

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

In re: Joint Petition for Approval of an) Docket No. 14-
Amendment to Territorial Agreement)
between the City of Tallahassee and) Filed: September 11, 2014
Talquin Electric Cooperative)

Joint Petition for Approval of Amendment to Territorial Agreement

The City of Tallahassee ("City") and Talquin Electric Cooperative, Inc. ("Talquin") jointly petition the Commission for approval of an amendment entered into on June 9, 2014, by the City and Talquin (the "Amendment") to their existing Territorial Agreement. A copy of the Amendment is attached hereto as Exhibit "A" and is hereby submitted for approval.

1. The Petitioners' names, addresses and email addresses are:

City of Tallahassee
300 South Adams Street (Box B-11)
Tallahassee, Florida 32301
Attn: General Manager, Electric Utility
Email: Rob.McGarrah@talgov.com

Talquin Electric Cooperative, Inc.
1640 W. Jefferson Street
Quincy, Florida 32351
Attn: General Manager, Tracy Bensley
Email: tbensley@talquinelectric.com

2. The parties request that any pleading, motion, notice, order or other document filed or submitted in this proceeding be served upon the following individuals:

For the City

Charles A. Guyton
Gunster, Yoakley & Stewart, P.A.
Suite 601
215 South Monroe Street
Tallahassee, Florida 32301
(850) 521-1980
cguyton@gunster.com

For Talquin

James H. Thompson
Ausley & McMullen
123 S. Calhoun Street
Tallahassee, FL 32301
(850) 224-9115
jthompson@ausley.com

3. The Commission has jurisdiction pursuant to Section 366.04(2)(d), Florida Statutes, to approve territorial agreements between electric utilities. This Petition is filed

pursuant to Section 366.04(2)(d), Florida Statutes, and Rules 25-6.0439, 25-6.0440 and 28-106.201, Florida Administrative Code.

4. The City is an incorporated Florida municipality in Leon County, Florida. The City was established by Chapter 8374, Laws of Florida (1919), as amended. Pursuant to its statutory authorization, the City provides utility services, including the provision of electricity. As a municipal provider of electric utility service, the City is an electric utility as defined in Section 366.02(2), Florida Statutes.

5. Talquin Electric Cooperative, Inc. is a rural electric cooperative duly incorporated in 1940 under the Laws of Florida. It provides electric services to members in the following counties of Florida: Gadsden, Leon, Liberty, and Wakulla counties. Talquin is an electric utility as defined in Section 366.02(2), Florida Statutes.

6. The City and Talquin have previously entered into a territorial agreement. On October 11, 1989 the City and Talquin entered into a thirty (30) year territorial agreement. That agreement was subsequently amended with an Addendum approved by the City on December 13, 1989 and Talquin on December 20, 1989. These two documents are the existing territorial agreement between the parties, and hereafter in this petition these two documents will be referred to as “the existing Territorial Agreement.” The existing Territorial Agreement is attached as Exhibit B. Because the existing Territorial Agreement contains an exhibit entitled “City of Tallahassee – Talquin Electric territorial Boundaries” that describes the area and the Amendment being proposed does not amend those existing boundaries, no redundant “written description of the area” is being filed pursuant to Rule 25-6.0440, Florida Administrative Code.

7. The existing Territorial Agreement was submitted to the Commission for approval, and it was approved by the Commission in Order No. 22506 entered on February 7,

1990.¹ As noted in Order No. 22506, the negotiation and approval of the existing Territorial Agreement resolved a litany of legal disputes between the City and Talquin, including but not limited to two then pending Commission dockets: Docket Nos. 881602-EU and 890326-EU.

8. Under the existing Territorial Agreement, there were separate provisions governing Retail Electric Service Areas (Article III), the transfer of customers (Article IV) and the transfer of facilities used to serve customers (Article V). The amendment to the existing Territorial Agreement before the Commission in this petition primarily relates to the transfer of facilities used to serve customers (Article V of the existing Territorial Agreement).

9. Under Article V of the existing Territorial Agreement, it was the parties' intent that all facilities serving customers in the areas where a new entity assumed a new service area would be transferred to the new entity over the first fifteen years of the Agreement. There was a procedure set forth in the Article V and Exhibit D of the Agreement for annual transfers of such property for fifteen years. Some of these transfers have not been timely made.

10. The primary purpose of the proposed amendment is to facilitate the remaining transfers of property between the parties contemplated in the existing Territorial Agreement. Therefore, Section 5.2 of the existing Territorial Agreement is deleted in its entirety and a new Section 5.2 Procedures for Transfer replaces it. The changes to the Exhibits as well as the changes to Article II are related to the transfer of property in the new Section 5.2. The parties have also agreed to replace Section 4.4 of the existing territorial agreement with a new Section 4.4 Solicitation. The other change to the existing territorial Agreement was to extend the term until March 31, 2050.

¹ Order No. 22506 was a Proposed Agency Action ("PAA") Order which was amended by PAA Order No. 22506-A dated February 20, 1990. No protest was received of these PAA orders; consummating Order No. 22660 was issued on March 8, 1990 closing all the outstanding Commission dockets.

11. The substantial interests of the joint petitioners will be affected by the Commission's determination in this proceeding because: (a) the joint applicants provide electric service in contiguous areas; (b) the joint applicants intersect territorial boundaries in several areas; (c) the Amendment for which they seek approval amends the existing Territorial Agreement which resolved the joint petitioners' prior territorial disputes; (d) the proposed Amendment facilitates property transfers that were contemplated in the existing Territorial Agreement but which have not yet been accomplished; and (e) the territorial agreement as amended will be in the best interests of the customers of both petitioners and help avoid unnecessary duplication of facilities and potential territorial disputes.

12. This petition is not occasioned by a notice of agency action; therefore, certain requirements found in Rule 28-106.201(d), (e) and (f), Florida Administrative Code are not required. Further, the joint petitioners are not aware of any disputed issues of material fact.

13. The City and Talquin entered the attached Amendment after consideration of the best interests of electric consumers and the residents of the areas served by both parties. The Amendment is intended to avoid unnecessary duplication of services in the area covered by the existing Territorial Agreement. The Amendment is designed to get the property serving customers into the hands of the entity serving the service areas agreed to in the existing Territorial Agreement in a mutually agreeable manner. Accordingly, it is the parties' position that the Amendment is in the best interest of the public.

14. Pursuant to Rule 25-6.0440(1)(f), F.A.C., attached hereto as Exhibit "C" is an official Florida Department of Transportation (DOT) General Highway County map for each affected county depicting boundary lines established by the territorial agreement. These boundary lines remain unchanged from those previously approved by the Commission.

15. Because no customer accounts will be transferred between the parties as a result of the Amendment, no written notice to customers is required and no polling of customers is required.

16. The parties recognize that upon approval of the Amendment, any additional modifications, changes or amendments must be approved by the Commission.

17. The parties represent that approval of this Amendment will not cause a decrease in the reliability of electrical service to the existing or future members of either utility, and there is a reasonable likelihood that this Amendment will eliminate uneconomic duplication of facilities and will promote the Commission's stated policy of encouraging territorial agreements between and among Florida's electric utilities.

WHEREFORE, the City and Talquin respectfully request that the Commission enter an order approving the Amendment to the Territorial Agreement between the parties.

Respectfully submitted this 11th day of September, 2014.

s/Charles A. Guyton
Charles A. Guyton
Gunster, Yoakley & Stewart, P.A.
Suite 601
215 South Monroe Street
Tallahassee, Florida 32301
(850) 521-1980
cguyton@gunster.com

s/James H. Thompson
James H. Thompson
Ausley & McMullen
123 S. Calhoun Street
Tallahassee, FL 32301
(850) 224-9115
jthompson@ausley.com

EXHIBIT A

AMENDMENT TO AGREEMENT

THIS AMENDMENT TO CONTRACT, dated and effective as of June 9, 2014, is entered into by the City of Tallahassee, a Florida municipal corporation (the "City"), and Talquin Electric Cooperative, Inc, an electric cooperative existing under the laws of the State of Florida, ("Talquin"), hereinafter also referred to individually as a "party" or collectively as the "parties". Terms defined in the Agreement shall have the meaning when used herein.

The parties entered into a certain agreement (City Contract No. 01C0184), dated October 11, 1989, in part to establish their respective Service Zones and Territorial Boundary Lines and to provide for an orderly transfer of certain assets and CUSTOMERS between the parties, and subsequently entered into a certain Addendum I to Agreement (such documents collectively referred to as the "Agreement"). The parties now desire to amend the Agreement to provide for modifications to the term, to provisions relating to asset valuation and CUSTOMER transfer, and to other terms and conditions of the Agreement, all as more specifically set forth herein.

NOW, THEREFORE, in consideration of the following mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the terms of the Contract are hereby modified as follows:

1. Exhibit D – Talquin Electric Cooperative, Inc. 15 Year Transfer of Facilities Listing of Annual Transfer Units is deleted in its entirety and replaced with Exhibit D-1 - Talquin Electric Cooperative, Inc. Facilities to be Transferred to the City of Tallahassee.
2. Exhibit E – City of Tallahassee Facilities to be Transferred to Talquin Electric Cooperative, Inc. is deleted in its entirety and replaced with Exhibit E-1 – City of Tallahassee Facilities to be Transferred to Talquin Electric Cooperative, Inc.
3. Article II of the Agreement is amended by adding Sections 2.21, 2.22, and 2.23, which shall read as follows:

Section 2.21 REPLACEMENT COST NEW (RCN). – As used herein, the term REPLACEMENT COST NEW shall mean the cost of replacing, with a new component of essentially the same design and functionality, each component of the substation SERVICE FACILITIES on the first day of the year in which the SERVICE FACILITIES are being inventoried for transfer.

Section 2.22 RCN LESS DEPRECIATION. – As used herein, the term RCN LESS DEPRECIATION shall mean the depreciated value of substation SERVICE FACILITIES to be transferred under this Agreement and is equal to the product of the RCN of such SERVICE FACILITIES times the appropriate depreciation factor as set forth in the most recent Untrended Depreciation Schedule, as published from time to time by the Florida Department of Revenue, available at the time such valuation is calculated.

Section 2.23 SERVICE POINTS. – As used herein, the term SERVICE POINTS, shall mean those locations where SERVICE FACILITIES have been installed to serve a CUSTOMER, regardless of whether a CUSTOMER is currently being served from such SERVICE FACILITIES. Exhibit F depicts the SERVICE POINTS as of the date of this amendment.

4. Section 4.4 of the Agreement is deleted in its entirety and replaced with the following:

Section 4.4 Solicitation. Neither party shall solicit the transfer of CUSTOMERS of the other party except as may be specifically permitted pursuant to this Section, and neither party shall offer any financial or other incentive to its own CUSTOMERS to encourage said CUSTOMERS to transfer and take service from the other Party. The acquiring party may elect, at its sole option, to solicit REMAINING CUSTOMERS. Such solicitations shall be governed by the following terms.

(a) An initial solicitation may be made, at any time after June 9, 2014, with respect to all REMAINING CUSTOMERS affected by SERVICE FACILITIES transferred prior to such date.

(b) An initial solicitation for REMAINING CUSTOMERS affected by transfers of SERVICE FACILITIES occurring after June 9,

2014, may be made at any time after payment is made for such SERVICE FACILITIES.

- (c) Following each initial solicitation, the acquiring party may make subsequent solicitations at any time, provided that no REMAINING CUSTOMER will receive more than 1 solicitation in any calendar year.
- (d) Should a REMAINING CUSTOMER make a written request to have no further solicitations, solicitations of the REMAINING CUSTOMER shall immediately and permanently cease.
- (e) Solicitations shall only be made via U.S. Mail, or electronic means.
- (f) Solicitations materials will only include information concerning any of the following categories: (i) the territorial agreement and the service facility transfers; (ii) the REMAINING CUSTOMER'S rights under the territorial agreement to remaining with the existing service provider or voluntary transfer to the new service provider; (iii) programs availability with respect to the acquiring party; (iv) the process the REMAINING CUSTOMER would follow if they elect to transfer their account to the acquiring party; (v) who to contact for billing and outage issues or questions; and (vi) the address of the acquiring party's website. Solicitation materials shall not include any materials or comments that would tend to disparage the other party or that would draw comparisons between the parties.
- (g) Nothing in this Agreement will be interpreted to limit the ability of either party to, when requested by a REMAINING CUSTOMER, provide information or materials in direct response to such request or answer questions posed by the REMAINING CUSTOMER; provided however, that such information and responses shall be only about the party's organization. Any questions or information request targeted at the other Party shall be referred to that Party.
- (h) Prior to solicitations being made, the solicitation materials and process will be shared with the other Party.

5. Section 5.1. of the Agreement is deleted in its entirety and replaced with the following:

Section 5.1. Schedule. Each party will transfer to the other party, and will receive from and compensate such other party for, certain SERVICE FACILITIES as more fully identified in Exhibits D-1 and E-1 to this Agreement. Such transfer and acceptance shall be accomplished in the sequence, and in accordance with the schedule, set forth in such exhibits. The parties agree to work collaboratively to facilitate the orderly transfer of the SERVICE FACILITIES comprising each Annual Transfer Unit. The parties agree that the intent is to have all SERVICE FACILITIES transferred no later than December 31, 2019. The acquiring Party may request a modification of the schedule; and, in such event, the parties will work in a collaborative manner to accommodate that request. No modification of the schedule for transfer will be effective unless set forth in a written amendment to this Agreement signed by both parties.

6. Section 5.2. of the Agreement is deleted in its entirety and replaced with the following:

Section 5.2. Procedures for Transfer: The parties agree that the following procedures shall be followed for each transfer of SERVICE FACILITIES:

- (1) At least six (6) months prior to January 1st of each year during which SERVICE FACILITIES are to be transferred, each party shall identify, by written notice to the other Party, a designated representative who shall diligently commence and proceed to jointly perform the following tasks:
 - (a) A field inventory, inspection and analysis of the SERVICE FACILITIES to be transferred;
 - (b) An investigation and analysis of whether there will be STRANDED FACILITIES arising out of the transfer of such SERVICE FACILITIES;
 - (c) An investigation and analysis of the available alternatives for connection of the acquiring party's electric system to the SERVICE FACILITIES to be transferred, with emphasis on

- sound engineering practices and cost efficiency, to achieve elimination or minimization of STRANDED FACILITIES;
- (d) A field inventory, inspection and analysis of the components of any STRANDED FACILITIES that have SALVAGE VALUE; and,
 - (e) Identification of the number of SERVICE POINTS served by the SERVICE FACILITIES to be transferred.
- (2) In conjunction with the tasks described in Section 5.2(1), the transferring Party shall also determine the reasonable and necessary cost of labor, material and overhead, if any, required to REINTEGRATE its electric system as a result of the transfer of the SERVICE FACILITIES.
 - (3) In conjunction with the tasks described in Section 5.2(1), the acquiring Party shall also determine the necessary procedures to connect the SERVICE FACILITIES to be transferred with its electric system and the impacts thereof.
 - (4) The parties shall endeavor to perform the tasks identified in subsections (1), (2) and (3) with minimal interruption of service.
 - (5) Payment for the SERVICE FACILITIES being transferred shall be calculated as follows:
 - (a) For the 1993/1994 Talquin SERVICE FACILITIES, the City will pay \$1.4 million. For all other non-substation SERVICE FACILITIES, the payment equals the product of the total number of SERVICE POINTS served by the SERVICE FACILITIES being transferred times \$2,500.
 - (b) For substation facilities, the payment will be calculated using the RCN LESS DEPRECIATION method.
 - (c) If applicable, a fair market value of STRANDED FACILITIES, a fair market value of equipment and materials which have SALVAGE VALUE, and an estimate of reasonable

and necessary costs to recover such equipment and materials;
and

(d) If applicable, an estimate of the reasonable and necessary costs to REINTEGRATE the transferring party's other SERVICE FACILITIES and or DISTRIBUTION LINES.

(6) If the parties reach agreement on the costs and amounts payable as described in subsection (5) above, the Parties shall proceed in accordance with Sections 5.4, 5.5 and 5.6 below. If the parties are unable to agree on the costs or amounts payable under sections 5.2 (5)(b), 5.2(5)(c) or 5.2(5)(d), the parties shall proceed in accordance with Section 5.3 below.

7. Article X of the Agreement is deleted in its entirety and replaced with the following:

Section 10.1. Term. This Agreement shall continue and remain in effect from the date of the Order of the Florida Public Service Commission approving this Agreement until March 31, 2050 ("Termination Date").

8. All terms and conditions of the Agreement shall remain in full force and effect unless otherwise specifically modified hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their duly authorized representatives as of the day and year first mentioned above.

Attest:

CITY OF TALLAHASSEE, FLORIDA

By: James O. Cooke, IV
James O. Cooke, IV
City Treasurer Clerk

By: Anita Favors Thompson
Anita Favors Thompson
City Manager

Approved as to form

By: P. Hurley for
City Attorney

TALQUIN ELECTRIC COOPERATIVE,
INC.

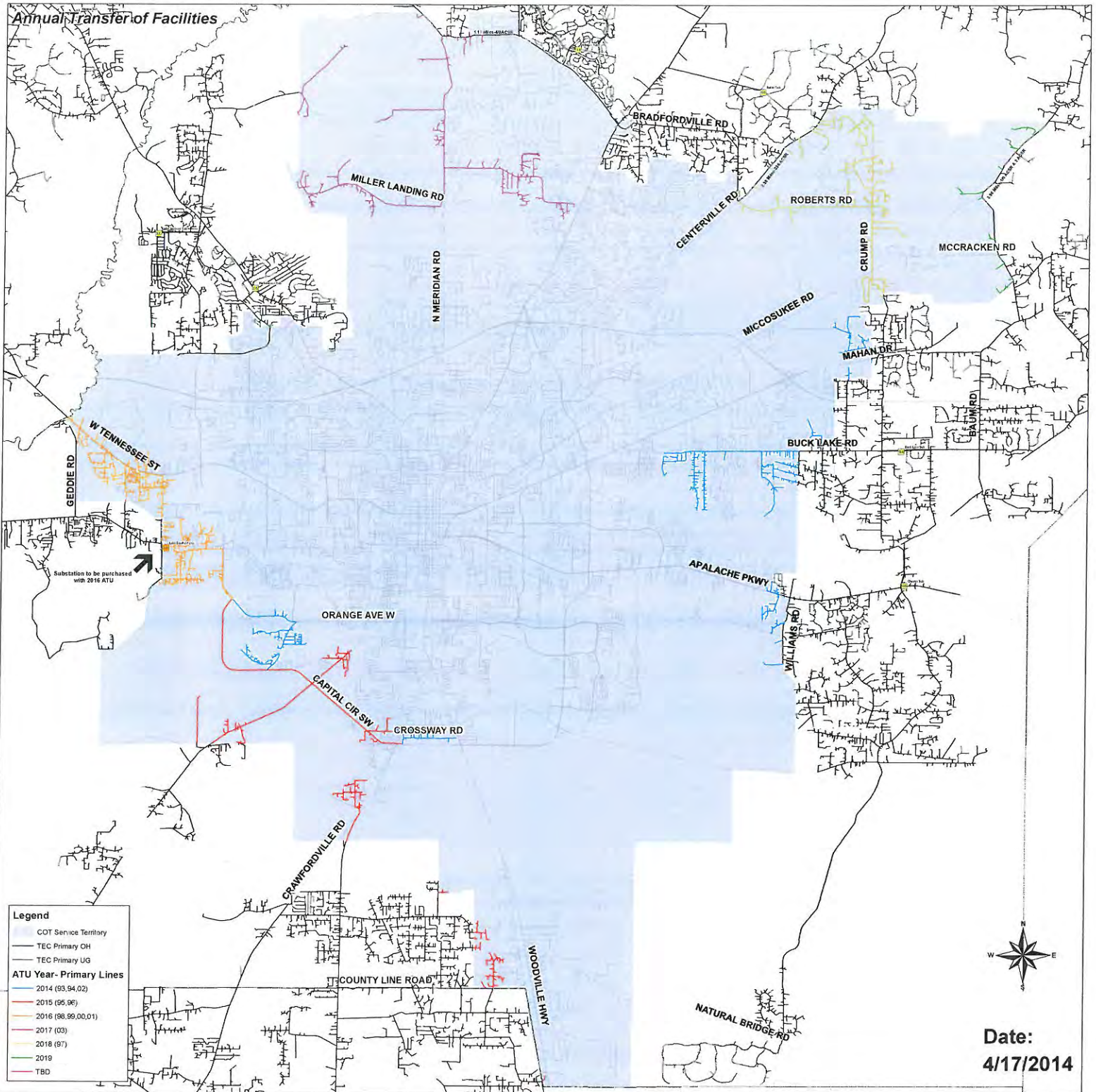
Kenneth A. Cowen
Witness as to Talquin

By: Mal Green
Mal Green
President

[Signature]
Witness as to Talquin

By: Tracy Bensley
Tracy Bensley
General Manager

Annual Transfer of Facilities



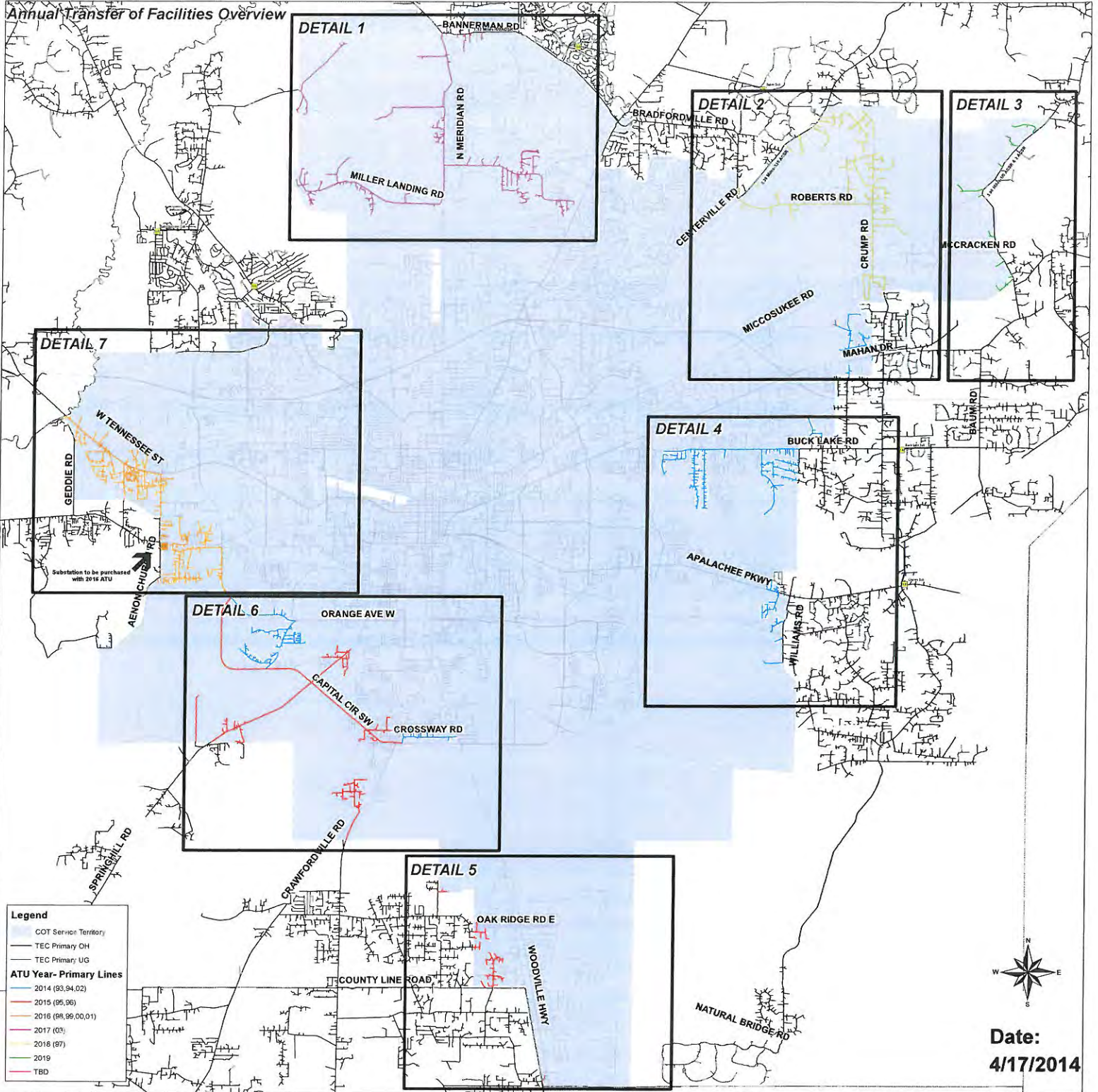
Legend

- COT Service Territory
- TEC Primary OH
- TEC Primary UG
- ATU Year- Primary Lines**
- 2014 (93,94,02)
- 2015 (95,96)
- 2016 (98,99,00,01)
- 2017 (03)
- 2018 (97)
- 2019
- TBD

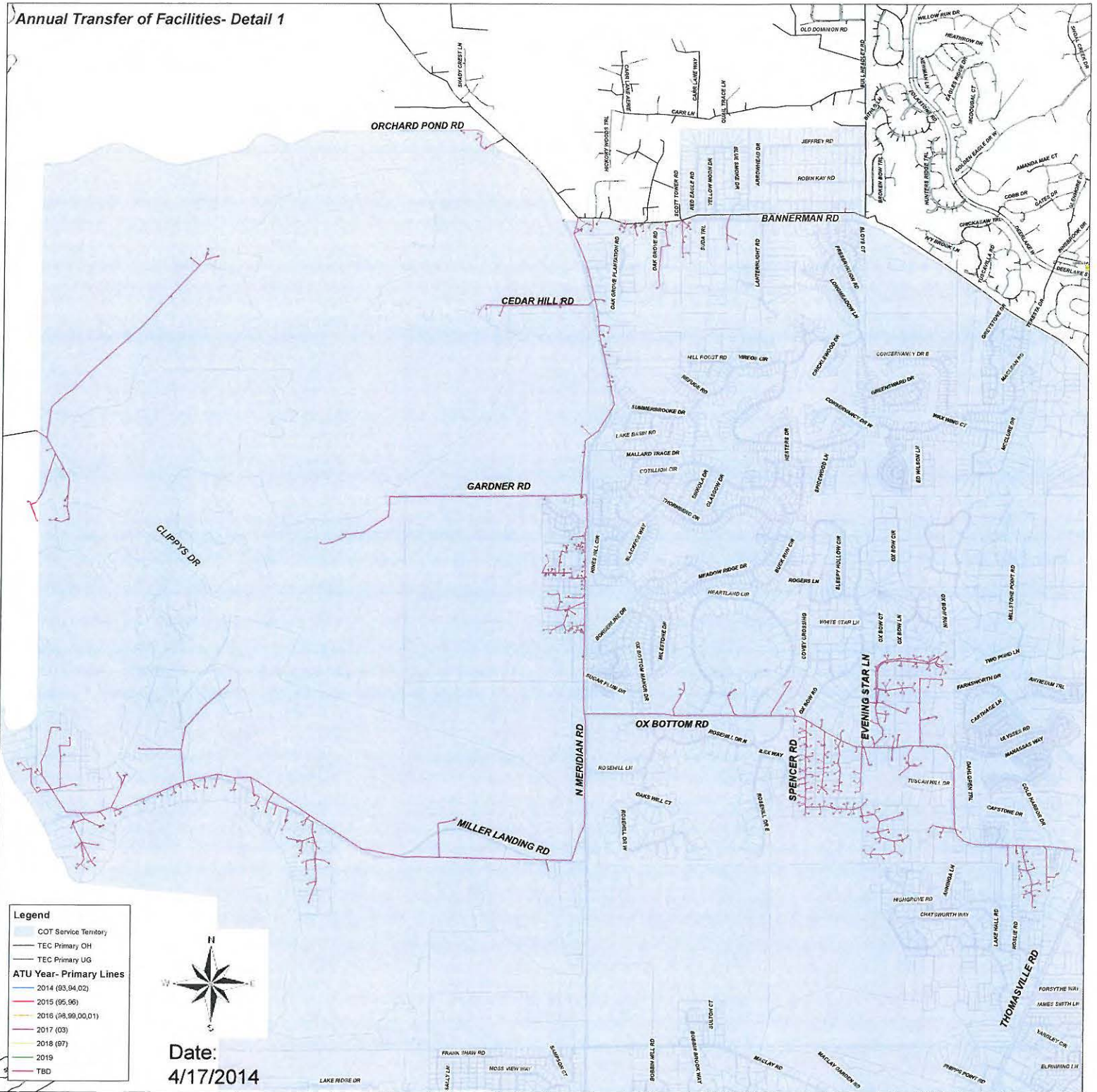


Date:
4/17/2014

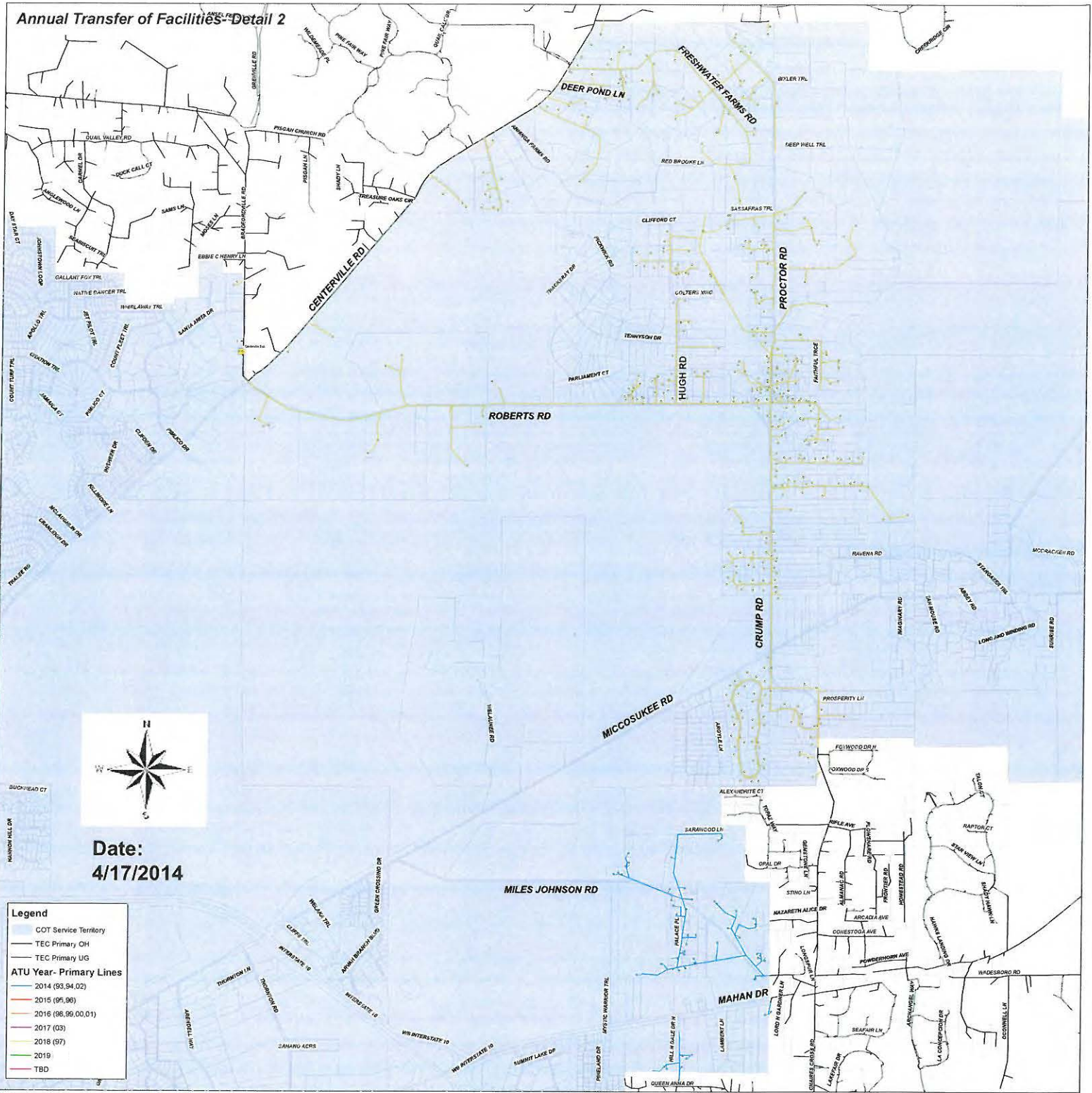
Annual Transfer of Facilities Overview



Annual Transfer of Facilities- Detail 1



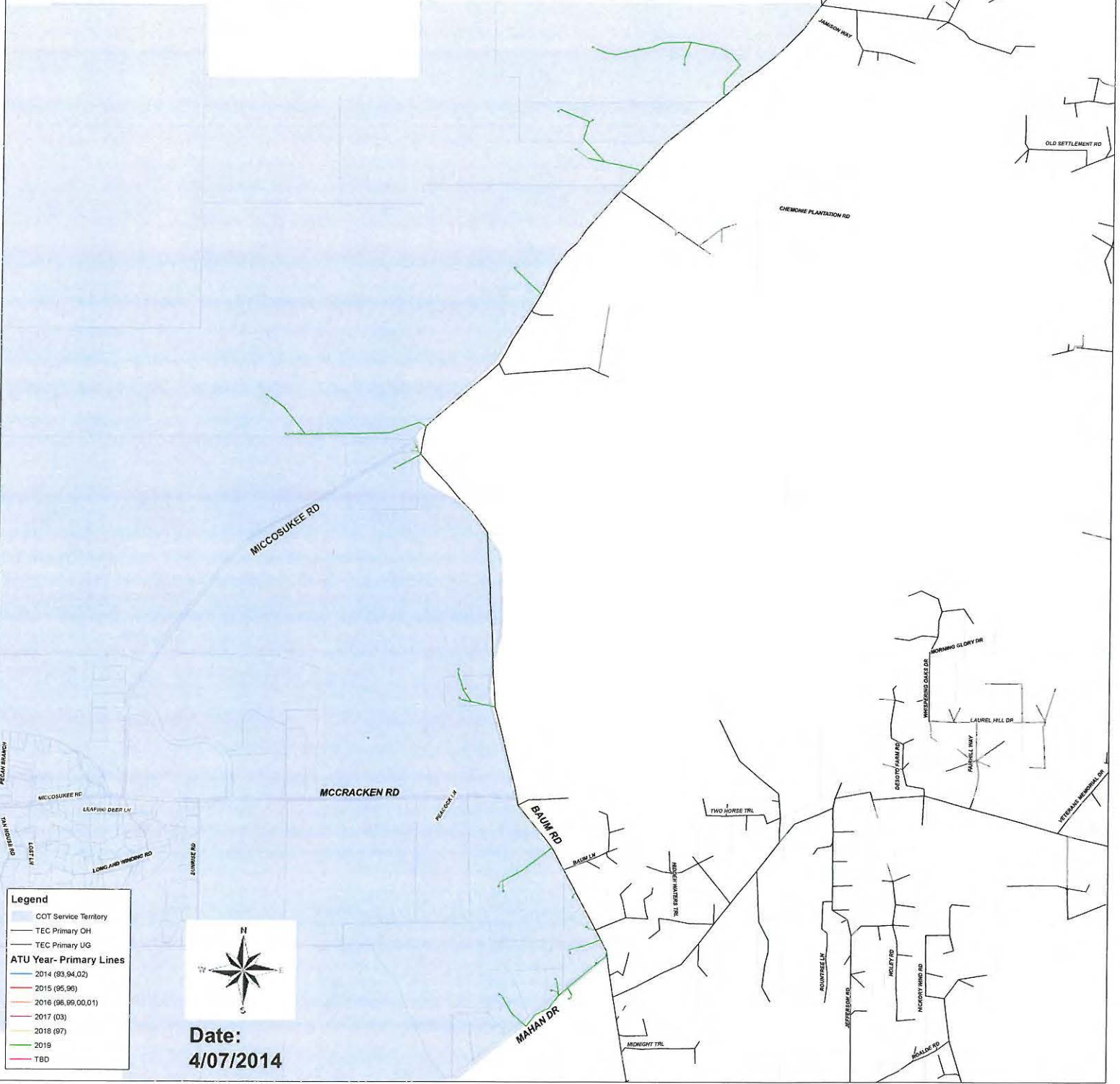
Annual Transfer of Facilities--Detail 2



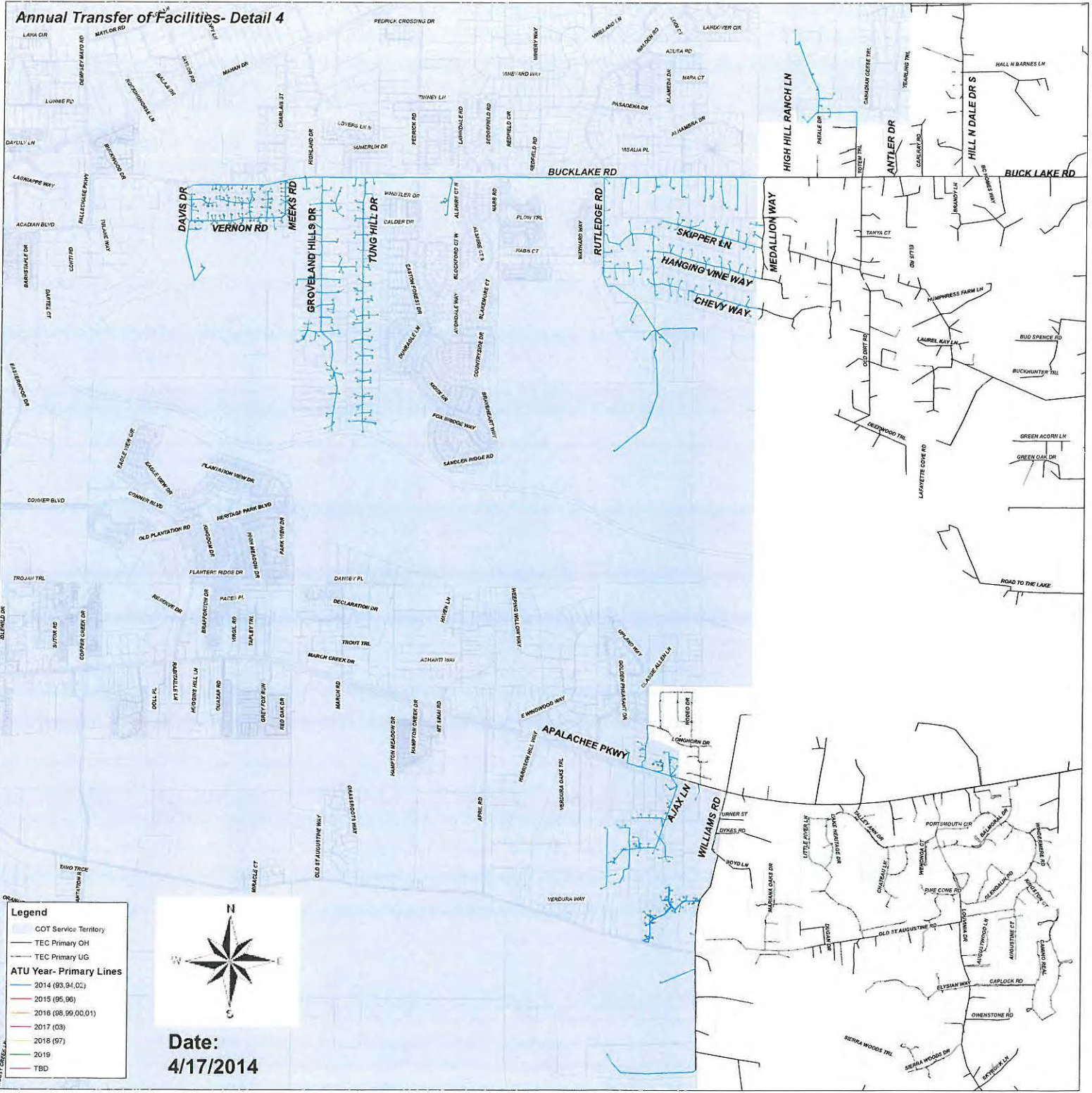
Date:
4/17/2014

- Legend**
- COT Service Territory
 - TEC Primary OH
 - TEC Primary UG
- ATU Year - Primary Lines**
- 2014 (93,94,02)
 - 2015 (05,06)
 - 2016 (98,99,00,01)
 - 2017 (03)
 - 2018 (97)
 - 2019
 - TBD

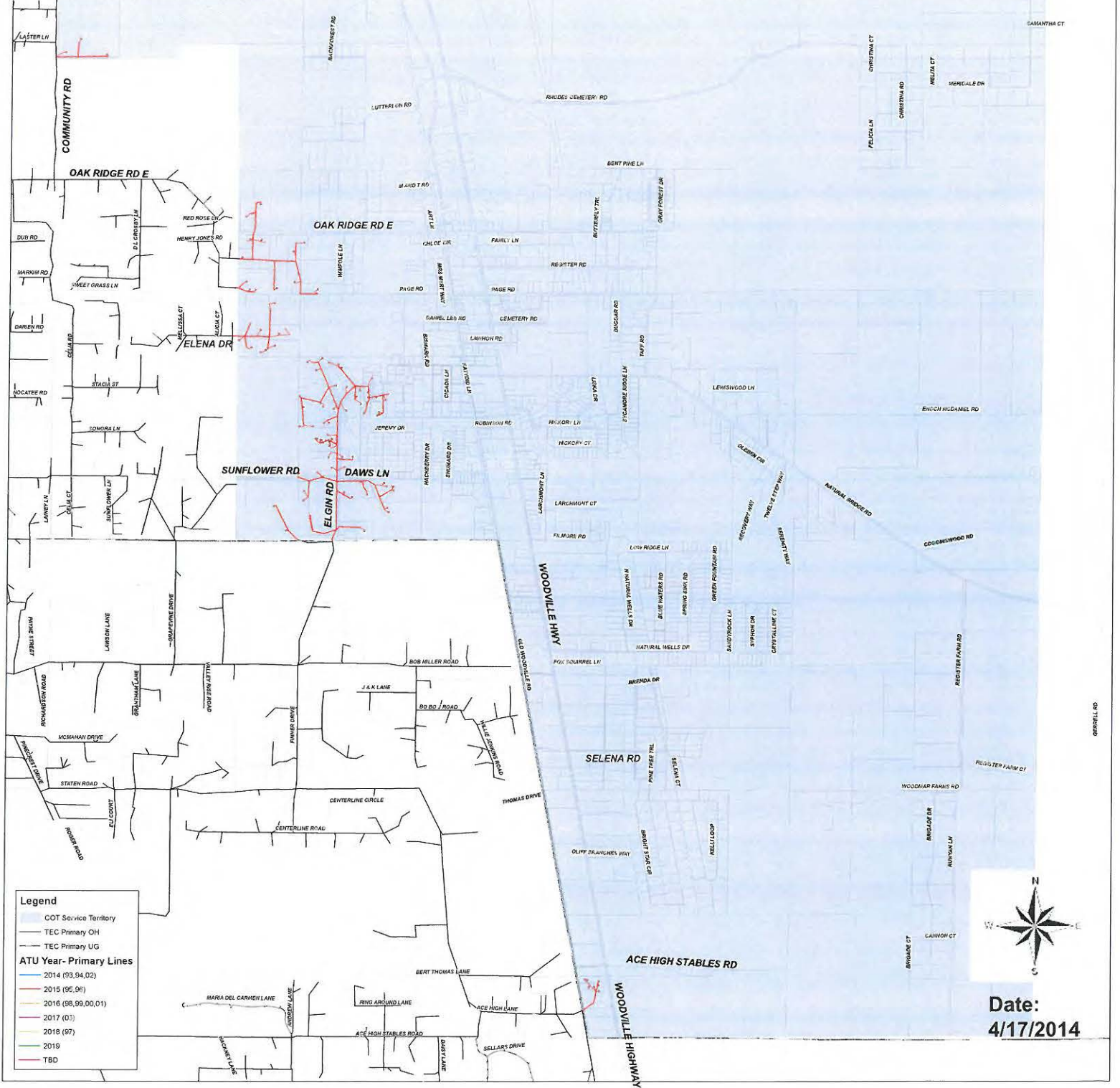
Annual Transfer of Facilities- Detail 3



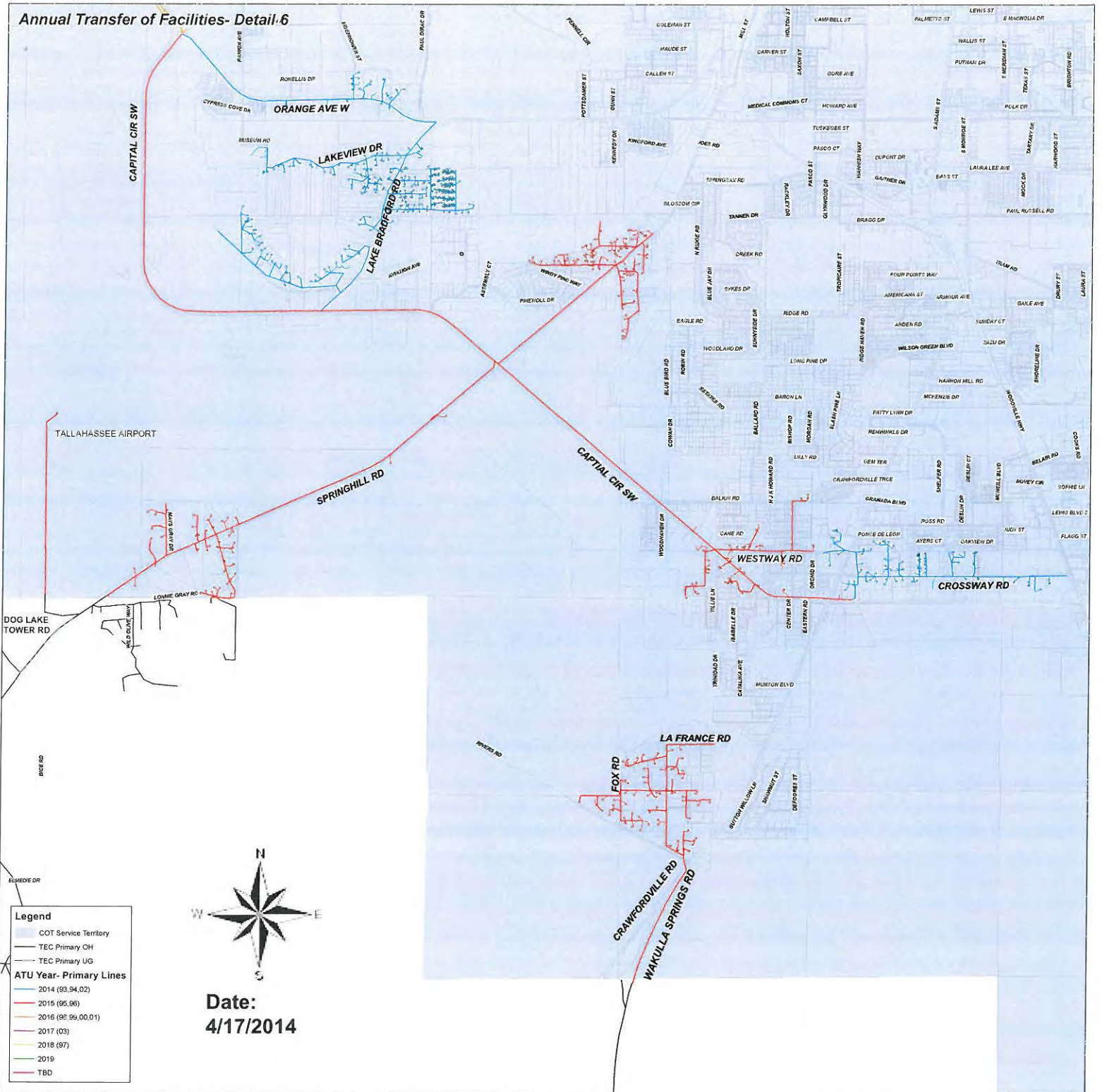
Annual Transfer of Facilities- Detail 4



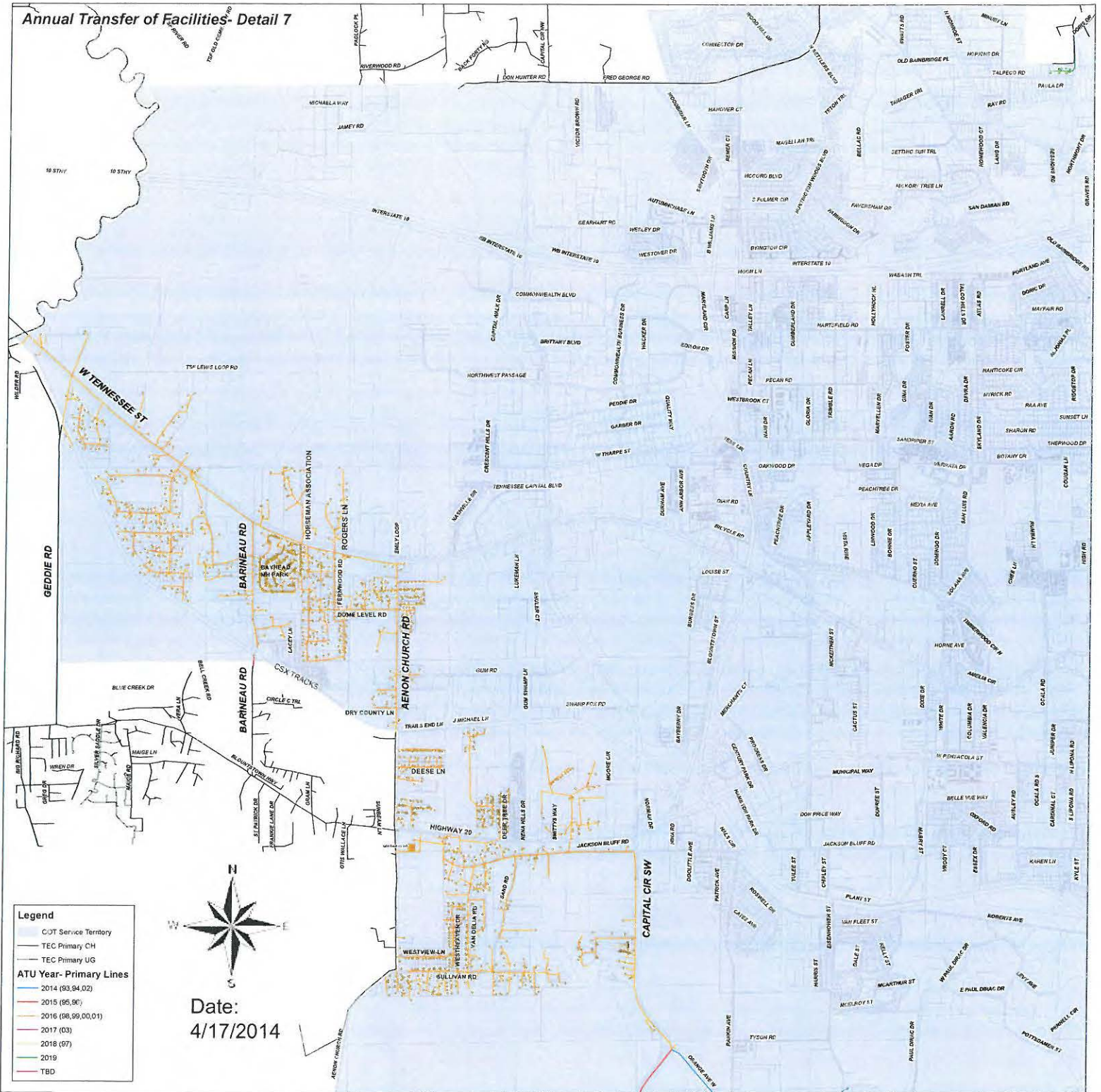
Annual Transfer of Facilities- Detail 5



Annual Transfer of Facilities- Detail.6

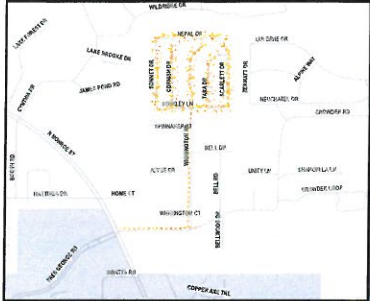


Annual Transfer of Facilities- Detail 7

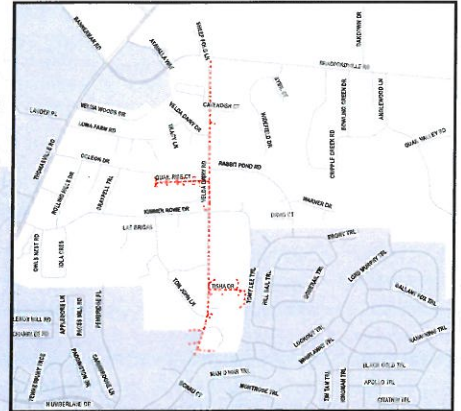


**Annual Transfer of Facilities-
COT to TEC**

PARKHILL SUBDIVISION DETAIL



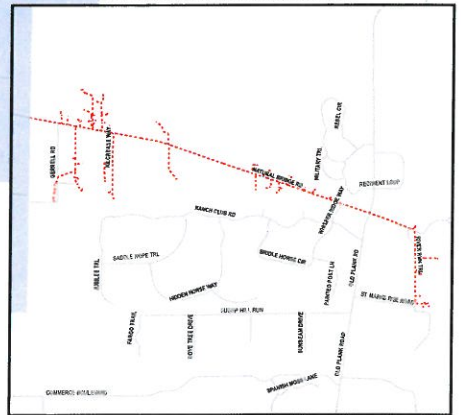
VELDA DAIRY RD DETAIL



GEDDIE RD DETAIL



NATURAL BRIDGE RD DETAIL



Legend

- COT Service Territory
- COT to TEC ATU**
- 2015
- 2016



Date: 4/17/2014

Exhibit F

Number of Service Points to be Transferred by Transfer Year

(Information as of 05/29/2014)

Row colors match Annual Transfer Unit (ATU) year transfers on Exhibits D1 and E1

Talquin to City Service Point Transfers

Transfer Year	Annual Transfer Unit	Number of TEC Service Points	Number of COT Service Points	Total Number of Service Points
2014	1993	136	82	218
2014	1994	230	158	378
2014	2002	192	151	343
2015	1995	128	100	228
2015	1996	66	38	104
2016	1998	178	221	399
2016	1999	193	207	400
2016	2000	165	183	348
2016	2001	221	197	418
2017	2003	248	148	396
2018	1997	225	203	428
2019	2019	17	17	34
Total		1989	1705	3694

City to Talquin Service Point Transfers

Transfer Year	Annual Transfer Unit	Number of TEC Service Points	Number of COT Service Points	Total Number of Service Points
2015	2015	66	34	100
2016	2016	89	79	168
Total		155	113	268

EXHIBIT B

AGREEMENT

ARTICLE I

Section 1.1. This Agreement, made and entered into this 11TH day of October, 1989, by and between TALQUIN ELECTRIC COOPERATIVE, INC., an electric cooperative existing under the laws of the State of Florida (hereinafter referred to as "TALQUIN"), and the CITY OF TALLAHASSEE, a municipal corporation organized and existing under the laws of the State of Florida (hereinafter referred to as "CITY");

Section 1.2. WHEREAS, TALQUIN and the CITY are authorized and empowered to furnish electric services to persons, firms, and corporations and pursuant to such authority presently provide electric services to their MEMBERS and CUSTOMERS within Leon County; and

Section 1.3. WHEREAS, the Florida Public Service Commission is empowered by Section 366.04, Florida Statutes, to approve and enforce territorial agreements and resolve territorial disputes; and

Section 1.4. WHEREAS, the Florida Public Service Commission acting in accordance with the legislative mandate of Sections 366.04(2)(e) and (3), Florida Statutes, and decisions of the Florida Supreme Court rendered pursuant thereto, has previously recognized that duplication of facilities often results in needless and wasteful expenditures and may create hazardous conditions, to the detriment of the public interest; and

Section 1.5. WHEREAS, there are presently pending territorial disputes between the parties and the potential for other disputes exists; and

Section 1.6. WHEREAS, TALQUIN and the CITY desire to settle all territorial issues presently pending between them and to avoid further territorial disputes and the uneconomic duplication of electric services and facilities, and to that end desire to operate as provided herein; and

Section 1.7. WHEREAS, in order to accomplish their objectives as set forth above, TALQUIN and the CITY have agreed upon TERRITORIAL BOUNDARY LINES to define and delineate the retail service areas between the parties subject to approval of the Florida Public Service Commission; and

Section 1.8. WHEREAS, TALQUIN and the CITY agree that the terms and conditions set forth in this Agreement are in the best interest of both parties and of the consuming public and have agreed to recommend this Agreement in its entirety to the Florida Public Service Commission, and TALQUIN has agreed to recommend this Agreement in its entirety to the Rural Electrification Administration;

Section 1.9. NOW, THEREFORE, in fulfillment of the purposes and desires stated above and in consideration of the mutual covenants and agreements herein contained, which shall be construed as being interdependent, TALQUIN and the CITY, subject to and upon the terms and conditions herein set forth, do hereby agree as follows:

ARTICLE II

DEFINITIONS

Section 2.1. Service Zone. - As used herein, the term "SERVICE ZONE" shall mean the primary retail electric service area as delineated and designated in this Agreement in which the designated party shall have as between the parties the primary responsibility and the exclusive right, subject only to the exceptions set forth in this Agreement, to furnish all retail electric service.

Section 2.2. Zone A. - As used herein, the term "ZONE A" shall mean the geographic area lying within the shaded area and labeled ZONE A on the Leon County General Highway Map attached hereto as Exhibit "A". The geographic area which comprises Zone A is also reflected on and labeled ZONE A on the Quadrangle Maps attached hereto as Composite Exhibit "B".

Section 2.3. Zone B. - As used herein, the term "ZONE B" shall mean the geographic area lying outside the shaded area and which is labeled ZONE B on the Leon County General Highway Map attached hereto as Exhibit "A", together with all adjacent areas that do not comprise territorial areas of other electric suppliers. The geographic area which comprises ZONE B is also reflected on and labeled ZONE B on the Quadrangle Maps attached hereto as Composite Exhibit "B".

Section 2.4. Territorial Boundary Lines. - As used herein, the term "TERRITORIAL BOUNDARY LINES" shall mean the boundary lines which are shown on the Leon County General Highway Map attached

hereto as Exhibit "A" and on the Quadrangle Maps attached hereto as Composite Exhibit "B" and which delineate and divide ZONE A and ZONE B, as previously defined, from each other. The TERRITORIAL BOUNDARY LINES are more particularly described in the written description attached hereto as Exhibit "C." In the event of any discrepancy between Exhibit "A", Composite Exhibit "B", and Exhibit "C", Exhibit "C" shall prevail.

Section 2.5. Member. - As used herein, the term "MEMBER" shall mean any person, firm, association, corporation, body politic, or political subdivision holding membership in TALQUIN and receiving electric service in Leon County, Florida.

Section 2.6. Customer. - As used herein, the term "CUSTOMER" shall mean a consumer of either party. The term CUSTOMER shall include a MEMBER as defined in Section 2.5.

Section 2.7. Existing Customer. - As defined herein, the term "EXISTING CUSTOMER" shall mean a CUSTOMER of either party regardless of location who is being provided retail electric service on the effective date of this Agreement.

Section 2.8. Remaining Customer. - As used herein, the term "REMAINING CUSTOMER" shall mean a party's CUSTOMER being served by the other party's DISTRIBUTION LINES regardless of the location of such DISTRIBUTION LINES (i.e., one party's CUSTOMER meter in the other party's DISTRIBUTION LINE).

Section 2.9. New Customer. - As used herein, the term "NEW CUSTOMER" shall mean a retail electric CUSTOMER applying for service to either party after the date this Agreement is approved

by the Florida Public Service Commission pursuant to Section 8.1 below.

Section 2.10. Interim Service. - As used herein, the term "INTERIM SERVICE" shall mean the provision of electric service by either party to a NEW CUSTOMER in the other party's SERVICE ZONE for a limited period of time when such service is requested in writing by the other party.

Section 2.11. Change In Use. - As used herein, the term "CHANGE IN USE" shall mean:

(1) a change in the use of real property from residential to business or business to residential;

(2) a change in the use of property if such change would normally require a reclassification of service under either party's tariff; or

(3) a change in the density or intensity of use of real property if such change requires the addition of meters, so that in the aggregate there are three additional meters, during the period of this Agreement.

Section 2.12. Adjusted Annual Revenue. - As used herein, the term "ADJUSTED ANNUAL REVENUE" shall mean the sum of the billings, exclusive of taxes and/or franchise fees, for electric service to an electric service location for the most recent twelve months in which electric service is actually served to the location, less the sum reflected in said billings of all increases in the cost of electric services to said location resulting from an increase in the cost of fuel subsequent to October 30, 1988, whether or not

such fuel charges are separately stated in the billings and regardless of whether the electricity sold at retail has been purchased at wholesale or generated by the CITY or TALQUIN. In the case of an electric service location billed less than twelve months, ADJUSTED ANNUAL REVENUE shall mean the average of such adjusted monthly billings multiplied by twelve.

Section 2.13. Transmission Lines. - As used herein, the term "TRANSMISSION LINES" shall mean all electric lines of either party having a rating of 69 kV or above.

Section 2.14. Distribution Lines. - As used herein, the term "DISTRIBUTION LINES" shall mean all electric lines of either party having a rating up to but not including 69 kV.

Section 2.15. Express Distribution Lines. - As used herein, the term "EXPRESS DISTRIBUTION LINES" shall mean those DISTRIBUTION LINES not used directly for furnishing electricity to CUSTOMERS in the immediate areas where the lines are located, but rather are used to transmit electric power through the area of the other party to an area served by the party owning the DISTRIBUTION LINE.

Section 2.16. Service Facilities. - As used herein, the term "SERVICE FACILITIES" shall mean all electric facilities of either party having a rating up to but not including 69 kV, excluding meters, used to provide retail electric service in the SERVICE ZONE of the other party. SERVICE FACILITIES shall also include the substations identified in Exhibit "D." SERVICE FACILITIES shall not include any property still needed by the transferring party to serve any of its other CUSTOMERS.

Section 2.17. Customer Service Facilities. - As used herein, the term "CUSTOMER SERVICE FACILITIES" shall mean that portion of either party's SERVICE FACILITIES used exclusively to provide electric service to a specific CUSTOMER.

Section 2.18. Stranded Facilities. - As used herein, the term "STRANDED FACILITIES" shall mean SERVICE FACILITIES or DISTRIBUTION LINES rendered unusable by virtue of transfer of other SERVICE FACILITIES.

Section 2.19. Salvage Value. - As used herein, the term "SALVAGE VALUE" shall mean the fair market value of equipment and materials, less reasonable and necessary costs of recovering said equipment and materials, which can be utilized by a party at other locations on its electric distribution system.

Section 2.20. Reintegrate. - As used herein, where SERVICE FACILITIES and/or DISTRIBUTION LINES have been separated by the sale of certain other SERVICE FACILITIES, the term "REINTEGRATE" shall mean constructing new electric facilities and/or modifying remaining electric facilities to achieve the same standard of service, reliability and safety consistent with standard industry practices, as existed on the transferring party's system prior to the transfer of the other SERVICE FACILITIES.

ARTICLE III

RETAIL ELECTRIC SERVICE AREAS

Section 3.1. Retail Electric Services Areas. - The primary retail electric service areas of TALQUIN and the CITY are reflected upon the Leon County General Highway Map dated the ____ day of

_____, 1989 and initialed by Daniel A. Kleman, City Manager for the CITY, and William E. Laughlin, General Manager of TALQUIN, which map is attached hereto as Exhibit "A" and made a part hereof and upon the Quadrangle Maps which are attached hereto as Composite Exhibit "B" and made a part hereof. The SERVICE ZONE of the CITY shall be ZONE A as reflected on said maps. In ZONE A, as between the parties, the CITY shall have the primary responsibility and the exclusive right subject to the exceptions set forth in this Agreement to furnish all retail electric service. The SERVICE ZONE of TALQUIN shall be ZONE B as reflected on said maps. In ZONE B, as between the parties, TALQUIN shall have the primary responsibility and the exclusive right subject to the exceptions set forth in this Agreement to furnish all retail electric service. A written description of the TERRITORIAL BOUNDARY LINES shown on said maps marked Exhibit "A" and Composite Exhibit "B" is attached hereto and made a part hereof as Exhibit "C". In the event of a discrepancy between said maps (Exhibit "A" and Composite Exhibit "B") and the written description (Exhibit "C"), the written description (Exhibit "C") shall prevail. Except as otherwise specifically provided in this Agreement, neither party shall provide retail electric services within the SERVICE ZONE of the other party.

Section 3.2. Customers and Facilities. - Each party shall have the right and responsibility to provide retail electric service to all its EXISTING CUSTOMERS and all NEW CUSTOMERS within its respective SERVICE ZONE. Neither party shall hereafter serve

or offer to serve an EXISTING CUSTOMER or a NEW CUSTOMER located in the SERVICE ZONE of the other party except as provided in Sections 3.3, 4.1 and 4.2 below. However, each party may serve any corporate premises or locations it now owns or may own in the future regardless of the location of such facility within the respective SERVICE ZONES as provided in Section 3.6. Except as otherwise provided in this Agreement, all NEW CUSTOMERS in ZONE A shall be CUSTOMERS of the CITY and all NEW CUSTOMERS in ZONE B shall be CUSTOMERS of TALQUIN.

Section 3.3. Interim Service. - INTERIM SERVICE may be requested in order to prevent duplication of facilities which may result in needless and wasteful expenditures and to prevent creation of possible hazardous conditions, to the detriment of the public interest. A party shall serve a NEW CUSTOMER for the other party on an interim basis in the other party's SERVICE ZONE, when requested in writing to provide such INTERIM SERVICE. A NEW CUSTOMER provided INTERIM SERVICE shall be a CUSTOMER of the party within whose SERVICE ZONE the CUSTOMER is located and said party shall perform all billing and collection. The party requesting INTERIM SERVICE shall pay as a contribution in aid of construction to the other party the cost of all labor, material and overhead necessary to construct SERVICE FACILITIES to provide INTERIM SERVICE for the NEW CUSTOMER. The party providing the INTERIM SERVICE shall serve the NEW CUSTOMER in the same manner as if such party were providing service on a permanent basis. The party providing INTERIM SERVICE shall be paid for providing such electric

service in accordance with the applicable provisions of Article VI of this Agreement. The party providing INTERIM SERVICE shall deliver one combined invoice per month to the requesting party setting forth the cost of all labor, material and overhead incurred in constructing the INTERIM SERVICE FACILITIES and the total amount payable by the requesting party. The invoice shall be dated on the last day of each month and shall reflect the above-stated information for each of the INTERIM SERVICE FACILITIES constructed. Within forty-five (45) days of receipt of the invoice by the requesting party, the requesting party shall make payment in full to the party providing INTERIM SERVICE. The cost of construction paid by the requesting party as a contribution in aid of construction shall represent full and complete payment for such SERVICE FACILITIES, irrespective of the date of transfer and conveyance of such SERVICE FACILITIES, and shall be credited in full against the cost of acquiring the SERVICE FACILITIES as provided for in Section 5.4 of this Agreement. Conveyance and transfer of INTERIM SERVICE FACILITIES shall occur simultaneously with conveyance and transfer of SERVICE FACILITIES of which the INTERIM SERVICE FACILITIES are a part.

Section 3.4. Security or Outdoor Lights. - Either party may add security or outdoor lights in the other party's SERVICE ZONE to serve an EXISTING CUSTOMER provided the party adding security or outdoor lights owns the SERVICE FACILITIES serving such CUSTOMER. When the party needing to add a security or outdoor light does not own the DISTRIBUTION LINES, it may request the other

party in writing to add the security or outdoor light, and the other party shall honor such request. The party owning the distribution line shall build the requested security or outdoor light facility pursuant to said party's policy regarding installation of security or outdoor lights for retail CUSTOMERS in effect at the time of the request; provided, however, that the party owning the distribution line shall bear the cost of installation of the security or outdoor light facility. The requesting party shall pay the monthly charges for such security or outdoor lights to the installing party and shall be billed at a rate of 95% of the installing party's applicable retail charge for the service.

Section 3.5. Street Lights. - The parties hereto realize that it may be desirable for the CITY to request TALQUIN to install and maintain street lights when the CITY has the responsibility to provide street lights within its corporate limits where TALQUIN owns the DISTRIBUTION LINES or SERVICE FACILITIES. Each such request shall be in writing and shall be accomplished in accordance with a separate written agreement between the parties for each street lighting project. TALQUIN shall install and maintain such street light facilities in accordance with the CITY's standard specifications and design.

Section 3.6. Right to Enter. - In addition to any right to enter provided elsewhere in this Agreement, each party shall be permitted to enter the SERVICE ZONE of the other party for the following purposes:

- (1) to construct TRANSMISSION LINES and any EXPRESS

DISTRIBUTION LINES;

(2) to provide maintenance and routine services necessary to serve its CUSTOMERS;

(3) to make system improvements to serve its CUSTOMERS adequately; and,

(4) to serve any of its own facilities or corporate premises or locations now or which may hereafter become located within the other party's SERVICE ZONE; provided, however, that if construction of SERVICE FACILITIES would result in duplication of the other party's existing DISTRIBUTION LINES, the other party shall provide service to the owning party's facility or corporate premises or locations. Where such duplication does not exist, either party may construct, operate and maintain SERVICE FACILITIES to serve its own facilities or corporate premises or locations in such manner as to minimize any interference with the operation of the other party's DISTRIBUTION LINES and facilities.

The CITY shall be permitted to enter ZONE B to install, operate and maintain municipal street light facilities on and along public rights of way within its corporate limits.

ARTICLE IV

EXISTING SERVICE LOCATIONS AND TRANSFER OF CUSTOMERS

Section 4.1. Existing Service Locations. - Each party may continue to serve those CUSTOMERS to whom the party was providing retail electric service on the effective date of this Agreement even though such service location may be located in the SERVICE ZONE of the other party. This provision shall also apply to

additional electric services required by an EXISTING CUSTOMER at the same location. A CUSTOMER may request to become a CUSTOMER of the other party as provided for in Section 4.3. below. A widow, widower, or divorced spouse of a TALQUIN MEMBER or CITY CUSTOMER who remains at the same service location shall be considered an EXISTING CUSTOMER. If there is a CHANGE IN USE by a CUSTOMER, as defined in Section 2.11 above, of a service location existing on the effective date of this Agreement, the CUSTOMER shall not be considered an EXISTING CUSTOMER and new electric service to such location shall be provided by the party in whose SERVICE ZONE the service location lies. Such CUSTOMERS shall be treated in the same manner as CUSTOMERS transferred pursuant to Section 4.3 below and payment for such CUSTOMERS shall be made by the party gaining the right to serve pursuant to Sections 4.5 and 4.6 below. CUSTOMER SERVICE FACILITIES removed and retired to accommodate changes of use and new development shall be paid for as required in Sections 5.4 and 5.6 by the party gaining the right to serve. The party gaining the right to serve shall be invoiced when such CUSTOMER SERVICE FACILITIES are removed and retired.

Section 4.2. New Customers at Existing Service Locations. -

During the first fifteen (15) years of this Agreement, a NEW CUSTOMER applying for electric service at a service location that was an existing service location on the effective date of this Agreement shall become a CUSTOMER of the party serving the existing service location at the time of such application regardless of whether such service location is located in ZONE A or ZONE B.

During the second fifteen (15) years of this Agreement, a NEW CUSTOMER applying for electric service at a service location that was an existing service location on the effective date of this Agreement shall become a CUSTOMER of the party in whose SERVICE ZONE said service location is located regardless of which party owns the SERVICE FACILITIES or DISTRIBUTION LINES serving said service location.

When the party gaining the CUSTOMER in accordance with this Section was not providing retail electric service to the existing service location on the effective date of this Agreement, a transfer of such CUSTOMER shall be deemed to have occurred and the party providing service to the NEW CUSTOMER shall be invoiced and make payment in accordance with Sections 4.5 and 4.6 below. A widow, widower, or divorced spouse of a TALQUIN MEMBER or CITY CUSTOMER who remains at the same location shall be considered an EXISTING CUSTOMER.

Section 4.3. Transfer of Customers. - TALQUIN shall transfer to the CITY any TALQUIN CUSTOMER located in the CITY's SERVICE ZONE who requests service by the CITY upon acceptance of the CUSTOMER by the CITY. The CITY shall pay TALQUIN the applicable amount specified in Section 4.5 in the manner provided by Section 4.6 below. The CITY shall transfer to TALQUIN any CITY CUSTOMER located in TALQUIN's SERVICE ZONE who requests service by TALQUIN upon acceptance of the CUSTOMER by TALQUIN. TALQUIN shall pay the CITY the applicable amount specified in Section 4.5 in the manner provided in Section 4.6 below. No CUSTOMER shall be subject to

transfer when such CUSTOMER has been disconnected for non-payment or until all sums owed by such CUSTOMER to the transferring party are paid or satisfactory arrangements for payment have been made with the transferring party.

Section 4.4. Solicitation. - Neither party shall during the term of this Agreement solicit the transfer of CUSTOMERS of the other party nor shall either party offer any financial or other incentive to its own CUSTOMERS to encourage said CUSTOMERS to transfer and take service from the other party.

Section 4.5. Amount of Payment. - For CUSTOMERS transferred within the calendar years set forth in the table shown below, the party accepting the CUSTOMER shall pay to the party transferring the CUSTOMER an amount equal to the applicable multiplier as set forth and established in the table below times the ADJUSTED ANNUAL REVENUE received for such location.

Calendar Years	Applicable Multiplier of Annual Revenue
1989-1990	2.5
1991	2.4
1992	2.3
1993	2.2
1994	2.1
1995	2.0
1996	1.9
1997	1.8
1998	1.7
1999	1.6
2000	1.5
2001	1.4
2002	1.3
2003	1.2
2004	1.1
2005-each calendar year thereafter	1.0

Proof of the ADJUSTED ANNUAL REVENUES shown on the books and records of the transferring party shall be subject to examination by a Certified Public Accountant selected by the other party. In the event of a dispute as to the amount of any payment due hereunder, the matter shall be settled by three (3) arbitrators, the CITY choosing one (1), TALQUIN choosing one (1), and the two (2) so chosen selecting a third who shall serve as Chairman of the Arbitrators. The decision of the arbitrators shall be binding on the parties as provided for in the Florida Arbitration Code, Chapter 682, Florida Statutes, 1987. The costs of complying with this section shall be paid by both parties, each party paying 100% of the cost of its chosen arbitrator and 50% of the cost of the third arbitrator.

Section 4.6. Manner and Time of Payment. - The party transferring a CUSTOMER or CUSTOMERS pursuant to Section 4.2, 4.3 or 5.7 of this Agreement shall deliver one combined invoice per month to the party to whom the CUSTOMERS are transferred. The invoice shall set forth the name and address of each CUSTOMER transferred, the total amount payable by the accepting party pursuant to Section 4.5, and the basis for the calculated amount. The invoice shall be dated on the last day of each month and shall reflect the above-stated information for each of the CUSTOMERS transferred during said month. Within forty-five (45) days of receipt of the invoice by the accepting party, the accepting party shall make payment in full to the transferring party.

ARTICLE V

TRANSFER OF SERVICE FACILITIES

Section 5.1. Schedule. - The CITY may acquire as hereinafter provided those TALQUIN SERVICE FACILITIES located in the CITY'S SERVICE ZONE (ZONE A) in accordance with the fifteen (15) year transfer schedule reflected on Exhibit "D" which is attached hereto and made a part hereof. TALQUIN may acquire as hereinafter provided those CITY SERVICE FACILITIES located in TALQUIN'S SERVICE ZONE (ZONE B) in accordance with the fifteen (15) year transfer schedule reflected on Exhibit "E" which is attached hereto and made a part hereof. Each party shall give the other party six (6) months notice that it intends to acquire SERVICE FACILITIES reflected on Exhibit "D" or "E". Unless mutually agreed to by the parties, all SERVICE FACILITIES comprising each Annual Transfer Unit of SERVICE FACILITIES as designated in Exhibit "D" or "E" must be acquired by either party when exercising its right to acquire such SERVICE FACILITIES pursuant to Article V of this Agreement. Except by mutual agreement of the parties, SERVICE FACILITIES may not be acquired out of sequence with nor earlier than the dates specified on Exhibits "D" and "E", respectively, but may be acquired at any time during the term of this Agreement after the dates specified, provided the required six (6) months notice is given to the transferring party and that no more than two Annual Transfer Units may be acquired in any one calendar year. It is the intent of the parties that all Annual Transfer Units shown in Exhibits "D" and "E" shall be transferred and acquired by the end

of the fifteenth year following the approval of this Agreement pursuant to Section 8.1 below. TALQUIN agrees that SERVICE FACILITIES necessary to the CITY's provision of service to NEW CUSTOMERS in the Annual Transfer Unit 2003 shall be made available as mutually agreed to by the parties at such time as necessary to serve the demand of such NEW CUSTOMERS.

Section 5.2. Procedures for Transfer. - The parties agree that the following procedures shall be followed for each transfer of SERVICE FACILITIES:

(1) The acquiring party shall first provide notice to the transferring party of its intent to acquire SERVICE FACILITIES in accordance with Section 5.1 above.

(2) Each party shall then designate representatives who shall perform the following tasks:

(a) a field inventory, inspection and analysis of the SERVICE FACILITIES to be transferred;

(b) an investigation and analysis of whether there will be STRANDED FACILITIES arising out of the transfer of such SERVICE FACILITIES;

(c) an investigation and analysis of the available alternatives for connection of the acquiring party's electric system to the SERVICE FACILITIES to be transferred, with emphasis on sound engineering practices and cost efficiency, to achieve elimination or minimization of STRANDED FACILITIES; and,

(d) a field inventory, inspection and analysis of the components of any STRANDED FACILITIES which have SALVAGE VALUE.

(3) In conjunction with the tasks described in subsection (2), the transferring party shall also determine the labor, material and overhead, if any, required to REINTEGRATE its electric system due to the transfer of SERVICE FACILITIES.

(4) In conjunction with the tasks described in subsection (2), the acquiring party shall also determine the necessary procedures to connect the SERVICE FACILITIES to be transferred with its electric system to provide retail electric service and the impacts thereof.

(5) The parties shall endeavor to perform the tasks identified in subsections (2), (3) and (4) with minimal interruption of service.

(6) Based on the information derived from the field work described in subsections (2) and (3), the transferring party shall develop:

(a) a fair market value of the SERVICE FACILITIES to be transferred;

(b) if applicable, a fair market value of STRANDED FACILITIES, a fair market value of equipment and materials which have SALVAGE VALUE, and an estimate of reasonable and necessary costs to recover said equipment and materials; and,

(c) if applicable, an estimate of reasonable and necessary costs to REINTEGRATE the transferring party's other SERVICE FACILITIES and/or DISTRIBUTION LINES.

(7) Prior to a transfer of SERVICE FACILITIES, the parties shall meet and attempt to agree on the following:

(a) the fair market value of SERVICE FACILITIES to be transferred;

(b) the fair market value, less estimated SALVAGE VALUE, of STRANDED FACILITIES, if any; and

(c) the reasonable and necessary estimated costs to REINTEGRATE the transferring party's other SERVICE FACILITIES and/or DISTRIBUTION LINES, if any.

(8) If the parties reach agreement on all fair market values of facilities and, if applicable, estimates of costs, all of which are described in subsections (6) and (7), the parties shall proceed in accordance with Sections 5.4, 5.5 and 5.6 below. If the parties are unable to agree on the amount of payment representing fair market value for the SERVICE FACILITIES to be transferred, or, if applicable, the amount of payment representing fair market value of STRANDED FACILITIES or SALVAGE VALUE of such STRANDED FACILITIES, the parties shall proceed in accordance with Section 5.3(1) below. In addition, if the parties cannot agree on the amount of payment representing the reasonable and necessary costs to REINTEGRATE, the parties shall proceed in accordance with Section 5.3(2) below.

Section 5.3. Appraisals and Arbitration.

(1) Appraisals. - Within six months after the effective date of this Agreement, the parties shall mutually agree upon five (5) persons with expertise in the operation and valuation of electric utility facilities. The parties shall maintain a list of such persons for the term of this Agreement.

If the parties are unable to agree on the amount of payment representing fair market value of SERVICE FACILITIES to be transferred or the amount of payment representing fair market value of STRANDED FACILITIES or SALVAGE VALUE of such STRANDED FACILITIES, then they shall mutually select one (1) person from the five (5) qualified appraisers who shall have the duty of determining the fair market value of the SERVICE FACILITIES to be transferred and if applicable, the fair market value, less SALVAGE VALUE, of STRANDED FACILITIES, in accordance with professionally accepted appraisal practices. If either party refuses to accept the determination of the appraiser regarding the fair market value of SERVICE FACILITIES and/or the fair market value, less SALVAGE VALUE, of STRANDED FACILITIES, then the total amount of payment for SERVICE FACILITIES and/or STRANDED FACILITIES shall be determined pursuant to the arbitration provisions of Section 5.3(2) below. The costs of complying with this subsection shall be paid by both parties, each party paying 50% of the cost of the appraisal services.

(2) Arbitration. - Any dispute of fact arising out of or relating to the fair market value of SERVICE FACILITIES to be transferred, the fair market value of STRANDED FACILITIES, the SALVAGE VALUE of STRANDED FACILITIES, or the costs to REINTEGRATE with other SERVICE FACILITIES and/or DISTRIBUTION LINES, shall be settled by three (3) arbitrators, the CITY choosing one (1), TALQUIN choosing one (1), and the two (2) so chosen selecting a third who shall serve as Chairman of the Arbitrators. The decision

of the arbitrators shall be binding on the parties as provided for in the Florida Arbitration Code, Chapter 682, Florida Statutes, 1987. The costs of complying with this section shall be paid by both parties, each party paying 100% of the cost of its chosen arbitrator and 50% of the cost of the services of the third arbitrator.

Section 5.4. Amount of Payment. - The acquiring party shall pay the transferring party the fair market value of the SERVICE FACILITIES acquired, except for SERVICE FACILITIES constructed and paid for pursuant to Section 3.3 above. In addition, the acquiring party shall pay the transferring party (i) the fair market value, less SALVAGE VALUE, of any STRANDED FACILITIES; and (ii) the reasonable and necessary cost, if any, of labor, material, and overhead necessary to REINTEGRATE the transferring party's system.

Section 5.5. Conveyance. - In each instance where SERVICE FACILITIES are acquired under the terms of this Article, the transferring party shall make, execute and deliver to the acquiring party:

(1) a bill of sale conveying the SERVICE FACILITIES to the acquiring party. The bill of sale shall include warranties by the transferring party of its good title to the SERVICE FACILITIES, of its right to transfer them to the acquiring party, of the absence of any security interest or other lien or encumbrance affecting the SERVICE FACILITIES, and shall further warrant and agree to defend the acquiring party's title, and that of its successors and assigns, against the claims of any and all other

persons;

(2) evidence of all approvals, consents, licenses, permits and authorizations required by any government agency with respect to the ownership, operation, maintenance and placement of the SERVICE FACILITIES, as and where located, duly issued to the transferring party. If the transferring party does not hold all such approvals and necessary authorizations, then at the request and expense of the acquiring party, the transferring party will make a good faith effort to obtain the same prior to conveyance of the SERVICE FACILITIES. A good faith effort shall not include an obligation on the part of the transferring party to initiate or participate in any litigation regarding such approvals and necessary authorizations; provided, however, that the acquiring party does not waive any right it may have to join the transferring party in an action if the transferring party is an indispensable or necessary party. The transferring party shall assign all rights, title and interest in all such governmental approvals, consents, licenses, permits and authorizations to the acquiring party simultaneously with the delivery of the bill of sale pursuant to subsection (1) above;

(3) an assignment of all rights, title and interest in easements, licenses, or any other permits or permissions, implied or express, referred to in this subsection as "easements or other authorizations," held by the transferring party which authorize the location of the SERVICE FACILITIES. If the transferring party does not hold easements or other authorizations authorizing the location

of the SERVICE FACILITIES, then at the request and expense of the acquiring party, the transferring party will make a good faith effort to obtain such easements or other authorizations prior to conveyance of the SERVICE FACILITIES. A good faith effort shall not include an obligation on the part of the transferring party to initiate or participate in any litigation regarding such easements or other authorizations; provided, however, that the acquiring party does not waive any right it may have to join the transferring party in an action if the transferring party is an indispensable or necessary party. If the acquiring party makes such request, the transferring party shall seek to obtain easements or other authorizations, which are perpetual or provide for a term otherwise acceptable to the acquiring party, and grant permission, assignable to the acquiring party, its successors and assigns, to enter upon the encumbered properties for the purposes of inspecting, testing, constructing, installing, maintaining, repairing, replacing and removing the SERVICE FACILITIES, or any component thereof, the removal or trimming of trees, shrubs and other plants and vegetation, and such digging, trenching and other measures as are necessary or convenient to operate the SERVICE FACILITIES. The easements or other authorizations shall be freely assignable and the original easements or other authorizations shall be delivered to the acquiring party simultaneously with the bill of sale described in subsection (1) above.

Section 5.6. Manner and Time of Payment and Conveyance. - The parties shall schedule a closing date to consummate the conveyance

of SERVICE FACILITIES. Any and all estimated amounts due and payable to the transferring party for costs to REINTEGRATE DISTRIBUTION LINES or SERVICE FACILITIES and/or costs to recover equipment and materials which have SALVAGE VALUE shall be provided to the acquiring party no less than one hundred and twenty (120) days prior to the conveyance of SERVICE FACILITIES. The transferring party shall provide invoices reflecting the actual amounts incurred for such costs to the acquiring party no less than five (5) days prior to the conveyance of the SERVICE FACILITIES. The SERVICE FACILITIES shall be physically transferred to the acquiring party no less than twenty (20) days prior to the conveyance of such SERVICE FACILITIES. At the closing, the transferring party shall produce appropriate documents and invoices reflecting the following:

(1) the agreed, appraised or arbitrated fair market value of the SERVICE FACILITIES to be conveyed;

(2) if applicable, the agreed, appraised or arbitrated fair market value, less SALVAGE VALUE, of STRANDED FACILITIES and where applicable, the actual costs incurred by the transferring party to recover equipment and materials which have SALVAGE VALUE; and,

(3) if applicable, the actual or arbitrated costs to REINTEGRATE the transferring party's other SERVICE FACILITIES and/or DISTRIBUTION LINES.

The acquiring party shall make payment in full to the transferring party for the amounts due and owing pursuant to

Section 5.4 above contemporaneous with and at the time of conveyance of the SERVICE FACILITIES as required under Section 5.5 above. With respect to costs to recover equipment and materials which have SALVAGE VALUE and costs to REINTEGRATE, the acquiring party shall pay the actual costs incurred by the transferring party. If any of such costs are determined by arbitration, the acquiring party shall pay the amount determined by the arbitrators to the transferring party.

Section 5.7. Remaining Customers. - When a party's SERVICE FACILITIES have been acquired by the other party as provided for herein, the acquiring party shall serve the other party's REMAINING CUSTOMERS with the same level of service it provides its own CUSTOMERS until such time as these REMAINING CUSTOMERS are acquired, as provided for in this Agreement, by the party acquiring said facilities. Payment for one party serving the other party's REMAINING CUSTOMERS shall be as provided in accordance with applicable provisions of Article VI of this Agreement. The parties agree that these provisions also apply to each party's REMAINING CUSTOMERS as such CUSTOMERS exist on the effective date of this Agreement. Upon expiration of this Agreement and thereafter, all REMAINING CUSTOMERS of a party being served by the other party shall become CUSTOMERS of the other party providing the service if such CUSTOMER: (a) voluntarily transfers to the party providing service; (b) is replaced by a NEW CUSTOMER at the existing service location; or (c) implements a CHANGE IN USE as defined in Section 2.11 above. If such CUSTOMER voluntarily transfers to the party

providing service or is replaced by a NEW CUSTOMER at the existing service location, the party providing service to the NEW CUSTOMER shall be invoiced and make payment in accordance with Sections 4.5 and 4.6 above. If such CUSTOMER implements a CHANGE IN USE as defined in Section 2.11 above, the CUSTOMER shall become a NEW CUSTOMER of the party providing service without payment of compensation. The provisions of Article VI will remain in full force and effect until there are no REMAINING CUSTOMERS.

ARTICLE VI

PAYMENT FOR SERVICE TO CERTAIN NEW AND REMAINING CUSTOMERS

Section 6.1. Customer of TALQUIN. - If electric service is provided to a NEW or REMAINING CUSTOMER of TALQUIN in accordance with Section 3.3, 4.3 or 5.7 above, by and through the CITY'S SERVICE FACILITIES or DISTRIBUTION LINES and with electrical power purchased or generated by the CITY, then TALQUIN shall furnish the CITY copies of monthly retail electric billing data for such CUSTOMER and shall pay each month to the CITY an amount equal to 85% of TALQUIN'S appropriate, applicable and effective tariff rates and charges, on file with the Florida Public Service Commission, for the provision of retail electric service; exclusive of taxes, franchise fees, and all other miscellaneous fees and charges for such CUSTOMER.

Section 6.2. Customer of the CITY. - If electric service is provided to a NEW or REMAINING CUSTOMER of the CITY in accordance with Section 3.3, 4.3 or 5.7 above, by and through TALQUIN'S SERVICE FACILITIES or DISTRIBUTION LINES and with electrical power

purchased or generated by TALQUIN, then the CITY shall furnish TALQUIN copies of monthly retail electric billing data for such CUSTOMER and shall pay each month to TALQUIN an amount equal to 85% of the CITY's appropriate, applicable and effective tariff rates and charges, on file with the Florida Public Service Commission, for the provision of retail electric service; exclusive of taxes, franchise fees, and all other miscellaneous fees and charges for such CUSTOMER.

Section 6.3. Manner and Time of Payment. - When a party provides electric service to a CUSTOMER of the other party pursuant to the terms and conditions of this Article, the other party shall pay the serving party the total amount due for each CUSTOMER served pursuant to the terms and conditions of this Article. Payment shall be made within fifteen (15) days after the end of the month for each CUSTOMER served and shall be accompanied by a combined statement and supporting documents reflecting the name and address of each CUSTOMER served, the billing data necessary to support billing for CUSTOMERS served, the total amount payable pursuant to Section 6.1 or 6.2 above, and the basis for the calculation of the amount payable. The statement shall reflect the above-stated information for each CUSTOMER to whom electric service was provided subject to this Article during the applicable monthly billing cycle.

ARTICLE VII

OTHER PROVISIONS

Section 7.1. Facilities to Remain. - All generating plants, TRANSMISSION LINES, substations, SERVICE FACILITIES, DISTRIBUTION LINES and related facilities now or hereafter constructed and/or used by either party in conjunction with its respective electric utility systems, and which are directly or indirectly used or useful in serving CUSTOMERS of either party shall be allowed to remain where situated and shall not be subject to removal or transfer except as provided in this Agreement; provided however, that each party shall operate and maintain said lines and facilities in such a manner as to minimize any interference with the operations of the other party.

Section 7.2. Joint Use. - The parties hereto realize that it may be necessary, under certain circumstances and in order to carry out this Agreement, to make arrangements for the Joint Use of SERVICE FACILITIES, in which event such arrangements shall be made by separate instruments incorporating standard engineering practices and providing proper clearances with respect thereto.

Section 7.3. Notices. - Notices given hereunder shall be deemed to have been given to the CITY if sent by United States Mail postage prepaid, by courier, or by hand delivery to: City Manager, City of Tallahassee, City Hall, 300 South Adams Street, Tallahassee, Florida 32301; and to TALQUIN if sent by United States Mail postage prepaid, by courier, or by hand delivery to: General Manager, Talquin Electric Cooperative, Inc., Post Office Box 1679,

Quincy, Florida 32351. The address to which such notice shall be mailed may at any time be changed by designating such new address and giving notice thereof in writing in the manner as herein provided.

Section 7.4. Eminent Domain. - The CITY hereby agrees that it will not during the term of this Agreement attempt to acquire any of TALQUIN's facilities or service rights through eminent domain when the purpose of the acquisition is to provide electric service. This provision shall neither be construed as an acknowledgement by TALQUIN that the CITY has such authority, nor as a waiver by the CITY of such right of eminent domain subsequent to the expiration of this Agreement.

Section 7.5. Annexation and Section 113 of the CITY Charter and of Chapter 8374, Laws of Florida, as amended. - TALQUIN agrees that it will not oppose, directly or indirectly, through the judicial process, the annexation efforts of the CITY during the term of this Agreement. TALQUIN agrees not to expend corporate funds with respect to any proposed annexations by the CITY except to communicate directly with its MEMBERS. Upon approval of this Agreement pursuant to Section 8.1 below, TALQUIN shall dismiss all complaints, petitions, writs and/or other causes of action, administrative or judicial, challenging or opposing annexations by the CITY. In consideration for TALQUIN so agreeing, the CITY hereby agrees: (1) that any expansion of its municipal limits during the term of this Agreement shall not affect the rights of TALQUIN to provide electric utility service in such annexed areas

during the term of this Agreement; and (2) that within sixty (60) days after the approval of this Agreement pursuant to Section 8.1 below, it will by ordinance repeal those provisions in Section 113 of the CITY Charter granting the CITY the exclusive right to provide electric service within its corporate limits, and within a zone three (3) miles wide, adjacent to and extending around and outside the corporate limits of the CITY as the same exist or may be extended. The CITY further agrees that it will in good faith use its best efforts to secure the repeal of the same provisions in Section 113 of Chapter 8374, Laws of Florida (1919), as amended and reflected in Chapter 24,910, Sections 1-5, Laws of Florida (1947), and will forward within ten (10) days of the effective date of this Agreement the letter attached hereto and made a part hereof as Exhibit "F" to the Leon County Legislative Delegation, the Speaker of the House, and the President of the Senate.

Section 7.6. Release and Settlement. - For and in consideration of the mutual covenants and obligations stated in this Agreement, the parties mutually release and discharge each other from any and all claims, demands and causes of action, arising out of any territorial service matter which has occurred prior to the date of this Agreement, including any damages arising therefrom.

ARTICLE VIII

PREREQUISITE APPROVALS

Section 8.1. Florida Public Service Commission. - The provisions of this Agreement and any disputes or breaches arising hereunder are subject to the regulatory authority of the Florida

Public Service Commission, and appropriate approval by that body of the provisions of this Agreement shall be a prerequisite to the validity hereof. The parties agree to submit this Agreement promptly to the Florida Public Service Commission and to request its interim and formal approval thereof. This Agreement shall be binding upon the CITY and TALQUIN at such time as interim approval is received from the Florida Public Service Commission. If formal approval is issued with no prior interim approval, this Agreement shall be binding upon both parties when formal approval is received.

Section 8.2. Rural Electrification Administration. - Electric Cooperative agreements of certain classes are subject to the approval of the Administrator of the Rural Electrification Administration. TALQUIN does not believe that this Agreement is of the type which requires approval. Upon execution, TALQUIN will advise the Rural Electrification Administration and seek a formal opinion to that effect. If the Rural Electrification Administration formally advises that its approval is necessary, such approval shall be a prerequisite to the validity hereof.

Section 8.3. Good Faith. - Both parties agree to use their best efforts to obtain approval of this Agreement as required above.

Section 8.4. Approval of Amendments. - Any amendment to this Agreement shall be subject to the regulatory authority of the Florida Public Service Commission, and the appropriate approval of any amendment shall be a prerequisite to the validity and ap-

plicability thereof, and neither party shall be bound by such amendment until that approval has been obtained. If required, TALQUIN shall seek approval of any amendment to this Agreement from the Rural Electrification Administration.

Section 8.5. Liability in the Event of Disapproval. - In the event approval pursuant to this Article is not obtained, neither party shall have an action against the other arising under this Agreement.

ARTICLE IX

RENEGOTIATIONS AND INTENT

Section 9.1. Renegotiations. - The parties agree that two (2) years in advance of the date of termination of this Agreement, they will initiate negotiations toward the execution of a new agreement governing the respective rights and SERVICE ZONES of the parties in future years beyond the term of this Agreement.

Section 9.2. Cooperation. - The parties agree to cooperate with each other in carrying out the intentions expressed in this Agreement, and each agrees in good faith to do and perform any and all acts necessary in order that the intent and purposes of this Agreement shall be fulfilled and the needs of the residents of both SERVICE ZONES shall be served.

Section 9.3. Third Parties, Successors and Assigns. - Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon or give to any person or corporation other than the parties hereto any rights, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof;

and all of the provisions, representations, covenants, and conditions herein contained shall inure to the sole benefit of and shall be binding only upon the parties hereto and their respective representatives, successors, and assigns.

Section 9.4. Negotiations. - Regardless of the terms or conditions which may have been discussed during the negotiations leading up to the execution of this Agreement, this Agreement constitutes the entire Agreement between the parties and the only conditions agreed upon are those set forth herein.

ARTICLE X

DURATION

Section 10.1. Term. - This Agreement shall continue and remain in effect for a period of thirty (30) years from the date of the Order of the Florida Public Service Commission approving this Agreement.

ARTICLE XI

EXECUTION OF AGREEMENT

Section 11.1. IN WITNESS WHEREOF, this Agreement has been caused to be executed in duplicate by the CITY in its name by its Mayor, having previously been duly adopted by the CITY Commission on the 4TH day of October, 1989 and its corporate seal hereto affixed and attested by the Treasurer-Clerk of the CITY, and by TALQUIN in its name by its President, and duly approved by its Board of Trustees, its corporate seal hereto affixed and attested by its Secretary, on the day and year first

above written; and one of said duplicate copies has been delivered to each of the parties hereto.

CITY OF TALLAHASSEE

ATTEST:

[Signature]
Treasurer-Clerk

By [Signature]
Mayor

[Signature]
City Manager

[Signature]
Witness

APPROVED AS TO FORM

(SEAL)

[Signature]
JAMES R. ENGLISH
CITY ATTORNEY

TALQUIN ELECTRIC COOPERATIVE, INC.

ATTEST:

[Signature]
Secretary

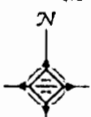
By [Signature]
President

[Signature]
General Manager

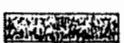
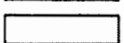
[Signature]
Witness

(SEAL)

APPROVED BY CITY COMMISSION
October 4, 1989





































TALQUIN ELECTRIC COOPERATIVE, INC.
AND
CITY OF TALLAHASSEE, FLORIDA
RETAIL ELECTRIC SERVICE ZONES
EXHIBIT A

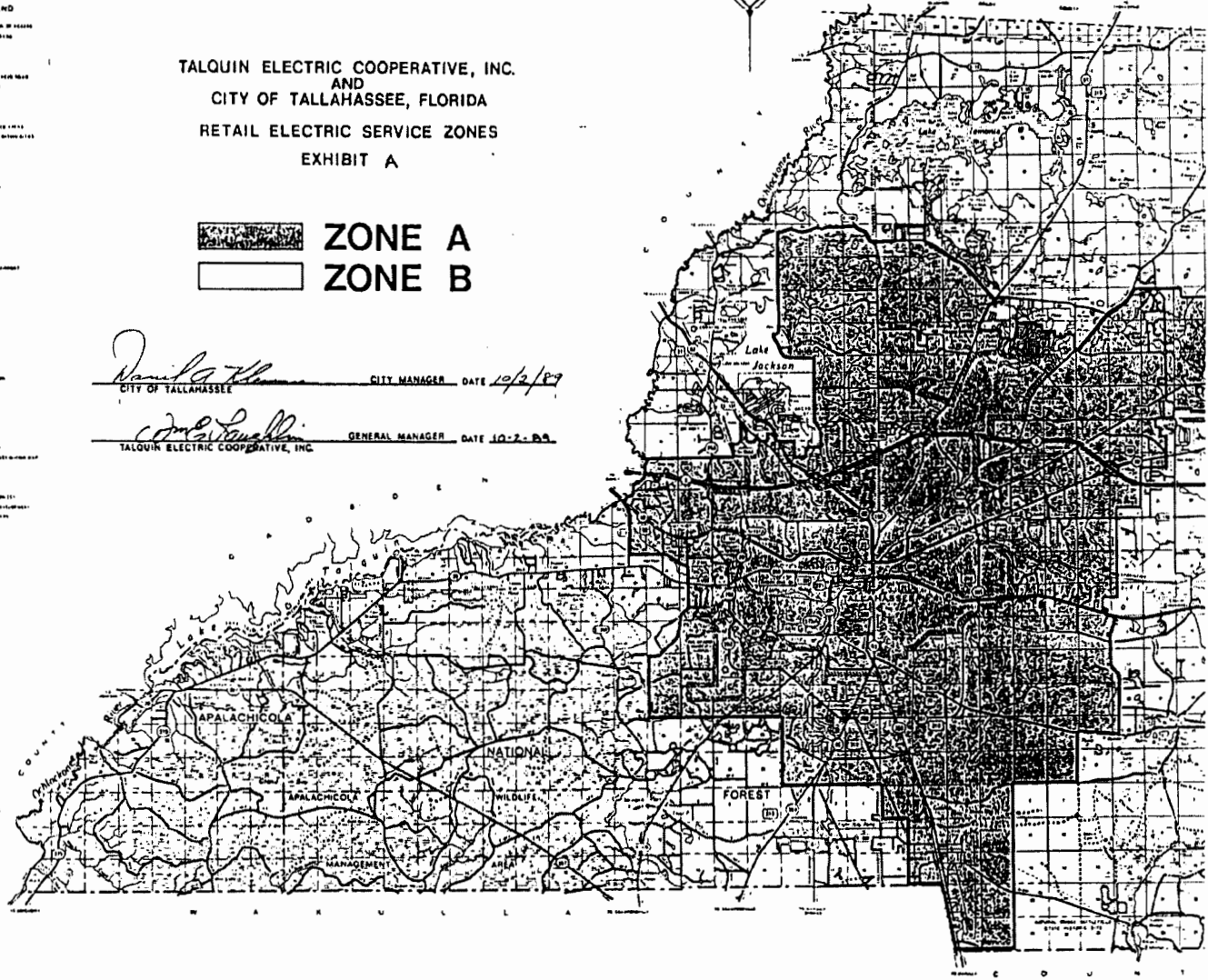
 **ZONE A**
 **ZONE B**

Daniel A. ...
CITY MANAGER DATE 10/2/89
CITY OF TALLAHASSEE

James ...
GENERAL MANAGER DATE 10-2-89
TALQUIN ELECTRIC COOPERATIVE, INC.

GENERAL LEGEND

-  ELECTRIC POWER LINES
-  TELEPHONE LINES
-  GAS LINES
-  WATER LINES
-  SEWER LINES
-  FIRE HYDRANTS
-  STREETLIGHTS
-  BUS STOPS
-  SCHOOLS
-  CHURCHES
-  PARKS
-  CEMETERIES
-  INDUSTRIAL AREAS
-  RESIDENTIAL AREAS
-  COMMERCIAL AREAS
-  GOVERNMENT BUILDINGS
-  HOSPITALS
-  LIBRARIES
-  POST OFFICES
-  FIRE STATIONS
-  POLICE STATIONS
-  BUS DEPOTS
-  TRAIN STATIONS
-  AIRPORTS
-  SEAPORTS
-  MARINAS
-  BOAT RAMPS
-  FISHING PIERS
-  PUBLIC DOCKS
-  PRIVATE DOCKS
-  MARINAS
-  BOAT RAMPS
-  FISHING PIERS
-  PUBLIC DOCKS
-  PRIVATE DOCKS



APALACHICOLA
NATIONAL
WILDLIFE
FOREST
COAST

MICCOQUEE, FLA.
1:25,000

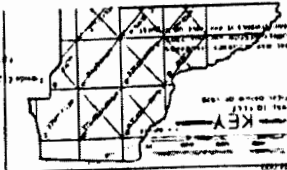
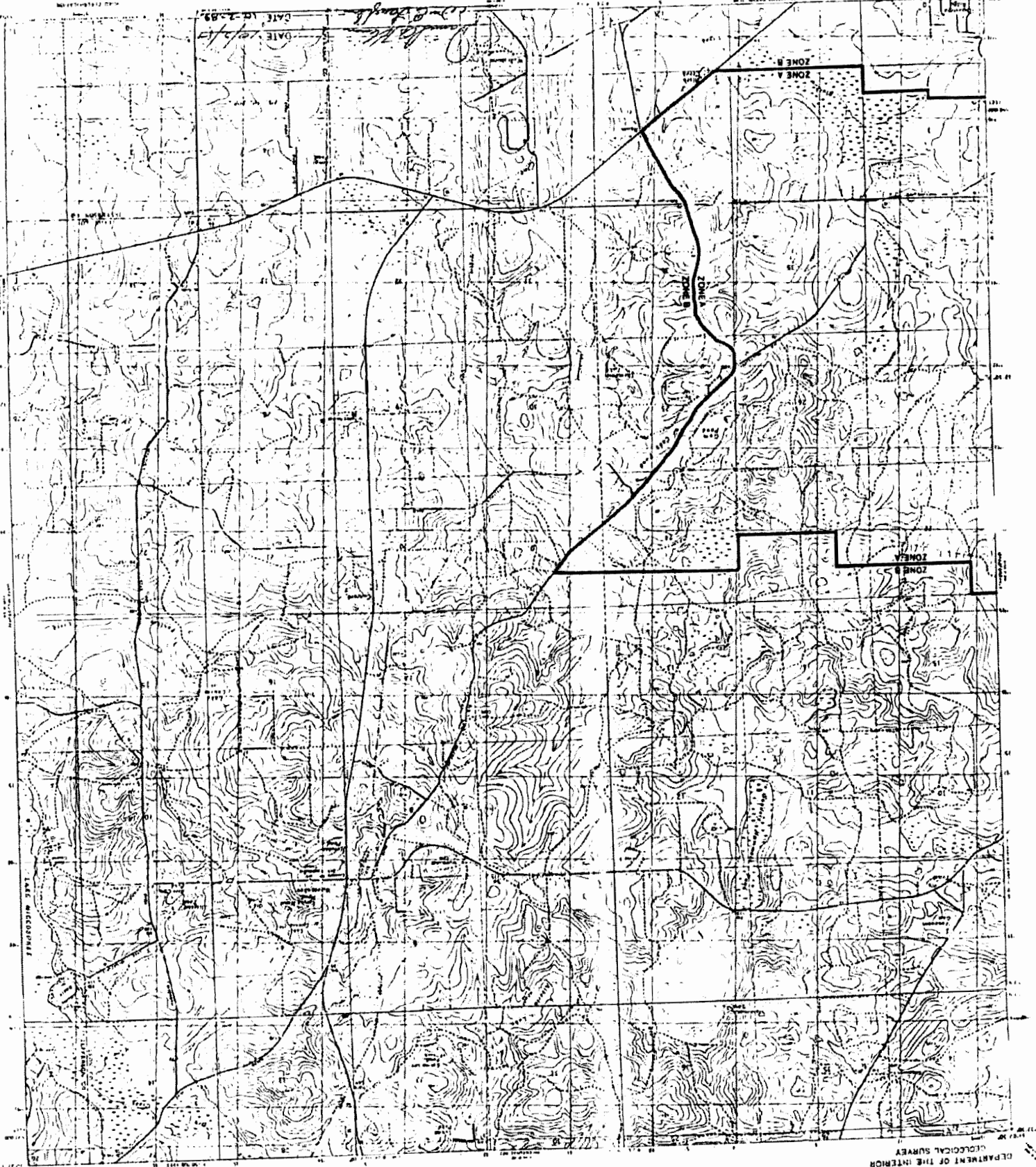


EXHIBIT B

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

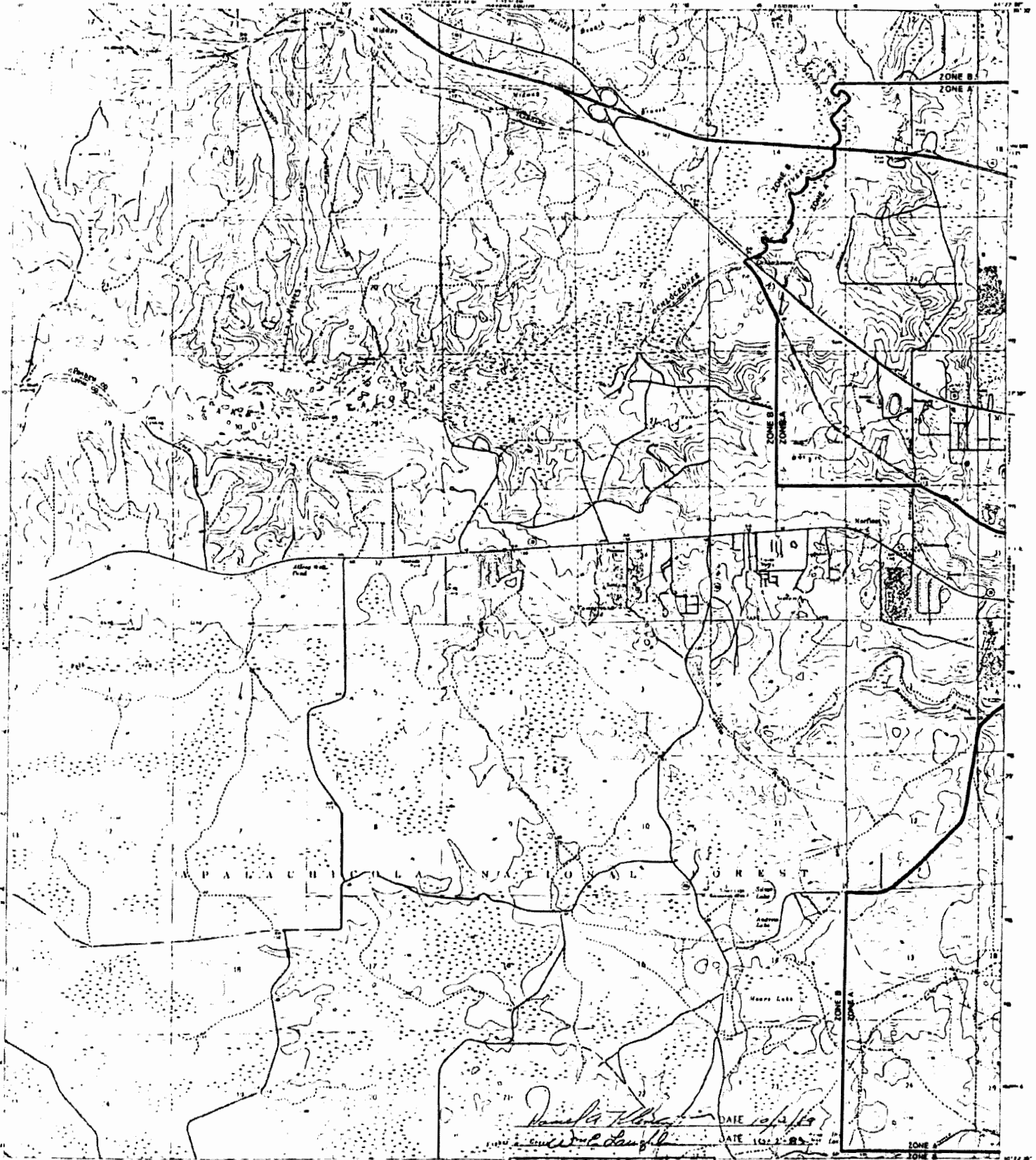
DATE 10/2/89

Handwritten signature



MICCOQUEE QUADRANGLE
1:25,000
U.S. GEOLOGICAL SURVEY

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



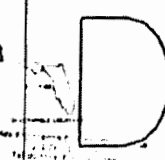
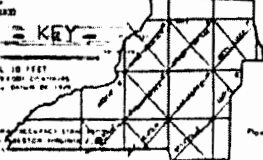
Daniel A. Tolson DATE 10/1/49
Charles D. Langford DATE 10/2/49

1. This map is based on the original survey data...
2. The contour interval is 10 feet...
3. The map is based on the original survey data...
4. The map is based on the original survey data...
5. The map is based on the original survey data...

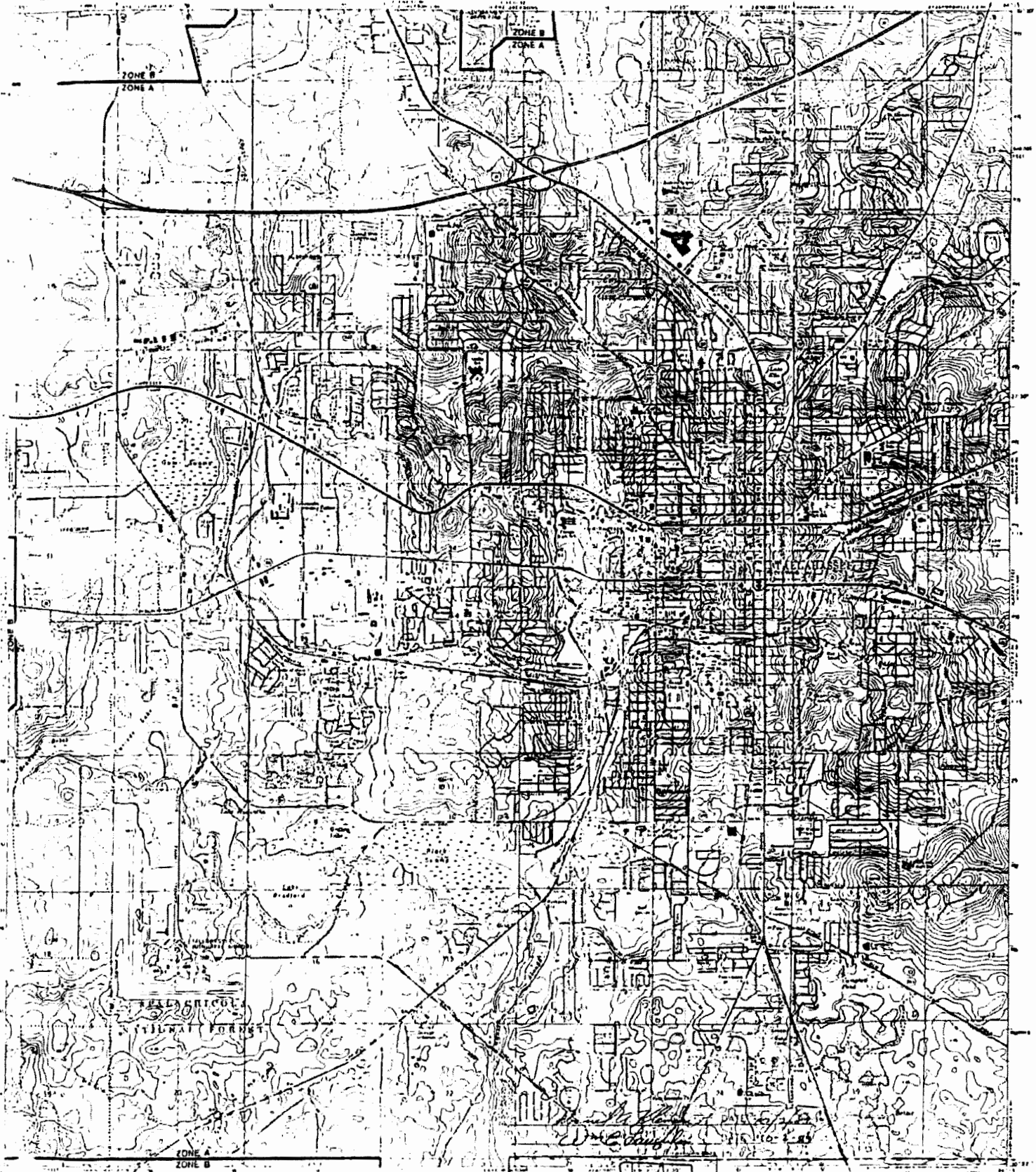


EXHIBIT B

CONTOUR INTERVAL 10 FEET
SCALE 1:62,500
NATIONAL GEODESIC SURVEY
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

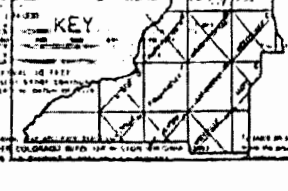


ROAD CLASSIFICATION
Primary Highway
State Road
County Road
Federal Highway
Unimproved Road
Gravel Road
Dirt Road
Light duty road
Medium duty road
Heavy duty road
MIDWAY, FLA
1:62,500 - 40223-1-15
PHOTOGRAPHED 1950



Scale 1:25,000
Projection: U.S. Standard Mercator
Datum: 1911
Contour Interval: 20 feet
Elevation: 100 to 200 feet
Map Date: 1910
Geological Survey, Washington, D.C.

EXHIBIT B
This map shows the location of the Tallahassee National Monument, Florida. The monument is situated in the northern part of the city, near the intersection of the main highway and the railroad. The map also shows the city streets and the surrounding topography.

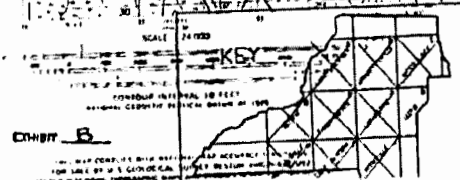


TALLAHASSEE, FLA.
35000 02 17 0215
GPO
WASHINGTON, D. C. 20540
1910



Map published and published by the Geological Survey
in cooperation with State of Florida Dept. of
Highways
Scale on map is 1:25,000
Topography to ground surface, 1:25,000
to Florida Department of Highways, 1:25,000
1952
Map was prepared by the Geological Survey, U.S. Dept. of the Interior, in cooperation with the Florida Department of Highways, Tallahassee, Florida, in 1952.
The ground surface was surveyed by the Florida Department of Highways, Tallahassee, Florida, in 1952.
The map was prepared by the Geological Survey, U.S. Dept. of the Interior, in cooperation with the Florida Department of Highways, Tallahassee, Florida, in 1952.

PERIPHERAL MAP
INFORMATION SHEET



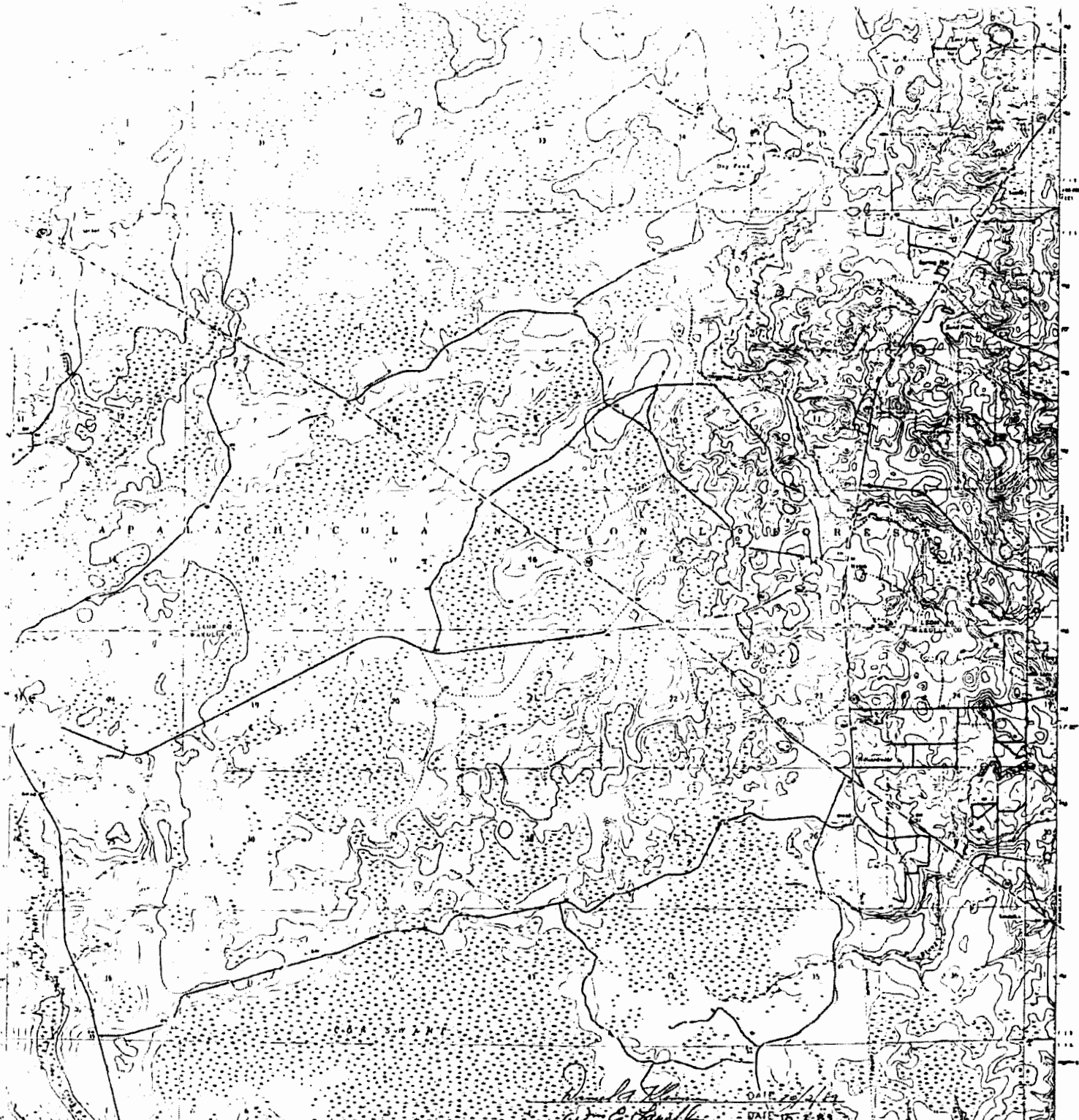
CHIT B

ROAD CLASSIFICATION

1st Class Road	1/4" Blue Line	2nd Class Road	1/8" Blue Line
3rd Class Road	1/16" Blue Line	4th Class Road	1/32" Blue Line
5th Class Road	1/64" Blue Line	6th Class Road	1/128" Blue Line
7th Class Road	1/256" Blue Line	8th Class Road	1/512" Blue Line
9th Class Road	1/1024" Blue Line	10th Class Road	1/2048" Blue Line
11th Class Road	1/4096" Blue Line	12th Class Road	1/8192" Blue Line
13th Class Road	1/32768" Blue Line	14th Class Road	1/65536" Blue Line
15th Class Road	1/131072" Blue Line	16th Class Road	1/262144" Blue Line

Florida Engineering Services Corporation
15 Board Street
Tallahassee, Florida 32303
904 223 1441
MAP AGENT

LLOYD, FLA
410225 000001 1
1957
New York - 100 - 1000000000

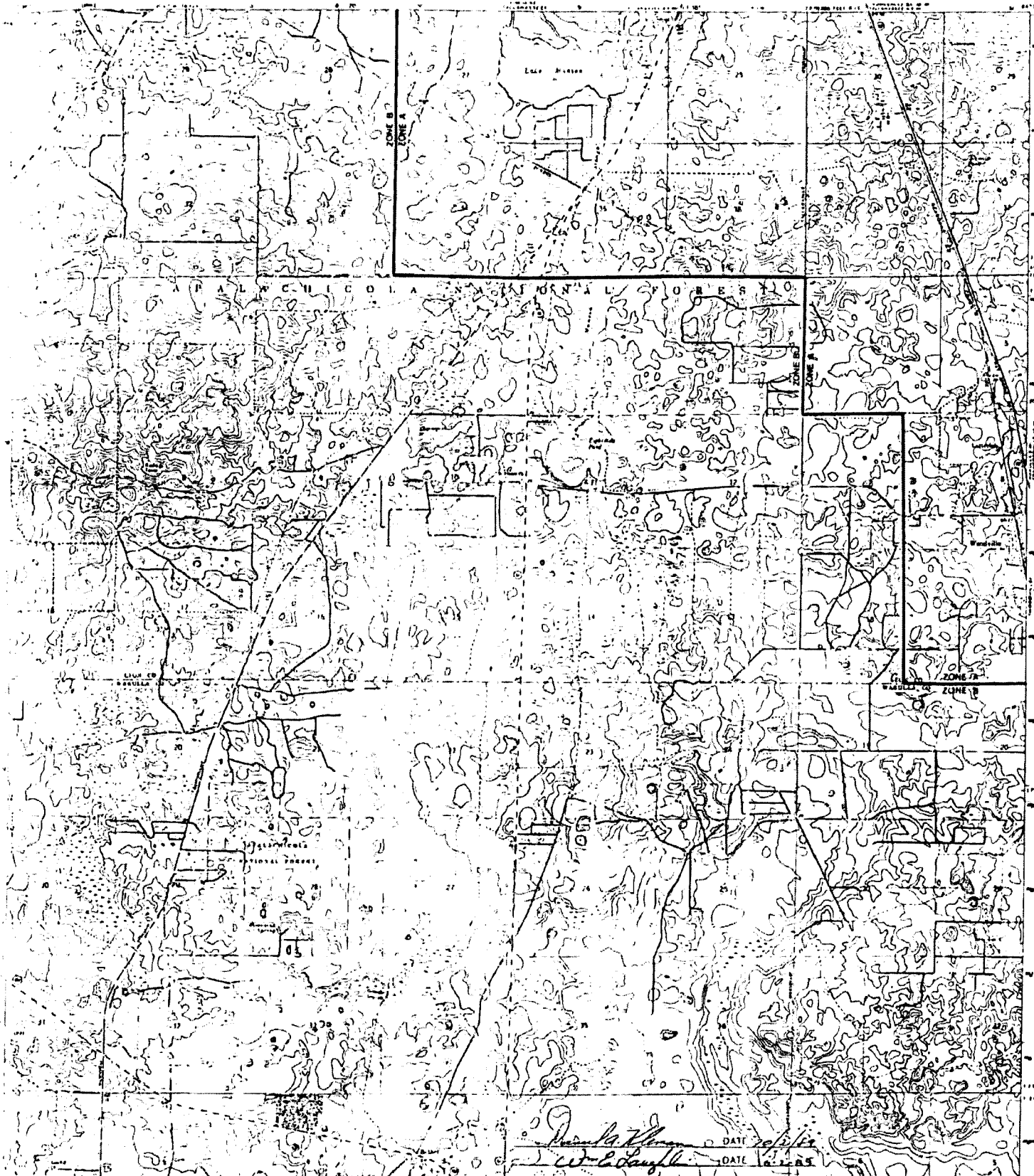


Map of 20415 and adjacent by the Geographical Survey
 Center of USGS and USACE.
 Photographs of photogrammetric method from aerial photos were
 taken March 1961. 1:50,000 scale (1961).
 Additional information: 1967 feature map on section
 10 USGS map of the forest. A large number of stream gages were
 installed. Generalized contours from 10 ft to 100 ft, and 10
 contours in feet.
 Revised contour lines established by ground measurements of
 100 foot contour lines.
 Contour lines shown in solid lines in collaboration with
 USGS. If the map is used for other purposes, please refer to
 1:50,000 scale. This information is for your reference.

PERIPHERAL MAP
 INFORMATION ONLY



ROAD CLASSIFICATION
 Secondary highways as shown Light duty road or similar
 hard surface
 Unimproved road, dirt or
 gravel
 State Road
 HILLIARDVILLE, FLA.
 1:50,000 - 1961
 PHOTOGRAPHED BY 20415
 AND 20416 IN 1961 - SERIES 1961



Map of Lake Munson, Florida, published by the Geological Survey, Department of the Interior, U.S. Geological Survey, Washington, D.C., 1915. This map is a reproduction of the original map published by the Geological Survey, Department of the Interior, U.S. Geological Survey, Washington, D.C., 1915. The map is a reproduction of the original map published by the Geological Survey, Department of the Interior, U.S. Geological Survey, Washington, D.C., 1915. The map is a reproduction of the original map published by the Geological Survey, Department of the Interior, U.S. Geological Survey, Washington, D.C., 1915.

KEY

CHARTERED HIGHWAY 5 FEET
UNCLASSIFIED HIGHWAY 5 FEET

CHART B

THIS MAP SHOWS THE LOCATION OF THE LAKE MUNSON QUADRANGLE IN THE STATE OF FLORIDA. THE LAKE MUNSON QUADRANGLE IS ONE OF THE QUADRANGLES WHICH COMPOSE THE LAKE MUNSON QUADRANGLE.

DATE 10/1/15
DATE 10/1/15

ROAD CLASSIFICATION

Primary Highway
Secondary Highway
Tertiary Highway
Unimproved Road
Interstate Route
U.S. Route
State Road

LAKE MUNSON, FLA.

1915
PHOTOGRAPHED 1915
CLASSIFIED BY 1000

City of Tallahassee -- Talquin Electric
Territorial Boundaries

BEGIN at the southwest corner of Section 6, Township 2 South, Range 1 East, Leon County, Florida; thence North, along the west boundary of said Section 6 to the northwest corner of said Section 6; thence West, along the south boundaries of Sections 36, 35, and 34, Township 1 South, Range 1 West, to the southwest corner of said Section 34; thence North, along the west boundaries of Sections 34 and 27, Township 1 South, Range 1 West, to the northwest corner of said Section 27; thence West, along the south boundaries of Sections 21, 20, and 19, Township 1 South, Range 1 West, to the southwest corner of said Section 19; thence West, along the south boundary of Section 24, Township 1 South, Range 2 West, to the southwest corner of said Section 24; thence North, along the west boundaries of Sections 24 and 13, Township 1 South, Range 2 West, to an intersection with the centerline of Aenon Church Road (County Road 1581); thence, along the centerline of Aenon Church Road Easterly, Northeasterly, and Northerly, to an intersection with the centerline of the CSX Transportation railroad in Section 31, Township 1 North, Range 1 West; thence Northwesterly, along the centerline of said CSX railroad, to an intersection with the south boundary of Section 25, Township 1 North, Range 2 West; thence West, along the south boundaries of Sections 25 and 26, Township 1 North, Range 2 West, to an intersection with the centerline of Geddie Road (County Road 1585); thence North, along the centerline of said Geddie Road, to an intersection with the centerline of the CSX Transportation railroad in Section 23, Township 1 North, Range 2

West; thence Northwesterly, along the centerline of said CSX railroad, to an intersection with the easterly boundary of the Ochlockonee River, in said Section 23; thence Northeasterly, along the easterly boundary of the Ochlockonee River to an intersection with the north boundary of Section 14, Township 1 North, Range 2 West; thence East, along the north boundaries of Sections 14 and 13, Township 1 North, Range 2 West and along the north boundaries of Sections 18 and 17, Township 1 North, Range 1 West, to an intersection with the easterly boundary of the CSX Transportation railroad in Section 8, Township 1 North, Range 1 West; thence Northwesterly, along the easterly boundary of said CSX railroad, to an intersection with the north boundary of that parcel of property described in Official Record Book 1246, Page 1319 of the Public Records of Leon County, Florida; thence Easterly, along the north boundary of said parcel to the most northwesterly corner of that "retention area" identified on the Plat of Plantation Woods, Unit 2, a subdivision as per plat recorded in Plat Book 8, Page 60 of said Public Records; thence Northeasterly along the northwesterly boundary of said "retention area" to the southeast corner of Lot 630 of the Plantation of Florida Pecan Endowment Company, a subdivision as per plat recorded in Plat Book 1, Page 4 of said Public Records; thence Northerly, along the east boundaries of Lots 630, 673, 672, 671, 670, 669 and 668 of said Plantation of Florida Pecan Endowment Company, to the northwesterly corner of Huntington Estates, a subdivision per map recorded in Official Record Book 633, Page 673 with boundaries described in Official Record Book 633, Pages

658 and 659 of said Public Records; thence Easterly, Northeasterly, Southeasterly, Southerly, and Easterly, along the northerly and easterly boundaries of said Huntington Estates, to the northeast corner of Lot 650, also being the southeast corner of Lot 651 of said Plantation of Florida Pecan Endowment Company; thence Northerly, along the east boundary of said Lot 651, to the northeast corner of said Lot 651, also being the northwest corner of Bainbridge Estates, a subdivision as per plat recorded in Plat Book 8, Page 61 of said Public Records; thence Easterly along the north boundary of said Bainbridge Estates to the southwesterly right-of-way boundary of Old Bainbridge Road (County Road 157); thence Southeasterly, along said southwesterly right-of-way boundary, to an intersection with the westerly prolongation of the south boundary of Lot 301 of said Plantation of the Florida Pecan Endowment Company; thence Easterly, along said westerly prolongation and along the south boundaries of Lots 301 and 326 of said Plantation of the Florida Pecan Endowment Company, to the southeast corner of said Lot 326; thence Northerly, along the west boundaries of Lots 327, 324 and 323 of said Plantation of the Florida Pecan Endowment Company, to the northwest corner of said Lot 323; thence Easterly, along the north boundaries of Lots 323, 332, and 333 of said Plantation of the Florida Pecan Endowment Company, to the centerline of State Road 63 (North Monroe Street), said Lots 323, 324, 326, 327 and 332 referenced in Official Record Book 1273, Pages 923 - 926A of said Public Records; thence Southeasterly, along the centerline of said State Road No. 63, to an intersection with the south boundary of Lot

329 of said Plantation of the Florida Pecan Endowment Company; thence East, along the south boundaries of Lots 329, 354, 347, 395, 420, and 397 of said Plantation of the Florida Pecan Endowment Company, to the southeast corner of said Lot 397; thence South, along the east boundaries of Lots 393, 392, 389, 388, 385, 384, and 381 of said Plantation of the Florida Pecan Endowment Company, to the southeast corner of said Lot 381; thence East, along the south boundaries of Lots 461 and 435 and the easterly prolongation of the south boundary of said Lot 435 of said Plantation of the Florida Pecan Endowment Company, to an intersection with the centerline of Doris Drive; thence North and Northeast, along the centerline of Doris Drive, to a westerly prolongation of the north boundary of that parcel of property described as Tracts 1 and 2 in Deed Book 193, Page 321 of said Public Records; thence East, along said westerly prolongation, along the northern boundary, and along the easterly prolongation of the northern boundary of said parcel, to an intersection with the Randolph Meander Line of Lake Jackson; thence Northwesterly, along said Randolph Meander Line of Lake Jackson, to an intersection with the west boundary of Section 11, Township 1 North, Range 1 West; thence North, along the west boundaries of Section 11 and Section 2, Township 1 North, Range 1 West and along the west boundary of Section 35, Township 2 North, Range 1 West, to a point lying 944 feet south of the northwest corner of said Section 35; thence Westerly to the southernmost point of Brill Point in Section 34, Township 2 North, Range 1 West; thence Northwesterly, along the shoreline of Brill Point through the

southwest quarter of Section 27, Township 2 North, Range 1 West into Section 28, Township 2 North, Range 1 West and continuing Northwesterly, Northerly, Northeasterly, Easterly, Southerly, and Northeasterly, along the shoreline of Brill Point and Rollins Point, to an intersection of said shoreline with the west boundary of Section 27, Township 2 North, Range 1 West; thence North, along the west boundaries of Sections 27, 22, 15 and 10, Township 2 North, Range 1 West, to an intersection with the centerline of Orchard Pond Road (County Road 344), thence Easterly, along the centerline of Orchard Pond Road, to an intersection with the centerline of Meridian Road (County Road 155); thence Southeasterly, along the centerline of Meridian Road, to an intersection with the centerline of Bannerman Road (County Road 154); thence Easterly, along the centerline of Bannerman Road, to an intersection with the west boundary of the northeast quarter of Section 7, Township 2 North, Range 1 East; thence North, along the west boundary of said northeast quarter, to the northwest corner of said northeast quarter; thence East, along the north boundaries of Section 7 and 8, Township 2 North, Range 1 East, to an intersection with the centerline of Bull Headly Road; thence South, along the centerline of Bull Headly Road, to an intersection with the centerline of Bannerman Road; thence Southeasterly, along the centerline of Bannerman Road, to an intersection with the centerline of Thomasville Road (U.S. 319 and State Road 61); thence Northeasterly, along the centerline of Thomasville Road, to an intersection with the centerline of Bradfordville Road (County Road 342); thence Southeasterly, along

the centerline of Bradfordville Road, to the northwest corner of that parcel of property described in Official Record Book 1045, Page 1101 of said Public Records; thence, along the western boundary of said parcel, South 01 degree 00 minutes 23 seconds East, 572.68 feet to the southwest corner of said parcel; thence South 01 degree 49 minutes 29 seconds East, 157.47 feet to the northwest corner of the "less and except" 9.15 acre parcel described in Official Record Book 1101, Page 756 of said Public Records; thence along the easterly and southeasterly boundaries of the parcel described in Official Record Book 1101, Pages 754 - 756 of said Public Records as follows: South 01 degree 49 minutes 29 seconds East, 253.95 feet; South 51 degrees 49 minutes 09 seconds West, 497.83 feet to a point on the centerline of a 60.00 foot roadway easement for Velda Wood Drive; thence, leaving the boundary of said parcel, North 38 degrees 10 minutes 51 seconds West, 210 feet; South 51 degrees 49 minutes 09 seconds West, 339.75 feet to a point on the southerly boundary of said parcel; thence along said southerly boundary as follows: North 76 degrees 43 minutes 00 seconds West, 883.79 feet; South 13 degrees 17 minutes 00 seconds West, 210.00 feet to a point on the centerline of said 60.00 foot roadway easement for Velda Wood Drive; thence, leaving the boundary of said parcel, North 76 degrees 43 minutes 00 seconds West along said centerline of Velda Wood Drive to an intersection with the centerline of Thomasville Road; thence Southwesterly, along said centerline, to an intersection with a westerly prolongation of the south boundary of that parcel of property described in Official Record Book 257,

Page 1 of said Public Records; thence Southeasterly, along said westerly prolongation and the south boundary of said parcel, to its southeast corner; thence Northerly, along the east boundary of said parcel, to the northwest corner of the southeast quarter of the northwest quarter of Section 27, Township 2 North, Range 1 East; thence Easterly, along the north boundary of the southeast quarter of the northwest quarter of said Section 27, to the northwest corner of the southwest quarter of the northeast quarter of said Section 27, also being the northwest corner of that parcel of property described in Official Record Book 1312, Page 734 of said Public Records; thence Easterly and Southerly, along the north and east boundaries of said parcel, to the southwest corner of that parcel of property described in Official Record Book 808, Page 645 of said Public Records; thence Easterly, along the south boundary of said parcel to an intersection with the westerly right-of-way boundary of Velda Dairy Road; thence Southwesterly, along the westerly right-of-way boundary of Velda Dairy Road to an intersection with the westerly prolongation of the north boundary of Block AU, Killlearn Acres, Unit 9, a subdivision as per plat recorded in Plat Book 6, Page 14 of said Public Records; thence Northeasterly, along said prolongation and along the north boundary of said Block AU, to the southwest corner of Lot 3, Block AI, Killlearn Acres, Unit 7, a subdivision as per plat recorded in Plat Book 6, Page 6 of said Public Records; thence Northerly, along the westerly boundary of said Killlearn Acres, Unit 7, to the southwest corner of Lot 9, Block AE, of Killlearn Acres, Unit 5, a subdivision as per plat

recorded in Plat Book 5, Page 62, of said Public Records; thence Northerly, along the westerly boundary of lots 9 and 8, Block AE, said Killearn Acres, Unit 5, to the northwest corner of said Killearn Acres, Unit 5; thence East, along the north boundary of said Killearn Acres, Unit 5 and along the north boundary of said Killearn Acres, Unit 7, to the northeast corner of said Killearn Acres, Unit 7; thence Southerly, along the easterly boundary of said Killearn Acres, Unit 7, to a point on the easterly right-of-way boundary of Day Star Court, also being a point on the boundary of Killearn Acres, Unit 4, a subdivision as per plat recorded in Plat Book 5, Page 50 of said Public Records; thence Southerly and Easterly, along the northern boundary of said Killearn Acres, Unit 4, to the northeast corner of said Killearn Acres, Unit 4; thence Southerly, along the east boundary of said Killearn Acres, Unit 4, to the northwest corner of Lot 1, Block Z, Killearn Acres, Unit 1, a subdivision as per plat recorded in Plat Book 5, Page 57 of said Public Records; thence, along the Northerly and Easterly boundaries of said Killearn Acres, Unit 1, to the northeast corner of Lot 3, Block A of said Killearn Acres, Unit 1, also being the northwest corner of Lot 12, Block H, Dublin Downs, Unit 1, a subdivision as per plat recorded in Plat Book 5, Page 2 of said Public Records; thence Easterly, Northerly, Easterly, Southerly, and Easterly along the northern boundary of said Dublin Downs, Unit 1, to the northeast corner of Lot 20, Block H of said Dublin Downs, Unit 1; thence East along a prolongation of the northerly boundary of Lot 20, Block H of said Dublin Downs, Unit 1, to an intersection with the centerline of

Bradfordville Road (County Road 342); thence South, along said centerline of Bradfordville Road, to an intersection with the centerline of Centerville Road (County Road 151); thence Northeasterly, along the centerline of said Centerville Road, to its intersection with the north boundary of Section 20, Township 2 North, Range 2 East; thence East, along the north boundaries of Sections 20, 21 and 22, Township 2 North, Range 2 East, to the northeast corner of the northwest quarter of the northwest quarter of said Section 22; thence South, along the east boundary of the northwest quarter of the northwest quarter of said Section 22, to the southwest corner of the northeast quarter of the northwest quarter of said Section 22; thence East, along the south boundary of the northeast quarter of the northwest quarter, along the south boundary of the north half of the northeast quarter of said Section 22, and along the south boundary of the northwest quarter of the northwest quarter of Section 23, Township 2 North, Range 2 East, to the northwest corner of the southeast quarter of the northwest quarter of said Section 23; thence South, along the west boundary of the southeast quarter of the northwest quarter of said Section 23, to the southwest corner of the southeast quarter of the northwest quarter of said Section 23; thence East, along the south boundary of the southeast quarter of the northwest quarter and along the south boundary of the northeast quarter of said Section 23, to the east boundary of said Section 23; thence North, along the east boundary of said Section 23, to the southwest corner of the north half of the north half of Section 24, Township 2 North, Range 2 East; thence

East, along the south boundary of the north half of the north half of said Section 24, to the east boundary of said Section 24; thence East, along the south boundary of the north half of the north half of Section 19, Township 2 North, Range 3 East, to an intersection with the centerline of Miccosukee Road (County Road 347); thence Southwesterly, along the centerline of said Miccosukee Road, to its intersection with the centerline of Baum Road (Peck and Black Creek Road); thence Southeasterly, along the centerline of said Baum Road, to its intersection with the centerline of U.S. Highway 90 (Jacksonville Highway); thence Southwesterly, along the centerline of said U.S. Highway 90, to an intersection with the south boundary of Section 1, Township 1 North, Range 2 East; thence West, along the south boundaries of Sections 1 and 2, Township 1 North, Range 2 East, to the southwest corner of said Section 2; thence North, along the west boundary of said Section 2, to the northeast corner of that parcel of property described in Official Record Book 1267, Page 732 of said Public Records; thence Westerly, along the north boundary of said parcel, to the northwest corner of said parcel, also being on the east boundary of the southwest quarter of Section 3, Township 1 North, Range 2 East; thence Northerly, along the east boundary of the southwest quarter of said Section 3, to the northeast corner of the south half of the southwest quarter of said Section 3; thence Westerly, along the north boundary of the south half of the southwest quarter of said Section 3, to the west boundary of said Section 3, being within the right-of-way of Chaires Crossroads (County Road 1543); thence

Southerly, along the west boundary of said Section 3, to the southwest corner of said Section 3 and the northeast corner of Section 9, Township 1 North, Range 2 East; thence Westerly along the north boundary of said Section 9 to the northwest corner of the northeast quarter of said Section 9; thence South, along the west boundary the northeast quarter of said Section 9, to the southwest corner of the northwest quarter of the northeast quarter of said Section 9; thence East, along the south boundary of the northwest quarter of the northeast quarter of said Section 9, to the northeast corner of the west half of the southwest quarter of the northeast quarter of said Section 9; thence South, along the east boundary of said west half of the southwest quarter of the northeast quarter of said Section 9, to the southeast corner of said west half of the southwest quarter of the northeast quarter of said Section 9; thence East, along the south boundary of the northeast quarter of said Section 9, to the northeast corner of the west half of the southeast quarter of said Section 9; thence South, along the east boundary of said west half of the southeast quarter of said Section 9 and the east boundary of the west half of the northeast quarter of Section 16, Township 1 North, Range 2 East, to the southeast corner of said west half of the northeast quarter of said Section 16; thence West, along the south boundary of the north half of said Section 16, to the west boundary of said Section 16; thence South, along the west boundary of said Section 16 and along the east boundary of Section 20, Township 1 North, Range 2 East, to the southeast corner of the northeast quarter of the southeast quarter of said

Section 20; thence West, along the south boundary of the north half of the south half of said Section 20, to the northeast corner of the southwest quarter of the southwest quarter of said Section 20; thence South, along the east boundary of the southwest quarter of the southwest quarter of said Section 20, to the south boundary of said Section 20; thence South, along the east boundaries of the west half of the west half of Sections 29 and 32, Township 1 North, Range 2 East and along the east boundary of the west half of the west half of Section 5, Township 1 South, Range 2 East, to the north boundary of the southwest quarter of said Section 5; thence West, along said north boundary of the southwest quarter of said Section 5 and along the north boundary of the southeast quarter of Section 6, Township 1 South, Range 2 East, to the northwest corner of the northeast quarter of the southeast quarter of said Section 6, said corner also being the northwest corner of that parcel of property described in Official Record Book 1368, Page 2055, of said Public Records; thence Southerly, Southeasterly, and Southerly, along the westerly and southwesterly boundaries of said parcel and a southerly prolongation thereof, to an intersection with the centerline of U.S. Highway 27 South (State Road 20); thence Southeasterly, along the centerline of said U.S. Highway 27 South, to an intersection with the centerline of Williams Road; thence Southerly, along the centerline of Williams Road through Sections 8 and 17, Township 1 South, Range 2 East and continuing Southerly along the centerline of Williams Road as it runs south and on a southerly prolongation of said centerline along the east

boundary of the west half of the west half of Sections 20 and 29, Township 1 South, Range 2 East, to an intersection with the centerline of Tram Road (County Road 259); thence Westerly, along the centerline of Tram Road, to an intersection with the east boundary of Section 25, Township 1 South, Range 1 East; thence South, along the east boundaries of Sections 25 and 36, Township 1 South, Range 1 East, to the southeast corner of said Section 36; thence West, along the south boundaries of Sections 36 and 35, Township 1 South, Range 1 East, to the northeast corner of Section 3, Township 2 South, Range 1 East; thence South, along the East boundaries of Sections 3, 10, 15, 22, and 27, Township 2 South, Range 1 East, to the southeast corner of said Section 27 on the Leon-Wakulla County Line; thence, following the Leon-Wakulla County Line as follows: West, along the South boundaries of Sections 27 and 28, Township 2 South, Range 1 East, to an intersection with the centerline of the railroad leading from Tallahassee to St. Marks (now abandoned); thence Northwesterly, along said railroad centerline to the south boundary of Section 17, Township 2 South, Range 1 East; thence West, along the south boundaries of Sections 17 and 18, Township 2 South, Range 1 East, to the southwest corner of the east half of the east half of said Section 18; thence, departing the Leon-Wakulla County Line, North, along the west boundaries of the east half of the east half of said Section 18 and the east half of the east half of Section 7, Township 2 South, Range 1 East, to the south boundary of Section 6, Township 2 South, Range 1 East; thence West, along the south boundary of said Section 6, to the southwest corner of said Section 6, being the POINT OF BEGINNING.

References to roads, railroads, creeks, rivers, and shorelines in the above description are as such exist on the effective date of this Agreement.

The Territorial Agreement dated October 11, 1989 shall not act as a release or discharge of any claims of TALQUIN ELECTRIC COOPERATIVE for attorneys fees in Circuit Court Case No. 88-4490 and District Court of Appeal Case No. 89-474 in which the Circuit Court has retained jurisdiction for the purposes of determining attorneys fees pursuant to the provisions of F.S. 171.081.

This Agreement shall survive the execution and approval of the Territorial Agreement between the parties dated October 11, 1989 and in the event of conflict therewith, this document shall control.

CITY OF TALLAHASSEE

ATTEST:

[Signature]
Treasurer-Clerk
APPROVED AS TO FORM

[Signature]
JAMES R. ENGLISH
CITY ATTORNEY

Constance J. Melton
Witness

By:

[Signature]
Mayor

[Signature]
City Manager

(SEAL)

TALQUIN ELECTRIC COOPERATIVE, INC.

ATTEST:

[Signature]
Secretary

[Signature]
Witness

By:

[Signature]
President

[Signature]
General Manager

(SEAL)

T/0024T/1
09/29/89

TALQUIN ELECTRIC COOPERATIVE, INC.

15 YEAR TRANSFER OF FACILITIES

LISTING OF ANNUAL TRANSFER UNITS

YEAR OF TRANSFER: 1989

EXHIBIT D

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
STONEGATE	I7-69	I7-69-5
ANNAWOOD (WOODVILLE HWY)	H2-188-8-C	H2-188-18-C
BANNERMAN RD.	P2-10-1	P2-10-9
BANNERMAN RD.	P2-9-1	P2-9-2
BANNERMAN RD.	P2-12-1	P2-12-6
BANNERMAN RD.	P2-3-A-1	P2-3-A-11
MERIDIAN ROAD	ROSEHILL	
MERIDIAN ROAD	OX BOTTOM MANOR	
TRAM RD.	G5-137-19-R-6	G5-137-19-R-7
TRUCK ROUTE EAST	H2-165-71	H2-165-77
TRUCK ROUTE EAST	H2-165-77-1	H2-165-77-37
TRUCK ROUTE EAST	H2-165-37	H2-165-70
TRUCK ROUTE EAST	H2-165-70-1	H2-165-70-23
TRUCK ROUTE SO.	H2-165-1	H2-165-36
BUCK LAKE RD.	AVONDALE	

YEAR OF TRANSFER: 1990

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
BANNERMAN RD.	P3-16-1	P3-16-2
BANNERMAN RD.	P3-12-1	P3-12-13
BANNERMAN RD.	P3-28-L-1	P3-28-L-1
BLOUNTSTOWN HWY.	J2-13-33	J2-13-49
BLOUNTSTOWN HWY.	J1-41-1	J1-41-14
BUCK LAKE RD.	G3-91-15	G3-91-40
OLD ST. AUGUSTINE RD.	G2-69-42	G2-69-86
TRUCK ROUTE WEST	J2-8-1	J2-88-21
U.S. 90 WEST	J2-13-1	J2-13-32
ROBERTS RD.	NORTHSHIRE	

YEAR OF TRANSFER: 1991

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
FRED GEORGE RD.	J3-15-19-1	J3-15-19-5
FRED GEORGE RD.	J3-15-16	J3-15-19
FRED GEORGE RD.	J3-15-20	J3-15-33
TRUCK ROUTE WEST	J1-19-1	J1-19-4
TRUCK ROUTE WEST	J2-27-1	J2-27-14

TALQUIN ELECTRIC COOPERATIVE, INC.

15 YEAR TRANSFER OF FACILITIES

LISTING OF ANNUAL TRANSFER UNITS

TRUCK ROUTE WEST	J1-42	J1-42
TRUCK ROUTE WEST	J2-14	J2-27
TRUCK ROUTE WEST	J1-32	J1-41
TRUCK ROUTE WEST	J1-31-A-1	J1-31-A-8
TRUCK ROUTE WEST	J1-20	J1-31-A
TRUCK ROUTE WEST	J2-28	J2-42
TRUCK ROUTE WEST	J2-9	J2-13
TRUCK ROUTE WEST	J2-1	J2-8
TRUCK ROUTE WEST	J1-1	J1-19
U.S. 27 NORTH	T3-63-1	T3-63-7

YEAR OF TRANSFER: 1992

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
GEARHART RD.	J4-1	J4-50
MICCOSUKEE RD.	IS-114	IS-117
MICCOSUKEE RD.	IS-84	IS-113-10
MICCOSUKEE RD.	IS-132-1	IS-132-1
MICCOSUKEE RD.	IS-113-11-5	IS-113-11-10
MICCOSUKEE RD.	IS-117-7-1	IS-117-7-2
MICCOSUKEE RD.	IS-117-2-1	IS-117-2-3
OLD BAINBRIDGE RD.	J3-15-34	J3-15-50-17
TRUCK ROUTE WEST	J3-15-15-L-5	J3-15-15-L-5
TRUCK ROUTE WEST	J3-1	J3-15-15
TRUCK ROUTE WEST	Q2-47-9-19	Q2-47-9-32
TRUCK ROUTE WEST	OAK CITY SUBSTATION	
TRUCK ROUTE SO.	H2-147-1	H2-147-15
TRUCK ROUTE SO.	H2-128-1	H2-128-22

YEAR OF TRANSFER: 1993

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
BUCK LAKE RD.	G3-35-7-1	G3-35-7-9
CHAIRES CROSSROADS	G4-32-9-R-2	G4-32-9-R-5
CHAIRES CROSSROADS	G4-60-7-3	G4-60-7-4
CHAIRES CROSSROADS	G4-45-4	G4-45-21
OLD ST. AUGUSTINE RD.	G2-69-41-2	G2-69-41-7
OLD ST. AUGUSTINE RD.	G2-69-35	G2-69-41-1
U.S. 27 SOUTH	G2-69-30-5	G2-69-30-25
U.S. 27 SOUTH	G2-69-30-4-A-1	G2-69-30-4-A-4
U.S. 27 SOUTH	G2-69-30-3-R-4	G2-69-30-3-9
CROSSWAY ROADS	H2-166	H2-174-R-7
CROSSWAY ROADS	H2-174-1	H2-174-20

TALQUIN ELECTRIC COOPERATIVE, INC.

15 YEAR TRANSFER OF FACILITIES

LISTING OF ANNUAL TRANSFER UNITS

YEAR OF TRANSFER: 1994

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
LAKE BRADFORD AREA	H1-101-1	H1-102
LAKE BRADFORD AREA	H1-53	H1-83
LAKE BRADFORD AREA	H1-87	H1-101
LAKE BRADFORD AREA	H1-84	H1-86
LAKE BRADFORD AREA	H1-86-1	H1-86-18

YEAR OF TRANSFER: 1995

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
CRAW. HWY & WAK. SPR. RD.	B2-118	B2-136
SPRINGHILL RD. SO.	H2-112-1	H2-112-29
SPRINGHILL RD. SO.	H2-112-30-2	H2-112-30-15
TRUCK ROUTE SO.	H2-113	H2-128
TRUCK ROUTE SO.	H2-148	H2-165
TRUCK ROUTE SO.	H2-129	H2-147
WOODVILLE AREA	B2-97-1-29-6	B2-97-1-29-14
WOODVILLE AREA	B2-97-1-41-1	B2-97-1-41-1
WOODVILLE AREA	B1-139-L-9	B1-139-L-23
WOODVILLE AREA	B2-97-1-45-3	B2-97-1-45-9

YEAR OF TRANSFER: 1996

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
HIGHWAY 20 WEST	H1-6-1	H1-6-18
SPRINGHILL RD. NO.	H2-112-L-1	H2-112-L-16
TRUCK ROUTE SOUTH	H2-51	H2-112
TRUCK ROUTE WEST	H1-30	H1-52

YEAR OF TRANSFER: 1997

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
CHAIRES CROSSROADS	G4-61	G4-79
CRUMP RD.	I5-61	I5-83

TALQUIN ELECTRIC COOPERATIVE, INC.

15 YEAR TRANSFER OF FACILITIES

LISTING OF ANNUAL TRANSFER UNITS

MOCCASIN GAP RD.	I3-29-1	I3-29-1
MOCCASIN GAP RD.	I3-27-1	I3-27-6
MOCCASIN GAP RD.	I3-33-1	I3-33-2
MOCCASIN GAP RD.	I3-22-R-1	I3-22-R-3
MOCCASIN GAP RD.	I3-32-1	I3-32-8
ROBERTS RD.	I5-1	I5-60-36

YEAR OF TRANSFER: 1998

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
AENON CHURCH RD.	H4-27-1	H4-27-6
AENON CHURCH RD.	H4-27-6-1	H4-27-6-12
BAYHEAD	H4-27-7	H4-27-9

YEAR OF TRANSFER: 1999

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
HIGHWAY 20 WEST	H1-1	H1-6
HIGHWAY 20 WEST	H1-11-1	H1-11-21
HIGHWAY 20 WEST	H1-12	H1-29
HIGHWAY 20 WEST	H1-7	H1-11
TRUCK ROUTE WEST	H2-1	H2-50
U.S. 90 WEST	H4-45-1	H4-45-5

YEAR OF TRANSFER: 2000

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
AENON CHURCH RD.	H3-1	H3-2-9
AENON CHURCH RD.	H4-12-1	H4-12-6
AENON CHURCH RD.	H4-10-A-1	H4-10-A-6
AENON CHURCH RD.	H4-14	H4-27
AENON CHURCH RD.	H4-7-1	H4-7-6
AENON CHURCH RD.	H4-13-1	H4-13-2
U.S. 90 WEST	H4-62-1	H4-62-18

TALQUIN ELECTRIC COOPERATIVE, INC.

15 YEAR TRANSFER OF FACILITIES

LISTING OF ANNUAL TRANSFER UNITS

YEAR OF TRANSFER: 2001

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
AENON CHURCH RD.	H4-28	H4-33
GEARHART RD.	J3-16	J3-33
GEDDIE RD.	H3-42-23-1	H3-42-23-2
U.S. 90 WEST	H4-46	H4-51
U.S. 90 WEST	H4-34	H4-45
U.S. 90 WEST	H4-51-1	H4-51-5-24
U.S. 90 WEST	H4-51-6	H4-51-15
U.S. 90 WEST	H4-63	H4-83-1
U.S. 90 WEST	H4-52	H4-62
HIGHWAY 20 WEST	LAKE BRADFORD SUBSTATION	

YEAR OF TRANSFER: 2002

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
BUCK LAKE RD.	G3-88	G3-91
BUCK LAKE RD.	G3-92	G3-113
BUCK LAKE RD.	G3-50	G3-60
BUCK LAKE RD.	G3-91-1	G3-91-14
BUCK LAKE RD.	G3-78-1	G3-78-15
BUCK LAKE RD.	G3-87-1	G3-87-30
BUCK LAKE RD.	G3-61	G3-78
BUCK LAKE RD.	G3-79	G3-87
BUCK LAKE RD.	G3-60-1	G3-60-3-16
BUCK LAKE RD.	G3-60-4	G3-60-13
BUCK LAKE RD.	G3-91-14-1	G3-91-14-8

YEAR OF TRANSFER: 2003

DESCRIPTION OF ANNUAL TRANSFER UNIT:

LOCATION	FROM POLE #	TO POLE #
BANNERMAN RD.	P3-32	P3-54
MERIDIAN RD.	P3-76-1	P3-76-2
MERIDIAN ROAD	P3-63-1	P3-63-52
MERIDIAN ROAD	P3-63-52-1	P3-63-52-11
MILLER'S LANDING RD.	P3-63-52-12	P3-63-52-56
ORCHARD POND RD.	Q1-22-33-21	Q1-22-33-24-R-8
ORCHARD POND RD.	Q1-22-33-24-1	Q1-22-33-30
OX BOTTOM RD.	P3-63-67-1	P3-63-67-19
OX BOTTOM RD.	P3-63-53	P3-63-67

TALQUIN ELECTRIC COOPERATIVE, INC.

15 YEAR TRANSFER OF FACILITIES

LISTING OF ANNUAL TRANSFER UNITS

OX BOTTOM RD.
OX BOTTOM RD.

P3-63-83
P3-63-68

P3-63-1-11
P3-63-82

EXHIBIT "E"

CITY OF TALLAHASSEE
FACILITIES TO BE TRANSFERRED
TO TALQUIN ELECTRIC COOPERATIVE, INC.

YEAR OF TRANSFER: 1990
DESCRIPTION OF ANNUAL TRANSFER UNIT:

<u>LOCATION</u>	<u>NUMBER OF POLES</u>	<u>PHASES</u>
VELDA DAIRY ROAD	1	1
(taps)	2	1
TISHA DRIVE	6	1
QUAIL RISE	URD	1
CAPITAL CIRCLE NW	35	3
	3	2
	27	1
	URD	1
GEDDIE ROAD	9	3
PARK HILL	28	3
	22	2
	53	1
NATURAL BRIDGE ROAD	131	1

ADDENDUM I TO AGREEMENT

WHEREAS, the CITY OF TALLAHASSEE and TALQUIN ELECTRIC COOPERATIVE, INC. did enter into an AGREEMENT dated October 11, 1989 for the purpose of resolving territorial disputes, avoiding uneconomic duplication of electric services and facilities, and delineating retail service areas between the parties subject to the approval of the Florida Public Service Commission; and

WHEREAS, subsequent to execution of the aforesaid AGREEMENT but prior to approval by the Florida Public Service Commission, the parties, through further negotiations, have mutually determined that certain terms and conditions of the AGREEMENT should be modified prior to approval by the Commission;

NOW, THEREFORE, in fulfillment of the purposes and desires stated in the AGREEMENT and in consideration of the mutual covenants and agreements contained therein and in this ADDENDUM, the parties do hereby agree as follows:

1. Section 2.12 of the AGREEMENT dated October 11, 1989 is modified and amended to provide:

Section 2.12. Adjusted Annual Revenue. - As used herein, the term "ADJUSTED ANNUAL REVENUE" shall mean the sum of the billings, exclusive of taxes, surcharges and/or franchise fees, for electric service to an electric service location for the most recent twelve months in which electric service is actually served to the location, less the sum reflected in said billings of all increases in the cost of electric services to said

location resulting from an increase in the cost of fuel subsequent to October 30, 1988, whether or not such fuel charges are separately stated in the billings and regardless of whether the electricity sold at retail has been purchased at wholesale or generated by the CITY or TALQUIN. In the case of an electric service location billed less than twelve months, ADJUSTED ANNUAL REVENUE shall mean the average of such adjusted monthly billings multiplied by twelve.

2. Section 4.5 of the AGREEMENT dated October 11, 1989 is modified and amended to provide:

Section 4.5. Amount of Payment. - For CUSTOMERS transferred within the calendar years set forth in the table shown below, the party accepting the CUSTOMER shall pay to the party transferring the CUSTOMER an amount equal to the applicable multiplier as set forth and established in the table below times the ADJUSTED ANNUAL REVENUE received for such location.

Calendar Years	Applicable Multiplier of Annual Revenue
1989-1990	2.5
1991	2.4
1992	2.3
1993	2.2
1994	2.1
1995	2.0
1996	1.9
1997	1.8
1998	1.7
1999	1.6
2000	1.5

2001	1.5
2002	1.5
2003	1.5
2004	1.5
2005-each calendar year thereafter	1.0

Proof of the ADJUSTED ANNUAL REVENUES shown on the books and records of the transferring party shall be subject to examination by a Certified Public Accountant selected by the other party. In the event of a dispute as to the amount of any payment due hereunder, the matter shall be settled by three (3) arbitrators, the CITY choosing one (1), TALQUIN choosing one (1), and the two (2) so chosen selecting a third who shall serve as Chairman of the Arbitrators. The decision of the Arbitrators shall be binding on the parties as provided for in the Florida Arbitration Code, Chapter 682, Florida Statutes, 1987. The costs of complying with this section shall be paid by both parties, each party paying 100% of the cost of its chosen arbitrator and 50% of the cost of the third arbitrator.

3. Section 5.7 of the AGREEMENT dated October 11, 1989 is modified and amended to provide:

Section 5.7. Remaining Customers. - When a party's SERVICE FACILITIES have been acquired by the other party as provided for herein, the acquiring party shall serve the other party's REMAINING CUSTOMERS with the same level of service it provides its own CUSTOMERS until such time

as these REMAINING CUSTOMERS are acquired, as provided for in this Agreement, by the party acquiring said facilities. Payment for one party serving the other party's REMAINING CUSTOMERS shall be as provided in accordance with applicable provisions of Article VI of this Agreement. The parties agree that these provisions also apply to each party's REMAINING CUSTOMERS as such CUSTOMERS exist on the effective date of this Agreement. Upon expiration of this Agreement and thereafter, all REMAINING CUSTOMERS of a party being served by the other party shall become CUSTOMERS of the other party providing the service if such CUSTOMER: (a) voluntarily transfers to the party providing service; (b) is replaced by a NEW CUSTOMER at the existing service location; or (c) implements a CHANGE IN USE as defined in Section 2.11 above. If such CUSTOMER voluntarily transfers to the party providing service, the party providing service to such NEW CUSTOMER shall be invoiced and make payment in accordance with Sections 4.5 and 4.6 above. If such CUSTOMER is replaced by a NEW CUSTOMER at the existing service location or implements a CHANGE IN USE as defined in Section 2.11 above, the CUSTOMER shall become a NEW CUSTOMER of the party providing service without payment of compensation. The provisions of Article VI will

remain in full force and effect until there are no REMAINING CUSTOMERS.

4. Section 6.1 of the AGREEMENT dated October 11, 1989 is modified and amended to provide:

Section 6.1. Customer of TALQUIN. - If electric service is provided to a NEW or REMAINING CUSTOMER of TALQUIN in accordance with Section 3.3, 4.3 or 5.7 above, by and through the CITY'S SERVICE FACILITIES or DISTRIBUTION LINES and with electrical power purchased or generated by the CITY, then TALQUIN shall furnish the CITY copies of monthly retail electric billing data for such CUSTOMER and shall pay each month to the CITY an amount equal to 85% of TALQUIN'S appropriate, applicable and effective tariff rates and charges, on file with the Florida Public Service Commission, for the provision of retail electric service; exclusive of taxes, surcharges, franchise fees, and all other miscellaneous fees and charges for such CUSTOMER.

5. Section 6.2 of the AGREEMENT dated October 11, 1989 is modified and amended to provide:

Section 6.2. Customer of the CITY. - If electric service is provided to a NEW or REMAINING CUSTOMER of the CITY in accordance with Section 3.3, 4.3 or 5.7 above, by and through TALQUIN'S SERVICE FACILITIES or DISTRIBUTION LINES and with electrical power purchased

or generated by TALQUIN, then the CITY shall furnish TALQUIN copies of monthly retail electric billing data for such CUSTOMER and shall pay each month to TALQUIN an amount equal to 85% of the CITY's appropriate, applicable and effective tariff rates and charges, on file with the Florida Public Service Commission, for the provision of retail electric service; exclusive of taxes, surcharges, franchise fees, and all other miscellaneous fees and charges for such CUSTOMER.

6. This ADDENDUM shall be executed in accordance with and in the same manner as provided by Article XI of the AGREEMENT dated October 11, 1989, and upon such execution shall become a part thereof.

7. Except as expressly modified by this ADDENDUM, the provisions of the AGREEMENT dated October 11, 1989, including the definitions set forth in Article II thereof, shall remain as written.

IN WITNESS WHEREOF, this ADDENDUM has been caused to be executed in duplicate by the CITY in its name by its Mayor, having previously been duly adopted by the CITY Commission on the 13th day of December, 1989 and its corporate seal hereto affixed and attested by the Treasurer-Clerk of the CITY, and by TALQUIN in its name by its President, and duly approved by its Board of Trustees, its corporate seal hereto affixed and attested by its Secretary, on the day and year first above written; and one

of said duplicate copies has been delivered to each of the parties hereto.

ATTEST:

CITY OF TALLAHASSEE

Bob [Signature]
Treasurer-Clerk
James Maxwell
Witness

By: *Dorothy Timson*
Mayor
Walter A. Klem
City Manager

(S E A L)

ATTEST:

TALQUIN ELECTRIC COOPERATIVE, INC.

William Lewis
Secretary
Bessie L. Strickland
Witness

By: *Colin English*
President
James Laughlin
General Manager

(S E A L)

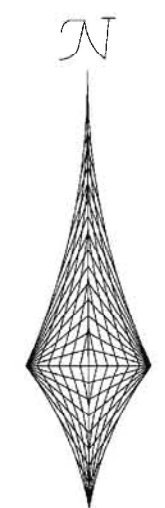
APPROVED BY CITY COMMISSION
12/13/89

APPROVED
TALQUIN ELECTRIC COOPERATIVE, INC.

12-20-89

EXHIBIT C

G E O R G I A



GENERAL LEGEND

- INTERSTATE HIGHWAY
- DIVIDED U.S. HIGHWAY
- DIVIDED STATE HIGHWAY
- DIVIDED COUNTY HIGHWAY
- LOCAL DIVIDED ROAD
- U.S. HIGHWAY
- STATE HIGHWAY
- COUNTY HIGHWAY
- LOCAL HARD SURFACE ROAD
- LOCAL IMPROVED SURFACE ROAD
- LOCAL UNIMPROVED SURFACE ROAD
- PRIVATE ROAD
- INTERSTATE ROUTE
- U.S. ROUTE
- STATE ROUTE
- DIVISION OF PLANNING ROUTE DESIGNATION
- COUNTY ROUTE
- RAILROAD TRACK
- RAILROAD STATION
- GRADE CROSSING
- RAILROAD BELOW
- LANDING AREA OR STRIP
- COMMERCIAL OR MUNICIPAL AIRPORT
- RIVER
- CANAL OR DRAINAGE DITCH
- NARROW STREAM
- WIDE STREAM
- DAM OR SPILLWAY
- LAKE, RESERVOIR OR POND
- INTERMITTENT POND
- MEANDERED LAKE
- MARSH OR SWAMP
- HIGHWAY BRIDGE
- HIGHWAY GRADE SEPARATION
- STATE BOUNDARY LINE
- COUNTY BOUNDARY LINE
- CIVIL TOWNSHIP BOUNDARY
- SECTION LINE
- FORBES' PURCHASE LINE
- SURVEY BY OTHERS
- STATE FOREST
- PARK OR RECREATIONAL AREA
- INCORPORATED AREA
- STATE CAPITAL
- OTHER CITY OR VILLAGE
- TALLAHASSEE - ST. MARKS HISTORIC RAILROAD STATE PARK
- WAYSIDE PARK OR SMALL PARK
- SMALL COUNTY PARK
- PARK WITH BOAT RAMP
- COUNTY PARK WITH BOAT RAMP
- BOAT RAMP
- RECREATIONAL AREA OR HISTORIC SITE
- POST OFFICE
- SCHOOL
- CHURCH
- CEMETERY
- CHURCH WITH CEMETERY
- TOLL HOUSE OR WEIGHT STATION
- MINE OR QUARRY
- FIRE STATION
- SOLID WASTE MANAGEMENT FACILITY
- POWER PLANT
- POWER SUBSTATION
- COMMUNICATIONS FACILITY
- LOCKED GATE OR FENCE
- TRIANGULATION STATION
- LOCATION OF SYMBOL
- COT ELECTRIC SERVICE AREA
- TALQUIN ELECTRIC SERVICE AREA

This map was compiled from U.S. Geological Survey quadrangle maps, Florida Dept. of Transportation aerial photography completed Feb. 2000, General Land Office plats, inventory surveys and other available map data.

This map was compiled using interactive computer graphic methodologies.

This map was prepared on the Lambert conformal conic projection, 1983 North American Datum, Florida system of coordinates, North Zone.

The railroad stations on this map do not necessarily denote the presence of a depot or like facility. It may be only a point, such as a platform or siding, designated for the receipt or delivery of freight.

No attempt has been made to show all drainage canals or ditches.

All populations are taken from the 2000 United States Census. In 2000 the population of Leon County was 239,452. There are 885 square miles in the county.

No claim is made for the basic cartographic source material taken from a work or works of the United States Government.

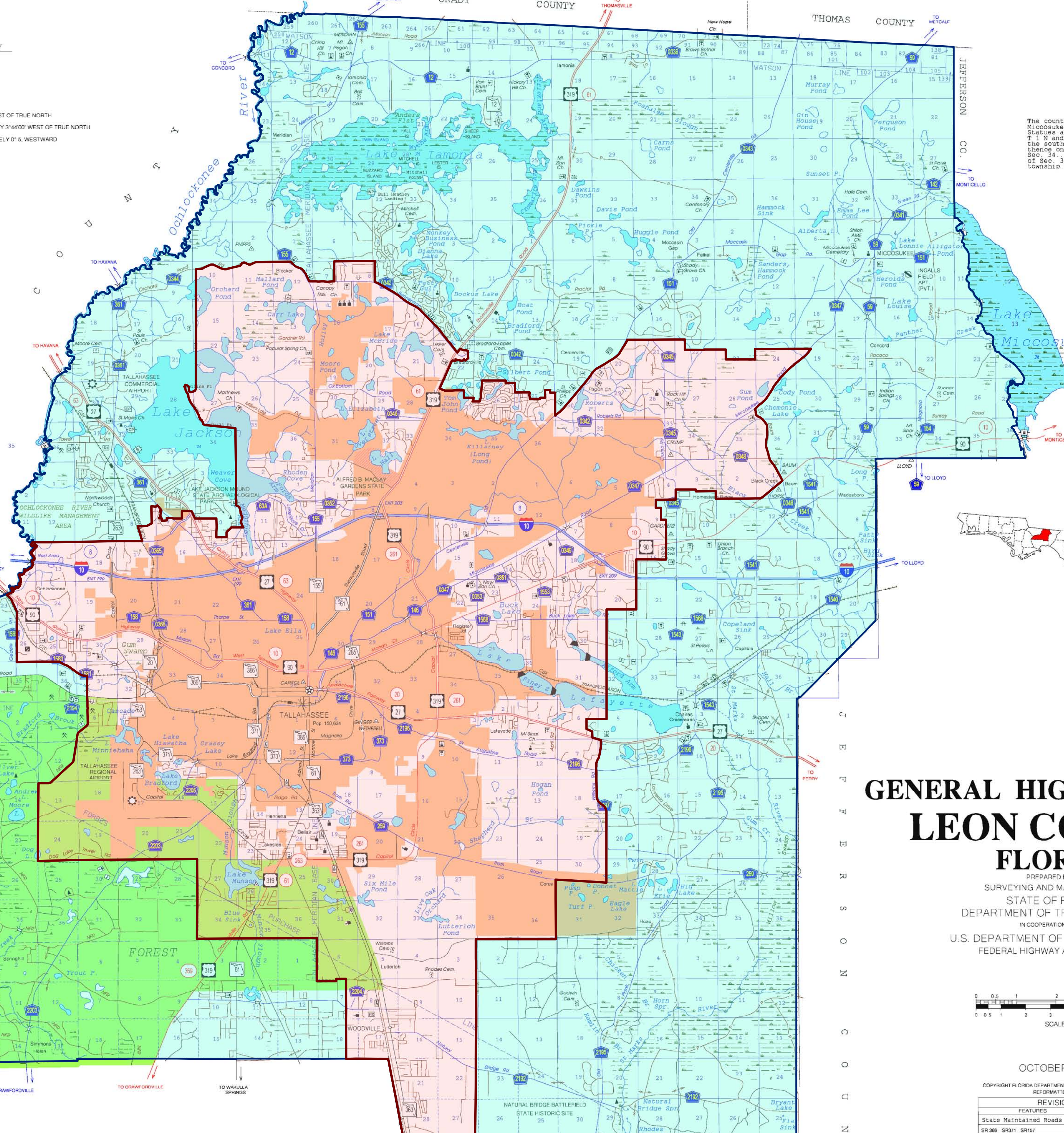
Due to the scale of this map, the Florida Department of Transportation assumes no responsibility for inaccuracies in road alignments, configurations of intersections or other related data.

Corporate boundaries are determined using all available descriptions at the date of revision. The Florida Department of Transportation Surveying and Mapping Office is not responsible for inaccuracies resulting from unknown or unobtainable information.

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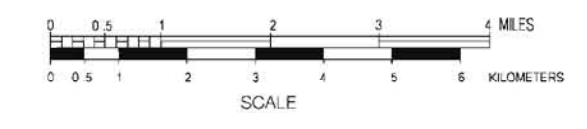
For the price and availability of this map, contact Maps and Publications, Florida Department of Transportation, Tallahassee, FL 32399-0450. Phone (850) 414-4050.

GRID NORTH AT TALLAHASSEE (30°00' EAST OF TRUE NORTH) IN OCTOBER 2002 MAGNETIC NORTH IS APPROXIMATELY 1°40' WEST OF TRUE NORTH ANNUAL MAGNETIC CHANGE IS APPROXIMATELY 0.5 WESTWARD



GENERAL HIGHWAY MAP LEON COUNTY FLORIDA

PREPARED BY THE
SURVEYING AND MAPPING OFFICE
STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
IN COOPERATION WITH THE
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION



OCTOBER, 2002

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REFORMATTED 2005

REVISIONS	
FEATURES	DATE
State Maintained Roads	October 2002
SR 266, SR 51, SR 517	MAY 2010

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **Joint Petition for Approval of Amendment to Territorial Agreement** was served by Electronic Delivery this 11th day of September, 2014, to the following:

J.R. Kelly, Public Counsel
Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400

s/Charles A. Guyton
Charles A. Guyton

WPB_ACTIVE 6029881.3