DOCKET NO. 150077-EU

FILED MAR 09, 2015 DOCUMENT NO. 01342-15 FPSC - COMMISSION CLERK



Matthew R. Bernier
Senior Counsel
Duke Energy Florida, Inc.

March 9, 2015

## **VIA ELECTRONIC FILING**

Ms. Carlotta Stauffer, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Joint Petition of the City of Leesburg and Duke Energy Florida, Inc., to Approve Territorial Agreement; Docket No. \_\_\_\_\_\_

Dear Ms. Stauffer:

On behalf of Duke Energy, Florida, Inc., and the City of Leesburg, please find enclosed for filing the original Joint Petition to approve a territorial agreement in Lake and Sumter counties.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

s/Matthew R. Bernier
Matthew R. Bernier
Senior Counsel

MRB/db Enclosure

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition of the City of

Leesburg and Duke Energy Florida, Inc.

for approval of a territorial agreement

in Lake and Sumter Counties

Docket No:

Submitted for filing: March 9, 2015

## JOINT PETITION TO APPROVE TERRITORIAL AGREEMENT

The City of Leesburg ("Leesburg"), and Duke Energy Florida, Inc. ("DEF") (collectively, the "Joint Petitioners") pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440, F.A.C., jointly petition the Florida Public Service Commission ("the Commission") for approval of a territorial agreement ("Agreement") in Lake and Sumter Counties.

In support hereof, the Joint Petitioners represent as follows:

- 1. The Joint Petitioners are electric utilities organized under the laws of Florida and are subject to the regulatory jurisdiction of the Commission pursuant to Section 366.04(2), F.S. Leesburg's principal office is located in Leesburg, Florida. DEF's principal office is located in St. Petersburg, Florida.
- For purposes of this Joint Petition, the contact information of the Joint Petitioners shall be that of their respective undersigned attorneys and

all pleadings, notices, and other communications in this matter should be served on the Joint Petitioners' undersigned attorneys.

- 3. To best avoid duplication of services and wasteful expenditures as well as to best protect the public health and safety from potentially hazardous conditions, the Joint Petitioners have negotiated the Agreement delineating their respective service boundaries in Lake and Sumter Counties. The Agreement is attached hereto as Attachment A along with accompanying maps and written descriptions delineating the territorial boundaries to which the Parties have agreed. The Agreement has been negotiated for a term of 30 years and shall remain in effect thereafter until and unless either Party provides written notice of termination.
- 4. The Joint Petitioners expect that all transfers of Extra-Territorial customers will be completed no later than twenty-four (24) months after the Effective Date and will notify the Commission in writing if circumstances require additional time. The Extra-Territorial customers are set forth in Exhibit B to the Agreement.
- 5. The transferred customers associated with this Agreement have been notified in accordance with Rule 25-6.0440(1)(d), F.A.C., and a sample of the notification letter is provided as Exhibit D to the Agreement. As of the time of filing, no negative responses to the notification letters have been received. A summary of the responses ultimately received, if any, will be

provided by supplemental filing.

6. The Commission has long recognized that properly constructed territorial agreements between adjacent utilities are in the public interest. The Agreement will avoid duplication of services and wasteful expenditures, as well as protect the public health and safety from potentially hazardous conditions. For these reasons, the Joint Petitioners believe and therefore represent that the Commission's approval of the Agreement is in the public interest.

WHEREFORE, Leesburg and Duke Energy respectfully request that the Commission grant this Joint Petition and approve the Agreement.

# Respectfully submitted,

Marwhatel	Ful aideralus
Dianne Triplett	Fred A. Morrison
Associate General Counsel	Leesburg City Attorney
Duke Energy Florida	100 West Main Street
St. Petersburg, Florida 33733-4042	Leesburg, Florida 34749-1357
Telephone: 727-820-4692	Telephone: 352-787-1241
Facsimile: 727-820-5249	Facsimile: 352-326-1241
Email:dianne.triplett@duke-energy.com	Email: FredM@mclinburnsed.com
Attorney for Duke Energy FLORIDA, INC	Attorney for the City of Leesburg

# **ATTACHMENT A**

# **Territorial Agreement**

The City of Leesburg and Duke Energy Florida, Inc.

**Lake and Sumter Counties** 

# **TERRITORIAL AGREEMENT**

Section 0.1: The City of Leesburg ("Leesburg"), and Duke Energy Florida, Inc. ("Duke Energy") (collectively, the "Parties" and individually, a "Party") enter into this Territorial Agreement (the "Agreement") on this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_, 2015.

#### WITNESSETH:

Section 0.2: WHEREAS, Leesburg and Duke Energy are each authorized, empowered and obligated by their corporate charter and laws of the State of Florida to furnish retail electric service to persons upon request within their respective service areas in Lake and Sumter County; and

Section 0.3: WHEREAS, Leesburg and Duke Energy were Parties to a territorial agreement delineating their respective service territories in Lake and Sumter Counties which was approved by the Florida Public Service Commission (the "Commission") in Order No. 12289, issued July 22, 1983 in Docket No. 820492-EU and expired on July 22, 2013.

<u>Section 0.4</u>: WHEREAS, the Parties desire to enter into a new territorial agreement in Lake and Sumter Counties in order to better serve their interests and the interests of their customers in realizing the planning, operational and customer service benefits provided to their

respective electric systems via a properly constructed, approved and supervised territorial agreement while continuing to eliminate circumstances giving rise to the uneconomic duplication of service facilities and hazardous situations that territorial agreements are intended to avoid.

Section 0.5: WHEREAS, the respective retail service areas of the Parties are contiguous, with the result that, absent the establishment of a territorial agreement defining the Parties' respective service territories, duplication of service facilities would be likely to occur; and

Section 0.6: WHEREAS, the Commission is empowered by the Florida legislature, pursuant to Section 366.04(2)(d), Florida Statutes, to approve territorial agreements and the Commission, as a matter of long-standing regulatory policy, has encouraged retail territorial agreements between electric utilities subject to its jurisdiction based on its findings that such agreements, when properly established and administered by the Parties and actively supervised by the Commission, avoid uneconomic duplication of facilities, promote safe and efficient operations by utilities in rendering electric service provided to their customers, and therefore serve the public interest.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, which shall be construed as being

interdependent, the Parties hereby agree as follows:

# ARTICLE I DEFINITIONS

- Section 1.1: Territorial Boundary Line(s). As used herein, the term "Territorial Boundary Line(s)" shall mean the boundary line(s) depicted on the maps attached hereto as Exhibit A which delineate and differentiate the Parties' respective Territorial Areas in Lake and Sumter County. Additionally, pursuant to Rule 25-6.0440(1)(a), a written description of the territorial areas served by each Party is attached hereto as Exhibit C.
- Section 1.2: Leesburg Territorial Area. As used herein, the term "Leesburg Territorial Area" shall mean the geographic areas in Lake and Sumter County allocated to Leesburg as its retail service territory and labeled as "City of Leesburg TA" on the maps contained in Exhibit A.
- Section 1.3: <u>Duke Energy Territorial Area</u>. As used herein, the term "Duke Energy Territorial Area" shall mean the geographic areas in Lake and Sumter County allocated to Duke Energy as its retail service territory and labeled as "Duke Energy TA" on the maps contained in Exhibit A.
- <u>Section 1.4</u>: <u>Point of Use</u>. As used herein, the term "Point of Use" shall mean the location within the Territorial Area of a Party where a customer's end-use facilities consume electricity, wherein such Party

shall be entitled to provide retail electric service under this Agreement, irrespective of where the customer's point of delivery or metering is located.

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

Section 1.6: Extra-Territorial Customers. As used herein, the term "Extra-Territorial Customers" shall mean: (a) those customers served by either Party on the Effective Date of the Agreement who are located within the service territory of the other Party, and (b) those customers, other than Temporary Service Customers, served by either Party on the Effective Date of this Agreement who are located within the service territory of the other Party due to modifications of the Territorial Boundary Lines established herein.

<u>Section 1.7</u>: <u>Commission</u>. As used herein, the term "Commission" shall mean the Florida Public Service Commission.

Section 1.8: Effective Date. As used herein, the term "Effective Date" shall mean the date on which the final Order of the Commission granting approval of this Agreement in its entirety becomes no longer subject to judicial review.

Section 1.9: Temporary Service Customers. As used herein, the term "Temporary Service Customers" shall mean customers who are being temporarily served under the temporary service provisions of the Agreement.

# ARTICLE II RETAIL ELECTRIC SERVICE

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

Section 2.2: Service to New Customers. The Parties agree that neither of them will knowingly serve or attempt to serve any New Customer whose Point of Use is located within the Territorial Area of the other Party, except as specifically provided in Sections 2.3, 4.3, 4.4 and 4.5 below. However, in those instances where the Territorial Boundary Line traverses the property of an individual New Customer or prospective New Customer,

the Party in whose service area the preponderance of the Customer's electric energy usage is expected to occur shall be entitled to serve all of the Customer's usage. With respect to new residential customers, however, the Parties recognize that in some instances, the information needed to locate the various points of the New Customer's usage in relation to the Territorial Boundary Line with reasonable certainty may be unavailable or difficult to determine, and agree that in such event the Party with the greater portion of the New Customer's property in its service area shall be entitled to serve all of the New Customer's usage.

Section 2.3: Temporary Service. The Parties recognize that in exceptional circumstances, economic constraints or good engineering practices may indicate that a New Customer's Point of Use either cannot or should not be immediately served by the Party in whose Territorial Area such Point of Use is located. In such instances, upon written request by the Party in whose Territorial Area the New Customer's Point of Use is located, the other Party may, in its sole discretion, agree in writing to temporarily provide service to such New Customer until such time as the requesting Party provides written notice of its intent to serve the Point of Use. to the commencement of Temporary Service, Prior Party providing such service shall inform the New Customer of the temporary nature of its service and that the other Party will ultimately serve the New Customer. Any such agreement for Temporary Service which lasts, or is anticipated to last, for more than one year shall be submitted to the Commission for approval in accordance with Section 5.1 hereof. Such Temporary Service shall be discontinued upon written notice from the requesting Party of its intent to provide service, which the Parties shall coordinate to minimize any inconvenience to the customer. In conjunction with such discontinuance, the Party providing Temporary Service hereunder shall be compensated by the requesting Party in accordance with Section 3.4 for its distribution facilities used exclusively to provide such service if the other Party elects to acquire these facilities. However, the Party providing Temporary Service hereunder shall not be required to pay the other Party for any loss of revenue known as Going Concern associated with the provision of such Temporary Service, as set forth in Section 3.3.

Section 2.4: Referral of Service Request. In the event that a prospective New Customer requests or applies for service from either Party to be provided to a Point of Use located in the Territorial Area of the other Party, the Party receiving the request or application shall advise the prospective New Customer that such service is not permitted under this Agreement as approved by the Commission, and shall refer the prospective New Customer to the other Party.

<u>Section 2.5</u>: <u>Correction of Inadvertent Service Errors</u>. If any situation is discovered during the term of this Agreement in which either Party is inadvertently providing retail electric service to a customer's Point of Use

located within the Territorial Area of the other Party, service to such customer will be transferred to such other Party at the earliest practical time, but in any event within 12 months of the date the inadvertent service error was discovered. Until service by the other Party can be reasonably established, the inadvertent service will be deemed to be Temporary Service provided and governed in accordance with Section 2.3 above.

# ARTICLE III TRANSFER OF CUSTOMERS AND FACILITIES

Section 3.1: In General. It is the intent of the Parties that all customers shall be served by the Party in whose Territorial Area they are located within no later than twenty-four (24) months after the Effective Date. The customers who currently are not served by the Party in whose Territorial Area they are located within consist of: (a) all Extra-Territorial Customers, for whom the Parties will seek approval to transfer in conjunction with the approval of this Agreement by the Commission, and (b) all Temporary Service Customers.

In accordance with Rule 25-6.0440(1)(d), F.A.C, the affected customers subject to transfer have been sent written notification of this proposed

Agreement and the transfer provisions described above. Sample copies of the letters providing such notification are attached as Exhibit D.

In the event that circumstances arise during the term of this Agreement in which the Parties agree that, based on sound economic considerations or good engineering practices, an area located in the Territorial Area of one Party would be better served if reallocated to the service territory of the other Party, the Parties shall jointly petition the Commission for approval of a modification of the Territorial Boundary line that places the area in question (the "Reallocated Area") within the Territorial Area of the other Party and transfer of the customers located in the Reallocated Area to the other Party.

Section 3.2: <u>Transfer of Extra-Territorial Customers</u>. The Extra-Territorial Customers currently served by Leesburg and subject to transfer to Duke Energy are listed by premise address in Exhibit B to this Agreement. There are no customer transfers from Duke Energy to Leesburg as of the Effective Date of this Agreement.

Section 3.3: Compensation for Transferred Customers. The Parties have agreed that no Going Concern compensation shall be paid for the transfer of Extra-Territorial Customers and Temporary Service Customers served by either Party on the Effective Date of this Agreement and listed on Exhibit B.

Section 3.4: Compensation for Transferred Facilities. In conjunction with the transfer of Extra-Territorial Customers pursuant to Sections 2.3, 3.1 and 3.2 above, the receiving Party may elect to purchase the electric distribution facilities of the transferring Party used exclusively for providing electric service to the Extra-Territorial Customers listed on Exhibit B for an amount based upon the replacement cost (new), less depreciation calculated on a straight line basis over the life of the asset (facility) as determined from the transferring Party's books and records, and the cost to the transferring Party for reintegration of its remaining system to the extent such reintegration costs are reasonably required by sound utility practices. The replacement cost shall be determined by applying a cost escalator such as the Handy Whitman Index or a common engineering cost estimation methodology to the original cost, as long as both Parties apply the same escalation method.

<u>Section 3.4</u>: <u>Time of Payment</u>. All payments from the receiving Party to the transferring Party determined in accordance with this section shall be made in cash within 60 days of the presentation of an invoice from the transferring Party.

<u>Section 3.5:</u> <u>Transfer Instruments</u>. For each transfer made under this Agreement, the transferring Party will make, execute, and deliver to the receiving Party a conveyance, deed or other instrument of transfer, as is

appropriate, in order to convey all rights, titles and interests of the transferring Party in any facilities, rights-of-way, easements, road permits, or other rights to the receiving Party.

# ARTICLE IV OPERATION AND MAINTENANCE

Section 4.1: Extra-Territorial Service. Except as otherwise provided herein, each Party retains the right and obligation to continue to provide retail electric service at existing points of delivery, which are in the retail service areas of the other Party, at the time this Agreement becomes effective. Existing points of delivery shall mean service drops and underground service laterals which are not physically connected to the customer's property, whether energized or not. Each Party may maintain, repair and replace its facilities used to service such existing points of delivery. If the service requirements for an Extra-Territorial Customer change or if the service is to be provided at a new point of delivery which is near the facilities of the Party in whose territory the customer is located, that Party shall provide the service except the Party may request in writing, and the other Party currently serving the customer may in its discretion agree, that the service will continue to be provided by the Party currently

serving subject to transfer of the service to the Party in whose territory the customer is located when that Party determines that it is appropriate to extend its facilities.

Section 4.2: Facilities to Remain. Other than as expressly provided for herein, no generating plant, transmission line, substation, distribution line or related equipment shall be subject to transfer or removal hereunder; provided, however, that each Party shall operate and maintain its lines and facilities in a manner that minimizes any interference with the operations of the other Party.

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

Section 4.4: <u>Duke Energy Facilities to be Served</u>. Nothing herein shall be construed to prevent or in any way inhibit the right and authority of Duke Energy to serve any Duke Energy facility located in the Leesburg Territorial Area which is used exclusively in connection with Duke Energy business as

an electric utility; provided, however, that Duke Energy shall construct, operate, and maintain said lines and facilities in such manner as to minimize any interference with the operation of Leesburg in the Leesburg Territorial Area.

Section 4.5: Retail Service at Facility Sites. Where either Party serves any of its facilities located in the Territorial Area of the other Party pursuant to Sections 4.3 or 4.4 above, such Party may provide limited retail service on the site of the facility to prevent potential safety hazards or unsound operating conditions that would result from the construction and maintenance of lines and related facilities by the other Party to provide retail service at the site. As used in this section, limited retail service shall mean no more than three separate retail accounts with a combined load of 25 kW or less at any such site.

# ARTICLE V PREREQUISITE APPROVAL

Section 5.1: Commission Approval. The provisions and the Parties performance of this Agreement are subject to the regulatory authority of the Commission, and appropriate approval by the Commission of this Agreement in its entirety shall be an absolute condition precedent to the validity, enforceability and applicability hereof. This Agreement shall have no effect whatsoever until Commission approval has been obtained. Any

proposed modification to this Agreement shall be submitted to the Commission for approval. In addition, the Parties agree to jointly petition the Commission to resolve any dispute concerning the provisions of this Agreement or the Parties performance hereunder.

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

# ARTICLE VI

Section 6.1: Term. This Agreement shall continue and remain in effect for a period of thirty (30) years from the Effective Date. After expiration of the thirty (30) year Term provided herein, this Agreement shall remain in effect until and unless either Party provides written notice of termination. Such written notice shall be provided as contemplated by Section 8.3 and shall be provided no less than twelve (12) months prior to the date of termination as set forth in the Consummating Order.

# ARTICLE VII CONSTRUCTION OF AGREEMENT

<u>Section 7.1</u>: <u>Other Electric Utilities</u>. Nothing in this Agreement is intended to establish or affect in any manner the right of either Party hereto

either Party hereto relative to any other electric utility not a party to this Agreement with respect to the furnishing of retail electric service including, but not limited to, the service territory of either Party hereto relative to the service territory of any other electric utility not a party to this Agreement. The Parties understand that Leesburg or Duke Energy may, from time to time and subject to Commission approval, enter into territorial agreements with other electric utilities that have adjacent or overlapping service areas and that, in such event, nothing herein shall be construed to prevent Leesburg or Duke Energy from designating any portion of its Territorial Area under this Agreement as the retail service area of such other electric utility.

Section 7.2: Intent and Interpretation. It is hereby declared to be the purpose and intent of the Parties that this Agreement shall be interpreted and construed, among other things, to further this State's policy of actively regulating and supervising the service territories of electric utilities; supervising the planning, development, and maintenance of a coordinated electric power grid throughout Florida; avoiding uneconomic duplication of generation, transmission and distribution facilities; and encouraging the installation and maintenance of facilities necessary to fulfill the Parties respective obligations to serve.

# ARTICLE VIII MISCELLANEOUS

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

Section 8.2: Successors and Assigns. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon or give to any person or corporation, other than the Parties, any right, remedy or claim under or by reason of this Agreement or any provision or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding only upon the Parties and their respective representatives, successors and assigns.

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

To LEESBURG:

Patrick M. Foster

Director of Electric Department

City of Leesburg

2010 Griffin Road

Leesburg, Florida 34748

Facsimile: (352) 326-6622

To DUKE ENERGY:

Alex Glenn, State President

Duke Energy Florida, Inc.

P.O. Box 14042

St. Petersburg, Florida 33733

Facsimile: 727-820-5044

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

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

THE CITY OF LEESBURG

Mayor Elise Dennison

# ATTEST: City Clerk

Duke Energy Florida

President Alex Glenn

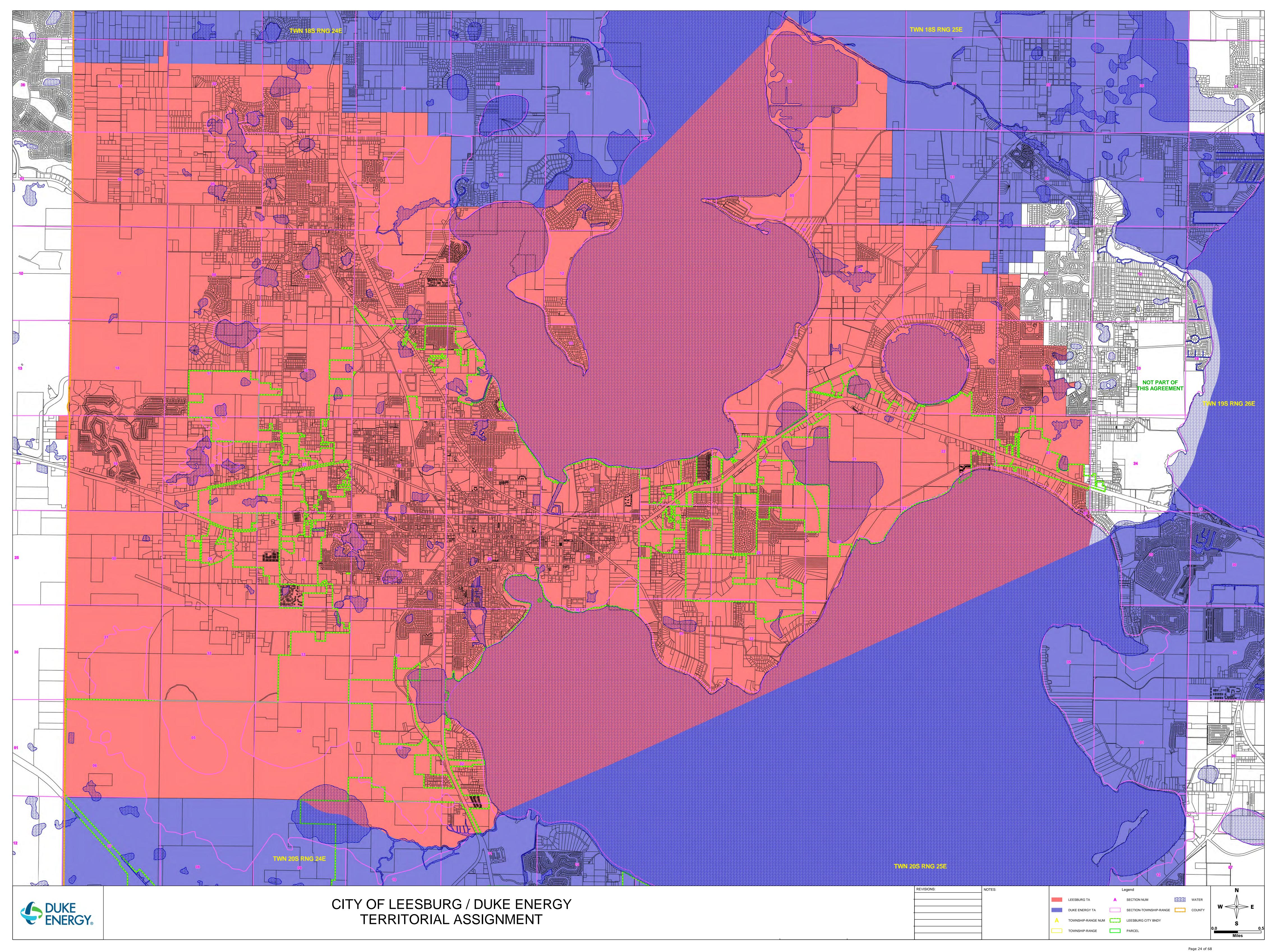
DUKE ENERGY, INC.
LEGAL DEPARTMENT
APPROVED BY:
DATE:

ATTEST:

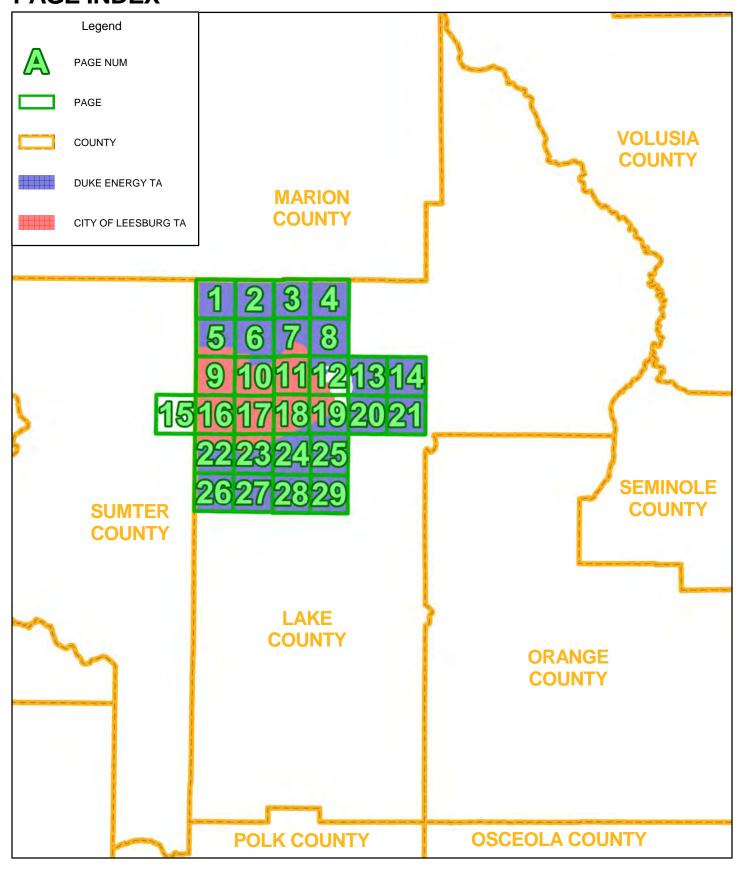
Associate General Counsel

# EXHIBIT A

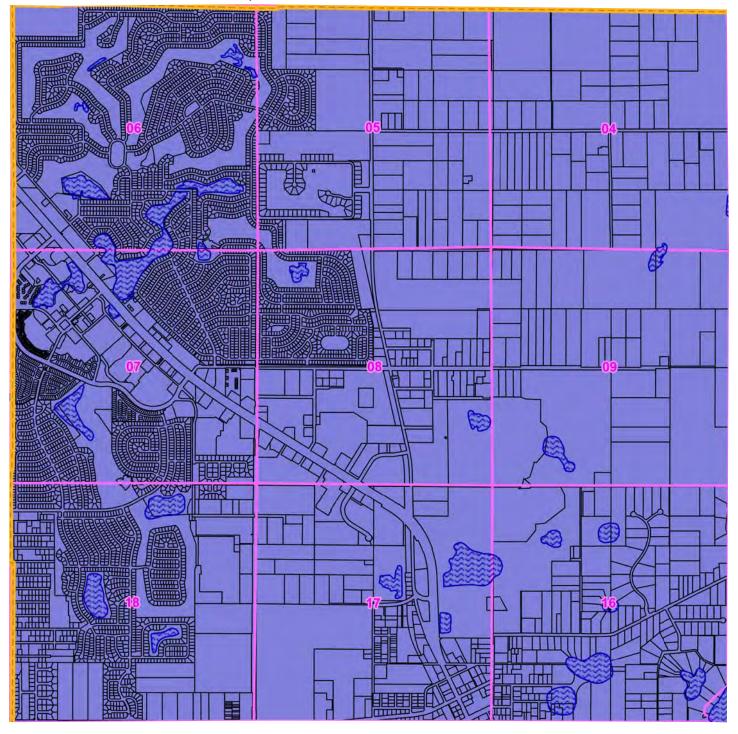
# Maps Depicting the Territorial Boundary Lines and Service Territories of Leesburg and Duke Energy



# DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT LAKE & SUMTER COUNTIES, FLORIDA PAGE INDEX



**DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT** 

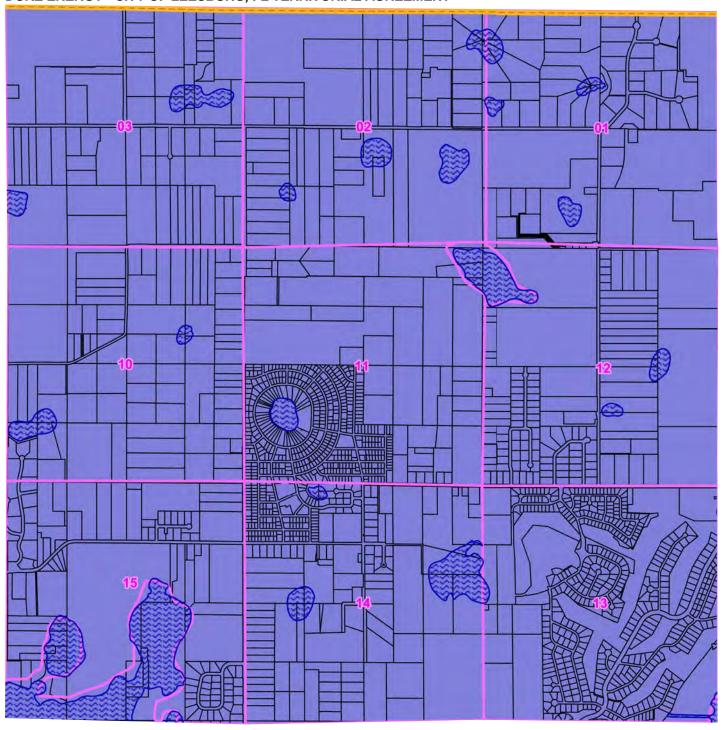


## Legend

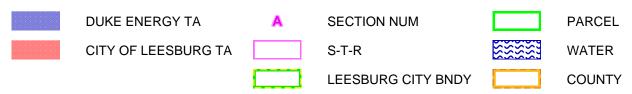


NORTHWEST QUAD TWN - 18 S RNG - 24E LAKE COUNTY, FL



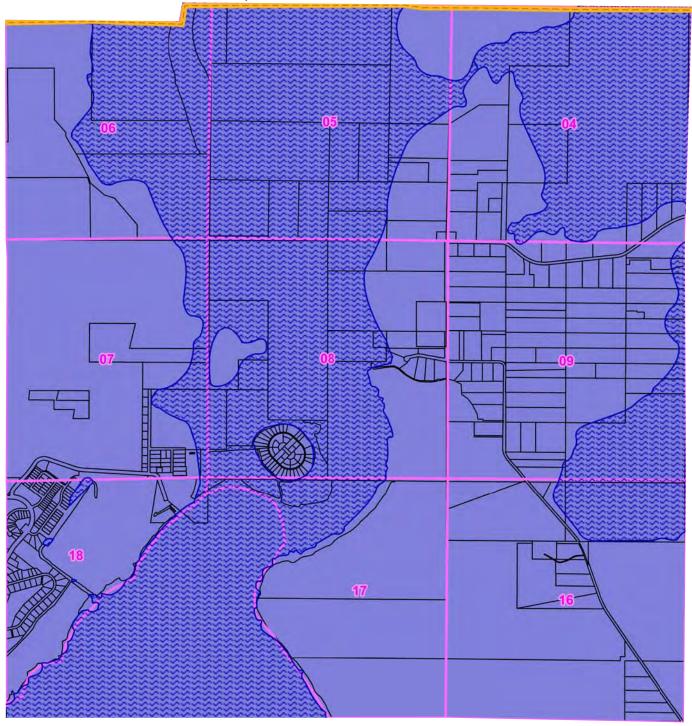


# Legend



NORTHEAST QUAD TWN - 18S RNG - 24E LAKE COUNTY, FL



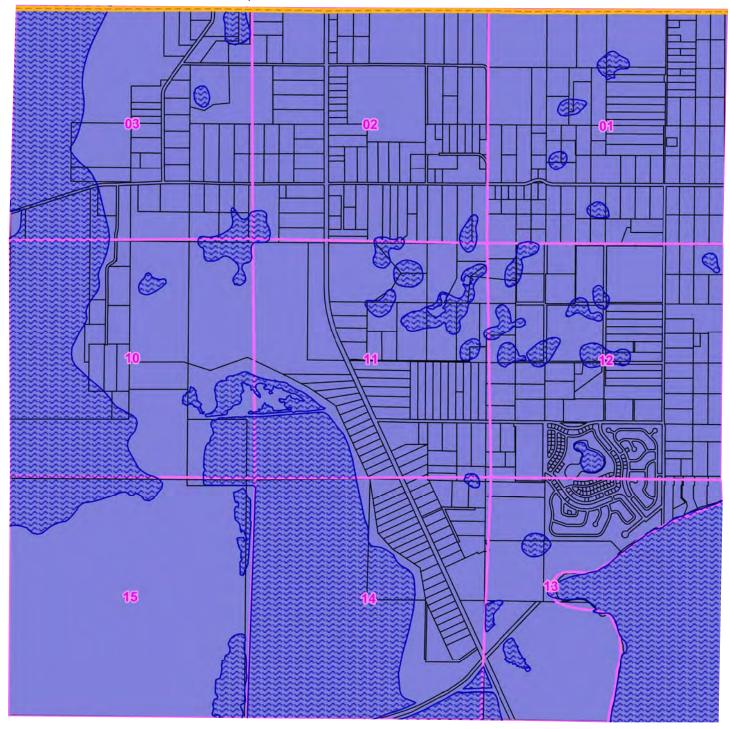


# Legend

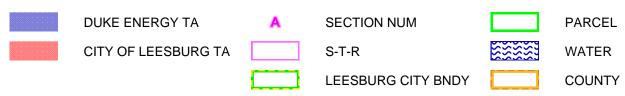


NORTHWEST QUAD TWN - 18 S RNG - 25E LAKE COUNTY, FL



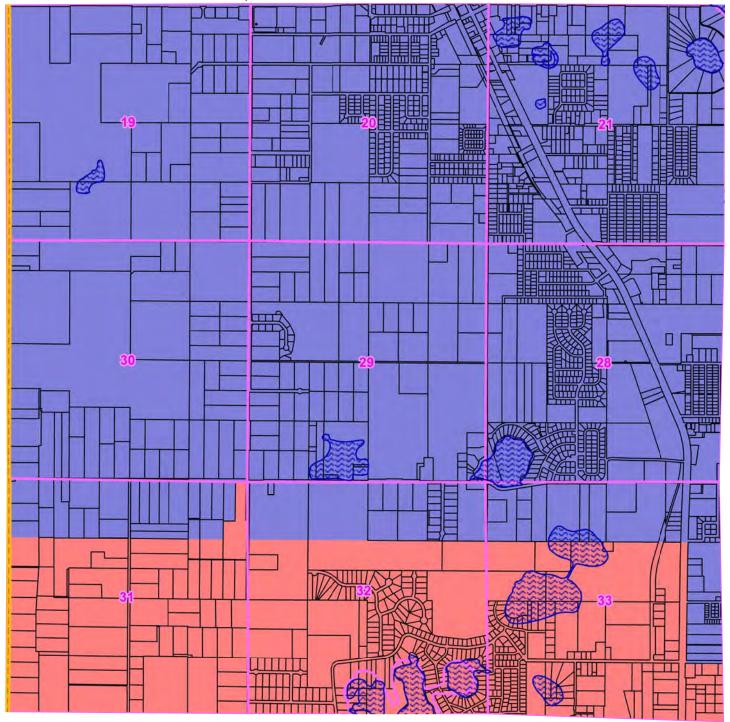


# Legend



NORTHEAST QUAD TWN - 18S RNG - 25E LAKE COUNTY, FL



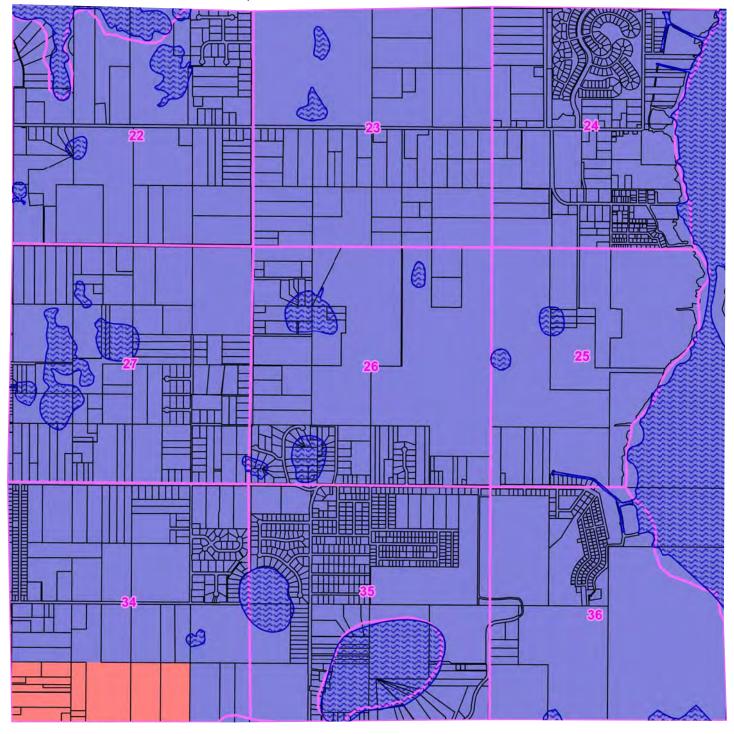


## Legend

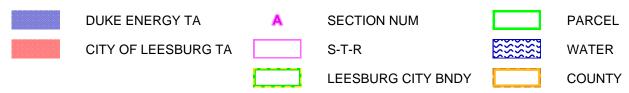


SOUTHWEST QUAD TWN - 18S RNG - 24E LAKE COUNTY, FL



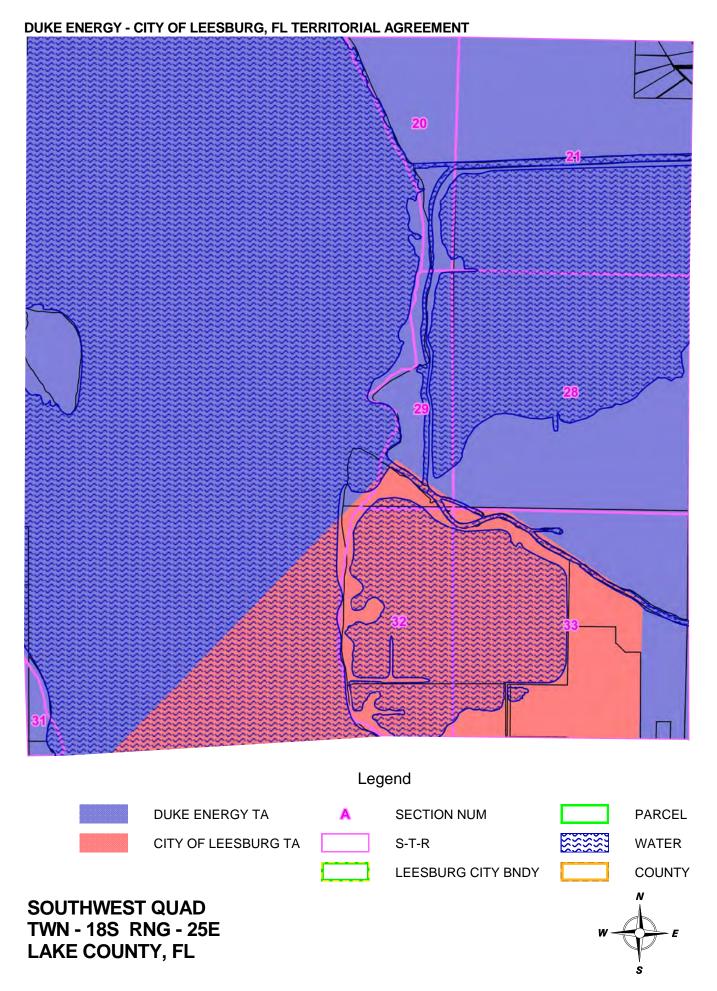


## Legend

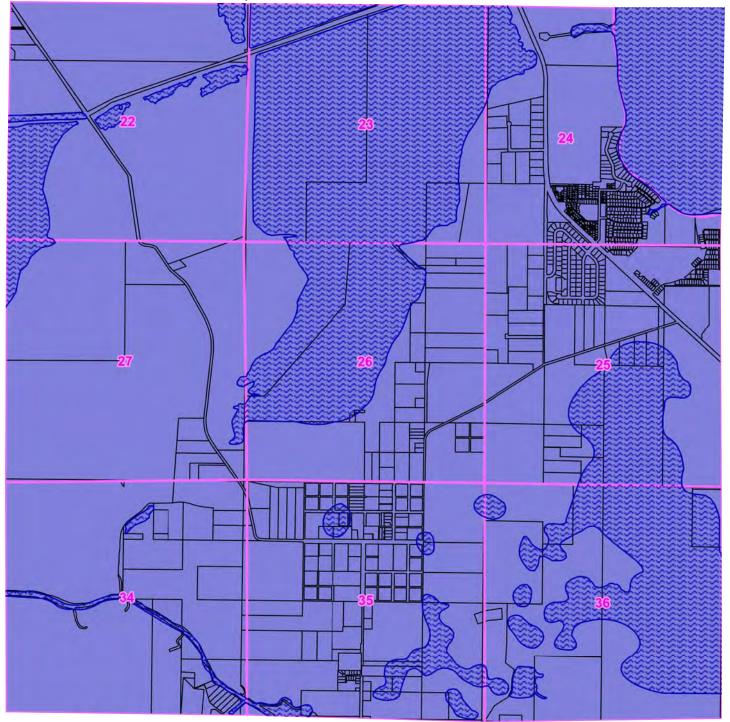


SOUTHEAST QUAD TWN - 18S RNG - 24E LAKE COUNTY, FL

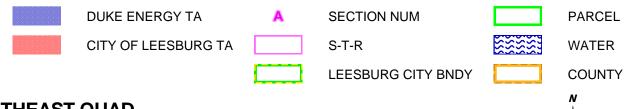






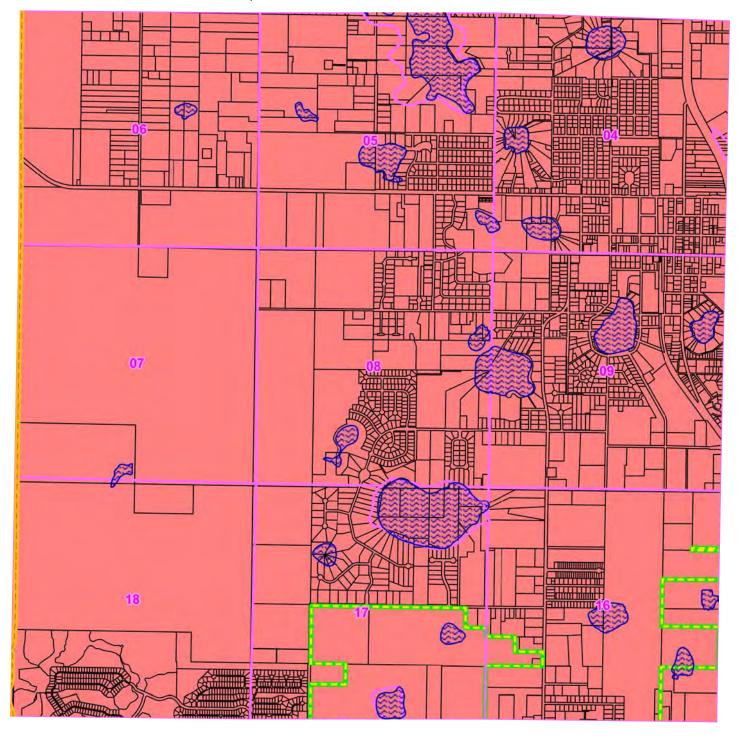


# Legend

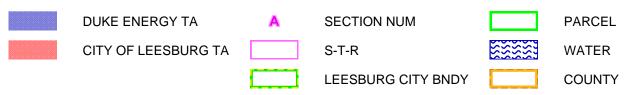


SOUTHEAST QUAD TWN - 18S RNG - 25E LAKE COUNTY, FL



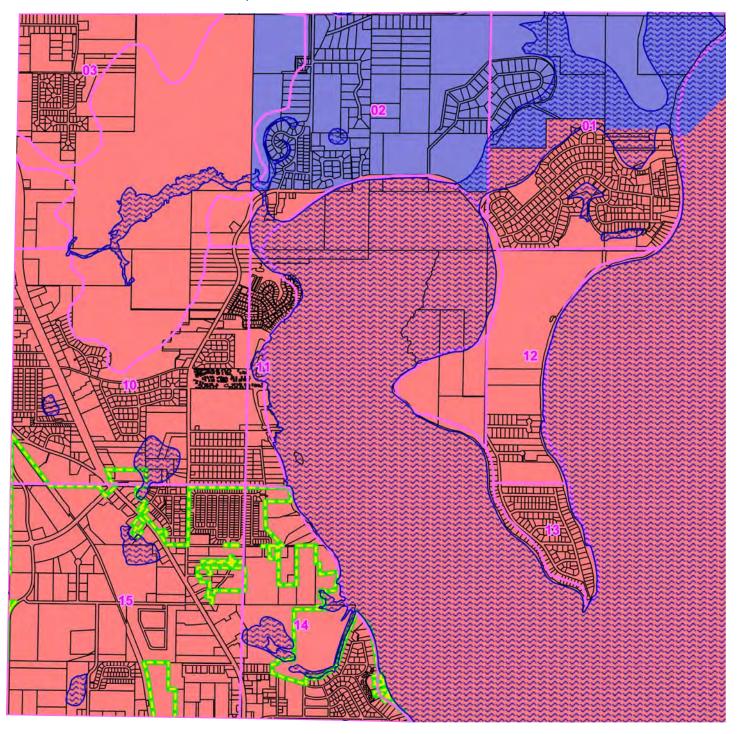


# Legend

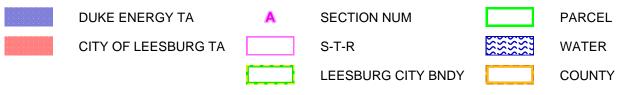


NORTHWEST QUAD TWN - 19 S RNG - 24E LAKE COUNTY, FL



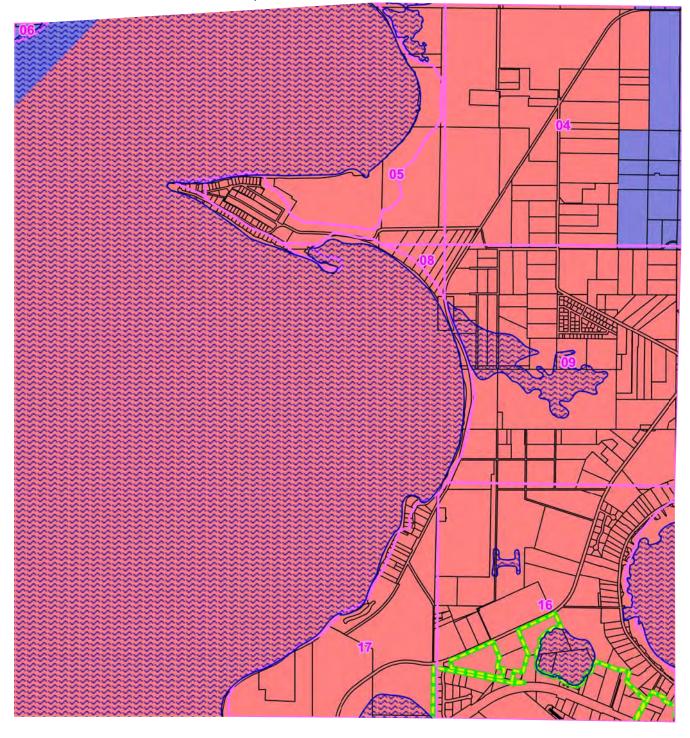


# Legend



NORTHEAST QUAD TWN - 19S RNG - 24E LAKE COUNTY, FL



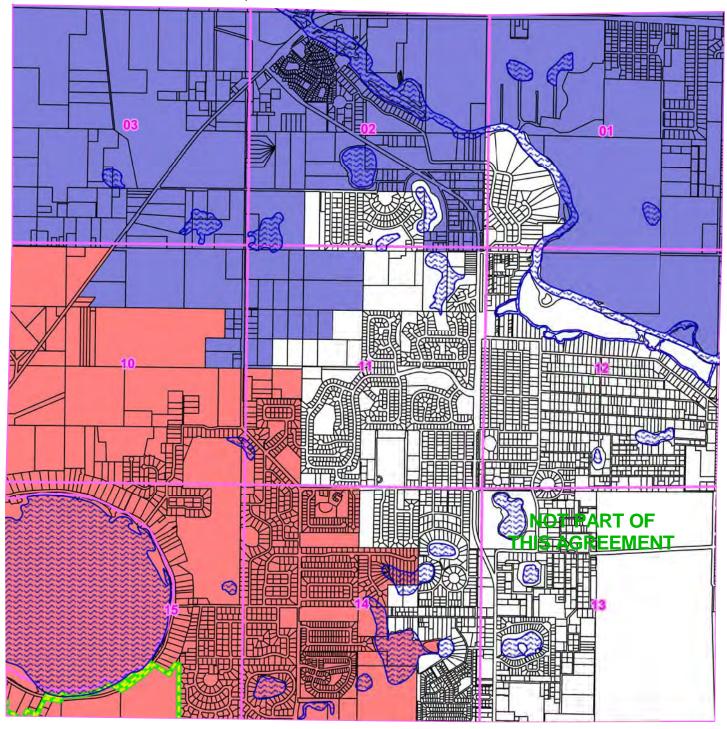




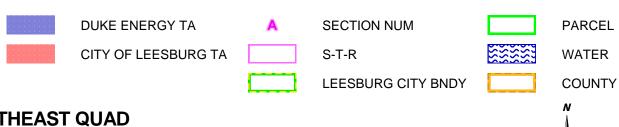


NORTHWEST QUAD TWN - 19 S RNG - 25E LAKE COUNTY, FL

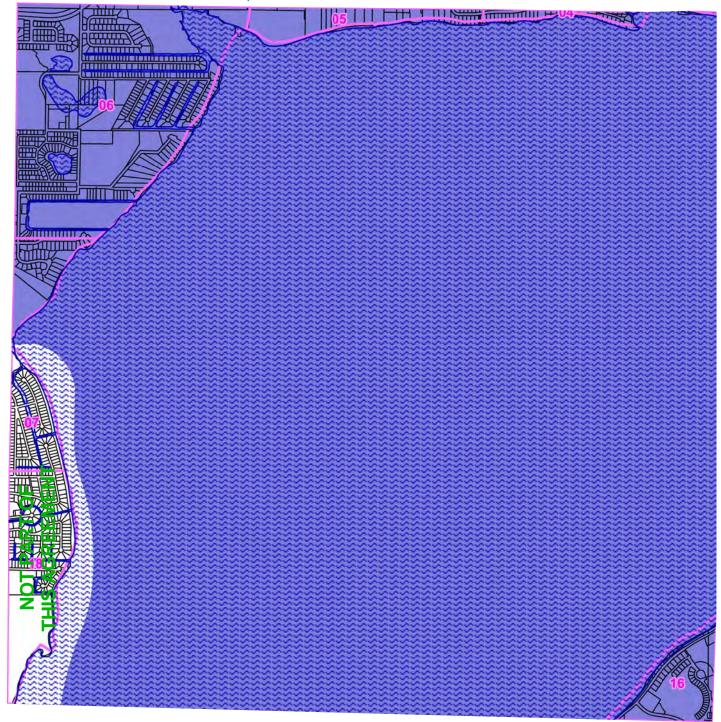




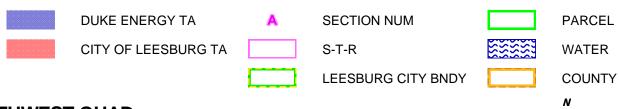
#### Legend



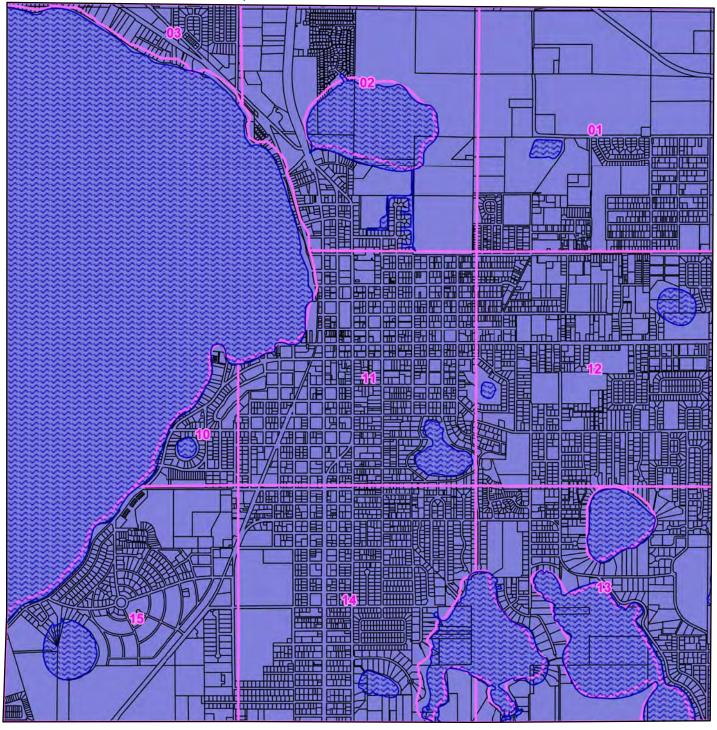
NORTHEAST QUAD TWN - 19S RNG - 25E LAKE COUNTY, FL



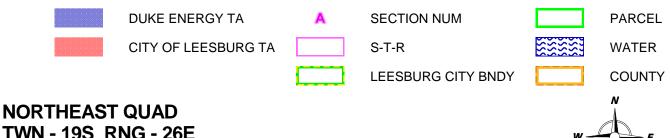
## Legend



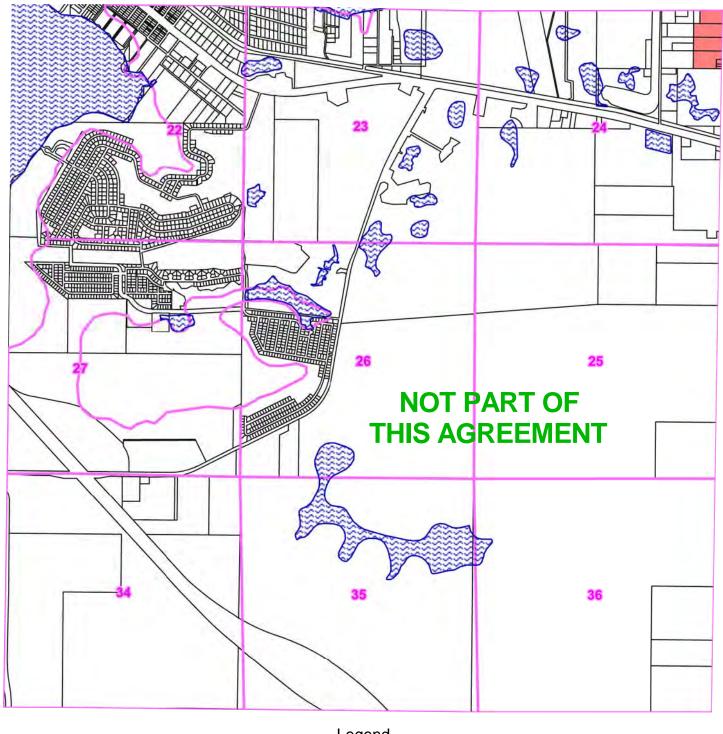
NORTHWEST QUAD TWN - 19 S RNG - 26E LAKE COUNTY, FL



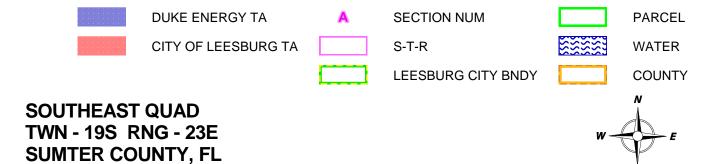
#### Legend

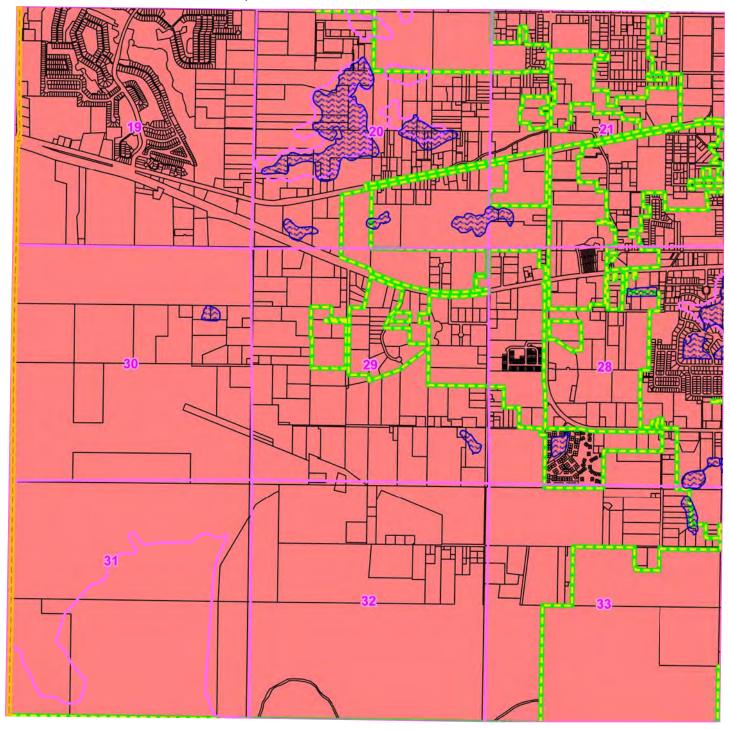


TWN - 19S RNG - 26E LAKE COUNTY, FL

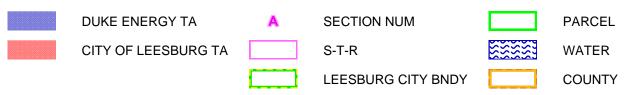


Legend



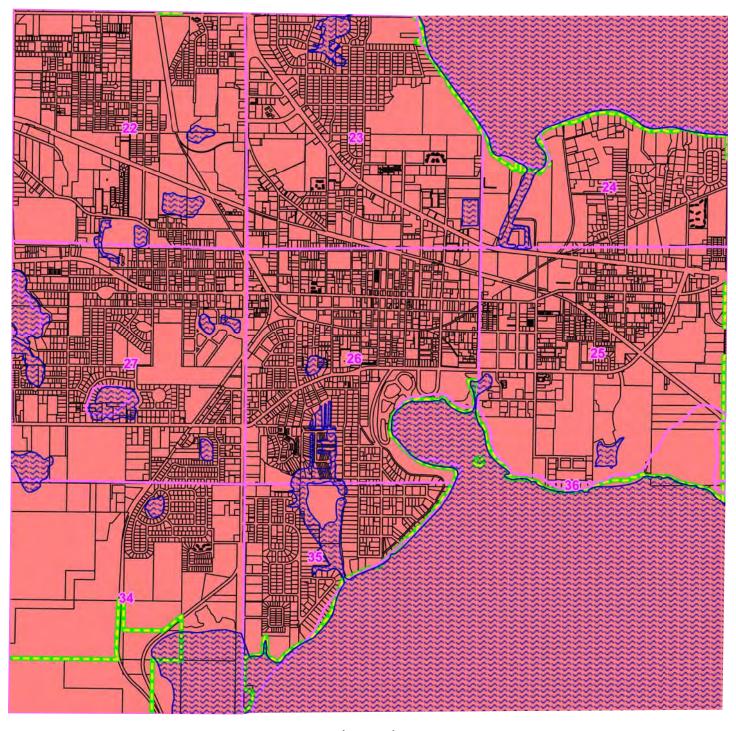


## Legend

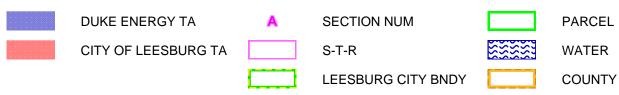


SOUTHWEST QUAD TWN - 19S RNG - 24E LAKE COUNTY, FL



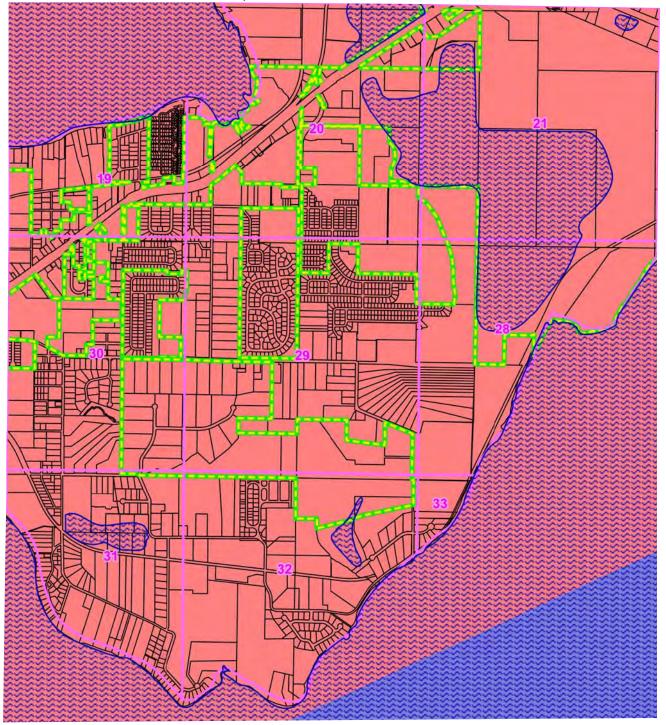


## Legend

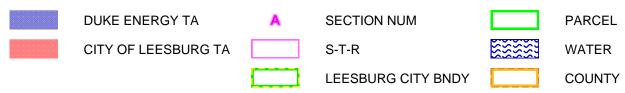


SOUTHEAST QUAD TWN - 19S RNG - 24E LAKE COUNTY, FL



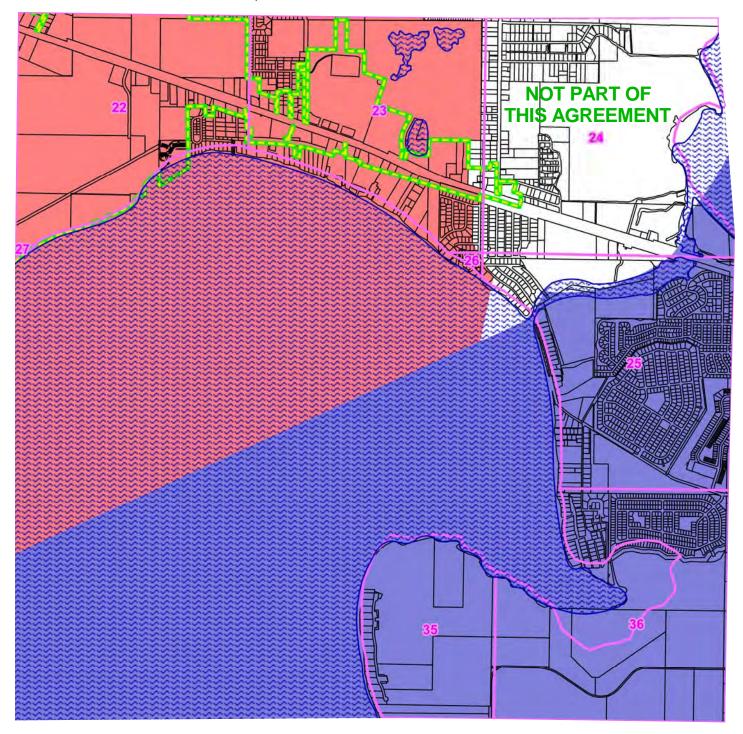


## Legend

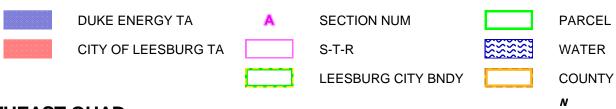


SOUTHWEST QUAD TWN - 19S RNG - 25E LAKE COUNTY, FL





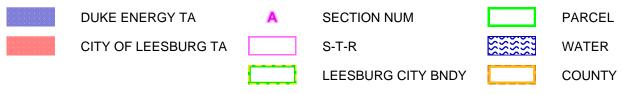
## Legend



SOUTHEAST QUAD TWN - 19S RNG - 25E LAKE COUNTY, FL

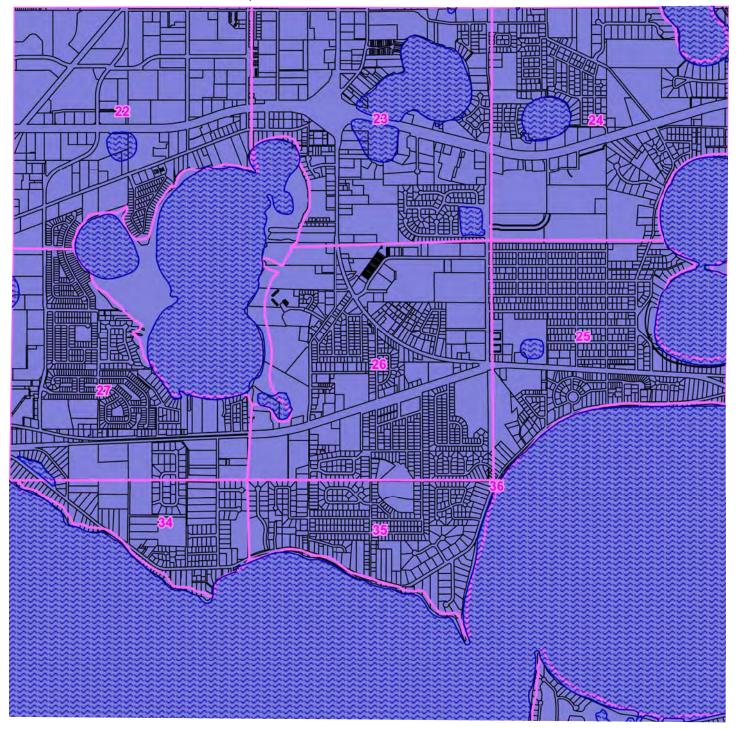


## Legend

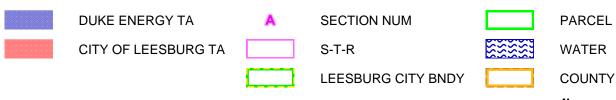


SOUTHWEST QUAD TWN - 19S RNG - 26E LAKE COUNTY, FL



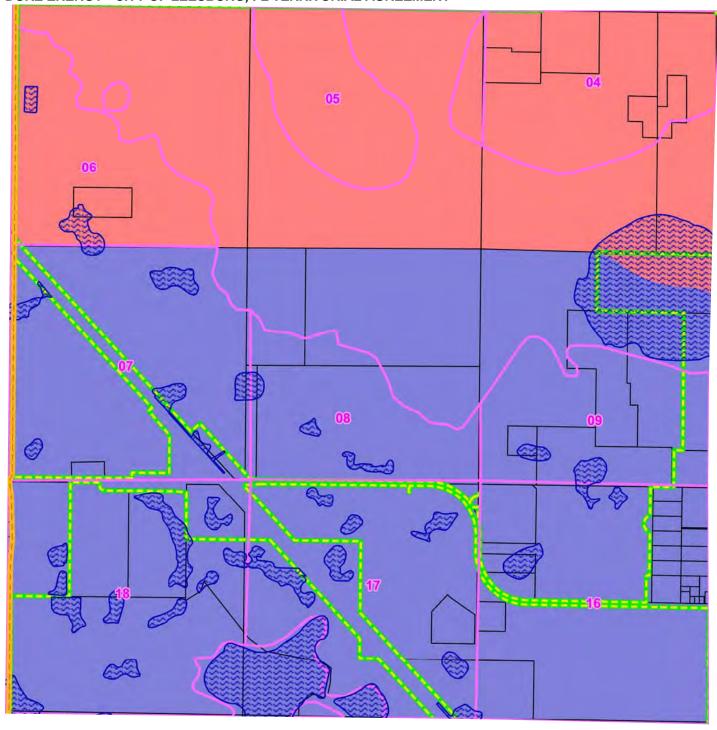


#### Legend

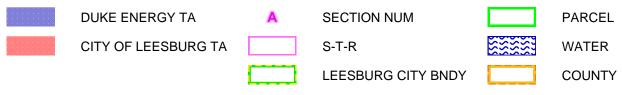


SOUTHEAST QUAD TWN - 19S RNG - 26E LAKE COUNTY, FL

**DUKE ENERGY - CITY OF LEESBURG, FL TERRITORIAL AGREEMENT** 

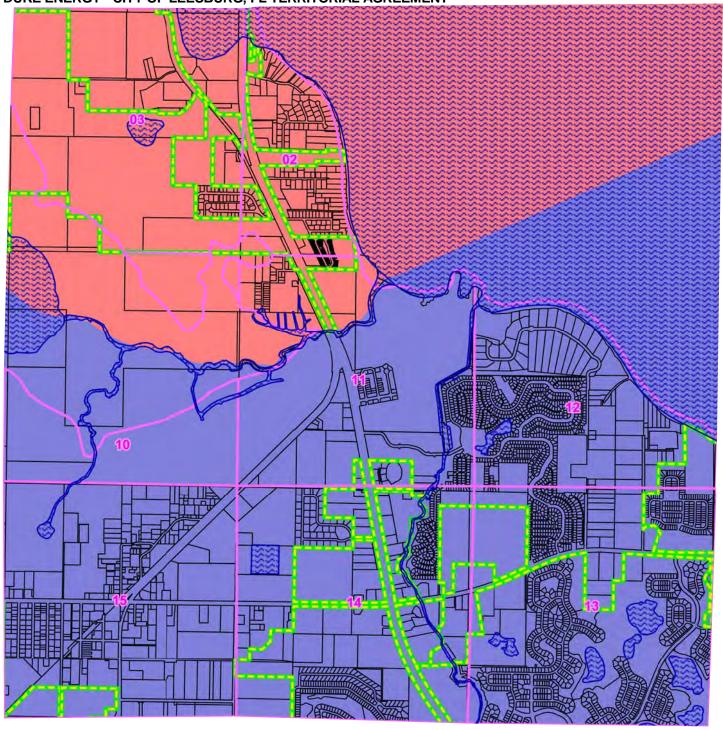


## Legend

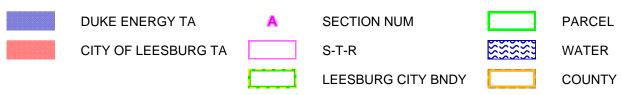


NORTHWEST QUAD TWN - 20S RNG - 24E LAKE COUNTY, FL



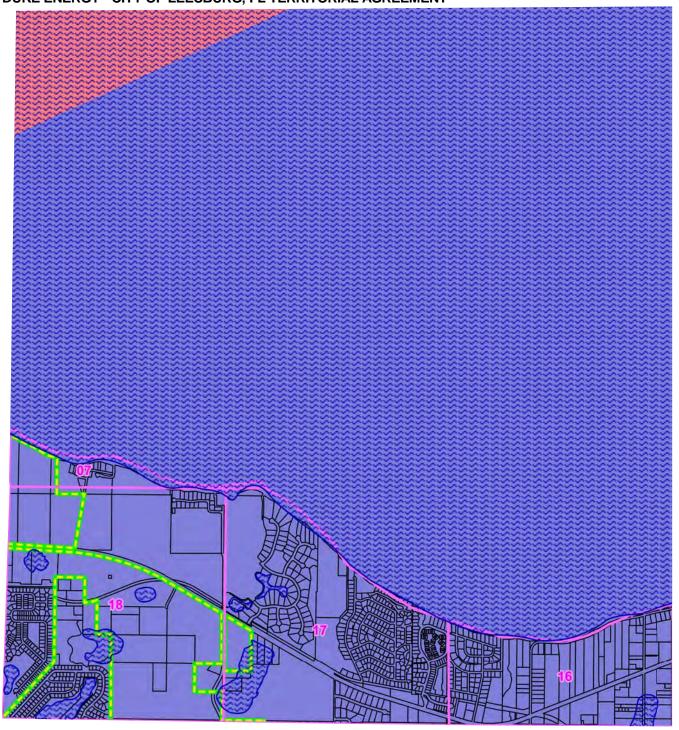


## Legend



NORTHEAST QUAD TWN - 20S RNG - 24E LAKE COUNTY, FL



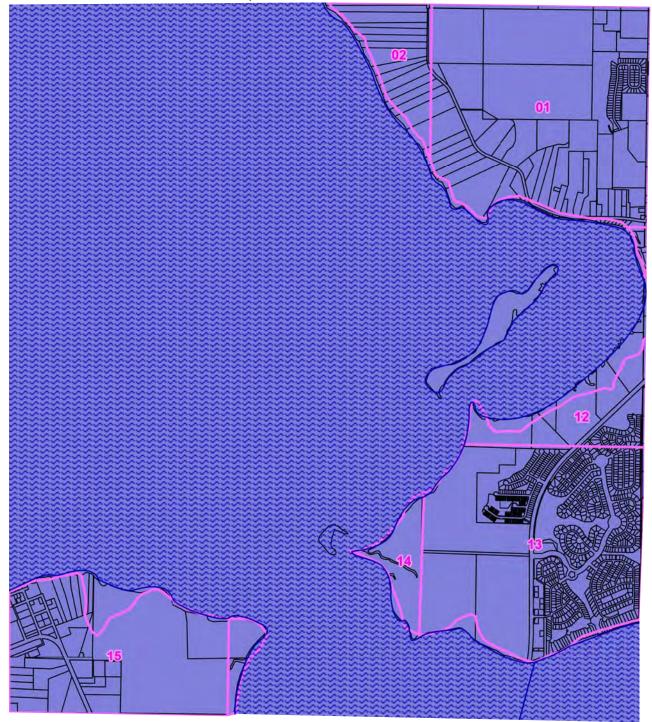


## Legend

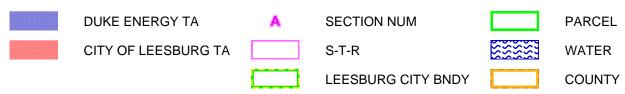


NORTHWEST QUAD TWN - 20S RNG - 25E LAKE COUNTY, FL



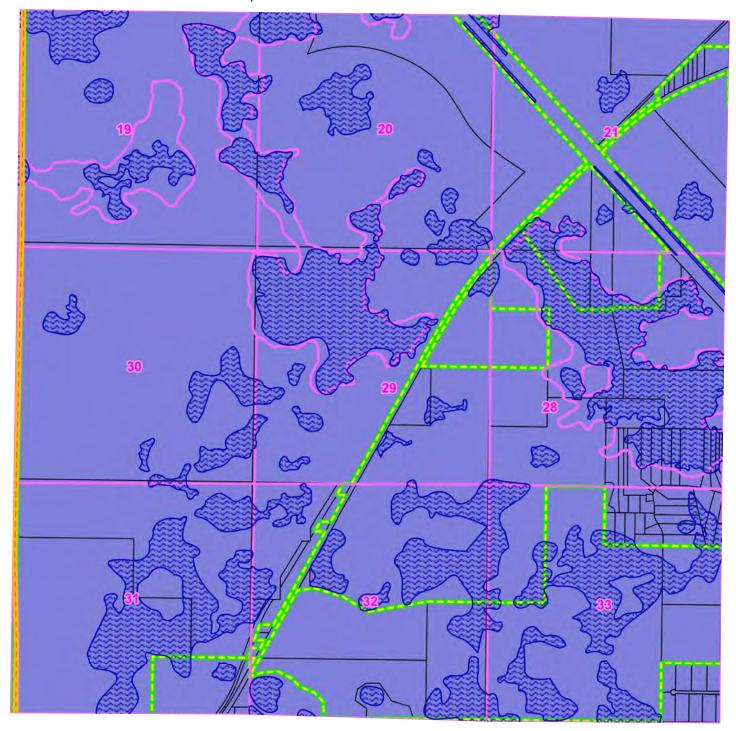


## Legend

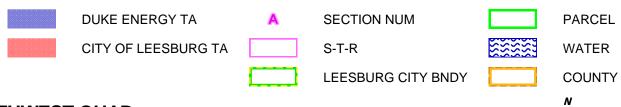


NORTHEAST QUAD TWN - 20S RNG - 25E LAKE COUNTY, FL



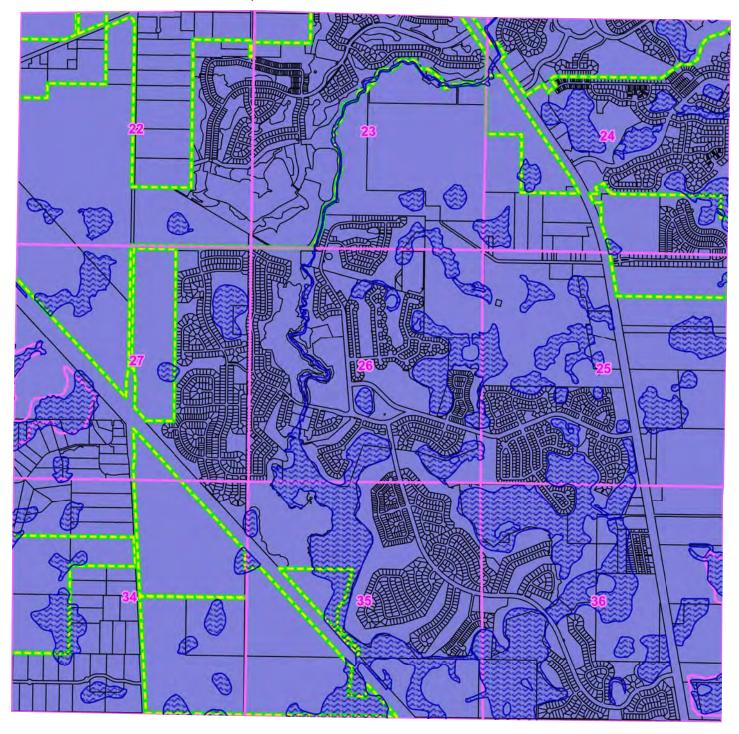


# Legend

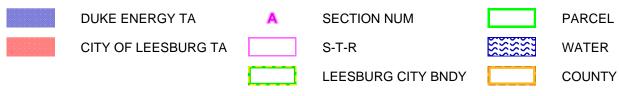


SOUTHWEST QUAD TWN - 20S RNG - 24E LAKE COUNTY, FL



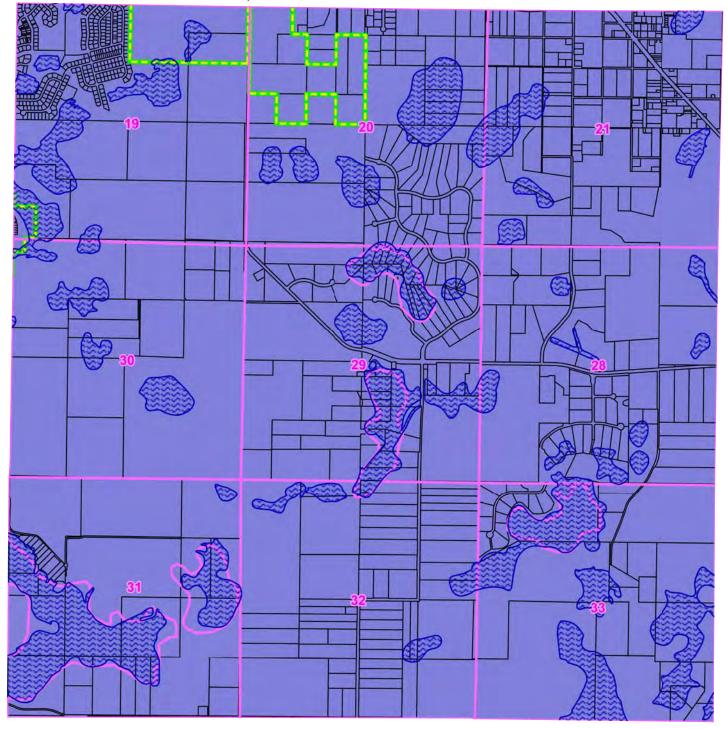


## Legend

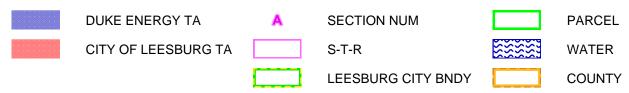


SOUTHEAST QUAD TWN - 20S RNG - 24E LAKE COUNTY, FL



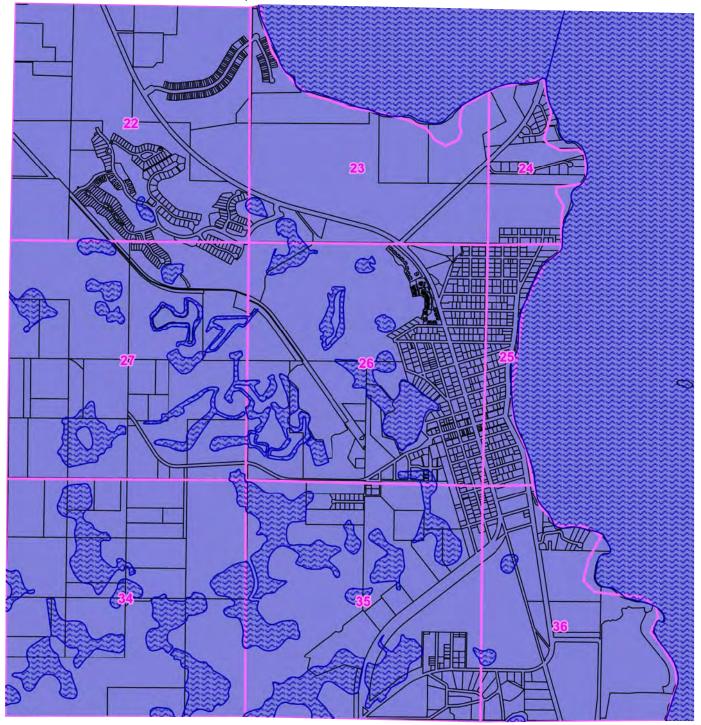


## Legend

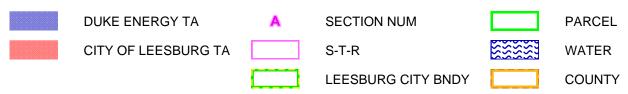


SOUTHWEST QUAD TWN - 20S RNG - 25E LAKE COUNTY, FL





## Legend



SOUTHEAST QUAD TWN - 20S RNG - 25E LAKE COUNTY, FL



<b>F</b> YHI	IRIT	R
	ш	

EXTRA-TERRITORIAL CUSTOMERS SERVED BY LEESBURG AND SUBJECT TO TRANSFER TO DUKE ENERGY

# **EXHIBIT B**

# EXTRA-TERRITORIAL CUSTOMERS SERVED BY LEESBURG AND SUBJECT TO TRANSFER TO DUKE ENERGY

No.	Customer	Premise Address	Meter#
1	Cell Tower	945 CR 470, Leesburg, FL 34762	54705764
2	Cell Tower	945 CR 470, Leesburg, FL 34762	54699510
3	Turnpike Plaza Ramp B-2	1020 CR 470, Leesburg, FL 34762	54696135
4	City of Leesburg Ramp B-2	1020 CR 470, Leesburg, FL 34762	57698259
5	CATV Power Supply	1035 CR 470, Leesburg, FL 34762	54705766
6	City of Leesburg Sprayfield	1035 CR 470, Leesburg, FL 34762	54172142
7	911 Radio Tower	1550 CR 470, Leesburg, FL 34762	54699508
8	City of Leesburg	1600 CR 470, Leesburg, FL 34762	54705765
9	City of Leesburg Pump Building	1600 CR 470, Leesburg, FL 34762	54171649
10	City of Leesburg Digester Building	1600 CR 470, Leesburg, FL 34762	54171650
11	City of Leesburg Gate	1600 CR 470, Leesburg, FL 34762	54699511
12	City of Leesburg Irrigation Pump	1609 CR 470, Leesburg, FL 34762	54171647
13	C&C Peat Co. Inc.	1650 CR 470, Leesburg, FL 34762	54171382
14	Cell Tower	2300 CR 470, Leesburg, FL 34762	54705767
15	Cell Tower	2300 CR 470, Leesburg, FL 34762	54302025
16	Cell Tower	2300 CR 470, Leesburg, FL 34762	54699508
17	Cell Tower	2300 CR 470, Leesburg, FL 34762	54694062
18	City of Leesburg Pump Station	2350 CR 470, Leesburg, FL 34762	54171648

F	X P	41F		T (	•
_	$\Lambda$ I	-	<i>.</i>	•	_

WRITTEN DESCRIPTIONS OF THE TERRITORIAL AREAS
SERVED IN LAKE AND SUMTER COUNTIES

Map Page #	Township/Range	Section(s)	Description/Notes
26	T18S, R24E	4, 5, 6, 7, 8, 9	These sections are served by Duke Energy. No areas are served by Leesburg.
26	T18S, R24E	16, 17, 18	These sections are served by Duke Energy. No areas are served by Leesburg.
27	T18S, R24E	1, 2, 3	These sections are served by Duke Energy. No areas are served by Leesburg.
27	T18S, R24E	10, 11, 12, 13, 14, 15	These sections are served by Duke Energy. No areas are served by Leesburg.
28	T18S, R25E	4, 5, 6, 7, 8, 9	The entire section is served by Duke Energy. No areas are served by Leesburg.
28	T18S, R25E	16, 17, 18	The entire section is served by Duke Energy. No areas are served by Leesburg.
29	T18S, R25E	1, 2, 3	The entire section is served by Duke Energy. No areas are served by Leesburg.
29	T18S, R25E	10, 11, 12, 13, 14, 15	The entire section is served by Duke Energy. No areas are served by Leesburg.
30	T18S, R24E	19, 20, 21	These sections are served by Duke Energy. No areas are served by Leesburg.
30	T18S, R24E	28, 29, 30	These sections are served by Duke Energy. No areas are served by Leesburg.
30	T18S, R24E	31	Duke Energy serves the northern quarter of the section along Lake Ella Road on the northern section line with the exception of one large parcel on Rolling Acres Road in the northeastern portion of the section. Leesburg serves the remaining majority of the section to the southern section line.
30	T18S, R24E	32	Duke Energy serves the northern quarter of the section along Lake Ella Road on the northern section line to the eastern section line. Leesburg serves all of the remainder of the section to the southern

			section line.
30	T18S, R24E	33	Duke Energy serves the northern quarter of the section along Lake Ella Road on the northern section line to the eastern section line and the area east of US-441 North/US-27 to the eastern section line. This area encompasses Shadow Hill Drive, South Grays Airport Road and south to American Lane. Leesburg serves from the western section line to the northern quarter line intersecting the northern portion of Lake Geneva to the east side of US-441 North/US-27. Leesburg also serves from the southern section line to the eastern section line, including all of US-441 North/US-27 in this area, to the eastern section line in the southeastern portion.
31	T18S, R24E	22, 23, 24, 25, 26, 27	The entire section is served by Duke Energy. No areas are served by Leesburg.
31	T18S, R24E	34	Duke Energy serves the majority of the section including all areas from the northern section line south to southern quarter line. Leesburg serves the parcels in the southwestern corner and the parcels adjacent to the southern section line.
31	T18S, R24E	35	The entire section is served by Duke Energy. No areas are served by Leesburg.
31	T18S, R24E	36	The entire section is served by Duke Energy. No areas are served by Leesburg.
32	T18S, R25E	20, 21	The entire section is served by Duke Energy. No areas are served by Leesburg. Note: there are several sections that are not shown as they are within Lake Griffin.
32	T18S, R25E	28	The entire section is served by Duke Energy. No areas are served by Leesburg.
32	T18S, R25E	29	This is an irregular section. The northern portion of this section is served by Duke Energy. Leesburg serves a triangle shaped portion from the southern section line.

32	T18S, R25E	31	This is an irregular section. The entire section is served by Duke Energy. No areas are served by Leesburg.
32	T18S, R25E	32	The entire section is served by Leesburg. No areas served by Duke Energy. This is an irregular section.
32	T18S, R25E	33	Leesburg serves the majority of the section except for the northeastern corner north of Haines Creek and the area adjacent to the eastern section line. Duke Energy serves the area north of Haines Creek and the southern portion adjacent to the eastern section line.
33	T18S, R25E	22, 23, 24, 25, 26, 27	The entire section is served by Duke Energy. No areas are served by Leesburg.
33	T18S, R25E	34, 35, 36	The entire section is served by Duke Energy. No areas are served by Leesburg.
34	T19S, R24E	4, 5, 6, 7, 8, 9	The entire section is served by Leesburg. No areas served by Duke Energy.
34	T19S, R24E	16, 17, 18	The entire section is served by Leesburg. No areas served by Duke Energy.
35	T19S, R24E	1	This is an irregular section. Duke Energy serves the northern portion of the section, including the parcels adjacent to Magnolia Ridge Road in the northwestern portion, and encompassing the northern part of Lake Griffin to the eastern section line. Leesburg serves all of the southern portion of the section bordering Lake Griffin on the eastern section line to the western and southern section lines.
35	T19S, R24E	2	This is an irregular section. Duke Energy serves the majority of the section to the parcels north of Piccola Road which borders Lake Griffin on the north. Leesburg serves along the western section line south of Piccola Road that runs north of Lake Griffin to the southern section line.

35	T19S, R24E	3	The entire section is served by Leesburg. No areas served by Duke Energy. This is an irregular section.
35	T19S, R24E	10, 11, 12, 13, 14, 15	The entire section is served by Leesburg. No areas served by Duke Energy. Some of these sections are irregular.
36	T19S, R25E	4	Leesburg serves the majority of the section including North Treasure Island Avenue except for the parcels along the eastern section line that are served by Duke Energy which includes Dennis Road.
36	T19S, R25E	5	The entire section is served by Leesburg. This is an irregular section.
36	T19S, R25E	6	This section is only partially shown. It is shown as being served by Duke Energy. The majority of the section is part of Lake Griffin.
36	T19S, R25E	7	Note: This section number is not marked on the map but is shown as Leesburg service territory. This is part of Lake Griffin.
36	T19S, R25E	8, 9	The entire section is served by Leesburg. No areas served by Duke Energy. This is an irregular section.
36	T19S, R25E	16, 17	The entire section is served by Leesburg. No areas served by Duke Energy.
36	T19S, R25E	18	This section number is not marked on the map but is shown as Leesburg service territory. This is part of Lake Griffin.
37	T19S, R25E	1, 2, 3	The entire section is served by Duke Energy. No areas served by Leesburg. Some areas of these sections are not part of this agreement.
37	T19S, R25E	10	Leesburg serves the majority of the section including Cemetery Avenue, except for the northeastern corner that is served by Duke Energy.

37	T19S, R25E	11	Duke Energy serves the northwestern portion of the section along Radio Road on the western section line and three parcels along the northern section line in the northwestern corner. Leesburg serves the southwestern corner to the southern section line including Radio Road, Shadewood Circle, Rockdale Drive, Loch Ness Court, Highland Road and Valencia Drive. Some areas of this section are not part of this agreement.
37	T19S, R25E	12	Duke Energy serves the northeastern portion of the section, south to Haines Creek and across to the eastern section line. No areas are served by Leesburg. Some areas of this section are not part of this agreement.
37	T19S, R25E	13	This section is not part of this agreement.
37	T19S, R25E	14	The entire section that is part of this agreement is served by Leesburg. No areas served by Duke Energy. Some areas of this section are not part of this agreement.
37	T19S, R25E	15	The entire section is served by Leesburg. No areas served by Duke Energy.
38	T19S, R26E	4, 5, 6	The sections are served by Duke Energy. Some parts of these section are within Lake Griffin. No areas served by Leesburg.
38	T19S, R25E	7	This section is not part of this agreement.
38	T19S, R25E	8-15	The sections are not shown numbered on the map but are served by Duke Energy. This is part of Lake Griffin. No areas served by Leesburg.
38	T19S, R25E	16	The entire section is served by Duke Energy. No areas served by Leesburg. This is an irregular section.
38	T19S, R25E	17	This section is not shown but is served by Duke Energy. This is part of Lake Griffin. No areas served by Leesburg.

38	T19S, R25E	18	This section is not part of this agreement.
39	T19S, R26E	1, 2, 3	The entire section is served by Duke Energy. No areas served by Leesburg.
39	T19S, R26E	10, 11, 12, 13, 14, 15	The entire section is served by Duke Energy. No areas served by Leesburg.
40	T19S, R23E	22, 23, 24, 25, 26, 27	These sections are not part of this agreement.
40	T19S, R23E	34, 35, 36	These sections are not part of this agreement.
41	T19S, R24E	19, 20, 21	The entire section is served by Leesburg. No areas served by Duke Energy.
41	T19S, R24E	28, 29, 30 31, 32, 33	The entire section is served by Leesburg. No areas served by Duke Energy.
42	T19S, R24E	22, 23, 24, 25, 26, 27	The entire section is served by Leesburg. No areas served by Duke Energy.
42	T19S, R24E	34, 35, 36	The entire section is served by Leesburg. No areas served by Duke Energy.
43	T19S, R25E	19, 20, 21	The entire section is served by Leesburg. No areas served by Duke Energy.
43	T19S, R25E	28, 29, 30, 31, 32, 33	The entire section is served by Leesburg. No areas served by Duke Energy. Some of these sections are irregular.
44	T19S, R25E	22, 23	The entire section that is part of this agreement is served by Leesburg. No areas served by Duke Energy. Some areas of section 33 are not part of this agreement.

44	T19S, R25E	24	This section is not part of this agreement.
44	T19S, R25E	25	This is an irregular section. The entire section that is part of this agreement is served by Duke Energy. No areas are served by Leesburg.
44	T19S, R25E	26	This is an irregular section. The entire section that is part of this agreement is served by Leesburg. No areas served by Duke Energy.
44	T19S, R25E	27	This section is not numbered on the map as it is part of Lake Harris. It is served by both Leesburg and Duke Energy.
44	T19S, R25E	34	This section is not numbered on the map as it is part of Lake Harris. It is served by both Leesburg and Duke Energy.
44	T19S, R25E	35, 36	The entire section is served by Duke Energy. No areas served by Leesburg. This is an irregular section.
45	T19S, R26E	19, 20, 21	The entire section is served by Duke Energy. No areas served by Leesburg. This is an irregular section.
45	T19S, R26E	28, 29, 30, 31, 32	The entire section is served by Duke Energy. No areas served by Leesburg. Section 33 is not shown but it is served by Duke Energy.
46	T19S, R26E	22, 23, 24, 25, 26, 27	The entire section is served by Duke Energy. No areas served by Leesburg.
46	T19S, R26E	34, 35, 36	The entire section is served by Duke Energy. No areas served by Leesburg.
47	T20S, R24E	4, 5, 6	The entire section is served by Leesburg. No areas served by Duke Energy.

47	T20S, R24E	7, 8, 9	The entire section is served by Duke Energy. No areas served by Leesburg.
47	T20S, R24E	16, 17, 18	The entire section is served by Duke Energy. No areas served by Leesburg.
4	T20S, R24E	1	This section is not shown. It is within Lake Harris and is served on the northern portion by Leesburg and on the southern portion by Duke Energy. This is an irregular section.
48	T20S, R24E	2, 3	The entire section is served by Leesburg. No areas served by Duke Energy. This is an irregular section.
48	T20S, R24E	10	Leesburg serves the area north and east of Lake Denham. Duke Energy serves the area south of the lake. This is an irregular section. Note: There is a large area including and surrounding Lake Denham that is not marked as part of a section.
48	T20S, R24E	11	Leesburg serves the northwestern portion of the section, including US-27/SR-25 and all areas north of Helena Run. Duke Energy serves the majority of the section, which includes all areas south of Helena Run, and including US-27/SR-25 and CR-33. This is an irregular section.
48	T20S, R24E	12, 13, 14, 15	The entire section is served by Duke Energy. No areas served by Leesburg.
49	T20S, R25E	7, 16, 17, 18	The entire section is served by Duke Energy. No areas served by Leesburg. Leesburg serves the northwest portion of the lake on this page and Duke Energy serves the majority of the lake. Sections 4, 5, 6, 8, and 9 are not shown as they are within Lake Harris.
50	T20S, R25E	1, 2	The entire section is served by Duke Energy. No areas served by Leesburg. Sections 3, 10, and 11 are not shown as they are within Lake Harris.
50	T20S, R25E	12, 13, 14, 15	The entire section is served by Duke Energy. No areas served by Leesburg. Duke Energy serves the majority of the lake.

# **EXHIBIT C**

51	T20S, R24E	19, 20, 21	The entire section is served by Duke Energy. No areas served by Leesburg.
51	T20S, R24E	28, 29, 30, 31, 32, 33	The entire section is served by Duke Energy. No areas served by Leesburg.
52	T20S, R24E	22, 23, 24, 25, 26, 27	The entire section is served by Duke Energy. No areas served by Leesburg.
52	T20S, R24E	34, 35, 36	The entire section is served by Duke Energy. No areas served by Leesburg.
53	T20S, R25E	19, 20, 21	The entire section is served by Duke Energy. No areas served by Leesburg.
53	T20S, R25E	28, 29, 30, 31, 32, 33	The entire section is served by Duke Energy. No areas served by Leesburg.
54	T20S, R25E	22, 23, 24, 25, 26, 27	The entire section is served by Duke Energy. No areas served by Leesburg.
54	T20S, R25E	34, 35, 36	The entire section is served by Duke Energy. No areas served by Leesburg.

# **Е**хнівіт **D**

# Sample Copies of Notification Letters to Customers Subject to Transfer

February 9, 2015

Primeco Personal Comm Inc. C/O Verizon Wireless #3216 P O Box 2375 MS 3846 Spokane, WA 99210-2375

RE: City of Leesburg Account No. 533405-614350

Dear Customer:

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

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

If approved by the FPSC, the terms of the territorial agreement call on Duke Energy to provide electric service in your area and your account would be transferred to Duke Energy at a date to be determined in the future. If you have a deposit with the City of Leesburg, your deposit will be applied to your last electric bill and any surplus will be refunded directly to you.

To provide you a rate comparison, from the most recent published rate as of January 2015, the general service non-demand commercial rate of the City of Leesburg for 1,500 Kilowatt - Hours (KWH) was \$214.82. For the same month, the general service non-demand commercial rate of Duke Energy for 1,500 KWH was \$186.34. The rates of both utilities are subject to periodic change and may be raised or lowered in the future.

While we regret losing the opportunity to serve you and your neighbors in the future, Duke Energy is an excellent utility and we are confident you will find their service to be satisfactory.

Please contact the City of Leesburg's Customer Service if you have any questions or concerns about the proposed transfer of your service to Duke Energy, or if you would like information about contacting the FPSC. You can reach us by phone at 352-728-9800.

Sincerely,

Patrick M. Foster, P.E. Electric Director

