Without limiting the generality of the foregoing, Buyer will make available to Seller, the affiliates of Seller and their respective representatives all information deemed necessary or desirable by Seller or such affiliates in preparing their respective financial statements and conducting any audits in connection therewith.

13.3 The Parties shall cooperate with each other in respect of any and all notices, declarations, reports or other filings or registrations with, and any and all waivers, consents, approvals or authorizations of, any governmental authority or other person which are required to be submitted, made or obtained, as applicable, in connection with the transactions contemplated by this Agreement.

14. Indemnification.

14.1 Indemnity by Seller. Seller agrees to indemnify and hold harmless Buyer and its officers, agents, directors, employees and affiliates and their respective successors and assigns (the "Buyer Indemnitees") against any loss, damage, cost or expense, including reasonable attorneys' fees and expenses, (each of the foregoing, a "Loss", and collectively, "Losses"), suffered as a result of Seller's conduct by any of the Buyer Indemnitees arising out of, in connection with or resulting from:

(a) any breach of or failure to comply with any covenant or agreement made by Seller in this Agreement;

(b) any breach of any of the representations or warranties made by Seller in this Agreement; and

(c) any claims by customers currently served by Seller arising out of any act or failure to act of Seller prior to the Effective Time, whether asserted prior to or after the Effective Time.

(d) any claims by contractors, suppliers, marketers, employees, or regulatory authorities against Seller arising out of any act or failure to act by Seller prior to the Effective Time, whether asserted prior to or after the Effective Time.

14.2 Indemnity by Buyer. Buyer agrees to indemnify and hold harmless Seller and its affiliates and their respective successors and assigns (the "Seller Indemnitees") against any Loss suffered as a result of Buyer's conduct by any of the Seller Indemnitees, arising out of, in connection with or resulting from:

(a) any breach of or failure to comply with any covenant or agreement made by Buyer in this Agreement;

(b) any breach of any of the representations or warranties made by Buyer in this Agreement;

(c) any of the Assumed Liabilities; and

(d) any claims by customers currently served by Seller arising out of any act or failure to act of Buyer at or after the Effective Time.

Provided, however, that notwithstanding the foregoing, nothing herein is intended, nor shall be construed as a waiver of Buyer's sovereign immunity, and Buyer reserves all defenses of sovereign immunity and limitation of liability as authorized by Florida law, including, but not limited to, Section 768.28, *Florida Statutes*. Notwithstanding the limited waiver of sovereign immunity provided in Section 768.28, *Florida Statutes*, Buyer agrees, within the limits of insurance coverage provided, to endeavor to settle a claim made or judgment rendered against it without further action by the Legislature, but without waiving the defense of sovereign immunity or increasing the limits of liability.

14.3 Nature and Survival of Representations and Warranties and Covenants. All representations and warranties of the respective Parties contained herein or in any document delivered in connection with the Closing shall survive the Closing Date (as the same may be modified pursuant to Exhibit C) for one (1) year and shall thereafter be of no further force and effect; provided, however, that the representations and warranties contained in Sections 3.3, 5.1, 5.2 and 6.1, respectively, shall survive until the expiration of the applicable statute of limitations period. Neither Party shall be entitled to indemnification under this Section 14 with respect to the breach of a representation or warranty unless the Party seeking indemnification provides notice of an indemnity claim prior to the expiration of such representation or warranty. The covenants and agreements of the Parties contained in this Agreement, including the indemnification obligations of Seller under Section 14.1 (other than with respect to Section 14.1(b)) and the indemnification obligations of Buyer under Section 14.2 (other than with respect to Section 14.2(b)), shall survive the Closing Date (as the same may be modified pursuant to Exhibit C) without limitation.

15. Expenses. Except as otherwise provided in this Agreement, Seller and Buyer shall each be individually responsible for any costs and expenses (including attorneys fees and expenses) incurred by it in connection with the transactions contemplated

hereby and the performance of its obligations hereunder, regardless of whether the transactions are ultimately consummated.

16. Miscellaneous.

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

16.2 No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by all the Parties. No waiver of any other provision, whether or not similar, shall constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

16.3 This Agreement shall be binding on and shall inure to the benefit of the successors and permitted assigns of the Parties.

16.4 Any notice to be given hereunder shall be given in writing and delivered personally or sent by registered or certified mail, postage prepaid, as follows:

Seller: Peoples Gas System
Attn: J. R. Mclelland
702 N. Franklin Street
Tampa, Florida 33602

with a copy to:

Peoples Gas System
Attn: General Counsel
702 N. Franklin Street
Tampa, Florida 33602

Buyer: Lake Apopka Natural Gas District
Attn: Samuel Davis, Jr.
1320 Winter Garden-Vineland Road
Winter Garden, Florida 34787

with a copy to:

Carole Joy Barice, Esquire
Lake Apopka Natural Gas District Attorney
101 South Main Street
Brooksville, Florida 34601

16.5 This Agreement may be executed in one or more counterparts and by original and/or facsimile signatures, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

16.6 If any term or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all of the terms and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the

transactions contemplated hereby is not affected in any manner or adverse to either Party.

16.7 Either party may initiate litigation to enforce the terms of this Agreement. Obligations may be enforced by legal proceedings for the specific performance of any covenant, obligation or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy. The party prevailing on a majority of issues in such litigation shall be entitled to recover its costs. Either party may recover damages caused by any failure of performance under this Agreement by the other party, including (to the extent this Agreement may lawfully provide) court and other costs and expenses incurred in enforcing the obligations hereunder.

16.8 Neither this Agreement nor any of the rights, interests, or obligations hereunder shall be assigned by either Party without the prior written consent of the other Party.

16.9 Nothing in this Agreement shall be construed to give any person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement. Neither Seller nor Buyer intends to directly or indirectly benefit a third party by this Agreement. Therefore, the parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against either of them based upon this Agreement.

16.10 This Agreement, which is deemed to include all exhibits, schedules and documents delivered pursuant to the terms hereof, embodies the entire agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, whether expressed or implied, by any officer, employee, agent or representative of any Party hereto with respect thereto.

16.11 The recitals set forth at the beginning of this Agreement are true and correct and incorporated herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Asset Purchase and Sale Agreement has been executed by the Parties effective as of the Execution Date.

Peoples Gas System, a division
of Tampa Electric Company

By: _____
Bruce Narzissenfeld
Vice President

The Lake Apopka Natural Gas District

By: _____
Print: _____
As Its: _____

**EXHIBIT A
ASSET PURCHASE AND SALE AGREEMENT**

Narrative Describing Transfer Facilities

- 1) Initial installation completed June 11, 1990 under AFE: 010579003301
 - 23,390 feet 4" steel
 - 2800 feet of 2" steel
 - 7500 feet of 2" plastic

This included installing 4" steel beginning at SR 44 heading south along US Hwy 441 stopping just south of Sadler Rd. The 4" steel was also installed east along Sadler stopping at what is now called Monterey Mushrooms. 2" steel was installed off of the 4" steel going west on Sadler road to a new regulator station (01-05-790-060-01) installed on Sadler just west of Bigler Lane. 2" plastic was installed west of the station to serve what was then called Lake Ola Estates.

- 2) The next installation was completed November 29, 1990
 - 2392 feet of 4" steel
 - 600 feet of 2" plastic

This included attaching to the original 4" steel on US Hwy 441 just south of Sadler road. It was extended south to just south of Berg Dr. It was also installed west on Berg Dr to serve what was then called Hickerson Glowers (now Plowboys Inc.)

- 3) The next installation was completed July 15, 1992
 - 532 feet of 1.25" plastic

This was installed off of the regulator station installed on Sadler Road to Bigler Rd North of Sadler running to 5 residential customers.

- 4) The next installation was on Lake Ashley Dr. completed on Nov. 22, 1993
 - 914 feet of 2" plastic

- 5) The next installation was completed June 23, 1994.
 - 4623 feet 4" steel
 - 7529 feet of 4" plastic
 - Regulator station installed on Sadler road just west of Round Lake Rd

This included extending the 4" steel on Sadler road where it previously ended in front of Monterey Mushroom east to new regulator station just west of Round Lake Rd. 4" plastic was then installed north on Round Lake Rd to serve Pecketts Nursery and south on Round Lake Rd to serve Agri Starts Nursery.

- 6) The next installation was completed September 20, 1994
 - 6516 feet of 4" plastic

This installation was installed on the north side of Kelly Park Rd. east from Round Lake Rd to serve crematorium

- 7) The next installation was completed December 4, 1996
 - 8000 feet of 4" steel

This installation tied the new 4" steel to the previously installed gas main on the east side of US Hwy 441. It was continued southward on US Hwy 441 to Laughlin Rd and then west of Jones Ave. to serve Drum Services.

- 8) The next installation was completed on December 6, 1996
 - 10900 feet of 6" plastic

This installation tied new 4" plastic that was completed under #5 above. 6" plastic was installed east along W. Kelly Park Rd to serve Robinson Nursery located at 2136 W. Kelly Park Rd.

- 9) The next installation was also completed on December 6 1996
 - 4500 feet of 4" plastic

This installation tied onto the 4" plastic on Round Lake Rd ran to Picketts Nursery in #4 above. It ran north along Round Lake Rd. and then east of Oak Hill St to serve Milestone Nursery.

- 10) The next installation was completed on October 6, 1997
 - 10550 feet 6" plastic

This installation initiated on Hwy 46 in Orange County and was installed south on Plymouth Sorrento Rd tying into the 6" plastic that was installed on Kelly Park Rd installed under #7 above. It was installed to get numerous services on Plymouth Sorrento as well as enhance the existing system to meet the near & future demands in the area.

- 11) The next installation was completed on April 27, 1998
 - 6144 feet 4" plastic.

This installation tied onto the existing 4" plastic installed under #4 above that had stopped at Agri Starts nursery. It was installed south along Round Lake Rd to serve three nurseries.

- 12) The next installation was completed on February 7, 2000.
 - 13260 feet of 6" steel starting at the Orange County South

This installation was a 6" steel gas main began on SR 46 in Orange County south along Round Lake Rd tying into the existing 4" steel installed on Sadler Rd just west of the regulator station referred to in #4 above. This installation was needed to meet the demand of the new Egg Crate Plant that was being built on Jones Ave. where our existing 4" steel was installed referred to in #6 above. The system we had would not accommodate the proposed load of the Egg Crate necessitating the 6" steel installation.

13) The next installation was completed on July 31, 2000

- 366 feet of 2" steel

This installation was installed along Holly St. east from the 4" steel on US Hwy 441 referenced above in #6 above. This served the Anthony House.

14) The next installation was completed on September 18, 2001

- 480 feet of 6" plastic

This installation was installed extending the 6" plastic on Kelly Park Rd east tying into the main installed referenced on #7 above.

15) The next installation was completed on February 15, 2002

- 685 feet of 6" plastic
- 970 feet of 2" plastic

This 6" plastic was installed south ward on Plymouth Sorrento to serve 4720 Plymouth Sorrento Rd tying onto the 6" plastic on Kelly Park Rd referred in #7 above.

16) The next installation was completed March 4, 2005

- 299 feet of 2" plastic

Installed to pet crematorium on Effie Rd Tying onto 4" plastic referred to #5 above.

17) The next installation was completed on November 7, 2007.

- 4616 feet of 2" plastic

This installation tied onto the 2" plastic installed on Sadler Rd referred to above in #1. It served a new nursery at 8258 Sadler Rd.

18) The next installation was completed June 9, 2009

- 1412 feet of 2" plastic and 493 feet of 1.25" plastic

This installation tied onto the 4" steel referred to in #1 above. It included a regulator station installed and the plastic ran into a new Publix Plaza on US Hwy 441.

19) The next installation was completed November 16, 2011

- 1043 feet of 2" plastic

This was tied into the existing 6" plastic installed under #7 above. It tied into the 6" on Kelly Park rd to serve new services at 3119 W. Kelly Park Rd.

20) The next installation was completed on August 18, 2011

- 1441 feet of 2" steel

This was 2" steel tying into the existing 2" steel on Holly St referred to in #12 above to serve new service at 6029 Holly St.

- 21) Installed gas main south on Plymouth Sorrento south from Kelly Park Rd. and east on Lent Rd. Completed and made active 11-2-2012
- Installed 7100 feet of 6" plastic and 2000 feet of 4" plastic D0021216

This included four services that have been installed and activated:

- 1) 4309 Plymouth Sorrento Rd
- 2) 3746 Plymouth Sorrento Rd
- 3) 4322 Plymouth Sorrento Rd
- 4) 2490 Lent Rd.

**EXHIBIT B
ASSET PURCHASE AND SALE AGREEMENT
AUTHORIZING INSTRUMENTS**

NONE

**EXHIBIT C
ASSET PURCHASE AND SALE AGREEMENT**

**Introduction of Buyer's System Supply, System Separation
Procedures, and Notification to Customers**

Capitalized terms used and not otherwise defined in this Exhibit C have the meanings given in the Asset Purchase and Sale Agreement of which this Exhibit C is a part.

As used in this Exhibit C, "PGS," "Peoples Gas" and "TECO Peoples Gas" mean Seller.

As used in this Exhibit C, "Lake Apopka" and "LANG" mean Buyer.

Each Party understands and agrees that portions of the system separation plan prescribed below will require coordination and cooperation with the other Party.

Separation of PGS System from Transfer Facilities and Transfer of Customers

Existing Conditions at PGS Sever Points:

There are three points at which PGS will sever its distribution system from the Transfer Facilities upon the successful completion of the work described in this Exhibit C to be accomplished on the Closing Date.

- At sever point number one (US Hwy 441), PGS currently has two 4" steel valves, one on each side of the county line.
- At sever point number two (Round Lake Rd), PGS currently has one 6" steel valve installed north of the county line.
- At sever point number 3 (Plymouth Sorrento Rd.), PGS currently has one 6" plastic valve located south of the county line.

PGS has pressure monitor points (PP) located at Drum Services and Agristarts. There are line marker posts, regulator stations and meters with TECO Peoples Gas contact information or other identification on them.

Pre-Closing Work to be completed prior to sever:

- 1) At sever point number two PGS will install a new 6" steel valve south of the county line by installing one 6" stopper south of the new valve location. PGS will then set the stopper and shut the existing 6" valve north of the county line. The pressure will be monitored at the Drum Services PP and Agristarts PP for one hour to make sure operating pressure is maintained, and if pressure is acceptable PGS will then cut in a new 6" steel ball valve, and upon completion of this work, the stopper would be removed and the north valve reopened. An Orange County permit must be obtained for this work. Total time (including permitting) to complete would be approximately 6 weeks from notice to proceed.

- 2) At sever point number three PGS will install a 6" plastic valve north of the county line by squeezing the existing 6" plastic main north of the county line and shutting off the existing 6" plastic valve south of the county line. The pressure will be monitored at Agristarts PP for one hour, and if pressure is acceptable PGS will install a 6" cap on the north side of the 6" plastic valve, south of the county line. A Lake County permit must be obtained for this work. Total time (including permitting) to complete would be approximately 5 weeks from notice to proceed.
- 3) At the main LANG tie-in location (US441 & Laughlin Road) LANG will tie the new LANG 8" steel main into the PGS system with a TDW hot tap fitting and an in-line valve. The fitting will be tapped prior to PGS sever of its system from the Transfer Facilities and the valve will initially be in the off position.
- 4) At the secondary tie-in location (Plymouth Sorrento Road at Lent Road) LANG will tie the new 6" plastic main coming from the south into the existing PGS main [that is a part of the Transfer Facilities] with an in-line valve. This valve will initially be set by LANG in the off position.
- 5) All new LANG facilities will be pressure tested, tied into existing LANG distribution pipelines, and purged. The regulator station feeding the new LANG pipeline on Plymouth Sorrento Road will be adjusted to match the delivery pressure existing in the PGS plastic system.

On the day identified as the Closing Date, the following work shall be successfully accomplished before the Closing of the purchase and sale of the Transfer Facilities and transfers of customers served by such facilities is deemed to have occurred:

- 1) PGS will read the meters of all customers then served through the Transfer Facilities for purposes of submitting a final bill to such customers. PGS will provide LANG, within seven business days after the Closing Date (as the same may be modified pursuant to this Exhibit C), with an updated CD, in the same format provided to LANG prior to the Execution Date, that includes the final meter reads for all the customer accounts throughout the Transfer Facilities.
- 2) At sever points number one, two and three, PGS will shut all valves. The pressure will be monitored at Drum Services PP and at Agristarts PP for one hour. Despite being in the FDOT right of way no permit is needed since main is not being added. Time to complete this would be two working days, but if the aforesaid pressure test shows acceptable pressure this step shall be deemed complete for purposes of the Closing.
- 3) At sever point number two, a Lake County permit will be required to excavate the cut and cap north of the county line. PGS will use the same permit it used to install the 6" stopper south of the county line for the Orange County portion. Time to complete this would be two working days, but if the aforesaid pressure test shows acceptable pressure this step shall be deemed complete for purposes of the Closing.

- 4) At sever point number three, PGS will need to obtain an Orange County permit for the cut and cap south of the Orange County line. PGS will use the same permit obtained earlier to install the 6" valve north of the county line. Time to complete this would be three working days, but if the aforesaid pressure test shows acceptable pressure this step shall be deemed complete for purposes of the Closing.
- 5) In coordination with PGS during PGS's work in paragraph 2 above, the LANG valves at both LANG tie-in locations will be turned on when the PGS valves referenced in paragraph 2 above are turned off. Pressure monitoring by LANG personnel will be concurrent with that done by PGS personnel.
- 6) If the pressure monitored pursuant to each of paragraphs 2 and 5 above is acceptable, the Closing shall proceed on the Closing Date as provided in the Agreement. If the pressure monitored pursuant to any such paragraph above is not acceptable, LANG shall take such additional action(s) as may be required to obtain pressure(s) that is(are) acceptable (the "Remedial Action"). If the Remedial Action can be, and is, completed on the day identified as the Closing Date, the Closing shall proceed on the Closing Date as provided in the Agreement. If the Remedial Action cannot be, or is not, completed on the day identified as the Closing Date, the Closing shall not proceed, and the Parties shall identify a new Closing Date after LANG has completed the Remedial Action, and the Parties on such date shall repeat the work described in paragraphs 2 and 5 above, subject to the conditions set forth in this paragraph 6.
- 7) At such time as the Closing proceeds on the Closing Date (as originally identified or as re-identified pursuant to paragraph 6 above), the Parties shall close the purchase and sale of the Transfer Facilities as provided by the Agreement, and the transfers of such facilities, and of all customers previously served by PGS through such facilities, from PGS to LANG shall be deemed to have occurred effective as of the time of the commencement of the pressure test and monitoring described in paragraphs 2 and 5 above on such Closing Date (the "Effective Time"). The Parties shall execute a document on such Closing Date identifying the Effective Time. PGS shall terminate communication with the pressure monitor points at Drum Services and Agristarts on such Closing Date. As soon as practicable on and after such Closing Date, LANG will remove and replace, or cover, all TECO Peoples Gas identifiers on existing line marker posts, regulator stations, meters and other Transfer Facilities bearing such identifiers with LANG identifiers. Estimated time to complete this task is two to three days. As soon as practicable on and after such Closing Date, PGS shall render a final bill for service to customers then served through the Transfer Facilities.

Notification to Customers of Transfer:

PGS will send all customers currently served by the Transfer Facilities a letter, the body of which will read:

Dear Natural Gas Customer:

Peoples Gas has valued your business over the years and we have been pleased to serve you.

As a result of an agreement made in the 1990's, Lake Apopka Natural Gas District has exercised an option to acquire certain gas facilities from Peoples Gas and that includes your natural gas service. Lake Apopka Natural Gas District will be your provider beginning in [June 2013]. The last natural gas statement that you received from us was the final bill from TECO Peoples Gas. In the future, your billing will come from the Lake Apopka Natural Gas District.

Once your final balance on the Peoples Gas statement has been paid, if you are due a refund of your account deposit, a check will be mailed to you at the address that we have on file.

If you have questions about your final TECO Peoples Gas statement, please call our Customer Service group toll-free at (877) 832-6747.

Lake Apopka Natural Gas District will charge newly acquired customers a deposit amount equal to what was previously charged by TECO in your first month's statement from Lake Apopka for natural gas service.

If you have questions about your future service beginning in June, please call Lake Apopka Natural Gas District at (407) 656-2734.

TECO Peoples Gas has appreciated the opportunity to serve you.

Sincerely,

Rick Wall
Director of Operations
East Region

The letter will be sent to customers by PGS as soon as reasonably practicable after the Closing Date on which the Effective Time occurs.

EXHIBIT D
ASSET PURCHASE AND SALE AGREEMENT

Agreements with Transportation Customers

Gas Transportation and Supply Agreement dated as of October 1, 1998, between Peoples Gas System, a division of Tampa Electric Company, and Drum Service Company of Florida.

Gas Transportation and Supply Agreement dated as of December 1, 2000, between Peoples Gas System, a division of Tampa Electric Company, and Zellwin Farms Company.

Gas Transportation Agreement dated as of October 1, 2004, between Peoples Gas System, a division of Tampa Electric Company, and Monterey Mushrooms.

**EXHIBIT E
ASSET PURCHASE AND SALE AGREEMENT**

INFORMATION RELATED TO CALCULATION OF PURCHASE PRICE

	<u>1990 Agreement Assets</u>	<u>Plymouth Sorrento</u>	
Mains \$	482,747	\$ 162,400	
Regulator Stations \$	21,053	\$ -	
Meters \$	7,074	Included	
Meter/Reg Installation \$	5,791	Included	
Regulators \$	1,991	Included	
Service Lines \$	73,003	Included	
System Separation			\$ 34,857
System Gas			\$ 876
<i>Subtotal</i>	\$ 591,660	\$ 162,400	\$ 35,733
Purchase Price			\$ 789,793

EXHIBIT F
ASSET PURCHASE AND SALE AGREEMENT

MUTUAL RELEASE OF ALL CLAIMS

THIS MUTUAL RELEASE OF ALL CLAIMS (this "Agreement") is made and entered into as of the ____ day of _____, 2013 by and between **The Lake Apopka Natural Gas District**, a Public Body Corporate and Independent Special District of the State of Florida ("Lake Apopka" or "Buyer"), and **Peoples Gas System, a division of Tampa Electric Company**, a Florida corporation ("PGS" or "Seller"). Lake Apopka and PGS shall sometimes be referred to hereinafter individually as a "Party," and collectively as the "Parties." All capitalized terms used and not otherwise defined herein shall have the meanings given for such terms in the PSA (as hereinafter defined).

WHEREAS, the Parties have entered into an Asset Purchase and Sale Agreement dated as of May ____, 2013 (the "PSA");

WHEREAS, a portion of the consideration for the obligations of the Parties under the PSA is the release of all claims asserted by either Party in the Litigation (as defined in the PSA);

WHEREAS, the Parties desire to terminate the Transfer Agreements, as defined in the PSA, and their respective rights and obligations thereunder; and

WHEREAS, the Parties desire to comply with the requirements of the PSA, and otherwise to release each other from any claims which one Party has made against the other Party in the Litigation or otherwise.

NOW, THEREFORE, for and in consideration of the premises, the covenants set forth in the PSA, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, the Parties, intending to be legally bound, hereby agree:

1. All pending claims that were brought by and between the Parties in the Litigation, including any claims for attorney's fees and costs, shall be dismissed with prejudice as a consequence of the transactions being effectuated by this Agreement, including the case captioned *Lake Apopka Natural Gas District v. Peoples Gas System (Florida), Inc.*, Orange County, Florida Circuit Court Case No. 2012 CA 17067. The Parties shall bear their own attorneys fees and costs.

2. In consideration of the covenants set forth in the PSA, and except for the representations, warranties, obligations and exceptions as provided for in the PSA, the Parties fully and forever, irrevocably and unconditionally release, remise, discharge, and acquit each other and their respective partners, parents, successors, assigns, members, subsidiaries and affiliates, whether owned in whole or in part, and all of their present and former directors, officers, agents, employees, contractors, subcontractors, shareholders, assigns, attorneys, insurers, sureties and representatives (hereinafter collectively referred to as the "Releasees"), from any and all claims, demands, actions or causes of action, lawsuits, claims for costs, attorney's fees, damages, losses and expenses of any

kind or nature based upon or relating in any manner to any Releasee's involvement, action or inaction related in any way to the issues that have been alleged in the Litigation. This release is intended to be construed as broadly as possible to enable the Releasees to buy their peace and includes, but is not limited to, any and all claims that are related to any Releasee's involvement or relation to the Litigation, whether based upon contract, statute, tort, breach of fiduciary duty, or other form of equitable relief. This release shall be deemed to include, without limitation, any and all claims, actions, or causes of action brought in the Litigation. However, this release shall not be deemed to release the Releasees from any claims other than those made in the Litigation or with respect to the Property, as that term is defined in the APA. Notwithstanding any other provision of this Agreement, neither the voluntary dismissal with prejudice required by paragraph 1 of this Agreement, nor the release contained in this paragraph, shall preclude either Party from taking any position in the future before any court, administrative agency or governmental authority with respect to the right to provide natural gas service within the statutorily described boundaries of the Lake Apopka Natural Gas District.

3. The Transfer Agreements are hereby terminated, and neither Party shall hereafter have any rights or obligations thereunder.

4. On behalf of themselves, each of the Parties hereby warrant, covenant, and represent to the other that the full execution and delivery of this Agreement was duly authorized by that respective Party, that the terms of this Agreement constitute valid, legally binding and enforceable obligations of that respective Party, and that no consent, approval, or other action by any other entity, person, group of persons, or governmental authority is required as a condition to the execution, delivery, and performance of this Agreement by the Parties. Prior to entering into this Agreement, the Parties caused their own investigation to be made regarding this Agreement and the Litigation. The Parties have entered into this Agreement based upon that investigation and have relied upon the advice of independent legal counsel. Neither Party was induced to enter into this Agreement by any representations of the other Party other than those representations expressly set forth in this Agreement. Except as stated herein, the releases and covenants exchanged herein are executed without reliance upon any statement or representation of either Party concerning the nature, merit, legal liability, or value of any claim or claims released herein, or any other matter.

5. Each Party hereto expressly acknowledges and agrees this resolution is made for the purpose of avoiding the expense associated with continuing to litigate any issues related to the Litigation and that the Parties individually and collectively deny any wrongdoing. This Agreement shall be inadmissible as provided in Section 90.408, *Florida Statutes*, except to the extent necessary for either of the Parties to enforce it.

6. Nothing in this Agreement creates or is intended to create any rights or causes of action in favor of the public or any third party and should not be relied upon by anyone except the Parties hereto.

7. This Agreement may be executed in any number of counterparts, each of which shall be a duplicate original, but all of which taken together shall constitute one and the same instrument; any of the Parties hereto may execute this Agreement by signing any such counterpart or counterparts. Facsimile copies or copies sent via

electronic transmission (i.e. e-mail) shall be deemed originals for all purposes, including enforcement.

8. No modification of this Agreement shall be valid or effective unless it is in writing and signed by all Parties. This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules and regulations. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected, but rather shall be enforced to the greatest extent permitted by law. This Agreement shall be binding on the successors and assigns of each Party. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

9. No delay or omission by either party to exercise any right under this Agreement shall impair any such right, nor shall it be construed to be a waiver thereof. No waiver of any single breach or default under this Agreement shall be deemed a waiver of any other breach or default. No waiver, consent, or approval under this Agreement shall be effective unless it is in writing. The Parties represent and warrant that they own and have not assigned, sold or factored, in whole or in part, any claims, causes in action, or any other similar rights or interests related to those released herein.

10. This Agreement and the PSA constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior agreements, understandings and arrangements, both oral and written, between the parties with respect thereto.

11. The Parties acknowledge that this Agreement is a product of joint drafting efforts and shall not be construed against either Party as the drafter.

WHEREFORE, the Parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the date first written above.

Peoples Gas System, a division
of Tampa Electric Company

By: _____
Print: _____
As Its: _____

The Lake Apopka Natural Gas District

By: _____
Print: _____
As Its: _____

**EXHIBIT G
ASSET PURCHASE AND SALE AGREEMENT**

Wire Transfer Instructions

Wire Instructions for Peoples Gas

J P Morgan Chase
ABA # 021 000 021
TEC REC CORP FBO PEOPLES GAS DEP
Account Number 304283436