

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

**M E M O R A N D U M**

June 3, 1992

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF ELECTRIC AND GAS (COLSON) *SMC* *RLH*  
DIVISION OF LEGAL SERVICES (CHRIST) *MRC*

RE : DOCKET NO. 920251-EU, JOINT PETITION OF TAMPA ELECTRIC COMPANY AND  
THE CITY OF LAKELAND FOR APPROVAL OF TERRITORIAL AGREEMENT.

AGENDA: JUNE 16, 1992 - NOTICE OF PAA

PANEL: FULL COMMISSION

CRITICAL DATES: NONE

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**CASE BACKGROUND**

A joint petition for approval of a territorial agreement between Tampa Electric Company (TECO) and the City of Lakeland (Lakeland) was filed with the Commission on March 18, 1992.

**ISSUE:** Should the Commission grant the joint petition of TECO and Lakeland seeking approval of their territorial agreement?

**RECOMMENDATION:** Yes. The Commission should grant the joint petition.

**STAFF ANALYSIS:** On March 18, 1992, TECO and Lakeland filed a petition seeking approval of a territorial agreement they executed on May 20, 1991. The joint petition was filed pursuant to Rules 25-6.0439 and 25-6.0440, Florida Administration Code. The agreement includes the terms, conditions, a detailed map of the area and identifies the geographic areas to be served by each utility.

TECO and Lakeland are presently providing electricity within their respective territorial areas pursuant to a territorial agreement which was executed by the parties in November, 1966 and approved by the Commission in Order No. 4193. The proposed agreement represents the continued effort by the parties to minimize costs to their respective customers by avoiding unnecessary duplication of generation, transmission and distribution facilities. Most of the changes to the 1966 agreement involve moving the territorial boundary line to the center line of certain roads where the boundary line was offset 150 feet from the

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centerline of the roads. Composite Exhibit "A" of the agreement is a legal description and map depicting the existing and proposed boundary lines. The agreement covers the geographic areas of Lakeland, Polk County and the Plant City district.

The agreement contemplates the transfer of 104 Lakeland customer accounts to TECO (10 commercial and 94 residential), and the transfer of 103 TECO customer accounts to Lakeland (31 commercial and 72 residential). According to Section 2.2 of the agreement, TECO and Lakeland have agreed that under exceptional circumstances, economic constraints or good engineering practices and upon written request, the requested utility may serve a customer inside the territory of the other utility on a temporary basis. Staff is recommending that the Commission's order indicate that if the temporary service is to exist for more than one year, then that service will have to be approved by the Commission.

According to Section 2.3 of the agreement, there will be a transition period in order to minimize any inconvenience to each utility's customers. Customers will be transferred as soon as the host utility can provide reliable service, and give reasonable notice to the customer(s) and the utility serving the customer(s).

Upon approval of this agreement, neither utility will attempt to serve or knowingly serve any applicant whose end-use facilities are located within the service territory of the other except as specified in Section 2.2 of the agreement.

All affected customers have been notified and are identified in composite Exhibit 2.

If approved, this agreement will continue and remain in effect for a period of twenty-five (25) years from the date of Commission approval.

This agreement does not, and is not intended to prevent either party from providing bulk power supply to wholesale customers for resale wherever they may be located.

Having reviewed the proposed agreement, Staff believes that it satisfies the provisions of Subsection 366.04 (2) (d), Florida Statutes and Rule 25-6.0440, Florida Administrative Code. Staff also believes that the agreement satisfies the intent of Subsection 366.04(5), Florida Statutes to avoid further uneconomic duplication of generation, transmission, and distribution facilities in the State. The agreement is in the best interest of the general body of ratepayers and should be approved. As Rule 25-6.0440(1), Florida Administrative Code, specifically states, upon approval of the agreement, any modification, changes, or corrections to the agreement must be approved by the Commission.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes.

STAFF ANALYSIS: If no substantially affected person files an objection or protest to the Commission's proposed agency action within the 20-day protest period, this docket should be closed.

AGREEMENT

Section 0.1 THIS AGREEMENT is made and entered into this 20th day of May, 1991 by and between THE CITY OF LAKELAND, a Florida municipal corporation (herein called "LAKELAND"), and TAMPA ELECTRIC COMPANY, a private corporation, organized and existing under the laws of the State of Florida (herein called "TEC".) Collectively, LAKELAND and TEC will herein be called the "Parties." Upon approval by the Florida Public Service Commission, this Agreement specifically shall supersede any prior agreements between the parties defining the boundaries of their respective retail service territories.

WITNESSETH:

Section 0.2 WHEREAS, TEC, by virtue of its Charter, is authorized, empowered and by Florida law is obligated to furnish electricity and power to persons, firms and corporations within its service area and presently furnishes electricity and power to Customers in all of Hillsborough and in areas of Pinellas, Pasco, and Polk Counties, Florida and elsewhere; and

Section 0.3 WHEREAS, LAKELAND, a Florida municipal corporation, is authorized, empowered and by Florida law is obligated to furnish electricity and power to persons, firms and

corporations within its service area and presently furnishes electricity and power to Customers within the City of Lakeland and certain defined surrounding areas within Polk County; and

Section 0.4 WHEREAS, the respective areas of retail service of the parties hereto are contiguous in many places and have become contiguous in areas not previously contemplated due to annexation and population growth, and the parties have entered into a territorial agreement dated November 3, 1966 in an effort to minimize costs to the general body of their ratepayers by avoiding duplication of generation, transmission and distribution facilities and have thereby avoided such duplication; and

Section 0.5 WHEREAS, the Florida Public Service Commission has previously recognized that any such duplication of said facilities results in needless and wasteful expenditures and may create hazardous situations, both being detrimental to the public interest, and approved the aforesaid territorial agreement on May 12, 1967 in Docket No. 8754-EU by Order No. 4193; and

Section 0.6 WHEREAS, the parties hereto desire to continue to avoid and eliminate the circumstances giving rise to potential duplications and possible hazards and toward that end have established the Territorial Boundary Line to delineate the retail territorial service area of Lakeland; and

Section 0.7 WHEREAS, the Florida Public Service Commission is empowered by the Legislature of the State of Florida, pursuant to Section 366.04(2)(d), Florida Statutes to approve and enforce territorial agreements and the Commission has

recognized on numerous occasions the wisdom of retail territorial agreements between electric utilities and has held that retail territorial agreements, when properly presented to the Commission, in proper circumstances, are advisable and, indeed, in the public interest;

Section 0.8 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 hereto, subject to and upon the terms and conditions herein set forth, do hereby agree as follows:

#### ARTICLE I

##### DEFINITIONS

Section 1.1 Territorial Boundary Line. As used herein, the term "Territorial Boundary Line" shall mean the boundary line which circumscribes the areas on the map and legal description attached hereto as composite Exhibit "A" and which clearly describes and defines the LAKELAND Territorial Area. None of the territory assigned to LAKELAND shall be served by TEC except as specifically provided herein and LAKELAND shall not serve areas outside of its boundaries unless provided herein or in Territorial Agreements it might have with other providers of retail electric service.

Section 1.2 TEC Territorial Area. As used herein, the term "TEC Territorial Area" shall mean the geographic area outside the

LAKELAND Territorial Area shown on composite Exhibit "A" and designated "TEC" Territorial Area and further described in Territorial Agreements with other providers of retail electric service.

Section 1.3 LAKELAND Territorial Area. As used herein, the term "LAKELAND Territorial Area" shall mean the geographic area shown on Composite Exhibit "A" and designated "LAKELAND" Territorial Area.

Section 1.4 Transmission Lines. As used herein, the term "Transmission Lines" shall mean all transmission lines of either Party having a rating of 69 kv or greater.

Section 1.5 Distribution Lines. As used herein, the term "Distribution Lines" shall mean all distribution lines of either Party having a rating up to, but not including, 69 kv.

Section 1.6 New Customers. As used herein, the term "New Customers" shall mean all retail electric consumers applying for service to either TEC or LAKELAND after the effective date of this Agreement.

Section 1.7 Existing Customers. As used herein, the term "Existing Customers" shall mean all retail electric consumers receiving service or having within the previous six (6) month period made application for service on or before the effective date of this Agreement from either Party.

Section 1.8 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.

## ARTICLE II

### AREA ALLOCATIONS AND NEW CUSTOMERS

#### Territorial Questions

Section 2.1 Allocations. The TEC Territorial Area, as herein defined, will be allocated to TEC as its retail service area for the period of time hereinafter specified; and the LAKELAND Territorial Area, as herein defined, will be allocated to LAKELAND as its retail service area for the same period; and, except as otherwise specifically provided herein, neither Party shall sell electricity to any retail Customer where such electricity serves the retail Customer's end use facility and such facility is located within the other Party's service area.

Section 2.2 Service to New Customers. TEC and LAKELAND agree that neither supplier will attempt to serve or knowingly serve any applicant whose end use facilities are located within the service territory of the other.



TEC and LAKELAND recognize that in exceptional circumstances, economic constraints on either utility or good engineering practices may indicate that a Customer's temporary end use and/or small discrete service areas and/or future retail Customers should not be immediately served by the utility in whose service territory they are located. In such instances, upon written request by the utility in whose territory the end use facility is located to the other utility, the other utility may agree in writing to provide service to such Customer's temporary end use, small discrete service areas and future retail Customers. Such agreements shall be submitted to the Florida Public Service Commission in accordance with Article IV, Section 4.1 hereof.

In the event that a prospective applicant requests or applies for service from either supplier to be provided to end use facilities located in the territory reserved to the other supplier, then the supplier receiving such a request or application shall refer the prospective applicant or applicants to the other supplier, with citation to the Commission approved Territorial Agreement, and shall notify the other supplier of the request or application.

If the prospective applicant delivers a written application for service after being referred to the other utility, or continues to demand service under an application made prior to a referral to the other utility, the utility receiving the request shall file a Petition for Declaratory Statement requesting the

Commission to apply the Territorial Agreement to the facts presented. The petitioning supplier shall notify the other supplier and the applicant of its intent to file a Petition for Declaratory Statement prior to filing the Petition and shall request the joinder of the other supplier as a necessary party with the filing of the Petition. The petitioning supplier shall not provide electric service or attempt to provide electric service to the applicant unless the Commission authorizes the service in an order binding both suppliers.

Section 2.3 To provide an orderly transition to the changes in territorial boundaries provided herein extraterritorial service for a limited time shall be permitted to the extent required to continue service to existing Customers that will be located in the other utility's service area after the approval of this Agreement. This provision shall also apply to additional electric service required by an existing Customer at the same location. As soon as the utility in whose service area the Customer(s) is located is able to provide reliable service, and after giving reasonable notice to the Customer(s) and the utility serving the Customer, the parties agree the Customer may then be transferred. A widow, widower or divorced spouse of a Customer of either party who remains at the same service location shall be considered an existing Customer. For the purpose of this Section, if there is a change in use by a Customer, as defined in Section 1.8 above, of a service location existing on the effective date of this agreement, the Customer

shall not be considered an existing Customer and new service to such location shall be provided by the party in whose service area the service location lies.

Section 2.4 Exchange of Facilities. Upon the effective date hereof each Party shall sell (at original cost less accumulated book depreciation at the time of the transfer) the distribution facilities solely used to serve Customers transferred in accordance with this Agreement.

Section 2.5 Bulk Power for Resale. Nothing herein shall be construed to prevent either Party from providing bulk power supply to other electric utilities for resale purposes wheresoever such other electric utilities may be located. Further, no other provision of this Agreement shall be construed as applying to bulk power supply for resale.

### ARTICLE III

#### OPERATION AND MAINTENANCE

Section 3.1 Facilities to Remain. Except as provided herein all generating plants, transmission lines, substations, distribution lines and related facilities now or hereafter constructed and/or used by either Party in conjunction with their respective electric utility systems, and which are directly or indirectly used and useful in service to Customers in their respective service areas or in fulfilling the requirements of law shall be allowed to remain where situated and shall not be subject to removal or transfer hereunder; provided, however, that

each Party shall operate and maintain said lines and facilities in such manner as to minimize any interference with the operations of the other Party. Nothing contained herein shall be construed to apply to the Parties' facilities or locations thereof except as such facilities relate to providing retail service to the Parties' Customers in their respective service territories.

#### ARTICLE IV

##### PREREQUISITE APPROVAL

Section 4.1 Florida Public Service Commission. The provisions of this Agreement 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 and applicability hereof and neither Party shall be bound hereunder until that approval has been obtained. Any proposed modifications to this Agreement shall be submitted to the Florida Public Service Commission for approval. TEC shall file an annual report to the Florida Public Service Commission on or before March 31 of each year beginning March 31, 1992 and shall file such other information and reports as requested by the Commission from time to time. Such report shall provide the status of this Agreement and any modifications proposed in this Agreement. In addition the parties agree to jointly petition the Florida Public Service Commission to resolve any disputes concerning the

provisions of this Agreement which the parties are unable to resolve.

Section 4.2 Liability in the Event of Disapproval. In the event approval pursuant to Section 4.1 is not obtained, neither Party will have any cause of action against the other arising under this document or on account of such non-attainment of approval.

#### ARTICLE V

##### DURATION

Section 5.1 This Agreement is the only Agreement between LAKELAND and TEC and supersedes all prior agreements between the parties and shall continue and remain in effect for a period of twenty-five (25) years from the date of the Florida Public Service Commission's initial Order approving this Agreement, and shall be automatically renewed for additional twenty-five (25) year periods unless either party gives written notice to the other of its intent not to renew at least (6) months prior to the expiration of any twenty-five (25) year period. Each such renewal of this Agreement shall require prerequisite approval of the Florida Public Service Commission as required by ARTICLE IV hereof. Approval of this Agreement by the Florida Public Service Commission cancels the Agreement between the parties dated November 3, 1966.

## ARTICLE VI

### CONSTRUCTION OF AGREEMENT

Section 6.1 Intent and Interpretation. It is hereby declared to be the purpose and intent of the parties that this Agreement shall be interpreted and construed, among other things, to eliminate and avoid the needless and wasteful expenditures and potentially hazardous situations which would otherwise result. The purpose of this Agreement, among other things, is to further this state's policy of supervising the planning, development, and maintenance of a coordinated electric power grid throughout Florida; to avoid uneconomic duplication of generation transmission and distribution facilities; and to encourage the installation and maintenance of facilities necessary to fulfill the utilities' obligation to serve.

## ARTICLE VII

### MISCELLANEOUS

Section 7.1 Negotiations. Whatever terms or conditions may have been discussed during the negotiations leading up to the execution of this Agreement, the only ones agreed upon are those set forth herein, and no alteration, modification, enlargement or supplement to this Agreement shall be binding upon either of the parties hereto unless the same shall be in writing and hereto attached and signed by both of the parties hereto and approved by the Florida Public Service Commission in accordance with Article IV, Section 4.1 hereof.



Section 7.2 Successors and Assigns. Nothing in this Agreement expressed or implied is intended, or shall be construed, to confer upon or give to any person or corporation, other than the parties hereto, any right, remedy or claim under or by reason of this Agreement, or any provision or conditions hereof; and all of the provisions, representatives, 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 7.3 Notices. Notices given hereunder shall be deemed to have been given to TEC if mailed by certified mail, postage prepaid, to: Vice President, Customer Services/Marketing, Tampa Electric Company, Post Office Box 111, Tampa, Florida 33601-0111; and to LAKELAND if mailed by certified mail, postage prepaid, to: City of Lakeland, Department of Electric & Water Utilities, 501 E. Lemon Street, Lakeland, Florida 33801-5050, Attention Contracts Administrator. Such address to which such notice shall be mailed may be, at any time, changed by designating such new address and giving notice thereof in writing in the manner as herein provided.



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

ATTEST:

Paula K. Hoffer  
Paula K. Hoffer, City Clerk

THE CITY OF LAKELAND

By: Frank J. O'Reilly  
Frank J. O'Reilly, Mayor

(SEAL)

ATTEST:

[Signature]  
Secretary

TAMPA ELECTRIC COMPANY

By: J. R. Snyder Jr.  
Vice President Customer Services  
and Marketing

(SEAL)

da903

APPROVED AS TO FORM AND CORRECTNESS:

Joseph P. Mawhinney  
Joseph P. Mawhinney, City Attorney

COMPOSITE EXHIBIT A  
TERRITORIAL BOUNDARY  
BETWEEN  
TAMPA ELECTRIC COMPANY AND THE CITY OF LAKE LAND, FLORIDA

DESCRIPTION:

Commence at the Southwest corner of Section 19, Township 29 South, Range 23 East, Polk County, Florida for A POINT OF BEGINNING; thence on the West boundary of said Range 23 East (the same being the County line between Hillsborough County to the West and Polk County to the East), proceed in a Northerly direction to the Northwest corner of Section 6, Township 27 South, Range 23 East the same being the Southwest corner of Section 31, Township 26 South, Range 23 East; thence departing aforementioned Hillsborough-Polk County line and on the West boundary of said Range 23 East, proceed in a Northerly direction to the Northwest corner of the South one-half of the North one-half of Section 30, Township 26 South, Range 23 East; thence on the North boundary of said south one-half of the North one-half of Sections 30 and 29, Township 26 South, Range 23 East, proceed in an Easterly direction to the West boundary of the East one-half of said Section 29; thence on said West boundary of the East one-half of Sections 29 and 20, Township 26 South, Range 23 East, proceed in a Northerly direction to the North boundary of the South one-half of said Section 20; thence on said North boundary of the South one-half of Sections 20 and 21, Township 26 South, Range 23 East, proceed in an Easterly direction to an intersection with the centerline of Sherouse Road; thence departing said North boundary and on centerline of said road, proceed in an Easterly direction to an intersection with the North boundary of the South one-half of aforesaid Section 21; thence departing centerline of said road and on said North boundary, proceed in an Easterly direction to a point which is located 769.80 feet West of the intersection of said North boundary with the Westerly right-of-way boundary of State Road No. 700 & 35 (U.S. 98); thence on a course 553.84 feet Westerly of and parallel to said Westerly right-of-way boundary as shown on D.O.T. right-of-way map for said State Road No. 700 & 35 (U.S. 98) (Section 1621), proceed in a Southeasterly direction to the beginning of curve concave Southwesterly, having a radius of 5,095.74 feet and a central angle of 17°26'31"; thence proceed on the arc of said curve a distance of 1,551.23 feet to the curve's end, the same being at the point of intersection with the South boundary of Section 21; thence on the South boundaries of Sections 21 and 22, Township 26 South, Range 23 East, proceed in an Easterly direction to the East boundary of the West one-half of the West one-half of said section 22; run thence North along said east boundary 2616.65 feet, run thence East and parallel to the north boundary of the South half of Section 22 to the East boundary of Section 22, run thence North along said east boundary to the North boundary thereof. Thence North along the West boundaries of Sections 14, 11, and 2, Township 26 South, Range 23 East to the Northwest corner of said Section 2, Township 26 South Range 23 East; thence on the North boundary of Sections 2 and 1, Township 26 South, Range 23 East (the same being the County line between Pasco County to the North and Polk County to the South), proceed in an Easterly direction to the Northeast

corner of said Section 1; thence departing said County line and on the East of said Range 23 East, proceed in a Southerly direction to the Northeast corner of Section 25, Township 26 South, Range 23 East, the same being the Northwest corner of Section 30, Township 26 South, Range 24 East; thence on the North boundaries of Sections 30, 29, 28, 27, 26 and 25, Township 26 South, Range 24 East, proceed in an Easterly direction to the Northeast corner of said Section 25; thence on the North boundaries of Sections 30, 29 and 28, Township 26 South, Range 25 East, proceed in an Easterly direction to the Northeast corner of said Section 28; thence on the East boundaries of Sections 28 and 33, Township 26 South, Range 25 East proceed in a Southerly direction to a point 1,700.00 feet South of the Northeast corner of said Section 33; proceed thence in a Westerly direction a distance of 2,000.00 feet; proceed thence in a Southerly direction to the South boundary of said Section 33; thence on said South boundary, proceed in a Westerly direction to the Northeasterly shore of Lake Agnes; thence on the Northeasterly shore of said Lake Agnes, proceed in a Northwesterly direction to the intersection with the east line of the Northwest one-quarter of the Southeast one-quarter of Section 32, Township 26 South, Range 25 East; thence North along the east line of said Northwest one-quarter of the Southeast one-quarter of Section 32, to the Northeast corner of the Northwest one-quarter of the Southeast one-quarter of Section 32; thence west along the North line of said Northwest one-quarter of the Southeast one-quarter, to the intersection with the centerline of State Road 665; thence South along said centerline to the Southerly limited access right-of-way boundary of State Road No. 400 (Interstate Hwy. No. 4); thence on said Southerly limited access right-of-way boundary as shown on D.O.T. right-of-way map for said State Road No. 400 (Section 16320-2401) the following three (3) calls: proceed in a Westerly direction a distance of 1,338 feet more or less to the beginning of a curve concave Southerly, having a radius of 11,309.16 feet and a central angle of  $16^{\circ}24'00''$ ; thence on arc of said curve proceed in a Southwesterly direction a distance of 3,237.06 feet to the curve's end; thence in a Southwesterly direction a distance of 5,452 feet more or less to the East boundary of Section 12, Township 27 South, Range 24 East; thence departing said Southerly limited access right-of-way boundary and on the East boundary of said Range 24 East, proceed in a Southerly direction to the Southeast corner of Section 36, Township 27 South, Range 24 East; thence on the South boundary of said Section 36, proceed in a Westerly direction to the Northeast corner of Section 1, Township 28 South, Range 24 East; thence on the East boundary of said Range 24, proceed in a Southerly direction to the intersection of the East boundary of Section 13, Township 28 South, Range 24 East, with the centerline of U.S. Highway 92; thence Northeasterly along said centerline to the intersection with the east line of Section 8, Township 28 South, Range 25 East; thence South along the east line of Sections 8, 17, 20 and 29, Township 28 South, Range 25 East to the Southeast corner of the North one-half of the North one-half of the North one-half of said Section 29; thence on the South boundary of the North one-half of the North one-half of the North one-half of Section 29 and 30, Township 28 South, Range 25 East, proceed in a Westerly direction across said Sections 29 and 30 to an intersection with the centerline of Saddle Creek; thence on the centerline of said creek, proceed in a Southeasterly direction to the Northerly shore of Lake Hancock; thence on said Northerly shore of said Lake Hancock; proceed in an Easterly direction to the East Boundary of Section 31, Township 28 South, Range 25 East; thence on a line being the

Southerly extension the said East boundary of Section 31, proceed Southerly to the theoretical Northeast corner of Section 19, Township 29 South, Range 24 East; thence Westerly on the theoretical North boundary of said Section 19 2,600.00 feet; thence Southwesterly to the point of intersection of the Southwesterly shoreline of aforesaid Lake Hancock with the Easterly extension of the South boundary of the North one-half of the North one-half of Section 24, Township 29 South, Range 24 East; thence proceed on said Easterly extension in a Westerly direction to the Southeast corner of the North one-half of the aforesaid North one-half of Section 24; thence on the South boundary thereof; proceed in a Westerly direction to the East boundary of the West one-half of the West one-half of said Section 24; thence on said East boundary, proceed in a Southerly direction to the South boundary of the North one-half of the North one-half of the South one-half of said Section 24; thence on said South boundary, proceed in a Westerly direction to the West boundary of said Section 24, the same being the East boundary of Section 23, Township 29 South, Range 24 East; thence on the East boundaries of Section 23 and 26, Township 29 South, Range 24 East, proceed in a Southerly direction to the Southeast corner of the North one-half of the South one-half of the North one-half of said Section 26; thence on the South boundary of the North one-half of the South one-half of the North one-half of said Section 26, proceed in a Westerly direction to the East boundary of the West one-half of said Section 26; thence on said East boundary, proceed in a Southerly direction to the South boundary of the North one-half of said Section 26; thence on said South boundary, proceed in a Westerly direction to the West boundary of the East one-half of the East one-half of the West one-half of said Section 26; thence on said West boundary, proceed in a Southerly direction to the North boundary of the South one-half of the South one-half of said Section 26; thence on said North boundary, proceed in an Easterly direction to the East boundary of the West one-half of said Section 26; thence on said East boundary, proceed in a Southerly direction to the Southeast corner of the West one-half of said Section 26; thence on the south boundaries of Sections 26, 27 and 28, Township 29 South, Range 24 East, proceed in a Westerly direction to the Southwest corner of said Section 28; thence on the West boundary of said Section 28, the same being the East boundary of Section 29, Township 29 South, Range 24 East, proceed in a Northerly direction to the Southeast corner of the North one-half of the North one-half of said Section 29; thence on the South boundary of the North one-half of the North one-half of Section 29 and 30, Township 29 South, Range 24 East and on the South boundary of the North one-half of the North one-half of Section 25 and 26, Township 29 South, Range 23 East, proceed in a Westerly direction across said Sections 29, 30, 25 and 26 to an intersection with the centerline of State Road No. 37; thence on said centerline as shown on D.O.T. right-of-way map for said State Road No. 37 (Section 16250-2514), proceed in a Northerly direction to the North boundary of said Section 26, the same being the South boundary of Section 23, Township 29 South, Range 23 East; thence on the South boundaries of Sections 23, 22, 21, 20 and 19, Township 29 South, Range 23 East, proceed in a Westerly direction to the southwest corner of said Section 19 and the POINT OF BEGINNING.

The Service Territory of the City of Lakeland, Florida shall be that circumscribed by the foregoing description.