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(813) 441-8966 FAX (813) 442-8470

March 15, 1996

IN REPLY REFER TO

Tallahassee

BY HAND DELIVERY

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Joint Petition for Approval of Territorial
Agreement Between Central Florida Electric
Cooperative, Inc. and Tri-County Electric
Cooperative, Inc. in Dixie County
Docket No.

Dear Ms. Bayo:

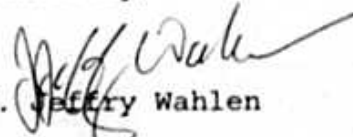
960343-EC

Enclosed for filing in the above-styled docket are the original and fifteen (15) copies of Central Florida Electric Cooperative, Inc. and Tri-County Electric Cooperative, Inc.'s Joint Petition for Approval of Territorial Agreement.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,


J. Jeffrey Wahlen

JJW/csu
Enclosures
cc: All parties of record

t1q/bayo



DOCUMENT NUMBER-DATE

03153 MAR 15 96

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for Approval)
of Territorial Agreement between)
Central Florida Electric Cooperative,) Docket No.
Inc. and Tri-County Electric) Filed: 3/15/96
Cooperative, Inc. in Dixie County)
_____)

JOINT PETITION FOR
APPROVAL OF TERRITORIAL AGREEMENT

Pursuant to Rule 25-6.0440, F.A.C., Central Florida Electric Cooperative, Inc. ("CFEC") and Tri-County Electric Cooperative, Inc., ("TCEC") jointly petition the Commission for approval of a territorial agreement ("the Agreement"), entered into by and between CFEC and TCEC, and say:

1. CFEC and TCEC are rural electric cooperatives serving customers in the State of Florida. CFEC's principal place of business is in Chiefland, Florida and TCEC's principal place of business is in Madison County, Florida.

2. All pleadings, orders, notices and other papers filed or served in this docket should be served upon the following:

FOR CENTRAL FLORIDA ELECTRIC COOPERATIVE, INC.

Mr. Gregory V. Beauchamp, P. A.
Attorney For Central Florida
Electric Cooperative, Inc.
Post Office Box 1129
Chiefland, Florida 32626

Mr. Edward Ricketson
General Manager
Central Florida Electric
Cooperative, Inc.
Post Office Box 9
Chiefland, Florida 32626

FOR TRI-COUNTY ELECTRIC COOPERATIVE, INC.

Mr. J. Jeffry Wahlen
Attorney For Tri-County Electric
Cooperative, Inc.
Post Office Box 391
Tallahassee, Florida 32301

Mr. C. E. Laing, Jr.
General Manager
Tri-County Electric
Cooperative, Inc.
Post Office Box 208
Madison, Florida 32341

DOCUMENT NUMBER-DATE

03153 MAR 15 96

FPSC-RECORDS/REPORTING

3. On February 19, 1996, CFEC and TCEC entered into an Agreement in an effort to more accurately define the Parties respective service area in northwestern Dixie County, Florida. Such Agreement provides expressly that it is contingent upon the subsequent approval of the Florida Public Service Commission. Attached hereto as Exhibit Number 1 is a copy of the Agreement dated February 19, 1996, which embodies the agreement reached between the Parties. The Parties have never before entered into a territorial agreement. Most of the land in Dixie County between the Parties' existing facilities is large, undeveloped tracts owned by timber companies that did not need electric facilities. Due to the recent sale of some of these properties, some of these tracts are now being developed. The Parties wish to minimize costs to their respective customers by avoiding unnecessary duplication of facilities and have entered into this Agreement for this purpose.

4. The Agreement represents the efforts by the Parties to minimize costs to their respective customers by avoiding unnecessary duplications of generation, transmission and distribution facilities. To that end, the Parties have established the territorial boundary line described in the Agreement to delineate their respective retail territorial areas, subject to the approval of the Commission.

5. The Commission is authorized by Section 366.04(2) (d), Florida Statute, to approve territorial agreements and resolve territorial disputes between rural electric cooperatives and

other electric utilities under its jurisdiction. The Commission has promulgated Florida Administration Code Rule 25-6.0440 to implement this authority. The commission has often recognized the wisdom of such agreements, and has held that such agreements, when properly presented to the Commission, are advisable in proper circumstances, and, indeed, in the public interest.

Effect on Existing Customers

6. Attached to the Agreement as Exhibit "A" is a map which shows the location of the territorial boundary line and the service territorial area of both parties in Dixie County, Florida. Exhibit "B.1" is the written description of the location of the Territorial Boundary line. Exhibit "B.2" is the written description of the territorial service area of CFEC in Dixie County, Florida. Exhibit "B.3" is the written description of the territorial service area of TCEC in Dixie County, Florida. Exhibit "A" and composite Exhibit "B" define the territorial boundary which the parties seek to have the Commission approve in this proceeding.

7. Because this area in northwestern Dixie County is sparsely settled at this time, the location of the Territorial Boundary line has been agreed upon by the Parties, subject to Commission approval, as not to require transfer of existing consumers or facilities. Accordingly, the Parties have not and do not intend to provide notice to any customers.

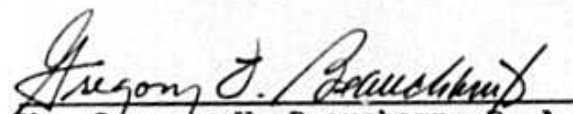
Effect on Service

8. There is no reasonable likelihood that this will cause a decrease in the reliability of electric service to the existing and future rate payers of CFEC or TCEC. The Parties believe the provision of the Agreement will help avoid future uneconomic duplications of facilities and prevent disputes and uncertainties.

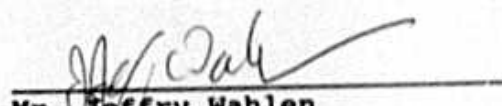
9. Both CFEC and TCEC believe that Commission approval of the Agreement would be consistent with the criteria set forth in Section 366.04 of Florida Statue and would complement the objectives of assuring an adequate and reliable source of energy in Florida and avoiding uneconomic duplication of generation, transmission and distribution facilities.

WHEREFORE, CFEC and TCEC urge that the Commission enter its order approving the Agreement attached hereto as Exhibit No. 1.

DATED this 13th of March,
1996.


Mr. Gregory V. Beauchamp, P. A.
Attorney for Central Florida
Electric Cooperative, Inc.
Post Office Box 1129
Chiefland, Florida 32626

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Mr. Jeffrey Wahlen
Attorney for Tri-County
Electric Cooperative, Inc.
Post Office box 391
Tallahassee, Florida 32301

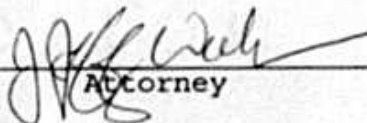
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U. S. Mail or hand delivery (*) this 15th day of March, 1996, to the following:

Gregory V. Beauchamp, P.A.
P. O. Box 1129
Chiefland, FL 32626

Edward Ricketson
Central Florida Electric
Cooperative, Inc.
P. O. Box 9
Chiefland, FL 32626

C. E. Laing, Jr.
Tri-County Electric
Cooperative, Inc.
P. O. Box 208
Macison, FL 32341



Attorney

AGREEMENT

Section 0.1: THIS AGREEMENT, made and entered into the
19th day of FEBRUARY, 1996 by
and between Tri-County Electric Cooperative, Inc., (herein called
"TCEC"), whose address is Post Office Box 208, Madison, Florida
32341 and Central Florida Electric Cooperative, Inc. (herein called
"CFEC"), whose address is Post Office Box 9, Chiefland, Florida
32626, each of which are cooperatives organized and existing under
the laws of the State of Florida and electrical utilities as
defined in, and whose retail service territories are subject to
approval and regulation pursuant to the provisions of Chapter 366,
Florida Statutes and which cooperatives are herein collectively
called the "Parties";

WITNESSETH

Section 0.2: WHEREAS, each of the Parties is authorized and
empowered by the virtue of Chapter 425, Florida Statutes, and the
Charter issued to it thereunder, to furnish electricity and power
to its members, governmental agencies and political subdivisions,
and to other persons, as defined by the laws of Florida, and
pursuant to such authority, presently furnishes electricity and
power to members and customers within their respective area of
service; and

Section 0.3: WHEREAS, each of the Parties presently furnish
retail electrical service to customers in the area of Dixie County,
Florida; and

Section 0.4: WHEREAS, the respective areas of the service of the Parties are contiguous in many places, and the Parties seek to minimize costs to their respective rate payers by avoiding duplication of generation, transmission, and distribution facilities; and

Section 0.5: WHEREAS, the Florida Public Service Commission (herein called the "Commission"), has previously recognized that any such duplication of facilities results in needless and wasteful expenditures and may create hazardous situations, both being detrimental to the public interest; and

Section 0.6: WHEREAS, the Parties desire to continue to avoid and eliminate the circumstances giving rise to potential duplications of facilities and hazardous situations, and in furtherance of such desire have established the Territorial Boundary Line to delineate their respective retail Territorial Areas; and

Section 0.7: WHEREAS, the Commission is empowered by Section 366.04(2)(d), Florida Statutes, to approve and enforce territorial agreements between the rural electric cooperative and other electrical utilities under its jurisdiction, has often recognized the wisdom of such agreements, and has held that such agreements, when properly presented to the Commission, are advisable in proper circumstances, and, indeed, in the public interest;

Section 0.8: NOW, THEREFORE, in consideration of the premises aforesaid and the mutual covenants and agreements herein set forth the Parties hereby agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1: Territorial Boundary Line. As used herein, the term "Territorial Boundary Line" shall mean the boundary line which circumscribe the geographic areas shown on the maps attached hereto as composite Exhibit "A", which differentiate and divide the CFEC Territorial Area from the TCEC Territorial Area. The written description of this boundary line is attached hereto as Exhibit "B.1."

Section 1.2: CFEC Territorial Area. As used herein, the term "CFEC Territorial Area" shall mean the geographic area shown on composite Exhibit "A" and designated "CFEC." The written description of this boundary line is attached hereto as Exhibit "B.2."

Section 1.3: TCEC Territorial Area. As used herein, the term "TCEC Territorial Area" shall mean the geographic area shown on composite Exhibit "A" and designated "TCEC." The written

description of this boundary line is attached hereto as Exhibit "B.3."

Section 1.4: Transmission Line. As used herein, the term "Transmission Line" shall mean any Transmission Line of either party having a rating of 69 KV or greater.

Section 1.5: Distribution Line. As used herein, the term "Distribution Line" shall mean any Distribution Line of either party having a rating of up to, but not including 69 KV.

Section 1.6: Person. As used herein, the term "Person" shall have the same inclusive meaning given to it in Section 1.01(3) Florida Statutes.

Section 1.7: New Customer. As used herein, the term "New Customer" shall mean any person that applies to either CFEC or TCEC for retail electric service after the effective date of this Agreement.

Section 1.8: Existing Customer. As used herein, the term "Existing Customer" shall mean any person receiving retail electric service from either CFEC or TCEC on the effective date of this Agreement.

ARTICLE 2

AREA ALLOCATIONS AND NEW CUSTOMERS

Section 2.1: Territorial Allocations. Except as otherwise specifically provided herein, during the term of this Agreement, CFEC shall have the exclusive authority to furnish retail electric service for end use within the CFEC Territorial Area and TCEC shall have the exclusive authority to furnish retail electric service for end use within the TCEC Territorial Area.

Section 2.2: Service to New Customers. The Parties agree that neither of them will knowingly serve or attempt to serve any new customer whose end-use facilities are located within the Territorial Area of the other Party, except as specifically provided in this Section of the Agreement.

The Parties recognize that in exceptional circumstances, economic constraints or good engineering practices may indicate that a customer's end-use facilities either cannot or should not be immediately served by the Party in whose Territorial Area the customer's end-use facilities are located. In such instances, upon written request by the Party in whose Territorial Area the end-use facilities are located, to the other Party, the other Party may agree in writing to temporarily provide service to such customer's end-use facilities. The Parties agree to notify the Florida Public

Service Commission, Division of Electric and Gas, if temporary service to a customer or customers is expected to last, or lasts, more than one (1) year.

Subject to the exceptions for temporarily providing service provide for in the immediately preceding paragraph, in the event that a new customer or prospective new customer requests or applies for service from either party to be provided to end-use facilities located in Territorial Area of the other party, the party receiving such a request or application shall refer the new customer or the prospective new customer to the other party with citation to this Agreement as approved by the Commission, and shall notify the other party of such request or application.

Section 2.3: Transition and Transfers. The location of the "Territorial Boundary Line" has been strategically placed in such a position and agreed upon by each of the Parties as not to impact or in any way effect the existing customer of each the Parties, therefore eliminating the need for any plan for the transition of existing customers or the necessary transfer of any facilities related to exchanging customers.

Section 2.4: Bulk Power for Resale. Nothing herein shall be construed to prevent either party from providing a bulk power supply for resale purposes as defined in the Final Judgement dated August 19, 1971 in United States of America v. Florida Power

Corporation and Tampa Electric Company, United States District Court for the Middle District of Florida, Case No. 68-297-Civ-T ("the Final Judgment"), regardless of where the purchaser for resale may be located. Further, no other section or provision of this Agreement shall be construed as applying to a bulk power supply for resale purposes as defined in the Final Judgment (attached as Exhibit "C").

ARTICLE 3

OPERATION AND MAINTENANCE

Section 3.1: Facilities to Remain. Except as expressly provided herein, in a generating plant, transmission line, substation, distribution line or related facility now or hereafter constructed or used by either party in conjunction with its electric utility system, which is directly or indirectly used and useful in service to its customer by either of the Parties in its Territorial Area, shall be allowed to remain where situated and shall not be subject to removal or transfer hereunder; provided, however, that each party shall operate and maintain all such plants, lines, substations or facilities in such a manner as to minimize any interference with the operations of the other party.

ARTICLE 4

PREREQUISITE APPROVAL

Section 4.1: Commission Approval. The provisions and the Parties' performance of this Agreement are subject to the regulatory authority of the Commission, and appropriate approval by that body of the provisions of this Agreement shall be an absolute prerequisite to the validity, enforceability and applicability hereof. This Agreement shall have no effect whatsoever until that approval has been obtained, and the date of the Commission's order, if any, granting initial Commission approval of this Agreement shall be deemed to be the effective date of this Agreement. Any proposed modification to this Agreement shall be submitted to the Commission for approval. In addition, the Parties agree to jointly petition the Commission to resolve any dispute concerning the provisions of this Agreement or the Parties' performance of this Agreement.

Section 4.2: No Liability in the Event of Disapproval. In the event approval of this Agreement pursuant to Section 4.1 hereof is not obtained, neither party will have any cause of action against the other arising under this document or on account of such nonattainment of approval.

Section 4.3: Supersedes Prior Agreements. Upon its approval by the Commission, this Agreement shall be deemed to specifically supersede any and prior agreements between the parties defining the boundaries of their respective Territorial Areas.

ARTICLE 5

DURATION

Section 5.1: This Agreement 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 an additional twenty-five (25) year periods unless either party gives written notice to the other of its intent not to renew at least six (6) months prior to the expiration of any twenty-five (25) year period; provided, however, that each such renewal of this Agreement shall require prerequisite approval of the Commission with the effect as the original Commission approval of this Agreement as required and provided for in Article 4 hereof.

ARTICLE 6

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 further this State's policy of approving territorial agreement between and among rural electric cooperatives, municipal electric utilities and other electric utilities under its jurisdiction; to further this State's policy of actively regulating and supervising the service territories of electric utilities; and supervising the planning, development, and maintenance of a coordinated electric power grid throughout Florida; and avoiding uneconomic duplication of transmission and distribution facilities,

ARTICLE 7

MISCELLANEOUS

Section 7.1: Negotiations. Regardless of any other terms or conditions that may have been discussed during the negotiations leading up to the execution of this Agreement, the only terms or conditions agreed upon by the parties are those set forth herein, and no alteration, modification, enlargement or supplement to this Agreement shall be binding upon either of the Parties hereto unless

the same shall be in writing, attached hereto, signed by both of the parties and approved by the Commission in accordance with Article 4, Section 4.1 hereof.

Section 7.2: Successors and Assigns for Benefit Only of Parties. This Agreement shall be binding upon the Parties hereto and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended, or shall be construed, to confer upon or give to any person other than the Parties hereto, or their respective successors or assigns, any right, remedy, or claim under or by reason of this Agreement, or any provision or condition hereof; and all of the provisions, representations, covenants, and conditions herein contained shall insure to the sole benefit of the Parties or their respective successors or assigns.

Section 7.3: Notices. Notices given hereunder shall be deemed to have been given to CFEC if mailed by certified mail, postage prepaid, to Edward Ricketson, Executive Vice President and General Manager, or his successor, Central Florida Electric Cooperative, Inc., Post Office Box 9, Chiefland, Florida, 32626 and to TCEC if mailed by certified mail, postage prepaid to C. E. Laing, Jr., General Manager, or his successor, Tri-County Electric Cooperative, Inc., Post Office Box 208, Madison, Florida, 32341.

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

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

ATTEST:

CENTRAL FLORIDA ELECTRIC
COOPERATIVE, INC.

Arthur Pinner
Secretary

By: Thomas Brochini
President

(SEAL)

ATTEST:

TRI-COUNTY ELECTRIC
COOPERATIVE, INC.

Malcolm V. Sage
Secretary

By: Evon Brown
President

(SEAL)

APPROVED AS TO FORM AND LEGALITY:

By: Gregory J. Brandman
Legal Counsel to Central Florida Electric Cooperative, Inc.

By: Jeff Wake
Legal Counsel to Tri-County Electric Cooperative, Inc.

EXHIBIT "B.1"

WRITTEN DESCRIPTION OF THE TERRITORY BOUNDARY OF TRI-COUNTY ELECTRIC COOPERATIVE, INC AND CENTRAL FLORIDA ELECTRIC COOPERATIVE, INC.

Commence at the Northwest (NW) Corner of Section 6 of Township 8 South, Range 11 East of Dixie County, Florida, at the County Line of Dixie and Lafayette Counties, Florida, for the POINT OF BEGINNING (POB) and run southward along the West Boundary Line of said Section 6 and Section 7, 18 and 19 of Township 8 South, Range 11 East, thence continue southward along the West Boundary Line of Section 30 of Township 8 South, Range 11 East to the intersection of West Boundary Line of said Section 30 of Township 8 South, Range 11 East with the North Boundary Line of abandon Seaboard Coastline Railroad (currently owned by Florida Power Corporation), thence run southeastward along the North Boundary Line of said abandon Railroad in said Section 30 of Township 8 South, Range 11 East to the intersection of the South Boundary Line of Section 29 of Township 8 South, Range 11 East with the North Boundary Line of Said abandon Railroad, thence run eastward along the South Boundary Line of said Section 29 of Township 8 South, Range 11 East to the Southeast (SE) Corner of said Section 29 of Township 8 South, Range 11 East, thence run Southward along East Boundary Line of Section 32, Township 8 South, Range 11 East to the intersection of the East Boundary Line of said Section 32 of Township 8 South, Range 11 East with the North Boundary Line of the said abandon Seaboard Coastline Railroad, thence run southeastward along the North Boundary Line of said abandon Railroad in Section 33 of Township 8 South, Range 11 East, thence continue southeastward along the North Boundary line of said abandon Railroad in Section 4 of Township 9 South, Range 11 East to the intersection of said North Boundary Line of abandon Railroad with the East Boundary line of said Section 4 of Township 9 South, Range 11 East, thence run southward along the East Boundary Line of said Section 4 and Sections 9, 16 and 21, all being part of Township 9 South, Range 11 East to the Southeast (SE) Corner of said Section 21 of Township 9 South, Range 11 East, thence run westward along South Boundary Line of said Section 21 and Sections 20 and 19, all being part of Township 9 South, Range 11 East, thence continue westward along the South Boundary Line of Section 24 of Township 9 South, Range 10 East to the Southwest (SW) Corner of said Section 24 of Township 9 South, Range 10 East, thence run southward along the West Boundary

Line of Sections 25 and 36 of Township 9 South, Range 10 East and continue southward along the West Boundary Line of sections 1, 12, 13, 24, 25 and 36 of Township 10 South, Range 10 East to the Northwest (NW) Corner of Section 1 of Township 11 South, Range

10 East, thence run westward along the North Boundary Line of Sections 2, 3, 4, 5 and 6 of Township 11 South, Range 10 East to the Northwest (NW) Corner of said Section 6 of Township 11 South, Range 10 East, thence run southward along the West Boundary Line of said Section 6 and sections 7 and 18 of Township 11 South, Range 10 East to the Southwest (SW) Corner of said Section 18 of Township 11 South, Range 10 East, thence run eastward along the South Boundary Line of said Section 18 of Township 11 South, Range 10 East to the Northeast (NE) Corner of the West Half (W 1/2) of Section 19 of Township 11 South, Range 10 East. thence run southward along the East Boundary Line of the West Half (W 1/2) of the said Section 19 and portions of Section 30 all being part of Township 11 South, Range 10 East, ENDING at the water line of the Gulf of Mexico. All of the above being part of and in Dixie County, Florida.

All references to roads, streets, highways and of physical areas, locations and objects are as the same as existed on March 1, 1995.

EXHIBIT "B.2"

WRITTEN DESCRIPTION OF THE TERRITORY BOUNDARY OF CENTRAL FLORIDA ELECTRIC COOPERATIVE, INC.

ALL OF THE GEOGRAPHIC AREA OF DIXIE COUNTY, FLORIDA, LYING SOUTH AND EAST OF THE BELOW DESCRIBED LINE KNOWN AS THE TERRITORIAL BOUNDARY LINE, IS THE EXCLUSIVE RETAIL ELECTRIC SERVICE AREA OF CENTRAL FLORIDA ELECTRIC COOPERATIVE, INC.

Commence at the Northwest (NW) Corner of Section 6 of Township 8 South, Range 11 East of Dixie County, Florida, at the County Line of Dixie and Lafayette Counties, Florida, for the **POINT OF BEGINNING** (POB) and run southward along the West Boundary Line of said Section 6 and Section 7, 18 and 19 of Township 8 South, Range 11 East, thence continue southward along the West Boundary Line of Section 30 of Township 8 South, Range 11 East to the intersection of West Boundary Line of said Section 30 of Township 8 South, Range 11 East with the North Boundary Line of abandon Seaboard Coastline Railroad (currently owned by Florida Power Corporation), thence run southeastward along the North Boundary Line of said abandon Railroad in said Section 30 of Township 8 South, Range 11 East to the intersection of the South Boundary Line of Section 29 of Township 8 South, Range 11 East with the North Boundary Line of Said abandon Railroad, thence run eastward along the South Boundary Line of said Section 29 of Township 8 South, Range 11 East to the Southeast (SE) Corner of said Section 29 of Township 8 South, Range 11 East, thence run Southward along East Boundary Line of Section 32, Township 8 South, Range 11 East to the intersection of the East Boundary Line of said Section 32 of Township 8 South, Range 11 East with the North Boundary Line of the said abandon Seaboard Coastline Railroad, thence run southeastward along the North Boundary Line of said abandon Railroad in Section 33 of Township 8 South, Range 11 East, thence continue southeastward along the North Boundary line of said abandon Railroad in Section 4 of Township 9 South, Range 11 East to the intersection of said North Boundary Line of abandon Railroad with the East Boundary line of said Section 4 of Township 9 South, Range 11 East, thence run southward along the East Boundary Line of said Section 4 and Sections 9, 16 and 21, all being part of Township 9 South, Range 11 East to the Southeast (SE) Corner of said Section 21 of Township 9 South, Range 11 East, thence run westward along South Boundary Line of said Section 21 and Sections 20 and 19, all being part of Township 9 South, Range 11 East, thence continue westward along the South Boundary Line of Section 24 of Township 9 South, Range 10 East to the Southwest (SW) Corner of said Section 24 of Township 9 South, Range 10 East, thence run southward along the West Boundary Line

of Sections 25 and 36 of Township 9 South, Range 10 East and continue southward along the West Boundary Line of sections 1, 12, 13, 24, 25 and 36 of Township 10 South, Range 10 East to the Northwest (NW) Corner of Section 1 of Township 11 South, Range 10 East, thence run westward along the North Boundary Line of Sections 2, 3, 4, 5 and 6 of Township 11 South, Range 10 East to the Northwest (NW) Corner of said Section 6 of Township 11 South, Range 10 East, thence run southward along the West Boundary Line of said Section 6 and sections 7 and 18 of Township 11 South, Range 10 East to the Southwest (SW) Corner of said Section 18 of Township 11 South, Range 10 East, thence run eastward along the South Boundary Line of said Section 18 of Township 11 South, Range 10 East to the Northeast (NE) Corner of the West Half (W 1/2) of Section 19 of Township 11 South, Range 10 East. thence run southward along the East Boundary Line of the West Half (W 1/2) of the said Section 19 and portions of Section 30 all being part of Township 11 South, Range 10 East, **ENDING** at the water line of the Gulf of Mexico. All of the above being part of and in Dixie County, Florida.

All references to roads, streets, highways and of physical areas, locations and objects are as the same as existed on March 1, 1995.

EXHIBIT "B.3"

WRITTEN DESCRIPTION OF THE TERRITORY BOUNDARY OF TRI-COUNTY ELECTRIC COOPERATIVE, INC.

ALL OF THE GEOGRAPHIC AREA OF DIXIE COUNTY, FLORIDA, LYING NORTH AND WEST OF THE BELOW DESCRIBED LINE KNOWN AS THE TERRITORIAL BOUNDARY LINE, IS THE EXCLUSIVE RETAIL ELECTRIC SERVICE AREA OF TRI-COUNTY ELECTRIC COOPERATIVE, INC.

Commence at the Northwest (NW) Corner of Section 6 of Township 8 South, Range 11 East of Dixie County, Florida, at the County Line of Dixie and Lafayette Counties, Florida, for the **POINT OF BEGINNING** (POB) and run southward along the West Boundary Line of said Section 6 and Section 7, 18 and 19 of Township 8 South, Range 11 East, thence continue southward along the West Boundary Line of Section 30 of Township 8 South, Range 11 East to the intersection of West Boundary Line of said Section 30 of Township 8 South, Range 11 East with the North Boundary Line of abandon Seaboard Coastline Railroad (currently owned by Florida Power Corporation), thence run southeastward along the North Boundary Line of said abandon Railroad in said Section 30 of Township 8 South, Range 11 East to the intersection of the South Boundary Line of Section 29 of Township 8 South, Range 11 East with the North Boundary Line of Said abandon Railroad, thence run eastward along the South Boundary Line of said Section 29 of Township 8 South, Range 11 East to the Southeast (SE) Corner of said Section 29 of Township 8 South, Range 11 East, thence run Southward along East Boundary Line of Section 32, Township 8 South, Range 11 East to the intersection of the East Boundary Line of said Section 32 of Township 8 South, Range 11 East with the North Boundary Line of the said abandon Seaboard Coastline Railroad, thence run southeastward along the North Boundary Line of said abandon Railroad in Section 33 of Township 8 South, Range 11 East, thence continue southeastward along the North Boundary line of said abandon Railroad in Section 4 of Township 9 South, Range 11 East to the intersection of said North Boundary Line of abandon Railroad with the East Boundary line of said Section 4 of Township 9 South, Range 11 East, thence run southward along the East Boundary Line of said Section 4 and Sections 9, 16 and 21, all being part of Township 9 South, Range 11 East to the Southeast (SE) Corner of said Section 21 of Township 9 South, Range 11 East, thence run westward along South Boundary Line of said Section 21 and Sections 20 and 19, all being part of Township 9 South, Range 11 East, thence continue westward along the South Boundary Line of Section 24 of Township 9 South, Range 10 East to the Southwest (SW) Corner of said Section 24

of Township 9 South, Range 10 East, thence run southward along the West Boundary Line of Sections 25 and 36 of Township 9 South, Range 10 East and continue southward along the West Boundary Line of sections 1, 12, 13, 24, 25 and 36 of Township 10 South, Range 10 East to the Northwest (NW) Corner of Section 1 of Township 11 South, Range 10 East, thence run westward along the North Boundary Line of Sections 2, 3, 4, 5 and 6 of Township 11 South, Range 10 East to the Northwest (NW) Corner of said Section 6 of Township 11 South, Range 10 East, thence run southward along the West Boundary Line of said Section 6 and sections 7 and 18 of Township 11 South, Range 10 East to the Southwest (SW) Corner of said Section 18 of Township 11 South, Range 10 East, thence run eastward along the South Boundary Line of said Section 18 of Township 11 South, Range 10 East to the Northeast (NE) Corner of the West Half (W 1/2) of Section 19 of Township 11 South, Range 10 East. thence run southward along the East Boundary Line of the West Half (W 1/2) of the said Section 19 and portions of Section 30 all being part of Township 11 South, Range 10 East, **ENDING** at the water line of the Gulf of Mexico. All of the above being part of and in Dixie County, Florida.

All references to roads, streets, highways and of physical areas, locations and objects are as the same as existed on March 1, 1995.