Exhibit A

TERRITORIAL AGREEMENT BETWEEN
CITY OF CALHOUN, NORTH GEORGIA ELECTRIC MEMBERSHIP CORPORATION AND GEORGIA POWER COMPANY

Georgia Power agrees to sell to NGEMC its poles, lines, and customers on Lovers Lane Road from Dews Pond Road south. Also, Georgia Power Company agrees to sell to NGEMC its poles, lines, and customers on road S-2670 from L & N Railroad east. Georgia Power Company also agrees to relinquish its corridor rights to NGEMC on its lines east of I-75 on Dews Pond Road and NewTown Road and related lines that pull off these roads, but shall retain the right to serve its existing customers on these lines or any customers of like type which may later be located on property occupied by its existing customers.

Georgia Power Company relinquishes its corridor rights within the Calhoun city limits as of this date except as shown below, but retains the right to serve all customers it is now serving inside the city and any customers of like type which may later be located on property occupied by its existing customers.

Georgia Power Company agrees to sell to the City of Calhoun a portion of its 3-phase line that extends south to serve Criterion Mills and Burton Carpet and Rugs and sells the two customers also. The portion of line to be sold extends from a point approximately 1600 feet south of the center of Dews Pond Road south to the end of the line.

On the east side of Calhoun and west of I-75, NGEMC grants to Georgia Power Company exclusive rights on the 1600-foot and 800-foot line corridors that it has under the 1938 agreement with NGEMC and subsequent amendments. Likewise, Georgia Power Company agrees to have these corridors reduced to 600 feet (300 feet either side of line) along the major roads, where lines were originally under the agreement, at such time as the City of Calhoun annexes any portion of these lines and provides other utilities to the area in accordance with paragraphs #8 and #9.

The City of Calhoun and NGEMC agree to grant an area to the northwest of town as an exclusive assignment to Georgia Power Company. This includes areas now within the city limit that fall within the exclusive area. That area is described as follows:

contd.

beginning at a point on center line of the Oostanaula River as it now exists and the north land lot line of LL #170 proceed east along the north land lot line of LL #170 and LL #169 to the center line of present U. S. Highway 41; thence north along center line of U. S. Highway 41 to center line of the L & N Railroad; thence north along center line of the L & N Railroad to center line of the Oostanaula River; thence south along center line of the river as it presently flows to point of beginning.

Within this exclusive area, NGEMC agrees to sell to Georgia Power Company its poles and lines along U. S. 41 from I-75 north and all customers except the Brown residence which is the last residence on east side of U. S. Highway 41 at the Oostanaula River. NGEMC shall also retain its customer east of U. S. Highway 41, the Calhoun Chemical Company. This exclusive area is shown on attached map, labeled "Exhibit A," and is bounded thereon in green.

The parties agree that the City of Calhoun shall not extend its lines at any time north of the northern boundary of LL's #97, 96, 95; east of I-75; south of the southern boundary of LL's #303, 302, 301, 300, 299, and 298; and west of a line that extends along the west boundary of LL's #298, 279, 262 to the city limit line just below LL #243; thence west to the center line of Ga. 53 Spur; thence along the center line of Ga. 53 Spur to Terrell Farm Road; thence along the present city limit line to where it intersects center line of the Oothcalooga Creek as it presently exists; thence along center line of the creek to where it intersects center line of the Oostanaula River as it now exists; thence north along center line of the river as it presently flows to the center line of Georgia Highway 143; thence along the present city limit line to the center of the Oostanaula River; thence along center line of Oostanaula River as it presently flows to point of beginning where the center line of the river intersects north boundary of LL #97. This area is shown bounded in yellow on "Exhibit A" Map.

The City of Calhoun agrees not to extend its electric facilities outside the boundaries of the City of Calhoun to serve any additional consumer. The City of Calhoun further agrees it will not serve electricity to any area in Gordon County or the State of Georgia until said area has been legally annexed to the City of Calhoun

and all municipal services provided including: fire protection, garbage collection, water, police protection, planning and zoning, city schools, and sanitary sewers. Also, property owners in such area must be paying, or subject to pay, city taxes. NGEMC agrees that sanitary sewer will only be provided where feasible and, if feasible, construction on said sanitary sewer services must be under construction within twelve months from date of annexation and must be completed in a reasonable period of time.

It is further agreed that should the feasibility of sanitary sewer to any area be questioned by either party, the city and the cooperative will enter a joint study by a consulting engineering firm selected by mutual agreement to determine if the proposed sanitary service is feasible. To be feasible, a project must amortize itself within twenty years.

After legal annexation and the provision of services as provided above, NGEMC will relinquish all its corridor rights inside the annexed area, but will retain its right to serve existing customers.

NGEMC also agrees to give up all its corridor rights inside the present city limits, but retains the right to serve its existing customers.

The City of Calhoun and NGEMC further agree to the following division of the following specific customers and areas:

1. The city to serve McDonald's and Kentucky Fried Chicken in Land Lot #274 in Gordon County.-
2. The city to serve Venture Carpet's present plant on Highway 41 South.
3. The city to serve all new consumers in Spring Valley Subdivision that are in the city limits.
4. All present consumers in Spring Valley will retain present supplier.
5. The NGEMC (with the consent of owners of Bonanza) will let the City of Calhoun serve Bonanza on Highway 53.
6. The City of Calhoun will allow NGEMC to serve a consumer on the north side of Highway 53 to compensate for the loss of Bonanza.

7. The city will allow NGEMC to serve Scottish Inn and the Scottish Inn Restaurant located at the intersection of I-75 and Redbud Road.

It is agreed that the transfer of any facilities will be compensated for as mutually agreed upon.

NGEMC agrees to dismiss all complaints against the City of Calhoun it now has pending before the Georgia Public Service Commission.

NGEMC and Georgia Power agree that this agreement does not replace or modify the 1938 agreement between the parties as amended, except as specifically set forth herein, and that said 1938 agreement as amended except as specifically set forth herein or otherwise modified in writing between the parties shall continue in full force and effect.

All parties agree to abide by the rights of others within the areas as described above and shown on attached map marked "Exhibit A" and dated April 8, 1975.

CITY OF CALHOUN

By J. C. Bartlett, MAYOR

NORTH GEORGIA ELECTRIC MEMBERSHIP CORPORATION

By [signature] Manager

GEORGIA POWER COMPANY

By [signature]
DIV. MARKETING SUPERVISOR

April 8, 1975

Attachment