

LAW OFFICES  
CHANDLER, LANG & HASWELL, P.A.  
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GAINESVILLE, FLORIDA 32602-3879

ORIGINAL  
FILE COPY

JAMES F. LANG  
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C. WHARTON COLE

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211 N.E. FIRST STREET  
GAINESVILLE, FL 32601-6367

WILLIAM H. CHANDLER  
1920-1992

July 28, 1997

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

Via Hand Delivery

RE: Clay Electric Cooperative, Inc.  
and Florida Power & Light Company  
Docket No. 970512-EU

Dear Ms. Bayo:

I am enclosing herewith the original and fifteen (15) copies of Clay Electric Cooperative Inc.'s Prepared Direct Testimony of Herman Dyal, William C. Phillips, and Henry Barrow which I would appreciate your filing in this docket.

Very truly yours,

John H. Haswell

*Dyal - 07618-97*  
*Phillips - 07619-97*  
*Barrow 07620-97*

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_ JHH/lez
- CMU \_\_\_\_\_ cc: Mark Logan, Esquire
- CTR \_\_\_\_\_ Robert Elias
- EAG \_\_\_\_\_ William C. Phillips
- LEG \_\_\_\_\_ 1 Herman Dyal
- LIN 3 + org Henry Barrow
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC \_\_\_\_\_ 1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

C:\WP60\CLAY\RIVERCIT\BAYO9.LTR

DOCUMENT NUMBER-DATE

07618 JUL 28 97

FPSC-RECORDS/REPORTING

ORIGINAL  
FILE COPY

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Petition of Florida Power & Light )  
Company to Resolve a Territorial Dispute with )  
Clay Electric Cooperative in Baker County )  

---

Docket No.: 970512-EU

Filed: July 28, 1997

**PREPARED DIRECT TESTIMONY  
OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**

DOCUMENT NUMBER-DATE

07620 JUL 28 97

FPSC-RECORDS/REPORTING

- 1 Q Please state your name and business address:
- 2 A Henry Barrow, and my business address is Post Office Box 308, Keystone Heights,  
3 Florida.
- 4
- 5 Q What is your occupation?
- 6 A I am the Director of Member and Public Relations at Clay Electric Cooperative, Inc.  
7
- 8 Q How long have you been employed by Clay?
- 9 A For 21 years.
- 10
- 11 Q What other positions have you held at Clay Electric Cooperative, Inc.?
- 12 A I have held the following positions: Safety Director, Manager of Personnel, District  
13 Manager at Keystone Heights, District Manager at Orange Park, and Director of  
14 District Operations.
- 15
- 16 Q What is your educational level?
- 17 A I received a Bachelor of Science degree in Agriculture from the University of  
18 Georgia in 1968.
- 19
- 20 Q What is the purpose of your testimony?
- 21 A To discuss the events leading up to the request for service we received from River  
22 City Plastics to serve its new facility in our Baker County service area, and the  
23 reasons expressed to me by River City Plastics for its decision.
- 24
- 25 Q How did you first learn of River City Plastics' plan to relocate to Baker County?

1       A       I received a call, on May 2, 1995, from Ginger Barber with the Baker County  
2                   Chamber of Commerce regarding her efforts to lure River City Plastics, a plastic pipe  
3                   manufacturing company, to Baker County. Ginger wanted to know if Clay would be  
4                   interested in providing electric service to River City Plastics and if so, I should  
5                   contact Stafford McCartney with River City Plastics in Jacksonville and she gave me  
6                   his telephone number. I asked Ginger to give me the proposed plant location and  
7                   she said she would fax it to me. I received the fax including a map of the proposed  
8                   plant site on May 2, 1995. Exhibit \_\_\_\_\_ (HDB-1).

9  
10       Q       What did you do next?

11       A       I attempted to call Stafford McCartney with River City Plastics the same day, May  
12                   2, 1995, and subsequently left a message for him to call me. On May 3, 1995,  
13                   Stafford McCartney with River City Plastics returned my call. I indicated to Stafford  
14                   McCartney that Clay Electric Cooperative, Inc. was definitely interested in providing  
15                   electric service to the plant and had a discussion regarding plant location,  
16                   construction time table, load profile, miscellaneous requirements and Clay Electric's  
17                   general service policies. I suggested a meeting be held as soon as possible with  
18                   him, Russell Lea, our Director of Engineering, and myself to further discuss River  
19                   City Plastics' service requirements. Mr. McCartney offered to fax me a copy of a  
20                   recent Jacksonville Electric Authority (JEA) bill, his current electric supplier, and his  
21                   April 1994 through November 1994 billing history which he indicated would give us  
22                   some idea of the load profile and kWh consumption in order for Clay Electric to  
23                   formulate our recommendation regarding service. He also asked about our various  
24                   rate schedules and classifications. I informed him that I would have Russell Lea  
25                   work on some optional rate schedules and that we would be ready to discuss our



1 proposals with him at the meeting. At that time, we agreed to meet at the River City  
2 Plastics plant in Jacksonville at 10:00 a.m. on May 9, 1995.

3

4 Q What took place at the meeting on May 9, 1995?

5 A Russell Lea and I asked Mr. McCartney a number of questions regarding the nature  
6 of the PVC plastic manufacturing process, especially the hours of operation, effects  
7 of down time due to power loss and continuity of service. One of our rate schedules,  
8 LGSDT/LM, is a load management rate that involves an irregular curtailment of  
9 service. The LGSDT/LM rate can provide for a very low cost per kWh if the nature  
10 of the operation can accommodate running at prescribed hours only. Mr. McCartney  
11 informed us that River City Plastics is a 24-hour a day operation and any rate with  
12 a curtailable or interruptible feature would be out of the question. Mr. Lea and I then  
13 proposed the LGSD rate. The LGSD rate can be made available to qualifying loads  
14 with back-up generators leased by the customer. During the meeting, Mr. Lea and  
15 I determined, from the information gathered from River City Plastics, that its load  
16 profile would qualify for the load management generator installation. Mr. Lea then  
17 offered back-up generators as part of the service. Mr. McCartney said that,  
18 operationally, the LGSD rate with generators was far and away the most desirable  
19 for River City Plastics due to the sensitive nature of his operation. He said that  
20 dependable power 24 hours a day without interruption was of the utmost importance  
21 to River City Plastics. He then took us on a tour of the plant. The meeting  
22 concluded at 12:00 noon with Mr. McCartney stating he would be in touch.

23

24 Q When were you next in contact with River City Plastics?

25 A Over the next several months, I called Mr. McCartney periodically to see how things

1           were going and to ask if I needed to do anything---the exact dates I do not recollect--  
2           but I do know that nothing of substance came from these conversations and nothing  
3           else happened until March 27, 1996.

4  
5       Q     What happened on March 27, 1996?

6       A     In a telephone conversation with Stafford McCartney, he offered to fax updated  
7           usage history from JEA.

8  
9       Q     When was your next contact with River City Plastics?

10      A     I called Mr. McCartney on April 3, 1996. He asked for a current "rate analysis" that  
11           would show up-to-date power cost adjustments (PCAs) on Clay Electric's proposals.  
12           I had Tom Page in Engineering run this and I faxed it to him on April 3, 1996.

13  
14     Q     When was your next communication with River City Plastics?

15     A     I received a call from Stafford McCartney on May 3, 1996. He said that River City  
16           Plastics had hired Post Buckley Engineering, to evaluate the proposals from Clay  
17           Electric Cooperative, Inc. and Florida Power & Light (FPL) and report their findings  
18           with a recommendation. He said Peter Trevin, P.E. with Post Buckley in Miami  
19           would be calling shortly and to cooperate with him. I said I would be glad to help in  
20           any way and I looked forward to Mr. Trevin's call. Pete Trevin called later that day  
21           and requested copies of our LGSDD/LM rates. He also requested information on the  
22           current and most recent PCAs. I faxed this to him on May 3, 1996.

23  
24     Q     Did you communicate further with Pete Trevin?

25     A     Yes. I will not go into all the details of every communication but, on May 7, 1996,

1 Mr. Trevin requested, by telephone, a sample calculation of electric charges using  
2 Clay Electric's LGSD rate plus a \$4/kW generator credit. This was faxed to Pete  
3 Trevin on May 7, 1996, Exhibit \_\_\_\_\_ (HDB-2). During this conversation Pete Trevin  
4 and I discussed numerous aspects of Clay Electric's proposal as denoted by Mr.  
5 Trevin in his report to River City Plastics on May 21, 1996, Exhibit \_\_\_\_\_ (HDB-3).

6  
7 Q When did you next communicate with Mr. Trevin?

8 A I faxed an updated rate proposal using (August 1996 PCA) to Mr. Trevin on August  
9 16, 1996. I also copied Mr. McCartney via fax this information on May 16, 1996,  
10 Exhibit \_\_\_\_\_ (HDB-4).

11  
12 Q When did you next hear from River City Plastics?

13 A I had placed other calls periodically to Mr. McCartney during the fall of 1996. He  
14 informed me that they were going forward with the plant and had no need for  
15 anything else from Clay Electric but would let me know if we were needed.

16  
17 Q Did you know Joe Fiore with River City Plastics?

18 A Yes. Mr. Fiore is a Project Manager with River City Plastics and he faxed a request  
19 to me on January 20, 1997. This fax is included as Exhibit \_\_\_\_\_ (HDB-5).

20  
21 Q What did you do about Mr. Fiore's fax?

22 A As the questions were of a technical nature, I referred them to Mr. Russell Lea.

23  
24 Q What happened on January 27, 1997?

25 A I had placed a routine call to Mr. McCartney. He indicated to me that Clay Electric



1 had been selected to provide electric power service to the new River City Plastics  
2 plant in Baker County. He told me he felt Clay Electric's proposal was superior to  
3 that of Florida Power & Light and River City Plastics wanted Clay Electric to serve.  
4 He said he would put this request for service in writing and in a few minutes, I  
5 received an application for service from River City Plastics signed by Stafford  
6 McCartney via fax, Exhibit \_\_\_\_\_ (HDB-6), on January 27, 1997.

7  
8 Q Did you send Stafford McCartney an Agreement for Purchased Power for the new  
9 River City Plastics plant in Baker County?

10 A Yes. The Agreement for Purchased Power was mailed to Stafford McCartney on  
11 February 18, 1997. Exhibit \_\_\_\_\_ (HDB-7)

12

13 Q Where there any other documents mailed to Stafford McCartney?

14 A Yes. On February 27, 1997, I mailed the Equipment Lease and Load Management  
15 Agreements to Stafford McCartney. Exhibit \_\_\_\_\_ (HDB-8)

16

17 Q Did River City Plastics sign the Purchased Power Agreement and the Equipment  
18 Lease and Load Management Agreement?

19 A Yes.

20

21 Q Are you aware of any discussions between River City Plastics and Florida Power &  
22 Light (FPL) regarding service to River City Plastics?

23 A Only through discussions with Mr. McCartney. He advised me that representatives  
24 of FPL were adamant that FPL should serve the site but FPL did not offer to provide  
25 the same quality and character of service that Clay offered. If FPL had made a



1 similar offer to River City Plastics, he would have seriously considered it, but  
2 because they did not, Mr. McCartney felt, based on all available information and his  
3 engineer's report, that his only viable avenue was to pursue service from Clay.  
4

5 Q Why would River City Plastics want service from Clay and not FPL?

6 A Well, their own engineers recommended Clay after a study of proposals from both  
7 utilities [see Exh. bit \_\_\_\_\_ (HDB-3)]. Mr. McCartney also met with me, Bill Phillips,  
8 our General Manager, and Herman Dyal, our Director of Engineering, at our office  
9 in Keystone Heights, and he indicated that FPL had told him that it would dispute any  
10 service by Clay. His biggest concern is interruption of his manufacturing process  
11 caused by even minor glitches, particularly when a storm or lightning approaches  
12 the plant. He told us that even a minor glitch lasting a second or two or less causes  
13 his equipment to shut down and ruin all the pipe that is "in process". He said he has  
14 had numerous such problems with his service in Duval County even though he has  
15 dedicated service from a JEA substation. His plant needs on-site generation to  
16 provide not only back up in the event of an outage, but also, for the ability to operate  
17 the generators when weather and lightning threaten the plant's operations. What  
18 FPL proposed was no more reliable than his current service from JEA, which he said  
19 was not acceptable. He told us the plastic pipe manufacturing process is unique and  
20 operates economically and efficiently only when it is an uninterrupted continuous  
21 process 24 hours a day. A minor glitch causes shutdowns, labor costs, delays in  
22 meeting production schedules, storage of ruined pipe, and regrinding - recycling  
23 costs. He restated his resolve that Clay provide electric service to the new site.  
24

25 Q Does this conclude your direct testimony?

1     A     Yes it does, however, I may have additional testimony after we receive our discovery  
2           responses from FPL and review its direct testimony.

3

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**AFFIDAVIT**

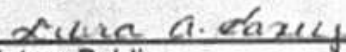
STATE OF FLORIDA     )  
                                  )  
COUNTY OF CLAY     )

Docket No. 970512-EU

Before the undersigned authority, personally appeared Henry D. Barrow, who being first duly sworn, deposes and says that he is the Director of Member and Public Relations for Clay Electric Cooperative, Inc., a Florida corporation, that the foregoing is true and correct to the best of his knowledge, information and belief. He is personally known to me.

  
\_\_\_\_\_  
Henry D. Barrow  
Director of Member and Public Relations

Sworn to and subscribed before me this 22<sup>nd</sup> day of July, 1997.

  
\_\_\_\_\_  
Notary Public  
State of Florida  
My Commission expires  
and my number is:

**Debra A. Haney**  
Notary Public, State of Florida  
My comm. expires October 25, 1999  
Comm. No. CC505764



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by regular U.S. mail to the following:

Patrick M. Bryan, Esquire  
Florida Power and Light Company  
700 Universe Boulevard  
Juno Beach, Florida 33408

Robert Elias, Legal Division  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399

Mark K. Logan  
Bryant, Miller & Olive  
201 South Monroe Street  
Suite 500  
Tallahassee, Florida 32301

W. G. Walker, III, Vice President  
Florida Power and Light Company  
Regulatory Affairs  
Post Office Box 029100  
Miami, Florida 33102-9100

on this 28 day of July, 1997.

  
\_\_\_\_\_  
John H. Haswell



Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-1)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**

DOCUMENT NUMBER-DATE  
07620 JUL 28 5  
FPSC-RECORDS/REPORTING

CHAMBER OF COMMERCE

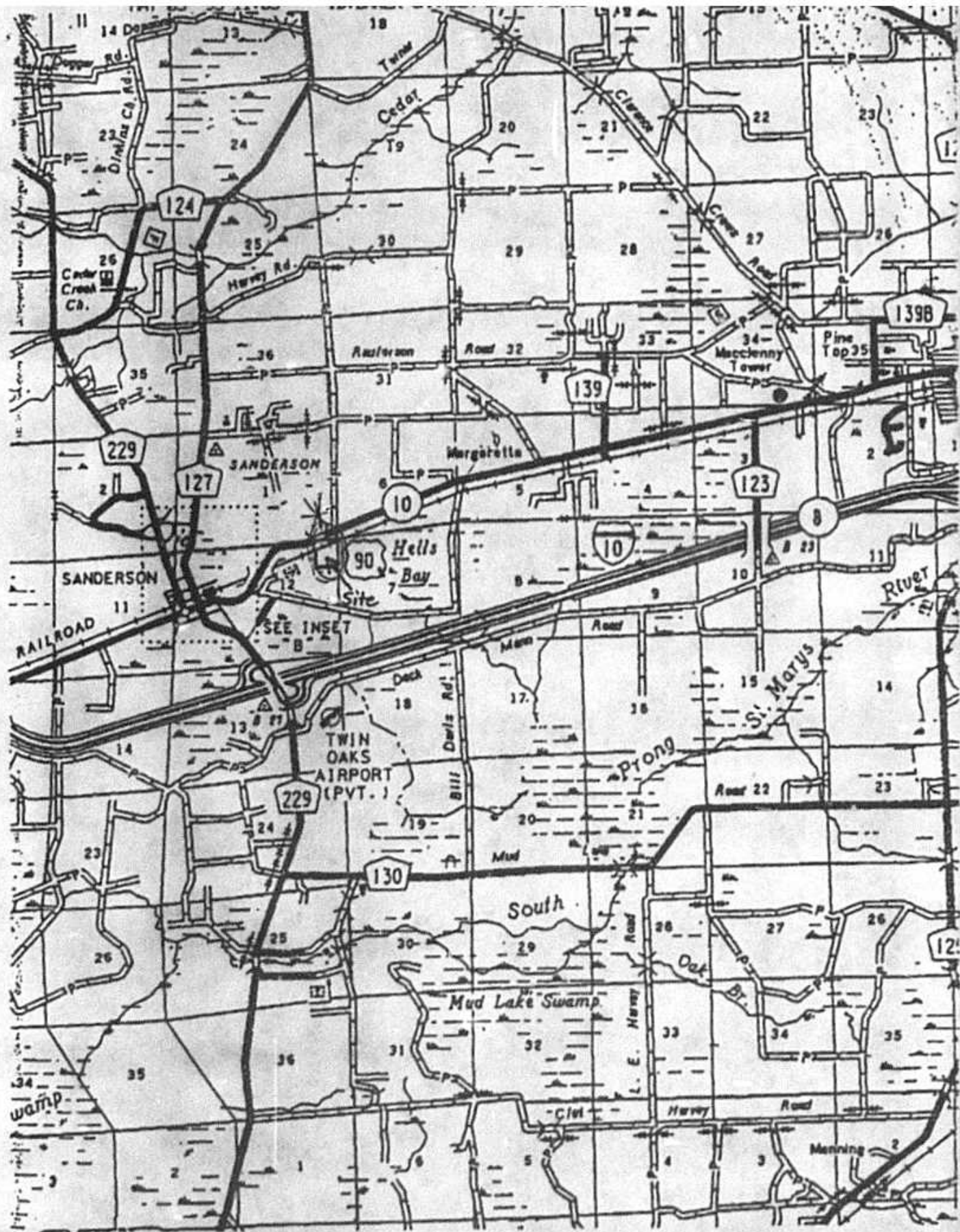
## Cover Sheet

A FAX FROM: Ginger BarberFAX NUMBER: (904) 259-6433TO: H. BarrowFAX NUMBER: (904) 473-9366DATE: 5/2/95NUMBER PAGES: 2

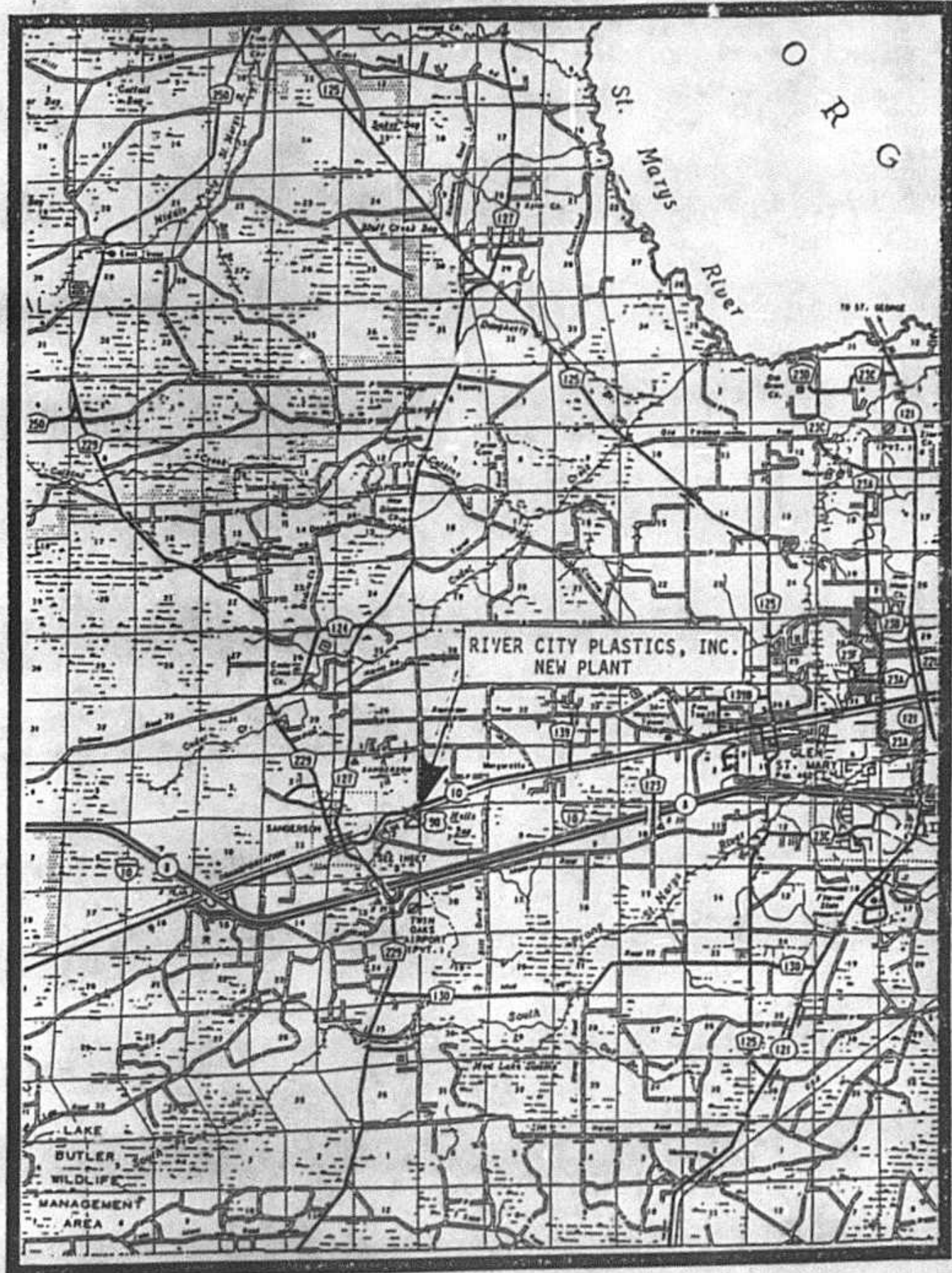
including cover sheet

COMMENTS: Sections are shown on map.The site is 25 acres - rail to the north,  
Wiremil, Inc. to the west, + section line  
between sections 12 + 7. to the east.

If return FAX is necessary, please call first, then FAX to same number.









Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-2)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**



Clay Electric Cooperative, Inc.

May 6, 1996

Post-It* Fax Note	7671	Date	5/7/96	# of pages	2
To	Pete Trevin	From	H. Barrow		
Co./Dept	Post Buckley	Ct.	Clay Elec.		
Phone #		Phone #	352-473-8000/266		
Fax #	305 547-0229	Fax #	352-473-9366		

Dear Pete:

As an attachment to this letter, please find a sample calculation of electric charges using Clay Electric Rate Schedule "LGSD" plus a \$4./kW generator credit. This sheet is arranged in a manner similar to the one provided by your office on May 3, 1996. Should you have questions or need additional information, please contact me.

Yours very truly,

Henry D. Barrow, Jr.  
Director, Member and Public Relations

/ep  
Attachment

**SAMPLE CALULATION OF ELECTRIC CHARGES USING RATE \*LGSD\* W/ \$4./KW GENERATOR CREDIT**

06-May-96

ELECTRIC CHARGE PARAMETERS	CLAY ELECTRIC
BASE CHARGE	\$250.00
DEMAND CHARGE PER KWD (See Note 1)	\$6.30
KWH CHARGE	\$0.0556
FUEL ADJUSTMENT CHARGE PER KWH (See Note 2)	(\$0.0115)
EXCESS KVAR CHARGE PER KW	N/A
CONSERVATION CHARGE PER KWD OR KWH	\$0.00
ENVIRONMENTAL CHARGE PER KWD OR KWH	\$0.00
PRIMARY VOLTAGE CREDIT PER KWH	5% OF (KWH X \$0.0123)
PRIMARY VOLTAGE CREDIT PER KWD	5% OF (KWD X \$6.30)
GENERATOR CREDIT PER KW (See Note 3)	\$4.00

**Notes:**

1. Maximum 15 minute kilowatt load used during the billing period.
2. Power Cost Adjustment for MAY 1996.
3. Maximum 60 minute kilowatt load coincident with Clay Electric's wholesale billing peak in the area during the billing period.

**Example (without facilities charge, franchise fees and/or taxes):**

**Billing Parameters**

Customer Charge	1 X \$250.00 =	\$250.00
Demand Charge, 15 min. max @ 1,950 KW	1,950 x \$6.30 =	\$12,285.00
Energy @ 1,100,000 KWH	1,100,000 X \$0.0556 =	\$61,160.00
Power Cost Adjustment per KWH	1,100,000 x -\$0.0115 =	- \$12,650.00
Primary Voltage Credit per KWH	5% of 1,100,000 x \$0.0123 =	- \$676.50
Primary Voltage Credit per KWD	5% of 1,950 X \$6.30 =	- \$614.25
Generator Credit, 60 min. max coinc. @ 1,950 KW	1,950 x -\$4.00 =	- \$7,800.00

**TOTAL ELECTRIC CHARGES:**

**\$51,954.25**



Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-3)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**



**To:** Stafford McCartney  
.....  
**Fax #:** 904-783-6420  
.....  
**From:** Wayne Lasch  
.....  
**Date:** May 21, 1996  
.....  
**Pages:** 10, including this cover sheet  
.....

# fax

Here is the additional information on JEA so you can compare them with Clay Electric and FP&L.

Based on the same set of data used to develop the costs for the Clay Electric and FP&L offers, your "typical" monthly power bill from JEA was calculated to be \$60,328 (vs. \$44,231 for a "typical" month for the Clay Electric option with generators).

I'll call you tomorrow morning to fill you in on Haskell's revised cost estimate.


From the desk of...

**Wayne D. Lasch, P.E.**  
Civil Engineering Program Manager  
Post, Buckley, Schuh & Jernigan, Inc.  
9432 Baymeadows Road, Suite 250  
Jacksonville, Florida 32256

tel: (904) 367-8683  
fax: (904) 733-6621

MEMORANDUM

TO: Wayne D. Lasch, P.E.

FROM: Pete Trevin, P.E. 

DATE: May 16, 1996

SUBJECT: River City Plastics  
Evaluation of Alternative Power Supplies

Per your request and request from the Client of May 13, 1996, I have contacted Jacksonville Electric Authority (JEA) to obtain information on the rate schedules that they presently use on the River City Plastics facility in Jacksonville and to revise the spread sheets that I provided you on May 8, 1996 to include JEA typical power bill. Exhibit 'G' describes the information obtained from Ms. Bernadette McQuaig of JEA. I have revised Exhibit 'C' to include JEA electric charges and created a new Exhibit 'F' showing a typical power bill calculation for JEA using the rate schedule provided by them. The rate schedule provided by JEA is included in Exhibit 'H'.

JEA representative advised me that there is no franchise fee as the facility is located in the city limits.

JEA has a penalty charge when the power factor falls below their standards and they do enforce the charge, which can be seen in the copies of the power bills that you sent me.

The preliminary calculations performed to determine a typical power bill based from JEA using an average monthly demand of 1955KW and an average consumption of 1,130,630 kwh per month. These average values were obtained from the Jacksonville facility power bills from July 1995 to February 1996. See Exhibit 'F' for the calculations.

The recommendation made on my memo to you of May 8, 1996 is still the same, namely, River City Plastics consider making a power service contract agreement with Clay Electric Cooperative, Inc. with on-site generation. This recommendation is based on two factors: CEC will provide an on-site generation system with full backup to provide River City Plastics with a minimal power down time; and the typical monthly power bill reflects a savings of \$ 21,475 per month over the Florida Power & Light monthly power bill.

Do not hesitate to contact me if you need any further information or backup data.

cc: Avinash Gupta

## EXHIBIT C

## POWER COMPANY CHARGES COMPARISON

DESCRIPTION	CLAY ELECTRIC	CLAY ELECTRIC W/ GENERATORS	CLAY ELECTRIC	FPL	FPL	JEA
RATE SCHEDULE (SEE NOTE 1)	LGSD	LGSD W/ GEN	LGSD/TAM	GSLD-2	CS-2	GSLD 42
BASE CHARGE	\$250.00	\$250.00	\$250.00	\$170.00	\$170.00	\$200.00
DEMAND CHARGE PER KWD (SEE NOTE 2)	\$6.30	\$6.30	N/A	\$6.25	\$6.25	\$7.50
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	N/A	N/A	\$2.00	N/A	N/A	N/A
ON-PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	N/A	N/A	\$9.50	N/A	N/A	N/A
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	N/A	N/A	NO MINIMUM	N/A	200	N/A
CURTAILEMENT CREDIT PER KW (SEE NOTE 4)	N/A	N/A	N/A	N/A	\$1.70	N/A
KWH CHARGE PER KWH	\$0.05560	\$0.05560	\$0.04730	\$0.01582	\$0.01582	\$0.01466
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	(\$0.01150)	(\$0.01150)	(\$0.01150)	\$0.02064	\$0.02064	\$0.01924
EXCESS KVAR (POWER FACTOR) CHARGE PER KVAR	NOT ENFORCED	NOT ENFORCED	NOT ENFORCED	NOT ENFORCED	NOT ENFORCED	\$1.00
PURCHASED CAPACITY CHARGE PER KWD	\$0.00	\$0.00	\$0.00	\$1.65	\$1.65	\$0.00
ENERGY CONSERVATION RECOVERY CHARGE PER KWH	\$0.00	\$0.00	\$0.00	\$0.00173	\$0.00173	\$0.00
ENVIRONMENTAL CHARGE PER KWH	\$0.00	\$0.00	\$0.00	\$0.00013	\$0.00013	\$0.00
PRIMARY VOLTAGE CREDIT PER KWH	(\$0.01230)	(\$0.01230)	(\$0.01230)	\$0.00	\$0.00	(\$0.00100)
PRIMARY VOLTAGE CREDIT PER KWD	(5%)	(5%)	(5%)	(\$0.40)	(\$0.40)	(\$0.50)
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A	(\$4.00)	N/A	N/A	N/A	N/A
FRANCHISE FEE	3%	3%	3%	5.5%	5.5%	N/A
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	1%	1%	1%	1%	1%	N/A
GROSS RECEIPTS TAX	N/A	N/A	N/A	N/A	N/A	2.5641%
JACKSONVILLE CITY PUBLIC SERVICE TAX	N/A	N/A	N/A	N/A	N/A	10%
FLORIDA SALES TAX (SEE NOTE 8)	7%	7%	7%	7%	7%	7.5%

## NOTES:

1. "LGSD" = LARGE GENERAL SERVICE DEMAND FOR CEC.  
"LGSD/TAM" = LARGE GENERAL SERVICE DEMAND - TIME OF USE FOR CEC.  
"GSLD-2" = GENERAL SERVICE LARGE DEMAND FOR FPL.  
"CS-2" = CURTAILEMENT SERVICE FOR FPL.  
"GSLD-42" = GENERAL SERVICE LARGE DEMAND FOR JEA.
2. FOR CEC : 15 CONSECUTIVE MINUTE PERIOD OF MAXIMUM KW LOAD USED DURING THE BILLING PERIOD.  
FOR FPL : 30-MINUTE PERIOD OF GREATEST KW LOAD USED DURING THE BILLING PERIOD.
3. MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
4. THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURTAILEMENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING THE CURRENT PERIOD; \$1.70/KW IS REBILLED FOR THE PRIOR 12 MONTHS ON THE KW DEMAND AND A \$3.67/KW PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
5. MAXIMUM 60 MINUTE KW LOAD USED COINCIDENT WITH CEC WHOLESALE BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
6. THE OPTIONAL SALES TAX IS APPLICABLE FOR THE FIRST \$5,000 ONLY.
7. THE EXCESS KVAR CHARGE FOR JEA IS EQUAL TO THE TOTAL KVAR LESS 50% OF THE DEMAND KW AT \$1.00 PER EXCESS KVAR.
8. THE FLORIDA SALES TAX FOR JEA IS 7% FOR AMOUNTS OVER \$5,000.



**EXHIBIT 'F'**  
**TYPICAL MONTHLY POWER BILLS**  
**BASED ON**  
**CLAY ELECTRIC COOPERATIVE, INC.**  
**FLORIDA POWER & LIGHT COMPANY**  
**&**  
**JACKSONVILLE ELECTRIC AUTHORITY**  
**RATE SCHEDULES**

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## EXHIBIT F

TYPICAL POWER BILL USING JACKSONVILLE ELECTRIC AUTHORITY RATE SCHEDULE 'GSLD 42'			
DESCRIPTION	CHARGE (CREDIT)	KWD OR KWH	COST
BASE CHARGE	\$200.00		\$200.00
DEMAND CHARGE PER KWD (SEE NOTE 2)	\$7.50	1,955	\$14,662.50
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	N/A		
ON-PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	N/A		
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	N/A		
CURTAILMENT CREDIT PER KW (SEE NOTE 4)	N/A		
KWH CHARGE	\$0.01456	1,130,630	\$16,575.04
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	\$0.01924	1,130,630	\$21,753.32
EXCESS KVAR (POWER FACTOR) CHARGE PER KVAR	\$1.00	501.7	\$501.70
PURCHASED CAPACITY CHARGE PER KWD	\$0.00		\$0.00
ENERGY CONSERVATION RECOVERY CHARGE PER KWH	\$0.00		\$0.00
ENVIRONMENTAL CHARGE PER KWH	\$0.00		\$0.00
PRIMARY VOLTAGE CREDIT PER KWH	(\$0.001)	1,130,630	(\$1,130.63)
PRIMARY VOLTAGE CREDIT PER KWD	\$0.50	1,955	(\$977.50)
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A		\$0.00
SUBTOTAL #1			\$51,584.43
FRANCHISE FEE	N/A		\$0.00
SUBTOTAL #2			\$51,584.43
GROSS RECEIPTS TAX	2.5641%	\$51,584.43	\$1,222.68
NON-TAXABLE FUEL AMOUNT PER KWH	\$0.01413	1,130,630	\$15,975.80
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	N/A		\$0.00
CITY PUBLIC TAXABLE AMOUNT		SEE NOTE 7	\$26,931.30
CITY PUBLIC SERVICE TAX	10%	\$26,931.30	\$3,693.13
FLORIDA SALES TAX (7% FOR AMOUNTS OVER \$5,000)	7.5%	SEE NOTE 8	\$3,728.50
GRAND TOTAL			\$60,328.73

## NOTES:

1. "CS-2" = CURTAILABLE SERVICE FOR FPL.
2. FOR FPL : 30-MINUTE PERIOD OF GREATEST KW LOAD USED DURING THE BILLING PERIOD.
3. MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
4. THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURTAILMENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING THE CURRENT PERIOD; \$1.70/KW IS REBILLED FOR THE PRIOR 12 MONTHS ON THE KW DEMAND AND A \$3.67/KW PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
5. MAXIMUM 60 MINUTE KW LOAD COINCIDENT WITH CEC WHOLESALE BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
6. THE OPTIONAL SALES IS APPLICABLE FOR THE FIRST \$5,000 ONLY.
7. THE CITY PUBLIC TAXABLE AMOUNT IS CALCULATED BY ADDING THE TOTAL ELECTRIC CHARGE AND THE TOTAL GROSS RECEIPTS TAX AND SUBTRACTING THE NON-TAXABLE FUEL AMOUNT.
8. THE FLORIDA SALES TAX IS ON THE SUM OF THE TOTAL ELECTRIC CHARGE PLUS THE TOTAL GROSS RECEIPTS TAX CHARGE.





**EXHIBIT 'G'**  
**NOTES ON TELEPHONE CONVERSATION WITH**  
**MS. BERNADETTE McQUAIG OF**  
**JACKSONVILLE ELECTRIC AUTHORITY**

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Exhibit 'G'

Information provided by Ms. Bernadette McQuaig of Jacksonville Electric Authority (JEA).  
Telephone number (904) 632-7414.

- The present rate schedule that JEA uses for River City Plastics is the General Service Large Demand GSLD-42.
- JEA does not have a curtailable rate schedule at the present time.
- There is no franchise fee if the facility is within the City of Jacksonville limits.
- JEA imposes a penalty on the power bill if the customer does not comply with the standard power factor.
- The existing facility is fed by primary voltage.
- See attached rate schedules.

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EXHIBIT 'H'  
RATE SCHEDULES RECEIVED FROM  
MS. BERNADETTE McQUAIG OF  
JACKSONVILLE ELECTRIC AUTHORITY

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JACKSONVILLE ELECTRIC AUTHORITY  
 BILL CALCULATION WORKSHEET

\$ 200.00 (1)

CUSTOMER CHARGE

ENERGY CHARGE:

RATE: \$01400 (A)  
 FUEL: \$01924 (B)  
 TOTAL: \$03324 X kWh = \$ (2)

DEMAND CHARGES:

TOTAL DEMAND CHARGES: \$7.50 X kW = \$ (3)

EXCESS KWAS CHARGE:

EXCESS KWAS = TOTAL KWAS - 0.5 X KW DEMAND

\$1.00 X EXCESS KWAS = \$ (4)

~~PRIMARY DISCOUNT RATE (C)  
 DEMAND DISCOUNT  
 ENERGY DISCOUNT~~ (5)

TOTAL ELECTRIC CHARGES:

\$ (1+2+3+4-5-6) (7)

GROSS RECEIPTS TAX:

025641 X (7) = \$ (8)

ATLANTIC BEACH G.P. TAX:

027200 X (7) = \$

FRANCHISE FEE:

(ATLANTIC BEACH ONLY)

028774 X (7) = \$ (9)

NON-TAXABLE FUEL AMOUNT:

NON-TAXABLE FUEL

\$01413 X kWh = \$ (10)

CITY PUBLIC SERVICE TAX

TAXABLE ELECTRIC CHARGES:

\$ (7+8+9-10) (11)

PUBLIC SERVICE TAX

(ATLANTIC BEACH):

0.10 X \$ (11) = \$ (12)  
 0.25 X \$ (11) = \$ (13)

7.5% FLORIDA SALES TAX

(7.5% FOR ANYTHING OVER \$100.00)

0.075 X \$ (7+8+9) = \$ (14)

TOTAL MONTHLY BILL:

\$ (7+8+9+11+13) (14)

Applies to PRIMARY Rate Only.

NOTE: Public Service Tax and Sales Tax are applicable to late fees.

DATE OF BILLING: 01/1/95

9/1/95

MEMORANDUM

**TO:** Wayne D. Lasch, P.E.  
**FROM:** Pete Trevin, P.E.  
**DATE:** May 8, 1996  
**SUBJECT:** River City Plastics  
Evaluation of Alternative Power Supplies

Per your request of April 5, 1996, I have contacted each of the two utility power companies that could provide power to the new River City Plastics facility to be located in Baker County to obtain information on their capabilities, reliabilities, rate schedules, etc.. Exhibit 'A' describes the information obtained from Mr. Henry Barrow of Clay Electric Cooperative, Inc. (CEC); Exhibit 'B' provides the information received from Mr. Dave Cobb of Florida Power and Light Company (FPL); Exhibit 'C' provides a chart with the different charges from each power company. The values shown are based on the rate schedules provided by each of the power companies, which are included in Exhibits 'D' and 'E'.

I have also contacted the State of Florida Public Service Commission (PSC) to request confirmation on whether there was a territorial agreement from a power company to serve power to the facility. Information provided by Mr. Robby Cunningham, Bureau Chief of Consumer Affairs for the PSC and Ms. Katrina Tew of the PSC confirmed that there is no territorial agreement presently in place for the area in question and that either power company could provide service to the new facility and there would not be any problem with the PSC.

It is my understanding that River City Plastics cannot afford a power outage due to their operations and that they cannot trim any of their electrical load. This implies that they cannot use the curtailable rate schedule offered by both power companies.

Both power company representatives advised that Baker County requires a Franchise Fee be added to the power bill. This fee is presently a flat fee of \$250.00 and a proposed ordinance that is on the commission for approval would change the flat fee to a percentage of the total power bill before taxes. For FPL, this percentage is 5.5 percent for the first two years and then is reduced to 3 percent after the first two years; for CEC the percentage is 3 percent. This increase would be in effect, if approved, in approximately 3 months. I have been advised that Baker County has assured the local industries that the County will provide a rebate on the increase directly to the industry owners, but the fee increase will still be part of the power bill.

Both power companies have a penalty charge whenever the power factor of the customer falls below 90 percent lagging but they do not enforce the penalty charge.

Wayne D. Lasch, P.E.  
May 3, 1996

Page 2.

I have reviewed the information that you sent me from CUC and from FPL showing an approximate calculated power bill from each of them. It surprised me to see that the sheet from CEC column no. 6 indicates that the rate is based on a "load management" rate which implies a curtailable rate requiring the customer to turn off some load; I was under the impression that River City Plastics could not afford a load reduction in their plant. Later conversations with Mr. Barrow of CEC on May, 3, 1996 confirmed that the calculations were provided at the request of the River City Plastics personnel, even though the rate schedule would not apply since the requirement from CEC is that for the "load management" rate to be used, the customer must agree to turn off some of their electrical load. On the May 3, 1996 conversation Mr. Barrow confirmed that CEC will bear the cost of constructing, operating and maintaining the on-site generating system and that River City Plastics will not have to pay anything.

I have performed preliminary calculations to determine a typical power bill based on the various rate schedules from each power company using an average monthly demand of 1955KW and an average consumption of 1,130,630 kwh per month. These average values were obtained from the Jacksonville facility power bills from July 1995 to February 1996. See Exhibit 'F' for the calculations. The calculations are based on the assumption that River City Plastics will provide all of the primary power distribution within their facility, including the primary switchgear, the primary cables and the associated substation transformers.

Based on the above calculations, I recommend that River City Plastics consider making a power service contract agreement with Clay Electric Cooperative, Inc. with on-site generation. This recommendation is based on two factors : CEC will provide an on-site generation system with full backup to provide River City Plastics with a minimal power down time; and the typical monthly power bill reflects a savings of \$ 21,475 per month over the Florida Power & Light monthly power bill.

Do not hesitate to contact me if you need any further information or backup data.

cc: Avinash Gupta

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**PBSJ**



**EXHIBIT 'A'**  
**NOTES ON TELEPHONE CONVERSATION WITH**  
**MR. HENRY BARROW OF**  
**CLAY ELECTRIC COOPERATIVE, INC.**

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### Exhibit 'A'

Information provided by Mr. Henry Barrow of Clay Electric Cooperative, Inc. (CEC). Telephone number (352) 473-8000 extension 266.

- There is no territorial agreement, no Public Service Commission order for the area where the new facility will be located.
- CEC will be willing to sign a service agreement contract stating that they would provide all the necessary on-site generating equipment at their own cost for full back-up and there will not be a charge to River City Plastics. The initial cost, the operating and maintenance cost will be borne by CEC. This information was re-confirmed with CEC on two different telephone conversations.
- CEC will provide dual electrical service to the facility. One service would be from an existing substation approximately 2 miles away and the other service would be from a new generating facility on site.
- CEC will build at their own cost a generating facility on River City Plastics site consisting of two 1600 kw, 2300 HP V16 Caterpillar Diesel driven generators connected in parallel, (the generators are sized to allow for future expansion) with automatic switch over. The generators would come on line within one minute of a power outage. The customer may have to advise CEC that they are out of power in some instances, depending where the outage occurs. The generator start signal will be remote with redundant back up, namely, the remote start signal will be done via power-line carrier and with cellular phone as back up. They will build a 5000-gallon concrete encased above ground diesel tank.
- The existing substation has experienced a total of 4 outages in the last year for a total outage time of one hour and 30 minutes.
- CEC will need to extend the existing overhead primary line approximately 3/4 of a mile. This feeder line will not have any reclosers or fuses from the substation breaker to the customer connection.
- CEC can provide a 14.4/24.9 KV three phase primary service.
- See attached rate schedules.
- CEC does not require a minimum load to be removed (curtailed) for the "Load Management" rate schedule to be applicable.

**EXHIBIT 'B'**  
**NOTES ON TELEPHONE CONVERSATION WITH**  
**MR. DAVE COBB OF**  
**FLORIDA POWER & LIGHT COMPANY**

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Exhibit 'B'

Information provided by Mr. Dave Cobb of Florida Power & Light Co. (FPL). Telephone number (904) 758-2480.

- There is no territorial agreement, no Public Service Commission order for the area where the new facility will be located.
- FPL could provide dual electrical primary feeders from two separate substations to serve the facility, it would be very expensive and the cost of the second feeder would have to be paid by River City Plastics.
- The site for proposed River City Plastics plant is approximately 1/4 to 1/2 a mile from an existing 23KV "Wire Mill" substation that feeds the Florida Wire & Cable company.
- The existing substation has experienced a total of 5 momentary interruptions under 30 seconds in the last year and no power outages.
- FPL will need to extend the existing overhead primary line approximately 3/4 of a mile.
- FPI can essentially provide a dedicated feeder from the "Wire Mill" substation to the River City Plastics plant using an existing inspection breaker at the substation.
- FPI can provide a 14.4/24.9 KV three phase primary service.
- See attached rate schedules.
- FPL requires a minimum of 200 KW of the customer load to be off for the "Curtable" rate schedule to be applicable.

**EXHIBIT 'C'**  
**POWER COMPANIES RATE SCHEDULE**  
**COMPARISON CHART**

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## APPENDIX C

## POWER COMPANY CHARGES COMPARISON

	CLAY ELECTRIC	CLAY ELECTRIC W/ GENERATORS	CLAY ELECTRIC	FPL	FPL
RATE SCHEDULE (SEE NOTE 1)	LGSD	LGSD W/ GEN	LGSDTAM	GSLD-2	CS-2
BASE CHARGE	\$250.00	\$250.00	\$250.00	\$170.00	\$170.00
DEMAND CHARGE PER KWD (SEE NOTE 2)	\$6.30	\$6.30	N/A	\$6.25	\$6.25
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	N/A	N/A	\$2.00	N/A	N/A
ON-PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	N/A	N/A	\$9.50	N/A	N/A
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	N/A	N/A	NO MINIMUM	N/A	200
CURTALMENT CREDIT PER KW (SEE NOTE 4)	N/A	N/A	N/A	N/A	\$1.70
KWH CHARGE	\$0.05560	\$0.05560	\$0.04730	\$0.01582	\$0.01582
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	(\$0.01150)	(\$0.01150)	(\$0.01150)	\$0.02084	\$0.02084
EXCESS KW (POWER FACTOR) CHARGE PER KW	NOT ENFORCED	NOT ENFORCED	NOT ENFORCED	NOT ENFORCED	NOT ENFORCED
PURCHASED CAPACITY CHARGE PER KWD	\$0.00	\$0.00	\$0.00	\$1.65	\$1.65
ENERGY CONSERVATION RECOVERY CHARGE PER KWH	\$0.00	\$0.00	\$0.00	\$0.00173	\$0.00173
ENVIRONMENTAL CHARGE PER KWH	\$0.00	\$0.00	\$0.00	\$0.00013	\$0.00013
FRANCHISE FEE	3%	3%	3%	5.5%	5.5%
PRIMARY VOLTAGE CREDIT PER KWH	\$0.01230	\$0.01230	\$0.00	\$0.00	\$0.00
PRIMARY VOLTAGE CREDIT PER KWD	5%	5%	\$0.40	\$0.40	\$0.40
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A	\$4.00	N/A	N/A	N/A
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	1%	1%	1%	1%	1%
FLORIDA SALES TAX	7%	7%	7%	7%	7%

## NOTES:

1. "LGSD" = LARGE GENERAL SERVICE DEMAND FOR CEC.  
"LGSDTAM" = LARGE GENERAL SERVICE DEMAND - TIME OF USE FOR CEC.  
"GSLD-2" = GENERAL SERVICE LARGE DEMAND FOR FPL.  
"CS-2" = CURTAILABLE SERVICE FOR FPL.
2. FOR CEC : 15 CONSECUTIVE MINUTE PERIOD OF MAXIMUM KW LOAD USED DURING THE BILLING PERIOD.  
FOR FPL : 30-MINUTE PERIOD OF GREATEST KW LOAD USED DURING THE BILLING PERIOD.
3. MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
4. THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURTALEMENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING THE CURRENT PERIOD; \$1.70/KW IS REBILLED FOR THE PRIOR 12 MONTHS ON THE KW DEMAND AND A \$3.67/KW PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
5. MAXIMUM 60 MINUTE KW LOAD COINCIDENT WITH CEC WHOLESAL E BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
6. THE OPTIONAL SALES IS APPLICABLE FOR THE FIRST \$5,000 ONLY.



**EXHIBIT 'D'**  
**RATE SCHEDULES RECEIVED FROM**  
**MR. HENRY BARROW OF**  
**CLAY ELECTRIC COOPERATIVE, INC.**

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CLAY ELECTRIC COOPERATIVE, INC.

Cancel Sheet No. 10.0  
Revised Sheet No. 10.0

LARGE GENERAL SERVICE DEMAND

RATE SCHEDULE - LGSB

**Availability:** Throughout the entire territory served by Clay Electric Cooperative, Inc.  
**Applicability:** Lighting, power demand greater than 1,000 kW and any other purpose ~~measured~~ demand served through one meter.

**Character of Service:** Alternating current, single or three phase, 60 Hertz, at available voltages.

- Limitations of Service:**
1. This rate schedule does not provide for standby service.
  2. This rate schedule does not permit resale of service.
  3. If service is furnished at seller's primary line, the delivery point shall be the point of attachment unless otherwise specified in the contract for service.
  4. If service is furnished at seller's primary line voltage, the delivery point shall be the point of attachment of seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.
  5. Subject to the established rules and regulations of the Cooperative.

<b>Rate:</b>	(Monthly)	
<b>Consumer Charge:</b>		\$250.00
<b>Demand Charge:</b>		\$8.30 per kW
<b>Energy Charge:</b>		\$0.0558 per kWh

"Continued to Sheet No. 10.1"

Issued by: William C. Phillips, Manager

Effective: July 1, 1998

CLAY ELECTRIC COOPERATIVE, INC.

Second Revised Sheet No. 10.1  
Cancel First Revised Sheet No. 10.1

"Continued from Sheet No. 10.0"

## LARGE GENERAL SERVICE-DEMAND

RATE SCHEDULE - LGSD

Minimum Charge: 1. As specified in the agreement for service, or  
2. \$0.75 per kVA of installed transformer capacity.

Terms of Payment: Cash, within the time limit specified on the bill, and at Cooperative-designated locations.

Billing Adjustments: Cooperative's power cost adjustment, tax adjustment, and power factor adjustment clauses which are contained on sheet numbers 14.0, 15.0, and 16.0, respectively.

Demand: Shall be of the maximum kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes as indicated or recorded by the Cooperative's demand meter during the month for which the bill is rendered.

Term of Service: Shall be from billing period to billing period, until receipt of notice by the Cooperative from the consumer to disconnect, or upon disconnect by the Cooperative under Cooperative's rules. Where special equipment to serve the consumer is required, the Cooperative may require a revenue guarantee agreement.

Additional Clauses: If service is furnished at primary distribution voltage, a discount of five (5) percent shall apply to the demand and energy charge based on a kWh charge of \$0.0123 per kWh and if the minimum charge is based on transformer capacity, a discount of five (5) percent shall also apply to the minimum charge. However, the seller shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatt-hours and kilowatt demand.

Miscellaneous: None

Issued by: T. B. Millican, Manager

Effective: May 1, 1985



CLAY ELECTRIC COOPERATIVE, INC.

Eighth Revised Sheet No. 10.0  
Cancel Seventh Revised Sheet No. 10.0

## LARGE GENERAL SERVICE-DEMAND

## RATE SCHEDULE - LGSD

- Availability:** Throughout the entire territory served by Clay Electric Cooperative, Inc.
- Applicability:** Lighting, power demand greater than 1,000 kW and any other purpose with measured demand served through one meter.
- Character of Service:** Alternating current, single or three phase, 60 Hertz, at available voltages.
- Limitations of Service:**
1. This rate schedule does not provide for standby service.
  2. This rate schedule does not permit resale of service.
  3. If service is furnished at seller's primary line, the delivery point shall be the point of attachment unless otherwise specified in the contract for service.
  4. If service is furnished at seller's primary line voltage, the delivery point shall be the point of attachment of seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.
  5. Subject to the established rules and regulations of the Cooperative.

**Rate:** (Monthly)

Consumer Charge:	\$250.00
Demand Charge:	\$8.30 per kW
Energy Charge:	\$0.0558 per kWh

\*Continued to Sheet No. 10.1\*

Issued by: William C. Phillips, Manager

Effective: July 1, 1994

CLAY ELECTRIC COOPERATIVE, INC.

Second Revised Sheet No. 10.1  
Cancel First Revised Sheet No. 10.1

"Continued from Sheet No. 10.0"

## LARGE GENERAL SERVICE-DEMAND

RATE SCHEDULE - LGSD

Minimum Charge: 1. As specified in the agreement for service, or  
2. \$0.75 per kVA of installed transformer capacity.

Terms of Payment: Cash, within the time limit specified on the bill, and at Cooperative-designated locations.

Billing Adjustments: Cooperative's power cost adjustment, tax adjustment, and power factor adjustment clauses which are contained on sheet numbers 14.0, 15.0, and 16.0, respectively.

Demand: Shall be of the maximum kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes as indicated or recorded by the Cooperative's demand meter during the month for which the bill is rendered.

Term of Service: Shall be from billing period to billing period, until receipt of notice by the Cooperative from the consumer to disconnect, or upon disconnect by the Cooperative under Cooperative's rules. Where special equipment to serve the consumer is required, the Cooperative may require a revenue guarantee agreement.

Additional Clauses: If service is furnished at primary distribution voltage, a discount of five (5) percent shall apply to the demand and energy charge based on a kWh charge of \$0.0123 per kWh and if the minimum charge is based on transformer capacity, a discount of five (5) percent shall also apply to the minimum charge. However, the seller shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatt-hours and kilowatt demand.

Miscellaneous: None

Issued by: T. B. Millican, Manager

Effective: May 1, 1985

CLAY ELECTRIC COOPERATIVE, INC.

Second Revised Sheet No. 10.5  
Cancel First Sheet No. 10.5

## LARGE GENERAL SERVICE DEMAND - TIME OF USE

## RATE SCHEDULE - LGSOT/LM

Availability: Throughout the entire territory served by Clay Electric Cooperative, Inc.

Applicability: At the option of the consumer, to electric service which would otherwise be provided under the Cooperative's Schedule LC3D.

Character of Service: Alternating current, three phase, 60 Hertz, and at any available voltage.

- Limitations of Service:
1. Does not provide for standby service.
  2. Does not permit resale of service.
  3. If service is furnished at secondary voltage, the delivery point shall be the point of attachment unless otherwise specified in the contract for service.
  4. If service is furnished at seller's primary line voltage, the delivery point shall be the point of attachment of seller's primary line to consumer's transformer structure unless otherwise specified in the contract for service. All wiring, pole lines, and other electric equipment (except metering equipment) on the load side of the delivery point shall be owned and maintained by the consumer.
  5. Subject to the established rules and regulations of the Cooperative.

Rate: (Monthly)

Consumer Charge:	\$250.00
Consumer Peak Demand Charge:	\$ 2.00 per kW
On-Peak Demand Charge:	\$ 9.50 per kW
Energy Charge:	\$0.0473 per kWh

Issued by: William G. Phillips, Manager

Effective: July 1, 1994



CLAY ELECTRIC COOPERATIVE, INC.

Original Sheet No. 10.6

(Continued from Sheet No. 10.5)

GENERAL SERVICE DEMAND - TIME OF USERATE SCHEDULE - LGSOT/LM**MINIMUM CHARGE:**

1. As specified in the agreement for service, or
2. \$0.75 per kVA of installed transformer capacity.

**TERM OF PAYMENT:**

Cash, within the time limit specified on the bill, and at Cooperative designated locations.

**BILLING ADJUSTMENTS:**

Cooperative's power cost adjustment, tax adjustment, and power factor adjustment clauses which are contained on sheet numbers 14.0, 15.0, and 16.0, respectively.

**CONSUMER PEAK DEMAND:**

Shall be the maximum kilowatt load used by the consumer for any period of fifteen (15) consecutive minutes as indicated or recorded by the Cooperative's demand meter during the month for which the bill is rendered.

**ON-PEAK DEMAND:**

Shall be the maximum kilowatt load used by the consumer for any sixty (60) consecutive minutes during the On-Peak Period defined herein, as indicated or recorded by the Cooperative's demand meter during the month for which the bill is rendered.

**ON-PEAK PERIOD:**

The stated On-Peak Period represents the probable hours of occurrence for the Cooperative's monthly system peak demand. Unless the Cooperative notifies the consumer as described below, the On-Peak Period hours, expressed in terms of prevailing clock time, shall be as follows:

During the winter months of November through March, inclusive, the On-Peak Period shall be the hours each day from 6:00 A.M. to 10:00 A.M.

Issued by: T. M. Millican

Effective: April 1, 1987

CLAY ELECTRIC COOPERATIVE, INC.

Original Sheet No. 10.7

(Continued from Sheet No. 10.6)

GENERAL SERVICE DEMAND - TIME OF USERATE SCHEDULE - LGSOT/LM

During the summer months of April through October inclusive, the On-Peak Period shall be the hours each day from 4:00 P.M. to 9:00 P.M.

However, should the Cooperative project it will not establish a monthly system peak demand during a given day, the Cooperative at its discretion may notify the consumer that all or any portion of the stated On-Peak Period for that day will be canceled. The consumer shall not be billed the On-Peak Demand Charge for any demand established during that portion of the stated On-Peak Period which was canceled by the Cooperative.

**TERM OF SERVICE:**

From billing period to billing period, until receipt of notice by the Cooperative from the consumer to disconnect, or upon disconnect by the Cooperative under Cooperative rules. Where special equipment to serve the consumer is required, the Cooperative may require a revenue guarantee agreement.

**ADDITIONAL CLAUSES:**

If service is furnished at primary distribution voltage, a discount of five (5) percent shall apply to the demand and energy charge based on a kWh charge of .0123 per kWh, and if the minimum charge is based on transformer capacity, a discount of five (5) percent shall also apply to the minimum charge. However, the seller shall have the option of metering at secondary voltage and adding the estimated transformer losses to the metered kilowatt-hours and kilowatt demand.

**MISCELLANEOUS:**

None

Issued by: T. B. Milligan

Effective: April 1, 1987

CLAY ELECTRIC COOPERATIVE, INC.

Fourth Revised Sheet No. 14.0  
Cancel Third Revised Sheet No. 14.0POWER COST ADJUSTMENT CLAUSE

**Applicable:** This clause is applicable to the monthly rate of each filed rate schedule as indicated with reference to billing adjustments.

**Calculation:** The amount calculated at the applicable rate schedule is subject to decrease or increase by 0.1 mill per kilowatt-hour for each 0.1 mill, or major fraction thereof, by which the Cooperative's average cost of purchased power is less than, or exceeds 65.4 mills per kilowatt-hour. Power cost adjustments will not include savings resulting from Load Management procedures where such savings are passed on to participants through rate credits.

**Additional Clauses:** None

**Miscellaneous:** None

Issued by: T. S. Milligan, Manager

Effective: May 1, 1985



CLAY ELECTRIC COOPERATIVE, INC.

Original Sheet No. 15.0

TAX ADJUSTMENT CLAUSE

**Applicable:** This clause is applicable to the monthly rate of each filed rate schedule as indicated with reference to billing adjustments.

**Calculation:** The amount calculated at the applicable rate schedule is subject to a decrease or increase of the applicable proportionate part of any taxes and assessments imposed by any governmental authority below or in excess of those in effect on January 1, 1937, which are assessed on the basis of meters or customers or the price of or revenues from electric energy or service sold or the volume of energy generated or purchased for sale or sold.

Issued by: E. T. Martin, Manager

Effective: November 16, 1979

CLAY ELECTRIC COOPERATIVE, INC.

First Revised Sheet No. 16.0  
Cancel Original Sheet No. 16.0POWER FACTOR CLAUSE

**Applicable:** This clause is applicable to the monthly rate of each filed rate schedule as indicated with reference to billing adjustments.

**Calculation:** The customer's utilization equipment shall not result in a power factor at the point of delivery of less than 90% lagging at the time of maximum demand. Should this power factor be less than 90% lagging during any month, the Cooperative may adjust the readings taken to determine the demand by multiplying the kw obtained through such readings by 90% and by dividing the result by the power factor actually established at the time of maximum demand during the current month. Such adjusted readings shall be used in determining the demand.

Issued by: T. B. Milligan, Manager

Effective: May 1, 1985

**EXHIBIT 'E'**  
**RATE SCHEDULES RECEIVED FROM**  
**MR. DAVE COBB OF**  
**FLORIDA POWER & LIGHT COMPANY**

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## FLORIDA POWER &amp; LIGHT COMPANY

Sixth Revised Sheet No. 8.412  
Consolidated Fifth Revised Sheet No. 8.413GENERAL SERVICE LARGE DEMANDRATE SCHEDULE: G.S.L.D.-2AVAILABLE:

In all territory served.

APPLICATION:

For electric service required for commercial or industrial lighting, power and any other purpose to any Customer with a measured demand of 2,000 kw or more. Customers with demands of less than 2,000 kw may enter an agreement for service under this schedule based on a demand charge for a minimum of 2,000 kw.

SERVICE:

Single or three phase, 60 hertz and at any available standard voltage. All service required on premises by Customer shall be furnished through one meter. Resale of service is not permitted hereunder.

MONTHLY RATE:

Customer Charge:	\$170.00
Demand Charges:	
Base Demand Charge	\$6.25 per kw of Demand
Capacity Payment Charge	See Sheet No. 8.030
Non-Fuel Energy Charges:	
Base Energy Charge	1.582¢ per kWh
Conservation Charge	See Sheet No. 8.030
Environmental Charge	See Sheet No. 8.030
Additional Charges:	
Fuel Charge	See Sheet No. 8.030
Franchise Fee	See Sheet No. 8.031
Tax Clause	See Sheet No. 8.031

Minimum: The Customer Charge plus the charge for the currently effective Base Demand. For those Customers with a demand of less than 2,000 kw who enter an agreement for service under this schedule, the minimum charge shall be the Customer Charge plus 2,000 kw times the Base Demand Charge; therefore the minimum charge is \$12,670.00.

DEMAND:

The Demand is the kw to the nearest whole kw, as determined from the Company's measuring equipment, for the 30-minute period of the Customer's greatest use during the month as adjusted for power factor.

TERM OF SERVICE:

Not less than one year.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provision of this schedule shall apply.

Issued by: P. J. Evanson, President

Effective: September 28, 1995

**FLORIDA POWER & LIGHT COMPANY**

First Revised Sheet No. 2,433  
 Second DTM Revised Sheet No. 2,433

**CURTAINABLE SERVICES**

**RATE SCHEDULE E, C&I**

**AVAILABLE:**

In all territory served.

**APPLICATION:**

This rate is available to any commercial or industrial Customer, who qualifies for Rate Schedule GILD-2 (2,000 kw and above) and will curtail its Demand by 200 kw or more upon request of the Company from time to time. Customers with demands of less than 2,000 kw may enter an agreement for service under this schedule based on a demand charge for a maximum of 2,000 kw.

**SERVICE:**

Single or three phase, 60 hertz and at any available standard voltage. All service required on premises by Customer shall be furnished through one meter. Rates of service to not provided hereunder.

**MONTHLY RATE:**

Customer Charge: \$170.00

**Demand Charges:**

Base Demand Charge \$6.25 per kw of Demand  
 Capacity Payment Charge See Sheet No. 2,030

**Non-Fuel Energy Charges:**

Base Energy Charge 1.50¢ per kw-hr  
 Conservation Charge See Sheet No. 2,030  
 Reinvestment Charge See Sheet No. 2,030

**Additional Charges:**

Fuel Charge See Sheet No. 2,030  
 Franchise Fee See Sheet No. 2,011  
 Tax Clause See Sheet No. 2,011

**Maintenance:** The Customer Charge plus the charge for the electricity effective Base Demand. For those Customers with a demand of less than 2,000 kw who enter an agreement for service under this schedule, the minimum charge shall be the Customer Charge plus 2,000 kw times the Base Demand Charge; therefore the minimum charge is \$12,670.00.

**CURTAINMENT CREDITS:**

A monthly credit of \$1.70 per kw is allowed based on the current billing demand less the contracted maximum demand during a curtailment period. The Customer has the option to revise the contracted maximum demand once during the initial twelve (12) month period. Thereafter, a change may be made when a twelve (12) month period.

**CHARGES FOR NON COMPLIANCE OF CURTAINMENT DEMAND:**

If the Customer receives a higher demand during the curtailment period than contracted for, the Customer will be:

1. Billed at \$1.70/kw for the prior 12 months or the number of months since the prior curtailment period, whichever is less, and
2. Billed a penalty charge of \$3.45/kw for the current month.

The kw used for both the rebilling and penalty charge calculations is determined by taking the difference between the maximum demand during the current curtailment period and the contracted maximum demand for a curtailment period.

(Continued on Sheet No. 2,433)

Issued by: R. J. Eversman, President  
 Effective: September 22, 1995

## FLORIDA POWER &amp; LIGHT COMPANY

Original Sheet No. 8.433

(Continued from Sheet No. 8.432)

**CURTAILMENT PERIOD:**

All hours established by the Company during a monthly billing period in which the Customer is requested to curtail demand.

**DEMAND:**

The Demand is the kw to the nearest whole kw, as determined from the Company's metering equipment, for the 30-minute period of the Customer's greatest use during the month as adjusted for power factor.

**TERM OF SERVICE:**

Not less than one year.

**RULES AND REGULATIONS:**

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provisions of this schedule shall apply.

Issued by: J. J. Hudfburg, President  
Effective: July 20, 1984



FLORIDA POWER &amp; LIGHT COMPANY

Fourth Revised Sheet No. 8.820  
Cancels Third Revised Sheet No. 8.820TRANSFORMATION RIDER - TRAVAILABLE:

In all territory served.

APPLICATION:

In conjunction with any commercial or industrial rate schedule specifying delivery of service at any available standard voltage when Customer takes service from available primary lines of 2880 volts or higher at a single point of delivery.

MONTHLY CREDIT:

The Company, at its option, will either provide and maintain transformation facilities equivalent to the capacity that would be provided if the load were served at a secondary voltage from transformers at one location or, when Customer furnishes transformers, the Company will allow a monthly credit of 30.40 per kw of Billing Demand. Any transformer capacity required by the Customer in excess of that provided by the Company hereunder may be rented by the Customer at the Company's standard rental charge.

The credit will be deducted from the monthly bill as computed in accordance with the provisions of the Monthly Rate section of the applicable Rate Schedule before application of any discounts or adjustments. No monthly bill will be rendered for an amount less than the minimum monthly bill called for by the Agreement for Service.

SPECIAL CONDITIONS:

The Company may change its primary voltage at any time after reasonable advance notice to any Customer receiving credit hereunder and affected by such change, and the Customer then has the option of changing its system so as to receive service at the new line voltage or of accepting service (without the benefit of this rider) through transformers supplied by the Company.

RULES AND REGULATIONS:

Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provision of this schedule shall apply.

Issued by: J. J. Hudiburg, President  
Effective: December 13, 1983

APPROVE' YATES (Effective 4/1/95)

Use Spreadsheets

Rate	Customer Charge \$	Demand Charge			Energy Charge		TOU CR	Fuel Charge		Adjustment Charges							
		On-Peak \$/kW	Off-Peak \$/kW	Maximum \$/kW	On-Peak \$/kWh	Off-Peak \$/kWh		On-Peak \$/kWh	Off-Peak \$/kWh	SW	CR	ED	ED	OC			
(44) RS-1	8.85				1.81	4.81	STANDARD	2.075	2.075								
(45) RST-1	8.85				2.91	2.73	TOU	2.27	2.27								
(48) GS-1	9.03				4.572	4.572	STANDARD	2.075	2.075								
(60) GST-	12.20				8.54	2.76	TOU	2.27	1.94								
(72) OSO-1	15.60				8.25	1.80	STANDARD	2.075	2.075								
(70) OSOT-1	41.20				8.25	1.90	TOU	2.27	1.94								
(90) CMC-10	602.00				1.18	5.15	TOU	2.27	1.94								
(67) OSLO-1	41.00				8.25	1.80	STANDARD	2.074	2.074								
(44) OSLO-	41.00				8.25	1.52	TOU	2.27	1.94								
(72) CS-1	110.00				8.25	1.90	STANDARD	2.074	2.074								
(74) CST-4	110.00				8.25	1.50	TOU	2.25	1.94								
(54) CMC-10	620.00				1.18	5.08	TOU	2.212	1.93								
(03) OSLO-2	170.20				8.25	1.82	STANDARD	2.094	2.094								
(03) OSLO-2	170.20				8.25	1.82	TOU	2.215	1.93								
(77) CS-2	170.00				8.25	1.82	STANDARD	2.094	2.094								
(77) CST-2	170.00				8.25	1.82	TOU	2.215	1.93								
(07) OSLO-3	400.00				8.25	1.82	STANDARD	1.992	1.992								
(08) OSLO-3	400.00				8.25	1.82	TOU	2.231	1.97								
(02) CS-2	400.00				8.25	1.82	STANDARD	1.992	1.992								
(02) CST-3	400.00				8.25	1.82	TOU	2.231	1.97								
(01) CMC-17	2200.00				1.15	2.25	TOU	2.231	1.97								
OS-2								2.061	2.064								

**EXHIBIT 'F'**  
**TYPICAL MONTHLY POWER BILLS**  
**BASED ON**  
**CLAY ELECTRIC COOPERATIVE, INC.**  
**&**  
**FLORIDA POWER & LIGHT COMPANY**  
**RATE SCHEDULES**

FLMIVELECTYRREPORT.WF



## APPENDIX F

TYPICAL POWER BILL USING FLORIDA POWER & LIGHT RATE SCHEDULE 'GSLD-2'			
DESCRIPTION	CHARGE (CREDIT)	KWD OR KWH	COST
BASE CHARGE	\$170.00		\$170.00
DEMAND CHARGE PER KWD (SEE NOTE 2)	\$6.25	1,955	\$12,218.75
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	N/A		\$0.00
ON-PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	N/A		\$0.00
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	N/A		\$0.00
CURTAILEMENT CREDIT PER KW (SEE NOTE 4)	N/A		\$0.00
KWH CHARGE	\$0.01582	1,130,630	\$17,886.57
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	\$0.02064	1,130,630	\$23,338.20
EXCESS KVAR (POWER FACTOR) CHARGE PER KW	NOT ENFORCED		\$0.00
PURCHASED CAPACITY CHARGE PER KWD	\$1.65	1,955	\$3,226.75
ENERGY CONSERVATION RECOVERY CHARGE PER KWH	\$0.00173	1,130,630	\$1,955.99
ENVIRONMENTAL CHARGE PER KWH	\$0.00013	1,130,630	\$146.98
PRIMARY VOLTAGE CREDIT PER KWH	\$0.00		\$0.00
PRIMARY VOLTAGE CREDIT PER KWD	\$0.40	1,955	(\$782.00)
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A		\$0.00
SUBTOTAL #1			\$58,158.24
FRANCHISE FEE	5.5%		\$3,198.70
SUBTOTAL #2			\$61,356.94
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	1%		\$50.00
SUBTOTAL #3			\$61,406.94
FLORIDA SALES TAX	7%		\$4,298.49
GRAND TOTAL			\$65,705.43

## NOTES:

- "GSLD-2" = GENERAL SERVICE LARGE DEMAND FOR FPL.
- FOR FPL : 30-MINUTE PERIOD OF GREATEST KW LOAD USED DURING THE BILLING PERIOD.
- MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
- THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURTAILEMENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING THE CURRENT PERIOD; \$1.70/KW IS REBILLED FOR THE PRIOR 12 MONTHS ON THE KW DEMAND AND A \$3.67/KW PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
- MAXIMUM 60 MINUTE KW LOAD COINCIDENT WITH CEC WHOLESALERE BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
- THE OPTIONAL SALES IS APPLICABLE FOR THE FIRST \$5,000 ONLY.

## APPENDIX F

TYPICAL POWER BILL USING FLORIDA POWER & LIGHT RATE SCHEDULE 'CS-2'			
DESCRIPTION	CHARGE (CREDIT)	KWD OR KWH	COST
BASE CHARGE	\$170.00		\$170.00
DEMAND CHARGE PER KWD (SEE NOTE 2)	\$6.25	1,955	\$12,218.75
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	N/A		\$0.00
ON-PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	N/A		\$0.00
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	200		
CURTAILMENT CREDIT PER KW (SEE NOTE 4)	(\$1.70)	395	(\$671.50)
KWH CHARGE	\$0.01582	1,130,630	\$17,888.57
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	\$0.02064	1,130,630	\$23,336.20
EXCESS KVAR (POWER FACTOR) CHARGE PER KW	NOT ENFORCED		\$0.00
PURCHASED CAPACITY CHARGE PER KWD	\$1.65	1,955	\$3,225.75
ENERGY CONSERVATION RECOVERY CHARGE PER KWH	\$0.00173	1,130,630	\$1,255.99
ENVIRONMENTAL CHARGE PER KWH	\$0.00013	1,130,630	\$148.98
PRIMARY VOLTAGE CREDIT PER KWH	\$0.00		\$0.00
PRIMARY VOLTAGE CREDIT PER KWD	\$0.40	1,955	(\$782.00)
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A		\$0.00
SUBTOTAL #1			\$57,486.74
FRANCHISE FEE	5.5%		\$3,161.77
SUBTOTAL #2			\$60,648.51
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	1%		\$50.00
SUBTOTAL #3			\$60,698.51
FLORIDA SALES TAX	7%		\$4,248.90
GRAND TOTAL			\$64,947.41

## NOTES:

1. "CS-2" = CURTAILABLE SERVICE FOR FPL
2. FOR FPL : 30-MINUTE PERIOD OF GREATEST KW LOAD USED DURING THE BILLING PERIOD.
3. MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
4. THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURTAILMENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING THE CURRENT PERIOD; \$1.70/KW IS REBILLED FOR THE PRIOR 12 MONTHS ON THE KW DEMAND AND A \$3.67/KW PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
5. MAXIMUM 60 MINUTE KW LOAD COINCIDENT WITH CEC WHOLESAL BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
6. THE OPTIONAL SALES IS APPLICABLE FOR THE FIRST \$5,000 ONLY.

APPENDIX F

**TYPICAL POWER BILL  
USING CLAY ELECTRIC COOPERATIVE  
RATE SCHEDULE '1GSDTLM'**

DESCRIPTION	CHARGE (CREDIT)	KWH OR KWH	COST
BASE CHARGE	\$250.00		\$250.00
DEMAND CHARGE PER KWD (SEE NOTE 1)	N/A		\$0.00
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	\$2.00	1,955	\$3,910.00
ON-PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	\$9.50	1,560	\$14,820.00
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	N/A		\$0.00
CURTALMENT CREDIT PER KW (SEE NOTE 4)	N/A		\$0.00
KWH CHARGE PER KWH	\$0.04730	1,130,630	\$53,478.80
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	(\$0.01150)	1,130,630	(\$12,002.25)
EXCESS KWAR (POWER FACTOR) CHARGE PER KW	NOT ENFORCED		\$0.00
PURCHASED CAPACITY CHARGE PER KWH	\$0.00		\$0.00
ENERGY CONSERVATION RECOVERY CHARGE PER KWH:	\$0.00		\$0.00
ENVIRONMENTAL CHARGE PER KWH	\$0.00		\$0.00
PRIMARY VOLTAGE CREDIT PER KWH	(\$0.01230)	1,130,630	(\$13,908.75)
PRIMARY VOLTAGE CREDIT PER KWD	5%	\$18,290.00	(\$934.50)
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A		\$0.00
SUBTOTAL #1			
FRANCHISE FEE	3%		\$44,613.31
SUBTOTAL #2			
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	1%		\$45,951.70
SUBTOTAL #3			
FLORIDA SALES TAX	7%		\$3,220.12
GRAND TOTAL			
			\$49,221.82

**NOTES:**

1. '1GSDTLM' - LARGE GENERAL SERVICE DEMAND - TIME OF USE FOR CEC.
2. FOR CEC: 15 CONSECUTIVE MINUTE PERIOD OF MAXIMUM KW LOAD USED DURING THE BILLING PERIOD.
3. MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
4. THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURRENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
5. MAXIMUM 60 MINUTE KW LOAD COINCIDENT WITH CEC WHOLESALE BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
6. THE OPTIONAL SALES TAX IS APPLICABLE FOR THE FIRST \$5,000 O.M.V.





## APPENDIX F

TYPICAL POWER BILL USING CLAY ELECTRIC COOPERATIVE RATE SCHEDULE 'LGSD'			
DESCRIPTION	CHARGE (CREDIT)	KWD OR KWH	COST
BASE CHARGE	\$250.00		\$250.00
DEMAND CHARGE PER KWD (SEE NOTE 2)	\$6.30	1,955	\$12,316.50
PEAK DEMAND CHARGE PER KWD (SEE NOTE 2)	N/A		
ON PEAK DEMAND CHARGE PER KWD (SEE NOTE 3)	N/A		
MINIMUM DEMAND LOAD TO BE CURTAILED IN KW	N/A		
CURTAILMENT CREDIT PER KW (SEE NOTE 4)	N/A		
KWH CHARGE PER KWH	\$0.05560	1,130,630	\$62,863.03
FUEL ADJUSTMENT CHARGE OR (CREDIT) PER KWH	(\$0.01150)	1,130,630	(\$13,002.25)
EXCESS KVAR (POWER FACTOR) CHARGE PER KW	NOT ENFORCED	N/C	\$0.00
PURCHASED CAPACITY CHARGE PER KWD	\$0.00	\$0.00	\$0.00
ENERGY CONSERVATION RECOVERY CHARGE PER KWH	\$0.00	\$0.00	\$0.00
ENVIRONMENTAL CHARGE PER KWH	\$0.00	\$0.00	\$0.00
PRIMARY VOLTAGE CREDIT PER KWH	(\$0.01230)	1,130,630	(\$13,906.75)
PRIMARY VOLTAGE CREDIT PER KWD	5%	\$12,316.50	(\$615.83)
GENERATOR CREDIT PER KW (SEE NOTE 5)	N/A		\$0.00
SUBTOTAL #1			\$47,904.71
FRANCHISE FEE	3%		\$1,437.14
SUBTOTAL #2			\$49,341.85
BAKER COUNTY OPTIONAL SALES TAX (SEE NOTE 6)	1%		\$50.00
SUBTOTAL #3			\$49,391.85
FLORIDA SALES TAX	7%		\$3,457.43
GRAND TOTAL			\$52,849.28

## NOTES:

1. "LGSD" = LARGE GENERAL SERVICE DEMAND FOR CEC.
2. FOR CEC: 15 CONSECUTIVE MINUTE PERIOD OF MAXIMUM KW LOAD USED DURING THE BILLING PERIOD.
3. MAXIMUM 60 CONSECUTIVE MINUTES DURING ON-PEAK PERIOD FOR THE BILLING PERIOD.
4. THE CREDIT IS BASED ON THE CURRENT BILLING DEMAND LESS THE CONTRACTED MAXIMUM DEMAND DURING THE CURTAILMENT PERIOD. A PENALTY IS IMPOSED IF THE CUSTOMER RECORDS A HIGHER DEMAND DURING THE CURRENT PERIOD; \$1.70/KW IS REBILLED FOR THE PRIOR 12 MONTHS ON THE KW DEMAND AND A \$3.67/KW PENALTY CHARGE IS ADDED TO THE CURRENT MONTH.
5. MAXIMUM 60 MINUTE KW LOAD COINCIDENT WITH CEC WHOLESALE BILLING PEAK IN THE AREA DURING THE BILLING PERIOD.
6. THE OPTIONAL SALES IS APPLICABLE FOR THE FIRST \$5,000 ONLY.

Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-4)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**



CLAY ELECTRIC COOPERATIVE, INC.

FAX TRANSMISSION

August 16, 1996

SENDING TO:	Pete Trevin
OFFICE:	Post, Buckley
SUBJECT:	River City Plastics
FAX #	(305) 597-0229
TELEPHONE #:	

FROM:	Henry Barrow
TELEPHONE #:	(352) 473-8000, ext 266
FAX#:	(352) 473-9366

Please review current (August '96) rate proposal for your typical usage. You will note a significant decrease from the last proposal due to a lower power cost adjustment.

Call me if you have any questions.

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TOTAL NUMBER OF PAGES BEING SENT (cover sheet included)	<u>2</u>
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*If you have any trouble receiving this information,  
please call Edwina Painter at extension 309*

**SAMPLE CALULATION OF ELECTRIC CHARGES USING RATE "LGSD" W/ \$4/KW GENERATOR CREDIT**

18-Aug-96

ELECTRIC CHARGE PARAMETERS	CLAY ELECTRIC
BASE CHARGE	\$250.00
DEMAND CHARGE PER KWD (See Note 1)	\$6.30
KWH CHARGE	\$0.0556
FUEL ADJUSTMENT CHARGE PER KWH (See Note 2)	(\$0.0142)
EXCESS KVAR CHARGE PEP KW	N/A
CONSERVATION CHARGE PER KWD OR KWH	\$0.00
ENVIORNMENTAL CHARGE PER KWD OR KWH	\$0.00
PRIMARY VOLTAGE CREDIT PER KWH	5% OF(KWH X \$0.0123)
PRIMARY VOLTAGE CREDIT PER KWD	5% OF(KWD X \$6.30)
GENERATOR CREDIT PER KW (See Note 3)	\$4.00

**Notes:**

1. Maximum 15 minute kilowatt load used during the billing period.
2. Power Cost Adjustment for AUGUST 1996.
3. Maximum 60 minute kilowatt load coincident with Clay Electric's wholesale billing peak in the area during the billing period.

**Example (without facilities charge, franchise fees and/or taxes):**

Billing Parameters	1 X \$250.00 =	\$250.00
Customer Charge	1,950 x \$6.30 =	\$12,285.00
Demand Charge, 15 min. max @ 1,950 KW	1,100,000 X \$0.0556 =	\$61,160.00
Energy @ 1,100,000 KWH	1,100,000 x -\$0.0142 =	-\$15,620.00
Power Cost Adjustment per KWH	5% of 1,100,000 x \$0.0123	-\$676.50
Primary Voltage Credit per KWH	5% of 1,950 X \$6.30 =	-\$614.25
Primary Voltage Credit per KWD		
Generator Credit, 60 min. max coinc. @ 1,950 KW	1,950 x -\$4.00 =	-\$7,800.00
<b>TOTAL ELECTRIC CHARGES:</b>		<b>\$48,984.25</b>

Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-5)**

to the  
DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.



JAN 20, 1997

CLAY ELECTRIC CO.  
HENRY BARROW  
352-473-9366(FAX)

MR. BARROW WE NEED THE FOLLOWING INFORMATION PLEASE;

- 1 WHAT IS THE PRIMARY VOLTAGE YOU WILL PROVIDE ?
- 2 PLEASE PROVIDE THE EASEMENT ROUTE CEC WILL REQUIRE FOR SERVICE TO RIVER CITY PLASTICS.(AREA MAP)
- 3 PLEASE DEFINE THE LOCATION OR THE GENERAL AREA PREFERRED FOR THE GENERATOR.(AREA MAP)
- 4 WHAT ARE THE PAD REQUIREMENTS FOR THE GENERATOR ?
- 5 ARE THERE ANY CODE RESTRICTIONS WE SHOULD BE AWARE OF SUCH AS FUEL CONTAINMENT OR NOISE ABATEMENT ?
- 6 WHAT TRANSFORMERS WILL CEC PROVIDE TO RIVER CITY PLASTICS ?

JOE FIORE  
904-783-1980 FAX 786-6168

Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-6)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**

# RIVER-CITY PLASTICS, INC.

7187 KINGS ROAD, N., JACKSONVILLE, FLORIDA 32219

Telephone (904) 783-1980

Fax (904) 783-8420 • Wats 1-800-669-3553

JAN 27, 1997

Mr. Henry Barrow  
Clay Electric Cooperative, Inc.  
P.O. Box 308  
Keystone Heights, Fl. 32656  
FAX 352-473-9366

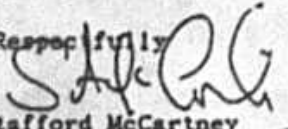
Sir:

We hereby apply for service for our new manufacturing facility.

The site is off Route 90 in Sanderson Fl per our discussions.

Please forward any necessary paperwork and contact us if there are any questions.

Respectfully

  
Stafford McCartney  
General Manager

*The Leader in PVC Pipe Manufacturing*



Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-7)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**



February 18, 1997

Mr. Stafford McCartney  
Vice President and General Manager  
River City Plastics  
7167 Old Kings Road  
Jacksonville, Florida 32219

Dear Stafford:

Enclosed is the agreement for purchased power for your new Baker County plant. Please execute and return the original to me.

A separate agreement covering the generators will be mailed to you later this week. The installation of the generators is only available to particular type services such as yours; therefore a separate contract is necessary.

Our Distribution Engineering Chief, Herman Dyal, has been in regular communication with Joe Fiore regarding the facilities. A copy of Herman's letter to Joe is enclosed.

Feel free to call me if you have any questions about the contracts.

Sincerely,

Henry D. Barrow, Jr.  
Director, Member and Public Relations

/ep  
Enclosures

cc: Russell Lea  
Herman Dyal



Clay Electric Cooperative, Inc.

February 18, 1997

Joe Fiore, Senior Plant Engineer  
River City Plastics, Inc.  
7167 Old Kings Road  
Jacksonville, Florida 32219

Dear Mr. Fiore:

I have reviewed the plans for electric service to the plant at Sanderson. As I have explained to you the rate River City Plastics was quoted is based on them taking electric service at primary voltage (24,940Y/14,400 volts). This would require River City Plastics to purchase, install, operate and maintain all electric facilities after the primary delivery point, much the same as at your existing plant in Jacksonville.

However, Clay Electric Cooperative, Inc., has a service available to you whereby Clay Electric Cooperative, Inc., will purchase, install, operate and maintain the primary (24,940Y/14,400 volts) system including transformers for you for a monthly facilities charge. Our design and cost for this system is as described below:

Install 1200 feet 5" PVC  
Conduit System:

Material .....	\$5,387.63
Labor & Overhead .....	<u>8,178.99</u>

Subtotal ..... \$13,566.62

Install 1200 feet 3 Phase  
1/0 Primary Conductor and  
Terminate at Transformers:

Material .....	\$9,822.72
Labor & Overhead .....	<u>7,123.05</u>

Subtotal ..... \$16,945.77



Mr. Fiore  
Page 2  
February 18, 1997

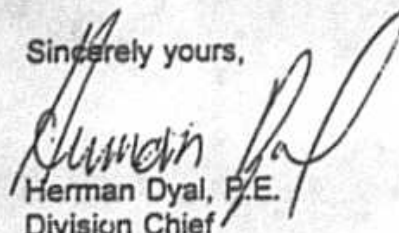
Purchase Transformers:	
One (1) 500 KVA .....	\$8,700.00
Three (3) 1500 KVA .....	<u>45,000.00</u>
Subtotal .....	<u>\$53,700.00</u>
Credit for transformers at existing plant .....	(\$20,000.00)
Subtotal .....	<u>(\$20,000.00)</u>
TOTAL .....	<u>\$64,212.00</u>

The above construction would amount to a monthly facilities charge of \$963.18 per month. This amount would be reduced if River City Plastics opted to furnish or pay for any of this work. Also please note I gave you a credit against this cost for the two 1500 KVA units at your existing plant. It is our intentions also that once the existing plant is shut down and the existing transformers are no longer needed, we would purchase them from you at a value of replacement cost new less depreciation based on 30 year life. This would apply to the two units I inspected, G.E. serial numbers P019660, P019661.

Under this proposal the only thing required of River City Plastics would be to form and pour the concrete pads for the transformers. Clay would furnish the specifications for these pads.

Should you need any other information or proposals please contact me.

Sincerely yours,



Herman Dyal, P.E.  
Division Chief  
Distribution Division  
(352) 473-8000, Ext. 220

/pj  
let\hd1.pj  
cc: Henry Barrow

AGREEMENT made February 18, 1997, between CLAY ELECTRIC COOPERATIVE, INC., (hereinafter called the "Seller"), and River City Plastics, Inc. (hereinafter called the "Consumer"), a corporation, partnership, individual (strike inapplicable designations).

WITNESSETH:

The Seller agrees to sell and to deliver to the Consumer, and the Consumer agrees to purchase and receive from the Seller, all of the electric power and energy which the Consumer may need at Sanderson Plant, up to 2000 kVA, upon the following terms:

1. Service Characteristics:

Service hereunder shall be alternating current, 3 phase, sixty cycles, 24.9/14.4 kV.

2. Payment:

A. The Consumer shall pay the Seller for service hereunder at the rates and upon the terms and conditions set forth in Schedule LGSD as it now exists and as it may be amended from time to time. Notwithstanding any provision of the Schedule, however, the minimum charge shall be \$1500.00 per month.

B. The Consumer shall pay the Seller a facilities charge of 963.18 per month. This charge shall be added to each monthly utility bill. It is understood this charge is to cover the cost of furnishing, installing, operating and maintaining the electric primary distribution system on the Consumer's side of the primary metering point. It is also understood this charge would change should the Consumer decide to add or delete facilities from the existing distribution system.

C. Bills for the service hereunder shall be paid at the office of the Seller in Keystone Heights, State of Florida, monthly in accordance with the rules, regulations, and tariffs of the Seller.

3. Continuity of Service:

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy; but, if such supply shall fail or be interrupted, or become defective through an Act of God, or the public enemy, or by accident, strikes, labor troubles, or by action of the elements, or inability to secure rights of way, or other permits needed, or for any other cause beyond the reasonable control of the Seller, the Seller shall not be liable therefor.

4. Membership:

The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by the provisions of the Articles of Incorporation and Bylaws of the Seller and by such Rules and Regulations as may from time to time be adopted by the Seller.

5. Term:

This Agreement shall become effective on the date service is first delivered hereunder by the Seller to the Consumer, and shall remain in effect for a period of 3 years and thereafter until terminated by either party giving to the other 3 months' notice in writing.

6. Rate:

The Consumer shall pay to Clay Electric Cooperative, Inc., on a monthly basis, for all electric energy delivered hereunder to this service location on a rate basis currently described in the Cooperative Rate Schedule LGSD. Should the Cooperative change or amend said Rate Schedule LGSD or should new applicable rate schedules be developed and adopted by the Cooperative, such would then become the applicable rate schedule under which the billing would be accomplished.

7. Succession:

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives all as of the day and year first above written:

Attest:

CLAY ELECTRIC COOPERATIVE, INC.  
(Seller)

\_\_\_\_\_

By: \_\_\_\_\_  
(General Manager)

Attest:

\_\_\_\_\_  
(Consumer)

By: \_\_\_\_\_

\_\_\_\_\_  
(Title of Officer)\*

\*If other than President, Vice-President, Partner or Owner, a Power of Attorney must accompany contract.

Rev. 05/21/81

clerdocagmref.pj



Docket No.: 970512-EU

**EXHIBIT \_\_\_\_\_ (HDB-8)**

to the  
**DIRECT TESTIMONY OF HENRY BARROW  
ON BEHALF OF  
CLAY ELECTRIC COOPERATIVE, INC.**



City Electric Company

February 27, 1997

Mr. Stafford McCartney  
Vice President and General Manager  
River City Plastics  
7167 Old Kings Road  
Jacksonville, Florida 32219

Dear Stafford:

Enclosed are the Equipment Lease and Load Management agreements for installation of the full requirements load back-up generators at your Baker County plant.

Please execute all three copies and return. Our office will then execute our portion and return to you.

Feel free to call me if you have any questions.

Sincerely,

Henry D. Barrow, Jr.  
Director, Member and Public Relations

/ep  
Enclosures

## EQUIPMENT LEASE AND LOAD MANAGEMENT AGREEMENT

This is an agreement entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_\_\_, by and between CLAY ELECTRIC COOPERATIVE, INC. (hereinafter called "CEC") and River City Plastics, Inc., (hereinafter called "Member").

WHEREAS, Member wishes to secure and be assured of a supply of electric energy, particularly during periods of power outages that may occur due to system or equipment failures by CEC's power supplier, hurricanes, or other natural disasters, facility maintenance or failure on CEC's system, emergencies, or otherwise, and,

WHEREAS, CEC wishes to continue its commitment to provide adequate and reliable service to its Members at the least cost, to manage the energy usage of its Members during peak demand periods, and to avoid as far as practicable additional demands on the facilities and capabilities of CEC's wholesale power supplier,

NOW THEREFORE, for and in consideration of the mutual undertakings, covenants and conditions set forth herein and for other good and valuable consideration, the Member and CEC agree as follows:

1. A. Term. CEC will lease to Member and Member agrees to lease from CEC the equipment or facilities described on Appendix A, attached hereto ("the equipment") for a term of fifteen years commencing on \_\_\_\_\_.

B. Extension of Existing Power Supply Agreement. If Member has executed a power supply agreement with CEC prior to the execution of this agreement, the term of the power supply agreement is hereby extended to run concurrently with the term of this agreement.

2. Lease/Rental Payment. Member shall pay to CEC a lease/rental payment in advance of \$10.00, annually, together with all sales, use taxes, and/or fuel taxes applicable thereto.

3. Location on Member's Property. The equipment shall be located on real property selected by the Member, subject to the prior approval of CEC. Member shall provide CEC with satisfactory proof of Member's legal interest in the real property. CEC may require such additional documentation, releases, notices, agreements, and/or further assurances that CEC, in its sole judgment deems necessary to protect CEC's interest in the equipment and to avoid any claim, lien, or security interest of Member or any third party. The equipment shall at all times remain personal property, and shall not be a fixture or part of the real property on which it is located. Any real property interest of Member shall be of sufficient quality and extent to allow Member to locate the equipment thereon and to allow CEC free and unlimited access to the equipment.

4. Permits/Licenses/Approvals. CEC shall be responsible for and shall bear the expense of obtaining all permits, licenses and approvals of all governmental authorities that shall



be required for the preparation of the site and location for the equipment.

5. Maintenance of Equipment. CEC shall be responsible for maintaining the equipment at CEC's expense, and shall pay all ad valorem taxes that may be assessed against it. CEC shall be responsible for compliance with state, federal and local environmental laws governing the storage and use of fuel at the location of the equipment. Member shall insure that CEC has continuous and uninterrupted access to the equipment 24 hours a day. CEC, however, shall not be liable for the failure of the equipment for any reason. Member agrees to indemnify CEC and to hold CEC harmless from any claim, loss, cause of action or demand of any kind related to the operation of or failure of the operation of the equipment. Member specifically acknowledges that the equipment is subject to the manufacturer's warranty which accompanies the equipment, and CEC MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, DISCLAIMS ALL SUCH WARRANTIES, AND Member AGREES TO RELY SOLELY ON THE MANUFACTURER'S WARRANTY.

6. Operation of the Equipment. If Member has appointed CEC as its agent under Paragraph 9, CEC shall operate the equipment for the purposes of maintenance, to provide an alternate power source in the event of a failure on either CEC's system or CEC's power supplier's system, or as a load management device. CEC may operate the equipment for all or any of the foregoing purposes. CEC shall operate the equipment in conformity with applicable noise limiting ordinances.

7. Energy Generated by Equipment. The parties intend that energy generated by the equipment be used for accommodating the Member's load during periods of outage and load management. CEC shall install such equipment, devices and switches as CEC deems necessary to prevent energy from flowing into CEC's system.

8. Authority to Disconnect Member from Coop System. Member authorizes CEC to interrupt the flow of energy from CEC's system to Member, and to use the equipment to replace the energy interrupted when, in CEC's sole judgment, such interruption is necessary for CEC's load management, or due to power outages or scheduled maintenance. Load management is defined as the management of CEC's system peak load to achieve a reduction in CEC's system peak demand, following prudent utility practices and operating efficiency.

9. Optional Appointment of CEC as Member's Agent for Dispatch. If Member has initialed the box below, Member appoints CEC as its agent for dispatch of the equipment.

[        ]  
Initials        By initialing this box, Member has appointed CEC as Member's agent for the remote dispatch of the equipment in recognition of Member's lack of skill and experience in the use of the equipment, the need for safety and efficiency, and for reliability purposes.

10. Ownership of Equipment - Leasehold Interest. Member's interest in the equipment is as a lessee only, and CEC remains the owner of the equipment as lessor. The Member shall not transfer, sublease or otherwise interfere with CEC's ownership interest in the equipment, and

agrees that the equipment remains the personal property of CEC and is not intended to be incorporated into the real estate.

11. Equipment Not Subject to Liens. Member shall execute and deliver to CEC such documents as CEC deems necessary to notify the public generally and individuals specifically that the equipment shall not be subject to any liens, claims, encumbrances, or interest of the Member or any third party.

12. Equipment Security. Member shall provide adequate security at the location of the equipment to insure that it shall not be improperly operated or tampered with by unauthorized persons. The equipment may not be moved, adjusted, or altered in any fashion whatsoever without the advance written consent of CEC.

13. Termination by Member. Member understands that CEC will incur great expense in making the equipment available to Member, placing it in operation, and maintaining it. Consequently, Member may not cancel this lease during its term unless CEC defaults in its obligations under this lease to provide the services and equipment stated herein. Member shall, prior to such cancellation, deliver CEC written notice of any claimed default, stating with particularity all facts, issues, and other matters that Member reasonably believes constitutes a default. CEC shall have 60 days following receipt of such notice to cure the default, failing which the Member may then deliver a notice of cancellation to CEC, which notice will be effective 30 days after CEC's receipt of it.

14. Termination by CEC.

A. Termination by CEC Without a Default by Member

1. CEC may terminate this lease at any time if it is determined by CEC that this agreement violates or would violate any other contractual agreement binding on CEC with any third party, or rules and regulations of any regulatory body.

2. CEC may terminate this agreement if the Member's kilowatt demand, coincident to CEC's peak demand, falls below 1200 kilowatts per month for any three months of a 12 month period.

3. CEC may terminate this agreement on six (6) months prior notice to Member if, in CEC's judgment the cost of fuel to operate the equipment increases to a level that use of the equipment would not be cost effective to CEC or the Member, or if continuation of this agreement would adversely affect the membership of the Cooperative.

B. CEC Cancellation due to Member Default. Member shall be in default of this agreement in the event:

1. A payment is not made when the same is due.



2. Failure by Member to comply with any of the terms and conditions of this lease.

3. If Member files a proceeding in bankruptcy, receivership, insolvency, or if Member is a party to a bankruptcy proceeding, or Member makes an assignment for the benefit of creditors.

In the event of any such default, CEC shall have all rights and remedies provided in this agreement and as provided by law, including, but not limited to, the right of specific performance, the right to pursue damages, and the right to terminate this lease and retake possession of the equipment without demand. In the event CEC elects to terminate the lease, Member authorizes CEC to enter upon Member's premises where the equipment is located, to disconnect and remove the equipment, without waiving any right to pursue damages. The reacquisition of the equipment by CEC shall not release the Member from any obligation under this lease.

15. Attorney's Fees. If any litigation is instituted regarding the rights and obligations of the parties to this agreement, the prevailing party shall be entitled to an award of reasonable attorneys fees, costs and expenses, including litigation in any administrative tribunal or court, and including all such fees, costs and expenses in any appellate proceedings.

16. Entire Agreement/Venue. This agreement constitutes the entire agreement between the parties, and no additions, modifications, or amendments shall be binding unless the same be reduced to writing and signed by the parties. Any litigation arising out of this lease shall be brought in the Circuit Court in and for Clay County, Florida.

17. Assignability. This agreement is not assignable by the Member, however, it may be assigned by CEC.

18. Appendices. There may be one or more appendices attached to this agreement relating to matters unique to the Member's requirements, and relating to other matters, and if attached, such appendices shall be incorporated herein by reference. The following appendices are attached: Appendix A. - Equipment, Appendix B. - Fuel Cost & kW Credits.

19. Capital Credits. Capital Credits allocated annually for the members accounts at River City Plastics, Inc., Sanderson, Florida, shall be and are hereby assigned to Clay Electric Cooperative, Inc.

20. CEC shall furnish sufficient generation capacity to supply the entire load to be shed.

21. Binding Effect. This agreement is intended to be binding on the parties hereto and their respective successors and permitted assigns.

22. Interpretation. This agreement shall be interpreted and construed without prejudice to the party or parties deemed to have drafted it.



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

CLAY ELECTRIC COOPERATIVE, INC.

Witnesses:

\_\_\_\_\_  
As to CEC

\_\_\_\_\_  
As to CEC

By: \_\_\_\_\_

Type Name: \_\_\_\_\_

Title: \_\_\_\_\_

Witnesses:

\_\_\_\_\_  
As to Member

\_\_\_\_\_  
As to Member

MEMBER

By: \_\_\_\_\_

Type Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 199\_\_ by \_\_\_\_\_  
(name and title), of CLAY ELECTRIC COOPERATIVE, INC., a Florida corporation on behalf  
of the corporation. He/she is [ ] personally known to me or [ ] has produced  
\_\_\_\_\_ as identification and did not take an  
oath.

\_\_\_\_\_  
Notary Public, State of Florida  
Type/Print Name: \_\_\_\_\_

Commission Number \_\_\_\_\_

My Commission Expires \_\_\_\_\_

(AFFIX NOTARY SEAL)

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of

\_\_\_\_\_, 199\_\_ by \_\_\_\_\_

(Member), who is [ ] personally known to me or [ ] who has produced  
\_\_\_\_\_ as identification and who did not take an oath.

\_\_\_\_\_  
Notary Public, State of Florida  
Print/Type Name \_\_\_\_\_  
Commission No.: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

(AFFIX NOTARY SEAL)

EQUIPMENT LEASE AND LOAD MANAGEMENT AGREEMENT

APPENDIX A

EQUIPMENT

Generator(s) and Container (Generators set up with paralleling and soft transfer)

Transformer(s) (if required)

Related Equipment



EQUIPMENT LEASE AND LOAD MANAGEMENT AGREEMENT

APPENDIX B

FUEL COSTS AND KW CREDIT

I. Fuel Costs: CEC shall pay all fuel costs except when the equipment is dispatched at the request of the Member to provide energy to Member during periods of power outages in CEC's system or portions of CEC's system, Member shall pay for the extra fuel used as shown in L/M Generator Fuel Adjustment sheet attached.

II. Credit to Member During Peak Periods. In consideration of Member's agreement to allow the use of the equipment for load management purposes, Member shall receive a monthly credit equal to \$4.00 per kW for any 60 consecutive minutes coincident with the monthly peak demand for which the Cooperative is billed under applicable wholesale rate for electric service, provided however, that the credit shall not exceed the prime kilowatt output rating of the load management equipment.

Member's Signature:

CLAY ELECTRIC COOPERATIVE, INC.

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name: Raymond Wingate  
Title: President

970512-EI

**CERTIFICATE OF SERVICE**

HENRY BARROW  
REBUTTAL TESTIMONY

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by regular U.S. mail to the following:

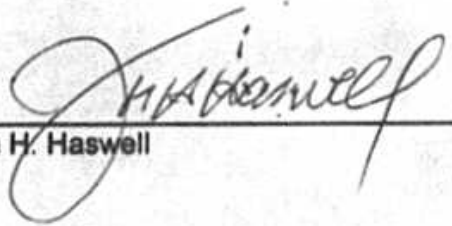
Patrick M. Bryan, Esquire  
Florida Power and Light Company  
700 Universe Boulevard  
Juno Beach, Florida 33408

Robert Elias, Legal Division  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399

Mark K. Logan  
Bryant, Miller & Olive  
201 South Monroe Street  
Suite 500  
Tallahassee, Florida 32301

W. G. Walker, III, Vice President  
Florida Power and Light Company  
Regulatory Affairs  
Post Office Box 029100  
Miami, Florida 33102-9100

on this 28 day of July, 1997.

  
\_\_\_\_\_  
John H. Haswell


DN 07620-97  
7/28/97

**AFFIDAVIT**

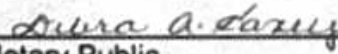
STATE OF FLORIDA    )  
                                  )  
COUNTY OF CLAY    )

Docket No. 970512-EU

Before the undersigned authority, personally appeared Henry D. Barrow, who being first duly sworn, deposes and says that he is the Director of Member and Public Relations for Clay Electric Cooperative, Inc., a Florida corporation, that the foregoing is true and correct to the best of his knowledge, information and belief. He is personally known to me.

  
\_\_\_\_\_  
Henry D. Barrow  
Director of Member and Public Relations

Sworn to and subscribed before me this 22<sup>nd</sup> day of July, 1997.

  
\_\_\_\_\_  
Notary Public  
State of Florida  
My Commission expires  
and my number is:

**Debra A. Haney**  
Notary Public, State of Florida  
My comm. expires October 25, 1999  
Comm. No. CC605764