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December 28, 2000

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WILLIAM H. CHANDLER 1920-1992

BECCHIED AND AND

Blanca Bayo, Director Division of Records and Reporting Florida Public Service Commission 2549 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

001834-EU

RE: Docket No. 910678-EtJ, In Re: Joint Petition of Clay Electric Cooperative, Inc. and City of Newberry, Florida for approval of Territorial Agreement

Dear Ms. Bayo:

I am enclosing herewith an original Joint Petition for Approval of Amendment to Territorial Agreement and an original First Amendment to Territorial Agreement Between Clay Electric Cooperative, Inc. and the City of Newberry, Florida. In addition, we are enclosing fifteen (15) copies of each of those two documents.

I am enclosing a copy of this letter as an acknowledge copy and would appreciate it if you would file stamp it and return it to me in the enclosed self-addressed/stamped envelope as an acknowledgement of the date the Petition and the First Amendment were filed. Please call me if you have any questions regarding this matter.

Very truly yours,

not enclosed

Mes FILED

John H. Haswell

JHH/daj Enclosures

cc: S. Scott

S. Scott Walker, Esquire

William C. Phillips, CEO and General Manager

Clay Electric Cooperative, Inc. Howard Mott, District Manager

Clay Electric Cooperative, Inc.

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FPSC-RECORDS REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION (C)

In re: Joint Petition of Clay Electric)
Cooperative, Inc. and City of Newberry)
Florida for approval of Territorial)
Agreement.)

DOCKET NO. 940076-EU ORDER NO. 25080 ISSUED 9-18-91

JOINT PETITION FOR APPROVAL OF AMENDMENT TO TERRITORAL AGREEMENT

Clay Electric Cooperative, Inc. ("Clay") and the City of Newberry, Florida ("City"), jointly Petition the Florida Public Service Commission ("Commission") for the entry of an Order approving of an Amendment to their Territorial Agreement and stipulate as follows:

1. The parties to this Petition and their mailing addresses are:

Clay Electric Cooperative, Inc.
Post Office Box 308
Keystone Heights, Florida 32656-0308
William C. Phillips, General Manager

City of Newberry Post Office Box 369 Newberry, Florida 32669 Blaine Suggs, Public Works Director

2. The parties are represented by, and notices should be served on and sent to the following:

John H. Haswell, Esquire Chandler, Lang & Haswell, P.A. Post Office Box 23879 Gainesville, Florida 32602 Florida Bar No. 162536 (352) 376-5226 telephone Attorney for Clay Electric Cooperative, Inc. S. Scott Walker, Esquire Post Office Box 1070 Gainesville, Florida 32602 Florida Bar No. 0394939 (352) 372-8401 telephone Attorney for City of Newberry

3. By Order Number 25080, dated 9-18-91, the Commission approved a Territorial Agreement between the City and Clay. The Commission has continuing jurisdiction over territorial agreements and territorial matters pursuant to Fla.Stat. §

DOCUMENT NUMBER-DATE

366.04(2)(d). Section 2.4 of the Territorial Agreement provides for the transfer of customers from Clay to the City. The total number of customers of Clay identified by the parties to be transferred was five (5) and none had any objection to the transfer in 1991. Those customers were transferred to the City as provided in the Agreement.

- 4. In March of 2000, the City advised Clay that it identified twelve (12) additional customers still served by Clay that are inside the City's territorial area. These customers were overlooked by both the City and Clay at the time notices were sent to affected customers in 1991.
- 5. Once the error was discovered, Clay notified the twelve (12) customers that they should be served by the City. Nine (9) of the customers had no objection, but three (3) do object to the transfer.
- 6. Recognizing that those three (3) customers where not given notice of the Petition to approve the Territorial Agreement in 1991, and not wishing to change the territorial boundary, Clay and the City have agreed, subject to the Commission's approval, to modify Section 2.4 to provide "Change In Use" language as set forth in the first amendment to the Territorial Agreement submitted herewith, so that the three (3) affected customers may remain customers of Clay until such time as there is a change in use. This course of action will be the least disruptive and will accomplish the ultimate goal of the original Agreement to avoid the uneconomic duplication of electric service, and will maintain the established territorial boundary.
- 7. The Amendment is in the best interest of the customers of Clay and the City, and is in the public interest.

8. Notice that Clay and the City will seek to amend the Territorial Agreement has been mailed to the three (3) affected customers.

WHEREFORE, Clay and the City respectfully request that the Commission enter an Order approving the First Amendment to the Territorial Agreement.

S. Scott Walker, Esquire

Date

Post Office Box 1070

Gainesville, Florida 32602

Florida Bar No. 0394939

(352) 372-8401 telephone Attorney for City of Newberry

John H. Haswell, Esquire

Date

/Chandler, Lang & Haswell, P.A.

Post Office Box 23879

Gainesville, Florida 32602

Florida Bar No. 162536

(352) 376-5226 telephone

Attorney for Clay Electric Cooperative, Inc.

FIRST AMENDMENT TO TERRITORIAL AGREEMENT BETWEEN CLAY ELECTRIC COOPERATIVE, INC. AND THE CITY OF NEWBERRY, FLORIDA

Section 0.1: This is the first Amendment to the Territorial Agreement between CLAY ELECTRIC COOPERATIVE, INC. ("Clay"), and THE CITY OF NEWBERY, FLORIDA ("City"), which was initially approved by the Florida Public Service Commission by Order Number 25080, dated 9-18-91, in Docket Number 910678-EU.

Section 0.2: Because of a mutual mistake, twelve customers of Clay, who should have been transferred to the City in 1991 in accordance with the Territorial Agreement, were overlooked by both parties and were not notified of the Petition to Approve the Territorial Agreement, hence did not have the opportunity to agree or disagree with the Petition. Upon the discovery of the mistake, Clay notified the twelve customers and advised them of the 1991 Territorial Agreement. Nine of those customers have no objection to the transfer to the City. Three of the customers have objected. Hence, to accommodate those three customers while at the same maintaining the integrity of the territorial boundary between Clay and the City, the parties agree to amend Section 2.4 of the Territorial Agreement as hereinafter set-forth.

Section 1.0: Section 2.4 of the Territorial Agreement is hereby amended to provide that as to the three customers identified on Schedule "A" hereto, and as to any other customers of either party discovered to be in the territorial area of the other party, the transfer of such customers shall be deferred until there is a change in use of those customers' accounts.

Section 2.0: Under the Change and Use Policy, an affected customer shall remain a customer of the customer's current electric service provider until the customer:

- (a) Transfers his account to another person,
- (b) Closes his account,
- (c) Changes the use of the service from residential to commercial or from commercial to residential; or
- (d) Changes the service from single phase to three phase, adds meters, facilities, or increases the voltage.

Section 3.0: When a change is use occurs, the service location shall be promptly transferred to the utility, which has been assigned the territorial area in which the customer's service facilities are located.

Section 4.0: This Amendment shall have no force and effect, and shall not be deemed an Agreement, unless and until this Amendment is approved by the Commission.

Section 5.0: The parties hereto shall submit this Amendment to the Commission with a Joint Petition for Approval, and shall notify the customers listed on Schedule "A" of the filing of the Petition to approve this Agreement.

IN WITNESS WHEREOF the undersigned have hereunto set their hands and seals.

CLAY ELECTRIC COOPERATIVE, INC.

By: Rayman Wingate Raymond Wingate Secretary Date: 12-21-2000	By: Man Angus S. Hastings, President Date:
	CITY OF NEWBERRY, FLORIDA
	By: Thuch Huts
ATTEST:	Grady W. Hartzog, Mayor Date:
By: Saule B. Pone. Gayle B. Pons, City Clerk Date: 12/12/00	
	Approved as to form/legality by:

S. Scott Walker, City Attorney

for City of Newberry Date: __ /2 - /2 - \@

Schedule "A"

Name Customer Number(s)

 James Wallace
 171801 and 172632

 Davis W. Holt
 172269 and 181364

Jean R. Bronson 178237