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IN REPLY REFER TO:

Ansley Watson, Jr.
P.O. Box 1531
Tampa, Florida 33601
e-mail: aw@macfar.com

March 4, 2016

VIA E-PORTAL FILING

Carlotta S. Stauffer, Director
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

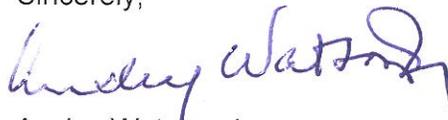
Re: Joint Petition for approval of amendment to territorial agreement in Pasco County, by Peoples Gas System and the City of Clearwater, d/b/a Clearwater Gas System

Dear Ms. Stauffer:

Attached for filing with the Commission on behalf of Peoples Gas System and the City of Clearwater, d/b/a Clearwater Gas System, please find the Joint Petition referenced above.

Thank you for your usual assistance.

Sincerely,



Ansley Watson, Jr.

AWjr/a
Enclosures

cc: William J. Peebles, Esquire
Mr. Chuck Warrington
Ms. Kandi M. Floyd

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Joint Petition for approval of	:	DOCKET NO.
amendment to territorial agreement	:	
in Pasco County, by Peoples Gas	:	Submitted for Filing:
System and the City of Clearwater,	:	3-4-16
d/b/a Clearwater Gas System.	:	
_____	:	

JOINT PETITION

Petitioners, Peoples Gas System (“Peoples”) and the City of Clearwater, d/b/a Clearwater Gas System (“Clearwater Gas”), by their respective undersigned attorneys and pursuant to Section 366.04(3)(a), *Florida Statutes*, and Rule 25-7.0471, *Florida Administrative Code*, jointly file this petition for an order approving an amendment to the territorial agreement between Peoples and Clearwater Gas, said amendment being attached hereto as Exhibit 1, and in support thereof state as follows:

1. The names and mailing addresses of the petitioners are:

Peoples Gas System	Clearwater Gas System
P. O. Box 111	400 North Myrtle Avenue
Tampa, Florida 33601-0111	Clearwater, Florida 33755

2. The names and mailing addresses of the persons authorized to receive

notices and communications with respect to this petition are:

Ansley Watson, Jr.	Ms. Paula K. Brown
Andrew M. Brown	Regulatory Affairs
Macfarlane Ferguson & McMullen	Peoples Gas System
P. O. Box 1531	P. O. Box 111
Tampa, Florida 33601-1531	Tampa, Florida 33601-0111

Ms. Kandi M. Floyd
Manager – State Regulatory
Peoples Gas System
P. O. Box 111
Tampa, Florida 33601-0111

William J. Peebles, P.A.
Peebles & Smith, LLC
P. O. Box 10930
Tallahassee, Florida 32301

Chuck Warrington
General Manager
Clearwater Gas System
400 North Myrtle Avenue
Clearwater, Florida 33755

BACKGROUND

3. In 1994, in Docket No. 940660-GU, PGS initiated a territorial dispute against Clearwater Gas because of the plans of both parties to expand their natural gas distribution facilities in Pasco County. The parties ultimately resolved that territorial dispute through a comprehensive territorial agreement defining the service areas of the parties within Pasco County (the "1995 Agreement").

4. The Commission approved the 1995 Agreement in Order No. PSC - 95-0620-AS-GU, entered May 22, 1995, finding that "the territorial agreement is in the public interest, and its adoption will further our longstanding policy of avoiding unnecessary and uneconomic duplication of facilities." The 1995 Agreement is appended to the referenced order as Attachment A (pages 9 through 23 of the order).

5. Since the approval of the 1995 Agreement the parties have provided natural gas service within their respective territories pursuant to the terms of the agreement and there has, in fact, been no unnecessary and uneconomic duplication of facilities.

6. During 2004, natural gas service was requested to areas allocated by the 1995 Agreement to Peoples, but located adjacent to territory allocated by the agreement to Clearwater Gas. Because of the way in which the facilities of the two parties had developed, it was more economical for Clearwater Gas to provide service to these proposed developments, and the parties sought the Commission's approval of an

amendment to the 1995 Agreement to permit such service by Clearwater Gas. The amendment was approved by the Commission's Order No. PSC-05-0163-PAA issued on February 10, 2005, in Docket No. 041385-GU, which order thereafter became final and effective. The amendment is appended to the referenced order as Attachment A (pages 4 through 9 of the order).

7. Thereafter, natural gas service was requested by another proposed development lying between the two developments that prompted the amendment to the 1995 Agreement approved in Docket No. 041385-GU. Particularly in view of that amendment, it was again more economical for Clearwater Gas to provide service to this proposed development. The parties entered into the Second Amendment to the 1995 Agreement, which was approved by the Commission's Order No. PSC-06-0052-PAA-GU, issued January 20, 2006, in Docket No. 050877-GU. The amendment is appended to the referenced order as Attachment A (pages 5 through 11 of the order).

8. In September 2014, Clearwater Gas entered into a Developer Agreement for Natural Gas Distribution Service with SR 54 Land Associates, LLC, pursuant to which Clearwater Gas agreed to install natural gas distribution facilities for the purpose of providing natural gas service to a mixed use development in Pasco County to be known as Asturia, a portion of which development lies within an area currently reserved to Peoples under the 1995 Agreement, thereby creating a potential territorial dispute between the parties.

9. Peoples and Clearwater Gas have entered into an amendment (the "Third Amendment," a copy being attached to this Joint Petition as Exhibit 1) to the 1995

Agreement (as previously amended and approved) to permit Clearwater Gas to provide service within the Asturia development, and thereby resolve the potential territorial dispute.

Peoples will extend its facilities and install a new interconnect (delivery point) at the SR 54 territorial boundary, and provide wholesale delivery of natural gas to Clearwater Gas to enable it to provide retail gas service to customers in the Asturia development.

RELIEF REQUESTED

10. Petitioners seek the Commission's approval of the Third Amendment to the 1995 Agreement in accordance with Section 366.04(3)(a), *Florida Statutes*, and Rule 25-7.0471, *Florida Administrative Code*.

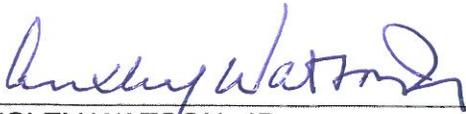
11. The Commission's approval of the Third Amendment is a condition precedent to its effectiveness.

12. Each of Peoples and Clearwater Gas represents that approval and implementation of the Third Amendment to the 1995 Agreement will not cause a decrease in the availability or reliability of natural gas service to existing or future ratepayers of either Peoples or Clearwater Gas.

13. Petitioners submit that the Commission's approval of the Third Amendment will permit the parties to continue to avoid the future uneconomic duplication of facilities, will permit the party best suited to provide service to the development which has recently requested service to provide such service, and is therefore in the public interest.

WHEREFORE, Clearwater Gas and Peoples respectfully request that the Commission enter its order approving and adopting the Third Amendment to the 1995 Agreement.

Respectfully submitted,



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Macfarlane Ferguson & McMullen
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Tampa, Florida 33601-1531
Fax: (813) 273-4396

Attorneys for Peoples Gas System



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Tallahassee, Florida 32302
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E-mail: bill@peebles-smith.com
Fax: (850) 681-7271

Attorneys for Clearwater Gas System

THIRD AMENDMENT TO AGREEMENT

This Third Amendment to Agreement (this "Third Amendment") is made and entered into as of this 18th day of February, 2016, by and between the City of Clearwater, a Florida municipality, d/b/a **Clearwater Gas System** ("Clearwater"), and **Peoples Gas System**, a division of Tampa Electric Company (successor by merger to Peoples Gas System, Inc.), a Florida corporation ("PGS"), to amend certain provisions of the Agreement dated March 17, 1995 between Clearwater and PGS (as heretofore amended, the "Agreement"). Clearwater and PGS are sometimes referred to singularly as "Party" and collectively referred to as "Parties."

W I T N E S S E T H:

WHEREAS, Clearwater and PGS have heretofore entered into the Agreement, a copy of which is attached hereto, for the purpose of avoiding uneconomic duplication of facilities used to provide natural gas service to the public within Pasco County, Florida;

WHEREAS, the Agreement was initially approved by Order No. PSC-95-0620-AS-GU (Docket No. 940660-GU), issued by the Florida Public Service Commission (the "PSC") on May 22, 1995;

WHEREAS, the PSC approved the First Amendment to Agreement dated December 2, 2004, by its Order No. PSC-05-0163-PAA-GU, issued February 10, 2005, and the Second Amendment to Agreement dated November 4, 2005, by its Order No. PSC-06-0052-PAA-GU, issued January 20, 2006; and

WHEREAS, the Parties have determined it is desirable that Clearwater provide Natural Gas service to additional areas lying within a new subdivision to be known as Asturia heretofore designated in the Agreement as PGS Territorial Area.

NOW, THEREFORE, in fulfillment of the purposes and desires aforesaid, and in consideration of the mutual covenants and agreements herein contained, which shall be construed as being interdependent, the Parties, subject to and upon the conditions herein set forth, hereby agree as follows:

1. Section 1.2 of the Agreement is hereby amended to read in its entirety as follows:

Section 1.2 Clearwater Territorial Area As used herein, the term "Clearwater Territorial Area" shall mean the areas labeled Clearwater Gas System Pasco County Service Area on Third Revised Exhibit "A" to this Agreement, which areas are more particularly described as follows:

The Original 1995 Clearwater Territory; Asturia Subdivision:

(a) Beginning at the Gulf of Mexico at the northwest corner of Section 30, Township 25 South, Range 16 East (POB) and then running easterly along the section lines approximately 0.5 mile north of Ridge Road to the westernmost property line of the frontage property along the western side of Little Road and then generally northerly along the westernmost property lines of the frontage properties along the western side of Little Road to the centerline of SR 52 and then generally easterly along the centerline of SR 52 to the easternmost boundary of the Serenova Development, intersecting at the centerline of SR 52. Then following the eastern and southern boundary lines of the Serenova Development (the legal description of such Development being attached hereto and made a part hereof as Exhibit "B") and then westerly along the southern boundary of the Serenova Development to the northeast corner of Section 2, Township 26 South, Range 17 East and then southerly along the east line of Section 2, 11, 14 and 23 of Township 26 South, Range 17 East to the northwest corner of Section 25, Township 26 South, Range 17 East; then easterly along the north line of said section for 1975.70 feet, thence South 00°23'37" West, for 2,656.48 feet; thence South 00°16'14" West, for 2,735.58 feet, then along the arc of a convex curve having a radius of 243.81 feet, a central angle of 61°41'15", an arc length of 262.50 feet and a chord bearing North 78°37'57" West, for 250.00 feet, then to a concave curve having a radius of 172.47 feet, a central angle of 77°43'55", an arc length of 233.99 feet and a chord bearing North 83°49'08" West, for 216.46 feet, then to a convex curve having a radius of 437.98 feet, a

central angle of 24°36'27", an arc length of 188.11 feet and a chord bearing South 83°44'27" West, for 186.66 feet; thence North 00°21'12" East, for 83.25 feet; thence North 89°02'24" West, for 256.03 feet to a point of intersection with the Northerly right of way line of State Road 54 as described in Official Records Book 4926, page 1228 of the public records of Pasco County Florida; thence North 48°21'18" West, for 261.60 feet; then North 41°38'42" East, for 314.09 feet to a concave curve having a radius of 375.00 feet, a central angle of 64°33'58", an arc length of 422.58 feet and a chord bearing North 09°21'43" East, for 400.57 feet; then North 22°55'16" West, for 335.02 feet to a concave curve having a radius of 670.00 feet, a central angle of 31°08'15", an arc length of 364.11 feet and a chord bearing North 38°29'24" West, for 359.65 feet; then North 54°03'32" West, for 716.06 feet; then South 32°12'18" West, for 800.51 feet to a concave curve having a radius of 2634.51 feet, a central angle of 02°32'31", an arc length of 116.89 feet and a chord bearing South 49°37'34" East, for 116.87 feet; thence South 48°21'18" East, for 185.29 feet to the intersection of the east line of Section 26, Township 26 South, Range 17 East; and then southerly along the east line of Section 26 and 35 of Township 26 South, Range 17 East to the Hillsborough/Pasco County line, then westerly along the Hillsborough/Pasco County line to the Gulf of Mexico (POE) (See Third Revised Exhibit A).

(b) All parcels of property adjacent to the western right of way of Little Road within the area described in paragraph (a) above.

The Added 2004 and 2005 Clearwater Territory:

(c) Beginning at the easternmost boundary of the Original 1995 Clearwater Territory described in paragraph (a) above at the centerline of SR 52 near Hayes Road, then easterly along the centerline of SR 52 to the centerline of Ehren Cutoff Road (CR 583); then southerly along the centerline of Ehren Cutoff Road (CR 583) to the centerline of Land O' Lakes Boulevard (US 41); then northerly along the centerline of Land O' Lakes Boulevard (US 41) to the centerline of Little Lake Thomas Road; then southwesterly along the centerline of Little Lake Thomas Road to the centerline of Tower Road; then southwesterly along the centerline of Tower Road to the east section line of Section 16, Township 26 South, Range 18 East; then south to the southeast corner of Section 16, Township 26 South, Range 18 East; then west to the northeast corner of Section 20, Township 26 South, Range 18 East; then south to the southeast corner of Section 20, Township 26 South, Range 18 East; then west to the northwest corner of Section 30, Township 26 South, Range 18 East; then continuing west to the easternmost boundary of the Original 1995 Clearwater Territory

described in paragraph (a) above at or near the northwest corner of Section 25, Township 26 South, Range 17 East; then north along the west section lines of Sections 24, 13, 12 and 1, Township 26 South, Range 17 East to the northwest corner of Section 1, Township 26 South, Range 17 East; then east along the southern boundary line of the Serenova Development (Exhibit "B"); then continuing north along the eastern boundary of the Serenova Development until intersecting the centerline of SR 52.

(d) A corridor in Section 30, Township 26 South, Range 18 East from the intersection of the centerline of SR 54 and the centerline of the future entrance road to the Bexley Ranch property, northerly along the centerline of the future entrance road to the Bexley Ranch property to the northern boundary of Section 30, Township 26 South, Range 18 East. Said corridor shall include all parcels on the easterly side of the future entrance road to the Bexley Ranch property and all parcels on the westerly side of said entrance road, but excluding all parcels adjacent to SR 54.

(e) When reference is made in paragraphs (a) and (c) above to the centerline" of a boundary line road between the Clearwater and PGS Territorial Areas, it is intended that adjacent parcels on both sides of that road be included within the Clearwater Territorial Area provided that Clearwater has extended its main along the subject boundary line road; however, (i) if Clearwater has not extended main along a boundary line road and (ii) service is requested by a potential customer lying on the PGS side of a road serving as such a boundary line, and (iii) PGS's facilities for the provision of such service are more proximate to such customer than are those of Clearwater, then PGS shall have the right to serve such customer.

If there is a conflict between the boundaries of the Clearwater Territorial Area set forth in this Section 1.2 and the boundaries of the Clearwater Territorial Area as depicted on Third Revised Exhibit "A" to this Agreement, the boundaries set forth in this Section 1.2 shall govern.

2. Section 1.3 of the Agreement is hereby amended to read in its entirety as follows:

Section 1.3 PGS Territorial Area As used herein, the term "PGS Territorial Area" shall mean the areas labeled Peoples Gas System Pasco County Service Area on Third Revised Exhibit "A" to this Agreement, such areas consisting of all areas within Pasco County which are not located within the Clearwater Territorial Area described in Section 1.2 of this Agreement. If there is a conflict between the boundaries of the PGS Territorial Area set forth in this Section 1.3 and the boundaries of the PGS Territorial Area as depicted on Third Revised Exhibit "A" to this Agreement, the boundaries set forth in this Section 1.3 shall govern.

3. Section 1.8 of the Agreement is hereby amended to read in its entirety as follows:

Section 1.8 Territorial Boundary Line As used herein, the term "Territorial Boundary Line" shall mean each of the boundary lines so labeled, designating the dividing line between the areas shown on Third Revised Exhibit "A" to this Agreement, which boundary lines are more particularly described in Section 1.2 of this Agreement.

4. Second Revised Exhibit "A" to the Agreement is hereby deleted, and Third Revised Exhibit "A" attached hereto is hereby substituted therefor.

5. Except as modified by this Third Amendment, the Agreement shall continue in full force and effect.

6. The provisions and the Parties' performance of the Agreement, as hereby amended, are subject to the regulatory authority of the PSC, whose approval of the

Agreement, as hereby amended, shall be an absolute condition precedent to the validity, enforceability and applicability of this Third Amendment and of the Agreement as hereby amended. This Third Amendment shall have no force or effect whatsoever until such approval has been obtained, and the Parties hereby agree to jointly petition the PSC for such approval. This Third Amendment shall become effective on the date of expiration of the appeal period following the issuance by the PSC of an order approving this Third Amendment and the Agreement as hereby amended. In the event the PSC declines to approve this Third Amendment, the same shall be of no force or effect, and neither Party shall have any claim against the other arising out of this Third Amendment.

[signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Third Amendment to be executed by their respective duly authorized officers as of the date first written above.

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

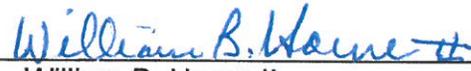
By: 
Gordon L. Gillette
President

Countersigned:

CITY OF CLEARWATER, FLORIDA

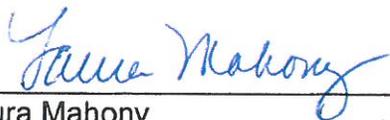

Charles S. Warrington, Jr.
Managing Director
Clearwater Gas System

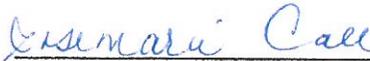

George N. Cretekos
Mayor

By: 
William B. Horne II
City Manager

Approved as to form:

Attest:

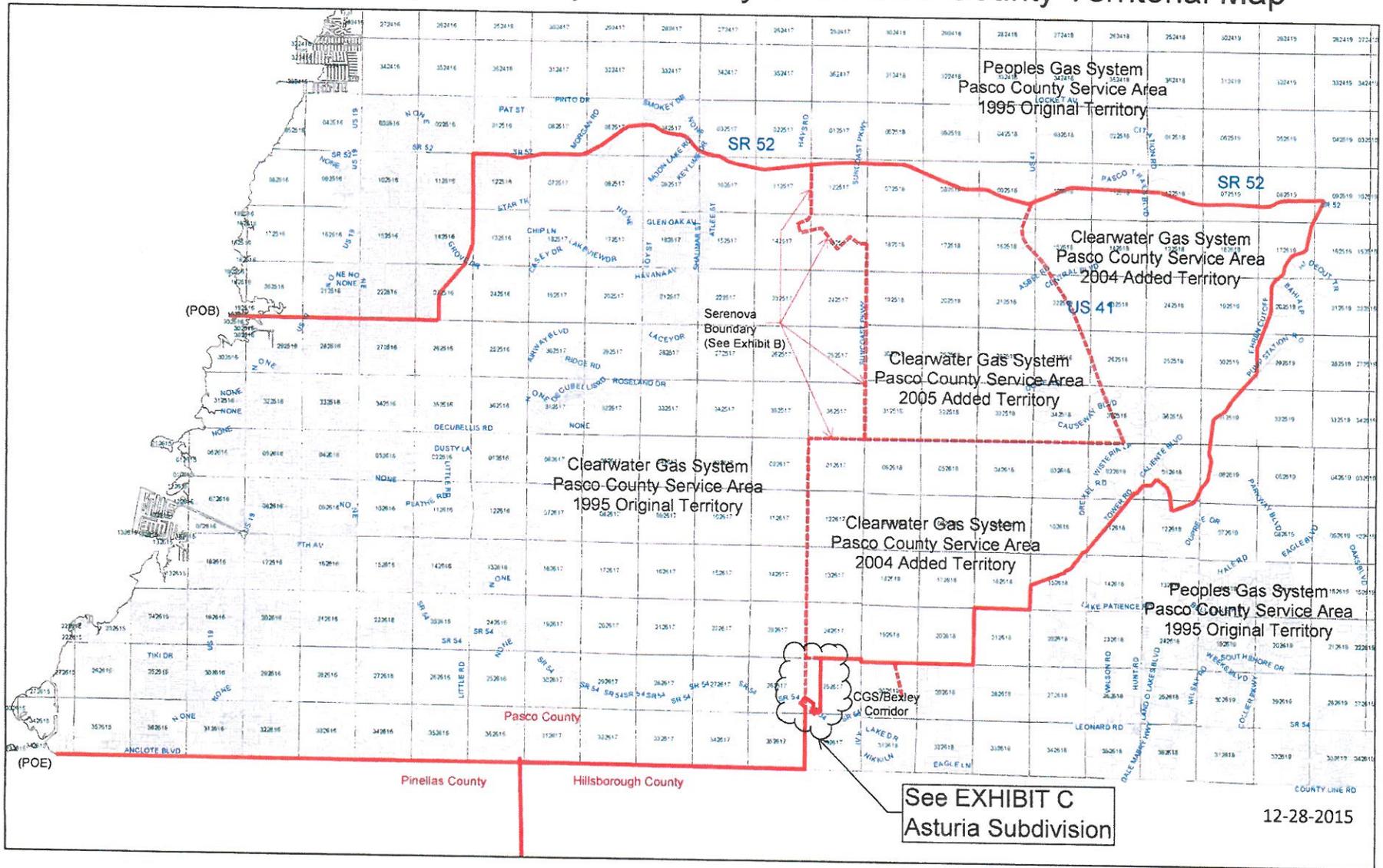

Laura Mahony
Assistant City Attorney


Rosemarie Call
City Clerk



THIRD REVISED EXHIBIT A

Clearwater Gas System/Peoples Gas System Pasco County Territorial Map



See EXHIBIT C
Astoria Subdivision

12-28-2015

EXHIBIT C

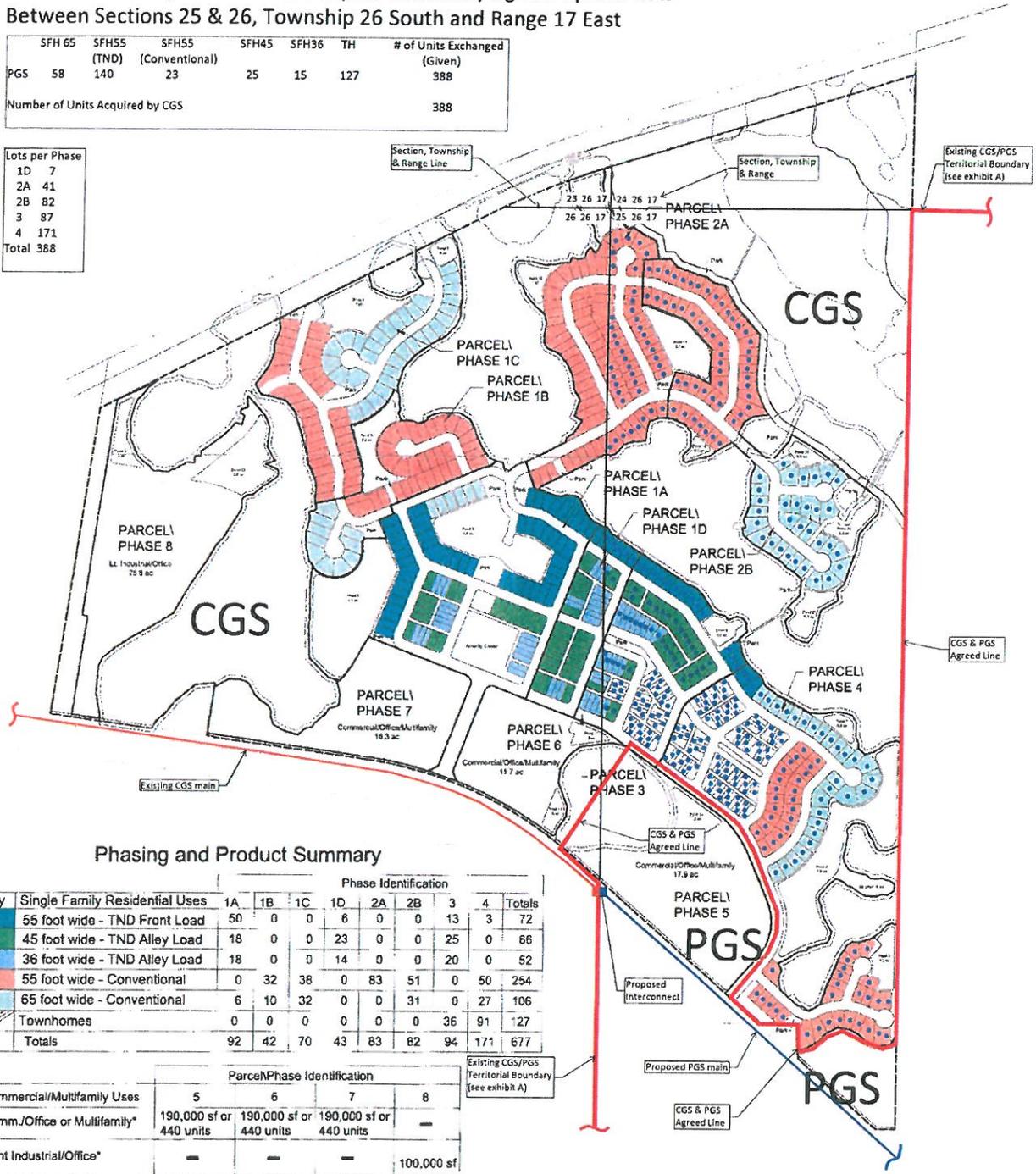
Behnke Ranch Property

10-22-2015

Astoria Subdivision in Pasco County
 Clearwater Gas System & TECO Peoples Gas Jointly Agreed Split of Lots
 Between Sections 25 & 26, Township 26 South and Range 17 East

SFH 65	SFH55 (TND)	SFH55 (Conventional)	SFH45	SFH36	TH	# of Units Exchanged (Given)
PGS	58	140	23	25	15	127
Number of Units Acquired by CGS						388

Lots per Phase	
1D	7
2A	41
2B	82
3	87
4	171
Total	388



Phasing and Product Summary

Key	Single Family Residential Uses	Phase Identification								Totals
		1A	1B	1C	1D	2A	2B	3	4	
55 foot wide - TND Front Load	50	0	0	6	0	0	13	3	72	
45 foot wide - TND Alley Load	18	0	0	23	0	0	25	0	66	
36 foot wide - TND Alley Load	18	0	0	14	0	0	20	0	52	
55 foot wide - Conventional	0	32	38	0	83	51	0	50	254	
65 foot wide - Conventional	6	10	32	0	0	31	0	27	106	
Townhomes	0	0	0	0	0	0	36	91	127	
Totals	92	42	70	43	83	82	94	171	677	

Commercial/Multifamily Uses	Parcel/Phase Identification			
	5	6	7	8
Comm./Office or Multifamily*	190,000 sf or 440 units	190,000 sf or 440 units	190,000 sf or 440 units	-
Light Industrial/Office*	-	-	-	100,000 sf

* Figures will not exceed the maximum allowable by the MPUD.

Phasing and Product Summary Map



This plan is conceptual and all acreages, unit quantities, unit types, unit sizes, orientations, lots, street, park and utility layout and locations are approximate and subject to change. Location and alignment of roadways and access points shown are approximate and subject to change based on final engineering, design and permitting requirements. Individual roadway sections may be altered with appropriate justification within the overall parameters of the Pasco County Land Development Code during future site construction plan applications. All data, drawings, graphics, renderings, illustrations, plans and other documents herein are prepared only and are subject to change and therefore are not a guarantee of how the items will appear upon completion.

Hines
 FLORIDA DESIGN CONSULTANTS, INC.
 RAYSOR Transportation Consulting
 PROSSER