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March 11, 2020

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

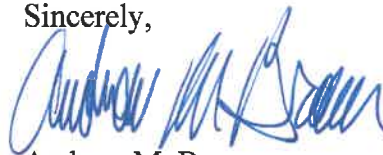
Re: NEW FILING - In re: Joint Petition for approval of territorial agreement in Sumter County, Florida by Peoples Gas System, The City of Leesburg and South Sumter Gas Company

Dear Mr. Teitzman:

Attached for electronic filing with the Commission on behalf of Peoples Gas System, please find the Joint Petition referenced above.

We appreciate your usual assistance.

Sincerely,



Andrew M. Brown

AB/plb
Attachment

cc: Ms. Paula K. Brown
Ms. Kandi M. Floyd
Walt Trierweiler, Esq. (via email: wtrierwe@psc.state.fl.us)
Jon C. Moyle, Esq. (via email: jmoyle@moylslaw.com)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for approval of territorial agreement in Sumter County, Florida by Peoples Gas System, The City of Leesburg and South Sumter Gas Company.

Docket No. _____
Submitted for Filing: 3-11-2020

JOINT PETITION FOR APPROVAL OF TERRITORIAL AGREEMENT

Petitioners, Peoples Gas System (“Peoples”) and The City of Leesburg (“Leesburg”), (collectively referred to as joint petitioners), by their respective undersigned attorneys and pursuant to Section 366.04(3)(a), *Florida Statutes* and Rule 25-7.0471, *Florida Administrative Code (F.A.C.)*, jointly file this Joint Petition for an order approving a Territorial Agreement (the “Agreement”) between Peoples and Leesburg in Sumter County, Florida. A copy of the Agreement is attached hereto as Exhibit A.

In support of this petition, the joint petitioners represent as follows:

1. The names, addresses and telephone numbers of the joint petitioners are as follows:

Peoples Gas System
702 N. Franklin Street
Tampa, Florida 33602
(813) 228-4111

The City of Leesburg
501 W. Meadow Street
Leesburg, Florida 34749
(352) 728-9786

2. The names and addresses of the persons authorized to receive notices and communications with respect to this Joint Petition are:

Andrew M. Brown, Esquire
Macfarlane Ferguson & McMullen
P.O. Box 1531
Tampa, Florida 33601

Ms. Paula Brown
Peoples Gas System
702 N. Franklin Street
Tampa, Florida 33602

Jon C. Moyle, Esquire
Moyle Law Firm
118 North Gadsden Street
Tallahassee, Florida 32301

Mr. Al Minner
City Manager
501 W. Meadow Street
Leesburg, Florida 34749

3. Peoples and Leesburg each own and operate natural gas distribution facilities in Sumter County and Lake County, and each is a natural gas utility subject to the Commission's jurisdiction under Section 366.04(3), *Florida Statutes*, for the purposes of resolving territorial disputes and approving territorial agreements.

BACKGROUND

4. Peoples filed a territorial dispute with the Florida Public Service Commission on February 23, 2018 titled *Petition to resolve territorial dispute in Sumter County and/or Lake County with the City of Leesburg and/or South Sumter Gas Company*, Docket no. 20180055. The case was referred to an administrative law judge and a final hearing was held from June 24, 2019 through June 27, 2019.

5. The administrative law judge issued a Recommended Order on September 30, 2019.

6. On January 14, 2020, the Florida Public Service Commission adopted the Recommended Order as its Final Order. That Order awarded Peoples the territory encompassing three (3) Villages Developments known as Bigham North, Bigham East and Bigham West. Those developments were being served by Leesburg pursuant to its agreement with SSGC. The Order did not award any other territory to any of the parties.

7. During the pendency of Peoples' territorial petition against Leesburg and

the SSGC, the City of Leesburg filed a territorial petition against Peoples regarding service to Suwannee American Cement, that petition (docket 20180185) is still pending and has not been resolved.

8. The Villages and Leesburg represent that they desire to have Leesburg provide natural gas service in future Villages developments in Sumter County, Florida.

9. Peoples represents that it intends to file additional territorial disputes regarding Leesburg serving future developments in Sumter County, Florida.

10. The parties wish to provide an orderly transfer of infrastructure in the Bigham developments without the need for further litigation.

11. The parties wish to avoid and eliminate future territorial disputes in Sumter County arising out of Leesburg's providing natural gas service to the Villages Developments. The parties agree that the Territorial Agreement will resolve the ongoing issues among the parties and enhance the ability of customers to receive natural gas service.

12. The parties have entered into a Settlement Agreement that specifically delineates the rights and responsibilities of the parties in Sumter County.

REQUESTED RELIEF

13. Petitioners seek Commission approval of the Agreement attached as Exhibit A.

14. Petitioners represent that approval and implementation of the Agreement will not cause a decrease in the availability or reliability of natural gas service to existing or future ratepayers of Peoples or Leesburg. The Commission's approval of the

Agreement would be consistent with the standards forth in Section 366.044, *Florida Statutes*, and Rule 25-7.0471, *F.A.C.*

15. All terms and conditions pertaining to the Agreement and the implementation thereof are set forth in the Agreement.

16. Absent the Commission's approval of the Agreement, the Petitioners will likely be involved in continued litigation over which utility, Leesburg or Peoples, should properly serve Villages Developments. Petitioners submit that approval of the Agreement by the Commission will avoid future uneconomic duplication of facilities, will expedite the handling of applications for service by future potential natural gas customers, will avoid further litigation concerning respective territories, and that the Agreement is in the public interest.

WHEREFORE, for the forgoing reasons, the joint petitioners respectfully request that the Commission enter an order approving the attached Agreement.

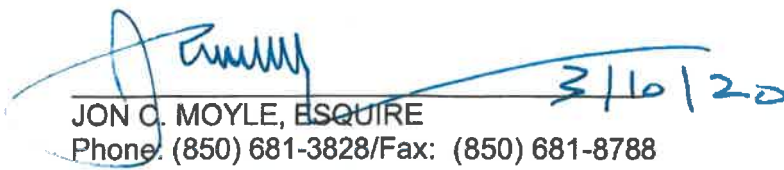
Respectfully submitted,

PEOPLES GAS SYSTEM



ANDREW M. BROWN, ESQUIRE
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E-mail: ab@macfar.com
Macfarlane Ferguson & McMullen
Post Office Box 1531
Tampa, FL 33601-1531
Attorneys for Peoples Gas System

CITY OF LEESBURG

A handwritten signature in blue ink, appearing to read 'Jon C. Moyle', is written over a horizontal line. To the right of the signature, the date '3/16/20' is written in blue ink.

JON C. MOYLE, ESQUIRE
Phone: (850) 681-3828/Fax: (850) 681-8788
E-mail: jmoyle@moylelaw.com
Moyle Law Firm, P.A.
118 North Gadsden Street
Tallahassee, FL 32301
Attorneys for City of Leesburg

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by electronic mail to the following, this 11th day of March, 2020.

Adria Harper
Walt Trierweiler
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399
aharper@psc.state.fl.us
wtrierwe@psc.state.fl.us



ANDREW M. BROWN, ESQ.

TERRITORIAL AGREEMENT

This Territorial Agreement (the "Agreement") is made and entered into this 9th day of March, 2020, by and between Peoples Gas System, a division of Tampa Electric Company, a Florida corporation ("Peoples") and the City of Leesburg, a municipal corporation organized and existing under the laws of the State of Florida ("Leesburg").

RECITALS

1. Leesburg and South Sumter Gas Company, a Florida corporation ("SSGC" or The Villages") have entered into an agreement for Leesburg to provide natural gas service to certain properties of The Villages community located in in Sumter County, Florida.
2. Peoples was serving The Villages Development known as Fenney when the agreement between Leesburg and SSGC was entered into. Peoples has existing infrastructure in Sumter County, Florida.
3. Peoples filed a territorial dispute with the Florida Public Service Commission ("Commission") on February 23, 2018 titled *Petition to resolve territorial dispute in Sumter County and/or Lake County with the City of Leesburg and/or South Sumter Gas Company*, Docket No. 20180055-GU. The case was referred to an administrative law judge and a final hearing was held from June 24, 2019 – June 27, 2019.
4. The administrative law judge issued a Recommended Order on September 30, 2019.
5. On January 14, 2020, the Commission adopted the Recommended Order as its Final Order (PSC-2020-0052-FOF-GU). That Order awarded Peoples the territory

encompassing three (3) Villages Developments known as Bigham North, Bigham East and Bigham West. Those developments were being served by Leesburg pursuant to its agreement with SSGC. The Order did not award any other territory to any of the parties.

6. During the pendency of Peoples' territorial dispute petition against Leesburg and SSGC, Leesburg filed a territorial dispute petition with the Commission against Peoples regarding service to Suwannee American Cement. That petition, Docket No. 20180185-GU, is still pending and has not been resolved.

7. The Villages and Leesburg desire to have Leesburg provide natural gas service in future Villages developments in Sumter County, Florida. Peoples does not object to Leesburg providing natural gas service to certain Villages developments as depicted on the attached map.

8. Peoples intends to file additional territorial disputes regarding Leesburg serving future developments in Sumter County, Florida, if this Agreement is not executed and approved by the Commission.

9. The parties wish to provide an orderly transfer of infrastructure in the Bigham developments without the need for further litigation.

10. The parties wish to avoid and eliminate future territorial disputes in Sumter County arising out of Leesburg's providing natural gas service to the Villages Developments. The parties agree that this Agreement will resolve the ongoing issues among the parties in the subject area, Sumter County, Florida, and enhance the ability of customers to receive natural gas service.

NOW THEREFORE, in fulfillment of the purposes and desires described above,

and in consideration of the mutual covenants and agreements herein contained and referenced by attachment, the parties, subject to and upon the terms and conditions set forth hereby agree as follows:

ARTICLE I

TERM OF AGREEMENT

Section 1.1

After this Agreement becomes effective, pursuant to Section 2.1 hereof, it shall continue in effect until modification by mutual agreement by the parties and approval by the Commission or until termination or modification mandated by a court with appropriate jurisdiction.

ARTICLE II

BOUNDARY PROVISIONS

Section 2.1

The map attached hereto and labeled Exhibit A depicts boundary lines in Sumter County, Florida delineating the natural gas service area reserved to Peoples and the natural gas service area reserved to Leesburg with respect to service to natural gas customers. The boundary areas to be served by the respective parties are described as follows:

City of Leesburg

Leesburg will be the natural gas provider in the areas shown on the map in green which include:

- (a) Any area within the Leesburg city limits.

(b) Carter 5b1-4, 5c, and 5c1-4, and all commercial and recreational centers located therein.

(c) The Coleman Prison.

(d) All portions of future developments in areas shown in green on Exhibit B.

Peoples Gas System

Peoples shall serve all areas shaded in blue, including but not limited to the following Villages Developments:

(a) The Rick Scott Industrial Park and areas adjacent thereto.

(b) The developments known as Pinkstaff 10A and all areas west of Pinkstaff.

(c) Hickman 3D1 thru 3D3.

(d) Meggison 4A1 thru 4C2, including the four recreation centers and commercial development at State Road 44 and the north side of County Road 468.

(e) Bailey West, including the Villages Grown, the Fire Station, office complex and all commercial development along State Road 44 and County Road 468.

(f) Bailey East, including the recreation center and all commercial development along State Road 44.

(g) Portions of Carter at 5A1, 5D1, 5D2-3, including three recreation centers and commercial development along State Road 468.

(h) Suwanee American Cement Company, LLC

Section 2.2

Each of the parties agrees that it will not, except as provided under separate written agreement, provide or offer to provide natural gas service to customers within the territory herein reserved to the other party.

Section 2.3

Leesburg is currently providing natural gas service to customers located in Bigham North, Bigham East, Bigham West, and in portions of Bailey West and the fire station adjacent to Bailey West (the "Existing Customers"), which is situated within territory reserved under this Territorial Petition Peoples. Those approximately 3,625 existing customers shall be transferred to Peoples.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.1

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

Section 3.2

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

Section 3.3

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

Section 3.4

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

Section 3.5


This Agreement shall be effective on the date it is approved by the Commission in accordance with Section 3.4 hereof.


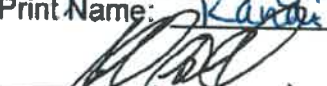
Section 3.6

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

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

**PEOPLES GAS SYSTEM, a
division of Tampa Electric
Company**

By: 
Print name: T.J. Szeleny
Its: President


Print Name: Kandi M. Boyd

Print Name: Richard F. Wall

J. Andi Purvis
Print Name: J. Andi Purvis
Victoria Parks
Print Name: Victoria Parks

CITY OF LEESBURG

By: Elise A. Dennison
Print name: Elise A. Dennison
Its: Mayor

