

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: April 23, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Prewett, Barrett, Clark) *gpc*
Office of the General Counsel (Thompson) *gsc*

RE: Docket No. 20260013-EU – Joint petition for approval of territorial agreement in Hillsborough, Pasco, Pinellas, and Polk Counties, by Tampa Electric Company and Duke Energy Florida, LLC.

AGENDA: 05/05/26 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Payne

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On January 7, 2026, Duke Energy Florida, LLC (DEF) and Tampa Electric Company (TECO) (collectively the joint petitioners or Utilities), filed a petition seeking Commission approval of a territorial agreement in Hillsborough, Pasco, Pinellas, and Polk Counties (2026 Territorial Agreement) with a twenty-year term.¹ The 2026 Territorial Agreement provides details on the boundary line changes and includes maps depicting the new territorial boundaries, written descriptions, and addresses of proposed customer transfers that are attached hereto as Attachment A.

¹ Document No. 00096-2026, filed January 7, 2026, in Docket No. 20260013-EU, *In re: Joint petition for approval of Territorial Agreement [in Hillsborough, Pasco, Pinellas, and Polk Counties]*.

Docket No. 20260013-EU

Date: April 23, 2026

Since 1991, DEF and TECO have been parties to an agreement for Hillsborough, Pasco, Pinellas, and Polk Counties, which expired in 2021 (1991 Agreement).² Since the expiration of that agreement, the joint petitioners have been working on the 2026 Territorial Agreement, which is intended to replace the expired agreement in the above-referenced counties.³ Although the 1991 Agreement expired, the Utilities have continued to meet their obligations under that agreement while negotiations for the 2026 Territorial Agreement were underway.

The 2026 Territorial Agreement, in part, is intended by the joint petitioners to reflect sound engineering and operational decisions regarding proposed changes in the territorial boundary while also facilitating the orderly transfer of certain inadvertently served customers. Also certain boundary line changes are proposed to allow extra-territorial customers to remain with the electric utility to which they are currently connected.⁴

During the review process, staff issued two data requests to the joint petitioners, for which responses were received on February 17, 2026 and April 2, 2026. Staff also held an informal teleconference with the Utilities on March 13, 2026. The 2026 Territorial Agreement, if approved as filed, would establish revised territorial boundaries for a twenty year period in the affected counties and would eliminate current extra-territorial connections.

The Commission has jurisdiction over this matter pursuant to Section 366.04, Florida Statutes (F.S.).

² Order No. 24593, issued May 29, 1991, in Docket No. 910085-EU, *In re: Joint petition for approval of Territorial Agreement between Tampa Electric Company and Florida Power Corporation.*

³ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 5.

⁴ Document No. 01993-2026, joint petitioners' Response to Staff's Second Data Request, Nos. 4 and 5.

Discussion of Issues

Issue 1: Should the Commission approve the 2026 Territorial Agreement between DEF and TECO in Hillsborough, Pasco, Pinellas, and Polk Counties, dated January 7, 2026?

Recommendation: Yes, the Commission should approve the 2026 Territorial Agreement between DEF and TECO in Hillsborough, Pasco, Pinellas, and Polk Counties, as consistent with the Standards for Approval set forth in Rule 25-6.0440(2), F.A.C. The 2026 Territorial Agreement, if approved, amends the respective boundary lines between the Utilities, thereby eliminating extra-territorial connections. The agreement would also facilitate the joint petitioners' efforts to avoid uneconomic duplication of service facilities, wasteful expenditures, and hazardous conditions. Also, the terms of the agreement require the Utilities to seek Commission approval of any temporary service, including inadvertent service, expected to last more than one year. The Utilities are also encouraged to communicate with Commission staff in a timely fashion when inadvertent service is discovered. (Prewett)

Staff Analysis: Pursuant to Section 366.04(2)(d), F.S., and Rule 25-6.0440(2), (F.A.C.), the Commission has jurisdiction to approve territorial agreements between and among rural electric cooperatives, municipal electric utilities, and investor-owned electric utilities. Unless the Commission determines that the agreement will cause a detriment to the public interest, the 2026 Territorial Agreement should be approved.⁵

Rule 25-6.0440(2), F.A.C., addresses the standards the Commission should consider for approving territorial agreements for electric utilities. The rule states:

- (2) Standards for Approval. In approving territorial agreements, the Commission may consider:
 - (a) The reasonableness of the purchase price of any facilities being transferred;
 - (b) The reasonable likelihood that the agreement, in and of itself, will not cause a decrease in the reliability of electrical service to the existing or future ratepayers of any utility party to the agreement;
 - (c) The reasonable likelihood that the agreement will eliminate existing or potential uneconomic duplication of facilities; and
 - (d) Any other factor the Commission finds relevant in reaching a determination that the territorial agreement is in the public interest.

Proposed 2026 Territorial Agreement

DEF and TECO executed the 2026 Territorial Agreement addressing common boundaries over a four-county area on January 7, 2026, to replace and supersede the existing territorial agreement from 1991. The joint petitioners assert that the 2026 Territorial Agreement will accomplish three main objectives:

- (1) Reduce or eliminate dangerous and uneconomic conditions;

⁵*Utilities Commission of the City of New Smyrna Beach v. Florida Public Service Commission*, 469 So. 2d 731 (Fla. 1985).

- (2) Transfer certain customers over a future 12 months to correct (reverse) inadvertent service connection errors that have taken place; and
- (3) Make minor boundary changes to allow for sound engineering and operational decisions and to eliminate extra-territorial connections.

Collectively, these objectives are expected to aid the Utilities in eliminating circumstances that give rise to the uneconomic duplication of service facilities and hazardous conditions, such as overlapping wires and facilities that could endanger utility linemen and the public at large.⁶

The 2026 Territorial Agreement includes 72 maps depicting the new territorial boundaries, written descriptions of the territorial areas, and comprehensive terms and conditions the joint petitioners negotiated. Among the terms the joint petitioners agreed on were terms addressing the provision of new and temporary service, methods and obligations each utility will follow for correcting inadvertent service errors, and procedures for the transfer of customers and facilities. The 2026 Territorial Agreement also includes the joint petitioners' negotiated terms regarding the method of compensation for transferred facilities, and identifies the service addresses for the extra-territorial customers that are to be transferred. The joint petitioners' filing also includes a sample copy of the notification letters provided to customers that are subject to transfer.

Pursuant to Section 6.1, the 2026 Territorial Agreement, if approved, would remain in effect for 20 years from the date the Commission issues its order approving the agreement in its entirety and the order is no longer subject to judicial review. Upon the expiration of the initial 20-year term, the agreement would remain in effect in perpetuity unless either party provides written notice of termination at least 12 months prior to the termination of the agreement in accordance with Section 8.3.

Proposed Boundary Changes

The joint petitioners negotiated and are proposing boundary line changes, in part, as a corrective measure to address inadvertent service connections each party identified in their respective territories. While collaborating over the last several years, the joint petitioners discovered some of the inadvertent connections while analyzing the territorial service boundaries related to the instant pleading.⁷

Some proposed boundary line changes address approximately 340 extra-territorial customer connections (80 extra-territorial DEF customers in TECO's territory and 259 extra-territorial TECO customers in DEF's territory) that are not subject to transfer due to specific technical reasons or the uneconomic cost of switching utility facilities. Instead, the Utilities have agreed to modify their service territory boundaries to eliminate these extra-territorial connections.⁸

⁶ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 6.

⁷ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 5.

⁸ Document No. 01993-2026, joint petitioners' Response to Staff's Second Data Request, Nos. 4 and 5.

The joint petitioners assert that the proposed boundary line changes are primarily needed to avoid duplication of services and wasteful expenditures, as well as to best protect the public health and safety from hazardous conditions.⁹

While negotiating the 2026 Territorial Agreement, both DEF and TECO exchanged geographic information systems (GIS) files to update their respective mapping resources. Should the agreement be approved, the joint petitioners claim having agreed-upon maps will allow for better planning of distribution and transmission capital investments.¹⁰

The joint petitioners assert that corrective measures and improved processes should significantly reduce inadvertent service connections going forward. Both Utilities state that modern digital mapping more clearly defines service territories, and that shared advanced GIS platforms provide greater precision for identifying boundaries and agreeing on proposed borders.¹¹ Both Utilities report expanded GIS team staffing. In addition, both Utilities perform verification reviews of boundary lines in the field upon service initiation, and DEF now also conducts off-cycle verification reviews roughly every five years.¹² Despite these improvements, the joint petitioners acknowledge connection errors may still occur. Section 2.5 of the proposed 2026 Territorial Agreement requires correction within 12 months of discovery.¹³ In the interim, affected customers are treated as temporary service customers, and if temporary service is expected to exceed one year, the parties must jointly seek Commission approval.¹⁴

Proposed Customer Transfers, Notifications, and Bills

Exhibit B of the 2026 Territorial Agreement identifies the service addresses of the two active DEF customer accounts that are proposed to be transferred to TECO.¹⁵ Both customers are neighboring parcels in a residential subdivision. The proposed customer transfers under the 2026 Territorial Agreement are a result of negotiations between the Utilities, with the intent of avoiding duplication of services and wasteful expenditures, as well as to best protect the public health and safety from potentially hazardous conditions.¹⁶

The Utilities have no plans to transfer facilities. The joint petitioners state that, upon Commission approval of the 2026 Territorial Agreement, customer transfers will be coordinated over a 12-month period.¹⁷ The joint petitioners state that they will not conduct any customer transfers until the Commission approves the joint petition.

Rule 25-6.0440(2)(d), F.A.C., also gives the Commission the discretion to address any other relevant concerns that are case-specific. Based on the comparative bill information provided to customers by letter in November 2025, the average residential DEF bill for 1,000 kWh was

⁹ Document No. 00096-2026, joint petition for approval of territorial agreement, paragraph 4.

¹⁰ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 3.A. and No. 5.

¹¹ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 3.A. and Document No. 01993-2026, joint petitioners' Response to Staff's Second Data Request, No. 3.C.

¹² Document No. 01993-2026, joint petitioners' Response to Staff's Second Data Request, No. 3.C.

¹³ 2026 Territorial Agreement, Article II – Retail Electric Service, Section 2.5.

¹⁴ 2026 Territorial Agreement, Article II – Retail Electric Service, Section 2.3.

¹⁵ 2026 Territorial Agreement, Exhibit B.

¹⁶ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 6.

¹⁷ 2026 Territorial Agreement, Article III – Transfer of Customers and Facilities, Section 3.1.

\$179.29 and the average residential TECO bill for 1,000 kWh was \$168.01, a difference of \$11.28, or about 6 percent.

The joint petitioners assert they followed the guidelines of Rule 25-6.0440(1)(d), F.A.C., which required them to provide notification to the affected customers. This notification was provided in letters dated November 10, 2025.¹⁸ Regarding feedback from those letters, the joint petitioners stated they have received no customer comments expressing dissatisfaction related to the proposed transfers. The joint petitioners also assert that prior to the actual transfer, the affected customers will receive a second notification of the transfer. The joint petitioners also state that no additional charges will be imposed on the customers who will be transferred, assuming Commission approval.

Staff Review

In its review, staff analyzed the 2026 Territorial Agreement for compliance with each component of Rule 25-6.0440(2), F.A.C. Staff notes that no purchase price, construction cost estimates, or detailed engineering drawings were presented to staff for review, as the joint petitioners stated that no facilities are intended to be purchased or transferred.¹⁹

Staff also evaluated the agreement according to Rule 25-6.0440(2)(b), F.A.C., which addresses electrical system reliability for existing or future customers. The joint petitioners contend that the reliability of service to existing or future DEF or TECO customers would not be decreased as a result of the proposed agreement.²⁰ Additionally, both Utilities confirmed that the 2026 Territorial Agreement would help them gain further operational efficiencies and customer service improvements in their respective retail service areas.

Under the 2026 Territorial Agreement, the joint petitioners have proposed to minimize existing or potential uneconomic duplication of facilities, as referenced in Rule 25-6.0440(2)(c), F.A.C., and have provided a brief justification to support each boundary line change.²¹ The Utilities have also provided brief justifications to support aligning the boundary lines to eliminate all known extra-territorial customers instead of transferring them.²² In accordance with Rule 25-6.0440(2)(c), F.A.C., staff believes the minimizing of potential uneconomic duplication of facilities represents a strong argument favoring approval of the 2026 Territorial Agreement.

Staff is concerned with the extent of extra-territorial customer connections reported by the Utilities (80 extra-territorial DEF customers in TECO's territory and 259 extra-territorial TECO customers in DEF's territory), with some extra-territorial customers being located a significant distance from the boundary line.²³ For example, the entirety of a Polk County walled subdivision served by TECO is located inside DEF's service area at a distance of approximately 0.4 miles from the nearest DEF/TECO territorial border. The 2026 Territorial Agreement, however,

¹⁸ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 1.A.

¹⁹ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 2.

²⁰ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 6.

²¹ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 3.C.

²² Document No. 01993-2026, joint petitioners' Response to Staff's Second Data Request, No. 3 and 5.

²³ Document No. 01120-2026, joint petitioners' Response to Staff's First Data Request, No. 3.B., Exhibit A, Attachment 10, Map Page 52.

addresses these concerns by setting forth the specific obligations both Utilities are bound to regarding service provisioning and adherence to the Commission-established boundary lines.²⁴

While Article II of the 2026 Territorial Agreement includes specific terms for provisioning of new and temporary services, staff notes that Article II also addresses remedies the joint petitioners should follow for correcting temporary service and inadvertent service connections. Specifically, temporary service expected to last more than one year, including inadvertent service connections, must be jointly submitted to the Commission for approval by the Utilities (Sections 2.3 and 2.5). Staff believes the joint parties, aided with their respective boundary verification protocols for establishing/auditing service connections, should follow such protocols in order to assure compliance with this stated term of the 2026 Territorial Agreement. Doing so will assure that the Utilities are abiding by the Commission-established boundary lines to the greatest extent possible, and should also serve to limit the Utilities' need to seek Commission approval for inadvertent connections beyond a year.

Staff believes DEF and TECO satisfied the notification requirements of Rule 25-6.0440(1)(d), F.A.C., for customers affected by the proposed service and rate changes. At the time the November 10, 2025 notification letters were issued, the projected bill decrease for DEF customers to be transferred to TECO did not appear significant. However, Staff recognizes that future rate differences cannot be known with certainty and that actual rates at the time of transfer may differ from those presented in the notification letters.²⁵

Conclusion

Staff believes the Commission should approve the 2026 Territorial Agreement between DEF and TECO in Hillsborough, Pasco, Pinellas, and Polk Counties, as consistent with the Standards for Approval set forth in Rule 25-6.0440(2), F.A.C. The 2026 Territorial Agreement, if approved, amends the respective boundary lines between the Utilities and authorizes customer transfers for two residential customers. Additionally, the terms of the agreement, if approved, would allow the joint petitioners to avoid uneconomic duplication of service facilities, wasteful expenditures, and hazardous conditions. Also, the terms of the agreement require the Utilities to seek Commission approval of any temporary service, including inadvertent service, expected to last more than one year. Staff believes the need for the Utilities to seek such approval should be limited as a result of recently deployed boundary line verification protocols for new service connections, increased boundary monitoring personnel, and improved mapping tools and technologies. The Utilities are also encouraged to communicate with Commission staff in a timely fashion when inadvertent service is discovered.

²⁴ 2026 Territorial Agreement, Article II – Retail Electric Service.

²⁵ Although staff is cognizant of the rate impact on the customers, the Commission has consistently adhered to the principle set forth in *Storey v. Mayo*, 217 So. 2d 304, 307-308 (Fla. 1968), and reaffirmed in *Lee County Electric Cooperative v. Marks*, 501 So. 2d 585 (Fla. 1987), that no person has a right to compel service from a particular utility simply because he believes it to be to his advantage.

Issue 2: Should this docket be closed?

Recommendation: If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order. (Thompson)

Staff Analysis: If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ATTACHMENT 1

TERRITORIAL AGREEMENT

TAMPA ELECTRIC COMPANY

AND

DUKE ENERGY FLORIDA, LLC

HILLSBOROUGH, PASCO,

PINELLAS AND POLK COUNTIES

TERRITORIAL AGREEMENT

Section 0.1: This Territorial Agreement (“Agreement”), made and entered into this __6__ day of __January____, 2026, by and between Duke Energy Florida, LLC d/b/a Duke Energy (“DEF”) and Tampa Electric Company (“Tampa Electric”), each of which are corporations organized and existing under the laws of the State of Florida and electric utilities as defined in, and whose retail service territories are subject to regulation pursuant to, Chapter 366, Florida Statutes, and which corporations are herein collectively, the “Parties” and individually, a “Party,” enter into this Agreement;

WITNESSETH:

Section 0.2: WHEREAS, each of the Parties is authorized, empowered and obligated by its corporate charters and the laws of the State of Florida to furnish retail electric service to Persons desiring to use such service within their respective areas of service; and

Section 0.3: WHEREAS, each of the Parties is authorized by Chapter 366, Florida Statutes, to furnish retail electric service to customers in areas of Hillsborough, Pasco, Pinellas, and Polk counties, Florida; and

Section 0.4: WHEREAS, the Parties previously entered into a Territorial Agreement delineating their respective service territories in Hillsborough, Pasco, Pinellas, and Polk counties which was approved by the Florida Public Service Commission (the “Commission”) in Docket No. 910085-EI, issued May 29, 1991 in Order 24593, (the “Expired Agreement”). The Expired Agreement had a fifteen (15) year term through May 29, 2006, with an automatic renewal period of fifteen (15) years; and

Section 0.5: WHEREAS, the Parties desire to enter into a new Agreement 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 by a properly constructed, approved, and supervised territorial agreement; and

Section 0.6: WHEREAS, the respective retail service areas of the Parties are contiguous, with the result that, absent the establishment of a territorial agreement defining the Party's respective service territories, duplication of service facilities would be likely to occur which may result in needless and wasteful expenditures and may create hazardous situations, both detrimental to the public interest; and

Section 0.7: WHEREAS, the Commission is empowered by the Florida legislature, pursuant to Section 366.04(2)(d), Florida Statutes, to approve and enforce territorial agreements between utilities, 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, 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 lines which circumscribe the geographic areas as depicted on the maps attached hereto as Exhibit A which delineate and differentiate the Parties' respective Territorial Areas in Hillsborough, Pasco, Pinellas, and Polk counties, Florida. The

portions of the counties which are not subject to this agreement are marked on the maps as "Not Part of this Agreement." Additionally, as required pursuant to Rule 25-6.0440(1)(a), Florida Administrative Code, a written description of the territorial areas served is attached as Exhibit C. If there are any discrepancies between Exhibit A and Exhibit C, then the territorial boundary maps in Exhibit A shall prevail.

Section 1.2: Tampa Electric Territorial Area. As used herein, the term "Tampa Electric Territorial Area" shall mean the geographic areas in Hillsborough, Pasco, Pinellas, and Polk counties, Florida, allocated to Tampa Electric as its retail service territory and labeled as "Tampa Electric Company" on the maps contained in Exhibit A.

Section 1.3: DEF Territorial Area. As used herein, the term "DEF Territorial Area" shall mean the geographic area in Hillsborough, Pasco, Pinellas, and Polk counties, Florida, allocated to DEF as its retail service territory and labeled as "Duke Energy Florida" on the maps contained in Exhibit A.

Section 1.4: Point of Use. 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: Person. As used herein, the term "Person" shall have the same inclusive meaning given to it in Section 1.01(3), Florida Statutes.

Section 1.6: New Customer. As used herein, the term "New Customer" shall mean a Person applying for retail electric service to either Party after the Effective Date of this Agreement at a Point of Use in the Territorial Area of either Party.

Section 1.7: Existing Customer. As used herein, the term "Existing Customer" shall mean

any Person receiving retail electric service from either Party as of the Effective Date of this Agreement.

Section 1.8: Extra-Territorial Customers. As used herein, the term "Extra-Territorial Customers" shall mean those customers served by either Party on the Effective Date of the Agreement who are located within the Territorial Area of the other Party established by such Agreement.

Section 1.9: Temporary Service Customers. As used herein, the term "Temporary Service Customers" shall mean customers who are being served under the temporary service provisions provided in Section 2.3 of this Agreement.

Section 1.10: Commission. As used herein, the term "Commission" shall mean the Florida Public Service Commission.

Section 1.11: 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 is no longer subject to judicial review.

ARTICLE II

RETAIL ELECTRIC SERVICE

Section 2.1: Territorial Allocations. Except as otherwise specifically provided herein, during the terms of this Agreement, Tampa Electric shall have the exclusive authority to furnish retail electric service within the Tampa Electric Territorial Area, and DEF shall have the exclusive authority to furnish retail electric service in the DEF 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 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. DEF and Tampa Electric agree that neither Party will attempt to serve or knowingly serve any New Customer located in the territorial area of the other Party, except as specifically provided in Section 2.3 below.

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. Prior to the commencement of temporary service, the 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. Such temporary service shall be discontinued upon written notice from the requesting Party of its intent and ability to provide service, and 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, which the requesting Party may elect to acquire. The requesting Party shall not be entitled to compensation for any loss of revenues for the period during which such temporary service is provided. Any temporary service expected to last for more than one year shall be jointly submitted by the Parties to the Commission for approval.

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 and shall refer the prospective New Customer to the other Party. Further, in those instances where the Territorial Boundary Line traverses the property of an individual New Customer or prospective New Customer, the Parties will determine the location of the New Customer's Point of Use, and the Party in whose service area the Point of Use is located will provide service to the New Customer.

Section 2.5: Correction of Inadvertent Service Errors. 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 by the other Party will be established at the earliest practical time, but in any event within twelve (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 of either Party shall be served by the Party in whose Territorial Area they are located at the earliest practicable time. Accordingly, the Parties intend to complete all transfers of the Extra-Territorial Customers within twelve (12) months of the Effective Date of the Agreement and will notify the Commission in writing if circumstances require additional time.

In accordance with Rule 25-6.0440(1)(d), Florida Administrative Code, the Parties sent the affected customers written notification of this 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: Transfer of Extra-Territorial Customers. The Extra-Territorial Customers currently served by DEF and subject to transfer to Tampa Electric pursuant to this Agreement are listed by the service address and/or other identifying factor in Exhibit B, attached hereto.

Section 3.3: Transfer of Related Service Facilities. In conjunction with the transfer of the Extra-Territorial Customers pursuant to Sections 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 transferred customers for an amount to be determined in accordance with Section 3.4 below.

Section 3.4: Compensation for Transferred Facilities. The receiving Party shall compensate the transferring Party for the electric distribution facilities used exclusively for providing electric service to the transferred customers in 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. The replacement cost shall be determined by applying a cost calculator 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 estimation method.

Section 3.5: Transfer Closings. The Parties shall mutually agree on a closing date for each transfer allowing sufficient time for the Parties to identify the customers and facilities to be transferred; to determine the compensation for transferred customers and facilities; and to prepare the appropriate closing statements, assignments, and other instruments to transfer and convey the transferring Party's interest in the electric distribution facilities to the receiving Party pursuant to Section 3.3 above. At the closing, the receiving Party shall pay the transferring Party the compensation due, and the transferring Party shall execute and deliver to the receiving Party the assignments and other instruments referred to above.

ARTICLE IV

OPERATION AND MAINTENANCE

Section 4.1: Facilities to Remain. Other than as expressly provided for herein, any generating plant, transmission line, substation, distribution line, or related equipment now or herein constructed after or used by either Party in conjunction with its electric utility system, which is directly or indirectly used and useful in service to its customers by either of the Parties in its Territorial Area, shall be allowed to remain where situated and shall not be subject to removal or transfer to the other Party hereunder; provided, however, that each Party shall operate and maintain all such plants, lines, substations or facilities in such a manner as to minimize any interference with the operations of the other Party.

ARTICLE V

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 the provisions of this Agreement 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, and the "Effective Date" of this Agreement will be the date on which the final Order of the Commission granting approval of this Agreement in its entirety is no longer subject to judicial review. Any proposed modification to this Agreement, shall be jointly submitted to the Commission for consideration and approval prior to becoming effective. 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: Liability in the Event of Disapproval. In the event approval of this Agreement pursuant to Section 5.1, hereof is not obtained, neither Party will have any cause of action against the other arising under this Agreement.

Section 5.3: Supersedes Prior Agreements. Upon the Effective Date, this Agreement shall be deemed to specifically supersede any and all prior agreements between the Parties regarding their respective retail service areas in Hillsborough, Pasco, Pinellas and Polk counties, Florida.

ARTICLE VI

DURATION

Section 6.1: Term. This Agreement shall continue and remain in effect for a period of twenty (20) years from the Effective Date. After expiration of the twenty (20) year term provided herein, this Agreement shall remain in effect thereafter unless either Party provides written notice of Termination at least (twelve) 12 months prior to the termination of the agreement as contemplated by Section 8.3.

ARTICLE VII

CONSTRUCTION OF AGREEMENT

Section 7.1: Other Electric Utilities. Nothing in this Agreement shall restrict or affect in any manner the right of either Party to establish its retail service area with respect to any other electric utility. The Parties understand that Tampa Electric or DEF 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 Tampa Electric or DEF from designating any portion of its Territorial Area under this Agreement as the service area of such other electric utility.

Section 7.2: Bulk Power for Resale. Nothing herein shall be construed to prevent either Party from providing a bulk power supply for resale purposes, as defined in the Final Judgement dated August 19, 1971, in *United States of America v. Florida Power Corporation and Tampa Electric Company*, Case No. 68-297-Civ-T, regardless of where the purchaser for resale may be located. Further, no other section or provision of this Agreement shall be construed as applying to a bulk power supply for resale purposes.

Section 7.3: 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. Regardless of any other terms or conditions that may have been discussed during the negotiations leading up to the execution of this Agreement, the only terms and conditions agreed upon by the Parties are those set forth herein, and no alteration, modification, enlargement, or supplement to this Agreement shall be binding upon either of the Parties hereto unless the same shall be in writing, attached hereto, signed by both of the Parties and approved by the Commission in accordance with Section 5.1 hereof.

Section 8.2: Successors and Assigns. This Agreement shall be binding upon the Parties hereto and their respective successors and assigns. Nothing in this Agreement, expressed or implied, is intended or shall be construed, to confer upon or give to any Person other than the Parties hereto or their respective successors or assigns, 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 the Parties and their respective successors, and assigns.

Section 8.3: Notices. 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:

TAMPA ELECTRIC COMPANY

DUKE ENERGY FLORIDA

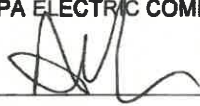
Penelope Rusk
Vice President Regulatory Affairs
Tampa Electric Company
P.O. Box 111
Tampa, Florida 33607

Melissa Seixas
State President
Duke Energy Florida, LLC
P.O. Box 14042
St. Petersburg, Florida 33733

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.

TAMPA ELECTRIC COMPANY, INC.

By: 
Archie Collins
President and Chief Executive Officer

DUKE ENERGY FLORIDA, LLC

ATTEST:

By: 
Melissa Seixas
Duke Energy Florida State President

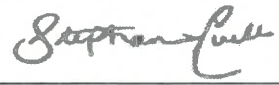
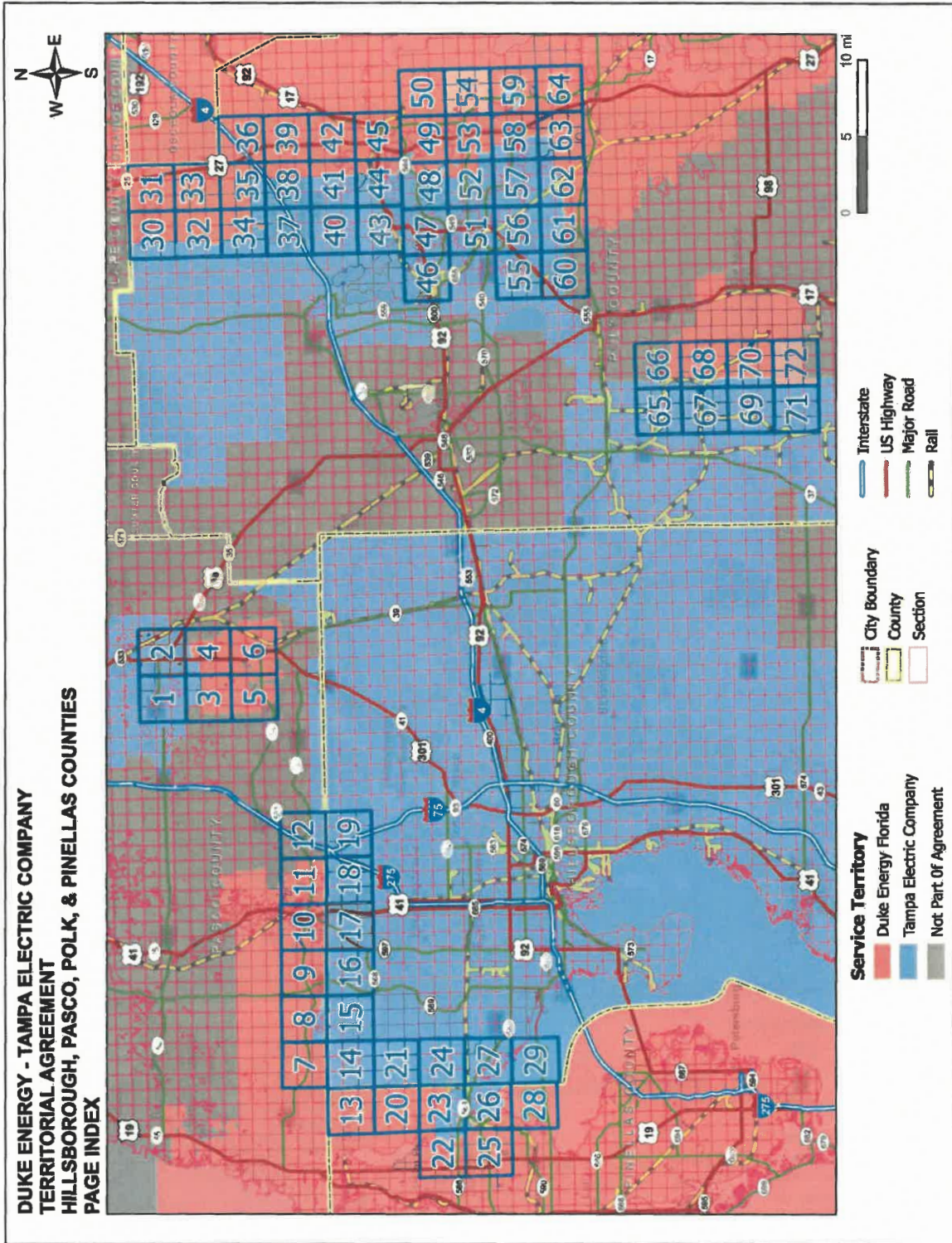
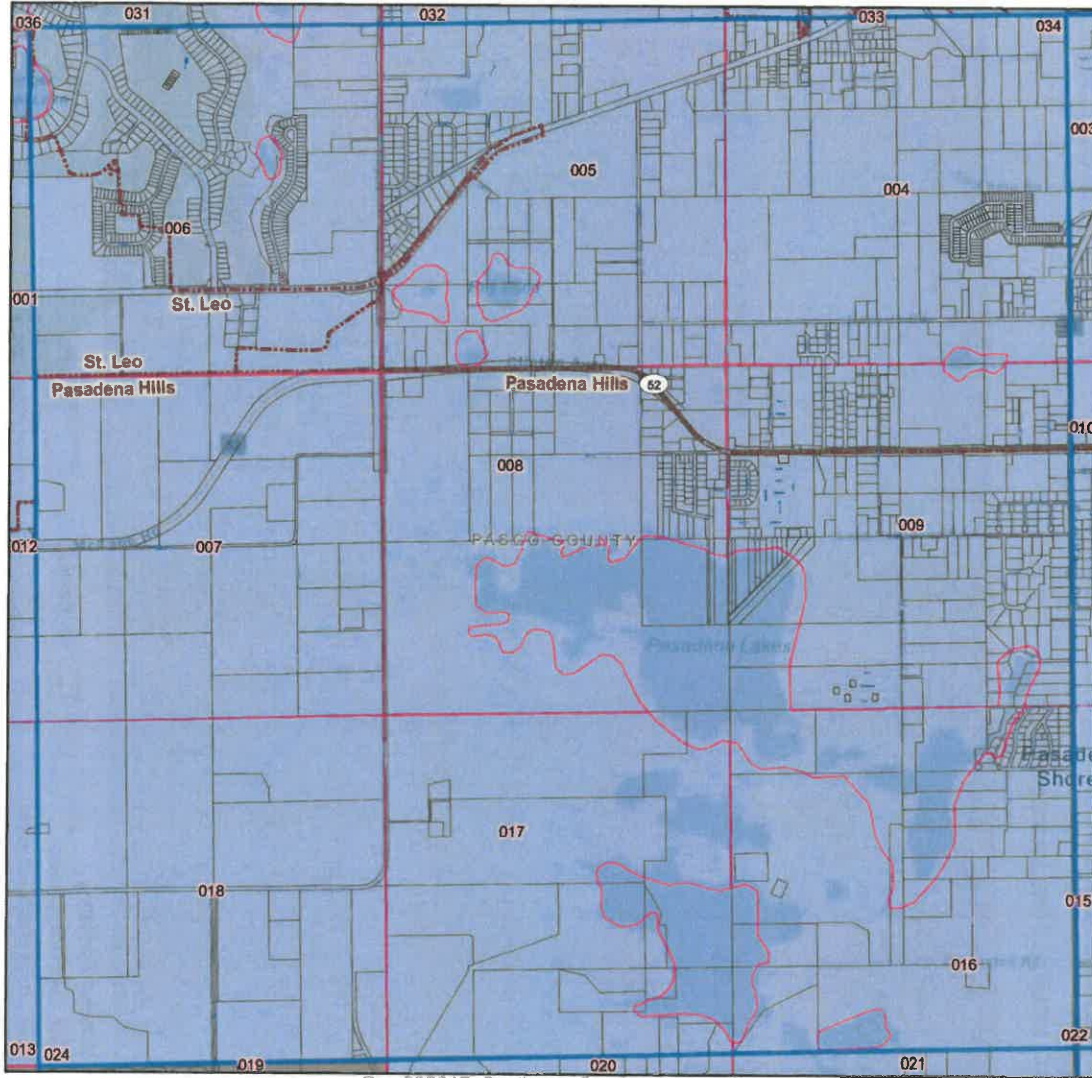

Stephanie A. Cuello
Senior Counsel
Attorney for Duke Energy Florida, LLC

EXHIBIT A

**MAPS DEPICTING THE TERRITORIAL
BOUNDARY LINES AND SERVICE
TERRITORIES OF
TAMPA ELECTRIC COMPANY
AND
DUKE ENERGY FLORIDA, LLC
IN
HILLSBOROUGH, PINELLAS, PASCO & POLK COUNTIES, FLORIDA**



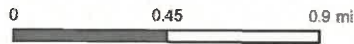
**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**



See 25S21E, Northeast Quadrant - page 2

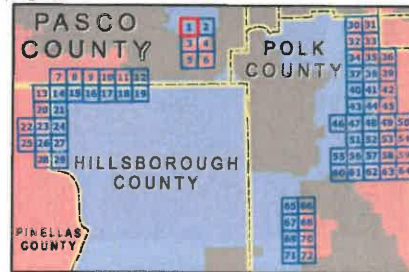
See 25S21E, Southwest Quadrant - page 3

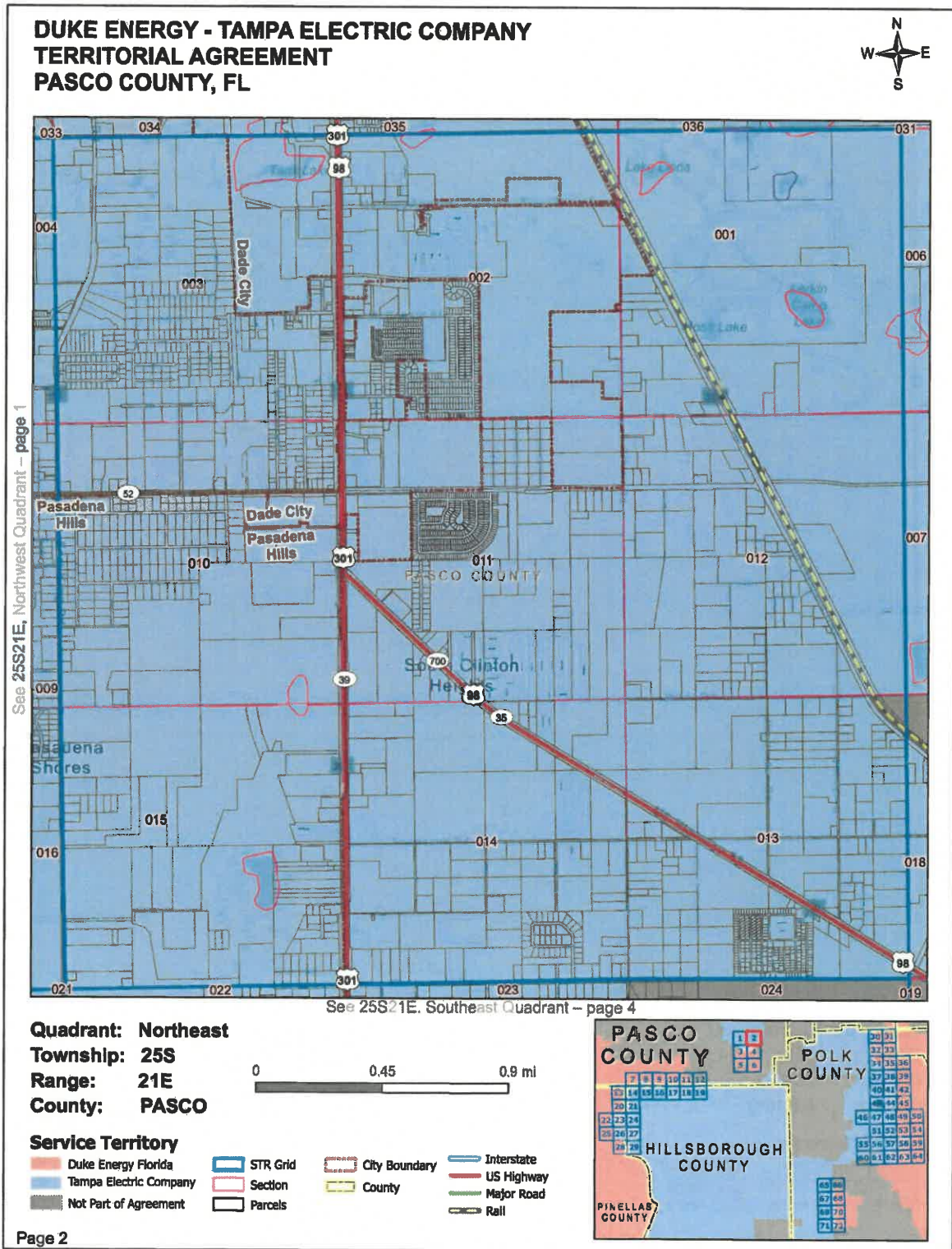
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Township: 25S
Range: 21E
County: PASCO

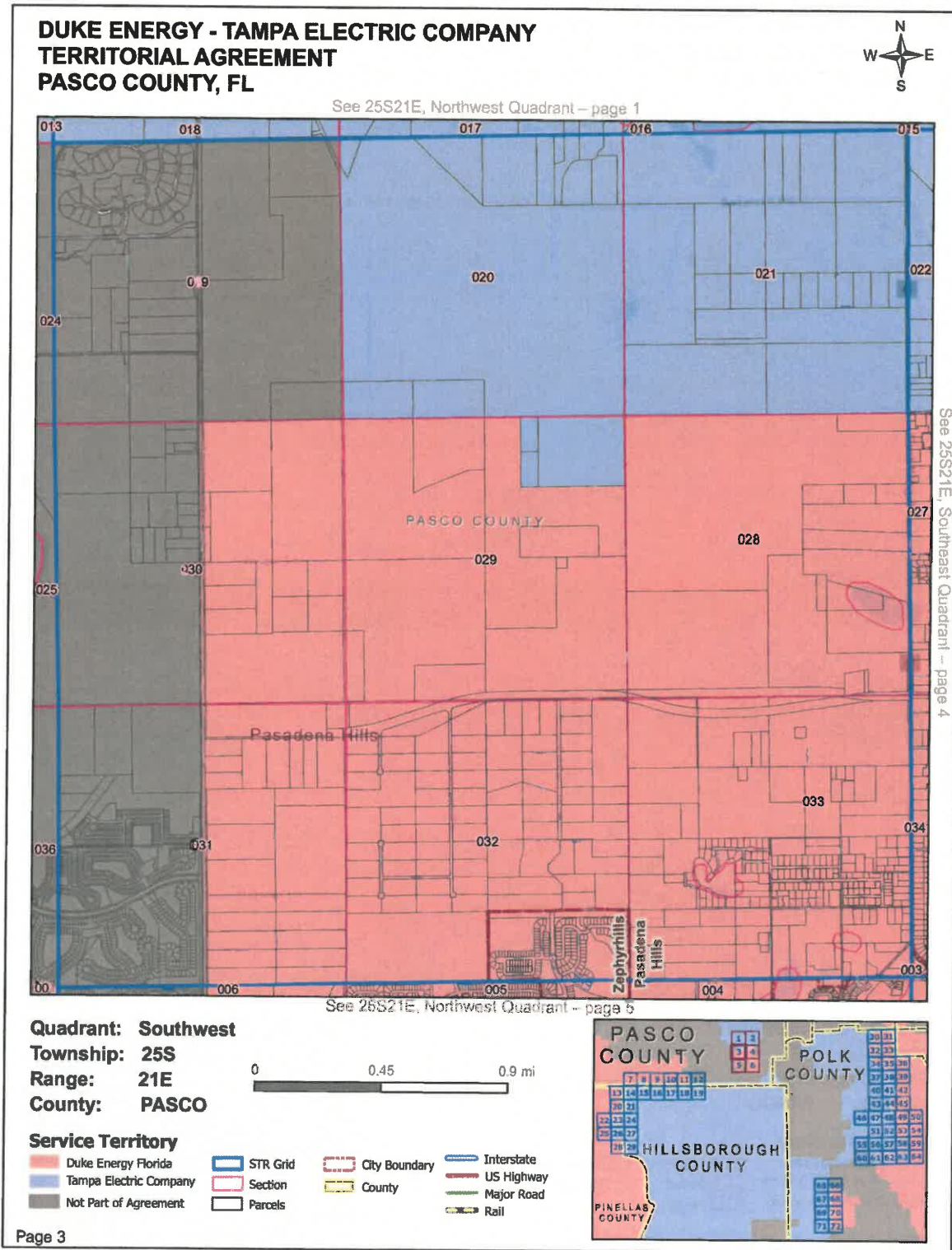


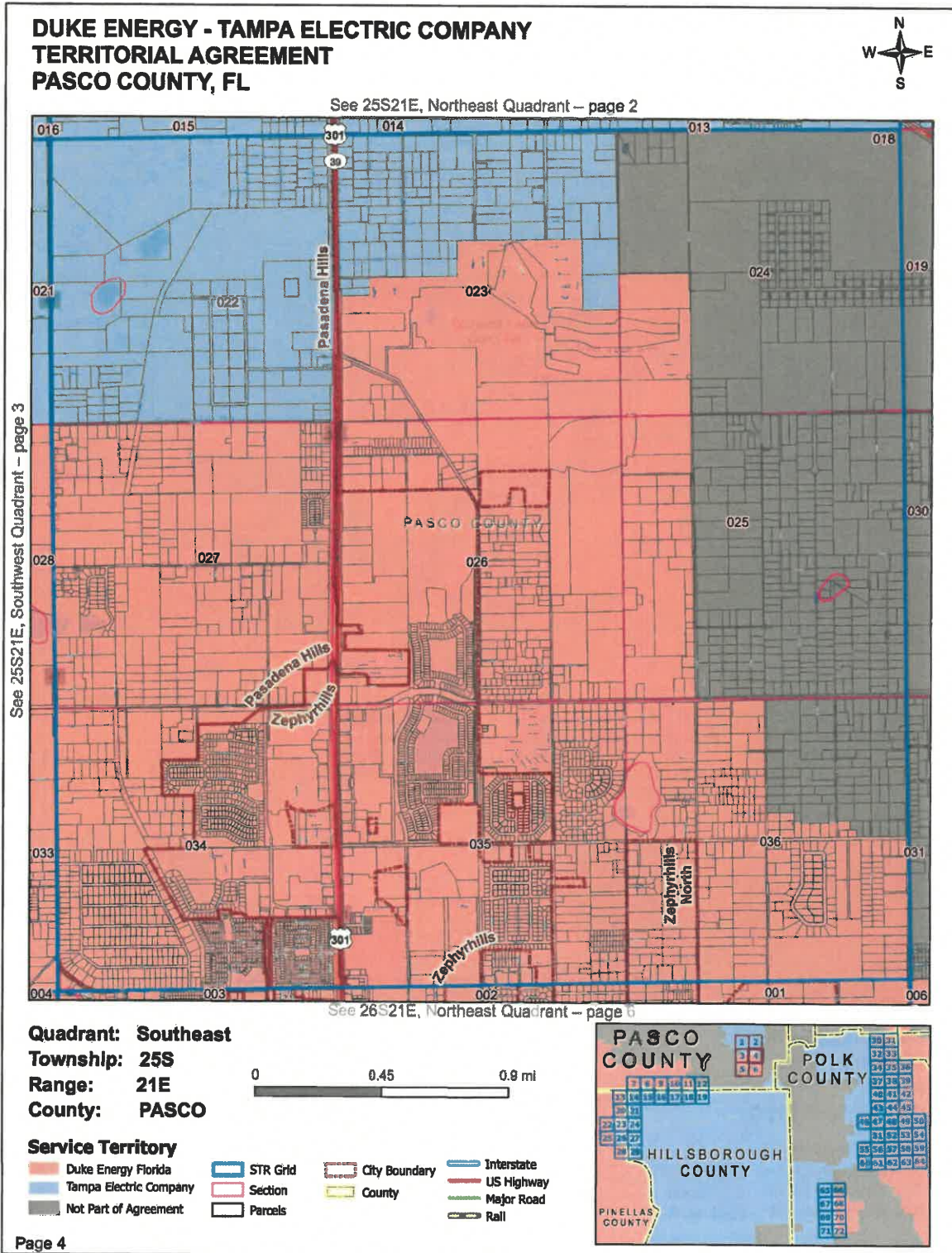
Service Territory

- | | | | |
|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | Major Road | Rail |





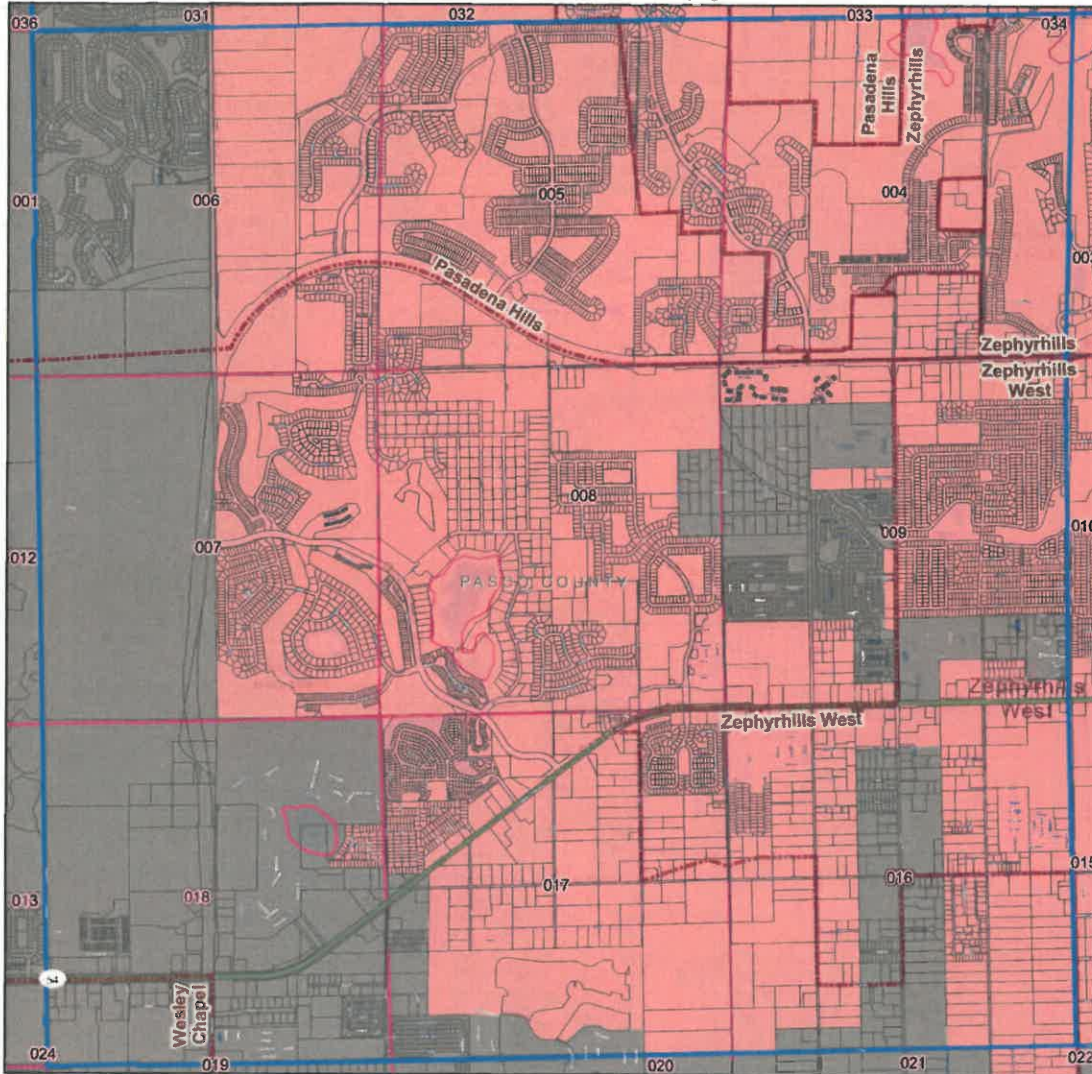




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**

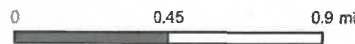


See 25S21E, Southwest Quadrant – page 3



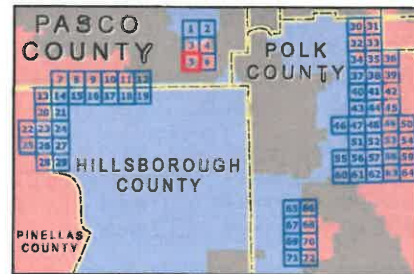
See 26S21E, Northeast Quadrant – page 6

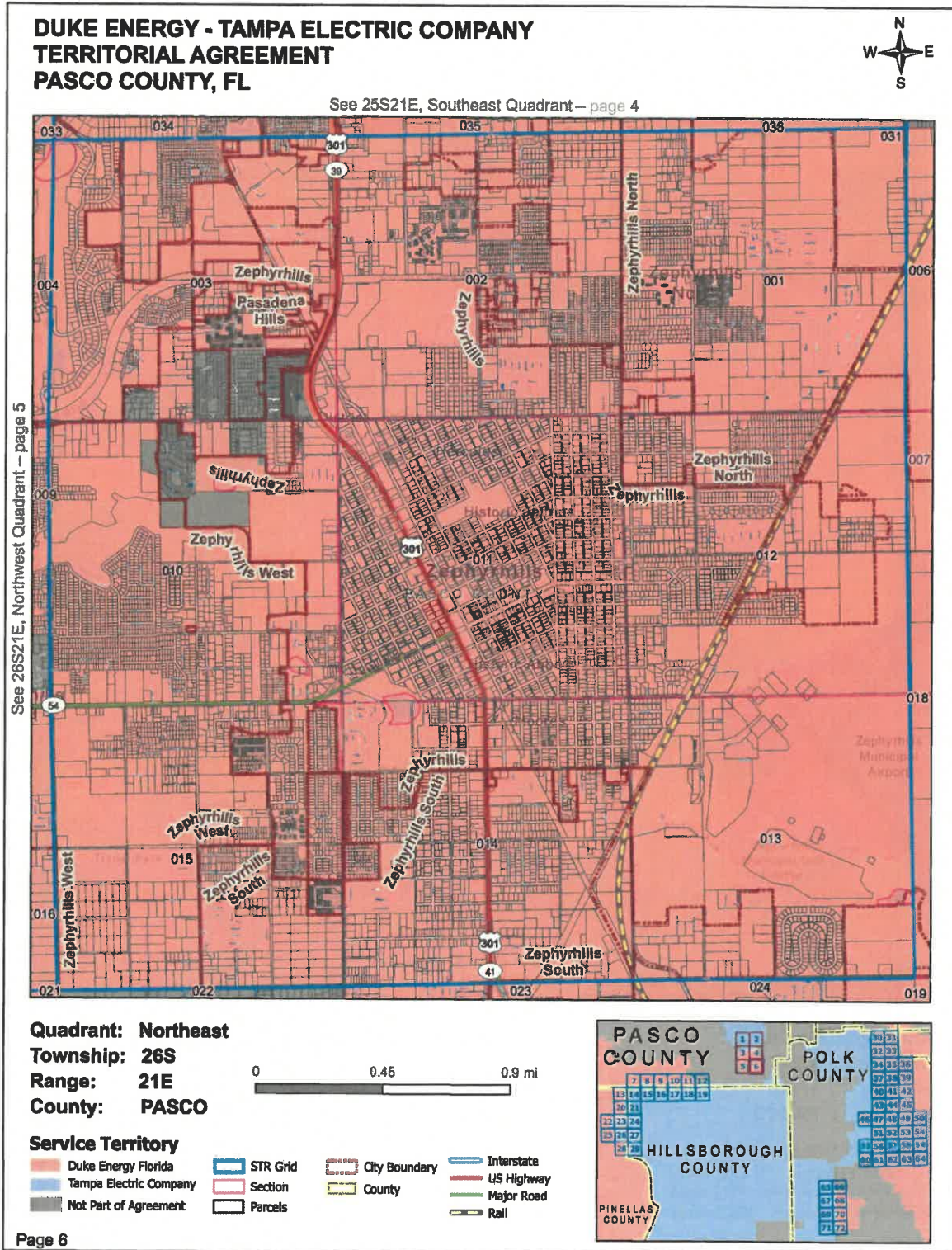
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Township: 26S
Range: 21E
County: PASCO



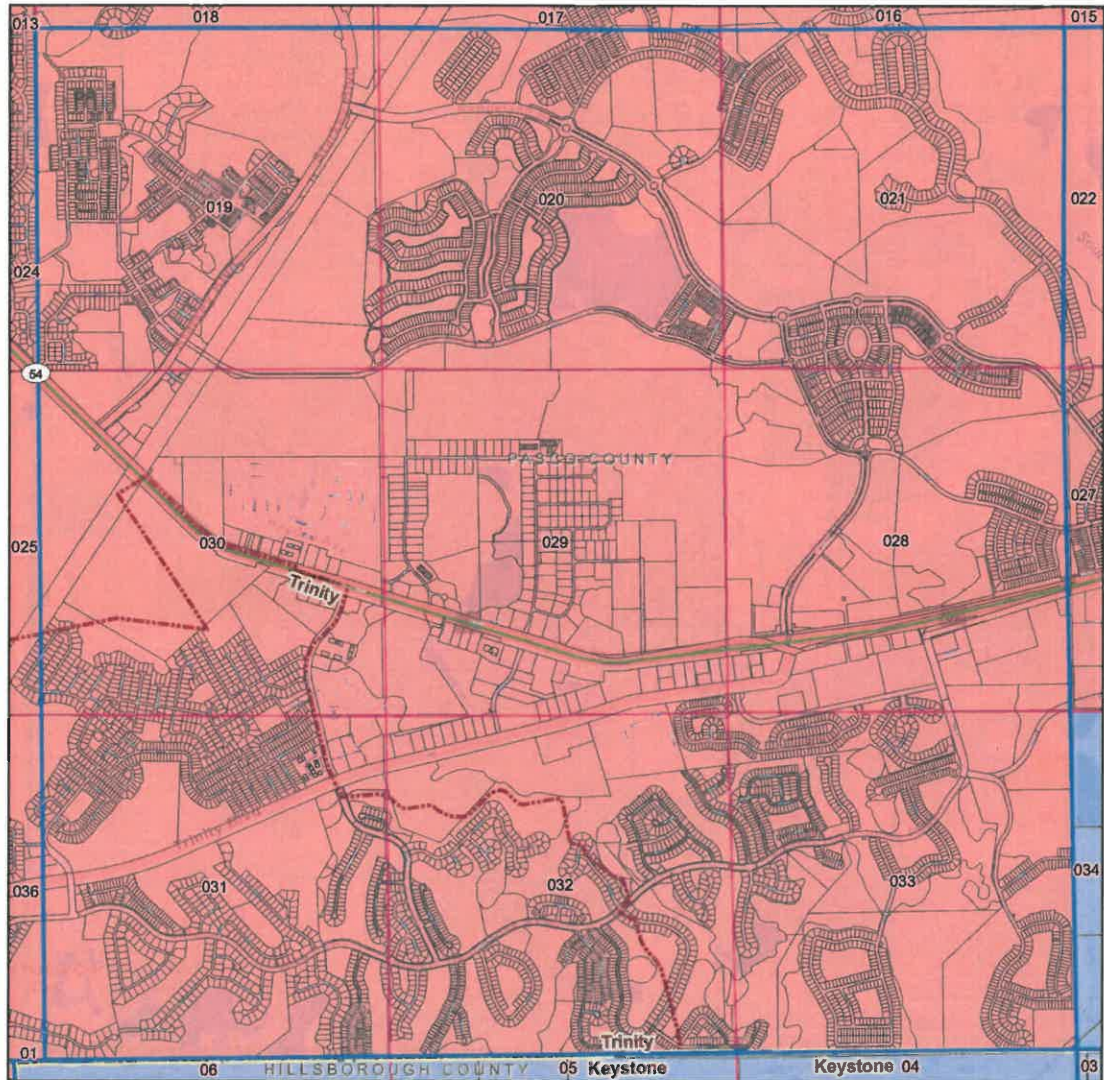
Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- City Boundary
- County
- Section
- Parcels
- Interstate
- US Highway
- Major Road
- Rail





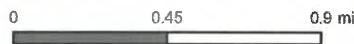
**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**



See 26S17E, Southeast Quadrant - page 8

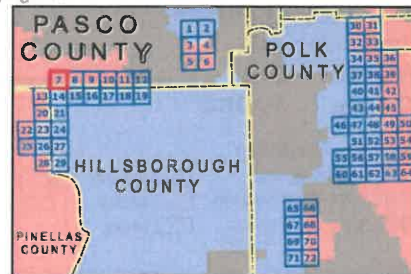
See 27S17E, Northwest Quadrant - page 14

Quadrant: Southwest
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Range: 17E
County: PASCO

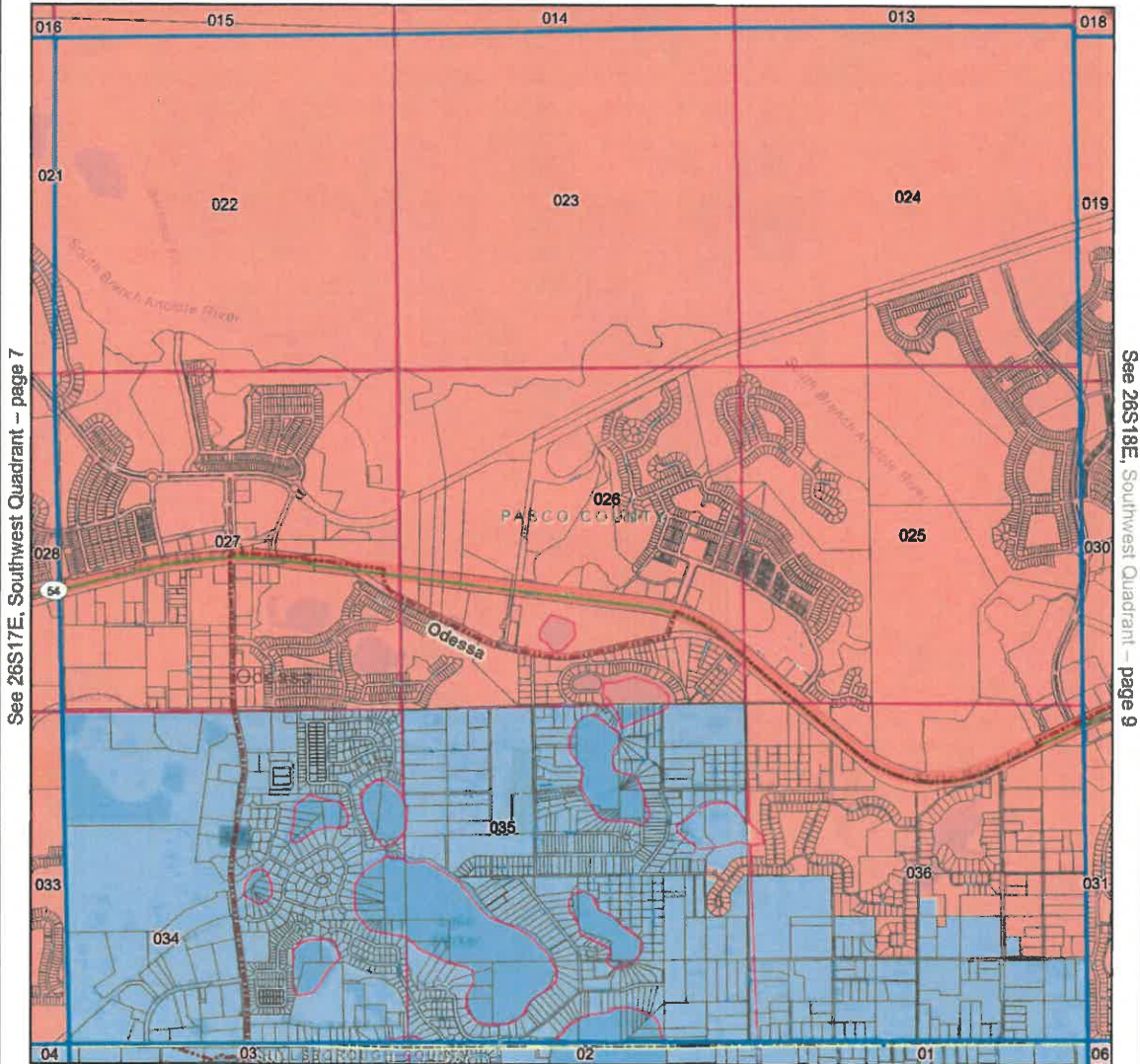


Service Territory

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|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | Major Road | Rail |



**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**

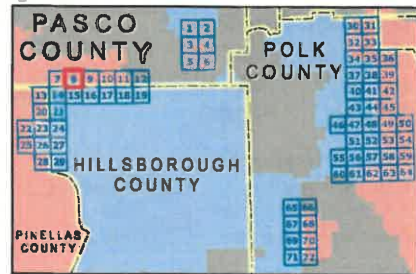


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Township: 26S
Range: 17E
County: PASCO

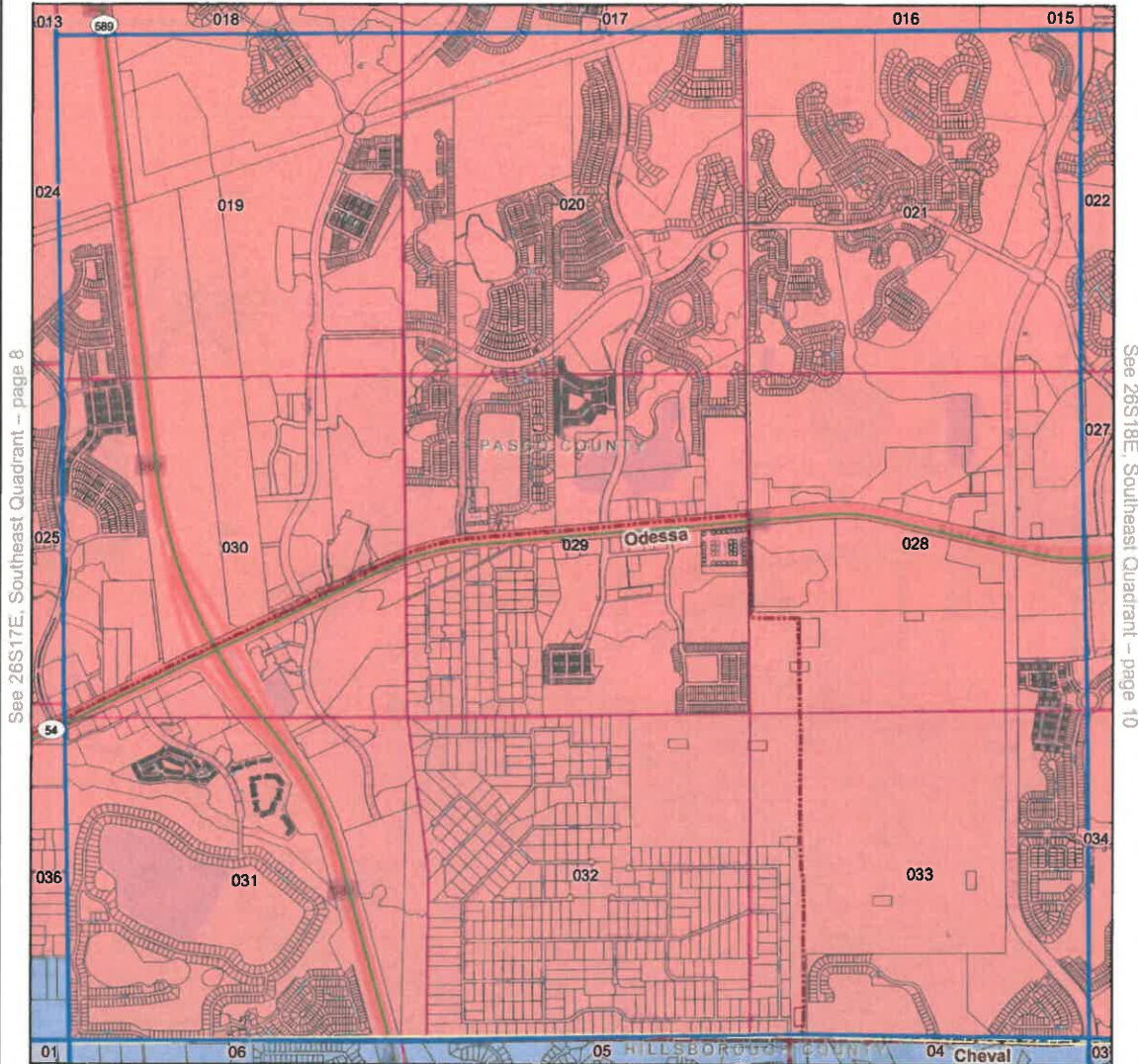


Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail



**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**

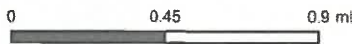


See 26S17E, Southeast Quadrant -- page 8

See 26S18E, Southeast Quadrant -- page 10

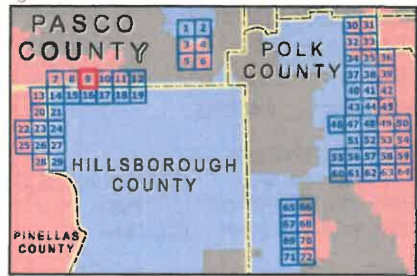
See 27S18E, Northwest Quadrant -- page 16

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Range: 18E
County: PASCO

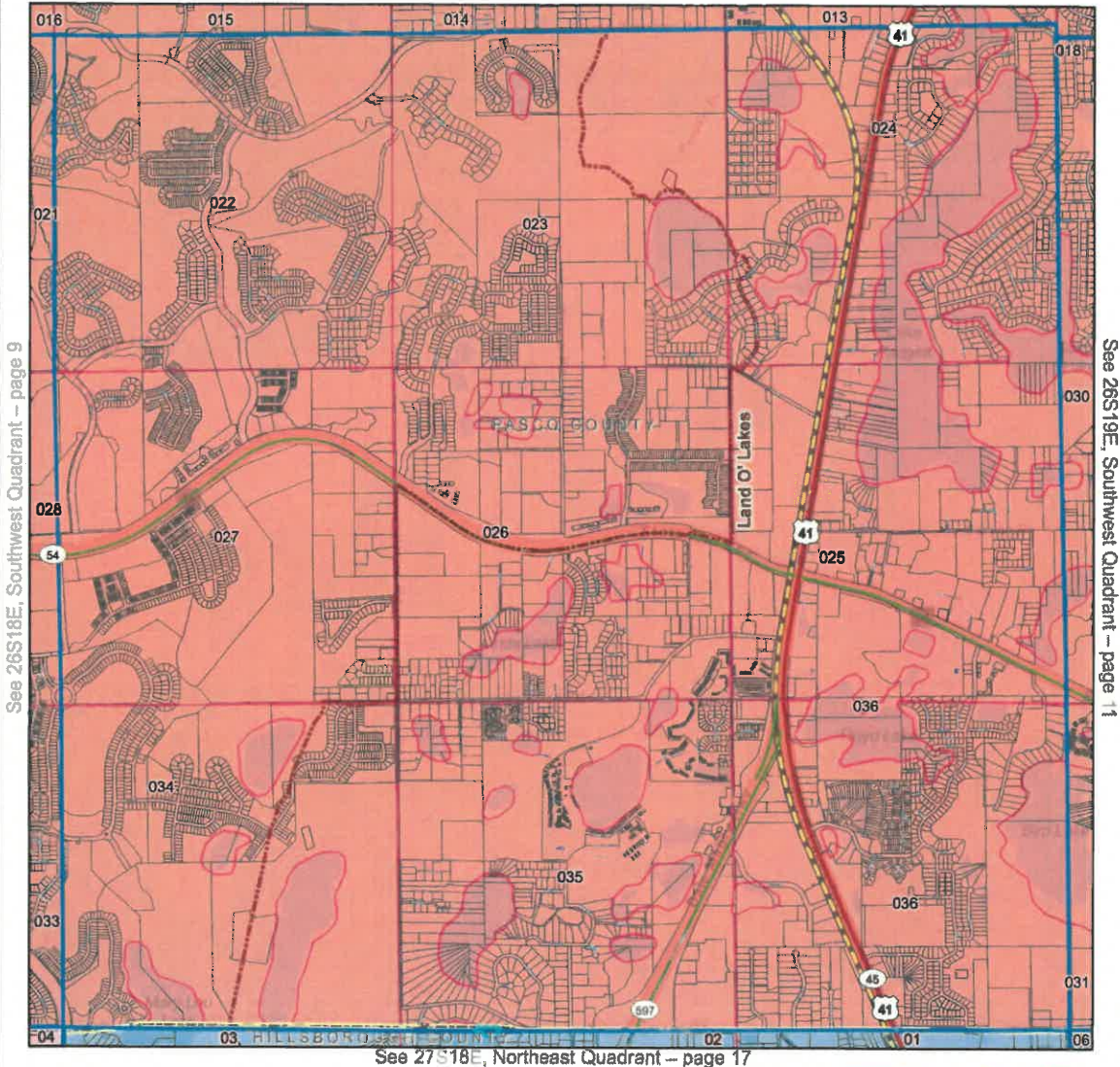


Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail



**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**

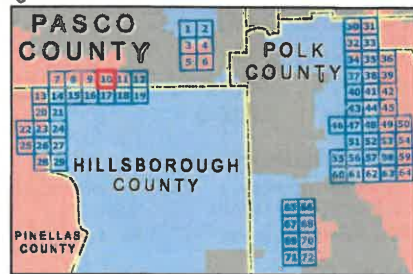


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Township: 26S
Range: 18E
County: PASCO

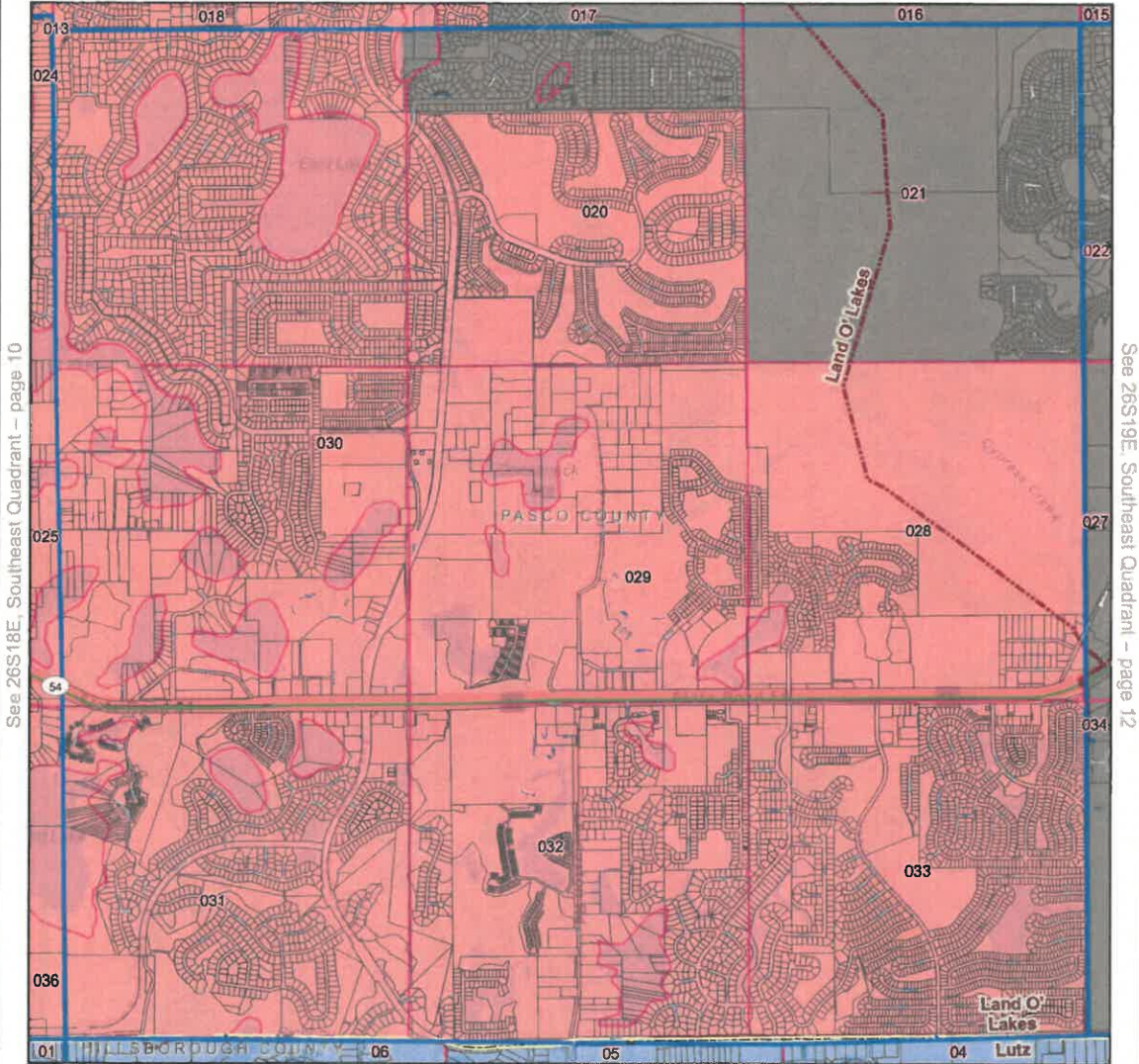


Service Territory

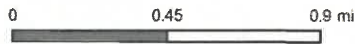
- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
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**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PASCO COUNTY, FL**

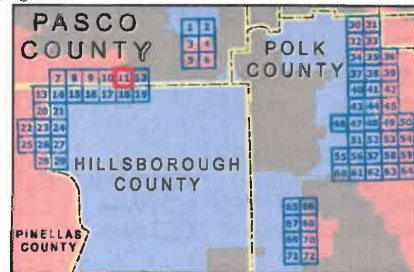


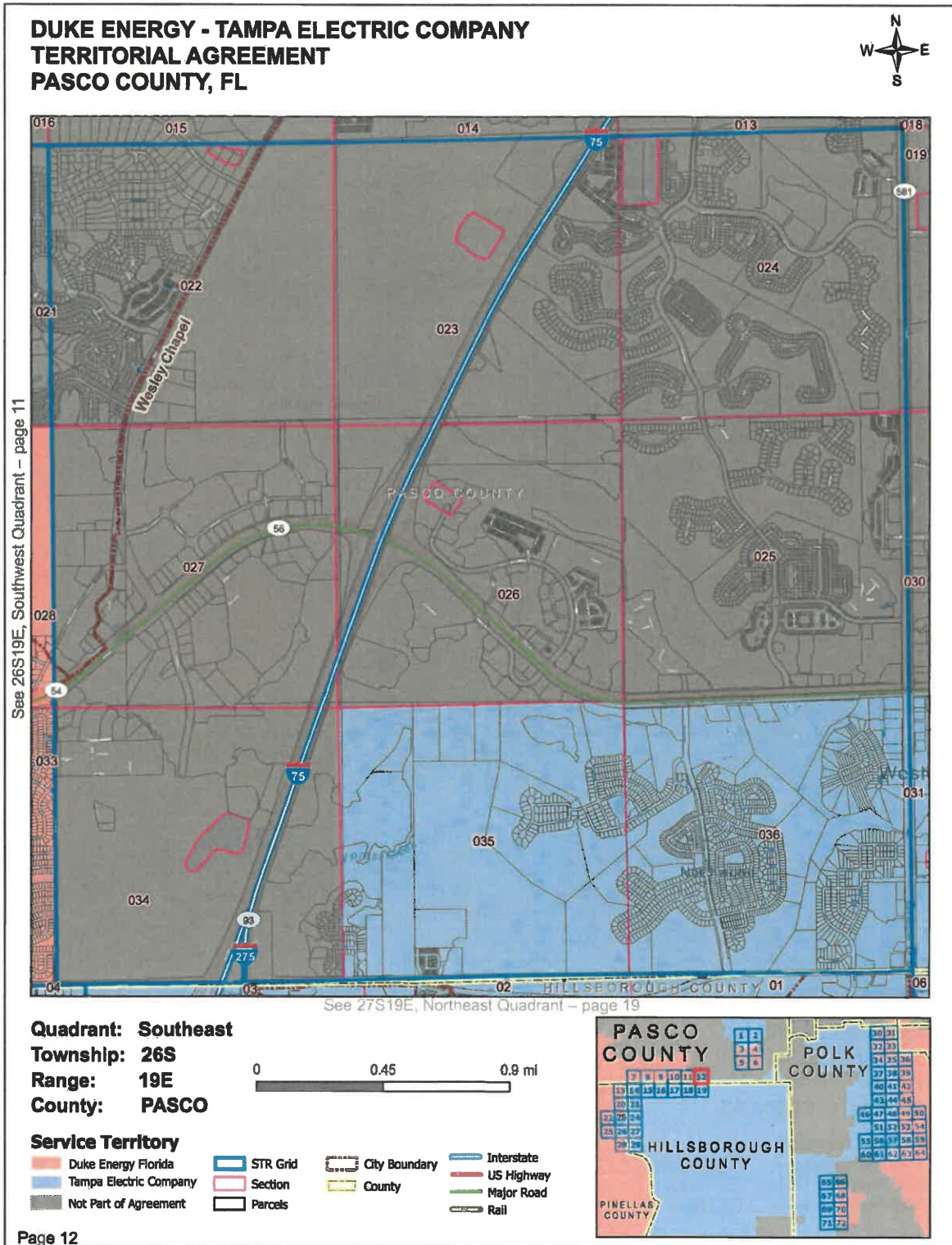
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Township: 26S
Range: 19E
County: PASCO



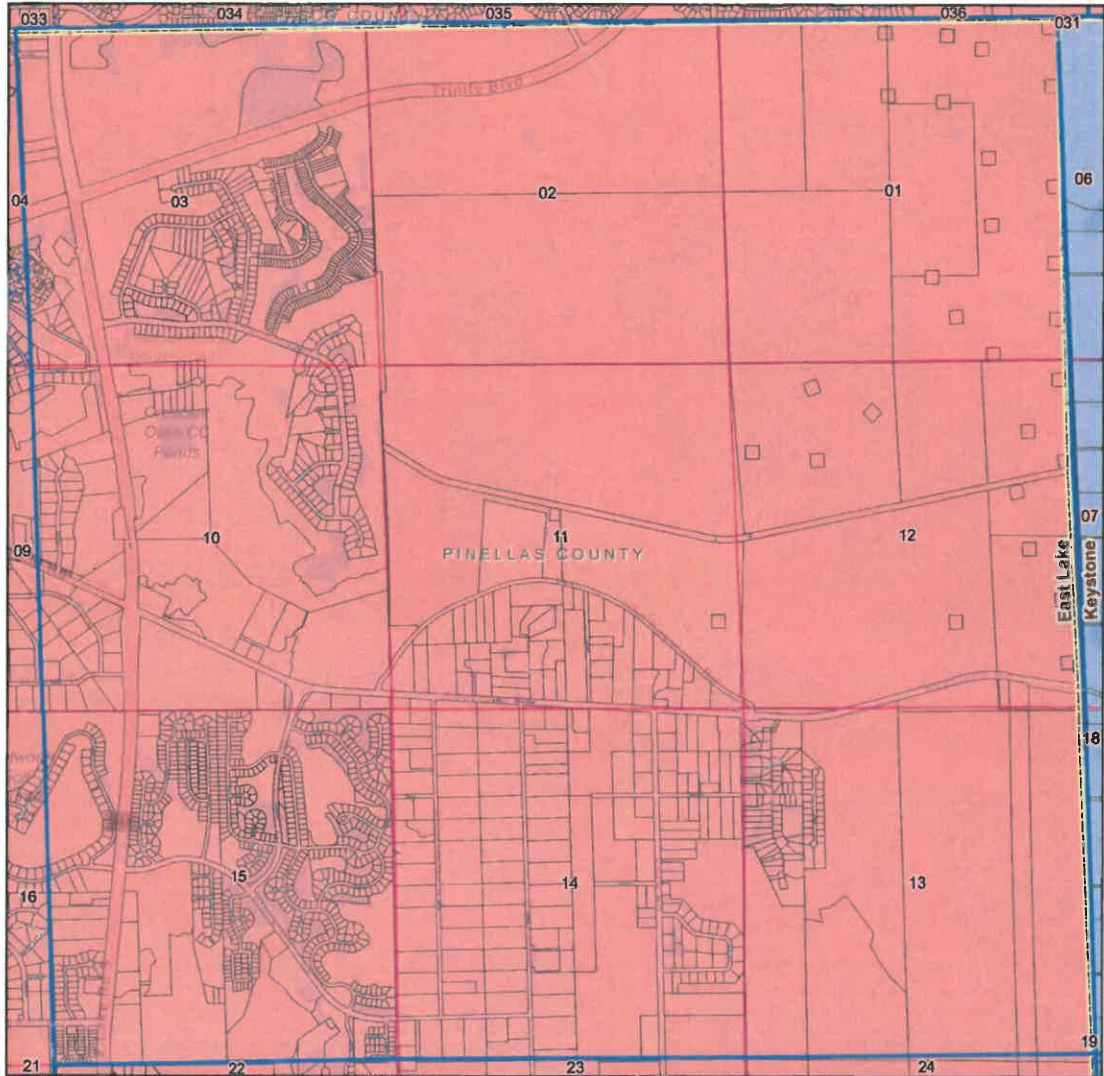
Service Territory

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| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | Major Road | Rail |

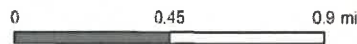




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PINELLAS COUNTY, FL**

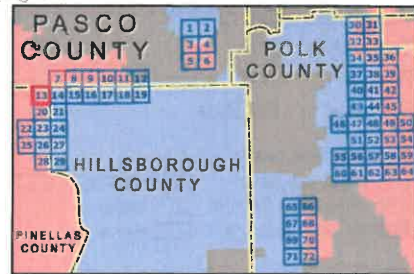


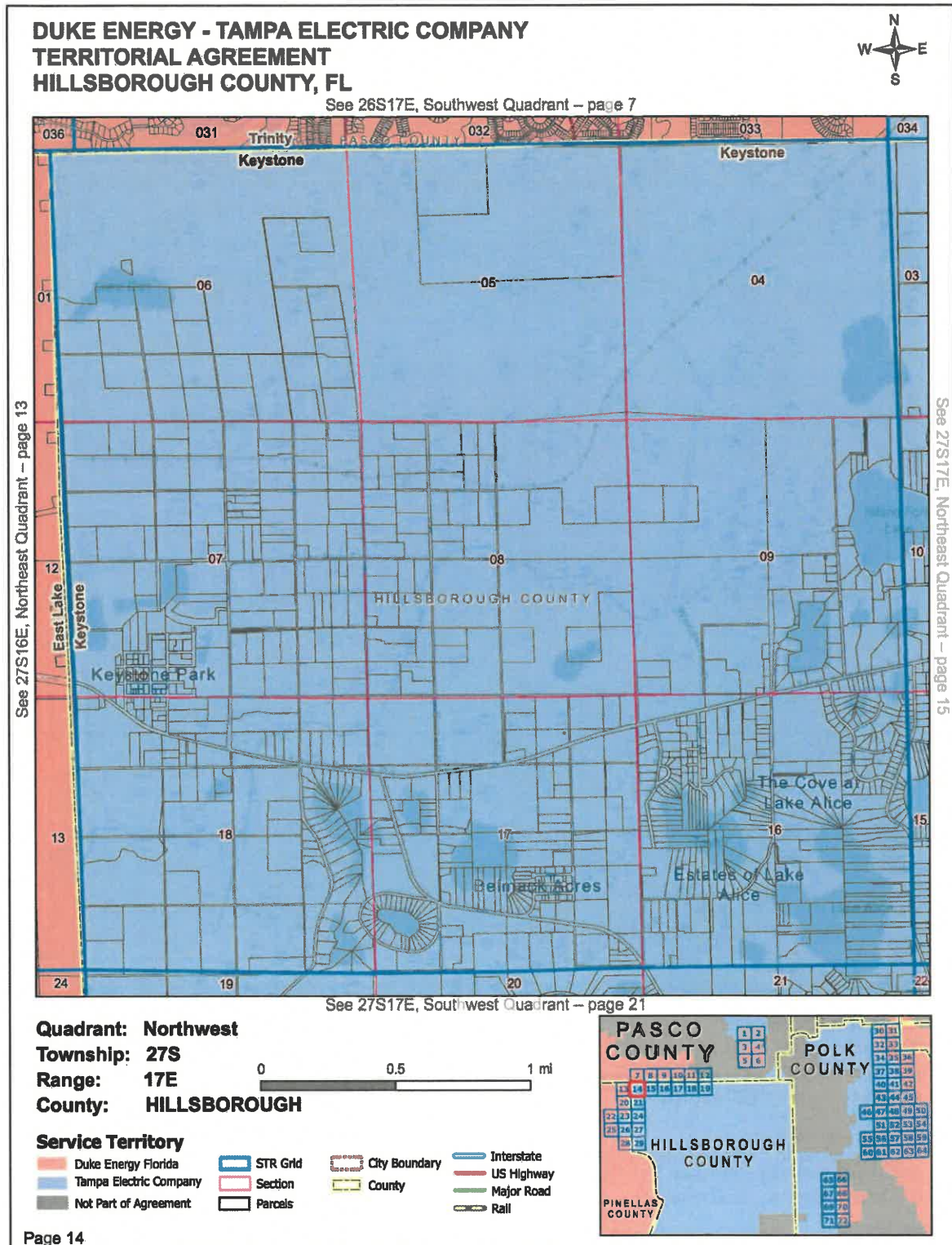
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Township: 27S
Range: 16E
County: PINELLAS

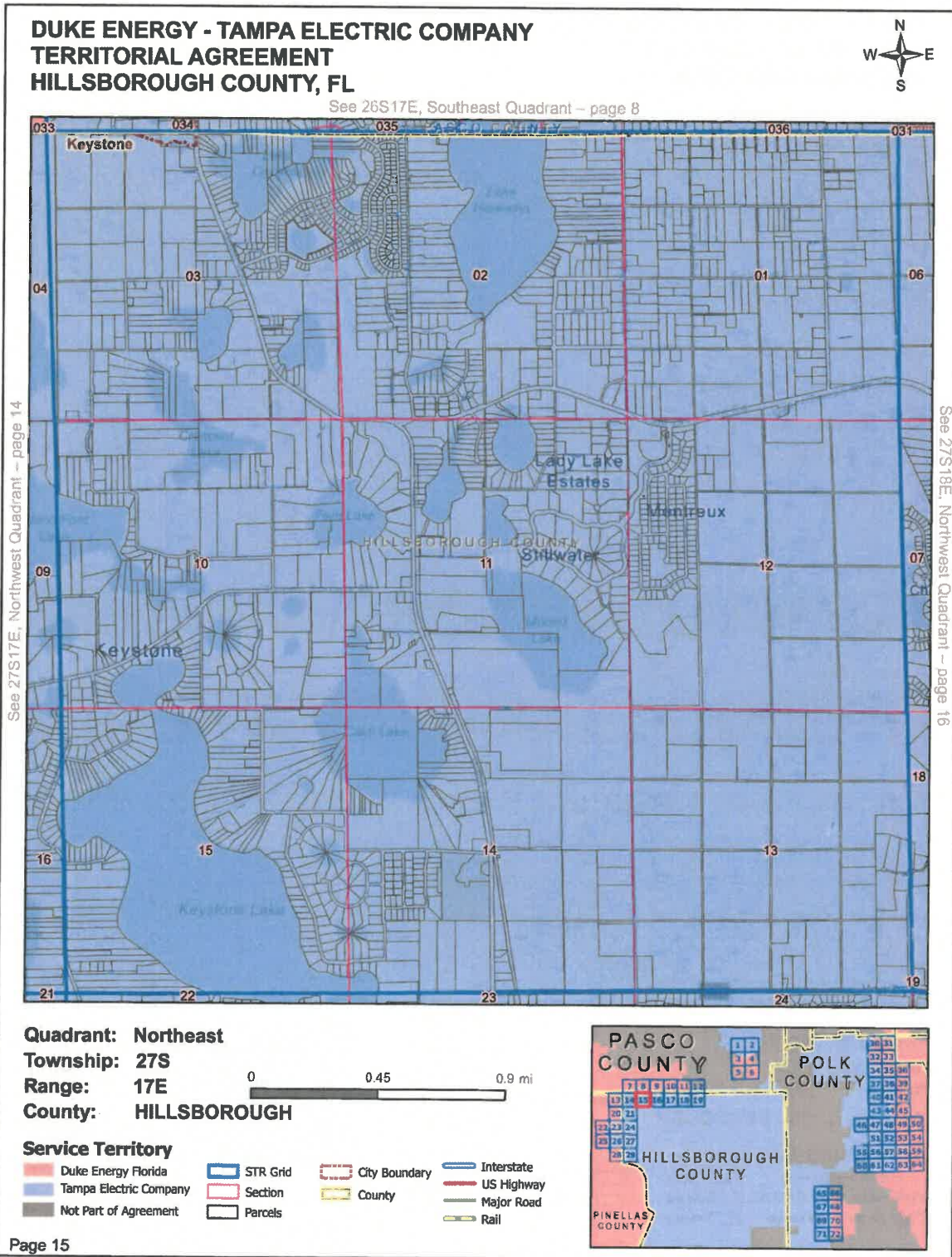


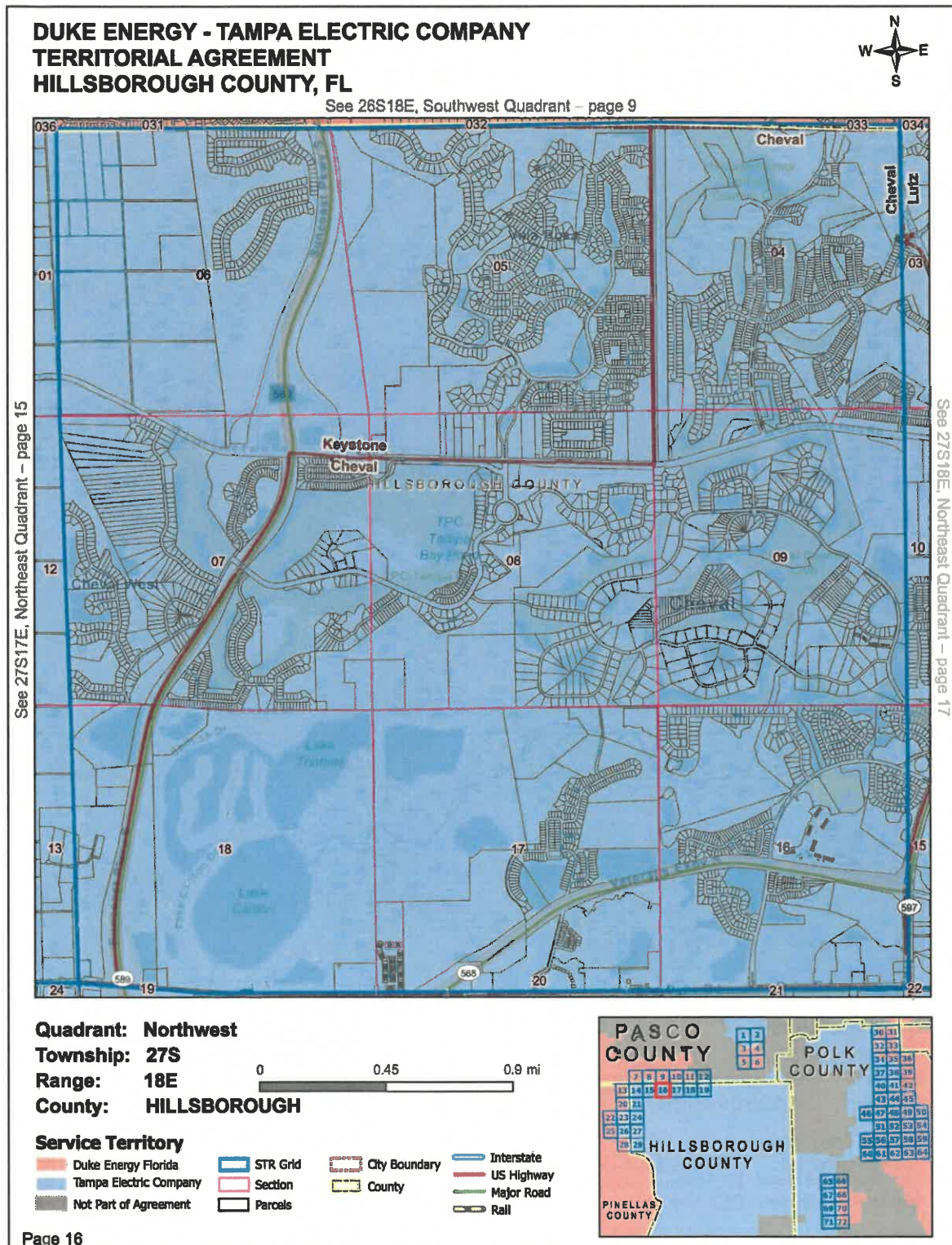
Service Territory

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|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | | Major Road |
| | | | Rail |





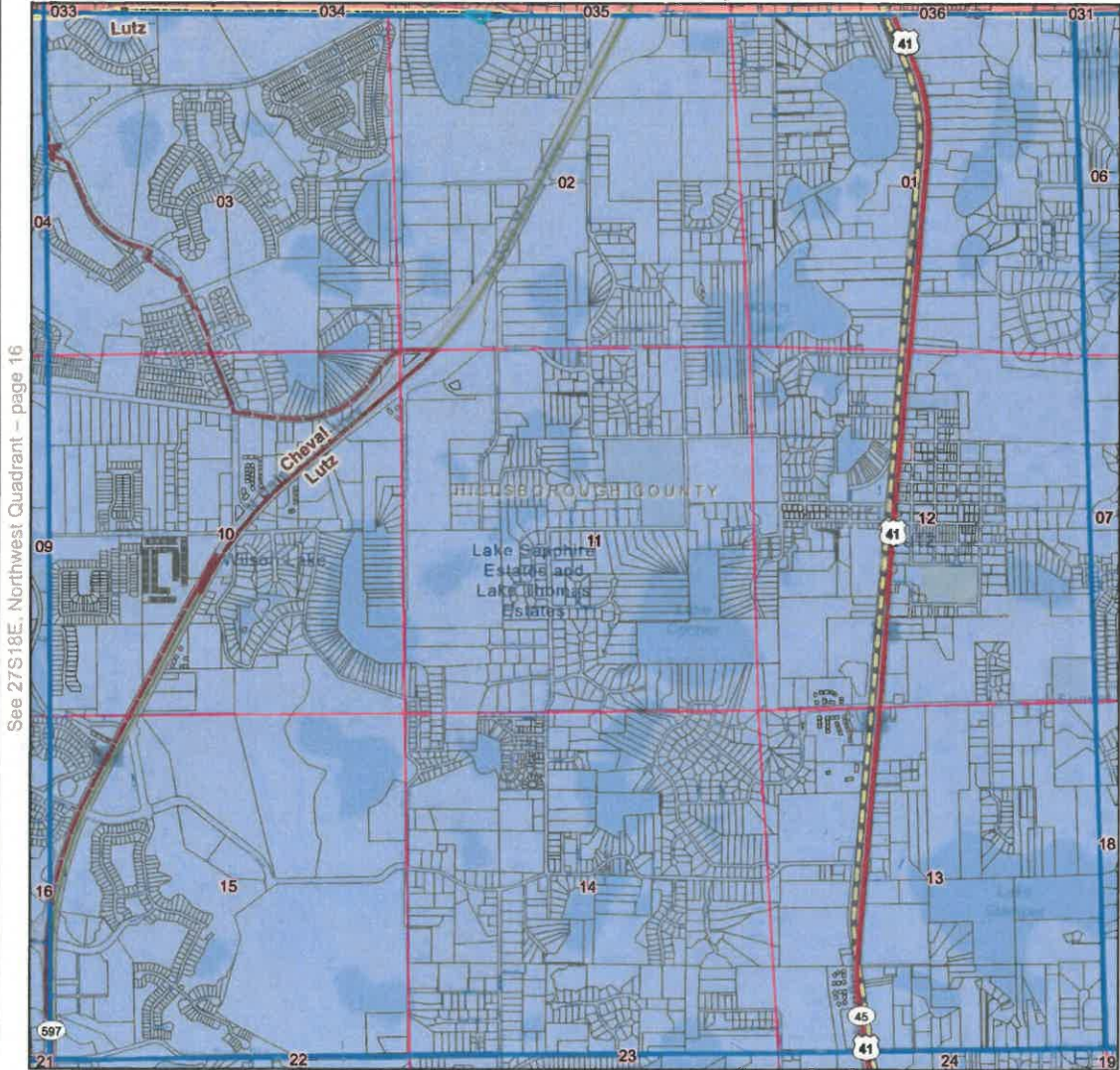




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 HILLSBOROUGH COUNTY, FL**



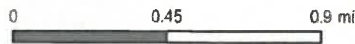
See 26S18E, Southeast Quadrant - page 10



See 27S18E, Northwest Quadrant - page 16

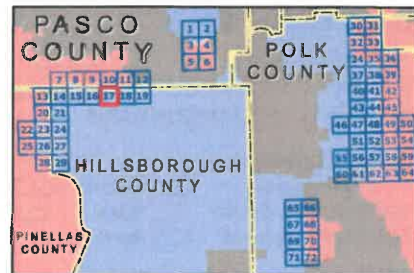
See 27S19E, Northwest Quadrant - page 18

Quadrant: Northeast
Township: 27S
Range: 18E
County: HILLSBOROUGH



Service Territory

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|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | Major Road | Rail |

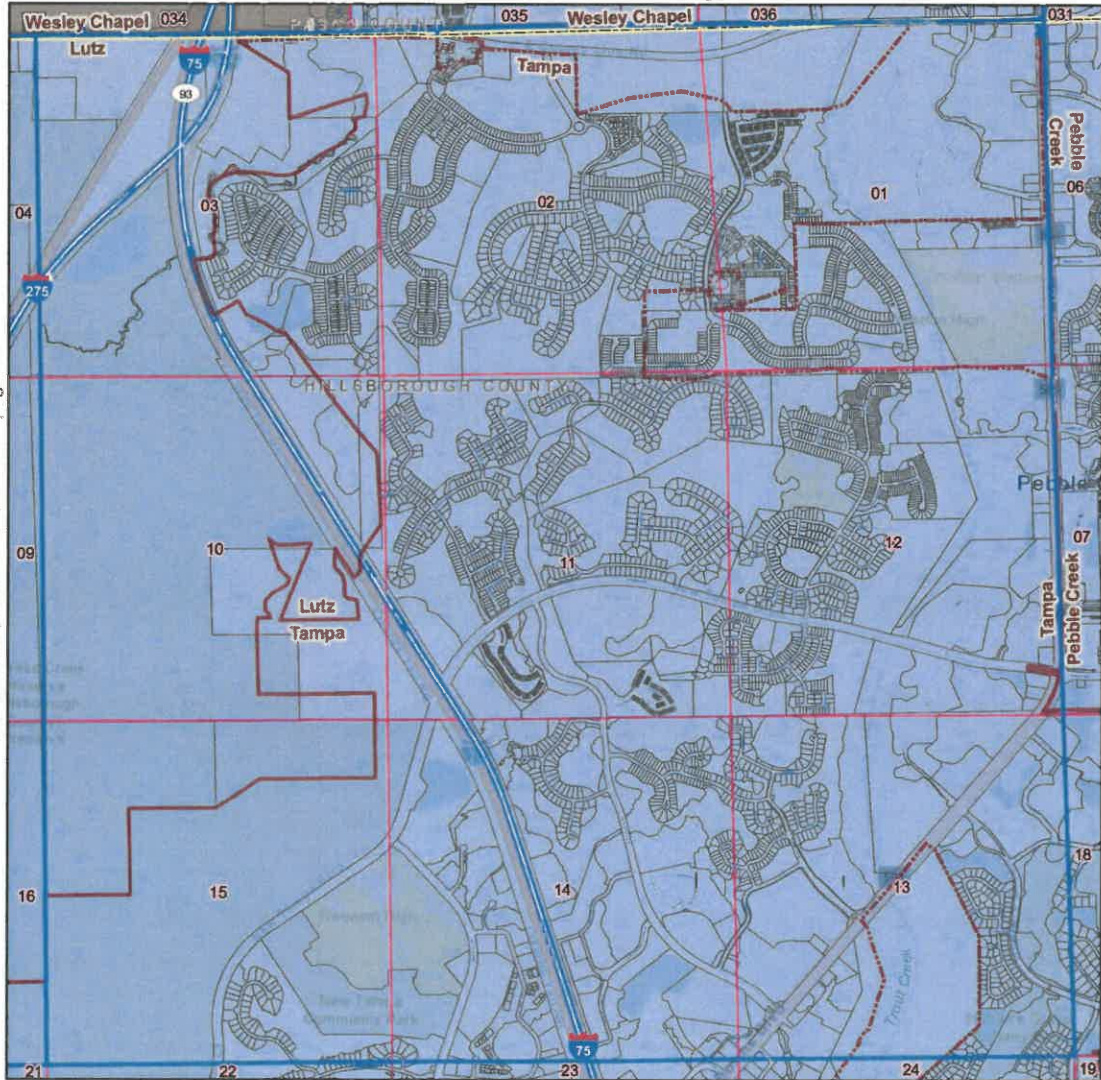


**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 HILLSBOROUGH COUNTY, FL**

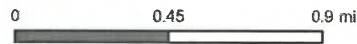
See 26S19E, Southeast Quadrant – page 12



See 27S19E, Northwest Quadrant – page 18



Quadrant: Northeast
Township: 27S
Range: 19E
County: HILLSBOROUGH



Service Territory

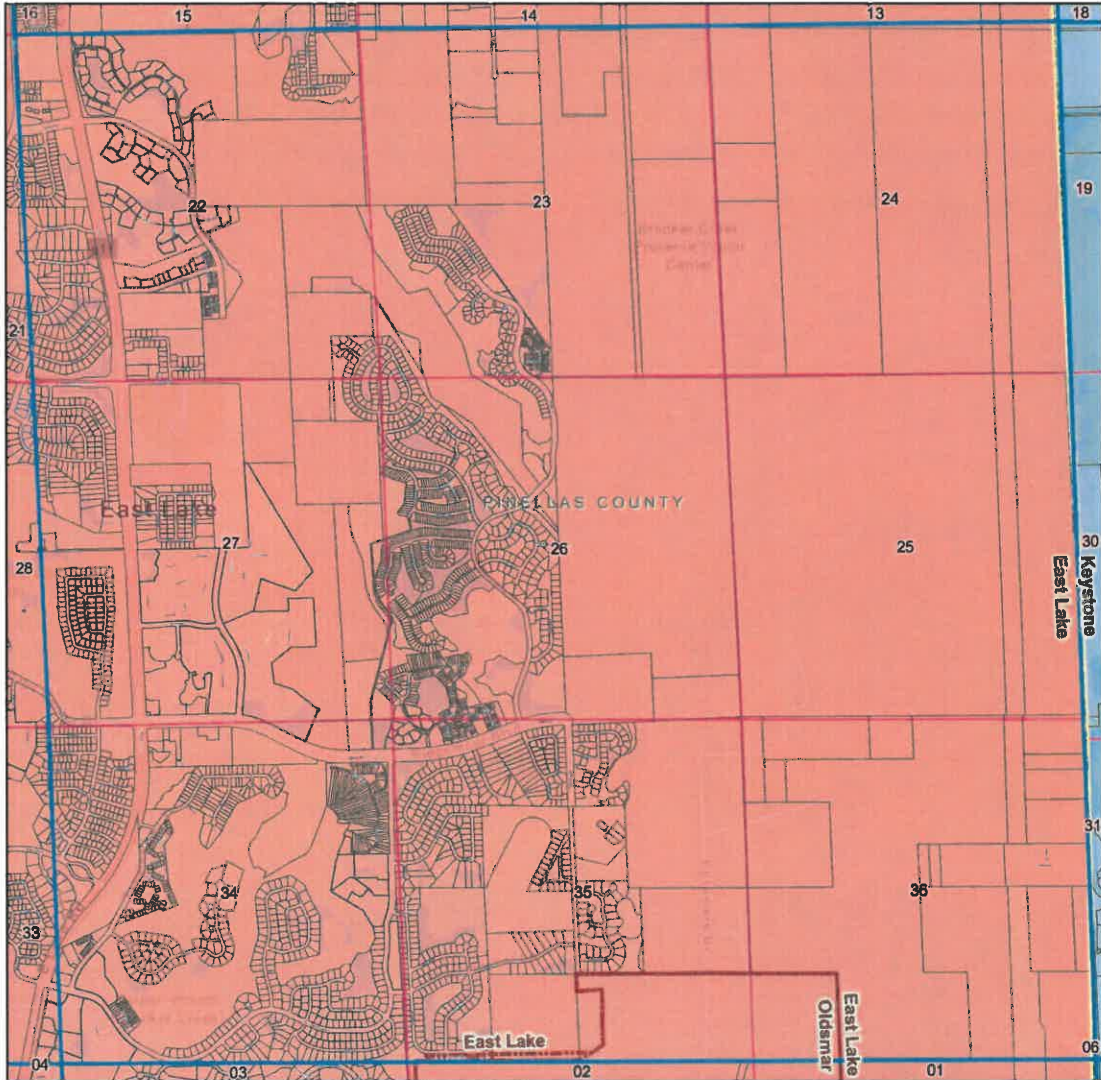
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|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | | Major Road |
| | | | Rail |



**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PINELLAS COUNTY, FL**



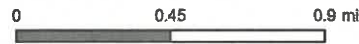
See 27S16E, Northeast Quadrant – page 13



See 27S17E, Southwest Quadrant – page 21

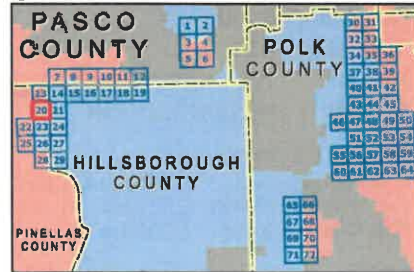
See 28S16E, Northeast Quadrant – page 23

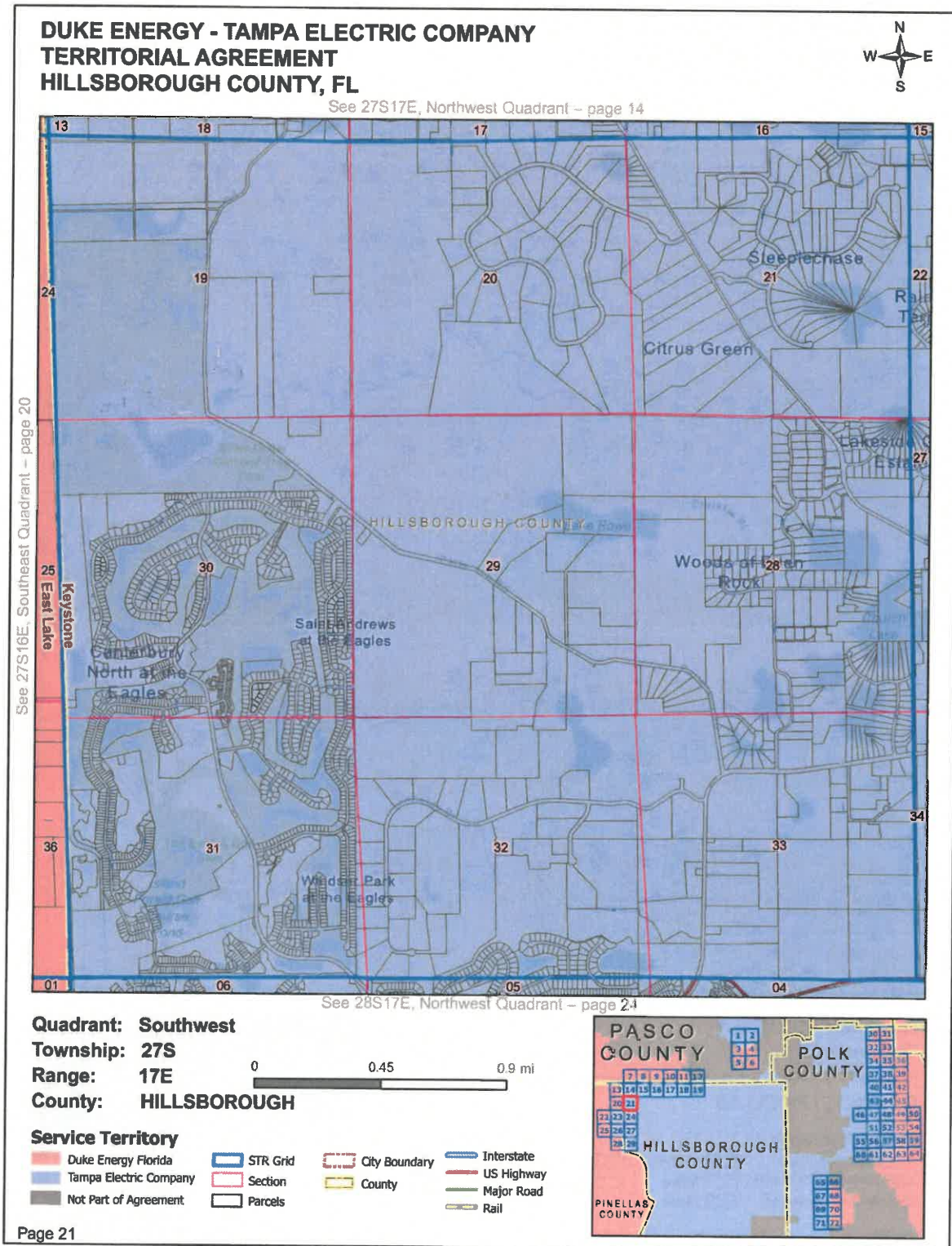
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Township: 27S
Range: 16E
County: PINELLAS



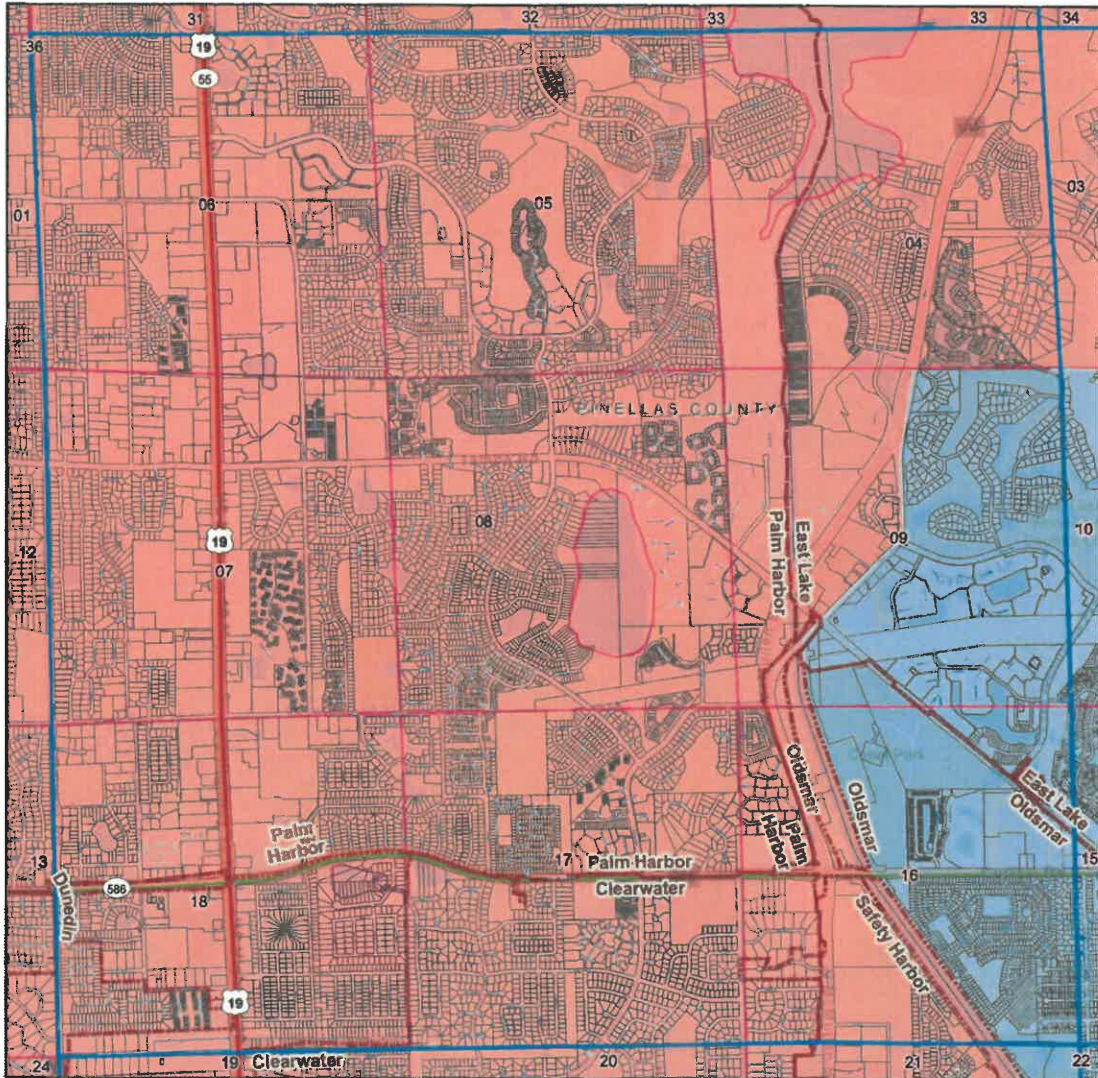
Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail





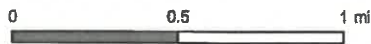
**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PINELLAS COUNTY, FL**



See 28S16E, Northeast Quadrant – page 23

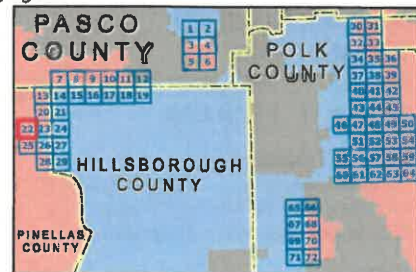
See 28S16E, Southwest Quadrant – page 25

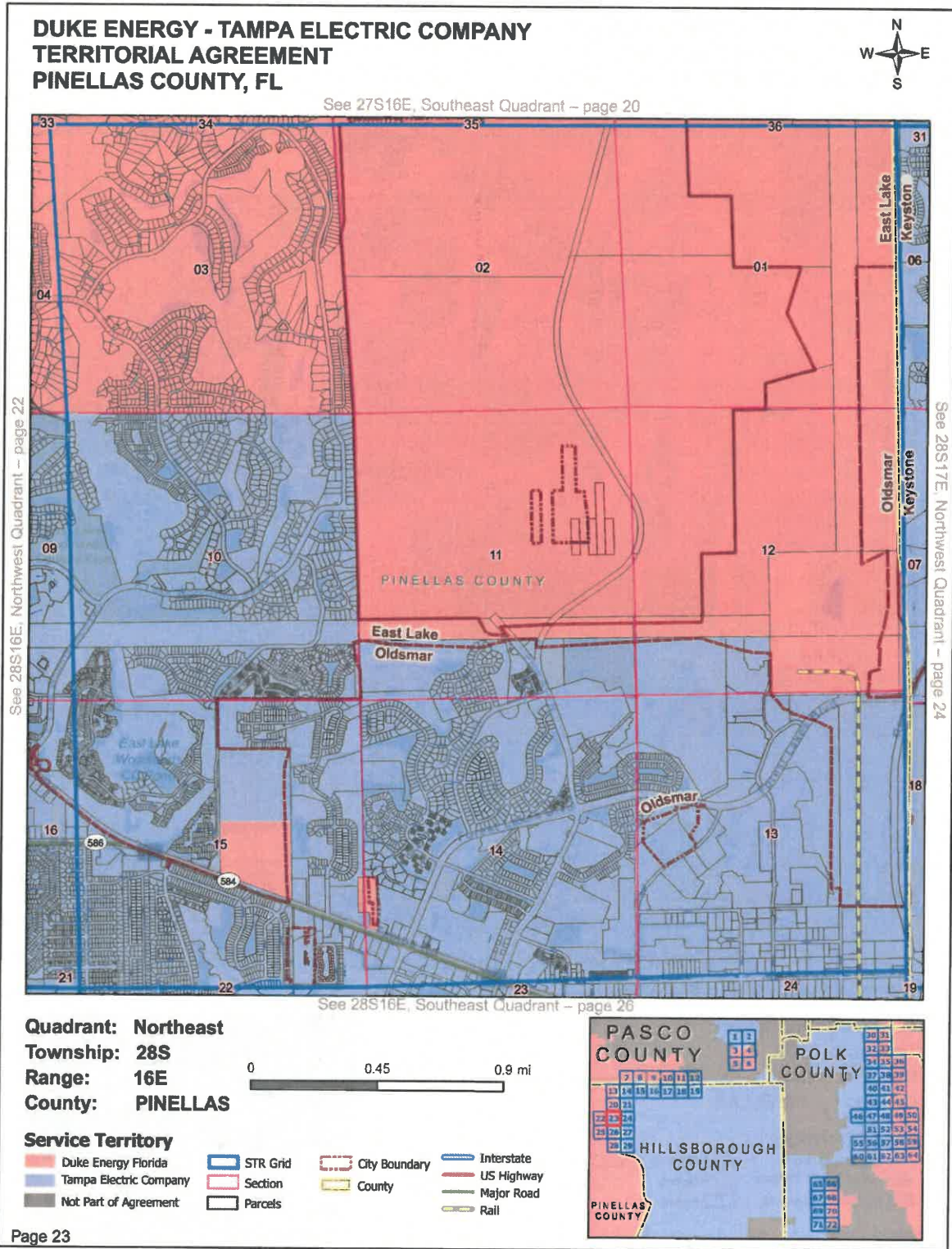
Quadrant: Northwest
Township: 28S
Range: 16E
County: PINELLAS



Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail

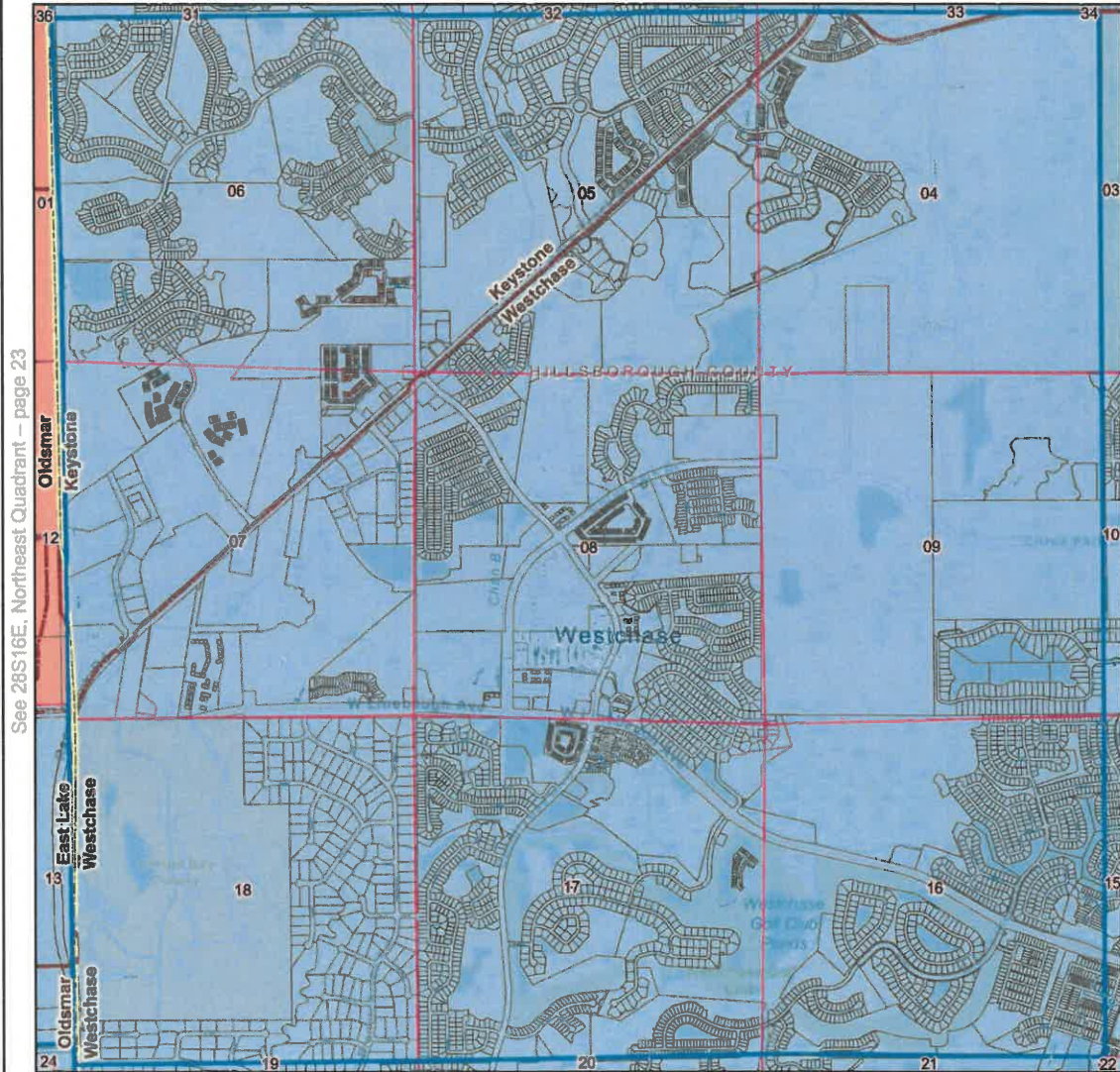




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 HILLSBOROUGH COUNTY, FL**



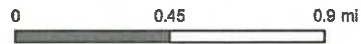
See 27S17E, Southwest Quadrant – page 21



See 28S16E, Northeast Quadrant – page 23

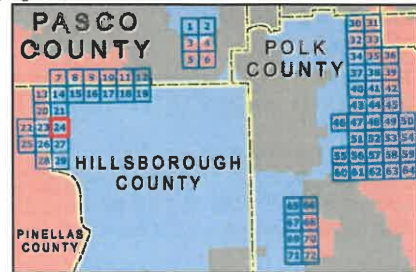
See 28S17E, Southwest Quadrant – page 27

Quadrant: Northwest
Township: 28S
Range: 17E
County: HILLSBOROUGH



Service Territory

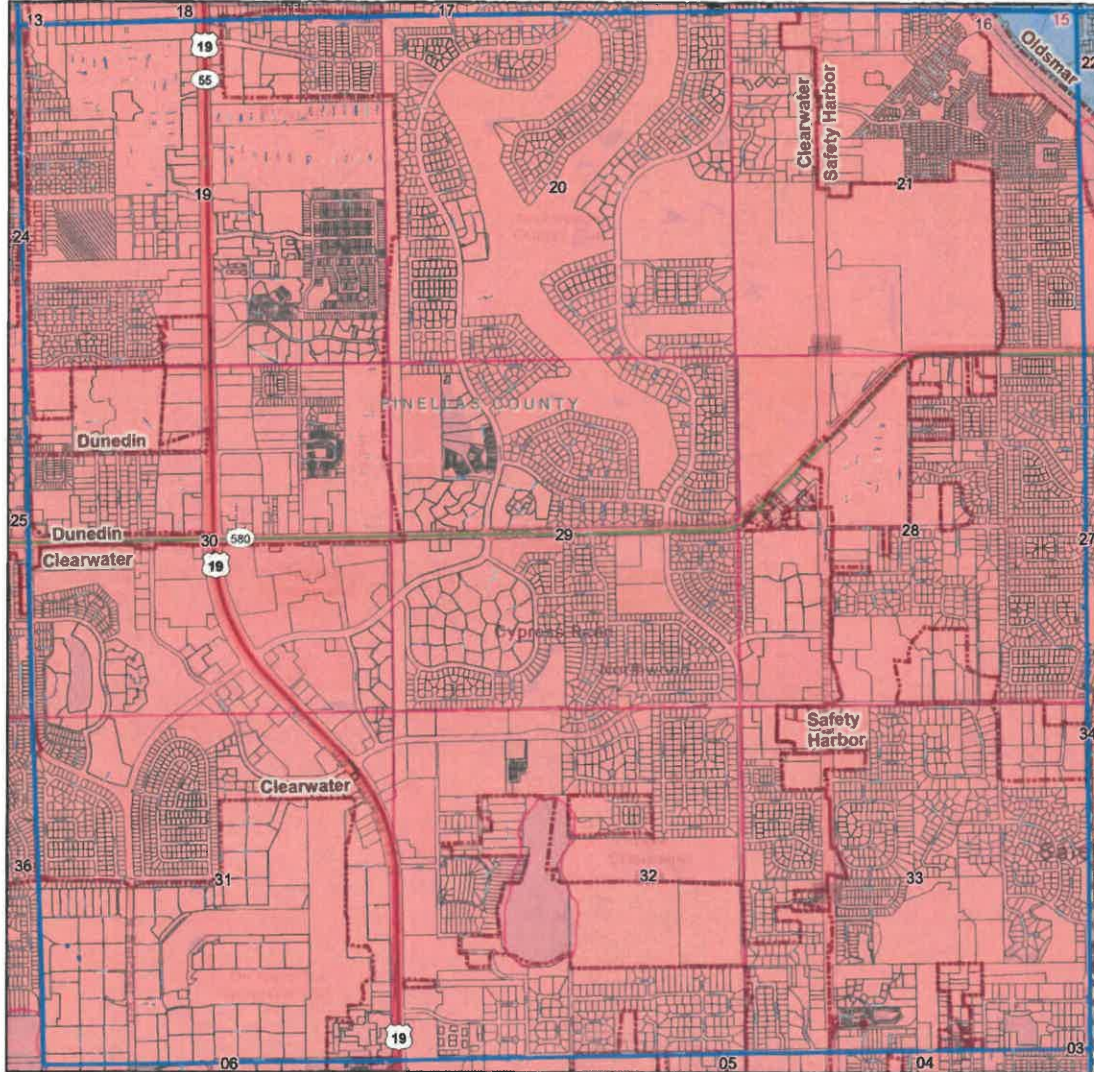
- Duke Energy Florida
- Tampa Electric Company
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- Section
- Parcels
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- Interstate
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**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 PINELLAS COUNTY, FL**

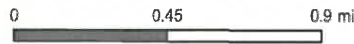


See 28S16E, Northwest Quadrant – page 22



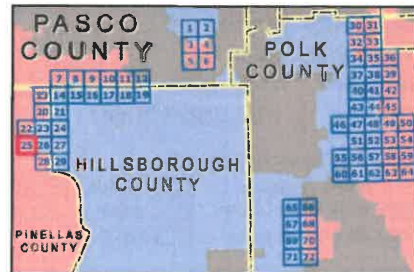
See 28S16E, Southeast Quadrant – page 26

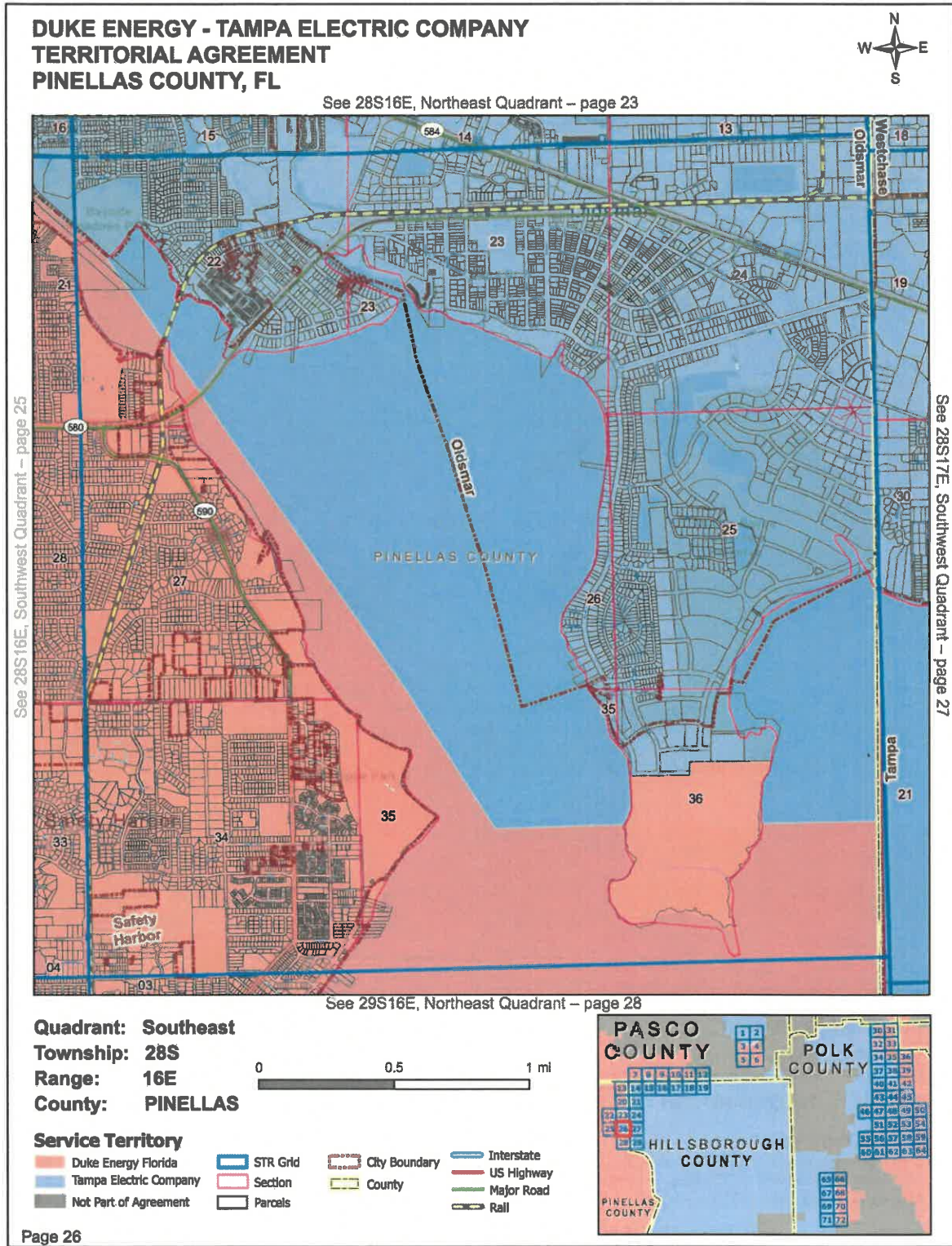
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Township: 28S
Range: 16E
County: PINELLAS

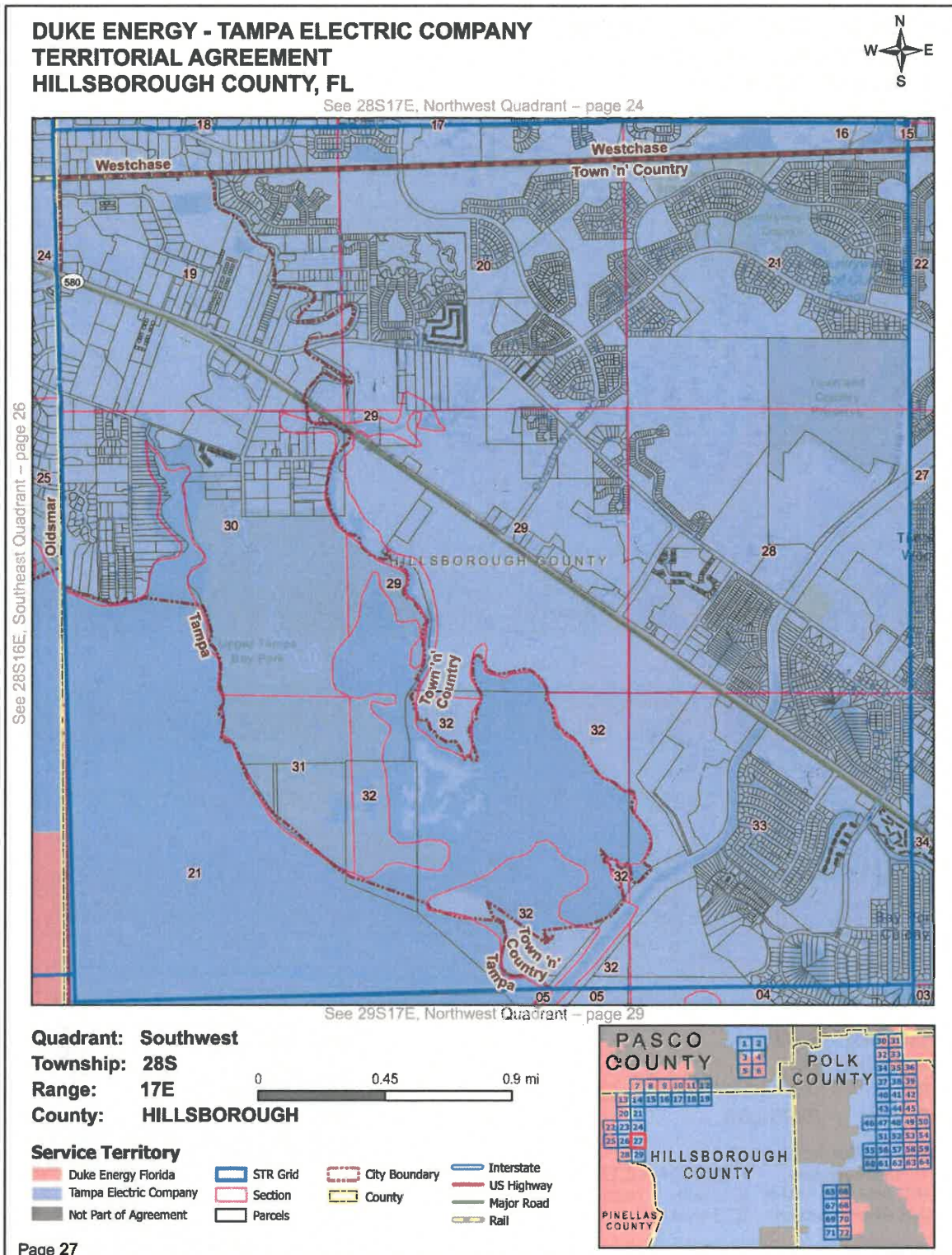


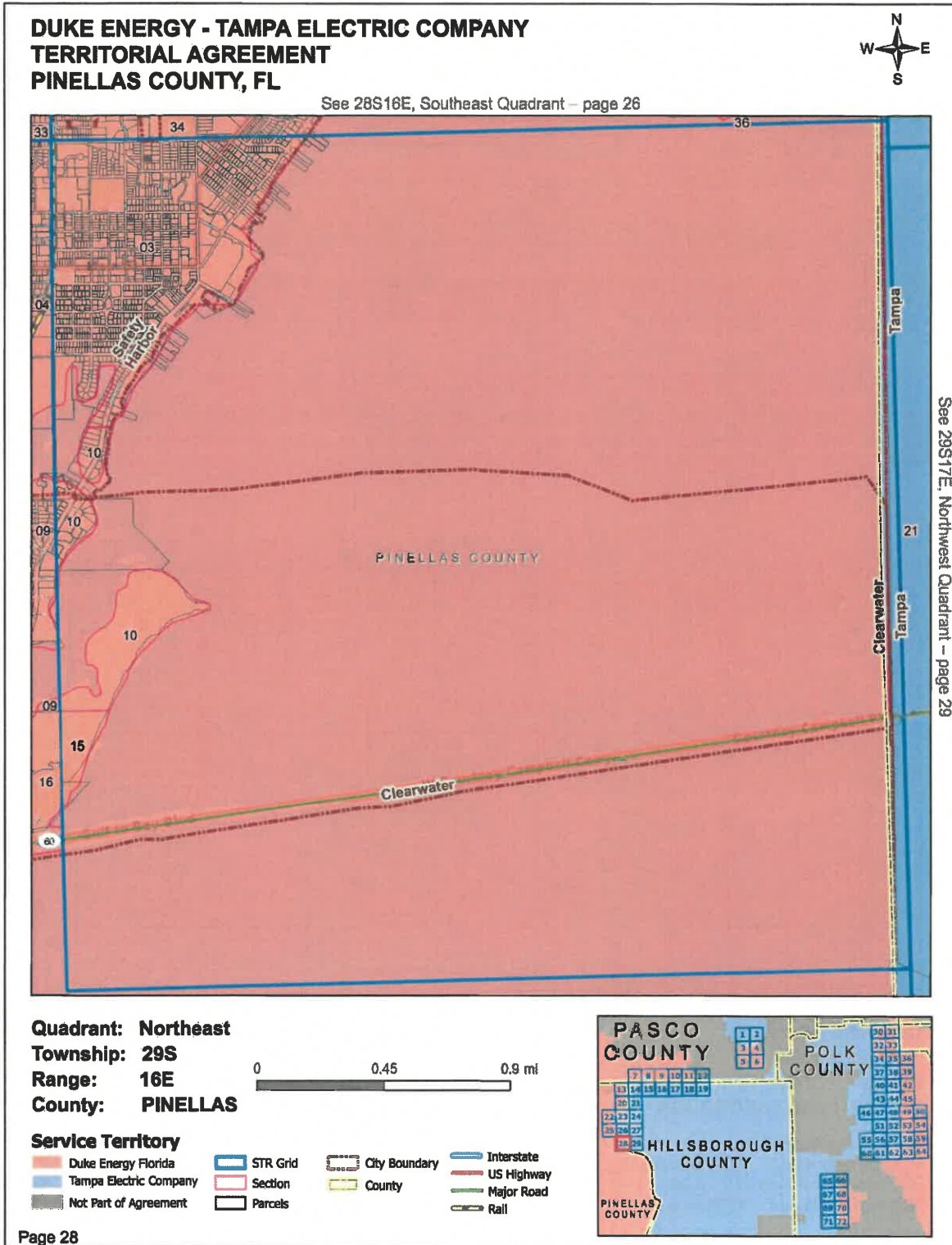
Service Territory

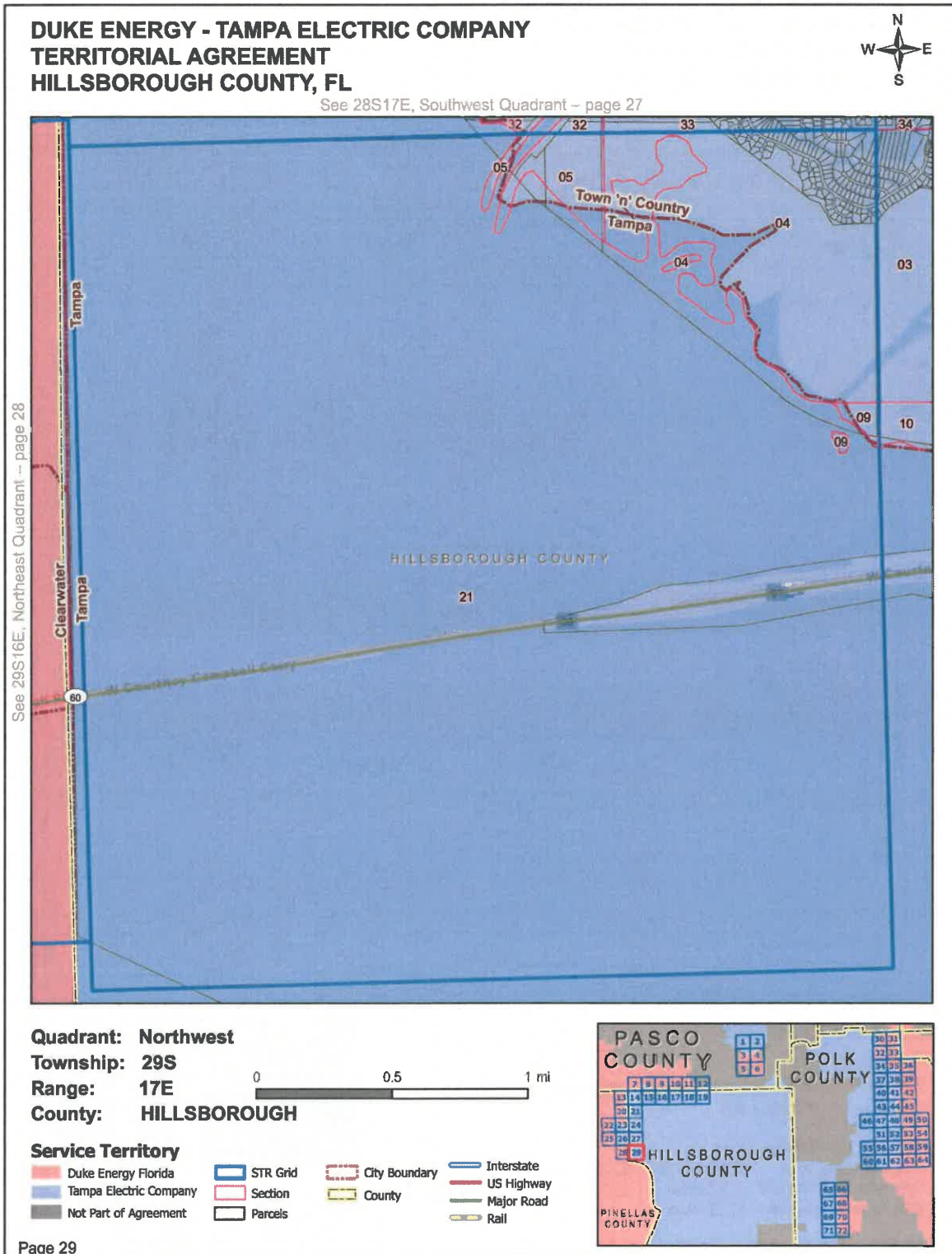
- | | | | |
|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | | Major Road |
| | | | Rail |

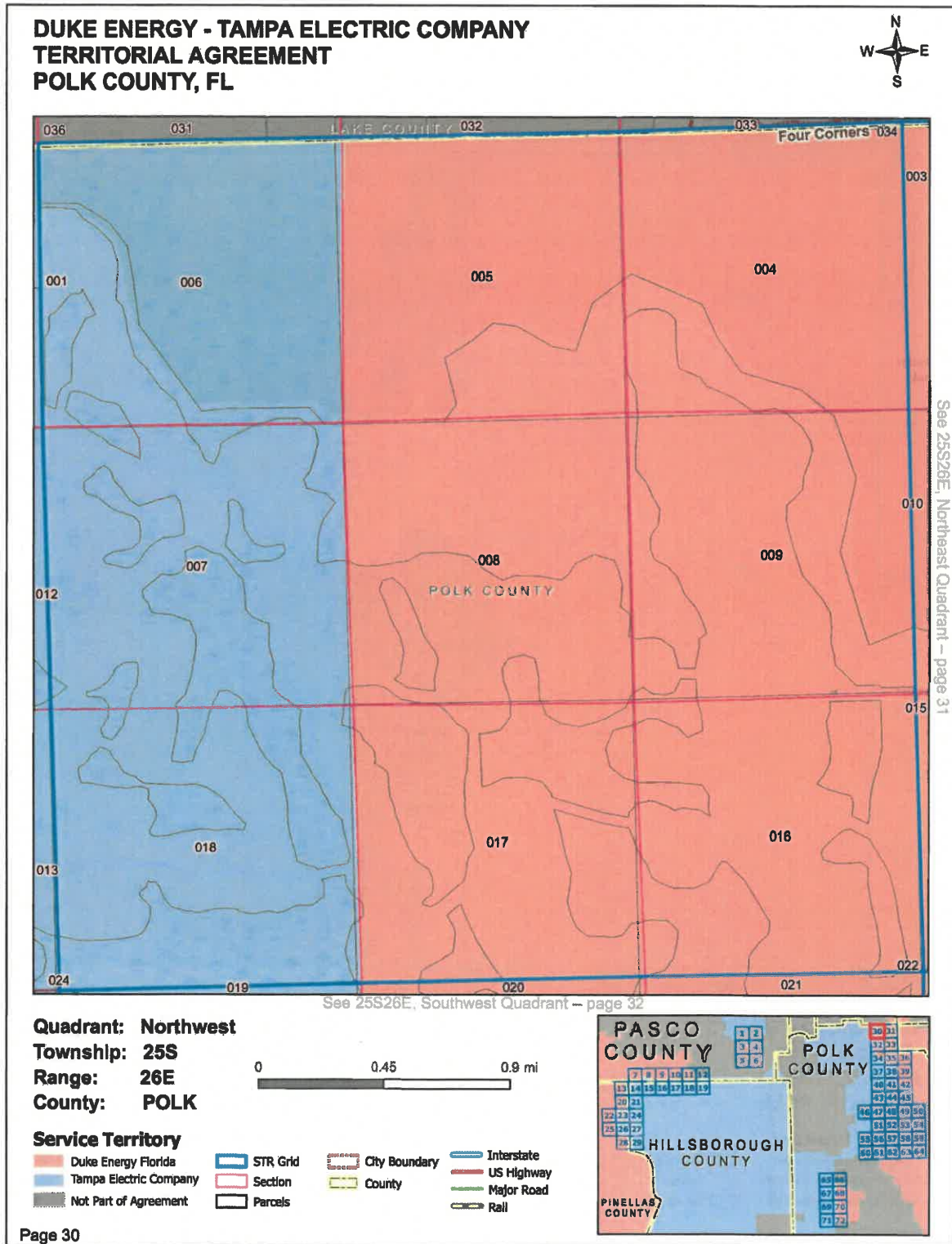




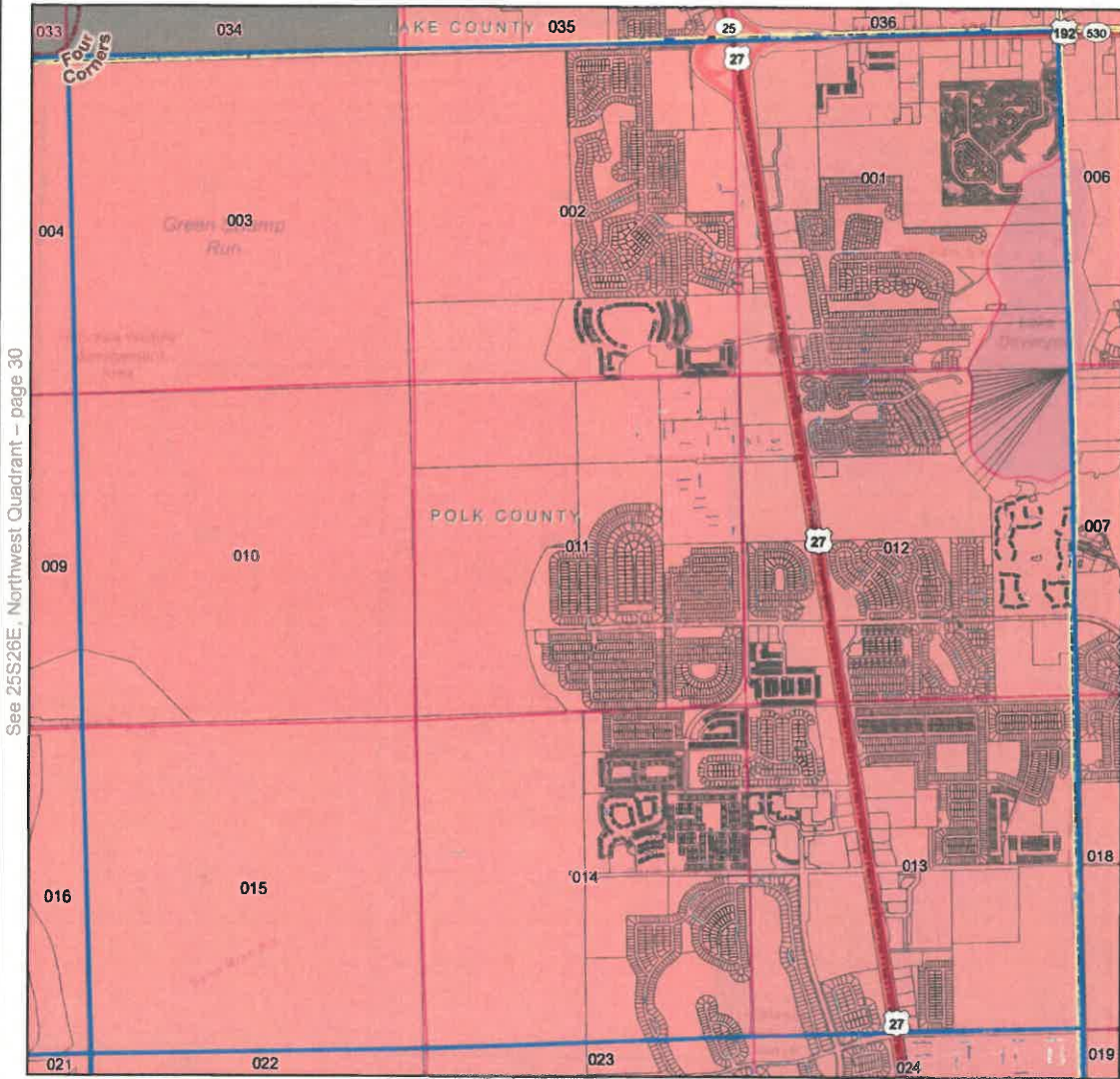








**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**

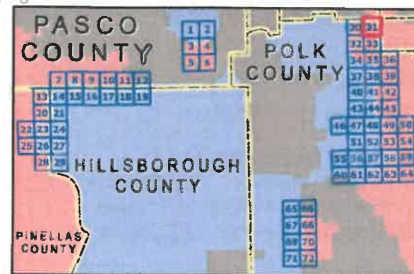


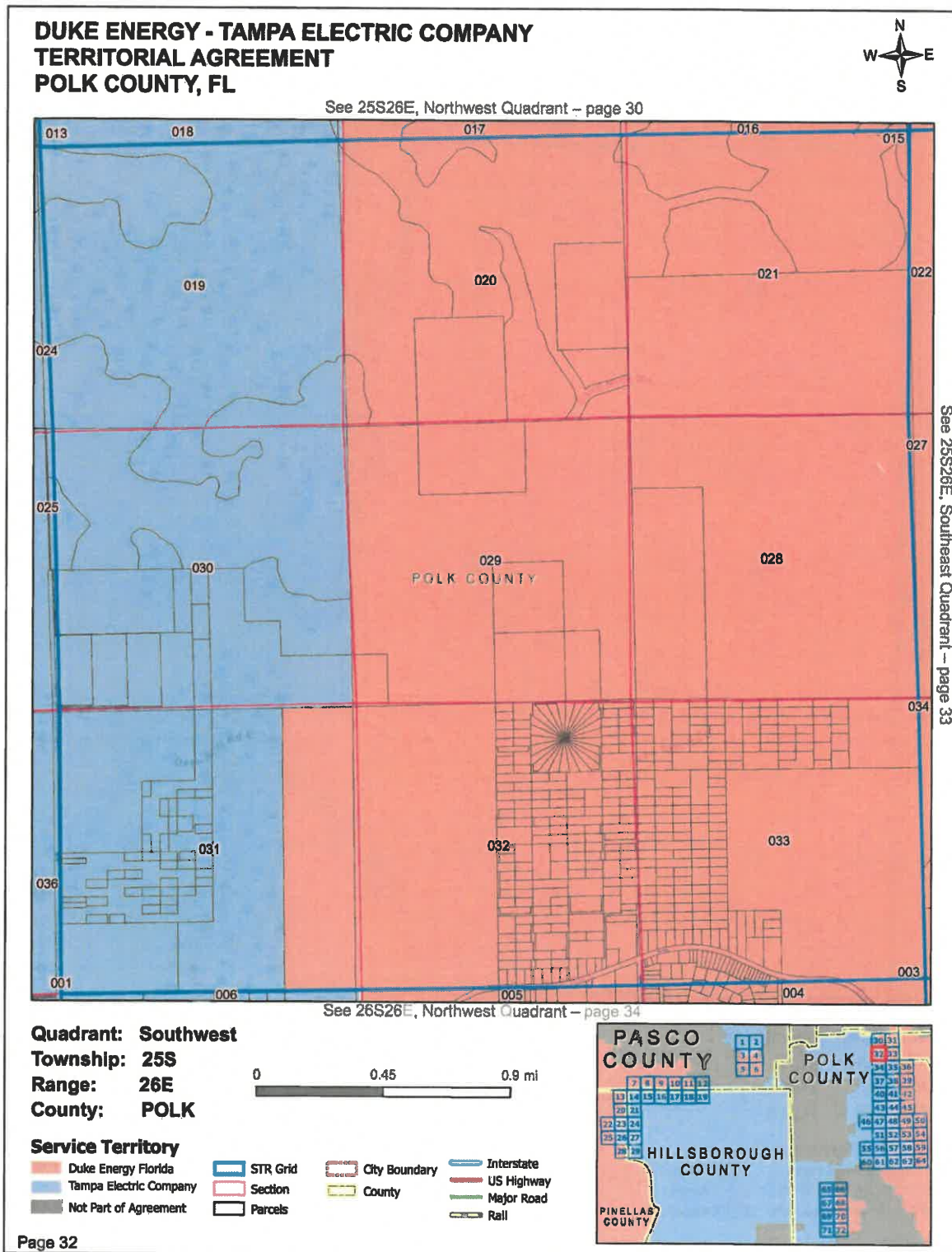
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Range: 26E
County: POLK

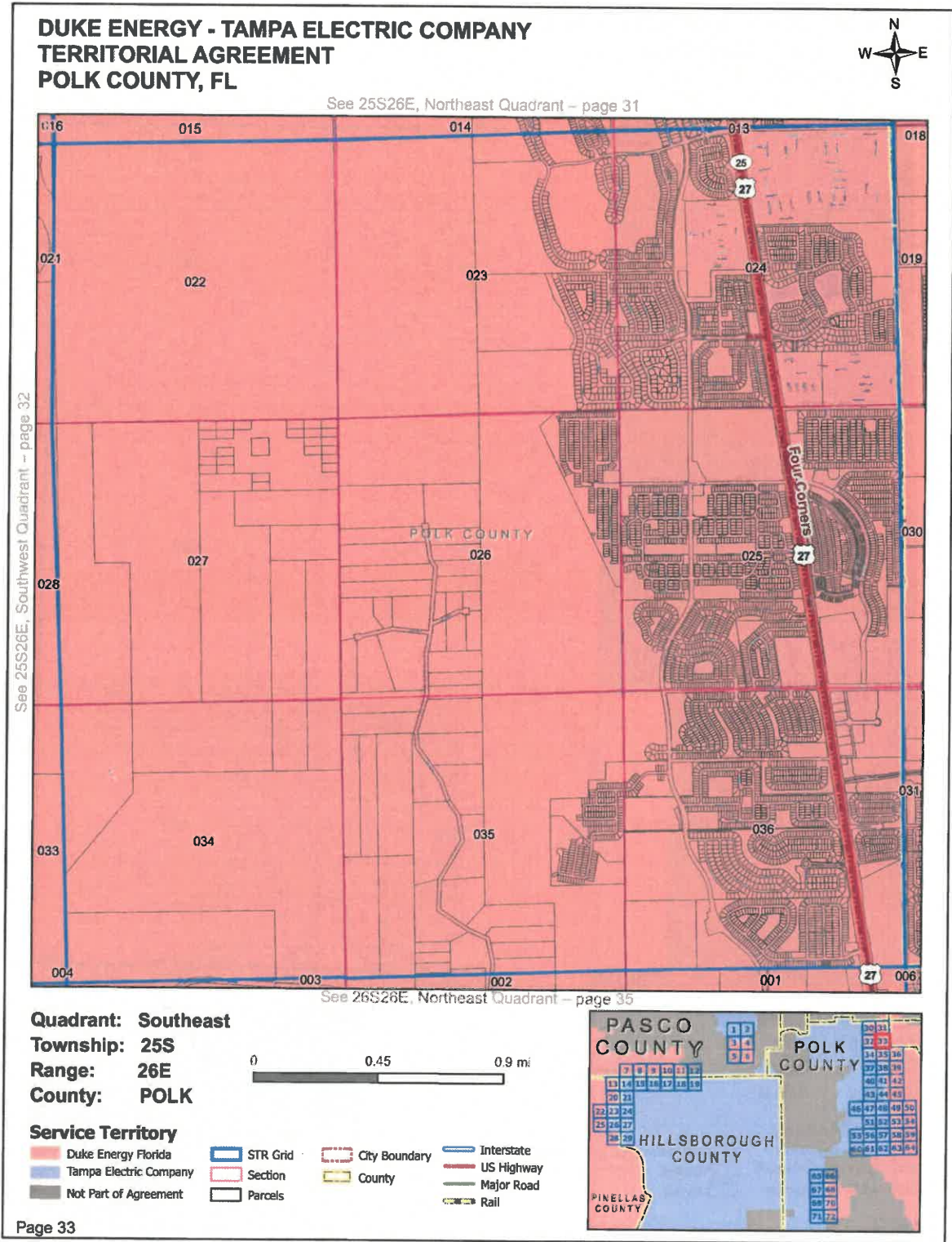


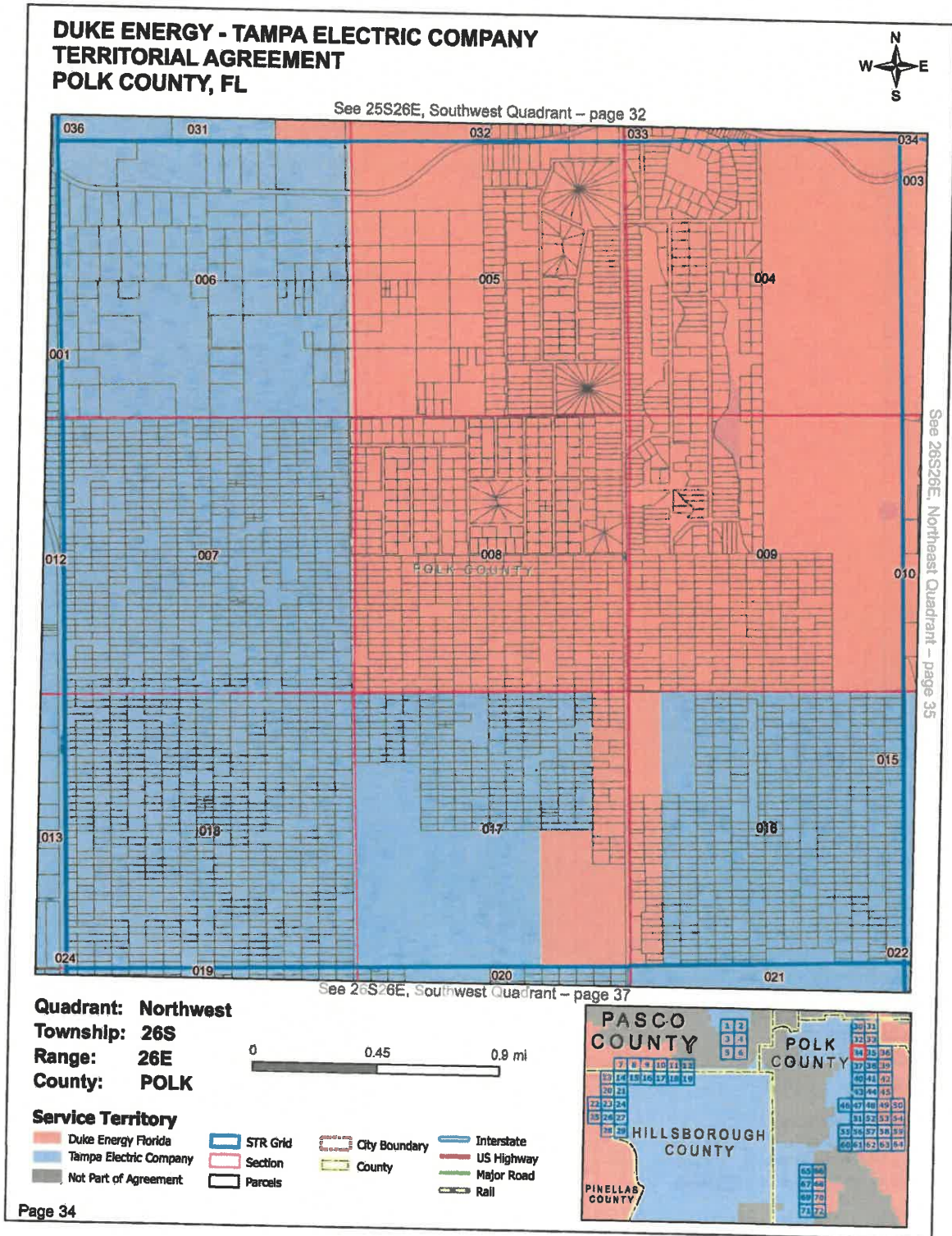
Service Territory

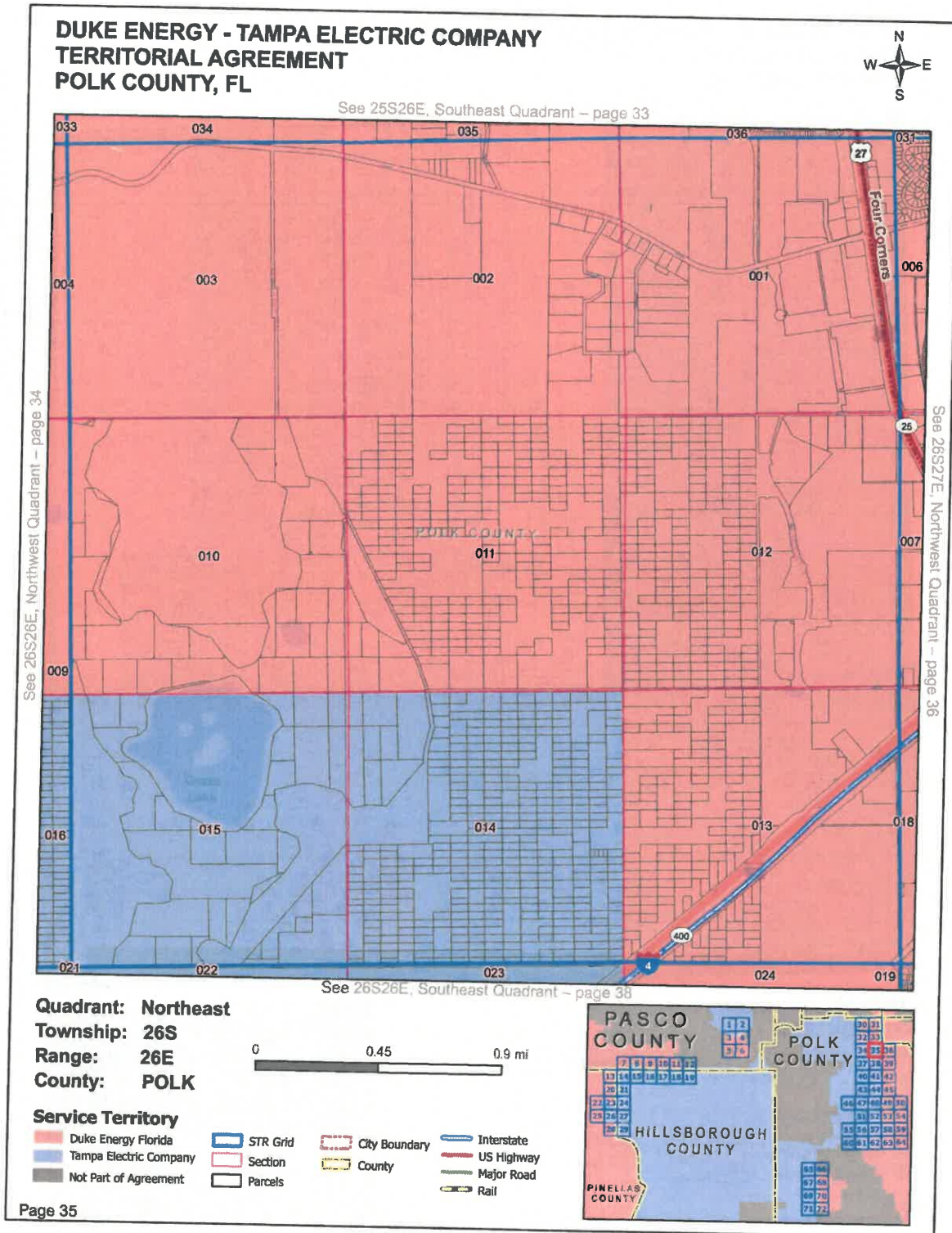
- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail

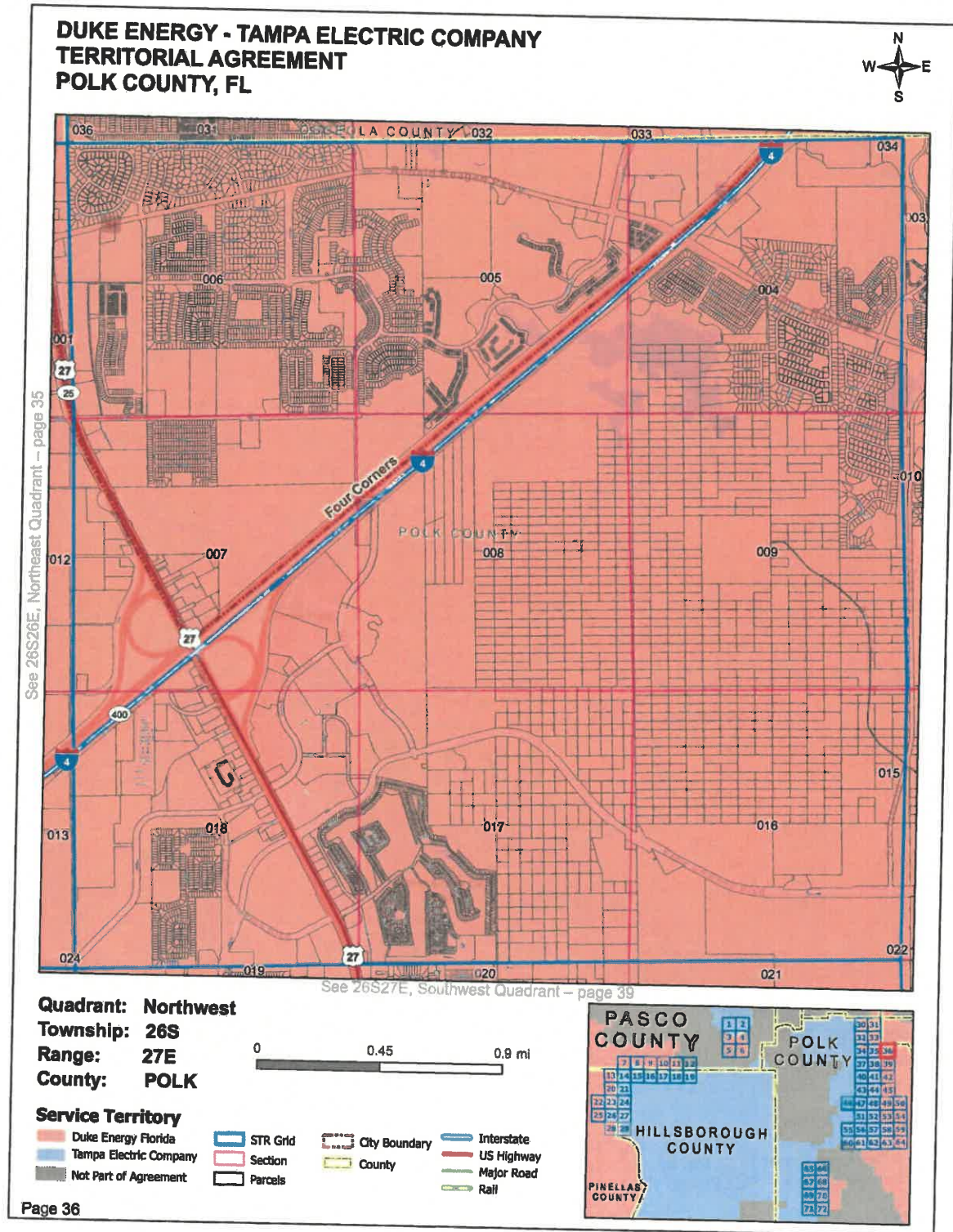


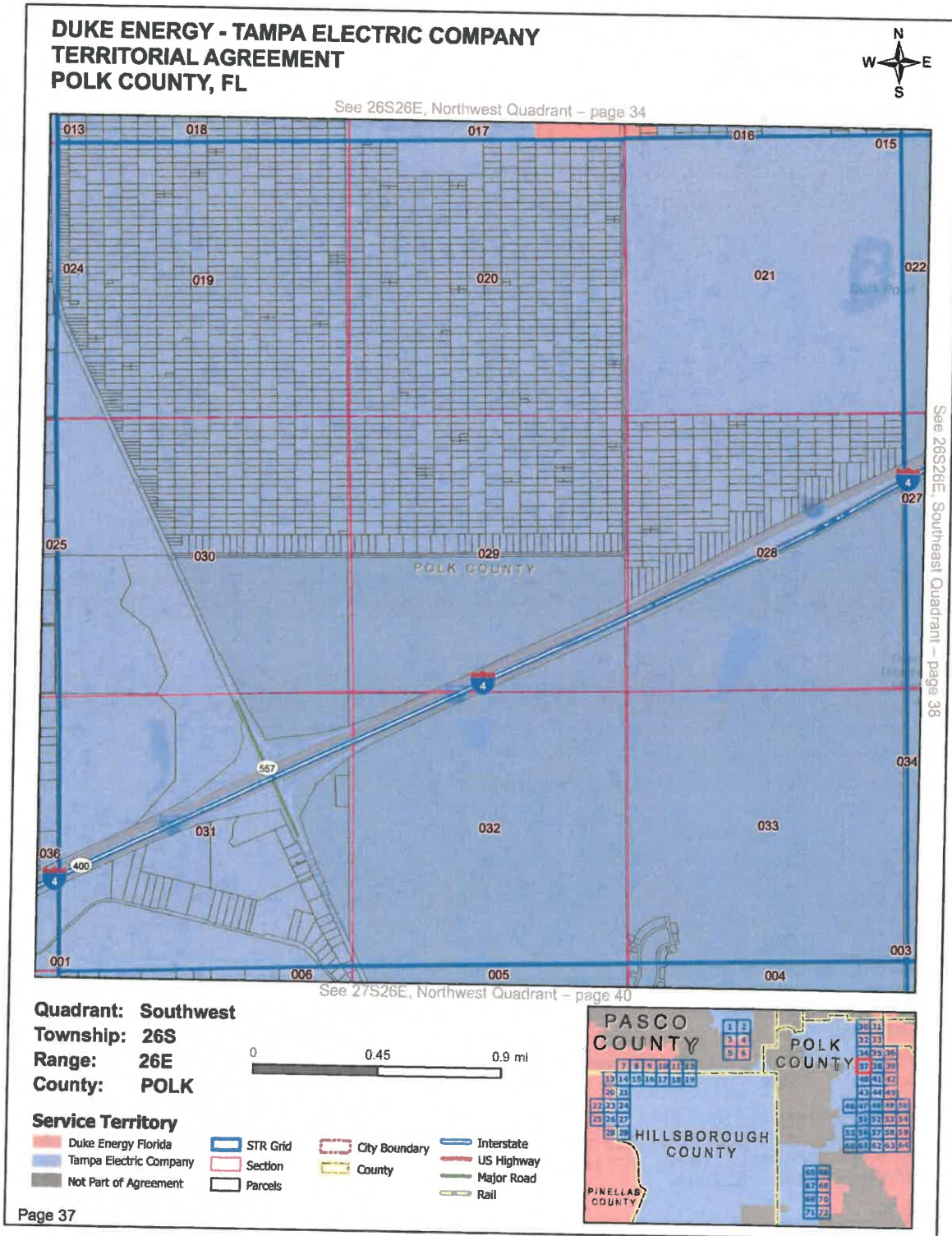


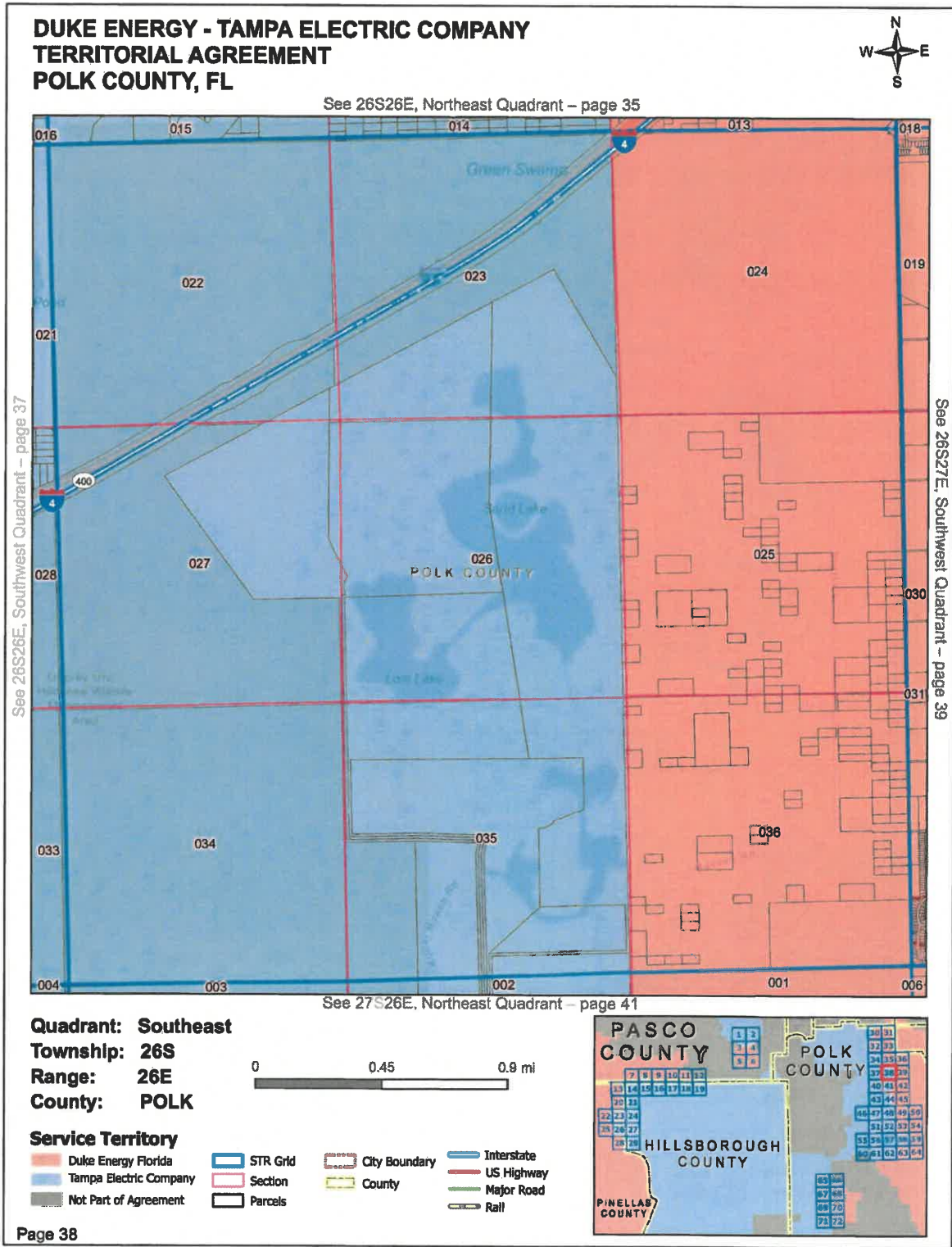


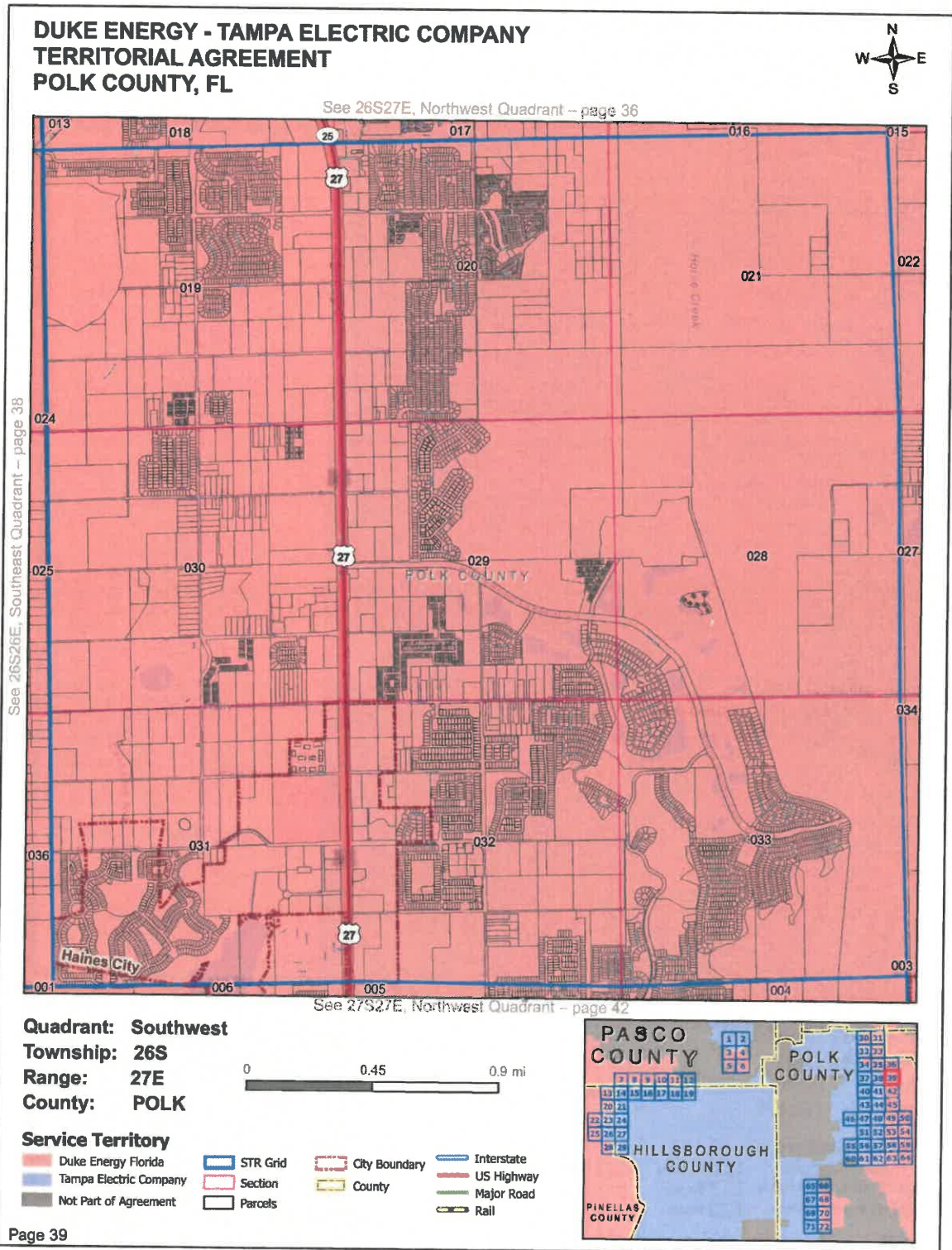








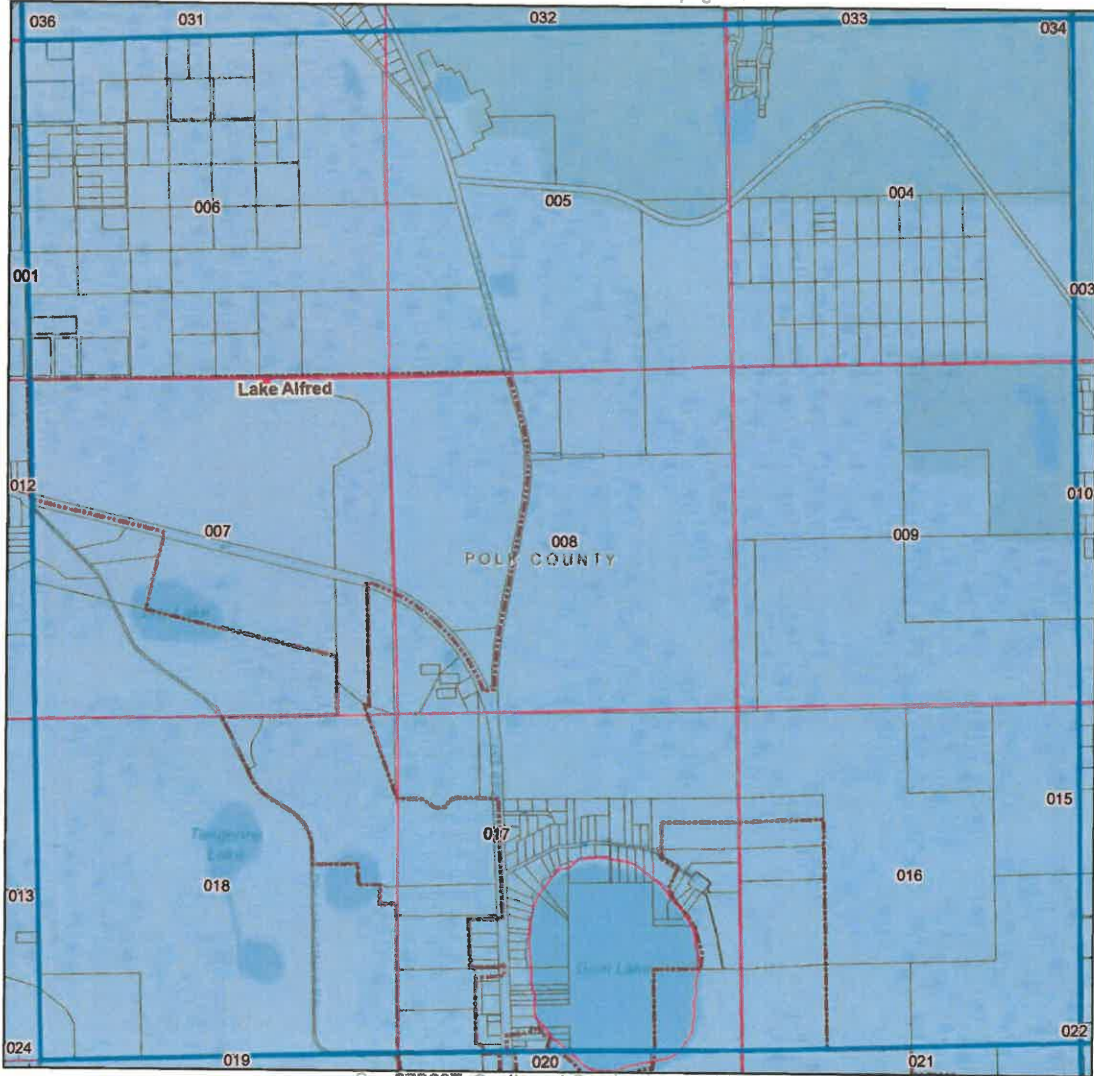




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



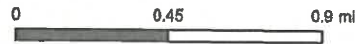
See 26S26E, Southwest Quadrant – page 37



See 27S26E, Northeast Quadrant – page 41

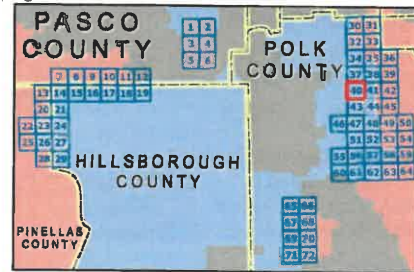
See 27S26E, Southwest Quadrant – page 43

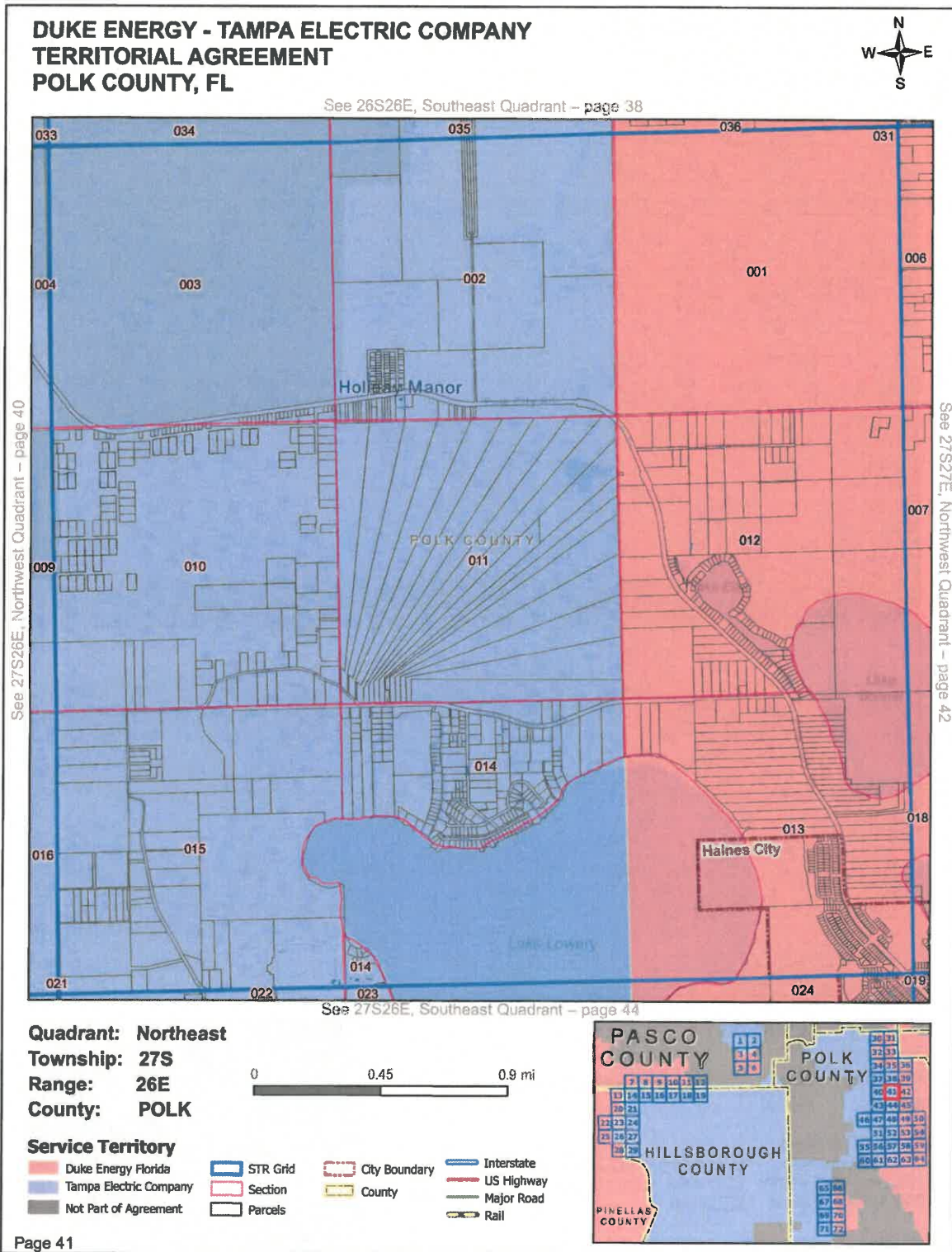
Quadrant: Northwest
Township: 27S
Range: 26E
County: POLK



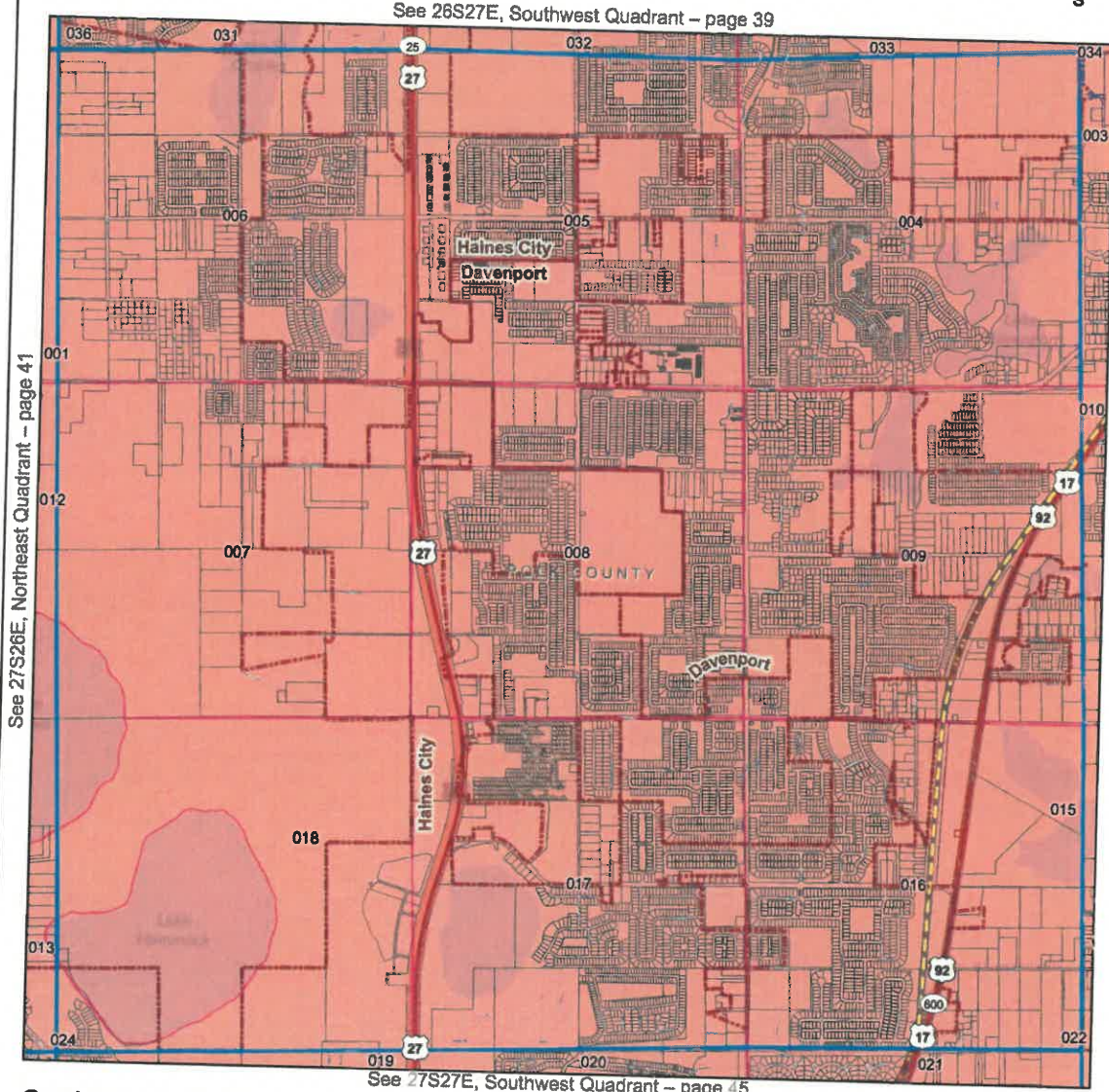
Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail





**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**

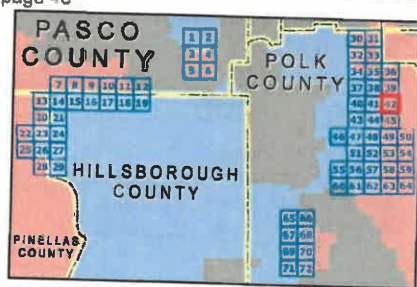


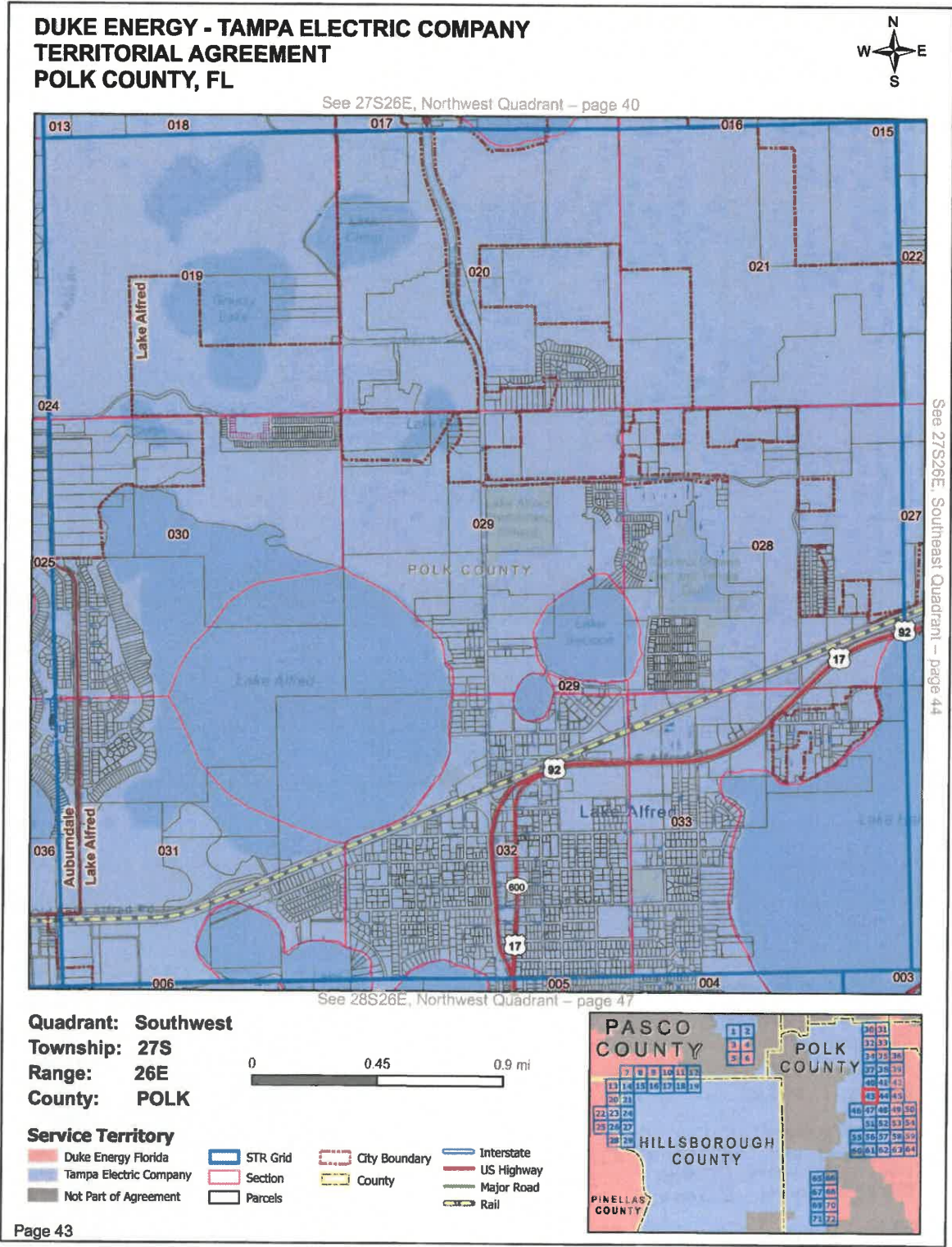
Quadrant: Northwest
Township: 27S
Range: 27E
County: POLK

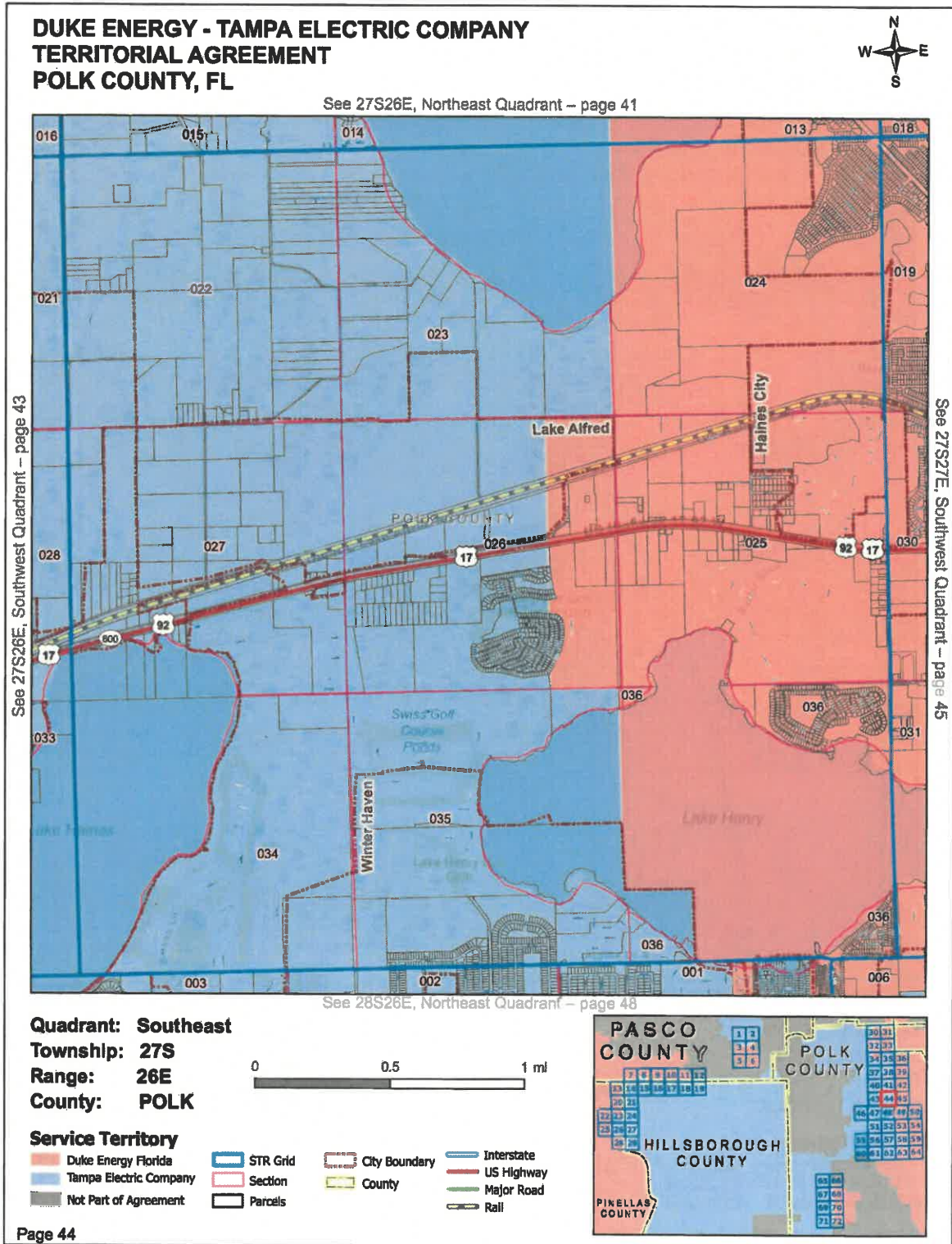


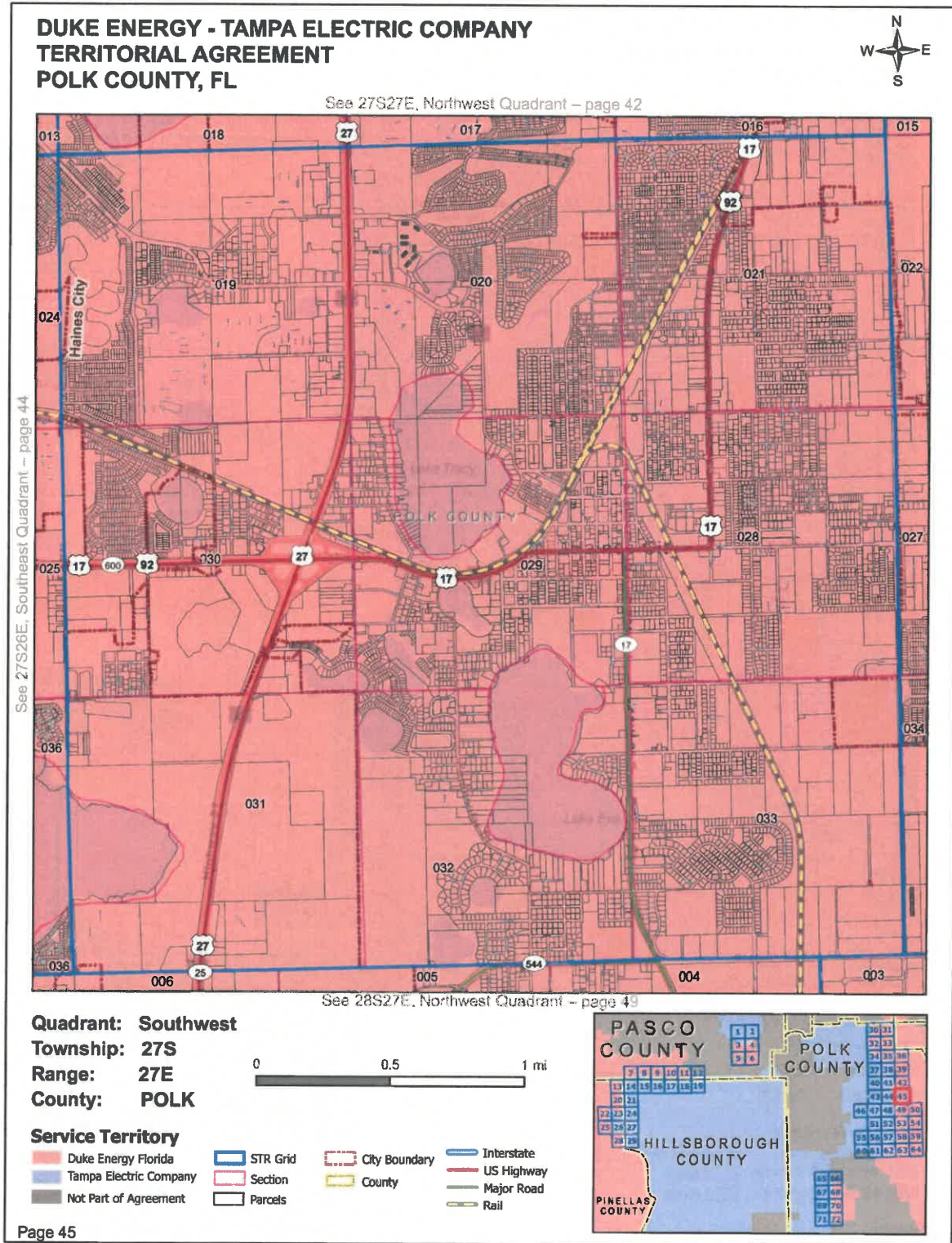
Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
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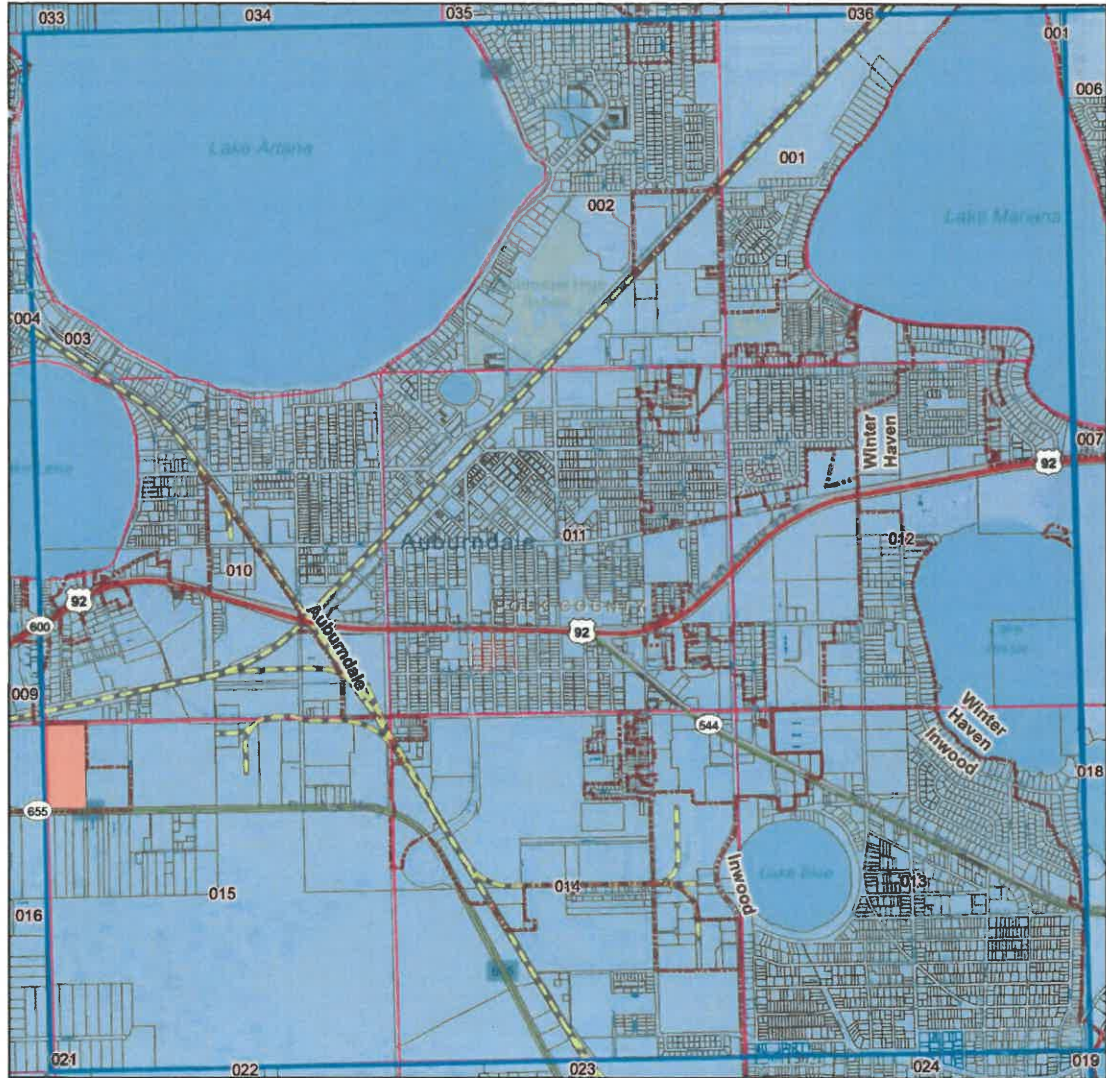








**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



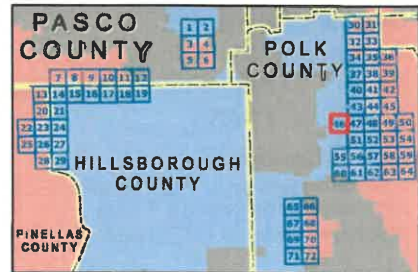
See 28S26E, Northwest Quadrant -- page 47

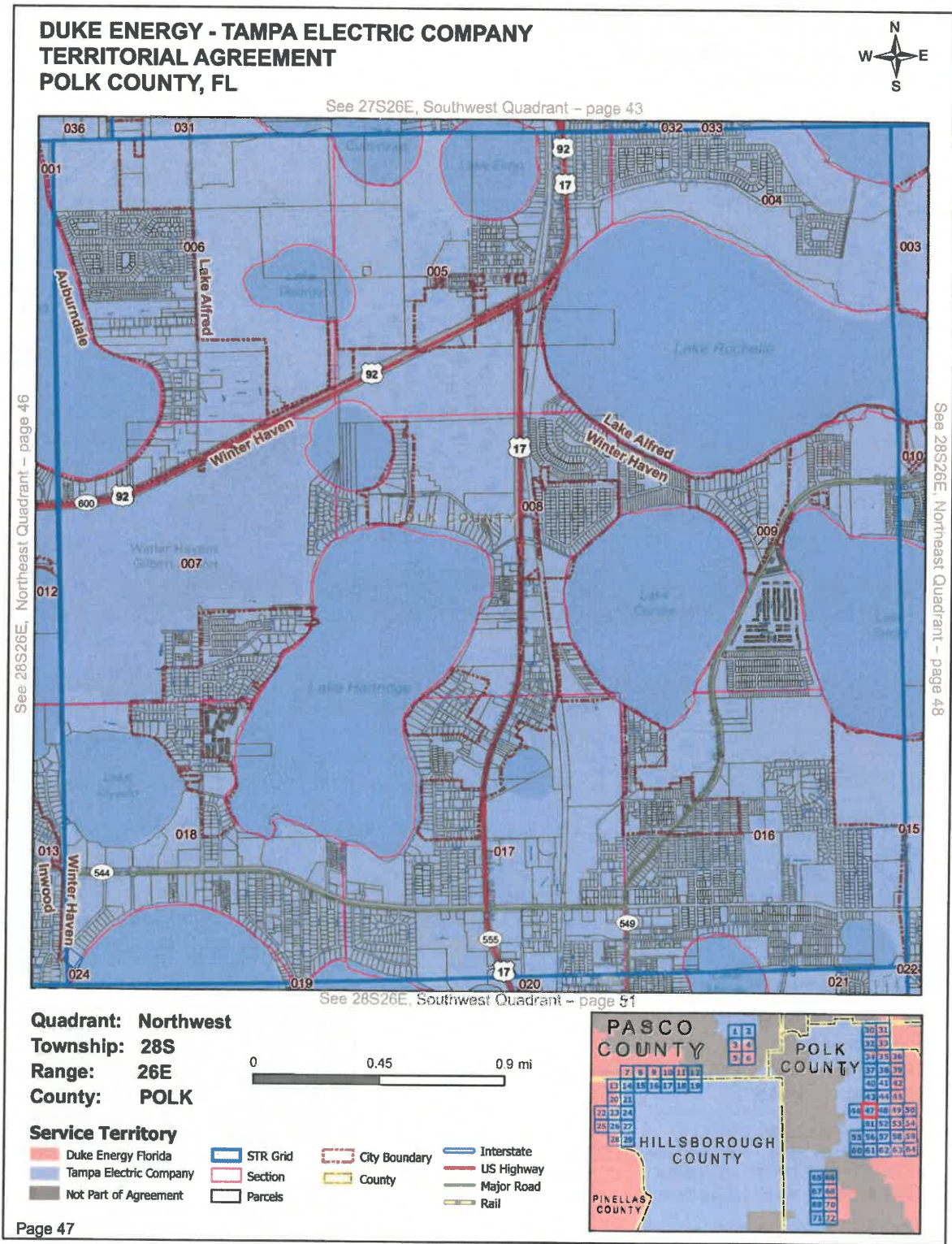
Quadrant: Northeast
Township: 28S
Range: 26E
County: POLK



Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail

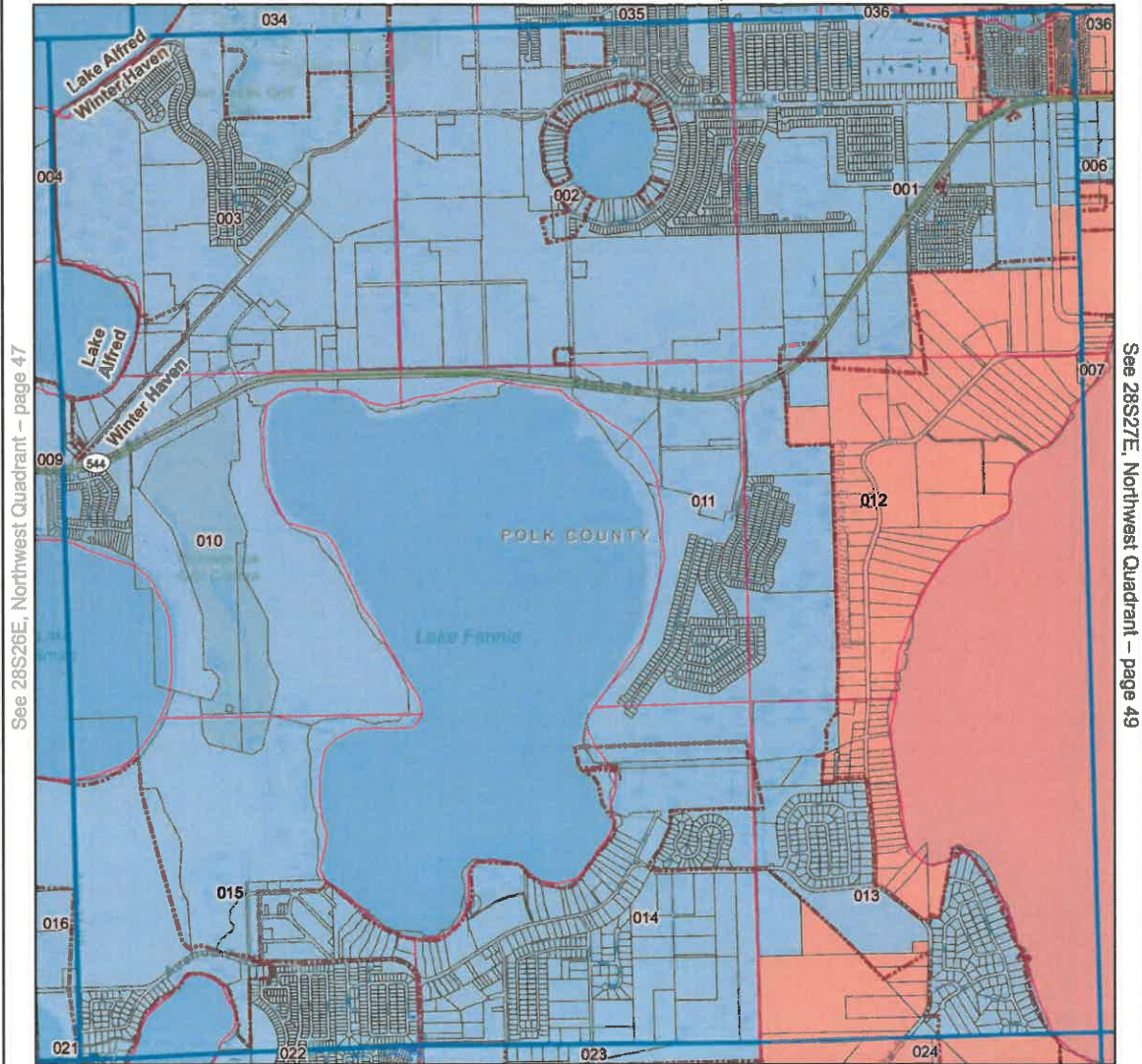




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 27S26E, Southeast Quadrant – page 44

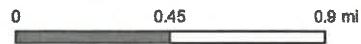


See 28S26E, Northwest Quadrant – page 47

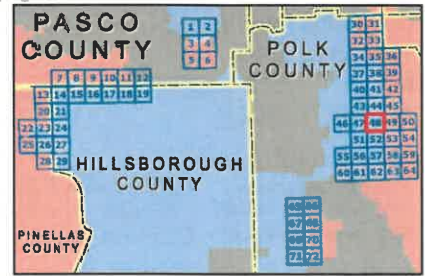
See 28S27E, Northwest Quadrant – page 49

See 28S26E, Southeast Quadrant – page 52

Quadrant: Northeast
Township: 28S
Range: 26E
County: POLK



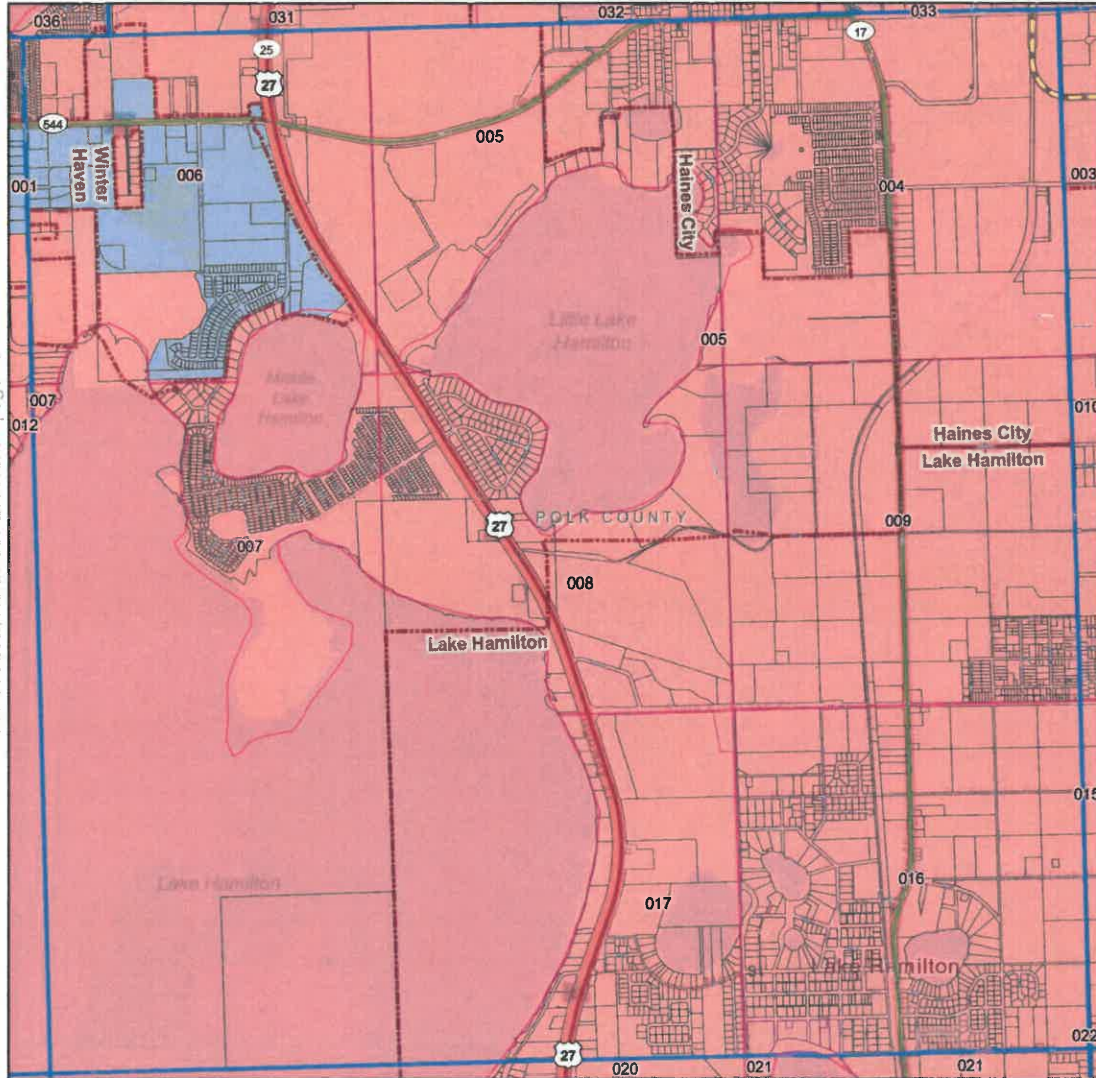
- Service Territory**
- Duke Energy Florida
 - Tampa Electric Company
 - Not Part of Agreement
 - STR Grid
 - Section
 - Parcels
 - City Boundary
 - County
 - Interstate
 - US Highway
 - Major Road
 - Rail



**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 27S27E, Southwest Quadrant - page 45

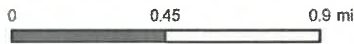


See 28S26E, Northeast Quadrant - page 48

See 28S27E, Northeast Quadrant - page 50

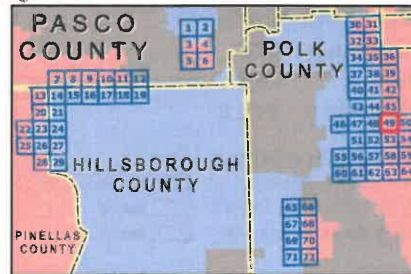
See 28S27E, Southwest Quadrant - page 53

Quadrant: Northwest
Township: 28S
Range: 27E
County: POLK

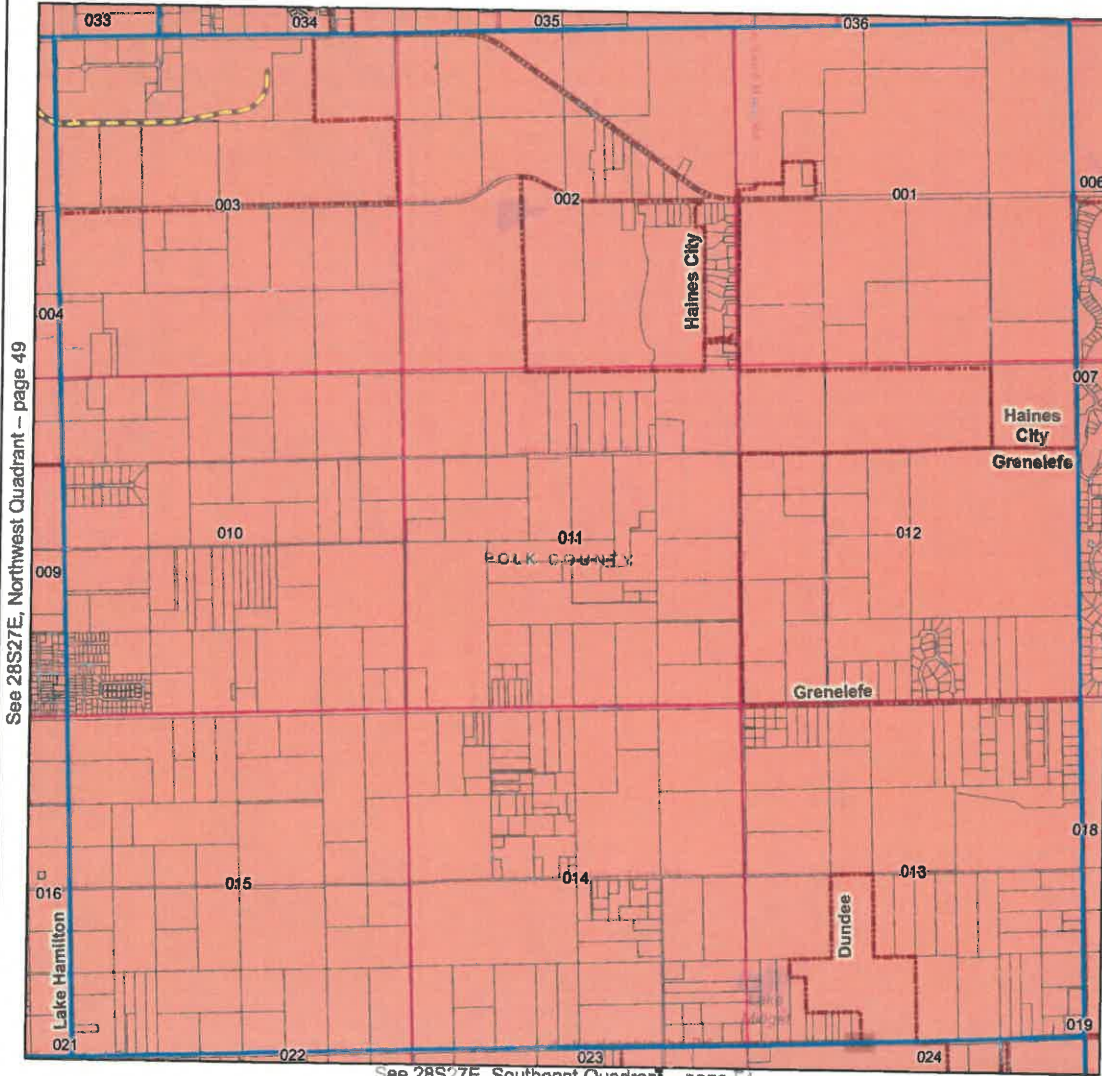


Service Territory
 Duke Energy Florida
 Tampa Electric Company
 Not Part of Agreement

- STR Grid
- City Boundary
- Interstate
- US Highway
- Section
- County
- Major Road
- Parcels
- Rail



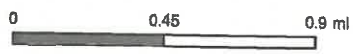
**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 28S27E, Northwest Quadrant – page 49

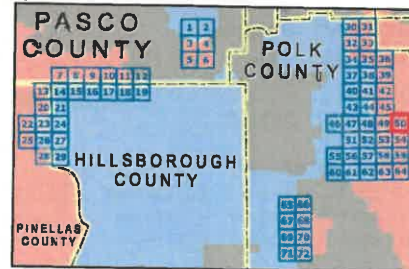
See 28S27E, Southeast Quadrant – page 54

Quadrant: Northeast
Township: 28S
Range: 27E
County: POLK



Service Territory

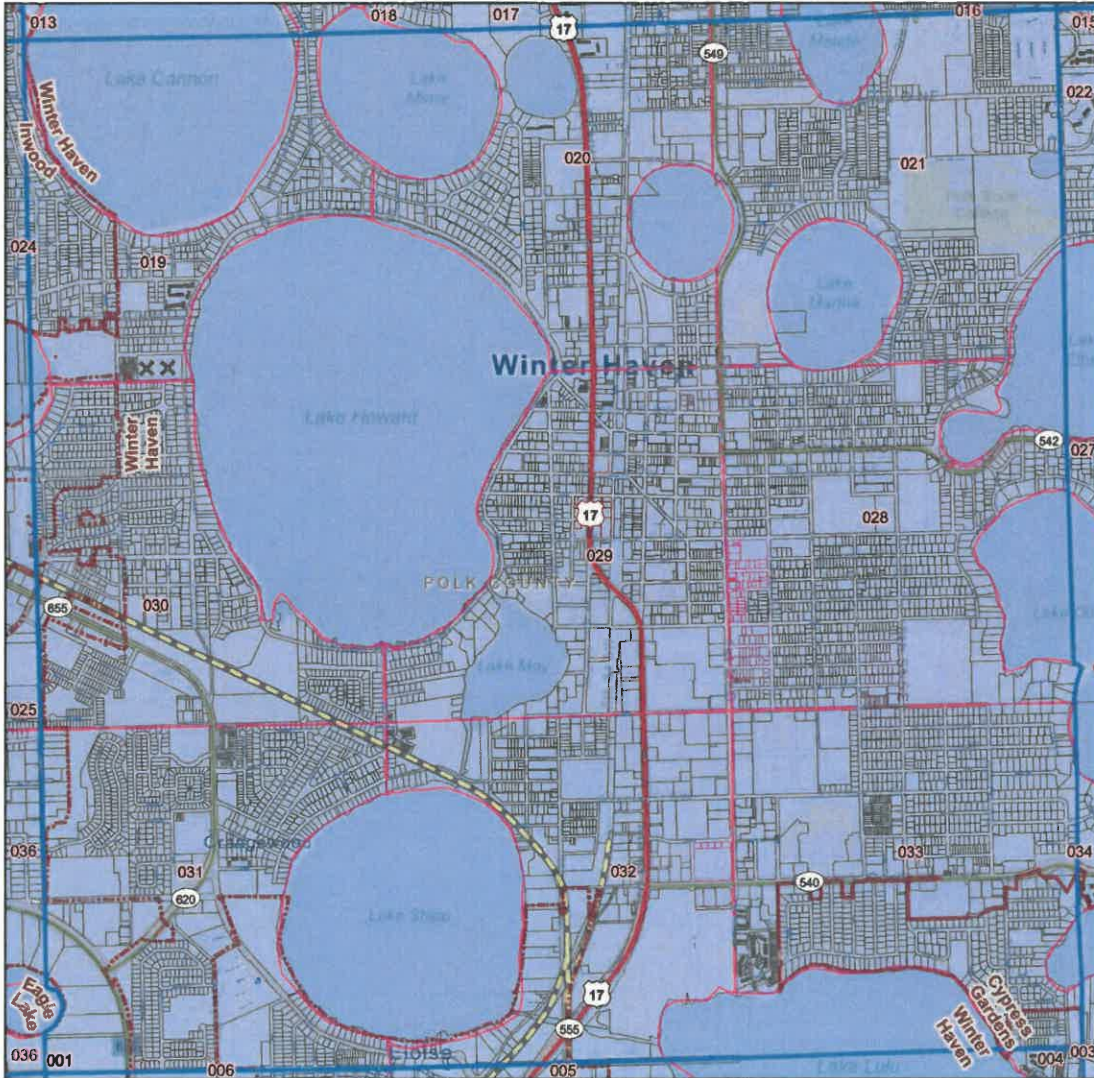
- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
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- Major Road
- Rail



**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



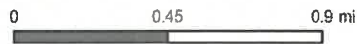
See 28S26E, Northwest Quadrant – page 47



See 28S26E, Southeast Quadrant – page 52

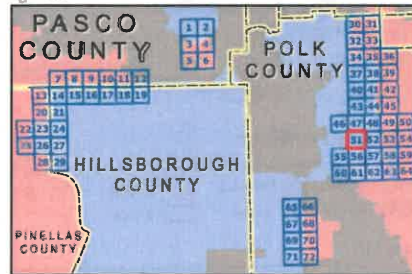
See 29S26E, Northwest Quadrant – page 56

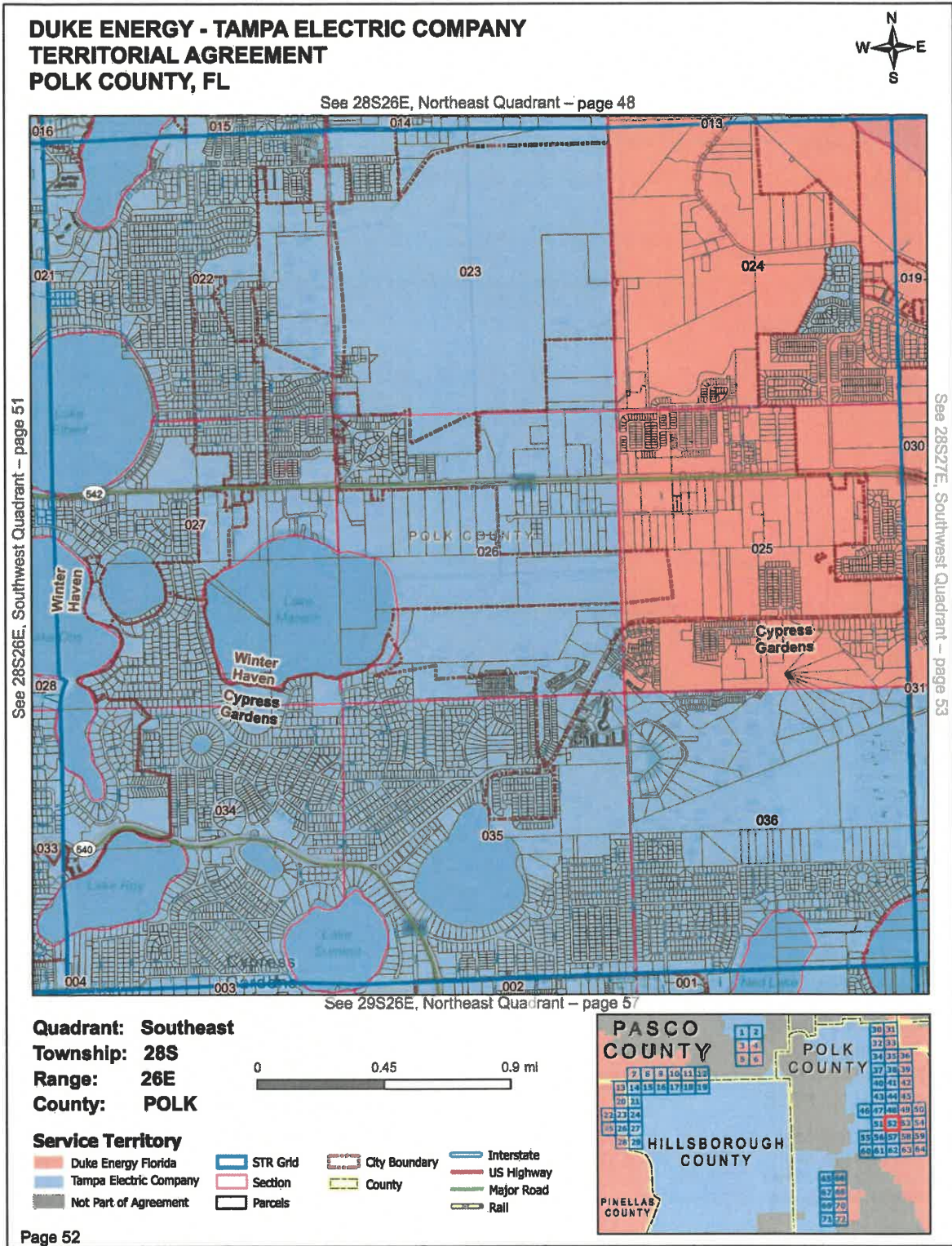
Quadrant: Southwest
Township: 28S
Range: 26E
County: POLK



Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- City Boundary
- County
- Parcels
- Interstate
- US Highway
- Major Road
- Rail

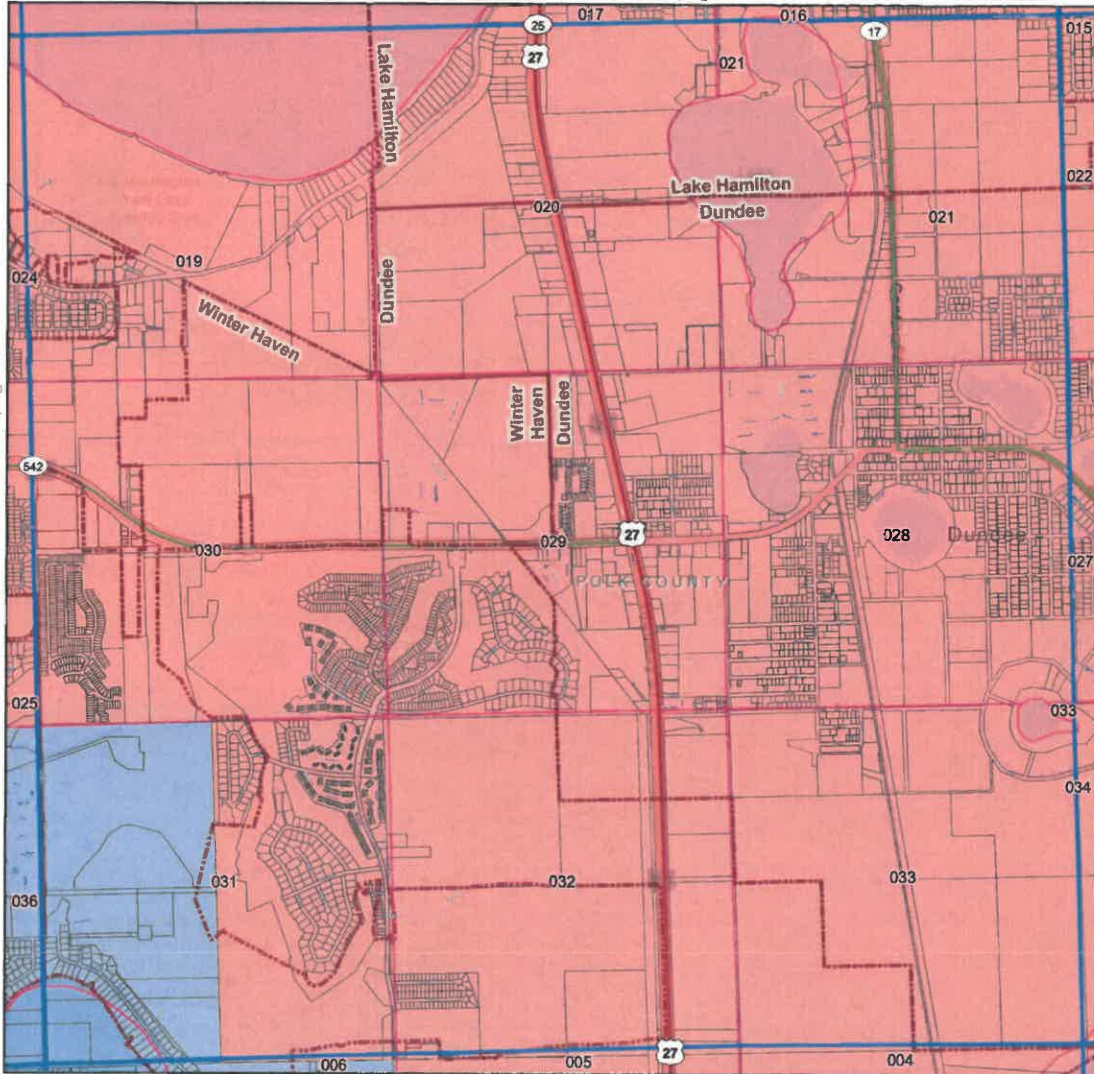




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 28S27E, Northwest Quadrant – page 49

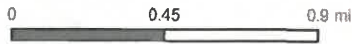


See 28S26E, Southeast Quadrant – page 52

See 28S27E, Southeast Quadrant – page 54

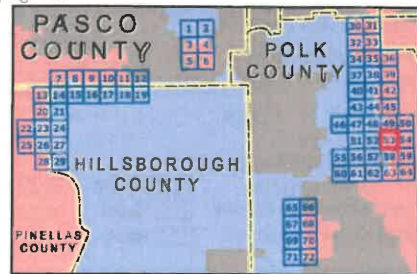
See 29S27E, Northwest Quadrant – page 58

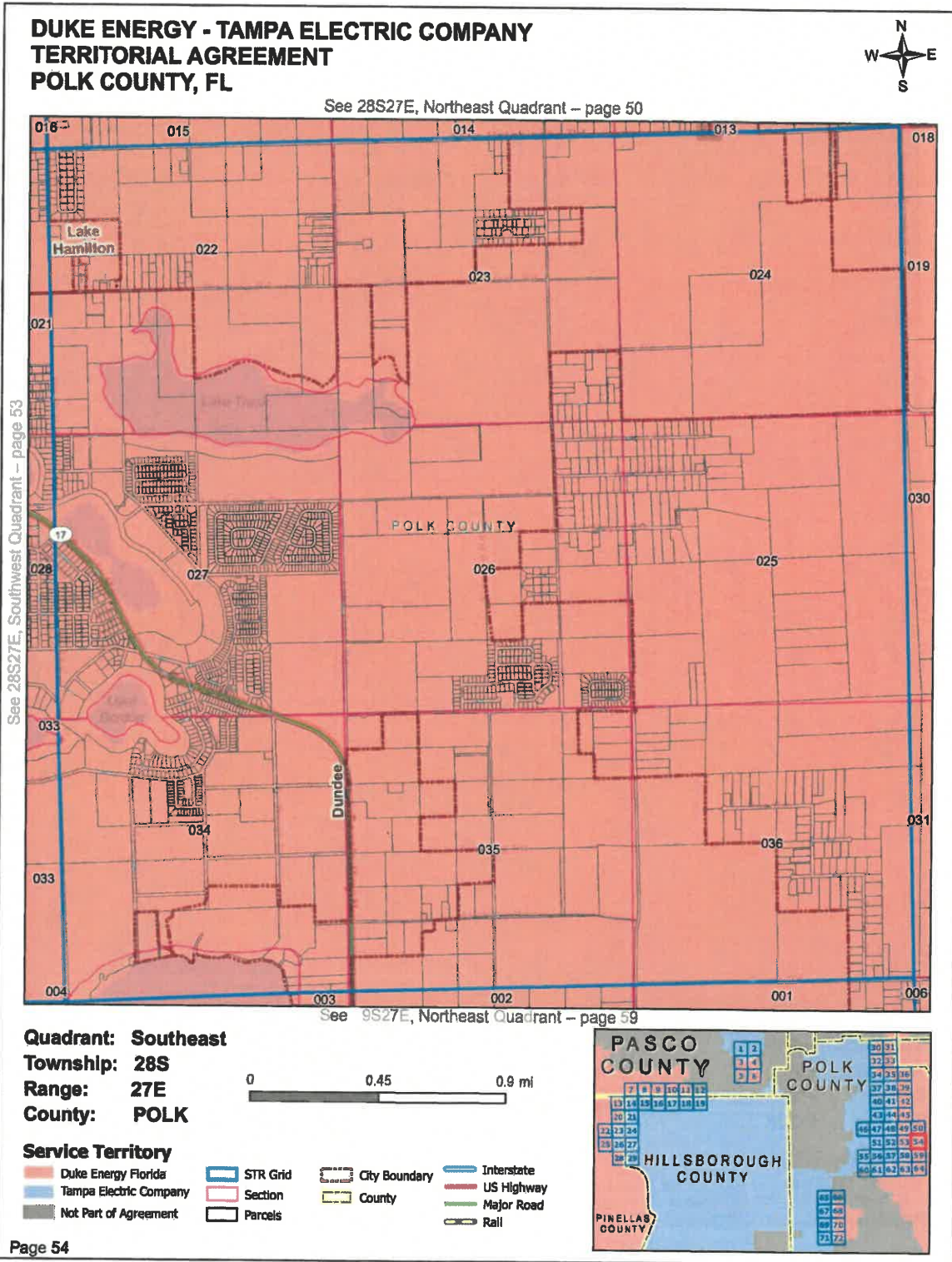
Quadrant: Southwest
Township: 28S
Range: 27E
County: POLK



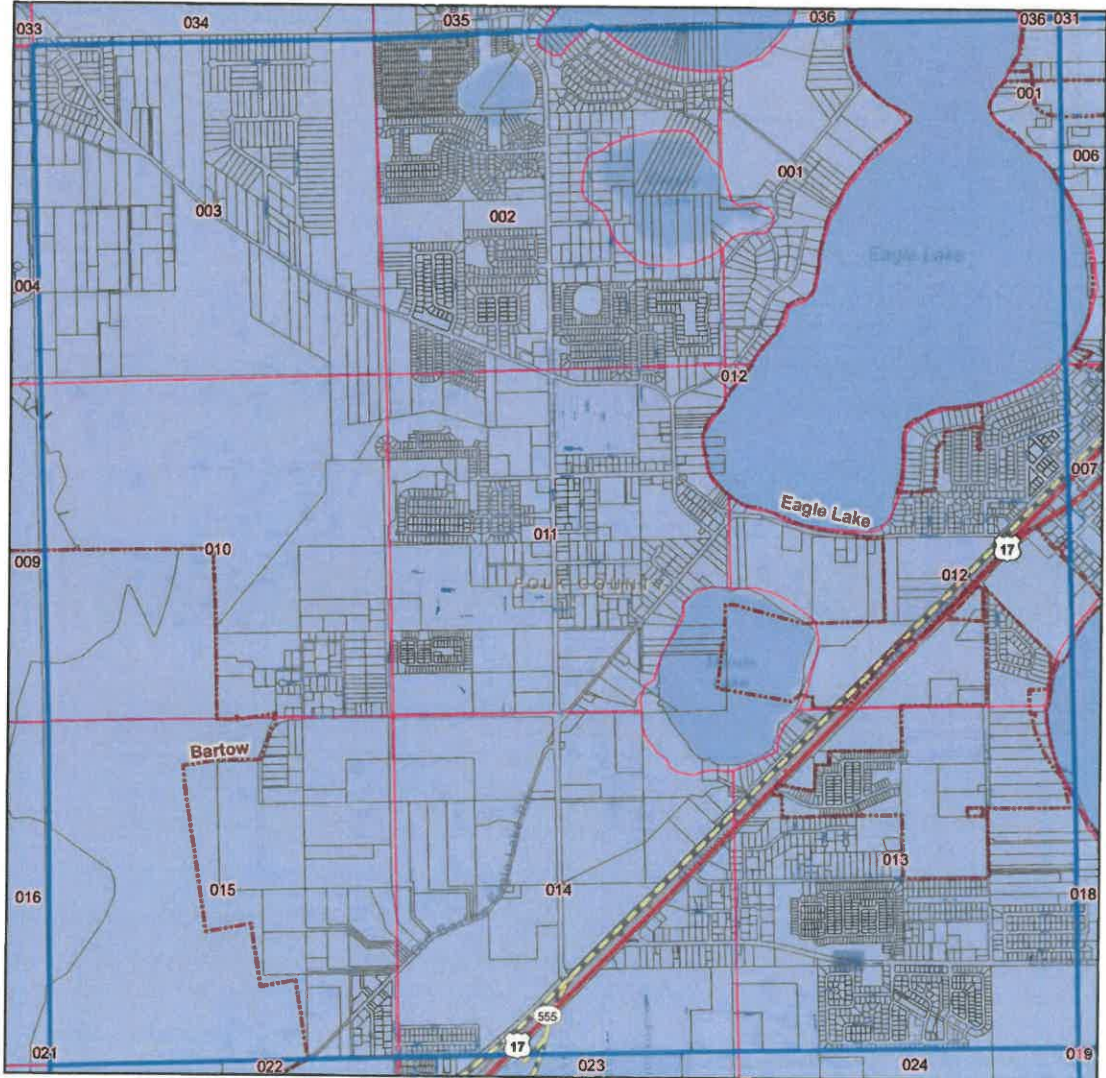
Service Territory

- | | | | |
|------------------------|----------|---------------|------------|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | | Major Road |
| | | | Rail |

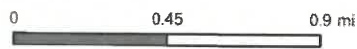




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**

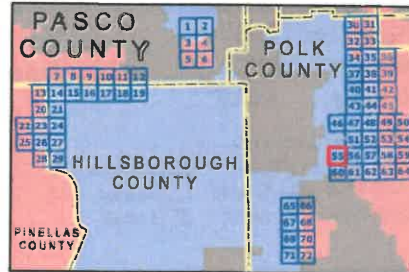


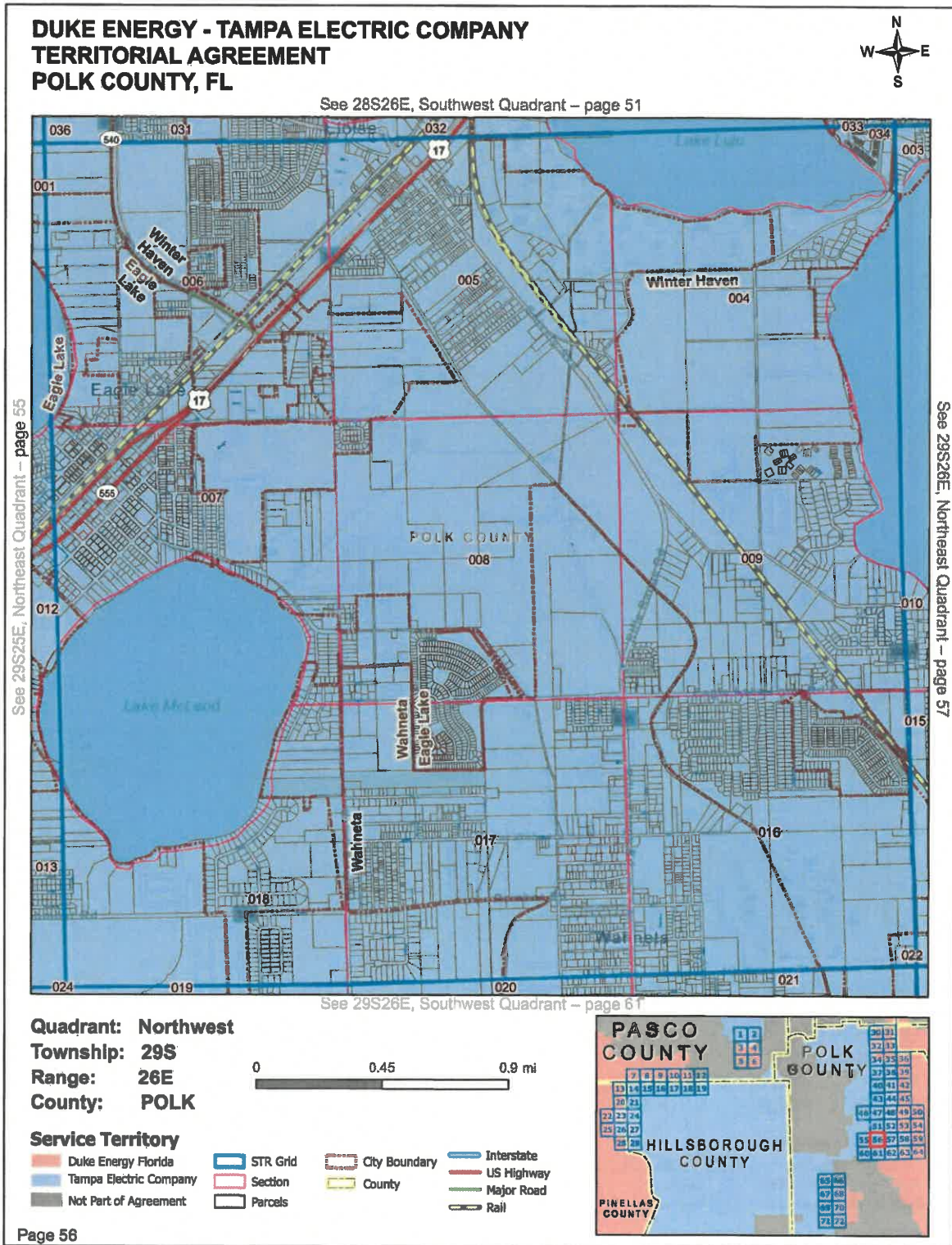
Quadrant: Northeast
Township: 29S
Range: 25E
County: POLK

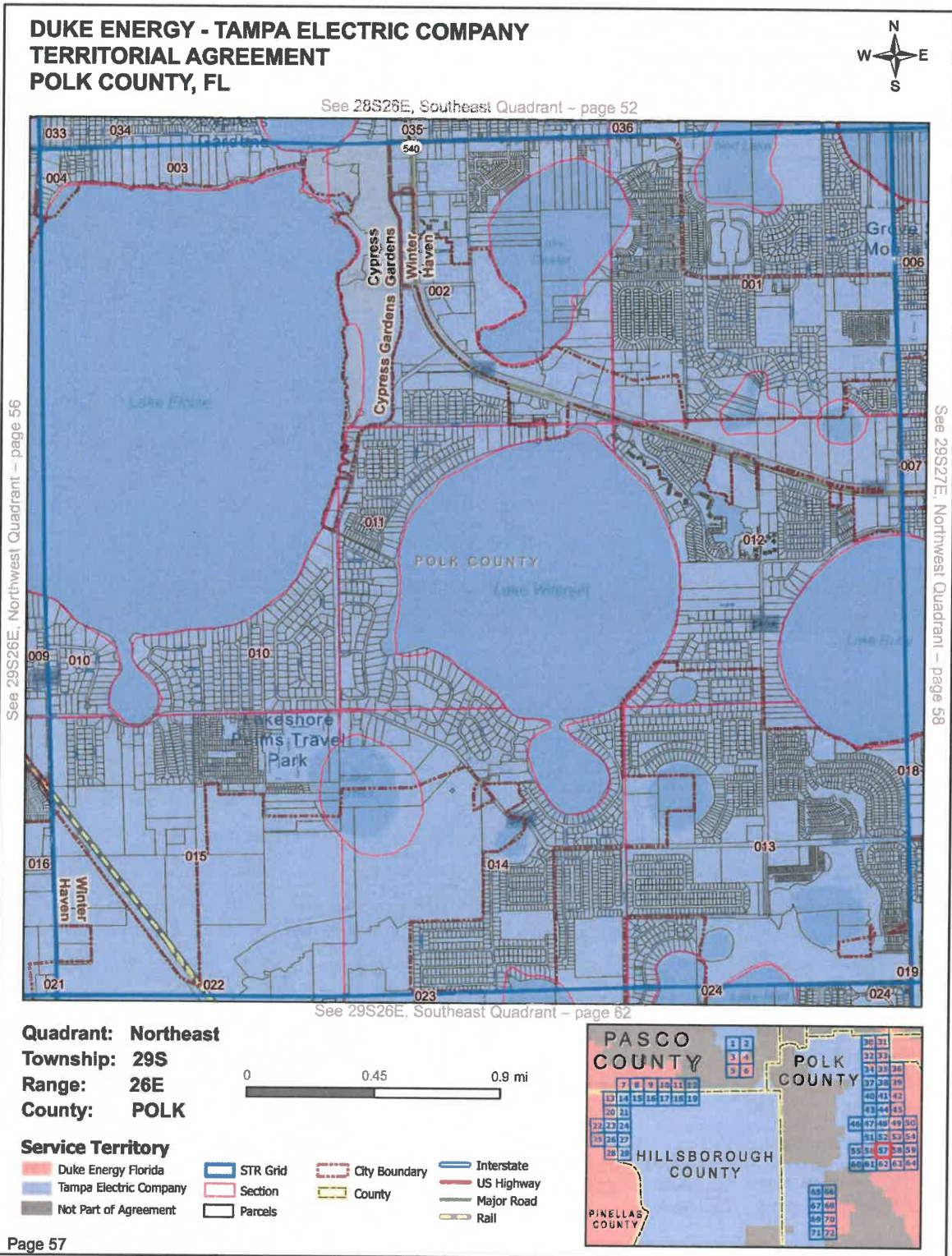


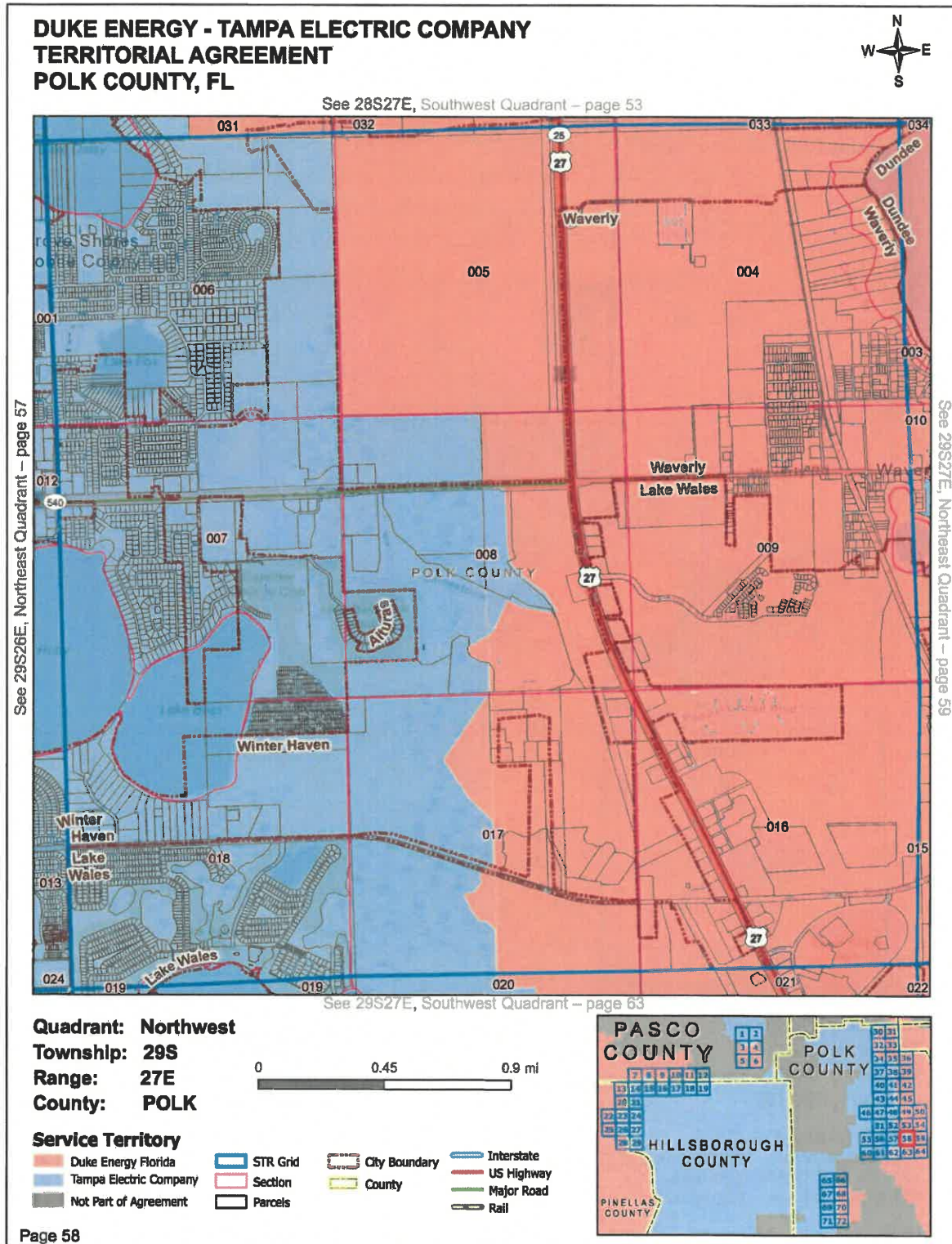
Service Territory

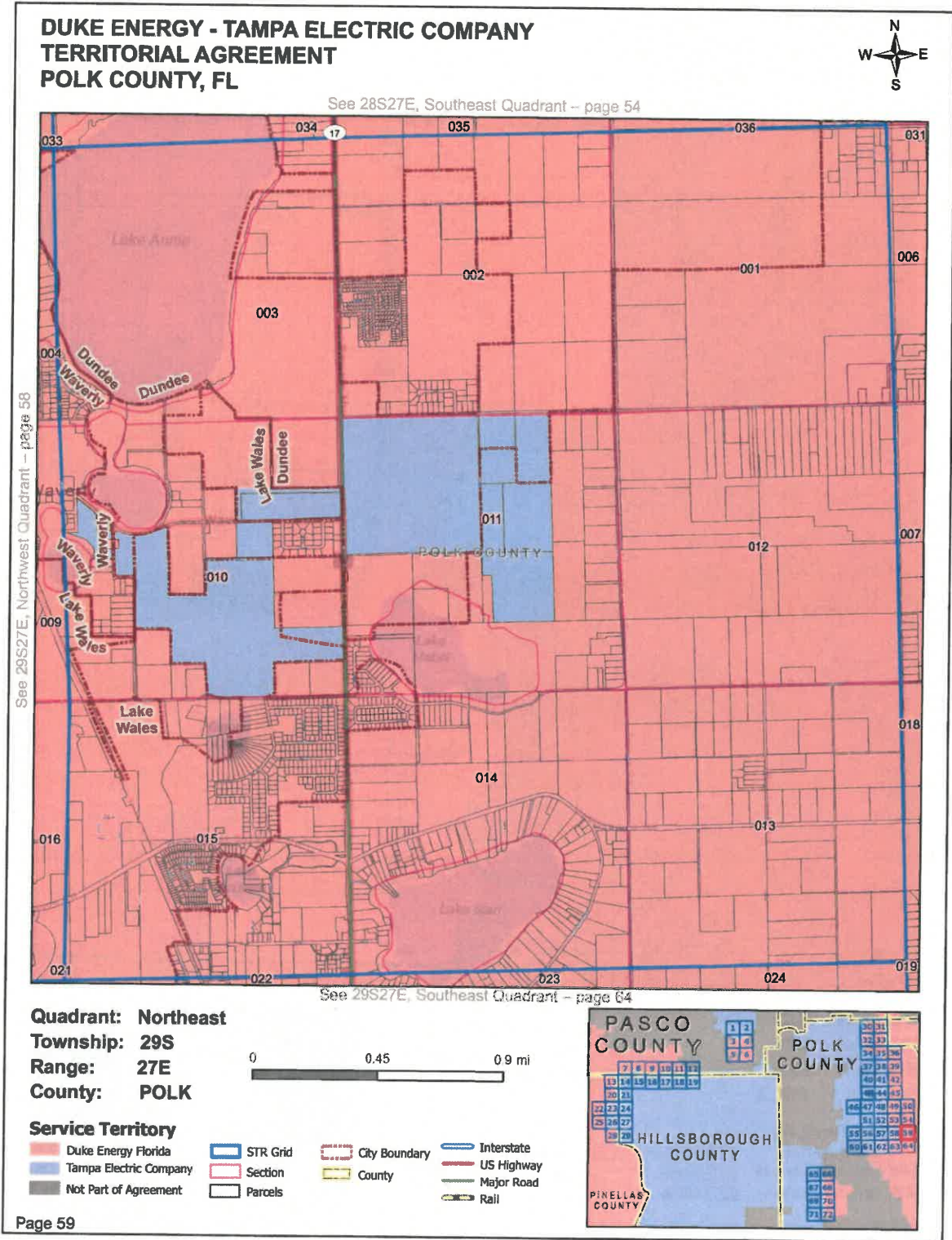
- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail







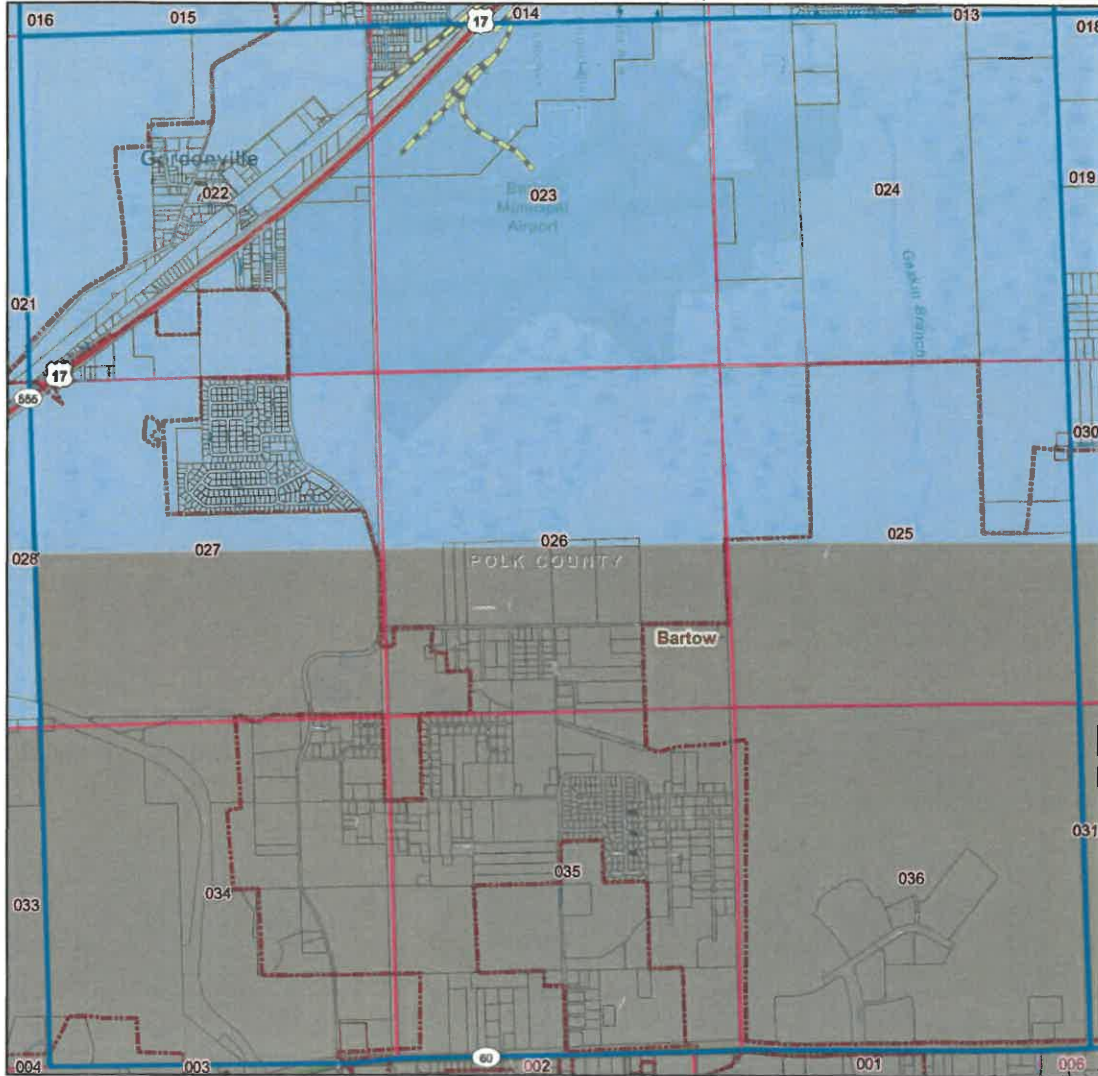




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 29S25E, Northeast Quadrant – page 55



See 29S26E, Southwest Quadrant – page 61

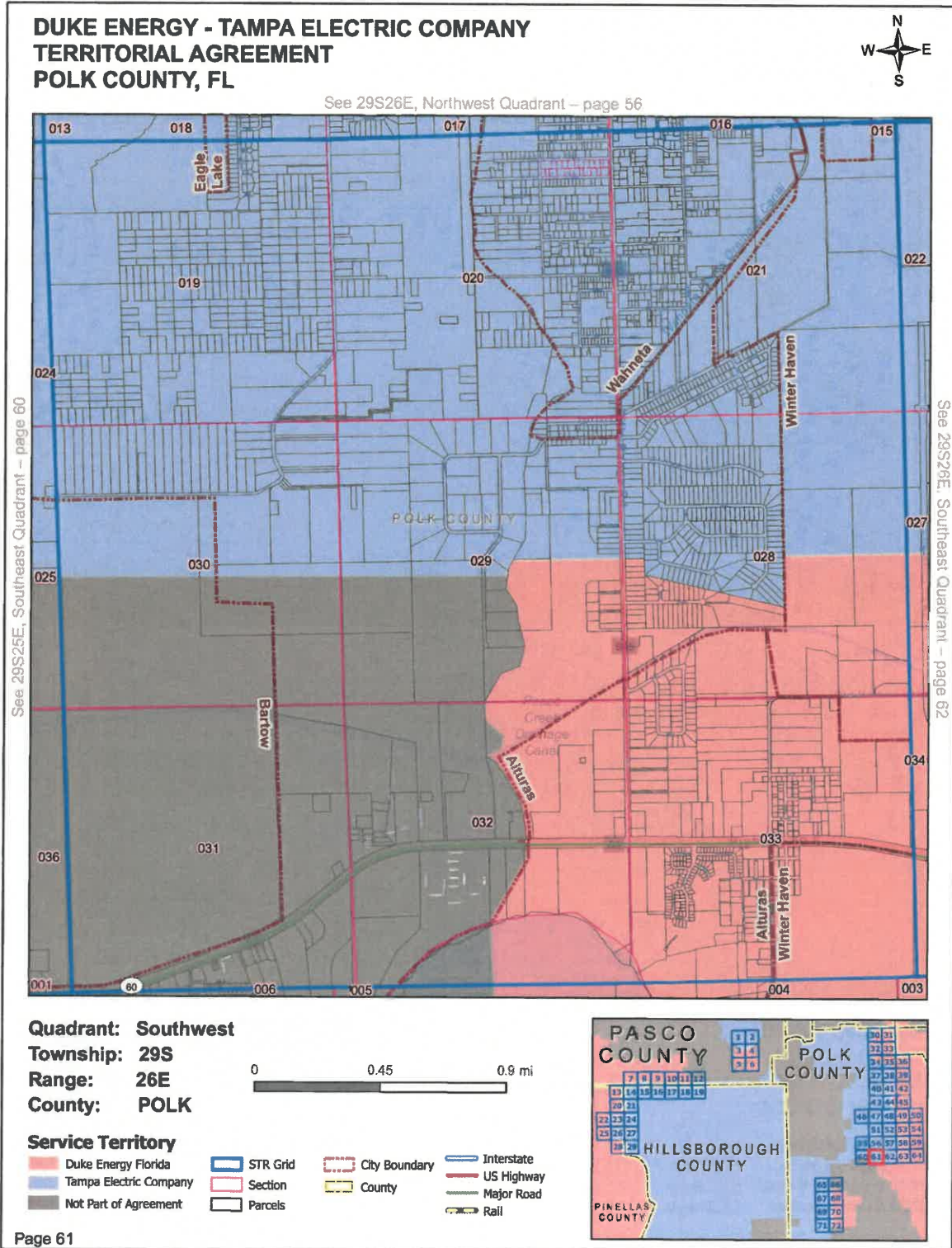
Quadrant: Southeast
Township: 29S
Range: 25E
County: POLK

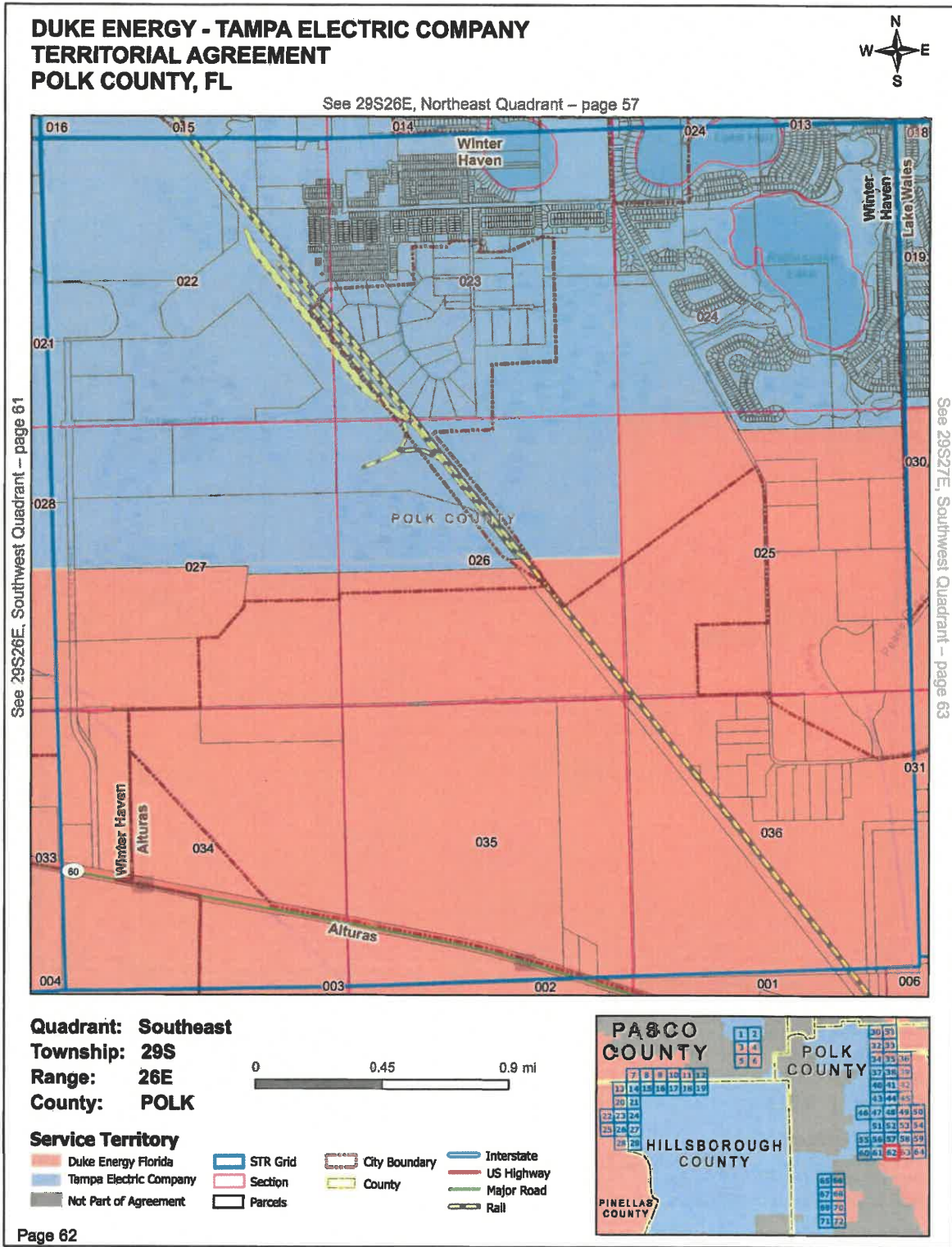


Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- Section
- Parcels
- City Boundary
- County
- Interstate
- US Highway
- Major Road
- Rail



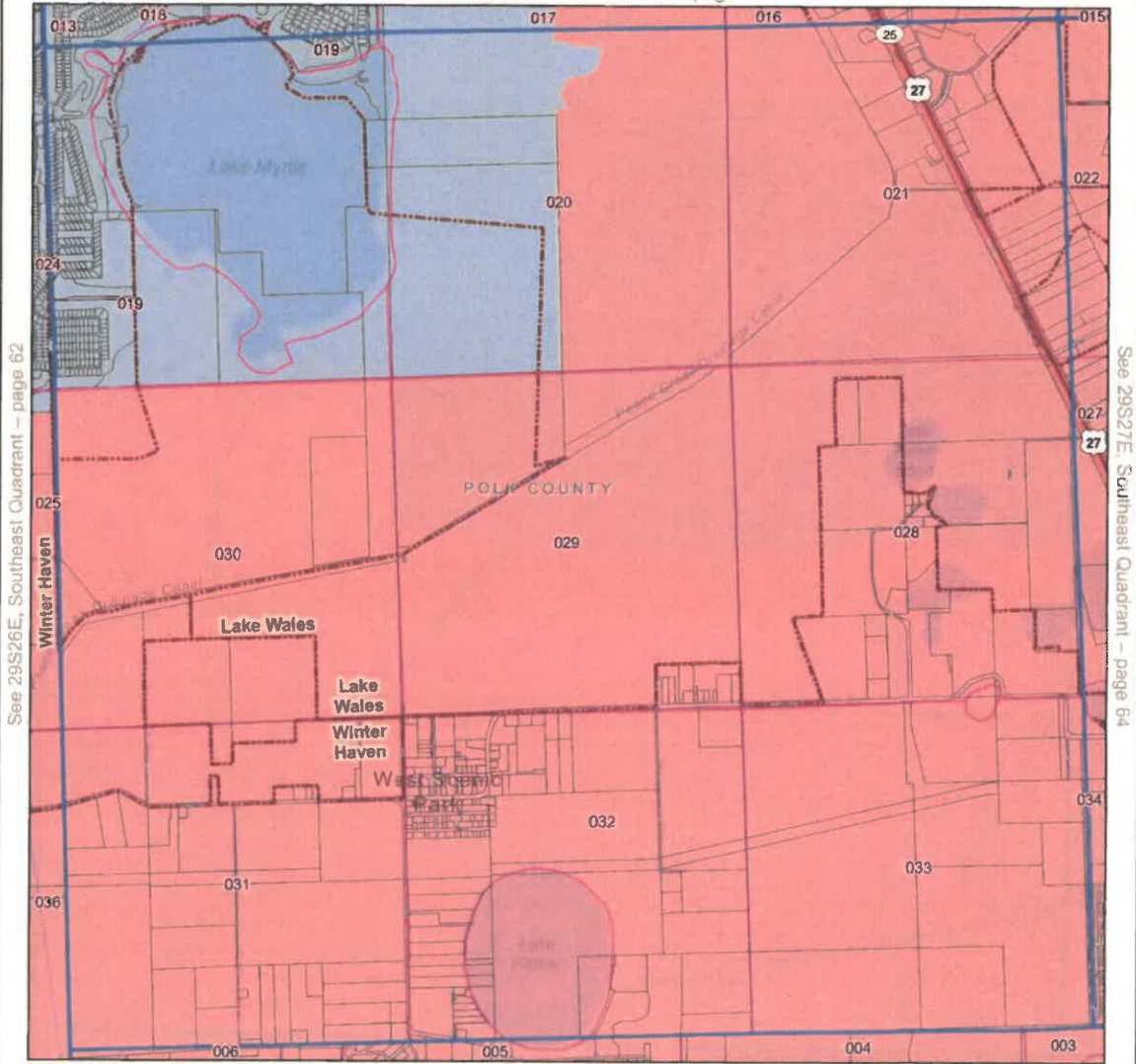




**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 29S27E, Northwest Quadrant – page 58



See 29S26E, Southeast Quadrant – page 62

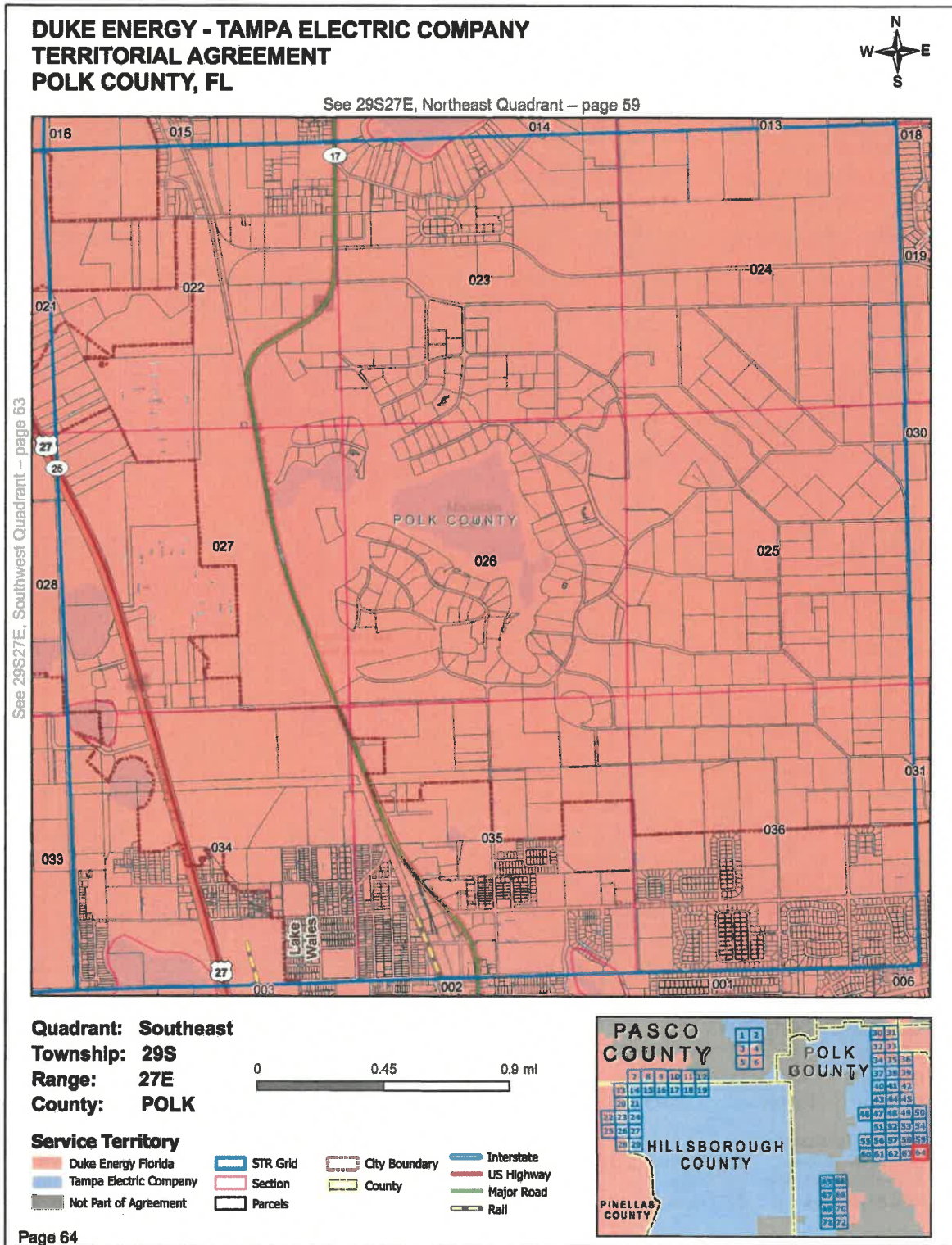
See 29S27E, Southeast Quadrant – page 64

Quadrant: Southwest
Township: 29S
Range: 27E
County: POLK

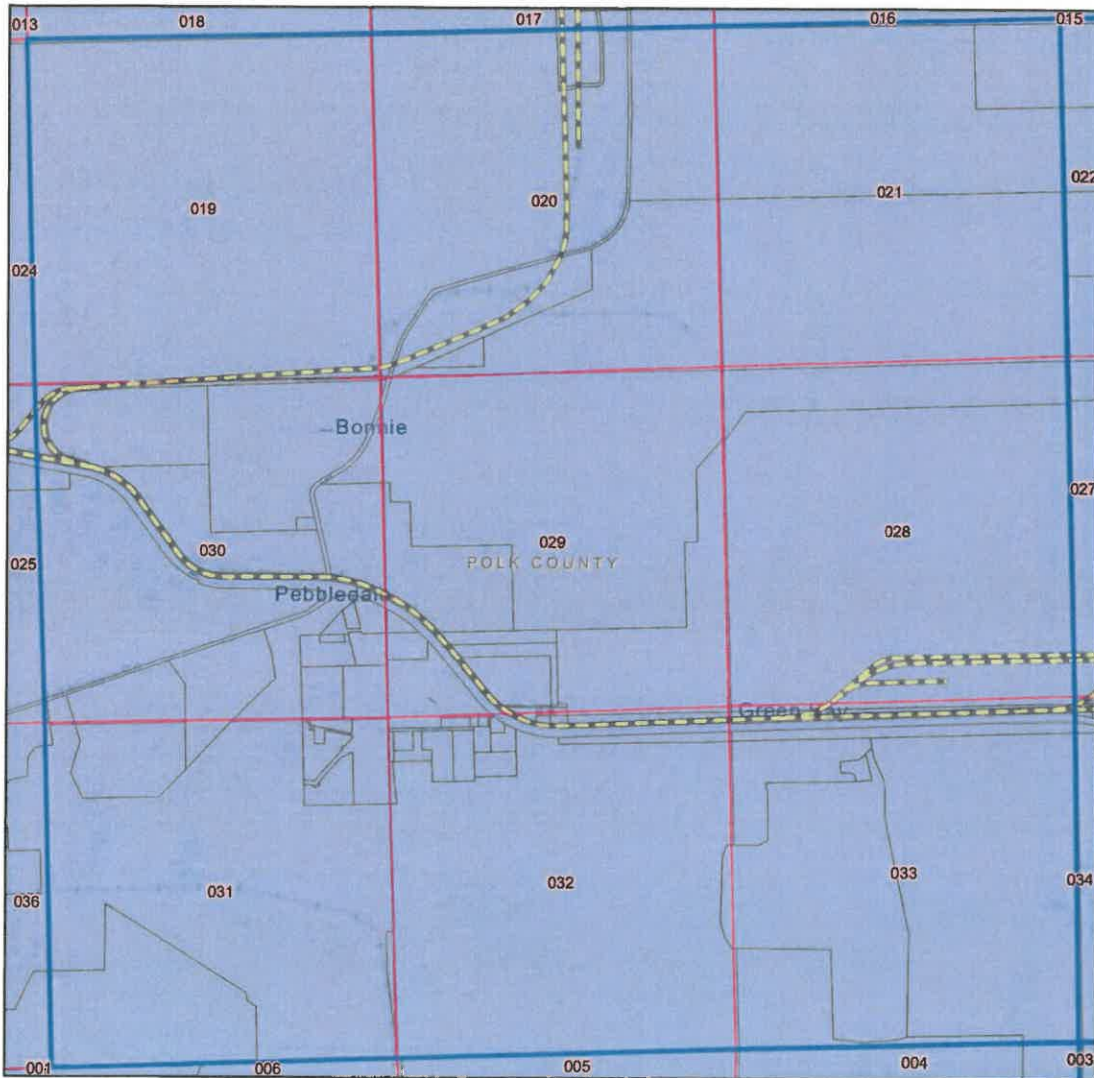
Service Territory

- Duke Energy Florida
- Tampa Electric Company
- Not Part of Agreement
- STR Grid
- City Boundary
- County
- Section
- Parcels
- Interstate
- US Highway
- Major Road
- Rail





**DUKE ENERGY - TAMPA ELECTRIC COMPANY
 TERRITORIAL AGREEMENT
 POLK COUNTY, FL**



See 30S24E, Southeast Quadrant - page 66

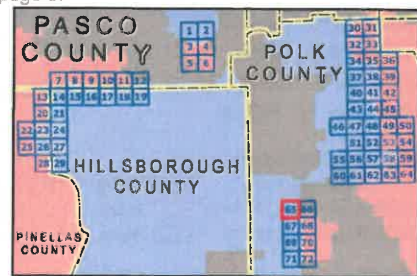
See 31S24E, Northwest Quadrant - page 67

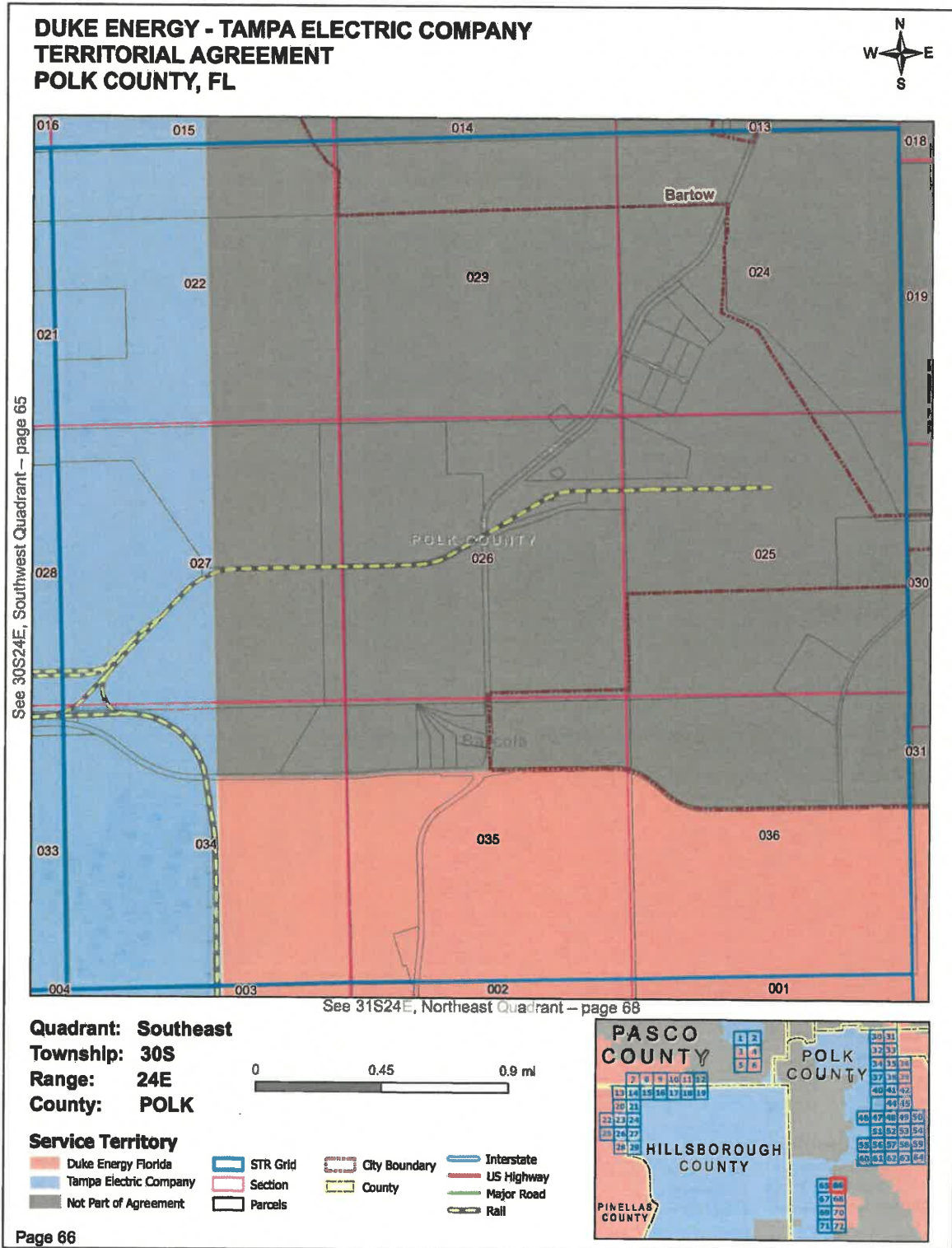
Quadrant: Southwest
Township: 30S
Range: 24E
County: POLK

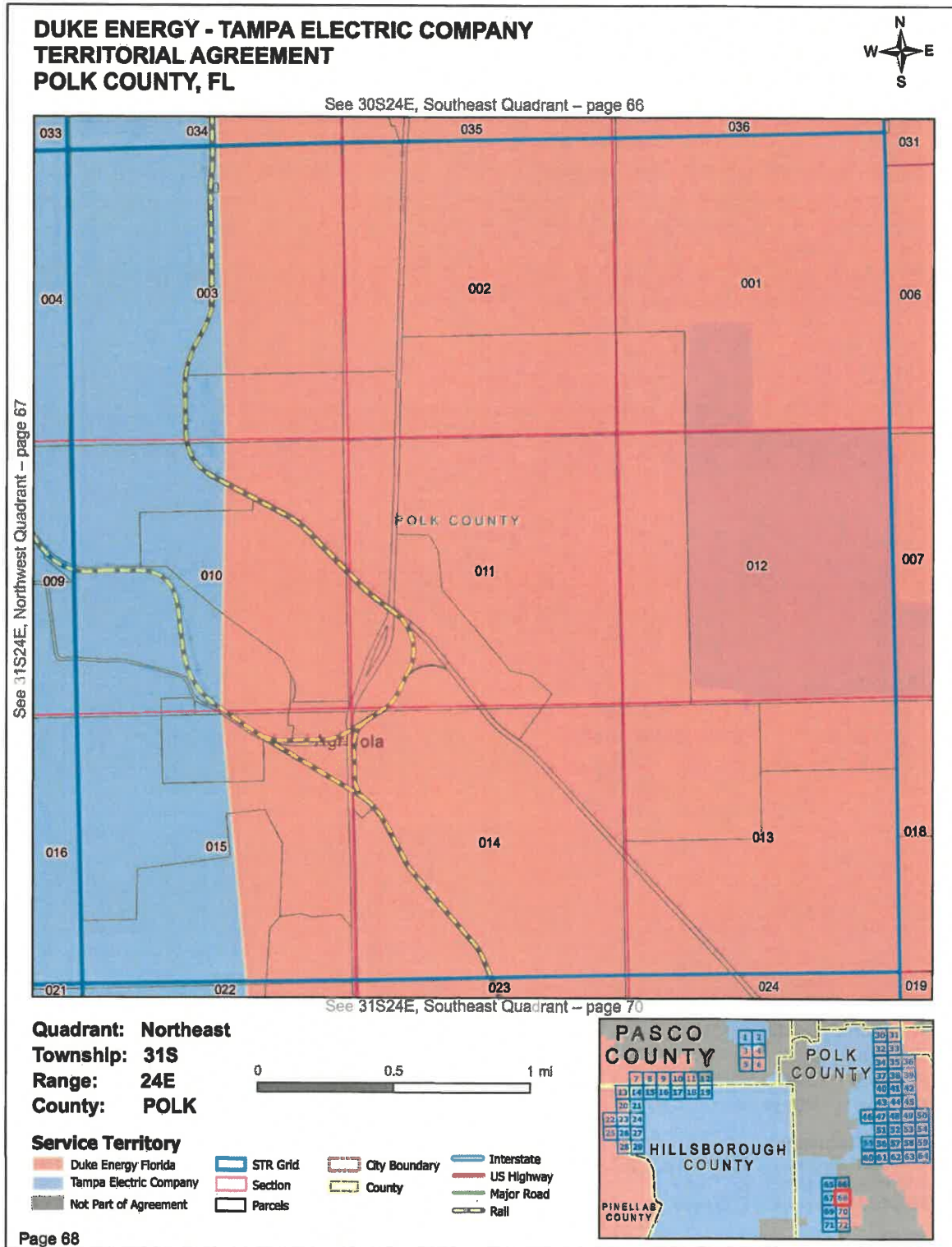


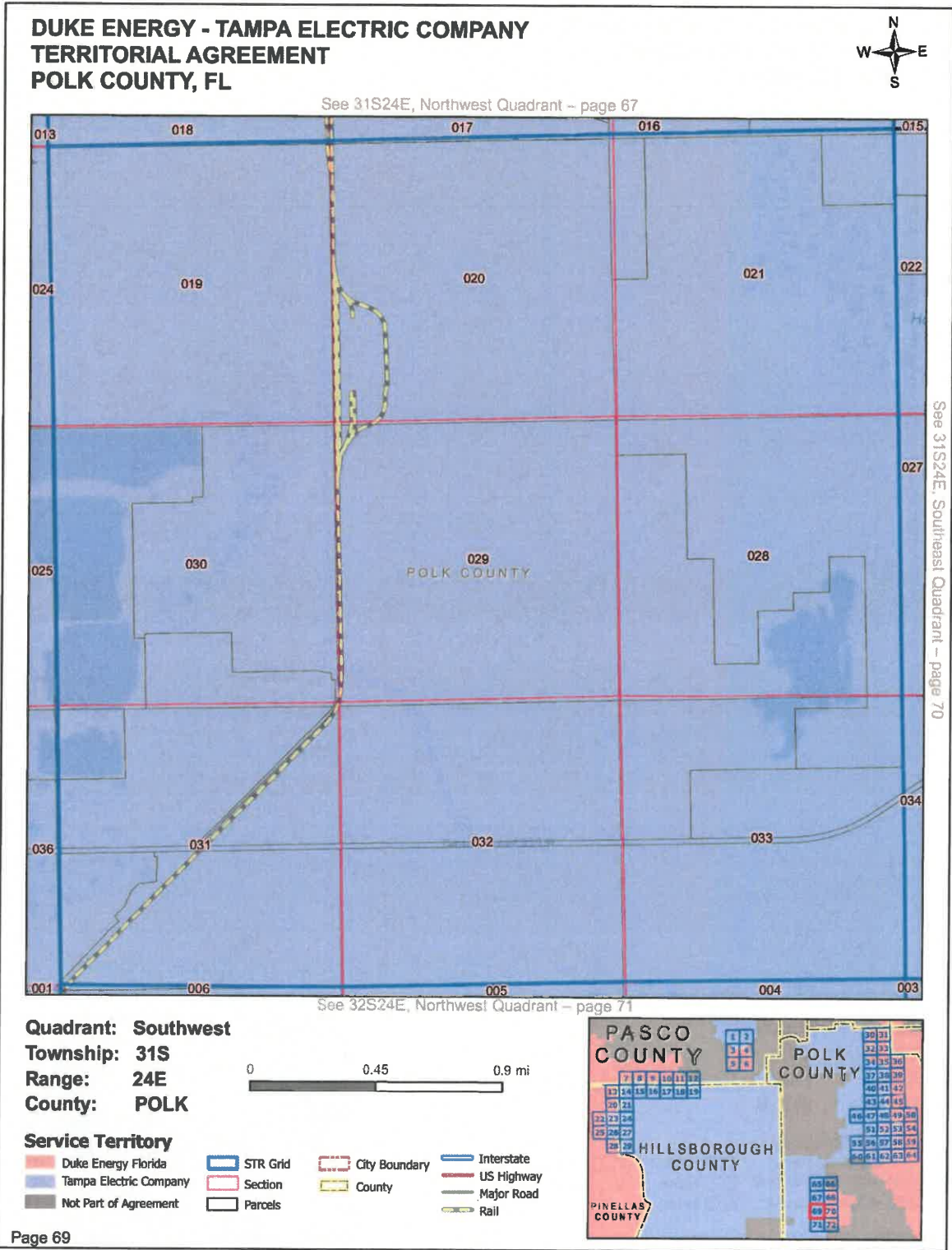
Service Territory

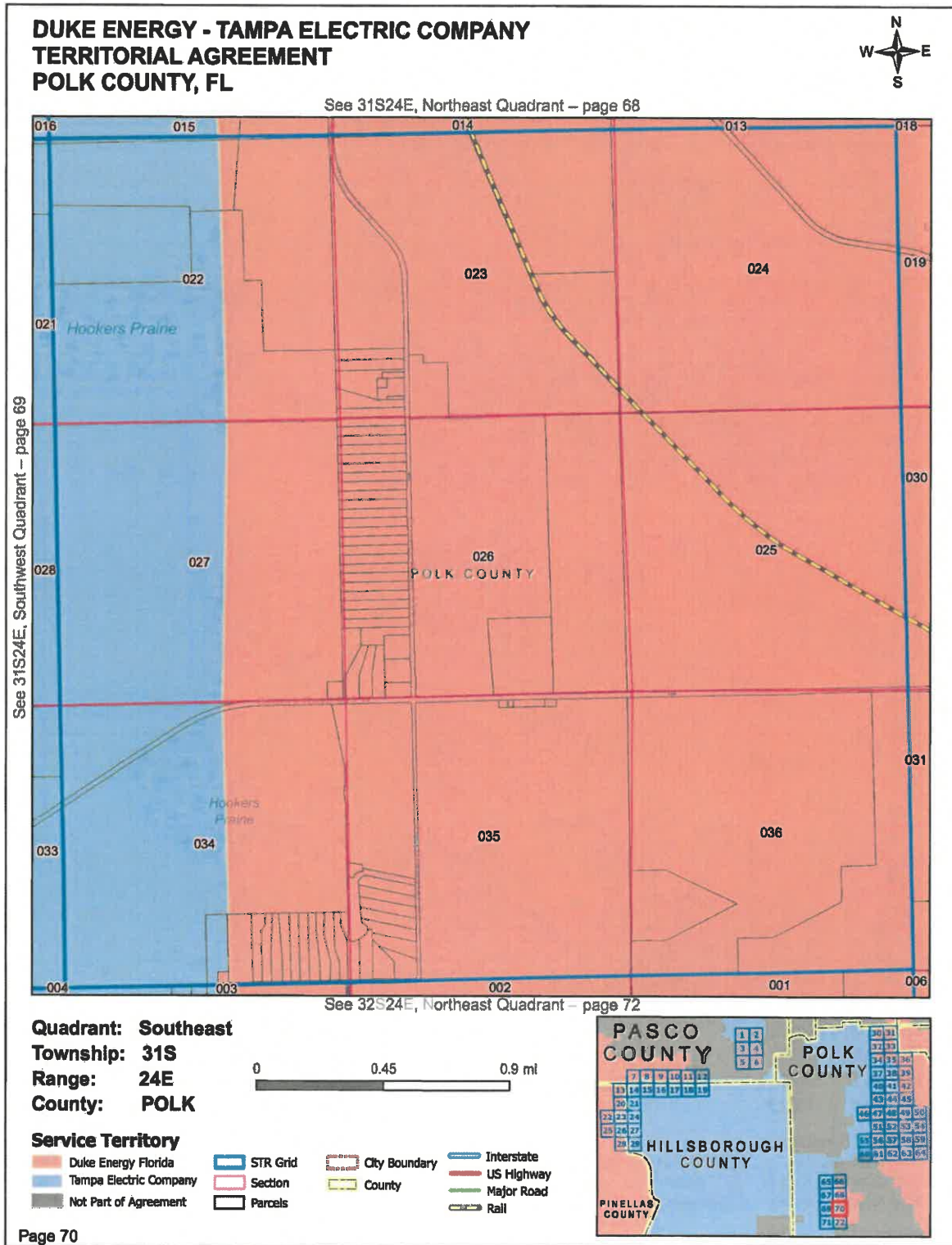
- | | | | |
|--|--|--|---|
| Duke Energy Florida | STR Grid | City Boundary | Interstate |
| Tampa Electric Company | Section | County | US Highway |
| Not Part of Agreement | Parcels | | Major Road |
| | | | Rail |

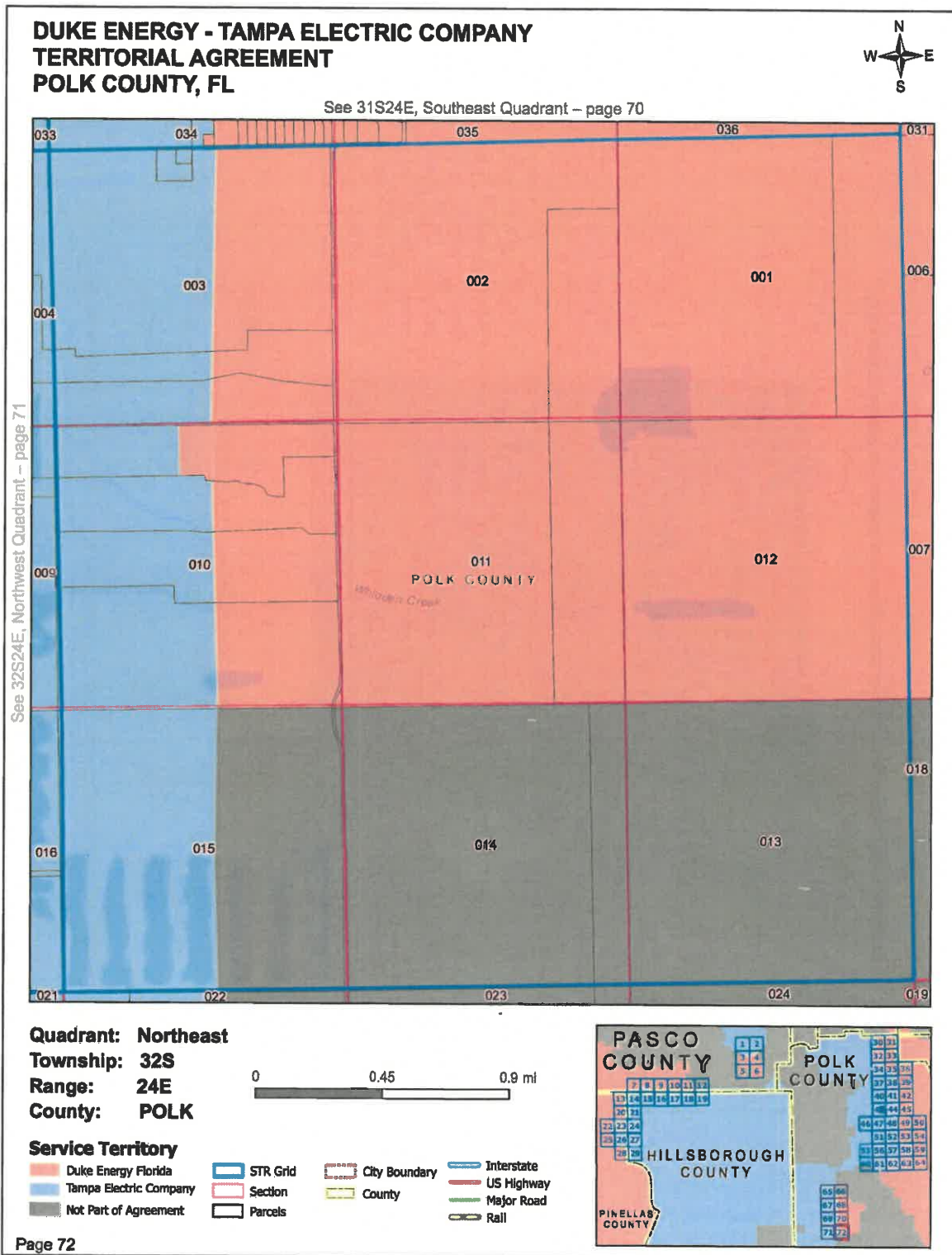


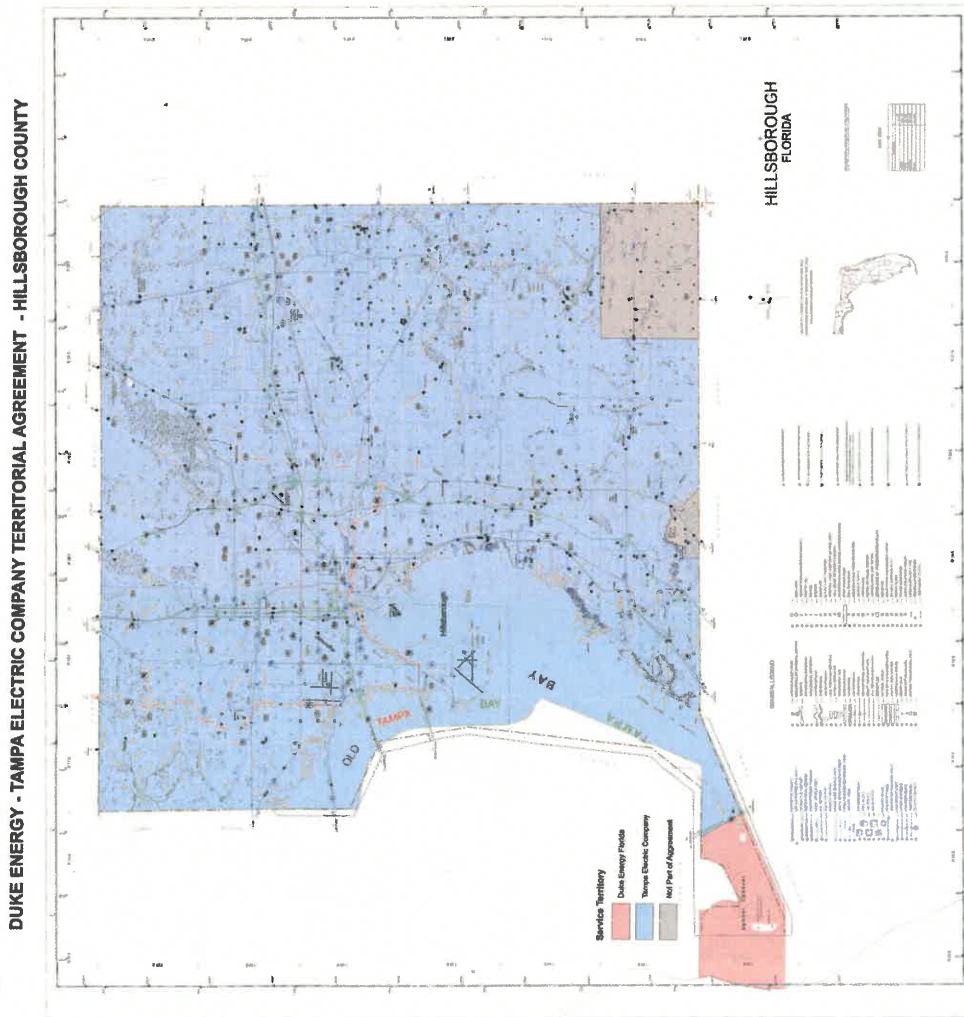




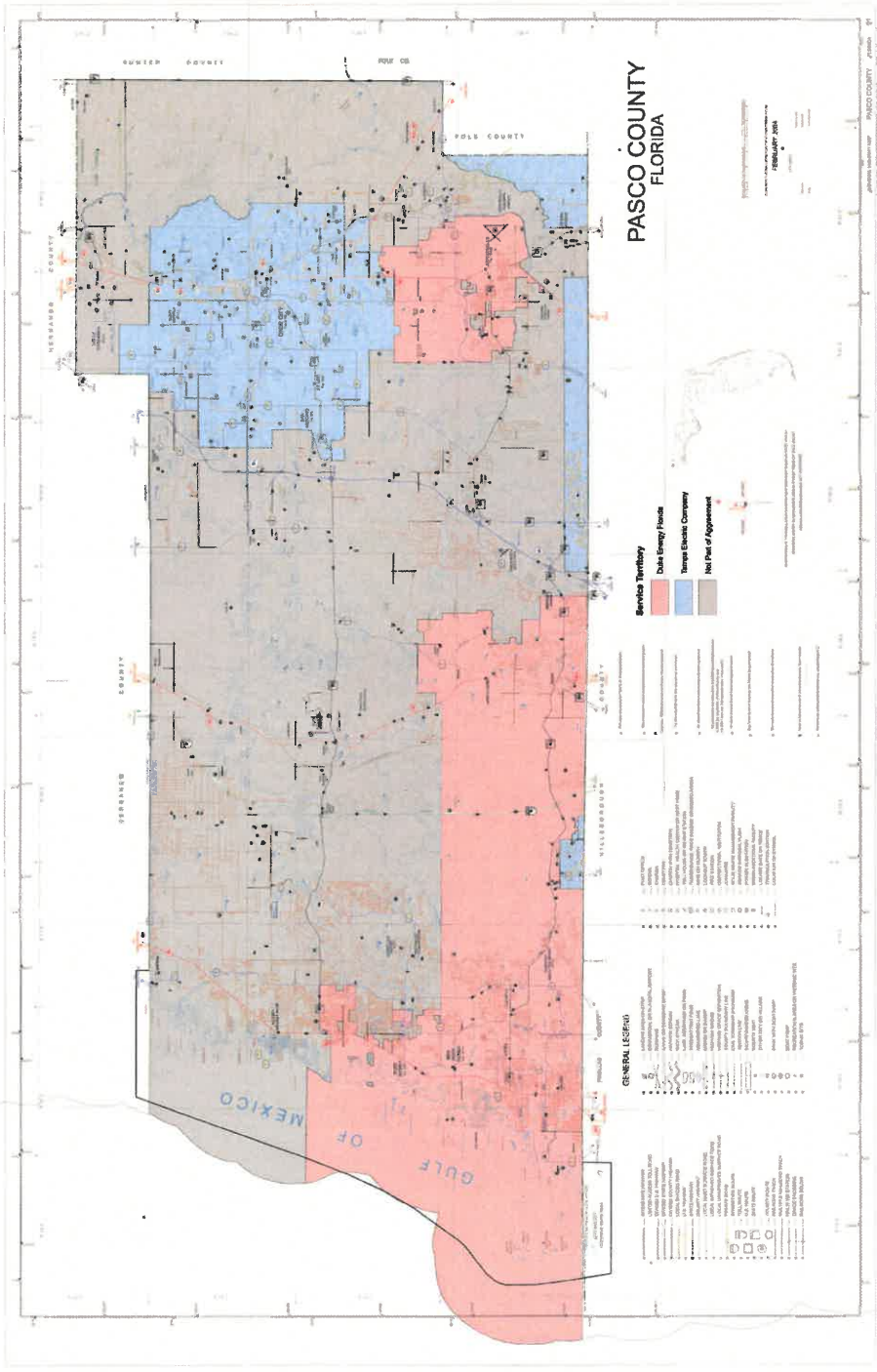








DUKE ENERGY - TAMPA ELECTRIC COMPANY TERRITORIAL AGREEMENT - PASCO COUNTY



DUKE ENERGY - TAMPA ELECTRIC COMPANY TERRITORIAL AGREEMENT - POLK COUNTY

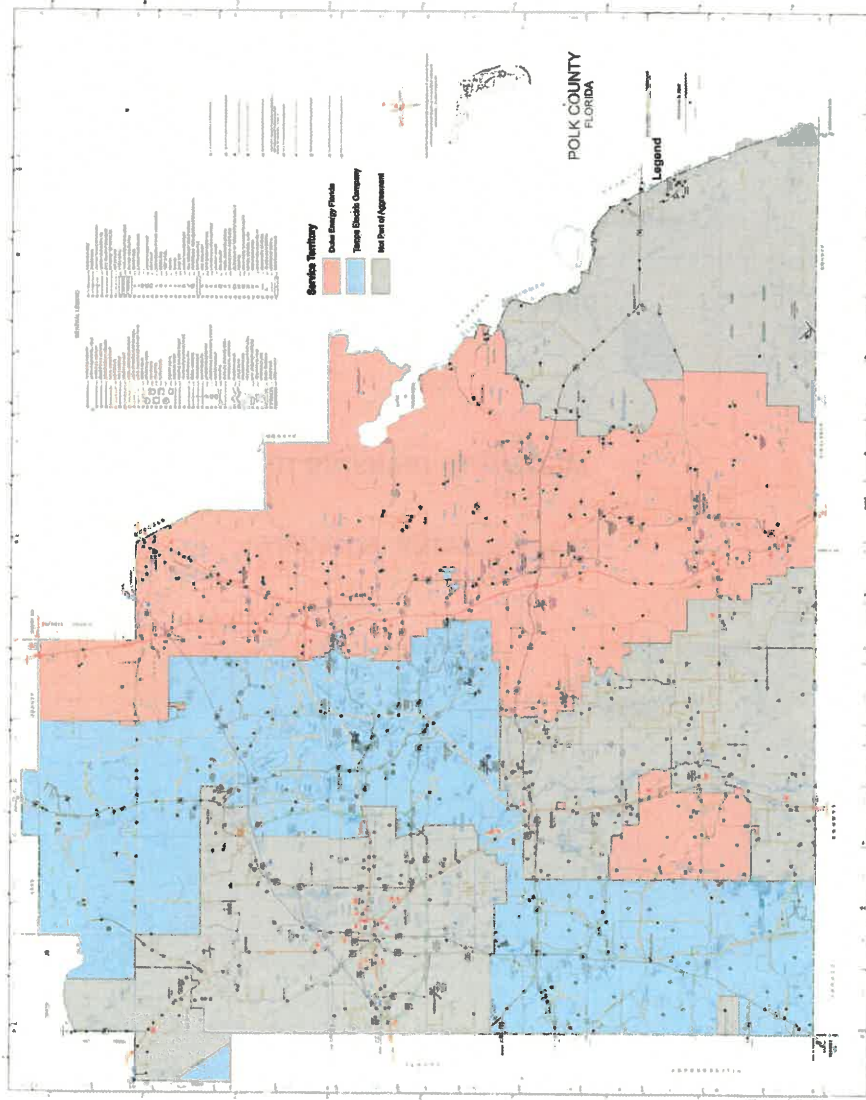


EXHIBIT B

EXTRA-TERRITORIAL CUSTOMERS SERVED BY

DUKE ENERGY FLORIDA, LLC

AND

SUBJECT TO TRANSFER TO

TAMPA ELECTRIC COMPANY

EXHIBIT B

EXTRA-TERRITORIAL CUSTOMERS SERVED BY DUKE ENERGY FLORIDA, LLC AND SUBJECT TO TRANSFER TO TAMPA ELECTRIC COMPANY

Premise Address	Customer Type	County	Premise No.
4507 Rifle Range Road, Winter Haven, FL 33880	Residential	Polk	5204891189
4521 Rifle Range Road, Winter Haven, FL 33880	Residential	Polk	5206721987

EXHIBIT C

WRITTEN DESCRIPTIONS OF THE TERRITORIAL AREAS

SERVED IN

HILLSBOROUGH, PINELLAS, PASCO AND POLK COUNTIES, FLORIDA

Written Description of the Territorial Boundary Lines* - TECO & DEF

EXHIBIT B

Map Page	County	Quarter	Township/Range	Section(s)	Description/Notes
1	Pasco	NW	T25S, R21E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by TECO. No areas are served by DEF.
2	Pasco	NE	T25S, R21E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by TECO. No areas are served by DEF.
3	Pasco	SW	T25S, R21E	19	This section is Not Part of this Agreement.
3	Pasco	SW	T25S, R21E	20, 21	The entire section is served by TECO. No areas are served by DEF.
3	Pasco	SW	T25S, R21E	28	The entire section is served by DEF. No areas are served by TECO.
3	Pasco	SW	T25S, R21E	29	The entire section is served by DEF except for the three parcels in the northeastern quarter of the section that are served by TECO.
3	Pasco	SW	T25S, R21E	30, 31	DEF serves the entire section that is Part of this Agreement. No areas are served by TECO.
3	Pasco	SW	T25S, R21E	32, 33	The entire section is served by DEF. No areas are served by TECO.
4	Pasco	SE	T25S, R21E	22	The entire section is served by TECO. No areas are served by DEF.
4	Pasco	SE	T25S, R21E	23	TECO serves the northern half of the section except for the area adjacent to the northeastern section line that is Not Part of This Agreement. TECO also serves four parcels in the southern half of the section. DEF serves the southern half of the section including the Scotland Yard Gold Club except for the four parcels that are served by TECO.
4	Pasco	SE	T25S, R21E	24, 25	DEF serves the entire section that is Part of this Agreement. No areas are served by TECO.
4	Pasco	SE	T25S, R21E	26, 27, 34, 35	The entire section is served by DEF. No areas are served by TECO.
4	Pasco	SE	T25S, R21E	36	DEF serves the entire section that is Part of this Agreement. No areas are served by TECO.
5	Pasco	NW	T26S, R21E	4, 5	The entire section is served by DEF. No areas are served by TECO.
5	Pasco	NW	T26S, R21E	6, 7	DEF serves the entire section that is Part of this Agreement. No areas are served by TECO.
5	Pasco	NW	T26S, R21E	8, 9	The entire section is served by DEF. No areas are served by TECO.

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.

EXHIBIT B

Written Description of the Territorial Boundary Lines* - TECO & DEF

5	Pasco	NW	T265, R21E	16, 17	DEF serves the entire section that is Part of this Agreement. No areas are served by TECO.
5	Pasco	NW	T265, R21E	18	This section is Not Part of this Agreement.
6	Pasco	NE	T265, R21E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by DEF. No areas are served by TECO.
7	Pasco	SW	T265, R17E	19, 20, 21, 28, 29, 30, 31, 23, 33	The entire section is served by DEF. No areas are served by TECO.
8	Pasco	SE	T265, R17E	22, 23, 24, 25, 26, 27	The entire section is served by DEF. No areas are served by TECO.
8	Pasco	SE	T265, R17E	34	The entire section is served by TECO. No areas are served by DEF.
8	Pasco	SE	T265, R17E	35	The entire section is served by TECO except for the subdivision on Man O' War Drive that is served by DEF.
8	Pasco	SE	T265, R17E	36	DEF serves the northern half of the section. DEF also serves the parcels adjacent to Wind Whisper Road, Lake Polo Road, Dunns Pond Court and Jam Lane in the southern half of the northern half of the section. TECO serves the southern half of the section except for the areas that are served by DEF.
9	Pasco	SW	T265, R18E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by DEF. No areas are served by TECO.
10	Pasco	SE	T265, R18E	22, 23, 24, 25, 26, 27, 34, 35, 36	The entire section is served by DEF. No areas are served by TECO.
11	Pasco	SW	T265, R19E	19	The entire section is served by DEF. No areas are served by TECO.
11	Pasco	SW	T265, R19E	20	DEF serves the entire section that is Part of this Agreement. No areas are served by TECO.
11	Pasco	SW	T265, R19E	21	This section is Not Part of this Agreement.
11	Pasco	SW	T265, R19E	28, 29, 30, 31, 32, 33	The entire section is served by DEF. No areas are served by TECO.
12	Pasco	SE	T265, R19E	22, 23, 24, 25, 26, 27, 34	This section is Not Part of this Agreement.
12	Pasco	SE	T265, R19E	35, 36	The entire section is served by TECO. No areas are served by DEF.
13	Pinellas	NE	T27S, R16E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by DEF. No areas are served by TECO.
14	Hillsborough	NW	T27S, R17E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by TECO. No areas are served by DEF.

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.

EXHIBIT B

Written Description of the Territorial Boundary Lines* - TECO & DEF

15	Hillsborough	NE	T27S, R17E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by TECO. No areas are served by DEF.
16	Hillsborough	NW	T27S, R18E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by TECO. No areas are served by DEF.
17	Hillsborough	NE	T27S, R18E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by TECO. No areas are served by DEF.
18	Hillsborough	NW	T27S, R19E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by TECO. No areas are served by DEF.
19	Hillsborough	NE	T27S, R19E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by TECO. No areas are served by DEF.
20	Pinellas	SE	T27S, R16E	22, 23, 24, 25, 26, 27, 34, 35, 36	The entire section is served by DEF. No areas are served by TECO.
21	Hillsborough	SW	T27S, R17E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by TECO. No areas are served by DEF.
22	Pinellas	NW	T28S, R16E	4, 5, 6, 7, 8	The entire section is served by DEF. No areas are served by TECO.
22	Pinellas	NW	T28S, R16E	9	DEF serves the section west of East Lake Drive. TECO serves the section east of East Lake Drive.
22	Pinellas	NW	T28S, R16E	16	DEF serves the section west of the canal. TECO serves the section east of the canal.
22	Pinellas	NW	T28S, R16E	17, 18	The entire section is served by DEF. No areas are served by TECO.
23	Pinellas	NW	T28S, R16E	1, 2, 3	The entire section is served by DEF. No areas are served by TECO.
23	Pinellas	NW	T28S, R16E	10	The entire section is served by TECO. No areas are served by DEF.
23	Pinellas	NW	T28S, R16E	11	DEF serves the northern half of the section. DEF also serves the northern half of the southern half of the section. TECO serves the southern half of the southern half of the section.
23	Pinellas	NW	T28S, R16E	12	DEF serves the entire section except for the southwestern corner of the section that is served by TECO.
23	Pinellas	NW	T28S, R16E	13	The entire section is served by TECO. No areas are served by DEF.
23	Pinellas	NW	T28S, R16E	14	The entire section is served by TECO except for the one parcel adjacent to the north side of SR 584 that is served by DEF.
23	Pinellas	NW	T28S, R16E	15	The entire section is served by TECO except for the one parcel adjacent to the north side of SR 584 that is served by DEF.

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.

EXHIBIT B

Written Description of the Territorial Boundary Lines* - TECO & DEF

24	Hillsborough	NW	T28S, R17E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by TECO. No areas are served by DEF.
25	Pinellas	SW	T28S, R16E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by DEF. No areas are served by TECO.
26	Pinellas	SE	T28S, R16E	22	DEF serves the section on the west side of Tampa Bay. TECO serves the section on the east side of Tampa Bay. This is an irregular section.
27	Hillsborough	SW	T28S, R17E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by TECO. No areas are served by DEF.
28	Pinellas	NE	T29S, R16E	3, 10, 15	The entire section is served by TECO. No areas are served by DEF. These are irregular sections.
29	Hillsborough	NW	T29S, R17E	4, 5, 9, 21	The entire section is served by TECO. No areas are served by DEF. These are irregular sections.
30	Polk	NW	T25S, R26E	4, 5	The entire section is served by DEF. No areas are served by TECO.
30	Polk	NW	T25S, R26E	6, 7	The entire section is served by TECO. No areas are served by DEF.
30	Polk	NW	T25S, R26E	8, 9, 16, 17	The entire section is served by DEF. No areas are served by TECO.
30	Polk	NW	T25S, R26E	18	The entire section is served by TECO. No areas are served by DEF.
31	Polk	NE	T25S, R26E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by DEF. No areas are served by TECO.
32	Polk	SW	T25S, R26E	19	The entire section is served by TECO. No areas are served by DEF.
32	Polk	SW	T25S, R26E	20, 21, 28, 29	The entire section is served by DEF. No areas are served by TECO.
32	Polk	SW	T25S, R26E	30	The entire section is served by TECO. No areas are served by DEF.
32	Polk	SW	T25S, R26E	31	TECO serves the western half of the section. TECO also serves the western half of the eastern half of the section. DEF serves the eastern half of the section.

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.

Written Description of the Territorial Boundary Lines* - TECO & DEF

EXHIBIT B

32	Polk	SW	T25S, R26E	32, 33	The entire section is served by DEF. No areas are served by TECO.
33	Polk	SE	T25S, R26E	22, 23, 24, 25, 26, 27, 34, 35, 36	The entire section is served by DEF. No areas are served by TECO.
34	Polk	NW	T26S, R26E	4, 5	The entire section is served by DEF. No areas are served by TECO.
34	Polk	NW	T26S, R26E	6, 7	The entire section is served by TECO. No areas are served by DEF.
34	Polk	NW	T26S, R26E	16	The entire section is served by TECO except for the parcels adjacent to the western section line that are served by DEF.
34	Polk	NW	T26S, R26E	17	The entire section is served by TECO except for the parcels adjacent to the eastern section line that are served by DEF.
34	Polk	NW	T26S, R26E	18	The entire section is served by TECO. No areas are served by DEF.
35	Polk	NE	T26S, R26E	1, 2, 3, 10, 11, 12, 13	The entire section is served by DEF. No areas are served by TECO.
35	Polk	NE	T26S, R26E	14, 15	The entire section is served by TECO. No areas are served by DEF.
36	Polk	NW	T26S, R27E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by DEF. No areas are served by TECO.
37	Polk	SW	T26S, R26E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by TECO. No areas are served by DEF.
38	Polk	SE	T26S, R26E	22, 23	The entire section is served by TECO. No areas are served by DEF.
38	Polk	SE	T26S, R26E	24, 25	The entire section is served by DEF. No areas are served by TECO.
38	Polk	SE	T26S, R26E	26, 27, 34, 35	The entire section is served by TECO. No areas are served by DEF.
38	Polk	SE	T26S, R26E	36	The entire section is served by DEF. No areas are served by TECO.

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.

EXHIBIT B

Written Description of the Territorial Boundary Lines* - TECO & DEF

39	Polk	SW	T26S, R27E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by DEF. No areas are served by TECO.
40	Polk	NW	T27S, R26E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by TECO. No areas are served by DEF.
41	Polk	NE	T27S, R26E	1	The entire section is served by DEF. No areas are served by TECO.
41	Polk	NE	T27S, R26E	2, 3, 10, 11	The entire section is served by TECO. No areas are served by DEF.
41	Polk	NE	T27S, R26E	12, 13	The entire section is served by DEF. No areas are served by TECO.
41	Polk	NE	T27S, R26E	14, 15	The entire section is served by TECO. No areas are served by DEF.
42	Polk	NW	T27S, R27E	4, 5, 6, 7, 8, 9, 16, 17, 18	The entire section is served by DEF. No areas are served by TECO.
43	Polk	SW	T27S, R26E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by TECO. No areas are served by DEF.
44	Polk	SE	T27S, R26E	22, 23	The entire section is served by TECO. No areas are served by DEF.
44	Polk	SE	T27S, R26E	24, 25	The entire section is served by DEF. No areas are served by TECO.
44	Polk	SE	T27S, R26E	26	TECO serves the western half of the section. TECO also serves the western half of the eastern half of the section. DEF serves the eastern half of the eastern half of the section.
44	Polk	SE	T27S, R26E	27, 34, 35	The entire section is served by TECO. No areas are served by DEF.
44	Polk	SE	T27S, R26E	36	DEF serves the entire section except for the southwestern quarter of the section, south of Lake Henry, which is served by TECO.
45	Polk	SW	T27S, R27E	19, 20, 21, 28, 29, 30, 31, 32, 33	The entire section is served by DEF. No areas are served by TECO.
46	Polk	NE	T28S, R26E	1, 2, 3, 10, 11, 12, 13, 14, 15	The entire section is served by TECO. No areas are served by DEF.

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.

Written Description of the Territorial Boundary Lines* - TECO & DEF

		EXHIBIT B	
47	Polk	T28S, R26E	4, 5, 6, 7, 8, 9, 16, 17, 18
48	Polk	T28S, R26E	1
48	Polk	T28S, R26E	2, 3, 10, 11
48	Polk	T28S, R26E	12
48	Polk	T28S, R26E	13
48	Polk	T28S, R26E	14, 15
49	Polk	T28S, R27E	4, 5
49	Polk	T28S, R27E	6
49	Polk	T28S, R27E	7, 8, 9, 16, 17, 18

The entire section is served by TECO. No areas are served by DEF.			
DEF serves the parcels adjacent to Apache Lane and Sioux Drive north of Old Lucerne Park Road in the northeastern quarter of the section. DEF also serves the parcels adjacent to the south side of Old Lucerne Park Road and north of SR 544 in the northeastern quarter of the section. DEF also serves the parcels adjacent to the north and south side of B Moore Road in the southeastern quarter of the section. TECO serves the remainder of the section including north and south of SR 544 except for the parcels that are served by DEF.			
The entire section is served by TECO. No areas are served by DEF.			
TECO serves the parcels west of the Peace Creek Drainage Canal except for one parcel west of the canal that is served by DEF. DEF serves east of the Peace Creek Drainage Canal and one parcel west of the canal. DEF also serves the parcels adjacent to West Lake Hamilton Drive.			
TECO serves the parcels adjacent to Sanderling Drive, Towhee Road, Plover Street, and North Country Club Road west of West Lake Hamilton Drive. TECO also serves the parcels adjacent to Hamilton Shores Drive NE, Inverness Way NE, Horseshoe Lane NE and Heritage Drive NE. DEF serves the parcels north, west and east of Herbs Road. DEF also serves the parcels adjacent to West Lake Hamilton Drive that are north of Herbs Road. DEF also serves the parcels adjacent to the east side of West Lake Hamilton Road.			
The entire section is served by TECO. No areas are served by DEF.			
The entire section is served by DEF. No areas are served by TECO.			
TECO serves one parcel north of SR 544 and one parcel north of SR 544 and adjacent to Highway 27. TECO also serves the parcels adjacent to West Lake Hamilton Drive and Willowby Road that are north of Nash Road. TECO also serves the Ridge Career Center, and the parcels adjacent to Brenton Manor Avenue, Brenton Manor Lane, Brenton Manor Loop, B Moore Road and the north side of Hamilton Circle. DEF serves the parcels adjacent to Lucerne Park Road south of SR 544. DEF also serves the parcels south of Nash Road on West Lake Hamilton Drive.			
The entire section is served by DEF. No areas are served by TECO. Some of these sections are irregular.			

* If there are any discrepancies between Exhibit A and Exhibit B, then the territorial boundary maps in Exhibit A shall prevail.