



FMPA BOARD OF DIRECTORS

AGENDA PACKAGE

Telephonic Meeting Being Held
March 21, 2018
10:00 a.m.

Board of Directors

Bill Conrad, Newberry – Chairman
Barbara Quiñones, Homestead – Vice Chair
Larry Mattern, Kissimmee – Treasurer
Lynne Tejada, Key West – Secretary
Gary Hardacre, Alachua
Bradley Hiers, Bartow
Vacant, Blountstown
Jody Young, Bushnell
Elmon Lee Garner, Chattahoochee
Lynne Mila, Clewiston
Fred Hilliard, Fort Meade
John Tompeck, Fort Pierce
Ed Bielarski, Gainesville
Robert Page, Green Cove Springs
Howard McKinnon, Havana
Allen Putnam, Jacksonville Beach

Ed Liberty, Lake Worth
Glenn Spurlock, Leesburg
Michael Beckham, Lakeland
Harry Ogletree, Moore Haven
Charles Revell, Mount Dora
W. Ray Mitchum, New Smyrna Beach
Sandra Wilson, Ocala
Claston Sunanon, Orlando
Mike Wade, Quincy
Vacant, St. Cloud
Robert Milner, Starke
Laura Moss, Vero Beach
James Braddock, Wauchula
Scott Lippmann, Williston
Dan D'Alessandro, Winter Park

Telephonic Meeting
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, FL 32819
(407) 355-7767



MEMORANDUM

TO: FMPA Board of Directors
FROM: Jacob A. Williams
DATE: March 16, 2018
RE: **FMPA Telephonic Board of Directors Meeting – 10:00 a.m.
March 21, 2018**
PLACE: Florida Municipal Power Agency
8553 Commodity Circle, Orlando, FL 32819
DIAL-IN: (866) 411-8247 or (321) 239-1100, Access Code 91583#
(If you have trouble connecting via phone or internet, call 407-355-7767)

AGENDA

Chairman Bill Conrad Presiding

1. Call to Order, Roll Call, Declaration of Quorum 4
2. Recognition of Guests 5
3. Public Comments (Individual public comments limited to 3 minutes) 6
4. Set Agenda (by vote) 7
5. Action Items
 - a. Approval of Resolution 2018-B1 – Vero Beach Sale of Electric Utility and Transfer & Assignment for the Stanton Project (Jacob Williams / Jody Finklea) 16
 - b. Approval of Resolution 2018-B2 – Vero Beach Sale of Electric Utility and Transfer & Assignment for the Stanton II Project (Jacob Williams / Jody Finklea) 275
 - c. Approval of Resolution 2018-B3 – Vero Beach Sale of Electric Utility and Transfer & Assignment for the St. Lucie Project (Jacob Williams / Jody Finklea) 536
 - d. Approval of Resolution 2018-B4 – Approval of Release of Vero Beach from the Projects (Jody Finklea) 836
 - e. Approval of Resolution 2018-B5 – Resolution to Form FMPA Solar Project (Dan O’Hagan) 873

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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March 16, 2018
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6. Information Items
 a. None..... 1046

7. Member Comments 1047

8. Adjournment 1048

JW/su

The participants in the above referenced public meeting will conduct the public meeting by telephone, via a telephone conference hookup. There will be a speaker telephone made available for any interested person to attend this public meeting and be fully informed of the discussions taking place by telephone conference hookup at FMPA's headquarters, located at 8553 Commodity Circle, Orlando, Florida 32819-9002. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or 1-(888)-774-7606, at least two (2) business days in advance to make appropriate arrangements. Any interested person may contact FMPA for more information on this public meeting by calling (850) 297-2011 or (877) 297-2012 or writing to: Open Government Law Compliance Coordinator, Florida Municipal Power Agency, 2061-2 Delta Way, Post Office Box 3209, Tallahassee, Florida 32315-3209.

**AGENDA ITEM 1 - CALL TO ORDER,
ROLL CALL, DECLARATION OF
QUORUM**

**Board of Directors Meeting
March 21, 2018**

**AGENDA ITEM 2 – RECOGNITION OF
GUESTS**

**Board of Directors Meeting
March 21, 2018**

**AGENDA ITEM 3 – PUBLIC
COMMENTS (Individual Public
Comments Limited to 3 Minutes)**

**Board of Directors Meeting
March 21, 2018**

**AGENDA ITEM 4 – SET AGENDA (By
Vote)**

**Board of Directors Meeting
March 21, 2018**

AGENDA ITEM 5 – ACTION ITEMS

- a. Approval of Resolution 2018-B1 –
Vero Beach Sale of Electric Utility
and Transfer & Assignment for the
Stanton Project**

**Board of Directors
Meeting March 21, 2018**



Item 5 – Vero Beach Status Update

FMIPA Board of Directors
and Executive
Committee

March 21, 2018

Member Approvals: (All 19 Completed)

- Ocala (11/21)
- Leesburg (12/11)
- Homestead (11/28)
- New Smyrna Beach (12/18)
- Havana (11/28)
- St. Cloud (1/11/18)
- Bushnell (12/4)
- Lake Worth (1/16/18)
- Vero Beach (12/5)**
- Keys Energy Board (1/24/18)
- Starke (12/5)
- Fort Pierce Utility Auth. (2/6/18)
- Green Cove Springs (12/5)
- Alachua (2/12/18)
- Moore Haven (12/5)
- Clewiston (2/19/18)
- Kissimmee (12/6)
- Jacksonville Beach (2/19/18)
- Newberry (12/11)
- Fort Meade (2/26/18)

** Vero Beach approved Transfer Agreements and Assignments

FMPA Approvals

- Approvals by the Board and Executive Committee are contingent on receiving:
 1. Necessary consents, waivers, and other approvals from all affected members (19, plus Vero Beach)
 - ✓ All 19 approved
 - ✓ Vero Beach has approved
 2. Consents, approvals, and acknowledgement from operators (OUC and FPL) and financial stakeholders (trustee, etc.)
 - ✓ FPL and OUC have given preliminary OK to documents
 - ✓ Fitch issued its ratings affirmation November 22
 - ✓ Moody's issued its rating January 24
 - ✓ Trustee has agreed to provide an initial certificate (currently in draft) that, based on review of draft transaction documentation and related information, nothing has come to attention of trustee that would cause trustee to believe the transaction could not be completed



FPL and Vero Now Targeting 7/1/18 Closing Would Lead to New Total Payment of ≈\$112 M

- FPL is now focused on closing the transaction on 7/1/18
 - Vero payment to ARP adjusted \$1.3 M up or down per month for up to 3 month early or late closing date, respectively
 - 7/1/18 closing would add \$3.9 M to payment, or \$111.9 M total
- Additional proceeds would be added to the Rate Protection account
 - Utilized to offset additional 3 months of costs above market
 - New breakdown would be \$78 M to pay debt, \$33.9 M for Rate Protection account

Still Working on . . .

- Form of Bond Trustee certificate
- Complete the St. Lucie Unit No. 2 Participation Agreement Amendment with FPL (for decommissioning liability)

Approvals: Board of Directors

- Four Resolutions:
 1. Approve the transfer and assignment of Vero's Stanton Project power entitlement share to ARP and related contract amendments (2018-B1)
 2. Approve the transfer and assignment of Vero's Stanton II Project power entitlement share to ARP and related contract amendments (2018-B2)
 3. Approve the transfer and assignment of Vero's St. Lucie Project power entitlement share to ARP and related contract amendments (2018-B3)
 4. Approve general release and total discharge of Vero Beach from FMPA and provide for interlocal agreement-related filing (2018-B4)

Approvals: Executive Committee

One resolution (2018-EC1) - Approving the ARP's assumption of Vero's power entitlement shares in the Stanton, Stanton II, and St. Lucie Projects; approving amendments to the ARP Contract (Amendment No. 2); and providing for the total release and discharge between Vero Beach and FMPA, as related to the ARP

Resolution 2018-B1
FMPA Board of Directors
March 21, 2018

(STANTON PROJECT)

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY ("FMPA"): (I) PROVIDING FOR THE INCORPORATION OF CERTAIN FINDINGS, DEFINED TERMS, AND GENERAL PROVISIONS; (II) CONSENTING TO TERMS AND CONDITIONS OF THE TRANSFER AGREEMENT (STANTON PROJECT), BETWEEN THE CITY OF VERO BEACH, FLORIDA, AND FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, AND THE ASSIGNMENT AGREEMENT, BETWEEN THE CITY OF VERO BEACH, FLORIDA, AND FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, CONCERNING THE TRANSFER AND ASSIGNMENT OF THE CITY OF VERO BEACH'S 32.521% POWER ENTITLEMENT SHARE IN THE STANTON PROJECT; (III) APPROVING AMENDMENTS TO THE STANTON PROJECT POWER SALES CONTRACT, AS PREVIOUSLY AMENDED, AND PROJECT SUPPORT CONTRACT, AS PREVIOUSLY AMENDED, BETWEEN FMPA AND THE CITY OF VERO BEACH, FLORIDA, AND CONSENTING TO SUCH AMENDMENTS; (IV) APPROVING THE FORM OF CONSENT BY ORLANDO UTILITIES COMMISSION AS REQUIRED BY THE STANTON PARTICIPATION AGREEMENT; (V) ACKNOWLEDGING AND ACCEPTING THE RECEIPT OF CONSULTING ENGINEER'S VERO BEACH INDEPENDENT VALUATION REPORT; (VI) APPROVING AMENDMENTS TO THE STANTON PROJECT POWER SALES CONTRACT, AS PREVIOUSLY AMENDED, AND STANTON PROJECT PROJECT SUPPORT CONTRACT, AS PREVIOUSLY AMENDED, BETWEEN FMPA AND THE PROJECT PARTICIPANTS IN THE STANTON PROJECT, OTHER THAN THE CITY OF VERO BEACH, FLORIDA; (VII) APPROVING THE ASSIGNMENT OF CERTAIN RIGHTS AND OBLIGATIONS UNDER THE STANTON PROJECT POWER SALES CONTRACT, AS AMENDED, AND PROJECT SUPPORT CONTRACT, AS AMENDED, BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND THE CITY OF VERO BEACH, FLORIDA, TO BE ASSIGNED TO THE STANTON BOND TRUSTEE TO ENFORCE SUCH CONTRACTS; (VIII) ACKNOWLEDGING THE APPROVAL OF CONSENT AND WAIVERS AND MUTUAL RELEASE AGREEMENTS BY STANTON PROJECT PARTICIPANTS, OTHER THAN THE CITY OF VERO BEACH, FLORIDA; (IX) APPROVING THE WAIVER AND RELEASE AGREEMENT BETWEEN

FMPA AND THE CITY OF VERO BEACH, FLORIDA, FOR LIABILITIES AND OBLIGATIONS RELATED TO THE STANTON PROJECT; (X) ACCEPTING CERTAIN CERTIFICATES OF THE STANTON BOND TRUSTEE; (XI) DESIGNATING AUTHORIZED OFFICERS OF FMPA, AUTHORIZED SIGNATORIES, AND PROVIDING FOR FURTHER ACTIONS; (XII) MAKING CERTAIN DETERMINATIONS AND AUTHORIZING A CERTIFICATE TO BE DELIVERED ON BEHALF OF THE BOARD OF DIRECTORS; (XIII) PROVIDING FOR THE FORM AND DELIVERY OF LEGAL OPINIONS; (XIV) INCORPORATING OTHER DOCUMENTS; (XV) TAKING CERTAIN OTHER ACTIONS; AND (XVI) PROVIDING AN EFFECTIVE DATE.

Whereas, the City of Vero Beach, Florida ("**Vero Beach**") and Florida Power & Light Company ("**FPL**") have entered into an Asset Purchase and Sale Agreement, dated October 24, 2017 (the "**PSA**"), for the sale of certain electric utility assets and certain associated liabilities of Vero Beach to FPL (the "**Sale**"). In accordance with the terms and conditions of the PSA, and as part of Vero Beach's exit strategy from the electric utility business, Vero Beach needs to terminate and be released from all liabilities and obligations to FMPA with respect to the Stanton Project, the Stanton II Project, the St. Lucie Project, and the All-Requirements Power Supply Project (the "**ARP**"), and generally as a member of FMPA.

Whereas, FMPA has been engaged in discussions with Vero Beach and FPL regarding the Sale, and FMPA desires to facilitate the termination of and Vero Beach's release from all of its obligations to FMPA with respect to the Stanton Project by accepting a transfer and taking an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements and approving the terms and conditions of the transactions contemplated by the Transfer Agreement (Stanton Project) to be entered into between Vero Beach and FMPA, with respect to the ARP (the "**Stanton Transfer Agreement**").

Whereas, Vero Beach has agreed to pay FMPA, with respect to the ARP, the sum of \$108 million, as that sum may be adjusted pursuant to the terms of the Transfer Agreements, for the ARP to assume Vero Beach's obligations in the Stanton, Stanton II, and St. Lucie Projects, and for Vero Beach to withdraw from the ARP pursuant to section 29 of the All-Requirements Power Supply Project Contract between FMPA and Vero Beach, entered into as of October 1, 1996, as amended, (the "**Vero ARP Contract**") and to fully release and completely discharge all liabilities and obligations of Vero Beach to FMPA with respect to the Stanton Project, the Stanton II Project, the St. Lucie Project, and the ARP, and generally as a member of FMPA.

Whereas, on an even date with the adoption of this Resolution 2018-B1 (this "**Resolution**") the FMPA Executive Committee has adopted Resolution 2018-EC1 (All-Requirements Power Supply Project) (the "**ARP EC Resolution**"), which authorizes FMPA, with respect to the ARP, to, among other things, assume the Vero Stanton Project Entitlements.

Whereas, Orlando Utilities Commission ("**OUC**") has indicated its agreement to the form of consent to the transfer and assignment of Vero Beach's Power Entitlement Share in the Stanton Project to FMPA, with respect to the ARP, in accord with section 7.01 of the Stanton Participation Agreement.

Whereas, FMPA has retained GDS Associates, Inc. (the "**Consulting Engineer**") to prepare an independent analysis of the \$108 million sum, and the Consulting Engineer has completed its analysis and delivered the Valuation Report (as defined in Section XI of this Resolution), which has been considered by the Board of Directors and supports the Board of Director's approval of this Resolution.

Whereas, Vero Beach has taken action to approve the documents relating to the Stanton Project that it is or will be a party to as contemplated by and in substantially the forms of the documents attached to this Resolution; the other Project Participants in the Stanton Project have each approved the documents they will be a party to as contemplated by and in substantially the forms of the documents attached to this Resolution; and the forms of all required consents and waivers required to be delivered pursuant to section 29(d) of the Stanton Power Sales Contract and section 14(b) of the Stanton Project Support Contract have been approved by each of the other Project Participants in the Stanton Project.

Whereas, Fitch Ratings, Inc. ("**Fitch**") has issued a written announcement confirming the current rating of bonds of the Stanton Project, dated November 17, 2017, stating that "the Vero Beach transaction will not result in a withdrawal or downgrade on any of the Ratings assigned by Fitch . . ." (the "**Fitch Rating Confirmation**") Subsequent to the issuance of the Fitch Rating Confirmation, Fitch issued an announcement that it was revising the outlook of the Stanton Project and Stanton II Project from "Stable" to "Negative," on March 7, 2018 (the "**Subsequent Fitch Action**"). However, the Board of Directors has determined that the Subsequent Fitch Action was not the result of transactions contemplated by this Resolution.

Whereas, Moody's Investors Services, Inc. ("**Moody's**") has issued a written announcement dated January 24, 2018 with regard to the current rating of bonds of the Stanton Project which states that there is "[n]o rating impact on FMPA Stanton

Project (FL) bonds resulting from planned Vero Beach transaction.” (the “**Moody’s Rating Confirmation**”)

Whereas, FMPA’s bond counsel, Nixon Peabody, LLP, and Jody Lamar Finklea, FMPA’s General Counsel and Chief Legal Officer, have each delivered forms of opinions to FMPA with respect to the legality and effectiveness of the actions and matters provided for or contemplated by this Resolution, as provided for in those opinions and subject to the limitations stated in those opinions. Further, Nixon Peabody, LLP and Mr. Finklea have delivered opinions, dated the date of this Resolution, as to certain legal matters and, with respect to those legal matters addressed, the legal ability of FMPA to proceed with the transaction and the actions and matters contemplated by this Resolution and the ARP EC Resolution. The Board of Directors has taken into account such even-dated opinions of Nixon Peabody, LLP and Mr. Finklea (the “**Resolution Opinions**”) in making the determination set forth in Section XII(A) of this Resolution.

Whereas, the staff and legal counsel for FMPA have kept the Board of Directors apprised of the actions taken and efforts made in connection with the Sale of the Vero Beach electric system to FPL and Vero Beach’s exit from the electric utility business and the progress of discussions related thereto involving FMPA.

Whereas, the Board of Directors hereby desires to adopt this Resolution as its formal action approving those actions and things provided for or contemplated by this Resolution and as written evidence of its determination, after taking into account the aforementioned Consulting Engineer’s analysis, the Resolution Opinion, the form of consent of OUC pursuant to the Stanton Participation Agreement, the written rating reports of Fitch and Moody’s, the approvals of Vero Beach and the other Project Participants in the Stanton Project, the information provided by FMPA staff and counsel, and other matters that the Board of Directors has considered, that such actions will not impair the ability of FMPA, with respect to the Stanton Project, to comply during the current year or any future year with the provisions of Subsection 1 of Section 712 of the Stanton Bond Resolution.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY THAT:

SECTION I. **Incorporation of Certain Findings, Defined Terms, and General Provisions.** Except as otherwise specifically provided herein, the Master Annex, substantially in the form attached hereto as Exhibit A with such changes, omissions, insertions, deletions and revisions as the Authorized Officers of FMPA shall deem advisable or necessary, subject to and in accordance with the limitations

set forth in Section XI of this Resolution (the "**Master Annex**"), constitutes an integral part of this Resolution, is incorporated by reference herein, and has the same force and effect as if set forth in this Resolution. The recitals set forth in the "whereas" clauses above are hereby incorporated into and are a material part of this Resolution. Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex.

SECTION II. Consent to the Terms and Conditions of the Transfer Agreement (Stanton Project) between the City of Vero Beach and FMPA, with Respect to the All-Requirements Power Supply Project, and the Assignment Agreement, between the City of Vero Beach and FMPA, with Respect to the All-Requirements Power Supply Project, Concerning the Transfer and Assignment of the City of Vero Beach's 15.202% Power Entitlement Share in the Stanton Project. (A) The terms and conditions set forth in the Transfer Agreement (Stanton Project) to be entered into between FMPA, with respect to the ARP, and Vero Beach, substantially in the form attached hereto as Exhibit B (the "**Stanton Transfer Agreement**"), for the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton Project Entitlements and the full release and discharge of Vero Beach from any and all liabilities and obligations under the Vero Stanton Contracts on and as of the Assignment Effective Date are hereby approved. The Board of Directors also hereby approves any changes or modifications to the form of such Stanton Transfer Agreement that: (i) are approved by the Authorized ARP Officers (as defined in Section XI(C) of this Resolution) in accordance with the terms and subject to the limitations specified in the ARP EC Resolution, and (ii) are approved by the Authorized Officers in accordance with Section XI of this Resolution and evidenced by the delivery of a Transaction Certificate (as defined in Section XI(E) of this Resolution).

(B) The terms and conditions set forth in the Assignment Agreement (Stanton Project) to be entered into between FMPA, with respect to the ARP, and Vero Beach, substantially in the form attached hereto as Exhibit C (the "**Stanton Assignment Agreement**"), for the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton Contracts and the Vero Stanton Project Entitlements on and as of the Assignment Effective Date are hereby approved. The Board of Directors also hereby approves any changes or modifications to the form of such Stanton Assignment Agreement that: (i) are approved by the Authorized ARP Officers (as defined in Section XI(C) of this Resolution) in accordance with the terms and subject to the limitations specified in the ARP EC Resolution, and (ii) are approved by the Authorized Officers in accordance with Section XI of this Resolution and evidenced by the delivery of a Transaction Certificate.

(C) The Board of Directors hereby (i) consents to the transfer and assignment to FMPA, with respect to ARP, of the Vero Stanton Project Entitlements as provided for in the Stanton Transfer Agreement and the Stanton Assignment Agreement, in consideration of the benefits to be received by the Stanton Project and subject to the satisfaction of all conditions precedent required for the Closing (as defined in the Stanton Transfer Agreement) to occur, as set forth in the Stanton Transfer Agreement, and including as provided in section 1.10 of the Master Annex, and (ii) authorizes the Authorized Officers of FMPA to execute and deliver a certificate or other evidence of its consent to the Stanton Transfer Agreement and the Stanton Assignment Agreement and the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton Contracts and the Vero Stanton Project Entitlements in accordance with section 28(a) of the Stanton Power Sales Contract and section 13(a) of the Stanton Project Support Contract.

SECTION III. Approval of the Execution and Delivery by FMPA of the Amendments to the Stanton Project Power Sales Contract, as amended, and Project Support Contract, as amended, between FMPA and the City of Vero Beach and Consent to Such Amendments. (A) The terms and conditions of Amendment No. 1 to the Stanton Power Sales Contract by and between FMPA, with respect to the Stanton Project, and Vero Beach (the "**Vero Stanton Power Sales Contract Amendment**"), substantially in the form attached hereto as Exhibit D-1, which amends the Stanton Project Power Sales Contract, dated as of January 16, 1984, as amended to the date hereof, by and between FMPA, with respect to the Stanton Project, and Vero Beach (the "**Vero Stanton Power Sales Contract**") to (i) provide that FMPA shall waive the provision that no assignment or transfer of the Vero Stanton Power Sales Contract shall relieve the parties of any obligation thereunder; and (ii) make certain changes necessary to reflect that FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the Stanton Project, including the assignment of certain rights and obligations of FMPA to the Stanton Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero Stanton Power Sales Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Vero Stanton Power Sales Contract Amendment by such Authorized Officers and the delivery of a Transaction Certificate.

(B) The terms and conditions of Amendment No. 1 to the Stanton Project Project Support Contract to be entered into between FMPA, with

respect to the Stanton Project, and Vero Beach (the "**Vero Stanton Project Support Contract Amendment**"), substantially in the form attached hereto as Exhibit D-2, which amends the Stanton Project Project Support Contract, dated as of January 16, 1984, as amended to the date hereof, by and between FMPA, with respect to the Stanton Project, and Vero Beach (the "**Vero Stanton Project Support Contract**") to (i) provide that FMPA shall waive the provision that no assignment or transfer of the Vero Stanton Project Support Contract shall relieve the parties of any obligation thereunder; and (ii) make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the Stanton Project, including the assignment of certain rights and obligations of FMPA to the Stanton Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero Stanton Project Support Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Vero Stanton Project Support Contract Amendment by the Authorized Officers and the delivery of a Transaction Certificate.

SECTION IV. Approval of Consent of OUC. (A) The Board of Directors hereby approves the terms of the Consent of OUC which is required to be delivered by OUC in accordance with requirements of Section 7.01 of the Stanton Participation Agreement (the "**OUC Consent**"), substantially in the form attached hereto as Exhibit E, pursuant to which OUC, as a third-party beneficiary to the Stanton Power Sales Contracts and the Stanton Project Support Contracts, is required to provide certain consents, waivers, and authorizations to permit amendments to the Stanton Contracts contemplated by this Resolution and the accomplishment of the transactions contemplated hereby, including the assignment of the Vero Stanton Contracts to FMPA, with respect to the ARP, and the complete release and discharge of Vero Beach from any and all liabilities and obligations related to the Stanton Project. The Authorized Officers of FMPA are hereby authorized and directed to determine and accept the terms and provisions of the OUC Consent and to accept and acknowledge receipt of an executed copy of the OUC Consent, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the acceptance and acknowledgement of receipt of the OUC Consent by the Authorized Officers on or before the Assignment Effective Date and the delivery of a Transaction Certificate.

(B) In giving the approvals set forth in this Resolution, the Board of Directors is relying on its understanding that OUC will deliver to FMPA on or before the Assignment Effective Date duly authorized and executed copies of the OUC Consent in accordance with all applicable requirements.

SECTION V. Engagement of Consulting Engineer and Acknowledgement and Acceptance of Receipt of Consulting Engineer's Vero Beach Independent Valuation Report. The Consulting Engineer was engaged by the FMPA Executive Committee to independently determine the value of the Vero Stanton Project Entitlements, the Vero Stanton II Project Entitlements, and the Vero St, Lucie Project Entitlements (collectively, the "**Vero Entitlements**"), and provide its independent judgment as to the amount of the payment required to be made by Vero Beach to FMPA for the benefit of the ARP so that the costs to the remaining participants in the ARP would not be materially adversely impacted by the assumption by FMPA, with respect to the ARP, of the Vero Entitlements, with a consideration of a risk adjustment deemed appropriate by the Consulting Engineer. The Consulting Engineer delivered to FMPA its report entitled "Florida Municipal Power Agency Vero Beach Independent Valuation Study", dated June 2017 (the "**Valuation Report**"), in response to the Executive Committee's engagement. The Board of Directors hereby acknowledges receipt of an executed copy of the Valuation Report, and specifically indicates that it has reviewed and taken into consideration the conclusions in the Valuation Report as a basis for its findings and determinations set forth in this Resolution.

SECTION VI. Approval of the Execution and Delivery by FMPA of the Amendments to the Stanton Project Power Sales Contract and the Stanton Project Project Support Contract, between FMPA and the Project Participants in the Stanton Project, other than Vero Beach. (A) The terms and conditions of Amendment No. 1 to the Stanton Power Sales Contract by and between FMPA, with respect to the Stanton Project, and the Stanton Project Participants, other than Vero Beach (the "**Other Participant Stanton Power Sales Contract Amendments**"), substantially in the form attached hereto as Exhibit F-1, which amends the Stanton Project Power Sales Contracts, each dated as of January 16, 1984, as amended to the date hereof, by and between FMPA, with respect to the Stanton Project, and the Stanton Project Participants, other than Vero Beach (the "**Other Participant Stanton Power Sales Contracts**") to make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, including the an acknowledgement of the assignment of certain rights and obligations of FMPA to the Stanton Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Other Participant Stanton Power Sales Contract Amendments, subject to and with such changes or

modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Other Participant Stanton Power Sales Contract Amendments by such Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(B) The terms and conditions of Amendment No. 1 to the Stanton Project Project Support Contract to be entered into between FMPA, with respect to the Stanton Project, and the Stanton Project Participants, other than Vero Beach (the "**Other Participant Stanton Project Support Contract Amendments**"), substantially in the form attached hereto as Exhibit F-2, which amends the Stanton Project Project Support Contract, dated as of January 16, 1984, as amended to the date hereof, by and between FMPA, with respect to the Stanton Project, and the Stanton Project Participants, other than Vero Beach (the "**Other Participant Stanton Project Support Contract**") to make certain changes necessary to reflect that FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, including the assignment of certain rights and obligations of FMPA to the Stanton Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Other Participant Stanton Project Support Contract Amendments, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Other Participant Stanton Project Support Contract Amendments by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(C) The Board of Directors hereby consents to the amendments made to the Other Participant Stanton Power Sales Contracts and the Other Participant Stanton Project Support Contracts by the Other Stanton Power Sales Contract Amendments and the Other Stanton Project Support Contract Amendments, respectively, and hereby authorizes the Authorized Officers of FMPA to execute and deliver a certificate or other document to evidence such consent.

SECTION VII. Approval of Assignment of Certain Rights and Obligations of FMPA under the Vero Stanton Contracts to the Stanton Project Bond Trustee to Enforce such Contracts. The terms and conditions of the Partial Assignment Agreement (Stanton Project) to be entered into between FMPA, with respect to the Stanton Project, and the Stanton Project Bond Trustee ("**Stanton Trustee**

Assignment”), substantially in the form attached hereto as Exhibit G, which provides for certain rights and obligations of FMPA, acting with respect to the Stanton Project, to be assigned to the Stanton Bond Trustee, who shall have the right and obligation to enforce certain provisions of the Vero Stanton Contracts, after transfer and assignment of such Vero Stanton Contracts to the ARP, against FMPA, acting with respect to the ARP. The Authorized Officers are hereby authorized and directed to execute and deliver the Stanton Trustee Assignment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Stanton Trustee Assignment by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

SECTION VIII. Acknowledgement of the Approvals of the Consent and Waiver (Stanton Project) and Mutual Release Agreement (Stanton Project) by each of the Stanton Project Participants. (A) The Board of Directors hereby accepts and acknowledges that it has been apprised that each of the Stanton Project Participants, other than Vero Beach, has approved the terms and conditions and has duly authorized the execution and delivery of the Stanton Consent and Waiver, substantially in the form attached hereto as Exhibit H, pursuant to which each Project Participant in the Stanton Project, other than Vero Beach, as required by Section 29(d) of the Power Sales Contract and Section 14(b) of the Project Support Contract, has (i) consented to certain amendments to the Vero Stanton Contracts and waived the rights of each of the Stanton Project Participants to have similar amendments made to its Stanton Power Sales Contract and Project Support Contract, and (ii) consented to the full release of Vero Beach from any and all liabilities and obligations under the Vero Stanton Contracts.

(B) The Board of Directors hereby accepts and acknowledges that it has been apprised that each of the Stanton Project Participants has approved the terms and conditions and has duly authorized the execution and delivery of the form of Mutual Release Agreement (Stanton Project), to be entered into by Vero Beach and each Other Project Participant in the Stanton Project (“**Stanton Mutual Release**”), substantially in the form attached hereto as Exhibit I, pursuant to which each Project Participant in the Stanton Project, other than Vero Beach, agrees to fully and completely release and forever discharge Vero Beach from any and all claims and liabilities that it may have or incur against Vero Beach with respect to the Stanton Project and Vero Beach Project agrees to fully and completely release and forever discharge each Other Project Participant from any and all claims and liabilities that it may have or incur against each Other Project Participant with respect to the Stanton Project.

(C) In giving the authorization, approvals and consents set forth in this Resolution, the Board of Directors is relying on its understanding that each Project Participant in the Stanton Project, other than Vero Beach, will deliver to FMPA its duly authorized and executed Consent and Waiver and Stanton Mutual Release, and that each Other Stanton Project Participant has (i) acknowledged that it has received notice and a copy of the Vero Stanton Amendments; (ii) consented to the terms and conditions of the Vero Stanton Amendments and waived that their Stanton Contracts be similarly amended; and (iii) consented to the terms and conditions of the Stanton Transfer Agreement and the Stanton Assignment Agreement. The Authorized Officers of FMPA are hereby authorized to request, negotiate, and otherwise provide for and approve such changes or modifications and such additions to or deletions from the Consent and Waiver and Stanton Mutual Release that such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution with the approval of such changes or modifications to be evidenced conclusively by the execution of such Consent and Waiver and Stanton Mutual Release by each such Other Stanton Project Participant.

SECTION IX. Approval of Waiver and Release of Vero Beach by FMPA from its Obligations Related to the Stanton Project. The Board of Directors hereby approves the terms and conditions of the Waiver and Release Agreement, by and between Vero Beach and FMPA, with respect to the Stanton Project ("**Waiver and Release Agreement**"), substantially in the form attached hereto as Exhibit J, which provides for certain waivers and releases of the terms and conditions of the Stanton Power Sales Contracts and Stanton Project Support Contracts, including the full release and discharge of Vero Beach from any and all liabilities and obligations under the Vero Stanton Contracts, on and as of the Assignment Effective Date (as defined in the Waiver and Release Agreement). The Authorized Signatories are hereby authorized and directed to execute and deliver the Waiver and Release Agreement, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Waiver and Release Agreement by the Authorized Officers of FMPA and the Delivery of a Transaction Certificate.

SECTION X. Acceptance of the Acknowledgement Certificate from the Stanton Project Bond Trustee. (A) The Board of Directors hereby accepts and acknowledges that certain certificate executed by the Stanton Bond Trustee as to its review of the draft transaction documentation and related information provided to it, and

confirmation that nothing has come to its attention that would cause it to believe that it will not be able to successfully and timely accomplish the actions required to be taken by it to complete the transaction (the "**Stanton Trustee Resolution Certificate**"), substantially in the form attached hereto as Exhibit K-1. On the basis of its receipt of the Stanton Trustee Resolution Certificate, and all other conditions precedent of the Stanton Transfer Agreement having been satisfied, the Board of Directors authorizes the Authorized Officers, on behalf of the Board of Directors, to accept and acknowledge a further certificate of the Stanton Bond Trustee at Closing as to the receipt, examination, and review of the Stanton Transaction Documents (as defined below) (the "**Stanton Trustee Acknowledgment Certificate**"), in, substantially the form attached hereto as Exhibit K-2. The Authorized Officers of FMPA are hereby authorized to request, negotiate, and otherwise agree to changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution. As used in this Section X, "**Stanton Transaction Documents**" means and refers to those documents listed in Exhibit A to the Stanton Trustee Acknowledgment Certificate.

(B) In giving the approvals set forth in this Resolution, the Board of Directors is relying on its understanding that the Stanton Bond Trustee will deliver to FMPA, in a form and at the time necessary to accomplish the Closing, a duly authorized and executed copy of the Stanton Trustee Acknowledgment in accordance with applicable requirements.

SECTION XI. Designation of Authorized Officers, Authorized Signatories and Authorized ARP Officers; Further Actions. (A) As the term is used in this Resolution, "**Authorized Officer**" means the General Manager and CEO of FMPA or the Chief Operating Officer of FMPA.

(B) As the term is used in this Resolution, "**Authorized Signatories**" means the (i) Chairman or the Vice Chairman of the Board of Directors of FMPA and (ii) the General Manager and CEO.

(C) As the term is used in this Resolution, "**Authorized ARP Officers**" has the meaning ascribed to it in the ARP EC Resolution.

(D) There is hereby delegated to the Authorized Officers, subject to the limitations contained in this Resolution, the following powers:

(i) to determine the date of Closing;

- (ii) to make such changes in or from the documents referenced herein or contemplated hereby as may be necessary or desirable in connection with maintaining a rating with respect to the Stanton Project or, in the opinion of legal counsel to FMPA (as defined in Section XIII of this Resolution), in order to cure any ambiguities, inconsistencies or other defects; and
- (iii) to determine such other matters specified in or permitted by this Resolution, including preparation of any documentation therefore, and to agree to delivery and execution of additional documentation, and to require the same of Stanton Project Participants and Vero Beach, if determined to be necessary or desirable, after consultation with legal counsel for FMPA, to accomplish the intent and purposes of this Resolution and transactions contemplated by the Transfer Agreements;

provided, however, that the Authorized Officers may not approve any changes or modifications to or additions to or deletions from any document or instrument to which a Stanton Project Participant is a party and for which a form of such document or instrument is attached to this Resolution as an Exhibit form of the exhibits attached hereto that constitute a material adverse change. For purposes of the foregoing, **“material adverse change”** means any material adverse change in the terms and conditions which imposes on FMPA or any Stanton Project Participant an additional, material risk of financial loss, indemnity obligation, covenant, warranty, or restriction of its legal rights in a manner that is not already contemplated in the form of document or instrument attached as an exhibit hereto.

- (E) (i) The Authorized Officers of FMPA shall execute a **“Transaction Certificate”** evidencing the determinations made pursuant to the delegated authority set forth in this Resolution and such Transaction Certificate shall be conclusive evidence of the determinations of the Authorized Officers as stated therein. The determinations set forth in any Transaction Certificate shall have the same effect as if set forth in this Resolution.
- (ii) In the event that the Authorized Officers of FMPA exercise any of the authority delegated to them pursuant to this Resolution and execute a Transaction Certificate evidencing such exercise, a report describing the exercise of such delegated authority shall be delivered at the next regularly scheduled meeting of the Board of Directors of FMPA occurring at least thirty (30) days after the Closing.

(F) Each Authorized Officer of FMPA and the General Counsel and Chief Legal Officer is hereby authorized and directed to execute and deliver or cause to be executed and delivered any and all documents and instruments and to do and cause to be done any and all administrative acts and things as may be necessary or desirable in connection with the approval, execution and delivery of the Stanton Transfer Agreement and the carrying out of its terms and the terms of this Resolution and the transactions contemplated hereby.

SECTION XII. Determination of the Board of Directors; Authorization for an Authorized Signatories of FMPA to Deliver A Certificate on behalf of the Board of Directors Evidencing such Determination. (A) The Board of Directors hereby finds that it is reasonable to determine that, taking into account all relevant facts and circumstances and being otherwise apprised, the transfer and assignment of the Vero Stanton Project Entitlements to FMPA, with respect to the ARP, and the release and discharge of Vero Beach from all obligations related to the Stanton Project, in the context of the entire transaction contemplated by the Transfer Agreements and the related documents will not impair the ability of FMPA, with respect to the Stanton Project, to comply during the current year or any future year with the provisions of Subsection 1 of Section 712 of the Stanton Bond Resolution.

(B) The Authorized Signatories are hereby authorized to execute and deliver to the Trustee for and on behalf and in the name of FMPA, with respect to the Stanton Project, a certificate, substantially in the form attached hereto as Exhibit L, evidencing the determination of the Board of Directors described in Section XII(A) above, with such changes, omissions, insertions and revisions to such form of certificate as such signatories shall deem advisable or necessary (the "**Certificate of FMPA**"), said execution being conclusive evidence of the determination of the Board of Directors and the approval of such changes, omissions, insertions and revisions.

SECTION XIII. Form and Delivery of Legal Opinions. At or prior to the Closing, Nixon Peabody LLP, as bond counsel to FMPA, and the General Counsel and Chief Legal Officer of FMPA (collectively, "**legal counsel to FMPA**") are each respectively authorized to deliver their opinions to the addressees specified in such Legal Opinion Forms, dated the date of the Closing, in substantially the forms attached hereto as Exhibits M-1 and M-2, respectively ("**Legal Opinion Forms**"). Legal counsel to FMPA are also hereby authorized to (a) provide reliance letters to parties other than those parties to whom the Legal Opinion Forms are addressed upon the request of an Authorized Officer of FMPA which request must be reasonable and (b) to make such changes, modifications, omissions, insertions and revisions to the Legal Opinion Forms as such legal counsel to FMPA deem to be necessary in the event that the laws

and facts relevant to the matters discussed in their Legal Opinion Forms have changed since the date of the Resolution; *provided, however, that* such legal counsel to FMPA shall not be obligated to opine to the validity or enforceability of any agreement, document, or instrument not executed by an Authorized Officer of FMPA.

SECTION XIV. **Incorporation of Other Documents.** Attached to this Resolution is Composite Exhibit N, which is comprised of the following documents, otherwise referenced in this Resolution:

- (i) the Fitch Rating Confirmation,
- (ii) the Subsequent Fitch Action,
- (iii) the Moody's Rating Confirmation,
- (iv) the Valuation Report, and
- (v) the Resolution Opinions, in substantial form.

Composite Exhibit N is hereby incorporated into this Resolution as a material part of it, and the Board of Directors hereby acknowledges it is taking such documents into account in making the determinations and findings set forth in this Resolution. Upon review of the Subsequent Fitch Action, the Board of Directors hereby determines that the changes therein are not related to the transactions contemplated by this Resolution and do not impact the decisions of the Board of Directors to give its approval to and adopt this Resolution.

SECTION XV. **Certain Other Actions.** Each Authorized Officer of FMPA designated hereunder and the General Counsel and Chief Legal Officer of FMPA are hereby authorized and empowered to take all further actions as may be necessary or desirable in carrying out the terms and provisions of this Resolution and each of the documents referred to herein and in effecting the furtherance of the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton Project Entitlements subject to the limitations contained in Section XI of this Resolution.

SECTION XVI. **Effective Date.** This Resolution shall take effect immediately upon its adoption by the Board of Directors.

[Signature Page Follows]

This Resolution 2018-B1 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on March 15, 2018.

Chairman, Board of Directors

I HEREBY CERTIFY that on March 21, 2018, the above Resolution 2018-B1 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2018-B1.

ATTEST:

Secretary or Assistant Secretary

SEAL

Exhibit A

Substantial Form of Master Annex

See Exhibit A to the Stanton Transfer Agreement

Exhibit B

Substantial Form of Stanton Transfer Agreement



Exhibit C

Substantial Form of Stanton Assignment Agreement

See Exhibit B-1 to the Stanton Transfer Agreement

Exhibit D-1

Substantial Form of Vero Stanton Power Sales Contract Amendment

See Exhibit C to the Stanton Transfer Agreement

Exhibit D-2

Substantial Form of Vero Stanton Project Support Contract Amendment

See Exhibit D to the Stanton Transfer Agreement

Exhibit E

Substantial Form of OUC Consent

Exhibit F-1

Substantial Form of Other Participant Stanton Power Sales Contract Amendments

Exhibit F-2

Substantial Form of Other Participant Stanton Project Support Contact Amendments

Exhibit G

Substantial Form of Stanton Trustee Assignment

Exhibit H

Substantial Form of Consent and Waiver (Stanton Project)

Exhibit I

Substantial Form of Mutual Release

Exhibit J

Substantial Form of Waiver and Release Agreement

Exhibit K-1

Stanton Trustee Resolution Certificate

Exhibit K-2

Substantial Form of Stanton Trustee Acknowledgment Certificate

Exhibit L

Substantial Form of Certificate of FMPA

Exhibit M-1

Substantial Form of Opinion of Nixon Peabody, LLP, as Bond Counsel to FMPA

Exhibit M-2

Substantial Form of Opinion of Jody Lamar Finklea, as General Counsel and Chief
Legal Officer of FMPA

Composite Exhibit N

Fitch Rating Confirmation

Moody's Rating Confirmation

Valuation Report

Resolution Opinion of Nixon Peabody, LLP

Exhibit A

Substantial Form of Master Annex

See Exhibit A to the Stanton Transfer Agreement

Exhibit B

Substantial Form of Stanton Transfer Agreement

Draft 3/9/18

**TRANSFER AGREEMENT
(STANTON PROJECT)**

This **TRANSFER AGREEMENT (STANTON PROJECT)** (this “Stanton Transfer Agreement”) is made as of March __, 2018, by and between the City of Vero Beach, Florida, a political subdivision of the State of Florida (“Vero Beach”), and the Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both (“FMPA”), with respect to its All-Requirements Power Supply Project (“ARP”). Vero Beach and FMPA also have entered into a Transfer Agreement (Stanton II Project) and a Transfer Agreement (St. Lucie Project), each dated the date hereof (together, the “Other Transfer Agreements”).

In consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended hereto as **Exhibit A** (the “Master Annex”) constitutes an integral part of this Stanton Transfer Agreement and is incorporated by reference with the same force and effect as if set forth in this Stanton Transfer Agreement. Terms used but not defined in this Stanton Transfer Agreement (without reference to the Exhibits and Schedules attached hereto) will be as defined in the Master Annex.

SECTION 2. Transfer and Assignment of Vero Stanton Contracts and Vero Stanton Project Entitlements.

(a) At the Closing, Vero Beach agrees to transfer and assign to FMPA all of Vero Beach’s right, title and interest in and to the Vero Stanton Contracts, including, without limitation, the Vero Stanton Project Entitlements, and FMPA, with respect to the ARP, agrees to accept such transfer and assignment and to assume all of Vero Beach’s duties and obligations under the Vero Stanton Contracts, in accordance with and subject to the terms and conditions of this Stanton Transfer Agreement.

(b) To effectuate such transfer and assignment at the Closing, Vero Beach and FMPA will execute and deliver the Stanton Assignment Agreement, a form of which is attached hereto as **Exhibit B-1**.

(c) At the Closing, Vero Beach and FMPA also will execute and deliver the Waiver and Release Agreement, a form of which is attached hereto as **Exhibit B-2**. Prior to the execution by Vero Beach and FMPA of such Waiver and Release Agreement at the Closing, Vero Beach will remain solely responsible for the performance of its duties and obligations under the Vero Stanton Contracts and solely liable for all of its costs relating to the Vero Stanton Project Entitlements up to but not including the Closing Date.

SECTION 3. Additional Documents; Cooperation.

(a) Each of Vero Beach and FMPA agrees, prior to the Closing, to cooperate with the other Party and to use Commercially Reasonable Efforts (as defined below) in that regard to consummate the transactions described in this Stanton Transfer Agreement, including, but not limited to, providing additional information or documentation as the bond insurers, Stanton Bond Trustee, ARP Bond Trustee, rating agencies, the consulting engineer, banks providing credit or liquidity facilities to FMPA and swap counterparties to FMPA may reasonably request in connection with the consummation of the transactions under this Stanton Transfer Agreement.

(b) For purposes of this Stanton Transfer Agreement, “Commercially Reasonable Efforts” means efforts that are within the reasonable control of a party which are designed to enable a party, directly or indirectly, to expeditiously satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this Stanton Transfer Agreement and which do not require the performing party to expend any funds other than immaterial expenditures which are customary and reasonable in nature in the context of the transactions contemplated by this Stanton Transfer Agreement.

SECTION 4. Representations and Warranties.

(a) Vero Beach hereby represents and warrants to FMPA as follows:

(i) Vero Beach has full power and authority to enter into and to perform its obligations under this Stanton Transfer Agreement.

(ii) The execution, delivery and performance of this Stanton Transfer Agreement by Vero Beach have been duly and properly authorized by all proper and required action on the part of Vero Beach.

(iii) This Stanton Transfer Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

(iv) The execution and delivery of this Stanton Transfer Agreement and the consummation of the transactions hereunder do not and will not violate the charter of Vero Beach or any laws or regulations to which Vero Beach is subject, or result in the breach of or default under any contract to which Vero Beach is subject or by which it may be bound.

(b) FMPA hereby represents and warrants to Vero Beach as follows:

(i) FMPA has full power and authority to enter into and to perform its obligations under this Stanton Transfer Agreement.

(ii) The execution, delivery and performance of this Stanton Transfer Agreement by FMPA have been duly and properly authorized by all proper and required action on the part of FMPA.

(iii) This Stanton Transfer Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

(iv) The execution and delivery of this Stanton Transfer Agreement and the consummation of the transactions hereunder do not and will not violate any of the organic documents of FMPA or any laws or regulations to which FMPA is subject, or result in the breach of or default under any contract to which FMPA is subject or by which it may be bound.

SECTION 5. Notice of Closing Date; Time and Location of Closing; Escrow Closing Agreement.

(a) Vero Beach agrees to provide at least ninety (90) days prior written notice to FMPA and the Other ARP Participants of the Closing Date (as defined below).

(b) The closing of the transactions under this Stanton Transfer Agreement (the “Closing”) will occur on the same date (the “Closing Date”) as and contemporaneously with the closing of the transactions under the Asset Purchase and Sale Agreement, dated as of October 24, 2017, between Vero

Beach and Florida Power & Light Company ("FPL") with respect to the sale by Vero Beach to FPL of the retail electric utility system of Vero Beach (the "Purchase and Sale Agreement") and the closings of the transactions under the Other Transfer Agreements.

(c) Subsequent to the execution and delivery of this Stanton Transfer Agreement, Vero Beach and FMPA agree to select an escrow agent that is acceptable to both parties and to enter into an escrow closing agreement (the "Escrow Closing Agreement") that provides for certain of the Vero Stanton Closing Documents and certain of the FMPA Stanton Closing Documents as well as certain other documents required to be delivered at Closing to be delivered to such escrow agent on or before a date to be determined and set forth in such Escrow Closing Agreement. Such documents will be held in escrow pending release by the escrow agent upon written instruction of the parties hereto prior to the Closing, in accordance with and subject to the terms of such Escrow Closing Agreement.

SECTION 6. Vero Stanton Closing Documents. At the Closing, Vero Beach will deliver the following documents (the "Vero Stanton Closing Documents") to FMPA:

(a) A certificate of Vero Beach, executed by a duly authorized officer of Vero Beach, certifying as to resolutions duly adopted by the City Council of Vero Beach authorizing the execution and delivery of this Stanton Transfer Agreement, the Vero Stanton Amendments, the Stanton Assignment Agreement, the Purchase and Sale Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this Stanton Transfer Agreement and the performance by Vero Beach of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(b) Incumbency certificate of Vero Beach;

(c) Copy of the Vero Stanton Power Sales Contract Amendment in substantially the form attached hereto as **Exhibit C**, executed by Vero Beach;

(d) Copy of the Vero Stanton Support Contract Amendment in substantially the form attached hereto as **Exhibit D**, executed by Vero Beach;

(e) Opinion of the City Attorney of Vero Beach, in substantially the form attached to the Vero Stanton Power Sales Contract Amendment, dated the Closing Date and addressed to FMPA, with respect to the Stanton Project, with a reliance letter addressed to FMPA, with respect to the ARP, OUC, the Stanton Bond Trustee and the ARP Bond Trustee;

(f) Copy of the Stanton Mutual Release Agreement, executed by Vero Beach;

(g) Executed copy of the Purchase and Sale Agreement;

(h) Evidence satisfactory to FMPA of the closing of the Proposed Sale Transaction;
and

(i) Such other instruments as may be reasonably requested by FMPA to effect the transactions contemplated hereby.

SECTION 7. FMPA Stanton Closing Documents. At or prior to the Closing, FMPA will deliver the following documents (the "FMPA Stanton Closing Documents") to Vero Beach:

(a) Executed copies of a certificate of FMPA, with respect to the Stanton Project, executed by a duly authorized officer of FMPA in such capacity and not in an individual capacity, certifying as to resolutions attached thereto being duly adopted by the FMPA Board of Directors (or

equivalent thereof) authorizing the execution and delivery of this Stanton Transfer Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this Stanton Transfer Agreement and the performance by FMPA of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(b) Executed copies of a certificate of FMPA, with respect to the ARP, executed by a duly authorized officer of FMPA in such capacity and not in an individual capacity, certifying as to resolutions duly adopted by the ARP Executive Committee (or equivalent thereof) authorizing the execution and delivery of this Stanton Transfer Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this Stanton Transfer Agreement and the performance by FMPA of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(c) Incumbency certificate of FMPA; Copy of the Vero Stanton Power Sales Contract Amendment in substantially the form attached hereto as **Exhibit C**, executed by FMPA;

(e) Copy of the Vero Stanton Project Support Amendment in substantially the form attached hereto as **Exhibit D**, executed by FMPA;

(f) Executed copy of Partial Assignment Agreement (Stanton Project) to Stanton Bond Trustee in substantially the form attached hereto as **Exhibit E**;

(g) Executed copy of Partial Assignment Agreement (Stanton Project) to ARP Bond Trustee in substantially the form attached hereto as **Exhibit F**;

(h) Executed copy of OUC Consent;

(i) Executed copies of the Other Project Participant Documents identified on **Schedule 1(a)** for each of the Other Stanton Participants and the Other ARP Participant Documents identified on **Schedule 1(b)** for each of the Other ARP Participants;

(j) Opinion of General Counsel and Chief Legal Officer of FMPA;

(k) Opinion of Nixon Peabody LLP, bond counsel to FMPA;

(l) Certificate of Acknowledgement of Stanton Bond Trustee;

(m) Opinion of Counsel to the Stanton Bond Trustee to the effect, among other things, that the Stanton Bond Trustee is a national banking association, duly organized, validly existing and in good standing under the laws of the United States of America and that the Partial Assignment Agreement (Stanton Project) has been duly authorized, executed and delivered by the Stanton Bond Trustee;

(n) Certificate of Acknowledgement of ARP Bond Trustee;

(o) Opinion of Counsel to the ARP Bond Trustee to the effect, among other things, that the ARP Bond Trustee is a national banking association, duly organized, validly existing and in good standing under the laws of the United States of America and that the Partial Assignment Agreement (Stanton Project) has been duly authorized, executed and delivered by the ARP Bond Trustee;

(p) Written evidence from Moody's Investors Services, Inc. ("Moody's") confirming that the Proposed Sale Transaction and the transactions contemplated by this Stanton Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Moody's which reflects a negative change or negative outlook in the ratings assigned to the Stanton Project Revenue Bonds;

(q) Written evidence from Fitch Ratings, Inc. ("Fitch") confirming that the Proposed Sale Transaction and the transactions contemplated by this Stanton Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Fitch which reflects a negative change or negative outlook or negative watch in the ratings assigned to the Stanton Project Revenue Bonds;

(r) Executed certificate of receipt of FMPA with respect to the Consideration Payment; and

(s) Such other instruments as may be reasonably required to effect the transactions contemplated hereby.

SECTION 8. Actions to be Taken at the Closing. At the Closing, Vero Beach and FMPA shall take, or cause to be taken, the following actions in the following order:

(a) *Closing Documents.* FMPA will deliver the FMPA Stanton Closing Documents and Vero Beach will deliver the Vero Stanton Closing Documents; such delivery will be deemed to occur simultaneously.

(b) *Satisfaction of Conditions Precedent.* Vero Beach and FMPA, with respect to the Stanton Project, will each confirm that each of the Conditions Precedent to Closing set forth on **Schedule 2** attached hereto that are within such party's reasonable control have been satisfied.

(c) *Consideration Payment.* Vero Beach will tender the Consideration Payment to FMPA, subject to adjustment as provided in the Master Annex, by wire transfer of immediately available funds (to such account or accounts as FMPA shall have notified Vero Beach in writing not less than three (3) business days prior to the Closing Date) and FMPA shall confirm receipt of such Consideration Payment.

(d) *FMPA Consent.* FMPA, with respect to the Stanton Project, shall execute and deliver to Vero Beach a consent to the transfer and assignment of the Vero Stanton Contracts required by Section 28(a) of the Vero Stanton Power Sales Contract and Section 13(a) of the Vero Stanton Project Support Contract.

(e) *Stanton Assignment Agreement.* FMPA and Vero Beach shall each execute and deliver to the other the Stanton Assignment Agreement in substantially the form of **Exhibit B-1** attached hereto.

(f) *Waiver and Release Agreement.* FMPA and Vero Beach shall each execute and deliver to the other the Waiver and Release Agreement in substantially the form of **Exhibit B-2** attached hereto.

(g) *Amendment to Interlocal Agreement.* FMPA shall execute an Amendment to the Interlocal Agreement and such other documentation necessary to reflect the withdrawal of Vero Beach as a member of FMPA; such Amendment shall be filed post-closing as required by Section 163.01(11), Florida Statutes, and evidence of such filing shall be provided by FMPA to Vero Beach, the Stanton Bond Trustee and to the ARP Bond Trustee.

(h) *Additional Actions.* Vero Beach and FMPA shall execute and deliver, or cause to be executed and delivered, all other documents, and take such other actions, in each case as shall be reasonably necessary or appropriate to effectuate the transactions contemplated hereby.

SECTION 9. Termination of this Stanton Transfer Agreement.

(a) This Stanton Transfer Agreement may be terminated at any time prior to the Closing Date only in the following manner and only upon the occurrence of any of the following events (each, a "Termination Event"):

- (i) By mutual written agreement of Vero Beach and FMPA;
- (ii) If the Closing shall not have occurred on or before March 31, 2019 (such date, the "Expiration Date");
- (iii) By Vero Beach upon written notice to FMPA in the event that the Proposed Sale Transaction will not be consummated;
- (iv) By Vero Beach upon written notice to FMPA in the event that the Purchase and Sale Agreement has been terminated in accordance with its terms; or
- (v) By either party if any Other Transfer Agreement shall have been terminated in accordance with its terms.

(b) Upon the occurrence of any Termination Event set forth in Section 9(a) hereof, this Stanton Transfer Agreement will automatically terminate thirty (30) days after the occurrence of such Termination Event unless, during such thirty (30) days, the parties mutually agree in writing to extend the term of this Stanton Transfer Agreement; provided, however, that the provisions of Section 3.11 of the Master Annex will continue to be effective after the date of any such termination.

SECTION 10. Notices. Any notice, statement, demand, claim, offer or other written instrument required or permitted to be given pursuant to this Stanton Transfer Agreement shall be in writing signed by the party giving such notice and shall be deemed properly served, given or made if hand delivered in person or sent by electronic mail promptly confirmed by receipt of an appropriate answer back and by telephone, or sent by registered or certified mail, postage prepaid, or by a nationally recognized overnight courier service that provides a receipt of delivery, in each case, to the other party at the addresses specified below, or such other address as a Party may specify in the manner specified in this Section 10:

- (a) If to Vero Beach to:

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960
Attention: City Manager
Email: citymgr@covb.org
Telephone: (772) 978-4710

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 58 of 1048**

With a copy, which shall not constitute notice, to each of the following:

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960
Attention: City Attorney
Email: wcoment@covb.org
Telephone: (772) 978-4730

-and to-

Nathaniel L. Doliner, Attorney at Law
Carlton Fields
P.O. Box 3239
Tampa, Florida 33601

(if by mail)

-or-

4221 West Boy Scout Boulevard
Tampa, Florida 33607

(if by other than mail)

Email: ndoliner@carltonfields.com
Telephone: (813) 229-4208

(b) If to FMPA, to:

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819
Attention: General Manager and CEO
Email:
Telephone:

With a copy, which shall not constitute notice to:

Florida Municipal Power Agency
2061-2 Delta Way (32303)
Post Office Box 3209
Tallahassee, Florida 32315-3209
Attention: General Counsel and Chief Legal Officer
Email:
Telephone:

[Remainder of page intentionally left blank; signature page follows]

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 59 of 1048**

IN WITNESS WHEREOF, the parties hereto have caused this Stanton Transfer Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST: **CITY OF VERO BEACH, FLORIDA**

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only--Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

By: _____
Chair or Vice Chair

(SEAL)

By: _____
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

By: _____
[Secretary]

By: _____
[General Counsel and Chief Legal Officer]

[Signature Page to Transfer Agreement (Stanton Project)]

Exhibit A

Master Annex

[4816-6942-7028]

Draft 3/9/18

MASTER ANNEX

This Master Annex is dated as of _____, 2018.

ARTICLE I.

FINDINGS

Section 1.01. FLORIDA MUNICIPAL POWER AGENCY. (a) The Florida Municipal Power Agency “FMPA”) was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and electric energy.

(b) FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida.

Section 1.02. STANTON PROJECT. (a) On January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “**Stanton Project**”) under the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended through Amendment Number Seven adopted on March 26, 2009 (the “**Interlocal Agreement**”), with respect to the members of FMPA and the participants in such project (the “**Stanton Project Participants**”).

(b) FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“**OUC**”), as amended (the “**Stanton Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“**Stanton Unit No. 1**”), and FMPA, with respect to the Stanton Project is entitled to the electric capacity and electric energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton Project, sells the electric capacity and electric energy of the Stanton Project to Vero Beach and the other Stanton Project Participants pursuant to substantially similar Power Sales Contracts, dated as of January 16, 1984, by and between FMPA and each of the Stanton Project Participants (each, a “**Stanton Power Sales Contract**”).

(d) The Stanton Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available from the Stanton Project.

A-1

(e) In order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton Power Sales Contracts, and FMPA entered into such a contract, each dated as of January 16, 1984, with each of the Stanton Project Participants (each, a "**Stanton Project Support Contract**").

(f) Vero Beach, by execution of a Stanton Power Sales Contract and a Stanton Project Support Contract (the "**Vero Stanton Contracts**"), acquired a 32.521% Power Entitlement Share in the Stanton Project.

Section 1.03. STANTON II PROJECT. (a) On May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the "Stanton II Project" (the "**Stanton II Project**") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "**Stanton II Project Participants**").

(b) FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with OUC, as amended (the "**Stanton II Participation Agreement**"), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton Energy Center Unit Two Generation Project ("**Stanton Unit No. 2**"), and FMPA is entitled to the electric capacity and electric energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton II Project, sells the electric capacity and electric energy of the Stanton II Project to Vero Beach and the other Stanton II Project Participants pursuant to substantially similar Power Sales Contracts, dated as of June 26, 1991, by and between FMPA and each of the Stanton II Project Participants (each, a "**Stanton II Power Sales Contract**").

(d) The Stanton II Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II Power Sales Contracts, and FMPA entered into such a contract, each dated as of May 24, 1991, with each of the Stanton II Project Participants (each, a "**Stanton II Project Support Contract**").

(f) Vero Beach, by execution of a Stanton II Power Sales Contract and a Stanton II Project Support Contract (the “**Vero Stanton II Contracts**”), acquired 16.4887% Power Entitlement Share in the Stanton II Project.

Section 1.04. ST. LUCIE PROJECT. (a) On February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “**St. Lucie Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**St. Lucie Project Participants**”).

(b) FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982 between FMPA and Florida Power & Light Company (“**FPL**”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982 between FMPA and FPL, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of February 18, 1983, between FMPA and FPL and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991, between FMPA and FPL, (the “**St. Lucie Participation Agreement**”), pursuant to which FMPA, with respect to the St. Lucie Project, purchased an 8.806% undivided interest in St. Lucie Unit No.2 (“**St. Lucie Unit No. 2**”) and FMPA is entitled to the electric capacity and electric energy derived from St. Lucie Unit No.2 and the contractual arrangements and agreements relating thereto. The St. Lucie Participation Agreement, together with the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively, are the “**Participation Agreements**”).

(c) FMPA, with respect to the St. Lucie Project, sells the electric capacity and electric energy of the St. Lucie Project to Vero Beach and the other St. Lucie Project Participants pursuant to substantially similar St. Lucie Power Sales Contracts, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, by and between FMPA and each of the St. Lucie Project Participants (each agreement, as so amended, a “**St. Lucie Power Sales Contract**”).

(d) The St. Lucie Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other St. Lucie Project Participants of FMPA to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Power Sales Contracts, such contracts were entitled Project Support Contracts, each dated as of June 1, 1982, with each of the St. Lucie Project Participants, as amended by Amendment No. 1 to St. Lucie Project Support Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (each agreement, as so amended, a “**St. Lucie Project Support Contract**”).

(f) Vero Beach, by execution of a St. Lucie Power Sales Contract and a St. Lucie Project Support Contract (the “**St. Lucie Contracts**”), acquired a 15.202% Power Entitlement Share in the St. Lucie Project.

Section 1.05. ALL-REQUIREMENTS POWER SUPPLY PROJECT. (a) On March 22, 1985, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 85-B2 for the purposes of creating a joint electric project designated as the “All-Requirements Power Supply Project” (the “**ARP**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**ARP Project Participants**”) in order to secure an adequate, reliable and economical supply of electric capacity and energy to supply, with certain exceptions permitted herein, all of the needs for electric capacity and energy of the ARP Project Participants.

(b) FMPA and the ARP Project Participants entered into individual All-Requirements Power Supply Project Contracts, as heretofore amended (the “**ARP Contracts**”) for FMPA to sell to such ARP Project Participants and such ARP Project Participants to purchase from FMPA, electric capacity and energy on terms and conditions set forth in the ARP Contracts.

(c) Vero Beach and FMPA entered into an All-Requirements Power Supply Project Contract, dated as of October 1, 1996, as amended on January 22, 1999 (the “**Vero ARP Contract**”).

Section 1.06. PROPOSED SALE TRANSACTION. Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “**Proposed Sale Transaction**”).

Section 1.07. WITHDRAWAL FROM ARP. On September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stating Vero Beach’s intention to withdraw from the ARP with such withdrawal being anticipated to occur, pursuant to the notice, on or before October 1, [2018].

Section 1.08. TRANSFER AND ASSIGNMENT OF STANTON, STANTON II AND ST. LUCIE CONTRACTS AND PROJECT ENTITLEMENTS.

(a) In connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign (i) the Vero Stanton Contracts and its Vero Stanton Project Entitlements, (ii) the Vero Stanton II Contracts and its Vero Stanton II Project Entitlements, and (iii) the Vero St. Lucie Contracts and its Vero St. Lucie Project Entitlements, and all associated rights and obligations, to FMPA, with respect to the ARP, and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton Contracts, the Vero Stanton II Contracts the Vero St. Lucie Contracts and the Vero ARP Contract simultaneously with the closing of the Proposed Sale Transaction.

(b) The Vero Stanton Contracts, the Vero Stanton II Contracts and the Vero St. Lucie Contracts require that no assignment or transfer of such contracts shall relieve the parties thereto of any obligation thereunder. The Vero Stanton Contracts, the Vero Stanton II

Contracts and the Vero St. Lucie Contracts also provide that as one of the conditions for Vero Beach to sell, lease, abandon or otherwise dispose of all or substantially all of its electric or integrated utility system, Vero Beach shall, subject to the Stanton Participation Agreement, the Stanton II Participation Agreement or the St. Lucie Participation Agreement, as applicable, assign such Vero Contracts and its rights and interests thereunder to the purchaser or lessee of said electric or integrated utility system, and such purchaser or lessee shall assume all obligations of Vero Beach under such Vero Contracts. FMPA, with respect to the Stanton Project, the Stanton II Project and the St. Lucie Project, desires to waive these requirements in connection with the Proposed Sale Transaction and FMPA also desires to fully release and discharge Vero Beach from all liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement to be entered into by FMPA, with respect to the Stanton Project, Stanton II Project, St. Lucie Project and ARP, and Vero Beach (the "**Waiver and Release Agreement**").

(c) The Vero ARP Contract provides in substance that it is the intent of the parties to the Vero ARP Contract that any obligation owed by a party under the Vero ARP Contract at the time of termination thereof shall survive the termination. The Vero ARP Contract also requires that any such termination and the related "Withdrawal Date" occur on a September 30. FMPA desires to waive these requirements in connection with the Proposed Sale Transaction, and fully release and discharge Vero Beach from any liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement.

Section 1.09. TRANSFER AGREEMENTS. The Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of Vero Beach's Power Entitlement Shares in (i) the Stanton Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton Transfer Agreement**"); (ii) the Stanton II Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton II Transfer Agreement**"); and (iii) the St. Lucie Project pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**St. Lucie Transfer Agreement**," together with the Stanton Transfer Agreement and the Stanton II Transfer Agreement, collectively, the "**Transfer Agreements**").

Section 1.10. CONSIDERATION PAYMENT. Upon closing of the Proposed Sale Transaction, FMPA will be paid by Vero Beach an amount equal to \$108,000,000, subject to adjustment as provided below (the “**Consideration Payment**”).

The Consideration Payment is hereby adjusted upward or downward in accordance with the following monthly schedule, depending on the actual Closing Date.

		Consideration Payment	Adjustment
<i>Earlier Closing</i>	April 1-30, 2018	\$115.8 million	+ \$7.8 million
	May 1-31, 2018	\$114.5 million	+ \$6.5 million
	June 1-30, 2018	\$113.2 million	+ \$5.2 million
	July 1-31, 2018	\$111.9 million	+ \$3.9 million
	August 1-31, 2018	\$110.6 million	+ \$2.6 million
	September 1-30, 2018	\$109.3 million	+ \$1.3 million
<i>Planned Closing</i>	October 1-31, 2018	\$108 million	
<i>Later Closing</i>	November 1-30, 2018	\$106.7 million	- \$1.3 million
	December 1-31, 2018	\$105.4 million	- \$2.6 million
	January 1-31, 2019	\$104.1 million	- \$3.9 million
	February 1-28, 2019	\$102.8 million	- \$5.2 million
	March 1-31, 2019	\$101.5 million	- \$6.5 million

Section 1.11. ASSIGNMENT AGREEMENTS AND WAIVER AND RELEASE AGREEMENT. To effectuate such transfer and assignment of Vero Beach’s Power Entitlement Shares in the Stanton Project, the Stanton II Project, and the St. Lucie Project and release of Vero Beach from any liabilities and obligations under the Stanton Contracts, the Stanton II Contracts, the St. Lucie Contracts, and the ARP Contract, Vero Beach and FMPA will execute an Assignment Agreement and FMPA and Vero Beach will execute the Waiver and Release Agreement on the date of closing of the Proposed Sale Transaction.

Section 1.12. FMPA CONSENT. The Vero Contracts each require that FMPA, with respect to the applicable Project, consent to a transfer and assignment by Vero Beach of the Vero Contracts or any interest therein.

Section 1.13. AMENDMENT OF STANTON POWER SALES CONTRACTS AND STANTON PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA have agreed that it is appropriate that certain terms and provisions of the Vero Stanton Contracts be amended, including the assignment of certain of the rights and obligations of FMPA with respect to the Stanton Project under the Vero Stanton Contracts to the Stanton Bond Trustee and the execution of Amendment No. 1 to the Stanton Project Power Sales Contract, (the “**Vero Stanton PSC Amendment**”), between FMPA, with respect to the Stanton Project, and Vero

Beach and Amendment No. 1 to the Stanton Project Support Contract (the “**Vero Stanton Support Contract Amendment**,” and together with the Vero Stanton PSC Amendment, the “**Vero Stanton Amendments**”), between FMPA, with respect to the Stanton Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Stanton Amendments, to FMPA, with respect to the ARP, also require that certain amendments be made to the Stanton Power Sales Contracts and the Stanton Project Support Contracts of the Stanton Project Participants other than Vero Beach (the “**Other Stanton Participants**”) to reflect the assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP (the “**Other Stanton Participant Amendments**”). The amendments to the Stanton Power Sales Contracts of the Other Stanton Participants all will be in substantially the same form. The amendments to the Stanton Project Support Contracts of the Other Stanton Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton Transfer Agreement requires, that FMPA and each Other Stanton Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton Contracts.

(d) The Other Stanton Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton Participant Amendments.

(e) Section 29(d) of the Stanton Power Sales Contracts provides that the terms and conditions of a Stanton Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Power Sales Contracts of any other Stanton Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton Project Support Contracts also provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participant requesting such amendment.

(g) Each of the Other Stanton Participants will consent to the Vero Stanton Amendments and waive its rights to have similar amendments made to its respective Stanton Power Sales Contract and “Stanton Project Support Contract by executing a separate Consent and Waiver (Stanton Project) (the “**Stanton Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton Project Participants and FMPA will enter into the Other Stanton Participant Amendments.

(i) Each of the Other Stanton Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton Mutual Release Agreement**”) pursuant to

which (i) each Other Stanton Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton Project Participant may have against Vero Beach with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton Project Participant with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton Contracts to the Stanton Bond Trustee (the "**Stanton Trustee Assignment**").

Section 1.14. AMENDMENT OF STANTON II POWER SALES CONTRACTS AND STANTON II PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero Stanton II Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero Stanton II Contracts to the Stanton II Bond Trustee and the execution of Amendment No. 1 to the Stanton II Project Power Sales Contract, (the "**Vero Stanton II PSC Amendment**"), between FMPA, with respect to the Stanton II Project, and Vero Beach and Amendment No. 1 to the Stanton II Project Support Contract (the "**Vero Stanton II Support Contract Amendment**," and together with the Vero Stanton II PSC Amendment, the "**Vero Stanton II Amendments**"), between FMPA, with respect to the Stanton II Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Stanton II Amendments, to FMPA, with respect to the ARP also, require that certain amendments be made to the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts of the Stanton II Project Participants other than Vero Beach (the "**Other Stanton II Participants**") to reflect the assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP (the "**Other Stanton II Participant Amendments**"). The amendments to the Stanton II Power Sales Contracts of the Other Stanton II Participants all will be in substantially the same form. The amendments to the Stanton II Support Contracts of the Other Stanton II Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each Other Stanton II Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton II Contracts.

(d) The Other Stanton II Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton II Participant Amendments.

(e) Section 29(d) of the Stanton II Power Sales Contracts provides that the terms and conditions of a Stanton II Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Power Sales Contracts of any other Stanton II Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton II Support Contracts also provides that the terms and conditions of a Stanton II Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Support Contracts of any other Stanton II Project Participant requesting such amendment.

(g) Each of the Other Stanton II Participants will consent to the Vero Stanton II Amendments and waive its rights to have similar amendments made to its respective Stanton II Power Sales Contract and Stanton II Project Support Contract by executing a separate Consent and Waiver (Stanton II Project) (the “**Stanton II Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton II Project Participants and FMPA will enter into the Other Stanton II Participant Amendments.

(i) Each of the Other Stanton II Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton II Mutual Release Agreement**”) pursuant to which (i) each Other Stanton II Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton II Project Participant may have against Vero Beach with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton II Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton II Project Participant with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton II Contracts to the Stanton II Bond Trustee (the “**Stanton II Trustee Assignment**”).

Section 1.15. AMENDMENT OF ST. LUCIE POWER SALES CONTRACTS AND ST. LUCIE PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero St. Lucie Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee and the execution of Amendment No.3 to the St. Lucie Project Power Sales Contract, (the "**Vero St. Lucie Power Sales Contract Amendment**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach and Amendment No. 3 to the St. Lucie Project Support Contract (the "**Vero St. Lucie Project Support Contract Amendment**," and together with the Vero St. Lucie Power Sales Contract Amendment, the "**Vero St. Lucie Amendments**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach.

(b) The transfer and assignment of the Vero St. Lucie Contracts, as amended by the Vero St. Lucie Amendments, to FMPA, with respect to the ARP, also requires that certain amendments be made to the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts of the St. Lucie Project Participants other than Vero Beach (the "**Other St. Lucie Participants**") to reflect the assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP (the "**Other St. Lucie Participant Amendments**"). The amendments to the St. Lucie Power Sales Contracts of the Other St. Lucie Participants all will be in substantially the same form. The amendments to the St. Lucie Project Support Contracts of the Other St. Lucie Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each Other St. Lucie Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the St. Lucie Contracts.

(d) The Other St. Lucie Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other St. Lucie Participant Amendments.

(e) Section 29(d) of the St. Lucie Power Sales Contracts provides that the terms and conditions of a St. Lucie Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Power Sales Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Power Sales Contracts of any other St. Lucie Project Participants requesting such amendment.

(f) Section 14(b) of the St. Lucie Project Support Contracts also provides that the terms and conditions of a St. Lucie Project Support Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contracts of any other St. Lucie Project Participants requesting such amendment.

(g) Each of the Other St. Lucie Participants will consent to the Vero St. Lucie Amendments and waive its rights to have similar amendments made to its respective St. Lucie Power Sales Contract and St. Lucie Project Support Contract by executing a separate Consent

and Waiver (St. Lucie Project) (the “**St. Lucie Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other St. Lucie Project Participants and FMPA will enter into the Other St. Lucie Participant Amendments.

(i) Each of the Other St. Lucie Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**St. Lucie Mutual Release Agreement**”) pursuant to which (i) each Other St. Lucie Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other St. Lucie Project Participant may have against Vero Beach with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other St. Lucie Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other St. Lucie Project Participant with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee (the “**St. Lucie Trustee Assignment**”).

Section 1.16. AMENDMENT OF ARP CONTRACTS.

(a) The withdrawal of Vero Beach from the ARP, the termination of the Vero ARP Contract and the assignment of Vero Beach’s Power Entitlement Shares to FMPA, with respect to the ARP, requires certain amendments to the ARP Contracts of the ARP Project Participants other than Vero Beach (the “**Other ARP Participants**”), all of which amendments (the “**Other ARP Participant Amendments**”) will be in substantially the same form, and FMPA and the Other ARP Participants will enter into the Other ARP Participant Amendments.

(b) Each of the Other ARP Participants will consent to the Other ARP Participant Amendments and waive enforcement of certain provisions of the ARP Contracts in connection with the withdrawal of Vero Beach from the ARP by executing a separate Consent and Waiver (All-Requirements Power Supply Project) (the “**ARP Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(c) Each of the Other ARP Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**ARP Mutual Release Agreement**”) pursuant to which (i) each Other ARP Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other ARP Project Participant may have against Vero Beach with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero

Beach fully and completely releases and forever discharges such Other ARP Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other ARP Project Participant with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the 10Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(d) FMPA shall assign certain of its rights under the Vero Contracts to the ARP Bond Trustee (the "ARP Trustee Assignment").

ARTICLE II.

DEFINITIONS; CONSTRUCTION

Section 2.01. DEFINITIONS. Capitalized terms used but not otherwise defined in this Master Annex shall have the meanings set forth in the applicable Power Sales Contract and Project Support Contract. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the document to which this Master Annex is appended, have the following meanings:

"**Advisory Fees**" has the meaning set forth in Section 3.11 hereto.

"**Applicable Agreements**" has the meaning set forth in Section 3.11 hereto.

"**ARP**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Bond Resolution**" means the All-Requirements Power Supply Project Revenue Bond Resolution, adopted on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.

"**ARP Bond Trustee**" means the "Trustee," as such term is defined in section 101 of the ARP Bond Resolution.

"**ARP Consent and Waiver**" has the meaning set forth in paragraph (b) of Section 1.16 hereto.

"**ARP Contracts**" has the meaning set forth in paragraph (b) of Section 1.05 hereto.

"**ARP Mutual Release Agreement**" has the meaning set forth in paragraph (c) of Section 1.16 hereto.

"**ARP Project Participants**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Trustee Assignment**" has the meaning set forth in paragraph (d) of Section 1.16 hereto.

"**Assignment Agreements**" means, collectively, the Stanton Assignment Agreement, the Stanton II Assignment Agreement and the St. Lucie Assignment Agreement.

“**Assignment Effective Date**” means the closing date for the Proposed Sale Transaction.

“**Bond Resolutions**” means, collectively, the ARP Bond Resolution, the Stanton Bond Resolution, the Stanton II Bond Resolution, and the St. Lucie Bond Resolution.

“**Closing**” means, collectively, the definition of such term in the Transfer Agreements.

“**Closing Date**” means the day on which the Closing of the Proposed Sale Transaction is scheduled to occur.

“**Conditions Precedent**” has the meaning assigned to such term the Stanton Transfer Agreement, the Stanton II Transfer Agreement or the St. Lucie Transfer Agreement, as applicable.

“**Consideration Payment**” has the meaning set forth in Section 1.10 hereto.

“**Expenses**” has the meaning set forth in Section 3.11 hereto.

“**Fees and Expenses**” has the meaning set forth in Section 3.11 hereto.

“**FMPA**” means Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both.

“**FMPA Members**” has the meaning set forth in Section 3.11 hereto.

“**FPL**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Interlocal Agreement**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Other ARP Participants**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other ARP Participant Amendments**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other St. Lucie Participants**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other St. Lucie Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other Stanton Participants**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton II Participants**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**Other Stanton II Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**OUC**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Participation Agreements**” means the St. Lucie Participation Agreement, the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively.

“**Power Entitlement Shares**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Power Sales Contract**” means Stanton Power Sales Contract, the Stanton II Power Sales Contract or the St. Lucie Power Sales Contract, as applicable. References to a “Power Sales Contract” or “Power Sales Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Power Sales Contracts related to that Project.

“**Project**” means the Stanton Project, the Stanton II Project, the St. Lucie Project or the ARP.

“**Project Support Contract**” means the Stanton Project Support Contract, the Stanton II Project Support Contract or the St. Lucie Project Support Contract, as applicable. References to a “Project Support Contract” or “Project Support Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Project Support Contracts related to that Project.

“**Proposed Sale Transaction**” has the meaning set forth in Section 1.06 hereto.

“**St. Lucie Assignment Agreement**” means the Assignment Agreement (St. Lucie Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**St. Lucie Bond Resolution**” means the St. Lucie Project Revenue Bond Resolution, adopted March 26, 1982, as amended and restated in its entirety on May 21, 1982, as further amended and restated in its entirety on July 30, 1992, and as further amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**St. Lucie Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the St. Lucie Bond Resolution.

“**St. Lucie Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.15 hereto.

“**St. Lucie Contracts**” has the meaning set forth in paragraph (f) of Section 1.04 hereto.

“**St. Lucie Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.15 hereto.

“**St. Lucie Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**St. Lucie Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.04 hereto.

“**St. Lucie Project**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Participants**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.04 hereto.

“**St. Lucie Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**St. Lucie Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.15 hereto.

“**St. Lucie Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Stanton Assignment Agreement**” means the Assignment Agreement (Stanton Project), dated the Assignment Effective Date, by and between Vero Beach and FMFA.

“**Stanton Bond Resolution**” means the Stanton Project Revenue Bond Resolution, adopted January 13, 1984, as amended and restated in its entirety on August 27, 1997, as the same may be further amended and supplemented.

“**Stanton Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton Bond Resolution.

“**Stanton Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.13 hereto.

“**Stanton Contracts**” means the Stanton Power Sales Contracts and the Stanton Project Support Contracts.

“**Stanton Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.13 hereto.

“**Stanton Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.02 hereto.

“**Stanton Project**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Participants**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.02 hereto.

“**Stanton Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.13 hereto.

“**Stanton Unit No. 1**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Assignment Agreement**” means the Assignment Agreement (Stanton II Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**Stanton II Bond Resolution**” means the Stanton II Project Revenue Bond Resolution, adopted June 26, 2991, as amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**Stanton II Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton II Bond Resolution.

“**Stanton II Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.14 hereto.

“**Stanton II Contracts**” means the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts.

“**Stanton II Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.14 hereto.

“**Stanton II Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.03 hereto.

“**Stanton II Project**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Participants**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.03 hereto.

“**Stanton II Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton II Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.14 hereto.

“**Transfer Agreements**” has the meaning set forth in Section 1.09 hereto.

“**Vero ARP Contract**” has the meaning set forth in paragraph (c) of Section 1.05 hereto.

“**Vero Beach**” means the City of Vero Beach, Florida.

“**Vero Beach Closing Documents**” means, collectively, the Vero Stanton Closing Documents, the Vero Stanton II Closing Documents, the Vero St. Lucie Closing Documents, the Waiver and Release Agreement, and the Assignment Agreements.

“**Vero Contracts**” means, collectively, the Vero Stanton Contracts, the Vero Stanton II Contracts, and the Vero St. Lucie Contracts. References to “Vero Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Vero Contracts related to that Project.

“**Vero Power Sales Contracts**” means, collectively, the Vero Stanton Power Sales Contract, the Vero Stanton II Power Sales Contract and the Vero St. Lucie Power Sales Contract.

“**Vero Project Support Contracts**” means, collectively, the Vero Stanton Project Support Contract, the Vero Stanton II Project Support Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Amendments**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Closing Documents**” has the meaning set forth in the St. Lucie Transfer Agreement.

“**Vero St. Lucie Contracts**” means, collectively, the Vero St. Lucie Power Sales Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Power Sales Contract**” means the St. Lucie Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, as thereafter amended.

“**Vero St. Lucie Power Sales Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Project Entitlements**” means the 15.202% Power Entitlement Share (as defined in the Vero St. Lucie Power Sales Contract) in the St. Lucie Project, and the associated rights and obligations of Vero Beach as a Project Participant in the St. Lucie Project, pursuant to the Vero St. Lucie Contracts.

“**Vero St. Lucie Project Support Contract**” means the St. Lucie Project Support Contract by and between FMPA and Vero Beach, as amended, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero St. Lucie Power Sales Contract.

“**Vero St. Lucie Project Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero Stanton Amendments**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Closing Documents**” has the meaning set forth in the Stanton Transfer Agreement.

“**Vero Stanton Contracts**” has the meaning set forth in paragraph (f) of Section 1.02 hereto.

“**Vero Stanton Power Sales Contract**” means the Stanton Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of January 16, 1984, as thereafter amended.

“**Vero Stanton Project Entitlements**” means the 32.521% Power Entitlement Share (as defined in the Vero Stanton Power Sales Contract) in the Stanton Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton Project, pursuant to the Vero Stanton Contracts.

“**Vero Stanton Project Support Contract**” means the Stanton Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton Power Sales Contract.

“**Vero Stanton PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton II Amendments**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Closing Documents**” has the meaning set forth in the Stanton II Transfer Agreement.

“**Vero Stanton II Contracts**” has the meaning set forth in paragraph (f) of Section 1.03 hereto.

“**Vero Stanton II Power Sales Contract**” means the Stanton II Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 26, 1991, as thereafter amended.

“**Vero Stanton II Project Entitlements**” means the 16.4887% Power Entitlement Share (as defined in the Vero Stanton II Power Sales Contract) in the Stanton II Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton II Project, pursuant to the Vero Stanton II Contracts.

“**Vero Stanton II Project Support Contract**” means the Stanton II Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton II Power Sales Contract.

“**Vero Stanton II PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Waiver and Release Agreement**” has the meaning set forth in paragraph (b) of Section 1.08 hereto.

Section 2.02. CONSTRUCTION. (a) Defined terms in this Master Annex shall include in the singular number the plural and in the plural number the singular.

(b) Any agreement, contract or document defined or referred to herein means such agreement, contract or document in the form (including all amendments, schedules, exhibits, appendices, attachments, clarification letters and the like relating thereto) originally executed and delivered, as the same may thereafter be amended, supplemented, replaced or otherwise modified from time to time in accordance with its terms and, to the extent applicable, the terms of the applicable Power Sales Contract and Project Support Contract, Bond Resolution, Participation Agreement and any documents specified in the applicable definition.

(c) All references to the documentation or to a document herein shall mean the documentation or the document into which this Master Annex is incorporated by reference.

ARTICLE III.

MISCELLANEOUS PROVISIONS

Section 3.01. ENTIRE AGREEMENT. The terms, provisions and conditions stated in each document (including all exhibits and any other attachments to a particular document) and the documentation referred to in a particular document constitute the entire understanding between the parties thereto regarding the subject matter of the particular document, and supersede any and all previous communications and understandings between the parties regarding the subject matter of the particular document.

Section 3.02. APPLICABLE LAW. The documentation is made under and will be governed by and construed and enforced in accordance with the laws of the State of Florida.

Section 3.03. WAIVER OF JURY TRIAL. The parties to each document waive trial by jury in any proceeding brought or claim asserted in connection with the transaction contemplated by such document.

Section 3.04. COUNTERPARTS. The documentation may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

Section 3.05. AMENDMENTS; WAIVERS. (a) No amendment or modification of any provision of the documentation shall be effective unless the same shall be in writing and signed by the parties to the relevant documentation. This Master Annex shall not be modified or amended in any respect unless such modification or amendment is in writing and amended in accordance with the terms of the documentation to which it is incorporated by reference.

(b) No waiver of the terms, conditions and covenants of the documentation shall be binding and effective unless the same shall be in writing signed by the party granting such waiver. A waiver of any breach of the terms, conditions and covenants of any documentation into which this Master Annex is incorporated shall be for the one time only and shall not apply to any subsequent breach.

Section 3.06. EFFECTIVE DATE. The documentation for this transaction will take effect simultaneously on the date that the transaction, by which Vero Beach will sell to FPL, and FPL will purchase, Vero Beach's retail electric system, closes and takes effect.

Section 3.07. RESERVED.

Section 3.08. SURVIVAL. All representations, warranties, promises, covenants, agreements, stipulations, undertakings, obligations and anything else made in or pursuant to the documentation into which the Master Annex is incorporated by reference shall survive the execution and delivery of such documentation.

Section 3.09. HEADINGS/CONSTRUCTION. The headings in the documentation are for purposes of reference only and will not limit or otherwise affect the meaning thereof. References in the documentation to numbered Articles or Sections are references to the Articles and Sections of the particular document. References in the documentation to lettered Exhibits and numbered Attachments and Schedules are references to the Exhibits, Attachments and Schedules attached to the particular document, all of which for a particular document are incorporated in and constitute a part of the particular document. Article, Section, Exhibit, Attachment and Schedule captions used in the documentation are for reference only and do not describe or limit the substance, scope or intent of the documentation or the individual Articles, Sections, Exhibits, Attachments or Schedules of the documentation. The terms "include", "including" and similar terms are construed as if followed by the phrase "without limitation." The singular of any word includes the plural and the plural includes the singular. The use of any gender includes all genders. The term "provisions" includes terms, covenants, conditions, agreements and requirements. The term "amend" includes modify, supplement, renew, extend, replace, restate and substitute and the term "amendment" includes modification, supplement, renewal, extension, replacement, restatement and substitution.

Section 3.10. NO THIRD PARTY BENEFICIARIES. Unless specifically mentioned in a particular document, nothing expressed or mentioned in the documentation is intended or will be construed to give any person any legal or equitable right, remedy or claim under or in respect of the documentation, or any provisions therein contained, the documentation and all conditions and provisions thereof being intended to be and being for the sole and exclusive benefit of the parties to the documentation and for the benefit of no other person.

Section 3.11. REIMBURSEMENT OF FEES AND EXPENSES.

Vero Beach and FMPA, and each of FMPA's members (the "FMPA Members"), will bear all of the fees and expenses of their respective accountants, attorneys, financial advisors, consultants and other advisors (collectively, with regard to FMPA and FMPA Members, the "Advisory Fees"). Additionally, FMPA will bear all of its other costs to obtain the approvals, consents, acknowledgments or waivers from parties outside of FMPA's control, including, without limitation, bond insurers, rating agencies, bond trustees and credit providers (collectively, the "Expenses," and together with the Advisory Fees, the "Fees and Expenses"), in connection with the negotiation and preparation of the Transfer Agreements and associated documents (collectively, the "Applicable Agreements") related to the transfer and assignment of Vero Beach's interests in the Stanton Project, the Stanton II Project and the St. Lucie Project, and to Vero Beach's withdrawal from the ARP.

In the event, however, that the Closing does not occur because of the failure of Vero Beach to deliver to FMPA the Vero Beach Closing Documents or the Consideration Payment under the Transfer Agreements, Vero Beach will pay to FMPA the Fees and Expenses of FMPA and the FMPA Members including, without limitation, the pro rata costs of FMPA's in-house counsel (such pro rata costs to be equal to that proportion of the monthly base salary of FMPA's in-house counsel as the time worked by such in-house counsel on the Transfer Agreements and related matters during such month bears to the total time worked by such in-house counsel on all FMPA matters (including, without limitation, on the Transfer Agreements and related matters) during such month); *provided, however, that* in no event shall the Fees and Expenses to be paid by Vero Beach exceed One Million Five Hundred Thousand Dollars (\$1,500,000) in the aggregate.

For purposes of clarity, Vero Beach will not be obligated to pay any of the in-house Fees and Expenses of FMPA or the FMPA Members, except as set forth in the immediately preceding paragraph relating to FMPA's in-house counsel.

Payment by Vero Beach pursuant to this Section 3.11 will be made by Vero Beach within forty-five (45) days after FMPA's delivery to Vero Beach of invoices for the Fees and Expenses that are payable by Vero Beach under this Section 3.11; *provided, however, that* nothing in this Section 3.11 will prevent Vero Beach from disputing in good faith any of such Fees and Expenses.

Exhibit B-1

Form of Stanton Assignment Agreement

[4824-8121-3265]

Draft 3/9/18

**ASSIGNMENT AGREEMENT
(STANTON PROJECT)
BETWEEN
CITY OF VERO BEACH
AND
FLORIDA MUNICIPAL POWER AGENCY**

This Assignment Agreement (Stanton Project) between City of Vero Beach and Florida Municipal Power Agency (this "Stanton Assignment Agreement") is hereby entered into this ___ day of ____, 2018, between the City of Vero Beach ("Vero Beach") and Florida Municipal Power Agency ("FMPA"; Vero Beach and FMPA together hereafter the "Parties" or singularly, the "Party") to effectuate the transfer and assignment of the Vero Stanton Project Entitlements to FMPA.

In consideration of the premises and mutual covenants in the Transfer Agreement (Stanton Project), dated as of March __, 2018, between Vero Beach and FMPA (the "Stanton Transfer Agreement"), the Parties agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended to the Stanton Transfer Agreement as **Exhibit A** (the "Master Annex") constitutes an integral part of this Stanton Assignment Agreement and, except for Sections 3.05 and 3.11, is incorporated by reference herein with the same force and effect as if set forth in this Stanton Assignment Agreement. Terms not defined elsewhere in this Stanton Assignment Agreement have the meanings given to such terms in the Master Annex.

SECTION 2. Assignment and Assumption. Pursuant to the provisions of the Stanton Transfer Agreement, Section 28 of the Vero Stanton Power Sales Contract and Section 13 of the Vero Stanton Project Support Contract, Vero Beach hereby transfers and assigns to FMPA all of its right, title and interest in the Vero Stanton Contracts including, without limitation, the Vero Stanton Project Entitlements set forth therein. FMPA, with respect to the ARP Project, hereby accepts said transfer and assignment of the Vero Stanton Contracts, including, without limitation, the Vero Stanton Project Entitlements set forth therein and agrees to assume the corresponding rights and obligations of Vero Beach under the Vero Stanton Contracts.

SECTION 3. Effective Date. This Stanton Assignment Agreement is effective as of the date hereof.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this Stanton Assignment Agreement to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

Exhibit B-2

Form of Waiver and Release Agreement

[4811-1165-0388]

Draft 3/9/18

WAIVER AND RELEASE AGREEMENT

THIS WAIVER AND RELEASE AGREEMENT (this "Release Agreement") is made and entered into as of this ___ day of ____, 2018 by and between the CITY OF VERO BEACH, FLORIDA, a political subdivision of the State of Florida ("Vero Beach"), and FLORIDA MUNICIPAL POWER AGENCY ("FMPA"), a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision of Part II, Chapter 361, Florida Statutes or both, with respect to the following projects: (i) the Stanton Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton Project (the "Stanton Project") on behalf of the members of FMPA and the participants in such project (the "Stanton Project Participants"), (ii) the Stanton II Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton II Project (the "Stanton II Project") on behalf of the members of FMPA and the participants in such project (the "Stanton II Project Participants"), (iii) the St. Lucie Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the St. Lucie Project (the "St. Lucie Project") on behalf of the members of FMPA and the participants in such project (the "St. Lucie Project Participants"), and (iv) the All-Requirements Power Supply Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the All-Requirements Power Supply Project (the "ARP") on behalf of the members of FMPA and the participants in such project (the "ARP Participants"). FMPA and Vero Beach are referred to herein as the "Parties," the Stanton Project, the Stanton II Project, the St. Lucie Project and the ARP are collectively referred to herein as the "Projects," and the Stanton Project Participants, the Stanton II Project Participants, the St. Lucie Project Participants and the ARP Participants are collectively referred to herein as the "Project Participants".

RECITALS

WHEREAS, Vero Beach and FMPA wish to set forth the terms for the Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex, dated as of March ____, 2018, appended to the Stanton Transfer Agreement as **Exhibit A** (the "Master Annex"), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this Release Agreement. Capitalized terms not defined elsewhere in this Release Agreement have the meanings given to such terms in the Master Annex.

2. In addition to the release in Section 6(b) below, FMPA, for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that FMPA has, has had, or may in the future discover that it had at the time of the Assignment Effective Date, against Vero Beach by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

3. In addition to the release in Section 7(b) below, Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges FMPA from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that Vero Beach has, has had or may in the future discover that it had at the time of the Assignment Effective Date, against FMPA by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

4. Vero Beach hereby represents and warrants to FMPA as follows:

- (a) Vero Beach has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by Vero Beach has been duly and properly authorized by all proper and required action on the part of Vero Beach.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

5. FMPA hereby represents and warrants to Vero Beach as follows:

- (a) FMPA has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by FMPA has been duly and properly authorized by all proper and required action on the part of FMPA.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

6. FMPA, effective as of the Assignment Effective Date: (a)(i) waives the requirement with respect to Vero Beach under the last sentence of Section 28(a) of the Vero Power Sales Contracts and the last sentence of Section 13(a) of the Vero Project Support Contracts stating in substance that no assignment or transfer of the Vero Contracts shall relieve the parties of any obligation thereunder, and (ii) waives the requirement with respect to Vero Beach under clause (i) of Section 28(c) of the Vero Power Sales Contracts and clause (i) of Section 13(c) of the Vero Project Support Contracts stating in substance that the Project Participant shall, subject to the Participation Agreement, assign the Vero Contracts and its rights and interest thereunder to the purchaser or lessee of said electric or integrated utility system, if any, and any such purchaser or lessee shall assume all obligations of the Project Participant under the Vero Contracts, and (iii) waives the requirements with respect to Vero Beach under Section 27 of the Vero ARP Contract stating in substance that the termination of the Vero ARP Contract shall not discharge either party thereto from any obligation it owes to the other party under the Vero ARP Contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events or basis of which shall occur or arise) prior to such termination and that it is the intent of the parties thereby that any such obligation owed (whether the same shall be known or unknown at the termination of the Vero ARP Contract or whether the circumstances, events or basis of the same shall be known or unknown at the termination of the Vero ARP Contract) shall survive the termination of the Vero ARP Contract, (iv) waives the requirement with respect to Vero Beach under clause (a) of Section 29 of the Vero ARP Contract stating in substance that the date on which any such termination becomes effective and the "Withdrawal Date," must be a September 30 date, and (v) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date ; and (b) fully releases and discharges Vero Beach from all liabilities and obligations to FMPA on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

7. Vero Beach, effective as of the Assignment Effective Date: (a)(i) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date, (ii) waives, subject to the terms hereof, the provisions of Section 29(c) of the Vero ARP Contract and FMPA's Vero ARP Contract Section 29 withdrawal payment calculation methodology, and (iii) waives its right to any future calculations and the payment by FMPA to Vero Beach of any additional benefits under Section 29(f) of the Vero ARP Contract; and (b) fully releases and discharges FMPA from all liabilities and obligations to Vero Beach on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

8. This Release Agreement may be signed in two or more counterparts, each of which shall be treated as an original but which, when taken together, shall constitute one and the same instrument. The exchange of copies of this Release Agreement and of signature pages by facsimile transmission or electronic mail shall constitute effective execution and delivery of this Release Agreement and may be used in lieu of the originally signed Release Agreement for all purposes. Signatures of the Parties transmitted by facsimile or electronic mail shall be deemed to be their original signatures for all purposes.

9. FMPA and Vero Beach acknowledge and agree that, as of the Assignment Effective Date, the Vero ARP Contract shall be terminated and Vero Beach shall no longer be a party to the Vero ARP Contract.

10. FMPA will provide a copy of this Release Agreement, promptly after this Release Agreement has been fully executed and delivered, to the trustee under the Bond Resolutions.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW

(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors, with respect to Stanton Project, Stanton II Project and St. Lucie Project

Howard McKinnon
Chairman, All-Requirements Project Executive Committee, with respect to ARP Project

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

Exhibit C

Form of Vero Stanton Power Sales Contract Amendment

[4843-2502-6894]

Draft 3/9/18

**AMENDMENT NO. 1 (VERO BEACH)
TO THE
STANTON PROJECT POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 1 (VERO BEACH) TO THE STANTON PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** ("Amendment No. 1") is hereby entered into this ____ day of ____ 2018, by and between the Florida Municipal Power Agency ("FMPA", and the City of Vero Beach, Florida ("Vero Beach;" Vero Beach and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and Vero Beach (the "Vero/Stanton PSC"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Vero/Stanton PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the "Stanton Project" (the "Stanton Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project ("Stanton Unit No. 1"), and FMPA, with respect to the Stanton Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to Vero Beach pursuant to the Vero/Stanton PSC and to the Stanton Project Participants other than Vero Beach (the "Other Stanton Project Participants") pursuant to Power Sales Contracts substantially similar to the Vero/Stanton PSC (the "Other Stanton PSCs," and, together with the Vero/Stanton PSC, the "Stanton PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton Project, to issue bonds to pay costs of acquiring and constructing the Stanton Project, it was necessary for the Stanton PSCs to be substantially similar and for FMPA, with respect to the Stanton Project, to pledge such contracts and the payments required to be made in accordance with such Stanton PSCs as security for the payment of such bonds; and

WHEREAS, Vero Beach, pursuant to the Vero/Stanton PSC and the Stanton Project Project Support Contract, by and between FMPA and Vero Beach, dated of January 16, 1984 (the "Vero/Stanton Project Support Contract" and, together with the Vero/Stanton PSC, the "Vero Stanton Contracts"), acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton Contracts and the associated rights and obligations thereunder (the "Vero Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA including, without limitation, under the Vero Stanton Contracts on and after date of the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March ___, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton Transfer Agreement requires, that FMPA and each of the Other Stanton Project Participants acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero Stanton Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC be amended and to enter into this Amendment No. 1; and

WHEREAS, the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA also requires that certain amendments be made to the Other Stanton PSCs to reflect the assignment of Vero Beach's 32.521%% Power Entitlement Share to FMPA; and

WHEREAS, Section 29(d) of the Stanton PSCs provides that the terms and conditions of a Stanton PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the Other Stanton Project Participants and upon similar amendment being made to the Stanton PSC of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the Other Stanton Project Participants have received notice of and a copy of this Amendment No. 1, have consented to this Amendment No. 1, and have waived each of their rights under said Section 29(d) to request that similar amendments be made to their respective Other Stanton PSCs and have agreed to enter into a Mutual Release Agreement (Stanton Project), a form of which is appended to the Vero/Stanton PSC; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/Stanton PSC. The Vero/Stanton PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Contracts" to read as follows:

"All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution."

(ii) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Revenue Bond Resolution" to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” to read as follows:

“ARP shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “Stanton Trustee” to read as follows:

“Stanton Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

(ix) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(x) Section 14 is hereby amended in its entirety to read as follows:

“The Project Participant agrees (a) to maintain its electric or integrated utility system in good repair and operating condition; and (b) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (i) to meet the operation and maintenance expenses of such electric or integrated utility system, (ii) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (iii) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (iv) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

The Project Participant covenants that it will not make any sales of its Power Entitlement Share, or take any other action, which would adversely affect the exemption from Federal income taxation of interest paid on the Bonds issued for the Stanton Project.”

(xi) Section 28 is hereby amended by deleting “.” and adding at the end of Section 28(c) the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA shall waive the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) in connection with the execution of the Assignment Agreement and the assignment and transfer to FMPA of this Power Sales Contract and the Vero Beach Project Support Contract.”

(xii) Annex 1 of the Vero/Stanton PSC is hereby amended by this Amendment No. 1 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach’s 32.521% Power Entitlement Share, a copy of the amended Annex I being attached hereto as Exhibit A.

(xiii) Annex 2 of the Vero/Stanton PSC is hereby amended by this Amendment No. 1 to include a form of opinion of counsel to Vero Beach as set forth in Exhibit B attached hereto.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

EXHIBIT A

Annex 1

Schedule of Project Participants

Name and Address of Project Participant	Power Entitlement Share
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
Town of Havana P.O. Box 1068 Havana, Florida 32333 Attention: Howard McKinnon, Town Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All- Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

EXHIBIT B

[Form of Opinion of Counsel to Vero Beach]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[Stanton Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and the City Attorney for the City of Vero Beach, Florida (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a Participant in FMPA's Stanton Project. For purposes of this opinion, the term "Amendment Documents" means, collectively, (i) Amendment No. 1 to the Stanton Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018 between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution").

In so acting I have examined the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

B-1

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 101 of 1048**

1. The Amendment Documents and authorization for the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings of its governing body duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.011, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed by the Participant's authorized representative and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby, to the best of my knowledge, will conflict with or constitute a breach of or default under the terms of the Participant's ordinances or charter or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit D

Form of Vero Stanton Support Contract Amendment

[4822-1135-9822]

Draft 3/9/18

**AMENDMENT NO. 1 (VERO BEACH)
TO THE
STANTON PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 1 (VERO BEACH) TO THE STANTON PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** (“Amendment No. 1”) is hereby entered into this ___ day of _____, 2018, by and between the Florida Municipal Power Agency (“FMPA”) and the City of Vero Beach, Florida (“Vero Beach;” Vero Beach and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton Project Project Support Contract, dated as of January 16, 1984, by and between FMPA and Vero Beach (the “Vero/Stanton Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and Vero Beach (the “Vero/Stanton PSC” and, together with the Vero/Stanton Project Support Contract, the “Vero Stanton Contracts”).

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “Stanton Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“Stanton Unit No. 1”), and FMPA, with respect to the Stanton Project, is entitled to a corresponding portion of Electric Capacity and Electric

Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the Vero/Stanton PSC and power sales contracts that are substantially similar to the Vero/Stanton PSC (the "Other Stanton PSCs" and, together with the Vero/Stanton PSC, the "Stanton PSCs"), FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the Stanton Project Participants; and

WHEREAS, the Stanton PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton Project; and

WHEREAS, in order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA, with respect to the Stanton Project to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the Project Participants in the Stanton Project other than Vero Beach (the "Other Stanton Project Participants") to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs, FMPA and Vero Beach entered into the Vero/Stanton Project Support Contract and FMPA and the Other Stanton Project Participants entered into project support contracts that are substantially similar to the Vero/Stanton Project Support Contract (the "Other Stanton Project Support Contracts" and, together with the Vero/Stanton Project Support Contract, the "Stanton Project Support Contracts"); and

WHEREAS, Vero Beach, pursuant to the Vero Stanton Contracts acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton Contracts and the associated rights and obligations thereunder (the "Vero Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton Project Support Contract be amended and to enter into this Amendment No. 1; and

WHEREAS, the transfer and assignment of the Vero Stanton Contracts, as amended by this Amendment No. 1 and by Amendment No. 1 to the Vero/Stanton PSC, to FMPA also requires that certain amendments be made to the Other Stanton Project Support Contracts to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton Project Support Contracts provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contract of any other Stanton Project Participants requesting such amendment; and

WHEREAS, Vero Beach and FMPA, with respect to the Stanton Project, desire to execute this Amendment No. 1 in order to amend the Vero/Stanton Project Support Contract to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA; and

WHEREAS, the Other Stanton Project Participants have received notice of and a copy of this Amendment No. 1, have consented to this Amendment No. 1, have waived each of their rights under said Section 14(b) to request that similar amendments made to their respective Other Stanton Project Support Contracts and have agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton Contracts; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/Stanton Project Support Contract. The Vero/Stanton Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

(ii) Section 1 is hereby amended to add a new definition of “Vero Beach Power Sales Contract” to read as follows:

“Vero Beach Power Sales Contract shall mean the Stanton Project Power Sales Contract, dated as of January 13, 1984 between FMPA and City of Vero Beach, Florida, as amended on the date of this Amendment No. 1.”

(iii) Section 1 is hereby amended to add a new definition of “Vero Beach Project Support Contract” to read as follows:

“Vero Beach Project Support Contract shall mean the Stanton Project Project Support Contract, dated as of January 16, 1984, by and between FMPA and the City of Vero Beach, Florida.”

(iv) Section 4(a) is hereby amended in its entirety to read as follows:

“(a) The Project Participant agrees to (i) to maintain its electric or integrated utility system in good repair and operating condition; and (ii) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such electric or integrated utility system, (B) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (C) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (D) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

(v) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

“(f) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on

the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(vi) Section 13 is hereby amended by deleting “.” and adding the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA may waive the requirements of the last sentence of Section 13(a) above and clause (i) of this Section 13(c) in connection with the closing of the Proposed Sale Transaction and the execution of the Assignment Agreement and the assignment and transfer of the Vero Beach Power Sales Contract and this Project Support Contract to FMPA.”

(vii) Annex I of the Vero Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach’s 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 4. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 5. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 6. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 1 to Stanton Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

Exhibit E

Form of Partial Assignment Agreement (Stanton Project) between FMPA and Stanton Bond Trustee

[4832-1188-1554]

Draft 3/11/2018

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(STANTON PROJECT)**

THIS PARTIAL ASSIGNMENT AGREEMENT (STANTON PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the Stanton Project, as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "Stanton Bond Trustee") under the Stanton Project Revenue Bond Resolution, adopted by FMPA on January 13, 1984, amended and restated in its entirety on August 27, 1997 and as supplemented and amended to the date hereof (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the Stanton Project Power Sales Contract, dated as of January 16, 1984, between FMPA and the City of Vero Beach, Florida ("Vero"), as amended (the "Stanton/Vero Power Sales Contract"), and the Stanton Project Project Support Contract, dated as of January 16, 1984, between FMPA and Vero, as amended (the "Stanton/Vero Project Support Contract," and together with the Stanton/Vero Power Sales Contract, the "Stanton Vero Contracts"). The Stanton Vero Contracts are being transferred and assigned by Vero to FMPA, with respect to the All-Requirements Power Supply Project ("ARP"), pursuant to the terms of the Assignment Agreement (Stanton Project), dated as of the date hereof, between Vero and FMPA (the "Stanton Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the Stanton Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the Stanton Assignment Agreement, the Assignor hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of the Project Participant contained in Sections 3, 4(d), 4(e), 4(j), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the Stanton/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k) 4, 6, 8, 9, 10, 11 and 12 of the Stanton/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the Stanton Vero Contracts against the Project Participant as a transferee and assignee of Vero (collectively, the "Assigned Rights and Obligations").

(b) The Assignor hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor or the Stanton Bond Trustee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection

therewith, and, if any Event of Default specified in the Stanton Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (d) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, it will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by the Project Participant to comply with the terms of the Stanton/Vero Power Sales Contract or the Stanton/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge that all right, title and interest of FMPA in, to and under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract have been pledged under the Bond Resolution to secure the payment of principal, Redemption Price and interest on the Bonds and Parity Debt and that the Assignee has rights and obligations provided to it under the Bond Resolution as the Stanton Bond Trustee to protect the interests of Bondholders with respect to the payment of the Bonds to be exercised in accordance with the terms of the Bond Resolution. The actions taken by the Assignee pursuant to this Partial Assignment shall be consistent with the Assignee's rights and obligations under the Bond Resolution. Capitalized terms used in this clause (e) and not otherwise defined herein shall have the meanings for those terms provided in the Bond Resolution rather than as provided in the Stanton Vero Contracts.

(f) The Assignor and the Assignee acknowledge and agree that (i) the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton/Vero Power Sales Contract and Section 13(b) of the Stanton/Vero Project Support Contract that exist prior to the date hereof, (ii) as of the effective date of the Stanton Assignment Agreement, the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton/Vero Power Sales Contract and Section 13(b) of the Stanton/Vero Project Support Contract will continue to be in full force and effect, and (iii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the

Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract against the Project Participant as a transferee and assignee of Vero.

(g) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the Stanton Vero Contracts against the Project Participant as a transferee and assignee of Vero.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, Vero is not in default under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract, and (d) other than the assignment and pledge of the Assignor of its right, title, and interest in, to and under the Stanton Vero Contracts and all payments to be made to the Assignor under the provisions of the Stanton Vero Contracts as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds, the Assignor, has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Partial Assignment shall remain in effect, the whole or any part of the moneys, rights or remedies assigned to the Assignee hereunder to anyone other than the Assignee in accordance with Section 28(b) of the Stanton/Vero Power Sales Contract and 13(b) of the Stanton/Vero Project Support Contract.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the Stanton Vero Contracts and, in that event, upon the request of the Assignor, the Assignee to execute and deliver to the Assignor instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the Assignee: TD Bank, National Association,
as Stanton Bond Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the Stanton Project
8553 Commodity Circle
Orlando, Florida 32819

To the ARP: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the Stanton Project and FMPA is not acting with respect to the ARP.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Acknowledged:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the ARP

By: _____
Name:
Title:

Exhibit F

Form of Partial Assignment Agreement (Stanton Project) between FMPA and ARP Bond Trustee

[4845-7497-1730]

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(STANTON PROJECT)
OF FLORIDA MUNICIPAL POWER AGENCY,
WITH RESPECT TO THE
ALL-REQUIREMENTS POWER SUPPLY PROJECT**

THIS PARTIAL ASSIGNMENT AGREEMENT (STANTON PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the All-Requirements Power Supply Project ("ARP"), in its capacity as assignee and transferee under the Stanton Vero Contracts (as defined below) from the City of Vero Beach, Florida ("Vero"), as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "ARP Bond Trustee") under the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003 (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the Stanton Project Power Sales Contract, dated as of January 16, 1984, between FMPA and Vero, as amended (the "Stanton/Vero Power Sales Contract"), and the Stanton Project Project Support Contract, dated as of January 16, 1984, between FMPA and Vero, as amended (the "Stanton/Vero Project Support Contract," and together with the Stanton/Vero Power Sales Contract, the "Stanton Vero Contracts"). The Stanton Vero Contracts are being transferred by Vero to the Assignor pursuant to the terms of the Assignment Agreement (Stanton Project), dated as of the date hereof, between Vero and FMPA (the "Stanton Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the Stanton Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the Stanton Assignment Agreement, the Assignor under the Stanton Vero Contracts, hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of FMPA, with respect to the Stanton Project, contained in Sections 3, 4(d), 4(e), 4(i), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the Stanton/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the Stanton/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the Stanton Vero Contracts against FMPA, with respect to the Stanton Project (collectively, the "Assigned Rights and Obligations").

(b) The Assignor under the Stanton Vero Contracts, hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor or the Assignee or otherwise, for the use and benefit of the Assignee, to

ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection therewith, and, if any Event of Default specified in the Stanton Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (e) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, the Assignor will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by FMPA, with respect to the Stanton Project, to comply with the terms of the Stanton/Vero Power Sales Contract or the Stanton/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge and agree that (i) as of the effective date of the Stanton Assignment Agreement, the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignor's rights to assign its interest in the Stanton/Vero Power Sales Contract with the consent of FMPA, with respect to the Stanton Project, under Section 28(a) of the Stanton/Vero Power Sales Contract and to assign its interest in the Stanton/Vero Project Support Contract with the consent of FMPA, with respect to the Stanton Project, under Section 13(a) of the Stanton/Vero Project Support Contract, and (ii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract against FMPA, with respect to the Stanton Project.

(f) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the Stanton Vero Contracts against FMPA, with respect to the Stanton Project.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, FMPA, with respect to the Stanton Project, is not in default

under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract, and (d) other than the assignment of the Assigned Rights and Obligations hereunder, the Assignor, has not assigned and hereby covenants that it will not assign its Assigned Rights and Obligations in the Stanton Vero Contracts to anyone other than the Assignee.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the 32.521% Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the Stanton Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to the Assignor, instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the ARP Bond Trustee:	TD Bank, National Association 1006 Astoria Boulevard Cherry Hill, New Jersey 08003
To the Assignor:	Florida Municipal Power Agency, with respect to the ARP 8553 Commodity Circle Orlando, Florida 32819
To the Stanton Project:	Florida Municipal Power Agency, with respect to the Stanton Project 8553 Commodity Circle Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPPA is acting with respect to the ARP and FMPPA is not acting with respect to the Stanton Project.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Consented to:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the Stanton Project

By: _____
Name:
Title:

Schedule 1(a) – Other Stanton Participant Documents

- (i) Executed copies of a certificate each of the Other Stanton Participants, executed by a duly authorized officer of such Other Stanton Participant, in such capacity and not in an individual capacity, certifying as to resolutions attached thereto as being duly adopted by the governing body of the Other Stanton Participant and authorizing the execution and delivery of the Other Stanton Participant Amendments and all other necessary documents required in connection therewith to effect the transactions contemplated by this Stanton Transfer Agreement and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;
- (ii) Executed copies of the Other Stanton Participant Amendments of each of the Other Stanton Participants;
- (iii) Opinions of counsel to each of the Other Stanton Participants;
- (iv) Executed copies of the Consent and Waiver (Stanton Project) of each of the Other Stanton Participants; and
- (v) Executed copies of the Stanton Mutual Release Agreement of each of the Other Stanton Participants.

Schedule 1(b) – Other ARP Participant Documents

- (i) Executed copies of a certificate of each of the Other ARP Participants, executed by a duly authorized officer of such Other ARP Participant, in such capacity and not in an individual capacity, certifying as to resolutions attached thereto as being duly adopted by the governing body of the Other ARP Participant and authorizing the execution and delivery of the Other ARP Participant Amendments and all other necessary documents required in connection therewith to effect the transactions contemplated by this Stanton Transfer Agreement and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;
- (ii) Executed copies of the Other ARP Participant Amendments of each of the Other ARP Participants;
- (iii) Opinions of counsel to each of the Other ARP Participants;
- (iv) Executed copies of the Consent and Waiver (All-Requirements Power Supply Project) of each of the Other ARP Participants; and
- (v) Executed copies of the ARP Mutual Release Agreement of each of the Other ARP Participants.

Schedule 2 – Conditions Precedent to Closing

The obligation of the Parties to consummate the transactions contemplated hereby is conditioned on the occurrence of each of the following:

- (a) Vero Beach and FPL shall have consummated the Proposed Sale Transaction; and
- (b) Vero Beach shall have tendered the Consideration Payment to FMPA;
- (c) Vero Beach and FMPA, with respect to the Stanton Project, shall have complied with all covenants, agreements and conditions required to be performed, observed or complied with by Vero Beach or FMPA, as the case may be, and shall have satisfied all conditions precedent to Closing, under this Stanton Transfer Agreement and the Other Transfer Agreements; and
- (d) FMPA, with respect to the ARP, shall have (i) received written evidence of the confirmation from Moody's and from Fitch that the Proposed Sale Transaction and the transactions contemplated by this Stanton Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Moody's or Fitch which reflects a negative change or negative outlook or negative watch in the ratings assigned to the All-Requirements Power Supply Project Revenue Bonds; and (ii) complied with all covenants, agreements and conditions required to be performed, observed or complied with by FMPA under the All-Requirements Power Supply Revenue Bond Resolution and the All-Requirements Project Power Supply Contracts in connection with the consummation of the transactions under this Stanton Transfer Agreement.

Exhibit C

Substantial Form of Stanton Assignment Agreement

See Exhibit B-1 to the Stanton Transfer Agreement

Exhibit D-1

Substantial Form of Vero Stanton Power Sales Contract Amendment

See Exhibit C to the Stanton Transfer Agreement

Exhibit D-2

Substantial Form of Vero Stanton Project Support Contract Amendment

See Exhibit D to the Stanton Transfer Agreement

Exhibit E

Substantial Form of OUC Consents

Draft 3/9/17

**CONSENT OF ORLANDO UTILITIES COMMISSION
(STANTON PROJECT)**

WHEREAS, the Orlando Utilities Commission (“OUC”) and the Florida Municipal Power Agency (“FMPA”) entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“Stanton Unit No. 1”); and

WHEREAS, pursuant to Section 7.01 of the aforesaid Participation Agreement, the City of Vero Beach, Florida (“Vero Beach”) is a FMPA Participating Member (as said term is defined in Section 1.15 of the Participation Agreement) and as such Vero Beach was designated on Exhibit 1 of the Participation Agreement as one of the “List of FMPA Participating Members”; and

WHEREAS, Vero Beach pursuant to the Stanton Project Power Sales Contract (“Vero/Stanton PSC”) and the Stanton Project Project Support Contract (the “Vero/Stanton Project Support Contract;” the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the “Vero/Stanton Contracts”), each by and between FMPA and Vero Beach and dated as of January 16, 1984, acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, FMPA entered into power sales contracts with the other Participating Members in the Stanton Project which are substantially similar to the Vero/Stanton PSC (the “Other Stanton PSCs”) and project support contracts with the other Participating Members in the Stanton Project which are substantially similar to the Vero/Stanton Project Support Contract (the “Other Stanton Project Support Contracts;” the Other Stanton PSCs and the Other Stanton Project Support Contracts are collectively referred to herein as the “Other Participant Stanton Contracts;” the Vero/Stanton PSC and the Other Stanton PSCs are collectively referred to herein as the “Stanton Power Sales Contracts” and the Vero/Stanton Project Support Contract and the Other Participant Project Support Contracts are collectively referred to herein as the “Stanton Project Support Contracts”); and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

Draft 3/9/17

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton Contracts and the associated rights and obligations thereunder (the "Vero/Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, that FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton Transfer Agreement requires, that upon the closing of the Proposed Sale Transaction, Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton PSC and the Vero/Stanton Project Support Contract; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton Contracts be amended ("Vero/Stanton Amendments"), forms of which are appended to the Stanton Transfer Agreement, and that certain it is appropriate that certain terms and provisions of the Other Participant Stanton Contracts be amended (collectively, "Other Stanton Amendments"), forms of which amendments are appended hereto as Exhibits A-1 and A-2; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time the Other Stanton Amendments will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, Exhibit 1 of the Participation Agreement will need to be amended to add FMPA, with respect to the ARP, as the transferee and assignee of one of the Participating Members set forth in the "List of FMPA Participating Members", a copy of such amended Exhibit 1 is attached hereto as Exhibit "B"; and

WHEREAS, Section 24(d) of the Stanton Power Sales Contracts and Section 17(c) of the Stanton Project Support Contracts provide that such contracts may not be rescinded, amended, supplemented, altered or terminated in any way that would materially lessen, release or alter the rights of OUC or the obligations of a Project Participant to OUC without the express written consent of OUC; and

WHEREAS, FMPA and Vero Beach have requested that OUC consent to the Amendments and waive the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) of the Stanton Power Sales Contracts and of the last sentence of Section 13(a) and

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clause (i) of Section 13(c) of the Stanton Project Support Contracts to allow for the assignment of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project to FMPA, with respect to the ARP, and the release of Vero Beach from any liabilities and obligations under the Vero/Stanton PSC and the Vero/Stanton Project Support Contract; and

WHEREAS, pursuant to Section 7.01 of the Participation Agreement, Section 24(d) of the Stanton Power Sales Contracts and Section 17(c) of the Stanton Project Support Contracts, OUC is consenting to the aforesaid Assignment and to FMPA, with respect to the ARP, taking on the obligations of a FMPA Participating Member as the transferee and assignee of Vero Beach, which will no longer be a FMPA Participating Member; and

NOW, THEREFORE, OUC hereby (i) consents to and approves the consents to and approves (x) the Vero Stanton Amendments in the forms appended to the Stanton Transfer Agreement, (y) the Other Stanton Amendments in the forms appended hereto as Exhibit A-1 and A-2, and (z) the Amended Exhibit I to the Participation Agreement attached hereto as Exhibit B, and (ii) waives the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) of the Stanton Power Sales Contracts and of the last sentence of Section 13(a) and clause (i) of Section 13(c) of the Stanton Project Support Contracts to allow for the assignment of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project to FMPA, with respect to the ARP, and the release and discharge of Vero Beach from any liabilities and obligations under the Vero/Stanton PSC and the Vero/Stanton Project Support Contract; and (iii) authorizes [____], [____] and [____] as authorized officers which officers have been authorized and empowered to take all further actions for OUC as may be necessary or desirable in carrying out the terms and provisions of this Consent and each of the documents referred to herein.

[Remainder of page left blank, signatures appear on the following page]

Draft 3/9/17

IN WITNESS HEREOF, OUC has caused this Consent to be executed by its duly authorized officer on this ___th day of _____, 201_.

ORLANDO UTILITIES COMMISSION

By: _____

Attest: _____

(SEAL)

Draft 3/9/17

Exhibit A-1

Form of Amendment to Stanton Project Power Sales Contract
between FMPA and Other Stanton Project Participant

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 1”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA), and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the “[Participant]/Stanton PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/Stanton PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “Stanton Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“Stanton Unit No. 1”), and FMPA, with respect to the Stanton Project, is entitled to a corresponding portion of the Electric

Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the [Participant] pursuant to the [Participant]/Stanton PSC and to the other Stanton Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs," and, together with the [Participant]/Stanton PSC, the "Stanton PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton Project, to issue its bonds to pay the costs of acquiring and constructing the Stanton Project, it was necessary for the Stanton PSCs to be substantially similar and for FMPA, with respect to the Stanton Project, to pledge such contracts and the payments required to be made in accordance with such Stanton PSC's as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract, (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero/Stanton Contracts"), each by and between FMPA and Vero Beach and dated as of January 16, 1984, acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton Contracts and the associated rights and obligations thereunder (the "Vero/Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, that FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Transfer Agreement requires, that FMPA and each of the other Stanton Project Participants other than Vero Beach (the "Other Stanton Project Participants") acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC be amended ("Vero/Stanton PSC Amendments"); and

WHEREAS, the transfer and assignment of the Vero/Stanton PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the Stanton PSCs to reflect the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the Stanton PSCs provides that the terms and conditions of a Stanton PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton PSCs of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/Stanton PSC Amendments, has consented to the Vero/Stanton PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/Stanton PSC to request that similar amendments be made to the [Participant]/Stanton PSC and has agreed to enter into a Mutual Release Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton PSC. The [Participant]/Stanton PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Contracts" to read as follows:

"All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution."

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” or “ARP Project” to read as follows:

“ARP or ARP Project shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “Stanton Trustee” to read as follows:

“Stanton Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

(ix) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract shall mean the Stanton Project Power Sales Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended."

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

"(e) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(xi) Annex I of the [Participant]/Stanton PSC is hereby amended by this Amendment No. 1 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/Stanton PSC is hereby amended by this Amendment No. 1 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Orlando Utilities Commission
[Address]
[Address]

[Stanton Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's Stanton Project, in connection with the authorization, execution and delivery of (i) Amendment No. 1 to the Stanton Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018, between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

B-1

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 142 of 1048**

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Draft 3/9/17

Exhibit A-2

Form of Amendment to Stanton Project Project Support Contract
between FMPA and Other Stanton Project Participant

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA"), and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton Project Project Support Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton Project Support Contract"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton PSC"). The [Participant]/Stanton PSC and the [Participant/Stanton Project Support Contract together are referred to herein as the "[Participant]/Stanton Contracts."

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the "Stanton Project" (the "Stanton Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project ("Stanton Unit No. 1"), and FMPA, with

respect to the Stanton Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton PSC and power sales contracts that are substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs" and, together with the [Participant]/Stanton PSC, the "Stanton PSCs") FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the Stanton Project Participants; and

WHEREAS, the Stanton PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton Project; and

WHEREAS, in order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA, with respect to the Stanton Project to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton Project Support Contract and FMPA and the other Stanton Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton Project Support Contract (collectively, the "Stanton Project Support Contracts"); and

WHEREAS, pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero Stanton Contracts", each by and between FMPA and the City of Vero Beach, Florida ("Vero Beach") and dated of January 16, 1984 Vero Beach acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton Contracts and the associated rights and obligations thereunder (the "Vero Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations, to FMPA, including, without limitation, under the Vero

Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC and Vero/Stanton Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton Project Support Contract and Stanton Project Support Contracts other than Vero/Stanton Project Support Contract (the "Other Stanton Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton Project Support Contracts provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton Project Support Contract to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton Project Support Contract. The [Participant]/Stanton Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton Project Support Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

Draft 3/9/17

EXHIBIT B

EXHIBIT I

LIST OF FMPA PARTICIPATING MEMBERS

Fort Pierce Utilities Authority
City of Homestead
Kissimmee Utility Authority
City of Lake Worth
City of Starke
FMPA (All-Requirements Power Supply Project), as the transferee and assignee of the
City of Vero Beach

Exhibit F-1

Substantial Form of Other Participant Stanton Power Sales Contract Amendments

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 1”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA), and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the “[Participant]/Stanton PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/Stanton PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “Stanton Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“Stanton Unit No. 1”), and FMPA, with respect to the Stanton Project, is entitled to a corresponding portion of the Electric

Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the [Participant] pursuant to the [Participant]/Stanton PSC and to the other Stanton Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs," and, together with the [Participant]/Stanton PSC, the "Stanton PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton Project, to issue its bonds to pay the costs of acquiring and constructing the Stanton Project, it was necessary for the Stanton PSCs to be substantially similar and for FMPA, with respect to the Stanton Project, to pledge such contracts and the payments required to be made in accordance with such Stanton PSC's as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract, (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero/Stanton Contracts"), each by and between FMPA and Vero Beach and dated as of January 16, 1984, acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton Contracts and the associated rights and obligations thereunder (the "Vero/Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, that FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Transfer Agreement requires, that FMPA and each of the other Stanton Project Participants other than Vero Beach (the "Other Stanton Project Participants") acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC be amended ("Vero/Stanton PSC Amendments"); and

WHEREAS, the transfer and assignment of the Vero/Stanton PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the Stanton PSCs to reflect the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the Stanton PSCs provides that the terms and conditions of a Stanton PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton PSCs of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/Stanton PSC Amendments, has consented to the Vero/Stanton PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/Stanton PSC to request that similar amendments be made to the [Participant]/Stanton PSC and has agreed to enter into a Mutual Release Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton PSC. The [Participant]/Stanton PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Contracts" to read as follows:

"All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution."

(ii) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Revenue Bond Resolution" to read as follows:

"All-Requirements Power Supply Project Revenue Bond Resolution" shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented."

(iii) Section 1 is hereby amended to add a new definition of "ARP" or "ARP Project" to read as follows:

"ARP or ARP Project" shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach."

(iv) Section 1 is hereby amended to add a new definition of "ARP Trustee" to read as follows:

"ARP Trustee" shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution."

(v) Section 1 is hereby amended to add a new definition of "Assignment Agreement" to read as follows:

"Assignment Agreement" shall mean the Assignment Agreement (Stanton Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP."

(vi) The definition of "Project Participants" in Section 1 is hereby amended to read as follows:

"Project Participants" shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach."

(vii) Section 1 is hereby amended to add a new definition of "Stanton Trustee" to read as follows:

"Stanton Trustee or "trustee under the Bond Resolution" shall mean the trustee appointed pursuant to the terms of the Bond Resolution."

(viii) Section 1 is hereby amended to add a new definition of "Vero Beach" to read as follows:

"Vero Beach" shall mean the City of Vero Beach, Florida."

(ix) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract shall mean the Stanton Project Power Sales Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended."

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

"(e) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(xi) Annex I of the [Participant]/Stanton PSC is hereby amended by this Amendment No. 1 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/Stanton PSC is hereby amended by this Amendment No. 1 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Orlando Utilities Commission
[Address]
[Address]

[Stanton Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's Stanton Project, in connection with the authorization, execution and delivery of (i) Amendment No. 1 to the Stanton Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018, between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

B-1

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 160 of 1048**

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit F-2

Substantial Form of Other Participant Stanton Project Support Contract Amendments

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA"), and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton Project Project Support Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton Project Support Contract"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton PSC"). The [Participant]/Stanton PSC and the [Participant/Stanton Project Support Contract together are referred to herein as the "[Participant]/Stanton Contracts."

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the "Stanton Project" (the "Stanton Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project ("Stanton Unit No. 1"), and FMPA, with

respect to the Stanton Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton PSC and power sales contracts that are substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs" and, together with the [Participant]/Stanton PSC, the "Stanton PSCs") FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the Stanton Project Participants; and

WHEREAS, the Stanton PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton Project; and

WHEREAS, in order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA, with respect to the Stanton Project to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton Project Support Contract and FMPA and the other Stanton Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton Project Support Contract (collectively, the "Stanton Project Support Contracts"); and

WHEREAS, pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero Stanton Contracts", each by and between FMPA and the City of Vero Beach, Florida ("Vero Beach") and dated of January 16, 1984 Vero Beach acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton Contracts and the associated rights and obligations thereunder (the "Vero Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations, to FMPA, including, without limitation, under the Vero

Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC and Vero/Stanton Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton Project Support Contract and Stanton Project Support Contracts other than Vero/Stanton Project Support Contract (the "Other Stanton Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton Project Support Contracts provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton Project Support Contract to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton Project Support Contract. The [Participant]/Stanton Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton Project Support Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

Exhibit G

Substantial Form of Stanton Trustee Assignment

Draft 3/11/2018

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(STANTON PROJECT)**

THIS PARTIAL ASSIGNMENT AGREEMENT (STANTON PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the Stanton Project, as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "Stanton Bond Trustee") under the Stanton Project Revenue Bond Resolution, adopted by FMPA on January 13, 1984, amended and restated in its entirety on August 27, 1997 and as supplemented and amended to the date hereof (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the Stanton Project Power Sales Contract, dated as of January 16, 1984, between FMPA and the City of Vero Beach, Florida ("Vero"), as amended (the "Stanton/Vero Power Sales Contract"), and the Stanton Project Project Support Contract, dated as of January 16, 1984, between FMPA and Vero, as amended (the "Stanton/Vero Project Support Contract," and together with the Stanton/Vero Power Sales Contract, the "Stanton Vero Contracts"). The Stanton Vero Contracts are being transferred and assigned by Vero to FMPA, with respect to the All-Requirements Power Supply Project ("ARP"), pursuant to the terms of the Assignment Agreement (Stanton Project), dated as of the date hereof, between Vero and FMPA (the "Stanton Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the Stanton Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the Stanton Assignment Agreement, the Assignor hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of the Project Participant contained in Sections 3, 4(d), 4(e), 4(j), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the Stanton/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k) 4, 6, 8, 9, 10, 11 and 12 of the Stanton/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the Stanton Vero Contracts against the Project Participant as a transferee and assignee of Vero (collectively, the "Assigned Rights and Obligations").

(b) The Assignor hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor or the Stanton Bond Trustee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection

therewith, and, if any Event of Default specified in the Stanton Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (d) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, it will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by the Project Participant to comply with the terms of the Stanton/Vero Power Sales Contract or the Stanton/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge that all right, title and interest of FMPA in, to and under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract have been pledged under the Bond Resolution to secure the payment of principal, Redemption Price and interest on the Bonds and Parity Debt and that the Assignee has rights and obligations provided to it under the Bond Resolution as the Stanton Bond Trustee to protect the interests of Bondholders with respect to the payment of the Bonds to be exercised in accordance with the terms of the Bond Resolution. The actions taken by the Assignee pursuant to this Partial Assignment shall be consistent with the Assignee's rights and obligations under the Bond Resolution. Capitalized terms used in this clause (e) and not otherwise defined herein shall have the meanings for those terms provided in the Bond Resolution rather than as provided in the Stanton Vero Contracts.

(f) The Assignor and the Assignee acknowledge and agree that (i) the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton/Vero Power Sales Contract and Section 13(b) of the Stanton/Vero Project Support Contract that exist prior to the date hereof, (ii) as of the effective date of the Stanton Assignment Agreement, the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton/Vero Power Sales Contract and Section 13(b) of the Stanton/Vero Project Support Contract will continue to be in full force and effect, and (iii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the

Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract against the Project Participant as a transferee and assignee of Vero.

(g) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the Stanton Vero Contracts against the Project Participant as a transferee and assignee of Vero.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, Vero is not in default under the Stanton/Vero Power Sales Contract and the Stanton/Vero Project Support Contract, and (d) other than the assignment and pledge of the Assignor of its right, title, and interest in, to and under the Stanton Vero Contracts and all payments to be made to the Assignor under the provisions of the Stanton Vero Contracts as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds, the Assignor, has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Partial Assignment shall remain in effect, the whole or any part of the moneys, rights or remedies assigned to the Assignee hereunder to anyone other than the Assignee in accordance with Section 28(b) of the Stanton/Vero Power Sales Contract and 13(b) of the Stanton/Vero Project Support Contract.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the Stanton Vero Contracts and, in that event, upon the request of the Assignor, the Assignee to execute and deliver to the Assignor instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the Assignee: TD Bank, National Association,
as Stanton Bond Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the Stanton Project
8553 Commodity Circle
Orlando, Florida 32819

To the ARP: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the Stanton Project and FMPA is not acting with respect to the ARP.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Acknowledged:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the ARP

By: _____
Name:
Title:

Exhibit H

Substantial Form of Consent and Waiver (Stanton Project)

Draft 3/9/18

**CONSENT AND WAIVER
(STANTON PROJECT)
OF
[NAME OF OTHER STANTON PROJECT PARTICIPANT]**

THIS CONSENT AND WAIVER (STANTON PROJECT) is made as of the ___ day of ___, 2018 by an authorized officer of [NAME OF OTHER STANTON PROJECT PARTICIPANT] pursuant to the Stanton Project Power Sales Contract, dated as of January 16, 1984 (the “[Participant] Stanton Power Sales Contract”), by and between Florida Municipal Power Agency (“FMPA”) and [NAME OF OTHER STANTON PROJECT PARTICIPANT] (“[NAME OF OTHER STANTON PROJECT PARTICIPANT]”) and the Stanton Project Project Support Contract, dated as of January 16, 1984 (the “[Participant] Stanton Project Support Contract”), by and between FMPA and [NAME OF OTHER STANTON PROJECT PARTICIPANT].

Terms not defined in this Consent and Waiver (Stanton Project) shall be defined in the Transfer Agreement (Stanton Project), dated as of ___, 2018, by and between the City of Vero Beach, Florida and FMPA (the “Stanton Transfer Agreement”).

Pursuant to Section 29(d) of the [Participant] Stanton Power Sales Contract and Section 14(b) of the [Participant] Stanton Project Support Contract, [NAME OF OTHER STANTON PROJECT PARTICIPANT] hereby:

- (i) acknowledges that it has received notice of and a copy of the Vero Stanton Amendments, forms of which are appended to the Stanton Transfer Agreement;
- (ii) consents to the terms of the Vero Stanton Amendments;
- (iii) consents to the transfer and assignment of the Vero Stanton Contracts to FMPA, with respect to the ARP Project, pursuant to terms of the Stanton Transfer Agreement and the release and discharge of Vero Beach from any liability or obligations under the Vero Stanton Contracts;
- (iv) consents to the assignment of certain of the rights and obligations of FMPA, with respect to the Stanton Project, under the Vero Stanton Contracts to the Stanton Bond Trustee;
- (v) consents to the assignment of certain of the rights and obligations of FMPA, with respect to the ARP Project, under the Vero Stanton Contracts to the ARP Bond Trustee, where FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach;
- (vi) consents to the actions that FMPA has taken and will take to facilitate the closing of the Proposed Sale Transaction, and the consummation of the purpose and intent of the Stanton Transfer Agreement; and

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 176 of 1048**

(vii) waives its right to have the amendments provided for in the Vero Stanton Amendments, or amendments similar thereto, made to the [Participant] Stanton Power Sales Contract and the [Participant] Stanton Project Support Contract.

The consents and waiver contained herein shall be applicable only to the matters stated herein, and such consents and waiver shall be so limited and shall not be deemed to extend to any other matter nor impair or limit any right consequent thereon.

[Remainder of page intentionally left blank; signature appears on the following page]

IN WITNESS WHEREOF, [NAME OF OTHER STANTON PROJECT PARTICIPANT] has caused this Consent and Waiver (Stanton Project) to be executed by its duly authorized officer as of the date first above written.

[NAME OF OTHER STANTON PROJECT PARTICIPANT]

By: _____
Name:
Title:

Acknowledged by:

FLORIDA MUNICIPAL POWER AGENCY

By: _____
Name:
Title:

Exhibit I

Substantial Form of Mutual Release

Draft 3/9/18

**MUTUAL RELEASE AGREEMENT
(STANTON PROJECT)**

THIS MUTUAL RELEASE AGREEMENT (STANTON PROJECT) (this “Stanton Release Agreement”) is made and entered into as of this ___ day of _____ 2018 by and between the City of Vero Beach, Florida, a political subdivision of the State of Florida (“Vero Beach”), and [NAME OF OTHER STANTON PROJECT PARTICIPANT], a political subdivision of the State of Florida (“[NAME OF PARTICIPANT]”) with respect to FMPA’s Stanton Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton Project (the “Stanton Project”) on behalf of the members of FMPA and the participants in such project (the “Stanton Project Participants”).

RECITALS

WHEREAS, Vero Beach and [NAME OF OTHER STANTON PROJECT PARTICIPANT] wish to set forth the terms for this Stanton Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and [NAME OF OTHER STANTON PROJECT PARTICIPANT] agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex dated as of March __, 2018 (“Master Annex”) and appended as Exhibit A to the Transfer Agreement (Stanton Project), dated as of _____, 2018, by and between Vero Beach and FMPA (the “Stanton Transfer Agreement”), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this Stanton Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this Stanton Release Agreement. Terms not defined elsewhere in this Stanton Release Agreement have the meanings given to such terms in the Master Annex.

2. [NAME OF OTHER STANTON PROJECT PARTICIPANT] for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, previously existing, now existing, or hereafter discovered, that [NAME OF OTHER STANTON PROJECT PARTICIPANT] may now have or hereafter may have, acquire or incur against Vero Beach with respect to the Stanton Project by reason of any manner or thing whatsoever on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

3. Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges [NAME OF OTHER STANTON PROJECT PARTICIPANT], effective as of the Assignment Effective Date, from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, previously existing, now existing, or hereafter discovered, that Vero Beach may now have or hereafter may have, acquire or incur against [NAME OF OTHER STANTON PROJECT PARTICIPANT] with respect to the Stanton Project by reason of any manner or thing whatsoever on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMFA.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Stanton Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

**[NAME OF OTHER STANTON PROJECT
PARTICIPANT]**

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Stanton Release Agreement]

Exhibit J

Substantial Form of Waiver and Release Agreement

See Exhibit B-2 in the Stanton Transfer Agreement

Exhibit K-1

Stanton Trustee Resolution Certificate

Draft 3/9/18

**CERTIFICATE OF TRUSTEE
RELATING TO THE TRANSFER AND ASSIGNMENT OF THE VERO
STANTON PROJECT ENTITLEMENTS TO FMPA, WITH RESPECT TO THE ARP**

TD Bank National Association, as trustee (the "Trustee") under the Stanton Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on January 13, 1994, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof, hereby confirms that, based on the Trustee's review of: (1) the current version of the Transaction Documents listed in Exhibit A hereto, (2) executed copies of the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., (3) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton Project Revenue Bonds (the "Ratings Letters"), (4) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (5) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, and (6) copies of the Resolutions adopted by each of the Stanton Project Participants relating to the Transaction Documents and the consummation of the transactions contemplated therein, nothing has come to the attention of the Trustee that would cause the Trustee to believe that it will not be able to successfully and timely accomplish the actions required to be taken by the Trustee to complete the transactions contemplated by the Transaction Documents.

Dated: March 15, 2018

TD BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 1 (Vero Beach) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach;

(2) copies of Amendment No. 1 (Project Participant) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants, and Amendment No. 1 (Project Participant) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants;

(3) a copy of the Transfer Agreement (Stanton Project), dated as of March ____, 2018 by and between Vero Beach and the Agency;

(4) a copy of the Consent and Waiver (Stanton Project), dated as of ____, 2018, of each Other Stanton Project Participant;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency;

(6) a copy of the Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between Vero Beach and the Agency; and

(7) a copy of the Partial Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton Bond Resolution.

Exhibit K-2

Substantial Form of Stanton Trustee Acknowledgment Certificate

NP draft 3/8/18

**ACKNOWLEDGEMENT OF TRUSTEE TO RECEIPT, EXAMINATION
AND REVIEW OF TRANSACTION DOCUMENTS
STANTON PROJECT**

TD Bank National Association, as trustee (the "Trustee") under the Stanton Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on January 13, 1994, as amended and restated in its entirety on August 27, 1997, and as amended and supplemented to the date hereof, hereby acknowledges receipt, examination and review of: (1) the Transaction Documents listed in Exhibit A hereto, (2) executed copies of the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., (3) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton Project Revenue Bonds (the "Ratings Letters"), (4) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (5) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (6) executed copy of the Certificate as to Determination of the Board of Directors, dated March 15, 2018, and (7) copies of the Resolutions adopted by each of the Stanton Project Participants relating to the Transaction Documents and the consummation of the transactions contemplated therein.

Dated: _____, 2018

TD BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 1 (Vero Beach) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach;

(2) copies of Amendment No. 1 (Project Participant) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants, and Amendment No. 1 (Project Participant) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants;

(3) a copy of the Transfer Agreement (Stanton Project), dated as of March ____, 2018 by and between Vero Beach and the Agency;

(4) a copy of the Consent and Waiver (Stanton Project), dated as of ____, 2018, of each Other Stanton Project Participant;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency;

(6) a copy of the Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between Vero Beach and the Agency; and

(7) a copy of the Partial Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton Bond Resolution.

Exhibit L

Substantial Form of Certificate of FMPA

Draft 03/10/18

**FLORIDA MUNICIPAL POWER AGENCY
CERTIFICATE AS TO DETERMINATION OF BOARD OF DIRECTORS
(STANTON PROJECT)**

We, Bill Conrad, Chairman of the Board of Directors, and Jacob A. Williams, General Manager and CEO of Florida Municipal Power Agency (the "Agency"), hereby certify that the Board of Directors of the Agency, after taking into account all relevant facts and circumstances, including, without limitation,

- (i) the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., in each case as to engineering matters;
- (ii) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters;
- (iii) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and] in the form dated _____, 2018, as to certain legal matters;
- (iv) the respective rating announcements and letters provided by Moody's Investors Service, Inc. dated January 24, 2018 and by Fitch Ratings, Inc., dated November 17, 2017 and March 7, 2018;
- (v) being apprised of the adoption of resolutions by each of the Stanton Project Participants (other than the City of Vero Beach) approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero Stanton Project Entitlements;
- (vi) being apprised of the adoption of resolutions by each of the ARP Project Participants (other than the City of Vero Beach) approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero Stanton Project Entitlements;
- (vii) being apprised of the adoption of resolutions by the City of Vero Beach approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero Stanton Project Entitlements; and
- (viii) the Trustee Certificate, dated March 15, 2018.

at a meeting duly called and held on March 15, 2018 has determined that the transfer and assignment of the Vero Stanton Project Entitlements to the Agency, with respect to the ARP, and the full release and discharge of Vero Beach from, among other things, all obligations related to the Stanton Project as specified in the Waiver and Release Agreement in substantially the form attached hereto as Exhibit A and as contemplated by the Stanton Transfer Agreement in substantially the form attached hereto as Exhibit B and the related documents, including the Vero Stanton Amendments (the forms of which are included as part of Exhibit B) and the Other

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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Stanton Participant Amendments in substantially the forms attached hereto as Exhibit C, will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 712 of the Stanton Bond Resolution.

Capitalized terms used herein and not otherwise defined directly or indirectly through the reference of other documentation will have the meanings provided for such terms in the Master Annex attached as an exhibit to the Transfer Agreement (Stanton Project), by and between Vero Beach and the Agency, with respect to the ARP, and dated as of March ___, 2018.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the seal of the Agency as of the date first written above.

[SEAL]

Bill Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

EXHIBIT A

Form of Waiver and Release Agreement

See Exhibit B-2 in the Stanton Transfer Agreement

EXHIBIT B

Form of Stanton Transfer Agreement

See Exhibit B to the Stanton Resolution

EXHIBIT C

Form of Other Stanton Participant Amendments

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 1”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA), and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the “[Participant]/Stanton PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/Stanton PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “Stanton Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“Stanton Unit No. 1”), and FMPA, with respect to the Stanton Project, is entitled to a corresponding portion of the Electric

Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the [Participant] pursuant to the [Participant]/Stanton PSC and to the other Stanton Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs," and, together with the [Participant]/Stanton PSC, the "Stanton PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton Project, to issue its bonds to pay the costs of acquiring and constructing the Stanton Project, it was necessary for the Stanton PSCs to be substantially similar and for FMPA, with respect to the Stanton Project, to pledge such contracts and the payments required to be made in accordance with such Stanton PSC's as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract, (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero/Stanton Contracts"), each by and between FMPA and Vero Beach and dated as of January 16, 1984, acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton Contracts and the associated rights and obligations thereunder (the "Vero/Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, that FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Transfer Agreement requires, that FMPA and each of the other Stanton Project Participants other than Vero Beach (the "Other Stanton Project Participants") acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC be amended ("Vero/Stanton PSC Amendments"); and

WHEREAS, the transfer and assignment of the Vero/Stanton PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the Stanton PSCs to reflect the transfer and assignment of the Vero/Stanton Contracts and the Vero/Stanton Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the Stanton PSCs provides that the terms and conditions of a Stanton PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton PSCs of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/Stanton PSC Amendments, has consented to the Vero/Stanton PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/Stanton PSC to request that similar amendments be made to the [Participant]/Stanton PSC and has agreed to enter into a Mutual Release Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton PSC. The [Participant]/Stanton PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Contracts" to read as follows:

"All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution."

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” or “ARP Project” to read as follows:

“ARP or ARP Project shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “Stanton Trustee” to read as follows:

“Stanton Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

(ix) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract shall mean the Stanton Project Power Sales Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended."

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

"(e) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(xi) Annex I of the [Participant]/Stanton PSC is hereby amended by this Amendment No. 1 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/Stanton PSC is hereby amended by this Amendment No. 1 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Orlando Utilities Commission
[Address]
[Address]

[Stanton Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's Stanton Project, in connection with the authorization, execution and delivery of (i) Amendment No. 1 to the Stanton Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018, between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

B-1

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA"), and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton Project Project Support Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton Project Support Contract"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton PSC"). The [Participant]/Stanton PSC and the [Participant/Stanton Project Support Contract together are referred to herein as the "[Participant]/Stanton Contracts."

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the "Stanton Project" (the "Stanton Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project ("Stanton Unit No. 1"), and FMPA, with

respect to the Stanton Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton PSC and power sales contracts that are substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs" and, together with the [Participant]/Stanton PSC, the "Stanton PSCs") FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the Stanton Project Participants; and

WHEREAS, the Stanton PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton Project; and

WHEREAS, in order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA, with respect to the Stanton Project to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton Project Support Contract and FMPA and the other Stanton Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton Project Support Contract (collectively, the "Stanton Project Support Contracts"); and

WHEREAS, pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero Stanton Contracts", each by and between FMPA and the City of Vero Beach, Florida ("Vero Beach") and dated of January 16, 1984 Vero Beach acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton Contracts and the associated rights and obligations thereunder (the "Vero Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations, to FMPA, including, without limitation, under the Vero

Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC and Vero/Stanton Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton Project Support Contract and Stanton Project Support Contracts other than Vero/Stanton Project Support Contract (the "Other Stanton Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton Project Support Contracts provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton Project Support Contract to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton Project Support Contract. The [Participant]/Stanton Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton Project Support Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

Exhibit M-1

Substantial Form of Opinion of Nixon Peabody, LLP, as Bond Counsel to FMPA

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 212 of 1048

Draft of NP Opinion 03/11/18

Tower 46
55 West 46th Street
New York, NY 10036-4120
T.: 212-940-3000
F.: 212-940-3111

[FORM OF OPINION OF BOND COUNSEL FOR STANTON PROJECT]

[Date]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

TD Bank, N.A., as Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960

Ladies and Gentlemen:

We serve as Bond Counsel to Florida Municipal Power Agency, with respect to its Stanton Project (“FMPA”), which has entered into a Transfer Agreement (Stanton Project) with the City of Vero Beach, Florida (“Vero Beach”), dated as of _____, 2018, including the Master Annex as an exhibit thereto (the “Stanton Transfer Agreement”), and have acted as such in connection with the authorization, execution and delivery by FMPA of the Transaction Documents (as hereinafter defined). This opinion letter is being delivered in accordance with Section 7 of the Stanton Transfer Agreement. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Stanton Transfer Agreement.

In so acting we have examined Section 163.01, Florida Statutes, as amended, Chapter 166, Part II, Florida Statutes, as amended, Chapter 361, Part II, Florida Statutes, as amended, and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (collectively, the “Act”), and have made such other examination of applicable Florida and other laws, as we have deemed necessary in giving this opinion. We have also examined originals, or copies certified or otherwise identified to our satisfaction, of the following:

(a) the Stanton Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on January 13, 1984, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof (the “Stanton Bond Resolution”);

(b) the Stanton Project Power Sales Contracts, dated as of January 16, 1984 (each, an “Original Power Sales Contract”), between FMPA and each of the Stanton Project Participants, and Stanton Project Project Support Contracts, dated as of January 16, 1984 (each, an “Original

Project Support Contract”), between FMPA and each of the Stanton Project Participants (collectively, the “Stanton Contracts”);

(c) executed copies of Amendment No. 1 (Vero Beach) to the Vero Stanton Power Sales Contract, dated as of _____, 2018 (the “Vero Power Sales Amendment”), between FMPA and Vero Beach, and Amendment No. 1 (Vero Beach) to the Vero Stanton Project Support Contract, dated as of _____, 2018, between FMPA and Vero Beach (the “Vero Project Support Amendment” and together with the Vero Power Sales Amendment, the “Vero Amendments”);

(d) executed copies of Amendment No. 1 (Project Participant) to the Stanton Project Power Sales Contract, dated as of _____, 2018 (each, a “Participant Power Sales Amendment,” and collectively the “Participant Power Sales Amendments”), between FMPA and each of the Other Stanton Project Participants, and Amendment No. 1 (Project Participant) to the Stanton Project Project Support Contract, dated as of _____, 2018, between FMPA and each of the Other Stanton Project Participants (each, a “Participant Project Support Amendment,” and collectively the “Participant Project Support Amendments,” and together with the Participant Power Sales Amendments, the “Participant Amendments”);

(e) executed copy of the Stanton Transfer Agreement;

(f) the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc.

(g) FMPA Agenda Memorandum, dated _____, 2017 covering the valuation relating to the Proposed Sale Transaction;

(h) Certificate as to determination of the FMPA Board of Directors (Stanton Project), dated March 15, 2018;

(i) copies of the announcement from Moody’s Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton Project Revenue Bonds;

(j) executed copies of the Consent and Waiver (Stanton Project), dated the date hereof, of each Other Stanton Project Participant (the “Consent and Waivers”);

(k) executed copies of the Stanton Mutual Release Agreements, by and between each of the Other Stanton Project Participants and Vero Beach (the “Stanton Mutual Release Agreements”);

(l) an executed copy of the Waiver and Release Agreement, dated the date hereof, by and between Vero Beach and FMPA (the “Waiver and Release Agreement”);

(m) an executed copy of the Assignment Agreement (Stanton Project), dated as of the date hereof, by and between Vero Beach and FMPA (the “Stanton Assignment Agreement”);

(n) executed copies of the Partial Assignment Agreement (Stanton Project), dated as of the date hereof, by and between FMPA and TD Bank National Association, as trustee under the Stanton Bond Resolution (the "Stanton Partial Assignment"); and

(o) an executed copy of the opinion of Jody Lamar Finklea, General Counsel and Chief Legal Officer to Florida Municipal Power Agency, dated the date hereof relating to the Transaction Documents.

The Vero Amendments, the Participant Amendments, the Stanton Transfer Agreement, the Consent and Waivers, the Waiver and Release Agreement, the Stanton Assignment Agreement and the Stanton Partial Assignment are collectively referred to herein as the "Transaction Documents."

We have also examined and relied upon originals or copies, certified or otherwise authenticated to our satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in our judgment have deemed necessary or appropriate to enable us to render the opinions expressed below. As to questions of fact material to such opinions, we have, when relevant facts were not independently established by us, relied upon certificates of FMPA or its officers or of public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions contained herein, we are of the opinion, as of the date hereof, that:

1. FMPA is a governmental legal entity duly created and validly existing under the provisions of the Act.

2. FMPA has the full legal right, power and authority to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The execution and delivery of, and the performance by FMPA of its obligations under, the Transaction Documents has been duly authorized by all required action of the FMPA Board of Directors at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including, without limitation, Section 286.011, Florida Statutes, as amended.

4. The Transaction Documents have each been duly authorized, executed and delivered by Authorized Officers of FMPA and each of the Transaction Documents constitutes a legal, valid and binding obligation of FMPA enforceable against FMPA in accordance with its respective terms. subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and the constitutional powers of the United States of America, and bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

5. The execution and delivery of the Vero Amendments and the Participant Amendments by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton Bond Resolution and the Stanton Contracts.

6. The execution and delivery of the Transaction Documents by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton Bond Resolution and the Stanton Contracts, as amended.

7. All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required to date on the part of FMPA in connection with the execution, delivery and performance of the Transaction Documents have been obtained or made; except that an amendment to Schedule A to the Interlocal Agreement is required to be filed with a clerk of the court in Leon County, Florida on the date hereof promptly after the execution and delivery of the Transaction Documents.

In rendering the opinions set forth in paragraph 2 (other than with respect to the Act), in paragraph 3, and in paragraph 7 as to any governmental or public agency, authority or person of the State of Florida, we have relied upon the opinion of Jody Lamar Finklea, General Counsel and Chief Legal Officer to Florida Municipal Power Agency, dated the date hereof and addressed to you.

In rendering the opinions set forth in paragraph 4, we have assumed that all parties other than Florida Municipal Power Agency, with respect to its Stanton Project, to the Transaction Documents have the requisite power and authority to execute and deliver, and have duly authorized, executed and delivered the Transaction Documents.

The opinions rendered herein covering FMPA are limited to covering Florida Municipal Power Agency, with respect to its Stanton Project. To the extent any of the Transaction Documents are executed by FMPA, with respect to the All-Requirements Power Supply Project, we have provided an opinion of even date herewith covering FMPA, with respect to the All-Requirements Power Supply Project.

Our opinions expressed herein are rendered only with regard to the matters expressly opined on above and do not consider or extend to any documents, agreements, representations or any other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. No attorney-client relationship has existed or exists between our firm and any of the addressees on this letter except for FMPA, in connection with the Proposed Sale Transaction or by virtue of this letter. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

This opinion letter is solely for your benefit and is not to be relied upon by any other person, without our express written consent.

Very truly yours,

Exhibit M-2

Substantial Form of Opinion of Jody Lamar Finklea, as General Counsel and Chief
Legal Officer of FMPA

Draft of NP Opinion 03/11/18

[FORM OF OPINION OF FMPA GENERAL COUNSEL FOR STANTON PROJECT]

[Date]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

TD Bank, N.A., as Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as the General Counsel and Chief Legal Officer to Florida Municipal Power Agency, with respect to its Stanton Project (“FMPA”), which has entered into a Transfer Agreement (Stanton Project) with the City of Vero Beach, Florida (“Vero Beach”), dated as of _____, 2018, including the Master Annex as an exhibit thereto (the “Stanton Transfer Agreement”), and have acted as such in connection with the authorization, execution and delivery by FMPA of the Transaction Documents (as hereinafter defined). This opinion letter is being delivered in accordance with Section 7 of the Stanton Transfer Agreement. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Stanton Transfer Agreement.

In so acting I have examined Section 163.01, Florida Statutes, as amended, Chapter 166, Part II, Florida Statutes, as amended, Chapter 361, Part II, Florida Statutes, as amended, and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (collectively, the “Act”), and have made such other examination of applicable Florida and other laws, as I have deemed necessary in giving this opinion. I have also examined originals, or copies certified or otherwise identified to my satisfaction, of the following:

(a) the Stanton Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on January 13, 1984, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof (the “Stanton Bond Resolution”);

(b) the Stanton Project Power Sales Contracts, dated as of January 16, 1984 (each, an “Original Power Sales Contract”), between FMPA and each of the Stanton Project Participants, and Stanton Project Project Support Contracts, dated as of January 16, 1984 (each, an “Original Project Support Contract”), between FMPA and each of the Stanton Project Participants (collectively, the “Stanton Contracts”);

(c) executed copies of Amendment No. 1 (Vero Beach) to the Vero Stanton Power Sales Contract, dated as of ____, 2018 (the "Vero Power Sales Amendment"), between FMPA and Vero Beach, and Amendment No. 1 (Vero Beach) to the Vero Stanton Project Support Contract, dated as of ____, 2018, between FMPA and Vero Beach (the "Vero Project Support Amendment" and together with the Vero Power Sales Amendment, the "Vero Amendments");

(d) executed copies of Amendment No. 1 (Project Participant) to the Stanton Project Power Sales Contract, dated as of ____, 2018 (each, a "Participant Power Sales Amendment," and collectively the "Participant Power Sales Amendments"), between FMPA and each of the Other Stanton Project Participants, and Amendment No. 1 (Project Participant) to the Stanton Project Project Support Contract, dated as of ____, 2018, between FMPA and each of the Other Stanton Project Participants (each, a "Participant Project Support Amendment," and collectively the "Participant Project Support Amendments," and together with the Participant Power Sales Amendments, the "Participant Amendments");

(e) executed copy of the Stanton Transfer Agreement;

(f) the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc.

(g) FMPA Agenda Memorandum, dated ____, 2017 covering the valuation relating to the Proposed Sale Transaction;

(h) Certificate as to determination of the FMPA Board of Directors (Stanton Project), dated March 15, 2018;

(i) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton Project Revenue Bonds;

(j) executed copies of the Consent and Waiver (Stanton Project), dated the date hereof, of each Other Stanton Project Participant (the "Consent and Waivers");

(k) executed copies of the Stanton Mutual Release Agreements, by and between each of the Other Stanton Project Participants and Vero Beach (the "Stanton Mutual Release Agreements");

(l) an executed copy of the Waiver and Release Agreement, dated the date hereof, by and between Vero Beach and FMPA (the "Waiver and Release Agreement");

(m) an executed copy of the Assignment Agreement (Stanton Project), dated as of the date hereof, by and between Vero Beach and FMPA (the "Stanton Assignment Agreement");

(n) executed copies of the Partial Assignment Agreement (Stanton Project), dated as of the date hereof, by and between FMPA and TD Bank National Association, as trustee under the Stanton Bond Resolution (the "Stanton Partial Assignment");

(o) an executed copy of the opinion of Nixon Peabody LLP, Bond Counsel to FMPA, dated the date hereof relating to the Transaction Documents.

The Vero Amendments, the Participant Amendments, the Stanton Transfer Agreement, the Consent and Waivers, the Waiver and Release Agreement, the Stanton Assignment Agreement and the Stanton Partial Assignment are collectively referred to herein as the "Transaction Documents."

I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment have deemed necessary or appropriate to enable me to render the opinions expressed below. As to questions of fact material to such opinions, I have, when relevant facts were not independently established by me, relied upon certificates of FMPA or its officers or of public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions contained herein, I am of the opinion, as of the date hereof, that:

1. FMPA is a governmental legal entity duly created and validly existing under the provisions of the Act.

2. FMPA has the full legal right, power and authority to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The execution and delivery of, and the performance by FMPA of its obligations under, the Transaction Documents has been duly authorized by all required action of the FMPA Board of Directors at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including, without limitation, Section 286.011, Florida Statutes, as amended.

4. The Transaction Documents have each been duly authorized, executed and delivered by Authorized Officers of FMPA and each of the Transaction Documents constitutes a legal, valid and binding obligation of FMPA enforceable against FMPA in accordance with its respective terms. subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and the constitutional powers of the United States of America, and bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

5. The execution and delivery of the Vero Amendments and the Participant Amendments by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton Bond Resolution and the Stanton Contracts.

6. The execution and delivery of the Transaction Documents by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton Bond Resolution and the Stanton Contracts, as amended.

7. All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required to date on the part of FMPA in connection with the execution, delivery and performance of the Transaction Documents have been obtained or made; except that an amendment to Schedule A to the Interlocal Agreement is required to be filed with a clerk of the court in Leon County, Florida on the date hereof promptly after the execution and delivery of the Transaction Documents.

In rendering the opinions set forth in paragraph 4, I have assumed that all parties other than Florida Municipal Power Agency, with respect to its Stanton Project, to the Transaction Documents have the requisite power and authority to execute and deliver, and have duly authorized, executed and delivered the Transaction Documents.

The opinions rendered herein covering FMPA are limited to covering Florida Municipal Power Agency, with respect to its Stanton Project. To the extent any of the Transaction Documents are executed by FMPA, with respect to the All-Requirements Power Supply Project, I have provided an opinion of even date herewith covering FMPA, with respect to the All-Requirements Power Supply Project.

My opinions expressed herein are rendered only with regard to the matters expressly opined on above and do not consider or extend to any documents, agreements, representations or any other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. No attorney-client relationship has existed or exists between me and any of the addressees on this letter except for FMPA, in connection with the Proposed Sale Transaction or by virtue of this letter. This opinion letter is issued as of the date hereof, and I assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to my attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

This opinion is furnished by me as General Counsel and Chief Legal Officer to FMPA. This opinion letter is solely for your benefit and is not to be relied upon by any other person, without my express written consent.

Very truly yours,

Composite Exhibit N

Fitch Rating Confirmation

Moody's Rating Confirmation

Valuation Report

Resolution Opinion of Nixon Peabody, LLP



33 Whitehall Street
New York, NY 10004

T 212 908 0500 / 800 75 FITCH
www.fitchratings.com

Mr. David C. Leondi
Vice President, Corporate Trust
TD Bank, N.A.
1006 Astoria Boulevard
Cherry Hill, NJ 08003

17 November 2017

Dear Mr. Leondi,

Re: Rating Confirmation of regarding ratings for the following Florida Municipal Power Agency (FMPA) project revenue bonds (collectively, the "Ratings"):

- All Requirements Project (ARP), project revenue bonds, rated 'A+' with a Positive Outlook;
- Stanton Project, project revenue bonds, rated 'A+' with a Stable Outlook;
- Stanton II Project, project revenue bonds, rated 'A+' with a Stable Outlook; and,
- St. Lucie Project, project bonds, rated 'A' with a Stable Outlook.

This letter is provided in response to a request for confirmation of the Ratings with respect to the proposed sale of the city of Vero Beach, FL's electric system, its request to terminate its participation in FMPA, and the effect of the ARP's assumption of Vero Beach's entitlements under the Stanton, Stanton II and St. Lucie projects (together the "Vero Beach transaction").

Fitch (see definition below) hereby confirms that, based on the information provided to us, including a review of the proposed transaction provided in FMPA's "Considerations and Process to Assist in the Sale of the Vero Beach Electric System" presentation and the projected economic impact, the Vero Beach transaction will not result in a withdrawal or downgrade on any of the Ratings assigned by Fitch.

This ratings confirmation only addresses the effect of Vero Beach transaction on the current Ratings assigned by Fitch. This ratings confirmation does not address whether the Vero Beach transaction is permitted by the terms of the documents. This ratings confirmation does not address whether the proposed Vero Beach transaction is in the best interests of, or prejudicial to, some or all of the holders of FMPA's project revenue bonds.

The ratings assigned by Fitch are based on the documents and information provided to us by the issuer and other parties and are subject to receipt of final closing documents. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.



The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Ratings are not a recommendation or suggestion, directly or indirectly to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan, security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Fitch is not your advisor, nor is Fitch providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A ratings confirmation should not be viewed as a replacement for such advice or services.

Ratings are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and rating confirmations are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or rating confirmation. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

A rating confirmation by Fitch does not constitute consent by Fitch to the use of its name as an expert in connection with any registration statement or other filings under US, UK or any other relevant securities laws. Fitch does not consent to the inclusion of its ratings in any offering document in any instance in which US, UK or any other relevant securities laws requires such consent. Fitch does not consent to the inclusion of any written letter communicating its rating action in any offering document. You understand that Fitch has not consented to, and will not consent to, being named as an "expert" in connection with any registration statement or other filings under US, UK or any other relevant securities laws, including but not limited to Section 7 of the U.S. Securities Act of 1933. Fitch is not an "underwriter" or "seller" as those terms are defined under applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation Sections 11 and 12(a)(2) of the U.S. Securities Act of 1933, nor has Fitch performed the roles or tasks associated with an "underwriter" or "seller" under this engagement.

Fitch relies on the issuer and other parties to promptly provide Fitch with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered,



withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason Fitch deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between Fitch and you or between Fitch and any user of the ratings]

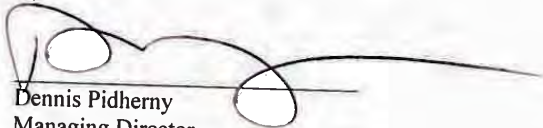
In this letter, "**Fitch**" means Fitch Ratings, Inc. together with any successor in interest.

If we can be of further assistance, please contact me at (212) 908-0738 or Andrew DeStefano at (212) 908-0284.

Sincerely,

Fitch

By:



Dennis Pidherny
Managing Director

cc: Mark Larson, Florida Municipal Power Agency

FITCH TAKES VARIOUS ACTIONS ON FLORIDA MUNI POWER AGENCY'S PROJECT REV BONDS

Fitch Ratings-New York-07 March 2018: Fitch Ratings has taken the following rating actions on the Florida Municipal Power Agency's (FMPA) project revenue bonds:

- \$17.4 million Stanton Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$6.5 million Tri-City Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$129.1 million Stanton II Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$312.1 million St. Lucie Project revenue bonds affirmed at 'A'; Outlook Stable.

SECURITY

Outstanding bonds under the St. Lucie, Stanton, Stanton II and Tri-City projects are secured solely by revenues received by FMPA from those project participants in each respective project pursuant to applicable power sales contracts and project support contracts. There is no cross-support between projects.

KEY RATING DRIVERS

WHOLESALE ELECTRIC PROVIDER: FMPA is a mature project-based joint action agency providing both all- and partial-requirements projects to most of its 31 retail electric utility members dispersed throughout Florida.

PARTICIPANT CREDIT QUALITY DRIVES OUTLOOK: The ratings on FMPA's power projects reflect the credit quality of the participating members in each respective project. However, the Negative Outlook on the Stanton, Stanton II and Tri-City projects reflects the weaker credit quality of the unrated participants in those projects, including the cities of Lake Worth, FL, Homestead, FL and Keys Energy, and the limited contractual obligations of the remaining participants.

TAKE OR PAY OBLIGATIONS: Take-or-pay contracts require payment of all project costs, including debt service on the bonds, whether or not each of the projects are operating or operable.

CONTRACT STEP-UP PROVISION: The power sales contracts include a standard step-up provision that requires each participant to purchase up to 125% of its original project allocation in the event that another participant defaults. The step-up provision protects bondholders in the event of a default by the smaller project participants but also limits the obligations of the large, rated participants.

RATE FLEXIBILITY: Both FMPA and its project participants maintain the ability to make timely rate adjustments to recover variable fuel costs. Importantly, rate adjustments are not regulated by the State's Public Service Commission.

RATING SENSITIVITIES

CHANGES IN PARTICIPANT CREDIT QUALITY: The credit quality of the project participants is an important consideration in Florida Municipal Power Agency project ratings. The rating for the

Stanton, Stanton II and Tri-City projects could be downgraded if weak financial performance and low liquidity levels persist at the unrated participants.

CREDIT PROFILE

FMPA is a project-based joint-action agency formed in 1978 to provide its members with a reliable and competitively priced power supply and related services. FMPA's 31 members are comprised of municipally owned electric utility systems serving an estimated combined two million residents located throughout Florida. The majority of the members participate in multiple FMPA projects. Each of the agency's power supply projects were individually financed and separately secured to provide cost-based power to each of the participating members.

FMPA's members are a diverse group of small to medium sized electric utility systems serving primarily residential end users. Service area characteristics for the bulk of the members are believed to be sound, as are financial profiles of the vast majority of the member systems.

Vero Beach, FL (A+/Stable) is a participant in several of FMPA's projects, including the All Requirements Project (A+/Positive). Vero Beach is in the latter stages of being sold to an investor owned utility and their project shares being assigned to (and contractual obligations under the projects absorbed by) FMPA's ARP. All of FMPA's projects are discrete, stand-alone projects with no cross-support or financial or other obligations among them. The project rating actions described above are directly tied to Fitch's assessment of the unrated participants related to the Stanton, Stanton II and Tri-City projects and not to the credit quality (or potential sale of) Vero Beach's utility system.

STRONG CONTRACTS

Long-term, take-or-pay power sales contracts and project support contracts extend well beyond the current maturity of outstanding bonds issued to finance each of the projects. The power sales contracts for each of the projects require participant payments be sufficient to cover all project related costs, including debt service and any variable costs, when capacity and energy are made available. Project payments are made as an operating expense of the participating electric utility, paid before any member utility debt service payments are funded.

Payments under the project support contracts would be subordinate to operating and maintenance expenses and direct debt service obligations of the participating utilities, if the project is not operating or operable. While the project support contracts remain a slightly weaker structure than absolute and unconditional take-or-pay power sales contracts, Fitch believes the contract structure sufficiently obligates the project participants to continue to support debt service payments on FMPA's outstanding debt.

A 25% step-up provision is included in each of the power sales contracts, providing bondholder protection from a default of one or more participants. Consequently, the project ratings are limited to the weakest of the participants where entitlement shares of project output would not be sufficiently covered by the remaining participants in each of the projects.

PARTICIPANT CREDIT QUALITY

Each of the project ratings continues to reflect the general credit quality of its participants. The Stanton project has six participants, including Vero Beach, FL, Ft. Pierce Utilities Authority (FPUA; A+/Stable) and Kissimmee Utility Authority (KUA; electric system revenue bonds AA-/Stable), which account for about 70% of total entitlement shares.

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The Stanton II project has seven participants. Three that account for almost two-thirds of the total entitlement shares are rated 'A+' or higher by Fitch. The credit quality of the non-rated members continue to support the 'A+' project ratings, but the Negative Outlook reflects weaker financial performance. If low financial margins and lower liquidity persist, the project ratings could be lowered.

Tri-City has three participants, only one of which is rated by Fitch (FPUA). Despite the step-up provision for this project, bondholders have direct exposure to all three participants. The two unrated participants are the city of Homestead and the Utility Board of the City of Key West (dba Keys Energy Services). Similar to the Stanton and Stanton II projects, Fitch is concerned lower financial margins and a lack of liquidity at the nonrated members could lead to a lower rating on the project bonds.

The St. Lucie Project has 15 participants. Five of the top eight participants representing 50% of the entitlement shares are rated 'A+' or higher by Fitch. However, the project rating is capped by the credit quality of the largest participant, the city of Lake Worth.

FLEXIBLE RATE STRUCTURES

Neither FMPA nor its members are subject to regulation by any regulatory agency at the state or federal level. FMPA's wholesale rates and average costs per MWh for the projects are generally competitive. Most project participants maintain competitive retail rates, despite the common practice of providing sizeable transfers of electric fund revenues to their respective municipal general funds. Importantly, FMPA and its participants have the ability to recover fuel costs in a timely manner with their own pass-through of fuel charges.

MANAGEABLE DEBT PORTFOLIOS

Debt at the project level is manageable. Debt outstanding under both the Stanton and Tri-City Projects is fixed rate with level debt service. The Stanton II and St. Lucie projects contain fairly sizeable exposure to variable rate debt. However, the swaps for Stanton II are no longer outstanding. Stanton II's debt service is roughly level. However, about half of the total outstanding debt under the St. Lucie project was issued with multiple bullet maturities. While the project's sizeable exposure to variable debt with bullet maturities occurring in 2022 and 2027 remains a concern, the risk is somewhat less pronounced compared to prior years when variable rate obligations represented nearly 75% of the project's total debt portfolio. The St. Lucie project's investment balances and forward sales agreement are expected to provide significant resources to fund these maturities.

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Applicable Criteria

Rating Criteria for Public-Sector, Revenue-Supported Debt (pub. 26 Feb 2018)

<https://www.fitchratings.com/site/re/10020113>

U.S. Public Power Rating Criteria (pub. 18 May 2015)

<https://www.fitchratings.com/site/re/864007>

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Moody's: No rating impact on FMPA Stanton Project (FL) bonds resulting from planned Vero Beach transaction

Global Credit Research - 24 Jan 2018

New York, January 24, 2018 -- Moody's Investors Service, at the request of Florida Municipal Power (FMPA), has reviewed the documents that relate to FMPA's role in facilitating the sale of the City of Vero Beach's (Vero Beach) electric system to Florida Power & Light Company (FP&L; A1 stable). As per existing contract terms, FMPA is undertaking amendments to allow Vero Beach to sell its electric system to FP&L, withdraw from its various contracts with FMPA and have the FMPA All-Requirements Power Project (ARP; A2 stable) accept assignment and transfer of Vero Beach's entitlement shares in the Stanton II Project (A1 stable), the FMPA Stanton Project (A1 stable) and the FMPA St. Lucie Project (A1 stable). We refer to these steps and related matters, as the Vero Beach transaction.

Moody's has determined that the Vero Beach transaction, in and of itself and at this time, will not result in a downgrade or withdrawal of the counterparty/notes/debt rating currently assigned to the FMPA Stanton Project. However, Moody's opinion addresses only the credit impact associated with the proposed transaction and Moody's is not expressing any opinion as to whether the transaction has, or could have, other unrelated effects that may have a detrimental impact on the interests of note holders and/or counterparties.

The Vero Beach transaction is subject to a number of precedent conditions and approvals set forth in the purchase and sale agreement (PSA) between FP&L and Vero Beach and various other agreements and among Vero Beach, FMPA and its various project participants, and other parties playing a role in the transaction. Under the PSA, FP&L will pay \$185 million to acquire the Vero Beach electric system. The parties anticipate a transaction closing in October 2018.

We believe that the Vero Beach transaction as contemplated has credit positive characteristics for FMPA. The sale of all of its project participants because upon closing the transaction would eliminate a longstanding distraction, consuming considerable management time and financial resources and reduce associated political risk. Moreover, FMPA is contemplating strategies following closing of the Vero Beach transaction that are expected to facilitate a substantially rate neutral effect on the other FMPA ARP participants. We also view favorably the diversification benefits of spreading the payments associated with the Vero Beach entitlements in the take-or-pay projects across the 13 active ARP participants instead of relying solely on Vero Beach.

This publication does not announce a credit rating action and for credit ratings referenced in this publication please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

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FLORIDA MUNICIPAL POWER AGENCY

Vero Beach Independent Valuation Study

Prepared for:
Florida Municipal Power Agency

REPORT

June 2017

Prepared by:



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EXECUTIVE SUMMARY

The Florida Municipal Power Agency (“FMPA”) is a project-oriented, joint action municipal power agency with 31 Members located throughout the State of Florida. The City of Vero Beach (“Vero Beach”) is a participating member in the FMPA Stanton, Stanton II, and St. Lucie Projects (together, the “Projects”). At the request of Vero Beach, FMPA is seeking to develop a cost or payment for which it would accept assignment of Vero Beach’s entitlement share of the Projects as future resources in its All Requirements Project (ARP), that ensures the Participants in the ARP are “held harmless” from higher costs and future risk exposure associated with the transfer of Vero Beach’s entitlements. The assignment of the Vero Beach entitlements to FMPA results in a cost or payment from Vero Beach to FMPA, as the forecasted costs of the Projects are higher than present views of market pricing, and therefore, the Vero Beach entitlements have a negative market value. The Executive Committee of FMPA engaged GDS Associates, Inc. (“GDS”) to develop an independent valuation of Vero Beach’s entitlement shares in the Projects to compare and contrast with FMPA’s staff evaluation.

GDS reviewed and relied upon the detailed responses to information requests provided by FMPA and informed by projections provided by Orlando Utilities Commission and Florida Power & Light to perform a market projection and discounted cash flow valuation analysis in similar fashion to that performed by FMPA. Table ES-1 summarizes the results that GDS reached independently, as compared to FMPA’s results over the remaining debt period, and Table ES-2 summarizes the results that GDS reached independently over GDS’ assumption of the useful lives of the Projects.

Table ES-1: Base Case Payment Calculation Over Debt Period (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
FMPA Projection	5	39	31	76
GDS Projection	6	38	31	75

Table ES-2: Base Case Payment Calculation Over Useful Life (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
GDS Projection	26	45	18	89

As the two tables reflect, GDS’ projection of the Base Case payment is similar to FMPA’s projection when considered over the debt period alone. However, GDS reached a Base Case payment of \$89 million over the useful life of the three Projects as its formal conclusion for the expected payment. It is important to note that as it relates to longer useful life assumptions for the Projects and certain adjustments that GDS made to Project costs, FMPA considered some of these items to be part of its Risk Analysis.

As part of its risk analysis to ensure that ARP Participants are not harmed by the potential resource assignment, FMPA believed that the \$32 million estimation of Vero Beach’s ARP withdrawal costs associated with Section 29 of the ARP Contract was a good proxy for its estimate of the risk payment needed to hold its ARP members harmless for assuming Vero Beach’s entitlements to the other Projects if Vero Beach waived its rights Section 29(f) of the ARP Contract. Together with the Base Case evaluation, FMPA reached a combined “hold harmless” payment estimation of \$108 million.

GDS analyzed the risk factors affecting the future costs of the Projects as compared to market prices. For each risk event, GDS developed probability-weighted assumptions for cost or a view of reasonable

expectation for the protected cost exposure, as necessary. Table ES-3 summarizes the risk factors and total cost adjustment of \$17 million that GDS includes to reasonably “hold harmless” the FMPA All Requirements Project participants in accepting the assignment of the Vero Beach entitlements.

Table ES-3: Summary of GDS Risk Adjustments to Hold Harmless Payment
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Operational Risks	0.2	0.4	0.6	1.2
Stanton Unit 1 Extension	6.0	0.0	0.0	6.0
Extended Low Natural Gas Prices	0.0	1.0	5.0	6.0
Extended Low Capacity Prices	0.2	1.8	2.1	4.1
Total Risk Adjustment	6.4	3.2	7.7	17.3

In its risk evaluation, GDS recognizes the unique situation that exists with the Stanton coal-fired Projects as the Orlando Utilities Commission is presently operating these resources at a loss versus market prices. Their near-term plans to invest significant funds in the Projects seems to signal greater likelihood of Stanton Unit 1 life extension beyond the term of FMPA’s outstanding debt of the Stanton Projects, and as a result, the potential for FMPA to be subject to additional years of uneconomic dispatch. GDS also considered key capital investments that may be required for each Project over the remaining useful lives of the Projects. Based on the assumed energy and capacity cost projections, another major risk to All Requirements Project participants is the exposure that exists under extended low natural gas price or low capacity price scenarios that could exist in the future. Extended low natural gas prices would drive market energy prices even lower, while lower capacity prices would impact FMPA’s ability to recover all or a portion of the Projects’ fixed costs, both resulting in relatively higher net Project costs that would need to be recovered from FMPA’s ARP Participants. GDS included some portion of both cost exposures as a necessary acknowledgement of the “hold harmless” nature of the analysis. Finally, GDS assessed the potential for future environmental regulation or legislation that could affect the coal-fired Projects. In a somewhat inverted effect on the view of future risk, GDS views that these risk events that might materially affect the Projects, such as a formal carbon tax, could result in greater pressure on the Orlando Utilities Commission to retire the units, and given the uneconomic operation of the resources under GDS’ assumed market price forecast, such events could likely result in lower cost as FMPA would be advantaged by lower cost market alternatives. Given these views, no premium is assigned to the “hold harmless” payment for these events.

In conclusion, GDS independently evaluated the Base Case valuation and risk factors for a combination “hold harmless” payment from Vero Beach to FMPA of \$106 Million for the assignment of its entitlements in Stanton Units 1 and 2, along with St. Lucie Unit 2 to FMPA’s All Requirements Project, as compared to FMPA’s estimate of \$108 million. Although various assumptions and risk considerations were comparatively different between GDS’ and FMPA’s analysis, the valuations of each party are substantially similar.

1 INTRODUCTION

The Florida Municipal Power Agency ("FMPA") is a project-oriented, joint action municipal power agency with 31 Members located throughout the State of Florida. The City of Vero Beach ("Vero Beach") is a member in four of the five FMPA power supply projects – the All Requirements Project ("ARP"), as well as the Stanton, Stanton II, and St. Lucie Projects (and each a "Project"). Within these Projects, Vero Beach has entitlement shares in three electric generating assets – Stanton Unit 1, Stanton Unit 2, and St. Lucie Unit 2 (individually each an "Asset" and collectively, the "Assets"). While Vero Beach is a member in the ARP, they have elected a Contract Rate of Delivery ("CROD") level of zero, and thus they are presently limited from any real participation in the ARP. A review of Vero Beach's ARP withdrawal costs (ARP Contract Section 29) associated with its participation in the ARP are outside the scope of this Report. GDS Associates, Inc. ("GDS") has not been engaged to conduct any such review of these ARP-related costs, and has performed no such review.

Vero Beach has expressed a desire to sell its electric system to Florida Power & Light ("FP&L"). The FMPA power supply contracts supporting the Stanton, Stanton II, and St. Lucie Projects do not allow for a member, such as Vero Beach, to withdraw, nor do they allow the sale of a Participant's electric system. FMPA has identified an assignment of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects to the ARP Project as a potential means by which to address the City of Vero Beach's desire to sell its FMPA entitlements to other municipalities and, by doing so, enable the sale of its electric system to FP&L. FMPA has indicated that any such assignment: (i) must not increase ARP Project costs to the remaining ARP members, (ii) must not cause additional risk to those remaining ARP members for which they are not compensated, and (iii) would need to address risk concerns of the non-ARP members which participate in the Stanton, Stanton II, and St. Lucie Projects.

It is commonly understood amongst the parties that the combined ongoing costs of the Assets are above market value. That is, a potential purchaser of the Assets, after conducting a discounted cash flow analysis of the ongoing project costs of the Assets and the value of the output of the Assets in the market would conclude that the Assets currently have negative value.

In the proposed assignment of Vero Beach's entitlements, the ARP Project would take on the capacity and energy output, as well as the costs, of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects. And, to ensure that the costs to the remaining ARP members are not adversely impacted by this assignment, Vero Beach would pay an amount equal to the net present value of the difference between the projected Project costs and the projected market value of the capacity and energy, together with a risk adjustment (collectively the "hold harmless payment" or negative valuation of the Vero Beach entitlement shares in the Stanton, Stanton II, and St. Lucie Projects).

FMPA has performed a calculation of the hold harmless payment associated with the Vero Beach entitlement shares. Specifically, FMPA prepared a discounted cash flow analysis comparing the projected cost of Vero Beach's entitlement shares in each Asset to the revenue that could be obtained if the output from the Assets were sold into the market, utilizing a forecast of the Florida Municipal Power Pool ("FMPP") energy price. Such analysis was prepared through the remaining debt period for each Asset, and, consequently, did not reflect any capacity related market value. This discounted cash flow amount, taken together with FMPA's estimation of Vero Beach's ARP withdrawal costs associated with Section 29 of the ARP Contract, totaled \$108 million on a net present value basis. FMPA's Executive Committee has engaged GDS to conduct an independent valuation of the Assets using an industry standard methodology. This Report (the "Report") constitutes that Vero Beach Independent Valuation Study (the "Study").

2 METHODOLOGY

To determine a valuation of the Assets, GDS has performed a discounted cash flow analysis. The discounted cash flow analysis computes, based on the Vero Beach entitlements, for each Project and in total, the Net Present Value (“NPV”) difference between (i) the forecasted Project costs and (ii) the forecasted market value of the capacity and energy associated with such Project. To the extent that the NPV of the forecasted Project costs exceeds the NPV of the forecasted market value, this difference, together with any risk adjustment, represents the compensation required from Vero Beach in order to assign its Project entitlements to FMPA’s ARP Project without increasing costs to the ARP members, (i.e., the “hold harmless payment”).

2.1 Project Costs

The forecasted Project costs are generally based on near-term budget projections provided to FMPA by the operators of these generating plants – Orlando Utilities Commission (“OUC”) for Stanton Units 1 and 2, and FP&L for St. Lucie Unit 2. FMPA maintains these projections and provided such data to GDS. These Project costs include items such as debt service, operations and maintenance expenses, fuel, and capital expenditures at the plants, as well as other cost items such as transmission, and administrative and general expenses. Being a majority owner of the generating plants in both cases, OUC and FP&L are in the best position to predict forecasted spending at the respective units. While GDS understands that those forecasts may change, GDS has relied upon those forecasts in the development of its asset valuation. GDS has reviewed FMPA’s forecasts of the ongoing cost of operations, independently provided input on whether their assumptions are reasonably founded, and in a few areas, have made minor adjustments to FMPA’s forecasts.

2.2 Market Value

The market value is comprised of both an energy and capacity component.

2.2.1. Market Energy

Generally, the market value of the energy is based on a forecasted economic dispatch of these generating units into an assumed hourly energy market. For FMPA, the energy market is the FMPP. The FMPP combines the load and generating resources of FMPA’s All-Requirements Project participants, as well as Lakeland Electric and OUC, to more economically dispatch resources and efficiently meet their customers’ combined load requirements. The FMPP’s Clearing House Price (“CHP”) sets the hourly price per megawatt for pool purchase and sale transactions between the FMPP members (FMPA, OUC and Lakeland). The hourly unit price is based on the highest incremental energy cost of the last 50 megawatts (“MWs”) of the pool’s most economic and available power resources dispatched to meet total pool load requirements. This is referred to as CHP50. It is possible that a unit might comprise all of an hour’s 50 MWs used for setting the CHP50 or only a portion of the 50 MWs. In the latter case, each unit’s respective cost per MWh (\$/MWh) is used proportionally for setting the hourly price.

GDS utilized its PROMOD IV model (through 2036) and in-house expertise to independently develop a forecasted economic dispatch of each of the Assets based on forecasted natural gas prices and Project operational costs, with the FMPP marginal price signal as a measure of the market. The weighted average FMPP energy price over the hours each Asset is dispatched represents the generating unit’s market energy value. Utilizing the PROMOD IV model, GDS assumed that its results provide a reasonable proxy for system lambda and the CHP50 cost as it uses the appropriate resource(s) costs needed to serve the next increment of load in the system. It is reasonable to suggest that utilizing a modeling technique with only FMPP resources produces a controlled forecast of the marginal cost of producing energy and is under the direct control of FMPP’s combined participants.

2.2.2. Market Capacity

FMPA's discounted cash flow analysis extended through the remaining debt service period for each Asset. Florida and FMPP have sufficient capacity through 2027, as such, FMPA's assumptions meant that no new capacity additions were necessary and placed no value on capacity. However, GDS's approach was to model through end of the useful life of each Asset, which extended beyond 2027, after which FMPP is projected to become short on capacity. Therefore, GDS's approach necessitates valuing the capacity market. Both approaches assigned no capacity value through 2027.

The forecast methodology for capacity prices after demand and supply equilibrium utilizes an optimization model of energy and capacity prices. Modeled capacity prices within the FMPP are determined by a residual fixed cost curve, defined as follows: modeled energy market revenues earned by a resource are used to first offset the variable operating costs of the resource, with any surplus energy revenue being used to offset the fixed O&M costs and capital costs, including debt service, (if any) of the resource. Any remaining un-recovered fixed costs represent a capacity component that the resource would have to recover from the marketplace to remain solvent, theoretically. As with our economic energy dispatch assumptions, GDS acknowledges that this assumption has limitations in Florida's bilateral market. It concludes that all fixed costs of added capacity are recovered from the market, which can certainly be disputed in structured and unstructured markets alike. Additionally, Florida's capacity market is unlike a structured market in that cost recovery for some utilities is intermingled between retail rates and wholesale rates, further depressing wholesales capacity prices because some of the cost recovery is through retail rates. In the case of FMPP's market alternatives, there are certainly strong incentives for existing capacity, FP&L and merchant alike, to negotiate a discounted Power Purchase Agreement ("PPA") or sale of existing capacity and energy to remain competitive. To account for this market incentive, GDS developed a weighting of new build capacity costs and existing, discounted capacity to develop a longer-term proxy of capacity costs for the purpose of evaluating the avoided capacity costs with respect to the Vero Beach entitlements that FMPA's ARP members would retain. GDS acknowledges that the assumption of discount to new-build costs for future capacity practically means that FMPA would need to win a corresponding Request for Proposals ("RFP") bid process for that capacity. For further information on the development of the capacity prices, refer to Section 3.2.4 of this Report.

In addition to the GDS modeling approach to meeting deficient capacity needs to maintain reserve margin, it is also important to understand some framework for future capacity expansion. In our approach to valuation of the Assets, GDS believes that it is important to consider the potential market dynamics for new and purchased capacity to properly characterize the asset value (or negative value, as the case may be) through the useful life of each Project. To determine potential future capacity for the FMPP, we relied upon information in the FMPP Long-Term Resource Plan as outlined in material to the FMPP Executive Committee dated September 9, 2016. The FMPP Long-Term Resource Plan indicated that adding new natural gas-fired combined cycle ("CC") generating units represented the lowest life-cycle cost. GDS relied on this information, without independent evaluation of the types of capacity expansion options, in introducing future capacity when necessary to meet any deficiency versus forecasted load requirements.

2.3 Risk

To meet FMPA's second criteria for this potential assignment of imposing no "additional risk to those remaining ARP members for which they are not compensated", GDS evaluated various risk elements as well as the cost exposure created by such events and, in some cases, the probabilities of such occurrences. These cost exposures were combined with the "deterministic" NPV discounted cash flow analysis valuation payment to arrive at the total negative valuation, or total hold harmless payment required by Vero Beach to FMPA.

3 BASE CASE

The GDS Base Case represents the discounted cash flow analysis before the introduction of any risk premium/adjustment that the FMPA ARP should receive to cover its exposure or risk in assuming the Vero Beach entitlements. This section summarizes key information regarding the Base Case analysis and its assumptions.

3.1 Project Costs

As mentioned earlier, the forecasted costs for each of the Stanton I, Stanton II, and St. Lucie Projects are based on cost data provided to FMPA by the operators of these plants. FMPA staff maintains such data and provided the data to GDS. GDS reviewed these cost projections, along with projected escalation rates and discussed with FMPA staff. The FMPA projected costs generally appear reasonable for the purposes of this Study, with limited adjustments to those costs discussed further in Section 3.1.4. During the period of GDS' completion of this Study, OUC and FP&L provided responses to data requests that resulted in adjustments to near-term capital investment and operations and maintenance plans. GDS relied on OUC's and FP&L's estimates as the best understanding of the respective owner's plans for each Project, and GDS made corresponding adjustments to operational characteristics where capital investment and upgrades substantively improve operations (discussed below).

3.1.1. Stanton Unit 1

Stanton Unit 1 is a subcritical, coal-fired electric generating unit, which began commercial operation in July 1987. Recent information provided by OUC indicates a major turbine upgrade is currently planned during 2019. Considering this planned upgrade, the estimated useful life of Stanton Unit 1 has been assumed to be 40 years from the commercial operation date (through 2027) in the Base Case, and with significant investment still being made in the Project, GDS considers the potential for life extension of Stanton Unit 1 in its risk analysis (discussed in Section 4 of this Report).

3.1.2. Stanton Unit 2

Stanton Unit 2 is a subcritical, coal-fired electric generating unit, which began commercial operation in June 1996. Based on recent information provided by OUC, a major turbine upgrade is currently expected during 2023. Considering this projected upgrade, the estimated useful life of Stanton Unit 2 has been assumed to be 40 years from the commercial operation date (through 2036) in the Base Case.

3.1.3. St. Lucie Unit 2

St. Lucie Unit 2 is a pressurized water nuclear reactor electric generating unit, which began commercial operation in June 1983. GDS assumed a useful life of St. Lucie Unit 2 through the Project's current Nuclear Regulatory Commission ("NRC") operating license (through 2043).

The following table summarizes Vero Beach's entitlement shares in the capacity of the Assets.

Table 3-1: Capacity Shares and Entitlement Summary

Based on Seasonal Summer Ratings	100% of Unit (MW)	FMPA's Project Share of 100% Total (%)	FMPA's Project (MW)	Vero Beach's Share of FMPA Project (%)	Vero Beach's Share of FMPA Project (MW)
Stanton Unit 1	440	14.819%	65.2	32.521%	21.2
Stanton Unit 2	453	23.237%	105.3	16.489%	17.4
St. Lucie Unit 2	984	8.806%	86.6	15.202%	13.2
TOTAL					51.8

3.1.4. Cost Adjustments

GDS determined the projected operating and capital costs provided by FMPA, FP&L and OUC, needed to be adjusted to reflect responses to questions, actual plant operating characteristics and industry standard costs. Operating, maintenance and capital costs should reflect periodic major maintenance of equipment such as turbines, coal mills pumps, etc. Although FMPA's operating and capital costs did include certain costs of this type, in GDS's judgment, they did not appear to include sufficient funds to cover these activities. The following discusses the types of cost adjustments that GDS made.

3.1.4.1. Steam Turbine Overhaul

Steam turbines periodically require overhaul to perform inspections, replace worn parts and repair damage. These overhauls typically occur on a five to seven-year cycle, depending on age of the unit, maintenance history and hours in operation. The cost for these overhauls (on a 100% of unit basis and in 2017 dollars) can range from \$3 million to \$7 million, with the typical cost of about \$3.5 million. A turbine overhaul outage will typically last about six to eight weeks. The Stanton and St. Lucie Projects' cost projections provided by FMPA do not show any one-year increase in operating costs to cover the steam turbine overhaul. The following cost adjustments are based upon a steam turbine overhaul occurring every five years and costing \$3.5 million (on a 100% of unit basis and in 2017 dollars).

- a. Stanton Unit 1: Steam turbine overhaul costs are added, starting five years after the installation of the new turbine upgrades in 2019. Assuming Stanton Unit 1 is retired in 2027, the cost adjustment includes only one steam turbine overhaul. As mentioned earlier, it is plausible that OUC will continue to operate Stanton 1 beyond 2027, and we capture the probability of additional steam turbine overhaul costs beyond 2027 in our risk adjustment.
- b. Stanton Unit 2: Steam turbine overhauls are started five years after the installation of the new turbine upgrades in 2023. The cost adjustment includes two steam turbine overhauls prior to retirement in 2036.
- c. St. Lucie Unit 2: The cost adjustment includes four steam turbine overhauls through 2043, with the first occurring in 2023.

3.1.4.2. Heat Rate Degradation

Steam turbine wear and tear will cause an increase in heat rate between steam turbine overhauls. This is caused by erosion of turbine nozzles/blades and deposits on the turbine blades. Other items such as cooling tower performance, coal mill outages and condenser fouling can all cause increased heat rate. The Projects' fuel costs provided by FMPA do not include any change in plant heat rate due to steam turbine or other plant degradations between overhauls. The costs were adjusted for both Stanton units to reflect a 1.5% per year increase in heat rate between steam turbine overhauls. Although this same impact can be expected to occur at St. Lucie Unit 2, applying the 1.5% degradation factor to the low fuel costs resulted in insignificant impact on costs.

3.1.4.3. O&M Contingency

The projected operating costs for all three units do not appear to include any contingency for equipment failures, major repairs costs and other maintenance costs. Equipment failure and maintenance costs typically increase over the life of a power plant. Replacement/overhaul of components such as boiler feedwater pumps, feedwater heaters, coal mills, etc., can be expected as these plants age. Components such as coal mills, pumps, valves, condenser and cooling towers will require increased maintenance costs as parts wear. The forecasted maintenance cost levels do not appear to be sufficient to cover major equipment overhaul or replacement. The cost adjustments include an O&M contingency of \$0.7 million (on a 100% of unit basis and in 2017 dollars) per year for each coal unit, and \$2.4 million (on a 100% of unit basis and in 2017 dollars) per year for St. Lucie Unit 2.

3.1.4.4. Coal Decommissioning

Coal plants face significant decommissioning costs upon plant retirement. A typical 500 MW coal plant's decommissioning costs are expected to be between \$22 and \$30 million per unit on a 100% of unit basis (see FP&L March 2016 filing Docket No. 160021-EI). A decommissioning fund has not been established for the Stanton Units. The costs have been adjusted to reflect a decommissioning cost of \$26.5 million (on a 100% of unit basis and in 2017 dollars) in 2027 for Stanton Unit 1 and in 2036 for Stanton Unit 2.

3.1.4.5. Coal Units End-of-Life Capital Expenditures

As generating units reach the end of their useful lives, it is reasonable to assume that the operator of the facility will begin to scale back on, and eliminate, certain capital expenditures, which would normally be performed to maintain and improve operations and reliability. GDS made adjustments to the capital expenditure projections provided (which reflected steady-state operational levels through the assumed retirement dates) in order to "ramp-down" these expenditures during the last three years of operations (reduced by 1/3 in each of the last three years).

3.1.4.6. Nuclear Regulation Changes

The nuclear industry has a history of regulatory changes, which cause utilities to conduct studies and implement potential plant modifications. Over the remaining life of St. Lucie Unit 2, it is highly likely that a regulatory change will occur which will cause plant modifications. The projected costs provided for St. Lucie Unit 2 were adjusted to include a \$10 million (on a 100% of unit basis and in 2017 dollars) allowance for plant modifications. The cost adjustment spread this \$10 million evenly over the remaining life of the plant.

3.1.4.7. Cost Adjustment Summary

The following table conveys the cost adjustments for each plant:

Table 3-2: Cost Adjustment Summary
(Amounts Shown in NPV \$M)

Cost Adjustment (\$M)	Stanton Unit 1		Stanton Unit 2		St. Lucie Unit 2		Overall Total Vero Beach Share
	Total 100% Unit	Vero Beach Share	Total 100% Unit	Vero Beach Share	Total 100% Unit	Vero Beach Share	
Steam Turbine Overhaul	3	0.2	5	0.2	11	0.2	0.6
Heat Rate Degradation	4	0.2	21	0.8	NA	NA	1.0
O&M Contingency	6	0.3	11	0.4	45	0.6	1.3
Coal Decommissioning	22	1.1	18	0.7	NA	NA	1.8
End-of-Life Capital Expenditures	(16)	(0.8)	(13)	(0.5)	NA	NA	(1.3)
Nuclear Regulation Changes	NA	NA	NA	NA	10	0.1	0.1
TOTAL	19	1.0	42	1.6	66	0.9	3.5

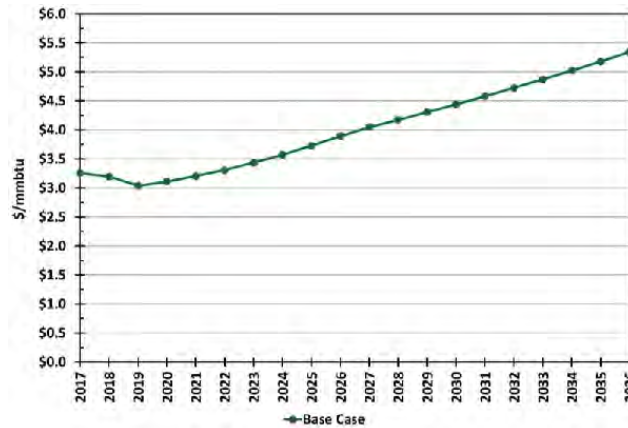
3.2 Market Value

3.2.1. Economic Energy Dispatch Introduction

As discussed earlier in Section 2, the FMPP is the energy market for these Assets. GDS utilized a PROMOD model of the FMPP to forecast this energy market. While GDS had the opportunity to review a PROMOD model case provided by FMPA, GDS independently developed its own PROMOD modeling assumptions and scenarios for review. GDS utilized forecasted natural gas prices based on the New York Mercantile Exchange (NYMEX) and then escalated the forward curve based on an average growth rate for the years beyond the end of the NYMEX forward curve. The growth rate is calculated as the average annual year over year growth

from the bottom (~2019) of the NYMEX curve through the latest data for the NYMEX curve, which is 2027. Figure 3-1 reflects the escalated natural gas prices utilized in the energy dispatch modeling for the FMPP over the chosen PROMOD simulation model study period of 2017 through 2036 (Pro Forma analysis extends beyond 2036 with an extrapolation of prices).

Figure 3-1: Natural Gas Prices



3.2.2. Load Forecast Assumptions

GDS updated the load forecast assumptions provided by FMPA. As a result of the contemplated withdrawal of Vero Beach’s load during the proposed sale of its system to FP&L, GDS excluded Vero Beach’s load from the FMPP, as a full-requirements customer of OUC, beginning in 2019. The load requirement can have a significant impact on the FMPP resource requirements and corresponding dispatch, so GDS reviewed the forecasted load carefully and relied upon the most recent set of member load forecasts, as provided by FMPA. The Bartow and Lake Worth wholesale loads are presently served within the FMPP; however, the short-term wholesale agreements to serve these loads are scheduled to expire in the near-term planning horizon. It is difficult to substantiate an assumption for whether these two wholesale loads should be included or excluded from the future supply to be served by the FMPP, as the outlook for these loads is unknown; however, as will become more evident in Section 3.2.3 regarding capacity planning and expansion, the period of contract renewal for these loads also coincides with the period where capacity in the FMPP is becoming scarce to maintain a 15% planning reserve margin. Thus, it is reasonable to assume that FMPP Load-Serving Entities (“LSEs”), such as FMPA or OUC, could have difficulty serving the capacity needs of the load without sourcing capacity elsewhere and, perhaps, at a greater premium to other market competitors. The service of these loads could become more difficult, and as a result, GDS assumed that both Bartow and Lake Worth wholesale loads would be excluded from the FMPP during the planning horizon¹.

3.2.3. Capacity Expansion Plan and Resource Assumptions

The GDS Base Case assumes that the Stanton coal-fired units would be in operation for a full 40-year useful life. Typically, asset valuations begin from a useful life assumption and consider variations as necessary from that starting point. Similarly, GDS assumed that St. Lucie’s useful life would extend through its currently approved NRC licensing period of 2043. From these load and resource assumptions, GDS needed

¹ Information was obtained immediately prior to finalizing this Report that FMPA is expected to serve at least a portion of the Bartow load for a 5-year period. The impact of including the Bartow load in the analysis presented herein would not be material.

to identify the likely resource that would be utilized to serve future capacity deficiency when necessary. GDS relied on the most recent FMPP Long-Term Resource Plan, which identified new-build, natural gas-fired CC units as the least-cost and most likely new resource addition for long-term FMPP capacity expansion. Given the assumption to remove Bartow and Lake Worth wholesale loads and the Base Case assumption to retire Stanton Unit 1 in 2027 at its 40-year useful life, a convergence existed around 2027 for replacement capacity need. Consistent with the FMPP Long-Term Resource Plan, GDS added new CC units and independently chose 800 MW additions in both 2027 and 2031 when new capacity is forecasted to be needed for the FMPP to support a planning reserve margin of 15%. The discrete 800 MW installations are approximately representative of an advanced new-build CC sizing. While such large installations do create significant impact to the reserve margin and the FMPP economic dispatch upon installation, GDS has chosen to model the full installation of such capacity when needed in a simpler approach, as opposed to smaller increments identified year to year through the planning horizon. Figure 3-2 illustrates the timing and sizing of the two CC additions, and Figure 3-3 illustrates the impact of the capacity additions to remain at or above the desired reserve margin level.

Figure 3-2: FMPP Capacity Additions

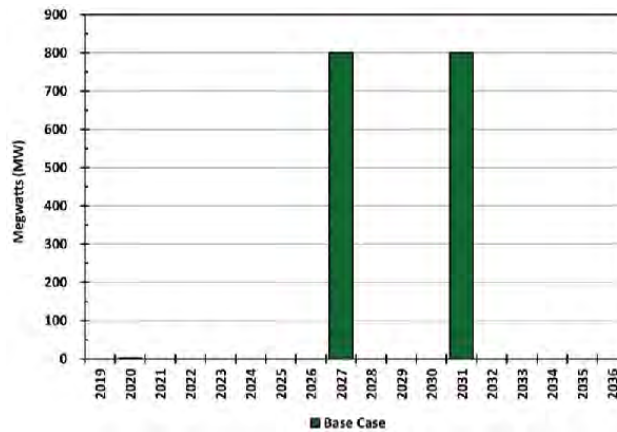


Figure 3-3: FMPP Reserve Margin



3.2.4 Forecasted Capacity Price Value

Based on the aforementioned assumptions and the modeled economic dispatch of all resources, capacity has no value until 2027 when the first FMPP new capacity addition/replacement is required. To determine the capital costs and fixed costs for the new-build CC generating resources, GDS relied on the costs (\$/kW) cited in the FMPP Long-Term Resource Plan dated September 9, 2016, and our team developed two financing considerations. A new-build with typical debt/equity ratios (45%/55%) representing IOU/merchant financing would yield a revenue requirement of around \$100/kW-Yr., while financing for a municipal at 100% tax-exempt debt would yield revenue requirements around \$60/kW-Yr.

GDS also considered that, into the future planning horizon, there may be resource agreements expiring, with lower debt obligations on such resources and deeper into their useful life that might be able to provide capacity at much lower costs. Such resources, if available, would be competitive with market, potentially providing cost competitive contract alternatives to FMPP. Given this potential bilateral market competition, it is reasonable to assume that not all new-build capital costs would be recovered. As a proxy for combined cycle capital costs, GDS utilized a PPA that FMPA currently has with Southern Power Company ("Southern") for combined cycle capacity and energy from Stanton Unit A ("Stanton A PPA") as a means to approximate the costs of existing capacity. GDS calculated the capacity payment for the Stanton A PPA to be approximately \$90/kW-Yr. in 2017 dollars under the current contract and assumed that renewal of such a contract later in its useful life with less competitive operating characteristics to new-build technology could easily be discounted to a 50% level (\$45/kW-Yr.). Continuing with that example, it seems likely that capacity owners like Southern, using the Stanton A PPA as an example, would be open to considering a heavily discounted PPA cost or price for sale to compete with the new-build option, and GDS believes that some blended rate between this option and the average of new-build costs would be an appropriate capital cost given the unknowns of future information. Using an existing capacity rate of \$45/kW-Yr. (50% discount on the Stanton A PPA), and \$80/kW-Yr. (Average of high and low new-build financing) for the new build option, GDS reached an average rate of \$62.5/kW-Yr. and approximately \$68/kW-Yr. when including fixed O&M costs. Using these blended costs for incremental capacity (in 2017 dollars), GDS escalated this cost year over year as capacity becomes needed in the future planning horizon. Additionally, GDS modeled the variable revenue from new CC additions (assuming new-build operating characteristics) in the future planning horizon to determine the discount to fixed costs or the residual fixed cost.

GDS modeling resulted in market capacity prices shown in Figure 3-4, which reflects the forecasted market capacity prices based on the forecasted economic dispatch of the resources, FMPP energy prices and the CC capacity additions. Figure 3-4 illustrates the resulting residual fixed cost for capacity, and by virtue of blending the new-build cost with other discounted PPA opportunities, it also approximates capacity cost recovery below full new-build unit installation, which acknowledges the presence of other existing capacity in the marketplace and its impact on cost recovery. Again, this assumption would necessarily require FMPA to win an RFP for such capacity at a discount to new-build pricing in the future.

Figure 3-4: Market Capacity Price

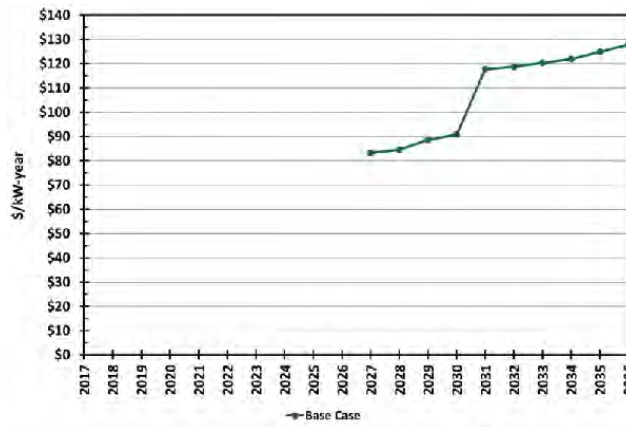
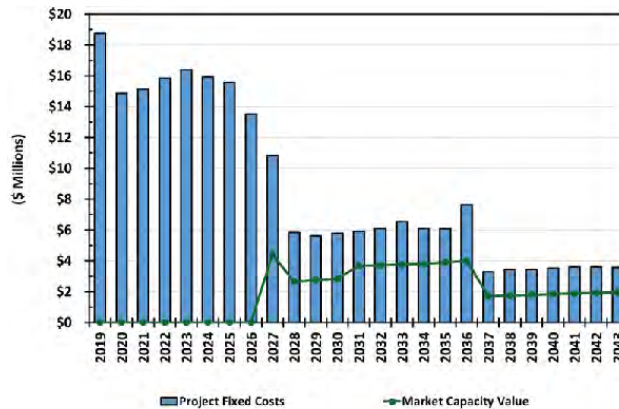


Figure 3-5 conveys a comparison, for the aggregate Vero Beach entitlement share, of the Project fixed/capacity-related costs to the market capacity value for the aggregate of Vero Beach's entitlements in the Assets. As shown, the aggregate fixed costs of the Projects are greater than the market value of capacity in all years of the valuation period.

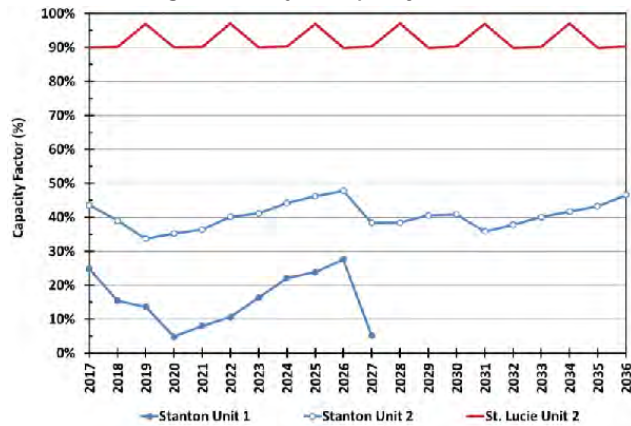
Figure 3-5: Project Fixed Costs vs. Market Capacity Value
(Vero Beach Entitlement Share in \$M)



3.2.5. Forecasted FMPP Energy Price Value

The PROMOD model considered FMPP-specific assumptions and produced a forecasted economic dispatch of each of the Assets. Figure 3-6 reflects the forecasted capacity factors of Stanton Units 1 and 2 and St. Lucie Unit 2 resulting from the economic dispatch within the FMPP.

Figure 3-6: Project Capacity Factors



Utilizing the previous assumptions and the PROMOD economic dispatch of the FMPP resources, Figure 3-7 depicts the resulting forecasted average annual FMPP energy price (all hours of the year, or 7x24 basis) over the 2017 through 2036 period.

Figure 3-7: FMPP (Market) Energy Price

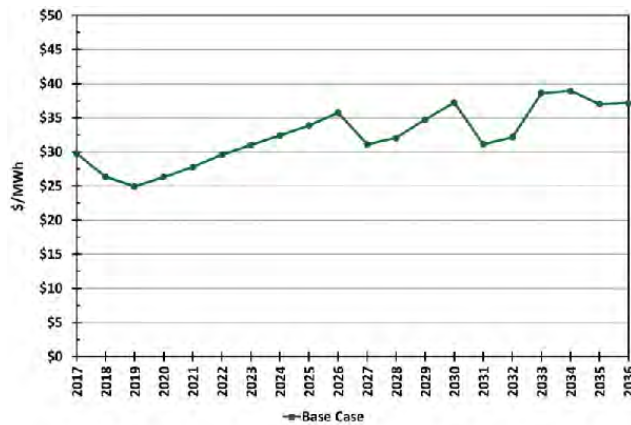


Figure 3-8 reflects the forecasted variable costs of Stanton Units 1 and 2, along with St. Lucie Unit 2 as compared to the annual average (across all hours of the year) FMPP (market) energy price. For purposes of the analysis regarding St. Lucie Unit 2 whose useful life extends through 2043, such market prices have been extrapolated for the period 2037 through 2043. St. Lucie Unit 2 is a baseload resource that generates anytime it is available, as its variable cost is below the marginal unit's price in the market. Thus, GDS has simply extrapolated market prices from the last year of the dispatch analysis (2036) to determine St. Lucie's profitability in the final seven years.

Figure 3-8: Average Project Variable Costs vs. Market Energy Price

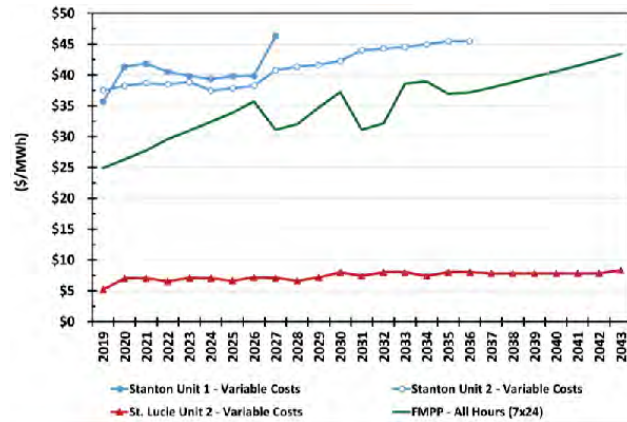
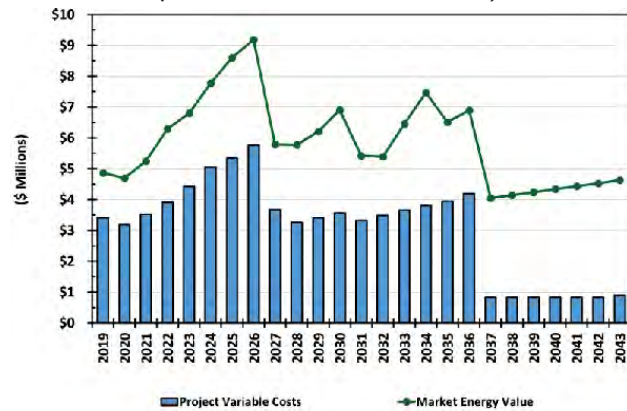


Figure 3-9 reflects, for the aggregate Vero Beach entitlement share, the forecasted aggregate variable project costs of Stanton Units 1 and 2 and St. Lucie Unit 2 as compared to the total market energy value. As shown in the figure, the aggregate variable costs of the Projects are less than the market value of energy in all years of the valuation period.

Figure 3-9: Project Variable Costs vs. Market Energy Value
(Vero Beach Entitlement Share in \$M)



3.3 Base Case Results

This section covers the results of the Base Case hold harmless payment calculation. It includes final modeling assumptions and presents results based on Vero Beach's entitlement shares.

3.3.1 Other Assumptions

3.3.1.1 Closing

The assignment of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects to the remaining ARP members has been assumed by FMPA to be able to be accomplished by October 1, 2018. GDS has not identified any data which would suggest this date is not valid.

3.3.1.2 Inflation Rate

FMPA provided an assumed annual inflation rate of 2.25%. Such rate was based on the Federal Reserve Bank of Philadelphia's December 2016 "Livingston Survey". Based upon review of inflation forecasts, which were generally consistent, GDS found this assumption to be reasonable for the purposes of this Study.

3.3.1.3 Discount Rate

The hold harmless payment which would be required from Vero Beach has been based on the differences between projected costs of the Assets and the projected market value, including some risk adjustments, discounted back to the assumed closing date at an FMPA-provided assumed discount rate of 4.75%. FMPA indicates that this rate is based on the all-in cost of ARP Series 2008C Bonds. Based on FMPA's indication that such a hold harmless payment could be used to defease a portion of the outstanding ARP debt, GDS finds this discount rate assumption to be reasonable.

3.3.1.4 Valuation Period

This Study computes the hold harmless payment based on projected Project costs and market values over the period beginning October 1, 2018 through the assumed useful life of each of the Assets: 2027 for Stanton Unit 1; 2036 for Stanton Unit 2; and 2043 for St. Lucie Unit 2.

3.3.1.5 Useful Life

The useful life for the coal-fired generating Assets is assumed to be 40 years from commercial operation date (through 2027 for Stanton Unit 1 and through 2036 for Stanton Unit 2). The useful life for the nuclear-fueled generating Asset is assumed to be through the current NRC operating license (2043).

3.3.2 Annual Results

The charts within this section reflect the projected annual project costs (both fixed and variable costs) for Vero Beach's entitlement share in the Assets, individually and collectively, as compared to the projected market capacity and energy value of the output.

Figure 3-10 compares the forecasted annual total project costs of the Stanton Project to the total market capacity and energy value of the projected output.

Figure 3-10: Stanton Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

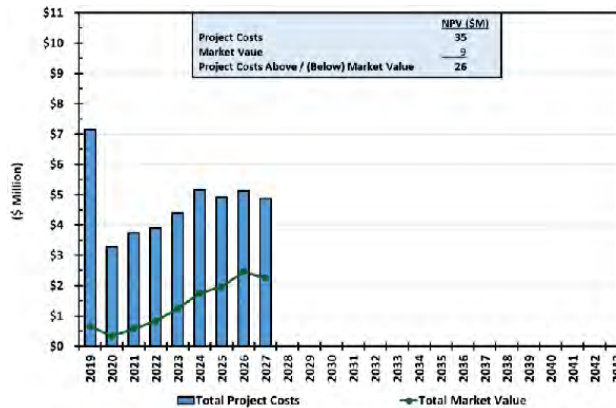


Figure 3-11 compares the forecasted annual total project costs of the Stanton II Project to the total market capacity and energy value of the projected output.

Figure 3-11: Stanton II Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

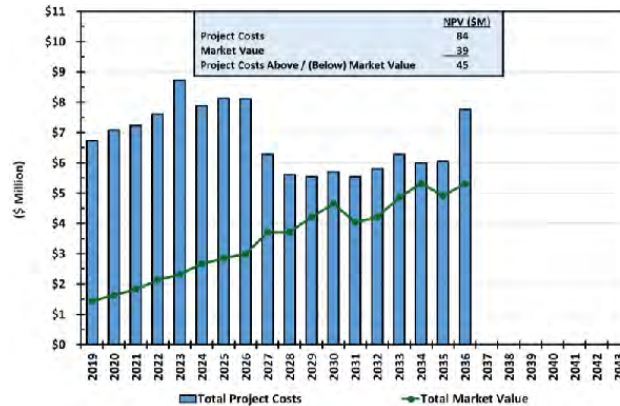


Figure 3-12 compares the forecasted annual total project costs of the St. Lucie Project to the total market capacity and energy value of the projected output.

Figure 3-12: St. Lucie Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

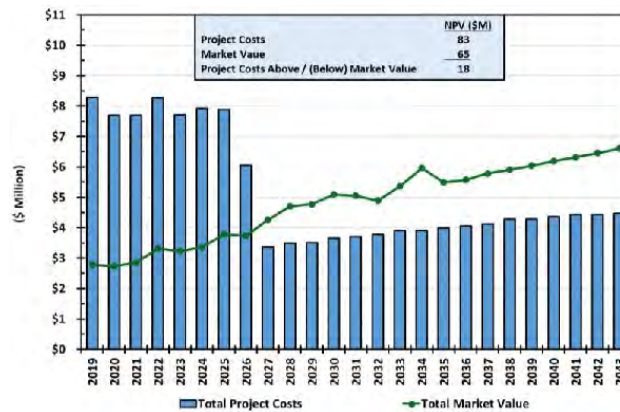
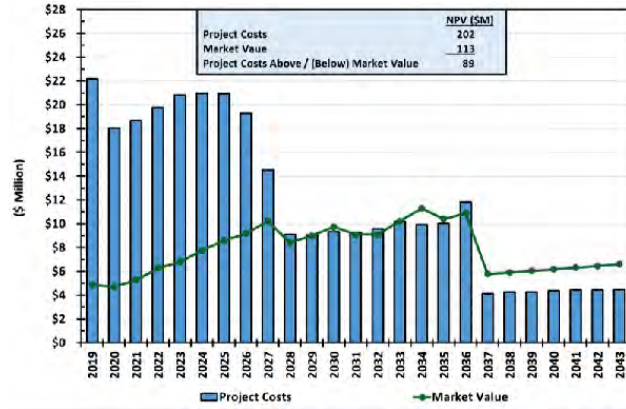


Figure 3-13 shows the forecasted annual total project costs for Vero Beach’s entitlement shares in all three Assets in aggregate, as compared to the total market capacity and energy value of the projected output. The net present value of the differences between these annual project costs and market value represents the Base Case hold harmless payment, which is reported in the next section of this Report.

Figure 3-13: Total Project Costs vs. Market Value
(Vero Beach Entitlement Shares in \$M)



3.3.3 NPV Results

The following table presents the valuation of Vero Beach’s entitlement shares in the Assets for the Base Case, or the hold harmless payment, (before the inclusion of any risk adjustment).

Table 3-3: Base Case Hold Harmless Payment (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Project Costs	35	84	83	202
Market Value	9	39	65	113
Net Project Costs Over / (Under) Market Value (Hold Harmless Payment – Before Risk Adjustment)	26	45	18	89

By way of comparison, Table 3-4 presents a comparison of the GDS and FMPA projections of the valuation of Vero Beach’s entitlement shares in the Assets over the debt period (before the inclusion of any risk adjustment). As the table reflects, GDS’ projection of the Base Case payment is similar to FMPA’s projection when considered over the debt period alone. However, GDS reached a Base Case payment of \$89 million over the useful life of the three Projects as its formal conclusion for the expected payment.

Table 3-4: Base Case Payment Calculation Over Debt Period (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
FMPA Projection	5	39	31	76
GDS Projection	6	38	31	75

4 RISK ANALYSIS

In addition to the Base Case assumptions and valuation of the respective Projects, there are clearly some risk factors that must be considered and valued as well. It is important to note that this Risk Analysis is not simply to indicate the potential volatility of assumptions around an expected future as modeled in the Base Case, but it also contains an important "hold harmless" consideration. GDS views that element of the Risk Analysis as a charge to capture certain exposures that exist and consider a protective element of the valuation to be sure that FMPA ARP participants are reasonably unharmed by a volatile future.

With that premise in mind, GDS carefully reviewed information regarding both Stanton units and St. Lucie Unit 2, including forecasted operating and maintenance costs, forecasted capital costs and operational history for potential future cost risks not captured in the Base Case forecasted Project costs. GDS performed the requested Risk Analysis, which identifies potential future costs of various risk events and assigns a probability of the risk event's occurrence or holds FMPA harmless from some portion of its exposure ("Protected Exposure") over the projected life of the Project. GDS utilized its experience to arrive at the potential cost and probability or protected exposure to calculate an annual expected cost for the risk event associated with Vero Beach's entitlement share of each of the subject Projects. GDS performed a discounted cash flow analysis on each risk event to arrive at a current NPV value (or cost exposure) for the respective event.

4.1 Areas of Risk

4.1.1 Operational Risks

The following text discusses the risk analysis for each unit and defines the risk events considered to add additional risk premium.

4.1.1.1 Coal Unit Risks

4.1.1.1.1 Environmental

Coal plants have been under increased environmental regulations over the last several years, which has caused costly plant investments. The following summarizes recent environmental regulations and their potential impact on the Stanton units.

a. Clean Power Plan ("CPP")

The Stanton units are both subject to reduction of carbon dioxide ("CO₂") emissions under the current Clean Power Plan. This plan is expected to see significant changes under the new United States Presidential administration. As currently written, the CPP could force closure of one or both Stanton units. Based upon current direction of the new Environmental Protection Agency ("EPA") administration, GDS has concluded that there is no foreseeable impact on the Stanton plant.

b. Cross State Air Pollution Rule ("CSAPR")

Florida is not currently subject to the ozone-season trading program. This could change under the 2015 ozone National Ambient Air Quality Standards ("NAAQS") standard of 100ppd. Florida is currently in an attainment area, reducing the need for further emissions controls.

- Nitrogen Oxide ("NO_x") Control: Stanton Unit 1 uses low NO_x burners and overfired air for reducing NO_x emissions. Any additional reduction in NO_x emissions would require the costly installation of selective catalytic reduction ("SCR"). Most plants that are within ten years of scheduled retirement, when faced with installing SCR, negotiate an earlier retirement date with environmental regulatory agencies to avoid the cost of SCR. Stanton Unit 2 uses low NO_x burners, overfired air and SCR. Further emission reduction systems are not expected to be required anytime in the future.

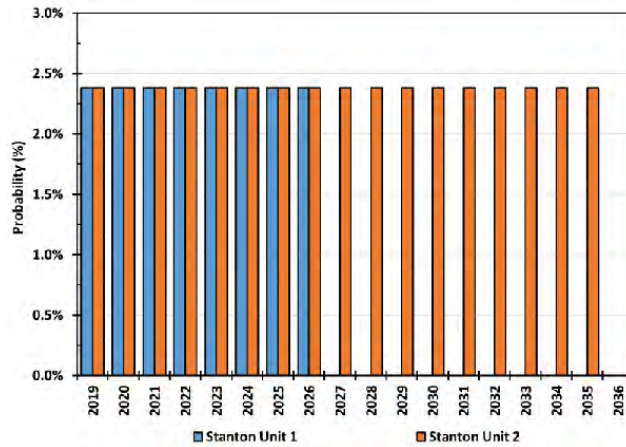
- Sulfur Dioxide (“SO₂”) Control: Both coal units employ wet flue gas desulfurization systems for SO₂ control. Further emission reduction systems are not expected to be required anytime in the future.
- c. Mercury and Air Toxic Standard (“MATS”)
Stanton Unit 1 uses activated carbon injection to meet MATS emissions limits. Stanton Unit 2 uses selective catalytic reduction to meet emissions limits. Further investment associated with compliance with MATS is not expected at this time.
- d. Water & Waste Water Rules
Stanton’s 10 million gallons per day of water supply is supplied by the City of Orlando. Stanton is a Zero Liquid Discharge (“ZLD”) facility and does not have a National Pollution Discharge Elimination System (“NPDES”) permit. All water entering the site is evaporated in the plant cooling systems and reused on-site. The ZLD forces Stanton to be operated during rainy summer months to prevent water discharge. New water storage ponds are being constructed to collect rain run-off and existing ponds are being upgraded with new liners. Ground water monitoring wells verify water is not leaking into aquifers. Further investment to comply with water and waste water regulations is not expected at this time.
- e. Coal Combustion Residuals (“CCR”)
OUC has developed plans for meeting the CCR rules. The plans include upgrading existing pond liners and closure of landfill storage cells. These costs are already included in the Stanton cost projections, and additional risk is not anticipated.

4.1.1.1.2 Boiler Component Replacement

Steam boiler sections, such as the superheater, re-heater, and economizer sections, are often replaced at least once during the project life. Erosion on the outside of the boiler tubes from coal ash and slag in the flue gasses and on the inside from steam flow cause the need for replacement. Industry experience has found most boilers will require replacement of at least one of these boiler sections, sometimes as early as thirty years of life. In the case of life extension, replacement of a boiler section is normally necessary to maintain boiler integrity. Typical costs for replacement of all three boiler sections range from \$23 to \$30 million (on a 100% of unit basis and in 2017 dollars), depending on the configuration of the boiler section and access. The Base Case projected costs do not include any project costs for replacing boiler sections. The following cost adjustments are based upon total boiler (three sections) replacement costs of \$27 million (on a 100% of unit basis and in 2017 dollars). Annual probabilities for the potential replacement of the boiler sections for each unit were created and are shown in Figure 4-1. In modeling the potential replacement of these boiler sections, GDS is utilizing the total cost of replacing all three sections and applying the probability assumptions in Figure 4-1 as the means of weighting the cost impact. To further clarify and as an example, a 33% (1 out of 3) probability represents the expectation that one of the three boiler sections needs replacement.

- a. Stanton Unit 1: the projected 40-year useful life of Stanton Unit 1 ends within the next ten years. GDS has assumed annual probabilities of replacement of boiler components at a uniform 2.4% per year through 2026, or a cumulative probability of 19%. (Refer to Figure 4-2).
- b. Stanton Unit 2: The longer life cycle of Stanton Unit 2 increases the probability of boiler component replacement. GDS has assumed annual probabilities of replacement of boiler components at a uniform 2.4% per year through 2035. This represents a cumulative probability of 33% by 2032 (i.e., the expectation of replacing one of the three boiler sections). Beyond 2032, the analysis includes a continuation of the same annual probability of 2.4% per year through 2035. (Refer to Figure 4-3).

Figure 4-1: Annual Probability of Stanton Units' Boiler Component Replacement



Figures 4-2 and 4-3 reflect the cumulative probability distributions assumed for boiler section replacements at Stanton Units 1 and 2, respectively.

Figure 4-2: Cumulative Probability of Stanton Unit 1 Boiler Component Replacement

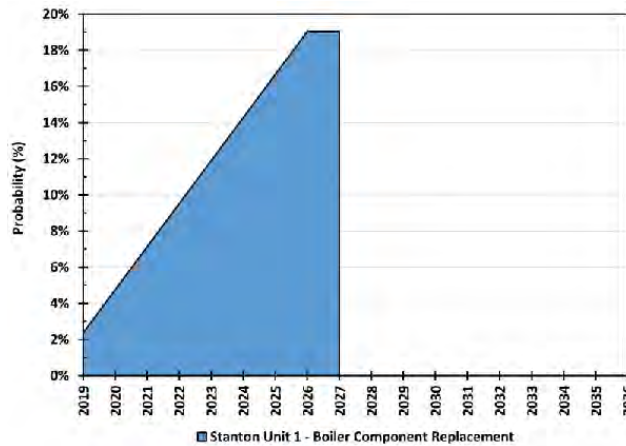
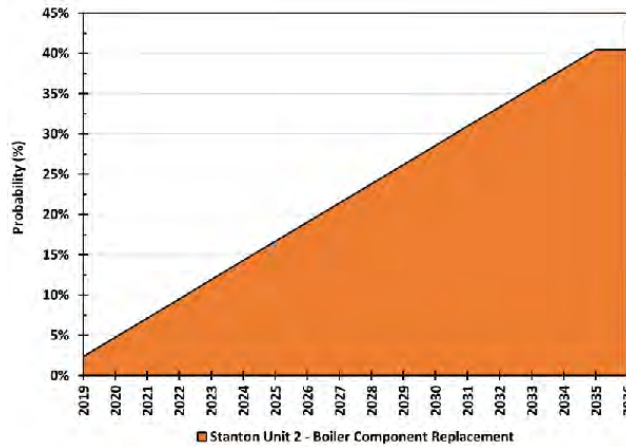


Figure 4-3: Cumulative Probability of Stanton Unit 2 Boiler Component Replacement



4.1.1.1.3 Stanton Units Risk Adjustment

The following table conveys the probability-weighted NPV risk adjustment associated with the Stanton coal-fired electric generating units for boiler component replacement risk.

Table 4-1: Risk Adjustment to Hold Harmless Payment Due to Stanton Units Risk
(Amounts Shown in Probability-Weighted NPV \$M)

Risk Item	Stanton Unit 1		Stanton Unit 2	
	Total 100% Of Unit	Vero Beach Share	Total 100% Of Unit	Vero Beach Share
Boiler Component Replacement	4.8	0.2	9.3	0.4

4.1.1.2 Nuclear Unit Risks

4.1.1.2.1 Flood Mitigation

The NRC indicates that St. Lucie Unit 2 meets all current NRC requirements for flood protection. FP&L acknowledges that additional protection may be necessary as sea levels rise. The St. Lucie nuclear power plant is only 10 feet above sea level. Current projections indicate a sea level rise of 1 to 4 feet by 2100. The impact on the St. Lucie power plant will mainly be due to potential flooding mitigation from tropical storms. Based upon FP&L's St. Lucie flood mitigation reports to the NRC, no mitigation is expected before 2030. Additional flood mitigation costs have been assumed to be \$7.5 million (on a 100% of unit basis and in 2017 dollars). GDS has assumed an annually increasing probability beginning in 2030 through 2042. The total cumulative probability of additional flood mitigation costs is 33%.

Figure 4-4 and Figure 4-5 reflect the probabilities assumed for additional flood mitigation costs on an annual and cumulative basis, respectively.

Figure 4-4: Annual Probability of Flood Mitigation Cost

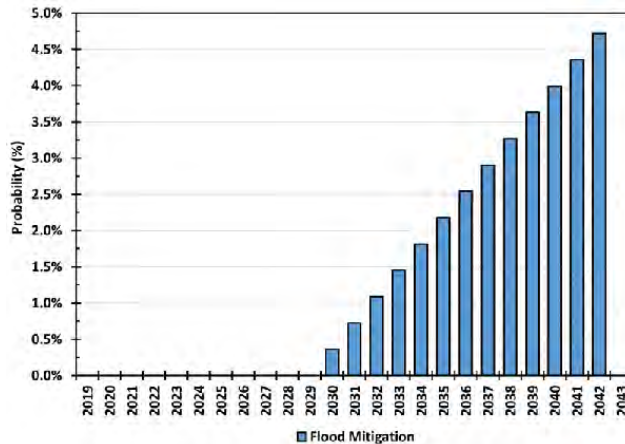
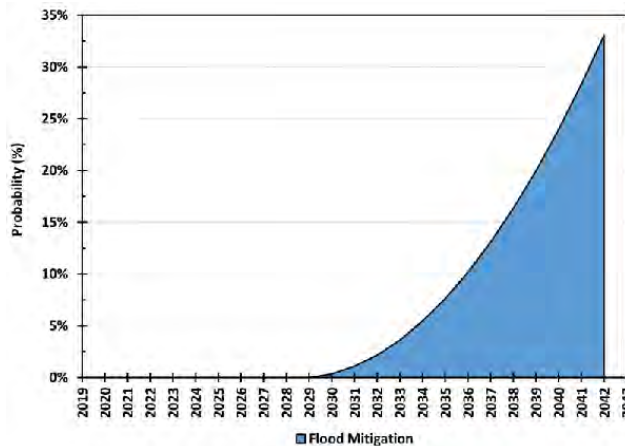


Figure 4-5: Cumulative Probability of Flood Mitigation Cost



4.1.1.2.2 Steam Generator Replacement

St. Lucie Unit 2 completed its installation of new steam generators in 2008. Since installation, evidence exists that these steam generators have experienced tube abrasion and denting from tube vibration. Inspection reports seem to indicate that the rate of wear and the corresponding rate of decrease in tube thickness has diminished and is no longer a concern. However, this issue will need to be closely monitored and could result in increased outage times to conduct additional inspections of the steam generator tubes. The steam generator’s warranty expires in 2027. Areva’s (the steam generator manufacturer) 2014 report on steam generator condition indicates that the number of steam generator tubes plugged at St. Lucie Unit 2 could exceed 10% by 2027 and 20% by 2043. Utilities have a history of replacing nuclear units’ steam generators of the type used at St. Lucie at about 20 years, on average. This is a significant risk factor. GDS has assumed an annual probability beginning in 2022 (after the expiration of steam generator warranty) increasing through 2033, before decreasing to zero by 2038. Given our Base Case analysis of St. Lucie Unit

2 retiring in 2043, GDS assumes that any difficulty with the steam generator in the final years of useful life would be reviewed in a life extension consideration or, if possible, the unit would be left to operate at less than optimal condition. The total cumulative probability of steam generator replacement is 33%.

Figure 4-6 and Figure 4-7 reflect the probabilities assumed for steam generator replacement at St. Lucie Unit 2 on an annual and cumulative basis, respectively.

Figure 4-6: Annual Probability of St. Lucie Unit 2 Steam Generator Replacement

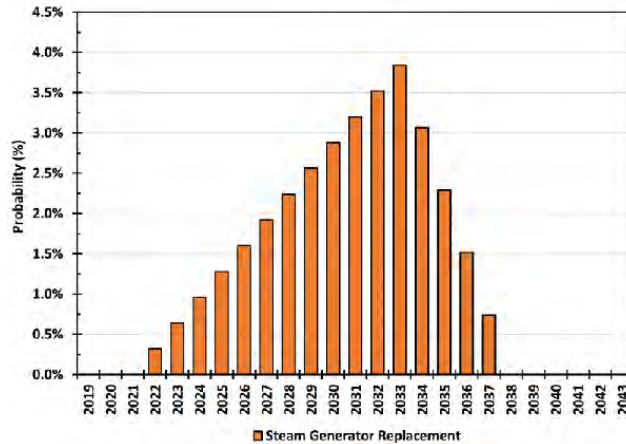
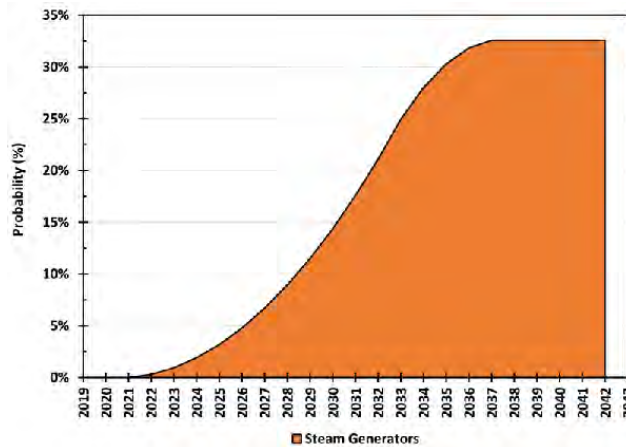


Figure 4-7: Cumulative Probability of St. Lucie Unit 2 Steam Generator Replacement



4.1.1.2.3 Nuclear Decommissioning & Spent Fuel Risk

Upon retirement in 2043, St. Lucie Unit 2 plant decommissioning and disposal of spent fuel is to be funded by a nuclear decommissioning trust fund (as required by the Nuclear Regulatory Commission). FP&L filed the 2015 Nuclear Decommissioning Study for St. Lucie Units 1 and 2 with the Florida Public Service Commission on December 14, 2015. In this study, FP&L states it intends to dismantle St. Lucie immediately upon retirement of St. Lucie Unit 2 (possessing the later of the two operating license expirations). The projected decommissioning costs for St. Lucie Unit 2 of \$871,831,000 (based on 100% of the unit and stated in 2015 dollars), include the costs of dismantling the plant, spent fuel interim storage, and final spent fuel disposition by the Department of Energy. The study identified that, based on FMPA's ownership share of

St. Lucie Unit 2, amounts funded at the time of the study, were more than the funding level required to meet FMPA's projected allocated share of decommissioning costs. Based upon this information, GDS concludes that sufficient funding exists in the nuclear decommissioning trust to meet the currently expected decommissioning costs for St Lucie Unit 2. Based upon this study, GDS has concluded the risk of incurring unexpected decommissioning costs is minimal and no additional cost risk adjustment is needed.

4.1.1.2.4 St. Lucie Unit 2 Risk Adjustment

The following table conveys the probability-weighted NPV risk adjustment associated with St. Lucie Unit 2.

Table 4-2: Risk Adjustment to Hold Harmless Payment Due to St. Lucie Unit 2 Risks
(Amounts Shown in Probability-Weighted NPV \$M)

Risk Adjustment	Total 100% Of Unit	Vero Beach Share
Flood Mitigation	1.6	0.02
Steam Generator Replacement	46.6	0.6
TOTAL	48.2	0.6

4.1.2 Stanton Unit 1 Life Extension

Current projections (Figure 3-6) show Stanton Unit 1 dispatching very little into the FMPP (16% capacity factor on average over 2019-2027). The forecasted variable costs of Stanton Unit 1 are significantly higher than the FMPP average energy price (see Figure 3-8), thus, the low projected capacity factors are to be expected. Even so, recent data provided by OUC, Stanton Unit 1's operator, indicate that they are planning a turbine upgrade project in 2019 (only 8 years prior to reaching a 40-year end of operating life date). Given Stanton Unit 1's non-competitive position within the FMPP, a major risk to FMPA is OUC's potential decision to continue operating Stanton Unit 1 beyond 2027 in an uneconomic fashion. GDS has prepared a Stanton Unit 1 Life Extension Case, assuming the Project's useful life would be extended to 2036 (coincident with Stanton Unit 2). Doing so under the current assumptions and projections would add nine (9) additional years of uneconomic operation. Assuming that OUC will continue uneconomically dispatching the Stanton units in avoidance of lower cost market alternatives for a prolonged period is counter-intuitive. Nonetheless, OUC continues to plan significant investment in these units in the near-term planning horizon, which seemingly foreshadows extension of useful life and ongoing operation for purposes of resource diversity, differing future fuel outlook, avoidance of new-build risks, etc. These additional potential costs for life extension and uneconomic dispatch in the market, need to be accounted for as a part of the overall risk adjustment.

4.1.2.1. Boiler Component Replacement Cost:

In the event OUC decides to extend the life of Stanton Unit 1, it is highly likely one or more boiler section(s) will need replacement. The operating costs for the Stanton Unit 1 Life Extension Case have been increased to reflect the expectation of replacing one of the three boiler sections by 2027. After 2027 (i.e., the extended life period), we have assumed the same level of annual probability of boiler component replacement as was discussed earlier for Stanton Unit 1 and 2 (2.4% per year).

Figure 4-8 and Figure 4-9 reflect the probabilities assumed for the boiler component replacement in the Stanton Unit 1 Life Extension Case on an annual and cumulative basis, respectively. These figures incorporate the boiler component replacement risk over the entire period, including prior to 2027, which is incorporated in the analysis presented earlier in Section 4.1.1.1.2, and shown in Figures 4-1 and 4-2.

Figure 4-8: Annual Probability of Stanton Unit 1 Life Extension Boiler Component Replacement

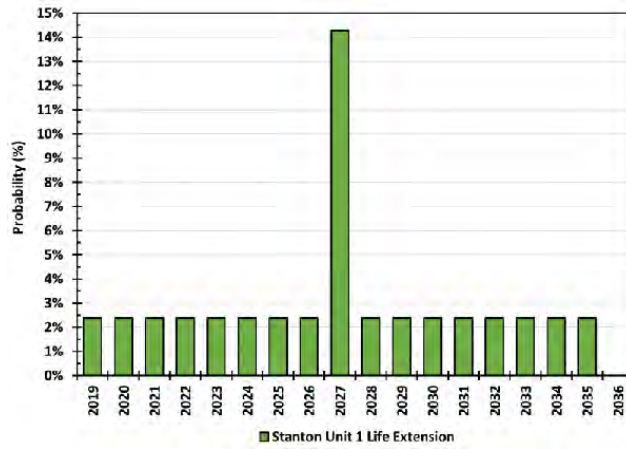
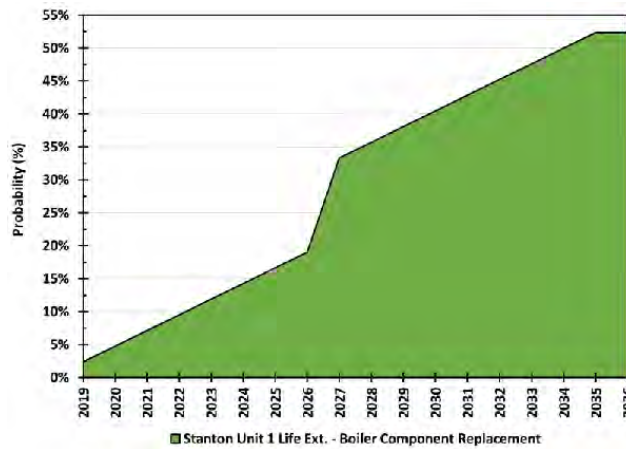


Figure 4-9: Cumulative Probability of Stanton Unit 1 Life Extension Boiler Component Replacement



4.1.2.2. Decommissioning costs

The allowance for Stanton Unit 1 decommissioning costs (modeled in the Base Case in 2027) are moved to 2036 in the Stanton Unit 1 Life Extension Case.

4.1.2.3. Impact on FMPP

The extension of operations for Stanton Unit 1 would have an impact on the capacity expansion required to meet reserve margins in the FMPP. Figure 4-10 reflects the FMPP capacity expansion under the Stanton Unit 1 Life Extension Case as compared to the Base Case.

Figure 4-10: FMPP Capacity Expansion Comparison

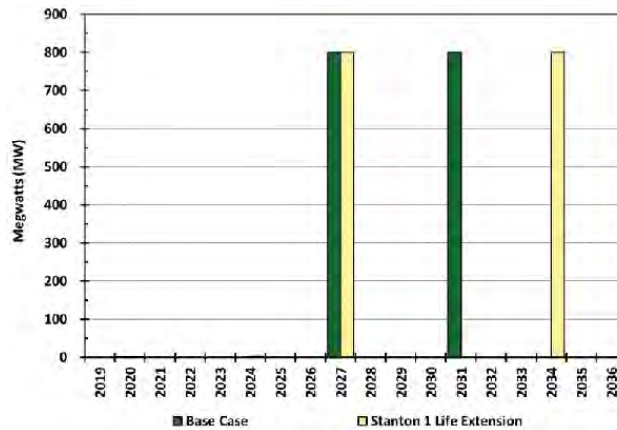


Figure 4-11 shows the projected FMPP reserve margins in the Stanton Unit 1 Life Extension Case as compared to the Base Case.

Figure 4-11: FMPP Reserve Margin Comparison

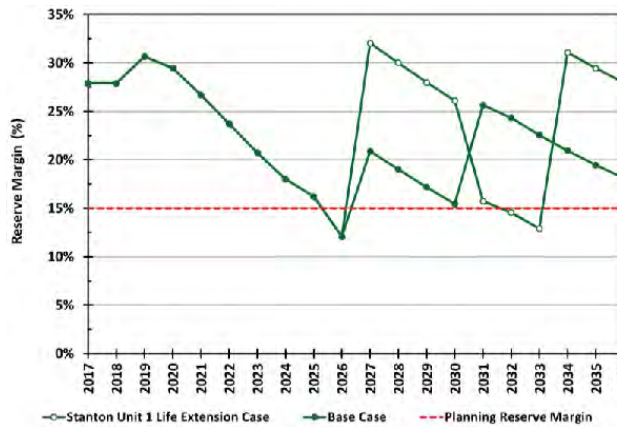
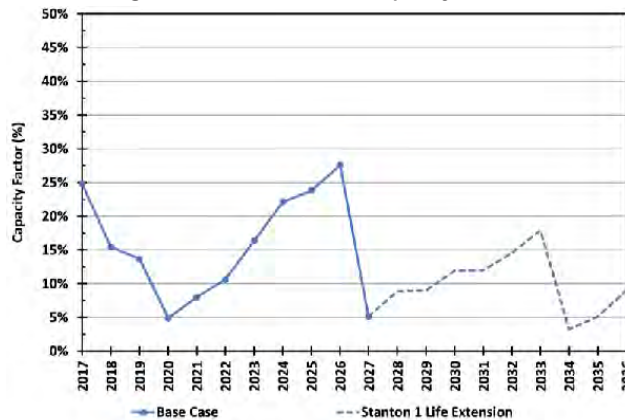


Figure 4-12 reflects the projected capacity factors of Stanton Unit 1 under both the Base Case and the Stanton Unit 1 Life Extension Case.

Figure 4-12: Stanton Unit 1 Capacity Factors



With recent information provided by OUC indicating currently planned turbine upgrades at Stanton Unit 1, it appears reasonable to expect that OUC may be considering operating Stanton Unit 1 beyond a 40-year life (i.e. beyond the GDS 2027 Base Case assumption). In that context, GDS assumed, given the capital investment OUC is projecting to make in the turbine upgrade at Stanton Unit 1 and the uneconomic dispatching of the resource that is already occurring, that there is a 75% probability that Stanton Unit 1's operating life will be extended beyond 40 years. Table 4-3 reflects the development of the risk exposure associated with the Stanton Unit 1 Life Extension Case.

Table 4-3: Risk Adjustment to Hold Harmless Payment Due to Stanton Unit 1 Life Extension Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case	26	45	18	89
Stanton Unit 1 Extension	34	45	18	97
Difference in Payment Due to Stanton Unit 1 Extension	8	0	0	8
Risk Exposure Probability	75%	75%	75%	75%
Risk Adjustment to Hold Harmless Payment Due to Stanton Unit 1 Life Extension Risk	6.0	0.0	0.0	6.0

4.1.3 Extended Low Natural Gas and Capacity Prices

It is not reasonable to assume no additional exposure for the downside potential in natural gas and capacity prices, and similarly, it is not reasonable to assume that all exposure for a given low-price assumption should be included. In this case, GDS assumed that 50% of the cost exposure created by our discrete, low-side natural gas price assumption, as well as 50% of the cost exposure created by the discrete, low-side capacity price assumption, would be reasonably included as part of the "Hold Harmless Payment".

4.1.3.1 Extended Low Natural Gas Prices

The current forward view of natural gas prices used in the Base Case reflects increasing natural gas prices from today's spot price levels based on the publicly traded NYMEX. While natural gas prices are still relatively low by historical standards, an additional potential source of risk is that natural gas prices do not increase materially from today's levels, as the forward curve presently assumes. In such a scenario, the Assets' costs would be even less competitive against market energy, as the market price level would be

lower. To test the sensitivity of the Asset's project costs with lower gas prices, GDS simply lowered the original gas curve used in the analysis by the GDS inflation rate of 2.25%. All other fuel prices remained the same in the low gas sensitivity.

The following chart compares the extended low natural gas prices to those of the Base Case.

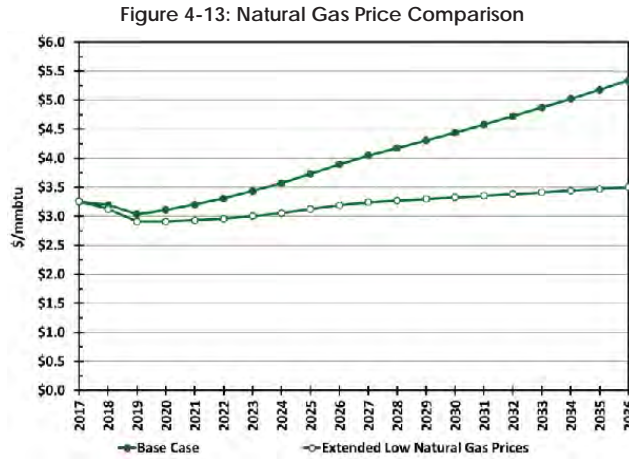


Table 4-4 reflects the development of the risk exposure summary associated with the extended low natural gas prices case.

Table 4-4: Risk Adjustment to Hold Harmless Payment Due to Extended Low Natural Gas Prices Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case	26	45	18	89
Risk Analysis (Low Natural Gas Prices)	26	47	28	101
Difference in Payment Due to Low Natural Gas Prices	0	2	10	12
Protected Exposure	50%	50%	50%	50%
Risk Adjustment to Hold Harmless Payment Due to Low Natural Gas Price Risk	0.0	1.0	5.0	6.0

4.1.3.2 Extended Low Capacity Prices

Similar to the impact of lower natural gas prices on market energy prices, there is a risk to FMPA that the assumed capacity prices will be too high and that FMPA will not be able to recover capacity value at that level. As the major player in the Florida market, FP&L is able to completely recover the costs of its new-build investments from retail ratepayers, and to the extent excess capacity exists, they are able to sell that capacity into the wholesale market at deeply discounted prices. FP&L's publicly filed forecasted reserve margins exceed 20% in many cases allowing them to seek wholesale revenue at any means. It follows that by offering capacity at deep discounts to new-build pricing, FP&L could depress the cost recovery of capacity in the market. In our Base Case, GDS assumed a capacity clearing price at approximately 75% of new-build costs, and in Figure 4-14, we illustrate a sensitivity at 50% of new-build cost levels.

Figure 4-14: Market Capacity Price Sensitivity

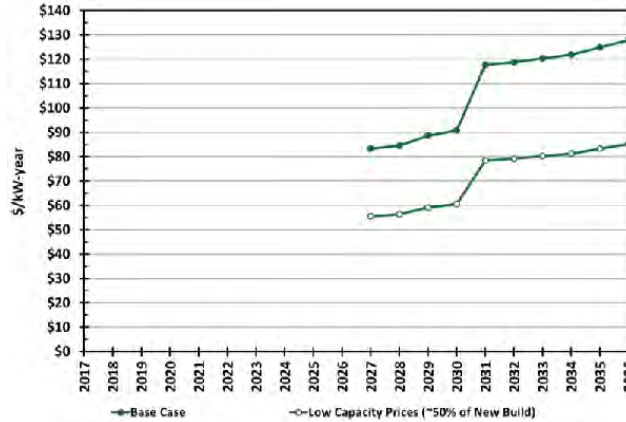


Table 4-5 reflects the development of the risk exposure summary associated with the extended low capacity prices case.

Table 4-5: Risk Adjustment Due to Low Capacity Price Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Market Capacity Value (Reduces Payment) Base Case (~75% of New Build Costs)	1.2	10.5	12.5	24.2
Market Capacity Value (Reduces Payment) Low Capacity Price Case (~50% of New Build)	0.8	7.0	8.3	16.1
Difference in Market Capacity Value Due to Low Capacity Prices	(0.4)	(3.5)	(4.2)	(8.1)
Protected Exposure	50%	50%	50%	50%
Risk Adjustment to Hold Harmless Payment Due to Low Capacity Price Risk	0.2	1.8	2.1	4.1

4.2 Summary of Risks

Table 4-6 presents the summary of risk adjustment by category and by Asset.

Table 4-6: Summary of Risk Adjustments to Hold Harmless Payment
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Operational Risks	0.2	0.4	0.6	1.2
Stanton Unit 1 Extension	6.0	0.0	0.0	6.0
Extended Low Natural Gas Prices	0.0	1.0	5.0	6.0
Extended Low Capacity Prices	0.2	1.8	2.1	4.1
Total Risk Adjustment	6.4	3.2	7.7	17.3

In recent history, the major risk that coal power project owners have been wary of across the United States is environmental regulation or legislation that results in expensive capital upgrades to these coal projects. The industry has experienced the impacts of such regulation or legislation, including the Clean Air Act, Clean Air Interstate Rule (“CAIR”), Utility MACT, CSAPR, and CPP, and has been trained to necessarily view these regulations as premium costs that diminish the owners’ return on investment or bring the useful lives of such projects to a swift retirement. Despite the shift in the United States Presidential Administration in 2017, these types of regulatory issues are still very much a risk to consider over the life of coal projects, but lower natural gas prices and the corresponding drop in market prices presents a shift in these common views. Lower natural gas prices avail lower market energy prices to the FMPP, which results in the uneconomic dispatch of the Stanton Projects well into the future. Being that OUC is the majority owner of both Stanton coal Projects, FMPA must continue to accept all decisions and costs with respect to the units as OUC plans for its future. Interestingly in this case, the risk of OUC continuing to invest in the units and operate them uneconomically versus market prices becomes one of the major risk items that FMPA faces in the future life of these plants. Ironically, with respect to FMPA’s “hold harmless” interests, this inverts the typical view of environmental regulation and legislation on coal projects to a perspective that such potential large-scale events actually result in greater likelihood of retirement for the Stanton coal projects and, thus, an end to uneconomic dispatch of the resources year after year. Given such a perspective, major events, such as the need for SCRs at Stanton II or a future potential carbon tax on the coal plant output, do not add risk premium under the current long-term fuel price assumptions for natural gas. Rather, those events signal greater pressure on OUC to retire the Stanton units and make capacity decisions that result in more economic supply to FMPP participants.

With this set of key risk conclusions in mind, any major regulatory, legislative or operational risk that OUC and FMPA would have to address and that puts the units’ respective useful lives in jeopardy of a retirement decision due to significant capital expenditure is considered to be an item that diminishes FMPA’s present costs at risk. Thus, there is no representation of these items in the risk adjustment calculation, as those risk events would work in FMPA’s favor under current long-term fuel assumptions. It naturally follows that the key areas of risk exposure to FMPA are (1) the costs of extending Stanton Unit 1’s useful life and the corresponding harm in uneconomic dispatch versus market alternatives, (2) the potential for lower natural gas prices, which would exacerbate the uneconomic impact on FMPA, (3) the potential for lower capacity price recovery long-term and finally, (4) the operational cost items incurred that are not significant enough to result in retirement and must be performed. GDS has assessed a cost impact for each of these risk exposures, as summarized in Table 4-6, in the spirit of recognizing a “Hold Harmless Payment”. As requested in the independent valuation, the position for making such calculations should represent risk premium payment amounts for which FMPA ARP participants could reasonably consider a future with Vero Beach’s entitlements and recover the potential future cost impacts that could concern them regarding the assignment of these Assets to FMPA’s ARP.

The risk premium calculations for Stanton Unit 1’s potential life extension from GDS’s Base Case retirement assumption in 2027 and other operational risks are necessarily probabilistic in nature and have been established based on GDS’ industry experience. The consideration of the cost impact from low natural gas prices, and similarly low capacity prices, have not been considered as probabilistic issues and is where GDS has independently assessed its view of a reasonable amount of exposure for each item to be covered in a “hold harmless” calculation.

As a result of each of these risks, Table 4-7 summarizes the Valuation of the Assets for the Base Case and the risk premium/adjustment, and in total.

Table 4-7: Hold Harmless Payment Summary
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case Portion	26	45	18	89
Risk Adjustment	6	3	8	17
Total Hold Harmless Payment	32	48	26	106

FMPA’s internal review of the “hold harmless” payment resulted in an estimate of \$108 million. GDS reached a final “hold harmless” payment of \$106 million from Vero Beach to the FMPA ARP participants. Although many assumptions that GDS and FMPA utilized in our respective analyses were quite different, ultimately both analyses converged on quite similar results.

FLORIDA MUNICIPAL POWER AGENCY VERO BEACH INDEPENDENT VALUATION STUDY

Prepared by:



1850 Parkway Place

Suite 800

Marietta, GA 30067

770.425.8100 | office

Draft 3/9/18

_____, 2018

Board of Directors
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Ladies and Gentlemen:

We have served as Bond Counsel to Florida Municipal Power Agency (the "Agency") in connection with the contemplated transfer and assignment of the Vero Stanton Project Entitlements to the Agency, with respect to the ARP, and the contemplated release of the City of Vero Beach, Florida ("Vero Beach") from, among other things, all of its obligations and liabilities related to the Stanton Project, as specified in the Waiver and Release Agreement in substantially the form as of the date hereof and as contemplated by the Transfer Agreement (Stanton Project) in substantially the form as of the date hereof, and their related documents in substantially the form as of the date hereof (the "Transaction"). Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex attached to the Transfer Agreement (Stanton Project) as Exhibit A in substantially the form as of the date hereof.

We have examined, among other things, the Act, Chapter 166, Part II, Florida Statutes, the Interlocal Agreement, the Stanton Bond Resolution, the proceedings of the Board of Directors of the Agency with respect to the authorization, execution and delivery of the Stanton Bond Resolution and each of the Stanton Power Sales Contracts and the Stanton Project Support Contracts and the amendments thereto, the Participation Agreement, and such certificates and other documents relating to the Agency, the Stanton Bond Resolution, the Stanton Power Sales Contracts and the Stanton Project Support Contracts, and have made such other examination of applicable laws, as we have deemed necessary in giving this opinion.

We understand that the Board of Directors of the Agency has been provided a legal opinion letter of the General Counsel and Chief Legal Officer of the Agency dated the date hereof and we have examined and reviewed that opinion letter. We understand that the Board of Directors of the Agency has also been provided copies of the Valuation Study, dated June, 2017, and the Certificate, dated March ___, 2018 provided by GDS Associates, Inc. (the "Engineering Reports"), a copy of the Trustee Certificate, dated March 15, 2018 (the "Trustee Certificate") and copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton Project Revenue Bonds (the "Ratings Letters") and we have examined and reviewed such documents. We have additionally provided to the Board of Directors of the Agency a draft copy of our opinion to be provided on the date of closing of the entire transaction contemplated by the Transfer Agreement (Stanton Project) covering the enforceability of the Transaction Documents.

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 269 of 1048**

- 2 -

In accordance with our understanding with the Agency and as its Bond Counsel, we have rendered legal advice and assistance to the Agency in connection with the preparation of the Transaction Documents listed in Exhibit A hereto and in substantially final form as of the date hereof (the "Transaction Documents"). We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Engineering Reports, the Ratings Letters and the Trustee Certificate, and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. However, in the course of our participation in the preparation of the Transaction Documents and in the course of our review and examination of the Engineering Reports, the Ratings Letters and the Trustee Certificate as Bond Counsel to the Agency, we have conferred with representatives of the Agency, Jody Finklea, Esq., General Counsel and Chief Legal Officer to the Agency, the financial advisor, TD Bank, National Association, as trustee (the "Trustee"), counsel to the Trustee, Vero Beach, counsel to Vero Beach, Florida Power & Light Company, Inc. ("FPL"), FPL's counsel, representatives from GDS Associates, Inc., and others.

On the basis of the information that was developed in the course of our examination and review referred to above and our participation in the preparation of the Transaction Documents, nothing has come to our attention with respect to legal matters which would make it improper or unreasonable for the Board to determine that the Transaction will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 712 of the Stanton Bond Resolution.

This letter is furnished by us solely for your benefit in connection with the provisions of the Stanton Bond Resolution and may not be relied upon by any other person, without our express written consent.

Very truly yours,

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 1 (Vero Beach) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach in the forms of such documents as of the date hereof;

(2) copies of Amendment No. 1 (Project Participant) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants, and Amendment No. 1 (Project Participant) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants in the forms of such documents as of the date hereof;

(3) a copy of the Transfer Agreement (Stanton Project), dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;

(4) a copy of the Consent and Waiver (Stanton Project), dated as of ____, 2018, of each Other Stanton Project Participant in the form of such document as of the date hereof;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;

(6) a copy of the Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between Vero Beach and the Agency in the form of such document as of the date hereof; and

(7) a copy of the Partial Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton Bond Resolution in the form of such document as of the date hereof.

Draft 3/9/18

_____, 2018

Board of Directors
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Ladies and Gentlemen:

I have acted as the General Counsel and Chief Legal Officer to the Florida Municipal Power Agency (the "Agency") in connection with the contemplated transfer and assignment of the Vero Stanton Project Entitlements to the Agency, with respect to the ARP, and the contemplated release of the City of Vero Beach, Florida ("Vero Beach") from, among other things, all of its obligations and liabilities related to the Stanton Project, as specified in the Waiver and Release Agreement in substantially the form as of the date hereof and as contemplated by the Transfer Agreement (Stanton Project) in substantially the form as of the date hereof, and their related documents in substantially the form as of the date hereof (the "Transaction"). Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex attached to the Transfer Agreement (Stanton Project) as Exhibit A in substantially the form as of the date hereof.

I have examined, among other things, the Act, Chapter 166, Part II, Florida Statutes, the Interlocal Agreement, the Stanton Bond Resolution, the proceedings of the Board of Directors of the Agency with respect to the authorization, execution and delivery of the Stanton Bond Resolution and each of the Stanton Power Sales Contracts and the Stanton Project Support Contracts and the amendments thereto, the Participation Agreement, and such certificates and other documents relating to the Agency, the Stanton Bond Resolution, the Stanton Power Sales Contracts and the Stanton Project Support Contracts, and have made such other examination of applicable laws, as I have deemed necessary in giving this opinion.

I understand that the Board of Directors of the Agency has been provided a legal opinion letter of Nixon Peabody LLP, as Bond Counsel to the Agency ("Bond Counsel"), dated the date hereof and I have examined and reviewed that opinion letter. I understand that the Board of Directors of the Agency has also been provided copies of the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc. (the "Engineering Reports"), a copy of the Trustee Certificate, dated March 15, 2018 (the "Trustee Certificate") and copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton Project Revenue Bonds (the "Ratings Letters") and I have examined and reviewed such documents. I have additionally provided to the Board of Directors of the Agency a draft copy of my opinion to be provided on the date of closing of the entire transaction contemplated by the Transfer Agreement (Stanton Project) covering the enforceability of the Transaction Documents.

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 272 of 1048**

In accordance with my understanding with the Agency and as its General Counsel and Chief Legal Officer, I have rendered legal advice and assistance to the Agency in connection with the preparation of the Transaction Documents listed in Exhibit A hereto and in substantially final form as of the date hereof (the "Transaction Documents"). I am not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Engineering Reports, the Ratings Letters and the Trustee Certificate, and I make no representation that I have independently verified the accuracy, completeness or fairness of such statements. However, in the course of my participation in the preparation of the Transaction Documents and in the course of my review and examination of the Engineering Reports, the Ratings Letters and the Trustee Certificate, as General Counsel and Chief Legal Officer to the Agency, I have conferred with representatives of the Agency, Bond Counsel, the financial advisor, TD Bank, National Association, as trustee (the "Trustee"), counsel to the Trustee, Vero Beach, counsel to Vero Beach, Florida Power & Light Company, Inc. ("FPL"), FPL's counsel, representatives from GDS Associates, Inc., and others.

On the basis of the information that was developed in the course of my examination and review referred to above and my participation in the preparation of the Transaction Documents, nothing has come to my attention with respect to legal matters which would make it improper or unreasonable for the Board to determine that the Transaction will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 712 of the Stanton Bond Resolution.

This letter is furnished by me solely for your benefit in connection with the provisions of the Stanton Bond Resolution and may not be relied upon by any other person, without my express written consent.

Very truly yours,

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 1 (Vero Beach) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach in the forms of such documents as of the date hereof;

(2) copies of Amendment No. 1 (Project Participant) to the Stanton Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants, and Amendment No. 1 (Project Participant) to the Stanton Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants in the forms of such documents as of the date hereof;

(3) a copy of the Transfer Agreement (Stanton Project), dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;

(4) a copy of the Consent and Waiver (Stanton Project), dated as of ____, 2018, of each Other Stanton Project Participant in the form of such document as of the date hereof;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;

(6) a copy of the Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between Vero Beach and the Agency in the form of such document as of the date hereof; and

(7) a copy of the Partial Assignment Agreement (Stanton Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton Bond Resolution in the form of such document as of the date hereof.

AGENDA ITEM 5 – ACTION ITEMS

- b. Approval of Resolution 2018-B2 –
Vero Beach Sale of Electric Utility
and Transfer & Assignment for the
Stanton II Project**

**Board of Directors
Meeting March 21, 2018**

Resolution 2018-B2
FMPA Board of Directors
March 21, 2018

(STANTON II PROJECT)

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY ("FMPA"): (I) PROVIDING FOR THE INCORPORATION OF CERTAIN FINDINGS, DEFINED TERMS, AND GENERAL PROVISIONS; (II) CONSENTING TO TERMS AND CONDITIONS OF THE TRANSFER AGREEMENT (STANTON II PROJECT), BETWEEN THE CITY OF VERO BEACH, FLORIDA, AND FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, AND THE ASSIGNMENT AGREEMENT, BETWEEN THE CITY OF VERO BEACH, FLORIDA, AND FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, CONCERNING THE TRANSFER AND ASSIGNMENT OF THE CITY OF VERO BEACH'S 16.4887% POWER ENTITLEMENT SHARE IN THE STANTON II PROJECT; (III) APPROVING AMENDMENTS TO THE STANTON II PROJECT POWER SALES CONTRACT, AS PREVIOUSLY AMENDED, AND PROJECT SUPPORT CONTRACT, AS PREVIOUSLY AMENDED, BETWEEN FMPA AND THE CITY OF VERO BEACH, FLORIDA, AND CONSENTING TO SUCH AMENDMENTS; (IV) APPROVING THE FORM OF CONSENT BY ORLANDO UTILITIES COMMISSION AS REQUIRED BY THE STANTON II PARTICIPATION AGREEMENT; (V) ACKNOWLEDGING AND ACCEPTING THE RECEIPT OF CONSULTING ENGINEER'S VERO BEACH INDEPENDENT VALUATION REPORT; (VI) APPROVING AMENDMENTS TO THE STANTON II PROJECT POWER SALES CONTRACT, AS PREVIOUSLY AMENDED, AND STANTON II PROJECT PROJECT SUPPORT CONTRACT, AS PREVIOUSLY AMENDED, BETWEEN FMPA AND THE PROJECT PARTICIPANTS IN THE STANTON II PROJECT, OTHER THAN THE CITY OF VERO BEACH, FLORIDA; (VII) APPROVING THE ASSIGNMENT OF CERTAIN RIGHTS AND OBLIGATIONS UNDER THE STANTON II PROJECT POWER SALES CONTRACT, AS AMENDED, AND PROJECT SUPPORT CONTRACT, AS AMENDED, BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND THE CITY OF VERO BEACH, FLORIDA, TO

BE ASSIGNED TO THE STANTON II BOND TRUSTEE TO ENFORCE SUCH CONTRACTS; (VIII) ACKNOWLEDGING THE APPROVAL OF CONSENT AND WAIVERS AND MUTUAL RELEASE AGREEMENTS BY STANTON II PROJECT PARTICIPANTS, OTHER THAN THE CITY OF VERO BEACH, FLORIDA; (IX) APPROVING THE WAIVER AND RELEASE AGREEMENT BETWEEN FMPA AND THE CITY OF VERO BEACH, FLORIDA, FOR LIABILITIES AND OBLIGATIONS RELATED TO THE STANTON II PROJECT; (X) ACCEPTING CERTAIN CERTIFICATES OF THE STANTON II BOND TRUSTEE; (XI) DESIGNATING AUTHORIZED OFFICERS OF FMPA, AUTHORIZED SIGNATORIES, AND PROVIDING FOR FURTHER ACTIONS; (XII) MAKING CERTAIN DETERMINATIONS AND AUTHORIZING A CERTIFICATE TO BE DELIVERED ON BEHALF OF THE BOARD OF DIRECTORS; (XIII) PROVIDING FOR THE FORM AND DELIVERY OF LEGAL OPINIONS; (XIV) INCORPORATING OTHER DOCUMENTS; (XV) TAKING CERTAIN OTHER ACTIONS; AND (XVI) PROVIDING AN EFFECTIVE DATE.

Whereas, the City of Vero Beach, Florida ("**Vero Beach**") and Florida Power & Light Company ("**FPL**") have entered into an Asset Purchase and Sale Agreement, dated October 24, 2017 (the "**PSA**"), for the sale of certain electric utility assets and certain associated liabilities of Vero Beach to FPL (the "**Sale**"). In accordance with the terms and conditions of the PSA, and as part of Vero Beach's exit strategy from the electric utility business, Vero Beach needs to terminate and be released from all liabilities and obligations to FMPA with respect to the Stanton Project, the Stanton II Project, the St. Lucie Project, and the All-Requirements Power Supply Project (the "**ARP**"), and generally as a member of FMPA.

Whereas, FMPA has been engaged in discussions with Vero Beach and FPL regarding the Sale, and FMPA desires to facilitate the termination of and Vero Beach's release from all of its obligations to FMPA with respect to the Stanton II Project by accepting a transfer and taking an assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements and approving the terms and conditions of the transactions contemplated by the Transfer Agreement (Stanton II Project) to be entered into between Vero Beach and FMPA, with respect to the ARP (the "**Stanton II Transfer Agreement**").

Whereas, Vero Beach has agreed to pay FMPA, with respect to the ARP, the sum of \$108 million, as that sum may be adjusted pursuant to the terms of the Transfer Agreements, for the ARP to assume Vero Beach's obligations in the Stanton, Stanton II, and St. Lucie Projects, and for Vero Beach to withdraw from the ARP pursuant to section 29 of the All-Requirements Power Supply Project Contract between FMPA and Vero Beach, entered into as of October 1, 1996, as amended, (the "**Vero ARP Contract**") and to fully release and completely discharge all liabilities and obligations of Vero Beach to FMPA with respect to the Stanton Project, the Stanton II Project, the St. Lucie Project, and the ARP, and generally as a member of FMPA.

Whereas, on an even date with the adoption of this Resolution 2018-B2 (this "**Resolution**") the FMPA Executive Committee has adopted Resolution 2018-EC1 (All-Requirements Power Supply Project) (the "**ARP EC Resolution**"), which authorizes FMPA, with respect to the ARP, to, among other things, assume the Vero Stanton II Project Entitlements.

Whereas, Orlando Utilities Commission ("**OUC**") has indicated its agreement to the form of consent to the transfer and assignment of Vero Beach's Power Entitlement Share in the Stanton II Project to FMPA, with respect to the ARP, in accord with section 7.01 of the Stanton II Participation Agreement.

Whereas, FMPA has retained GDS Associates, Inc. (the "**Consulting Engineer**") to prepare an independent analysis of the \$108 million sum, and the Consulting Engineer has completed its analysis and delivered the Valuation Report (as defined in Section XI of this Resolution), which has been considered by the Board of Directors and supports the Board of Director's approval of this Resolution.

Whereas, Vero Beach has taken action to approve the documents relating to the Stanton II Project that it is or will be a party to as contemplated by and in substantially the forms of the documents attached to this Resolution; the other Project Participants in the Stanton II Project have each approved the documents they will be a party to as contemplated by and in substantially the forms of the documents attached to this Resolution; and the forms of all required consents and waivers required to be delivered pursuant to section 29(d) of the Stanton II Power Sales Contract and section 14(b) of the Stanton II Project Support Contract have been approved by each of the other Project Participants in the Stanton II Project.

Whereas, Fitch Ratings, Inc. ("**Fitch**") has issued a written announcement confirming the current rating of bonds of the Stanton II Project, dated November 17, 2017, stating that "the Vero Beach transaction will not result in a withdrawal or downgrade on any of the Ratings assigned by Fitch . . ." (the "**Fitch Rating Confirmation**") Subsequent to the issuance of the Fitch Rating Confirmation, Fitch issued an announcement that it was revising the outlook of the Stanton Project and Stanton II Project from "Stable" to "Negative," on March 7, 2018 (the "**Subsequent Fitch Action**"). However, the Board of Directors has determined that the Subsequent Fitch Action was not the result of transactions contemplated by this Resolution.

Whereas, Moody's Investors Services, Inc. ("**Moody's**") has issued a written announcement dated January 24, 2018 with regard to the current rating of bonds of the Stanton II Project which states that there is "[n]o rating impact on FMPA Stanton II Project (FL) bonds resulting from planned Vero Beach transaction." (the "**Moody's Rating Confirmation**")

Whereas, FMPA's bond counsel, Nixon Peabody, LLP, and Jody Lamar Finklea, FMPA's General Counsel and Chief Legal Officer, have each delivered forms of opinions to FMPA with respect to the legality and effectiveness of the actions and matters provided for or contemplated by this Resolution, as provided for in those opinions and subject to the limitations stated in those opinions. Further, Nixon Peabody, LLP and Mr. Finklea have delivered opinions, dated the date of this Resolution, as to certain legal matters and, with respect to those legal matters addressed, the legal ability of FMPA to proceed with the transaction and the actions and matters contemplated by this Resolution and the ARP EC Resolution. The Board of Directors has taken into account such even-dated opinions of Nixon Peabody, LLP and Mr. Finklea (the "**Resolution Opinions**") in making the determination set forth in Section XII(A) of this Resolution.

Whereas, the staff and legal counsel for FMPA have kept the Board of Directors apprised of the actions taken and efforts made in connection with the Sale of the Vero Beach electric system to FPL and Vero Beach's exit from the electric utility business and the progress of discussions related thereto involving FMPA.

Whereas, the Board of Directors hereby desires to adopt this Resolution as its formal action approving those actions and things provided for or contemplated by this Resolution and as written evidence of its determination, after taking into account the aforementioned Consulting Engineer's analysis, the Resolution

Opinion, the form of consent of OUC pursuant to the Stanton II Participation Agreement, the written rating reports of Fitch and Moody's, the approvals of Vero Beach and the other Project Participants in the Stanton II Project, the information provided by FMPA staff and counsel, and other matters that the Board of Directors has considered, that such actions will not impair the ability of FMPA, with respect to the Stanton II Project, to comply during the current year or any future year with the provisions of Subsection 1 of Section 711 of the Stanton II Bond Resolution.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY THAT:

SECTION I. Incorporation of Certain Findings, Defined Terms, and General Provisions. Except as otherwise specifically provided herein, the Master Annex, substantially in the form attached hereto as Exhibit A with such changes, omissions, insertions, deletions and revisions as the Authorized Officers of FMPA shall deem advisable or necessary, subject to and in accordance with the limitations set forth in Section XI of this Resolution (the "**Master Annex**"), constitutes an integral part of this Resolution, is incorporated by reference herein, and has the same force and effect as if set forth in this Resolution. The recitals set forth in the "whereas" clauses above are hereby incorporated into and are a material part of this Resolution. Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex.

SECTION II. Consent to the Terms and Conditions of the Transfer Agreement (Stanton II Project) between the City of Vero Beach and FMPA, with Respect to the All-Requirements Power Supply Project, and the Assignment Agreement, between the City of Vero Beach and FMPA, with Respect to the All-Requirements Power Supply Project, Concerning the Transfer and Assignment of the City of Vero Beach's 15.202% Power Entitlement Share in the Stanton II Project. (A) The terms and conditions set forth in the Transfer Agreement (Stanton II Project) to be entered into between FMPA, with respect to the ARP, and Vero Beach, substantially in the form attached hereto as Exhibit B (the "**Stanton II Transfer Agreement**"), for the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton II Project Entitlements and the full release and discharge of Vero Beach from any and all liabilities and obligations under the Vero Stanton II Contracts on and as of the Assignment Effective Date are hereby approved. The Board of Directors also hereby approves any changes or modifications to the form of such Stanton II Transfer Agreement that: (i) are approved by the Authorized ARP Officers (as defined in Section XI(C)) of this

Resolution) in accordance with the terms and subject to the limitations specified in the ARP EC Resolution, and (ii) are approved by the Authorized Officers in accordance with Section XI of this Resolution and evidenced by the delivery of a Transaction Certificate (as defined in Section XI(E) of this Resolution).

(B) The terms and conditions set forth in the Assignment Agreement (Stanton II Project) to be entered into between FMPA, with respect to the ARP Project, and Vero Beach, substantially in the form attached hereto as Exhibit C (the "**Stanton II Assignment Agreement**"), for the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements on and as of the Assignment Effective Date are hereby approved. The Board of Directors also hereby approves any changes or modifications to the form of such Stanton II Assignment Agreement that: (i) are approved by the Authorized ARP Officers (as defined in Section XI(C) of this Resolution) in accordance with the terms and subject to the limitations specified in the ARP EC Resolution, and (ii) are approved by the Authorized Officers in accordance with Section XI of this Resolution and evidenced by the delivery of a Transaction Certificate.

(C) The Board of Directors hereby (i) consents to the transfer and assignment to FMPA, with respect to ARP, of the Vero Stanton II Project Entitlements as provided for in the Stanton II Transfer Agreement and the Stanton II Assignment Agreement, in consideration of the benefits to be received by the Stanton II Project and subject to the satisfaction of all conditions precedent required for the Closing (as defined in the Stanton II Transfer Agreement) to occur, as set forth in the Stanton II Transfer Agreement, and including as provided in section 1.10 of the Master Annex, and (ii) authorizes the Authorized Officers of FMPA to execute and deliver a certificate or other evidence of its consent to the Stanton II Transfer Agreement and the Stanton II Assignment Agreement and the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton II Contracts and the Stanton II Project Entitlements in accordance with section 28(a) of the Stanton II Power Sales Contract and section 13(a) of the Stanton II Project Support Contract.

SECTION III. Approval of the Execution and Delivery by FMPA of the Amendments to the Stanton II Project Power Sales Contract, as amended, and Project Support Contract, as amended, between FMPA and the City of Vero Beach and Consent to Such Amendments. (A) The terms and conditions of Amendment No. 1 to the Stanton II Power Sales Contract by and between FMPA, with respect to the Stanton II Project, and Vero Beach (the "**Vero Stanton II Power**

Sales Contract Amendment”), substantially in the form attached hereto as Exhibit D-1, which amends the Stanton II Project Power Sales Contract, dated as of May 24, 1991, as amended to the date hereof, by and between FMPA, with respect to the Stanton II Project, and Vero Beach (the “**Vero Stanton II Power Sales Contract**”) to (i) provide that FMPA shall waive the provision that no assignment or transfer of the Vero Stanton II Power Sales Contract shall relieve the parties of any obligation thereunder; and (ii) make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share in the Stanton II Project, including the assignment of certain rights and obligations of FMPA to the Stanton II Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero Stanton II Power Sales Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Vero Stanton II Power Sales Contract Amendment by such Authorized Officers and the delivery of a Transaction Certificate.

(B) The terms and conditions of Amendment No. 1 to the Stanton II Project Project Support Contract to be entered into between FMPA, with respect to the Stanton II Project, and Vero Beach (the “**Vero Stanton II Project Support Contract Amendment**”), substantially in the form attached hereto as Exhibit D-2, which amends the Stanton Project Project Support Contract, dated as of May 24, 1991, as amended to the date hereof, by and between FMPA, with respect to the Stanton II Project, and Vero Beach (the “**Vero Stanton II Project Support Contract**”) to (i) provide that FMPA shall waive the provision that no assignment or transfer of the Vero Stanton II Project Support Contract shall relieve the parties of any obligation thereunder; and (ii) make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share in the Stanton II Project, including the assignment of certain rights and obligations of FMPA to the Stanton II Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero Stanton II Project Support Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of

such Vero Stanton II Project Support Contract Amendment by the Authorized Officers and the delivery of a Transaction Certificate.

SECTION IV. Approval of Consent of OUC. (A) The Board of Directors hereby approves the terms of the Consent of OUC which is required to be delivered by OUC in accordance with requirements of Section 7.01 of the Stanton II Participation Agreement (the "**OUC Consent**"), substantially in the form attached hereto as Exhibit E, pursuant to which OUC, as a third-party beneficiary to the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts, is required to provide certain consents, waivers, and authorizations to permit amendments to the Stanton II Contracts contemplated by this Resolution and the accomplishment of the transactions contemplated hereby, including the assignment of the Vero Stanton Contracts to FMPA, with respect to the ARP, and the complete release and discharge of Vero Beach from any and all liabilities and obligations related to the Stanton II Project. The Authorized Officers of FMPA are hereby authorized and directed to determine and accept the terms and provisions of the OUC Consent and to accept and acknowledge receipt of an executed copy of the OUC Consent, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the acceptance and acknowledgement of receipt of the OUC Consent by the Authorized Officers on or before the Assignment Effective Date and the delivery of a Transaction Certificate.

(B) In giving the approvals set forth in this Resolution, the Board of Directors is relying on its understanding that OUC will deliver to FMPA on or before the Assignment Effective Date duly authorized and executed copies of the OUC Consent in accordance with all applicable requirements.

SECTION V. Engagement of Consulting Engineer and Acknowledgement and Acceptance of Receipt of Consulting Engineer's Vero Beach Independent Valuation Report. The Consulting Engineer was engaged by the FMPA Executive Committee to independently determine the value of the Vero Stanton Project Entitlements, the Vero Stanton II Project Entitlements, and the Vero St, Lucie Project Entitlements (collectively, the "**Vero Entitlements**"), and provide its independent judgment as to the amount of the payment required to be made by Vero Beach to FMPA for the benefit of the ARP so that the costs to the remaining participants in the ARP would not be materially adversely

impacted by the assumption by FMPA, with respect to the ARP, of the Vero Entitlements, with a consideration of a risk adjustment deemed appropriate by the Consulting Engineer. The Consulting Engineer delivered to FMPA its report entitled "Florida Municipal Power Agency Vero Beach Independent Valuation Study", dated June 2017 (the "**Valuation Report**"), in response to the Executive Committee's engagement. The Board of Directors hereby acknowledges receipt of an executed copy of the Valuation Report, and specifically indicates that it has reviewed and taken into consideration the conclusions in the Valuation Report as a basis for its findings and determinations set forth in this Resolution.

SECTION VI. **Approval of the Execution and Delivery by FMPA of the Amendments to the Stanton II Project Power Sales Contract and the Stanton II Project Project Support Contract, between FMPA and the Project Participants in the Stanton II Project, other than Vero Beach.** (A) The terms and conditions of Amendment No. 1 to the Stanton II Power Sales Contract by and between FMPA, with respect to the Stanton II Project, and the Stanton II Project Participants, other than Vero Beach (the "**Other Participant Stanton II Power Sales Contract Amendments**"), substantially in the form attached hereto as Exhibit F-1, which amends the Stanton II Project Power Sales Contracts, each dated as of May 24, 1991, as amended to the date hereof, by and between FMPA, with respect to the Stanton II Project, and the Stanton II Project Participants, other than Vero Beach (the "**Other Participant Stanton II Power Sales Contracts**") to make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 16.4887% Power Entitlement Share in the Stanton II Project, including the an acknowledgement of the assignment of certain rights and obligations of FMPA to the Stanton II Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Other Participant Stanton II Power Sales Contract Amendments, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Other Participant Stanton II Power Sales Contract Amendments by such Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(B) The terms and conditions of Amendment No. 1 to the Stanton II Project Project Support Contract to be entered into between FMPA, with respect to the Stanton II Project, and the Stanton II Project Participants, other than Vero Beach (the "**Other Participant Stanton II Project**

Support Contract Amendments”), substantially in the form attached hereto as Exhibit F-2, which amends the Stanton II Project Project Support Contract, dated as of May 24, 1991, as amended to the date hereof, by and between FMPA, with respect to the Stanton II Project, and the Stanton II Project Participants, other than Vero Beach (the “**Other Participant Stanton II Project Support Contract**”) to make certain changes necessary to reflect that FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share in the Stanton II Project, including the assignment of certain rights and obligations of FMPA to the Stanton II Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Other Participant Stanton II Project Support Contract Amendments, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Other Participant Stanton II Project Support Contract Amendments by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(C) The Board of Directors hereby consents to the amendments made to the Other Participant Stanton II Power Sales Contracts and the Other Participant Stanton II Project Support Contracts by the Other Stanton II Power Sales Contract Amendments and the Other Stanton II Project Support Contract Amendments, respectively, and hereby authorizes the Authorized Officers of FMPA to execute and deliver a certificate or other document to evidence such consent.

SECTION VII. Approval of Assignment of Certain Rights and Obligations of FMPA under the Vero Stanton II Contracts to the Stanton II Project Bond Trustee to Enforce such Contracts. The terms and conditions of the Partial Assignment Agreement (Stanton II Project) to be entered into between FMPA, with respect to the Stanton II Project, and the Stanton II Project Bond Trustee (“**Stanton II Trustee Assignment**”), substantially in the form attached hereto as Exhibit G, which provides for certain rights and obligations of FMPA, acting with respect to the Stanton II Project, to be assigned to the Stanton II Bond Trustee, who shall have the right and obligation to enforce certain provisions of the Vero Stanton II Contracts, after transfer and assignment of such Vero Stanton II Contracts to the ARP, against FMPA, acting with respect to the ARP. The Authorized Officers are hereby authorized and directed to execute and deliver the Stanton II Trustee Assignment, subject to and with such changes or modifications

therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Stanton II Trustee Assignment by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

SECTION VIII. **Acknowledgement of the Approvals of the Consent and Waiver (Stanton II Project) and Mutual Release Agreement (Stanton II Project) by each of the Stanton II Project Participants.** (A) The Board of Directors hereby accepts and acknowledges that it has been apprised that each of the Stanton II Project Participants, other than Vero Beach, has approved the terms and conditions and has duly authorized the execution and delivery of the Stanton II Consent and Waiver, substantially in the form attached hereto as Exhibit H, pursuant to which each Project Participant in the Stanton II Project, other than Vero Beach, as required by Section 29(d) of the Power Sales Contract and Section 14(b) of the Project Support Contract, has (i) consented to certain amendments to the Vero Stanton II Contracts and waived the rights of each of the Stanton II Project Participants to have similar amendments made to its Stanton II Power Sales Contract and Project Support Contract, and (ii) consented to the full release of Vero Beach from any and all liabilities and obligations under the Vero Stanton II Contracts.

(B) The Board of Directors hereby accepts and acknowledges that it has been apprised that each of the Stanton II Project Participants has approved the terms and conditions and has duly authorized the execution and delivery of the form of Mutual Release Agreement (Stanton II Project), to be entered into by Vero Beach and each Other Project Participant in the Stanton II Project ("**Stanton II Mutual Release**"), substantially in the form attached hereto as Exhibit I, pursuant to which each Project Participant in the Stanton II Project, other than Vero Beach, agrees to fully and completely release and forever discharge Vero Beach from any and all claims and liabilities that it may have or incur against Vero Beach with respect to the Stanton II Project and Vero Beach Project agrees to fully and completely release and forever discharge each Other Project Participant from any and all claims and liabilities that it may have or incur against each Other Project Participant with respect to the Stanton II Project.

(C) In giving the authorization, approvals and consents set forth in this Resolution, the Board of Directors is relying on its understanding that each Project Participant in the Stanton II Project, other than

Vero Beach, will deliver to FMPA its duly authorized and executed Consent and Waiver and Stanton II Mutual Release, and that each Other Stanton II Project Participant has (i) acknowledged that it has received notice and a copy of the Vero Stanton II Amendments; (ii) consented to the terms and conditions of the Vero Stanton II Amendments and waived that their Stanton II Contracts be similarly amended; and (iii) consented to the terms and conditions of the Stanton II Transfer Agreement and the Stanton II Assignment Agreement. The Authorized Officers of FMPA are hereby authorized to request, negotiate, and otherwise provide for and approve such changes or modifications and such additions to or deletions from the Consent and Waiver and Stanton II Mutual Release that such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution with the approval of such changes or modifications to be evidenced conclusively by the execution of such Consent and Waiver and Stanton II Mutual Release by each such Other Stanton II Project Participant.

SECTION IX. Approval of Waiver and Release of Vero Beach by FMPA from its Obligations Related to the Stanton II Project. The Board of Directors hereby approves the terms and conditions of the Waiver and Release Agreement, by and between Vero Beach and FMPA, with respect to the Stanton II Project ("**Waiver and Release Agreement**"), substantially in the form attached hereto as Exhibit J, which provides for certain waivers and releases of the terms and conditions of the Stanton II Power Sales Contracts and Stanton II Project Support Contracts, including the full release and discharge of Vero Beach from any and all liabilities and obligations under the Vero Stanton II Contracts, on and as of the Assignment Effective Date (as defined in the Waiver and Release Agreement). The Authorized Signatories are hereby authorized and directed to execute and deliver the Waiver and Release Agreement, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Waiver and Release Agreement by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

SECTION X. Acceptance of the Acknowledgement Certificate from the Stanton II Project Bond Trustee. (A) The Board of Directors hereby accepts and acknowledges that certain certificate executed by the Stanton II Bond Trustee as to its review of the draft transaction documentation and related information provided to it, and confirmation that nothing has come to its attention that would

cause it to believe that it will not be able to successfully and timely accomplish the actions required to be taken by it to complete the transaction (the "**Stanton II Trustee Resolution Certificate**"), substantially in the form attached hereto as Exhibit K-1. On the basis of its receipt of the Stanton II Trustee Resolution Certificate, and all other conditions precedent of the Stanton II Transfer Agreement having been satisfied, the Board of Directors authorizes the Authorized Officers, on behalf of the Board of Directors, to accept and acknowledge a further certificate of the Stanton II Bond Trustee at Closing as to the receipt, examination, and review of the Stanton II Transaction Documents (as defined below) (the "**Stanton II Trustee Acknowledgment Certificate**"), in, substantially the form attached hereto as Exhibit K-2. The Authorized Officers of FMPA are hereby authorized to request, negotiate, and otherwise agree to changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution. As used in this Section X, "**Stanton II Transaction Documents**" means and refers to those documents listed in Exhibit A to the Stanton II Trustee Acknowledgment Certificate.

(B) In giving the approvals set forth in this Resolution, the Board of Directors is relying on its understanding that the Stanton II Bond Trustee will deliver to FMPA, in a form and at the time necessary to accomplish the Closing, a duly authorized and executed copy of the Stanton II Trustee Acknowledgment in accordance with applicable requirements.

SECTION XI. Designation of Authorized Officers, Authorized Signatories and Authorized ARP Officers; Further Actions. (A) As the term is used in this Resolution, "**Authorized Officer**" means the General Manager and CEO of FMPA or the Chief Operating Officer of FMPA.

(B) As the term is used in this Resolution, "**Authorized Signatories**" means the (i) Chairman or the Vice Chairman of the Board of Directors of FMPA and (ii) the General Manager and CEO.

(C) As the term is used in this Resolution, "**Authorized ARP Officers**" has the meaning ascribed to it in the ARP EC Resolution.

(D) There is hereby delegated to the Authorized Officers, subject to the limitations contained in this Resolution, the following powers:

- (i) to determine the date of Closing;
- (ii) to make such changes in or from the documents referenced herein or contemplated hereby as may be necessary or desirable in connection with maintaining a rating with respect to the Stanton II Project or, in the opinion of legal counsel to FMPA (as defined in Section XIII of this Resolution), in order to cure any ambiguities, inconsistencies or other defects; and
- (iii) to determine such other matters specified in or permitted by this Resolution, including preparation of any documentation therefore, and to agree to delivery and execution of additional documentation, and to require the same of Stanton II Project Participants and Vero Beach, if determined to be necessary or desirable, after consultation with legal counsel for FMPA, to accomplish the intent and purposes of this Resolution and transactions contemplated by the Transfer Agreements;

provided, however, that the Authorized Officers may not approve any changes or modifications to or additions to or deletions from any document or instrument to which a Stanton II Project Participant is a party and for which a form of such document or instrument is attached to this Resolution as an Exhibit form of the exhibits attached hereto that constitute a material adverse change. For purposes of the foregoing, "**material adverse change**" means any material adverse change in the terms and conditions which imposes on FMPA or any Stanton II Project Participant an additional, material risk of financial loss, indemnity obligation, covenant, warranty, or restriction of its legal rights in a manner that is not already contemplated in the form of document or instrument attached as an exhibit hereto.

(E) (i) The Authorized Officers of FMPA shall execute a "**Transaction Certificate**" evidencing the determinations made pursuant to the delegated authority set forth in this Resolution and such Transaction Certificate shall be conclusive evidence of the determinations of the Authorized Officers as stated therein. The determinations set forth in any Transaction Certificate shall have the same effect as if set forth in this Resolution.

- (ii) In the event that the Authorized Officers of FMPA exercise any of the authority delegated to them pursuant to this Resolution and execute a Transaction Certificate evidencing such exercise, a report describing the exercise of such delegated authority shall be delivered at the next regularly scheduled meeting of the Board of Directors of FMPA occurring at least thirty (30) days after the Closing.

(F) Each Authorized Officer of FMPA and the General Counsel and Chief Legal Officer is hereby authorized and directed to execute and deliver or cause to be executed and delivered any and all documents and instruments and to do and cause to be done any and all administrative acts and things as may be necessary or desirable in connection with the approval, execution and delivery of the Stanton II Transfer Agreement and the carrying out of its terms and the terms of this Resolution and the transactions contemplated hereby.

SECTION XII. Determination of the Board of Directors; Authorization for an Authorized Signatories of FMPA to Deliver A Certificate on behalf of the Board of Directors Evidencing such Determination. (A) The Board of Directors hereby finds that it is reasonable to determine that, taking into account all relevant facts and circumstances and being otherwise apprised, the transfer and assignment of the Vero Stanton II Project Entitlements to FMPA, with respect to the ARP, and the release and discharge of Vero Beach from all obligations related to the Stanton II Project, in the context of the entire transaction contemplated by the Transfer Agreements and the related documents will not impair the ability of FMPA, with respect to the Stanton II Project, to comply during the current year or any future year with the provisions of Subsection 1 of Section 711 of the Stanton II Bond Resolution.

(B) The Authorized Signatories are hereby authorized to execute and deliver to the Trustee for and on behalf and in the name of FMPA, with respect to the Stanton II Project, a certificate, substantially in the form attached hereto as Exhibit L, evidencing the determination of the Board of Directors described in Section XII(A) above, with such changes, omissions, insertions and revisions to such form of certificate as such signatories shall deem advisable or necessary (the "**Certificate of FMPA**"), said execution being conclusive evidence of the determination of the Board of Directors and the approval of such changes, omissions, insertions and revisions.

SECTION XIII. **Form and Delivery of Legal Opinions.** At or prior to the Closing, Nixon Peabody LLP, as bond counsel to FMPA, and the General Counsel and Chief Legal Officer of FMPA (collectively, "legal counsel to FMPA") are each respectively authorized to deliver their opinions to the addressees specified in such Legal Opinion Forms, dated the date of the Closing, in substantially the forms attached hereto as Exhibits M-1 and M-2, respectively ("**Legal Opinion Forms**"). Legal counsel to FMPA are also hereby authorized to (a) provide reliance letters to parties other than those parties to whom the Legal Opinion Forms are addressed upon the request of an Authorized Officer of FMPA which request must be reasonable and (b) to make such changes, modifications, omissions, insertions and revisions to the Legal Opinion Forms as such legal counsel to FMPA deem to be necessary in the event that the laws and facts relevant to the matters discussed in their Legal Opinion Forms have changed since the date of the Resolution; *provided, however, that* such legal counsel to FMPA shall not be obligated to opine to the validity or enforceability of any agreement, document, or instrument not executed by an Authorized Officer of FMPA.

SECTION XIV. **Incorporation of Other Documents.** Attached to this Resolution is Composite Exhibit N, which is comprised of the following documents, otherwise referenced in this Resolution:

- (i) the Fitch Rating Confirmation,
- (ii) the Subsequent Fitch Action,
- (iii) the Moody's Rating Confirmation,
- (iv) the Valuation Report, and
- (i) the Resolution Opinions, in substantial form.

Composite Exhibit N is hereby incorporated into this Resolution as a material part of it, and the Board of Directors hereby acknowledges it is taking such documents into account in making the determinations and findings set forth in this Resolution. Upon review of the Subsequent Fitch Action, the Board of Directors hereby determines that the changes therein are not related to the transactions contemplated by this Resolution and do not impact the decisions of the Board of Directors to give its approval to and adopt this Resolution.

SECTION XV. **Certain Other Actions.** Each Authorized Officer of FMPA designated hereunder and the General Counsel and Chief Legal Officer of FMPA is hereby authorized and empowered to take all further actions as may be necessary or desirable in carrying out the terms and provisions of this Resolution and each of the documents referred to herein and in effecting the furtherance of the transfer and assignment to FMPA, with respect to the ARP, of the Vero Stanton II Project Entitlements subject to the limitations contained in Section XI of this Resolution.

SECTION XVI. **Effective Date.** This Resolution shall take effect immediately upon its adoption by the Board of Directors.

[Signature Page Follows]

This Resolution 2018-B2 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on March 21, 2018.

Chairman, Board of Directors

I HEREBY CERTIFY that on March 15, 2018, the above Resolution 2018-B2 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2018-B2.

ATTEST:

Secretary or Assistant Secretary

SEAL

Exhibit A

Substantial Form of Master Annex

Exhibit B

Substantial Form of Stanton II Transfer Agreement

Exhibit C

Substantial Form of Stanton II Assignment Agreement

Exhibit D-1

Substantial Form of Vero Stanton II Power Sales Contract Amendment

Exhibit D-2

Substantial Form of Vero Stanton II Project Support Contract Amendment

Exhibit E

Substantial Form of OUC Consent

Exhibit F-1

Substantial Form of Other Participant Stanton II Power Sales Contract
Amendments

Exhibit F-2

Substantial Form of Other Participant Stanton II Project Support Contact
Amendments

Exhibit G

Substantial Form of Stanton II Trustee Assignment

Exhibit H

Substantial Form of Consent and Waiver (Stanton II Project)

Exhibit I

Substantial Form of Mutual Release

Exhibit J

Substantial Form of Waiver and Release Agreement

Exhibit K-1

Stanton II Trustee Resolution Certificate

Exhibit K-2

Substantial Form of Stanton II Trustee Acknowledgment Certificate

Exhibit L

Substantial Form of Certificate of FMPA

Exhibit M-1

Substantial Form of Opinion of Nixon Peabody, LLP, as Bond Counsel to FMPA

Exhibit M-2

Substantial Form of Opinion of Jody Lamar Finklea, as General Counsel and Chief
Legal Officer of FMPA

Composite Exhibit N

Fitch Rating Confirmation

Moody's Rating Confirmation

Valuation Report

Resolution Opinion of Nixon Peabody, LLP

Exhibit A

Substantial Form of Master Annex

See Exhibit A to the Stanton II Project Transfer Agreement

Exhibit B

Substantial Form of Stanton II Transfer Agreement

Draft 3/9/18

**TRANSFER AGREEMENT
(STANTON II PROJECT)**

This **TRANSFER AGREEMENT (STANTON II PROJECT)** (this “Stanton II Transfer Agreement”) is made as of March __, 2018, by and between the City of Vero Beach, Florida, a political subdivision of the State of Florida (“Vero Beach”), and the Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both (“FMPA”), with respect to its All-Requirements Power Supply Project (“ARP”). Vero Beach and FMPA also have entered into a Transfer Agreement (Stanton Project) and a Transfer Agreement (St. Lucie Project), each dated the date hereof (together, the “Other Transfer Agreements”).

In consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended hereto as **Exhibit A** (the “Master Annex”) constitutes an integral part of this Stanton II Transfer Agreement and is incorporated by reference with the same force and effect as if set forth in this Stanton II Transfer Agreement. Terms used but not defined in this Stanton II Transfer Agreement (without reference to the Exhibits and Schedules attached hereto) will be as defined in the Master Annex.

SECTION 2. Transfer and Assignment of Vero Stanton II Contracts and Vero Stanton II Project Entitlements.

(a) At the Closing, Vero Beach agrees to transfer and assign to FMPA all of Vero Beach’s right, title and interest in and to the Vero Stanton II Contracts, including, without limitation, the Vero Stanton II Project Entitlements, and FMPA, with respect to the ARP, agrees to accept such transfer and assignment and to assume all of Vero Beach’s duties and obligations under the Vero Stanton II Contracts, in accordance with and subject to the terms and conditions of this Stanton II Transfer Agreement.

(b) To effectuate such transfer and assignment at the Closing, Vero Beach and FMPA will execute and deliver the Stanton II Assignment Agreement, a form of which is attached hereto as **Exhibit B-1**.

(c) At the Closing, Vero Beach and FMPA also will execute and deliver the Waiver and Release Agreement, a form of which is attached hereto as **Exhibit B-2**. Prior to the execution by Vero Beach and FMPA of such Waiver and Release Agreement at the Closing, Vero Beach will remain solely responsible for the performance of its duties and obligations under the Vero Stanton II Contracts and solely liable for all of its costs relating to the Vero Stanton II Project Entitlements up to but not including the Closing Date.

SECTION 3. Additional Documents; Cooperation.

(a) Each of Vero Beach and FMPA agrees, prior to the Closing, to cooperate with the other Party and to use Commercially Reasonable Efforts (as defined below) in that regard to consummate the transactions described in this Stanton II Transfer Agreement, including, but not limited to, providing additional information or documentation as the bond insurers, Stanton II Bond Trustee, ARP Bond Trustee, rating agencies, the consulting engineer, banks providing credit or liquidity facilities to

FMPA and swap counterparties to FMPA may reasonably request in connection with the consummation of the transactions under this Stanton II Transfer Agreement.

(b) For purposes of this Stanton II Transfer Agreement, “Commercially Reasonable Efforts” means efforts that are within the reasonable control of a party which are designed to enable a party, directly or indirectly, to expeditiously satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this Stanton II Transfer Agreement and which do not require the performing party to expend any funds other than immaterial expenditures which are customary and reasonable in nature in the context of the transactions contemplated by this Stanton II Transfer Agreement.

SECTION 4. Representations and Warranties.

(a) Vero Beach hereby represents and warrants to FMPA as follows:

(i) Vero Beach has full power and authority to enter into and to perform its obligations under this Stanton II Transfer Agreement.

(ii) The execution, delivery and performance of this Stanton II Transfer Agreement by Vero Beach have been duly and properly authorized by all proper and required action on the part of Vero Beach.

(iii) This Stanton II Transfer Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

(iv) The execution and delivery of this Stanton II Transfer Agreement and the consummation of the transactions hereunder do not and will not violate the charter of Vero Beach or any laws or regulations to which Vero Beach is subject, or result in the breach of or default under any contract to which Vero Beach is subject or by which it may be bound.

(b) FMPA hereby represents and warrants to Vero Beach as follows:

(i) FMPA has full power and authority to enter into and to perform its obligations under this Stanton II Transfer Agreement.

(ii) The execution, delivery and performance of this Stanton II Transfer Agreement by FMPA have been duly and properly authorized by all proper and required action on the part of FMPA.

(iii) This Stanton II Transfer Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

(iv) The execution and delivery of this Stanton II Transfer Agreement and the consummation of the transactions hereunder do not and will not violate any of the organic documents of FMPA or any laws or regulations to which FMPA is subject, or result in the breach of or default under any contract to which FMPA is subject or by which it may be bound.

SECTION 5. Notice of Closing Date; Time and Location of Closing; Escrow Closing Agreement.

(a) Vero Beach agrees to provide at least ninety (90) days prior written notice to FMPA and the Other ARP Participants of the Closing Date (as defined below).

(b) The closing of the transactions under this Stanton II Transfer Agreement (the "Closing") will occur on the same date (the "Closing Date") as and contemporaneously with the closing of the transactions under the Asset Purchase and Sale Agreement, dated as of October 24, 2017, between Vero Beach and Florida Power & Light Company ("FPL") with respect to the sale by Vero Beach to FPL of the retail electric utility system of Vero Beach (the "Purchase and Sale Agreement") and the closings of the transactions under the Other Transfer Agreements.

(c) Subsequent to the execution and delivery of this Stanton II Transfer Agreement, Vero Beach and FMPA agree to select an escrow agent that is acceptable to both parties and to enter into an escrow closing agreement (the "Escrow Closing Agreement") that provides for certain of the Vero Stanton II Closing Documents and certain of the FMPA Stanton II Closing Documents as well as certain other documents required to be delivered at Closing to be delivered to such escrow agent on or before a date to be determined and set forth in such Escrow Closing Agreement. Such documents will be held in escrow pending release by the escrow agent upon written instruction of the parties hereto prior to the Closing, in accordance with and subject to the terms of such Escrow Closing Agreement.

SECTION 6. Vero Stanton II Closing Documents. At the Closing, Vero Beach will deliver the following documents (the "Vero Stanton II Closing Documents") to FMPA:

(a) A certificate of Vero Beach, executed by a duly authorized officer of Vero Beach, certifying as to resolutions duly adopted by the City Council of Vero Beach authorizing the execution and delivery of this Stanton II Transfer Agreement, the Vero Stanton II Amendments, the Stanton II Assignment Agreement, the Purchase and Sale Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this Stanton II Transfer Agreement and the performance by Vero Beach of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(b) Incumbency certificate of Vero Beach;

(c) Copy of the Vero Stanton II Power Sales Contract Amendment in substantially the form attached hereto as **Exhibit C**, executed by Vero Beach;

(d) Copy of the Vero Stanton II Support Contract Amendment in substantially the form attached hereto as **Exhibit D**, executed by Vero Beach;

(e) Opinion of the City Attorney of Vero Beach, in substantially the form attached to the Vero Stanton II Power Sales Contract Amendment, dated the Closing Date and addressed to FMPA, with respect to the Stanton II Project, with a reliance letter addressed to FMPA, with respect to the ARP, OUC, the Stanton II Bond Trustee and the ARP Bond Trustee;

(f) Copy of the Stanton II Mutual Release Agreement, executed by Vero Beach;

(g) Executed copy of the Purchase and Sale Agreement;

(h) Evidence satisfactory to FMPA of the closing of the Proposed Sale Transaction;
and

(i) Such other instruments as may be reasonably requested by FMPA to effect the transactions contemplated hereby.

SECTION 7. FMPA Stanton II Closing Documents. At or prior to the Closing, FMPA will deliver the following documents (the "FMPA Stanton II Closing Documents") to Vero Beach:

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Interrogatory No. 28
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(a) Executed copies of a certificate of FMPA, with respect to the Stanton II Project, executed by a duly authorized officer of FMPA in such capacity and not in an individual capacity, certifying as to resolutions attached thereto being duly adopted by the FMPA Board of Directors (or equivalent thereof) authorizing the execution and delivery of this Stanton II Transfer Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this Stanton II Transfer Agreement and the performance by FMPA of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(b) Executed copies of a certificate of FMPA, with respect to the ARP, executed by a duly authorized officer of FMPA in such capacity and not in an individual capacity, certifying as to resolutions duly adopted by the ARP Executive Committee (or equivalent thereof) authorizing the execution and delivery of this Stanton II Transfer Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this Stanton II Transfer Agreement and the performance by FMPA of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(c) Incumbency certificate of FMPA; Copy of the Vero Stanton II Power Sales Contract Amendment in substantially the form attached hereto as **Exhibit C**, executed by FMPA;

(e) Copy of the Vero Stanton II Project Support Amendment in substantially the form attached hereto as **Exhibit D**, executed by FMPA;

(f) Executed copy of Partial Assignment Agreement (Stanton II Project) to Stanton II Bond Trustee in substantially the form attached hereto as **Exhibit E**;

(g) Executed copy of Partial Assignment Agreement (Stanton II Project) to ARP Bond Trustee in substantially the form attached hereto as **Exhibit F**;

(h) Executed copy of OUC Consent;

(i) Executed copies of the Other Project Participant Documents identified on **Schedule 1(a)** for each of the Other Stanton II Participants and the Other ARP Participant Documents identified on **Schedule 1(b)** for each of the Other ARP Participants;

(j) Opinion of General Counsel and Chief Legal Officer of FMPA;

(k) Opinion of Nixon Peabody LLP, bond counsel to FMPA;

(l) Certificate of Acknowledgement of Stanton II Bond Trustee;

(m) Opinion of Counsel to the Stanton II Bond Trustee to the effect, among other things, that the Stanton II Bond Trustee is a national banking association, duly organized, validly existing and in good standing, under the laws of the United States of America and that the Partial Assignment Agreement (Stanton II Project) has been duly authorized, executed and delivered by the Stanton II Bond Trustee;

(n) Certificate of Acknowledgement of ARP Bond Trustee;

(o) Opinion of Counsel to the ARP Bond Trustee to the effect that, among other things, the ARP Bond Trustee is a national banking association, duly organized, validly existing and in

good standing, under the laws of the United States of America and that the Partial Assignment Agreement (Stanton II Project) has been duly authorized, executed and delivered by the ARP Bond Trustee;

(p) Written evidence from Moody's Investors Services, Inc. ("Moody's") confirming that the Proposed Sale Transaction and the transactions contemplated by this Stanton II Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Moody's which reflects a negative change or negative outlook in the ratings assigned to the Stanton II Project Revenue Bonds;

(q) Written evidence from Fitch Ratings, Inc. ("Fitch") confirming that the Proposed Sale Transaction and the transactions contemplated by this Stanton II Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Fitch which reflects a negative change or negative outlook or negative watch in the ratings assigned to the Stanton II Project Revenue Bonds;

(r) Executed certificate of receipt of FMPA with respect to the Consideration Payment; and

(s) Such other instruments as may be reasonably required to effect the transactions contemplated hereby.

SECTION 8. Actions to be Taken at the Closing. At the Closing, Vero Beach and FMPA shall take, or cause to be taken, the following actions in the following order:

(a) *Closing Documents.* FMPA will deliver the FMPA Stanton II Closing Documents and Vero Beach will deliver the Vero Stanton II Closing Documents; such delivery will be deemed to occur simultaneously.

(b) *Satisfaction of Conditions Precedent.* Vero Beach and FMPA, with respect to the Stanton II Project, will each confirm that each of the Conditions Precedent to Closing set forth on **Schedule 2** attached hereto that are within such party's reasonable control have been satisfied.

(c) *Consideration Payment.* Vero Beach will tender the Consideration Payment to FMPA, subject to adjustment as provided in the Master Annex, by wire transfer of immediately available funds (to such account or accounts as FMPA shall have notified Vero Beach in writing not less than three (3) business days prior to the Closing Date) and FMPA shall confirm receipt of such Consideration Payment.

(d) *FMPA Consent.* FMPA, with respect to the Stanton II Project, shall execute and deliver to Vero Beach a consent to the transfer and assignment of the Vero Stanton II Contracts required by Section 28(a) of the Vero Stanton II Power Sales Contract and Section 13(a) of the Vero Stanton II Project Support Contract.

(e) *Stanton II Assignment Agreement.* FMPA and Vero Beach shall each execute and deliver to the other the Stanton II Assignment Agreement in substantially the form of **Exhibit B-1** attached hereto.

(f) *Waiver and Release Agreement.* FMPA and Vero Beach shall each execute and deliver to the other the Waiver and Release Agreement in substantially the form of **Exhibit B-2** attached hereto.

(g) *Amendment to Interlocal Agreement.* FMPA shall execute an Amendment to the Interlocal Agreement and such other documentation necessary to reflect the withdrawal of Vero Beach as

a member of FMPA; such Amendment shall be filed post-closing as required by Section 163.01(11), Florida Statutes, and evidence of such filing shall be provided by FMPA to Vero Beach, the Stanton II Bond Trustee and to the ARP Bond Trustee.

(h) *Additional Actions.* Vero Beach and FMPA shall execute and deliver, or cause to be executed and delivered, all other documents, and take such other actions, in each case as shall be reasonably necessary or appropriate to effectuate the transactions contemplated hereby.

SECTION 9. Termination of this Stanton II Transfer Agreement.

(a) This Stanton II Transfer Agreement may be terminated at any time prior to the Closing Date only in the following manner and only upon the occurrence of any of the following events (each, a "Termination Event"):

- (i) By mutual written agreement of Vero Beach and FMPA;
- (ii) If the Closing shall not have occurred on or before March 31, 2019 (such date, the "Expiration Date");
- (iii) By Vero Beach upon written notice to FMPA in the event that the Proposed Sale Transaction will not be consummated;
- (iv) By Vero Beach upon written notice to FMPA in the event that the Purchase and Sale Agreement has been terminated in accordance with its terms; or
- (v) By either party if any Other Transfer Agreement shall have been terminated in accordance with its terms.

(b) Upon the occurrence of any Termination Event set forth in Section 9(a) hereof, this Stanton II Transfer Agreement will automatically terminate thirty (30) days after the occurrence of such Termination Event unless, during such thirty (30) days, the parties mutually agree in writing to extend the term of this Stanton II Transfer Agreement; provided, however, that the provisions of Section 3.11 of the Master Annex will continue to be effective after the date of any such termination.

SECTION 10. Notices. Any notice, statement, demand, claim, offer or other written instrument required or permitted to be given pursuant to this Stanton II Transfer Agreement shall be in writing signed by the party giving such notice and shall be deemed properly served, given or made if hand delivered in person or sent by electronic mail promptly confirmed by receipt of an appropriate answer back and by telephone, or sent by registered or certified mail, postage prepaid, or by a nationally recognized overnight courier service that provides a receipt of delivery, in each case, to the other party at the addresses specified below, or such other address as a Party may specify in the manner specified in this Section 10:

(a) If to Vero Beach to:

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960
Attention: City Manager
Email: citymgr@covb.org
Telephone: (772) 978-4710

With a copy, which shall not constitute notice, to each of the following:

**Florida Power & Light Company
Docket No. 20170235-EI
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Interrogatory No. 28
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City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960
Attention: City Attorney
Email: wcoment@covb.org
Telephone: (772) 978-4730

and to:

Nathaniel L. Doliner, Attorney at Law
Carlton Fields
P.O. Box 3239
Tampa, Florida 33601

(if by mail)

-or-

4221 West Boy Scout Boulevard
Tampa, Florida 33607

(if by other than mail)

Email: ndoliner@carltonfields.com
Telephone: (813) 229-4208

(b) If to FMPA, to:

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819
Attention: General Manager and CEO
Email:
Telephone:

With a copy, which shall not constitute notice to:

Florida Municipal Power Agency
2061-2 Delta Way (32303)
Post Office Box 3209
Tallahassee, Florida 32315-3209
Attention: General Counsel and Chief Legal Officer
Email:
Telephone:

[Remainder of page intentionally left blank; signature page follows]

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IN WITNESS WHEREOF, the parties hereto have caused this Stanton II Transfer Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST: **CITY OF VERO BEACH, FLORIDA**

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only--Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Chair or Vice Chair

General Manager and CEO

ATTEST:

Approved as to Form and Legality:

By: _____
[Secretary]

By: _____
[General Counsel and Chief Legal Officer]

Exhibit A

Master Annex

[4816-6942-7028]

Draft 3/9/18

MASTER ANNEX

This Master Annex is dated as of _____, 2018.

ARTICLE I.

FINDINGS

Section 1.01. FLORIDA MUNICIPAL POWER AGENCY. (a) The Florida Municipal Power Agency “FMPA”) was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and electric energy.

(b) FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida.

Section 1.02. STANTON PROJECT. (a) On January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “**Stanton Project**”) under the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended through Amendment Number Seven adopted on March 26, 2009 (the “**Interlocal Agreement**”), with respect to the members of FMPA and the participants in such project (the “**Stanton Project Participants**”).

(b) FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“**OUC**”), as amended (the “**Stanton Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“**Stanton Unit No. 1**”), and FMPA, with respect to the Stanton Project is entitled to the electric capacity and electric energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton Project, sells the electric capacity and electric energy of the Stanton Project to Vero Beach and the other Stanton Project Participants pursuant to substantially similar Power Sales Contracts, dated as of January 16, 1984, by and between FMPA and each of the Stanton Project Participants (each, a “**Stanton Power Sales Contract**”).

(d) The Stanton Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available from the Stanton Project.

A-1

(e) In order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton Power Sales Contracts, and FMPA entered into such a contract, each dated as of January 16, 1984, with each of the Stanton Project Participants (each, a “**Stanton Project Support Contract**”).

(f) Vero Beach, by execution of a Stanton Power Sales Contract and a Stanton Project Support Contract (the “**Vero Stanton Contracts**”), acquired a 32.521% Power Entitlement Share in the Stanton Project.

Section 1.03. STANTON II PROJECT. (a) On May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “**Stanton II Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**Stanton II Project Participants**”).

(b) FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with OUC, as amended (the “**Stanton II Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton Energy Center Unit Two Generation Project (“**Stanton Unit No. 2**”), and FMPA is entitled to the electric capacity and electric energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton II Project, sells the electric capacity and electric energy of the Stanton II Project to Vero Beach and the other Stanton II Project Participants pursuant to substantially similar Power Sales Contracts, dated as of June 26, 1991, by and between FMPA and each of the Stanton II Project Participants (each, a “**Stanton II Power Sales Contract**”).

(d) The Stanton II Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II Power Sales Contracts, and FMPA entered into such a contract, each dated as of May 24, 1991, with each of the Stanton II Project Participants (each, a “**Stanton II Project Support Contract**”).

(f) Vero Beach, by execution of a Stanton II Power Sales Contract and a Stanton II Project Support Contract (the “**Vero Stanton II Contracts**”), acquired 16.4887% Power Entitlement Share in the Stanton II Project.

Section 1.04. ST. LUCIE PROJECT. (a) On February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “**St. Lucie Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**St. Lucie Project Participants**”).

(b) FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982 between FMPA and Florida Power & Light Company (“**FPL**”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982 between FMPA and FPL, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of February 18, 1983, between FMPA and FPL and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991, between FMPA and FPL, (the “**St. Lucie Participation Agreement**”), pursuant to which FMPA, with respect to the St. Lucie Project, purchased an 8.806% undivided interest in St. Lucie Unit No.2 (“**St. Lucie Unit No. 2**”) and FMPA is entitled to the electric capacity and electric energy derived from St. Lucie Unit No.2 and the contractual arrangements and agreements relating thereto. The St. Lucie Participation Agreement, together with the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively, are the “**Participation Agreements**”).

(c) FMPA, with respect to the St. Lucie Project, sells the electric capacity and electric energy of the St. Lucie Project to Vero Beach and the other St. Lucie Project Participants pursuant to substantially similar St. Lucie Power Sales Contracts, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, by and between FMPA and each of the St. Lucie Project Participants (each agreement, as so amended, a “**St. Lucie Power Sales Contract**”).

(d) The St. Lucie Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other St. Lucie Project Participants of FMPA to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Power Sales Contracts, such contracts were entitled Project Support Contracts, each dated as of June 1, 1982, with each of the St. Lucie Project Participants, as amended by Amendment No. 1 to St. Lucie Project Support Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (each agreement, as so amended, a “**St. Lucie Project Support Contract**”).

(f) Vero Beach, by execution of a St. Lucie Power Sales Contract and a St. Lucie Project Support Contract (the “**St. Lucie Contracts**”), acquired a 15.202% Power Entitlement Share in the St. Lucie Project.

Section 1.05. ALL-REQUIREMENTS POWER SUPPLY PROJECT. (a) On March 22, 1985, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 85-B2 for the purposes of creating a joint electric project designated as the “All-Requirements Power Supply Project” (the “**ARP**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**ARP Project Participants**”) in order to secure an adequate, reliable and economical supply of electric capacity and energy to supply, with certain exceptions permitted herein, all of the needs for electric capacity and energy of the ARP Project Participants.

(b) FMPA and the ARP Project Participants entered into individual All-Requirements Power Supply Project Contracts, as heretofore amended (the “**ARP Contracts**”) for FMPA to sell to such ARP Project Participants and such ARP Project Participants to purchase from FMPA, electric capacity and energy on terms and conditions set forth in the ARP Contracts.

(c) Vero Beach and FMPA entered into an All-Requirements Power Supply Project Contract, dated as of October 1, 1996, as amended on January 22, 1999 (the “**Vero ARP Contract**”).

Section 1.06. PROPOSED SALE TRANSACTION. Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “**Proposed Sale Transaction**”).

Section 1.07. WITHDRAWAL FROM ARP. On September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stating Vero Beach’s intention to withdraw from the ARP with such withdrawal being anticipated to occur, pursuant to the notice, on or before October 1, [2018].

Section 1.08. TRANSFER AND ASSIGNMENT OF STANTON, STANTON II AND ST. LUCIE CONTRACTS AND PROJECT ENTITLEMENTS.

(a) In connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign (i) the Vero Stanton Contracts and its Vero Stanton Project Entitlements, (ii) the Vero Stanton II Contracts and its Vero Stanton II Project Entitlements, and (iii) the Vero St. Lucie Contracts and its Vero St. Lucie Project Entitlements, and all associated rights and obligations, to FMPA, with respect to the ARP, and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton Contracts, the Vero Stanton II Contracts the Vero St. Lucie Contracts and the Vero ARP Contract simultaneously with the closing of the Proposed Sale Transaction.

(b) The Vero Stanton Contracts, the Vero Stanton II Contracts and the Vero St. Lucie Contracts require that no assignment or transfer of such contracts shall relieve the parties thereto of any obligation thereunder. The Vero Stanton Contracts, the Vero Stanton II

Contracts and the Vero St. Lucie Contracts also provide that as one of the conditions for Vero Beach to sell, lease, abandon or otherwise dispose of all or substantially all of its electric or integrated utility system, Vero Beach shall, subject to the Stanton Participation Agreement, the Stanton II Participation Agreement or the St. Lucie Participation Agreement, as applicable, assign such Vero Contracts and its rights and interests thereunder to the purchaser or lessee of said electric or integrated utility system, and such purchaser or lessee shall assume all obligations of Vero Beach under such Vero Contracts. FMPA, with respect to the Stanton Project, the Stanton II Project and the St. Lucie Project, desires to waive these requirements in connection with the Proposed Sale Transaction and FMPA also desires to fully release and discharge Vero Beach from all liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement to be entered into by FMPA, with respect to the Stanton Project, Stanton II Project, St. Lucie Project and ARP, and Vero Beach (the "**Waiver and Release Agreement**").

(c) The Vero ARP Contract provides in substance that it is the intent of the parties to the Vero ARP Contract that any obligation owed by a party under the Vero ARP Contract at the time of termination thereof shall survive the termination. The Vero ARP Contract also requires that any such termination and the related "Withdrawal Date" occur on a September 30. FMPA desires to waive these requirements in connection with the Proposed Sale Transaction, and fully release and discharge Vero Beach from any liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement.

Section 1.09. TRANSFER AGREEMENTS. The Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of Vero Beach's Power Entitlement Shares in (i) the Stanton Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton Transfer Agreement**"); (ii) the Stanton II Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton II Transfer Agreement**"); and (iii) the St. Lucie Project pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**St. Lucie Transfer Agreement**," together with the Stanton Transfer Agreement and the Stanton II Transfer Agreement, collectively, the "**Transfer Agreements**").

Section 1.10. CONSIDERATION PAYMENT. Upon closing of the Proposed Sale Transaction, FMPA will be paid by Vero Beach an amount equal to \$108,000,000, subject to adjustment as provided below (the “**Consideration Payment**”).

The Consideration Payment is hereby adjusted upward or downward in accordance with the following monthly schedule, depending on the actual Closing Date.

		Consideration Payment	Adjustment
<i>Earlier Closing</i>	April 1-30, 2018	\$115.8 million	+ \$7.8 million
	May 1-31, 2018	\$114.5 million	+ \$6.5 million
	June 1-30, 2018	\$113.2 million	+ \$5.2 million
	July 1-31, 2018	\$111.9 million	+ \$3.9 million
	August 1-31, 2018	\$110.6 million	+ \$2.6 million
	September 1-30, 2018	\$109.3 million	+ \$1.3 million
<i>Planned Closing</i>	October 1-31, 2018	\$108 million	
<i>Later Closing</i>	November 1-30, 2018	\$106.7 million	- \$1.3 million
	December 1-31, 2018	\$105.4 million	- \$2.6 million
	January 1-31, 2019	\$104.1 million	- \$3.9 million
	February 1-28, 2019	\$102.8 million	- \$5.2 million
	March 1-31, 2019	\$101.5 million	- \$6.5 million

Section 1.11. ASSIGNMENT AGREEMENTS AND WAIVER AND RELEASE AGREEMENT. To effectuate such transfer and assignment of Vero Beach’s Power Entitlement Shares in the Stanton Project, the Stanton II Project, and the St. Lucie Project and release of Vero Beach from any liabilities and obligations under the Stanton Contracts, the Stanton II Contracts, the St. Lucie Contracts, and the ARP Contract, Vero Beach and FMPA will execute an Assignment Agreement and FMPA and Vero Beach will execute the Waiver and Release Agreement on the date of closing of the Proposed Sale Transaction.

Section 1.12. FMPA CONSENT. The Vero Contracts each require that FMPA, with respect to the applicable Project, consent to a transfer and assignment by Vero Beach of the Vero Contracts or any interest therein.

Section 1.13. AMENDMENT OF STANTON POWER SALES CONTRACTS AND STANTON PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA have agreed that it is appropriate that certain terms and provisions of the Vero Stanton Contracts be amended, including the assignment of certain of the rights and obligations of FMPA with respect to the Stanton Project under the Vero Stanton Contracts to the Stanton Bond Trustee and the execution of Amendment No. 1 to the Stanton Project Power Sales Contract, (the “**Vero Stanton PSC Amendment**”), between FMPA, with respect to the Stanton Project, and Vero

Beach and Amendment No. 1 to the Stanton Project Support Contract (the “**Vero Stanton Support Contract Amendment**,” and together with the Vero Stanton PSC Amendment, the “**Vero Stanton Amendments**”), between FMPA, with respect to the Stanton Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Stanton Amendments, to FMPA, with respect to the ARP, also require that certain amendments be made to the Stanton Power Sales Contracts and the Stanton Project Support Contracts of the Stanton Project Participants other than Vero Beach (the “**Other Stanton Participants**”) to reflect the assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP (the “**Other Stanton Participant Amendments**”). The amendments to the Stanton Power Sales Contracts of the Other Stanton Participants all will be in substantially the same form. The amendments to the Stanton Project Support Contracts of the Other Stanton Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton Transfer Agreement requires, that FMPA and each Other Stanton Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton Contracts.

(d) The Other Stanton Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton Participant Amendments.

(e) Section 29(d) of the Stanton Power Sales Contracts provides that the terms and conditions of a Stanton Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Power Sales Contracts of any other Stanton Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton Project Support Contracts also provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participant requesting such amendment.

(g) Each of the Other Stanton Participants will consent to the Vero Stanton Amendments and waive its rights to have similar amendments made to its respective Stanton Power Sales Contract and “Stanton Project Support Contract by executing a separate Consent and Waiver (Stanton Project) (the “**Stanton Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton Project Participants and FMPA will enter into the Other Stanton Participant Amendments.

(i) Each of the Other Stanton Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton Mutual Release Agreement**”) pursuant to

which (i) each Other Stanton Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton Project Participant may have against Vero Beach with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton Project Participant with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton Contracts to the Stanton Bond Trustee (the "**Stanton Trustee Assignment**").

Section 1.14. AMENDMENT OF STANTON II POWER SALES CONTRACTS AND STANTON II PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero Stanton II Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero Stanton II Contracts to the Stanton II Bond Trustee and the execution of Amendment No. 1 to the Stanton II Project Power Sales Contract, (the "**Vero Stanton II PSC Amendment**"), between FMPA, with respect to the Stanton II Project, and Vero Beach and Amendment No. 1 to the Stanton II Project Support Contract (the "**Vero Stanton II Support Contract Amendment**," and together with the Vero Stanton II PSC Amendment, the "**Vero Stanton II Amendments**"), between FMPA, with respect to the Stanton II Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Stanton II Amendments, to FMPA, with respect to the ARP also, require that certain amendments be made to the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts of the Stanton II Project Participants other than Vero Beach (the "**Other Stanton II Participants**") to reflect the assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP (the "**Other Stanton II Participant Amendments**"). The amendments to the Stanton II Power Sales Contracts of the Other Stanton II Participants all will be in substantially the same form. The amendments to the Stanton II Support Contracts of the Other Stanton II Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each Other Stanton II Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton II Contracts.

(d) The Other Stanton II Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton II Participant Amendments.

(e) Section 29(d) of the Stanton II Power Sales Contracts provides that the terms and conditions of a Stanton II Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Power Sales Contracts of any other Stanton II Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton II Support Contracts also provides that the terms and conditions of a Stanton II Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Support Contracts of any other Stanton II Project Participant requesting such amendment.

(g) Each of the Other Stanton II Participants will consent to the Vero Stanton II Amendments and waive its rights to have similar amendments made to its respective Stanton II Power Sales Contract and Stanton II Project Support Contract by executing a separate Consent and Waiver (Stanton II Project) (the “**Stanton II Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton II Project Participants and FMPA will enter into the Other Stanton II Participant Amendments.

(i) Each of the Other Stanton II Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton II Mutual Release Agreement**”) pursuant to which (i) each Other Stanton II Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton II Project Participant may have against Vero Beach with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton II Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton II Project Participant with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton II Contracts to the Stanton II Bond Trustee (the “**Stanton II Trustee Assignment**”).

Section 1.15. AMENDMENT OF ST. LUCIE POWER SALES CONTRACTS AND ST. LUCIE PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero St. Lucie Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee and the execution of Amendment No.3 to the St. Lucie Project Power Sales Contract, (the "**Vero St. Lucie Power Sales Contract Amendment**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach and Amendment No. 3 to the St. Lucie Project Support Contract (the "**Vero St. Lucie Project Support Contract Amendment**," and together with the Vero St. Lucie Power Sales Contract Amendment, the "**Vero St. Lucie Amendments**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach.

(b) The transfer and assignment of the Vero St. Lucie Contracts, as amended by the Vero St. Lucie Amendments, to FMPA, with respect to the ARP, also requires that certain amendments be made to the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts of the St. Lucie Project Participants other than Vero Beach (the "**Other St. Lucie Participants**") to reflect the assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP (the "**Other St. Lucie Participant Amendments**"). The amendments to the St. Lucie Power Sales Contracts of the Other St. Lucie Participants all will be in substantially the same form. The amendments to the St. Lucie Project Support Contracts of the Other St. Lucie Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each Other St. Lucie Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the St. Lucie Contracts.

(d) The Other St. Lucie Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other St. Lucie Participant Amendments.

(e) Section 29(d) of the St. Lucie Power Sales Contracts provides that the terms and conditions of a St. Lucie Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Power Sales Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Power Sales Contracts of any other St. Lucie Project Participants requesting such amendment.

(f) Section 14(b) of the St. Lucie Project Support Contracts also provides that the terms and conditions of a St. Lucie Project Support Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contracts of any other St. Lucie Project Participants requesting such amendment.

(g) Each of the Other St. Lucie Participants will consent to the Vero St. Lucie Amendments and waive its rights to have similar amendments made to its respective St. Lucie Power Sales Contract and St. Lucie Project Support Contract by executing a separate Consent

and Waiver (St. Lucie Project) (the “**St. Lucie Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other St. Lucie Project Participants and FMPA will enter into the Other St. Lucie Participant Amendments.

(i) Each of the Other St. Lucie Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**St. Lucie Mutual Release Agreement**”) pursuant to which (i) each Other St. Lucie Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other St. Lucie Project Participant may have against Vero Beach with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other St. Lucie Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other St. Lucie Project Participant with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee (the “**St. Lucie Trustee Assignment**”).

Section 1.16. AMENDMENT OF ARP CONTRACTS.

(a) The withdrawal of Vero Beach from the ARP, the termination of the Vero ARP Contract and the assignment of Vero Beach’s Power Entitlement Shares to FMPA, with respect to the ARP, requires certain amendments to the ARP Contracts of the ARP Project Participants other than Vero Beach (the “**Other ARP Participants**”), all of which amendments (the “**Other ARP Participant Amendments**”) will be in substantially the same form, and FMPA and the Other ARP Participants will enter into the Other ARP Participant Amendments.

(b) Each of the Other ARP Participants will consent to the Other ARP Participant Amendments and waive enforcement of certain provisions of the ARP Contracts in connection with the withdrawal of Vero Beach from the ARP by executing a separate Consent and Waiver (All-Requirements Power Supply Project) (the “**ARP Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(c) Each of the Other ARP Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**ARP Mutual Release Agreement**”) pursuant to which (i) each Other ARP Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other ARP Project Participant may have against Vero Beach with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero

Beach fully and completely releases and forever discharges such Other ARP Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other ARP Project Participant with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the 10Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(d) FMPA shall assign certain of its rights under the Vero Contracts to the ARP Bond Trustee (the "**ARP Trustee Assignment**").

ARTICLE II.

DEFINITIONS; CONSTRUCTION

Section 2.01. DEFINITIONS. Capitalized terms used but not otherwise defined in this Master Annex shall have the meanings set forth in the applicable Power Sales Contract and Project Support Contract. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the document to which this Master Annex is appended, have the following meanings:

"**Advisory Fees**" has the meaning set forth in Section 3.11 hereto.

"**Applicable Agreements**" has the meaning set forth in Section 3.11 hereto.

"**ARP**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Bond Resolution**" means the All-Requirements Power Supply Project Revenue Bond Resolution, adopted on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.

"**ARP Bond Trustee**" means the "Trustee," as such term is defined in section 101 of the ARP Bond Resolution.

"**ARP Consent and Waiver**" has the meaning set forth in paragraph (b) of Section 1.16 hereto.

"**ARP Contracts**" has the meaning set forth in paragraph (b) of Section 1.05 hereto.

"**ARP Mutual Release Agreement**" has the meaning set forth in paragraph (c) of Section 1.16 hereto.

"**ARP Project Participants**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Trustee Assignment**" has the meaning set forth in paragraph (d) of Section 1.16 hereto.

"**Assignment Agreements**" means, collectively, the Stanton Assignment Agreement, the Stanton II Assignment Agreement and the St. Lucie Assignment Agreement.

“**Assignment Effective Date**” means the closing date for the Proposed Sale Transaction.

“**Bond Resolutions**” means, collectively, the ARP Bond Resolution, the Stanton Bond Resolution, the Stanton II Bond Resolution, and the St. Lucie Bond Resolution.

“**Closing**” means, collectively, the definition of such term in the Transfer Agreements.

“**Closing Date**” means the day on which the Closing of the Proposed Sale Transaction is scheduled to occur.

“**Conditions Precedent**” has the meaning assigned to such term the Stanton Transfer Agreement, the Stanton II Transfer Agreement or the St. Lucie Transfer Agreement, as applicable.

“**Consideration Payment**” has the meaning set forth in Section 1.10 hereto.

“**Expenses**” has the meaning set forth in Section 3.11 hereto.

“**Fees and Expenses**” has the meaning set forth in Section 3.11 hereto.

“**FMPA**” means Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both.

“**FMPA Members**” has the meaning set forth in Section 3.11 hereto.

“**FPL**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Interlocal Agreement**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Other ARP Participants**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other ARP Participant Amendments**” has the meaning set forth in paragrph (a) of Section 1.16 hereto.

“**Other St. Lucie Participants**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other St. Lucie Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other Stanton Participants**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton II Participants**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**Other Stanton II Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**OUC**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Participation Agreements**” means the St. Lucie Participation Agreement, the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively.

“**Power Entitlement Shares**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Power Sales Contract**” means Stanton Power Sales Contract, the Stanton II Power Sales Contract or the St. Lucie Power Sales Contract, as applicable. References to a “Power Sales Contract” or “Power Sales Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Power Sales Contracts related to that Project.

“**Project**” means the Stanton Project, the Stanton II Project, the St. Lucie Project or the ARP.

“**Project Support Contract**” means the Stanton Project Support Contract, the Stanton II Project Support Contract or the St. Lucie Project Support Contract, as applicable. References to a “Project Support Contract” or “Project Support Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Project Support Contracts related to that Project.

“**Proposed Sale Transaction**” has the meaning set forth in Section 1.06 hereto.

“**St. Lucie Assignment Agreement**” means the Assignment Agreement (St. Lucie Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**St. Lucie Bond Resolution**” means the St. Lucie Project Revenue Bond Resolution, adopted March 26, 1982, as amended and restated in its entirety on May 21, 1982, as further amended and restated in its entirety on July 30, 1992, and as further amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**St. Lucie Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the St. Lucie Bond Resolution.

“**St. Lucie Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.15 hereto.

“**St. Lucie Contracts**” has the meaning set forth in paragraph (f) of Section 1.04 hereto.

“**St. Lucie Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.15 hereto.

“**St. Lucie Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**St. Lucie Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.04 hereto.

“**St. Lucie Project**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Participants**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.04 hereto.

“**St. Lucie Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**St. Lucie Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.15 hereto.

“**St. Lucie Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Stanton Assignment Agreement**” means the Assignment Agreement (Stanton Project), dated the Assignment Effective Date, by and between Vero Beach and FMFA.

“**Stanton Bond Resolution**” means the Stanton Project Revenue Bond Resolution, adopted January 13, 1984, as amended and restated in its entirety on August 27, 1997, as the same may be further amended and supplemented.

“**Stanton Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton Bond Resolution.

“**Stanton Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.13 hereto.

“**Stanton Contracts**” means the Stanton Power Sales Contracts and the Stanton Project Support Contracts.

“**Stanton Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.13 hereto.

“**Stanton Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.02 hereto.

“**Stanton Project**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Participants**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.02 hereto.

“**Stanton Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.13 hereto.

“**Stanton Unit No. 1**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Assignment Agreement**” means the Assignment Agreement (Stanton II Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**Stanton II Bond Resolution**” means the Stanton II Project Revenue Bond Resolution, adopted June 26, 2991, as amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**Stanton II Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton II Bond Resolution.

“**Stanton II Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.14 hereto.

“**Stanton II Contracts**” means the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts.

“**Stanton II Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.14 hereto.

“**Stanton II Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.03 hereto.

“**Stanton II Project**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Participants**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.03 hereto.

“**Stanton II Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton II Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.14 hereto.

“**Transfer Agreements**” has the meaning set forth in Section 1.09 hereto.

“**Vero ARP Contract**” has the meaning set forth in paragraph (c) of Section 1.05 hereto.

“**Vero Beach**” means the City of Vero Beach, Florida.

“**Vero Beach Closing Documents**” means, collectively, the Vero Stanton Closing Documents, the Vero Stanton II Closing Documents, the Vero St. Lucie Closing Documents, the Waiver and Release Agreement, and the Assignment Agreements.

“**Vero Contracts**” means, collectively, the Vero Stanton Contracts, the Vero Stanton II Contracts, and the Vero St. Lucie Contracts. References to “Vero Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Vero Contracts related to that Project.

“**Vero Power Sales Contracts**” means, collectively, the Vero Stanton Power Sales Contract, the Vero Stanton II Power Sales Contract and the Vero St. Lucie Power Sales Contract.

“**Vero Project Support Contracts**” means, collectively, the Vero Stanton Project Support Contract, the Vero Stanton II Project Support Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Amendments**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Closing Documents**” has the meaning set forth in the St. Lucie Transfer Agreement.

“**Vero St. Lucie Contracts**” means, collectively, the Vero St. Lucie Power Sales Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Power Sales Contract**” means the St. Lucie Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, as thereafter amended.

“**Vero St. Lucie Power Sales Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Project Entitlements**” means the 15.202% Power Entitlement Share (as defined in the Vero St. Lucie Power Sales Contract) in the St. Lucie Project, and the associated rights and obligations of Vero Beach as a Project Participant in the St. Lucie Project, pursuant to the Vero St. Lucie Contracts.

“**Vero St. Lucie Project Support Contract**” means the St. Lucie Project Support Contract by and between FMPA and Vero Beach, as amended, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero St. Lucie Power Sales Contract.

“**Vero St. Lucie Project Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero Stanton Amendments**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Closing Documents**” has the meaning set forth in the Stanton Transfer Agreement.

“**Vero Stanton Contracts**” has the meaning set forth in paragraph (f) of Section 1.02 hereto.

“**Vero Stanton Power Sales Contract**” means the Stanton Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of January 16, 1984, as thereafter amended.

“**Vero Stanton Project Entitlements**” means the 32.521% Power Entitlement Share (as defined in the Vero Stanton Power Sales Contract) in the Stanton Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton Project, pursuant to the Vero Stanton Contracts.

“**Vero Stanton Project Support Contract**” means the Stanton Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton Power Sales Contract.

“**Vero Stanton PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton II Amendments**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Closing Documents**” has the meaning set forth in the Stanton II Transfer Agreement.

“**Vero Stanton II Contracts**” has the meaning set forth in paragraph (f) of Section 1.03 hereto.

“**Vero Stanton II Power Sales Contract**” means the Stanton II Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 26, 1991, as thereafter amended.

“**Vero Stanton II Project Entitlements**” means the 16.4887% Power Entitlement Share (as defined in the Vero Stanton II Power Sales Contract) in the Stanton II Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton II Project, pursuant to the Vero Stanton II Contracts.

“**Vero Stanton II Project Support Contract**” means the Stanton II Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton II Power Sales Contract.

“**Vero Stanton II PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Waiver and Release Agreement**” has the meaning set forth in paragraph (b) of Section 1.08 hereto.

Section 2.02. CONSTRUCTION. (a) Defined terms in this Master Annex shall include in the singular number the plural and in the plural number the singular.

(b) Any agreement, contract or document defined or referred to herein means such agreement, contract or document in the form (including all amendments, schedules, exhibits, appendices, attachments, clarification letters and the like relating thereto) originally executed and delivered, as the same may thereafter be amended, supplemented, replaced or otherwise modified from time to time in accordance with its terms and, to the extent applicable, the terms of the applicable Power Sales Contract and Project Support Contract, Bond Resolution, Participation Agreement and any documents specified in the applicable definition.

(c) All references to the documentation or to a document herein shall mean the documentation or the document into which this Master Annex is incorporated by reference.

ARTICLE III.

MISCELLANEOUS PROVISIONS

Section 3.01. ENTIRE AGREEMENT. The terms, provisions and conditions stated in each document (including all exhibits and any other attachments to a particular document) and the documentation referred to in a particular document constitute the entire understanding between the parties thereto regarding the subject matter of the particular document, and supersede any and all previous communications and understandings between the parties regarding the subject matter of the particular document.

Section 3.02. APPLICABLE LAW. The documentation is made under and will be governed by and construed and enforced in accordance with the laws of the State of Florida.

Section 3.03. WAIVER OF JURY TRIAL. The parties to each document waive trial by jury in any proceeding brought or claim asserted in connection with the transaction contemplated by such document.

Section 3.04. COUNTERPARTS. The documentation may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

Section 3.05. AMENDMENTS; WAIVERS. (a) No amendment or modification of any provision of the documentation shall be effective unless the same shall be in writing and signed by the parties to the relevant documentation. This Master Annex shall not be modified or amended in any respect unless such modification or amendment is in writing and amended in accordance with the terms of the documentation to which it is incorporated by reference.

(b) No waiver of the terms, conditions and covenants of the documentation shall be binding and effective unless the same shall be in writing signed by the party granting such waiver. A waiver of any breach of the terms, conditions and covenants of any documentation into which this Master Annex is incorporated shall be for the one time only and shall not apply to any subsequent breach.

Section 3.06. EFFECTIVE DATE. The documentation for this transaction will take effect simultaneously on the date that the transaction, by which Vero Beach will sell to FPL, and FPL will purchase, Vero Beach's retail electric system, closes and takes effect.

Section 3.07. RESERVED.

Section 3.08. SURVIVAL. All representations, warranties, promises, covenants, agreements, stipulations, undertakings, obligations and anything else made in or pursuant to the documentation into which the Master Annex is incorporated by reference shall survive the execution and delivery of such documentation.

Section 3.09. HEADINGS/CONSTRUCTION. The headings in the documentation are for purposes of reference only and will not limit or otherwise affect the meaning thereof. References in the documentation to numbered Articles or Sections are references to the Articles and Sections of the particular document. References in the documentation to lettered Exhibits and numbered Attachments and Schedules are references to the Exhibits, Attachments and Schedules attached to the particular document, all of which for a particular document are incorporated in and constitute a part of the particular document. Article, Section, Exhibit, Attachment and Schedule captions used in the documentation are for reference only and do not describe or limit the substance, scope or intent of the documentation or the individual Articles, Sections, Exhibits, Attachments or Schedules of the documentation. The terms "include", "including" and similar terms are construed as if followed by the phrase "without limitation." The singular of any word includes the plural and the plural includes the singular. The use of any gender includes all genders. The term "provisions" includes terms, covenants, conditions, agreements and requirements. The term "amend" includes modify, supplement, renew, extend, replace, restate and substitute and the term "amendment" includes modification, supplement, renewal, extension, replacement, restatement and substitution.

Section 3.10. NO THIRD PARTY BENEFICIARIES. Unless specifically mentioned in a particular document, nothing expressed or mentioned in the documentation is intended or will be construed to give any person any legal or equitable right, remedy or claim under or in respect of the documentation, or any provisions therein contained, the documentation and all conditions and provisions thereof being intended to be and being for the sole and exclusive benefit of the parties to the documentation and for the benefit of no other person.

Section 3.11. REIMBURSEMENT OF FEES AND EXPENSES.

Vero Beach and FMPA, and each of FMPA's members (the "**FMPA Members**"), will bear all of the fees and expenses of their respective accountants, attorneys, financial advisors, consultants and other advisors (collectively, with regard to FMPA and FMPA Members, the "**Advisory Fees**"). Additionally, FMPA will bear all of its other costs to obtain the approvals, consents, acknowledgments or waivers from parties outside of FMPA's control, including, without limitation, bond insurers, rating agencies, bond trustees and credit providers (collectively, the "**Expenses**," and together with the Advisory Fees, the "**Fees and Expenses**"), in connection with the negotiation and preparation of the Transfer Agreements and associated documents (collectively, the "**Applicable Agreements**") related to the transfer and assignment of Vero Beach's interests in the Stanton Project, the Stanton II Project and the St. Lucie Project, and to Vero Beach's withdrawal from the ARP.

In the event, however, that the Closing does not occur because of the failure of Vero Beach to deliver to FMPA the Vero Beach Closing Documents or the Consideration Payment under the Transfer Agreements, Vero Beach will pay to FMPA the Fees and Expenses of FMPA and the FMPA Members including, without limitation, the pro rata costs of FMPA's in-house counsel (such pro rata costs to be equal to that proportion of the monthly base salary of FMPA's in-house counsel as the time worked by such in-house counsel on the Transfer Agreements and related matters during such month bears to the total time worked by such in-house counsel on all FMPA matters (including, without limitation, on the Transfer Agreements and related matters) during such month); *provided, however, that* in no event shall the Fees and Expenses to be paid by Vero Beach exceed One Million Five Hundred Thousand Dollars (\$1,500,000) in the aggregate.

For purposes of clarity, Vero Beach will not be obligated to pay any of the in-house Fees and Expenses of FMPA or the FMPA Members, except as set forth in the immediately preceding paragraph relating to FMPA's in-house counsel.

Payment by Vero Beach pursuant to this Section 3.11 will be made by Vero Beach within forty-five (45) days after FMPA's delivery to Vero Beach of invoices for the Fees and Expenses that are payable by Vero Beach under this Section 3.11; *provided, however, that* nothing in this Section 3.11 will prevent Vero Beach from disputing in good faith any of such Fees and Expenses.

Exhibit B-1

Form of Stanton II Assignment Agreement

[4813-3398-4849]

Draft 3/9/18

**ASSIGNMENT AGREEMENT
(STANTON II PROJECT)
BETWEEN
CITY OF VERO BEACH
AND
FLORIDA MUNICIPAL POWER AGENCY**

This Assignment Agreement (Stanton II Project) between City of Vero Beach and Florida Municipal Power Agency (this "Stanton II Assignment Agreement") is hereby entered into this ___ day of ____, 2018, between the City of Vero Beach ("Vero Beach") and Florida Municipal Power Agency ("FMPA"; Vero Beach and FMPA together hereafter the "Parties" or singularly, the "Party") to effectuate the transfer and assignment of the Vero Stanton II Project Entitlements to FMPA.

In consideration of the premises and mutual covenants in the Transfer Agreement (Stanton II Project), dated as of March __, 2018, between Vero Beach and FMPA (the "Stanton II Transfer Agreement"), the Parties agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended to the Stanton II Transfer Agreement as **Exhibit A** (the "Master Annex") constitutes an integral part of this Stanton II Assignment Agreement and, except for Sections 3.05 and 3.11, is incorporated by reference herein with the same force and effect as if set forth in this Stanton II Assignment Agreement. Terms not defined elsewhere in this Stanton II Assignment Agreement have the meanings given to such terms in the Master Annex.

SECTION 2. Assignment and Assumption. Pursuant to the provisions of the Stanton II Transfer Agreement, Section 28 of the Vero Stanton II Power Sales Contract and Section 13 of the Vero Stanton II Project Support Contract, Vero Beach hereby transfers and assigns to FMPA all of its right, title and interest in the Vero Stanton II Contracts including, without limitation, the Vero Stanton II Project Entitlements set forth therein. FMPA, with respect to the ARP Project, hereby accepts said transfer and assignment of the Vero Stanton II Contracts, including without limitation, the Vero Stanton II Project Entitlements set forth therein and agrees to assume the corresponding rights and obligations of Vero Beach under the Vero Stanton II Contracts.

SECTION 3. Effective Date. This Stanton II Assignment Agreement is effective as of the date hereof.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this Stanton II Assignment Agreement to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Assignment Agreement (Stanton II Project)]

Exhibit B-2

Form of Waiver and Release Agreement

[4811-1165-0388]

Draft 3/9/18

WAIVER AND RELEASE AGREEMENT

THIS WAIVER AND RELEASE AGREEMENT (this "Release Agreement") is made and entered into as of this ___ day of ____, 2018 by and between the CITY OF VERO BEACH, FLORIDA, a political subdivision of the State of Florida ("Vero Beach"), and FLORIDA MUNICIPAL POWER AGENCY ("FMPA"), a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision of Part II, Chapter 361, Florida Statutes or both, with respect to the following projects: (i) the Stanton Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton Project (the "Stanton Project") on behalf of the members of FMPA and the participants in such project (the "Stanton Project Participants"), (ii) the Stanton II Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton II Project (the "Stanton II Project") on behalf of the members of FMPA and the participants in such project (the "Stanton II Project Participants"), (iii) the St. Lucie Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the St. Lucie Project (the "St. Lucie Project") on behalf of the members of FMPA and the participants in such project (the "St. Lucie Project Participants"), and (iv) the All-Requirements Power Supply Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the All-Requirements Power Supply Project (the "ARP") on behalf of the members of FMPA and the participants in such project (the "ARP Participants"). FMPA and Vero Beach are referred to herein as the "Parties," the Stanton Project, the Stanton II Project, the St. Lucie Project and the ARP are collectively referred to herein as the "Projects," and the Stanton Project Participants, the Stanton II Project Participants, the St. Lucie Project Participants and the ARP Participants are collectively referred to herein as the "Project Participants".

RECITALS

WHEREAS, Vero Beach and FMPA wish to set forth the terms for the Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex, dated as of March ____, 2018, appended to the Stanton Transfer Agreement as **Exhibit A** (the "Master Annex"), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this Release Agreement. Capitalized terms not defined elsewhere in this Release Agreement have the meanings given to such terms in the Master Annex.

2. In addition to the release in Section 6(b) below, FMPA, for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that FMPA has, has had, or may in the future discover that it had at the time of the Assignment Effective Date, against Vero Beach by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

3. In addition to the release in Section 7(b) below, Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges FMPA from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that Vero Beach has, has had or may in the future discover that it had at the time of the Assignment Effective Date, against FMPA by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

4. Vero Beach hereby represents and warrants to FMPA as follows:

- (a) Vero Beach has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by Vero Beach has been duly and properly authorized by all proper and required action on the part of Vero Beach.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

5. FMPA hereby represents and warrants to Vero Beach as follows:

- (a) FMPA has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by FMPA has been duly and properly authorized by all proper and required action on the part of FMPA.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

6. FMPA, effective as of the Assignment Effective Date: (a)(i) waives the requirement with respect to Vero Beach under the last sentence of Section 28(a) of the Vero Power Sales Contracts and the last sentence of Section 13(a) of the Vero Project Support Contracts stating in substance that no assignment or transfer of the Vero Contracts shall relieve the parties of any obligation thereunder, and (ii) waives the requirement with respect to Vero Beach under clause (i) of Section 28(c) of the Vero Power Sales Contracts and clause (i) of Section 13(c) of the Vero Project Support Contracts stating in substance that the Project Participant shall, subject to the Participation Agreement, assign the Vero Contracts and its rights and interest thereunder to the purchaser or lessee of said electric or integrated utility system, if any, and any such purchaser or lessee shall assume all obligations of the Project Participant under the Vero Contracts, and (iii) waives the requirements with respect to Vero Beach under Section 27 of the Vero ARP Contract stating in substance that the termination of the Vero ARP Contract shall not discharge either party thereto from any obligation it owes to the other party under the Vero ARP Contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events or basis of which shall occur or arise) prior to such termination and that it is the intent of the parties thereby that any such obligation owed (whether the same shall be known or unknown at the termination of the Vero ARP Contract or whether the circumstances, events or basis of the same shall be known or unknown at the termination of the Vero ARP Contract) shall survive the termination of the Vero ARP Contract, (iv) waives the requirement with respect to Vero Beach under clause (a) of Section 29 of the Vero ARP Contract stating in substance that the date on which any such termination becomes effective and the "Withdrawal Date," must be a September 30 date, and (v) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date ; and (b) fully releases and discharges Vero Beach from all liabilities and obligations to FMPA on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

7. Vero Beach, effective as of the Assignment Effective Date: (a)(i) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date, (ii) waives, subject to the terms hereof, the provisions of Section 29(c) of the Vero ARP Contract and FMPA's Vero ARP Contract Section 29 withdrawal payment calculation methodology, and (iii) waives its right to any future calculations and the payment by FMPA to Vero Beach of any additional benefits under Section 29(f) of the Vero ARP Contract; and (b) fully releases and discharges FMPA from all liabilities and obligations to Vero Beach on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

8. This Release Agreement may be signed in two or more counterparts, each of which shall be treated as an original but which, when taken together, shall constitute one and the same instrument. The exchange of copies of this Release Agreement and of signature pages by facsimile transmission or electronic mail shall constitute effective execution and delivery of this Release Agreement and may be used in lieu of the originally signed Release Agreement for all purposes. Signatures of the Parties transmitted by facsimile or electronic mail shall be deemed to be their original signatures for all purposes.

9. FMPA and Vero Beach acknowledge and agree that, as of the Assignment Effective Date, the Vero ARP Contract shall be terminated and Vero Beach shall no longer be a party to the Vero ARP Contract.

10. FMPA will provide a copy of this Release Agreement, promptly after this Release Agreement has been fully executed and delivered, to the trustee under the Bond Resolutions.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors, with respect to Stanton Project, Stanton II Project and St. Lucie Project

Howard McKinnon
Chairman, All-Requirements Project Executive Committee, with respect to ARP Project

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

Exhibit C

Form of Vero Stanton II Power Sales Contract Amendment

[4818-3649-0575]

Draft 3/9/18

**AMENDMENT NO. 1 (VERO BEACH)
TO THE
STANTON II PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 1 (VERO BEACH) TO THE STANTON II PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** ("Amendment No. 1") is hereby entered into this _____ day of _____ 2018, by and between the Florida Municipal Power Agency ("FMPA"), and the City of Vero Beach, Florida ("Vero Beach;" Vero Beach and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and Vero Beach (the "Vero/Stanton II PSC").

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the "Stanton II Project" (the "Stanton II Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton II Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with OUC, as amended (the "Stanton II Participation Agreement"), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton Energy Center Unit Two Generation Project ("Stanton Unit No. 2"), and FMPA is entitled to a corresponding portion of the electric capacity and electric energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to Vero Beach pursuant to the Vero/Stanton II PSC and to the Stanton II Project Participants other than Vero Beach (the "Other Stanton II Project Participants) pursuant to Power Sales Contracts substantially similar to the Vero/Stanton II PSC (the "Other Stanton II PSCs," and, together with the Vero/Stanton II PSC, the "Stanton II PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton II Project, to issue bonds to pay costs of acquiring and constructing the Stanton II Project, it was necessary for the Stanton II PSCs to be substantially similar and for FMPA, with respect to the Stanton II Project, to pledge such contracts and the payments required to be made in accordance with such Stanton II PSCs as security for the payment of such bonds; and

WHEREAS, Vero Beach, pursuant to the Vero/Stanton II PSC and the Stanton II Project Project Support Contract, by and between FMPA and Vero Beach, dated of May 24, 2991 (the "Vero/Stanton II Project Support Contract" and, together with the Vero/Stanton II PSC, the "Vero Stanton II Contracts"), acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton II Contracts and the associated rights and obligations thereunder (the "Vero Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA including without limitation, under the Vero Stanton II Contracts on and after date of the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March ___, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each of the Other Stanton II Project Participants acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero Stanton II Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC be amended and to enter into this Amendment No. 1; and

WHEREAS, the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA also requires that certain amendments be made to the Other Stanton II PSCs to reflect the assignment of Vero Beach's 16.4887%% Power Entitlement Share to FMPA; and

WHEREAS, Section 29(d) of the Stanton II PSCs provides that the terms and conditions of a Stanton II PSC may be amended so as to provide terms and conditions different from those contained in Other Stanton II PSCs upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II PSC of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the Other Stanton II Project Participants have received notice of and a copy of this Amendment No. 1, have consented to this Amendment No. 1, and have waived each of their rights under said Section 29(d) to request that similar amendments be made to their respective Other Stanton II PSCs and have agreed to enter into a Mutual Release Agreement (Stanton II Project), a form of which is appended to the Vero/Stanton II PSC; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Stanton II Assignment Agreement, a form of which is appended to the Stanton II Transfer Agreement (the "Stanton II Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/Stanton II PSC. The Vero/Stanton II PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Contracts" to read as follows:

"All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution."

(ii) Section 1 is hereby amended to add a new definition of "All-Requirements Power Supply Project Revenue Bond Resolution" to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

- (iii) Section 1 is hereby amended to add a new definition of “ARP” to read as follows:

“ARP shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

- (iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

- (v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton II Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

- (vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

- (vii) Section 1 is hereby amended to add a new definition of “Stanton II Trustee” to read as follows:

“Stanton II Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

- (viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

- (ix) Section 12 is hereby amended by adding a new paragraph (e) at the end to read as follows:

“(e) FMPA agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

- (x) Section 14 is hereby amended in its entirety to read as follows:

“The Project Participant agrees (a) to maintain its electric or integrated utility system in good repair and operating condition; and (b) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (i) to meet the operation and maintenance expenses of such electric or integrated utility system, (ii) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (iii) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (iv) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

The Project Participant covenants that it will not make any sales of its Power Entitlement Share, or take any other action, which would adversely affect the exemption from Federal income taxation of interest paid on the Bonds issued for the Stanton II Project.”

- (xi) Section 28 is hereby amended by deleting “.” and adding at the end of Section 28(c) the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA shall waive the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) in connection with the execution of the Assignment Agreement and the assignment and transfer to FMPA of this Power Sales Contract and the Vero Beach Project Support Contract.”

- (xii) Annex I of the Vero/Stanton II PSC is hereby amended by this Amendment No. 1 to reflect that FMPA, in respect of the ARP, is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share, a copy of the amended Annex I being attached hereto as Exhibit C.

- (xiii) Annex 2 of the Vero/Stanton II PSC is hereby amended by this Amendment No. 1 to include a form of opinion of counsel to Vero Beach as set forth in Exhibit D attached hereto.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 1 (Vero Beach) to Stanton II Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

EXHIBIT B

[Form of Opinion of Counsel to Vero Beach]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[Stanton II Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and the City Attorney for the City of Vero Beach, Florida (the "Participant"), a member of Florida Municipal Power Agency ("FMMPA") and a Participant in FMMPA's Stanton II Project. For purposes of this opinion, the term "Amendment Documents" means, collectively, (i) Amendment No. 1 to the Stanton II Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton II Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018 between FMMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton II Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution").

In so acting I have examined the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

1. The Amendment Documents and authorization for the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings of its governing body duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public

notice and held in accordance with all applicable law including Section 286.011, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed by the Participant's authorized representative and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby, to the best of my knowledge, will conflict with or constitute a breach of or default under the terms of the Participant's ordinances or charter or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit D

Form of Vero Stanton II Support Contract Amendment

[4822-2112-7503]

Draft 3/9/18

**AMENDMENT NO. 1
(VERO BEACH)
TO THE
STANTON II PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 1 (VERO BEACH) TO THE STANTON II PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** (“Amendment No. 1”) is hereby entered into this ___ day of _____, 2018, by and between the Florida Municipal Power Agency (“FMPA”), and the City of Vero Beach, Florida (“Vero Beach;” Vero Beach and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton II Project Project Support Contract, dated as of June 26, 1991, by and between FMPA and Vero Beach (the “Vero/Stanton II Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton II Project Power Sales Contract, dated as of June 26, 1991, by and between FMPA and Vero Beach (the “Vero/Stanton II PSC” and, together with the Vero/Stanton II Project Support Contract, the “Vero Stanton II Contracts”).

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “Stanton II Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton II Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton

Energy Center Unit Two Generation Project (“Stanton Unit No. 2”), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the Vero/Stanton II PSC and power sales contracts that are substantially similar to the Vero/Stanton II PSC (the “Other Stanton II PSCs” and, together with the Vero/Stanton II PSC, the “Stanton II PSCs”) FMPA, sells the Electric Capacity and Electric Energy of the Stanton II Project to the Stanton II Project Participants; and

WHEREAS, the Stanton II PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton II Project; and

WHEREAS, in order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA, with respect to the Stanton II Project to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the Project Participants in the Stanton II Project other than Vero Beach (the “Other Stanton II Project Participants”) to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs, FMPA and Vero Beach entered into the Vero/Stanton II Project Support Contract and FMPA and the Other Stanton II Project Participants entered into project support contracts that are substantially similar to the Vero/Stanton II Project Support Contract (the “Other Stanton II Project Support Contracts” and, together with the Vero/Stanton II Project Support Contract, the “Stanton II Project Support Contracts”); and

WHEREAS, Vero Beach, pursuant to the Vero Stanton II Contracts acquired a 16.4881% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company (“FPL”) have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or the “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton II Contracts and the associated rights and obligations thereunder (the “Vero Stanton II Project Entitlements”), and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the “Assignment Effective Date”); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II Project Support Contract be amended and to enter into this Amendment No. 1; and

WHEREAS, the transfer and assignment of the Vero Stanton II Contracts, as amended by this Amendment No. 1 and by Amendment No. 1 to the Vero/Stanton PSC, to FMPA also requires that certain amendments be made to the Other Stanton II Project Support Contracts to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton II Project Support Contracts provides that the terms and conditions of a Stanton II Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Project Support Contracts of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, Vero Beach and FMPA, with respect to the Stanton II Project, desire to execute this Amendment No. 1 in order to amend the Vero/Stanton II Project Support Contract to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA; and

WHEREAS, the Other Stanton II Project Participants have received notice of and a copy of this Amendment No. 1, have consented to this Amendment No. 1, have waived each of their rights under said Section 14(b) to request that similar amendments made to their respective Other Stanton II Project Support Contracts and have agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton II Contracts; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the "Stanton II Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/Stanton II Project Support Contract. The Vero/Stanton II Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach" to read as follows:

"Vero Beach shall mean the City of Vero Beach, Florida."

(ii) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract shall mean the Stanton II Project Power Sales Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on the date of the Amendment No. 1."

(iii) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton II Project Project Support Contract, dated as of May 24, 1991, by and between FMPA and the City of Vero Beach, Florida."

(iv) Section 4(a) is hereby amended in its entirety to read as follows:

“(a) The Project Participant agrees to (i) to maintain its electric or integrated utility system in good repair and operating condition; and (ii) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such electric or integrated utility system, (B) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (C) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (D) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

(v) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

“(f) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(vi) Section 13 is hereby amended by deleting “.” and adding the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA may waive the requirements of the last sentence of Section 13(a) above and clause (i) of this Section 13(c) in connection with the closing of the Proposed Sale Transaction and the execution of the Assignment Agreement and the assignment and transfer of the Vero Beach Power Sales Contract and this Project Support Contract to FMPA.”

(vii) Annex I of the Vero/Stanton II Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW

(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 1 (Vero Beach) to Stanton II Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
City of St. Cloud 1300 9th Street St. Cloud, Florida 34769 Attention: Bill Sturgeon, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

Exhibit E

Form of Partial Assignment Agreement (Stanton II Project) between FMPA and Stanton II Bond Trustee

[4850-3267-3618]

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(STANTON II PROJECT)**

THIS PARTIAL ASSIGNMENT AGREEMENT (STANTON II PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the Stanton II Project, as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "Stanton II Bond Trustee") under the Stanton II Project Revenue Bond Resolution, adopted by FMPA on June 26, 1991, amended and restated in its entirety on April 10, 2002 and as supplemented and amended to the date hereof (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by The Assignor of certain of its rights and obligations under the Stanton II Project Power Sales Contract, dated as of June 26, 1991, between FMPA and the City of Vero Beach, Florida ("Vero"), as amended (the "Stanton II/Vero Power Sales Contract") and the Stanton II Project Project Support Contract, dated as of June 26, 1991, between FMPA and Vero, as amended (the "Stanton II/Vero Project Support Contract," and together with the Stanton II/Vero Power Sales Contract, the "Stanton II Vero Contracts"). The Stanton II Vero Contracts are being transferred and assigned by Vero to FMPA, with respect to the All-Requirements Power Supply Project ("ARP"), pursuant to the terms of the Assignment Agreement (Stanton II Project), dated as of the date hereof, between Vero and FMPA (the "Stanton II Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the Stanton II Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the Stanton II Assignment Agreement, the Assignor hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of the Project Participant contained in Sections 3, 4(d), 4(e), 4(i), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the Stanton II/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the Stanton II/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the Stanton II Vero Contracts against the Project Participant as a transferee and assignee of Vero (collectively, the "Assigned Rights and Obligations").

(b) The Assignor hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor or the Stanton II Bond Trustee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection therewith, and, if any Event of Default specified in the Stanton II Vero Contracts shall occur:

(a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (d) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor that at any time and from time to time, upon receipt of a written request of the Assignee, it will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by the Project Participant to comply with the terms of the Stanton II/Vero Power Sales Contract or the Stanton II/Vero Project Sales Contract.

(e) The Assignor and the Assignee acknowledge that all right, title and interest of FMPA in, to and under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract have been pledged under the Bond Resolution to secure the payment of principal, Redemption Price and interest on the Bonds and Parity Debt and that the Assignee has rights and obligations provided to it under the Bond Resolution as the Stanton II Bond Trustee to protect the interests of Bondholders with respect to the payment of the Bonds to be exercised in accordance with the terms of the Bond Resolution. The actions taken by the Assignee pursuant to this Partial Assignment shall be consistent with the Assignee's rights and obligations under the Bond Resolution. Capitalized terms used in this clause (e) and not otherwise defined herein shall have the meanings for those terms provided in the Bond Resolution rather than as provided in the Stanton II Vero Contracts.

(f) The Assignor and the Assignee acknowledge and agree that (i) the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton II/Vero Power Sales Contract and Section 13(b) of the Stanton II/Vero Project Support Contract that exist prior to the date hereof, (ii) as of the effective date of the Stanton II Assignment Agreement, the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton II/Vero Power Sales Contract and Section 13(b) of the Stanton II/Vero Project Support Contract will continue to be in full force and effect, and (iii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract against the Project Participant as a transferee and assignee of Vero.

(g) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the Stanton II Vero Contracts against the Project Participant as a transferee and assignee of Vero.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, Vero is not in default under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract, and (d) other than the assignment and pledge of the Assignor of its right, title, and interest in, to and under the Stanton II Vero Contracts and all payments to be made to the Assignor under the provisions of the Stanton II Vero Contracts as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds, the Assignor has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Partial Assignment shall remain in effect, the whole or any part of the moneys, rights or remedies assigned to the Assignee hereunder to anyone other than the Assignee in accordance with Section 28(b) of the Stanton II/Vero Power Sales Contract and 13(b) of the Stanton II/Vero Project Support Contract.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the Stanton II Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to FMPA instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the Assignee: TD Bank, National Association,
as Stanton II Bond Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the Stanton II Project
8553 Commodity Circle
Orlando, Florida 32819

To the ARP: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the Stanton II Project and FMPA is not acting with respect to the ARP.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Acknowledged:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the ARP

By: _____
Name:
Title:

Exhibit F

Form of Partial Assignment Agreement (Stanton II Project) between FMPA and ARP Bond Trustee

[4844-9829-4866]

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(STANTON II PROJECT)
OF FLORIDA MUNICIPAL POWER AGENCY,
WITH RESPECT TO THE
ALL-REQUIREMENTS POWER SUPPLY PROJECT**

THIS PARTIAL ASSIGNMENT AGREEMENT (STANTON II PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the All-Requirements Power Supply Project ("ARP"), in its capacity as assignee and transferee under the Stanton II Vero Contracts (as defined below) from the City of Vero Beach, Florida ("Vero"), as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "ARP Bond Trustee") under the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003 (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the Stanton II Project Power Sales Contract, dated as of June 26, 1991, between FMPA and Vero, as amended (the "Stanton II/Vero Power Sales Contract") and the Stanton II Project Project Support Contract, dated as of June 26, 1991, between FMPA and Vero, as amended (the "Stanton II/Vero Project Support Contract," and together with the Stanton II/Vero Power Sales Contract, the "Stanton II Vero Contracts"). The Stanton II Vero Contracts are being transferred by Vero to the Assignor pursuant to the terms of the Assignment Agreement (Stanton II Project), dated as of the date hereof, between Vero and FMPA (the "Stanton II Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the Stanton II Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the Stanton II Assignment Agreement, the Assignor under the Stanton II Vero Contracts, hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of FMPA, with respect to the Stanton II Project, contained in Sections 3, 4(d), 4(e), 4(i), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the Stanton II Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the Stanton II/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the Stanton II Vero Contracts against FMPA, with respect to the Stanton II Project (collectively, the "Assigned Rights and Obligations").

(b) The Assignor under the Stanton II Vero Contracts, hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor, or the Assignee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection therewith, and, if any Event of Default specified in the Stanton II Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (e) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, the Assignor will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by FMPA, with respect to the Stanton II Project, to comply with the terms of the Stanton II/Vero Power Sales Contract or the Stanton II/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge and agree that (i) as of the effective date of the Stanton II Assignment Agreement, the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignor's rights to assign its interest in the Stanton II/Vero Power Sales Contract with the consent of FMPA, with respect to the Stanton II Project, under Section 28(a) of the Stanton II/Vero Power Sales Contract and to assign its interest in the Stanton II/Vero Project Support Contract with the consent of FMPA, with respect to the Stanton II Project, under Section 13(a) of the Stanton II/Vero Project Support Contract, and (ii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract against FMPA, with respect to the Stanton II Project.

(f) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the Stanton II Vero Contracts against FMPA, with respect to the Stanton II Project.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, FMPA, with respect to the Stanton II Project, is not in default under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract, and (d) other than the assignment of the Assigned Rights and Obligations hereunder, the Assignor, has not assigned and hereby covenants that it will not assign its Assigned Rights and Obligations in the Stanton II Vero Contracts to anyone other than the Assignee.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the 16.4887% Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the Stanton II Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to the Assignor, instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the ARP Bond Trustee: TD Bank, National Association
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

To the Stanton II Project: Florida Municipal Power Agency,
with respect to the Stanton II Project
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPPA is acting with respect to the ARP and FMPPA is not acting with respect to the Stanton II Project.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Consented to:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the Stanton II Project

By: _____
Name:
Title:

[Signature page to ARP Partial Assignment Agreement – Stanton II Project]

Schedule 1(a) – Other Stanton II Participant Documents

- (i) Executed copies of a certificate each of the Other Stanton II Participants, executed by a duly authorized officer of such Other Stanton II Participant, in such capacity and not in an individual capacity, certifying as to resolutions attached thereto as being duly adopted by the governing body of the Other Stanton II Participant and authorizing the execution and delivery of the Other Stanton II Participant Amendments and all other necessary documents required in connection therewith to effect the transactions contemplated by this Stanton II Transfer Agreement and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;
- (ii) Executed copies of the Other Stanton II Participant Amendments of each of the Other Stanton II Participants;
- (iii) Opinions of counsel to each of the Other Stanton II Participants;
- (iv) Executed copies of the Consent and Waiver (Stanton II Project) of each of the Other Stanton II Participants; and
- (v) Executed copies of the Stanton II Mutual Release Agreement of each of the Other Stanton II Participants.

Schedule 1(b) – Other ARP Participant Documents

- (i) Executed copies of a certificate of each of the Other ARP Participants, executed by a duly authorized officer of such Other ARP Participant, in such capacity and not in an individual capacity, certifying as to resolutions attached thereto as being duly adopted by the governing body of the Other ARP Participant and authorizing the execution and delivery of the Other ARP Participant Amendments and all other necessary documents required in connection therewith to effect the transactions contemplated by this Stanton II Transfer Agreement and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;
- (ii) Executed copies of the Other ARP Participant Amendments of each of the Other ARP Participants;
- (iii) Opinions of counsel to each of the Other ARP Participants;
- (iv) Executed copies of the Consent and Waiver (All-Requirements Power Supply Project) of each of the Other ARP Participants; and
- (v) Executed copies of the ARP Mutual Release Agreement of each of the Other ARP Participants.

Schedule 2 – Conditions Precedent to Closing

The obligation of the Parties to consummate the transactions contemplated hereby is conditioned on the occurrence of each of the following:

- (a) Vero Beach and FPL shall have consummated the Proposed Sale Transaction;
- (b) Vero Beach shall have tendered the Consideration Payment to FMPA;
- (c) Vero Beach and FMPA, with respect to the Stanton II Project, shall have complied with all covenants, agreements and conditions required to be performed, observed or complied with by Vero Beach or FMPA, as the case may be, and shall have satisfied all conditions precedent to Closing, under this Stanton II Transfer Agreement and the Other Transfer Agreements;
- (d) FMPA, with respect to the ARP, shall have (i) received written evidence of the confirmation from Moody's and from Fitch that the Proposed Sale Transaction and the transactions contemplated by this Stanton II Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Moody's or Fitch which reflects a negative change or negative outlook or negative watch in the ratings assigned to the All-Requirements Power Supply Project Revenue Bonds; and (ii) complied with all covenants, agreements and conditions required to be performed, observed or complied with by FMPA under the All-Requirements Power Supply Revenue Bond Resolution and the All-Requirements Project Power Supply Contracts in connection with the consummation of the transactions under this Stanton II Transfer Agreement.

Exhibit C

Substantial Form of Stanton II Assignment Agreement

See Exhibit B-1 to the Stanton II Project Transfer Agreement

Exhibit D-1

Substantial Form of Vero Stanton II Power Sales Contract Amendment

See Exhibit C to the Stanton II Project Transfer Agreement

Exhibit D-2

Substantial Form of Vero Stanton II Project Support Contract Amendment

See Exhibit D to the Stanton II Project Transfer Agreement

Exhibit E

Substantial Form of OUC Consents

Draft 3/9/18

**CONSENT OF ORLANDO UTILITIES COMMISSION
(STANTON II PROJECT)**

WHEREAS, the Orlando Utilities Commission (“OUC”) and the Florida Municipal Power Agency (“FMPA”) entered into the Participation Agreement between OUC and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with OUC, as amended (the “Stanton II Participation Agreement”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton Energy Center Unit Two Generation Project (“Stanton Unit No. 2”),); and

WHEREAS, pursuant to Section 7.01 of the aforesaid Participation Agreement, the City of Vero Beach, Florida (“Vero Beach”) is a FMPA Participating Member (as said term is defined in Section 1.15 of the Participation Agreement) and as such Vero Beach was designated on Exhibit 1 of the Participation Agreement as one of the “List of FMPA Participating Members”; and

WHEREAS, Vero Beach pursuant to the Stanton II Project Power Sales Contract (“Vero/Stanton II PSC”) and the Stanton II Project Project Support Contract (the “Vero/Stanton II Project Support Contract;” the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the “Vero/Stanton II Contracts”), each by and between FMPA and Vero Beach and dated as of May 24, 1991, acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, FMPA entered into power sales contracts with the other Participating Members in the Stanton II Project which are substantially similar to the Vero/Stanton II PSC (the “Other Stanton II PSCs”) and project support contracts with the other Participating Members in the Stanton II Project which are substantially similar to the Vero/Stanton II Project Support Contract (the “Other Stanton II Project Support Contracts”; the Other Stanton II PSCs and the Other Stanton II Project Support Contracts are collectively referred to herein as the “Other Participant Stanton II Contracts;” the Vero/Stanton II PSC and the Other Stanton II PSCs are collectively referred to herein as the “Stanton II Power Sales Contracts” and the Vero/Stanton II Project Support Contract and the Other Participant Project Support Contracts are collectively referred to herein as the “Stanton II Project Support Contracts”); and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

Draft 3/9/18

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton II Contracts and the associated rights and obligations thereunder (the "Vero/Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, that FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton II Transfer Agreement requires, that upon the closing of the Proposed Sale Transaction, Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II Contracts be amended ("Vero/Stanton II Project Amendments"), forms of which are appended to the Stanton II Transfer Agreement, and that certain it is appropriate that certain terms and provisions of the Other Participant Stanton II Contracts be amended (collectively, "Other Stanton II Project Amendments"), forms of which amendments are appended hereto as Exhibits A-1 and A-2; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the "Stanton II Assignment Agreement"), at which time the Other Stanton II Project Amendments will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and

WHEREAS, Exhibit 1 of the Participation Agreement will need to be amended to add FMPA, with respect to the ARP, as the transferee and assignee of one of the Participating Members set forth in the "List of FMPA Participating Members", a copy of such amended Exhibit 1 is attached hereto as Exhibit "B"; and

WHEREAS, Section 24(d) of the Stanton II Power Sales Contracts and Section 17(c) of the Stanton II Project Support Contracts provide that such contracts may not be rescinded, amended, supplemented, altered or terminated in any way that would materially lessen, release or alter the rights of OUC or the obligations of a Project Participant to OUC without the express written consent of OUC; and

WHEREAS, FMPA and Vero Beach have requested that OUC consent to the Amendments and waive the requirements of the last sentence of Section 28(a) and clause (i) of

Draft 3/9/18

Section 28(c) of the Stanton II Power Sales Contracts and of the last sentence of Section 13(a) and clause (i) of Section 13(c) of the Stanton II Project Support Contracts to allow for the assignment of Vero Beach's 32.521% Power Entitlement Share in the Stanton II Project to FMPA, with respect to the ARP, and the release of Vero Beach from any liabilities and obligations under the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract; and

WHEREAS, pursuant to Section 7.01 of the Participation Agreement, Section 24(d) of the Stanton II Power Sales Contracts and Section 17(c) of the Stanton II Project Support Contracts, OUC is consenting to the aforesaid Assignment and to FMPA, with respect to the ARP, taking on the obligations of a FMPA Participating Member as the transferee and assignee of Vero Beach, which will no longer be a FMPA Participating Member; and

NOW, THEREFORE, OUC hereby (i) consents to and approves the consents to and approves (x) the Vero Stanton II Project Amendments in the forms appended to the Stanton II Transfer Agreement, (y) the Other Stanton II Project Amendments in the forms appended hereto as Exhibit A-1 and A-2, and (z) the Amended Exhibit I to the Participation Agreement attached hereto as Exhibit B, and (ii) waives the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) of the Stanton II Power Sales Contracts and of the last sentence of Section 13(a) and clause (i) of Section 13(c) of the Stanton II Project Support Contracts to allow for the assignment of Vero Beach's 16.4887% Power Entitlement Share in the Stanton II Project to FMPA, with respect to the ARP, and the release and discharge of Vero Beach from any liabilities and obligations under the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract; and (iii) authorizes [____], [____] and [____] as authorized officers which officers have been authorized and empowered to take all further actions for OUC as may be necessary or desirable in carrying out the terms and provisions of this Consent and each of the documents referred to herein.

[Remainder of page left blank, signatures appear on the following page]

Draft 3/9/18

IN WITNESS HEREOF, OUC has caused this Consent to be executed by its duly authorized officer on this ___th day of _____, 201_.

ORLANDO UTILITIES COMMISSION

By: _____

Attest: _____

(SEAL)

Draft 3/9/18

Exhibit A-1

Form of Amendment to Stanton II Project Power Sales Contract
between FMPA and Other Stanton II Project Participant

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON II PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON II PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ____ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA) and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the "[Participant]/Stanton II PSC"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/Stanton II PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the "Stanton II Project" (the "Stanton II Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton II Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton II Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton II Energy Center Unit Two Generation Project ("Stanton Unit No. 2"), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to the [Participant] pursuant to the [Participant]/Stanton II PSC and to the other Stanton II Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/Stanton II PSC (the "Other Stanton II PSCs," and, together with the [Participant]/Stanton II PSC, the "Stanton II PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton II Project, to issue its bonds to pay the costs of acquiring and constructing the Stanton II Project, it was necessary for the Stanton II PSCs to be substantially similar and for FMPA, with respect to the Stanton II Project, to pledge such contracts and the payments required to be made in accordance with such Stanton II PSCs as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the Stanton II Project Power Sales Contract ("Vero/Stanton II PSC") and the Stanton II Project Support Contract, (the "Vero/Stanton II Project Support Contract;" the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the "Vero/Stanton II Contracts"), each by and between FMPA and Vero Beach and dated as of May 24, 1991, acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton II Contracts and the associated rights and obligations thereunder (the "Vero/Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects that FMPA, with respect to the ARP Project, desires to accept a transfer and take an assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March ___, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each of the Stanton II Project Participants other than Vero Beach (the "Other Stanton II Project Participants") acknowledge and agree that upon the Assignment Effective Date

(as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton II Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC be amended (“Vero/Stanton II PSC Amendments”); and

WHEREAS, the transfer and assignment of the Vero/Stanton II PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the Stanton II PSCs to reflect the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the Stanton II PSCs provides that the terms and conditions of a Stanton II PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II PSCs of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/Stanton II PSC Amendments, has consented to the Vero/Stanton II PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/Stanton II PSC to request that similar amendments be made to the [Participant]/Stanton II PSC and has agreed to enter into a Mutual Release Agreement (Stanton II Project), a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the “Stanton II Assignment Agreement”), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to the [Participant]/Stanton II PSC. The [Participant]/Stanton II PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” or “ARP Project” to read as follows:

“ARP or ARP Project shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton II Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “Stanton II Trustee” to read as follows:

“Stanton II Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida”.

(ix) Section 1 is hereby amended to add a new definition of “Vero Beach Power Sales Contract” to read as follows:

“Vero Beach Power Sales Contract shall mean the Stanton II Project Power Sales Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on the date hereof.”

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(xi) Annex I of the [Participant]/Stanton II PSC is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/Stanton II PSC is hereby amended by this Amendment No. 1 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 1 (Project Participant) to Stanton II Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Orlando Utilities Commission
[Address]
[Address]

[Stanton II Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's Stanton II Project, in connection with the authorization, execution and delivery of (i) Amendment No. 1 to the Stanton II Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton II Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018, between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton II Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents,

certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding or inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Draft 3/9/18

Exhibit A-2

Form of Amendment to Stanton II Project Project Support Contract
between FMPA and Other Stanton II Project Participant

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON II PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON II PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 1”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA”) and the [PROJECT PARTICIPANT] (the “Participant;” the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton II Project Project Support Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the “[Participant]/Stanton II Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the “[Participant]/Stanton II PSC”). The [Participant]/Stanton II PSC and the [Participant]/Stanton II Project Support Contract together are referred to herein as the “[Participant]/Stanton II Contracts”.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “Stanton II Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton II Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton II Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton II

Energy Center Unit One Generation Project (“Stanton Unit No. 2”), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton II PSC and power sales contracts that are substantially similar to the [Participant]/Stanton II PSC (the “Other Stanton II PSCs” and, together with the [Participant]/Stanton II PSC, the “Stanton II PSCs”) FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to the Stanton II Project Participants; and

WHEREAS, the Stanton II PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton II Project; and

WHEREAS, in order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA, with respect to the Stanton II Project to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton II Project Support Contract and FMPA and the other Stanton II Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton II Project Support Contract (collectively, the “Stanton II Project Support Contracts”); and

WHEREAS, pursuant to the Stanton II Project Power Sales Contract (“Vero/Stanton II PSC”) and the Stanton II Project Support Contract (the “Vero/Stanton II Project Support Contract;” the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the “Vero Stanton II Contracts”, each by and between FMPA and the City of Vero Beach, Florida (“Vero Beach”) and dated of January 16, 1984, Vero Beach acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company (“FPL”) have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or the “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton II Contracts and the associated rights and obligations thereunder (the "Vero Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC and Vero/Stanton II Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton II Project Support Contract and Stanton II Project Support Contracts other than Vero/Stanton II Project Support Contract (the "Other Stanton II Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton II Project Support Contracts provides that the terms and conditions of a Stanton II Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Project Support Contracts of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton II Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton II Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton II Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton II Project Support Contract to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton II Project Support Contract. The [Participant]/Stanton II Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton II Project Project Support Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

Draft 3/9/18

EXHIBIT B

EXHIBIT I

LIST OF FMPA PARTICIPATING MEMBERS

Fort Pierce Utilities Authority
City of Homestead
Utility Board of the City of Key West
Kissimmee Utility Authority
City of St. Cloud
City of Starke
FMPA (All-Requirements Power Supply Project), as the transferee and assignee of the
City of Vero Beach

Exhibit F-1

Substantial Form of Other Participant Stanton II Power Sales Contract Amendments

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON II PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON II PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ____ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA) and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the "[Participant]/Stanton II PSC"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/Stanton II PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the "Stanton II Project" (the "Stanton II Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton II Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton II Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton II Energy Center Unit Two Generation Project ("Stanton Unit No. 2"), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to the [Participant] pursuant to the [Participant]/Stanton II PSC and to the other Stanton II Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/Stanton II PSC (the "Other Stanton II PSCs," and, together with the [Participant]/Stanton II PSC, the "Stanton II PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton II Project, to issue its bonds to pay the costs of acquiring and constructing the Stanton II Project, it was necessary for the Stanton II PSCs to be substantially similar and for FMPA, with respect to the Stanton II Project, to pledge such contracts and the payments required to be made in accordance with such Stanton II PSCs as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the Stanton II Project Power Sales Contract ("Vero/Stanton II PSC") and the Stanton II Project Support Contract, (the "Vero/Stanton II Project Support Contract;" the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the "Vero/Stanton II Contracts"), each by and between FMPA and Vero Beach and dated as of May 24, 1991, acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton II Contracts and the associated rights and obligations thereunder (the "Vero/Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects that FMPA, with respect to the ARP Project, desires to accept a transfer and take an assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March ___, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each of the Stanton II Project Participants other than Vero Beach (the "Other Stanton II Project Participants") acknowledge and agree that upon the Assignment Effective Date

(as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton II Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC be amended (“Vero/Stanton II PSC Amendments”); and

WHEREAS, the transfer and assignment of the Vero/Stanton II PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the Stanton II PSCs to reflect the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the Stanton II PSCs provides that the terms and conditions of a Stanton II PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II PSCs of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/Stanton II PSC Amendments, has consented to the Vero/Stanton II PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/Stanton II PSC to request that similar amendments be made to the [Participant]/Stanton II PSC and has agreed to enter into a Mutual Release Agreement (Stanton II Project), a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the “Stanton II Assignment Agreement”), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to the [Participant]/Stanton II PSC. The [Participant]/Stanton II PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” or “ARP Project” to read as follows:

“ARP or ARP Project shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton II Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “Stanton II Trustee” to read as follows:

“Stanton II Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida”.

(ix) Section 1 is hereby amended to add a new definition of “Vero Beach Power Sales Contract” to read as follows:

“Vero Beach Power Sales Contract shall mean the Stanton II Project Power Sales Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on the date hereof.”

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(xi) Annex I of the [Participant]/Stanton II PSC is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/Stanton II PSC is hereby amended by this Amendment No. 1 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 1 (Project Participant) to Stanton II Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Orlando Utilities Commission
[Address]
[Address]

[Stanton II Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's Stanton II Project, in connection with the authorization, execution and delivery of (i) Amendment No. 1 to the Stanton II Project Power Sales Contract (Project Participant), dated as of ____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton II Project Support Contract (Project Participant), dated as of ____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of ____, 2018, between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton II Project), dated as of ____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. ____ of Participant, adopted on ____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents,

certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding or inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit F-2

Substantial Form of Other Participant Stanton II Project Support Contact
Amendments

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON II PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON II PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 1”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA”) and the [PROJECT PARTICIPANT] (the “Participant;” the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton II Project Project Support Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the “[Participant]/Stanton II Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the “[Participant]/Stanton II PSC”). The [Participant]/Stanton II PSC and the [Participant]/Stanton II Project Support Contract together are referred to herein as the “[Participant]/Stanton II Contracts”.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “Stanton II Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton II Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton II Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton II

Energy Center Unit One Generation Project (“Stanton Unit No. 2”), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton II PSC and power sales contracts that are substantially similar to the [Participant]/Stanton II PSC (the “Other Stanton II PSCs” and, together with the [Participant]/Stanton II PSC, the “Stanton II PSCs”) FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to the Stanton II Project Participants; and

WHEREAS, the Stanton II PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton II Project; and

WHEREAS, in order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA, with respect to the Stanton II Project to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton II Project Support Contract and FMPA and the other Stanton II Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton II Project Support Contract (collectively, the “Stanton II Project Support Contracts”); and

WHEREAS, pursuant to the Stanton II Project Power Sales Contract (“Vero/Stanton II PSC”) and the Stanton II Project Support Contract (the “Vero/Stanton II Project Support Contract;” the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the “Vero Stanton II Contracts”, each by and between FMPA and the City of Vero Beach, Florida (“Vero Beach”) and dated of January 16, 1984, Vero Beach acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company (“FPL”) have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or the “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton II Contracts and the associated rights and obligations thereunder (the "Vero Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC and Vero/Stanton II Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton II Project Support Contract and Stanton II Project Support Contracts other than Vero/Stanton II Project Support Contract (the "Other Stanton II Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton II Project Support Contracts provides that the terms and conditions of a Stanton II Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Project Support Contracts of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton II Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton II Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton II Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton II Project Support Contract to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton II Project Support Contract. The [Participant]/Stanton II Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton II Project Project Support Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

Exhibit G

Substantial Form of Stanton II Trustee Assignment

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

PARTIAL ASSIGNMENT AGREEMENT
(STANTON II PROJECT)

THIS PARTIAL ASSIGNMENT AGREEMENT (STANTON II PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the Stanton II Project, as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "Stanton II Bond Trustee") under the Stanton II Project Revenue Bond Resolution, adopted by FMPA on June 26, 1991, amended and restated in its entirety on April 10, 2002 and as supplemented and amended to the date hereof (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by The Assignor of certain of its rights and obligations under the Stanton II Project Power Sales Contract, dated as of June 26, 1991, between FMPA and the City of Vero Beach, Florida ("Vero"), as amended (the "Stanton II/Vero Power Sales Contract") and the Stanton II Project Project Support Contract, dated as of June 26, 1991, between FMPA and Vero, as amended (the "Stanton II/Vero Project Support Contract," and together with the Stanton II/Vero Power Sales Contract, the "Stanton II Vero Contracts"). The Stanton II Vero Contracts are being transferred and assigned by Vero to FMPA, with respect to the All-Requirements Power Supply Project ("ARP"), pursuant to the terms of the Assignment Agreement (Stanton II Project), dated as of the date hereof, between Vero and FMPA (the "Stanton II Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the Stanton II Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the Stanton II Assignment Agreement, the Assignor hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of the Project Participant contained in Sections 3, 4(d), 4(e), 4(i), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the Stanton II/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the Stanton II/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the Stanton II Vero Contracts against the Project Participant as a transferee and assignee of Vero (collectively, the "Assigned Rights and Obligations").

(b) The Assignor hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor or the Stanton II Bond Trustee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection therewith, and, if any Event of Default specified in the Stanton II Vero Contracts shall occur:

(a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (d) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor that at any time and from time to time, upon receipt of a written request of the Assignee, it will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by the Project Participant to comply with the terms of the Stanton II/Vero Power Sales Contract or the Stanton II/Vero Project Sales Contract.

(e) The Assignor and the Assignee acknowledge that all right, title and interest of FMPA in, to and under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract have been pledged under the Bond Resolution to secure the payment of principal, Redemption Price and interest on the Bonds and Parity Debt and that the Assignee has rights and obligations provided to it under the Bond Resolution as the Stanton II Bond Trustee to protect the interests of Bondholders with respect to the payment of the Bonds to be exercised in accordance with the terms of the Bond Resolution. The actions taken by the Assignee pursuant to this Partial Assignment shall be consistent with the Assignee's rights and obligations under the Bond Resolution. Capitalized terms used in this clause (e) and not otherwise defined herein shall have the meanings for those terms provided in the Bond Resolution rather than as provided in the Stanton II Vero Contracts.

(f) The Assignor and the Assignee acknowledge and agree that (i) the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton II/Vero Power Sales Contract and Section 13(b) of the Stanton II/Vero Project Support Contract that exist prior to the date hereof, (ii) as of the effective date of the Stanton II Assignment Agreement, the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the Stanton II/Vero Power Sales Contract and Section 13(b) of the Stanton II/Vero Project Support Contract will continue to be in full force and effect, and (iii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract against the Project Participant as a transferee and assignee of Vero.

(g) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the Stanton II Vero Contracts against the Project Participant as a transferee and assignee of Vero.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, Vero is not in default under the Stanton II/Vero Power Sales Contract and the Stanton II/Vero Project Support Contract, and (d) other than the assignment and pledge of the Assignor of its right, title, and interest in, to and under the Stanton II Vero Contracts and all payments to be made to the Assignor under the provisions of the Stanton II Vero Contracts as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds, the Assignor has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Partial Assignment shall remain in effect, the whole or any part of the moneys, rights or remedies assigned to the Assignee hereunder to anyone other than the Assignee in accordance with Section 28(b) of the Stanton II/Vero Power Sales Contract and 13(b) of the Stanton II/Vero Project Support Contract.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the Stanton II Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to FMPA instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the Assignee: TD Bank, National Association,
as Stanton II Bond Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the Stanton II Project
8553 Commodity Circle
Orlando, Florida 32819

To the ARP: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the Stanton II Project and FMPA is not acting with respect to the ARP.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Acknowledged:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the ARP

By: _____
Name:
Title:

Exhibit H

Substantial Form of Consent and Waiver (Stanton II Project)

Draft 3/9/18

**CONSENT AND WAIVER
(STANTON II PROJECT)
OF
[NAME OF OTHER STANTON II PROJECT PARTICIPANT]**

THIS CONSENT AND WAIVER (STANTON II PROJECT) is made as of the ____ day of ____, 2018 by an authorized officer of [NAME OF OTHER STANTON II PROJECT PARTICIPANT] pursuant to the Stanton II Project Power Sales Contract, dated as of May 24, 1991 (the “[Participant] Stanton II Power Sales Contract”), by and between Florida Municipal Power Agency (“FMPA”) and [NAME OF OTHER STANTON II PROJECT PARTICIPANT] (“[NAME OF OTHER STANTON II PROJECT PARTICIPANT]”) and the Stanton II Project Project Support Contract, dated as of May 24, 1991 (the “[Participant] Stanton II Project Support Contract”), by and between FMPA and [NAME OF OTHER STANTON II PROJECT PARTICIPANT].

Terms not defined in this Consent and Waiver (Stanton II Project) shall be defined in the Transfer Agreement (Stanton II Project), dated as of ____, 2018, by and between the City of Vero Beach, Florida and FMPA (the “Stanton II Transfer Agreement”).

Pursuant to Section 29(d) of the [Participant] Stanton II Power Sales Contract and Section 14(b) of the [Participant] Stanton II Project Support Contract, [NAME OF OTHER STANTON II PROJECT PARTICIPANT] hereby:

- (i) acknowledges that it has received notice of and a copy of the Vero Stanton II Amendments, forms of which are appended to the Stanton II Transfer Agreement;
- (ii) consents to the terms of the Vero Stanton II Amendments;
- (iii) consents to the transfer and assignment of the Vero Stanton II Contracts to FMPA, with respect to the ARP Project, pursuant to terms of the Stanton II Transfer Agreement and the release and discharge of Vero Beach from any liability or obligations under the Vero Stanton II Contracts;
- (iv) consents to the assignment of certain of the rights and obligations of FMPA, with respect to the Stanton II Project, under the Vero Stanton II Contracts to the Stanton II Bond Trustee;
- (v) consents to the assignment of certain of the rights and obligations of FMPA, with respect to the ARP Project, under the Vero Stanton II Contracts to the ARP Bond Trustee, where FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach;
- (vi) consents to the actions that FMPA has taken and will take to facilitate the closing of the Proposed Sale Transaction, and the consummation of the purpose and intent of the Stanton II Transfer Agreement; and

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(vii) waives its right to have the amendments provided for in the Vero Stanton II Amendments, or amendments similar thereto, made to the [Participant] Stanton II Power Sales Contract and the [Participant] Stanton II Project Support Contract.

The consents and waiver contained herein shall be applicable only to the matters stated herein, and such consents and waiver shall be so limited and shall not be deemed to extend to any other matter nor impair or limit any right consequent thereon.

[Remainder of page intentionally left blank; signature appears on the following page]

IN WITNESS WHEREOF, [NAME OF OTHER STANTON II PROJECT PARTICIPANT] has caused this Consent and Waiver (Stanton II Project) to be executed by its duly authorized officer as of the date first above written.

[NAME OF OTHER STANTON II PROJECT PARTICIPANT]

By: _____
Name:
Title:

Acknowledged by:

FLORIDA MUNICIPAL POWER AGENCY

By: _____
Name:
Title:

Exhibit I

Substantial Form of Mutual Release

Draft 3/9/18

**MUTUAL RELEASE AGREEMENT
(STANTON II PROJECT)**

THIS MUTUAL RELEASE AGREEMENT (STANTON II PROJECT) (this "Stanton II Release Agreement") is made and entered into as of this ___ day of _____, 2018 by and between the City of Vero Beach, Florida, a political subdivision of the State of Florida ("Vero Beach"), and [NAME OF OTHER STANTON II PROJECT PARTICIPANT], a political subdivision of the State of Florida ("[NAME OF PARTICIPANT]") with respect to FMPA's Stanton II Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton II Project (the "Stanton II Project") on behalf of the members of FMPA and the participants in such project (the "Stanton II Project Participants").

RECITALS

WHEREAS, Vero Beach and [NAME OF OTHER STANTON II PROJECT PARTICIPANT] wish to set forth the terms for this Stanton II Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and [NAME OF OTHER STANTON II PROJECT PARTICIPANT] agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex dated as of March __, 2018 ("Master Annex") and appended as Exhibit A to the Transfer Agreement (Stanton II Project), dated as of _____, 2018, by and between Vero Beach and FMPA (the "Stanton II Transfer Agreement"), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this Stanton II Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this Stanton II Release Agreement. Terms not defined elsewhere in this Stanton II Release Agreement have the meanings given to such terms in the Master Annex.

2. [NAME OF OTHER STANTON II PROJECT PARTICIPANT] for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, previously existing, now existing, or hereafter discovered, that [NAME OF OTHER STANTON II PROJECT PARTICIPANT] may now have or hereafter may have, acquire or incur against Vero Beach with respect to the Stanton II Project by reason of any manner or thing whatsoever on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

3. Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges [NAME OF OTHER STANTON II PROJECT PARTICIPANT], effective as of the Assignment Effective Date, from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, previously existing, now existing, or hereafter discovered, that Vero Beach may now have or hereafter may have, acquire or incur against [NAME OF OTHER STANTON II PROJECT PARTICIPANT] with respect to the Stanton II Project by reason of any manner or thing whatsoever on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Stanton II Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

[NAME OF OTHER STANTON II PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Stanton II Release Agreement]

Exhibit J

Substantial Form of Waiver and Release Agreement

See Exhibit B-2 in the Stanton II Transfer Agreement

Exhibit K-1

Stanton II Trustee Resolution Certificate

Draft 3/9/18

**CERTIFICATE OF TRUSTEE
RELATING TO THE TRANSFER AND ASSIGNMENT OF THE VERO STANTON II
PROJECT ENTITLEMENTS TO FMPA, WITH RESPECT TO THE ARP**

TD Bank National Association, as trustee (the "Trustee") under the Stanton II Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on June 26, 1991, as amended and restated in its entirety on April 10, 2002, as amended and supplemented to the date hereof, hereby confirms that, based on the Trustee's review of: (1) the current version of the Transaction Documents listed in Exhibit A hereto, (2) executed copies of the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., (3) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton II Project Revenue Bonds (the "Ratings Letters"), (4) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (5) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, and (6) copies of the Resolutions adopted by each of the Stanton II Project Participants relating to the Transaction Documents and the consummation of the transactions contemplated therein, nothing has come to the attention of the Trustee that would cause the Trustee to believe that it will not be able to successfully and timely accomplish the actions required to be taken by the Trustee to complete the transactions contemplated by the Transaction Documents.

Dated: March 15, 2018

TD BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 1 (Vero Beach) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach;

(2) copies of Amendment No. 1 (Project Participant) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants, and Amendment No. 1 (Project Participant) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants;

(3) a copy of the Transfer Agreement (Stanton II Project), dated as of March ____, 2018 by and between Vero Beach and the Agency;

(4) a copy of the Consent and Waiver (Stanton II Project), dated as of ____, 2018, of each Other Stanton II Project Participant;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency;

(6) a copy of the Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between Vero Beach and the Agency; and

(7) a copy of the Partial Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton Bond Resolution.

Exhibit K-2

Substantial Form of Stanton II Trustee Acknowledgment Certificate

NP draft 3/8/18

**ACKNOWLEDGEMENT OF TRUSTEE TO RECEIPT, EXAMINATION
AND REVIEW OF TRANSACTION DOCUMENTS
STANTON II PROJECT**

TD Bank National Association, as trustee (the "Trustee") under the Stanton II Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on June 26, 1991, as amended and restated in its entirety on April 10, 2002, as amended and supplemented to the date hereof, hereby acknowledges receipt, examination and review of: (1) the Transaction Documents listed in Exhibit A hereto, (2) executed copies of the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., (3) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton II Project Revenue Bonds (the "Ratings Letters"), (4) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (5) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (6) executed copy of the Certificate as to Determination of the Board of Directors, dated March 15, 2018, and (7) copies of the Resolutions adopted by each of the Stanton II Project Participants relating to the Transaction Documents and the consummation of the transactions contemplated therein.

Dated: _____, 2018

TD BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

- (1) copies of Amendment No. 1 (Vero Beach) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach;
- (2) copies of Amendment No. 1 (Project Participant) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants, and Amendment No. 1 (Project Participant) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants;
- (3) a copy of the Transfer Agreement (Stanton II Project), dated as of March ____, 2018 by and between Vero Beach and the Agency;
- (4) a copy of the Consent and Waiver (Stanton II Project), dated as of ____, 2018, of each Other Stanton II Project Participant;
- (5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency;
- (6) a copy of the Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between Vero Beach and the Agency; and
- (7) a copy of the Partial Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton II Bond Resolution.

Exhibit L

Substantial Form of Certificate of FMPA

Draft 03/10/18

FLORIDA MUNICIPAL POWER AGENCY
CERTIFICATE AS TO DETERMINATION OF BOARD OF DIRECTORS
(STANTON II PROJECT)

We, Bill Conrad, Chairman of the Board of Directors, and Jacob A. Williams, General Manager and CEO of Florida Municipal Power Agency (the "Agency"), hereby certify that the Board of Directors of the Agency, after taking into account all relevant facts and circumstances, including, without limitation,

- (i) the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., in each case as to engineering matters,
- (ii) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters,
- (iii) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters,
- (iv) the respective rating announcements and letters provided by Moody's Investors Service, Inc., dated January 24, 2018, and by Fitch Ratings, Inc., dated November 17, 2017 and March 7, 2018,
- (v) being apprised of the adoption of resolutions by each of the Stanton II Project Participants (other than the City of Vero Beach) approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero Stanton II Project Entitlements,
- (vi) being apprised of the adoption of resolutions by each of the ARP Project Participants (other than the City of Vero Beach) approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero Stanton II Project Entitlements;
- (vii) being apprised of the adoption of resolutions by the City of Vero Beach approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero Stanton II Project Entitlements; and
- (viii) the Trustee Certificate, dated March 15, 2018;

at a meeting duly called and held on March 15, 2018 has determined that the transfer and assignment of the Vero Stanton II Project Entitlements to the Agency, with respect to the ARP, and the full release and discharge of Vero Beach from, among other things, all obligations related to the Stanton II Project as specified in the Waiver and Release Agreement in substantially the form attached hereto as Exhibit A and as contemplated by the Stanton II Transfer Agreement in substantially the form attached hereto as Exhibit B and the related documents, including the Vero Stanton II Amendments (the forms of which are included as part

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of Exhibit B) and the Other Stanton II Participant Amendments in substantially the forms attached hereto as Exhibit C, will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 711 of the Stanton II Bond Resolution.

Capitalized terms used herein and not otherwise defined directly or indirectly through the reference of other documentation will have the meanings provided for such terms in the Master Annex appended to the Transfer Agreement (Stanton II Project), by and between Vero Beach and the Agency, with respect to the ARP, and dated as of March __, 2018.

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IN WITNESS WHEREOF, we have hereunto set our hands and affixed the seal of the Agency as of the date first written above.

[SEAL]

Bill Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

[Signature page to Certificate as to Determination of Board of Directors (Stanton II Project)]

EXHIBIT A

Form of Waiver and Release Agreement

See Exhibit B-2 in the Stanton II Transfer Agreement

EXHIBIT B

Form of Stanton II Transfer Agreement

See Exhibit B of the Stanton II Resolution

EXHIBIT C

Form of Other Stanton II Participant Amendments

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON II PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON II PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ____ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA) and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the "[Participant]/Stanton II PSC"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/Stanton II PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the "Stanton II Project" (the "Stanton II Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton II Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton II Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton II Energy Center Unit Two Generation Project ("Stanton Unit No. 2"), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to the [Participant] pursuant to the [Participant]/Stanton II PSC and to the other Stanton II Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/Stanton II PSC (the "Other Stanton II PSCs," and, together with the [Participant]/Stanton II PSC, the "Stanton II PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the Stanton II Project, to issue its bonds to pay the costs of acquiring and constructing the Stanton II Project, it was necessary for the Stanton II PSCs to be substantially similar and for FMPA, with respect to the Stanton II Project, to pledge such contracts and the payments required to be made in accordance with such Stanton II PSCs as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the Stanton II Project Power Sales Contract ("Vero/Stanton II PSC") and the Stanton II Project Support Contract, (the "Vero/Stanton II Project Support Contract;" the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the "Vero/Stanton II Contracts"), each by and between FMPA and Vero Beach and dated as of May 24, 1991, acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/Stanton II Contracts and the associated rights and obligations thereunder (the "Vero/Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, beneficial interlocal cooperation, and to secure the stable future of its joint electric projects that FMPA, with respect to the ARP Project, desires to accept a transfer and take an assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March ___, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each of the Stanton II Project Participants other than Vero Beach (the "Other Stanton II Project Participants") acknowledge and agree that upon the Assignment Effective Date

(as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/Stanton II Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC be amended (“Vero/Stanton II PSC Amendments”); and

WHEREAS, the transfer and assignment of the Vero/Stanton II PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the Stanton II PSCs to reflect the transfer and assignment of the Vero/Stanton II Contracts and the Vero/Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the Stanton II PSCs provides that the terms and conditions of a Stanton II PSC may be amended so as to provide terms and conditions different from those contained in other Stanton PSCs upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II PSCs of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/Stanton II PSC Amendments, has consented to the Vero/Stanton II PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/Stanton II PSC to request that similar amendments be made to the [Participant]/Stanton II PSC and has agreed to enter into a Mutual Release Agreement (Stanton II Project), a form of which is appended to the Stanton Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the “Stanton II Assignment Agreement”), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to the [Participant]/Stanton II PSC. The [Participant]/Stanton II PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” or “ARP Project” to read as follows:

“ARP or ARP Project shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (Stanton II Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to the ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “Stanton II Trustee” to read as follows:

“Stanton II Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida”.

(ix) Section 1 is hereby amended to add a new definition of “Vero Beach Power Sales Contract” to read as follows:

“Vero Beach Power Sales Contract shall mean the Stanton II Project Power Sales Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on the date hereof.”

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(xi) Annex I of the [Participant]/Stanton II PSC is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach’s 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/Stanton II PSC is hereby amended by this Amendment No. 1 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 1 (Project Participant) to Stanton II Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Orlando Utilities Commission
[Address]
[Address]

[Stanton II Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's Stanton II Project, in connection with the authorization, execution and delivery of (i) Amendment No. 1 to the Stanton II Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the Stanton II Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018, between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (Stanton II Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents,

certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding or inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON II PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON II PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 1”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA”) and the [PROJECT PARTICIPANT] (the “Participant;” the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the Stanton II Project Project Support Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the “[Participant]/Stanton II Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton II Project Power Sales Contract, dated as of May 24, 1991, by and between FMPA and the Participant (the “[Participant]/Stanton II PSC”). The [Participant]/Stanton II PSC and the [Participant]/Stanton II Project Support Contract together are referred to herein as the “[Participant]/Stanton II Contracts”.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “Stanton II Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “Stanton II Project Participants”); and

WHEREAS, FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton II Energy Center Unit Two Generation Project, made as of June 26, 1991, with the Orlando Utilities Commission (“OUC”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton II

Energy Center Unit One Generation Project (“Stanton Unit No. 2”), and FMPA, with respect to the Stanton II Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton II PSC and power sales contracts that are substantially similar to the [Participant]/Stanton II PSC (the “Other Stanton II PSCs” and, together with the [Participant]/Stanton II PSC, the “Stanton II PSCs”) FMPA sells the Electric Capacity and Electric Energy of the Stanton II Project to the Stanton II Project Participants; and

WHEREAS, the Stanton II PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton II Project; and

WHEREAS, in order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA, with respect to the Stanton II Project to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton II Project Support Contract and FMPA and the other Stanton II Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton II Project Support Contract (collectively, the “Stanton II Project Support Contracts”); and

WHEREAS, pursuant to the Stanton II Project Power Sales Contract (“Vero/Stanton II PSC”) and the Stanton II Project Support Contract (the “Vero/Stanton II Project Support Contract;” the Vero/Stanton II PSC and the Vero/Stanton II Project Support Contract are collectively referred to herein as the “Vero Stanton II Contracts”, each by and between FMPA and the City of Vero Beach, Florida (“Vero Beach”) and dated of January 16, 1984, Vero Beach acquired a 16.4887% Power Entitlement Share in the Stanton II Project; and

WHEREAS, Vero Beach and Florida Power & Light Company (“FPL”) have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or the “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton II Contracts and the associated rights and obligations thereunder (the "Vero Stanton II Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton II Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton II Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton II PSC and Vero/Stanton II Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton II Project Support Contract and Stanton II Project Support Contracts other than Vero/Stanton II Project Support Contract (the "Other Stanton II Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton II Project Support Contracts provides that the terms and conditions of a Stanton II Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Project Support Contracts of any other Stanton II Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton II Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton II Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton II Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton II Project Support Contract to reflect the transfer and assignment of the Vero Stanton II Contracts and the Vero Stanton II Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton II Project), a form of which is appended to the Stanton II Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton II Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton II Project Support Contract. The [Participant]/Stanton II Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton II Project Project Support Contract, dated as of May 24, 1991, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton II Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 16.4887% Power Entitlement Share in the Stanton II Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	16.4887%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.2443%
Utility Board of the City of Key West Keys Energy Services 1001 James Street P.O. Drawer 6100 Key West, Florida 33041 Attention: Lynne E. Tejada, General Manager and CEO	9.8932%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	32.9774%
City of Ocala 110 SE Watula Avenue Ocala, Florida, 33471 Attention: John Zobler, City Manager	14.6711%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	1.2366%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	16.4887%

Exhibit M-1

Substantial Form of Opinion of Nixon Peabody, LLP, as Bond Counsel to FMPA

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 473 of 1048

Draft of NP Opinion 03/11/18

Tower 46
55 West 46th Street
New York, NY 10036-4120
T.: 212-940-3000
F.: 212-940-3111

[FORM OF OPINION OF BOND COUNSEL FOR STANTON II PROJECT]

[Date]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

TD Bank, N.A., as Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960

Ladies and Gentlemen:

We serve as Bond Counsel to Florida Municipal Power Agency, with respect to its Stanton II Project (“FMMPA”), which has entered into a Transfer Agreement (Stanton II Project) with the City of Vero Beach, Florida (“Vero Beach”), dated as of _____, 2018, including the Master Annex as an exhibit thereto (the “Stanton II Transfer Agreement”), and have acted as such in connection with the authorization, execution and delivery by FMMPA of the Transaction Documents (as hereinafter defined). This opinion letter is being delivered in accordance with Section 7 of the Stanton II Transfer Agreement. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Stanton II Transfer Agreement.

In so acting we have examined Section 163.01, Florida Statutes, as amended, Chapter 166, Part II, Florida Statutes, as amended, Chapter 361, Part II, Florida Statutes, as amended, and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (collectively, the “Act”), and have made such other examination of applicable Florida and other laws, as we have deemed necessary in giving this opinion. We have also examined originals, or copies certified or otherwise identified to our satisfaction, of the following:

(a) the Stanton II Project Revenue Bond Resolution, adopted by the Board of Directors of FMMPA on January 13, 1984, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof (the “Stanton II Bond Resolution”);

(b) the Stanton II Project Power Sales Contracts, dated as of January 16, 1984 (each, an “Original Power Sales Contract”), between FMMPA and each of the Stanton II Project Participants, and Stanton II Project Project Support Contracts, dated as of January 16, 1984

(each, an "Original Project Support Contract"), between FMPA and each of the Stanton II Project Participants (collectively, the "Stanton II Contracts");

(c) executed copies of Amendment No. 1 (Vero Beach) to the Vero Stanton II Power Sales Contract, dated as of _____, 2018 (the "Vero Power Sales Amendment"), between FMPA and Vero Beach, and Amendment No. 1 (Vero Beach) to the Vero Stanton II Project Support Contract, dated as of _____, 2018, between FMPA and Vero Beach (the "Vero Project Support Amendment" and together with the Vero Power Sales Amendment, the "Vero Amendments");

(d) executed copies of Amendment No. 1 (Project Participant) to the Stanton II Project Power Sales Contract, dated as of _____, 2018 (each, a "Participant Power Sales Amendment," and collectively the "Participant Power Sales Amendments"), between FMPA and each of the Other Stanton II Project Participants, and Amendment No. 1 (Project Participant) to the Stanton II Project Project Support Contract, dated as of _____, 2018, between FMPA and each of the Other Stanton II Project Participants (each, a "Participant Project Support Amendment," and collectively the "Participant Project Support Amendments," and together with the Participant Power Sales Amendments, the "Participant Amendments");

(e) executed copy of the Stanton II Transfer Agreement;

(f) the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc.

(g) FMPA Agenda Memorandum, dated _____, 2017 covering the valuation relating to the Proposed Sale Transaction;

(h) Certificate as to determination of the FMPA Board of Directors (Stanton II Project), dated March 15, 2018;

(i) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton II Project Revenue Bonds;

(j) executed copies of the Consent and Waiver (Stanton II Project), dated the date hereof, of each Other Stanton II Project Participant (the "Consent and Waivers");

(k) executed copies of the Stanton II Mutual Release Agreements, by and between each of the Other Stanton II Project Participants and Vero Beach (the "Stanton II Mutual Release Agreements");

(l) an executed copy of the Waiver and Release Agreement, dated the date hereof, by and between Vero Beach and FMPA (the "Waiver and Release Agreement");

(m) an executed copy of the Assignment Agreement (Stanton II Project), dated as of the date hereof, by and between Vero Beach and FMPA (the "Stanton II Assignment Agreement");

(n) executed copies of the Partial Assignment Agreement (Stanton II Project), dated as of the date hereof, by and between FMPA and TD Bank National Association, as trustee under the Stanton II Bond Resolution (the "Stanton II Partial Assignment"); and

(o) an executed copy of the opinion of Jody Lamar Finklea, General Counsel and Chief Legal Officer to Florida Municipal Power Agency, dated the date hereof relating to the Transaction Documents.

The Vero Amendments, the Participant Amendments, the Stanton II Transfer Agreement, the Consent and Waivers, the Waiver and Release Agreement, the Stanton II Assignment Agreement and the Stanton II Partial Assignment are collectively referred to herein as the "Transaction Documents."

We have also examined and relied upon originals or copies, certified or otherwise authenticated to our satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in our judgment have deemed necessary or appropriate to enable us to render the opinions expressed below. As to questions of fact material to such opinions, we have, when relevant facts were not independently established by us, relied upon certificates of FMPA or its officers or of public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions contained herein, we are of the opinion, as of the date hereof, that:

1. FMPA is a governmental legal entity duly created and validly existing under the provisions of the Act.

2. FMPA has the full legal right, power and authority to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The execution and delivery of, and the performance by FMPA of its obligations under, the Transaction Documents has been duly authorized by all required action of the FMPA Board of Directors at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including, without limitation, Section 286.011, Florida Statutes, as amended.

4. The Transaction Documents have each been duly authorized, executed and delivered by Authorized Officers of FMPA and each of the Transaction Documents constitutes a legal, valid and binding obligation of FMPA enforceable against FMPA in accordance with its respective terms. subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and the constitutional powers of the United States of America, and bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

5. The execution and delivery of the Vero Amendments and the Participant Amendments by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton II Bond Resolution and the Stanton II Contracts.

6. The execution and delivery of the Transaction Documents by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton II Bond Resolution and the Stanton II Contracts, as amended.

7. All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required to date on the part of FMPA in connection with the execution, delivery and performance of the Transaction Documents have been obtained or made; except that an amendment to Schedule A to the Interlocal Agreement is required to be filed with a clerk of the court in Leon County, Florida on the date hereof promptly after the execution and delivery of the Transaction Documents.

In rendering the opinions set forth in paragraph 2 (other than with respect to the Act), in paragraph 3, and in paragraph 7 as to any governmental or public agency, authority or person of the State of Florida, we have relied upon the opinion of Jody Lamar Finklea, General Counsel and Chief Legal Officer to Florida Municipal Power Agency, dated the date hereof and addressed to you.

In rendering the opinions set forth in paragraph 4, we have assumed that all parties other than FMPA to the Transaction Documents have the requisite power and authority to execute and deliver, and have duly authorized, executed and delivered the Transaction Documents.

The opinions rendered herein covering FMPA are limited to covering Florida Municipal Power Agency, with respect to its Stanton II Project. To the extent any of the Transaction Documents are executed by FMPA, with respect to the All-Requirements Power Supply Project, we have provided an opinion of even date herewith covering FMPA, with respect to the All-Requirements Power Supply Project.

Our opinions expressed herein are rendered only with regard to the matters expressly opined on above and do not consider or extend to any documents, agreements, representations or any other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. No attorney-client relationship has existed or exists between our firm and any of the addressees on this letter except for FMPA, in connection with the Proposed Sale Transaction or by virtue of this letter. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

This opinion letter is solely for your benefit and is not to be relied upon by any other person, without our express written consent.

Very truly yours,

Exhibit M-2

Substantial Form of Opinion of Jody Lamar Finklea, as General Counsel and Chief
Legal Officer of FMPA

Draft of NP Opinion 03/11/18

[FORM OF OPINION OF FMPA GENERAL COUNSEL FOR STANTON II PROJECT]

[Date]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

TD Bank, N.A., as Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as the General Counsel and Chief Legal Officer to Florida Municipal Power Agency, with respect to its Stanton II Project ("FMPA"), which has entered into a Transfer Agreement (Stanton II Project) with the City of Vero Beach, Florida ("Vero Beach"), dated as of _____, 2018, including the Master Annex as an exhibit thereto (the "Stanton II Transfer Agreement"), and have acted as such in connection with the authorization, execution and delivery by FMPA of the Transaction Documents (as hereinafter defined). This opinion letter is being delivered in accordance with Section 7 of the Stanton II Transfer Agreement. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the Stanton II Transfer Agreement.

In so acting I have examined Section 163.01, Florida Statutes, as amended, Chapter 166, Part II, Florida Statutes, as amended, Chapter 361, Part II, Florida Statutes, as amended, and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (collectively, the "Act"), and have made such other examination of applicable Florida and other laws, as I have deemed necessary in giving this opinion. I have also examined originals, or copies certified or otherwise identified to my satisfaction, of the following:

(a) the Stanton II Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on January 13, 1984, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof (the "Stanton II Bond Resolution");

(b) the Stanton II Project Power Sales Contracts, dated as of January 16, 1984 (each, an "Original Power Sales Contract"), between FMPA and each of the Stanton II Project Participants, and Stanton II Project Project Support Contracts, dated as of January 16, 1984 (each, an "Original Project Support Contract"), between FMPA and each of the Stanton II Project Participants (collectively, the "Stanton II Contracts");

(c) executed copies of Amendment No. 1 (Vero Beach) to the Vero Stanton II Power Sales Contract, dated as of _____, 2018 (the "Vero Power Sales Amendment"), between FMPA and Vero Beach, and Amendment No. 1 (Vero Beach) to the Vero Stanton II Project Support Contract, dated as of _____, 2018, between FMPA and Vero Beach (the "Vero Project Support Amendment" and together with the Vero Power Sales Amendment, the "Vero Amendments");

(d) executed copies of Amendment No. 1 (Project Participant) to the Stanton II Project Power Sales Contract, dated as of _____, 2018 (each, a "Participant Power Sales Amendment," and collectively the "Participant Power Sales Amendments"), between FMPA and each of the Other Stanton II Project Participants, and Amendment No. 1 (Project Participant) to the Stanton II Project Project Support Contract, dated as of _____, 2018, between FMPA and each of the Other Stanton II Project Participants (each, a "Participant Project Support Amendment," and collectively the "Participant Project Support Amendments," and together with the Participant Power Sales Amendments, the "Participant Amendments");

(e) executed copy of the Stanton II Transfer Agreement;

(f) the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc.

(g) FMPA Agenda Memorandum, dated _____, 2017 covering the valuation relating to the Proposed Sale Transaction;

(h) Certificate as to determination of the FMPA Board of Directors (Stanton II Project), dated March 15, 2018;

(i) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton II Project Revenue Bonds;

(j) executed copies of the Consent and Waiver (Stanton II Project), dated the date hereof, of each Other Stanton II Project Participant (the "Consent and Waivers");

(k) executed copies of the Stanton II Mutual Release Agreements, by and between each of the Other Stanton II Project Participants and Vero Beach (the "Stanton II Mutual Release Agreements");

(l) an executed copy of the Waiver and Release Agreement, dated the date hereof, by and between Vero Beach and FMPA (the "Waiver and Release Agreement");

(m) an executed copy of the Assignment Agreement (Stanton II Project), dated as of the date hereof, by and between Vero Beach and FMPA (the "Stanton II Assignment Agreement");

(n) executed copies of the Partial Assignment Agreement (Stanton II Project), dated as of the date hereof, by and between FMPA and TD Bank National Association, as trustee under the Stanton II Bond Resolution (the "Stanton II Partial Assignment") and

(o) the date hereof relating to the Transaction Documents.

The Vero Amendments, the Participant Amendments, the Stanton II Transfer Agreement, the Consent and Waivers, the Waiver and Release Agreement, the Stanton II Assignment Agreement and the Stanton II Partial Assignment are collectively referred to herein as the "Transaction Documents."

I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment have deemed necessary or appropriate to enable me to render the opinions expressed below. As to questions of fact material to such opinions, I have, when relevant facts were not independently established by me, relied upon certificates of FMPA or its officers or of public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions contained herein, I am of the opinion, as of the date hereof, that:

1. FMPA is a governmental legal entity duly created and validly existing under the provisions of the Act.

2. FMPA has the full legal right, power and authority to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The execution and delivery of, and the performance by FMPA of its obligations under, the Transaction Documents has been duly authorized by all required action of the FMPA Board of Directors at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including, without limitation, Section 286.011, Florida Statutes, as amended.

4. The Transaction Documents have each been duly authorized, executed and delivered by Authorized Officers of FMPA and each of the Transaction Documents constitutes a legal, valid and binding obligation of FMPA enforceable against FMPA in accordance with its respective terms. subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and the constitutional powers of the United States of America, and bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

5. The execution and delivery of the Vero Amendments and the Participant Amendments by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton II Bond Resolution and the Stanton II Contracts.

6. The execution and delivery of the Transaction Documents by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the Stanton II Bond Resolution and the Stanton II Contracts, as amended.

7. All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required to date on the part of FMPA in connection with the execution, delivery and performance of the Transaction Documents have been obtained or made; except that an amendment to Schedule A to the Interlocal Agreement is required to be filed with a clerk of the court in Leon County, Florida on the date hereof promptly after the execution and delivery of the Transaction Documents.

In rendering the opinions set forth in paragraph 4, I have assumed that all parties other than Florida Municipal Power Agency, with respect to its Stanton II Project, to the Transaction Documents have the requisite power and authority to execute and deliver, and have duly authorized, executed and delivered the Transaction Documents.

The opinions rendered herein covering FMPA are limited to covering Florida Municipal Power Agency, with respect to its Stanton Project. To the extent any of the Transaction Documents are executed by FMPA, with respect to the All-Requirements Power Supply Project, I have provided an opinion of even date herewith covering FMPA, with respect to the All-Requirements Power Supply Project.

My opinions expressed herein are rendered only with regard to the matters expressly opined on above and do not consider or extend to any documents, agreements, representations or any other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. No attorney-client relationship has existed or exists between me and any of the addressees on this letter except for FMPA, in connection with the Proposed Sale Transaction or by virtue of this letter. This opinion letter is issued as of the date hereof, and I assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to my attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

This opinion is furnished by me as General Counsel and Chief Legal Officer to FMPA. This opinion letter is solely for your benefit and is not to be relied upon by any other person, without my express written consent.

Very truly yours,

Composite Exhibit N

Fitch Rating Confirmation

Moody's Rating Confirmation

Valuation Report

Resolution Opinion of Nixon Peabody, LLP



33 Whitehall Street
New York, NY 10004

T 212 908 0500 / 800 75 FITCH
www.fitchratings.com

Mr. David C. Leondi
Vice President, Corporate Trust
TD Bank, N.A.
1006 Astoria Boulevard
Cherry Hill, NJ 08003

17 November 2017

Dear Mr. Leondi,

Re: Rating Confirmation of regarding ratings for the following Florida Municipal Power Agency (FMPA) project revenue bonds (collectively, the "Ratings"):

- All Requirements Project (ARP), project revenue bonds, rated 'A+' with a Positive Outlook;
- Stanton Project, project revenue bonds, rated 'A+' with a Stable Outlook;
- Stanton II Project, project revenue bonds, rated 'A+' with a Stable Outlook; and,
- St. Lucie Project, project bonds, rated 'A' with a Stable Outlook.

This letter is provided in response to a request for confirmation of the Ratings with respect to the proposed sale of the city of Vero Beach, FL's electric system, its request to terminate its participation in FMPA, and the effect of the ARP's assumption of Vero Beach's entitlements under the Stanton, Stanton II and St. Lucie projects (together the "Vero Beach transaction").

Fitch (see definition below) hereby confirms that, based on the information provided to us, including a review of the proposed transaction provided in FMPA's "Considerations and Process to Assist in the Sale of the Vero Beach Electric System" presentation and the projected economic impact, the Vero Beach transaction will not result in a withdrawal or downgrade on any of the Ratings assigned by Fitch.

This ratings confirmation only addresses the effect of Vero Beach transaction on the current Ratings assigned by Fitch. This ratings confirmation does not address whether the Vero Beach transaction is permitted by the terms of the documents. This ratings confirmation does not address whether the proposed Vero Beach transaction is in the best interests of, or prejudicial to, some or all of the holders of FMPA's project revenue bonds.

The ratings assigned by Fitch are based on the documents and information provided to us by the issuer and other parties and are subject to receipt of final closing documents. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.



The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Ratings are not a recommendation or suggestion, directly or indirectly to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan, security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Fitch is not your advisor, nor is Fitch providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A ratings confirmation should not be viewed as a replacement for such advice or services.

Ratings are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and rating confirmations are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or rating confirmation. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

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Fitch relies on the issuer and other parties to promptly provide Fitch with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered,



withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason Fitch deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between Fitch and you or between Fitch and any user of the ratings]

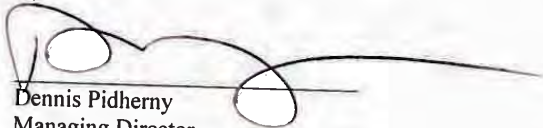
In this letter, "**Fitch**" means Fitch Ratings, Inc. together with any successor in interest.

If we can be of further assistance, please contact me at (212) 908-0738 or Andrew DeStefano at (212) 908-0284.

Sincerely,

Fitch

By:



Dennis Pidherny
Managing Director

cc: Mark Larson, Florida Municipal Power Agency

**FITCH TAKES VARIOUS ACTIONS ON FLORIDA
MUNI POWER AGENCY'S PROJECT REV BONDS**

Fitch Ratings-New York-07 March 2018: Fitch Ratings has taken the following rating actions on the Florida Municipal Power Agency's (FMPA) project revenue bonds:

- \$17.4 million Stanton Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$6.5 million Tri-City Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$129.1 million Stanton II Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$312.1 million St. Lucie Project revenue bonds affirmed at 'A'; Outlook Stable.

SECURITY

Outstanding bonds under the St. Lucie, Stanton, Stanton II and Tri-City projects are secured solely by revenues received by FMPA from those project participants in each respective project pursuant to applicable power sales contracts and project support contracts. There is no cross-support between projects.

KEY RATING DRIVERS

WHOLESALE ELECTRIC PROVIDER: FMPA is a mature project-based joint action agency providing both all- and partial-requirements projects to most of its 31 retail electric utility members dispersed throughout Florida.

PARTICIPANT CREDIT QUALITY DRIVES OUTLOOK: The ratings on FMPA's power projects reflect the credit quality of the participating members in each respective project. However, the Negative Outlook on the Stanton, Stanton II and Tri-City projects reflects the weaker credit quality of the unrated participants in those projects, including the cities of Lake Worth, FL, Homestead, FL and Keys Energy, and the limited contractual obligations of the remaining participants.

TAKE OR PAY OBLIGATIONS: Take-or-pay contracts require payment of all project costs, including debt service on the bonds, whether or not each of the projects are operating or operable.

CONTRACT STEP-UP PROVISION: The power sales contracts include a standard step-up provision that requires each participant to purchase up to 125% of its original project allocation in the event that another participant defaults. The step-up provision protects bondholders in the event of a default by the smaller project participants but also limits the obligations of the large, rated participants.

RATE FLEXIBILITY: Both FMPA and its project participants maintain the ability to make timely rate adjustments to recover variable fuel costs. Importantly, rate adjustments are not regulated by the State's Public Service Commission.

RATING SENSITIVITIES

CHANGES IN PARTICIPANT CREDIT QUALITY: The credit quality of the project participants is an important consideration in Florida Municipal Power Agency project ratings. The rating for the

Stanton, Stanton II and Tri-City projects could be downgraded if weak financial performance and low liquidity levels persist at the unrated participants.

CREDIT PROFILE

FMPA is a project-based joint-action agency formed in 1978 to provide its members with a reliable and competitively priced power supply and related services. FMPA's 31 members are comprised of municipally owned electric utility systems serving an estimated combined two million residents located throughout Florida. The majority of the members participate in multiple FMPA projects. Each of the agency's power supply projects were individually financed and separately secured to provide cost-based power to each of the participating members.

FMPA's members are a diverse group of small to medium sized electric utility systems serving primarily residential end users. Service area characteristics for the bulk of the members are believed to be sound, as are financial profiles of the vast majority of the member systems.

Vero Beach, FL (A+/Stable) is a participant in several of FMPA's projects, including the All Requirements Project (A+/Positive). Vero Beach is in the latter stages of being sold to an investor owned utility and their project shares being assigned to (and contractual obligations under the projects absorbed by) FMPA's ARP. All of FMPA's projects are discrete, stand-alone projects with no cross-support or financial or other obligations among them. The project rating actions described above are directly tied to Fitch's assessment of the unrated participants related to the Stanton, Stanton II and Tri-City projects and not to the credit quality (or potential sale of) Vero Beach's utility system.

STRONG CONTRACTS

Long-term, take-or-pay power sales contracts and project support contracts extend well beyond the current maturity of outstanding bonds issued to finance each of the projects. The power sales contracts for each of the projects require participant payments be sufficient to cover all project related costs, including debt service and any variable costs, when capacity and energy are made available. Project payments are made as an operating expense of the participating electric utility, paid before any member utility debt service payments are funded.

Payments under the project support contracts would be subordinate to operating and maintenance expenses and direct debt service obligations of the participating utilities, if the project is not operating or operable. While the project support contracts remain a slightly weaker structure than absolute and unconditional take-or-pay power sales contracts, Fitch believes the contract structure sufficiently obligates the project participants to continue to support debt service payments on FMPA's outstanding debt.

A 25% step-up provision is included in each of the power sales contracts, providing bondholder protection from a default of one or more participants. Consequently, the project ratings are limited to the weakest of the participants where entitlement shares of project output would not be sufficiently covered by the remaining participants in each of the projects.

PARTICIPANT CREDIT QUALITY

Each of the project ratings continues to reflect the general credit quality of its participants. The Stanton project has six participants, including Vero Beach, FL, Ft. Pierce Utilities Authority (FPUA; A+/Stable) and Kissimmee Utility Authority (KUA; electric system revenue bonds AA-/Stable), which account for about 70% of total entitlement shares.

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28**

**Attachment No. 1
Page 488 of 1048**

The Stanton II project has seven participants. Three that account for almost two-thirds of the total entitlement shares are rated 'A+' or higher by Fitch. The credit quality of the non-rated members continue to support the 'A+' project ratings, but the Negative Outlook reflects weaker financial performance. If low financial margins and lower liquidity persist, the project ratings could be lowered.

Tri-City has three participants, only one of which is rated by Fitch (FPUA). Despite the step-up provision for this project, bondholders have direct exposure to all three participants. The two unrated participants are the city of Homestead and the Utility Board of the City of Key West (dba Keys Energy Services). Similar to the Stanton and Stanton II projects, Fitch is concerned lower financial margins and a lack of liquidity at the nonrated members could lead to a lower rating on the project bonds.

The St. Lucie Project has 15 participants. Five of the top eight participants representing 50% of the entitlement shares are rated 'A+' or higher by Fitch. However, the project rating is capped by the credit quality of the largest participant, the city of Lake Worth.

FLEXIBLE RATE STRUCTURES

Neither FMPA nor its members are subject to regulation by any regulatory agency at the state or federal level. FMPA's wholesale rates and average costs per MWh for the projects are generally competitive. Most project participants maintain competitive retail rates, despite the common practice of providing sizeable transfers of electric fund revenues to their respective municipal general funds. Importantly, FMPA and its participants have the ability to recover fuel costs in a timely manner with their own pass-through of fuel charges.

MANAGEABLE DEBT PORTFOLIOS

Debt at the project level is manageable. Debt outstanding under both the Stanton and Tri-City Projects is fixed rate with level debt service. The Stanton II and St. Lucie projects contain fairly sizeable exposure to variable rate debt. However, the swaps for Stanton II are no longer outstanding. Stanton II's debt service is roughly level. However, about half of the total outstanding debt under the St. Lucie project was issued with multiple bullet maturities. While the project's sizeable exposure to variable debt with bullet maturities occurring in 2022 and 2027 remains a concern, the risk is somewhat less pronounced compared to prior years when variable rate obligations represented nearly 75% of the project's total debt portfolio. The St. Lucie project's investment balances and forward sales agreement are expected to provide significant resources to fund these maturities.

Contact:

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Committee Chairperson

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 489 of 1048**

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sandro.scenga@fitchratings.com.

Additional information is available on www.fitchratings.com

Applicable Criteria

Rating Criteria for Public-Sector, Revenue-Supported Debt (pub. 26 Feb 2018)

<https://www.fitchratings.com/site/re/10020113>

U.S. Public Power Rating Criteria (pub. 18 May 2015)

<https://www.fitchratings.com/site/re/864007>

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Moody's: No rating impact on FMPA Stanton II Project (FI bonds resulting from planned Vero Beach transaction)

Global Credit Research - 24 Jan 2018

New York, January 24, 2018 -- Moody's Investors Service, at the request of Florida Municipal Power (FMPA), has reviewed the documents that relate to FMPA's role in facilitating the sale of the City of Vero Beach's (Vero Beach) electric system to Florida Power & Light Company (FP&L; A1 stable). As per existing contract terms, FMPA is undertaking amendments to allow Vero Beach to sell its electric system to FP&L, withdraw from its various contracts with FMPA and have the FMPA All-Requirements Power Project (ARP; A2 stable) accept assignment and transfer of Vero Beach's entitlement shares in the Stanton II Project (A1 stable), the FMPA Stanton Project (A1 stable) and the FMPA St. Lucie Project (A1 stable). We refer to these steps and related matters, as the Vero Beach transaction.

Moody's has determined that the Vero Beach transaction, in and of itself and at this time, will not result in a downgrade or withdrawal of the counterparty/notes/debt rating currently assigned to the FMPA Stanton II Project. However, Moody's opinion addresses only the credit impact associated with the proposed transaction and Moody's is not expressing any opinion as to whether the transaction has, or could have, other unrelated effects that may have a detrimental impact on the interests of note holders and/or counterparties.

The Vero Beach transaction is subject to a number of precedent conditions and approvals set forth in the purchase and sale agreement (PSA) between FP&L and Vero Beach and various other agreements and among Vero Beach, FMPA and its various project participants, and other parties playing a role in the transaction. Under the PSA, FP&L will pay \$185 million to acquire the Vero Beach electric system. The parties anticipate a transaction closing in October 2018.

We believe that the Vero Beach transaction as contemplated has credit positive characteristics for FMPA. The transaction would eliminate a longstanding dispute, consuming considerable management time and financial resources and reduce associated political risk. Moreover, FMPA is contemplating strategies following closing of the Vero Beach transaction that are expected to facilitate a substantially rate neutral effect on the other FMPA ARP participants. We also view favorably the diversification benefits of spreading the payments associated with the Vero Beach entitlements in the Stanton II Project across the 13 active ARP participants instead of relying solely on Vero Beach.

This publication does not announce a credit rating action. For credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody.com for the most updated credit rating action information and rating history.

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FLORIDA MUNICIPAL POWER AGENCY

Vero Beach Independent Valuation Study

Prepared for:
Florida Municipal Power Agency

REPORT

June 2017

Prepared by:



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EXECUTIVE SUMMARY

The Florida Municipal Power Agency (“FMPA”) is a project-oriented, joint action municipal power agency with 31 Members located throughout the State of Florida. The City of Vero Beach (“Vero Beach”) is a participating member in the FMPA Stanton, Stanton II, and St. Lucie Projects (together, the “Projects”). At the request of Vero Beach, FMPA is seeking to develop a cost or payment for which it would accept assignment of Vero Beach’s entitlement share of the Projects as future resources in its All Requirements Project (ARP), that ensures the Participants in the ARP are “held harmless” from higher costs and future risk exposure associated with the transfer of Vero Beach’s entitlements. The assignment of the Vero Beach entitlements to FMPA results in a cost or payment from Vero Beach to FMPA, as the forecasted costs of the Projects are higher than present views of market pricing, and therefore, the Vero Beach entitlements have a negative market value. The Executive Committee of FMPA engaged GDS Associates, Inc. (“GDS”) to develop an independent valuation of Vero Beach’s entitlement shares in the Projects to compare and contrast with FMPA’s staff evaluation.

GDS reviewed and relied upon the detailed responses to information requests provided by FMPA and informed by projections provided by Orlando Utilities Commission and Florida Power & Light to perform a market projection and discounted cash flow valuation analysis in similar fashion to that performed by FMPA. Table ES-1 summarizes the results that GDS reached independently, as compared to FMPA’s results over the remaining debt period, and Table ES-2 summarizes the results that GDS reached independently over GDS’ assumption of the useful lives of the Projects.

Table ES-1: Base Case Payment Calculation Over Debt Period (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
FMPA Projection	5	39	31	76
GDS Projection	6	38	31	75

Table ES-2: Base Case Payment Calculation Over Useful Life (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
GDS Projection	26	45	18	89

As the two tables reflect, GDS’ projection of the Base Case payment is similar to FMPA’s projection when considered over the debt period alone. However, GDS reached a Base Case payment of \$89 million over the useful life of the three Projects as its formal conclusion for the expected payment. It is important to note that as it relates to longer useful life assumptions for the Projects and certain adjustments that GDS made to Project costs, FMPA considered some of these items to be part of its Risk Analysis.

As part of its risk analysis to ensure that ARP Participants are not harmed by the potential resource assignment, FMPA believed that the \$32 million estimation of Vero Beach’s ARP withdrawal costs associated with Section 29 of the ARP Contract was a good proxy for its estimate of the risk payment needed to hold its ARP members harmless for assuming Vero Beach’s entitlements to the other Projects if Vero Beach waived its rights Section 29(f) of the ARP Contract. Together with the Base Case evaluation, FMPA reached a combined “hold harmless” payment estimation of \$108 million.

GDS analyzed the risk factors affecting the future costs of the Projects as compared to market prices. For each risk event, GDS developed probability-weighted assumptions for cost or a view of reasonable

expectation for the protected cost exposure, as necessary. Table ES-3 summarizes the risk factors and total cost adjustment of \$17 million that GDS includes to reasonably “hold harmless” the FMPA All Requirements Project participants in accepting the assignment of the Vero Beach entitlements.

Table ES-3: Summary of GDS Risk Adjustments to Hold Harmless Payment
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Operational Risks	0.2	0.4	0.6	1.2
Stanton Unit 1 Extension	6.0	0.0	0.0	6.0
Extended Low Natural Gas Prices	0.0	1.0	5.0	6.0
Extended Low Capacity Prices	0.2	1.8	2.1	4.1
Total Risk Adjustment	6.4	3.2	7.7	17.3

In its risk evaluation, GDS recognizes the unique situation that exists with the Stanton coal-fired Projects as the Orlando Utilities Commission is presently operating these resources at a loss versus market prices. Their near-term plans to invest significant funds in the Projects seems to signal greater likelihood of Stanton Unit 1 life extension beyond the term of FMPA’s outstanding debt of the Stanton Projects, and as a result, the potential for FMPA to be subject to additional years of uneconomic dispatch. GDS also considered key capital investments that may be required for each Project over the remaining useful lives of the Projects. Based on the assumed energy and capacity cost projections, another major risk to All Requirements Project participants is the exposure that exists under extended low natural gas price or low capacity price scenarios that could exist in the future. Extended low natural gas prices would drive market energy prices even lower, while lower capacity prices would impact FMPA’s ability to recover all or a portion of the Projects’ fixed costs, both resulting in relatively higher net Project costs that would need to be recovered from FMPA’s ARP Participants. GDS included some portion of both cost exposures as a necessary acknowledgement of the “hold harmless” nature of the analysis. Finally, GDS assessed the potential for future environmental regulation or legislation that could affect the coal-fired Projects. In a somewhat inverted effect on the view of future risk, GDS views that these risk events that might materially affect the Projects, such as a formal carbon tax, could result in greater pressure on the Orlando Utilities Commission to retire the units, and given the uneconomic operation of the resources under GDS’ assumed market price forecast, such events could likely result in lower cost as FMPA would be advantaged by lower cost market alternatives. Given these views, no premium is assigned to the “hold harmless” payment for these events.

In conclusion, GDS independently evaluated the Base Case valuation and risk factors for a combination “hold harmless” payment from Vero Beach to FMPA of \$106 Million for the assignment of its entitlements in Stanton Units 1 and 2, along with St. Lucie Unit 2 to FMPA’s All Requirements Project, as compared to FMPA’s estimate of \$108 million. Although various assumptions and risk considerations were comparatively different between GDS’ and FMPA’s analysis, the valuations of each party are substantially similar.

1 INTRODUCTION

The Florida Municipal Power Agency (“FMPA”) is a project-oriented, joint action municipal power agency with 31 Members located throughout the State of Florida. The City of Vero Beach (“Vero Beach”) is a member in four of the five FMPA power supply projects – the All Requirements Project (“ARP”), as well as the Stanton, Stanton II, and St. Lucie Projects (and each a “Project”). Within these Projects, Vero Beach has entitlement shares in three electric generating assets – Stanton Unit 1, Stanton Unit 2, and St. Lucie Unit 2 (individually each an “Asset” and collectively, the “Assets”). While Vero Beach is a member in the ARP, they have elected a Contract Rate of Delivery (“CROD”) level of zero, and thus they are presently limited from any real participation in the ARP. A review of Vero Beach’s ARP withdrawal costs (ARP Contract Section 29) associated with its participation in the ARP are outside the scope of this Report. GDS Associates, Inc. (“GDS”) has not been engaged to conduct any such review of these ARP-related costs, and has performed no such review.

Vero Beach has expressed a desire to sell its electric system to Florida Power & Light (“FP&L”). The FMPA power supply contracts supporting the Stanton, Stanton II, and St. Lucie Projects do not allow for a member, such as Vero Beach, to withdraw, nor do they allow the sale of a Participant’s electric system. FMPA has identified an assignment of Vero Beach’s entitlements in the Stanton, Stanton II, and St. Lucie Projects to the ARP Project as a potential means by which to address the City of Vero Beach’s desire to sell its FMPA entitlements to other municipalities and, by doing so, enable the sale of its electric system to FP&L. FMPA has indicated that any such assignment: (i) must not increase ARP Project costs to the remaining ARP members, (ii) must not cause additional risk to those remaining ARP members for which they are not compensated, and (iii) would need to address risk concerns of the non-ARP members which participate in the Stanton, Stanton II, and St. Lucie Projects.

It is commonly understood amongst the parties that the combined ongoing costs of the Assets are above market value. That is, a potential purchaser of the Assets, after conducting a discounted cash flow analysis of the ongoing project costs of the Assets and the value of the output of the Assets in the market would conclude that the Assets currently have negative value.

In the proposed assignment of Vero Beach’s entitlements, the ARP Project would take on the capacity and energy output, as well as the costs, of Vero Beach’s entitlements in the Stanton, Stanton II, and St. Lucie Projects. And, to ensure that the costs to the remaining ARP members are not adversely impacted by this assignment, Vero Beach would pay an amount equal to the net present value of the difference between the projected Project costs and the projected market value of the capacity and energy, together with a risk adjustment (collectively the “hold harmless payment” or negative valuation of the Vero Beach entitlement shares in the Stanton, Stanton II, and St. Lucie Projects).

FMPA has performed a calculation of the hold harmless payment associated with the Vero Beach entitlement shares. Specifically, FMPA prepared a discounted cash flow analysis comparing the projected cost of Vero Beach’s entitlement shares in each Asset to the revenue that could be obtained if the output from the Assets were sold into the market, utilizing a forecast of the Florida Municipal Power Pool (“FMPP”) energy price. Such analysis was prepared through the remaining debt period for each Asset, and, consequently, did not reflect any capacity related market value. This discounted cash flow amount, taken together with FMPA’s estimation of Vero Beach’s ARP withdrawal costs associated with Section 29 of the ARP Contract, totaled \$108 million on a net present value basis. FMPA’s Executive Committee has engaged GDS to conduct an independent valuation of the Assets using an industry standard methodology. This Report (the “Report”) constitutes that Vero Beach Independent Valuation Study (the “Study”).

2 METHODOLOGY

To determine a valuation of the Assets, GDS has performed a discounted cash flow analysis. The discounted cash flow analysis computes, based on the Vero Beach entitlements, for each Project and in total, the Net Present Value (“NPV”) difference between (i) the forecasted Project costs and (ii) the forecasted market value of the capacity and energy associated with such Project. To the extent that the NPV of the forecasted Project costs exceeds the NPV of the forecasted market value, this difference, together with any risk adjustment, represents the compensation required from Vero Beach in order to assign its Project entitlements to FMPA’s ARP Project without increasing costs to the ARP members, (i.e., the “hold harmless payment”).

2.1 Project Costs

The forecasted Project costs are generally based on near-term budget projections provided to FMPA by the operators of these generating plants – Orlando Utilities Commission (“OUC”) for Stanton Units 1 and 2, and FP&L for St. Lucie Unit 2. FMPA maintains these projections and provided such data to GDS. These Project costs include items such as debt service, operations and maintenance expenses, fuel, and capital expenditures at the plants, as well as other cost items such as transmission, and administrative and general expenses. Being a majority owner of the generating plants in both cases, OUC and FP&L are in the best position to predict forecasted spending at the respective units. While GDS understands that those forecasts may change, GDS has relied upon those forecasts in the development of its asset valuation. GDS has reviewed FMPA’s forecasts of the ongoing cost of operations, independently provided input on whether their assumptions are reasonably founded, and in a few areas, have made minor adjustments to FMPA’s forecasts.

2.2 Market Value

The market value is comprised of both an energy and capacity component.

2.2.1. Market Energy

Generally, the market value of the energy is based on a forecasted economic dispatch of these generating units into an assumed hourly energy market. For FMPA, the energy market is the FMPP. The FMPP combines the load and generating resources of FMPA’s All-Requirements Project participants, as well as Lakeland Electric and OUC, to more economically dispatch resources and efficiently meet their customers’ combined load requirements. The FMPP’s Clearing House Price (“CHP”) sets the hourly price per megawatt for pool purchase and sale transactions between the FMPP members (FMPA, OUC and Lakeland). The hourly unit price is based on the highest incremental energy cost of the last 50 megawatts (“MWs”) of the pool’s most economic and available power resources dispatched to meet total pool load requirements. This is referred to as CHP50. It is possible that a unit might comprise all of an hour’s 50 MWs used for setting the CHP50 or only a portion of the 50 MWs. In the latter case, each unit’s respective cost per MWh (\$/MWh) is used proportionally for setting the hourly price.

GDS utilized its PROMOD IV model (through 2036) and in-house expertise to independently develop a forecasted economic dispatch of each of the Assets based on forecasted natural gas prices and Project operational costs, with the FMPP marginal price signal as a measure of the market. The weighted average FMPP energy price over the hours each Asset is dispatched represents the generating unit’s market energy value. Utilizing the PROMOD IV model, GDS assumed that its results provide a reasonable proxy for system lambda and the CHP50 cost as it uses the appropriate resource(s) costs needed to serve the next increment of load in the system. It is reasonable to suggest that utilizing a modeling technique with only FMPP resources produces a controlled forecast of the marginal cost of producing energy and is under the direct control of FMPP’s combined participants.

2.2.2. Market Capacity

FMPA's discounted cash flow analysis extended through the remaining debt service period for each Asset. Florida and FMPP have sufficient capacity through 2027, as such, FMPA's assumptions meant that no new capacity additions were necessary and placed no value on capacity. However, GDS's approach was to model through end of the useful life of each Asset, which extended beyond 2027, after which FMPP is projected to become short on capacity. Therefore, GDS's approach necessitates valuing the capacity market. Both approaches assigned no capacity value through 2027.

The forecast methodology for capacity prices after demand and supply equilibrium utilizes an optimization model of energy and capacity prices. Modeled capacity prices within the FMPP are determined by a residual fixed cost curve, defined as follows: modeled energy market revenues earned by a resource are used to first offset the variable operating costs of the resource, with any surplus energy revenue being used to offset the fixed O&M costs and capital costs, including debt service, (if any) of the resource. Any remaining un-recovered fixed costs represent a capacity component that the resource would have to recover from the marketplace to remain solvent, theoretically. As with our economic energy dispatch assumptions, GDS acknowledges that this assumption has limitations in Florida's bilateral market. It concludes that all fixed costs of added capacity are recovered from the market, which can certainly be disputed in structured and unstructured markets alike. Additionally, Florida's capacity market is unlike a structured market in that cost recovery for some utilities is intermingled between retail rates and wholesale rates, further depressing wholesales capacity prices because some of the cost recovery is through retail rates. In the case of FMPP's market alternatives, there are certainly strong incentives for existing capacity, FP&L and merchant alike, to negotiate a discounted Power Purchase Agreement ("PPA") or sale of existing capacity and energy to remain competitive. To account for this market incentive, GDS developed a weighting of new build capacity costs and existing, discounted capacity to develop a longer-term proxy of capacity costs for the purpose of evaluating the avoided capacity costs with respect to the Vero Beach entitlements that FMPA's ARP members would retain. GDS acknowledges that the assumption of discount to new-build costs for future capacity practically means that FMPA would need to win a corresponding Request for Proposals ("RFP") bid process for that capacity. For further information on the development of the capacity prices, refer to Section 3.2.4 of this Report.

In addition to the GDS modeling approach to meeting deficient capacity needs to maintain reserve margin, it is also important to understand some framework for future capacity expansion. In our approach to valuation of the Assets, GDS believes that it is important to consider the potential market dynamics for new and purchased capacity to properly characterize the asset value (or negative value, as the case may be) through the useful life of each Project. To determine potential future capacity for the FMPP, we relied upon information in the FMPP Long-Term Resource Plan as outlined in material to the FMPP Executive Committee dated September 9, 2016. The FMPP Long-Term Resource Plan indicated that adding new natural gas-fired combined cycle ("CC") generating units represented the lowest life-cycle cost. GDS relied on this information, without independent evaluation of the types of capacity expansion options, in introducing future capacity when necessary to meet any deficiency versus forecasted load requirements.

2.3 Risk

To meet FMPA's second criteria for this potential assignment of imposing no "additional risk to those remaining ARP members for which they are not compensated", GDS evaluated various risk elements as well as the cost exposure created by such events and, in some cases, the probabilities of such occurrences. These cost exposures were combined with the "deterministic" NPV discounted cash flow analysis valuation payment to arrive at the total negative valuation, or total hold harmless payment required by Vero Beach to FMPA.

3 BASE CASE

The GDS Base Case represents the discounted cash flow analysis before the introduction of any risk premium/adjustment that the FMPA ARP should receive to cover its exposure or risk in assuming the Vero Beach entitlements. This section summarizes key information regarding the Base Case analysis and its assumptions.

3.1 Project Costs

As mentioned earlier, the forecasted costs for each of the Stanton I, Stanton II, and St. Lucie Projects are based on cost data provided to FMPA by the operators of these plants. FMPA staff maintains such data and provided the data to GDS. GDS reviewed these cost projections, along with projected escalation rates and discussed with FMPA staff. The FMPA projected costs generally appear reasonable for the purposes of this Study, with limited adjustments to those costs discussed further in Section 3.1.4. During the period of GDS' completion of this Study, OUC and FP&L provided responses to data requests that resulted in adjustments to near-term capital investment and operations and maintenance plans. GDS relied on OUC's and FP&L's estimates as the best understanding of the respective owner's plans for each Project, and GDS made corresponding adjustments to operational characteristics where capital investment and upgrades substantively improve operations (discussed below).

3.1.1. Stanton Unit 1

Stanton Unit 1 is a subcritical, coal-fired electric generating unit, which began commercial operation in July 1987. Recent information provided by OUC indicates a major turbine upgrade is currently planned during 2019. Considering this planned upgrade, the estimated useful life of Stanton Unit 1 has been assumed to be 40 years from the commercial operation date (through 2027) in the Base Case, and with significant investment still being made in the Project, GDS considers the potential for life extension of Stanton Unit 1 in its risk analysis (discussed in Section 4 of this Report).

3.1.2. Stanton Unit 2

Stanton Unit 2 is a subcritical, coal-fired electric generating unit, which began commercial operation in June 1996. Based on recent information provided by OUC, a major turbine upgrade is currently expected during 2023. Considering this projected upgrade, the estimated useful life of Stanton Unit 2 has been assumed to be 40 years from the commercial operation date (through 2036) in the Base Case.

3.1.3. St. Lucie Unit 2

St. Lucie Unit 2 is a pressurized water nuclear reactor electric generating unit, which began commercial operation in June 1983. GDS assumed a useful life of St. Lucie Unit 2 through the Project's current Nuclear Regulatory Commission ("NRC") operating license (through 2043).

The following table summarizes Vero Beach's entitlement shares in the capacity of the Assets.

Table 3-1: Capacity Shares and Entitlement Summary

Based on Seasonal Summer Ratings	100% of Unit (MW)	FMPA's Project Share of 100% Total (%)	FMPA's Project Share of 100% Total (MW)	Vero Beach's Share of FMPA Project (%)	Vero Beach's Share of FMPA Project (MW)
Stanton Unit 1	440	14.819%	65.2	32.521%	21.2
Stanton Unit 2	453	23.237%	105.3	16.489%	17.4
St. Lucie Unit 2	984	8.806%	86.6	15.202%	13.2
TOTAL					51.8

3.1.4. Cost Adjustments

GDS determined the projected operating and capital costs provided by FMPA, FP&L and OUC, needed to be adjusted to reflect responses to questions, actual plant operating characteristics and industry standard costs. Operating, maintenance and capital costs should reflect periodic major maintenance of equipment such as turbines, coal mills pumps, etc. Although FMPA's operating and capital costs did include certain costs of this type, in GDS's judgment, they did not appear to include sufficient funds to cover these activities. The following discusses the types of cost adjustments that GDS made.

3.1.4.1. Steam Turbine Overhaul

Steam turbines periodically require overhaul to perform inspections, replace worn parts and repair damage. These overhauls typically occur on a five to seven-year cycle, depending on age of the unit, maintenance history and hours in operation. The cost for these overhauls (on a 100% of unit basis and in 2017 dollars) can range from \$3 million to \$7 million, with the typical cost of about \$3.5 million. A turbine overhaul outage will typically last about six to eight weeks. The Stanton and St. Lucie Projects' cost projections provided by FMPA do not show any one-year increase in operating costs to cover the steam turbine overhaul. The following cost adjustments are based upon a steam turbine overhaul occurring every five years and costing \$3.5 million (on a 100% of unit basis and in 2017 dollars).

- a. Stanton Unit 1: Steam turbine overhaul costs are added, starting five years after the installation of the new turbine upgrades in 2019. Assuming Stanton Unit 1 is retired in 2027, the cost adjustment includes only one steam turbine overhaul. As mentioned earlier, it is plausible that OUC will continue to operate Stanton 1 beyond 2027, and we capture the probability of additional steam turbine overhaul costs beyond 2027 in our risk adjustment.
- b. Stanton Unit 2: Steam turbine overhauls are started five years after the installation of the new turbine upgrades in 2023. The cost adjustment includes two steam turbine overhauls prior to retirement in 2036.
- c. St. Lucie Unit 2: The cost adjustment includes four steam turbine overhauls through 2043, with the first occurring in 2023.

3.1.4.2. Heat Rate Degradation

Steam turbine wear and tear will cause an increase in heat rate between steam turbine overhauls. This is caused by erosion of turbine nozzles/blades and deposits on the turbine blades. Other items such as cooling tower performance, coal mill outages and condenser fouling can all cause increased heat rate. The Projects' fuel costs provided by FMPA do not include any change in plant heat rate due to steam turbine or other plant degradations between overhauls. The costs were adjusted for both Stanton units to reflect a 1.5% per year increase in heat rate between steam turbine overhauls. Although this same impact can be expected to occur at St. Lucie Unit 2, applying the 1.5% degradation factor to the low fuel costs resulted in insignificant impact on costs.

3.1.4.3. O&M Contingency

The projected operating costs for all three units do not appear to include any contingency for equipment failures, major repairs costs and other maintenance costs. Equipment failure and maintenance costs typically increase over the life of a power plant. Replacement/overhaul of components such as boiler feedwater pumps, feedwater heaters, coal mills, etc., can be expected as these plants age. Components such as coal mills, pumps, valves, condenser and cooling towers will require increased maintenance costs as parts wear. The forecasted maintenance cost levels do not appear to be sufficient to cover major equipment overhaul or replacement. The cost adjustments include an O&M contingency of \$0.7 million (on a 100% of unit basis and in 2017 dollars) per year for each coal unit, and \$2.4 million (on a 100% of unit basis and in 2017 dollars) per year for St. Lucie Unit 2.

3.1.4.4. Coal Decommissioning

Coal plants face significant decommissioning costs upon plant retirement. A typical 500 MW coal plant's decommissioning costs are expected to be between \$22 and \$30 million per unit on a 100% of unit basis (see FP&L March 2016 filing Docket No. 160021-EI). A decommissioning fund has not been established for the Stanton Units. The costs have been adjusted to reflect a decommissioning cost of \$26.5 million (on a 100% of unit basis and in 2017 dollars) in 2027 for Stanton Unit 1 and in 2036 for Stanton Unit 2.

3.1.4.5. Coal Units End-of-Life Capital Expenditures

As generating units reach the end of their useful lives, it is reasonable to assume that the operator of the facility will begin to scale back on, and eliminate, certain capital expenditures, which would normally be performed to maintain and improve operations and reliability. GDS made adjustments to the capital expenditure projections provided (which reflected steady-state operational levels through the assumed retirement dates) in order to "ramp-down" these expenditures during the last three years of operations (reduced by 1/3 in each of the last three years).

3.1.4.6. Nuclear Regulation Changes

The nuclear industry has a history of regulatory changes, which cause utilities to conduct studies and implement potential plant modifications. Over the remaining life of St. Lucie Unit 2, it is highly likely that a regulatory change will occur which will cause plant modifications. The projected costs provided for St. Lucie Unit 2 were adjusted to include a \$10 million (on a 100% of unit basis and in 2017 dollars) allowance for plant modifications. The cost adjustment spread this \$10 million evenly over the remaining life of the plant.

3.1.4.7. Cost Adjustment Summary

The following table conveys the cost adjustments for each plant:

Table 3-2: Cost Adjustment Summary
(Amounts Shown in NPV \$M)

Cost Adjustment (\$M)	Stanton Unit 1		Stanton Unit 2		St. Lucie Unit 2		Overall Total Vero Beach Share
	Total 100% Unit	Vero Beach Share	Total 100% Unit	Vero Beach Share	Total 100% Unit	Vero Beach Share	
Steam Turbine Overhaul	3	0.2	5	0.2	11	0.2	0.6
Heat Rate Degradation	4	0.2	21	0.8	NA	NA	1.0
O&M Contingency	6	0.3	11	0.4	45	0.6	1.3
Coal Decommissioning	22	1.1	18	0.7	NA	NA	1.8
End-of-Life Capital Expenditures	(16)	(0.8)	(13)	(0.5)	NA	NA	(1.3)
Nuclear Regulation Changes	NA	NA	NA	NA	10	0.1	0.1
TOTAL	19	1.0	42	1.6	66	0.9	3.5

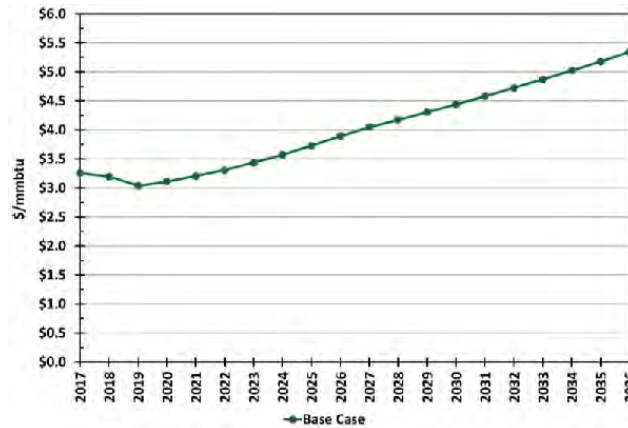
3.2 Market Value

3.2.1. Economic Energy Dispatch Introduction

As discussed earlier in Section 2, the FMPP is the energy market for these Assets. GDS utilized a PROMOD model of the FMPP to forecast this energy market. While GDS had the opportunity to review a PROMOD model case provided by FMPA, GDS independently developed its own PROMOD modeling assumptions and scenarios for review. GDS utilized forecasted natural gas prices based on the New York Mercantile Exchange (NYMEX) and then escalated the forward curve based on an average growth rate for the years beyond the end of the NYMEX forward curve. The growth rate is calculated as the average annual year over year growth

from the bottom (~2019) of the NYMEX curve through the latest data for the NYMEX curve, which is 2027. Figure 3-1 reflects the escalated natural gas prices utilized in the energy dispatch modeling for the FMPP over the chosen PROMOD simulation model study period of 2017 through 2036 (Pro Forma analysis extends beyond 2036 with an extrapolation of prices).

Figure 3-1: Natural Gas Prices



3.2.2. Load Forecast Assumptions

GDS updated the load forecast assumptions provided by FMPA. As a result of the contemplated withdrawal of Vero Beach’s load during the proposed sale of its system to FP&L, GDS excluded Vero Beach’s load from the FMPP, as a full-requirements customer of OUC, beginning in 2019. The load requirement can have a significant impact on the FMPP resource requirements and corresponding dispatch, so GDS reviewed the forecasted load carefully and relied upon the most recent set of member load forecasts, as provided by FMPA. The Bartow and Lake Worth wholesale loads are presently served within the FMPP; however, the short-term wholesale agreements to serve these loads are scheduled to expire in the near-term planning horizon. It is difficult to substantiate an assumption for whether these two wholesale loads should be included or excluded from the future supply to be served by the FMPP, as the outlook for these loads is unknown; however, as will become more evident in Section 3.2.3 regarding capacity planning and expansion, the period of contract renewal for these loads also coincides with the period where capacity in the FMPP is becoming scarce to maintain a 15% planning reserve margin. Thus, it is reasonable to assume that FMPP Load-Serving Entities (“LSEs”), such as FMPA or OUC, could have difficulty serving the capacity needs of the load without sourcing capacity elsewhere and, perhaps, at a greater premium to other market competitors. The service of these loads could become more difficult, and as a result, GDS assumed that both Bartow and Lake Worth wholesale loads would be excluded from the FMPP during the planning horizon¹.

3.2.3. Capacity Expansion Plan and Resource Assumptions

The GDS Base Case assumes that the Stanton coal-fired units would be in operation for a full 40-year useful life. Typically, asset valuations begin from a useful life assumption and consider variations as necessary from that starting point. Similarly, GDS assumed that St. Lucie’s useful life would extend through its currently approved NRC licensing period of 2043. From these load and resource assumptions, GDS needed

¹ Information was obtained immediately prior to finalizing this Report that FMPA is expected to serve at least a portion of the Bartow load for a 5-year period. The impact of including the Bartow load in the analysis presented herein would not be material.

to identify the likely resource that would be utilized to serve future capacity deficiency when necessary. GDS relied on the most recent FMPP Long-Term Resource Plan, which identified new-build, natural gas-fired CC units as the least-cost and most likely new resource addition for long-term FMPP capacity expansion. Given the assumption to remove Bartow and Lake Worth wholesale loads and the Base Case assumption to retire Stanton Unit 1 in 2027 at its 40-year useful life, a convergence existed around 2027 for replacement capacity need. Consistent with the FMPP Long-Term Resource Plan, GDS added new CC units and independently chose 800 MW additions in both 2027 and 2031 when new capacity is forecasted to be needed for the FMPP to support a planning reserve margin of 15%. The discrete 800 MW installations are approximately representative of an advanced new-build CC sizing. While such large installations do create significant impact to the reserve margin and the FMPP economic dispatch upon installation, GDS has chosen to model the full installation of such capacity when needed in a simpler approach, as opposed to smaller increments identified year to year through the planning horizon. Figure 3-2 illustrates the timing and sizing of the two CC additions, and Figure 3-3 illustrates the impact of the capacity additions to remain at or above the desired reserve margin level.

Figure 3-2: FMPP Capacity Additions

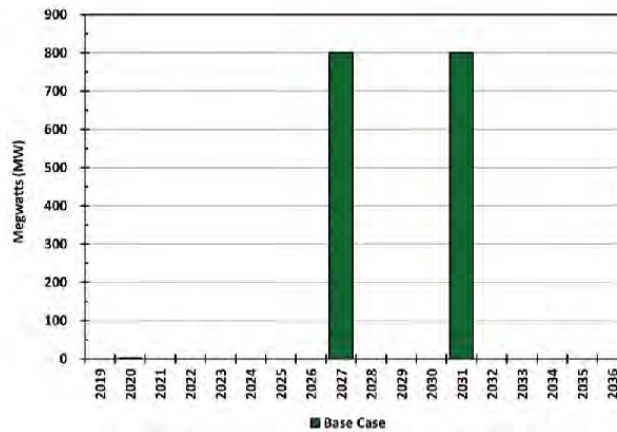


Figure 3-3: FMPP Reserve Margin



3.2.4 Forecasted Capacity Price Value

Based on the aforementioned assumptions and the modeled economic dispatch of all resources, capacity has no value until 2027 when the first FMPP new capacity addition/replacement is required. To determine the capital costs and fixed costs for the new-build CC generating resources, GDS relied on the costs (\$/kW) cited in the FMPP Long-Term Resource Plan dated September 9, 2016, and our team developed two financing considerations. A new-build with typical debt/equity ratios (45%/55%) representing IOU/merchant financing would yield a revenue requirement of around \$100/kW-Yr., while financing for a municipal at 100% tax-exempt debt would yield revenue requirements around \$60/kW-Yr.

GDS also considered that, into the future planning horizon, there may be resource agreements expiring, with lower debt obligations on such resources and deeper into their useful life that might be able to provide capacity at much lower costs. Such resources, if available, would be competitive with market, potentially providing cost competitive contract alternatives to FMPP. Given this potential bilateral market competition, it is reasonable to assume that not all new-build capital costs would be recovered. As a proxy for combined cycle capital costs, GDS utilized a PPA that FMPA currently has with Southern Power Company ("Southern") for combined cycle capacity and energy from Stanton Unit A ("Stanton A PPA") as a means to approximate the costs of existing capacity. GDS calculated the capacity payment for the Stanton A PPA to be approximately \$90/kW-Yr. in 2017 dollars under the current contract and assumed that renewal of such a contract later in its useful life with less competitive operating characteristics to new-build technology could easily be discounted to a 50% level (\$45/kW-Yr.). Continuing with that example, it seems likely that capacity owners like Southern, using the Stanton A PPA as an example, would be open to considering a heavily discounted PPA cost or price for sale to compete with the new-build option, and GDS believes that some blended rate between this option and the average of new-build costs would be an appropriate capital cost given the unknowns of future information. Using an existing capacity rate of \$45/kW-Yr. (50% discount on the Stanton A PPA), and \$80/kW-Yr. (Average of high and low new-build financing) for the new build option, GDS reached an average rate of \$62.5/kW-Yr. and approximately \$68/kW-Yr. when including fixed O&M costs. Using these blended costs for incremental capacity (in 2017 dollars), GDS escalated this cost year over year as capacity becomes needed in the future planning horizon. Additionally, GDS modeled the variable revenue from new CC additions (assuming new-build operating characteristics) in the future planning horizon to determine the discount to fixed costs or the residual fixed cost.

GDS modeling resulted in market capacity prices shown in Figure 3-4, which reflects the forecasted market capacity prices based on the forecasted economic dispatch of the resources, FMPP energy prices and the CC capacity additions. Figure 3-4 illustrates the resulting residual fixed cost for capacity, and by virtue of blending the new-build cost with other discounted PPA opportunities, it also approximates capacity cost recovery below full new-build unit installation, which acknowledges the presence of other existing capacity in the marketplace and its impact on cost recovery. Again, this assumption would necessarily require FMPA to win an RFP for such capacity at a discount to new-build pricing in the future.

Figure 3-4: Market Capacity Price

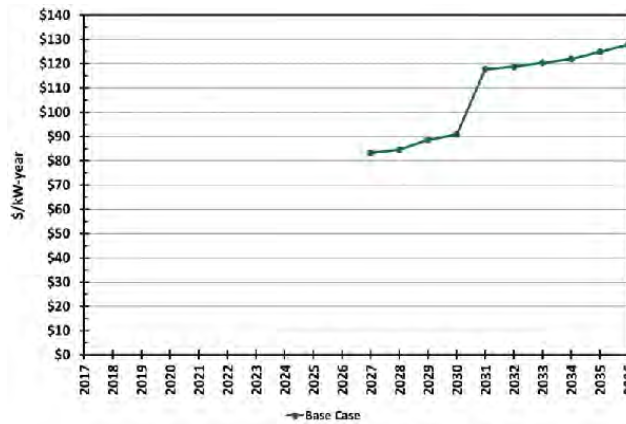
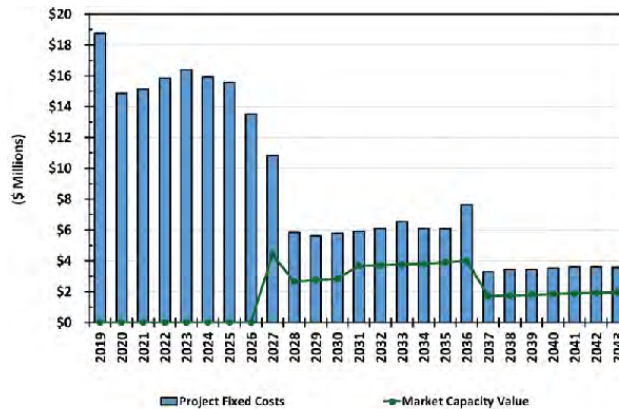


Figure 3-5 conveys a comparison, for the aggregate Vero Beach entitlement share, of the Project fixed/capacity-related costs to the market capacity value for the aggregate of Vero Beach's entitlements in the Assets. As shown, the aggregate fixed costs of the Projects are greater than the market value of capacity in all years of the valuation period.

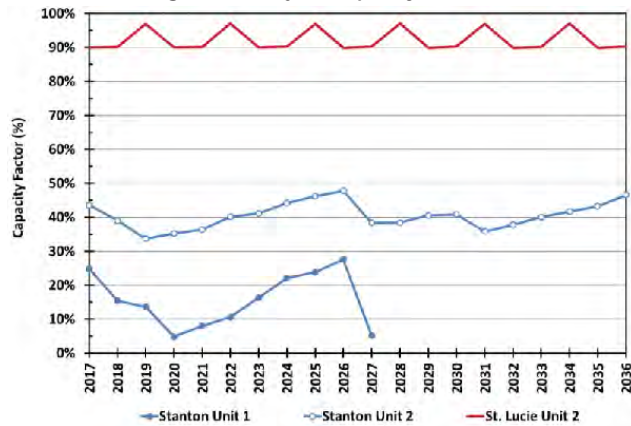
Figure 3-5: Project Fixed Costs vs. Market Capacity Value
(Vero Beach Entitlement Share in \$M)



3.2.5. Forecasted FMPP Energy Price Value

The PROMOD model considered FMPP-specific assumptions and produced a forecasted economic dispatch of each of the Assets. Figure 3-6 reflects the forecasted capacity factors of Stanton Units 1 and 2 and St. Lucie Unit 2 resulting from the economic dispatch within the FMPP.

Figure 3-6: Project Capacity Factors



Utilizing the previous assumptions and the PROMOD economic dispatch of the FMPP resources, Figure 3-7 depicts the resulting forecasted average annual FMPP energy price (all hours of the year, or 7x24 basis) over the 2017 through 2036 period.

Figure 3-7: FMPP (Market) Energy Price

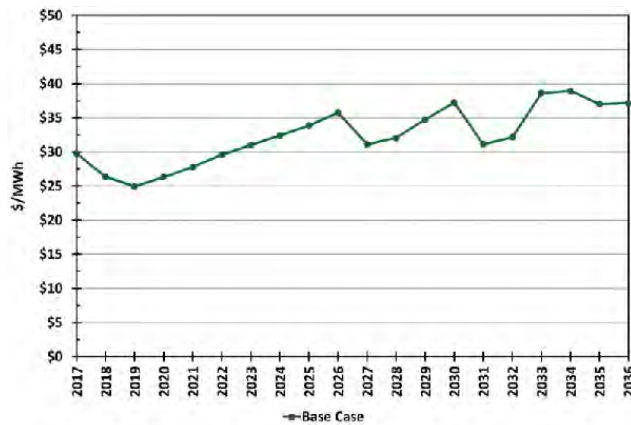


Figure 3-8 reflects the forecasted variable costs of Stanton Units 1 and 2, along with St. Lucie Unit 2 as compared to the annual average (across all hours of the year) FMPP (market) energy price. For purposes of the analysis regarding St. Lucie Unit 2 whose useful life extends through 2043, such market prices have been extrapolated for the period 2037 through 2043. St. Lucie Unit 2 is a baseload resource that generates anytime it is available, as its variable cost is below the marginal unit's price in the market. Thus, GDS has simply extrapolated market prices from the last year of the dispatch analysis (2036) to determine St. Lucie's profitability in the final seven years.

Figure 3-8: Average Project Variable Costs vs. Market Energy Price

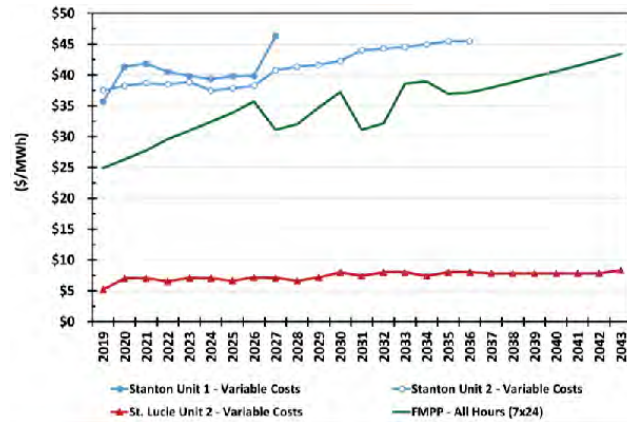
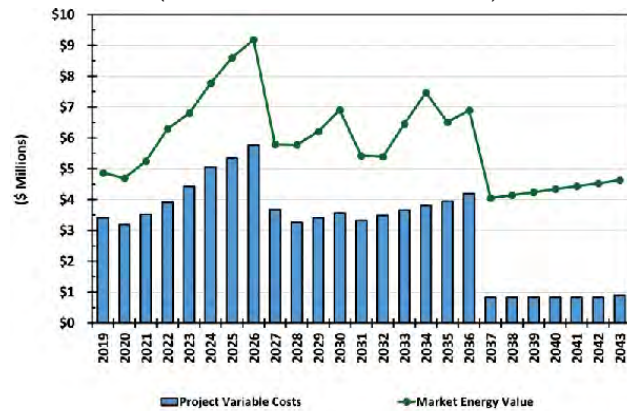


Figure 3-9 reflects, for the aggregate Vero Beach entitlement share, the forecasted aggregate variable project costs of Stanton Units 1 and 2 and St. Lucie Unit 2 as compared to the total market energy value. As shown in the figure, the aggregate variable costs of the Projects are less than the market value of energy in all years of the valuation period.

Figure 3-9: Project Variable Costs vs. Market Energy Value
(Vero Beach Entitlement Share in \$M)



3.3 Base Case Results

This section covers the results of the Base Case hold harmless payment calculation. It includes final modeling assumptions and presents results based on Vero Beach's entitlement shares.

3.3.1 Other Assumptions

3.3.1.1 Closing

The assignment of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects to the remaining ARP members has been assumed by FMPA to be able to be accomplished by October 1, 2018. GDS has not identified any data which would suggest this date is not valid.

3.3.1.2 Inflation Rate

FMPA provided an assumed annual inflation rate of 2.25%. Such rate was based on the Federal Reserve Bank of Philadelphia’s December 2016 “Livingston Survey”. Based upon review of inflation forecasts, which were generally consistent, GDS found this assumption to be reasonable for the purposes of this Study.

3.3.1.3 Discount Rate

The hold harmless payment which would be required from Vero Beach has been based on the differences between projected costs of the Assets and the projected market value, including some risk adjustments, discounted back to the assumed closing date at an FMPA-provided assumed discount rate of 4.75%. FMPA indicates that this rate is based on the all-in cost of ARP Series 2008C Bonds. Based on FMPA’s indication that such a hold harmless payment could be used to defease a portion of the outstanding ARP debt, GDS finds this discount rate assumption to be reasonable.

3.3.1.4 Valuation Period

This Study computes the hold harmless payment based on projected Project costs and market values over the period beginning October 1, 2018 through the assumed useful life of each of the Assets: 2027 for Stanton Unit 1; 2036 for Stanton Unit 2; and 2043 for St. Lucie Unit 2.

3.3.1.5 Useful Life

The useful life for the coal-fired generating Assets is assumed to be 40 years from commercial operation date (through 2027 for Stanton Unit 1 and through 2036 for Stanton Unit 2). The useful life for the nuclear-fueled generating Asset is assumed to be through the current NRC operating license (2043).

3.3.2 Annual Results

The charts within this section reflect the projected annual project costs (both fixed and variable costs) for Vero Beach’s entitlement share in the Assets, individually and collectively, as compared to the projected market capacity and energy value of the output.

Figure 3-10 compares the forecasted annual total project costs of the Stanton Project to the total market capacity and energy value of the projected output.

Figure 3-10: Stanton Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

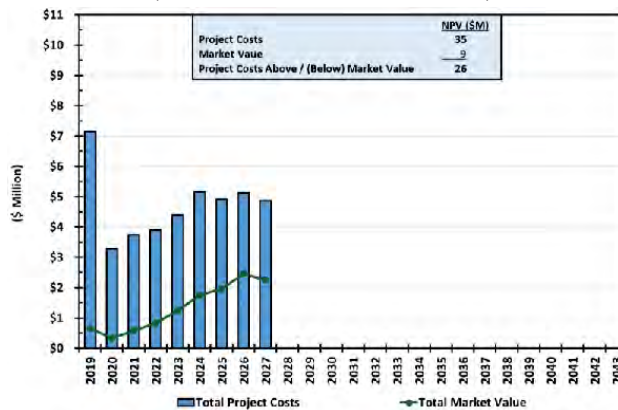


Figure 3-11 compares the forecasted annual total project costs of the Stanton II Project to the total market capacity and energy value of the projected output.

Figure 3-11: Stanton II Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

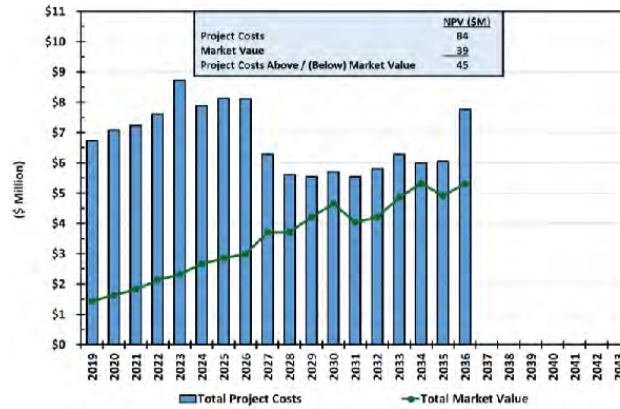


Figure 3-12 compares the forecasted annual total project costs of the St. Lucie Project to the total market capacity and energy value of the projected output.

Figure 3-12: St. Lucie Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

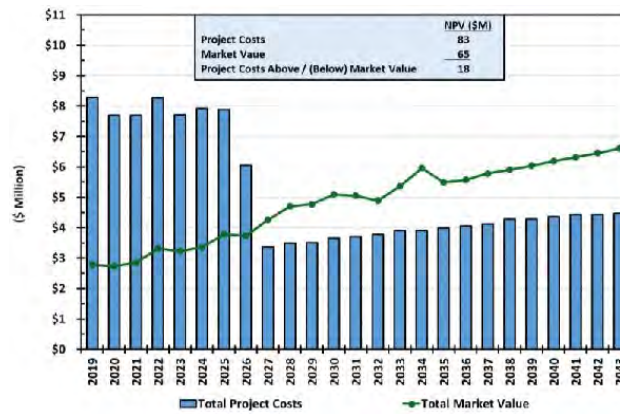
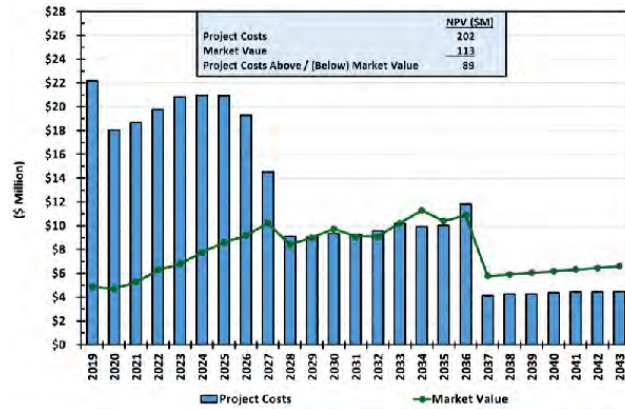


Figure 3-13 shows the forecasted annual total project costs for Vero Beach’s entitlement shares in all three Assets in aggregate, as compared to the total market capacity and energy value of the projected output. The net present value of the differences between these annual project costs and market value represents the Base Case hold harmless payment, which is reported in the next section of this Report.

Figure 3-13: Total Project Costs vs. Market Value
 (Vero Beach Entitlement Shares in \$M)



3.3.3 NPV Results

The following table presents the valuation of Vero Beach’s entitlement shares in the Assets for the Base Case, or the hold harmless payment, (before the inclusion of any risk adjustment).

Table 3-3: Base Case Hold Harmless Payment (Before Risk Adjustment)
 (Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Project Costs	35	84	83	202
Market Value	9	39	65	113
Net Project Costs Over / (Under) Market Value (Hold Harmless Payment – Before Risk Adjustment)	26	45	18	89

By way of comparison, Table 3-4 presents a comparison of the GDS and FMPA projections of the valuation of Vero Beach’s entitlement shares in the Assets over the debt period (before the inclusion of any risk adjustment). As the table reflects, GDS’ projection of the Base Case payment is similar to FMPA’s projection when considered over the debt period alone. However, GDS reached a Base Case payment of \$89 million over the useful life of the three Projects as its formal conclusion for the expected payment.

Table 3-4: Base Case Payment Calculation Over Debt Period (Before Risk Adjustment)
 (Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
FMPA Projection	5	39	31	76
GDS Projection	6	38	31	75

4 RISK ANALYSIS

In addition to the Base Case assumptions and valuation of the respective Projects, there are clearly some risk factors that must be considered and valued as well. It is important to note that this Risk Analysis is not simply to indicate the potential volatility of assumptions around an expected future as modeled in the Base Case, but it also contains an important "hold harmless" consideration. GDS views that element of the Risk Analysis as a charge to capture certain exposures that exist and consider a protective element of the valuation to be sure that FMPA ARP participants are reasonably unharmed by a volatile future.

With that premise in mind, GDS carefully reviewed information regarding both Stanton units and St. Lucie Unit 2, including forecasted operating and maintenance costs, forecasted capital costs and operational history for potential future cost risks not captured in the Base Case forecasted Project costs. GDS performed the requested Risk Analysis, which identifies potential future costs of various risk events and assigns a probability of the risk event's occurrence or holds FMPA harmless from some portion of its exposure ("Protected Exposure") over the projected life of the Project. GDS utilized its experience to arrive at the potential cost and probability or protected exposure to calculate an annual expected cost for the risk event associated with Vero Beach's entitlement share of each of the subject Projects. GDS performed a discounted cash flow analysis on each risk event to arrive at a current NPV value (or cost exposure) for the respective event.

4.1 Areas of Risk

4.1.1 Operational Risks

The following text discusses the risk analysis for each unit and defines the risk events considered to add additional risk premium.

4.1.1.1 Coal Unit Risks

4.1.1.1.1 Environmental

Coal plants have been under increased environmental regulations over the last several years, which has caused costly plant investments. The following summarizes recent environmental regulations and their potential impact on the Stanton units.

a. Clean Power Plan ("CPP")

The Stanton units are both subject to reduction of carbon dioxide ("CO₂") emissions under the current Clean Power Plan. This plan is expected to see significant changes under the new United States Presidential administration. As currently written, the CPP could force closure of one or both Stanton units. Based upon current direction of the new Environmental Protection Agency ("EPA") administration, GDS has concluded that there is no foreseeable impact on the Stanton plant.

b. Cross State Air Pollution Rule ("CSAPR")

Florida is not currently subject to the ozone-season trading program. This could change under the 2015 ozone National Ambient Air Quality Standards ("NAAQS") standard of 100ppd. Florida is currently in an attainment area, reducing the need for further emissions controls.

- Nitrogen Oxide ("NO_x") Control: Stanton Unit 1 uses low NO_x burners and overfired air for reducing NO_x emissions. Any additional reduction in NO_x emissions would require the costly installation of selective catalytic reduction ("SCR"). Most plants that are within ten years of scheduled retirement, when faced with installing SCR, negotiate an earlier retirement date with environmental regulatory agencies to avoid the cost of SCR. Stanton Unit 2 uses low NO_x burners, overfired air and SCR. Further emission reduction systems are not expected to be required anytime in the future.

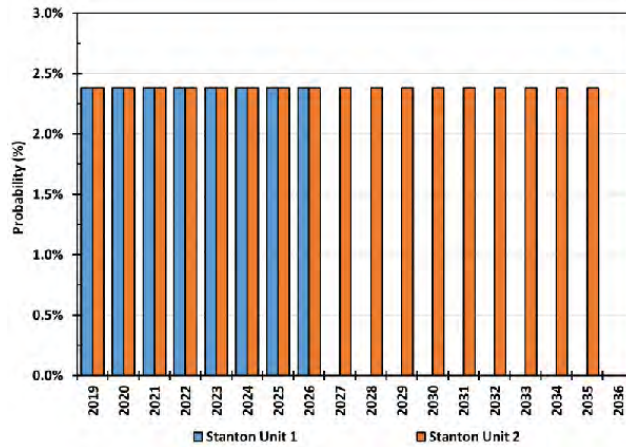
- Sulfur Dioxide (“SO₂”) Control: Both coal units employ wet flue gas desulfurization systems for SO₂ control. Further emission reduction systems are not expected to be required anytime in the future.
- c. Mercury and Air Toxic Standard (“MATS”)
Stanton Unit 1 uses activated carbon injection to meet MATS emissions limits. Stanton Unit 2 uses selective catalytic reduction to meet emissions limits. Further investment associated with compliance with MATS is not expected at this time.
- d. Water & Waste Water Rules
Stanton’s 10 million gallons per day of water supply is supplied by the City of Orlando. Stanton is a Zero Liquid Discharge (“ZLD”) facility and does not have a National Pollution Discharge Elimination System (“NPDES”) permit. All water entering the site is evaporated in the plant cooling systems and reused on-site. The ZLD forces Stanton to be operated during rainy summer months to prevent water discharge. New water storage ponds are being constructed to collect rain run-off and existing ponds are being upgraded with new liners. Ground water monitoring wells verify water is not leaking into aquifers. Further investment to comply with water and waste water regulations is not expected at this time.
- e. Coal Combustion Residuals (“CCR”)
OUC has developed plans for meeting the CCR rules. The plans include upgrading existing pond liners and closure of landfill storage cells. These costs are already included in the Stanton cost projections, and additional risk is not anticipated.

4.1.1.1.2 Boiler Component Replacement

Steam boiler sections, such as the superheater, re-heater, and economizer sections, are often replaced at least once during the project life. Erosion on the outside of the boiler tubes from coal ash and slag in the flue gasses and on the inside from steam flow cause the need for replacement. Industry experience has found most boilers will require replacement of at least one of these boiler sections, sometimes as early as thirty years of life. In the case of life extension, replacement of a boiler section is normally necessary to maintain boiler integrity. Typical costs for replacement of all three boiler sections range from \$23 to \$30 million (on a 100% of unit basis and in 2017 dollars), depending on the configuration of the boiler section and access. The Base Case projected costs do not include any project costs for replacing boiler sections. The following cost adjustments are based upon total boiler (three sections) replacement costs of \$27 million (on a 100% of unit basis and in 2017 dollars). Annual probabilities for the potential replacement of the boiler sections for each unit were created and are shown in Figure 4-1. In modeling the potential replacement of these boiler sections, GDS is utilizing the total cost of replacing all three sections and applying the probability assumptions in Figure 4-1 as the means of weighting the cost impact. To further clarify and as an example, a 33% (1 out of 3) probability represents the expectation that one of the three boiler sections needs replacement.

- a. Stanton Unit 1: the projected 40-year useful life of Stanton Unit 1 ends within the next ten years. GDS has assumed annual probabilities of replacement of boiler components at a uniform 2.4% per year through 2026, or a cumulative probability of 19%. (Refer to Figure 4-2).
- b. Stanton Unit 2: The longer life cycle of Stanton Unit 2 increases the probability of boiler component replacement. GDS has assumed annual probabilities of replacement of boiler components at a uniform 2.4% per year through 2035. This represents a cumulative probability of 33% by 2032 (i.e., the expectation of replacing one of the three boiler sections). Beyond 2032, the analysis includes a continuation of the same annual probability of 2.4% per year through 2035. (Refer to Figure 4-3).

Figure 4-1: Annual Probability of Stanton Units' Boiler Component Replacement



Figures 4-2 and 4-3 reflect the cumulative probability distributions assumed for boiler section replacements at Stanton Units 1 and 2, respectively.

Figure 4-2: Cumulative Probability of Stanton Unit 1 Boiler Component Replacement

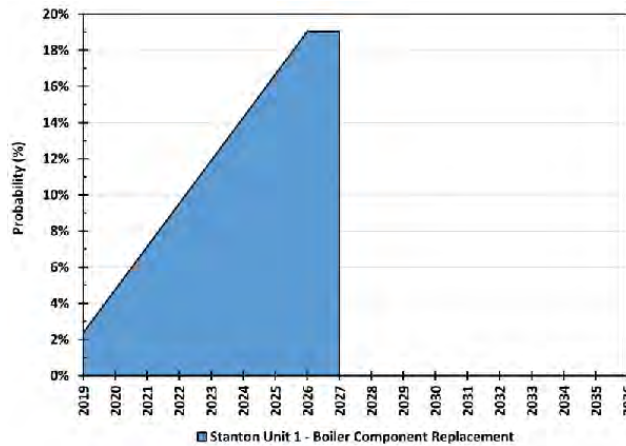
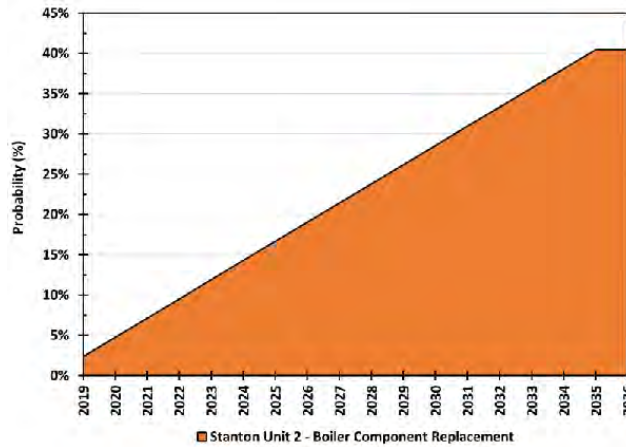


Figure 4-3: Cumulative Probability of Stanton Unit 2 Boiler Component Replacement



4.1.1.1.3 Stanton Units Risk Adjustment

The following table conveys the probability-weighted NPV risk adjustment associated with the Stanton coal-fired electric generating units for boiler component replacement risk.

Table 4-1: Risk Adjustment to Hold Harmless Payment Due to Stanton Units Risk
(Amounts Shown in Probability-Weighted NPV \$M)

Risk Item	Stanton Unit 1		Stanton Unit 2	
	Total	Vero	Total	Vero
	100% Of Unit	Beach Share	100% Of Unit	Beach Share
Boiler Component Replacement	4.8	0.2	9.3	0.4

4.1.1.2 Nuclear Unit Risks

4.1.1.2.1 Flood Mitigation

The NRC indicates that St. Lucie Unit 2 meets all current NRC requirements for flood protection. FP&L acknowledges that additional protection may be necessary as sea levels rise. The St. Lucie nuclear power plant is only 10 feet above sea level. Current projections indicate a sea level rise of 1 to 4 feet by 2100. The impact on the St. Lucie power plant will mainly be due to potential flooding mitigation from tropical storms. Based upon FP&L's St. Lucie flood mitigation reports to the NRC, no mitigation is expected before 2030. Additional flood mitigation costs have been assumed to be \$7.5 million (on a 100% of unit basis and in 2017 dollars). GDS has assumed an annually increasing probability beginning in 2030 through 2042. The total cumulative probability of additional flood mitigation costs is 33%.

Figure 4-4 and Figure 4-5 reflect the probabilities assumed for additional flood mitigation costs on an annual and cumulative basis, respectively.

Figure 4-4: Annual Probability of Flood Mitigation Cost

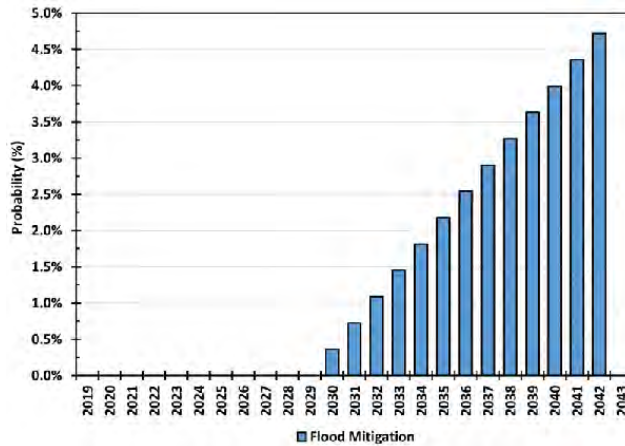
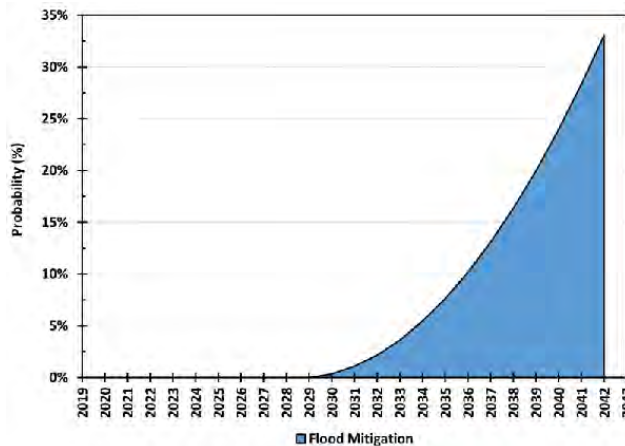


Figure 4-5: Cumulative Probability of Flood Mitigation Cost



4.1.1.2.2 Steam Generator Replacement

St. Lucie Unit 2 completed its installation of new steam generators in 2008. Since installation, evidence exists that these steam generators have experienced tube abrasion and denting from tube vibration. Inspection reports seem to indicate that the rate of wear and the corresponding rate of decrease in tube thickness has diminished and is no longer a concern. However, this issue will need to be closely monitored and could result in increased outage times to conduct additional inspections of the steam generator tubes. The steam generator’s warranty expires in 2027. Areva’s (the steam generator manufacturer) 2014 report on steam generator condition indicates that the number of steam generator tubes plugged at St. Lucie Unit 2 could exceed 10% by 2027 and 20% by 2043. Utilities have a history of replacing nuclear units’ steam generators of the type used at St. Lucie at about 20 years, on average. This is a significant risk factor. GDS has assumed an annual probability beginning in 2022 (after the expiration of steam generator warranty) increasing through 2033, before decreasing to zero by 2038. Given our Base Case analysis of St. Lucie Unit

2 retiring in 2043, GDS assumes that any difficulty with the steam generator in the final years of useful life would be reviewed in a life extension consideration or, if possible, the unit would be left to operate at less than optimal condition. The total cumulative probability of steam generator replacement is 33%.

Figure 4-6 and Figure 4-7 reflect the probabilities assumed for steam generator replacement at St. Lucie Unit 2 on an annual and cumulative basis, respectively.

Figure 4-6: Annual Probability of St. Lucie Unit 2 Steam Generator Replacement

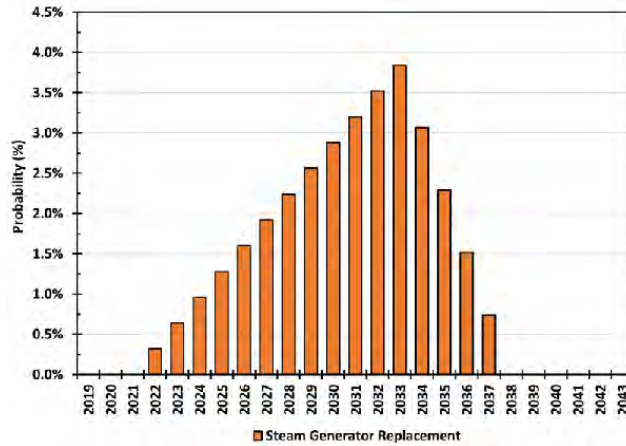
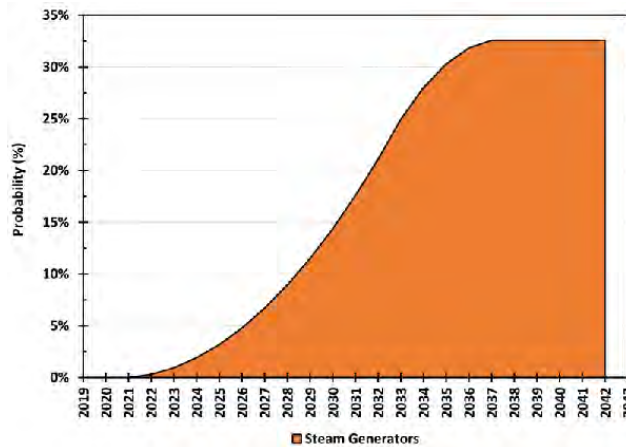


Figure 4-7: Cumulative Probability of St. Lucie Unit 2 Steam Generator Replacement



4.1.1.2.3 Nuclear Decommissioning & Spent Fuel Risk

Upon retirement in 2043, St. Lucie Unit 2 plant decommissioning and disposal of spent fuel is to be funded by a nuclear decommissioning trust fund (as required by the Nuclear Regulatory Commission). FP&L filed the 2015 Nuclear Decommissioning Study for St. Lucie Units 1 and 2 with the Florida Public Service Commission on December 14, 2015. In this study, FP&L states it intends to dismantle St. Lucie immediately upon retirement of St. Lucie Unit 2 (possessing the later of the two operating license expirations). The projected decommissioning costs for St. Lucie Unit 2 of \$871,831,000 (based on 100% of the unit and stated in 2015 dollars), include the costs of dismantling the plant, spent fuel interim storage, and final spent fuel disposition by the Department of Energy. The study identified that, based on FMPA's ownership share of

St. Lucie Unit 2, amounts funded at the time of the study, were more than the funding level required to meet FMPA's projected allocated share of decommissioning costs. Based upon this information, GDS concludes that sufficient funding exists in the nuclear decommissioning trust to meet the currently expected decommissioning costs for St Lucie Unit 2. Based upon this study, GDS has concluded the risk of incurring unexpected decommissioning costs is minimal and no additional cost risk adjustment is needed.

4.1.1.2.4 St. Lucie Unit 2 Risk Adjustment

The following table conveys the probability-weighted NPV risk adjustment associated with St. Lucie Unit 2.

Table 4-2: Risk Adjustment to Hold Harmless Payment Due to St. Lucie Unit 2 Risks
 (Amounts Shown in Probability-Weighted NPV \$M)

Risk Adjustment	Total 100% Of Unit	Vero Beach Share
Flood Mitigation	1.6	0.02
Steam Generator Replacement	46.6	0.6
TOTAL	48.2	0.6

4.1.2 Stanton Unit 1 Life Extension

Current projections (Figure 3-6) show Stanton Unit 1 dispatching very little into the FMPP (16% capacity factor on average over 2019-2027). The forecasted variable costs of Stanton Unit 1 are significantly higher than the FMPP average energy price (see Figure 3-8), thus, the low projected capacity factors are to be expected. Even so, recent data provided by OUC, Stanton Unit 1's operator, indicate that they are planning a turbine upgrade project in 2019 (only 8 years prior to reaching a 40-year end of operating life date). Given Stanton Unit 1's non-competitive position within the FMPP, a major risk to FMPA is OUC's potential decision to continue operating Stanton Unit 1 beyond 2027 in an uneconomic fashion. GDS has prepared a Stanton Unit 1 Life Extension Case, assuming the Project's useful life would be extended to 2036 (coincident with Stanton Unit 2). Doing so under the current assumptions and projections would add nine (9) additional years of uneconomic operation. Assuming that OUC will continue uneconomically dispatching the Stanton units in avoidance of lower cost market alternatives for a prolonged period is counter-intuitive. Nonetheless, OUC continues to plan significant investment in these units in the near-term planning horizon, which seemingly foreshadows extension of useful life and ongoing operation for purposes of resource diversity, differing future fuel outlook, avoidance of new-build risks, etc. These additional potential costs for life extension and uneconomic dispatch in the market, need to be accounted for as a part of the overall risk adjustment.

4.1.2.1. Boiler Component Replacement Cost:

In the event OUC decides to extend the life of Stanton Unit 1, it is highly likely one or more boiler section(s) will need replacement. The operating costs for the Stanton Unit 1 Life Extension Case have been increased to reflect the expectation of replacing one of the three boiler sections by 2027. After 2027 (i.e., the extended life period), we have assumed the same level of annual probability of boiler component replacement as was discussed earlier for Stanton Unit 1 and 2 (2.4% per year).

Figure 4-8 and Figure 4-9 reflect the probabilities assumed for the boiler component replacement in the Stanton Unit 1 Life Extension Case on an annual and cumulative basis, respectively. These figures incorporate the boiler component replacement risk over the entire period, including prior to 2027, which is incorporated in the analysis presented earlier in Section 4.1.1.1.2, and shown in Figures 4-1 and 4-2.

Figure 4-8: Annual Probability of Stanton Unit 1 Life Extension Boiler Component Replacement

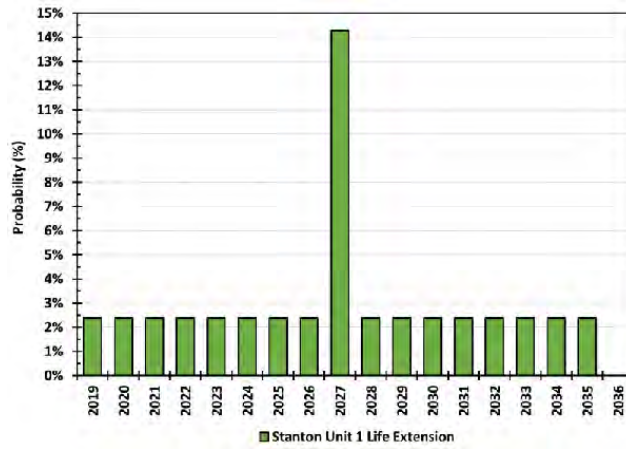
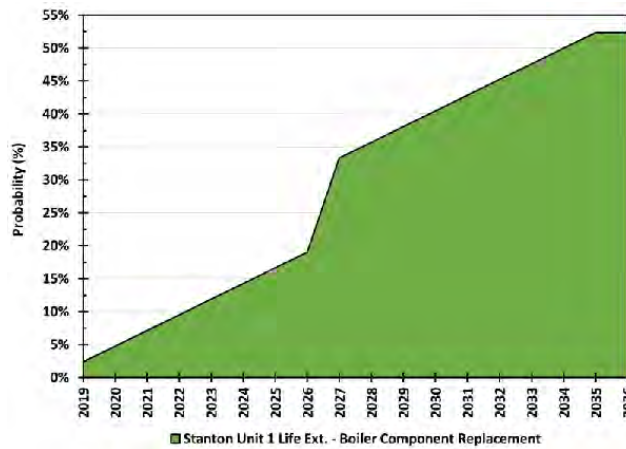


Figure 4-9: Cumulative Probability of Stanton Unit 1 Life Extension Boiler Component Replacement



4.1.2.2. Decommissioning costs

The allowance for Stanton Unit 1 decommissioning costs (modeled in the Base Case in 2027) are moved to 2036 in the Stanton Unit 1 Life Extension Case.

4.1.2.3. Impact on FMPP

The extension of operations for Stanton Unit 1 would have an impact on the capacity expansion required to meet reserve margins in the FMPP. Figure 4-10 reflects the FMPP capacity expansion under the Stanton Unit 1 Life Extension Case as compared to the Base Case.

Figure 4-10: FMPP Capacity Expansion Comparison

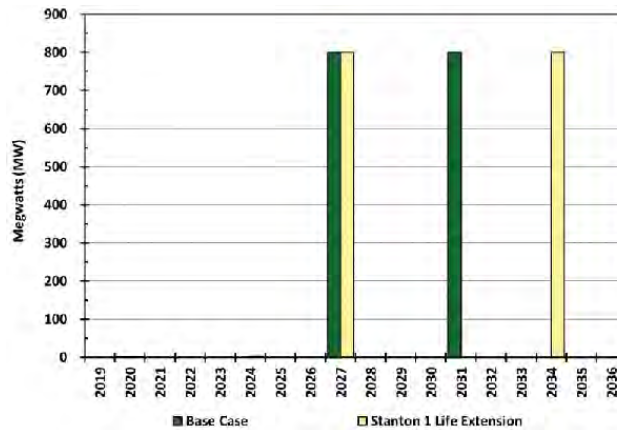


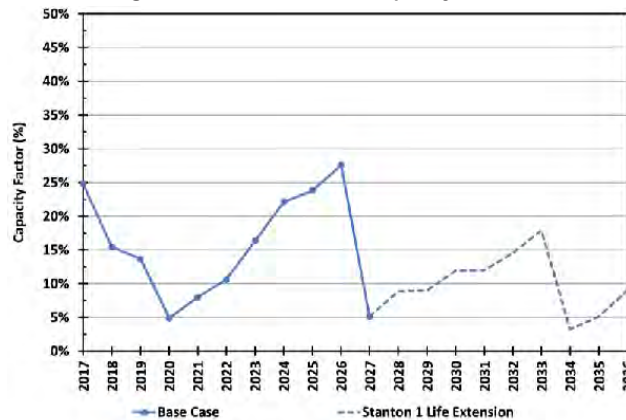
Figure 4-11 shows the projected FMPP reserve margins in the Stanton Unit 1 Life Extension Case as compared to the Base Case.

Figure 4-11: FMPP Reserve Margin Comparison



Figure 4-12 reflects the projected capacity factors of Stanton Unit 1 under both the Base Case and the Stanton Unit 1 Life Extension Case.

Figure 4-12: Stanton Unit 1 Capacity Factors



With recent information provided by OUC indicating currently planned turbine upgrades at Stanton Unit 1, it appears reasonable to expect that OUC may be considering operating Stanton Unit 1 beyond a 40-year life (i.e. beyond the GDS 2027 Base Case assumption). In that context, GDS assumed, given the capital investment OUC is projecting to make in the turbine upgrade at Stanton Unit 1 and the uneconomic dispatching of the resource that is already occurring, that there is a 75% probability that Stanton Unit 1's operating life will be extended beyond 40 years. Table 4-3 reflects the development of the risk exposure associated with the Stanton Unit 1 Life Extension Case.

Table 4-3: Risk Adjustment to Hold Harmless Payment Due to Stanton Unit 1 Life Extension Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case	26	45	18	89
Stanton Unit 1 Extension	34	45	18	97
Difference in Payment Due to Stanton Unit 1 Extension	8	0	0	8
Risk Exposure Probability	75%	75%	75%	75%
Risk Adjustment to Hold Harmless Payment Due to Stanton Unit 1 Life Extension Risk	6.0	0.0	0.0	6.0

4.1.3 Extended Low Natural Gas and Capacity Prices

It is not reasonable to assume no additional exposure for the downside potential in natural gas and capacity prices, and similarly, it is not reasonable to assume that all exposure for a given low-price assumption should be included. In this case, GDS assumed that 50% of the cost exposure created by our discrete, low-side natural gas price assumption, as well as 50% of the cost exposure created by the discrete, low-side capacity price assumption, would be reasonably included as part of the "Hold Harmless Payment".

4.1.3.1 Extended Low Natural Gas Prices

The current forward view of natural gas prices used in the Base Case reflects increasing natural gas prices from today's spot price levels based on the publicly traded NYMEX. While natural gas prices are still relatively low by historical standards, an additional potential source of risk is that natural gas prices do not increase materially from today's levels, as the forward curve presently assumes. In such a scenario, the Assets' costs would be even less competitive against market energy, as the market price level would be

lower. To test the sensitivity of the Asset's project costs with lower gas prices, GDS simply lowered the original gas curve used in the analysis by the GDS inflation rate of 2.25%. All other fuel prices remained the same in the low gas sensitivity.

The following chart compares the extended low natural gas prices to those of the Base Case.

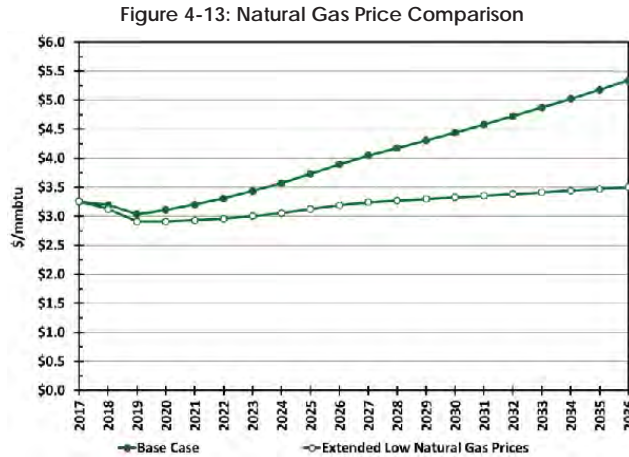


Table 4-4 reflects the development of the risk exposure summary associated with the extended low natural gas prices case.

Table 4-4: Risk Adjustment to Hold Harmless Payment Due to Extended Low Natural Gas Prices Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case	26	45	18	89
Risk Analysis (Low Natural Gas Prices)	26	47	28	101
Difference in Payment Due to Low Natural Gas Prices	0	2	10	12
Protected Exposure	50%	50%	50%	50%
Risk Adjustment to Hold Harmless Payment Due to Low Natural Gas Price Risk	0.0	1.0	5.0	6.0

4.1.3.2 Extended Low Capacity Prices

Similar to the impact of lower natural gas prices on market energy prices, there is a risk to FMPA that the assumed capacity prices will be too high and that FMPA will not be able to recover capacity value at that level. As the major player in the Florida market, FP&L is able to completely recover the costs of its new-build investments from retail ratepayers, and to the extent excess capacity exists, they are able to sell that capacity into the wholesale market at deeply discounted prices. FP&L's publicly filed forecasted reserve margins exceed 20% in many cases allowing them to seek wholesale revenue at any means. It follows that by offering capacity at deep discounts to new-build pricing, FP&L could depress the cost recovery of capacity in the market. In our Base Case, GDS assumed a capacity clearing price at approximately 75% of new-build costs, and in Figure 4-14, we illustrate a sensitivity at 50% of new-build cost levels.

Figure 4-14: Market Capacity Price Sensitivity

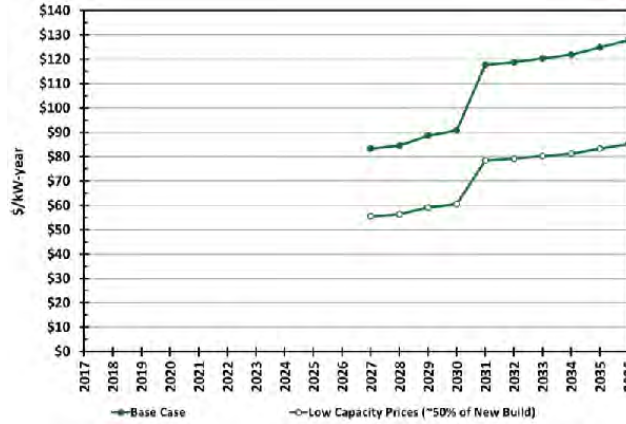


Table 4-5 reflects the development of the risk exposure summary associated with the extended low capacity prices case.

Table 4-5: Risk Adjustment Due to Low Capacity Price Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Market Capacity Value (Reduces Payment) Base Case (~75% of New Build Costs)	1.2	10.5	12.5	24.2
Market Capacity Value (Reduces Payment) Low Capacity Price Case (~50% of New Build)	0.8	7.0	8.3	16.1
Difference in Market Capacity Value Due to Low Capacity Prices	(0.4)	(3.5)	(4.2)	(8.1)
Protected Exposure	50%	50%	50%	50%
Risk Adjustment to Hold Harmless Payment Due to Low Capacity Price Risk	0.2	1.8	2.1	4.1

4.2 Summary of Risks

Table 4-6 presents the summary of risk adjustment by category and by Asset.

Table 4-6: Summary of Risk Adjustments to Hold Harmless Payment
 (Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Operational Risks	0.2	0.4	0.6	1.2
Stanton Unit 1 Extension	6.0	0.0	0.0	6.0
Extended Low Natural Gas Prices	0.0	1.0	5.0	6.0
Extended Low Capacity Prices	0.2	1.8	2.1	4.1
Total Risk Adjustment	6.4	3.2	7.7	17.3

In recent history, the major risk that coal power project owners have been wary of across the United States is environmental regulation or legislation that results in expensive capital upgrades to these coal projects. The industry has experienced the impacts of such regulation or legislation, including the Clean Air Act, Clean Air Interstate Rule (“CAIR”), Utility MACT, CSAPR, and CPP, and has been trained to necessarily view these regulations as premium costs that diminish the owners’ return on investment or bring the useful lives of such projects to a swift retirement. Despite the shift in the United States Presidential Administration in 2017, these types of regulatory issues are still very much a risk to consider over the life of coal projects, but lower natural gas prices and the corresponding drop in market prices presents a shift in these common views. Lower natural gas prices avail lower market energy prices to the FMPP, which results in the uneconomic dispatch of the Stanton Projects well into the future. Being that OUC is the majority owner of both Stanton coal Projects, FMPA must continue to accept all decisions and costs with respect to the units as OUC plans for its future. Interestingly in this case, the risk of OUC continuing to invest in the units and operate them uneconomically versus market prices becomes one of the major risk items that FMPA faces in the future life of these plants. Ironically, with respect to FMPA’s “hold harmless” interests, this inverts the typical view of environmental regulation and legislation on coal projects to a perspective that such potential large-scale events actually result in greater likelihood of retirement for the Stanton coal projects and, thus, an end to uneconomic dispatch of the resources year after year. Given such a perspective, major events, such as the need for SCRs at Stanton II or a future potential carbon tax on the coal plant output, do not add risk premium under the current long-term fuel price assumptions for natural gas. Rather, those events signal greater pressure on OUC to retire the Stanton units and make capacity decisions that result in more economic supply to FMPP participants.

With this set of key risk conclusions in mind, any major regulatory, legislative or operational risk that OUC and FMPA would have to address and that puts the units’ respective useful lives in jeopardy of a retirement decision due to significant capital expenditure is considered to be an item that diminishes FMPA’s present costs at risk. Thus, there is no representation of these items in the risk adjustment calculation, as those risk events would work in FMPA’s favor under current long-term fuel assumptions. It naturally follows that the key areas of risk exposure to FMPA are (1) the costs of extending Stanton Unit 1’s useful life and the corresponding harm in uneconomic dispatch versus market alternatives, (2) the potential for lower natural gas prices, which would exacerbate the uneconomic impact on FMPA, (3) the potential for lower capacity price recovery long-term and finally, (4) the operational cost items incurred that are not significant enough to result in retirement and must be performed. GDS has assessed a cost impact for each of these risk exposures, as summarized in Table 4-6, in the spirit of recognizing a “Hold Harmless Payment”. As requested in the independent valuation, the position for making such calculations should represent risk premium payment amounts for which FMPA ARP participants could reasonably consider a future with Vero Beach’s entitlements and recover the potential future cost impacts that could concern them regarding the assignment of these Assets to FMPA’s ARP.

The risk premium calculations for Stanton Unit 1’s potential life extension from GDS’s Base Case retirement assumption in 2027 and other operational risks are necessarily probabilistic in nature and have been established based on GDS’ industry experience. The consideration of the cost impact from low natural gas prices, and similarly low capacity prices, have not been considered as probabilistic issues and is where GDS has independently assessed its view of a reasonable amount of exposure for each item to be covered in a “hold harmless” calculation.

As a result of each of these risks, Table 4-7 summarizes the Valuation of the Assets for the Base Case and the risk premium/adjustment, and in total.

Table 4-7: Hold Harmless Payment Summary
 (Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case Portion	26	45	18	89
Risk Adjustment	6	3	8	17
Total Hold Harmless Payment	32	48	26	106

FMPA’s internal review of the “hold harmless” payment resulted in an estimate of \$108 million. GDS reached a final “hold harmless” payment of \$106 million from Vero Beach to the FMPA ARP participants. Although many assumptions that GDS and FMPA utilized in our respective analyses were quite different, ultimately both analyses converged on quite similar results.

FLORIDA MUNICIPAL POWER AGENCY VERO BEACH INDEPENDENT VALUATION STUDY

Prepared by:



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Suite 800

Marietta, GA 30067
770.425.8100 | office

Draft 3/9/18

_____, 2018

Board of Directors
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Ladies and Gentlemen:

We have served as Bond Counsel to Florida Municipal Power Agency (the "Agency") in connection with the contemplated transfer and assignment of the Vero Stanton II Project Entitlements to the Agency, with respect to the ARP, and the contemplated release of the City of Vero Beach, Florida ("Vero Beach") from, among other things, all of its obligations and liabilities related to the Stanton II Project, as specified in the Waiver and Release Agreement in substantially the form as of the date hereof and as contemplated by the Transfer Agreement (Stanton II Project) in substantially the form as of the date hereof, and their related documents in substantially the form as of the date hereof (the "Transaction"). Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex attached to the Transfer Agreement (Stanton II Project) as Exhibit A in substantially the form as of the date hereof.

We have examined, among other things, the Act, Chapter 166, Part II, Florida Statutes, the Interlocal Agreement, the Stanton II Bond Resolution, the proceedings of the Board of Directors of the Agency with respect to the authorization, execution and delivery of the Stanton II Bond Resolution and each of the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts and the amendments thereto, the Participation Agreement, and such certificates and other documents relating to the Agency, the Stanton II Bond Resolution, the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts, and have made such other examination of applicable laws, as we have deemed necessary in giving this opinion.

[We understand that the Board of Directors of the Agency has been provided a legal opinion letter of the General Counsel and Chief Legal Officer of the Agency dated the date hereof and we have examined and reviewed that opinion letter.] We understand that the Board of Directors of the Agency has also been provided copies of the Valuation Study, dated June, 2017, and the Certificate, dated March __, 2018 provided by GDS Associates, Inc. (the "Engineering Reports"), a copy of the Trustee Certificate, dated March 15, 2018 (the "Trustee Certificate") and copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton II Project Revenue Bonds (the "Ratings Letters") and we have examined and reviewed such documents. We have additionally provided to the Board of Directors of the Agency a draft copy of our opinion to be provided on the date of closing of the entire transaction contemplated by the Transfer Agreement (Stanton II Project) covering the enforceability of the Transaction Documents.

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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- 2 -

In accordance with our understanding with the Agency and as its Bond Counsel, we have rendered legal advice and assistance to the Agency in connection with the preparation of the Transaction Documents listed in Exhibit A hereto and in substantially final form as of the date hereof (the "Transaction Documents"). We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Engineering Reports, the Ratings Letters and the Trustee Certificate, and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. However, in the course of our participation in the preparation of the Transaction Documents and in the course of our review and examination of the Engineering Reports, the Ratings Letters and the Trustee Certificate as Bond Counsel to the Agency, we have conferred with representatives of the Agency, Jody Finklea, Esq., General Counsel and Chief Legal Officer to the Agency, the financial advisor, TD Bank, National Association, as trustee (the "Trustee"), counsel to the Trustee, Vero Beach, counsel to Vero Beach, Florida Power & Light Company, Inc. ("FPL"), FPL's counsel, representatives from GDS Associates, Inc., and others.

On the basis of the information that was developed in the course of our examination and review referred to above and our participation in the preparation of the Transaction Documents, nothing has come to our attention with respect to legal matters which would make it improper or unreasonable for the Board to determine that the Transaction will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 711 of the Stanton II Bond Resolution.

This letter is furnished by us solely for your benefit in connection with the provisions of the Stanton II Bond Resolution and may not be relied upon by any other person, without our express written consent.

Very truly yours,

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

- (1) copies of Amendment No. 1 (Vero Beach) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach in the forms of such documents as of the date hereof;
- (2) copies of Amendment No. 1 (Project Participant) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants, and Amendment No. 1 (Project Participant) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants in the forms of such documents as of the date hereof;
- (3) a copy of the Transfer Agreement (Stanton II Project), dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;
- (4) a copy of the Consent and Waiver (Stanton II Project), dated as of ____, 2018, of each Other Stanton II Project Participant in the form of such document as of the date hereof;
- (5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;
- (6) a copy of the Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between Vero Beach and the Agency in the form of such document as of the date hereof; and
- (7) a copy of the Partial Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton II Bond Resolution in the form of such document as of the date hereof.

Draft 3/9/18

_____, 2018

Board of Directors
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Ladies and Gentlemen:

I have served as Bond Counsel to Florida Municipal Power Agency (the "Agency") in connection with the contemplated transfer and assignment of the Vero Stanton II Project Entitlements to the Agency, with respect to the ARP, and the contemplated release of the City of Vero Beach, Florida ("Vero Beach") from, among other things, all of its obligations and liabilities related to the Stanton II Project, as specified in the Waiver and Release Agreement in substantially the form as of the date hereof and as contemplated by the Transfer Agreement (Stanton II Project) in substantially the form as of the date hereof, and their related documents in substantially the form as of the date hereof (the "Transaction"). Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex attached to the Transfer Agreement (Stanton II Project) as Exhibit A in substantially the form as of the date hereof.

I have examined, among other things, the Act, Chapter 166, Part II, Florida Statutes, the Interlocal Agreement, the Stanton II Bond Resolution, the proceedings of the Board of Directors of the Agency with respect to the authorization, execution and delivery of the Stanton II Bond Resolution and each of the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts and the amendments thereto, the Participation Agreement, and such certificates and other documents relating to the Agency, the Stanton II Bond Resolution, the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts, and have made such other examination of applicable laws, as I have deemed necessary in giving this opinion.

[I understand that the Board of Directors of the Agency has been provided a legal opinion letter of Nixon Peabody LLP, as Bond Counsel to the Agency ("Bond Counsel"), dated the date hereof and I have examined and reviewed that opinion letter.] I understand that the Board of Directors of the Agency has also been provided copies of the Valuation Study, dated June, 2017, and the Certificate, dated March [___], 2018 provided by GDS Associates, Inc. (the "Engineering Reports"), a copy of the Trustee Certificate, dated March 15, 2018 (the "Trustee Certificate") and copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding Stanton II Project Revenue Bonds (the "Ratings Letters") and I have examined and reviewed such documents. I have additionally provided to the Board of Directors of the Agency a draft copy of my opinion to be provided on the date of closing of the entire transaction contemplated by the Transfer Agreement (Stanton II Project) covering the enforceability of the Transaction Documents.

- 2 -

In accordance with my understanding with the Agency and as its General Counsel and Chief Legal Officer, I have rendered legal advice and assistance to the Agency in connection with the preparation of the Transaction Documents listed in Exhibit A hereto and in substantially final form as of the date hereof (the "Transaction Documents"). I am not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Engineering Reports, the Ratings Letters and the Trustee Certificate, and I make no representation that I have independently verified the accuracy, completeness or fairness of such statements. However, in the course of my participation in the preparation of the Transaction Documents and in the course of my review and examination of the Engineering Reports, the Ratings Letters and the Trustee Certificate, as General Counsel and Chief Legal Officer to the Agency, I have conferred with representatives of the Agency, Bond Counsel, the financial advisor, TD Bank, National Association, as trustee (the "Trustee"), counsel to the Trustee, Vero Beach, counsel to Vero Beach, Florida Power & Light Company, Inc. ("FPL"), FPL's counsel, representatives from GDS Associates, Inc., and others.

On the basis of the information that was developed in the course of my examination and review referred to above and my participation in the preparation of the Transaction Documents, nothing has come to my attention with respect to legal matters which would make it improper or unreasonable for the Board to determine that the Transaction will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 711 of the Stanton II Bond Resolution.

This letter is furnished by me solely for your benefit in connection with the provisions of the Stanton II Bond Resolution and may not be relied upon by any other person, without my express written consent.

Very truly yours,

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

- (1) copies of Amendment No. 1 (Vero Beach) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 1 (Vero Beach) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach in the forms of such documents as of the date hereof;
- (2) copies of Amendment No. 1 (Project Participant) to the Stanton II Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants, and Amendment No. 1 (Project Participant) to the Stanton II Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton II Project Participants in the forms of such documents as of the date hereof;
- (3) a copy of the Transfer Agreement (Stanton II Project), dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;
- (4) a copy of the Consent and Waiver (Stanton II Project), dated as of ____, 2018, of each Other Stanton II Project Participant in the form of such document as of the date hereof;
- (5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;
- (6) a copy of the Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between Vero Beach and the Agency in the form of such document as of the date hereof; and
- (7) a copy of the Partial Assignment Agreement (Stanton II Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the Stanton II Bond Resolution in the form of such document as of the date hereof.

AGENDA ITEM 5 – ACTION ITEMS

- c. Approval of Resolution 2018-B3 –
Vero Beach Sale of Electric Utility
and Transfer & Assignment for the
St. Lucie Project**

**Board of Directors
Meeting March 21, 2018**

Resolution 2018-B3
FMPA Board of Directors
March 21, 2018

(ST. LUCIE PROJECT)

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY ("FMPA"): (I) PROVIDING FOR THE INCORPORATION OF CERTAIN FINDINGS, DEFINED TERMS, AND GENERAL PROVISIONS; (II) CONSENTING TO TERMS AND CONDITIONS OF THE TRANSFER AGREEMENT (ST. LUCIE PROJECT), BETWEEN THE CITY OF VERO BEACH, FLORIDA, AND FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, AND THE ASSIGNMENT AGREEMENT, BETWEEN THE CITY OF VERO BEACH, FLORIDA, AND FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, CONCERNING THE TRANSFER AND ASSIGNMENT OF THE CITY OF VERO BEACH'S 15.202% POWER ENTITLEMENT SHARE IN THE ST. LUCIE PROJECT; (III) APPROVING AMENDMENTS TO THE ST. LUCIE PROJECT POWER SALES CONTRACT, AS PREVIOUSLY AMENDED, AND PROJECT SUPPORT CONTRACT, AS PREVIOUSLY AMENDED, BETWEEN FMPA AND THE CITY OF VERO BEACH, FLORIDA, AND CONSENTING TO SUCH AMENDMENTS; (IV) APPROVING AMENDMENT NUMBER SEVEN TO THE ST. LUCIE UNIT NO. 2 PARTICIPATION AGREEMENT, BETWEEN FLORIDA POWER & LIGHT COMPANY AND FMPA, AS PREVIOUSLY AMENDED, AND APPROVING THE CONSENT OF FPL; (V) ACKNOWLEDGING AND ACCEPTING THE RECEIPT OF CONSULTING ENGINEER'S VERO BEACH INDEPENDENT VALUATION REPORT; (VI) APPROVING AMENDMENTS TO THE ST. LUCIE PROJECT POWER SALES CONTRACT, AS PREVIOUSLY AMENDED, AND ST. LUCIE PROJECT PROJECT SUPPORT CONTRACT, AS PREVIOUSLY AMENDED, BETWEEN FMPA AND THE PROJECT PARTICIPANTS IN THE ST. LUCIE PROJECT, OTHER THAN THE CITY OF VERO BEACH, FLORIDA; (VII) APPROVING THE ASSIGNMENT OF CERTAIN RIGHTS AND OBLIGATIONS UNDER

THE ST. LUCIE PROJECT POWER SALES CONTRACT, AS AMENDED, AND PROJECT SUPPORT CONTRACT, AS AMENDED, BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND THE CITY OF VERO BEACH, FLORIDA, TO BE ASSIGNED TO THE ST. LUCIE BOND TRUSTEE TO ENFORCE SUCH CONTRACTS; (VIII) ACKNOWLEDGING THE APPROVAL OF CONSENTS AND WAIVERS AND MUTUAL RELEASE AGREEMENTS BY ST. LUCIE PROJECT PARTICIPANTS, OTHER THAN THE CITY OF VERO BEACH, FLORIDA; (IX) APPROVING THE WAIVER AND RELEASE AGREEMENT BETWEEN FMPA AND THE CITY OF VERO BEACH, FLORIDA, FOR LIABILITIES AND OBLIGATIONS RELATED TO THE ST. LUCIE PROJECT; (X) ACCEPTING CERTAIN CERTIFICATES OF THE ST. LUCIE BOND TRUSTEE; (XI) DESIGNATING AUTHORIZED OFFICERS OF FMPA, AUTHORIZED SIGNATORIES, AND PROVIDING FOR FURTHER ACTIONS; (XII) MAKING CERTAIN DETERMINATIONS AND AUTHORIZING A CERTIFICATE TO BE DELIVERED ON BEHALF OF THE BOARD OF DIRECTORS; (XIII) PROVIDING FOR THE FORM AND DELIVERY OF LEGAL OPINIONS; (XIV) INCORPORATING OTHER DOCUMENTS; (XV) TAKING CERTAIN OTHER ACTIONS; AND (XVI) PROVIDING AN EFFECTIVE DATE.

Whereas, the City of Vero Beach, Florida ("**Vero Beach**") and Florida Power & Light Company ("**FPL**") have entered into an Asset Purchase and Sale Agreement, dated October 24, 2017 (the "**PSA**"), for the sale of certain electric utility assets and certain associated liabilities of Vero Beach to FPL (the "**Sale**"). In accordance with the terms and conditions of the PSA, and as part of Vero Beach's exit strategy from the electric utility business, Vero Beach needs to terminate and be released from all liabilities and obligations to FMPA with respect to the the Stanton Project, the Stanton II Project, the St. Lucie Project, and the All-Requirements Power Supply Project (the "**ARP**"), and generally as a member of FMPA.

Whereas, FMPA has been engaged in discussions with Vero Beach and FPL regarding the Sale, and FMPA desires to facilitate the termination of and Vero Beach's release from all of its obligations to FMPA with respect to the St. Lucie Project by accepting a transfer and taking an assignment of the Vero St. Lucie

Contracts and the Vero St. Lucie Project Entitlements and approving the terms and conditions of the transactions contemplated by the Transfer Agreement (St. Lucie Project) to be entered into between Vero Beach and FMPA, with respect to the ARP (the "**St. Lucie Transfer Agreement**").

Whereas, Vero Beach has agreed to pay FMPA, with respect to the ARP, the sum of \$108 million, as that sum may be adjusted pursuant to the terms of the Transfer Agreements, for the ARP to assume Vero Beach's obligations in the Stanton, Stanton II, and St. Lucie Projects, and for Vero Beach to withdraw from the ARP pursuant to section 29 of the All-Requirements Power Supply Project Contract between FMPA and Vero Beach, entered into as of October 1, 1996, as amended, (the "**Vero ARP Contract**") and to fully release and completely discharge all liabilities and obligations of Vero Beach to FMPA with respect to the Stanton Project, the Stanton II Project, the St. Lucie Project, and the ARP, and generally as a member of FMPA.

Whereas, on an even date with the adoption of this Resolution 2018-B3 (this "**Resolution**") the FMPA Executive Committee has adopted Resolution 2018-EC1 (All-Requirements Power Supply Project) (the "**ARP EC Resolution**"), which authorizes FMPA, with respect to the ARP, to, among other things, assume the Vero St. Lucie Project Entitlements.

Whereas, FPL has indicated its agreement to the form of consent to the transfer and assignment of Vero Beach's Power Entitlement Share in the St. Lucie Project to FMPA, with respect to the ARP, in accord with section 43 of the St. Lucie Participation Agreement.

Whereas, FMPA has retained GDS Associates, Inc. (the "**Consulting Engineer**") to prepare an independent analysis of the \$108 million sum, and the Consulting Engineer has completed its analysis and delivered the Valuation Report (as defined in Section XI of this Resolution), which has been considered by the Board of Directors and supports the Board of Director's approval of this Resolution.

Whereas, Vero Beach has taken action to approve the documents relating to the St. Lucie Project that it is or will be a party to as contemplated by and in substantially the forms of the documents attached to this Resolution; the other Project Participants in the St. Lucie Project have each approved the documents

they will be a party to as contemplated by and in substantially the forms of the documents attached to this Resolution; and the forms of all required consents and waivers required to be delivered pursuant to section 29(d) of the St. Lucie Power Sales Contract and section 14(b) of the St. Lucie Project Support Contract have been approved by each of the other Project Participants in the St. Lucie Project.

Whereas, Fitch Ratings, Inc. ("**Fitch**") has issued a written announcement confirming the current rating of bonds of the St. Lucie Project, dated November 17, 2017, stating that "the Vero Beach transaction will not result in a withdrawal or downgrade on any of the Ratings assigned by Fitch . . ." (the "**Fitch Rating Confirmation**") Subsequent to the issuance of the Fitch Rating Confirmation, Fitch issued an announcement that it was revising the outlook of the Stanton Project and Stanton II Project from "Stable" to "Negative," on March 7, 2018 (the "**Subsequent Fitch Action**"). However, the Board of Directors has determined that the Subsequent Fitch Action was not the result of transactions contemplated by this Resolution.

Whereas, Moody's Investors Services, Inc. ("**Moody's**") has issued a written announcement dated January 24, 2018 with regard to the current rating of bonds of the St. Lucie Project which states that there is "[n]o rating impact on FMPA St. Lucie Project (FL) bonds resulting from planned Vero Beach transaction." (the "**Moody's Rating Confirmation**")

Whereas, FMPA's bond counsel, Nixon Peabody, LLP, and Jody Lamar Finklea, FMPA's General Counsel and Chief Legal Officer, have each delivered forms of opinions to FMPA with respect to the legality and effectiveness of the actions and matters provided for or contemplated by this Resolution, as provided for in those opinions and subject to the limitations stated in those opinions. Further, Nixon Peabody, LLP and Mr. Finklea have delivered opinions, dated the date of this Resolution, as to certain legal matters and, with respect to those legal matters addressed, the legal ability of FMPA to proceed with the transaction and the actions and matters contemplated by this Resolution and the ARP EC Resolution. The Board of Directors has taken into account such even-dated opinions of Nixon Peabody, LLP and Mr. Finklea (the "**Resolution Opinions**") in making the determination set forth in Section XII(A) of this Resolution.

Whereas, the staff and legal counsel for FMPA have kept the Board of Directors apprised of the actions taken and efforts made in connection with the

Sale of the Vero Beach electric system to FPL and Vero Beach's exit from the electric utility business and the progress of discussions related thereto involving FMPA.

Whereas, the Board of Directors hereby desires to adopt this Resolution as its formal action approving those actions and things provided for or contemplated by this Resolution and as written evidence of its determination, after taking into account the aforementioned Consulting Engineer's analysis, the Resolution Opinion, the form of consent of FPL pursuant to the Participation Agreement, the written rating reports of Fitch and Moody's, the approvals of Vero Beach and the other Project Participants in the St. Lucie Project, the information provided by FMPA staff and counsel, and other matters that the Board of Directors has considered, that such actions will not impair the ability of FMPA, with respect to the St. Lucie Project, to comply during the current year or any future year with the provisions of Subsection 1 of Section 711 of the St. Lucie Bond Resolution.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY THAT:

SECTION I. Incorporation of Certain Findings, Defined Terms, and General Provisions. Except as otherwise specifically provided herein, the Master Annex, substantially in the form attached hereto as Exhibit A with such changes, omissions, insertions, deletions and revisions as the Authorized Officers of FMPA shall deem advisable or necessary, subject to and in accordance with the limitations set forth in Section XI of this Resolution (the "**Master Annex**"), constitutes an integral part of this Resolution, is incorporated by reference herein, and has the same force and effect as if set forth in this Resolution. The recitals set forth in the "whereas" clauses above are hereby incorporated into and are a material part of this Resolution. Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex.

SECTION II. Consent to the Terms and Conditions of the Transfer Agreement (St. Lucie Project) between the City of Vero Beach and FMPA, with Respect to the All-Requirements Power Supply Project, and the Assignment Agreement, between the City of Vero Beach and FMPA, with Respect to the All-Requirements Power Supply Project, Concerning the Transfer and Assignment of the City of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project. (A) The terms and conditions set forth in the Transfer Agreement (St. Lucie Project) to be entered into between FMPA, with respect to the ARP, and

Vero Beach, substantially in the form attached hereto as Exhibit B (the “**St. Lucie Transfer Agreement**”), for the transfer and assignment to FMPA, with respect to the ARP, of the Vero St. Lucie Project Entitlements and the full release and discharge of Vero Beach from any and all liabilities and obligations under the Vero St. Lucie Contracts on and as of the Assignment Effective Date are hereby approved. The Board of Directors also hereby approves any changes or modifications to the form of such St. Lucie Transfer Agreement that: (i) are approved by the Authorized ARP Officers (as defined in Section XI(C) of this Resolution) in accordance with the terms and subject to the limitations specified in the ARP EC Resolution, and (ii) are approved by the Authorized Officers in accordance with Section XI of this Resolution and evidenced by delivery of a Transaction Certificate (as defined in Section XI(E) of this Resolution).

(B) The terms and conditions set forth in the Assignment Agreement (St. Lucie Project) to be entered into between FMPA, with respect to the ARP, and Vero Beach, substantially in the form attached hereto as Exhibit C (the “**St. Lucie Assignment Agreement**”), for the transfer and assignment to FMPA, with respect to the ARP, of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements on and as of the Assignment Effective Date are hereby approved. The Board of Directors also hereby approves any changes or modifications to the form of such St. Lucie Assignment Agreement that: (i) are approved by the Authorized ARP Officers (as defined in Section XI(C) of this Resolution) in accordance with the terms and subject to the limitations specified in the ARP EC Resolution, and (ii) are approved by the Authorized Officers in accordance with Section XI of this Resolution and evidenced by delivery of a Transaction Certificate.

(C) The Board of Directors hereby (i) consents to the transfer and assignment to FMPA, with respect to ARP, of the Vero St. Lucie Project Entitlements as provided for in the St. Lucie Transfer Agreement and the St. Lucie Assignment Agreement, in consideration of the benefits to be received by the St. Lucie Project and subject to the satisfaction of all conditions precedent required for the Closing (as defined in the St. Lucie Transfer Agreement) to occur, as set forth in the St. Lucie Transfer Agreement, and including as provided in section 1.10 of the Master Annex, and (ii) authorizes the Authorized Officers of FMPA to execute and deliver a certificate or other evidence of its consent to the St. Lucie Transfer Agreement and the St. Lucie Assignment Agreement and the transfer and assignment to FMPA, with respect to the ARP, of the Vero St. Lucie

Contracts and the Vero St. Lucie Project Entitlements in accordance with section 28(a) of the St. Lucie Power Sales Contract and section 13(a) of the St. Lucie Project Support Contract.

SECTION III. **Approval of the Execution and Delivery by FMPA of the Amendments to the St. Lucie Project Power Sales Contract, as amended, and Project Support Contract, as amended, between FMPA and the City of Vero Beach and Consent to Such Amendments.** (A) The terms and conditions of Amendment No. 3 to the St. Lucie Power Sales Contract by and between FMPA, with respect to the St. Lucie Project, and Vero Beach (the "**Vero St. Lucie Power Sales Contract Amendment**"), substantially in the form attached hereto as Exhibit D-1, which amends the St. Lucie Project Power Sales Contract, dated as of January 1, 1982, as amended to the date hereof, by and between FMPA, with respect to the St. Lucie Project, and Vero Beach (the "**Vero St. Lucie Power Sales Contract**") to (i) provide that FMPA shall waive the provision that no assignment or transfer of the Vero St. Lucie Power Sales Contract shall relieve the parties of any obligation thereunder; and (ii) make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project, including the assignment of certain rights and obligations of FMPA to the St. Lucie Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero St. Lucie Power Sales Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Vero St. Lucie Power Sales Contract Amendment by such Authorized Officers and the delivery of a Transaction Certificate.

(B) The terms and conditions of Amendment No. 3 to the St. Lucie Project Project Support Contract to be entered into between FMPA, with respect to the St. Lucie Project, and Vero Beach (the "**Vero St. Lucie Project Support Contract Amendment**"), substantially in the form attached hereto as Exhibit D-2, which amends the St. Lucie Project Project Support Contract, dated as of January 1, 1982, as amended to the date hereof, by and between FMPA, with respect to the St. Lucie Project, and Vero Beach (the "**Vero St. Lucie Project Support Contract**") to (i) provide that FMPA shall waive the provision that no assignment or transfer of the Vero St. Lucie Project Support Contract shall relieve

the parties of any obligation thereunder; and (ii) make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project, including the assignment of certain rights and obligations of FMPA to the St. Lucie Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero St. Lucie Project Support Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Vero St. Lucie Project Support Contract Amendment by the Authorized Officers and the delivery of a Transaction Certificate.

SECTION IV. Approval of Amendment Number Seven to the St. Lucie Unit No. 2 Participation Agreement between FMPA and FPL, and Consent of FPL. (A) The Board of Directors hereby approves the terms and conditions of Amendment Number Seven to the St. Lucie Unit No. 2 Participation Agreement to be entered into between FMPA and FPL ("**St. Lucie Participation Agreement Amendment**"), substantially in the form attached hereto as Exhibit E, which amends the St. Lucie Unit No. 2 Participation Agreement, by and between FPL and FMPA, dated as of February 11, 1982, as amended ("**St. Lucie Participation Agreement**") to provide an option for FMPA to potentially, at a later date, transfer the Vero St. Lucie Project Entitlements to FPL as described in the St. Lucie Participation Agreement Amendment. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the St. Lucie Participation Agreement Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such St. Lucie Participation Agreement Amendment by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(B) The Board of Directors hereby approves the terms of the Consent of FPL which is required to be delivered by FPL in accordance with requirements of Section 43 of the St. Lucie Participation Agreement (the "**FPL Consent**"), substantially in the form attached hereto as

Exhibit E, pursuant to which FPL, as a third-party beneficiary to the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts, is required to provides certain consents, waivers, and authorizations to permit amendments to the St. Lucie Contracts contemplated by this Resolution and the accomplishment of the transactions contemplated hereby, including the assignment of the Vero Stanton Contracts to FMPA, with respect to the ARP, and the complete release and discharge of Vero Beach from any and all liabilities and obligations related to the St. Lucie Project. The Authorized Officers of FMPA are hereby authorized and directed to determine and accept the terms and provisions of the FPL Consent and to accept and acknowledge receipt of an executed copy of the FPL Consent, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the acceptance and acknowledgement of receipt of the FPL Consent by the Authorized Officers on or before the Assignment Effective Date and the delivery of a Transaction Certificate.

(C) In giving the approvals set forth in this Resolution, the Board of Directors is relying on its understanding that FPL will deliver to FMPA on or before the Assignment Effective Date duly authorized and executed copies of the St. Lucie Participation Agreement Amendment and the FPL Consent in accordance with all applicable requirements.

SECTION V. Engagement of Consulting Engineer and Acknowledgement and Acceptance of Receipt of Consulting Engineer's Vero Beach Independent Valuation Report. The Consulting Engineer was engaged by the FMPA Executive Committee to independently determine the value of the Vero Stanton Project Entitlements, the Vero Stanton II Project Entitlements, and the Vero St, Lucie Project Entitlements (collectively, the "**Vero Entitlements**"), and provide its independent judgment as to the amount of the payment required to be made by Vero Beach to FMPA for the benefit of the ARP so that the costs to the remaining participants in the ARP would not be materially adversely impacted by the assumption by FMPA, with respect to the ARP, of the Vero Entitlements, with a consideration of a risk adjustment deemed appropriate by the Consulting Engineer. The Consulting Engineer delivered to FMPA its report entitled "Florida Municipal Power Agency Vero Beach Independent Valuation Study," dated June 2017 (the "**Valuation Report**"), in response to the Executive

Committee's engagement. The Board of Directors hereby acknowledges receipt of an executed copy of the Valuation Report, and specifically indicates that it has reviewed and taken into consideration the conclusions in the Valuation Report as a basis for its findings and determinations set forth in this Resolution.

SECTION VI. **Approval of the Execution and Delivery by FMPA of the Amendments to the St. Lucie Project Power Sales Contract and the St. Lucie Project Project Support Contract, between FMPA and the Project Participants in the St. Lucie Project, other than Vero Beach.** (A) The terms and conditions of Amendment No. 3 to the St. Lucie Power Sales Contract by and between FMPA, with respect to the St. Lucie Project, and the St. Lucie Project Participants, other than Vero Beach (the "**Other Participant St. Lucie Power Sales Contract Amendments**"), substantially in the form attached hereto as Exhibit G-1, which amends the St. Lucie Project Power Sales Contracts, each dated as of January 1, 1982, as amended to the date hereof, by and between FMPA, with respect to the St. Lucie Project, and the St. Lucie Project Participants, other than Vero Beach (the "**Other Participant St. Lucie Power Sales Contracts**") to make certain changes necessary to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project, including the an acknowledgement of the assignment of certain rights and obligations of FMPA to the St. Lucie Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers are hereby authorized and directed to execute and deliver the Other Participant St. Lucie Power Sales Contract Amendments, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Other Participant St. Lucie Power Sales Contract Amendments by such Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(B) The terms and conditions of Amendment No. 3 to the St. Lucie Project Project Support Contract to be entered into between FMPA, with respect to the St. Lucie Project, and the St. Lucie Project Participants, other than Vero Beach (the "**Other Participant St. Lucie Project Support Contract Amendments**"), substantially in the form attached hereto as Exhibit G-2, which amends the St. Lucie Project Project Support Contract, dated as of January 1, 1982, as amended to the date hereof, by and between FMPA, with respect to the St. Lucie Project, and the St. Lucie Project Participants, other than Vero Beach (the

“Other Participant St. Lucie Project Support Contract”) to make certain changes necessary to reflect that FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, including the assignment of certain rights and obligations of FMPA to the St. Lucie Bond Trustee and to the ARP Bond Trustee, as applicable, are hereby approved. The Authorized Officers of FMPA are hereby authorized and directed to execute and deliver the Vero St. Lucie Project Support Contract Amendment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Other Participant St. Lucie Project Support Contract Amendments by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

(C) The Board of Directors hereby consents to the amendments made to the Other Participant St. Lucie Power Sales Contracts and the Other Participant St. Lucie Project Support Contracts by the Other St. Lucie Power Sales Contract Amendments and the Other St. Lucie Project Support Contract Amendments, respectively, and hereby authorizes the Authorized Officers of FMPA to execute and deliver a certificate or other document to evidence such consent.

SECTION VII. Approval of Assignment of Certain Rights and Obligations of FMPA under the Vero St. Lucie Contracts to the St. Lucie Project Bond Trustee to Enforce such Contracts. The terms and conditions of the Partial Assignment Agreement (St. Lucie Project) to be entered into between FMPA, with respect to the St. Lucie Project, and the St. Lucie Project Bond Trustee (“**St. Lucie Trustee Assignment**”), substantially in the form attached hereto as Exhibit H, which provides for certain rights and obligations of FMPA, acting with respect to the St. Lucie Project, to be assigned to the St. Lucie Bond Trustee, who shall have the right and obligation to enforce certain provisions of the Vero St. Lucie Contracts, after transfer and assignment of such Vero St. Lucie Contracts to the ARP, against FMPA, acting with respect to the ARP. The Authorized Officers are hereby authorized and directed to execute and deliver the St. Lucie Trustee Assignment, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by

the execution of such St. Lucie Trustee Assignment by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

SECTION VIII. Acknowledgement of the Approvals of the Consent and Waiver (St. Lucie Project) and Mutual Release Agreement (St. Lucie Project) by each of the St. Lucie Project Participants. (A) The Board of Directors hereby accepts and acknowledges that it has been apprised that each of the St. Lucie Project Participants, other than Vero Beach, has approved the terms and conditions and has duly authorized the execution and delivery of the St. Lucie Consent and Waiver, substantially in the form attached hereto as Exhibit I, pursuant to which each Project Participant in the St. Lucie Project, other than Vero Beach, as required by Section 29(d) of the Power Sales Contract and Section 14(b) of the Project Support Contract, has (i) consented to certain amendments to the Vero St. Lucie Contracts and waived the rights of each of the St. Lucie Project Participants to have similar amendments made to its St. Lucie Power Sales Contract and Project Support Contract, and (ii) consented to the full release of Vero Beach from any and all liabilities and obligations under the Vero St. Lucie Contracts.

(B) The Board of Directors hereby accepts and acknowledges that it has been apprised that each of the St. Lucie Project Participants has approved the terms and conditions and has duly authorized the execution and delivery of the form of Mutual Release Agreement (St. Lucie Project), to be entered into by Vero Beach and each Other Project Participant in the St. Lucie Project ("**St. Lucie Mutual Release**"), substantially in the form attached hereto as Exhibit J, pursuant to which each Project Participant in the St. Lucie Project, other than Vero Beach, agrees to fully and completely release and forever discharge Vero Beach from any and all claims and liabilities that it may have or incur against Vero Beach with respect to the St. Lucie Project and Vero Beach Project agrees to fully and completely release and forever discharge each Other Project Participant from any and all claims and liabilities that it may have or incur against each Other Project Participant with respect to the St. Lucie Project.

(C) In giving the authorization, approvals and consents set forth in this Resolution, the Board of Directors is relying on its understanding that each Project Participant in the St. Lucie Project, other than Vero Beach, will deliver to FMPA its duly authorized and executed Consent and Waiver and St. Lucie Mutual Release, and that each Other St. Lucie Project

Participant has (i) acknowledged that it has received notice and a copy of the Vero St. Lucie Amendments; (ii) consented to the terms and conditions of the Vero St. Lucie Amendments and waived that their St. Lucie Contracts be similarly amended; and (iii) consented to the terms and conditions of the St. Lucie Transfer Agreement and the St. Lucie Assignment Agreement. The Authorized Officers of FMPA are hereby authorized to request, negotiate, and otherwise provide for and approve such changes or modifications and such additions to or deletions from the Consent and Waiver and St. Lucie Mutual Release that such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution with the approval of such changes or modifications to be evidenced conclusively by the execution of such Consent and Waiver and St. Lucie Mutual Release by each such Other St. Lucie Project Participant.

SECTION IX. Approval of Waiver and Release of Vero Beach by FMPA from its Obligations Related to the St. Lucie Project. The Board of Directors hereby approves the terms and conditions of the Waiver and Release Agreement, by and between Vero Beach and FMPA, with respect to the St. Lucie Project ("**Waiver and Release Agreement**"), substantially in the form attached hereto as Exhibit K, which provides for certain waivers and releases of the terms and conditions of the St. Lucie Power Sales Contracts and St. Lucie Project Support Contracts, including the full release and discharge of Vero Beach from any and all liabilities and obligations under the Vero St. Lucie Contracts, on and as of the Assignment Effective Date (as defined in the Waiver and Release Agreement). The Authorized Signatories are hereby authorized and directed to execute and deliver the Waiver and Release Agreement, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution, with such approval to be evidenced conclusively by the execution of such Waiver and Release Agreement by the Authorized Officers of FMPA and the delivery of a Transaction Certificate.

SECTION X. Acceptance of the Acknowledgement Certificate from the St. Lucie Project Bond Trustee. (A) The Board of Directors hereby accepts and acknowledges that certain certificate executed by the St. Lucie Bond Trustee as to its review of the draft transaction documentation and related information provided to it, and confirmation that nothing has come to its attention that would

cause it to believe that it will not be able to successfully and timely accomplish the actions required to be taken by it to complete the transaction (the "**St. Lucie Trustee Resolution Certificate**"), substantially in the form attached hereto as Exhibit L-1. On the basis of its receipt of the St. Lucie Trustee Resolution Certificate, and all other conditions precedent of the St. Lucie Transfer Agreement having been satisfied, the Board of Directors authorizes the Authorized Officers, on behalf of the Board of Directors, to accept and acknowledge a further certificate of the St. Lucie Bond Trustee at Closing as to the receipt, examination, and review of the St. Lucie Transaction Documents (as defined below) (the "**St. Lucie Trustee Acknowledgment Certificate**"), in, substantially the form attached hereto as Exhibit L-2. The Authorized Officers of FMPA are hereby authorized to request, negotiate, and otherwise agree to changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section XI of this Resolution. As used in this Section X, "**St. Lucie Transaction Documents**" means and refers to those documents listed in Exhibit A to the St. Lucie Trustee Acknowledgment Certificate.

(B) In giving the approvals set forth in this Resolution, the Board of Directors is relying on its understanding that the St. Lucie Bond Trustee will deliver to FMPA, in a form and at the time necessary to accomplish the Closing, a duly authorized and executed copy of the St. Lucie Trustee Acknowledgment in accordance with applicable requirements.

SECTION XI. Designation of Authorized Officers, Authorized Signatories and Authorized ARP Officers; Further Actions. (A) As the term is used in this Resolution, "**Authorized Officer**" means the General Manager and CEO of FMPA or the Chief Operating Officer of FMPA.

(B) As the term is used in this Resolution, "**Authorized Signatories**" means the (i) Chairman or the Vice Chairman of the Board of Directors of FMPA and (ii) the General Manager and CEO.

(C) As the term is used in this Resolution, "**Authorized ARP Officers**" has the meaning ascribed to it in the ARP EC Resolution.

(D) There is hereby delegated to the Authorized Officers, subject to the limitations contained in this Resolution, the following powers:

- (i) to determine the date of Closing;
- (ii) to make such changes in or from the documents referenced herein or contemplated hereby as may be necessary or desirable in connection with maintaining a rating with respect to the St. Lucie Project or, in the opinion of legal counsel to FMPA (as defined in Section XIII of this Resolution), in order to cure any ambiguities, inconsistencies or other defects; and
- (iii) to determine such other matters specified in or permitted by this Resolution, including preparation of any documentation therefore, and to agree to delivery and execution of additional documentation, and to require the same of St. Lucie Project Participants and Vero Beach, if determined to be necessary or desirable, after consultation with legal counsel for FMPA, to accomplish the intent and purposes of this Resolution and transactions contemplated by the Transfer Agreements;

provided, however, that the Authorized Officers may not approve any changes or modifications to or additions to or deletions from any document or instrument to which a St. Lucie Project Participant is a party and for which a form of such document or instrument is attached to this Resolution as an Exhibit form of the exhibits attached hereto that constitute a material adverse change. For purposes of the foregoing, "**material adverse change**" means any material adverse change in the terms and conditions which imposes on FMPA or any St. Lucie Project Participant an additional, material risk of financial loss, indemnity obligation, covenant, warranty, or restriction of its legal rights in a manner that is not already contemplated in the form of document or instrument attached as an exhibit hereto.

(E) (i) The Authorized Officers of FMPA shall execute a "**Transaction Certificate**" evidencing the determinations made pursuant to the delegated authority set forth in this Resolution and such Transaction Certificate shall be conclusive evidence of the determinations of the Authorized Officers as stated therein. The determinations set forth

in any Transaction Certificate shall have the same effect as if set forth in this Resolution.

- (ii) In the event that the Authorized Officers of FMPA exercise any of the authority delegated to them pursuant to this Resolution and execute a Transaction Certificate evidencing such exercise, a report describing the exercise of such delegated authority shall be delivered at the next regularly scheduled meeting of the Board of Directors of FMPA occurring at least thirty (30) days after the Closing.

(F) Each Authorized Officer of FMPA and the General Counsel and Chief Legal Officer is hereby authorized and directed to execute and deliver or cause to be executed and delivered any and all documents and instruments and to do and cause to be done any and all administrative acts and things as may be necessary or desirable in connection with the approval, execution and delivery of the St. Lucie Transfer Agreement and the carrying out of its terms and the terms of this Resolution and the transactions contemplated hereby.

SECTION XII. Determination of the Board of Directors; Authorization for an Authorized Signatories of FMPA to Deliver A Certificate on behalf of the Board of Directors Evidencing such Determination. (A) The Board of Directors hereby finds that it is reasonable to determine that, taking into account all relevant facts and circumstances and being otherwise apprised, the transfer and assignment of the Vero St. Lucie Project Entitlements to FMPA, with respect to the ARP, and the release and discharge of Vero Beach from all obligations related to the St. Lucie Project, in the context of the entire transaction contemplated by the Transfer Agreements and the related documents will not impair the ability of FMPA, with respect to the St. Lucie Project, to comply during the current year or any future year with the provisions of Subsection 1 of Section 711 of the St. Lucie Bond Resolution.

(B) The Authorized Signatories are hereby authorized to execute and deliver to the Trustee for and on behalf and in the name of FMPA, with respect to the St. Lucie Project, a certificate, substantially in the form attached hereto as Exhibit M, evidencing the determination of the Board of Directors described in Section XII(A) above, with such changes, omissions, insertions and revisions to such form of certificate as such signatories shall deem

advisable or necessary (the “**Certificate of FMPA**”), said execution being conclusive evidence of the determination of the Board of Directors and the approval of such changes, omissions, insertions and revisions.

SECTION XIII. **Form and Delivery of Legal Opinions.** At or prior to the Closing, Nixon Peabody LLP, as bond counsel to FMPA, and the General Counsel and Chief Legal Officer of FMPA (collectively, “**legal counsel to FMPA**”) are each respectively authorized to deliver their opinions to the addressees specified in such Legal Opinion Forms, dated the date of the Closing, in substantially the forms attached hereto as Exhibits N-1 and N-2, respectively (“**Legal Opinion Forms**”). Legal counsel to FMPA are also hereby authorized to (a) provide reliance letters to parties other than those parties to whom the Legal Opinion Forms are addressed upon the request of an Authorized Officer of FMPA which request must be reasonable and (b) to make such changes, modifications, omissions, insertions and revisions to the Legal Opinion Forms as such legal counsel to FMPA deem to be necessary in the event that the laws and facts relevant to the matters discussed in their Legal Opinion Forms have changed since the date of the Resolution; *provided, however, that* such legal counsel to FMPA shall not be obligated to opine to the validity or enforceability of any agreement, document, or instrument not executed by an Authorized Officer of FMPA.

SECTION XIV. **Incorporation of Other Documents.** Attached to this Resolution is Composite Exhibit O, which is comprised of the following documents, otherwise referenced in this Resolution:

- (i) the Fitch Rating Confirmation,
- (ii) the Subsequent Fitch Action,
- (iii) the Moody’s Rating Confirmation,
- (iv) the Valuation Report, and
- (v) the Resolution Opinions, in substantial form.

Composite Exhibit O is hereby incorporated into this Resolution as a material part of it, and the Board of Directors hereby acknowledges it is taking such documents into account in making the determinations and findings set forth in this

Resolution. Upon review of the Subsequent Fitch Action, the Board of Directors hereby determines that the changes therein are not related to the transactions contemplated by this Resolution and do not impact the decisions of the Board of Directors to give its approval to and adopt this Resolution.

SECTION XV. **Certain Other Actions.** Each Authorized Officer of FMPA designated hereunder and the General Counsel and Chief Legal Officer of FMPA is hereby authorized and empowered to take all further actions as may be necessary or desirable in carrying out the terms and provisions of this Resolution and each of the documents referred to herein and in effecting the furtherance of the transfer and assignment to FMPA, with respect to the ARP, of the Vero St. Lucie Project Entitlements subject to the limitations contained in Section XI of this Resolution.

SECTION XVI. **Effective Date.** This Resolution shall take effect immediately upon its adoption by the Board of Directors.

[Signature Page Follows]

This Resolution 2018-B3 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on March 21, 2018.

Chairman, Board of Directors

I HEREBY CERTIFY that on March 15, 2018, the above Resolution 2018-B3 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2018-B3.

ATTEST:

Secretary or Assistant Secretary

SEAL

Exhibit A

Substantial Form of Master Annex

Exhibit B

Substantial Form of St. Lucie Transfer Agreement

Exhibit C

Substantial Form of St. Lucie Assignment Agreement

Exhibit D-1

Substantial Form of Vero St. Lucie Power Sales Contract Amendment

Exhibit D-2

Substantial Form of Vero St. Lucie Project Support Contract Amendment

Exhibit E

Substantial Form of St. Lucie Participation Agreement Amendment

Exhibit F

Substantial Form of FPL Consent

Exhibit G-1

Substantial Form of Other Participant St. Lucie Power Sales Contract Amendments

Exhibit G-2

Substantial Form of Other Participant St. Lucie Project Support Contact
Amendments

Exhibit H

Substantial Form of St. Lucie Trustee Assignment

Exhibit I

Substantial Form of Consent and Waiver (St. Lucie Project)

Exhibit J

Substantial Form of Mutual Release

Exhibit K

Substantial Form of Waiver and Release Agreement

Exhibit L-1

St. Lucie Trustee Resolution Certificate

Exhibit L-2

Substantial Form of St. Lucie Trustee Acknowledgment Certificate

Exhibit M

Substantial Form of Certificate of FMPA

Exhibit N-1

Substantial Form of Opinion of Nixon Peabody, LLP, as Bond Counsel to FMPA

Exhibit N-2

Substantial Form of Opinion of Jody Lamar Finklea, as General Counsel and Chief
Legal Officer of FMPA

Composite Exhibit O

Fitch Rating Confirmation

Moody's Rating Confirmation

Valuation Report

Resolution Opinion of Nixon Peabody, LLP

Exhibit A

Substantial Form of Master Annex

See Exhibit A in the St. Lucie Transfer Agreement

Exhibit B

Substantial Form of St. Lucie Transfer Agreement

Draft 3/9/18

**TRANSFER AGREEMENT
(ST. LUCIE PROJECT)**

This **TRANSFER AGREEMENT (ST. LUCIE PROJECT)** (this “St. Lucie Transfer Agreement”) is made as of March __, 2018, by and between the City of Vero Beach, Florida, a political subdivision of the State of Florida (“Vero Beach”), and the Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both (“FMPA”), with respect to its All-Requirements Power Supply Project (“ARP”). Vero Beach and FMPA also have entered into a Transfer Agreement (Stanton Project) and a Transfer Agreement (Stanton II Project), each dated the date hereof (together, the “Other Transfer Agreements”).

In consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended hereto as Exhibit A (the “Master Annex”) constitutes an integral part of this St. Lucie Transfer Agreement and is incorporated by reference with the same force and effect as if set forth in this St. Lucie Transfer Agreement. Terms used but not defined in this St. Lucie Transfer Agreement (without reference to the Exhibits and Schedules attached hereto) will be as defined in the Master Annex.

SECTION 2. Transfer and Assignment of Vero St. Lucie Contracts and Vero St. Lucie Project Entitlements.

(a) At the Closing, Vero Beach agrees to transfer and assign to FMPA all of Vero Beach’s right, title and interest in and to the Vero St. Lucie Contracts, including, without limitation, the Vero St. Lucie Project Entitlements, and FMPA, with respect to the ARP, agrees to accept such transfer and assignment and to assume all of Vero Beach’s duties and obligations under the Vero St. Lucie Contracts, in accordance with and subject to the terms and conditions of this St. Lucie Transfer Agreement.

(b) To effectuate such transfer and assignment at the Closing, Vero Beach and FMPA will execute and deliver the St. Lucie Assignment Agreement, a form of which is attached hereto as **Exhibit B-1**.

(c) At the Closing, Vero Beach and FMPA also will execute and deliver the Waiver and Release Agreement, a form of which is attached hereto as **Exhibit B-2**. Prior to the execution by Vero Beach and FMPA of such Waiver and Release Agreement at the Closing, Vero Beach will remain solely responsible for the performance of its duties and obligations under the Vero St. Lucie Contracts and solely liable for all of its costs relating to the Vero St. Lucie Project Entitlements up to but not including the Closing Date.

SECTION 3. Additional Documents; Cooperation.

(a) Each of Vero Beach and FMPA agrees, prior to the Closing, to cooperate with the other Party and to use Commercially Reasonable Efforts (as defined below) in that regard to consummate the transactions described in this St. Lucie Transfer Agreement, including but not limited to, providing additional information or documentation as the bond insurers, St. Lucie Bond Trustee, ARP Bond Trustee, rating agencies, the consulting engineer, banks providing credit or liquidity facilities to

FMPA and swap counterparties to FMPA may reasonably request in connection with the consummation of the transactions under this St. Lucie Transfer Agreement.

(b) For purposes of this St. Lucie Transfer Agreement, “Commercially Reasonable Efforts” means efforts that are within the reasonable control of a party which are designed to enable a party, directly or indirectly, to expeditiously satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this St. Lucie Transfer Agreement and which do not require the performing party to expend any funds other than immaterial expenditures which are customary and reasonable in nature in the context of the transactions contemplated by this St. Lucie Transfer Agreement.

SECTION 4. Representations and Warranties.

(a) Vero Beach hereby represents and warrants to FMPA as follows:

(i) Vero Beach has full power and authority to enter into and to perform its obligations under this St. Lucie Transfer Agreement.

(ii) The execution, delivery and performance of this St. Lucie Transfer Agreement by Vero Beach have been duly and properly authorized by all proper and required action on the part of Vero Beach.

(iii) This St. Lucie Transfer Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

(iv) The execution and delivery of this St. Lucie Transfer Agreement and the consummation of the transactions hereunder do not and will not violate the charter of Vero Beach or any laws or regulations to which Vero Beach is subject, or result in the breach of or default under any contract to which Vero Beach is subject or by which it may be bound.

(b) FMPA hereby represents and warrants to Vero Beach as follows:

(i) FMPA has full power and authority to enter into and to perform its obligations under this St. Lucie Transfer Agreement.

(ii) The execution, delivery and performance of this St. Lucie Transfer Agreement by FMPA have been duly and properly authorized by all proper and required action on the part of FMPA.

(iii) This St. Lucie Transfer Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

(iv) The execution and delivery of this St. Lucie Transfer Agreement and the consummation of the transactions hereunder do not and will not violate any of the organic documents of FMPA or any laws or regulations to which FMPA is subject, or result in the breach of or default under any contract to which FMPA is subject or by which it may be bound.

SECTION 5. Notice of Closing Date; Time and Location of Closing; Escrow Closing Agreement.

(a) Vero Beach agrees to provide at least ninety (90) days prior written notice to FMPA and the Other ARP Participants of the Closing Date (as defined below).

(b) The closing of the transactions under this St. Lucie Transfer Agreement (the "Closing") will occur on the same date (the "Closing Date") as and contemporaneously with the closing of the transactions under the Asset Purchase and Sale Agreement, dated as of October 24, 2017, between Vero Beach and Florida Power & Light Company ("FPL") with respect to the sale by Vero Beach to FPL of the retail electric utility system of Vero Beach (the "Purchase and Sale Agreement") and the closings of the transactions under the Other Transfer Agreements.

(c) Subsequent to the execution and delivery of this St. Lucie Transfer Agreement, Vero Beach and FMPA agree to select an escrow agent that is acceptable to both parties and to enter into an escrow closing agreement (the "Escrow Closing Agreement") that provides for certain of the Vero St. Lucie Closing Documents and certain of the FMPA St. Lucie Closing Documents as well as certain other documents required to be delivered at Closing to be delivered to such escrow agent on or before a date to be determined and set forth in such Escrow Closing Agreement. Such documents will be held in escrow pending release by the escrow agent upon written instruction of the parties hereto prior to the Closing, in accordance with and subject to the terms of such Escrow Closing Agreement.

SECTION 6. Vero St. Lucie Closing Documents. At the Closing, Vero Beach will deliver the following documents (the "Vero St. Lucie Closing Documents") to FMPA:

(a) A certificate of Vero Beach, executed by a duly authorized officer of Vero Beach, certifying as to resolutions duly adopted by the City Council of Vero Beach authorizing the execution and delivery of this St. Lucie Transfer Agreement, the Vero St. Lucie Amendments, the St. Lucie Assignment Agreement, the Purchase and Sale Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this St. Lucie Transfer Agreement and the performance by Vero Beach of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(b) Incumbency certificate of Vero Beach;

(c) Copy of the Vero St. Lucie Power Sales Contract Amendment in substantially the form attached hereto as **Exhibit C**, executed by Vero Beach;

(d) Copy of the Vero St. Lucie Support Contract Amendment in substantially the form attached hereto as **Exhibit D**, executed by Vero Beach;

(e) Opinion of the City Attorney of Vero Beach, in substantially the form attached to the Vero St. Lucie Power Sales Contract Amendment, dated the Closing Date and addressed to FMPA, with respect to the St. Lucie Project, with a reliance letter addressed to FMPA, with respect to the ARP, FPL, the St. Lucie Bond Trustee and the ARP Bond Trustee;

(f) Copy of the St. Lucie Mutual Release Agreement, executed by Vero Beach;

(g) Executed copy of the Purchase and Sale Agreement;

(h) Evidence satisfactory to FMPA of the closing of the Proposed Sale Transaction;
and

(i) Such other instruments as may be reasonably requested by FMPA to effect the transactions contemplated hereby.

SECTION 7. FMPA St. Lucie Closing Documents. At or prior to the Closing, FMPA will deliver the following documents (the "FMPA St. Lucie Closing Documents") to Vero Beach:

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 579 of 1048

(a) Executed copies of a certificate of FMPA, with respect to the St. Lucie Project, executed by a duly authorized officer of FMPA in such capacity and not in an individual capacity, certifying as to resolutions attached thereto being duly adopted by the FMPA Board of Directors (or equivalent thereof) authorizing the execution and delivery of this St. Lucie Transfer Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this St. Lucie Transfer Agreement and the performance by FMPA of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(b) Executed copies of a certificate of FMPA, with respect to the ARP, executed by a duly authorized officer of FMPA in such capacity and not in an individual capacity, certifying as to resolutions duly adopted by the ARP Executive Committee (or equivalent thereof) authorizing the execution and delivery of this St. Lucie Transfer Agreement and all other documents necessary or required in connection therewith to effect the transactions contemplated by this St. Lucie Transfer Agreement and the performance by FMPA of the transactions contemplated thereby and hereby and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;

(c) Incumbency certificate of FMPA; Copy of the Vero St. Lucie Power Sales Contract Amendment in substantially the form attached hereto as **Exhibit C**, executed by FMPA;

(e) Copy of the Vero St. Lucie Project Support Amendment in substantially the form attached hereto as **Exhibit D**, executed by FMPA;

(f) Executed copy of Partial Assignment Agreement (St. Lucie Project) to St. Lucie Bond Trustee in substantially the form attached hereto as **Exhibit E**;

(g) Executed copy of Partial Assignment Agreement (St. Lucie Project) to ARP Bond Trustee in substantially the form attached hereto as **Exhibit F**;

(h) Executed copy of FPL Consent;

(i) Executed copies of the Other Project Participant Documents identified on **Schedule 1(a)** for each of the Other St. Lucie Participants and the Other ARP Participant Documents identified on **Schedule 1(b)** for each of the Other ARP Participants;

(j) Opinion of General Counsel and Chief Legal Officer of FMPA;

(k) Opinion of Nixon Peabody LLP, bond counsel to FMPA;

(l) Certificate of Acknowledgement of St. Lucie Bond Trustee;

(m) Opinion of Counsel to the St. Lucie Bond Trustee to the effect, among other things, that the St. Lucie Bond Trustee is a national banking association, duly organized, validly existing and in good standing under the laws of the United States of America and that the Partial Assignment Agreement (St. Lucie Project) has been duly authorized, executed and delivered by the St. Lucie Bond Trustee;

(n) Certificate of Acknowledgment of ARP Bond Trustee;

(o) Opinion of Counsel to the ARP Bond Trustee to the effect that, among other things, the ARP Bond Trustee is a national banking association, duly organized, validly existing and in

good standing under the laws of the United States of America and that the Partial Assignment Agreement (St. Lucie Project) has been duly authorized, executed and delivered by the ARP Bond Trustee;

(p) Written evidence from Moody's Investors Services, Inc. ("Moody's") confirming that the Proposed Sale Transaction and the transactions contemplated by this St. Lucie Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Moody's which reflects a negative change or negative outlook in the ratings assigned to the St. Lucie Project Revenue Bonds;

(q) Written evidence from Fitch Ratings, Inc. ("Fitch") confirming that the Proposed Sale Transaction and the transactions contemplated by this St. Lucie Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Fitch which reflects a negative change or negative outlook or negative watch in the ratings assigned to the St. Lucie Project Revenue Bonds;

(r) Executed certificate of receipt of FMPA with respect to the Consideration Payment; and

(s) Such other instruments as may be reasonably required to effect the transactions contemplated hereby.

SECTION 8. Actions to be Taken at the Closing. At the Closing, Vero Beach and FMPA shall take, or cause to be taken, the following actions in the following order:

(a) *Closing Documents.* FMPA will deliver the FMPA St. Lucie Closing Documents and Vero Beach will deliver the Vero St. Lucie Closing Documents; such delivery will be deemed to occur simultaneously.

(b) *Satisfaction of Conditions Precedent.* Vero Beach and FMPA, with respect to the St. Lucie Project, will each confirm that each of the Conditions Precedent to Closing set forth on **Schedule 2** attached hereto that are within such party's reasonable control have been satisfied.

(c) *Consideration Payment.* Vero Beach will tender the Consideration Payment to FMPA, subject to adjustment as provided in the Master Annex, by wire transfer of immediately available funds (to such account or accounts as FMPA shall have notified Vero Beach in writing not less than three (3) business days prior to the Closing Date) and FMPA shall confirm receipt of such Consideration Payment.

(d) *FMPA Consent.* FMPA, with respect to the St. Lucie Project, shall execute and deliver to Vero Beach a consent to the transfer and assignment of the Vero St. Lucie Contracts required by Section 28(a) of the Vero St. Lucie Power Sales Contract and Section 13(a) of the Vero St. Lucie Project Support Contract.

(e) *St. Lucie Assignment Agreement.* FMPA and Vero Beach shall each execute and deliver to the other the St. Lucie Assignment Agreement in substantially the form of **Exhibit B-1** attached hereto.

(f) *Waiver and Release Agreement.* FMPA and Vero Beach shall each execute and deliver to the other the Waiver and Release Agreement in substantially the form of **Exhibit B-2** attached hereto.

(g) *Amendment to Interlocal Agreement.* FMPA shall execute an Amendment to the Interlocal Agreement and such other documentation necessary to reflect the withdrawal of Vero Beach as

a member of FMPA; such Amendment shall be filed post-closing as required by Section 163.01(11), Florida Statutes, and evidence of such filing shall be provided by FMPA to Vero Beach, the St. Lucie Bond Trustee and to the ARP Bond Trustee.

(h) *Additional Actions.* Vero Beach and FMPA shall execute and deliver, or cause to be executed and delivered, all other documents, and take such other actions, in each case as shall be reasonably necessary or appropriate to effectuate the transactions contemplated hereby.

SECTION 9. Termination of this St. Lucie Transfer Agreement.

(a) This St. Lucie Transfer Agreement may be terminated at any time prior to the Closing Date only in the following manner and only upon the occurrence of any of the following events (each, a "Termination Event"):

- (i) By mutual written agreement of Vero Beach and FMPA;
- (ii) If the Closing shall not have occurred on or before March 31, 2019 (such date, the "Expiration Date");
- (iii) By Vero Beach upon written notice to FMPA in the event that the Proposed Sale Transaction will not be consummated;
- (iv) By Vero Beach upon written notice to FMPA in the event that the Purchase and Sale Agreement has been terminated in accordance with its terms; or
- (v) By either party if any Other Transfer Agreement shall have been terminated in accordance with its terms.

(b) Upon the occurrence of any Termination Event set forth in Section 9(a) hereof, this St. Lucie Transfer Agreement will automatically terminate thirty (30) days after the occurrence of such Termination Event unless, during such thirty (30) days, the parties mutually agree in writing to extend the term of this St. Lucie Transfer Agreement; provided, however, that the provisions of Section 3.11 of the Master Annex will continue to be effective after the date of any such termination.

SECTION 10. Notices. Any notice, statement, demand, claim, offer or other written instrument required or permitted to be given pursuant to this St. Lucie Transfer Agreement shall be in writing signed by the party giving such notice and shall be deemed properly served, given or made if hand delivered in person or sent by electronic mail promptly confirmed by receipt of an appropriate answer back and by telephone, or sent by registered or certified mail, postage prepaid, or by a nationally recognized overnight courier service that provides a receipt of delivery, in each case, to the other party at the addresses specified below, or such other address as a Party may specify in the manner specified in this Section 10:

(a) If to Vero Beach to:

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960
Attention: City Manager
Email: citymgr@covb.org
Telephone: (772) 978-4710

With a copy, which shall not constitute notice, to each of the following:

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 582 of 1048**

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960
Attention: City Attorney
Email: wcoment@covb.org
Telephone: (772) 978-4730

and to:

Nathaniel L. Doliner, Attorney at Law
Carlton Fields
P.O. Box 3239
Tampa, Florida 33601

(if by mail)

-or-

4221 West Boy Scout Boulevard
Tampa, Florida 33607

(if by other than mail)

Email: ndoliner@carltonfields.com
Telephone: (813) 229-4208

(b) If to FMPA, to:

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819
Attention: General Manager and CEO
Email:
Telephone:

With a copy, which shall not constitute notice to:

Florida Municipal Power Agency
2061-2 Delta Way (32303)
Post Office Box 3209
Tallahassee, Florida 32315-3209
Attention: General Counsel and Chief Legal Officer
Email:
Telephone:

[Remainder of page intentionally left blank; signature page follows]

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 583 of 1048**

IN WITNESS WHEREOF, the parties hereto have caused this St. Lucie Transfer Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST: **CITY OF VERO BEACH, FLORIDA**

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only--Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal
sufficiency (exclusive of final exhibits,
schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Chair or Vice Chair

General Manager and CEO

ATTEST:

Approved as to Form and Legality:

By: _____
[Secretary]

By: _____
[General Counsel and Chief Legal Officer]

Exhibit A

Master Annex

[4816-6942-7028]

Draft 3/9/18

MASTER ANNEX

This Master Annex is dated as of _____, 2018.

ARTICLE I.

FINDINGS

Section 1.01. FLORIDA MUNICIPAL POWER AGENCY. (a) The Florida Municipal Power Agency “FMPA”) was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and electric energy.

(b) FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida.

Section 1.02. STANTON PROJECT. (a) On January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “**Stanton Project**”) under the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended through Amendment Number Seven adopted on March 26, 2009 (the “**Interlocal Agreement**”), with respect to the members of FMPA and the participants in such project (the “**Stanton Project Participants**”).

(b) FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“**OUC**”), as amended (the “**Stanton Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“**Stanton Unit No. 1**”), and FMPA, with respect to the Stanton Project is entitled to the electric capacity and electric energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton Project, sells the electric capacity and electric energy of the Stanton Project to Vero Beach and the other Stanton Project Participants pursuant to substantially similar Power Sales Contracts, dated as of January 16, 1984, by and between FMPA and each of the Stanton Project Participants (each, a “**Stanton Power Sales Contract**”).

(d) The Stanton Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available from the Stanton Project.

A-1

(e) In order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton Power Sales Contracts, and FMPA entered into such a contract, each dated as of January 16, 1984, with each of the Stanton Project Participants (each, a “**Stanton Project Support Contract**”).

(f) Vero Beach, by execution of a Stanton Power Sales Contract and a Stanton Project Support Contract (the “**Vero Stanton Contracts**”), acquired a 32.521% Power Entitlement Share in the Stanton Project.

Section 1.03. STANTON II PROJECT. (a) On May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “**Stanton II Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**Stanton II Project Participants**”).

(b) FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with OUC, as amended (the “**Stanton II Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton Energy Center Unit Two Generation Project (“**Stanton Unit No. 2**”), and FMPA is entitled to the electric capacity and electric energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton II Project, sells the electric capacity and electric energy of the Stanton II Project to Vero Beach and the other Stanton II Project Participants pursuant to substantially similar Power Sales Contracts, dated as of June 26, 1991, by and between FMPA and each of the Stanton II Project Participants (each, a “**Stanton II Power Sales Contract**”).

(d) The Stanton II Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II Power Sales Contracts, and FMPA entered into such a contract, each dated as of May 24, 1991, with each of the Stanton II Project Participants (each, a “**Stanton II Project Support Contract**”).

(f) Vero Beach, by execution of a Stanton II Power Sales Contract and a Stanton II Project Support Contract (the “**Vero Stanton II Contracts**”), acquired 16.4887% Power Entitlement Share in the Stanton II Project.

Section 1.04. ST. LUCIE PROJECT. (a) On February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “**St. Lucie Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**St. Lucie Project Participants**”).

(b) FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982 between FMPA and Florida Power & Light Company (“**FPL**”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982 between FMPA and FPL, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of February 18, 1983, between FMPA and FPL and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991, between FMPA and FPL, (the “**St. Lucie Participation Agreement**”), pursuant to which FMPA, with respect to the St. Lucie Project, purchased an 8.806% undivided interest in St. Lucie Unit No.2 (“**St. Lucie Unit No. 2**”) and FMPA is entitled to the electric capacity and electric energy derived from St. Lucie Unit No.2 and the contractual arrangements and agreements relating thereto. The St. Lucie Participation Agreement, together with the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively, are the “**Participation Agreements**”).

(c) FMPA, with respect to the St. Lucie Project, sells the electric capacity and electric energy of the St. Lucie Project to Vero Beach and the other St. Lucie Project Participants pursuant to substantially similar St. Lucie Power Sales Contracts, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, by and between FMPA and each of the St. Lucie Project Participants (each agreement, as so amended, a “**St. Lucie Power Sales Contract**”).

(d) The St. Lucie Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other St. Lucie Project Participants of FMPA to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Power Sales Contracts, such contracts were entitled Project Support Contracts, each dated as of June 1, 1982, with each of the St. Lucie Project Participants, as amended by Amendment No. 1 to St. Lucie Project Support Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (each agreement, as so amended, a “**St. Lucie Project Support Contract**”).

(f) Vero Beach, by execution of a St. Lucie Power Sales Contract and a St. Lucie Project Support Contract (the “**St. Lucie Contracts**”), acquired a 15.202% Power Entitlement Share in the St. Lucie Project.

Section 1.05. ALL-REQUIREMENTS POWER SUPPLY PROJECT. (a) On March 22, 1985, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 85-B2 for the purposes of creating a joint electric project designated as the “All-Requirements Power Supply Project” (the “**ARP**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**ARP Project Participants**”) in order to secure an adequate, reliable and economical supply of electric capacity and energy to supply, with certain exceptions permitted herein, all of the needs for electric capacity and energy of the ARP Project Participants.

(b) FMPA and the ARP Project Participants entered into individual All-Requirements Power Supply Project Contracts, as heretofore amended (the “**ARP Contracts**”) for FMPA to sell to such ARP Project Participants and such ARP Project Participants to purchase from FMPA, electric capacity and energy on terms and conditions set forth in the ARP Contracts.

(c) Vero Beach and FMPA entered into an All-Requirements Power Supply Project Contract, dated as of October 1, 1996, as amended on January 22, 1999 (the “**Vero ARP Contract**”).

Section 1.06. PROPOSED SALE TRANSACTION. Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “**Proposed Sale Transaction**”).

Section 1.07. WITHDRAWAL FROM ARP. On September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stating Vero Beach’s intention to withdraw from the ARP with such withdrawal being anticipated to occur, pursuant to the notice, on or before October 1, [2018].

Section 1.08. TRANSFER AND ASSIGNMENT OF STANTON, STANTON II AND ST. LUCIE CONTRACTS AND PROJECT ENTITLEMENTS.

(a) In connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign (i) the Vero Stanton Contracts and its Vero Stanton Project Entitlements, (ii) the Vero Stanton II Contracts and its Vero Stanton II Project Entitlements, and (iii) the Vero St. Lucie Contracts and its Vero St. Lucie Project Entitlements, and all associated rights and obligations, to FMPA, with respect to the ARP, and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton Contracts, the Vero Stanton II Contracts the Vero St. Lucie Contracts and the Vero ARP Contract simultaneously with the closing of the Proposed Sale Transaction.

(b) The Vero Stanton Contracts, the Vero Stanton II Contracts and the Vero St. Lucie Contracts require that no assignment or transfer of such contracts shall relieve the parties thereto of any obligation thereunder. The Vero Stanton Contracts, the Vero Stanton II

Contracts and the Vero St. Lucie Contracts also provide that as one of the conditions for Vero Beach to sell, lease, abandon or otherwise dispose of all or substantially all of its electric or integrated utility system, Vero Beach shall, subject to the Stanton Participation Agreement, the Stanton II Participation Agreement or the St. Lucie Participation Agreement, as applicable, assign such Vero Contracts and its rights and interests thereunder to the purchaser or lessee of said electric or integrated utility system, and such purchaser or lessee shall assume all obligations of Vero Beach under such Vero Contracts. FMPA, with respect to the Stanton Project, the Stanton II Project and the St. Lucie Project, desires to waive these requirements in connection with the Proposed Sale Transaction and FMPA also desires to fully release and discharge Vero Beach from all liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement to be entered into by FMPA, with respect to the Stanton Project, Stanton II Project, St. Lucie Project and ARP, and Vero Beach (the "**Waiver and Release Agreement**").

(c) The Vero ARP Contract provides in substance that it is the intent of the parties to the Vero ARP Contract that any obligation owed by a party under the Vero ARP Contract at the time of termination thereof shall survive the termination. The Vero ARP Contract also requires that any such termination and the related "Withdrawal Date" occur on a September 30. FMPA desires to waive these requirements in connection with the Proposed Sale Transaction, and fully release and discharge Vero Beach from any liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement.

Section 1.09. TRANSFER AGREEMENTS. The Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of Vero Beach's Power Entitlement Shares in (i) the Stanton Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton Transfer Agreement**"); (ii) the Stanton II Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton II Transfer Agreement**"); and (iii) the St. Lucie Project pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**St. Lucie Transfer Agreement**," together with the Stanton Transfer Agreement and the Stanton II Transfer Agreement, collectively, the "**Transfer Agreements**").

Section 1.10. CONSIDERATION PAYMENT. Upon closing of the Proposed Sale Transaction, FMPA will be paid by Vero Beach an amount equal to \$108,000,000, subject to adjustment as provided below (the “**Consideration Payment**”).

The Consideration Payment is hereby adjusted upward or downward in accordance with the following monthly schedule, depending on the actual Closing Date.

		Consideration Payment	Adjustment
<i>Earlier Closing</i>	April 1-30, 2018	\$115.8 million	+ \$7.8 million
	May 1-31, 2018	\$114.5 million	+ \$6.5 million
	June 1-30, 2018	\$113.2 million	+ \$5.2 million
	July 1-31, 2018	\$111.9 million	+ \$3.9 million
	August 1-31, 2018	\$110.6 million	+ \$2.6 million
	September 1-30, 2018	\$109.3 million	+ \$1.3 million
Planned Closing	October 1-31, 2018	\$108 million	
<i>Later Closing</i>	November 1-30, 2018	\$106.7 million	- \$1.3 million
	December 1-31, 2018	\$105.4 million	- \$2.6 million
	January 1-31, 2019	\$104.1 million	- \$3.9 million
	February 1-28, 2019	\$102.8 million	- \$5.2 million
	March 1-31, 2019	\$101.5 million	- \$6.5 million

Section 1.11. ASSIGNMENT AGREEMENTS AND WAIVER AND RELEASE AGREEMENT. To effectuate such transfer and assignment of Vero Beach’s Power Entitlement Shares in the Stanton Project, the Stanton II Project, and the St. Lucie Project and release of Vero Beach from any liabilities and obligations under the Stanton Contracts, the Stanton II Contracts, the St. Lucie Contracts, and the ARP Contract, Vero Beach and FMPA will execute an Assignment Agreement and FMPA and Vero Beach will execute the Waiver and Release Agreement on the date of closing of the Proposed Sale Transaction.

Section 1.12. FMPA CONSENT. The Vero Contracts each require that FMPA, with respect to the applicable Project, consent to a transfer and assignment by Vero Beach of the Vero Contracts or any interest therein.

Section 1.13. AMENDMENT OF STANTON POWER SALES CONTRACTS AND STANTON PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA have agreed that it is appropriate that certain terms and provisions of the Vero Stanton Contracts be amended, including the assignment of certain of the rights and obligations of FMPA with respect to the Stanton Project under the Vero Stanton Contracts to the Stanton Bond Trustee and the execution of Amendment No. 1 to the Stanton Project Power Sales Contract, (the “**Vero Stanton PSC Amendment**”), between FMPA, with respect to the Stanton Project, and Vero

Beach and Amendment No. 1 to the Stanton Project Support Contract (the “**Vero Stanton Support Contract Amendment**,” and together with the Vero Stanton PSC Amendment, the “**Vero Stanton Amendments**”), between FMPA, with respect to the Stanton Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Stanton Amendments, to FMPA, with respect to the ARP, also require that certain amendments be made to the Stanton Power Sales Contracts and the Stanton Project Support Contracts of the Stanton Project Participants other than Vero Beach (the “**Other Stanton Participants**”) to reflect the assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP (the “**Other Stanton Participant Amendments**”). The amendments to the Stanton Power Sales Contracts of the Other Stanton Participants all will be in substantially the same form. The amendments to the Stanton Project Support Contracts of the Other Stanton Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton Transfer Agreement requires, that FMPA and each Other Stanton Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton Contracts.

(d) The Other Stanton Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton Participant Amendments.

(e) Section 29(d) of the Stanton Power Sales Contracts provides that the terms and conditions of a Stanton Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Power Sales Contracts of any other Stanton Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton Project Support Contracts also provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participant requesting such amendment.

(g) Each of the Other Stanton Participants will consent to the Vero Stanton Amendments and waive its rights to have similar amendments made to its respective Stanton Power Sales Contract and “Stanton Project Support Contract by executing a separate Consent and Waiver (Stanton Project) (the “**Stanton Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton Project Participants and FMPA will enter into the Other Stanton Participant Amendments.

(i) Each of the Other Stanton Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton Mutual Release Agreement**”) pursuant to

which (i) each Other Stanton Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton Project Participant may have against Vero Beach with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton Project Participant with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton Contracts to the Stanton Bond Trustee (the "**Stanton Trustee Assignment**").

Section 1.14. AMENDMENT OF STANTON II POWER SALES CONTRACTS AND STANTON II PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero Stanton II Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero Stanton II Contracts to the Stanton II Bond Trustee and the execution of Amendment No. 1 to the Stanton II Project Power Sales Contract, (the "**Vero Stanton II PSC Amendment**"), between FMPA, with respect to the Stanton II Project, and Vero Beach and Amendment No. 1 to the Stanton II Project Support Contract (the "**Vero Stanton II Support Contract Amendment**," and together with the Vero Stanton II PSC Amendment, the "**Vero Stanton II Amendments**"), between FMPA, with respect to the Stanton II Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Stanton II Amendments, to FMPA, with respect to the ARP also, require that certain amendments be made to the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts of the Stanton II Project Participants other than Vero Beach (the "**Other Stanton II Participants**") to reflect the assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP (the "**Other Stanton II Participant Amendments**"). The amendments to the Stanton II Power Sales Contracts of the Other Stanton II Participants all will be in substantially the same form. The amendments to the Stanton II Support Contracts of the Other Stanton II Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each Other Stanton II Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton II Contracts.

(d) The Other Stanton II Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton II Participant Amendments.

(e) Section 29(d) of the Stanton II Power Sales Contracts provides that the terms and conditions of a Stanton II Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Power Sales Contracts of any other Stanton II Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton II Support Contracts also provides that the terms and conditions of a Stanton II Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Support Contracts of any other Stanton II Project Participant requesting such amendment.

(g) Each of the Other Stanton II Participants will consent to the Vero Stanton II Amendments and waive its rights to have similar amendments made to its respective Stanton II Power Sales Contract and Stanton II Project Support Contract by executing a separate Consent and Waiver (Stanton II Project) (the “**Stanton II Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton II Project Participants and FMPA will enter into the Other Stanton II Participant Amendments.

(i) Each of the Other Stanton II Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton II Mutual Release Agreement**”) pursuant to which (i) each Other Stanton II Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton II Project Participant may have against Vero Beach with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton II Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton II Project Participant with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton II Contracts to the Stanton II Bond Trustee (the “**Stanton II Trustee Assignment**”).

Section 1.15. AMENDMENT OF ST. LUCIE POWER SALES CONTRACTS AND ST. LUCIE PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero St. Lucie Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee and the execution of Amendment No.3 to the St. Lucie Project Power Sales Contract, (the "**Vero St. Lucie Power Sales Contract Amendment**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach and Amendment No. 3 to the St. Lucie Project Support Contract (the "**Vero St. Lucie Project Support Contract Amendment**," and together with the Vero St. Lucie Power Sales Contract Amendment, the "**Vero St. Lucie Amendments**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach.

(b) The transfer and assignment of the Vero St. Lucie Contracts, as amended by the Vero St. Lucie Amendments, to FMPA, with respect to the ARP, also requires that certain amendments be made to the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts of the St. Lucie Project Participants other than Vero Beach (the "**Other St. Lucie Participants**") to reflect the assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP (the "**Other St. Lucie Participant Amendments**"). The amendments to the St. Lucie Power Sales Contracts of the Other St. Lucie Participants all will be in substantially the same form. The amendments to the St. Lucie Project Support Contracts of the Other St. Lucie Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each Other St. Lucie Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the St. Lucie Contracts.

(d) The Other St. Lucie Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other St. Lucie Participant Amendments.

(e) Section 29(d) of the St. Lucie Power Sales Contracts provides that the terms and conditions of a St. Lucie Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Power Sales Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Power Sales Contracts of any other St. Lucie Project Participants requesting such amendment.

(f) Section 14(b) of the St. Lucie Project Support Contracts also provides that the terms and conditions of a St. Lucie Project Support Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contracts of any other St. Lucie Project Participants requesting such amendment.

(g) Each of the Other St. Lucie Participants will consent to the Vero St. Lucie Amendments and waive its rights to have similar amendments made to its respective St. Lucie Power Sales Contract and St. Lucie Project Support Contract by executing a separate Consent

and Waiver (St. Lucie Project) (the “**St. Lucie Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other St. Lucie Project Participants and FMPA will enter into the Other St. Lucie Participant Amendments.

(i) Each of the Other St. Lucie Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**St. Lucie Mutual Release Agreement**”) pursuant to which (i) each Other St. Lucie Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other St. Lucie Project Participant may have against Vero Beach with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other St. Lucie Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other St. Lucie Project Participant with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee (the “**St. Lucie Trustee Assignment**”).

Section 1.16. AMENDMENT OF ARP CONTRACTS.

(a) The withdrawal of Vero Beach from the ARP, the termination of the Vero ARP Contract and the assignment of Vero Beach’s Power Entitlement Shares to FMPA, with respect to the ARP, requires certain amendments to the ARP Contracts of the ARP Project Participants other than Vero Beach (the “**Other ARP Participants**”), all of which amendments (the “**Other ARP Participant Amendments**”) will be in substantially the same form, and FMPA and the Other ARP Participants will enter into the Other ARP Participant Amendments.

(b) Each of the Other ARP Participants will consent to the Other ARP Participant Amendments and waive enforcement of certain provisions of the ARP Contracts in connection with the withdrawal of Vero Beach from the ARP by executing a separate Consent and Waiver (All-Requirements Power Supply Project) (the “**ARP Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(c) Each of the Other ARP Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**ARP Mutual Release Agreement**”) pursuant to which (i) each Other ARP Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other ARP Project Participant may have against Vero Beach with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero

Beach fully and completely releases and forever discharges such Other ARP Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other ARP Project Participant with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the 10Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(d) FMPA shall assign certain of its rights under the Vero Contracts to the ARP Bond Trustee (the "**ARP Trustee Assignment**").

ARTICLE II.

DEFINITIONS; CONSTRUCTION

Section 2.01. DEFINITIONS. Capitalized terms used but not otherwise defined in this Master Annex shall have the meanings set forth in the applicable Power Sales Contract and Project Support Contract. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the document to which this Master Annex is appended, have the following meanings:

"**Advisory Fees**" has the meaning set forth in Section 3.11 hereto.

"**Applicable Agreements**" has the meaning set forth in Section 3.11 hereto.

"**ARP**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Bond Resolution**" means the All-Requirements Power Supply Project Revenue Bond Resolution, adopted on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.

"**ARP Bond Trustee**" means the "Trustee," as such term is defined in section 101 of the ARP Bond Resolution.

"**ARP Consent and Waiver**" has the meaning set forth in paragraph (b) of Section 1.16 hereto.

"**ARP Contracts**" has the meaning set forth in paragraph (b) of Section 1.05 hereto.

"**ARP Mutual Release Agreement**" has the meaning set forth in paragraph (c) of Section 1.16 hereto.

"**ARP Project Participants**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Trustee Assignment**" has the meaning set forth in paragraph (d) of Section 1.16 hereto.

"**Assignment Agreements**" means, collectively, the Stanton Assignment Agreement, the Stanton II Assignment Agreement and the St. Lucie Assignment Agreement.

“**Assignment Effective Date**” means the closing date for the Proposed Sale Transaction.

“**Bond Resolutions**” means, collectively, the ARP Bond Resolution, the Stanton Bond Resolution, the Stanton II Bond Resolution, and the St. Lucie Bond Resolution.

“**Closing**” means, collectively, the definition of such term in the Transfer Agreements.

“**Closing Date**” means the day on which the Closing of the Proposed Sale Transaction is scheduled to occur.

“**Conditions Precedent**” has the meaning assigned to such term the Stanton Transfer Agreement, the Stanton II Transfer Agreement or the St. Lucie Transfer Agreement, as applicable.

“**Consideration Payment**” has the meaning set forth in Section 1.10 hereto.

“**Expenses**” has the meaning set forth in Section 3.11 hereto.

“**Fees and Expenses**” has the meaning set forth in Section 3.11 hereto.

“**FMPA**” means Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both.

“**FMPA Members**” has the meaning set forth in Section 3.11 hereto.

“**FPL**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Interlocal Agreement**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Other ARP Participants**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other ARP Participant Amendments**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other St. Lucie Participants**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other St. Lucie Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other Stanton Participants**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton II Participants**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**Other Stanton II Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**OUC**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Participation Agreements**” means the St. Lucie Participation Agreement, the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively.

“**Power Entitlement Shares**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Power Sales Contract**” means Stanton Power Sales Contract, the Stanton II Power Sales Contract or the St. Lucie Power Sales Contract, as applicable. References to a “Power Sales Contract” or “Power Sales Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Power Sales Contracts related to that Project.

“**Project**” means the Stanton Project, the Stanton II Project, the St. Lucie Project or the ARP.

“**Project Support Contract**” means the Stanton Project Support Contract, the Stanton II Project Support Contract or the St. Lucie Project Support Contract, as applicable. References to a “Project Support Contract” or “Project Support Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Project Support Contracts related to that Project.

“**Proposed Sale Transaction**” has the meaning set forth in Section 1.06 hereto.

“**St. Lucie Assignment Agreement**” means the Assignment Agreement (St. Lucie Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**St. Lucie Bond Resolution**” means the St. Lucie Project Revenue Bond Resolution, adopted March 26, 1982, as amended and restated in its entirety on May 21, 1982, as further amended and restated in its entirety on July 30, 1992, and as further amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**St. Lucie Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the St. Lucie Bond Resolution.

“**St. Lucie Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.15 hereto.

“**St. Lucie Contracts**” has the meaning set forth in paragraph (f) of Section 1.04 hereto.

“**St. Lucie Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.15 hereto.

“**St. Lucie Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**St. Lucie Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.04 hereto.

“**St. Lucie Project**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Participants**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.04 hereto.

“**St. Lucie Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**St. Lucie Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.15 hereto.

“**St. Lucie Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Stanton Assignment Agreement**” means the Assignment Agreement (Stanton Project), dated the Assignment Effective Date, by and between Vero Beach and FMFA.

“**Stanton Bond Resolution**” means the Stanton Project Revenue Bond Resolution, adopted January 13, 1984, as amended and restated in its entirety on August 27, 1997, as the same may be further amended and supplemented.

“**Stanton Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton Bond Resolution.

“**Stanton Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.13 hereto.

“**Stanton Contracts**” means the Stanton Power Sales Contracts and the Stanton Project Support Contracts.

“**Stanton Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.13 hereto.

“**Stanton Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.02 hereto.

“**Stanton Project**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Participants**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.02 hereto.

“**Stanton Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.13 hereto.

“**Stanton Unit No. 1**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Assignment Agreement**” means the Assignment Agreement (Stanton II Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**Stanton II Bond Resolution**” means the Stanton II Project Revenue Bond Resolution, adopted June 26, 2991, as amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**Stanton II Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton II Bond Resolution.

“**Stanton II Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.14 hereto.

“**Stanton II Contracts**” means the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts.

“**Stanton II Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.14 hereto.

“**Stanton II Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.03 hereto.

“**Stanton II Project**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Participants**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.03 hereto.

“**Stanton II Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton II Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.14 hereto.

“**Transfer Agreements**” has the meaning set forth in Section 1.09 hereto.

“**Vero ARP Contract**” has the meaning set forth in paragraph (c) of Section 1.05 hereto.

“**Vero Beach**” means the City of Vero Beach, Florida.

“**Vero Beach Closing Documents**” means, collectively, the Vero Stanton Closing Documents, the Vero Stanton II Closing Documents, the Vero St. Lucie Closing Documents, the Waiver and Release Agreement, and the Assignment Agreements.

“**Vero Contracts**” means, collectively, the Vero Stanton Contracts, the Vero Stanton II Contracts, and the Vero St. Lucie Contracts. References to “Vero Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Vero Contracts related to that Project.

“**Vero Power Sales Contracts**” means, collectively, the Vero Stanton Power Sales Contract, the Vero Stanton II Power Sales Contract and the Vero St. Lucie Power Sales Contract.

“**Vero Project Support Contracts**” means, collectively, the Vero Stanton Project Support Contract, the Vero Stanton II Project Support Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Amendments**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Closing Documents**” has the meaning set forth in the St. Lucie Transfer Agreement.

“**Vero St. Lucie Contracts**” means, collectively, the Vero St. Lucie Power Sales Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Power Sales Contract**” means the St. Lucie Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, as thereafter amended.

“**Vero St. Lucie Power Sales Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Project Entitlements**” means the 15.202% Power Entitlement Share (as defined in the Vero St. Lucie Power Sales Contract) in the St. Lucie Project, and the associated rights and obligations of Vero Beach as a Project Participant in the St. Lucie Project, pursuant to the Vero St. Lucie Contracts.

“**Vero St. Lucie Project Support Contract**” means the St. Lucie Project Support Contract by and between FMPA and Vero Beach, as amended, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero St. Lucie Power Sales Contract.

“**Vero St. Lucie Project Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero Stanton Amendments**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Closing Documents**” has the meaning set forth in the Stanton Transfer Agreement.

“**Vero Stanton Contracts**” has the meaning set forth in paragraph (f) of Section 1.02 hereto.

“**Vero Stanton Power Sales Contract**” means the Stanton Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of January 16, 1984, as thereafter amended.

“**Vero Stanton Project Entitlements**” means the 32.521% Power Entitlement Share (as defined in the Vero Stanton Power Sales Contract) in the Stanton Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton Project, pursuant to the Vero Stanton Contracts.

“**Vero Stanton Project Support Contract**” means the Stanton Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton Power Sales Contract.

“**Vero Stanton PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton II Amendments**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Closing Documents**” has the meaning set forth in the Stanton II Transfer Agreement.

“**Vero Stanton II Contracts**” has the meaning set forth in paragraph (f) of Section 1.03 hereto.

“**Vero Stanton II Power Sales Contract**” means the Stanton II Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 26, 1991, as thereafter amended.

“**Vero Stanton II Project Entitlements**” means the 16.4887% Power Entitlement Share (as defined in the Vero Stanton II Power Sales Contract) in the Stanton II Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton II Project, pursuant to the Vero Stanton II Contracts.

“**Vero Stanton II Project Support Contract**” means the Stanton II Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton II Power Sales Contract.

“**Vero Stanton II PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Waiver and Release Agreement**” has the meaning set forth in paragraph (b) of Section 1.08 hereto.

Section 2.02. CONSTRUCTION. (a) Defined terms in this Master Annex shall include in the singular number the plural and in the plural number the singular.

(b) Any agreement, contract or document defined or referred to herein means such agreement, contract or document in the form (including all amendments, schedules, exhibits, appendices, attachments, clarification letters and the like relating thereto) originally executed and delivered, as the same may thereafter be amended, supplemented, replaced or otherwise modified from time to time in accordance with its terms and, to the extent applicable, the terms of the applicable Power Sales Contract and Project Support Contract, Bond Resolution, Participation Agreement and any documents specified in the applicable definition.

(c) All references to the documentation or to a document herein shall mean the documentation or the document into which this Master Annex is incorporated by reference.

ARTICLE III.

MISCELLANEOUS PROVISIONS

Section 3.01. ENTIRE AGREEMENT. The terms, provisions and conditions stated in each document (including all exhibits and any other attachments to a particular document) and the documentation referred to in a particular document constitute the entire understanding between the parties thereto regarding the subject matter of the particular document, and supersede any and all previous communications and understandings between the parties regarding the subject matter of the particular document.

Section 3.02. APPLICABLE LAW. The documentation is made under and will be governed by and construed and enforced in accordance with the laws of the State of Florida.

Section 3.03. WAIVER OF JURY TRIAL. The parties to each document waive trial by jury in any proceeding brought or claim asserted in connection with the transaction contemplated by such document.

Section 3.04. COUNTERPARTS. The documentation may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

Section 3.05. AMENDMENTS; WAIVERS. (a) No amendment or modification of any provision of the documentation shall be effective unless the same shall be in writing and signed by the parties to the relevant documentation. This Master Annex shall not be modified or amended in any respect unless such modification or amendment is in writing and amended in accordance with the terms of the documentation to which it is incorporated by reference.

(b) No waiver of the terms, conditions and covenants of the documentation shall be binding and effective unless the same shall be in writing signed by the party granting such waiver. A waiver of any breach of the terms, conditions and covenants of any documentation into which this Master Annex is incorporated shall be for the one time only and shall not apply to any subsequent breach.

Section 3.06. EFFECTIVE DATE. The documentation for this transaction will take effect simultaneously on the date that the transaction, by which Vero Beach will sell to FPL, and FPL will purchase, Vero Beach's retail electric system, closes and takes effect.

Section 3.07. RESERVED.

Section 3.08. SURVIVAL. All representations, warranties, promises, covenants, agreements, stipulations, undertakings, obligations and anything else made in or pursuant to the documentation into which the Master Annex is incorporated by reference shall survive the execution and delivery of such documentation.

Section 3.09. HEADINGS/CONSTRUCTION. The headings in the documentation are for purposes of reference only and will not limit or otherwise affect the meaning thereof. References in the documentation to numbered Articles or Sections are references to the Articles and Sections of the particular document. References in the documentation to lettered Exhibits and numbered Attachments and Schedules are references to the Exhibits, Attachments and Schedules attached to the particular document, all of which for a particular document are incorporated in and constitute a part of the particular document. Article, Section, Exhibit, Attachment and Schedule captions used in the documentation are for reference only and do not describe or limit the substance, scope or intent of the documentation or the individual Articles, Sections, Exhibits, Attachments or Schedules of the documentation. The terms "include", "including" and similar terms are construed as if followed by the phrase "without limitation." The singular of any word includes the plural and the plural includes the singular. The use of any gender includes all genders. The term "provisions" includes terms, covenants, conditions, agreements and requirements. The term "amend" includes modify, supplement, renew, extend, replace, restate and substitute and the term "amendment" includes modification, supplement, renewal, extension, replacement, restatement and substitution.

Section 3.10. NO THIRD PARTY BENEFICIARIES. Unless specifically mentioned in a particular document, nothing expressed or mentioned in the documentation is intended or will be construed to give any person any legal or equitable right, remedy or claim under or in respect of the documentation, or any provisions therein contained, the documentation and all conditions and provisions thereof being intended to be and being for the sole and exclusive benefit of the parties to the documentation and for the benefit of no other person.

Section 3.11. REIMBURSEMENT OF FEES AND EXPENSES.

Vero Beach and FMPA, and each of FMPA's members (the "**FMPA Members**"), will bear all of the fees and expenses of their respective accountants, attorneys, financial advisors, consultants and other advisors (collectively, with regard to FMPA and FMPA Members, the "**Advisory Fees**"). Additionally, FMPA will bear all of its other costs to obtain the approvals, consents, acknowledgments or waivers from parties outside of FMPA's control, including, without limitation, bond insurers, rating agencies, bond trustees and credit providers (collectively, the "**Expenses**," and together with the Advisory Fees, the "**Fees and Expenses**"), in connection with the negotiation and preparation of the Transfer Agreements and associated documents (collectively, the "**Applicable Agreements**") related to the transfer and assignment of Vero Beach's interests in the Stanton Project, the Stanton II Project and the St. Lucie Project, and to Vero Beach's withdrawal from the ARP.

In the event, however, that the Closing does not occur because of the failure of Vero Beach to deliver to FMPA the Vero Beach Closing Documents or the Consideration Payment under the Transfer Agreements, Vero Beach will pay to FMPA the Fees and Expenses of FMPA and the FMPA Members including, without limitation, the pro rata costs of FMPA's in-house counsel (such pro rata costs to be equal to that proportion of the monthly base salary of FMPA's in-house counsel as the time worked by such in-house counsel on the Transfer Agreements and related matters during such month bears to the total time worked by such in-house counsel on all FMPA matters (including, without limitation, on the Transfer Agreements and related matters) during such month); *provided, however, that* in no event shall the Fees and Expenses to be paid by Vero Beach exceed One Million Five Hundred Thousand Dollars (\$1,500,000) in the aggregate.

For purposes of clarity, Vero Beach will not be obligated to pay any of the in-house Fees and Expenses of FMPA or the FMPA Members, except as set forth in the immediately preceding paragraph relating to FMPA's in-house counsel.

Payment by Vero Beach pursuant to this Section 3.11 will be made by Vero Beach within forty-five (45) days after FMPA's delivery to Vero Beach of invoices for the Fees and Expenses that are payable by Vero Beach under this Section 3.11; *provided, however, that* nothing in this Section 3.11 will prevent Vero Beach from disputing in good faith any of such Fees and Expenses.

Exhibit B-1

Form of St. Lucie Assignment Agreement

[4844-9635-9249]

Draft 3/9/18

**ASSIGNMENT AGREEMENT
(ST. LUCIE PROJECT)
BETWEEN
CITY OF VERO BEACH
AND
FLORIDA MUNICIPAL POWER AGENCY**

This Assignment Agreement (St. Lucie Project) between City of Vero Beach and Florida Municipal Power Agency (this "St. Lucie Assignment Agreement") is hereby entered into this ___ day of ____, 2018, between the City of Vero Beach ("Vero Beach") and Florida Municipal Power Agency ("FMPA"; Vero Beach and FMPA together hereafter the "Parties" or singularly, the "Party") to effectuate the transfer and assignment of the Vero St. Lucie Project Entitlements to FMPA.

In consideration of the premises and mutual covenants in the Transfer Agreement (St. Lucie Project), dated as of March __, 2018, between Vero Beach and FMPA (the "St. Lucie Transfer Agreement"), the Parties agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended to the St. Lucie Transfer Agreement as **Exhibit A** (the "Master Annex") constitutes an integral part of this St. Lucie Assignment Agreement and, except for Sections 3.05 and 3.11, is incorporated by reference herein with the same force and effect as if set forth in this St. Lucie Assignment Agreement. Terms not defined elsewhere in this St. Lucie Assignment Agreement have the meanings given to such terms in the Master Annex.

SECTION 2. Assignment and Assumption. Pursuant to the provisions of the St. Lucie Transfer Agreement, Section 28 of the Vero St. Lucie Power Sales Contract and Section 13 of the Vero St. Lucie Project Support Contract, Vero Beach hereby transfers and assigns to FMPA all of its right, title and interest in the Vero St. Lucie Contracts including, without limitation, the Vero St. Lucie Project Entitlements set forth therein. FMPA, with respect to the ARP Project, hereby accepts said transfer and assignment of the Vero St. Lucie Contracts, including, without limitation, the Vero St. Lucie Project Entitlements set forth therein and agrees to assume the corresponding rights and obligations of Vero Beach under the Vero St. Lucie Contracts.

SECTION 3. Effective Date. This St. Lucie Assignment Agreement is effective as of the date hereof.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this St. Lucie Assignment Agreement to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW

(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

Exhibit B-2

Form of Waiver and Release Agreement

[4811-1165-0388]

Draft 3/9/18

WAIVER AND RELEASE AGREEMENT

THIS WAIVER AND RELEASE AGREEMENT (this "Release Agreement") is made and entered into as of this ___ day of ____, 2018 by and between the CITY OF VERO BEACH, FLORIDA, a political subdivision of the State of Florida ("Vero Beach"), and FLORIDA MUNICIPAL POWER AGENCY ("FMPA"), a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision of Part II, Chapter 361, Florida Statutes or both, with respect to the following projects: (i) the Stanton Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton Project (the "Stanton Project") on behalf of the members of FMPA and the participants in such project (the "Stanton Project Participants"), (ii) the Stanton II Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton II Project (the "Stanton II Project") on behalf of the members of FMPA and the participants in such project (the "Stanton II Project Participants"), (iii) the St. Lucie Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the St. Lucie Project (the "St. Lucie Project") on behalf of the members of FMPA and the participants in such project (the "St. Lucie Project Participants"), and (iv) the All-Requirements Power Supply Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the All-Requirements Power Supply Project (the "ARP") on behalf of the members of FMPA and the participants in such project (the "ARP Participants"). FMPA and Vero Beach are referred to herein as the "Parties," the Stanton Project, the Stanton II Project, the St. Lucie Project and the ARP are collectively referred to herein as the "Projects," and the Stanton Project Participants, the Stanton II Project Participants, the St. Lucie Project Participants and the ARP Participants are collectively referred to herein as the "Project Participants".

RECITALS

WHEREAS, Vero Beach and FMPA wish to set forth the terms for the Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex, dated as of March ____, 2018, appended to the Stanton Transfer Agreement as **Exhibit A** (the "Master Annex"), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this Release Agreement. Capitalized terms not defined elsewhere in this Release Agreement have the meanings given to such terms in the Master Annex.

2. In addition to the release in Section 6(b) below, FMPA, for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that FMPA has, has had, or may in the future discover that it had at the time of the Assignment Effective Date, against Vero Beach by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

3. In addition to the release in Section 7(b) below, Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges FMPA from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that Vero Beach has, has had or may in the future discover that it had at the time of the Assignment Effective Date, against FMPA by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

4. Vero Beach hereby represents and warrants to FMPA as follows:

- (a) Vero Beach has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by Vero Beach has been duly and properly authorized by all proper and required action on the part of Vero Beach.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

5. FMPA hereby represents and warrants to Vero Beach as follows:

- (a) FMPA has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by FMPA has been duly and properly authorized by all proper and required action on the part of FMPA.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

6. FMPA, effective as of the Assignment Effective Date: (a)(i) waives the requirement with respect to Vero Beach under the last sentence of Section 28(a) of the Vero Power Sales Contracts and the last sentence of Section 13(a) of the Vero Project Support Contracts stating in substance that no assignment or transfer of the Vero Contracts shall relieve the parties of any obligation thereunder, and (ii) waives the requirement with respect to Vero Beach under clause (i) of Section 28(c) of the Vero Power Sales Contracts and clause (i) of Section 13(c) of the Vero Project Support Contracts stating in substance that the Project Participant shall, subject to the Participation Agreement, assign the Vero Contracts and its rights and interest thereunder to the purchaser or lessee of said electric or integrated utility system, if any, and any such purchaser or lessee shall assume all obligations of the Project Participant under the Vero Contracts, and (iii) waives the requirements with respect to Vero Beach under Section 27 of the Vero ARP Contract stating in substance that the termination of the Vero ARP Contract shall not discharge either party thereto from any obligation it owes to the other party under the Vero ARP Contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events or basis of which shall occur or arise) prior to such termination and that it is the intent of the parties thereby that any such obligation owed (whether the same shall be known or unknown at the termination of the Vero ARP Contract or whether the circumstances, events or basis of the same shall be known or unknown at the termination of the Vero ARP Contract) shall survive the termination of the Vero ARP Contract, (iv) waives the requirement with respect to Vero Beach under clause (a) of Section 29 of the Vero ARP Contract stating in substance that the date on which any such termination becomes effective and the "Withdrawal Date," must be a September 30 date, and (v) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date ; and (b) fully releases and discharges Vero Beach from all liabilities and obligations to FMPA on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

7. Vero Beach, effective as of the Assignment Effective Date: (a)(i) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date, (ii) waives, subject to the terms hereof, the provisions of Section 29(c) of the Vero ARP Contract and FMPA's Vero ARP Contract Section 29 withdrawal payment calculation methodology, and (iii) waives its right to any future calculations and the payment by FMPA to Vero Beach of any additional benefits under Section 29(f) of the Vero ARP Contract; and (b) fully releases and discharges FMPA from all liabilities and obligations to Vero Beach on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

8. This Release Agreement may be signed in two or more counterparts, each of which shall be treated as an original but which, when taken together, shall constitute one and the same instrument. The exchange of copies of this Release Agreement and of signature pages by facsimile transmission or electronic mail shall constitute effective execution and delivery of this Release Agreement and may be used in lieu of the originally signed Release Agreement for all purposes. Signatures of the Parties transmitted by facsimile or electronic mail shall be deemed to be their original signatures for all purposes.

9. FMPA and Vero Beach acknowledge and agree that, as of the Assignment Effective Date, the Vero ARP Contract shall be terminated and Vero Beach shall no longer be a party to the Vero ARP Contract.

10. FMPA will provide a copy of this Release Agreement, promptly after this Release Agreement has been fully executed and delivered, to the trustee under the Bond Resolutions.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors, with respect to Stanton Project, Stanton II Project and St. Lucie Project

Howard McKinnon
Chairman, All-Requirements Project Executive Committee, with respect to ARP Project

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

Exhibit C

Form of Vero St. Lucie Power Sales Contract Amendment

[4836-3722-8623]

Draft 3/9/18

**AMENDMENT NO. 3
(VERO BEACH)
TO THE
ST. LUCIE PROJECT POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 3 (VERO BEACH) TO THE ST. LUCIE PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** (“Amendment No. 3”) is hereby entered into this ____ day of ____ 201__, by and between the Florida Municipal Power Agency (“FMPA”), with respect to the St. Lucie Project, and the City of Vero Beach, Florida (“Vero Beach;” Vero Beach and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Power Sales Contract, made and entered into as of June 1, 1982, by and between FMPA and Vero Beach, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983 (the “Vero/St. Lucie PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Vero/St. Lucie PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company (“FPL”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982, between FMPA and FPL, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of

February 18, 1983, between FMPA and FPL, and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991 (the "Participation Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to Vero Beach pursuant to the Vero/St. Lucie PSC and to the St. Lucie Project Participants other than Vero Beach (the "Other St. Lucie Project Participants") pursuant to Power Sales Contracts substantially similar to the Vero/St. Lucie PSC (the "Other St. Lucie PSCs," and together with the Vero/St. Lucie PSC, the "St. Lucie PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the St. Lucie Project, to issue its bonds to pay the costs of acquiring and constructing the St. Lucie Project, it was necessary for the St. Lucie PSCs to be substantially similar and for FMPA, with respect to the St. Lucie Project, to pledge such contracts and the payments required to be made in accordance with such St. Lucie PSCs as security for the payment of such bonds; and

WHEREAS, Vero Beach, pursuant to the Vero/St. Lucie PSC and the St. Lucie Project Support Contract, by and between FMPA and Vero Beach, dated of June 1, 1982, as amended by Amendment No. 1 to the Project Support Contract made and entered into as of January 1, 1983, and as amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (the "Vero/St. Lucie Project Support Contract" and, together with the Vero/St. Lucie Project Support Contract, the "St. Lucie Contracts"), acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project") with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero St. Lucie Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including without limitation, under the Vero St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an

assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each of the Other St. Lucie Project Participants acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero St. Lucie Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC be amended and to enter into this Amendment No. 3; and

WHEREAS, the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA also requires that certain amendments be made to the Other St. Lucie PSCs to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the St. Lucie PSCs provides that the terms and conditions of a St. Lucie PSC may be amended so as to provide terms and conditions different from those contained in other St. Lucie PSCs upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie PSC of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the Other St. Lucie Project Participants have received notice of and a copy of this Amendment No. 3, have consented to this Amendment No. 3 and have waived each of their rights under said Section 29(d) to request that similar amendments be made to the Other St. Lucie PSCs and have agreed to enter into a Mutual Release Agreement (St. Lucie Project), a form of which is attached appended to the St. Lucie Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the St. Lucie Assignment Agreement, a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/St. Lucie PSC. The Vero/St. Lucie PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” to read as follows:

“ARP shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (St. Lucie Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “St. Lucie Trustee” to read as follows:

“St. Lucie Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

(ix) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(x) Section 14 is hereby amended in its entirety to read as follows:

“The Project Participant agrees (a) to maintain its electric or integrated utility system in good repair and operating condition; and (b) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (i) to meet the operation and maintenance expenses of such electric or integrated utility system, (ii) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (iii) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (iv) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

The Project Participant covenants that it will not make any sales of its Power Entitlement Share, or take any other action, which would adversely affect the exemption from Federal income taxation of interest paid on the Bonds issued for the St. Lucie Project.”

(xi) Section 28 is hereby amended by deleting “.” at the end of Section 28(c) and adding the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA shall waive the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) in connection with the execution of the Assignment Agreement and assignment and

transfer to FMPA of this Power Sales Contract and the Vero Beach Project Support Contract.”

(xii) Annex I of the Vero/St. Lucie PSC is hereby amended by this Amendment No. 3 to reflect that FMPA, with respect to ARP, is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xiii) Annex 2 of the Vero/St. Lucie PSC is hereby amended by this Amendment No. 3 to include a form of opinion of counsel to Vero Beach as set forth in Exhibit B attached hereto.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 3 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 3 (Vero Beach) to St. Lucie Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 624 of 1048**

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

EXHIBIT B

[Form of Opinion of Counsel to Vero Beach]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[St. Lucie Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and the City Attorney for the City of Vero Beach, Florida (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a Participant in FMPA's St. Lucie Project. For purposes of this opinion, the term "Amendment Documents" means, collectively, (i) Amendment No. 1 to the St. Lucie Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the St. Lucie Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018 between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (St. Lucie Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution").

In so acting I have examined the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

B-1

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
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1. The Amendment Documents and authorization for the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings of its governing body duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.011, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed by the Participant's authorized representative and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby, to the best of my knowledge, will conflict with or constitute a breach of or default under the terms of the Participant's ordinances or charter or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit D

Form of Vero St. Lucie Support Contract Amendment

[4838-8606-9583]

Draft 3/9/18

**AMENDMENT NO. 3 (VERO BEACH)
TO THE
ST. LUCIE PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 3 (VERO BEACH) TO THE ST. LUCIE PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** (“Amendment No. 3”) is hereby entered into this ___ day of _____, 2018, by and between the Florida Municipal Power Agency (“FMPA”), and the City of Vero Beach, Florida, Florida (“Vero Beach;” Vero Beach and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Project Support Contract, entered into as of June 1, 1982, by and between FMPA and Vero Beach, as amended by Amendment No. 1 to the Project Support Contract made and entered into as of January 1, 1983, and as amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (the “Vero/St. Lucie Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and Vero Beach (the “Vero/St. Lucie PSC” and, together with the Vero/St. Lucie Project Support Contract, the “Vero St. Lucie Contracts”).

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No.82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that FMPA entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982 between FMPA and Florida Power & Light Company (“FP&L”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982

between FMPA and FP&L, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of February 18, 1983 between FMPA and FP&L and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991 (“St. Lucie Unit No. 2”), and FMPA, with respect to the St. Lucie Project, is entitled to a corresponding portion of Electric Capacity and Electric Energy derived from St. Lucie Unit No. 1 and the contractual arrangements and agreements described in the Power Sales Contracts and designated as the St. Lucie Project; and

WHEREAS, pursuant to the Vero/St. Lucie PSC and power sales contracts that are substantially similar to the Vero/St. Lucie PSC (the “Other St. Lucie PSCs” and, together with the Vero/St. Lucie PSC, the “St. Lucie PSCs”), FMPA, sells the Electric Capacity and Electric Energy of the St. Lucie Project to the St. Lucie Project Participants; and

WHEREAS, the St. Lucie PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the St. Lucie Project; and

WHEREAS, in order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA, with respect to the St. Lucie Project to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the Project Participants in the St. Lucie Project other than Vero Beach (the “Other St. Lucie Project Participants”) to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs; and

WHEREAS, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs, FMPA and Vero Beach entered into the Vero/St. Lucie Project Support Contract and FMPA and the Other St. Lucie Project Participants entered into project support contracts that are substantially similar to the Vero/St. Lucie Project Support Contract (the “Other St. Lucie Project Support Contracts” and, together with the Vero/St. Lucie Project Support Contract, the “St. Lucie Project Support Contracts”); and

WHEREAS, Vero Beach, pursuant to the Vero St. Lucie Contracts acquired a 16.4881% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and Florida Power & Light Company (“FPL”) have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or the “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero St. Lucie Contracts and the associated rights and obligations thereunder (the “Vero St. Lucie Project Entitlements”, and to be fully released and discharged

from any liabilities and obligations to FMPA, including, without limitation, under the Vero St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of in Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie Project Support Contract be amended and to enter into this Amendment No. 3; and

WHEREAS, the transfer and assignment of the Vero St. Lucie Contracts, as amended by this Amendment No. 3 and by Amendment No. 3 to the Vero/St. Lucie PSC, to FMPA also requires that certain amendments be made to the Other St. Lucie Project Support Contracts to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the St. Lucie Project Support Contracts provides that the terms and conditions of a St. Lucie Project Support Contracts may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contract of any other St. Lucie Project Participant requesting such amendment; and

WHEREAS, Vero Beach and FMPA, with respect to the St. Lucie Project, desire to execute this Amendment No. 3 in order to amend the Vero/St. Lucie Project Support Contract to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, the Other St. Lucie Project Participants have received notice of and a copy of this Amendment No. 3, have consented to this Amendment No. 3, have waived each of their rights under said Section 14(b) to request that similar amendments made to their respective Other St. Lucie Project Support Contracts and have agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero St. Lucie Contracts; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/St. Lucie Project Support Contract. The Vero/St. Lucie Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach" to read as follows:

"Vero Beach" shall mean the City of Vero Beach, Florida."

(ii) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract" shall mean the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on the date of this Amendment No. 3."

(iii) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract" shall mean the St. Lucie Project Project Support Contract, dated as of June 1, 1982, as amended, by and between FMPA and the City of Vero Beach, Florida."

(iv) Section 4(a) is hereby amended in its entirety to read as follows:

"(a) The Project Participant agrees to (i) to maintain its electric or integrated utility system in good repair and operating condition; and (ii) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such electric or integrated utility system, (B) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (C) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (D) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

(v) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

“(f) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(vi) Section 13 is hereby amended by deleting “.” and adding the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA may waive the requirements of the last sentence of Section 13(a) and clause (i) of this Section 13(c) in connection with execution of the Assignment Agreement and the assignment and transfer of the Vero Beach Power Sales Contract and this Project Support Contract to FMPA.”

(vii) Annex I of the Vero/St. Lucie Project Support Contract is hereby amended by this Amendment No. 3 to reflect that FMPA is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 3 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW

(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 3 (Vero Beach) to St. Lucie Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

Exhibit E

Form of Partial Assignment Agreement (St. Lucie Project) between FMPA and St. Lucie Bond Trustee

[4831-4058-3762]

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(ST. LUCIE PROJECT)**

THIS PARTIAL ASSIGNMENT AGREEMENT (ST. LUCIE PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the St. Lucie Project ("St. Lucie"), as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "St. Lucie Bond Trustee") under the St. Lucie Project Revenue Bond Resolution, adopted by FMPA on March 26, 1982, amended and restated in its entirety on April 10, 2002 and as supplemented and amended to the date hereof (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the St. Lucie Power Sales Contract, dated as of June 1, 1982, between FMPA and the City of Vero Beach, Florida ("Vero"), as amended (the "St. Lucie/Vero Power Sales Contract"), and the St. Lucie Project Project Support Contract, dated as of June 1, 1982, between FMPA and Vero, as amended (the "St. Lucie/Vero Project Support Contract," and together with the St. Lucie/Vero Power Sales Contract, the "St. Lucie Vero Contracts"). The St. Lucie Vero Contracts are being transferred and assigned by Vero to FMPA, with respect to the All-Requirements Power Supply Project ("ARP"), pursuant to the terms of the Assignment Agreement (St. Lucie Project), dated as of the date hereof, between Vero and FMPA (the "St. Lucie Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the St. Lucie Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the St. Lucie Assignment Agreement, the Assignor hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of the Project Participant contained in Sections 3, 4(d), 4(e), 4(j), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the St. Lucie/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the St. Lucie/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the St. Lucie Vero Contracts against the Project Participant as a transferee and assignee of Vero (collectively, the "Assigned Rights and Obligations").

(b) The Assignor hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor, or the St. Lucie Bond Trustee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection

therewith, and, if any Event of Default specified in the St. Lucie Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (d) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, it will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by the Project Participant to comply with the terms of the St. Lucie/Vero Power Sales Contract or the St. Lucie/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge that all right, title and interest of FMPA in, to and under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract have been pledged under the Bond Resolution to secure the payment of principal, Redemption Price and interest on the Bonds and Parity Debt and that the Assignee has rights and obligations provided to it under the Bond Resolution as the St. Lucie Bond Trustee to protect the interests of Bondholders with respect to the payment of the Bonds to be exercised in accordance with the terms of the Bond Resolution. The actions taken by the Assignee pursuant to this Partial Assignment shall be consistent with the Assignee's rights and obligations under the Bond Resolution. Capitalized terms used in this clause (e) and not otherwise defined herein shall have the meanings for those terms provided in the Bond Resolution rather than as provided in the St. Lucie Vero Contracts.

(f) The Assignor and the Assignee acknowledge and agree that (i) the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the St. Lucie/Vero Power Sales Contract and Section 13(b) of the St. Lucie/Vero Project Support Contract that exist prior to the date hereof, (ii) as of the effective date of the St. Lucie Assignment Agreement, the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the St. Lucie/Vero Power Sales Contract and Section 13(b) of the St. Lucie/Vero Project Support Contract will continue to be in full force and effect, and (iii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and

conditions of the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract against the Project Participant as a transferee and assignee of Vero.

(g) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the St. Lucie Vero Contracts against the Project Participant as a transferee and assignee of Vero.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, Vero is not in default under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract, and (d) other than the assignment and pledge of the Assignor of its right, title, and interest in, to and under the St. Lucie Vero Contracts and all payments to be made to the Assignor under the provisions of the St. Lucie Vero Contracts as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds, the Assignor has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Partial Assignment shall remain in effect, the whole or any part of the moneys, rights or remedies assigned to the Assignee hereunder to anyone other than the Assignee in accordance with Section 28(b) of the St. Lucie/Vero Power Sales Contract and 13(b) of the St. Lucie/Vero Project Support Contract.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the St. Lucie Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to the Assignor instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the Assignee: TD Bank, National Association,
as St. Lucie Bond Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the St. Lucie Project
8553 Commodity Circle
Orlando, Florida 32819

To the ARP: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the St. Lucie Project and FMPA is not acting with respect to the ARP.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Acknowledged:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the ARP

By: _____
Name:
Title:

Exhibit F

Form of Partial Assignment Agreement (St. Lucie Project) between FMPA and ARP Bond Trustee

[4852-7443-7714]

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

**PARTIAL ASSIGNMENT AGREEMENT
(ST. LUCIE PROJECT)
OF FLORIDA MUNICIPAL POWER AGENCY,
WITH RESPECT TO
THE ALL-REQUIREMENTS POWER SUPPLY PROJECT**

THIS PARTIAL ASSIGNMENT AGREEMENT (ST. LUCIE PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the All-Requirements Power Supply Project ("ARP"), in its capacity as assignee and transferee under the St. Lucie Vero Contracts (as defined below) from the City of Vero Beach, Florida ("Vero"), as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "ARP Bond Trustee") under the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003 (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, between FMPA and Vero, as amended (the "St. Lucie/Vero Power Sales Contract"), and the St. Lucie Project Project Support Contract, dated as of June 1, 1982, between FMPA and Vero, as amended (the "St. Lucie/Vero Project Support Contract," and together with the St. Lucie/Vero Power Sales Contract, the "St. Lucie Vero Contracts"). The St. Lucie Vero Contracts are being transferred by Vero to the Assignor pursuant to the terms of the Assignment Agreement (St. Lucie Project), dated as of the date hereof, between Vero and FMPA (the "St. Lucie Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the St. Lucie Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the St. Lucie Assignment Agreement, the Assignor under the St. Lucie Vero Contracts, hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of FMPA, with respect to the St. Lucie Project, contained in Sections 3, 4(d), 4(e), 4(i), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the St. Lucie Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the St. Lucie/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the St. Lucie Vero Contracts against FMPA, with respect to the St. Lucie Project (collectively, the "Assigned Rights and Obligations").

(b) The Assignor under the St. Lucie Vero Contracts, hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor or the Assignee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection therewith, and, if any Event of Default specified in the St. Lucie Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (e) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, the Assignor will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by FMPA, with respect to the St. Lucie Project, to comply with the terms of the St. Lucie/Vero Power Sales Contract or the St. Lucie/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge and agree that (i) as of the effective date of the St. Lucie Assignment Agreement, the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignor's rights to assign its interest in the St. Lucie/Vero Power Sales Contract with the consent of FMPA, with respect to the St. Lucie Project, under Section 28(a) of the St. Lucie/Vero Power Sales Contract and to assign its interest in the St. Lucie/Vero Project Support Contract with the consent of FMPA, with respect to the St. Lucie Project, under Section 13(a) of the St. Lucie/Vero Project Support Contract, and (ii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and conditions of the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract against FMPA, with respect to the St. Lucie Project.

(f) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the St. Lucie Vero Contracts against FMPA, with respect to the St. Lucie Project.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, FMPA, with respect to the St. Lucie Project, is not in default under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract, and (d) other than the assignment of the Assigned Rights and Obligations hereunder, the Assignor, has not assigned and hereby covenants that it will not assign its Assigned Rights and Obligations in the St. Lucie Vero Contracts to anyone other than the Assignee.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the 15.202% Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the St. Lucie Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to the Assignor, instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the ARP Bond Trustee: TD Bank, National Association
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

To the St. Lucie Project: Florida Municipal Power Agency,
with respect to the St. Lucie Project
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For the avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the ARP and FMPA is not acting with respect to the Stanton Project.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Consented to:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the St. Lucie Project

By: _____
Name:
Title:

[Signature page to ARP Partial Assignment Agreement – St. Lucie Project]

Schedule 1(a) – Other St. Lucie Participant Documents

- (i) Executed copies of a certificate each of the Other St. Lucie Participants, executed by a duly authorized officer of such Other St. Lucie Participant, in such capacity and not in an individual capacity, certifying as to resolutions attached thereto as being duly adopted by the governing body of the Other St. Lucie Participant and authorizing the execution and delivery of the Other St. Lucie Participant Amendments and all other necessary documents required in connection therewith to effect the transactions contemplated by this St. Lucie Transfer Agreement and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;
- (ii) Executed copies of the Other St. Lucie Participant Amendments of each of the Other St. Lucie Participants;
- (iii) Opinions of counsel to each of the Other St. Lucie Participants;
- (iv) Executed copies of the Consent and Waiver (St. Lucie Project) of each of the Other St. Lucie Participants; and
- (v) Executed copies of the St. Lucie Mutual Release Agreement of each of the Other St. Lucie Participants.

Schedule 1(b) – Other ARP Participant Documents

- (i) Executed copies of a certificate of each of the Other ARP Participants, executed by a duly authorized officer of such Other ARP Participant, in such capacity and not in an individual capacity, certifying as to resolutions attached thereto as being duly adopted by the governing body of the Other ARP Participant and authorizing the execution and delivery of the Other ARP Participant Amendments and all other necessary documents required in connection therewith to effect the transactions contemplated by this St. Lucie Transfer Agreement and certifying that such authorization has not been amended, modified or rescinded as of the Closing Date;
- (ii) Executed copies of the Other ARP Participant Amendments of each of the Other ARP Participants;
- (iii) Opinions of counsel to each of the Other ARP Participants;
- (iv) Executed copies of the Consent and Waiver (All-Requirements Power Supply Project) of each of the Other ARP Participants; and
- (v) Executed copies of the ARP Mutual Release Agreement of each of the Other ARP Participants.

Schedule 2 – Conditions Precedent to Closing

The obligation of the Parties to consummate the transactions contemplated hereby is conditioned on the occurrence of each of the following:

- (a) Vero Beach and FPL shall have consummated the Proposed Sale Transaction; and
- (b) Vero Beach shall have tendered the Consideration Payment to FMPA;
- (c) Vero Beach and FMPA, with respect to the St. Lucie Project, shall have complied with all covenants, agreements and conditions required to be performed, observed or complied with by Vero Beach or FMPA, as the case may be, and shall have satisfied all conditions precedent to Closing, under this St. Lucie Transfer Agreement and the Other Transfer Agreements; and
- (d) FMPA, with respect to the ARP, shall have (i) received written evidence of the confirmation from Moody's and from Fitch that the Proposed Sale Transaction and the transactions contemplated by this St. Lucie Transfer Agreement will not result in a reduction of the ratings or any downgrading from or action by Moody's or Fitch which reflects a negative change or negative outlook or negative watch in the ratings assigned to the All-Requirements Power Supply Project Revenue Bonds; and (ii) complied with all covenants, agreements and conditions required to be performed, observed or complied with by FMPA under the All-Requirements Power Supply Revenue Bond Resolution and the All-Requirements Project Power Supply Contracts in connection with the consummation of the transactions under this St. Lucie Transfer Agreement.

Exhibit C

Substantial Form of St. Lucie Assignment Agreement

Draft 3/9/18

**ASSIGNMENT AGREEMENT
(ST. LUCIE PROJECT)
BETWEEN
CITY OF VERO BEACH
AND
FLORIDA MUNICIPAL POWER AGENCY**

This Assignment Agreement (St. Lucie Project) between City of Vero Beach and Florida Municipal Power Agency (this "St. Lucie Assignment Agreement") is hereby entered into this ___ day of ____, 2018, between the City of Vero Beach ("Vero Beach") and Florida Municipal Power Agency ("FMPA"; Vero Beach and FMPA together hereafter the "Parties" or singularly, the "Party") to effectuate the transfer and assignment of the Vero St. Lucie Project Entitlements to FMPA.

In consideration of the premises and mutual covenants in the Transfer Agreement (St. Lucie Project), dated as of March __, 2018, between Vero Beach and FMPA (the "St. Lucie Transfer Agreement"), the Parties agree as follows:

SECTION 1. Incorporation of Master Annex. The Master Annex appended to the St. Lucie Transfer Agreement as **Exhibit A** (the "Master Annex") constitutes an integral part of this St. Lucie Assignment Agreement and, except for Sections 3.05 and 3.11, is incorporated by reference herein with the same force and effect as if set forth in this St. Lucie Assignment Agreement. Terms not defined elsewhere in this St. Lucie Assignment Agreement have the meanings given to such terms in the Master Annex.

SECTION 2. Assignment and Assumption. Pursuant to the provisions of the St. Lucie Transfer Agreement, Section 28 of the Vero St. Lucie Power Sales Contract and Section 13 of the Vero St. Lucie Project Support Contract, Vero Beach hereby transfers and assigns to FMPA all of its right, title and interest in the Vero St. Lucie Contracts including, without limitation, the Vero St. Lucie Project Entitlements set forth therein. FMPA, with respect to the ARP Project, hereby accepts said transfer and assignment of the Vero St. Lucie Contracts, including, without limitation, the Vero St. Lucie Project Entitlements set forth therein and agrees to assume the corresponding rights and obligations of Vero Beach under the Vero St. Lucie Contracts.

SECTION 3. Effective Date. This St. Lucie Assignment Agreement is effective as of the date hereof.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this St. Lucie Assignment Agreement to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW

(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

Exhibit D-1

Substantial Form of Vero St. Lucie Power Sales Contract Amendment

Draft 3/9/18

**AMENDMENT NO. 3
(VERO BEACH)
TO THE
ST. LUCIE PROJECT POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 3 (VERO BEACH) TO THE ST. LUCIE PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** (“Amendment No. 3”) is hereby entered into this ____ day of ____ 201__, by and between the Florida Municipal Power Agency (“FMPA”), with respect to the St. Lucie Project, and the City of Vero Beach, Florida (“Vero Beach;” Vero Beach and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Power Sales Contract, made and entered into as of June 1, 1982, by and between FMPA and Vero Beach, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983 (the “Vero/St. Lucie PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Vero/St. Lucie PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company (“FPL”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982, between FMPA and FPL, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of

February 18, 1983, between FMPA and FPL, and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991 (the "Participation Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to Vero Beach pursuant to the Vero/St. Lucie PSC and to the St. Lucie Project Participants other than Vero Beach (the "Other St. Lucie Project Participants") pursuant to Power Sales Contracts substantially similar to the Vero/St. Lucie PSC (the "Other St. Lucie PSCs," and together with the Vero/St. Lucie PSC, the "St. Lucie PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the St. Lucie Project, to issue its bonds to pay the costs of acquiring and constructing the St. Lucie Project, it was necessary for the St. Lucie PSCs to be substantially similar and for FMPA, with respect to the St. Lucie Project, to pledge such contracts and the payments required to be made in accordance with such St. Lucie PSCs as security for the payment of such bonds; and

WHEREAS, Vero Beach, pursuant to the Vero/St. Lucie PSC and the St. Lucie Project Support Contract, by and between FMPA and Vero Beach, dated of June 1, 1982, as amended by Amendment No. 1 to the Project Support Contract made and entered into as of January 1, 1983, and as amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (the "Vero/St. Lucie Project Support Contract" and, together with the Vero/St. Lucie Project Support Contract, the "St. Lucie Contracts"), acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project") with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero St. Lucie Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including without limitation, under the Vero St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an

assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March ___, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each of the Other St. Lucie Project Participants acknowledge and agree that upon the Assignment Effective Date (as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero St. Lucie Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC be amended and to enter into this Amendment No. 3; and

WHEREAS, the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA also requires that certain amendments be made to the Other St. Lucie PSCs to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the St. Lucie PSCs provides that the terms and conditions of a St. Lucie PSC may be amended so as to provide terms and conditions different from those contained in other St. Lucie PSCs upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie PSC of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the Other St. Lucie Project Participants have received notice of and a copy of this Amendment No. 3, have consented to this Amendment No. 3 and have waived each of their rights under said Section 29(d) to request that similar amendments be made to the Other St. Lucie PSCs and have agreed to enter into a Mutual Release Agreement (St. Lucie Project), a form of which is attached appended to the St. Lucie Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the St. Lucie Assignment Agreement, a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/St. Lucie PSC. The Vero/St. Lucie PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

(iii) Section 1 is hereby amended to add a new definition of “ARP” to read as follows:

“ARP shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

(iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

(v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (St. Lucie Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to ARP.”

(vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

(vii) Section 1 is hereby amended to add a new definition of “St. Lucie Trustee” to read as follows:

“St. Lucie Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

(viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.”

(ix) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(x) Section 14 is hereby amended in its entirety to read as follows:

“The Project Participant agrees (a) to maintain its electric or integrated utility system in good repair and operating condition; and (b) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (i) to meet the operation and maintenance expenses of such electric or integrated utility system, (ii) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (iii) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (iv) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

The Project Participant covenants that it will not make any sales of its Power Entitlement Share, or take any other action, which would adversely affect the exemption from Federal income taxation of interest paid on the Bonds issued for the St. Lucie Project.”

(xi) Section 28 is hereby amended by deleting “.” at the end of Section 28(c) and adding the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA shall waive the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) in connection with the execution of the Assignment Agreement and assignment and

transfer to FMPA of this Power Sales Contract and the Vero Beach Project Support Contract.”

(xii) Annex I of the Vero/St. Lucie PSC is hereby amended by this Amendment No. 3 to reflect that FMPA, with respect to ARP, is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xiii) Annex 2 of the Vero/St. Lucie PSC is hereby amended by this Amendment No. 3 to include a form of opinion of counsel to Vero Beach as set forth in Exhibit B attached hereto.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 3 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 3 (Vero Beach) to St. Lucie Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

EXHIBIT B

[Form of Opinion of Counsel to Vero Beach]

[Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[St. Lucie Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and the City Attorney for the City of Vero Beach, Florida (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a Participant in FMPA's St. Lucie Project. For purposes of this opinion, the term "Amendment Documents" means, collectively, (i) Amendment No. 1 to the St. Lucie Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 1 to the St. Lucie Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Waiver and Consent, dated as of _____, 2018 between FMPA and the Participant (the "Waiver and Consent"), (iv) Mutual Release Agreement (St. Lucie Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution").

In so acting I have examined the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

I am of the opinion that:

B-1

**Florida Power & Light Company
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1. The Amendment Documents and authorization for the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings of its governing body duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.011, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed by the Participant's authorized representative and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby, to the best of my knowledge, will conflict with or constitute a breach of or default under the terms of the Participant's ordinances or charter or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit D-2

Substantial Form of Vero St. Lucie Project Support Contract Amendment

Draft 3/9/18

**AMENDMENT NO. 3 (VERO BEACH)
TO THE
ST. LUCIE PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
CITY OF VERO BEACH, FLORIDA**

This **AMENDMENT NO. 3 (VERO BEACH) TO THE ST. LUCIE PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND CITY OF VERO BEACH, FLORIDA** (“Amendment No. 3”) is hereby entered into this ___ day of _____, 2018, by and between the Florida Municipal Power Agency (“FMPA”), and the City of Vero Beach, Florida, Florida (“Vero Beach;” Vero Beach and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Project Support Contract, entered into as of June 1, 1982, by and between FMPA and Vero Beach, as amended by Amendment No. 1 to the Project Support Contract made and entered into as of January 1, 1983, and as amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (the “Vero/St. Lucie Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and Vero Beach (the “Vero/St. Lucie PSC” and, together with the Vero/St. Lucie Project Support Contract, the “Vero St. Lucie Contracts”).

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No.82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that FMPA entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982 between FMPA and Florida Power & Light Company (“FP&L”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982

between FMPA and FP&L, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of February 18, 1983 between FMPA and FP&L and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991 (“St. Lucie Unit No. 2”), and FMPA, with respect to the St. Lucie Project, is entitled to a corresponding portion of Electric Capacity and Electric Energy derived from St. Lucie Unit No. 1 and the contractual arrangements and agreements described in the Power Sales Contracts and designated as the St. Lucie Project; and

WHEREAS, pursuant to the Vero/St. Lucie PSC and power sales contracts that are substantially similar to the Vero/St. Lucie PSC (the “Other St. Lucie PSCs” and, together with the Vero/St. Lucie PSC, the “St. Lucie PSCs”), FMPA, sells the Electric Capacity and Electric Energy of the St. Lucie Project to the St. Lucie Project Participants; and

WHEREAS, the St. Lucie PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the St. Lucie Project; and

WHEREAS, in order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA, with respect to the St. Lucie Project to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the Project Participants in the St. Lucie Project other than Vero Beach (the “Other St. Lucie Project Participants”) to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs; and

WHEREAS, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs, FMPA and Vero Beach entered into the Vero/St. Lucie Project Support Contract and FMPA and the Other St. Lucie Project Participants entered into project support contracts that are substantially similar to the Vero/St. Lucie Project Support Contract (the “Other St. Lucie Project Support Contracts” and, together with the Vero/St. Lucie Project Support Contract, the “St. Lucie Project Support Contracts”); and

WHEREAS, Vero Beach, pursuant to the Vero St. Lucie Contracts acquired a 16.4881% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and Florida Power & Light Company (“FPL”) have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or the “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero St. Lucie Contracts and the associated rights and obligations thereunder (the “Vero St. Lucie Project Entitlements”, and to be fully released and discharged

from any liabilities and obligations to FMPA, including, without limitation, under the Vero St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of in Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie Project Support Contract be amended and to enter into this Amendment No. 3; and

WHEREAS, the transfer and assignment of the Vero St. Lucie Contracts, as amended by this Amendment No. 3 and by Amendment No. 3 to the Vero/St. Lucie PSC, to FMPA also requires that certain amendments be made to the Other St. Lucie Project Support Contracts to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the St. Lucie Project Support Contracts provides that the terms and conditions of a St. Lucie Project Support Contracts may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contract of any other St. Lucie Project Participant requesting such amendment; and

WHEREAS, Vero Beach and FMPA, with respect to the St. Lucie Project, desire to execute this Amendment No. 3 in order to amend the Vero/St. Lucie Project Support Contract to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, the Other St. Lucie Project Participants have received notice of and a copy of this Amendment No. 3, have consented to this Amendment No. 3, have waived each of their rights under said Section 14(b) to request that similar amendments made to their respective Other St. Lucie Project Support Contracts and have agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero St. Lucie Contracts; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to Vero/St. Lucie Project Support Contract. The Vero/St. Lucie Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach" to read as follows:

"Vero Beach" shall mean the City of Vero Beach, Florida."

(ii) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract" shall mean the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on the date of this Amendment No. 3."

(iii) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract" shall mean the St. Lucie Project Project Support Contract, dated as of June 1, 1982, as amended, by and between FMPA and the City of Vero Beach, Florida."

(iv) Section 4(a) is hereby amended in its entirety to read as follows:

"(a) The Project Participant agrees to (i) to maintain its electric or integrated utility system in good repair and operating condition; and (ii) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric or integrated utility system, which rents, rates, and other charges shall be at least sufficient (A) to meet the operation and maintenance expenses of such electric or integrated utility system, (B) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, including, without limitation, the covenant set forth in Section 711 of the All-Requirements Power Supply Project Revenue Bond Resolution, (C) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (D) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric or integrated utility system.

(v) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

“(f) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(vi) Section 13 is hereby amended by deleting “.” and adding the following language at the end of paragraph (c) to read as follows:

“; provided, however, that FMPA may waive the requirements of the last sentence of Section 13(a) and clause (i) of this Section 13(c) in connection with execution of the Assignment Agreement and the assignment and transfer of the Vero Beach Power Sales Contract and this Project Support Contract to FMPA.”

(vii) Annex I of the Vero/St. Lucie Project Support Contract is hereby amended by this Amendment No. 3 to reflect that FMPA is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 3 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and Vero Beach have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

[Signature page to Amendment No. 3 (Vero Beach) to St. Lucie Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
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City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
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**Florida Power & Light Company
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Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida, 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

Exhibit E

Substantial Form of St. Lucie Participation Agreement Amendment

DRAFT 03/12/2018

**AGREEMENT TO AMEND THE
ST. LUCIE UNIT NO. 2 PARTICIPATION AGREEMENT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
FLORIDA POWER & LIGHT COMPANY**

This **AGREEMENT TO AMEND THE ST. LUCIE UNIT NO. 2 PARTICIPATION AGREEMENT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND FLORIDA POWER & LIGHT COMPANY** ("Agreement") is entered into this ____ day of _____, 2017 ("Effective Date"), between the Florida Municipal Power Agency ("FMPA") and Florida Power & Light Company ("FPL").

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities that are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and electric energy to its members; and

WHEREAS, FPL is a state regulated investor owned utility that provides generation, transmission, and distribution services in the State of Florida; and

WHEREAS, FMPA and FPL entered into that St. Lucie Unit No. 2 Participation Agreement, dated February 11, 1982, as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, dated March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, dated February 18, 1983, Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement dated January 8, 1991, Amendment Number Four to St. Lucie Unit No. 2 Participation Agreement, dated June 10, 1994, Amendment Number Five to St. Lucie Unit No. 2 Participation Agreement, dated October 27, 2000, and Amendment Number Six to St. Lucie Unit No. 2 Participation Agreement, dated August 19, 2004 (the "Participation Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to a portion of the Electric Capacity and Electric Energy, as such terms are defined in the Participation Agreement, derived from the St. Lucie Project; and

WHEREAS, FMPA holds an 8.806 percent ownership percentage interest in the St. Lucie Project pursuant to the Participation Agreement ("**Ownership Percentage**"); and

WHEREAS, the City of Vero Beach, Florida ("**Vero Beach**") and FMPA entered into the St. Lucie Project Support Contract (as defined in the Participation Agreement) dated June 1, 1982, as amended by Amendment No. 1 to the Project Support Contract dated January 1, 1983, as amended by Amendment No. 2 to the Project Support Contract dated April 1, 1983, and as amended by Amendment No. 3 dated _____, 2018 (the "**Vero/St. Lucie Project Support Contract**"), whereby Vero Beach acquired a 15.202% Power Entitlement Share of the St. Lucie Project; and

WHEREAS, Vero and FMPA entered into the St. Lucie Project Power Sales Contract (as defined in the Participation Agreement) dated June 1, 1982, as amended by Amendment No. 1

dated January 1, 1983, and as amended by Amendment No. 2 dated April 1, 1983, and as amended by Amendment No. 3 dated _____, 2018 (the “**Vero/St. Lucie PSC**”), whereby FMPA sells certain Electric Capacity and Electric Energy of the St. Lucie Project to Vero Beach; and

WHEREAS, on _____, 2017, Vero Beach provided notice to FMPA, pursuant to Section 28 of the Vero/St. Lucie PSC and Section 13 of the Vero/St. Lucie Project Support Contract, that Vero Beach and FPL have signed a letter of intent that contemplates that Vero Beach would sell to FPL, and FPL would purchase from Vero Beach, Vero Beach’s retail electric system (the “**Proposed Sale Transaction**”); and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, as may be amended, setting forth the definitive terms and conditions of the Proposed Sale Transaction; and

WHEREAS, on March 22, 1985, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 85-B2 for the purposes of creating a joint electric project designated as the “All-Requirements Power Supply Project” (the “**ARP Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**ARP Project Participants**”) in order to secure an adequate, reliable and economical supply of electric capacity and energy to supply, with certain exceptions permitted herein, all of the needs for electric capacity and energy of the ARP Project Participants; and

WHEREAS, FMPA, with respect to the ARP Project, has determined that it desires to take an assignment of Vero Beach’s Power Entitlement Share (as defined in the Vero/St. Lucie PSC) in the St. Lucie Project upon the terms and conditions set forth in the agreement between Vero Beach and FMPA dated as of the date of this Agreement (the “**Transfer Agreement**”) for the benefit of the ARP Project Participants; and

WHEREAS, to facilitate the assignment of Vero Beach’s Power Entitlement Share to FMPA, FMPA and FPL have agreed that, as a concurrent condition to the closing of the Proposed Transaction and the closing of the transactions contemplated in the Transfer Agreement (the “**Closings**”), it is appropriate that certain terms and provisions of the Participation Agreement be amended; and

WHEREAS, FPL and FMPA desire to execute this Agreement in order to amend the Participation Agreement concurrent with the Closings.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. Definitions of Terms. Each term used herein that is not defined herein but is defined in the Participation Agreement shall have the meaning given to such term in the Participation Agreement.

SECTION 2. Agreement to Amend the Participation Agreement. Subject to the execution and delivery of the transaction documents associated with the Closings, the parties agree

to execute and deliver as part of the Closings, the amendment to the Participation Agreement attached hereto as Exhibit A.

SECTION 3. Governing Law. The interpretation of this Agreement and the rights and obligations of the parties shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

SECTION 4. Waiver of Jury Trial. The parties waive trial by jury in any proceeding brought or claim asserted in connection with the transaction contemplated by such document.

SECTION 5. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 6. No Third Party Beneficiaries. Unless specifically mentioned in a particular document, nothing expressed or mentioned in the documentation is intended or will be construed to give any person any legal or equitable right, remedy or claim under or in respect of the documentation, or any provisions therein contained, the documentation and all conditions and provisions thereof being intended to be and being for the sole and exclusive benefit of the parties to the documentation and for the benefit of no other person.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FPL and FMPA have caused this Amendment Four to be executed by their respective duly authorized representatives as of the Effective Date.

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

By: _____
Jacob A. Williams
General Manager and CEO

Attest:

Approved as to Form and Legality:

By: _____
[Secretary]

By: _____
General Counsel and Chief Legal Officer

EXHIBIT A

**[FORM OF] AMENDMENT NUMBER SEVEN
TO THE
ST. LUCIE UNIT NO. 2 PARTICIPATION AGREEMENT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
FLORIDA POWER & LIGHT COMPANY**

This **AMENDMENT NUMBER SEVEN TO THE ST. LUCIE UNIT NO. 2 PARTICIPATION AGREEMENT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND FLORIDA POWER & LIGHT COMPANY** ("Amendment Four") is entered into this ____ day of _____, 2018 ("Effective Date"), between the Florida Municipal Power Agency ("FMPA") and Florida Power & Light Company ("FPL").

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities that are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and electric energy to its members; and

WHEREAS, FPL is a state regulated investor owned utility that provides generation, transmission, and distribution services in the State of Florida; and

WHEREAS, FMPA and FPL entered into that St. Lucie Unit No. 2 Participation Agreement, dated February 11, 1982, as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement dated March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement dated February 18, 1983, Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement dated January 8, 1991, Amendment Number Four to St. Lucie Unit No. 2 Participation Agreement, dated June 10, 1994, Amendment Number Five to St. Lucie Unit No. 2 Participation Agreement, dated October 27, 2000, and Amendment Number Six to St. Lucie Unit No. 2 Participation Agreement, dated August 19, 2004 (the "Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to a portion of the Electric Capacity and Electric Energy, as such terms are defined in the Participation Agreement, derived from the St. Lucie Project; and

WHEREAS, FMPA holds an 8.806 percent ownership percentage interest in the St. Lucie Project pursuant to the Participation Agreement ("Ownership Percentage"); and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") and FMPA entered into the St. Lucie Project Support Contract (as defined in the Participation Agreement) dated June 1, 1982, as amended by Amendment No. 1 to the Project Support Contract dated January 1, 1983, as amended by Amendment No. 2 to the Project Support Contract dated April 1, 1983, and as amended by Amendment No. 3 dated _____, 2018 (the "Vero/St. Lucie Project Support

Contract”), whereby Vero Beach acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero and FMPA entered into the St. Lucie Project Power Sales Contract (as defined in the Participation Agreement) dated June 1, 1982, as amended by Amendment No. 1 dated January 1, 1983, and as amended by Amendment No. 2 dated April 1, 1983, and as amended by Amendment No. 3 dated _____, 2018 (the “Vero/St. Lucie PSC”), whereby FMPA sells certain Electric Capacity and Electric Energy of the S. Lucie Project to Vero Beach; and

WHEREAS, on _____, 2017, Vero Beach provided notice to FMPA, pursuant to Section 28 of the Vero/St. Lucie PSC and Section 13 of the Vero/St. Lucie Project Support Contract, that Vero Beach and FPL have signed a letter of intent that contemplates that Vero Beach would sell to FPL, and FPL would purchase from Vero Beach, Vero Beach’s retail electric system (the “Proposed Sale Transaction”); and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, as may be amended, setting forth the definitive terms and conditions of the Proposed Sale Transaction; and

WHEREAS, on March 22, 1985, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 85-B2 for the purposes of creating a joint electric project designated as the “All-Requirements Power Supply Project” (the “ARP Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “ARP Project Participants”) in order to secure an adequate, reliable and economical supply of electric capacity and energy to supply, with certain exceptions permitted herein, all of the needs for electric capacity and energy of the ARP Project Participants; and

WHEREAS, concurrent with the execution and delivery of this Amendment Four, the Proposed Sale Transaction has been consummated and, concurrent therewith, FMPA, with respect to the ARP Project, has taken an assignment of Vero Beach’s Power Entitlement Share (as defined in the Vero/St. Lucie PSC) in the St. Lucie Project on behalf the ARP Project Participants; and

WHEREAS, to facilitate the assignment of Vero Beach’s Power Entitlement Share to FMPA, and as a condition to FMPA accepting such assignment of Vero Beach’s Power Entitlement Share on behalf of the ARP Project Participants, FMPA and FPL have agreed that it is appropriate that certain terms and provisions of the Participation Agreement be amended; and

WHEREAS, FPL and FMPA desire to execute this Amendment Seven in order to amend the Participation Agreement to reflect the assignment as described in this Amendment Four.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. Definitions of Terms. Each term used herein that is not defined herein but is defined in the Agreement shall have the meaning given to such term in the Agreement.

SECTION 2. Amendment to Participation Agreement. The Agreement is hereby amended by adding a new Section 45 as follows:

(i) SECTION 45 – EFFECT OF FMPA-VERO BEACH TRANSFER AGREEMENT ON PARTICIPANT’S DECOMMISSIONING OBLIGATIONS—OPTION

45.1 Subject to the occurrence of all of the following, the provisions of Section 45.2 shall apply:

45.1.1 Payment or provision for the payment of all outstanding bonds issued pursuant to the St. Lucie Project Revenue Bond Resolution, adopted March 26, 1982, as amended and restated in its entirety on May 21, 1982, as further amended and restated in its entirety on July 30, 1992, and as further amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented, as evidenced by attestation by FMPA to the Company;

45.1.2 Termination or restructuring of ARP Project, which in the discretion of FMPA, make it necessary or beneficial for the ARP Project to divest itself of Vero Beach’s Power Entitlement Share, to accomplish such termination or restructuring, as evidenced by attestation by FMPA to the Company; and

45.1.3 The date of cessation of operations for St. Lucie Unit No. 2 set forth in the Certificate of Permanent Cessation of Operations issued to the NRC.

45.2 Subject to satisfaction of all of the conditions set forth in Section 45.1, Participant has the option, exercisable in its sole discretion upon no less than 120 days written notice to the Company, to reduce its Ownership Percentage as follows:

45.2.1 Participant’s Ownership Percentage for purposes of allocating costs under this Agreement will exclude the 1.338% ownership interest transferred pursuant to the Transfer Agreement (“**Transferred Interest**”) and, accordingly, will be reduced by 1.338% from 8.806% to 7.468% and Company’s Ownership Percentage will increase to 92.532% .

45.2.2 Participant’s Ownership Percentage solely for purposes of allocating liability to and among Owners pursuant to Section 25 of this Agreement will exclude the Transferred Interest as of the Retirement Commencement Date, it being the parties’ intention that the Transferred Interest will have no further liability to any Owner under the Agreement for any claims arising from and after the Retirement Commencement Date.

45.2.3 The Transferred Interest will also be excluded from Participant’s Ownership Percentage for purposes of satisfying Participant’s obligations to collect decommissioning and disposal costs from its members pursuant

to Section 19 of this Agreement. Prior to the exercise of Participant's option pursuant to this Section 45, Participant will continue to collect decommissioning and disposal costs from the Transferred Interest as provided in Section 19 of this Agreement. From and after the exercise of Participant's option by giving written notice pursuant to this Section 45, all amounts collected for the purposes of decommissioning and disposal with respect to the Transferred Interest, subject to NRC approval, will be conveyed to the Company for payment of decommissioning and disposal costs incurred by Company with respect to the Transferred Interest.

45.2.4 Upon the effectiveness of Participant's written notice given pursuant to this Section 45, or as soon as reasonably practicable thereafter, Participant shall execute and deliver to the Company a special warranty deed, bill of sale, or such other documentation as reasonably necessary to convey the Transferred Interest to the Company, effective as of the Retirement Commencement Date. The Company shall cooperate with Participant and use good faith efforts to assist in the conveyance of the Transferred Interest to the Company.

SECTION 3. Governing Law. The interpretation of this Amendment Seven and the rights and obligations of the parties shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

SECTION 4. Counterparts. This Amendment Seven may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5. Effectiveness. This Amendment Seven shall become effective immediately upon the execution and delivery by FMPA and the Company of this Amendment Seven.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FPL and FMPA have caused this Amendment Seven to be executed by their respective duly authorized representatives as of the Effective Date.

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

By: _____
Jacob A. Williams
General Manager and CEO

Attest:

Approved as to Form and Legality:

By: _____
[Secretary]

By: _____
General Counsel and Chief Legal Officer

[Signature page to Amendment Seven to St. Lucie Participation Agreement]

Exhibit F

Substantial Form of FPL Consent

Draft 3/12/18

**CONSENT OF FLORIDA POWER & LIGHT COMPANY
(ST. LUCIE PROJECT)**

WHEREAS, Florida Power & Light Company (“FPL”) and Florida Municipal Power Agency (“FMPA”) have heretofore entered into the St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, made as of March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, made as of February 18, 1983, and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement, made as of January 8, 1991 (the “Participation Agreement”) with respect to St. Lucie Unit No. 2, located at Jensen Beach, Florida (the “St. Lucie Project”); and

WHEREAS, the City of Vero Beach, Florida (“Vero Beach”) is a Participating Member (as said term is defined in Section 1.20 of the Participation Agreement) in the St. Lucie Project; and

WHEREAS, Vero Beach pursuant to the St. Lucie Project Power Sales Contract (“Vero/St. Lucie PSC”) and the St. Lucie Project Project Support Contract (the “Vero/St. Lucie Project Support Contract;” the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract are collectively referred to herein as the “Vero/St. Lucie Contracts”), each by and between FMPA and Vero Beach and dated as of June 1, 1982, as amended, acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, FMPA entered into power sales contracts with the other Participating Members in the St. Lucie Project which are substantially similar to the Vero/St. Lucie PSC (the “Other St. Lucie PSCs”) and project support contracts with the other Participating Members in the St. Lucie Project which are substantially similar to the Vero/St. Lucie Project Support Contract (the “Other St. Lucie Project Support Contracts;” the Other St. Lucie PSCs and the Other St. Lucie Project Support Contracts are collectively referred to herein as the “Other Participant St. Lucie Contracts;” the Vero/St. Lucie PSC and the Other St. Lucie PSCs are collectively referred to herein as the “St. Lucie Power Sales Contracts” and the Vero/St. Lucie Project Support Contract and the Other Participant Project Support Contracts are collectively referred to herein as the “St. Lucie Project Support Contracts”); and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “Proposed Sale Transaction”); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach’s intention to withdraw from FMPA’s All-Requirements Power Supply Project (“ARP” or “ARP Project”), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

Draft 3/12/18

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero/St. Lucie Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects of FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that upon the closing of the Proposed Sale Transaction, Vero Beach will be fully released and discharged from any obligations to FMPA, including, without limitation, under the Vero/St. Lucie Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie Contracts be amended ("Vero/St. Lucie Amendments"), forms of which are appended to the St. Lucie Transfer Agreement, and that certain it is appropriate that certain terms and provisions of the Other Participant St. Lucie Contracts be amended (collectively, "Other St. Lucie Amendments"), forms of which amendments are appended hereto as Exhibits A-1 and A-2; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time the Other St. Lucie Amendments will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

WHEREAS, Section 24(c) of the St. Lucie Power Sales Contracts and Section 17(c) of the St. Lucie Project Support Contracts provide that such contracts may not be rescinded, amended, supplemented, or altered in any way that would materially lessen, release or alter the rights of FPL or the obligations of a Project Participant to FPL without the express written consent of FPL; and

WHEREAS, FMPA and Vero Beach have requested that FPL consent to the Amendments and waive the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) of the St. Lucie Power Sales Contracts and of the last sentence of Section 13(a) and clause (i) of Section 13(c) of the St. Lucie Project Support Contracts to allow for the assignment of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project to FMPA, with respect to the ARP and the release of Vero Beach from any liabilities and obligations under the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract; and

Draft 3/12/18

WHEREAS, pursuant to Section 43 of the Participation Agreement, Section 24(c) of the St. Lucie Power Sales Contracts and Section 17(c) of the St. Lucie Project Support Contracts, FPL is consenting to the aforesaid Assignment and to FMPA, with respect to the ARP, taking on the obligations as the assignee and transferee of a Participating Member in the place of Vero Beach, which will no longer be a Participating Member; and

NOW, THEREFORE, FPL hereby (i) consents to and approves the Vero St. Lucie Amendments and the Other St. Lucie Amendments and (ii) waives the requirements of the last sentence of Section 28(a) and clause (i) of Section 28(c) of the St. Lucie Power Sales Contracts and of the last sentence of Section 13(a) and clause (i) of Section 13(c) of the St. Lucie Project Support Contracts to allow for the assignment of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project to FMPA, with respect to the ARP, and the release and discharge of Vero Beach from any obligations under the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract; and; (iii) authorizes [____], [____] and [____] as authorized officers which officers have been authorized and empowered to take all further actions for FPL as may be necessary or desirable in carrying out the terms and provisions of this Consent and each of the documents referred to herein.

[Remainder of page left blank, signatures appear on the following page]

Draft 3/12/18

IN WITNESS HEREOF, FPL has caused this Consent to be executed by its duly authorized officer on this ____th-day of _____, 2018.

FLORIDA POWER & LIGHT COMPANY

By: _____

Attest: _____

(SEAL)

Draft 3/12/18

Exhibit A-1

Form of Amendment to St. Lucie Project Power Sales Contract
between FMPA and Other St. Lucie Project Participant

Draft 3/9/18

**AMENDMENT NO. 3 (PROJECT PARTICIPANT)
TO THE
ST. LUCIE PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 3 (PROJECT PARTICIPANT) TO THE ST. LUCIE PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 3") is hereby entered into this ___ day of ___, 2018, by and between the Florida Municipal Power Agency ("FMPA") and the [PROJECT PARTICIPANT] (the "Participant"; the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the "[Participant]/St. Lucie PSC"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/St. Lucie PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the "St. Lucie Project" (the "St. Lucie Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "St. Lucie Project Participants"); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company ("FPL"), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, made as of March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, made as of February 18, 1983, and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement, made as of January 8, 1991 (the "Participation Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to a corresponding portion of the Electric Capacity

and Electric Energy derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to the [Participant] pursuant to the [Participant]/St. Lucie PSC and to the other St. Lucie Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/St. Lucie PSC (the "Other St. Lucie PSCs," and, together with the [Participant]/St. Lucie PSC, the "St. Lucie PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the St. Lucie Project, to issue its bonds to pay the costs of acquiring and constructing the St. Lucie Project, it was necessary for the St. Lucie PSCs to be substantially similar and for FMPA, with respect to the St. Lucie Project, to pledge such contracts and the payments required to be made in accordance with such St. Lucie PSCs as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the St. Lucie Project Power Sales Contract ("Vero/St. Lucie PSC") and the St. Lucie Project Support Contract, (the "Vero/St. Lucie Project Support Contract;" the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract are collectively referred to herein as the "Vero/St. Lucie Contracts"), each by and between FMPA and Vero Beach and dated as of June 1, 1982, as amended, acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero/St. Lucie Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each of the St. Lucie Project Participants other than Vero Beach (the "Other St. Lucie Project Participants") acknowledge and agree that upon the Assignment Effective Date

(as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/St. Lucie Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC be amended (“Vero/St. Lucie PSC Amendments”); and

WHEREAS, the transfer and assignment of the Vero/St. Lucie PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the St. Lucie PSCs to reflect the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the St. Lucie PSCs provides that the terms and conditions of a St. Lucie PSC may be amended so as to provide terms and conditions different from those contained in other St. Lucie PSCs upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie PSCs of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/St. Lucie PSC Amendments, has consented to the Vero/St. Lucie PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/St. Lucie PSC to request that similar amendments be made to the [Participant]/St. Lucie PSC and has agreed to enter into a Mutual Release Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the St. Lucie Assignment Agreement, a form of which is appended to the St. Lucie Transfer Agreement (the “St. Lucie Assignment Agreement”), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/St. Lucie PSC. The [Participant]/St. Lucie PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

- (iii) Section 1 is hereby amended to add a new definition of “ARP” to read as follows:

“ARP shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

- (iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

- (v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (St. Lucie Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to ARP.”

- (vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

- (vii) Section 1 is hereby amended to add a new definition of “St. Lucie Trustee” to read as follows:

“St. Lucie Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

- (viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.

- (ix) Section 1 is hereby amended to add a new definition of “Vero Beach Power Sales Contract” to read as follows:

“Vero Beach Power Sales Contract shall mean the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on the date hereof.”

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(xi) Annex I of the [Participant]/St. Lucie PSC is hereby amended by this Amendment No. 3 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/St. Lucie PSC is hereby amended by this Amendment No. 3 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 3 (Project Participant) to St. Lucie Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

Florida Power & Light Company
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Interrogatory No. 28
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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[St. Lucie Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's St. Lucie Project, in connection with the authorization, execution and delivery of (i) Amendment No. 3 to the St. Lucie Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 3 to the St. Lucie Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Consent and Waiver (St. Lucie Project), dated as of _____, 2018, between FMPA and the Participant (the "Waiver and "Consent"), (iv) Mutual Release Agreement (St. Lucie Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

B-1

I am of the opinion that:

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Draft 3/12/18

Exhibit A-2

Form of Amendment to St. Lucie Project Project Support Contract
between FMPA and Other St. Lucie Project Participant

Draft 3/9/18

**AMENDMENT NO. 1 (PROJECT PARTICIPANT)
TO THE
STANTON PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 1 (PROJECT PARTICIPANT) TO THE STANTON PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** ("Amendment No. 1") is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency ("FMPA"), and the [PROJECT PARTICIPANT] (the "Participant;" the Participant and FMPA together are hereafter the "Parties" or singularly the "Party") and amends the Stanton Project Project Support Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton Project Support Contract"). Each term used herein, which is not defined herein, shall have the meaning given to such term in the Stanton Project Power Sales Contract, dated as of January 16, 1984, by and between FMPA and the Participant (the "[Participant]/Stanton PSC"). The [Participant]/Stanton PSC and the [Participant/Stanton Project Support Contract together are referred to herein as the "[Participant]/Stanton Contracts."

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the "Stanton Project" (the "Stanton Project") under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the "Stanton Project Participants"); and

WHEREAS, FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission ("OUC"), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project ("Stanton Unit No. 1"), and FMPA, with

respect to the Stanton Project, is entitled to a corresponding portion of the Electric Capacity and Electric Energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/Stanton PSC and power sales contracts that are substantially similar to the [Participant]/Stanton PSC (the "Other Stanton PSCs" and, together with the [Participant]/Stanton PSC, the "Stanton PSCs") FMPA sells the Electric Capacity and Electric Energy of the Stanton Project to the Stanton Project Participants; and

WHEREAS, the Stanton PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the Stanton Project; and

WHEREAS, in order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA, with respect to the Stanton Project to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with the Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs; and

WHEREAS, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton PSCs, FMPA and the [Participant] entered into the [Participant]/Stanton Project Support Contract and FMPA and the other Stanton Project Participants entered into project support contracts that are substantially similar to the [Participant]/Stanton Project Support Contract (collectively, the "Stanton Project Support Contracts"); and

WHEREAS, pursuant to the Stanton Project Power Sales Contract ("Vero/Stanton PSC") and the Stanton Project Support Contract (the "Vero/Stanton Project Support Contract;" the Vero/Stanton PSC and the Vero/Stanton Project Support Contract are collectively referred to herein as the "Vero Stanton Contracts", each by and between FMPA and the City of Vero Beach, Florida ("Vero Beach") and dated of January 16, 1984 Vero Beach acquired a 32.521% Power Entitlement Share in the Stanton Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero Stanton Contracts and the associated rights and obligations thereunder (the "Vero Stanton Project Entitlements") and to be fully released and discharged from any liabilities and obligations, to FMPA, including, without limitation, under the Vero

Stanton Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "Stanton Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the Stanton Project, have agreed that it is appropriate that certain terms and provisions of the Vero/Stanton PSC and Vero/Stanton Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/Stanton Project Support Contract and Stanton Project Support Contracts other than Vero/Stanton Project Support Contract (the "Other Stanton Participant Project Support Contracts") to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the Stanton Project Support Contracts provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 1, has consented to this Amendment No. 1, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/Stanton Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero Stanton Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the Stanton Project, desire to execute this Amendment No. 1 in order to amend the [Participant]/Stanton Project Support Contract to reflect the transfer and assignment of the Vero Stanton Contracts and the Vero Stanton Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (Stanton Project), a form of which is appended to the Stanton Transfer Agreement (the "Stanton Assignment Agreement"), at which time this Amendment No. 1 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the Stanton Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/Stanton Project Support Contract. The [Participant]/Stanton Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the Stanton Project Support Contract, dated as of January 16, 1984, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the Stanton Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 1 to reflect that FMPA is the transferee and assignee of Vero Beach's 32.521% Power Entitlement Share in the Stanton Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 1 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 1 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 1 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

[Signature page to Amendment No. 1 (Project Participant) to Stanton Project Project Support Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	24.390%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	12.195%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	16.260%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.439%
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	12.195%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	32.521%

Exhibit G-1

Substantial Form of Other Participant St. Lucie Power Sales Contract Amendments

Draft 3/9/18

**AMENDMENT NO. 3 (PROJECT PARTICIPANT)
TO THE
ST. LUCIE PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 3 (PROJECT PARTICIPANT) TO THE ST. LUCIE PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 3”) is hereby entered into this ___ day of ___, 2018, by and between the Florida Municipal Power Agency (“FMPA”) and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the “[Participant]/St. Lucie PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/St. Lucie PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company (“FPL”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, made as of March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, made as of February 18, 1983, and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement, made as of January 8, 1991 (the “Participation Agreement”) with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the “St. Lucie Project”), and FMPA is entitled to a corresponding portion of the Electric Capacity

and Electric Energy derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to the [Participant] pursuant to the [Participant]/St. Lucie PSC and to the other St. Lucie Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/St. Lucie PSC (the "Other St. Lucie PSCs," and, together with the [Participant]/St. Lucie PSC, the "St. Lucie PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the St. Lucie Project, to issue its bonds to pay the costs of acquiring and constructing the St. Lucie Project, it was necessary for the St. Lucie PSCs to be substantially similar and for FMPA, with respect to the St. Lucie Project, to pledge such contracts and the payments required to be made in accordance with such St. Lucie PSCs as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the St. Lucie Project Power Sales Contract ("Vero/St. Lucie PSC") and the St. Lucie Project Support Contract, (the "Vero/St. Lucie Project Support Contract;" the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract are collectively referred to herein as the "Vero/St. Lucie Contracts"), each by and between FMPA and Vero Beach and dated as of June 1, 1982, as amended, acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero/St. Lucie Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each of the St. Lucie Project Participants other than Vero Beach (the "Other St. Lucie Project Participants") acknowledge and agree that upon the Assignment Effective Date

(as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/St. Lucie Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC be amended (“Vero/St. Lucie PSC Amendments”); and

WHEREAS, the transfer and assignment of the Vero/St. Lucie PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the St. Lucie PSCs to reflect the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the St. Lucie PSCs provides that the terms and conditions of a St. Lucie PSC may be amended so as to provide terms and conditions different from those contained in other St. Lucie PSCs upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie PSCs of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/St. Lucie PSC Amendments, has consented to the Vero/St. Lucie PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/St. Lucie PSC to request that similar amendments be made to the [Participant]/St. Lucie PSC and has agreed to enter into a Mutual Release Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the St. Lucie Assignment Agreement, a form of which is appended to the St. Lucie Transfer Agreement (the “St. Lucie Assignment Agreement”), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/St. Lucie PSC. The [Participant]/St. Lucie PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

"All-Requirements Power Supply Project Revenue Bond Resolution" shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented."

- (iii) Section 1 is hereby amended to add a new definition of "ARP" to read as follows:

"ARP" shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach."

- (iv) Section 1 is hereby amended to add a new definition of "ARP Trustee" to read as follows:

"ARP Trustee" shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution."

- (v) Section 1 is hereby amended to add a new definition of "Assignment Agreement" to read as follows:

"Assignment Agreement" shall mean the Assignment Agreement (St. Lucie Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to ARP."

- (vi) The definition of "Project Participants" in Section 1 is hereby amended to read as follows:

"Project Participants" shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach."

- (vii) Section 1 is hereby amended to add a new definition of "St. Lucie Trustee" to read as follows:

"St. Lucie Trustee or "trustee under the Bond Resolution" shall mean the trustee appointed pursuant to the terms of the Bond Resolution."

- (viii) Section 1 is hereby amended to add a new definition of "Vero Beach" to read as follows:

"Vero Beach" shall mean the City of Vero Beach, Florida.

- (ix) Section 1 is hereby amended to add a new definition of "Vero Beach Power Sales Contract" to read as follows:

"Vero Beach Power Sales Contract" shall mean the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on the date hereof."

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(xi) Annex I of the [Participant]/St. Lucie PSC is hereby amended by this Amendment No. 3 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/St. Lucie PSC is hereby amended by this Amendment No. 3 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 714 of 1048**

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 3 (Project Participant) to St. Lucie Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[St. Lucie Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's St. Lucie Project, in connection with the authorization, execution and delivery of (i) Amendment No. 3 to the St. Lucie Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 3 to the St. Lucie Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Consent and Waiver (St. Lucie Project), dated as of _____, 2018, between FMPA and the Participant (the "Waiver and "Consent"), (iv) Mutual Release Agreement (St. Lucie Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

B-1

I am of the opinion that:

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Exhibit G-2

Substantial Form of Other Participant St. Lucie Project Support Contact
Amendments

Draft 3/9/18

**AMENDMENT NO. 3 (PROJECT PARTICIPANT)
TO THE
ST. LUCIE PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 3 (PROJECT PARTICIPANT) TO THE ST. LUCIE PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 3”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA”), and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Project Support Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the “Participant/St. Lucie Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the “[Participant]/St. Lucie PSC”). The [Participant]/St. Lucie II PSC and the [Participant]/St. Lucie II Project Support Contract together are referred to herein as the “[Participant]/St. Lucie II Contracts.”

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982 the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement on behalf of the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company (“FPL”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, made as of March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, made as of February 18, 1983, and Amendment Number Three to St. Lucie Unit No. 2

Participation Agreement, made as of January 8, 1991 (the "Participation Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to the Electric Capacity and Electric Energy, derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/St. Lucie PSC and power sales contracts that are substantially similar to the [Participant]/St. Lucie PSC (the "Other St. Lucie PSCs" and, together with the [Participant]/St. Lucie PSC, the "St. Lucie PSCs") FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to the St. Lucie Project Participants; and

WHEREAS, the St. Lucie PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the St. Lucie Project; and

WHEREAS, in order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA, with respect to the St. Lucie Project, to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with the St. Lucie Project Participants to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs; and

WHEREAS, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs, FMPA and the [Participant] entered into the [Participant]/St. Lucie Project Support Contract and FMPA and the other St. Lucie Project Participants entered into project support contracts that are substantially similar to the [Participant]/St. Lucie Project Support Contract (collectively, the "St. Lucie Project Support Contracts"); and

WHEREAS, pursuant to the St. Lucie Project Power Sales Contract ("Vero/St. Lucie PSC") and the St. Lucie Project Support Contract, each by and between FMPA, with respect to the St. Lucie Project, and the City of Vero Beach, Florida ("Vero Beach") and dated of June 1, 1982, as amended (the "Vero/St. Lucie Project Support Contract;" the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract collectively referred to herein as the "Vero St. Lucie Contracts"), Vero Beach acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero St. Lucie Project Entitlements") and to be fully released and discharged

from any liabilities and obligations, to FMPA, including, without limitation, under the Vero St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC and Vero/St. Lucie Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero St. Lucie Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/St. Lucie Project Support Contract and St. Lucie Project Support Contracts other than Vero/St. Lucie Project Support Contract (the "Other St. Lucie Participant Project Support Contracts") to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the St. Lucie Project Support Contracts provides that the terms and conditions of a St. Lucie Project Support Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contracts of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 3, has consented to this Amendment No. 3, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/St. Lucie Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero St. Lucie Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the St. Lucie Project, desire to execute this Amendment No. 3 in order to amend the [Participant]/St. Lucie Project Support Contract to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach

and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/St. Lucie Project Support Contract. The [Participant]/St. Lucie Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the St. Lucie Project Project Support Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 3 to reflect that FMPA is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 3 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

Exhibit H

Substantial Form of St. Lucie Trustee Assignment

Draft 3/9/18

DRAFT SUBJECT TO REVIEW AND COMMENT BY TRUSTEE'S COUNSEL

PARTIAL ASSIGNMENT AGREEMENT
(ST. LUCIE PROJECT)

THIS PARTIAL ASSIGNMENT AGREEMENT (ST. LUCIE PROJECT), dated as of _____, 2018 (this "Partial Assignment"), is made by the FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity organized and existing under that laws of the State of Florida ("FMPA"), with respect to the St. Lucie Project ("St. Lucie"), as assignor (the "Assignor"), to TD BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States, as trustee (the "St. Lucie Bond Trustee") under the St. Lucie Project Revenue Bond Resolution, adopted by FMPA on March 26, 1982, amended and restated in its entirety on April 10, 2002 and as supplemented and amended to the date hereof (the "Bond Resolution"), as assignee (the "Assignee"), to provide for the assignment by the Assignor of certain of its rights and obligations under the St. Lucie Power Sales Contract, dated as of June 1, 1982, between FMPA and the City of Vero Beach, Florida ("Vero"), as amended (the "St. Lucie/Vero Power Sales Contract"), and the St. Lucie Project Project Support Contract, dated as of June 1, 1982, between FMPA and Vero, as amended (the "St. Lucie/Vero Project Support Contract," and together with the St. Lucie/Vero Power Sales Contract, the "St. Lucie Vero Contracts"). The St. Lucie Vero Contracts are being transferred and assigned by Vero to FMPA, with respect to the All-Requirements Power Supply Project ("ARP"), pursuant to the terms of the Assignment Agreement (St. Lucie Project), dated as of the date hereof, between Vero and FMPA (the "St. Lucie Assignment Agreement").

All capitalized terms used in this Partial Assignment and not otherwise defined herein shall have the meanings assigned thereto in the St. Lucie Vero Contracts.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Assignment.

(a) As of the effective date of the St. Lucie Assignment Agreement, the Assignor hereby assigns, pledges, transfers, conveys and sets over to the Assignee, and its successors and assigns, all of its right, title and interest in and to the representations, warranties, covenants and obligations of the Project Participant contained in Sections 3, 4(d), 4(e), 4(j), 14, 16, 18, 19, 20, 21, 22, 23 and 26 of the St. Lucie/Vero Power Sales Contract and Sections 3(a), 3(e), 3(f), 3(g), 3(h), 3(k), 4, 6, 8, 9, 10, 11 and 12 of the St. Lucie/Vero Project Support Contract, together with the rights, remedies and obligations, even if not specifically enumerated, necessary for the Assignee to enforce the terms and conditions of the St. Lucie Vero Contracts against the Project Participant as a transferee and assignee of Vero (collectively, the "Assigned Rights and Obligations").

(b) The Assignor hereby appoints the Assignee its true and lawful agent and attorney-in-fact, with full power of substitution, in the name of the Assignor, or the St. Lucie Bond Trustee or otherwise, for the use and benefit of the Assignee, to ask, demand, require, receive, collect, compound and give discharges and releases of all claims under or arising out of the Assigned Rights and Obligations and to endorse any instruments or orders in connection

therewith, and, if any Event of Default specified in the St. Lucie Vero Contracts shall occur: (a) to settle, compromise, compound and adjust any claims under or arising out of the Assigned Rights and Obligations; (b) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (c) to exercise and enforce any and all claims, rights, powers and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; (d) to file, commence and prosecute any actions, suits or proceedings at law or in equity in any court of competent jurisdiction to collect any such sums assigned to the Assignee hereunder and to enforce any rights with respect thereto and all other claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations; and (d) generally to sell, assign, transfer, pledge, make any agreement with respect to and otherwise deal in and with any and all of such claims, options, powers, rights and remedies of the Assignor under or arising out of the Assigned Rights and Obligations as fully and completely as though the Assignee were the absolute owner thereof for all purposes and at such times and in such manner as may seem to the Assignee to be necessary or advisable in its absolute discretion.

(c) The Assignor agrees that at any time and from time to time, upon receipt of a written request of the Assignee, it will promptly execute and deliver any and all such further instruments and documents as the Assignee may deem necessary or desirable in order to obtain the full benefits of this Partial Assignment and all of the rights and powers granted to the Assignee hereunder.

(d) The Assignor agrees to provide written notice to the Assignee of any failure by the Project Participant to comply with the terms of the St. Lucie/Vero Power Sales Contract or the St. Lucie/Vero Project Support Contract.

(e) The Assignor and the Assignee acknowledge that all right, title and interest of FMPA in, to and under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract have been pledged under the Bond Resolution to secure the payment of principal, Redemption Price and interest on the Bonds and Parity Debt and that the Assignee has rights and obligations provided to it under the Bond Resolution as the St. Lucie Bond Trustee to protect the interests of Bondholders with respect to the payment of the Bonds to be exercised in accordance with the terms of the Bond Resolution. The actions taken by the Assignee pursuant to this Partial Assignment shall be consistent with the Assignee's rights and obligations under the Bond Resolution. Capitalized terms used in this clause (e) and not otherwise defined herein shall have the meanings for those terms provided in the Bond Resolution rather than as provided in the St. Lucie Vero Contracts.

(f) The Assignor and the Assignee acknowledge and agree that (i) the assignment of the Assigned Rights and Obligations hereunder is consistent with the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the St. Lucie/Vero Power Sales Contract and Section 13(b) of the St. Lucie/Vero Project Support Contract that exist prior to the date hereof, (ii) as of the effective date of the St. Lucie Assignment Agreement, the Assignee's rights as assignee and third party beneficiary under Section 28(b) of the St. Lucie/Vero Power Sales Contract and Section 13(b) of the St. Lucie/Vero Project Support Contract will continue to be in full force and effect, and (iii) this Partial Assignment is intended to provide clear direction and to affirm the authority for the Assignee to enforce the terms and

conditions of the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract against the Project Participant as a transferee and assignee of Vero.

(g) The Assignee agrees to perform all of the duties and obligations imposed on the Assignee under this Partial Assignment and to enforce the terms and conditions of the St. Lucie Vero Contracts against the Project Participant as a transferee and assignee of Vero.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee that (a) each of the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract is in full force and effect, (b) the Assignor is not in default under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract, (c) to the best of the Assignor's knowledge, Vero is not in default under the St. Lucie/Vero Power Sales Contract and the St. Lucie/Vero Project Support Contract, and (d) other than the assignment and pledge of the Assignor of its right, title, and interest in, to and under the St. Lucie Vero Contracts and all payments to be made to the Assignor under the provisions of the St. Lucie Vero Contracts as security for the payment of the principal (including sinking fund installments) of, premium, if any, and interest on Bonds, the Assignor has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Partial Assignment shall remain in effect, the whole or any part of the moneys, rights or remedies assigned to the Assignee hereunder to anyone other than the Assignee in accordance with Section 28(b) of the St. Lucie/Vero Power Sales Contract and 13(b) of the St. Lucie/Vero Project Support Contract.

3. Termination. This Partial Assignment shall terminate upon the earlier of a transfer and assignment by the ARP of the Power Entitlement Share to another electric utility or the satisfaction in full of the obligations evidenced by the St. Lucie Vero Contracts and, in that event, upon the request of the Assignor, the Assignee agrees to execute and deliver to the Assignor instruments evidencing the termination of this Partial Assignment.

4. Notices. All notices and other communications which are required or may be given hereunder shall be in writing, shall be effective upon receipt and shall be deemed to have been duly given if delivered personally or sent by registered or certified mail, postage prepaid, sent to the following addresses:

To the Assignee: TD Bank, National Association,
as St. Lucie Bond Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

To the Assignor: Florida Municipal Power Agency,
with respect to the St. Lucie Project
8553 Commodity Circle
Orlando, Florida 32819

To the ARP: Florida Municipal Power Agency,
with respect to the ARP
8553 Commodity Circle
Orlando, Florida 32819

5. Miscellaneous.

(a) This Partial Assignment shall be construed and enforced in accordance with and governed by the laws of the State of Florida.

(b) No amendment, cancellation or discharge of this Partial Assignment shall be valid unless the Assignee shall have consented thereto in writing.

(c) The terms, covenants, and conditions contained herein shall inure to the benefit of and bind the Assignee and the Assignor and their respective successors and assigns.

(d) This Partial Assignment may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

(e) For avoidance of doubt, in making the assignment hereof in Section 1, FMPA is acting with respect to the St. Lucie Project and FMPA is not acting with respect to the ARP.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Partial Assignment to be duly executed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY,
as Assignor

By: _____
Name:
Title:

TD BANK, NATIONAL ASSOCIATION,
as Assignee

By: _____
Name:
Title:

Acknowledged:

FLORIDA MUNICIPAL POWER AGENCY,
with respect to the ARP

By: _____
Name:
Title:

Exhibit I

Substantial Form of Consent and Waiver (St. Lucie Project)

Draft 3/9/18

**CONSENT AND WAIVER
(ST. LUCIE PROJECT)
OF
[NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT]**

THIS **CONSENT AND WAIVER (ST. LUCIE PROJECT)** is made as of the ___ day of ___, 2018 by an authorized officer of [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] pursuant to the St. Lucie Project Power Sales Contract, dated as of June 1, 1982 (the “[Participant] St. Lucie Power Sales Contract”), by and between Florida Municipal Power Agency (“FMPA”) and [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] (“[NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT]”) and the St. Lucie Project Project Support Contract, dated as of June 1, 1982 (the “[Participant] St. Lucie Project Support Contract”), by and between FMPA and [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT].

Terms not defined in this Consent and Waiver (St. Lucie Project) shall be as defined in the Transfer Agreement (St. Lucie Project), dated as of ___, 2018, by and between the City of Vero Beach, Florida and FMPA (the “St. Lucie Transfer Agreement”).

Pursuant to Section 29(d) of the [Participant] St. Lucie Power Sales Contract and Section 14(b) of the [Participant] St. Lucie Project Support Contract, [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] hereby:

- (i) acknowledges that it has received notice of and a copy of the Vero St. Lucie Amendments, forms of which are appended to the St. Lucie Transfer Agreement;
- (ii) consents to the terms of the Vero St. Lucie Amendments;
- (iii) consents to the transfer and assignment of the Vero St. Lucie Contracts with respect to the ARP Project, pursuant to terms of the St. Lucie Transfer Agreement and the release and discharge of Vero Beach from any liability or obligations under the Vero St. Lucie Contracts;
- (iv) consents to the assignment of certain of the rights and obligations of FMPA, with respect to the St. Lucie Project, under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee;
- (v) consents to the assignment of certain of the rights and obligations of FMPA, with respect to the ARP Project, under the Vero St. Lucie Contracts to the ARP Bond Trustee, where FMPA, with respect to the ARP Project, is the transferee and assignee of Vero Beach;
- (vi) consents to the actions that FMPA has taken and will take to facilitate the closing of the Proposed Sale Transaction, and the consummation of the purpose and intent of the St. Lucie Transfer Agreement; and

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(vii) waives its right to have the amendments provided for in the Vero St. Lucie Amendments, or amendments similar thereto, made to the [Participant] St. Lucie Power Sales Contract and the [Participant] St. Lucie Project Support Contract.

The consents and waiver contained herein shall be applicable only to the matters stated herein, and such consents and waiver shall be so limited and shall not be deemed to extend to any other matter nor impair or limit any right consequent thereon.

[Remainder of page intentionally left blank; signature appears on the following page]

IN WITNESS WHEREOF, [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] has caused this Consent and Waiver (St. Lucie Project) to be executed by its duly authorized officer as of the date first above written.

[NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT]

By: _____
Name:
Title:

Acknowledged by:

FLORIDA MUNICIPAL POWER AGENCY

By: _____
Name:
Title:

Exhibit J

Substantial Form of Mutual Release

Draft 3/9/18

**MUTUAL RELEASE AGREEMENT
(ST. LUCIE PROJECT)**

THIS MUTUAL RELEASE AGREEMENT (ST. LUCIE PROJECT) (this “St. Lucie Release Agreement”) is made and entered into as of this ___ day of ____, 2018 by and between the City of Vero Beach, Florida, a political subdivision of the State of Florida (“Vero Beach”), and [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT], a political subdivision of the State of Florida (“[NAME OF PARTICIPANT]”) with respect to FMPA’s St. Lucie Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the St. Lucie Project (the “St. Lucie Project”) on behalf of the members of FMPA and the participants in such project (the “St. Lucie Project Participants”).

RECITALS

WHEREAS, Vero Beach and [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] wish to set forth the terms for this St. Lucie Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex dated as of March ____, 2018 (“Master Annex”) and appended as Exhibit A to the Transfer Agreement (St. Lucie Project), dated as of ____, 2018, by and between Vero Beach and FMPA (the “St. Lucie Transfer Agreement”), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this St. Lucie Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this St. Lucie Release Agreement. Terms not defined elsewhere in this St. Lucie Release Agreement have the meanings given to such terms in the Master Annex.

2. [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, previously existing, now existing, or hereafter discovered, that [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT], may now have or hereafter may have, acquire or incur against Vero Beach with respect to the St. Lucie Project by reason of any manner or thing whatsoever on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

3. Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT], effective as of the Assignment Effective Date, from any and all claims,

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demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, previously existing, now existing, or hereafter discovered, that Vero Beach may now have or hereafter may have, acquire or incur against [NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT] with respect to the St. Lucie Project by reason of any manner or thing whatsoever on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this St. Lucie Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

[NAME OF OTHER ST. LUCIE PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only-Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

Exhibit K

Substantial Form of Waiver and Release Agreement

See Exhibit B-2 in the St. Lucie Transfer Agreement

Exhibit L-1

St. Lucie Trustee Resolution Certificate

NP draft 3/12/18

**CERTIFICATE OF TRUSTEE
RELATING TO THE TRANSFER AND ASSIGNMENT OF THE VERO ST. LUCIE
PROJECT ENTITLEMENTS TO FMPA, WITH RESPECT TO THE ARP**

TD Bank National Association, as trustee (the "Trustee") under the St. Lucie Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on March 26, 1982, as amended and restated in its entirety on May 21, 1982 and July 30, 1992 and April 10, 2002, as amended and supplemented to the date hereof, hereby confirms that, based on the Trustee's review of: (1) the current version of the Transaction Documents listed in Exhibit A hereto, (2) executed copies of the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., (3) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding St. Lucie Project Revenue Bonds (the "Ratings Letters"), (4) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (5) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, and (6) copies of the Resolutions adopted by each of the St. Lucie Project Participants relating to the Transaction Documents and the consummation of the transactions contemplated therein, nothing has come to the attention of the Trustee that would cause the Trustee to believe that it will not be able to successfully and timely accomplish the actions required to be taken by the Trustee to complete the transactions contemplated by the Transaction Documents.

Dated: March 15, 2018

TD BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 3 (Vero Beach) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 3 (Vero Beach) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach;

(2) copies of Amendment No. 3 (Project Participant) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other St. Lucie Project Participants, and Amendment No. 3 (Project Participant) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other St. Lucie Project Participants;

(3) a copy of the Transfer Agreement (St. Lucie Project), dated as of March ____, 2018 by and between Vero Beach and the Agency;

(4) a copy of the Consent and Waiver (St. Lucie Project), dated as of ____, 2018, of each Other St. Lucie Project Participant;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency;

(6) a copy of the Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between Vero Beach and the Agency; and

(7) a copy of the Partial Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the St. Lucie Bond Resolution.

Exhibit L-2

Substantial Form of St. Lucie Trustee Acknowledgment Certificate

NP draft 3/12/18

**ACKNOWLEDGEMENT OF TRUSTEE TO RECEIPT, EXAMINATION
AND REVIEW OF TRANSACTION DOCUMENTS
ST. LUCIE PROJECT**

TD Bank National Association, as trustee (the "Trustee") under the St. Lucie Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on March 26, 1982, as amended and restated in its entirety on May 21, 1982 and July 30, 1992 and April 10, 2002, as amended and supplemented to the date hereof, hereby acknowledges receipt, examination and review of: (1) the Transaction Documents listed in Exhibit A hereto, (2) executed copies of the Valuation Study, dated June, 2017, and the Certificate, dated March 15, 2018 provided by GDS Associates, Inc., (3) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding St. Lucie Project Revenue Bonds (the "Ratings Letters"), (4) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (5) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and in the form dated _____, 2018, as to certain legal matters, (6) executed copy of the Certificate as to Determination of the Board of Directors, dated March 15, 2018, and (7) copies of the Resolutions adopted by each of the St. Lucie Project Participants relating to the Transaction Documents and the consummation of the transactions contemplated therein.

Dated: _____, 2018

TD BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 3 (Vero Beach) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 3 (Vero Beach) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach;

(2) copies of Amendment No. 3 (Project Participant) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other St. Lucie Project Participants, and Amendment No. 3 (Project Participant) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other St. Lucie Project Participants;

(3) a copy of the Transfer Agreement (St. Lucie Project), dated as of March ____, 2018 by and between Vero Beach and the Agency;

(4) a copy of the Consent and Waiver (St. Lucie Project), dated as of ____, 2018, of each Other St. Lucie Project Participant;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency;

(6) a copy of the Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between Vero Beach and the Agency; and

(7) a copy of the Partial Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the St. Lucie Bond Resolution.

Exhibit M

Substantial Form of Certificate of FMPA

Draft 03/10/18

**FLORIDA MUNICIPAL POWER AGENCY
CERTIFICATE AS TO DETERMINATION OF BOARD OF DIRECTORS
(ST. LUCIE PROJECT)**

We, Bill Conrad, Chairman of the Board of Directors, and Jacob A. Williams, General Manager and CEO of Florida Municipal Power Agency (the "Agency"), hereby certify that the Board of Directors of the Agency, after taking into account all relevant facts and circumstances, including, without limitation,

- (i) the Valuation Study, dated June, 2017, and the Certificate, dated March [____], 2018 provided by GDS Associates, Inc., in each case as to engineering matters;
- (ii) the legal opinions provided by Nixon Peabody LLP, as Bond Counsel to the Agency, dated March 15, 2018 and in the form dated [____], 2018, as to certain legal matters;
- (iii) the legal opinions provided by the General Counsel and Chief Legal Officer of the Agency, dated March 15, 2018 and] in the form dated [____], 2018, as to certain legal matters;
- (iv) the respective rating announcements and letters provided by Moody's Investors Service, Inc. dated January 24, 2018, and by and Fitch Ratings, Inc., dated November 17, 2017 and March 7, 2018;
- (v) being apprised of the adoption of resolutions by each of the St. Lucie Project Participants (other than the City of Vero Beach) approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero St. Lucie Project Entitlements;
- (vi) being apprised of the adoption of resolutions by each of the ARP Project Participants (other than the City of Vero Beach) approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero St. Lucie Project Entitlements;
- (vii) being apprised of the adoption of resolutions by the City of Vero Beach approving, among other things, the transfer and assignment to the Agency, with respect to the ARP, of the Vero St. Lucie Project Entitlements; and
- (viii) the Trustee Certificate, dated March 15, 2018.

at a meeting duly called and held on March 15, 2018 has determined that the transfer and assignment of the Vero St. Lucie Project Entitlements to the Agency, with respect to the ARP, and the full release and discharge of Vero Beach from, among other things, all obligations related to the St. Lucie Project as specified in the Waiver and Release Agreement in substantially the form attached hereto as Exhibit A and as contemplated by the St. Lucie Transfer Agreement in substantially the form attached hereto as Exhibit B and the related documents, including the

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Vero St. Lucie Amendments (the forms of which are included as part of Exhibit B) and the Other St. Lucie Participant Amendments in substantially the forms attached hereto as Exhibit C, will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 711 of the St. Lucie Bond Resolution.

Capitalized terms used herein and not otherwise defined directly or indirectly through the reference of other documentation will have the meanings provided for such terms in the Master Annex appended to the Transfer Agreement (St. Lucie. Project), by and between Vero Beach and the Agency, with respect to the ARP, and dated as of March __, 2018.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, we have hereunto set our hands and affixed the seal of the Agency as of the date first written above.

[SEAL]

Bill Conrad
Chairman, Board of Directors

Jacob A. Williams
General Manager and CEO

EXHIBIT A

Form of Waiver and Release Agreement

See Exhibit B-2 in the St. Lucie Transfer Agreement

EXHIBIT B

Form of St. Lucie Transfer Agreement

See Exhibit B to the St. Lucie Resolution

EXHIBIT C

Form of Other St. Lucie Participant Amendments

Draft 3/9/18

**AMENDMENT NO. 3 (PROJECT PARTICIPANT)
TO THE
ST. LUCIE PROJECT
POWER SALES CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 3 (PROJECT PARTICIPANT) TO THE ST. LUCIE PROJECT POWER SALES CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 3”) is hereby entered into this ___ day of ___, 2018, by and between the Florida Municipal Power Agency (“FMPA”) and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the “[Participant]/St. Lucie PSC”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the [Participant]/St. Lucie PSC.

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company (“FPL”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, made as of March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, made as of February 18, 1983, and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement, made as of January 8, 1991 (the “Participation Agreement”) with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the “St. Lucie Project”), and FMPA is entitled to a corresponding portion of the Electric Capacity

and Electric Energy derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to the [Participant] pursuant to the [Participant]/St. Lucie PSC and to the other St. Lucie Project Participants pursuant to Power Sales Contracts substantially similar to the [Participant]/St. Lucie PSC (the "Other St. Lucie PSCs," and, together with the [Participant]/St. Lucie PSC, the "St. Lucie PSCs"); and

WHEREAS, in order to enable FMPA, with respect to the St. Lucie Project, to issue its bonds to pay the costs of acquiring and constructing the St. Lucie Project, it was necessary for the St. Lucie PSCs to be substantially similar and for FMPA, with respect to the St. Lucie Project, to pledge such contracts and the payments required to be made in accordance with such St. Lucie PSCs as security for the payment of such bonds; and

WHEREAS, the City of Vero Beach, Florida ("Vero Beach") pursuant to the St. Lucie Project Power Sales Contract ("Vero/St. Lucie PSC") and the St. Lucie Project Support Contract, (the "Vero/St. Lucie Project Support Contract;" the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract are collectively referred to herein as the "Vero/St. Lucie Contracts"), each by and between FMPA and Vero Beach and dated as of June 1, 1982, as amended, acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and Florida Power & Light Company ("FPL") have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero/St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero/St. Lucie Project Entitlements") and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero/St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage, and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each of the St. Lucie Project Participants other than Vero Beach (the "Other St. Lucie Project Participants") acknowledge and agree that upon the Assignment Effective Date

(as defined above), Vero Beach will be fully released and discharged from any obligations under the Vero/St. Lucie Contracts; and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC be amended (“Vero/St. Lucie PSC Amendments”); and

WHEREAS, the transfer and assignment of the Vero/St. Lucie PSC to FMPA, with respect to the ARP, requires that certain amendments be made to the St. Lucie PSCs to reflect the transfer and assignment of the Vero/St. Lucie Contracts and the Vero/St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 29(d) of the St. Lucie PSCs provides that the terms and conditions of a St. Lucie PSC may be amended so as to provide terms and conditions different from those contained in other St. Lucie PSCs upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie PSCs of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero/St. Lucie PSC Amendments, has consented to the Vero/St. Lucie PSC Amendments and has waived its rights under Section 29(d) of the [Participant]/St. Lucie PSC to request that similar amendments be made to the [Participant]/St. Lucie PSC and has agreed to enter into a Mutual Release Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement; and

WHEREAS, on the date of closing of the Proposed Sale Transaction, (i) Vero Beach and FMPA, with respect to the ARP, will execute the St. Lucie Assignment Agreement, a form of which is appended to the St. Lucie Transfer Agreement (the “St. Lucie Assignment Agreement”), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/St. Lucie PSC. The [Participant]/St. Lucie PSC is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Contracts” to read as follows:

“All-Requirements Power Supply Project Contracts shall have the meaning assigned to such term in the All-Requirements Power Supply Project Revenue Bond Resolution.”

(ii) Section 1 is hereby amended to add a new definition of “All-Requirements Power Supply Project Revenue Bond Resolution” to read as follows:

“All-Requirements Power Supply Project Revenue Bond Resolution shall mean the All-Requirements Power Supply Project Revenue Bond Resolution, adopted by the Board of FMPA on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.”

- (iii) Section 1 is hereby amended to add a new definition of “ARP” to read as follows:

“ARP shall mean the All-Requirements Power Supply Project (as defined in the All-Requirements Power Supply Project Revenue Bond Resolution), as transferee and assignee of Vero Beach.”

- (iv) Section 1 is hereby amended to add a new definition of “ARP Trustee” to read as follows:

“ARP Trustee shall mean the trustee appointed pursuant to the terms of the All-Requirements Power Supply Project Revenue Bond Resolution.”

- (v) Section 1 is hereby amended to add a new definition of “Assignment Agreement” to read as follows:

“Assignment Agreement shall mean the Assignment Agreement (St. Lucie Project), dated as of _____, 2018, by and between Vero Beach and FMPA, with respect to ARP.”

- (vi) The definition of “Project Participants” in Section 1 is hereby amended to read as follows:

“Project Participants shall mean the parties, other than FMPA, to the Power Sales Contracts or any other party or parties who is or are a permitted transferee and assignee pursuant to the Power Sales Contracts and, if the Assignment Agreement, becomes effective, FMPA, with respect to the ARP, as transferee and assignee of Vero Beach.”

- (vii) Section 1 is hereby amended to add a new definition of “St. Lucie Trustee” to read as follows:

“St. Lucie Trustee or “trustee under the Bond Resolution” shall mean the trustee appointed pursuant to the terms of the Bond Resolution.”

- (viii) Section 1 is hereby amended to add a new definition of “Vero Beach” to read as follows:

“Vero Beach shall mean the City of Vero Beach, Florida.

- (ix) Section 1 is hereby amended to add a new definition of “Vero Beach Power Sales Contract” to read as follows:

“Vero Beach Power Sales Contract shall mean the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on the date hereof.”

(x) Section 12 is hereby amended by adding a new paragraph (e) at the end thereof to read as follows:

“(e) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness.”

(xi) Annex I of the [Participant]/St. Lucie PSC is hereby amended by this Amendment No. 3 to reflect that FMPA, with respect to the ARP, is the transferee and assignee of Vero Beach’s 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

(xii) Annex 2 of the [Participant]/St. Lucie PSC is hereby amended by this Amendment No. 3 to include an opinion of counsel to [Participant] to be delivered substantially in the form set forth in Exhibit B hereto simultaneously with the closing of the Proposed Sale Transaction.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 1 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

**Florida Power & Light Company
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Page 760 of 1048**

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

Approved as to Form and Correctness:

By: _____
[Secretary]

By: _____
[City Attorney]

[Signature page to Amendment No. 3 (Project Participant) to St. Lucie Project Power Sales Contract]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

**Florida Power & Light Company
Docket No. 20170235-EI
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Interrogatory No. 28
Attachment No. 1
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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

EXHIBIT B

[Form of Opinion of Counsel to Participant]

Date of Closing]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Florida Power & Light
[Address]
[Address]

[St. Lucie Bond Trustee]
[Address]
[Address]

[Other Addressees]

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as counsel to [NAME OF PARTICIPANT] (the "Participant"), a member of Florida Municipal Power Agency ("FMPA") and a participant in FMPA's St. Lucie Project, in connection with the authorization, execution and delivery of (i) Amendment No. 3 to the St. Lucie Project Power Sales Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Power Sales Contract Amendment"), (ii) Amendment No. 3 to the St. Lucie Project Project Support Contract (Project Participant), dated as of _____, 2018, between FMPA and the Participant (the "Project Support Contract Amendment"), (iii) Consent and Waiver (St. Lucie Project), dated as of _____, 2018, between FMPA and the Participant (the "Waiver and "Consent"), (iv) Mutual Release Agreement (St. Lucie Project), dated as of _____, 2018, by and between Participant and the City of Vero Beach, Florida (the "Mutual Release") and (v) Resolution No. _____ of Participant, adopted on _____, 201__ (the "Authorizing Resolution"). For purposes of this opinion, the term "Amendment Documents" means, collectively, the Power Sales Contract Amendment, the Project Support Contract Amendment, the Waiver and Consent and the Mutual Release.

In so acting I have examined the Constitution and laws of the State of Florida and, [add local ordinance, charter and/or by-laws as appropriate] and the applicable laws, ordinances, policies and local requirements of the Participant as I have determined, in my experienced judgment, are necessary in rendering this opinion. I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

B-1

I am of the opinion that:

1. The Authorizing Resolution and the proceedings of the Participant approving the Amendment Documents and authorizing the execution and delivery of the Amendment Documents on behalf of the Participant have been duly and lawfully adopted at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including Section 286.11, Florida Statutes, as amended.

2. The Amendment Documents have been duly executed and delivered by the Participant and, assuming due authorization and execution by the other parties thereto, are legal, valid and binding obligations of the Participant enforceable against the Participant in accordance with their respective terms.

3. Neither the Participant's execution and delivery of the Amendment Documents, compliance by the Participant therewith nor the consummation of the transactions contemplated thereby will conflict with or constitute a breach of or default under the terms of any statute of the State of Florida, the Participant's ordinances or charter, any administrative rule or regulation of the State of Florida, other law or ordinance, [add by-laws as appropriate] or of any bond resolution, judgment, decree, order, license, permit, franchise, agreement or instrument to which the Participant is subject or by which it or any of its properties is bound.

4. There is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency, public board or body pending or, to the best of my knowledge, after due inquiry, threatened against the Participant or its electric utility or integrated utility system which (a) affects or seeks to prohibit, restrain or enjoin the Participant from entering into the Amendment Documents, or (b) questioning in any way the validity, legality or enforceability of the Amendment Documents.

Very truly yours,

Draft 3/9/18

**AMENDMENT NO. 3 (PROJECT PARTICIPANT)
TO THE
ST. LUCIE PROJECT
PROJECT SUPPORT CONTRACT
BETWEEN
FLORIDA MUNICIPAL POWER AGENCY
AND
[PROJECT PARTICIPANT]**

This **AMENDMENT NO. 3 (PROJECT PARTICIPANT) TO THE ST. LUCIE PROJECT PROJECT SUPPORT CONTRACT BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND [PROJECT PARTICIPANT]** (“Amendment No. 3”) is hereby entered into this ___ day of ____, 2018, by and between the Florida Municipal Power Agency (“FMPA”), and the [PROJECT PARTICIPANT] (the “Participant”; the Participant and FMPA together are hereafter the “Parties” or singularly the “Party”) and amends the St. Lucie Project Project Support Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the “Participant/St. Lucie Project Support Contract”). Each term used herein, which is not defined herein, shall have the meaning given to such term in the St. Lucie Project Power Sales Contract, dated as of June 1, 1982, as amended, by and between FMPA and the Participant (the “[Participant]/St. Lucie PSC”). The [Participant]/St. Lucie II PSC and the [Participant]/St. Lucie II Project Support Contract together are referred to herein as the “[Participant]/St. Lucie II Contracts.”

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Capacity and Electric Energy; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and

WHEREAS, on February 11, 1982 the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “St. Lucie Project”) under the Interlocal Agreement on behalf of the members of FMPA and the participants in such project (the “St. Lucie Project Participants”); and

WHEREAS, FMPA entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982, between FMPA and Florida Power & Light Company (“FPL”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement, made as of March 26, 1982, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement, made as of February 18, 1983, and Amendment Number Three to St. Lucie Unit No. 2

Participation Agreement, made as of January 8, 1991 (the "Participation Agreement") with respect to St. Lucie Plant, Unit 2, located at Jensen Beach, Florida (the "St. Lucie Project"), and FMPA is entitled to the Electric Capacity and Electric Energy, derived from the St. Lucie Project and certain contractual arrangements and agreements relating thereto; and

WHEREAS, pursuant to the [Participant]/St. Lucie PSC and power sales contracts that are substantially similar to the [Participant]/St. Lucie PSC (the "Other St. Lucie PSCs" and, together with the [Participant]/St. Lucie PSC, the "St. Lucie PSCs") FMPA sells the Electric Capacity and Electric Energy of the St. Lucie Project to the St. Lucie Project Participants; and

WHEREAS, the St. Lucie PSCs require payments to be made only for Months when Electric Capacity and Electric Energy are being made available from the St. Lucie Project; and

WHEREAS, in order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA, with respect to the St. Lucie Project, to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with the St. Lucie Project Participants to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs; and

WHEREAS, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the St. Lucie PSCs, FMPA and the [Participant] entered into the [Participant]/St. Lucie Project Support Contract and FMPA and the other St. Lucie Project Participants entered into project support contracts that are substantially similar to the [Participant]/St. Lucie Project Support Contract (collectively, the "St. Lucie Project Support Contracts"); and

WHEREAS, pursuant to the St. Lucie Project Power Sales Contract ("Vero/St. Lucie PSC") and the St. Lucie Project Support Contract, each by and between FMPA, with respect to the St. Lucie Project, and the City of Vero Beach, Florida ("Vero Beach") and dated of June 1, 1982, as amended (the "Vero/St. Lucie Project Support Contract;" the Vero/St. Lucie PSC and the Vero/St. Lucie Project Support Contract collectively referred to herein as the "Vero St. Lucie Contracts"), Vero Beach acquired a 15.202% Power Entitlement Share in the St. Lucie Project; and

WHEREAS, Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach's retail electric utility system to FPL (the "Proposed Sale Transaction"); and

WHEREAS, on September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stated Vero Beach's intention to withdraw from FMPA's All-Requirements Power Supply Project ("ARP" or the "ARP Project"), with such withdrawal being anticipated to occur, pursuant to such notice, on or before October 1, 2018; and

WHEREAS, in connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign the Vero St. Lucie Contracts and the associated rights and obligations thereunder (the "Vero St. Lucie Project Entitlements") and to be fully released and discharged

from any liabilities and obligations, to FMPA, including, without limitation, under the Vero St. Lucie Contracts simultaneously with the closing of the Proposed Sale Transaction (the "Assignment Effective Date"); and

WHEREAS, the Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA, dated as of March __, 2018 (the "St. Lucie Transfer Agreement"); and

WHEREAS, to facilitate and permit the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero/St. Lucie PSC and Vero/St. Lucie Project Support Contract be amended ("Vero Amendments"); and

WHEREAS, the transfer and assignment of the Vero St. Lucie Contracts, as amended by the Vero Amendments, to FMPA also requires that certain amendments be made to the [Participant]/St. Lucie Project Support Contract and St. Lucie Project Support Contracts other than Vero/St. Lucie Project Support Contract (the "Other St. Lucie Participant Project Support Contracts") to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA; and

WHEREAS, Section 14(b) of the St. Lucie Project Support Contracts provides that the terms and conditions of a St. Lucie Project Support Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contracts of any other St. Lucie Project Participants requesting such amendment; and

WHEREAS, the [Participant] has received notice of and a copy of the Vero Amendments and this Amendment No. 3, has consented to this Amendment No. 3, has waived its rights under said Section 14(b) to request that amendments similar to the Vero Amendments be made to its [Participant]/St. Lucie Project Support Contract and has agreed to the release and discharge of Vero Beach from any liabilities and obligations under the Vero St. Lucie Contracts; and

WHEREAS, the [Participant] and FMPA, with respect to the St. Lucie Project, desire to execute this Amendment No. 3 in order to amend the [Participant]/St. Lucie Project Support Contract to reflect the transfer and assignment of the Vero St. Lucie Contracts and the Vero St. Lucie Project Entitlements to FMPA, with respect to ARP; and

WHEREAS, on the date of closing of the Proposed Sale Transaction (i) Vero Beach and FMPA, with respect to the ARP, will execute the Assignment Agreement (St. Lucie Project), a form of which is appended to the St. Lucie Transfer Agreement (the "St. Lucie Assignment Agreement"), at which time this Amendment No. 3 will become effective, and (ii) Vero Beach

and FMPA will execute the Waiver and Release Agreement, a form of which is appended to the St. Lucie Transfer Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other mutual and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Amendments to [Participant]/St. Lucie Project Support Contract. The [Participant]/St. Lucie Project Support Contract is hereby amended as follows:

(i) Section 1 is hereby amended to add a new definition of "Vero Beach Project Support Contract" to read as follows:

"Vero Beach Project Support Contract shall mean the St. Lucie Project Project Support Contract, dated as of June 1, 1982, as amended, between FMPA and City of Vero Beach, Florida, as amended on _____, 2018."

(ii) Section 4 is hereby amended by adding a new paragraph (f) at the end thereof to read as follows:

"(f) FMPA, with respect to the St. Lucie Project, agrees that it will not issue any additional Bonds that mature or incur any indebtedness that is due and payable after the expiration date of the All-Requirements Power Supply Project Contracts as then in effect on the date of issuance of such additional Bonds or on the date of incurrence of such indebtedness."

(iii) Annex I of the [Participant]/Project Support Contract is hereby amended by this Amendment No. 3 to reflect that FMPA is the transferee and assignee of Vero Beach's 15.202% Power Entitlement Share in the St. Lucie Project, a copy of the amended Annex I being attached hereto as Exhibit A.

SECTION 2. Governing Law. The interpretation of this Amendment No. 3 and the rights and obligations of the Parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida.

SECTION 3. Counterparts. This Amendment No. 3 may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

SECTION 4. Effectiveness. This Amendment No. 3 shall become effective upon the Assignment Effective Date; provided, however, that in the event that the Proposed Sale Transaction does not close on or before March 31, 2019, this Amendment No. 3 will be rescinded and of no force and effect.

[Remainder of page intentionally left blank; signatures appear on the following page]

IN WITNESS WHEREOF, FMPA and the Participant have caused this Amendment No. 3 to be executed by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

Jacob A. Williams
General Manager and CEO

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

[PROJECT PARTICIPANT]

(SEAL)

By: _____
[Title]

ATTEST:

By: _____
[Secretary]

EXHIBIT A

Annex 1

Schedule of Project Participants

<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
City of Alachua 15100 NW 142nd Terrace Alachua, Florida 32615 Attention: Traci L. Gresham, City Manager	0.430%
City of Clewiston 115 West Ventura Avenue Clewiston, Florida 33440 Attention: Al Perry, City Manager	2.202%
City of Fort Meade 8 West Broadway P.O. Box 856 Fort Meade, Florida 33841 Attention: Fred Hilliard, City Manager	0.336%
Fort Pierce Utilities Authority 206 South 6th Street Fort Pierce, Florida 34950 Attention: William Thiess, Director of Utilities	15.206%
City of Green Cove Springs 321 Walnut Street Green Cove Springs, Florida 32043 Attention: Danielle Judd, City Manager	1.757%
City of Homestead 100 Civic Court Homestead, Florida 33030 Attention: George Gretsas, City Manager	8.269%
City of Jacksonville Beach 11 North Third Street Jacksonville Beach, Florida 32250 Attention: George D. Forbes, City Manager	7.329%

**Florida Power & Light Company
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Interrogatory No. 28
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<u>Name and Address of Project Participant</u>	<u>Power Entitlement Share</u>
Kissimmee Utility Authority 1701 West Carroll Street Kissimmee, Florida 34741 Attention: James C. Welsh, President and General Manager, CEO	9.405%
City of Lake Worth 7 North Dixie Highway Lake Worth, Florida 33460 Attention: Michael Bornstein, City Manager	24.870%
City of Leesburg 501 West Meadow Street P.O. Box 490630 Leesburg, Florida 34749 Attention: Al Minner, City Manager	2.326%
City of Moore Haven 299 Riverside Drive Moore Haven, Florida 33471 Attention: David Miller, City Manager	0.384%
City of Newberry 25440 West Newberry Road P.O. Box 369 Newberry, Florida 32669 Attention: Mike New, City Manager	0.184%
Utilities Commission, City of New Smyrna Beach P.O. Box 100 New Smyrna Beach, Florida 32170 Attention: William R. Mitchum, General Manager and CEO	9.884%
City of Starke 209 North Thompson Street Starke, Florida 32091 Attention: Bob Milner, City Manager	2.215%
Florida Municipal Power Agency, with respect to the All-Requirements Power Supply Project 8553 Commodity Circle Orlando, Florida 32819 As transferee and assignee of the City of Vero Beach, Florida	15.202%

Exhibit N-1

Substantial Form of Opinion of Nixon Peabody, LLP, as Bond Counsel to FMPA

Florida Power & Light Company
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Draft of NP Opinion 03/11/18

Tower 46
55 West 46th Street
New York, NY 10036-4120
T.: 212-940-3000
F.: 212-940-3111

[FORM OF OPINION OF BOND COUNSEL FOR ST. LUCIE PROJECT]

[Date]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

TD Bank, N.A., as Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960

Ladies and Gentlemen:

We serve as Bond Counsel to Florida Municipal Power Agency, with respect to its St. Lucie Project ("FMPPA"), which has entered into a Transfer Agreement (St. Lucie Project) with the City of Vero Beach, Florida ("Vero Beach"), dated as of _____, 2018, including the Master Annex as an exhibit thereto (the "St. Lucie Transfer Agreement"), and have acted as such in connection with the authorization, execution and delivery by FMPPA of the Transaction Documents (as hereinafter defined). This opinion letter is being delivered in accordance with Section 7 of the St. Lucie Transfer Agreement. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the St. Lucie Transfer Agreement.

In so acting we have examined Section 163.01, Florida Statutes, as amended, Chapter 166, Part II, Florida Statutes, as amended, Chapter 361, Part II, Florida Statutes, as amended, and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (collectively, the "Act"), and have made such other examination of applicable Florida and other laws, as we have deemed necessary in giving this opinion. We have also examined originals, or copies certified or otherwise identified to our satisfaction, of the following:

(a) the St. Lucie Project Revenue Bond Resolution, adopted by the Board of Directors of FMPPA on January 13, 1984, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof (the "St. Lucie Bond Resolution");

(b) the St. Lucie Project Power Sales Contracts, dated as of January 16, 1984 (each, an "Original Power Sales Contract"), between FMPPA and each of the St. Lucie Project Participants, and St. Lucie Project Project Support Contracts, dated as of January 16, 1984

(each, an “Original Project Support Contract”), between FMPA and each of the St. Lucie Project Participants (collectively, the “St. Lucie Contracts”);

(c) executed copies of Amendment No. 1 (Vero Beach) to the Vero St. Lucie Power Sales Contract, dated as of _____, 2018 (the “Vero Power Sales Amendment”), between FMPA and Vero Beach, and Amendment No. 1 (Vero Beach) to the Vero St. Lucie Project Support Contract, dated as of _____, 2018, between FMPA and Vero Beach (the “Vero Project Support Amendment” and together with the Vero Power Sales Amendment, the “Vero Amendments”);

(d) executed copies of Amendment No. 1 (Project Participant) to the St. Lucie Project Power Sales Contract, dated as of _____, 2018 (each, a “Participant Power Sales Amendment,” and collectively the “Participant Power Sales Amendments”), between FMPA and each of the Other St. Lucie Project Participants, and Amendment No. 1 (Project Participant) to the St. Lucie Project Project Support Contract, dated as of _____, 2018, between FMPA and each of the Other St. Lucie Project Participants (each, a “Participant Project Support Amendment,” and collectively the “Participant Project Support Amendments,” and together with the Participant Power Sales Amendments, the “Participant Amendments”);

(e) executed copy of the St. Lucie Transfer Agreement;

(f) the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc.

(g) FMPA Agenda Memorandum, dated _____, 2017 covering the valuation relating to the Proposed Sale Transaction;

(h) Certificate as to determination of the FMPA Board of Directors (St. Lucie Project), dated March 15, 2018;

(i) copies of the announcement from Moody’s Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding St. Lucie Project Revenue Bonds;

(j) executed copies of the Consent and Waiver (St. Lucie Project), dated the date hereof, of each Other St. Lucie Project Participant (the “Consent and Waivers”);

(k) executed copies of the St. Lucie Mutual Release Agreements, by and between each of the Other St. Lucie Project Participants and Vero Beach (the “St. Lucie Mutual Release Agreements”);

(l) an executed copy of the Waiver and Release Agreement, dated the date hereof, by and between Vero Beach and FMPA (the “Waiver and Release Agreement”);

(m) an executed copy of the Assignment Agreement (St. Lucie Project), dated as of the date hereof, by and between Vero Beach and FMPA (the “St. Lucie Assignment Agreement”);

(n) executed copies of the Partial Assignment Agreement (St. Lucie Project), dated as of the date hereof, by and between FMPA and TD Bank National Association, as trustee under the St. Lucie Bond Resolution (the "St. Lucie Partial Assignment"); and

(o) an executed copy of the opinion of Jody Lamar Finklea, General Counsel and Chief Legal Officer to Florida Municipal Power Agency, dated the date hereof relating to the Transaction Documents.

The Vero Amendments, the Participant Amendments, the St. Lucie Transfer Agreement, the Consent and Waivers, the Waiver and Release Agreement, the St. Lucie Assignment Agreement and the St. Lucie Partial Assignment are collectively referred to herein as the "Transaction Documents."

We have also examined and relied upon originals or copies, certified or otherwise authenticated to our satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in our judgment have deemed necessary or appropriate to enable us to render the opinions expressed below. As to questions of fact material to such opinions, we have, when relevant facts were not independently established by us, relied upon certificates of FMPA or its officers or of public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions contained herein, we are of the opinion, as of the date hereof, that:

1. FMPA is a governmental legal entity duly created and validly existing under the provisions of the Act.

2. FMPA has the full legal right, power and authority to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The execution and delivery of, and the performance by FMPA of its obligations under, the Transaction Documents has been duly authorized by all required action of the FMPA Board of Directors at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including, without limitation, Section 286.011, Florida Statutes, as amended.

4. The Transaction Documents have each been duly authorized, executed and delivered by Authorized Officers of FMPA and each of the Transaction Documents constitutes a legal, valid and binding obligation of FMPA enforceable against FMPA in accordance with its respective terms. subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and the constitutional powers of the United States of America, and bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

5. The execution and delivery of the Vero Amendments and the Participant Amendments by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the St. Lucie Bond Resolution and the St. Lucie Contracts.

6. The execution and delivery of the Transaction Documents by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the St. Lucie Bond Resolution and the St. Lucie Contracts, as amended.

7. All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required to date on the part of FMPA in connection with the execution, delivery and performance of the Transaction Documents have been obtained or made; except that an amendment to Schedule A to the Interlocal Agreement is required to be filed with a clerk of the court in Leon County, Florida on the date hereof promptly after the execution and delivery of the Transaction Documents.

In rendering the opinions set forth in paragraph 2 (other than with respect to the Act), in paragraph 3, and in paragraph 7 as to any governmental or public agency, authority or person of the State of Florida, we have relied upon the opinion of Jody Lamar Finklea, General Counsel and Chief Legal Officer to Florida Municipal Power Agency, dated the date hereof and addressed to you.

In rendering the opinions set forth in paragraph 4, we have assumed that all parties other than FMPA to the Transaction Documents have the requisite power and authority to execute and deliver, and have duly authorized, executed and delivered the Transaction Documents.

The opinions rendered herein covering FMPA are limited to covering Florida Municipal Power Agency, with respect to its St. Lucie Project. To the extent any of the Transaction Documents are executed by FMPA, with respect to the All-Requirements Power Supply Project, we have provided an opinion of even date herewith covering FMPA, with respect to the All-Requirements Power Supply Project.

Our opinions expressed herein are rendered only with regard to the matters expressly opined on above and do not consider or extend to any documents, agreements, representations or any other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. No attorney-client relationship has existed or exists between our firm and any of the addressees on this letter except for FMPA, in connection with the Proposed Sale Transaction or by virtue of this letter. This opinion letter is issued as of the date hereof, and we assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

This opinion letter is solely for your benefit and is not to be relied upon by any other person, without our express written consent.

Very truly yours,

Exhibit N-2

Substantial Form of Opinion of Jody Lamar Finklea, as General Counsel and Chief
Legal Officer of FMPA

Draft of NP Opinion 03/11/18

[FORM OF OPINION OF FMPA GENERAL COUNSEL FOR ST. LUCIE PROJECT]

[Date]

Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

TD Bank, N.A., as Trustee
1006 Astoria Boulevard
Cherry Hill, New Jersey 08003

City of Vero Beach
1053 20th Place
Vero Beach, Florida 32960

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Florida and I have acted as the General Counsel and Chief Legal Officer to Florida Municipal Power Agency, with respect to its St. Lucie Project ("FMPA"), which has entered into a Transfer Agreement (St. Lucie Project) with the City of Vero Beach, Florida ("Vero Beach"), dated as of _____, 2018, including the Master Annex as an exhibit thereto (the "St. Lucie Transfer Agreement"), and have acted as such in connection with the authorization, execution and delivery by FMPA of the Transaction Documents (as hereinafter defined). This opinion letter is being delivered in accordance with Section 7 of the St. Lucie Transfer Agreement. Capitalized terms used and not defined herein shall have the meanings for such terms provided in the St. Lucie Transfer Agreement.

In so acting I have examined Section 163.01, Florida Statutes, as amended, Chapter 166, Part II, Florida Statutes, as amended, Chapter 361, Part II, Florida Statutes, as amended, and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (collectively, the "Act"), and have made such other examination of applicable Florida and other laws, as I have deemed necessary in giving this opinion. I have also examined originals, or copies certified or otherwise identified to my satisfaction, of the following:

(a) the St. Lucie Project Revenue Bond Resolution, adopted by the Board of Directors of FMPA on January 13, 1984, as amended and restated in its entirety on August 27, 1997, as amended and supplemented to the date hereof (the "St. Lucie Bond Resolution");

(b) the St. Lucie Project Power Sales Contracts, dated as of January 16, 1984 (each, an "Original Power Sales Contract"), between FMPA and each of the St. Lucie Project Participants, and St. Lucie Project Project Support Contracts, dated as of January 16, 1984 (each, an "Original Project Support Contract"), between FMPA and each of the St. Lucie Project Participants (collectively, the "St. Lucie Contracts");

(c) executed copies of Amendment No. 1 (Vero Beach) to the Vero St. Lucie Power Sales Contract, dated as of ____, 2018 (the "Vero Power Sales Amendment"), between FMPA and Vero Beach, and Amendment No. 1 (Vero Beach) to the Vero St. Lucie Project Support Contract, dated as of ____, 2018, between FMPA and Vero Beach (the "Vero Project Support Amendment" and together with the Vero Power Sales Amendment, the "Vero Amendments");

(d) executed copies of Amendment No. 1 (Project Participant) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018 (each, a "Participant Power Sales Amendment," and collectively the "Participant Power Sales Amendments"), between FMPA and each of the Other St. Lucie Project Participants, and Amendment No. 1 (Project Participant) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between FMPA and each of the Other St. Lucie Project Participants (each, a "Participant Project Support Amendment," and collectively the "Participant Project Support Amendments," and together with the Participant Power Sales Amendments, the "Participant Amendments");

(e) executed copy of the St. Lucie Transfer Agreement;

(f) the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc.

(g) FMPA Agenda Memorandum, dated ____, 2017 covering the valuation relating to the Proposed Sale Transaction;

(h) Certificate as to determination of the FMPA Board of Directors (St. Lucie Project), dated March 15, 2018;

(i) copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding St. Lucie Project Revenue Bonds;

(j) executed copies of the Consent and Waiver (St. Lucie Project), dated the date hereof, of each Other St. Lucie Project Participant (the "Consent and Waivers");

(k) executed copies of the St. Lucie Mutual Release Agreements, by and between each of the Other St. Lucie Project Participants and Vero Beach (the "St. Lucie Mutual Release Agreements");

(l) an executed copy of the Waiver and Release Agreement, dated the date hereof, by and between Vero Beach and FMPA (the "Waiver and Release Agreement");

(m) an executed copy of the Assignment Agreement (St. Lucie Project), dated as of the date hereof, by and between Vero Beach and FMPA (the "St. Lucie Assignment Agreement");

(n) executed copies of the Partial Assignment Agreement (St. Lucie Project), dated as of the date hereof, by and between FMPA and TD Bank National Association, as trustee under the St. Lucie Bond Resolution (the "St. Lucie Partial Assignment"); and

(o) an executed copy of the opinion of Nixon Peabody LLP, as Bond Counsel to the FMPA, dated the date hereof relating to the Transaction Documents.

The Vero Amendments, the Participant Amendments, the St. Lucie Transfer Agreement, the Consent and Waivers, the Waiver and Release Agreement, the St. Lucie Assignment Agreement and the St. Lucie Partial Assignment are collectively referred to herein as the "Transaction Documents."

I have also examined and relied upon originals or copies, certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law, as in my judgment have deemed necessary or appropriate to enable me to render the opinions expressed below. As to questions of fact material to such opinions, I have, when relevant facts were not independently established by me, relied upon certificates of FMPA or its officers or of public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions contained herein, I am of the opinion, as of the date hereof, that:

1. FMPA is a governmental legal entity duly created and validly existing under the provisions of the Act.

2. FMPA has the full legal right, power and authority to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The execution and delivery of, and the performance by FMPA of its obligations under, the Transaction Documents has been duly authorized by all required action of the FMPA Board of Directors at a meeting or meetings duly called and held at which quorums were present and acting throughout and such meeting or meetings were called pursuant to necessary public notice and held in accordance with all applicable law including, without limitation, Section 286.011, Florida Statutes, as amended.

4. The Transaction Documents have each been duly authorized, executed and delivered by Authorized Officers of FMPA and each of the Transaction Documents constitutes a legal, valid and binding obligation of FMPA enforceable against FMPA in accordance with its respective terms. subject, however, to the effect of, and to restrictions and limitations imposed by or resulting from, judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and the constitutional powers of the United States of America, and bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally. No opinion is rendered as to the availability of any particular remedy.

5. The execution and delivery of the Vero Amendments and the Participant Amendments by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions contemplated therein are authorized or permitted by the St. Lucie Bond Resolution and the St. Lucie Contracts.

6. The execution and delivery of the Transaction Documents by FMPA, the performance by FMPA of its obligations thereunder and the consummation of the transactions

contemplated therein are authorized or permitted by the St. Lucie Bond Resolution and the St. Lucie Contracts, as amended.

7. All approvals, consents or authorizations of, or registrations or filings with, any governmental or public agency, authority or person required to date on the part of FMPA in connection with the execution, delivery and performance of the Transaction Documents have been obtained or made; except that an amendment to Schedule A to the Interlocal Agreement is required to be filed with a clerk of the court in Leon County, Florida on the date hereof promptly after the execution and delivery of the Transaction Documents.

In rendering the opinions set forth in paragraph 4, I have assumed that all parties other than FMPA to the Transaction Documents have the requisite power and authority to execute and deliver, and have duly authorized, executed and delivered the Transaction Documents.

The opinions rendered herein covering FMPA are limited to covering Florida Municipal Power Agency, with respect to its St. Lucie Project. To the extent any of the Transaction Documents are executed by FMPA, with respect to the All-Requirements Power Supply Project, I have provided an opinion of even date herewith covering FMPA, with respect to the All-Requirements Power Supply Project.

My opinions expressed herein are rendered only with regard to the matters expressly opined on above and do not consider or extend to any documents, agreements, representations or any other material of any kind not specifically opined on above. No other opinions are intended nor should they be inferred. No attorney-client relationship has existed or exists between me and any of the addressees on this letter except for FMPA, in connection with the Proposed Sale Transaction or by virtue of this letter. This opinion letter is issued as of the date hereof, and I assume no obligation to update, revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to my attention, or any changes in law, or in interpretations thereof, that may hereafter occur, or for any other reason whatsoever.

This opinion is furnished by me as General Counsel and Chief Legal Officer to FMPA. This opinion letter is solely for your benefit and is not to be relied upon by any other person, without my express written consent.

Very truly yours,

Composite Exhibit O

Fitch Rating Confirmation

Moody's Rating Confirmation

Valuation Report

Resolution Opinion of Nixon Peabody, LLP

FITCH TAKES VARIOUS ACTIONS ON FLORIDA MUNI POWER AGENCY'S PROJECT REV BONDS

Fitch Ratings-New York-07 March 2018: Fitch Ratings has taken the following rating actions on the Florida Municipal Power Agency's (FMPA) project revenue bonds:

- \$17.4 million Stanton Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$6.5 million Tri-City Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$129.1 million Stanton II Project revenue bonds affirmed at 'A+'; Outlook revised to Negative from Stable;
- \$312.1 million St. Lucie Project revenue bonds affirmed at 'A'; Outlook Stable.

SECURITY

Outstanding bonds under the St. Lucie, Stanton, Stanton II and Tri-City projects are secured solely by revenues received by FMPA from those project participants in each respective project pursuant to applicable power sales contracts and project support contracts. There is no cross-support between projects.

KEY RATING DRIVERS

WHOLESALE ELECTRIC PROVIDER: FMPA is a mature project-based joint action agency providing both all- and partial-requirements projects to most of its 31 retail electric utility members dispersed throughout Florida.

PARTICIPANT CREDIT QUALITY DRIVES OUTLOOK: The ratings on FMPA's power projects reflect the credit quality of the participating members in each respective project. However, the Negative Outlook on the Stanton, Stanton II and Tri-City projects reflects the weaker credit quality of the unrated participants in those projects, including the cities of Lake Worth, FL, Homestead, FL and Keys Energy, and the limited contractual obligations of the remaining participants.

TAKE OR PAY OBLIGATIONS: Take-or-pay contracts require payment of all project costs, including debt service on the bonds, whether or not each of the projects are operating or operable.

CONTRACT STEP-UP PROVISION: The power sales contracts include a standard step-up provision that requires each participant to purchase up to 125% of its original project allocation in the event that another participant defaults. The step-up provision protects bondholders in the event of a default by the smaller project participants but also limits the obligations of the large, rated participants.

RATE FLEXIBILITY: Both FMPA and its project participants maintain the ability to make timely rate adjustments to recover variable fuel costs. Importantly, rate adjustments are not regulated by the State's Public Service Commission.

RATING SENSITIVITIES

CHANGES IN PARTICIPANT CREDIT QUALITY: The credit quality of the project participants is an important consideration in Florida Municipal Power Agency project ratings. The rating for the

Stanton, Stanton II and Tri-City projects could be downgraded if weak financial performance and low liquidity levels persist at the unrated participants.

CREDIT PROFILE

FMPA is a project-based joint-action agency formed in 1978 to provide its members with a reliable and competitively priced power supply and related services. FMPA's 31 members are comprised of municipally owned electric utility systems serving an estimated combined two million residents located throughout Florida. The majority of the members participate in multiple FMPA projects. Each of the agency's power supply projects were individually financed and separately secured to provide cost-based power to each of the participating members.

FMPA's members are a diverse group of small to medium sized electric utility systems serving primarily residential end users. Service area characteristics for the bulk of the members are believed to be sound, as are financial profiles of the vast majority of the member systems.

Vero Beach, FL (A+/Stable) is a participant in several of FMPA's projects, including the All Requirements Project (A+/Positive). Vero Beach is in the latter stages of being sold to an investor owned utility and their project shares being assigned to (and contractual obligations under the projects absorbed by) FMPA's ARP. All of FMPA's projects are discrete, stand-alone projects with no cross-support or financial or other obligations among them. The project rating actions described above are directly tied to Fitch's assessment of the unrated participants related to the Stanton, Stanton II and Tri-City projects and not to the credit quality (or potential sale of) Vero Beach's utility system.

STRONG CONTRACTS

Long-term, take-or-pay power sales contracts and project support contracts extend well beyond the current maturity of outstanding bonds issued to finance each of the projects. The power sales contracts for each of the projects require participant payments be sufficient to cover all project related costs, including debt service and any variable costs, when capacity and energy are made available. Project payments are made as an operating expense of the participating electric utility, paid before any member utility debt service payments are funded.

Payments under the project support contracts would be subordinate to operating and maintenance expenses and direct debt service obligations of the participating utilities, if the project is not operating or operable. While the project support contracts remain a slightly weaker structure than absolute and unconditional take-or-pay power sales contracts, Fitch believes the contract structure sufficiently obligates the project participants to continue to support debt service payments on FMPA's outstanding debt.

A 25% step-up provision is included in each of the power sales contracts, providing bondholder protection from a default of one or more participants. Consequently, the project ratings are limited to the weakest of the participants where entitlement shares of project output would not be sufficiently covered by the remaining participants in each of the projects.

PARTICIPANT CREDIT QUALITY

Each of the project ratings continues to reflect the general credit quality of its participants. The Stanton project has six participants, including Vero Beach, FL, Ft. Pierce Utilities Authority (FPUA; A+/Stable) and Kissimmee Utility Authority (KUA; electric system revenue bonds AA-/Stable), which account for about 70% of total entitlement shares.

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28**

**Attachment No. 1
Page 785 of 1048**

The Stanton II project has seven participants. Three that account for almost two-thirds of the total entitlement shares are rated 'A+' or higher by Fitch. The credit quality of the non-rated members continue to support the 'A+' project ratings, but the Negative Outlook reflects weaker financial performance. If low financial margins and lower liquidity persist, the project ratings could be lowered.

Tri-City has three participants, only one of which is rated by Fitch (FPUA). Despite the step-up provision for this project, bondholders have direct exposure to all three participants. The two unrated participants are the city of Homestead and the Utility Board of the City of Key West (dba Keys Energy Services). Similar to the Stanton and Stanton II projects, Fitch is concerned lower financial margins and a lack of liquidity at the nonrated members could lead to a lower rating on the project bonds.

The St. Lucie Project has 15 participants. Five of the top eight participants representing 50% of the entitlement shares are rated 'A+' or higher by Fitch. However, the project rating is capped by the credit quality of the largest participant, the city of Lake Worth.

FLEXIBLE RATE STRUCTURES

Neither FMPA nor its members are subject to regulation by any regulatory agency at the state or federal level. FMPA's wholesale rates and average costs per MWh for the projects are generally competitive. Most project participants maintain competitive retail rates, despite the common practice of providing sizeable transfers of electric fund revenues to their respective municipal general funds. Importantly, FMPA and its participants have the ability to recover fuel costs in a timely manner with their own pass-through of fuel charges.

MANAGEABLE DEBT PORTFOLIOS

Debt at the project level is manageable. Debt outstanding under both the Stanton and Tri-City Projects is fixed rate with level debt service. The Stanton II and St. Lucie projects contain fairly sizeable exposure to variable rate debt. However, the swaps for Stanton II are no longer outstanding. Stanton II's debt service is roughly level. However, about half of the total outstanding debt under the St. Lucie project was issued with multiple bullet maturities. While the project's sizeable exposure to variable debt with bullet maturities occurring in 2022 and 2027 remains a concern, the risk is somewhat less pronounced compared to prior years when variable rate obligations represented nearly 75% of the project's total debt portfolio. The St. Lucie project's investment balances and forward sales agreement are expected to provide significant resources to fund these maturities.

Contact:

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New York, NY 10004

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Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 786 of 1048

Joanne Ferrigan
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sandro.scenga@fitchratings.com.

Additional information is available on www.fitchratings.com

Applicable Criteria

Rating Criteria for Public-Sector, Revenue-Supported Debt (pub. 26 Feb 2018)

<https://www.fitchratings.com/site/re/10020113>

U.S. Public Power Rating Criteria (pub. 18 May 2015)

<https://www.fitchratings.com/site/re/864007>

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Mr. David C. Leondi
Vice President, Corporate Trust
TD Bank, N.A.
1006 Astoria Boulevard
Cherry Hill, NJ 08003

17 November 2017

Dear Mr. Leondi,

Re: Rating Confirmation of regarding ratings for the following Florida Municipal Power Agency (FMPA) project revenue bonds (collectively, the "Ratings"):

- All Requirements Project (ARP), project revenue bonds, rated 'A+' with a Positive Outlook;
- Stanton Project, project revenue bonds, rated 'A+' with a Stable Outlook;
- Stanton II Project, project revenue bonds, rated 'A+' with a Stable Outlook; and,
- St. Lucie Project, project bonds, rated 'A' with a Stable Outlook.

This letter is provided in response to a request for confirmation of the Ratings with respect to the proposed sale of the city of Vero Beach, FL's electric system, its request to terminate its participation in FMPA, and the effect of the ARP's assumption of Vero Beach's entitlements under the Stanton, Stanton II and St. Lucie projects (together the "Vero Beach transaction").

Fitch (see definition below) hereby confirms that, based on the information provided to us, including a review of the proposed transaction provided in FMPA's "Considerations and Process to Assist in the Sale of the Vero Beach Electric System" presentation and the projected economic impact, the Vero Beach transaction will not result in a withdrawal or downgrade on any of the Ratings assigned by Fitch.

This ratings confirmation only addresses the effect of Vero Beach transaction on the current Ratings assigned by Fitch. This ratings confirmation does not address whether the Vero Beach transaction is permitted by the terms of the documents. This ratings confirmation does not address whether the proposed Vero Beach transaction is in the best interests of, or prejudicial to, some or all of the holders of FMPA's project revenue bonds.

The ratings assigned by Fitch are based on the documents and information provided to us by the issuer and other parties and are subject to receipt of final closing documents. In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.



The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

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Sincerely,

Fitch

By:

A handwritten signature in black ink, appearing to read "Dennis Pidherny".

Dennis Pidherny
Managing Director

cc: Mark Larson, Florida Municipal Power Agency



Announcement Moody's: No rating impact on FMPA St. Lucie Project (FL bonds resulting from planned Vero Beach transaction)

Global Credit Research - 24 Jan 2018

New York, January 24, 2018 -- Moody's Investors Service, at the request of Florida Municipal Power (FMPA), has reviewed the documents that relate to FMPA's role in facilitating the sale of the City of Vero Beach's (Vero Beach) electric system to Florida Power & Light Company (FP&L; A1 stable). As provided in the existing contract terms, FMPA is undertaking amendments to allow Vero Beach to sell its electric system to FP&L, withdraw from its various contracts with FMPA and have the FMPA All-Requirements Power Project (ARP; A2 stable) accept assignment and transfer of Vero Beach's entitlement shares in the Stanton II Project (A1 stable), the FMPA Stanton Project (A1 stable) and the FMPA St. Lucie Project (A1 stable). We refer to these steps and related matters, as the Vero Beach transaction.

Moody's has determined that the Vero Beach transaction, in and of itself and at this time, will not result in a downgrade or withdrawal of the counterparty/notes/debt rating currently assigned to the FMPA St. Lucie Project. However, Moody's opinion addresses only the credit impact associated with the proposed transaction and Moody's is not expressing any opinion as to whether the transaction has, or could have, other unrelated effects that may have a detrimental impact on the interests of note holders and/or counterparties.

The Vero Beach transaction is subject to a number of precedent conditions and approvals set forth in the purchase and sale agreement (PSA) between FP&L and Vero Beach and various other agreements and among Vero Beach, FMPA and its various project participants, and other parties playing a role in the transaction. Under the PSA, FP&L will pay \$185 million to acquire the Vero Beach electric system. The parties anticipate a transaction closing in October 2018.

We believe that the Vero Beach transaction as contemplated has credit positive characteristics for FMPA. The sale of all of its project participants because upon closing the transaction would eliminate a longstanding distraction, consuming considerable management time and financial resources and reduce associated political risk. Moreover, FMPA is contemplating strategies following closing of the Vero Beach transaction that are expected to facilitate a substantially rate neutral effect on the other FMPA ARP participants. We also view favorably the diversification benefits of spreading the payments associated with the Vero Beach entitlements in the Stanton II take-or-pay projects across the 13 active ARP participants instead of relying solely on Vero Beach.

This publication does not announce a credit rating action and for credit ratings referenced in this publication please see the ratings tab on the issuer/entity page on www.moody.com for the most updated credit rating action information and rating history.

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FLORIDA MUNICIPAL POWER AGENCY

Vero Beach Independent Valuation Study

Prepared for:
Florida Municipal Power Agency

REPORT

June 2017

Prepared by:



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EXECUTIVE SUMMARY

The Florida Municipal Power Agency (“FMPA”) is a project-oriented, joint action municipal power agency with 31 Members located throughout the State of Florida. The City of Vero Beach (“Vero Beach”) is a participating member in the FMPA Stanton, Stanton II, and St. Lucie Projects (together, the “Projects”). At the request of Vero Beach, FMPA is seeking to develop a cost or payment for which it would accept assignment of Vero Beach’s entitlement share of the Projects as future resources in its All Requirements Project (ARP), that ensures the Participants in the ARP are “held harmless” from higher costs and future risk exposure associated with the transfer of Vero Beach’s entitlements. The assignment of the Vero Beach entitlements to FMPA results in a cost or payment from Vero Beach to FMPA, as the forecasted costs of the Projects are higher than present views of market pricing, and therefore, the Vero Beach entitlements have a negative market value. The Executive Committee of FMPA engaged GDS Associates, Inc. (“GDS”) to develop an independent valuation of Vero Beach’s entitlement shares in the Projects to compare and contrast with FMPA’s staff evaluation.

GDS reviewed and relied upon the detailed responses to information requests provided by FMPA and informed by projections provided by Orlando Utilities Commission and Florida Power & Light to perform a market projection and discounted cash flow valuation analysis in similar fashion to that performed by FMPA. Table ES-1 summarizes the results that GDS reached independently, as compared to FMPA’s results over the remaining debt period, and Table ES-2 summarizes the results that GDS reached independently over GDS’ assumption of the useful lives of the Projects.

Table ES-1: Base Case Payment Calculation Over Debt Period (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
FMPA Projection	5	39	31	76
GDS Projection	6	38	31	75

Table ES-2: Base Case Payment Calculation Over Useful Life (Before Risk Adjustment)
(Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
GDS Projection	26	45	18	89

As the two tables reflect, GDS’ projection of the Base Case payment is similar to FMPA’s projection when considered over the debt period alone. However, GDS reached a Base Case payment of \$89 million over the useful life of the three Projects as its formal conclusion for the expected payment. It is important to note that as it relates to longer useful life assumptions for the Projects and certain adjustments that GDS made to Project costs, FMPA considered some of these items to be part of its Risk Analysis.

As part of its risk analysis to ensure that ARP Participants are not harmed by the potential resource assignment, FMPA believed that the \$32 million estimation of Vero Beach’s ARP withdrawal costs associated with Section 29 of the ARP Contract was a good proxy for its estimate of the risk payment needed to hold its ARP members harmless for assuming Vero Beach’s entitlements to the other Projects if Vero Beach waived its rights Section 29(f) of the ARP Contract. Together with the Base Case evaluation, FMPA reached a combined “hold harmless” payment estimation of \$108 million.

GDS analyzed the risk factors affecting the future costs of the Projects as compared to market prices. For each risk event, GDS developed probability-weighted assumptions for cost or a view of reasonable

expectation for the protected cost exposure, as necessary. Table ES-3 summarizes the risk factors and total cost adjustment of \$17 million that GDS includes to reasonably “hold harmless” the FMPA All Requirements Project participants in accepting the assignment of the Vero Beach entitlements.

Table ES-3: Summary of GDS Risk Adjustments to Hold Harmless Payment
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Operational Risks	0.2	0.4	0.6	1.2
Stanton Unit 1 Extension	6.0	0.0	0.0	6.0
Extended Low Natural Gas Prices	0.0	1.0	5.0	6.0
Extended Low Capacity Prices	0.2	1.8	2.1	4.1
Total Risk Adjustment	6.4	3.2	7.7	17.3

In its risk evaluation, GDS recognizes the unique situation that exists with the Stanton coal-fired Projects as the Orlando Utilities Commission is presently operating these resources at a loss versus market prices. Their near-term plans to invest significant funds in the Projects seems to signal greater likelihood of Stanton Unit 1 life extension beyond the term of FMPA’s outstanding debt of the Stanton Projects, and as a result, the potential for FMPA to be subject to additional years of uneconomic dispatch. GDS also considered key capital investments that may be required for each Project over the remaining useful lives of the Projects. Based on the assumed energy and capacity cost projections, another major risk to All Requirements Project participants is the exposure that exists under extended low natural gas price or low capacity price scenarios that could exist in the future. Extended low natural gas prices would drive market energy prices even lower, while lower capacity prices would impact FMPA’s ability to recover all or a portion of the Projects’ fixed costs, both resulting in relatively higher net Project costs that would need to be recovered from FMPA’s ARP Participants. GDS included some portion of both cost exposures as a necessary acknowledgement of the “hold harmless” nature of the analysis. Finally, GDS assessed the potential for future environmental regulation or legislation that could affect the coal-fired Projects. In a somewhat inverted effect on the view of future risk, GDS views that these risk events that might materially affect the Projects, such as a formal carbon tax, could result in greater pressure on the Orlando Utilities Commission to retire the units, and given the uneconomic operation of the resources under GDS’ assumed market price forecast, such events could likely result in lower cost as FMPA would be advantaged by lower cost market alternatives. Given these views, no premium is assigned to the “hold harmless” payment for these events.

In conclusion, GDS independently evaluated the Base Case valuation and risk factors for a combination “hold harmless” payment from Vero Beach to FMPA of \$106 Million for the assignment of its entitlements in Stanton Units 1 and 2, along with St. Lucie Unit 2 to FMPA’s All Requirements Project, as compared to FMPA’s estimate of \$108 million. Although various assumptions and risk considerations were comparatively different between GDS’ and FMPA’s analysis, the valuations of each party are substantially similar.

1 INTRODUCTION

The Florida Municipal Power Agency ("FMPA") is a project-oriented, joint action municipal power agency with 31 Members located throughout the State of Florida. The City of Vero Beach ("Vero Beach") is a member in four of the five FMPA power supply projects – the All Requirements Project ("ARP"), as well as the Stanton, Stanton II, and St. Lucie Projects (and each a "Project"). Within these Projects, Vero Beach has entitlement shares in three electric generating assets – Stanton Unit 1, Stanton Unit 2, and St. Lucie Unit 2 (individually each an "Asset" and collectively, the "Assets"). While Vero Beach is a member in the ARP, they have elected a Contract Rate of Delivery ("CROD") level of zero, and thus they are presently limited from any real participation in the ARP. A review of Vero Beach's ARP withdrawal costs (ARP Contract Section 29) associated with its participation in the ARP are outside the scope of this Report. GDS Associates, Inc. ("GDS") has not been engaged to conduct any such review of these ARP-related costs, and has performed no such review.

Vero Beach has expressed a desire to sell its electric system to Florida Power & Light ("FP&L"). The FMPA power supply contracts supporting the Stanton, Stanton II, and St. Lucie Projects do not allow for a member, such as Vero Beach, to withdraw, nor do they allow the sale of a Participant's electric system. FMPA has identified an assignment of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects to the ARP Project as a potential means by which to address the City of Vero Beach's desire to sell its FMPA entitlements to other municipalities and, by doing so, enable the sale of its electric system to FP&L. FMPA has indicated that any such assignment: (i) must not increase ARP Project costs to the remaining ARP members, (ii) must not cause additional risk to those remaining ARP members for which they are not compensated, and (iii) would need to address risk concerns of the non-ARP members which participate in the Stanton, Stanton II, and St. Lucie Projects.

It is commonly understood amongst the parties that the combined ongoing costs of the Assets are above market value. That is, a potential purchaser of the Assets, after conducting a discounted cash flow analysis of the ongoing project costs of the Assets and the value of the output of the Assets in the market would conclude that the Assets currently have negative value.

In the proposed assignment of Vero Beach's entitlements, the ARP Project would take on the capacity and energy output, as well as the costs, of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects. And, to ensure that the costs to the remaining ARP members are not adversely impacted by this assignment, Vero Beach would pay an amount equal to the net present value of the difference between the projected Project costs and the projected market value of the capacity and energy, together with a risk adjustment (collectively the "hold harmless payment" or negative valuation of the Vero Beach entitlement shares in the Stanton, Stanton II, and St. Lucie Projects).

FMPA has performed a calculation of the hold harmless payment associated with the Vero Beach entitlement shares. Specifically, FMPA prepared a discounted cash flow analysis comparing the projected cost of Vero Beach's entitlement shares in each Asset to the revenue that could be obtained if the output from the Assets were sold into the market, utilizing a forecast of the Florida Municipal Power Pool ("FMPP") energy price. Such analysis was prepared through the remaining debt period for each Asset, and, consequently, did not reflect any capacity related market value. This discounted cash flow amount, taken together with FMPA's estimation of Vero Beach's ARP withdrawal costs associated with Section 29 of the ARP Contract, totaled \$108 million on a net present value basis. FMPA's Executive Committee has engaged GDS to conduct an independent valuation of the Assets using an industry standard methodology. This Report (the "Report") constitutes that Vero Beach Independent Valuation Study (the "Study").

2 METHODOLOGY

To determine a valuation of the Assets, GDS has performed a discounted cash flow analysis. The discounted cash flow analysis computes, based on the Vero Beach entitlements, for each Project and in total, the Net Present Value (“NPV”) difference between (i) the forecasted Project costs and (ii) the forecasted market value of the capacity and energy associated with such Project. To the extent that the NPV of the forecasted Project costs exceeds the NPV of the forecasted market value, this difference, together with any risk adjustment, represents the compensation required from Vero Beach in order to assign its Project entitlements to FMPA’s ARP Project without increasing costs to the ARP members, (i.e., the “hold harmless payment”).

2.1 Project Costs

The forecasted Project costs are generally based on near-term budget projections provided to FMPA by the operators of these generating plants – Orlando Utilities Commission (“OUC”) for Stanton Units 1 and 2, and FP&L for St. Lucie Unit 2. FMPA maintains these projections and provided such data to GDS. These Project costs include items such as debt service, operations and maintenance expenses, fuel, and capital expenditures at the plants, as well as other cost items such as transmission, and administrative and general expenses. Being a majority owner of the generating plants in both cases, OUC and FP&L are in the best position to predict forecasted spending at the respective units. While GDS understands that those forecasts may change, GDS has relied upon those forecasts in the development of its asset valuation. GDS has reviewed FMPA’s forecasts of the ongoing cost of operations, independently provided input on whether their assumptions are reasonably founded, and in a few areas, have made minor adjustments to FMPA’s forecasts.

2.2 Market Value

The market value is comprised of both an energy and capacity component.

2.2.1. Market Energy

Generally, the market value of the energy is based on a forecasted economic dispatch of these generating units into an assumed hourly energy market. For FMPA, the energy market is the FMPP. The FMPP combines the load and generating resources of FMPA’s All-Requirements Project participants, as well as Lakeland Electric and OUC, to more economically dispatch resources and efficiently meet their customers’ combined load requirements. The FMPP’s Clearing House Price (“CHP”) sets the hourly price per megawatt for pool purchase and sale transactions between the FMPP members (FMPA, OUC and Lakeland). The hourly unit price is based on the highest incremental energy cost of the last 50 megawatts (“MWs”) of the pool’s most economic and available power resources dispatched to meet total pool load requirements. This is referred to as CHP50. It is possible that a unit might comprise all of an hour’s 50 MWs used for setting the CHP50 or only a portion of the 50 MWs. In the latter case, each unit’s respective cost per MWh (\$/MWh) is used proportionally for setting the hourly price.

GDS utilized its PROMOD IV model (through 2036) and in-house expertise to independently develop a forecasted economic dispatch of each of the Assets based on forecasted natural gas prices and Project operational costs, with the FMPP marginal price signal as a measure of the market. The weighted average FMPP energy price over the hours each Asset is dispatched represents the generating unit’s market energy value. Utilizing the PROMOD IV model, GDS assumed that its results provide a reasonable proxy for system lambda and the CHP50 cost as it uses the appropriate resource(s) costs needed to serve the next increment of load in the system. It is reasonable to suggest that utilizing a modeling technique with only FMPP resources produces a controlled forecast of the marginal cost of producing energy and is under the direct control of FMPP’s combined participants.

2.2.2. Market Capacity

FMPA's discounted cash flow analysis extended through the remaining debt service period for each Asset. Florida and FMPP have sufficient capacity through 2027, as such, FMPA's assumptions meant that no new capacity additions were necessary and placed no value on capacity. However, GDS's approach was to model through end of the useful life of each Asset, which extended beyond 2027, after which FMPP is projected to become short on capacity. Therefore, GDS's approach necessitates valuing the capacity market. Both approaches assigned no capacity value through 2027.

The forecast methodology for capacity prices after demand and supply equilibrium utilizes an optimization model of energy and capacity prices. Modeled capacity prices within the FMPP are determined by a residual fixed cost curve, defined as follows: modeled energy market revenues earned by a resource are used to first offset the variable operating costs of the resource, with any surplus energy revenue being used to offset the fixed O&M costs and capital costs, including debt service, (if any) of the resource. Any remaining un-recovered fixed costs represent a capacity component that the resource would have to recover from the marketplace to remain solvent, theoretically. As with our economic energy dispatch assumptions, GDS acknowledges that this assumption has limitations in Florida's bilateral market. It concludes that all fixed costs of added capacity are recovered from the market, which can certainly be disputed in structured and unstructured markets alike. Additionally, Florida's capacity market is unlike a structured market in that cost recovery for some utilities is intermingled between retail rates and wholesale rates, further depressing wholesales capacity prices because some of the cost recovery is through retail rates. In the case of FMPP's market alternatives, there are certainly strong incentives for existing capacity, FP&L and merchant alike, to negotiate a discounted Power Purchase Agreement ("PPA") or sale of existing capacity and energy to remain competitive. To account for this market incentive, GDS developed a weighting of new build capacity costs and existing, discounted capacity to develop a longer-term proxy of capacity costs for the purpose of evaluating the avoided capacity costs with respect to the Vero Beach entitlements that FMPA's ARP members would retain. GDS acknowledges that the assumption of discount to new-build costs for future capacity practically means that FMPA would need to win a corresponding Request for Proposals ("RFP") bid process for that capacity. For further information on the development of the capacity prices, refer to Section 3.2.4 of this Report.

In addition to the GDS modeling approach to meeting deficient capacity needs to maintain reserve margin, it is also important to understand some framework for future capacity expansion. In our approach to valuation of the Assets, GDS believes that it is important to consider the potential market dynamics for new and purchased capacity to properly characterize the asset value (or negative value, as the case may be) through the useful life of each Project. To determine potential future capacity for the FMPP, we relied upon information in the FMPP Long-Term Resource Plan as outlined in material to the FMPP Executive Committee dated September 9, 2016. The FMPP Long-Term Resource Plan indicated that adding new natural gas-fired combined cycle ("CC") generating units represented the lowest life-cycle cost. GDS relied on this information, without independent evaluation of the types of capacity expansion options, in introducing future capacity when necessary to meet any deficiency versus forecasted load requirements.

2.3 Risk

To meet FMPA's second criteria for this potential assignment of imposing no "additional risk to those remaining ARP members for which they are not compensated", GDS evaluated various risk elements as well as the cost exposure created by such events and, in some cases, the probabilities of such occurrences. These cost exposures were combined with the "deterministic" NPV discounted cash flow analysis valuation payment to arrive at the total negative valuation, or total hold harmless payment required by Vero Beach to FMPA.

3 BASE CASE

The GDS Base Case represents the discounted cash flow analysis before the introduction of any risk premium/adjustment that the FMPA ARP should receive to cover its exposure or risk in assuming the Vero Beach entitlements. This section summarizes key information regarding the Base Case analysis and its assumptions.

3.1 Project Costs

As mentioned earlier, the forecasted costs for each of the Stanton I, Stanton II, and St. Lucie Projects are based on cost data provided to FMPA by the operators of these plants. FMPA staff maintains such data and provided the data to GDS. GDS reviewed these cost projections, along with projected escalation rates and discussed with FMPA staff. The FMPA projected costs generally appear reasonable for the purposes of this Study, with limited adjustments to those costs discussed further in Section 3.1.4. During the period of GDS' completion of this Study, OUC and FP&L provided responses to data requests that resulted in adjustments to near-term capital investment and operations and maintenance plans. GDS relied on OUC's and FP&L's estimates as the best understanding of the respective owner's plans for each Project, and GDS made corresponding adjustments to operational characteristics where capital investment and upgrades substantively improve operations (discussed below).

3.1.1. Stanton Unit 1

Stanton Unit 1 is a subcritical, coal-fired electric generating unit, which began commercial operation in July 1987. Recent information provided by OUC indicates a major turbine upgrade is currently planned during 2019. Considering this planned upgrade, the estimated useful life of Stanton Unit 1 has been assumed to be 40 years from the commercial operation date (through 2027) in the Base Case, and with significant investment still being made in the Project, GDS considers the potential for life extension of Stanton Unit 1 in its risk analysis (discussed in Section 4 of this Report).

3.1.2. Stanton Unit 2

Stanton Unit 2 is a subcritical, coal-fired electric generating unit, which began commercial operation in June 1996. Based on recent information provided by OUC, a major turbine upgrade is currently expected during 2023. Considering this projected upgrade, the estimated useful life of Stanton Unit 2 has been assumed to be 40 years from the commercial operation date (through 2036) in the Base Case.

3.1.3. St. Lucie Unit 2

St. Lucie Unit 2 is a pressurized water nuclear reactor electric generating unit, which began commercial operation in June 1983. GDS assumed a useful life of St. Lucie Unit 2 through the Project's current Nuclear Regulatory Commission ("NRC") operating license (through 2043).

The following table summarizes Vero Beach's entitlement shares in the capacity of the Assets.

Table 3-1: Capacity Shares and Entitlement Summary

Based on Seasonal Summer Ratings	100% of Unit (MW)	FMPA's Project Share of 100% Total (%)	FMPA's Project (MW)	Vero Beach's Share of FMPA Project (%)	Vero Beach's Share of FMPA Project (MW)
Stanton Unit 1	440	14.819%	65.2	32.521%	21.2
Stanton Unit 2	453	23.237%	105.3	16.489%	17.4
St. Lucie Unit 2	984	8.806%	86.6	15.202%	13.2
TOTAL					51.8

3.1.4. Cost Adjustments

GDS determined the projected operating and capital costs provided by FMPA, FP&L and OUC, needed to be adjusted to reflect responses to questions, actual plant operating characteristics and industry standard costs. Operating, maintenance and capital costs should reflect periodic major maintenance of equipment such as turbines, coal mills pumps, etc. Although FMPA's operating and capital costs did include certain costs of this type, in GDS's judgment, they did not appear to include sufficient funds to cover these activities. The following discusses the types of cost adjustments that GDS made.

3.1.4.1. Steam Turbine Overhaul

Steam turbines periodically require overhaul to perform inspections, replace worn parts and repair damage. These overhauls typically occur on a five to seven-year cycle, depending on age of the unit, maintenance history and hours in operation. The cost for these overhauls (on a 100% of unit basis and in 2017 dollars) can range from \$3 million to \$7 million, with the typical cost of about \$3.5 million. A turbine overhaul outage will typically last about six to eight weeks. The Stanton and St. Lucie Projects' cost projections provided by FMPA do not show any one-year increase in operating costs to cover the steam turbine overhaul. The following cost adjustments are based upon a steam turbine overhaul occurring every five years and costing \$3.5 million (on a 100% of unit basis and in 2017 dollars).

- a. Stanton Unit 1: Steam turbine overhaul costs are added, starting five years after the installation of the new turbine upgrades in 2019. Assuming Stanton Unit 1 is retired in 2027, the cost adjustment includes only one steam turbine overhaul. As mentioned earlier, it is plausible that OUC will continue to operate Stanton 1 beyond 2027, and we capture the probability of additional steam turbine overhaul costs beyond 2027 in our risk adjustment.
- b. Stanton Unit 2: Steam turbine overhauls are started five years after the installation of the new turbine upgrades in 2023. The cost adjustment includes two steam turbine overhauls prior to retirement in 2036.
- c. St. Lucie Unit 2: The cost adjustment includes four steam turbine overhauls through 2043, with the first occurring in 2023.

3.1.4.2. Heat Rate Degradation

Steam turbine wear and tear will cause an increase in heat rate between steam turbine overhauls. This is caused by erosion of turbine nozzles/blades and deposits on the turbine blades. Other items such as cooling tower performance, coal mill outages and condenser fouling can all cause increased heat rate. The Projects' fuel costs provided by FMPA do not include any change in plant heat rate due to steam turbine or other plant degradations between overhauls. The costs were adjusted for both Stanton units to reflect a 1.5% per year increase in heat rate between steam turbine overhauls. Although this same impact can be expected to occur at St. Lucie Unit 2, applying the 1.5% degradation factor to the low fuel costs resulted in insignificant impact on costs.

3.1.4.3. O&M Contingency

The projected operating costs for all three units do not appear to include any contingency for equipment failures, major repairs costs and other maintenance costs. Equipment failure and maintenance costs typically increase over the life of a power plant. Replacement/overhaul of components such as boiler feedwater pumps, feedwater heaters, coal mills, etc., can be expected as these plants age. Components such as coal mills, pumps, valves, condenser and cooling towers will require increased maintenance costs as parts wear. The forecasted maintenance cost levels do not appear to be sufficient to cover major equipment overhaul or replacement. The cost adjustments include an O&M contingency of \$0.7 million (on a 100% of unit basis and in 2017 dollars) per year for each coal unit, and \$2.4 million (on a 100% of unit basis and in 2017 dollars) per year for St. Lucie Unit 2.

3.1.4.4. Coal Decommissioning

Coal plants face significant decommissioning costs upon plant retirement. A typical 500 MW coal plant's decommissioning costs are expected to be between \$22 and \$30 million per unit on a 100% of unit basis (see FP&L March 2016 filing Docket No. 160021-EI). A decommissioning fund has not been established for the Stanton Units. The costs have been adjusted to reflect a decommissioning cost of \$26.5 million (on a 100% of unit basis and in 2017 dollars) in 2027 for Stanton Unit 1 and in 2036 for Stanton Unit 2.

3.1.4.5. Coal Units End-of-Life Capital Expenditures

As generating units reach the end of their useful lives, it is reasonable to assume that the operator of the facility will begin to scale back on, and eliminate, certain capital expenditures, which would normally be performed to maintain and improve operations and reliability. GDS made adjustments to the capital expenditure projections provided (which reflected steady-state operational levels through the assumed retirement dates) in order to "ramp-down" these expenditures during the last three years of operations (reduced by 1/3 in each of the last three years).

3.1.4.6. Nuclear Regulation Changes

The nuclear industry has a history of regulatory changes, which cause utilities to conduct studies and implement potential plant modifications. Over the remaining life of St. Lucie Unit 2, it is highly likely that a regulatory change will occur which will cause plant modifications. The projected costs provided for St. Lucie Unit 2 were adjusted to include a \$10 million (on a 100% of unit basis and in 2017 dollars) allowance for plant modifications. The cost adjustment spread this \$10 million evenly over the remaining life of the plant.

3.1.4.7. Cost Adjustment Summary

The following table conveys the cost adjustments for each plant:

Table 3-2: Cost Adjustment Summary
(Amounts Shown in NPV \$M)

Cost Adjustment (\$M)	Stanton Unit 1		Stanton Unit 2		St. Lucie Unit 2		Overall Total Vero Beach Share
	Total 100% Unit	Vero Beach Share	Total 100% Unit	Vero Beach Share	Total 100% Unit	Vero Beach Share	
Steam Turbine Overhaul	3	0.2	5	0.2	11	0.2	0.6
Heat Rate Degradation	4	0.2	21	0.8	NA	NA	1.0
O&M Contingency	6	0.3	11	0.4	45	0.6	1.3
Coal Decommissioning	22	1.1	18	0.7	NA	NA	1.8
End-of-Life Capital Expenditures	(16)	(0.8)	(13)	(0.5)	NA	NA	(1.3)
Nuclear Regulation Changes	NA	NA	NA	NA	10	0.1	0.1
TOTAL	19	1.0	42	1.6	66	0.9	3.5

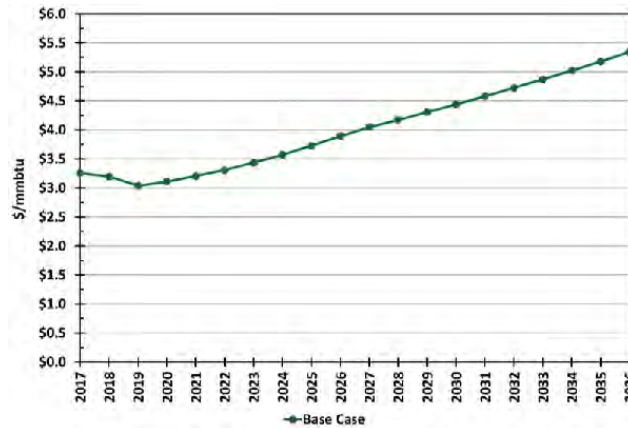
3.2 Market Value

3.2.1. Economic Energy Dispatch Introduction

As discussed earlier in Section 2, the FMPP is the energy market for these Assets. GDS utilized a PROMOD model of the FMPP to forecast this energy market. While GDS had the opportunity to review a PROMOD model case provided by FMPA, GDS independently developed its own PROMOD modeling assumptions and scenarios for review. GDS utilized forecasted natural gas prices based on the New York Mercantile Exchange (NYMEX) and then escalated the forward curve based on an average growth rate for the years beyond the end of the NYMEX forward curve. The growth rate is calculated as the average annual year over year growth

from the bottom (~2019) of the NYMEX curve through the latest data for the NYMEX curve, which is 2027. Figure 3-1 reflects the escalated natural gas prices utilized in the energy dispatch modeling for the FMPP over the chosen PROMOD simulation model study period of 2017 through 2036 (Pro Forma analysis extends beyond 2036 with an extrapolation of prices).

Figure 3-1: Natural Gas Prices



3.2.2. Load Forecast Assumptions

GDS updated the load forecast assumptions provided by FMPA. As a result of the contemplated withdrawal of Vero Beach’s load during the proposed sale of its system to FP&L, GDS excluded Vero Beach’s load from the FMPP, as a full-requirements customer of OUC, beginning in 2019. The load requirement can have a significant impact on the FMPP resource requirements and corresponding dispatch, so GDS reviewed the forecasted load carefully and relied upon the most recent set of member load forecasts, as provided by FMPA. The Bartow and Lake Worth wholesale loads are presently served within the FMPP; however, the short-term wholesale agreements to serve these loads are scheduled to expire in the near-term planning horizon. It is difficult to substantiate an assumption for whether these two wholesale loads should be included or excluded from the future supply to be served by the FMPP, as the outlook for these loads is unknown; however, as will become more evident in Section 3.2.3 regarding capacity planning and expansion, the period of contract renewal for these loads also coincides with the period where capacity in the FMPP is becoming scarce to maintain a 15% planning reserve margin. Thus, it is reasonable to assume that FMPP Load-Serving Entities (“LSEs”), such as FMPA or OUC, could have difficulty serving the capacity needs of the load without sourcing capacity elsewhere and, perhaps, at a greater premium to other market competitors. The service of these loads could become more difficult, and as a result, GDS assumed that both Bartow and Lake Worth wholesale loads would be excluded from the FMPP during the planning horizon¹.

3.2.3. Capacity Expansion Plan and Resource Assumptions

The GDS Base Case assumes that the Stanton coal-fired units would be in operation for a full 40-year useful life. Typically, asset valuations begin from a useful life assumption and consider variations as necessary from that starting point. Similarly, GDS assumed that St. Lucie’s useful life would extend through its currently approved NRC licensing period of 2043. From these load and resource assumptions, GDS needed

¹ Information was obtained immediately prior to finalizing this Report that FMPA is expected to serve at least a portion of the Bartow load for a 5-year period. The impact of including the Bartow load in the analysis presented herein would not be material.

to identify the likely resource that would be utilized to serve future capacity deficiency when necessary. GDS relied on the most recent FMPP Long-Term Resource Plan, which identified new-build, natural gas-fired CC units as the least-cost and most likely new resource addition for long-term FMPP capacity expansion. Given the assumption to remove Bartow and Lake Worth wholesale loads and the Base Case assumption to retire Stanton Unit 1 in 2027 at its 40-year useful life, a convergence existed around 2027 for replacement capacity need. Consistent with the FMPP Long-Term Resource Plan, GDS added new CC units and independently chose 800 MW additions in both 2027 and 2031 when new capacity is forecasted to be needed for the FMPP to support a planning reserve margin of 15%. The discrete 800 MW installations are approximately representative of an advanced new-build CC sizing. While such large installations do create significant impact to the reserve margin and the FMPP economic dispatch upon installation, GDS has chosen to model the full installation of such capacity when needed in a simpler approach, as opposed to smaller increments identified year to year through the planning horizon. Figure 3-2 illustrates the timing and sizing of the two CC additions, and Figure 3-3 illustrates the impact of the capacity additions to remain at or above the desired reserve margin level.

Figure 3-2: FMPP Capacity Additions

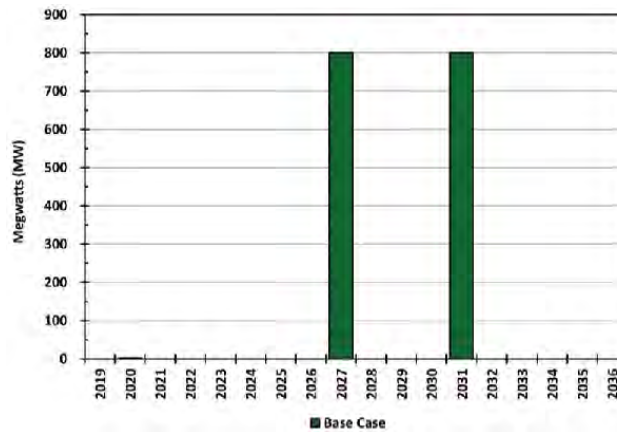
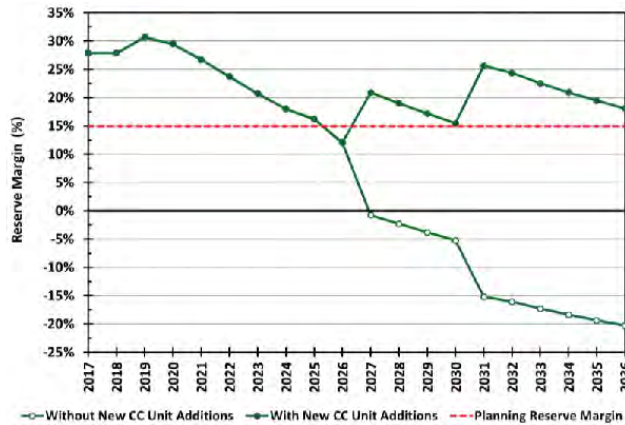


Figure 3-3: FMPP Reserve Margin



3.2.4 Forecasted Capacity Price Value

Based on the aforementioned assumptions and the modeled economic dispatch of all resources, capacity has no value until 2027 when the first FMPP new capacity addition/replacement is required. To determine the capital costs and fixed costs for the new-build CC generating resources, GDS relied on the costs (\$/kW) cited in the FMPP Long-Term Resource Plan dated September 9, 2016, and our team developed two financing considerations. A new-build with typical debt/equity ratios (45%/55%) representing IOU/merchant financing would yield a revenue requirement of around \$100/kW-Yr., while financing for a municipal at 100% tax-exempt debt would yield revenue requirements around \$60/kW-Yr.

GDS also considered that, into the future planning horizon, there may be resource agreements expiring, with lower debt obligations on such resources and deeper into their useful life that might be able to provide capacity at much lower costs. Such resources, if available, would be competitive with market, potentially providing cost competitive contract alternatives to FMPP. Given this potential bilateral market competition, it is reasonable to assume that not all new-build capital costs would be recovered. As a proxy for combined cycle capital costs, GDS utilized a PPA that FMPA currently has with Southern Power Company ("Southern") for combined cycle capacity and energy from Stanton Unit A ("Stanton A PPA") as a means to approximate the costs of existing capacity. GDS calculated the capacity payment for the Stanton A PPA to be approximately \$90/kW-Yr. in 2017 dollars under the current contract and assumed that renewal of such a contract later in its useful life with less competitive operating characteristics to new-build technology could easily be discounted to a 50% level (\$45/kW-Yr.). Continuing with that example, it seems likely that capacity owners like Southern, using the Stanton A PPA as an example, would be open to considering a heavily discounted PPA cost or price for sale to compete with the new-build option, and GDS believes that some blended rate between this option and the average of new-build costs would be an appropriate capital cost given the unknowns of future information. Using an existing capacity rate of \$45/kW-Yr. (50% discount on the Stanton A PPA), and \$80/kW-Yr. (Average of high and low new-build financing) for the new build option, GDS reached an average rate of \$62.5/kW-Yr. and approximately \$68/kW-Yr. when including fixed O&M costs. Using these blended costs for incremental capacity (in 2017 dollars), GDS escalated this cost year over year as capacity becomes needed in the future planning horizon. Additionally, GDS modeled the variable revenue from new CC additions (assuming new-build operating characteristics) in the future planning horizon to determine the discount to fixed costs or the residual fixed cost.

GDS modeling resulted in market capacity prices shown in Figure 3-4, which reflects the forecasted market capacity prices based on the forecasted economic dispatch of the resources, FMPP energy prices and the CC capacity additions. Figure 3-4 illustrates the resulting residual fixed cost for capacity, and by virtue of blending the new-build cost with other discounted PPA opportunities, it also approximates capacity cost recovery below full new-build unit installation, which acknowledges the presence of other existing capacity in the marketplace and its impact on cost recovery. Again, this assumption would necessarily require FMPA to win an RFP for such capacity at a discount to new-build pricing in the future.

Figure 3-4: Market Capacity Price

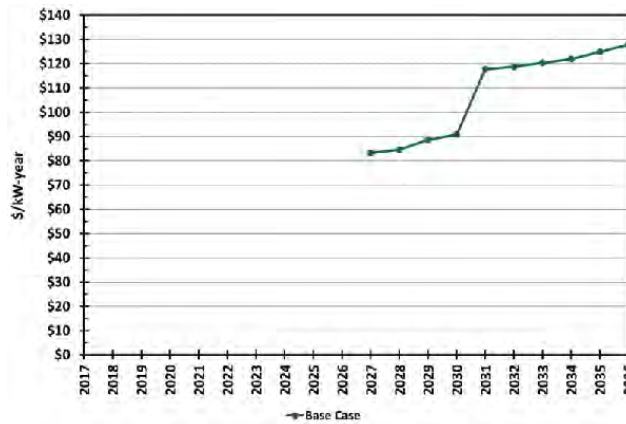
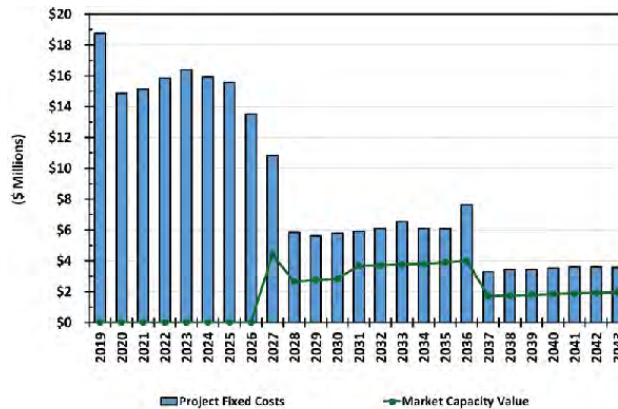


Figure 3-5 conveys a comparison, for the aggregate Vero Beach entitlement share, of the Project fixed/capacity-related costs to the market capacity value for the aggregate of Vero Beach's entitlements in the Assets. As shown, the aggregate fixed costs of the Projects are greater than the market value of capacity in all years of the valuation period.

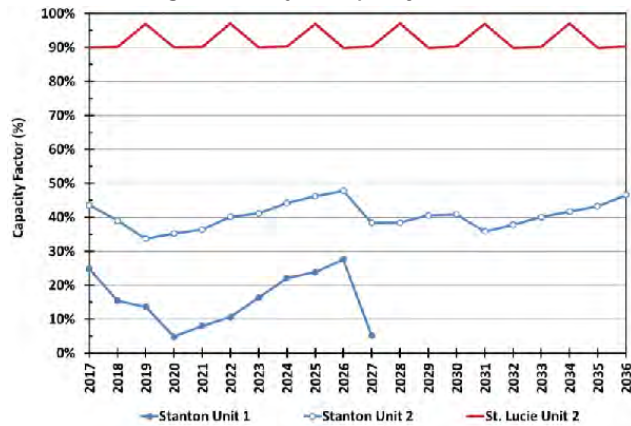
Figure 3-5: Project Fixed Costs vs. Market Capacity Value
(Vero Beach Entitlement Share in \$M)



3.2.5. Forecasted FMPP Energy Price Value

The PROMOD model considered FMPP-specific assumptions and produced a forecasted economic dispatch of each of the Assets. Figure 3-6 reflects the forecasted capacity factors of Stanton Units 1 and 2 and St. Lucie Unit 2 resulting from the economic dispatch within the FMPP.

Figure 3-6: Project Capacity Factors



Utilizing the previous assumptions and the PROMOD economic dispatch of the FMPP resources, Figure 3-7 depicts the resulting forecasted average annual FMPP energy price (all hours of the year, or 7x24 basis) over the 2017 through 2036 period.

Figure 3-7: FMPP (Market) Energy Price

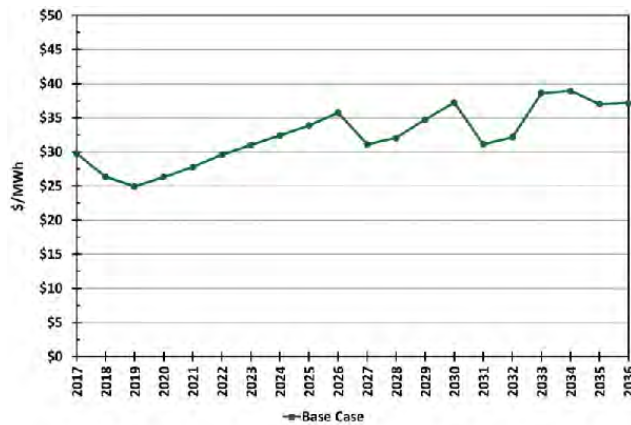


Figure 3-8 reflects the forecasted variable costs of Stanton Units 1 and 2, along with St. Lucie Unit 2 as compared to the annual average (across all hours of the year) FMPP (market) energy price. For purposes of the analysis regarding St. Lucie Unit 2 whose useful life extends through 2043, such market prices have been extrapolated for the period 2037 through 2043. St. Lucie Unit 2 is a baseload resource that generates anytime it is available, as its variable cost is below the marginal unit's price in the market. Thus, GDS has simply extrapolated market prices from the last year of the dispatch analysis (2036) to determine St. Lucie's profitability in the final seven years.

Figure 3-8: Average Project Variable Costs vs. Market Energy Price

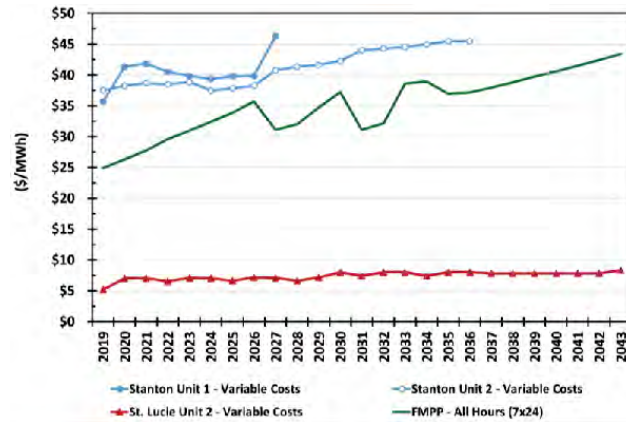
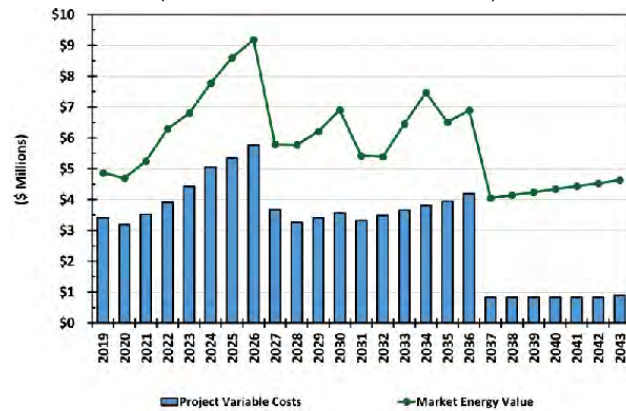


Figure 3-9 reflects, for the aggregate Vero Beach entitlement share, the forecasted aggregate variable project costs of Stanton Units 1 and 2 and St. Lucie Unit 2 as compared to the total market energy value. As shown in the figure, the aggregate variable costs of the Projects are less than the market value of energy in all years of the valuation period.

Figure 3-9: Project Variable Costs vs. Market Energy Value
(Vero Beach Entitlement Share in \$M)



3.3 Base Case Results

This section covers the results of the Base Case hold harmless payment calculation. It includes final modeling assumptions and presents results based on Vero Beach's entitlement shares.

3.3.1 Other Assumptions

3.3.1.1 Closing

The assignment of Vero Beach's entitlements in the Stanton, Stanton II, and St. Lucie Projects to the remaining ARP members has been assumed by FMPA to be able to be accomplished by October 1, 2018. GDS has not identified any data which would suggest this date is not valid.

3.3.1.2 Inflation Rate

FMPA provided an assumed annual inflation rate of 2.25%. Such rate was based on the Federal Reserve Bank of Philadelphia’s December 2016 “Livingston Survey”. Based upon review of inflation forecasts, which were generally consistent, GDS found this assumption to be reasonable for the purposes of this Study.

3.3.1.3 Discount Rate

The hold harmless payment which would be required from Vero Beach has been based on the differences between projected costs of the Assets and the projected market value, including some risk adjustments, discounted back to the assumed closing date at an FMPA-provided assumed discount rate of 4.75%. FMPA indicates that this rate is based on the all-in cost of ARP Series 2008C Bonds. Based on FMPA’s indication that such a hold harmless payment could be used to defease a portion of the outstanding ARP debt, GDS finds this discount rate assumption to be reasonable.

3.3.1.4 Valuation Period

This Study computes the hold harmless payment based on projected Project costs and market values over the period beginning October 1, 2018 through the assumed useful life of each of the Assets: 2027 for Stanton Unit 1; 2036 for Stanton Unit 2; and 2043 for St. Lucie Unit 2.

3.3.1.5 Useful Life

The useful life for the coal-fired generating Assets is assumed to be 40 years from commercial operation date (through 2027 for Stanton Unit 1 and through 2036 for Stanton Unit 2). The useful life for the nuclear-fueled generating Asset is assumed to be through the current NRC operating license (2043).

3.3.2 Annual Results

The charts within this section reflect the projected annual project costs (both fixed and variable costs) for Vero Beach’s entitlement share in the Assets, individually and collectively, as compared to the projected market capacity and energy value of the output.

Figure 3-10 compares the forecasted annual total project costs of the Stanton Project to the total market capacity and energy value of the projected output.

Figure 3-10: Stanton Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

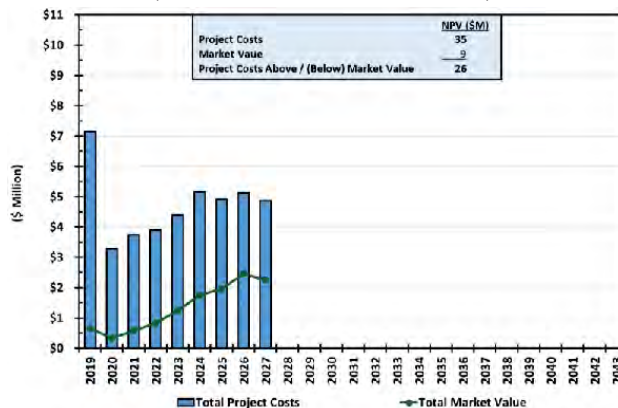


Figure 3-11 compares the forecasted annual total project costs of the Stanton II Project to the total market capacity and energy value of the projected output.

Figure 3-11: Stanton II Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

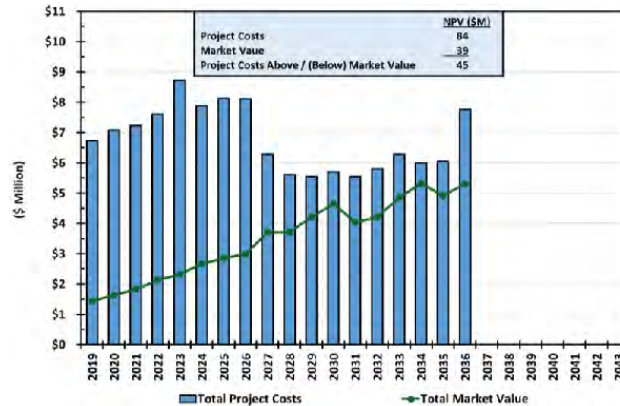


Figure 3-12 compares the forecasted annual total project costs of the St. Lucie Project to the total market capacity and energy value of the projected output.

Figure 3-12: St. Lucie Project Costs vs. Market Value
(Vero Beach Entitlement Share in \$M)

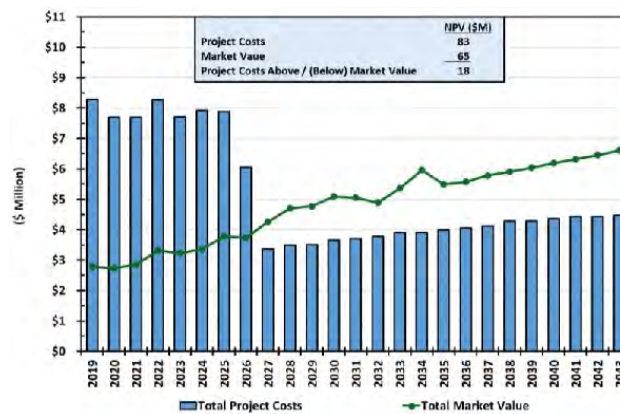
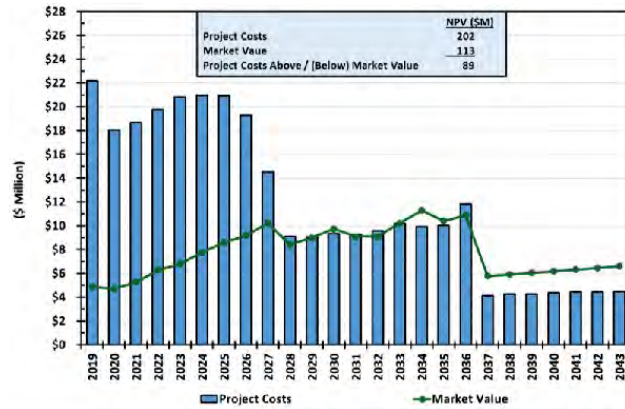


Figure 3-13 shows the forecasted annual total project costs for Vero Beach’s entitlement shares in all three Assets in aggregate, as compared to the total market capacity and energy value of the projected output. The net present value of the differences between these annual project costs and market value represents the Base Case hold harmless payment, which is reported in the next section of this Report.

Figure 3-13: Total Project Costs vs. Market Value
 (Vero Beach Entitlement Shares in \$M)



3.3.3 NPV Results

The following table presents the valuation of Vero Beach’s entitlement shares in the Assets for the Base Case, or the hold harmless payment, (before the inclusion of any risk adjustment).

Table 3-3: Base Case Hold Harmless Payment (Before Risk Adjustment)
 (Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Project Costs	35	84	83	202
Market Value	9	39	65	113
Net Project Costs Over / (Under) Market Value (Hold Harmless Payment – Before Risk Adjustment)	26	45	18	89

By way of comparison, Table 3-4 presents a comparison of the GDS and FMPA projections of the valuation of Vero Beach’s entitlement shares in the Assets over the debt period (before the inclusion of any risk adjustment). As the table reflects, GDS’ projection of the Base Case payment is similar to FMPA’s projection when considered over the debt period alone. However, GDS reached a Base Case payment of \$89 million over the useful life of the three Projects as its formal conclusion for the expected payment.

Table 3-4: Base Case Payment Calculation Over Debt Period (Before Risk Adjustment)
 (Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
FMPA Projection	5	39	31	76
GDS Projection	6	38	31	75

4 RISK ANALYSIS

In addition to the Base Case assumptions and valuation of the respective Projects, there are clearly some risk factors that must be considered and valued as well. It is important to note that this Risk Analysis is not simply to indicate the potential volatility of assumptions around an expected future as modeled in the Base Case, but it also contains an important "hold harmless" consideration. GDS views that element of the Risk Analysis as a charge to capture certain exposures that exist and consider a protective element of the valuation to be sure that FMPA ARP participants are reasonably unharmed by a volatile future.

With that premise in mind, GDS carefully reviewed information regarding both Stanton units and St. Lucie Unit 2, including forecasted operating and maintenance costs, forecasted capital costs and operational history for potential future cost risks not captured in the Base Case forecasted Project costs. GDS performed the requested Risk Analysis, which identifies potential future costs of various risk events and assigns a probability of the risk event's occurrence or holds FMPA harmless from some portion of its exposure ("Protected Exposure") over the projected life of the Project. GDS utilized its experience to arrive at the potential cost and probability or protected exposure to calculate an annual expected cost for the risk event associated with Vero Beach's entitlement share of each of the subject Projects. GDS performed a discounted cash flow analysis on each risk event to arrive at a current NPV value (or cost exposure) for the respective event.

4.1 Areas of Risk

4.1.1 Operational Risks

The following text discusses the risk analysis for each unit and defines the risk events considered to add additional risk premium.

4.1.1.1 Coal Unit Risks

4.1.1.1.1 Environmental

Coal plants have been under increased environmental regulations over the last several years, which has caused costly plant investments. The following summarizes recent environmental regulations and their potential impact on the Stanton units.

a. Clean Power Plan ("CPP")

The Stanton units are both subject to reduction of carbon dioxide ("CO₂") emissions under the current Clean Power Plan. This plan is expected to see significant changes under the new United States Presidential administration. As currently written, the CPP could force closure of one or both Stanton units. Based upon current direction of the new Environmental Protection Agency ("EPA") administration, GDS has concluded that there is no foreseeable impact on the Stanton plant.

b. Cross State Air Pollution Rule ("CSAPR")

Florida is not currently subject to the ozone-season trading program. This could change under the 2015 ozone National Ambient Air Quality Standards ("NAAQS") standard of 100ppd. Florida is currently in an attainment area, reducing the need for further emissions controls.

- Nitrogen Oxide ("NO_x") Control: Stanton Unit 1 uses low NO_x burners and overfired air for reducing NO_x emissions. Any additional reduction in NO_x emissions would require the costly installation of selective catalytic reduction ("SCR"). Most plants that are within ten years of scheduled retirement, when faced with installing SCR, negotiate an earlier retirement date with environmental regulatory agencies to avoid the cost of SCR. Stanton Unit 2 uses low NO_x burners, overfired air and SCR. Further emission reduction systems are not expected to be required anytime in the future.

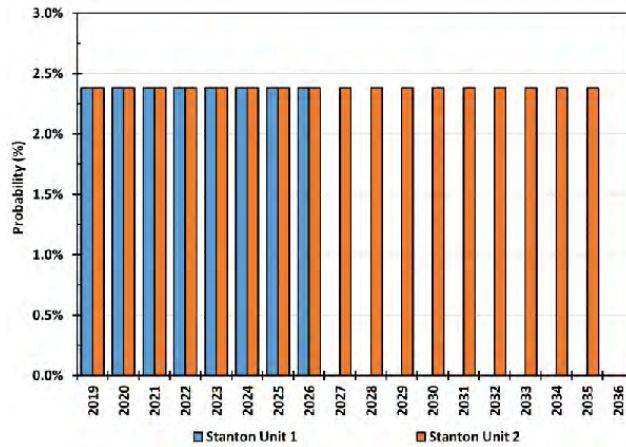
- Sulfur Dioxide ("SO₂") Control: Both coal units employ wet flue gas desulfurization systems for SO₂ control. Further emission reduction systems are not expected to be required anytime in the future.
- c. Mercury and Air Toxic Standard ("MATS")
Stanton Unit 1 uses activated carbon injection to meet MATS emissions limits. Stanton Unit 2 uses selective catalytic reduction to meet emissions limits. Further investment associated with compliance with MATS is not expected at this time.
- d. Water & Waste Water Rules
Stanton's 10 million gallons per day of water supply is supplied by the City of Orlando. Stanton is a Zero Liquid Discharge ("ZLD") facility and does not have a National Pollution Discharge Elimination System ("NPDES") permit. All water entering the site is evaporated in the plant cooling systems and reused on-site. The ZLD forces Stanton to be operated during rainy summer months to prevent water discharge. New water storage ponds are being constructed to collect rain run-off and existing ponds are being upgraded with new liners. Ground water monitoring wells verify water is not leaking into aquifers. Further investment to comply with water and waste water regulations is not expected at this time.
- e. Coal Combustion Residuals ("CCR")
OUC has developed plans for meeting the CCR rules. The plans include upgrading existing pond liners and closure of landfill storage cells. These costs are already included in the Stanton cost projections, and additional risk is not anticipated.

4.1.1.1.2 Boiler Component Replacement

Steam boiler sections, such as the superheater, re-heater, and economizer sections, are often replaced at least once during the project life. Erosion on the outside of the boiler tubes from coal ash and slag in the flue gasses and on the inside from steam flow cause the need for replacement. Industry experience has found most boilers will require replacement of at least one of these boiler sections, sometimes as early as thirty years of life. In the case of life extension, replacement of a boiler section is normally necessary to maintain boiler integrity. Typical costs for replacement of all three boiler sections range from \$23 to \$30 million (on a 100% of unit basis and in 2017 dollars), depending on the configuration of the boiler section and access. The Base Case projected costs do not include any project costs for replacing boiler sections. The following cost adjustments are based upon total boiler (three sections) replacement costs of \$27 million (on a 100% of unit basis and in 2017 dollars). Annual probabilities for the potential replacement of the boiler sections for each unit were created and are shown in Figure 4-1. In modeling the potential replacement of these boiler sections, GDS is utilizing the total cost of replacing all three sections and applying the probability assumptions in Figure 4-1 as the means of weighting the cost impact. To further clarify and as an example, a 33% (1 out of 3) probability represents the expectation that one of the three boiler sections needs replacement.

- a. Stanton Unit 1: the projected 40-year useful life of Stanton Unit 1 ends within the next ten years. GDS has assumed annual probabilities of replacement of boiler components at a uniform 2.4% per year through 2026, or a cumulative probability of 19%. (Refer to Figure 4-2).
- b. Stanton Unit 2: The longer life cycle of Stanton Unit 2 increases the probability of boiler component replacement. GDS has assumed annual probabilities of replacement of boiler components at a uniform 2.4% per year through 2035. This represents a cumulative probability of 33% by 2032 (i.e., the expectation of replacing one of the three boiler sections). Beyond 2032, the analysis includes a continuation of the same annual probability of 2.4% per year through 2035. (Refer to Figure 4-3).

Figure 4-1: Annual Probability of Stanton Units' Boiler Component Replacement



Figures 4-2 and 4-3 reflect the cumulative probability distributions assumed for boiler section replacements at Stanton Units 1 and 2, respectively.

Figure 4-2: Cumulative Probability of Stanton Unit 1 Boiler Component Replacement

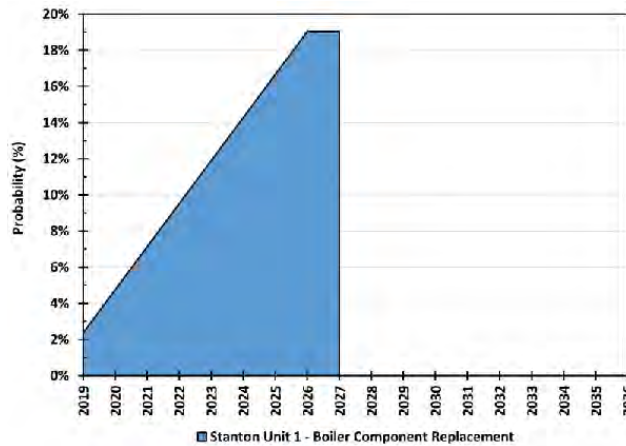
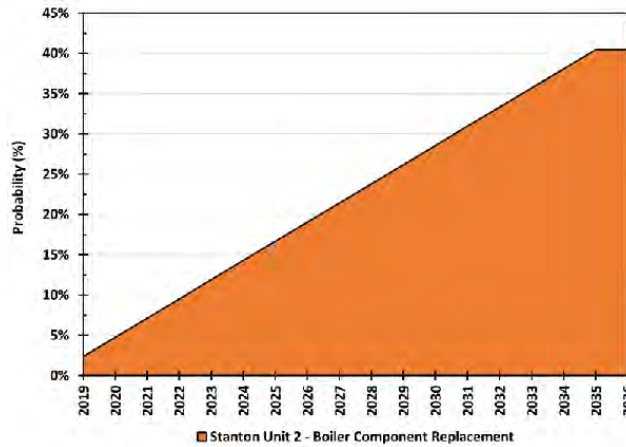


Figure 4-3: Cumulative Probability of Stanton Unit 2 Boiler Component Replacement



4.1.1.1.3 Stanton Units Risk Adjustment

The following table conveys the probability-weighted NPV risk adjustment associated with the Stanton coal-fired electric generating units for boiler component replacement risk.

Table 4-1: Risk Adjustment to Hold Harmless Payment Due to Stanton Units Risk
(Amounts Shown in Probability-Weighted NPV \$M)

Risk Item	Stanton Unit 1		Stanton Unit 2	
	Total	Vero	Total	Vero
	100% Of Unit	Beach Share	100% Of Unit	Beach Share
Boiler Component Replacement	4.8	0.2	9.3	0.4

4.1.1.2 Nuclear Unit Risks

4.1.1.2.1 Flood Mitigation

The NRC indicates that St. Lucie Unit 2 meets all current NRC requirements for flood protection. FP&L acknowledges that additional protection may be necessary as sea levels rise. The St. Lucie nuclear power plant is only 10 feet above sea level. Current projections indicate a sea level rise of 1 to 4 feet by 2100. The impact on the St. Lucie power plant will mainly be due to potential flooding mitigation from tropical storms. Based upon FP&L's St. Lucie flood mitigation reports to the NRC, no mitigation is expected before 2030. Additional flood mitigation costs have been assumed to be \$7.5 million (on a 100% of unit basis and in 2017 dollars). GDS has assumed an annually increasing probability beginning in 2030 through 2042. The total cumulative probability of additional flood mitigation costs is 33%.

Figure 4-4 and Figure 4-5 reflect the probabilities assumed for additional flood mitigation costs on an annual and cumulative basis, respectively.

Figure 4-4: Annual Probability of Flood Mitigation Cost

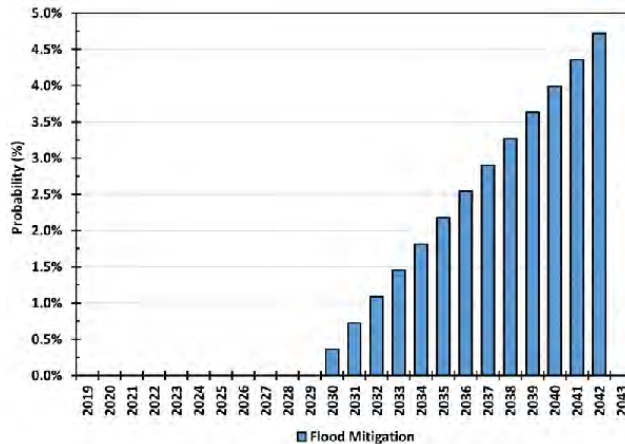
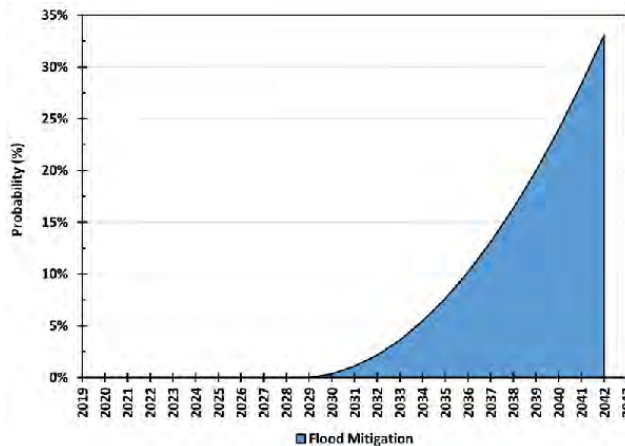


Figure 4-5: Cumulative Probability of Flood Mitigation Cost



4.1.1.2.2 Steam Generator Replacement

St. Lucie Unit 2 completed its installation of new steam generators in 2008. Since installation, evidence exists that these steam generators have experienced tube abrasion and denting from tube vibration. Inspection reports seem to indicate that the rate of wear and the corresponding rate of decrease in tube thickness has diminished and is no longer a concern. However, this issue will need to be closely monitored and could result in increased outage times to conduct additional inspections of the steam generator tubes. The steam generator’s warranty expires in 2027. Areva’s (the steam generator manufacturer) 2014 report on steam generator condition indicates that the number of steam generator tubes plugged at St. Lucie Unit 2 could exceed 10% by 2027 and 20% by 2043. Utilities have a history of replacing nuclear units’ steam generators of the type used at St. Lucie at about 20 years, on average. This is a significant risk factor. GDS has assumed an annual probability beginning in 2022 (after the expiration of steam generator warranty) increasing through 2033, before decreasing to zero by 2038. Given our Base Case analysis of St. Lucie Unit

2 retiring in 2043, GDS assumes that any difficulty with the steam generator in the final years of useful life would be reviewed in a life extension consideration or, if possible, the unit would be left to operate at less than optimal condition. The total cumulative probability of steam generator replacement is 33%.

Figure 4-6 and Figure 4-7 reflect the probabilities assumed for steam generator replacement at St. Lucie Unit 2 on an annual and cumulative basis, respectively.

Figure 4-6: Annual Probability of St. Lucie Unit 2 Steam Generator Replacement

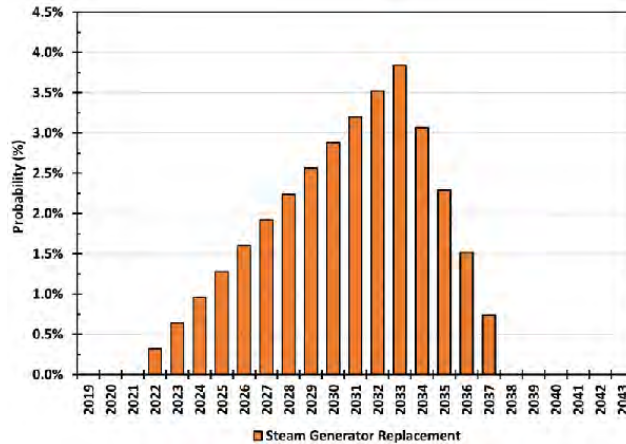
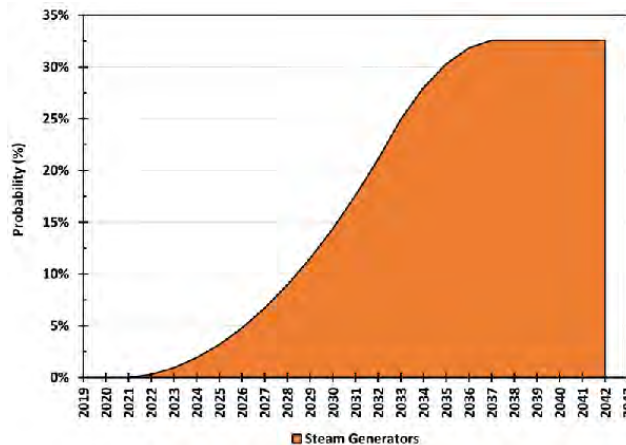


Figure 4-7: Cumulative Probability of St. Lucie Unit 2 Steam Generator Replacement



4.1.1.2.3 Nuclear Decommissioning & Spent Fuel Risk

Upon retirement in 2043, St. Lucie Unit 2 plant decommissioning and disposal of spent fuel is to be funded by a nuclear decommissioning trust fund (as required by the Nuclear Regulatory Commission). FP&L filed the 2015 Nuclear Decommissioning Study for St. Lucie Units 1 and 2 with the Florida Public Service Commission on December 14, 2015. In this study, FP&L states it intends to dismantle St. Lucie immediately upon retirement of St. Lucie Unit 2 (possessing the later of the two operating license expirations). The projected decommissioning costs for St. Lucie Unit 2 of \$871,831,000 (based on 100% of the unit and stated in 2015 dollars), include the costs of dismantling the plant, spent fuel interim storage, and final spent fuel disposition by the Department of Energy. The study identified that, based on FMPA's ownership share of

St. Lucie Unit 2, amounts funded at the time of the study, were more than the funding level required to meet FMPA's projected allocated share of decommissioning costs. Based upon this information, GDS concludes that sufficient funding exists in the nuclear decommissioning trust to meet the currently expected decommissioning costs for St. Lucie Unit 2. Based upon this study, GDS has concluded the risk of incurring unexpected decommissioning costs is minimal and no additional cost risk adjustment is needed.

4.1.1.2.4 St. Lucie Unit 2 Risk Adjustment

The following table conveys the probability-weighted NPV risk adjustment associated with St. Lucie Unit 2.

Table 4-2: Risk Adjustment to Hold Harmless Payment Due to St. Lucie Unit 2 Risks
 (Amounts Shown in Probability-Weighted NPV \$M)

Risk Adjustment	Total 100% Of Unit	Vero Beach Share
Flood Mitigation	1.6	0.02
Steam Generator Replacement	46.6	0.6
TOTAL	48.2	0.6

4.1.2 Stanton Unit 1 Life Extension

Current projections (Figure 3-6) show Stanton Unit 1 dispatching very little into the FMPP (16% capacity factor on average over 2019-2027). The forecasted variable costs of Stanton Unit 1 are significantly higher than the FMPP average energy price (see Figure 3-8), thus, the low projected capacity factors are to be expected. Even so, recent data provided by OUC, Stanton Unit 1's operator, indicate that they are planning a turbine upgrade project in 2019 (only 8 years prior to reaching a 40-year end of operating life date). Given Stanton Unit 1's non-competitive position within the FMPP, a major risk to FMPA is OUC's potential decision to continue operating Stanton Unit 1 beyond 2027 in an uneconomic fashion. GDS has prepared a Stanton Unit 1 Life Extension Case, assuming the Project's useful life would be extended to 2036 (coincident with Stanton Unit 2). Doing so under the current assumptions and projections would add nine (9) additional years of uneconomic operation. Assuming that OUC will continue uneconomically dispatching the Stanton units in avoidance of lower cost market alternatives for a prolonged period is counter-intuitive. Nonetheless, OUC continues to plan significant investment in these units in the near-term planning horizon, which seemingly foreshadows extension of useful life and ongoing operation for purposes of resource diversity, differing future fuel outlook, avoidance of new-build risks, etc. These additional potential costs for life extension and uneconomic dispatch in the market, need to be accounted for as a part of the overall risk adjustment.

4.1.2.1. Boiler Component Replacement Cost:

In the event OUC decides to extend the life of Stanton Unit 1, it is highly likely one or more boiler section(s) will need replacement. The operating costs for the Stanton Unit 1 Life Extension Case have been increased to reflect the expectation of replacing one of the three boiler sections by 2027. After 2027 (i.e., the extended life period), we have assumed the same level of annual probability of boiler component replacement as was discussed earlier for Stanton Unit 1 and 2 (2.4% per year).

Figure 4-8 and Figure 4-9 reflect the probabilities assumed for the boiler component replacement in the Stanton Unit 1 Life Extension Case on an annual and cumulative basis, respectively. These figures incorporate the boiler component replacement risk over the entire period, including prior to 2027, which is incorporated in the analysis presented earlier in Section 4.1.1.1.2, and shown in Figures 4-1 and 4-2.

Figure 4-8: Annual Probability of Stanton Unit 1 Life Extension Boiler Component Replacement

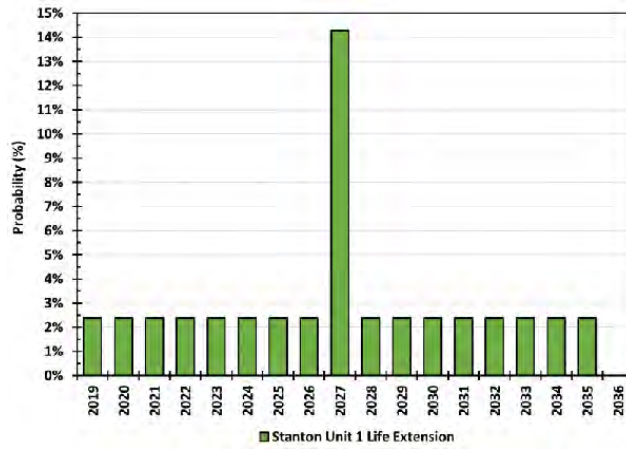
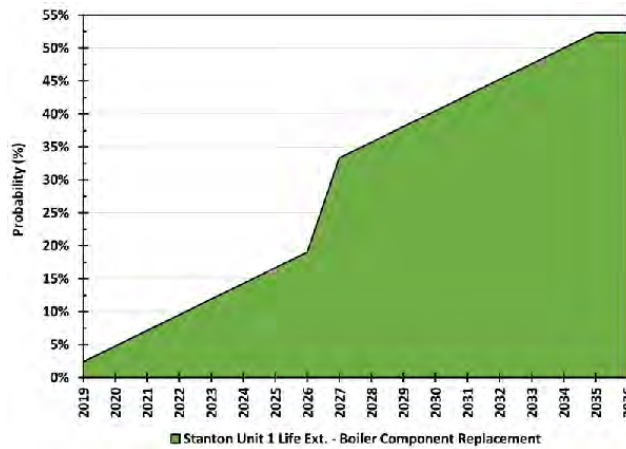


Figure 4-9: Cumulative Probability of Stanton Unit 1 Life Extension Boiler Component Replacement



4.1.2.2. Decommissioning costs

The allowance for Stanton Unit 1 decommissioning costs (modeled in the Base Case in 2027) are moved to 2036 in the Stanton Unit 1 Life Extension Case.

4.1.2.3. Impact on FMPP

The extension of operations for Stanton Unit 1 would have an impact on the capacity expansion required to meet reserve margins in the FMPP. Figure 4-10 reflects the FMPP capacity expansion under the Stanton Unit 1 Life Extension Case as compared to the Base Case.

Figure 4-10: FMPP Capacity Expansion Comparison

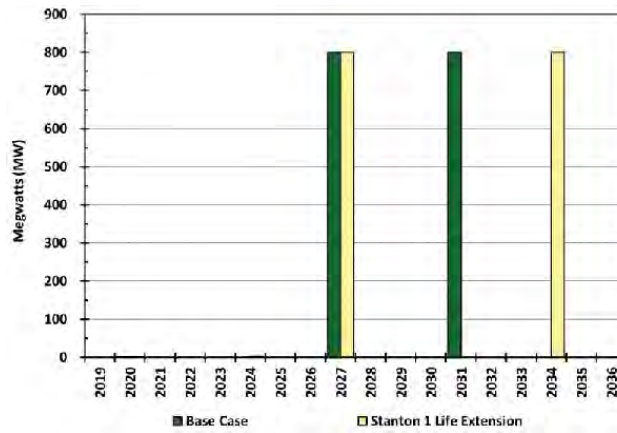


Figure 4-11 shows the projected FMPP reserve margins in the Stanton Unit 1 Life Extension Case as compared to the Base Case.

Figure 4-11: FMPP Reserve Margin Comparison

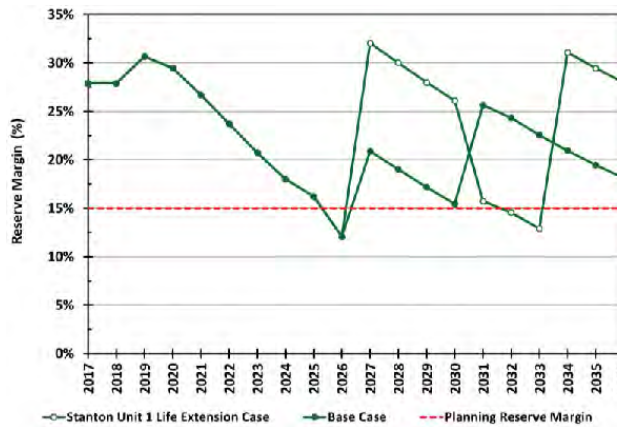
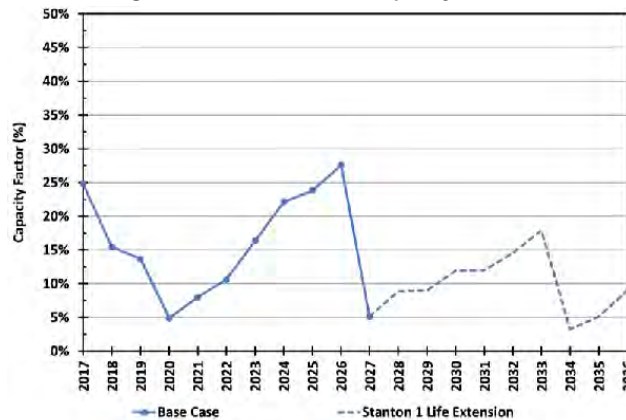


Figure 4-12 reflects the projected capacity factors of Stanton Unit 1 under both the Base Case and the Stanton Unit 1 Life Extension Case.

Figure 4-12: Stanton Unit 1 Capacity Factors



With recent information provided by OUC indicating currently planned turbine upgrades at Stanton Unit 1, it appears reasonable to expect that OUC may be considering operating Stanton Unit 1 beyond a 40-year life (i.e. beyond the GDS 2027 Base Case assumption). In that context, GDS assumed, given the capital investment OUC is projecting to make in the turbine upgrade at Stanton Unit 1 and the uneconomic dispatching of the resource that is already occurring, that there is a 75% probability that Stanton Unit 1's operating life will be extended beyond 40 years. Table 4-3 reflects the development of the risk exposure associated with the Stanton Unit 1 Life Extension Case.

Table 4-3: Risk Adjustment to Hold Harmless Payment Due to Stanton Unit 1 Life Extension Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case	26	45	18	89
Stanton Unit 1 Extension	34	45	18	97
Difference in Payment Due to Stanton Unit 1 Extension	8	0	0	8
Risk Exposure Probability	75%	75%	75%	75%
Risk Adjustment to Hold Harmless Payment Due to Stanton Unit 1 Life Extension Risk	6.0	0.0	0.0	6.0

4.1.3 Extended Low Natural Gas and Capacity Prices

It is not reasonable to assume no additional exposure for the downside potential in natural gas and capacity prices, and similarly, it is not reasonable to assume that all exposure for a given low-price assumption should be included. In this case, GDS assumed that 50% of the cost exposure created by our discrete, low-side natural gas price assumption, as well as 50% of the cost exposure created by the discrete, low-side capacity price assumption, would be reasonably included as part of the "Hold Harmless Payment".

4.1.3.1 Extended Low Natural Gas Prices

The current forward view of natural gas prices used in the Base Case reflects increasing natural gas prices from today's spot price levels based on the publicly traded NYMEX. While natural gas prices are still relatively low by historical standards, an additional potential source of risk is that natural gas prices do not increase materially from today's levels, as the forward curve presently assumes. In such a scenario, the Assets' costs would be even less competitive against market energy, as the market price level would be

lower. To test the sensitivity of the Asset's project costs with lower gas prices, GDS simply lowered the original gas curve used in the analysis by the GDS inflation rate of 2.25%. All other fuel prices remained the same in the low gas sensitivity.

The following chart compares the extended low natural gas prices to those of the Base Case.

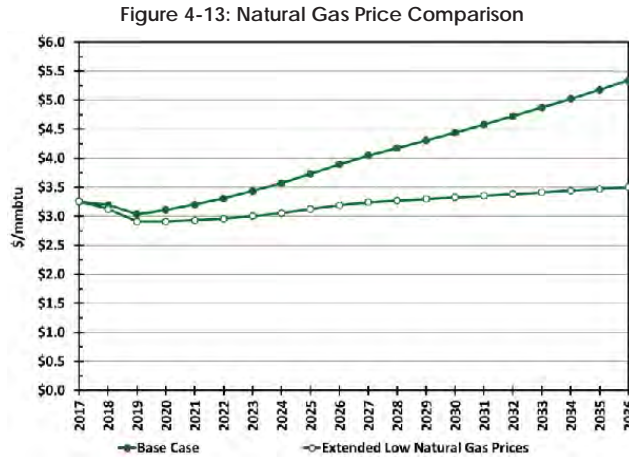


Table 4-4 reflects the development of the risk exposure summary associated with the extended low natural gas prices case.

Table 4-4: Risk Adjustment to Hold Harmless Payment Due to Extended Low Natural Gas Prices Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case	26	45	18	89
Risk Analysis (Low Natural Gas Prices)	26	47	28	101
Difference in Payment Due to Low Natural Gas Prices	0	2	10	12
Protected Exposure	50%	50%	50%	50%
Risk Adjustment to Hold Harmless Payment Due to Low Natural Gas Price Risk	0.0	1.0	5.0	6.0

4.1.3.2 Extended Low Capacity Prices

Similar to the impact of lower natural gas prices on market energy prices, there is a risk to FMPA that the assumed capacity prices will be too high and that FMPA will not be able to recover capacity value at that level. As the major player in the Florida market, FP&L is able to completely recover the costs of its new-build investments from retail ratepayers, and to the extent excess capacity exists, they are able to sell that capacity into the wholesale market at deeply discounted prices. FP&L's publicly filed forecasted reserve margins exceed 20% in many cases allowing them to seek wholesale revenue at any means. It follows that by offering capacity at deep discounts to new-build pricing, FP&L could depress the cost recovery of capacity in the market. In our Base Case, GDS assumed a capacity clearing price at approximately 75% of new-build costs, and in Figure 4-14, we illustrate a sensitivity at 50% of new-build cost levels.

Figure 4-14: Market Capacity Price Sensitivity

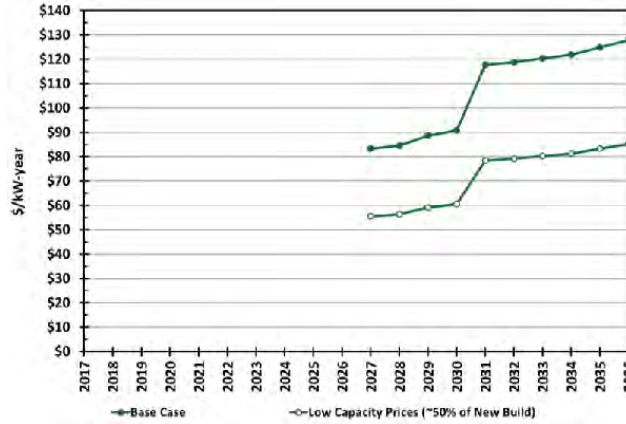


Table 4-5 reflects the development of the risk exposure summary associated with the extended low capacity prices case.

Table 4-5: Risk Adjustment Due to Low Capacity Price Risk
(Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Market Capacity Value (Reduces Payment) Base Case (~75% of New Build Costs)	1.2	10.5	12.5	24.2
Market Capacity Value (Reduces Payment) Low Capacity Price Case (~50% of New Build)	0.8	7.0	8.3	16.1
Difference in Market Capacity Value Due to Low Capacity Prices	(0.4)	(3.5)	(4.2)	(8.1)
Protected Exposure	50%	50%	50%	50%
Risk Adjustment to Hold Harmless Payment Due to Low Capacity Price Risk	0.2	1.8	2.1	4.1

4.2 Summary of Risks

Table 4-6 presents the summary of risk adjustment by category and by Asset.

Table 4-6: Summary of Risk Adjustments to Hold Harmless Payment
 (Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Operational Risks	0.2	0.4	0.6	1.2
Stanton Unit 1 Extension	6.0	0.0	0.0	6.0
Extended Low Natural Gas Prices	0.0	1.0	5.0	6.0
Extended Low Capacity Prices	0.2	1.8	2.1	4.1
Total Risk Adjustment	6.4	3.2	7.7	17.3

In recent history, the major risk that coal power project owners have been wary of across the United States is environmental regulation or legislation that results in expensive capital upgrades to these coal projects. The industry has experienced the impacts of such regulation or legislation, including the Clean Air Act, Clean Air Interstate Rule ("CAIR"), Utility MACT, CSAPR, and CPP, and has been trained to necessarily view these regulations as premium costs that diminish the owners' return on investment or bring the useful lives of such projects to a swift retirement. Despite the shift in the United States Presidential Administration in 2017, these types of regulatory issues are still very much a risk to consider over the life of coal projects, but lower natural gas prices and the corresponding drop in market prices presents a shift in these common views. Lower natural gas prices avail lower market energy prices to the FMPP, which results in the uneconomic dispatch of the Stanton Projects well into the future. Being that OUC is the majority owner of both Stanton coal Projects, FMPA must continue to accept all decisions and costs with respect to the units as OUC plans for its future. Interestingly in this case, the risk of OUC continuing to invest in the units and operate them uneconomically versus market prices becomes one of the major risk items that FMPA faces in the future life of these plants. Ironically, with respect to FMPA's "hold harmless" interests, this inverts the typical view of environmental regulation and legislation on coal projects to a perspective that such potential large-scale events actually result in greater likelihood of retirement for the Stanton coal projects and, thus, an end to uneconomic dispatch of the resources year after year. Given such a perspective, major events, such as the need for SCRs at Stanton II or a future potential carbon tax on the coal plant output, do not add risk premium under the current long-term fuel price assumptions for natural gas. Rather, those events signal greater pressure on OUC to retire the Stanton units and make capacity decisions that result in more economic supply to FMPP participants.

With this set of key risk conclusions in mind, any major regulatory, legislative or operational risk that OUC and FMPA would have to address and that puts the units' respective useful lives in jeopardy of a retirement decision due to significant capital expenditure is considered to be an item that diminishes FMPA's present costs at risk. Thus, there is no representation of these items in the risk adjustment calculation, as those risk events would work in FMPA's favor under current long-term fuel assumptions. It naturally follows that the key areas of risk exposure to FMPA are (1) the costs of extending Stanton Unit 1's useful life and the corresponding harm in uneconomic dispatch versus market alternatives, (2) the potential for lower natural gas prices, which would exacerbate the uneconomic impact on FMPA, (3) the potential for lower capacity price recovery long-term and finally, (4) the operational cost items incurred that are not significant enough to result in retirement and must be performed. GDS has assessed a cost impact for each of these risk exposures, as summarized in Table 4-6, in the spirit of recognizing a "Hold Harmless Payment". As requested in the independent valuation, the position for making such calculations should represent risk premium payment amounts for which FMPA ARP participants could reasonably consider a future with Vero Beach's entitlements and recover the potential future cost impacts that could concern them regarding the assignment of these Assets to FMPA's ARP.

The risk premium calculations for Stanton Unit 1’s potential life extension from GDS’s Base Case retirement assumption in 2027 and other operational risks are necessarily probabilistic in nature and have been established based on GDS’ industry experience. The consideration of the cost impact from low natural gas prices, and similarly low capacity prices, have not been considered as probabilistic issues and is where GDS has independently assessed its view of a reasonable amount of exposure for each item to be covered in a “hold harmless” calculation.

As a result of each of these risks, Table 4-7 summarizes the Valuation of the Assets for the Base Case and the risk premium/adjustment, and in total.

Table 4-7: Hold Harmless Payment Summary
 (Amounts Shown in NPV \$M)

NPV (\$M)	Stanton Unit 1	Stanton Unit 2	St. Lucie Unit 2	Total
Base Case Portion	26	45	18	89
Risk Adjustment	6	3	8	17
Total Hold Harmless Payment	32	48	26	106

FMPA’s internal review of the “hold harmless” payment resulted in an estimate of \$108 million. GDS reached a final “hold harmless” payment of \$106 million from Vero Beach to the FMPA ARP participants. Although many assumptions that GDS and FMPA utilized in our respective analyses were quite different, ultimately both analyses converged on quite similar results.

FLORIDA MUNICIPAL POWER AGENCY VERO BEACH INDEPENDENT VALUATION STUDY

Prepared by:



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Draft 3/9/18

_____, 2018

Board of Directors
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Ladies and Gentlemen:

We have served as Bond Counsel to Florida Municipal Power Agency (the "Agency") in connection with the contemplated transfer and assignment of the Vero St. Lucie Project Entitlements to the Agency, with respect to the ARP, and the contemplated release of the City of Vero Beach, Florida ("Vero Beach") from, among other things, all of its obligations and liabilities related to the St. Lucie Project, as specified in the Waiver and Release Agreement in substantially the form as of the date hereof and as contemplated by the Transfer Agreement (St. Lucie Project) in substantially the form as of the date hereof, and their related documents in substantially the form as of the date hereof (the "Transaction"). Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex attached to the Transfer Agreement (St. Lucie Project) as Exhibit A in substantially the form as of the date hereof.

We have examined, among other things, the Act, Chapter 166, Part II, Florida Statutes, the Interlocal Agreement, the St. Lucie Bond Resolution, the proceedings of the Board of Directors of the Agency with respect to the authorization, execution and delivery of the St. Lucie Bond Resolution and each of the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts and the amendments thereto, the Participation Agreement, and such certificates and other documents relating to the Agency, the St. Lucie Bond Resolution, the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts, and have made such other examination of applicable laws, as we have deemed necessary in giving this opinion.

We understand that the Board of Directors of the Agency has been provided a legal opinion letter of the General Counsel and Chief Legal Officer of the Agency dated the date hereof and we have examined and reviewed that opinion letter. We understand that the Board of Directors of the Agency has also been provided copies of the Valuation Study, dated June, 2017, and the Certificate, dated March ___, 2018 provided by GDS Associates, Inc. (the "Engineering Reports"), a copy of the Trustee Certificate, dated March 15, 2018 (the "Trustee Certificate") and copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding St. Lucie Project Revenue Bonds (the "Ratings Letters") and we have examined and reviewed such documents. We have additionally provided to the Board of Directors of the Agency a draft copy of our opinion to be provided on the date of closing of the entire transaction contemplated by the Transfer Agreement (St. Lucie Project) covering the enforceability of the Transaction Documents.

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 830 of 1048**

- 2 -

In accordance with our understanding with the Agency and as its Bond Counsel, we have rendered legal advice and assistance to the Agency in connection with the preparation of the Transaction Documents listed in Exhibit A hereto and in substantially final form as of the date hereof (the "Transaction Documents"). We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Engineering Reports, the Ratings Letters and the Trustee Certificate, and we make no representation that we have independently verified the accuracy, completeness or fairness of such statements. However, in the course of our participation in the preparation of the Transaction Documents and in the course of our review and examination of the Engineering Reports, the Ratings Letters and the Trustee Certificate, as Bond Counsel to the Agency, we have conferred with representatives of the Agency, Jody Finklea, Esq., General Counsel and Chief Legal Officer to the Agency, the financial advisor, TD Bank, National Association, as trustee (the "Trustee"), counsel to the Trustee, Vero Beach, counsel to Vero Beach, Florida Power & Light Company, Inc. ("FPL"), FPL's counsel, representatives from GDS Associates, Inc., and others.

On the basis of the information that was developed in the course of our examination and review referred to above and our participation in the preparation of the Transaction Documents, nothing has come to our attention with respect to legal matters which would make it improper or unreasonable for the Board to determine that the Transaction will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 711 of the St. Lucie Bond Resolution.

This letter is furnished by us solely for your benefit in connection with the provisions of the St. Lucie Bond Resolution and may not be relied upon by any other person, without our express written consent.

Very truly yours,

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

(1) copies of Amendment No. 3 (Vero Beach) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 3 (Vero Beach) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach in the forms of such documents as of the date hereof;

(2) copies of Amendment No. 3 (Project Participant) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants, and Amendment No. 3 (Project Participant) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants in the forms of such documents as of the date hereof;

(3) a copy of the Transfer Agreement (St. Lucie Project), dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;

(4) a copy of the Consent and Waiver (St. Lucie Project), dated as of ____, 2018, of each Other St. Lucie Project Participant in the form of such document as of the date hereof;

(5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;

(6) a copy of the Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between Vero Beach and the Agency in the form of such document as of the date hereof; and

(7) a copy of the Partial Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the St. Lucie Bond Resolution in the form of such document as of the date hereof.

Draft 3/9/18

_____, 2018

Board of Directors
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819

Ladies and Gentlemen:

I have served as General Counsel and Chief Legal Officer to Florida Municipal Power Agency (the "Agency") in connection with the contemplated transfer and assignment of the Vero St. Lucie Project Entitlements to the Agency, with respect to the ARP, and the contemplated release of the City of Vero Beach, Florida ("Vero Beach") from, among other things, all of its obligations and liabilities related to the St. Lucie Project, as specified in the Waiver and Release Agreement in substantially the form as of the date hereof and as contemplated by the Transfer Agreement (St. Lucie Project) in substantially the form as of the date hereof, and their related documents in substantially the form as of the date hereof (the "Transaction"). Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex attached to the Transfer Agreement (St. Lucie Project) as Exhibit A in substantially the form as of the date hereof.

I have examined, among other things, the Act, Chapter 166, Part II, Florida Statutes, the Interlocal Agreement, the St. Lucie Bond Resolution, the proceedings of the Board of Directors of the Agency with respect to the authorization, execution and delivery of the St. Lucie Bond Resolution and each of the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts and the amendments thereto, the Participation Agreement, and such certificates and other documents relating to the Agency, the St. Lucie Bond Resolution, the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts, and have made such other examination of applicable laws, as I have deemed necessary in giving this opinion.

[I understand that the Board of Directors of the Agency has been provided a legal opinion letter of Nixon Peabody LLP, as Bond Counsel to the Agency ("Bond Counsel"), dated the date hereof and I have examined and reviewed that opinion letter.] I understand that the Board of Directors of the Agency has also been provided copies of the Valuation Study, dated June, 2017, and the Certificate, dated March ____, 2018 provided by GDS Associates, Inc. (the "Engineering Reports"), a copy of the Trustee Certificate, dated March 15, 2018 (the "Trustee Certificate") and copies of the announcement from Moody's Investors Services, Inc. dated January 24, 2018 and the letter from Fitch, Inc. dated November 17, 2017, each confirming the ratings on the outstanding St. Lucie Project Revenue Bonds (the "Ratings Letters") and I have examined and reviewed such documents. I have additionally provided to the Board of Directors of the Agency a draft copy of my opinion to be provided on the date of closing of the entire transaction contemplated by the Transfer Agreement (St. Lucie Project) covering the enforceability of the Transaction Documents.

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 833 of 1048

- 2 -

In accordance with my understanding with the Agency and as its General Counsel and Chief Legal Officer, I have rendered legal advice and assistance to the Agency in connection with the preparation of the Transaction Documents listed in Exhibit A hereto and in substantially final form as of the date hereof (the "Transaction Documents"). I am not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Engineering Reports, the Ratings Letters and the Trustee Certificate, and I make no representation that I have independently verified the accuracy, completeness or fairness of such statements. However, in the course of my participation in the preparation of the Transaction Documents and in the course of my review and examination of the Engineering Reports, the Ratings Letters and the Trustee Certificate, as General Counsel and Chief Legal Officer to the Agency, I have conferred with representatives of the Agency, Bond Counsel, the financial advisor, TD Bank, National Association, as trustee (the "Trustee"), counsel to the Trustee, Vero Beach, counsel to Vero Beach, Florida Power & Light Company, Inc. ("FPL"), FPL's counsel, representatives from GDS Associates, Inc., and others.

On the basis of the information that was developed in the course of my examination and review referred to above and my participation in the preparation of the Transaction Documents, nothing has come to my attention with respect to legal matters which would make it improper or unreasonable for the Board to determine that the Transaction will not impair the ability of the Agency to comply during the current or any future year with the provisions of subsection 1 of Section 711 of the St. Lucie Bond Resolution.

This letter is furnished by me solely for your benefit in connection with the provisions of the St. Lucie Bond Resolution and may not be relied upon by any other person, without my express written consent.

Very truly yours,

EXHIBIT A

LIST OF TRANSACTION DOCUMENTS

- (1) copies of Amendment No. 3 (Vero Beach) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and Vero Beach, and Amendment No. 3 (Vero Beach) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and Vero Beach in the forms of such documents as of the date hereof;
- (2) copies of Amendment No. 3 (Project Participant) to the St. Lucie Project Power Sales Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants, and Amendment No. 3 (Project Participant) to the St. Lucie Project Project Support Contract, dated as of ____, 2018, between the Agency and the Other Stanton Project Participants in the forms of such documents as of the date hereof;
- (3) a copy of the Transfer Agreement (St. Lucie Project), dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;
- (4) a copy of the Consent and Waiver (St. Lucie Project), dated as of ____, 2018, of each Other St. Lucie Project Participant in the form of such document as of the date hereof;
- (5) a copy of the Waiver and Release Agreement, dated as of ____, 2018 by and between Vero Beach and the Agency in the form of such document as of the date hereof;
- (6) a copy of the Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between Vero Beach and the Agency in the form of such document as of the date hereof; and
- (7) a copy of the Partial Assignment Agreement (St. Lucie Project), dated as of ____, 2018, by and between the Agency and TD Bank National Association, as trustee under the St. Lucie Bond Resolution in the form of such document as of the date hereof.

AGENDA ITEM 5 – ACTION ITEMS

- d. Approval of Resolution 2018-B4 –
Approval of Release of Vero
Beach from the Projects**

**Board of Directors
Meeting March 21, 2018**

Resolution 2018-B4
FMPA Board of Directors
March 21, 2018

(AGENCY)

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY ("FMPA"): (I) PROVIDING FOR THE INCORPORATION OF CERTAIN FINDINGS, DEFINED TERMS, AND GENERAL PROVISIONS; (II) (A) APPROVING THE EXECUTION AND DELIVERY OF DOCUMENTS BY FMPA INTO ESCROW FOR THE TRANSFER AND ASSIGNMENT OF THE CITY OF VERO BEACH'S POWER ENTITLEMENT SHARES IN THE ST. LUCIE, STANTON, AND STANTON II PROJECTS TO FMPA, WITH RESPECT TO THE ALL-REQUIREMENTS POWER SUPPLY PROJECT, (B) PROVIDING FOR THE ESTABLISHMENT OF AN ESCROW AGREEMENT FOR SUCH DOCUMENTS, AND (C) PROVIDING FOR THE RELEASE OF SUCH DOCUMENTS FROM ESCROW UPON THE SATISFACTION OF CERTAIN CONDITIONS PRECEDENT; (III) APPROVING THE EXECUTION AND DELIVERY OF DOCUMENTS AND THE TAKING OF ACTIONS NECESSARY TO EFFECT THE WITHDRAWAL OF THE CITY OF VERO BEACH, FLORIDA, AS A MEMBER OF FMPA GENERALLY; (IV) APPROVING THE COMPLETE RELEASE AND TOTAL DISCHARGE OF ALL LIABILITIES AND OBLIGATIONS BETWEEN VERO BEACH AND FMPA INCLUDING, WITHOUT LIMITATION, OBLIGATIONS WITH RESPECT TO THE STANTON PROJECT, THE STANTON II PROJECT, AND THE ST. LUCIE PROJECT; (V) DESIGNATING AUTHORIZED OFFICERS OF FMPA; (VI) TAKING CERTAIN OTHER ACTIONS; AND (VII) PROVIDING AN EFFECTIVE DATE.

Whereas, the City of Vero Beach, Florida ("**Vero Beach**") and Florida Power & Light Company ("**FPL**") have entered into an Asset Purchase and Sale Agreement, dated October 24, 2017 (the "**PSA**"), for the sale of certain electric utility assets and certain associated liabilities of Vero Beach to FPL (the "**Sale**"). In accordance with the terms and conditions of the PSA, and as part of Vero Beach's exit strategy from the electric utility business, Vero Beach needs to terminate and be released from all liabilities and obligations to FMPA with respect to the the Stanton Project, the Stanton II Project, the St. Lucie Project, and the All-Requirements Power Supply Project (the "**ARP**"), and generally as a member of FMPA.

Whereas, on an even date with the adoption of this Resolution 2018-B4 (this "**Resolution**") the FMPA Board of Directors has also adopted Resolution 2018-B1 (Stanton Project), Resolution 2018-B2 (Stanton II Project), and Resolution 2018-B3 (St. Lucie Project), and the FMPA Executive Committee has adopted Resolution 2018-EC1 (All-Requirements Power Supply Project) (collectively, together with this Resolution, the "**Authorizing Resolutions**"), and pursuant to the Authorizing Resolutions FMPA desires to (i) provide for the assumption by FMPA, with respect to the ARP, of the Vero Stanton Project Entitlements, the Vero Stanton II Project Entitlements, and the Vero St. Lucie Project Entitlements; (ii) the withdrawal of Vero Beach from the ARP pursuant to section 29 of the Vero ARP Contract; (iii) the withdrawal of Vero Beach as a member of FMPA, generally, and (iv) the complete release and discharge of Vero Beach from all liabilities and obligations between Vero Beach and FMPA, including, without limitation, liabilities and obligations with respect to the Stanton Project, the Stanton II Project, and the St. Lucie Project.

Whereas, pursuant to the Authorizing Resolutions, it is the intent of FMPA to facilitate Vero Beach's accomplishment of the Sale.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY THAT:

SECTION I. Incorporation of Certain Findings, Defined Terms, and General Provisions. Except as otherwise specifically provided herein, the Master Annex, substantially in the form attached hereto as Exhibit A with such changes, omissions, insertions, deletions and revisions as the Authorized Officers of FMPA shall deem advisable or necessary, subject to and in accordance with the limitations set forth in Section V of this Resolution (the "**Master Annex**"), constitutes an integral part of this Resolution, is incorporated by reference herein, and has the same force and effect as if set forth in this Resolution. The recitals set forth in the "whereas" clauses above are hereby incorporated into and are a material part of this Resolution. Any capitalized term used herein and not defined herein shall have the meaning given to such term in the Master Annex.

SECTION II. Execution and Delivery of Documents into Escrow; Establishment of an Escrow Agreement for Transaction Documents; and Release of Documents from Escrow upon the Satisfaction of Certain Conditions Precedent. (A) The Authorized Officers are hereby authorized to execute and deliver all documents necessary or appropriate on behalf of FMPA, pursuant to the Authorizing Resolutions, and deliver all such documents, and any other documents as the Authorized Officers deem necessary or appropriate to facilitate or accomplish the Sale, into an escrow established for the purposes of holding documents for the

Closing. The Authorized Officers are also hereby authorized to provide for the delivery into escrow of documents executed by the Other Stanton Participants, the Other Stanton II Participants, and the Other St. Lucie Participants, including without limitation, opinions of counsel signed and delivered on behalf of legal counsel to each of the Other Stanton Participants, the Other Stanton II Participants, and the Other St. Lucie Participants.

(B) The Authorized Officers of FMPA and its General Counsel and Chief Legal Officer are hereby authorized to agree to the terms of an escrow agreement and execute the same on behalf of FMPA, for the purposes of holding signed and unsigned documents in preparation for Closing. In the establishment of the escrow and entering into an escrow agreement, the Authorized Officers and FMPA's legal counsel may engage the services of a third party firm or individual to serve as the escrow agent, establish the obligations and responsibilities of the escrow agent, and provide for the payment of professional fees and costs for the escrow agent, in the rendition of escrow agent services.

(C) The Authorized Officers of FMPA and its General Counsel and Chief Legal Officer are hereby authorized to agree to the conditions precedent that must be satisfied to release documents from escrow for the Closing, including documents executed and delivered by the Other St. Lucie Participants, the Other Stanton Participants, and the Other Stanton II Participants. In the establishment of conditions precedent to release documents from escrow, the Authorized Officers of FMPA and its General Counsel and Chief Legal Officer must determine that the terms and conditions for Closing set forth in the Transfer Agreements and the Authorizing Resolutions have been satisfied.

SECTION III. Execution and Delivery of Documents and the Taking of Actions Necessary to Effect the Withdrawal of Vero Beach as a member of FMPA, Generally. The Authorized Officers of FMPA and its General Counsel and Chief Legal Officer are hereby authorized to execute and deliver all documents and take all further actions necessary or appropriate, in their judgment, to provide for the withdrawal of Vero Beach as a member of FMPA, generally, including the prompt filing of documentation with the Clerk of the Court for Leon County, Florida, to effectuate Vero Beach's withdrawal as a party to the Interlocal Agreement Creating Florida Municipal Power Agency, as amended, and as otherwise required by section 163.01, Florida Statutes, after the successful Closing of the Sale.

SECTION IV. Complete Release and Total Discharge of all Liabilities and Obligations between Vero Beach and FMPA. The Board of Directors hereby approves the terms and conditions of the Waiver and Release Agreement, by and between Vero Beach and FMPA, with respect to FMPA generally ("**Waiver and**

Release Agreement”), substantially in the form attached hereto as Exhibit B, which provides for certain waivers and releases and the full release and discharge of any and all liabilities and obligations between FMPA and Vero Beach as of the Assignment Effective Date (as defined in the Waiver and Release Agreement). The Authorized Signatories are hereby authorized and directed to execute and deliver the Waiver and Release Agreement, subject to and with such changes or modifications therein and such additions to or deletions therefrom as such Authorized Officers of FMPA shall deem advisable or necessary in accordance with the limitations contained in Section V of this Resolution, with such approval to be evidenced conclusively by the execution of such Waiver and Release Agreement by the Authorized Officers and the delivery of a Transaction Certificate (as defined in Section V(D) of this Resolution).

SECTION V. Designation of Authorized Officers, Authorized Signatories and Authorized ARP Officers; Further Actions. (A) As the term is used in this Resolution, “**Authorized Officer**” means the General Manager and CEO of FMPA or the Chief Operating Officer of FMPA.

(B) As the term is used in this Resolution, “**Authorized Signatories**” means the (i) Chairman or the Vice Chairman of the Board of Directors of FMPA and (ii) the General Manager and CEO.

(C) There is hereby delegated to the Authorized Officers, subject to the other limitations contained in this Resolution, the following powers:

- (i) to determine the date of delivery of such documents authorized by this Resolution and the satisfaction, or not, of conditions precedent and other matters necessary to be accomplished or completed prior to the delivery of documents authorized by this Resolution; and
- (ii) to determine such other matters specified in or permitted by this Resolution, including preparation of any documentation therefore, and to agree to delivery and execution of additional documentation, after consultation with legal counsel for FMPA, to accomplish the intent and purposes of the Authorizing Resolutions and transactions contemplated thereby;

provided, however, that the Authorized Officers may not approve any changes or modifications to or additions to or deletions from any document or instrument which constitutes a material adverse change. For purposes of the foregoing, “**material adverse change**” means any material adverse change in the terms and conditions which imposes on the Other Stanton Project Participants, the Other Stanton II Project Participants, the Other St. Lucie Project Participants, or the Other ARP Participants

an additional, material risk of financial loss, indemnity obligation, covenant, warranty, or restriction of its legal rights in a manner that is not already contemplated in the form of document or instrument attached as an exhibit hereto.

(D) The Authorized Officers shall execute a “**Transaction Certificate**” evidencing the determinations made pursuant to the delegated authority set forth in this Resolution and such Transaction Certificate shall be conclusive evidence of the determinations of the Authorized Officers as stated therein. The determinations set forth in any Transaction Certificate shall have the same effect as if set forth in this Resolution.

(E) In the event that the Authorized Officers exercise any of the authority delegated to them pursuant to this Resolution and execute a Transaction Certificate evidencing such exercise as required by Section V(D), a report describing the exercise of such delegated authority shall be delivered at the next regularly scheduled meeting of the Board of Directors of FMPA occurring at least thirty (30) days after the Closing.

SECTION VI. **Further Actions.** Each Authorized Officer designated hereunder and the General Counsel and Chief Legal Officer of FMPA are hereby authorized and empowered to take all further actions as may be necessary or desirable in carrying out the terms and provisions of this Resolution subject to the limitations contained in Section V of this Resolution.

SECTION VII. **Effective Date.** This Resolution shall take effect immediately upon its adoption by the Board of Directors, except that the authorization provided by the Authorizing Resolutions expires and has no further force nor effect if not exercised, and the Closing completed, by March 31, 2019.

[Signature Page Follows]

This Resolution 2018-B4 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on March 21, 2018.

Chairman, Board of Directors

I HEREBY CERTIFY that on March 15, 2018, the above Resolution 2018-B4 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2018-B4.

ATTEST:

Secretary or Assistant Secretary

SEAL

Exhibit A

Substantial Form of Master Annex

Exhibit B

Substantial Form of Waiver and Release Agreement

Exhibit A

Substantial Form of Master Annex

Draft 3/9/18

MASTER ANNEX

This Master Annex is dated as of _____, 2018.

ARTICLE I.

FINDINGS

Section 1.01. FLORIDA MUNICIPAL POWER AGENCY. (a) The Florida Municipal Power Agency “FMPA”) was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and electric energy.

(b) FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida.

Section 1.02. STANTON PROJECT. (a) On January 13, 1984, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 84-B1 for the purposes of creating a joint electric project designated as the “Stanton Project” (the “**Stanton Project**”) under the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended through Amendment Number Seven adopted on March 26, 2009 (the “**Interlocal Agreement**”), with respect to the members of FMPA and the participants in such project (the “**Stanton Project Participants**”).

(b) FMPA, with respect to the Stanton Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit One Generation Project, made as of January 16, 1984, with the Orlando Utilities Commission (“**OUC**”), as amended (the “**Stanton Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton Project, purchased a 14.8193% undivided interest in Curtis H. Stanton Energy Center Unit One Generation Project (“**Stanton Unit No. 1**”), and FMPA, with respect to the Stanton Project is entitled to the electric capacity and electric energy derived from Stanton Unit No. 1 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton Project, sells the electric capacity and electric energy of the Stanton Project to Vero Beach and the other Stanton Project Participants pursuant to substantially similar Power Sales Contracts, dated as of January 16, 1984, by and between FMPA and each of the Stanton Project Participants (each, a “**Stanton Power Sales Contract**”).

(d) The Stanton Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available from the Stanton Project.

A-1

(e) In order to assure a continuity for the Stanton Project by providing support for the payment by FMPA, with respect to the Stanton Project, of costs of the Stanton Project and to enable FMPA to issue bonds to pay costs of the Stanton Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton Project Participants to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton Power Sales Contracts, and FMPA entered into such a contract, each dated as of January 16, 1984, with each of the Stanton Project Participants (each, a “**Stanton Project Support Contract**”).

(f) Vero Beach, by execution of a Stanton Power Sales Contract and a Stanton Project Support Contract (the “**Vero Stanton Contracts**”), acquired a 32.521% Power Entitlement Share in the Stanton Project.

Section 1.03. STANTON II PROJECT. (a) On May 24, 1991, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 91-B2 for the purposes of creating a joint electric project designated as the “Stanton II Project” (the “**Stanton II Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**Stanton II Project Participants**”).

(b) FMPA, with respect to the Stanton II Project, entered into that certain Participation Agreement between Orlando Utilities Commission and FMPA for the Joint Ownership of Curtis H. Stanton Energy Center Unit Two Generation Project, made as of June 26, 1991, with OUC, as amended (the “**Stanton II Participation Agreement**”), pursuant to which FMPA, with respect to the Stanton II Project, purchased a 23.2367% undivided interest in Curtis H. Stanton Energy Center Unit Two Generation Project (“**Stanton Unit No. 2**”), and FMPA is entitled to the electric capacity and electric energy derived from Stanton Unit No. 2 and the contractual arrangements and agreements relating thereto.

(c) FMPA, with respect to the Stanton II Project, sells the electric capacity and electric energy of the Stanton II Project to Vero Beach and the other Stanton II Project Participants pursuant to substantially similar Power Sales Contracts, dated as of June 26, 1991, by and between FMPA and each of the Stanton II Project Participants (each, a “**Stanton II Power Sales Contract**”).

(d) The Stanton II Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the Stanton II Project by providing support for the payment by FMPA, with respect to the Stanton II Project, of costs of the Stanton II Project and to enable FMPA to issue bonds to pay costs of the Stanton II Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other Stanton II Project Participants to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Stanton II Power Sales Contracts, and FMPA entered into such a contract, each dated as of May 24, 1991, with each of the Stanton II Project Participants (each, a “**Stanton II Project Support Contract**”).

(f) Vero Beach, by execution of a Stanton II Power Sales Contract and a Stanton II Project Support Contract (the “**Vero Stanton II Contracts**”), acquired 16.4887% Power Entitlement Share in the Stanton II Project.

Section 1.04. ST. LUCIE PROJECT. (a) On February 11, 1982, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 82-B1 for the purposes of creating a joint electric project designated as the “St. Lucie Project” (the “**St. Lucie Project**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**St. Lucie Project Participants**”).

(b) FMPA, with respect to the St. Lucie Project, entered into that St. Lucie Unit No. 2 Participation Agreement, made as of February 11, 1982 between FMPA and Florida Power & Light Company (“**FPL**”), as amended by Amendment Number One to St. Lucie Unit No. 2 Participation Agreement made as of March 26, 1982 between FMPA and FPL, Amendment Number Two to St. Lucie Unit No. 2 Participation Agreement made as of February 18, 1983, between FMPA and FPL and Amendment Number Three to St. Lucie Unit No. 2 Participation Agreement made as of January 8, 1991, between FMPA and FPL, (the “**St. Lucie Participation Agreement**”), pursuant to which FMPA, with respect to the St. Lucie Project, purchased an 8.806% undivided interest in St. Lucie Unit No.2 (“**St. Lucie Unit No. 2**”) and FMPA is entitled to the electric capacity and electric energy derived from St. Lucie Unit No.2 and the contractual arrangements and agreements relating thereto. The St. Lucie Participation Agreement, together with the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively, are the “**Participation Agreements**”).

(c) FMPA, with respect to the St. Lucie Project, sells the electric capacity and electric energy of the St. Lucie Project to Vero Beach and the other St. Lucie Project Participants pursuant to substantially similar St. Lucie Power Sales Contracts, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, by and between FMPA and each of the St. Lucie Project Participants (each agreement, as so amended, a “**St. Lucie Power Sales Contract**”).

(d) The St. Lucie Power Sales Contracts require payments to be made only for months when electric capacity and electric energy are being made available.

(e) In order to assure a continuity for the St. Lucie Project by providing support for the payment by FMPA, with respect to the St. Lucie Project, of costs of the St. Lucie Project and to enable FMPA to issue bonds to pay costs of the St. Lucie Project, it was necessary for FMPA to have substantially similar binding contracts with Vero Beach and the other St. Lucie Project Participants of FMPA to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Power Sales Contracts, such contracts were entitled Project Support Contracts, each dated as of June 1, 1982, with each of the St. Lucie Project Participants, as amended by Amendment No. 1 to St. Lucie Project Support Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Project Support Contract made and entered into as of April 1, 1983 (each agreement, as so amended, a “**St. Lucie Project Support Contract**”).

(f) Vero Beach, by execution of a St. Lucie Power Sales Contract and a St. Lucie Project Support Contract (the “**St. Lucie Contracts**”), acquired a 15.202% Power Entitlement Share in the St. Lucie Project.

Section 1.05. ALL-REQUIREMENTS POWER SUPPLY PROJECT. (a) On March 22, 1985, the Board of Directors of FMPA authorized the creation of a project pursuant to Resolution No. 85-B2 for the purposes of creating a joint electric project designated as the “All-Requirements Power Supply Project” (the “**ARP**”) under the Interlocal Agreement with respect to the members of FMPA and the participants in such project (the “**ARP Project Participants**”) in order to secure an adequate, reliable and economical supply of electric capacity and energy to supply, with certain exceptions permitted herein, all of the needs for electric capacity and energy of the ARP Project Participants.

(b) FMPA and the ARP Project Participants entered into individual All-Requirements Power Supply Project Contracts, as heretofore amended (the “**ARP Contracts**”) for FMPA to sell to such ARP Project Participants and such ARP Project Participants to purchase from FMPA, electric capacity and energy on terms and conditions set forth in the ARP Contracts.

(c) Vero Beach and FMPA entered into an All-Requirements Power Supply Project Contract, dated as of October 1, 1996, as amended on January 22, 1999 (the “**Vero ARP Contract**”).

Section 1.06. PROPOSED SALE TRANSACTION. Vero Beach and FPL have entered into an Asset Purchase and Sale Agreement, dated as of October 24, 2017, setting forth the definitive terms and conditions necessary to effect a sale of Vero Beach’s retail electric utility system to FPL (the “**Proposed Sale Transaction**”).

Section 1.07. WITHDRAWAL FROM ARP. On September 15, 2017, Vero Beach provided notice to FMPA of the Proposed Sale Transaction and stating Vero Beach’s intention to withdraw from the ARP with such withdrawal being anticipated to occur, pursuant to the notice, on or before October 1, [2018].

Section 1.08. TRANSFER AND ASSIGNMENT OF STANTON, STANTON II AND ST. LUCIE CONTRACTS AND PROJECT ENTITLEMENTS.

(a) In connection with the Proposed Sale Transaction, Vero Beach desires to transfer and assign (i) the Vero Stanton Contracts and its Vero Stanton Project Entitlements, (ii) the Vero Stanton II Contracts and its Vero Stanton II Project Entitlements, and (iii) the Vero St. Lucie Contracts and its Vero St. Lucie Project Entitlements, and all associated rights and obligations, to FMPA, with respect to the ARP, and to be fully released and discharged from any liabilities and obligations to FMPA, including, without limitation, under the Vero Stanton Contracts, the Vero Stanton II Contracts the Vero St. Lucie Contracts and the Vero ARP Contract simultaneously with the closing of the Proposed Sale Transaction.

(b) The Vero Stanton Contracts, the Vero Stanton II Contracts and the Vero St. Lucie Contracts require that no assignment or transfer of such contracts shall relieve the parties thereto of any obligation thereunder. The Vero Stanton Contracts, the Vero Stanton II

Contracts and the Vero St. Lucie Contracts also provide that as one of the conditions for Vero Beach to sell, lease, abandon or otherwise dispose of all or substantially all of its electric or integrated utility system, Vero Beach shall, subject to the Stanton Participation Agreement, the Stanton II Participation Agreement or the St. Lucie Participation Agreement, as applicable, assign such Vero Contracts and its rights and interests thereunder to the purchaser or lessee of said electric or integrated utility system, and such purchaser or lessee shall assume all obligations of Vero Beach under such Vero Contracts. FMPA, with respect to the Stanton Project, the Stanton II Project and the St. Lucie Project, desires to waive these requirements in connection with the Proposed Sale Transaction and FMPA also desires to fully release and discharge Vero Beach from all liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement to be entered into by FMPA, with respect to the Stanton Project, Stanton II Project, St. Lucie Project and ARP, and Vero Beach (the "**Waiver and Release Agreement**").

(c) The Vero ARP Contract provides in substance that it is the intent of the parties to the Vero ARP Contract that any obligation owed by a party under the Vero ARP Contract at the time of termination thereof shall survive the termination. The Vero ARP Contract also requires that any such termination and the related "Withdrawal Date" occur on a September 30. FMPA desires to waive these requirements in connection with the Proposed Sale Transaction, and fully release and discharge Vero Beach from any liabilities and obligations to FMPA including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, and Vero Beach desires to fully release and discharge FMPA from all liabilities and obligations to Vero Beach including, without limitation, under the Vero Contracts, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement and Vero Beach's membership in FMPA, pursuant to the Waiver and Release Agreement.

Section 1.09. TRANSFER AGREEMENTS. The Executive Committee of FMPA has determined that for reasons of economic advantage and beneficial interlocal cooperation, and to secure the stable future of its joint electric projects, FMPA, with respect to the ARP, desires to accept a transfer and take an assignment of Vero Beach's Power Entitlement Shares in (i) the Stanton Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton Transfer Agreement**"); (ii) the Stanton II Project pursuant to the terms and conditions set forth in the Transfer Agreement (Stanton II Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**Stanton II Transfer Agreement**"); and (iii) the St. Lucie Project pursuant to the terms and conditions set forth in the Transfer Agreement (St. Lucie Project), by and between Vero Beach and FMPA dated as of the date hereof (the "**St. Lucie Transfer Agreement**," together with the Stanton Transfer Agreement and the Stanton II Transfer Agreement, collectively, the "**Transfer Agreements**").

Section 1.10. CONSIDERATION PAYMENT. Upon closing of the Proposed Sale Transaction, FMPA will be paid by Vero Beach an amount equal to \$108,000,000, subject to adjustment as provided below (the “**Consideration Payment**”).

The Consideration Payment is hereby adjusted upward or downward in accordance with the following monthly schedule, depending on the actual Closing Date.

		Consideration Payment	Adjustment
<i>Earlier Closing</i>	April 1-30, 2018	\$115.8 million	+ \$7.8 million
	May 1-31, 2018	\$114.5 million	+ \$6.5 million
	June 1-30, 2018	\$113.2 million	+ \$5.2 million
	July 1-31, 2018	\$111.9 million	+ \$3.9 million
	August 1-31, 2018	\$110.6 million	+ \$2.6 million
	September 1-30, 2018	\$109.3 million	+ \$1.3 million
Planned Closing	October 1-31, 2018	\$108 million	
<i>Later Closing</i>	November 1-30, 2018	\$106.7 million	- \$1.3 million
	December 1-31, 2018	\$105.4 million	- \$2.6 million
	January 1-31, 2019	\$104.1 million	- \$3.9 million
	February 1-28, 2019	\$102.8 million	- \$5.2 million
	March 1-31, 2019	\$101.5 million	- \$6.5 million

Section 1.11. ASSIGNMENT AGREEMENTS AND WAIVER AND RELEASE AGREEMENT. To effectuate such transfer and assignment of Vero Beach’s Power Entitlement Shares in the Stanton Project, the Stanton II Project, and the St. Lucie Project and release of Vero Beach from any liabilities and obligations under the Stanton Contracts, the Stanton II Contracts, the St. Lucie Contracts, and the ARP Contract, Vero Beach and FMPA will execute an Assignment Agreement and FMPA and Vero Beach will execute the Waiver and Release Agreement on the date of closing of the Proposed Sale Transaction.

Section 1.12. FMPA CONSENT. The Vero Contracts each require that FMPA, with respect to the applicable Project, consent to a transfer and assignment by Vero Beach of the Vero Contracts or any interest therein.

Section 1.13. AMENDMENT OF STANTON POWER SALES CONTRACTS AND STANTON PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA have agreed that it is appropriate that certain terms and provisions of the Vero Stanton Contracts be amended, including the assignment of certain of the rights and obligations of FMPA with respect to the Stanton Project under the Vero Stanton Contracts to the Stanton Bond Trustee and the execution of Amendment No. 1 to the Stanton Project Power Sales Contract, (the “**Vero Stanton PSC Amendment**”), between FMPA, with respect to the Stanton Project, and Vero

Beach and Amendment No. 1 to the Stanton Project Support Contract (the “**Vero Stanton Support Contract Amendment**,” and together with the Vero Stanton PSC Amendment, the “**Vero Stanton Amendments**”), between FMPA, with respect to the Stanton Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton Contracts, as amended by the Vero Stanton Amendments, to FMPA, with respect to the ARP, also require that certain amendments be made to the Stanton Power Sales Contracts and the Stanton Project Support Contracts of the Stanton Project Participants other than Vero Beach (the “**Other Stanton Participants**”) to reflect the assignment of Vero Beach’s Stanton Power Entitlement Share to FMPA, with respect to the ARP (the “**Other Stanton Participant Amendments**”). The amendments to the Stanton Power Sales Contracts of the Other Stanton Participants all will be in substantially the same form. The amendments to the Stanton Project Support Contracts of the Other Stanton Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton Transfer Agreement requires, that FMPA and each Other Stanton Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton Contracts.

(d) The Other Stanton Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton Participant Amendments.

(e) Section 29(d) of the Stanton Power Sales Contracts provides that the terms and conditions of a Stanton Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Power Sales Contracts of any other Stanton Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton Project Support Contracts also provides that the terms and conditions of a Stanton Project Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton Project Support Contracts upon written notice to and consent or waiver by each of the other Stanton Project Participants and upon similar amendment being made to the Stanton Project Support Contracts of any other Stanton Project Participant requesting such amendment.

(g) Each of the Other Stanton Participants will consent to the Vero Stanton Amendments and waive its rights to have similar amendments made to its respective Stanton Power Sales Contract and “Stanton Project Support Contract by executing a separate Consent and Waiver (Stanton Project) (the “**Stanton Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton Project Participants and FMPA will enter into the Other Stanton Participant Amendments.

(i) Each of the Other Stanton Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton Mutual Release Agreement**”) pursuant to

which (i) each Other Stanton Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton Project Participant may have against Vero Beach with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton Project Participant with respect to the Stanton Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton Contracts, the Stanton Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton Contracts to the Stanton Bond Trustee (the "**Stanton Trustee Assignment**").

Section 1.14. AMENDMENT OF STANTON II POWER SALES CONTRACTS AND STANTON II PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the Stanton II Project, have agreed that it is appropriate that certain terms and provisions of the Vero Stanton II Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero Stanton II Contracts to the Stanton II Bond Trustee and the execution of Amendment No. 1 to the Stanton II Project Power Sales Contract, (the "**Vero Stanton II PSC Amendment**"), between FMPA, with respect to the Stanton II Project, and Vero Beach and Amendment No. 1 to the Stanton II Project Support Contract (the "**Vero Stanton II Support Contract Amendment**," and together with the Vero Stanton II PSC Amendment, the "**Vero Stanton II Amendments**"), between FMPA, with respect to the Stanton II Project, and Vero Beach.

(b) The transfer and assignment of the Vero Stanton II Contracts, as amended by the Vero Stanton II Amendments, to FMPA, with respect to the ARP also, require that certain amendments be made to the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts of the Stanton II Project Participants other than Vero Beach (the "**Other Stanton II Participants**") to reflect the assignment of Vero Beach's Stanton II Power Entitlement Share to FMPA, with respect to the ARP (the "**Other Stanton II Participant Amendments**"). The amendments to the Stanton II Power Sales Contracts of the Other Stanton II Participants all will be in substantially the same form. The amendments to the Stanton II Support Contracts of the Other Stanton II Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the Stanton II Transfer Agreement requires, that FMPA and each Other Stanton II Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the Stanton II Contracts.

(d) The Other Stanton II Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other Stanton II Participant Amendments.

(e) Section 29(d) of the Stanton II Power Sales Contracts provides that the terms and conditions of a Stanton II Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Power Sales Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Power Sales Contracts of any other Stanton II Project Participants requesting such amendment.

(f) Section 14(b) of the Stanton II Support Contracts also provides that the terms and conditions of a Stanton II Support Contract may be amended so as to provide terms and conditions different from those contained in other Stanton II Support Contracts upon written notice to and consent or waiver by each of the other Stanton II Project Participants and upon similar amendment being made to the Stanton II Support Contracts of any other Stanton II Project Participant requesting such amendment.

(g) Each of the Other Stanton II Participants will consent to the Vero Stanton II Amendments and waive its rights to have similar amendments made to its respective Stanton II Power Sales Contract and Stanton II Project Support Contract by executing a separate Consent and Waiver (Stanton II Project) (the “**Stanton II Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other Stanton II Project Participants and FMPA will enter into the Other Stanton II Participant Amendments.

(i) Each of the Other Stanton II Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**Stanton II Mutual Release Agreement**”) pursuant to which (i) each Other Stanton II Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other Stanton II Project Participant may have against Vero Beach with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other Stanton II Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other Stanton II Project Participant with respect to the Stanton II Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero Stanton II Contracts, the Stanton II Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero Stanton II Contracts to the Stanton II Bond Trustee (the “**Stanton II Trustee Assignment**”).

Section 1.15. AMENDMENT OF ST. LUCIE POWER SALES CONTRACTS AND ST. LUCIE PROJECT SUPPORT CONTRACTS.

(a) To facilitate and permit the transfer and assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP, Vero Beach and FMPA, with respect to the St. Lucie Project, have agreed that it is appropriate that certain terms and provisions of the Vero St. Lucie Contracts be amended, including the assignment of certain of the rights and obligations of FMPA under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee and the execution of Amendment No.3 to the St. Lucie Project Power Sales Contract, (the "**Vero St. Lucie Power Sales Contract Amendment**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach and Amendment No. 3 to the St. Lucie Project Support Contract (the "**Vero St. Lucie Project Support Contract Amendment**," and together with the Vero St. Lucie Power Sales Contract Amendment, the "**Vero St. Lucie Amendments**"), between FMPA, with respect to the St. Lucie Project, and Vero Beach.

(b) The transfer and assignment of the Vero St. Lucie Contracts, as amended by the Vero St. Lucie Amendments, to FMPA, with respect to the ARP, also requires that certain amendments be made to the St. Lucie Power Sales Contracts and the St. Lucie Project Support Contracts of the St. Lucie Project Participants other than Vero Beach (the "**Other St. Lucie Participants**") to reflect the assignment of Vero Beach's St. Lucie Power Entitlement Share to FMPA, with respect to the ARP (the "**Other St. Lucie Participant Amendments**"). The amendments to the St. Lucie Power Sales Contracts of the Other St. Lucie Participants all will be in substantially the same form. The amendments to the St. Lucie Project Support Contracts of the Other St. Lucie Participants all will be in substantially the same form.

(c) Vero Beach has requested, and the St. Lucie Transfer Agreement requires, that FMPA and each Other St. Lucie Project Participant acknowledge, agree and consent that upon the Assignment Effective Date, Vero Beach will be fully released and discharged from any liabilities and obligations under the St. Lucie Contracts.

(d) The Other St. Lucie Project Participants have received notice of and a copy of the Vero Amendments and a copy of the Other St. Lucie Participant Amendments.

(e) Section 29(d) of the St. Lucie Power Sales Contracts provides that the terms and conditions of a St. Lucie Power Sales Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Power Sales Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Power Sales Contracts of any other St. Lucie Project Participants requesting such amendment.

(f) Section 14(b) of the St. Lucie Project Support Contracts also provides that the terms and conditions of a St. Lucie Project Support Contract may be amended so as to provide terms and conditions different from those contained in other St. Lucie Project Support Contracts upon written notice to and consent or waiver by each of the other St. Lucie Project Participants and upon similar amendment being made to the St. Lucie Project Support Contracts of any other St. Lucie Project Participants requesting such amendment.

(g) Each of the Other St. Lucie Participants will consent to the Vero St. Lucie Amendments and waive its rights to have similar amendments made to its respective St. Lucie Power Sales Contract and St. Lucie Project Support Contract by executing a separate Consent

and Waiver (St. Lucie Project) (the “**St. Lucie Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(h) Each of the Other St. Lucie Project Participants and FMPA will enter into the Other St. Lucie Participant Amendments.

(i) Each of the Other St. Lucie Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**St. Lucie Mutual Release Agreement**”) pursuant to which (i) each Other St. Lucie Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other St. Lucie Project Participant may have against Vero Beach with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero Beach fully and completely releases and forever discharges such Other St. Lucie Project Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other St. Lucie Project Participant with respect to the St. Lucie Project by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero St. Lucie Contracts, the St. Lucie Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA.

(j) FMPA shall assign certain of its rights under the Vero St. Lucie Contracts to the St. Lucie Bond Trustee (the “**St. Lucie Trustee Assignment**”).

Section 1.16. AMENDMENT OF ARP CONTRACTS.

(a) The withdrawal of Vero Beach from the ARP, the termination of the Vero ARP Contract and the assignment of Vero Beach’s Power Entitlement Shares to FMPA, with respect to the ARP, requires certain amendments to the ARP Contracts of the ARP Project Participants other than Vero Beach (the “**Other ARP Participants**”), all of which amendments (the “**Other ARP Participant Amendments**”) will be in substantially the same form, and FMPA and the Other ARP Participants will enter into the Other ARP Participant Amendments.

(b) Each of the Other ARP Participants will consent to the Other ARP Participant Amendments and waive enforcement of certain provisions of the ARP Contracts in connection with the withdrawal of Vero Beach from the ARP by executing a separate Consent and Waiver (All-Requirements Power Supply Project) (the “**ARP Consent and Waiver**”) effective simultaneously with the closing of the Proposed Sale Transaction.

(c) Each of the Other ARP Project Participants and Vero Beach will enter into a Mutual Release Agreement (the “**ARP Mutual Release Agreement**”) pursuant to which (i) each Other ARP Project Participant fully and completely releases and forever discharges Vero Beach, effective as of the Assignment Effective Date, from any claims and liabilities that such Other ARP Project Participant may have against Vero Beach with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach’s membership in FMPA and (ii) Vero

Beach fully and completely releases and forever discharges such Other ARP Participant, effective as of the Assignment Effective Date, from any claims and liabilities that Vero Beach may have against such Other ARP Project Participant with respect to the ARP by reason of any manner or thing whatsoever including, without limitation, on account of, arising from or in any way connected with the 10Vero ARP Contracts, the ARP Bond Resolution, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

(d) FMPA shall assign certain of its rights under the Vero Contracts to the ARP Bond Trustee (the "**ARP Trustee Assignment**").

ARTICLE II.

DEFINITIONS; CONSTRUCTION

Section 2.01. DEFINITIONS. Capitalized terms used but not otherwise defined in this Master Annex shall have the meanings set forth in the applicable Power Sales Contract and Project Support Contract. The following terms shall, for all purposes herein and (except as the context may otherwise require) in the document to which this Master Annex is appended, have the following meanings:

"**Advisory Fees**" has the meaning set forth in Section 3.11 hereto.

"**Applicable Agreements**" has the meaning set forth in Section 3.11 hereto.

"**ARP**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Bond Resolution**" means the All-Requirements Power Supply Project Revenue Bond Resolution, adopted on March 22, 1985, as amended and restated in its entirety on May 23, 2003, as the same may be further amended and supplemented.

"**ARP Bond Trustee**" means the "Trustee," as such term is defined in section 101 of the ARP Bond Resolution.

"**ARP Consent and Waiver**" has the meaning set forth in paragraph (b) of Section 1.16 hereto.

"**ARP Contracts**" has the meaning set forth in paragraph (b) of Section 1.05 hereto.

"**ARP Mutual Release Agreement**" has the meaning set forth in paragraph (c) of Section 1.16 hereto.

"**ARP Project Participants**" has the meaning set forth in paragraph (a) of Section 1.05 hereto.

"**ARP Trustee Assignment**" has the meaning set forth in paragraph (d) of Section 1.16 hereto.

"**Assignment Agreements**" means, collectively, the Stanton Assignment Agreement, the Stanton II Assignment Agreement and the St. Lucie Assignment Agreement.

“**Assignment Effective Date**” means the closing date for the Proposed Sale Transaction.

“**Bond Resolutions**” means, collectively, the ARP Bond Resolution, the Stanton Bond Resolution, the Stanton II Bond Resolution, and the St. Lucie Bond Resolution.

“**Closing**” means, collectively, the definition of such term in the Transfer Agreements.

“**Closing Date**” means the day on which the Closing of the Proposed Sale Transaction is scheduled to occur.

“**Conditions Precedent**” has the meaning assigned to such term the Stanton Transfer Agreement, the Stanton II Transfer Agreement or the St. Lucie Transfer Agreement, as applicable.

“**Consideration Payment**” has the meaning set forth in Section 1.10 hereto.

“**Expenses**” has the meaning set forth in Section 3.11 hereto.

“**Fees and Expenses**” has the meaning set forth in Section 3.11 hereto.

“**FMPA**” means Florida Municipal Power Agency, a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision or Part II, Chapter 361, Florida Statutes or both.

“**FMPA Members**” has the meaning set forth in Section 3.11 hereto.

“**FPL**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Interlocal Agreement**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Other ARP Participants**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other ARP Participant Amendments**” has the meaning set forth in paragraph (a) of Section 1.16 hereto.

“**Other St. Lucie Participants**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other St. Lucie Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.15 hereto.

“**Other Stanton Participants**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.13 hereto.

“**Other Stanton II Participants**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**Other Stanton II Participant Amendments**” has the meaning set forth in paragraph (b) of Section 1.14 hereto.

“**OUC**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Participation Agreements**” means the St. Lucie Participation Agreement, the Stanton Participation Agreement and the Stanton II Participation Agreement, collectively.

“**Power Entitlement Shares**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Power Sales Contract**” means Stanton Power Sales Contract, the Stanton II Power Sales Contract or the St. Lucie Power Sales Contract, as applicable. References to a “Power Sales Contract” or “Power Sales Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Power Sales Contracts related to that Project.

“**Project**” means the Stanton Project, the Stanton II Project, the St. Lucie Project or the ARP.

“**Project Support Contract**” means the Stanton Project Support Contract, the Stanton II Project Support Contract or the St. Lucie Project Support Contract, as applicable. References to a “Project Support Contract” or “Project Support Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Project Support Contracts related to that Project.

“**Proposed Sale Transaction**” has the meaning set forth in Section 1.06 hereto.

“**St. Lucie Assignment Agreement**” means the Assignment Agreement (St. Lucie Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**St. Lucie Bond Resolution**” means the St. Lucie Project Revenue Bond Resolution, adopted March 26, 1982, as amended and restated in its entirety on May 21, 1982, as further amended and restated in its entirety on July 30, 1992, and as further amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**St. Lucie Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the St. Lucie Bond Resolution.

“**St. Lucie Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.15 hereto.

“**St. Lucie Contracts**” has the meaning set forth in paragraph (f) of Section 1.04 hereto.

“**St. Lucie Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.15 hereto.

“**St. Lucie Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**St. Lucie Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.04 hereto.

“**St. Lucie Project**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Participants**” has the meaning set forth in paragraph (a) of Section 1.04 hereto.

“**St. Lucie Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.04 hereto.

“**St. Lucie Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**St. Lucie Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.15 hereto.

“**St. Lucie Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.04 hereto.

“**Stanton Assignment Agreement**” means the Assignment Agreement (Stanton Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**Stanton Bond Resolution**” means the Stanton Project Revenue Bond Resolution, adopted January 13, 1984, as amended and restated in its entirety on August 27, 1997, as the same may be further amended and supplemented.

“**Stanton Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton Bond Resolution.

“**Stanton Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.13 hereto.

“**Stanton Contracts**” means the Stanton Power Sales Contracts and the Stanton Project Support Contracts.

“**Stanton Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.13 hereto.

“**Stanton Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.02 hereto.

“**Stanton Project**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Participants**” has the meaning set forth in paragraph (a) of Section 1.02 hereto.

“**Stanton Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.02 hereto.

“**Stanton Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.13 hereto.

“**Stanton Unit No. 1**” has the meaning set forth in paragraph (b) of Section 1.02 hereto.

“**Stanton Unit No. 2**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Assignment Agreement**” means the Assignment Agreement (Stanton II Project), dated the Assignment Effective Date, by and between Vero Beach and FMPA.

“**Stanton II Bond Resolution**” means the Stanton II Project Revenue Bond Resolution, adopted June 26, 2991, as amended and restated in its entirety on April 10, 2002, as the same may be further amended and supplemented.

“**Stanton II Bond Trustee**” means the “Trustee,” as such term is defined in section 101 of the Stanton II Bond Resolution.

“**Stanton II Consent and Waiver**” has the meaning set forth in paragraph (g) of Section 1.14 hereto.

“**Stanton II Contracts**” means the Stanton II Power Sales Contracts and the Stanton II Project Support Contracts.

“**Stanton II Mutual Release Agreement**” has the meaning set forth in paragraph (i) of Section 1.14 hereto.

“**Stanton II Participation Agreement**” has the meaning set forth in paragraph (b) of Section 1.03 hereto.

“**Stanton II Power Sales Contract**” has the meaning set forth in paragraph (c) of Section 1.03 hereto.

“**Stanton II Project**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Participants**” has the meaning set forth in paragraph (a) of Section 1.03 hereto.

“**Stanton II Project Support Contract**” has the meaning set forth in paragraph (e) of Section 1.03 hereto.

“**Stanton II Transfer Agreement**” has the meaning set forth in Section 1.09 hereto.

“**Stanton II Trustee Assignment**” has the meaning set forth in paragraph (j) of Section 1.14 hereto.

“**Transfer Agreements**” has the meaning set forth in Section 1.09 hereto.

“**Vero ARP Contract**” has the meaning set forth in paragraph (c) of Section 1.05 hereto.

“**Vero Beach**” means the City of Vero Beach, Florida.

“**Vero Beach Closing Documents**” means, collectively, the Vero Stanton Closing Documents, the Vero Stanton II Closing Documents, the Vero St. Lucie Closing Documents, the Waiver and Release Agreement, and the Assignment Agreements.

“**Vero Contracts**” means, collectively, the Vero Stanton Contracts, the Vero Stanton II Contracts, and the Vero St. Lucie Contracts. References to “Vero Contracts” in any agreement, consent or other executed document into which this Master Annex is incorporated that relates solely to a particular Project shall include only Vero Contracts related to that Project.

“**Vero Power Sales Contracts**” means, collectively, the Vero Stanton Power Sales Contract, the Vero Stanton II Power Sales Contract and the Vero St. Lucie Power Sales Contract.

“**Vero Project Support Contracts**” means, collectively, the Vero Stanton Project Support Contract, the Vero Stanton II Project Support Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Amendments**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Closing Documents**” has the meaning set forth in the St. Lucie Transfer Agreement.

“**Vero St. Lucie Contracts**” means, collectively, the Vero St. Lucie Power Sales Contract and the Vero St. Lucie Project Support Contract.

“**Vero St. Lucie Power Sales Contract**” means the St. Lucie Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 1, 1982, as amended by Amendment No. 1 to the Power Sales Contract made and entered into as of January 1, 1983, and as further amended by Amendment No. 2 to the Power Sales Contract made and entered into as of April 1, 1983, as thereafter amended.

“**Vero St. Lucie Power Sales Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero St. Lucie Project Entitlements**” means the 15.202% Power Entitlement Share (as defined in the Vero St. Lucie Power Sales Contract) in the St. Lucie Project, and the associated rights and obligations of Vero Beach as a Project Participant in the St. Lucie Project, pursuant to the Vero St. Lucie Contracts.

“**Vero St. Lucie Project Support Contract**” means the St. Lucie Project Support Contract by and between FMPA and Vero Beach, as amended, to provide for the payment of costs relating to the St. Lucie Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero St. Lucie Power Sales Contract.

“**Vero St. Lucie Project Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.15 hereto.

“**Vero Stanton Amendments**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Closing Documents**” has the meaning set forth in the Stanton Transfer Agreement.

“**Vero Stanton Contracts**” has the meaning set forth in paragraph (f) of Section 1.02 hereto.

“**Vero Stanton Power Sales Contract**” means the Stanton Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of January 16, 1984, as thereafter amended.

“**Vero Stanton Project Entitlements**” means the 32.521% Power Entitlement Share (as defined in the Vero Stanton Power Sales Contract) in the Stanton Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton Project, pursuant to the Vero Stanton Contracts.

“**Vero Stanton Project Support Contract**” means the Stanton Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton Power Sales Contract.

“**Vero Stanton PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.13 hereto.

“**Vero Stanton II Amendments**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Closing Documents**” has the meaning set forth in the Stanton II Transfer Agreement.

“**Vero Stanton II Contracts**” has the meaning set forth in paragraph (f) of Section 1.03 hereto.

“**Vero Stanton II Power Sales Contract**” means the Stanton II Project Power Sales Contract by and between FMPA and the Vero Beach, dated as of June 26, 1991, as thereafter amended.

“**Vero Stanton II Project Entitlements**” means the 16.4887% Power Entitlement Share (as defined in the Vero Stanton II Power Sales Contract) in the Stanton II Project, and the associated rights and obligations of Vero Beach as a Project Participant in the Stanton II Project, pursuant to the Vero Stanton II Contracts.

“**Vero Stanton II Project Support Contract**” means the Stanton II Project Support Contract by and between FMPA and Vero Beach, to provide for the payment of costs relating to the Stanton II Project during such periods when such costs are not required to be paid pursuant to the terms of the Vero Stanton II Power Sales Contract.

“**Vero Stanton II PSC Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Vero Stanton II Support Contract Amendment**” has the meaning set forth in paragraph (a) of Section 1.14 hereto.

“**Waiver and Release Agreement**” has the meaning set forth in paragraph (b) of Section 1.08 hereto.

Section 2.02. CONSTRUCTION. (a) Defined terms in this Master Annex shall include in the singular number the plural and in the plural number the singular.

(b) Any agreement, contract or document defined or referred to herein means such agreement, contract or document in the form (including all amendments, schedules, exhibits, appendices, attachments, clarification letters and the like relating thereto) originally executed and delivered, as the same may thereafter be amended, supplemented, replaced or otherwise modified from time to time in accordance with its terms and, to the extent applicable, the terms of the applicable Power Sales Contract and Project Support Contract, Bond Resolution, Participation Agreement and any documents specified in the applicable definition.

(c) All references to the documentation or to a document herein shall mean the documentation or the document into which this Master Annex is incorporated by reference.

ARTICLE III.

MISCELLANEOUS PROVISIONS

Section 3.01. ENTIRE AGREEMENT. The terms, provisions and conditions stated in each document (including all exhibits and any other attachments to a particular document) and the documentation referred to in a particular document constitute the entire understanding between the parties thereto regarding the subject matter of the particular document, and supersede any and all previous communications and understandings between the parties regarding the subject matter of the particular document.

Section 3.02. APPLICABLE LAW. The documentation is made under and will be governed by and construed and enforced in accordance with the laws of the State of Florida.

Section 3.03. WAIVER OF JURY TRIAL. The parties to each document waive trial by jury in any proceeding brought or claim asserted in connection with the transaction contemplated by such document.

Section 3.04. COUNTERPARTS. The documentation may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same instrument.

Section 3.05. AMENDMENTS; WAIVERS. (a) No amendment or modification of any provision of the documentation shall be effective unless the same shall be in writing and signed by the parties to the relevant documentation. This Master Annex shall not be modified or amended in any respect unless such modification or amendment is in writing and amended in accordance with the terms of the documentation to which it is incorporated by reference.

(b) No waiver of the terms, conditions and covenants of the documentation shall be binding and effective unless the same shall be in writing signed by the party granting such waiver. A waiver of any breach of the terms, conditions and covenants of any documentation into which this Master Annex is incorporated shall be for the one time only and shall not apply to any subsequent breach.

Section 3.06. EFFECTIVE DATE. The documentation for this transaction will take effect simultaneously on the date that the transaction, by which Vero Beach will sell to FPL, and FPL will purchase, Vero Beach's retail electric system, closes and takes effect.

Section 3.07. RESERVED.

Section 3.08. SURVIVAL. All representations, warranties, promises, covenants, agreements, stipulations, undertakings, obligations and anything else made in or pursuant to the documentation into which the Master Annex is incorporated by reference shall survive the execution and delivery of such documentation.

Section 3.09. HEADINGS/CONSTRUCTION. The headings in the documentation are for purposes of reference only and will not limit or otherwise affect the meaning thereof. References in the documentation to numbered Articles or Sections are references to the Articles and Sections of the particular document. References in the documentation to lettered Exhibits and numbered Attachments and Schedules are references to the Exhibits, Attachments and Schedules attached to the particular document, all of which for a particular document are incorporated in and constitute a part of the particular document. Article, Section, Exhibit, Attachment and Schedule captions used in the documentation are for reference only and do not describe or limit the substance, scope or intent of the documentation or the individual Articles, Sections, Exhibits, Attachments or Schedules of the documentation. The terms "include", "including" and similar terms are construed as if followed by the phrase "without limitation." The singular of any word includes the plural and the plural includes the singular. The use of any gender includes all genders. The term "provisions" includes terms, covenants, conditions, agreements and requirements. The term "amend" includes modify, supplement, renew, extend, replace, restate and substitute and the term "amendment" includes modification, supplement, renewal, extension, replacement, restatement and substitution.

Section 3.10. NO THIRD PARTY BENEFICIARIES. Unless specifically mentioned in a particular document, nothing expressed or mentioned in the documentation is intended or will be construed to give any person any legal or equitable right, remedy or claim under or in respect of the documentation, or any provisions therein contained, the documentation and all conditions and provisions thereof being intended to be and being for the sole and exclusive benefit of the parties to the documentation and for the benefit of no other person.

Section 3.11. REIMBURSEMENT OF FEES AND EXPENSES.

Vero Beach and FMPA, and each of FMPA's members (the "**FMPA Members**"), will bear all of the fees and expenses of their respective accountants, attorneys, financial advisors, consultants and other advisors (collectively, with regard to FMPA and FMPA Members, the "**Advisory Fees**"). Additionally, FMPA will bear all of its other costs to obtain the approvals, consents, acknowledgments or waivers from parties outside of FMPA's control, including, without limitation, bond insurers, rating agencies, bond trustees and credit providers (collectively, the "**Expenses**," and together with the Advisory Fees, the "**Fees and Expenses**"), in connection with the negotiation and preparation of the Transfer Agreements and associated documents (collectively, the "**Applicable Agreements**") related to the transfer and assignment of Vero Beach's interests in the Stanton Project, the Stanton II Project and the St. Lucie Project, and to Vero Beach's withdrawal from the ARP.

In the event, however, that the Closing does not occur because of the failure of Vero Beach to deliver to FMPA the Vero Beach Closing Documents or the Consideration Payment under the Transfer Agreements, Vero Beach will pay to FMPA the Fees and Expenses of FMPA and the FMPA Members including, without limitation, the pro rata costs of FMPA's in-house counsel (such pro rata costs to be equal to that proportion of the monthly base salary of FMPA's in-house counsel as the time worked by such in-house counsel on the Transfer Agreements and related matters during such month bears to the total time worked by such in-house counsel on all FMPA matters (including, without limitation, on the Transfer Agreements and related matters) during such month); *provided, however, that* in no event shall the Fees and Expenses to be paid by Vero Beach exceed One Million Five Hundred Thousand Dollars (\$1,500,000) in the aggregate.

For purposes of clarity, Vero Beach will not be obligated to pay any of the in-house Fees and Expenses of FMPA or the FMPA Members, except as set forth in the immediately preceding paragraph relating to FMPA's in-house counsel.

Payment by Vero Beach pursuant to this Section 3.11 will be made by Vero Beach within forty-five (45) days after FMPA's delivery to Vero Beach of invoices for the Fees and Expenses that are payable by Vero Beach under this Section 3.11; *provided, however, that* nothing in this Section 3.11 will prevent Vero Beach from disputing in good faith any of such Fees and Expenses.

Exhibit B

Substantial Form of Waiver and Release Agreement

Draft 3/9/18

WAIVER AND RELEASE AGREEMENT

THIS WAIVER AND RELEASE AGREEMENT (this "Release Agreement") is made and entered into as of this ___ day of ____, 2018 by and between the CITY OF VERO BEACH, FLORIDA, a political subdivision of the State of Florida ("Vero Beach"), and FLORIDA MUNICIPAL POWER AGENCY ("FMPA"), a validly created and existing separate governmental legal entity pursuant to Section 163.01, Florida Statutes, and exercising powers under that provision of Part II, Chapter 361, Florida Statutes or both, with respect to the following projects: (i) the Stanton Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton Project (the "Stanton Project") on behalf of the members of FMPA and the participants in such project (the "Stanton Project Participants"), (ii) the Stanton II Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the Stanton II Project (the "Stanton II Project") on behalf of the members of FMPA and the participants in such project (the "Stanton II Project Participants"), (iii) the St. Lucie Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the St. Lucie Project (the "St. Lucie Project") on behalf of the members of FMPA and the participants in such project (the "St. Lucie Project Participants"), and (iv) the All-Requirements Power Supply Project, a project created by authorization of the Board of Directors of FMPA for the purposes of creating a joint electric project designated as the All-Requirements Power Supply Project (the "ARP") on behalf of the members of FMPA and the participants in such project (the "ARP Participants"). FMPA and Vero Beach are referred to herein as the "Parties," the Stanton Project, the Stanton II Project, the St. Lucie Project and the ARP are collectively referred to herein as the "Projects," and the Stanton Project Participants, the Stanton II Project Participants, the St. Lucie Project Participants and the ARP Participants are collectively referred to herein as the "Project Participants".

RECITALS

WHEREAS, Vero Beach and FMPA wish to set forth the terms for the Release Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for Ten and No/100 (\$10.00) Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Vero Beach and FMPA agree as follows:

1. Except as otherwise specifically provided herein, the Master Annex, dated as of March ___, 2018, appended to the Stanton Transfer Agreement as **Exhibit A** (the "Master Annex"), except for Sections 3.05, 3.09 and 3.11 of the Master Annex, constitutes an integral part of this Release Agreement and is incorporated by reference herein, and has the same force and effect as if set forth in this Release Agreement. Capitalized terms not defined elsewhere in this Release Agreement have the meanings given to such terms in the Master Annex.

2. In addition to the release in Section 6(b) below, FMPA, for itself and for its respective successors and assigns, fully and completely releases and forever discharges Vero Beach from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that FMPA has, has had, or may in the future discover that it had at the time of the Assignment Effective Date, against Vero Beach by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

3. In addition to the release in Section 7(b) below, Vero Beach, for itself and for its respective successors and assigns, fully and completely releases and forever discharges FMPA from any and all claims, demands, damages, liabilities, obligations, actions, causes of action, suits, debts, sums of money, amounts paid in settlement, fees, costs, accounts, reckonings, covenants, controversies, agreements and any and all other liabilities and obligations of whatever nature or kind, at law or in equity, known or unknown, that Vero Beach has, has had or may in the future discover that it had at the time of the Assignment Effective Date, against FMPA by reason of any manner or thing whatsoever, from the beginning of time through and including the Assignment Effective Date, including, without limitation, on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

4. Vero Beach hereby represents and warrants to FMPA as follows:

- (a) Vero Beach has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by Vero Beach has been duly and properly authorized by all proper and required action on the part of Vero Beach.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of Vero Beach, enforceable against it in accordance with its terms.

5. FMPA hereby represents and warrants to Vero Beach as follows:

- (a) FMPA has full power and authority to enter into and to perform its obligations under this Release Agreement.
- (b) The execution, delivery and performance of this Release Agreement by FMPA has been duly and properly authorized by all proper and required action on the part of FMPA.
- (c) This Release Agreement constitutes the lawful, valid and legally binding obligation of FMPA, enforceable against it in accordance with its terms.

6. FMPA, effective as of the Assignment Effective Date: (a)(i) waives the requirement with respect to Vero Beach under the last sentence of Section 28(a) of the Vero Power Sales Contracts and the last sentence of Section 13(a) of the Vero Project Support Contracts stating in substance that no assignment or transfer of the Vero Contracts shall relieve the parties of any obligation thereunder, and (ii) waives the requirement with respect to Vero Beach under clause (i) of Section 28(c) of the Vero Power Sales Contracts and clause (i) of Section 13(c) of the Vero Project Support Contracts stating in substance that the Project Participant shall, subject to the Participation Agreement, assign the Vero Contracts and its rights and interest thereunder to the purchaser or lessee of said electric or integrated utility system, if any, and any such purchaser or lessee shall assume all obligations of the Project Participant under the Vero Contracts, and (iii) waives the requirements with respect to Vero Beach under Section 27 of the Vero ARP Contract stating in substance that the termination of the Vero ARP Contract shall not discharge either party thereto from any obligation it owes to the other party under the Vero ARP Contract by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events or basis of which shall occur or arise) prior to such termination and that it is the intent of the parties thereby that any such obligation owed (whether the same shall be known or unknown at the termination of the Vero ARP Contract or whether the circumstances, events or basis of the same shall be known or unknown at the termination of the Vero ARP Contract) shall survive the termination of the Vero ARP Contract, (iv) waives the requirement with respect to Vero Beach under clause (a) of Section 29 of the Vero ARP Contract stating in substance that the date on which any such termination becomes effective and the "Withdrawal Date," must be a September 30 date, and (v) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date ; and (b) fully releases and discharges Vero Beach from all liabilities and obligations to FMPA on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

7. Vero Beach, effective as of the Assignment Effective Date: (a)(i) agrees that the "Withdrawal Date" for Vero Beach under the Vero ARP Contract shall be the date of closing of the Proposed Sale Transaction on the Assignment Effective Date, (ii) waives, subject to the terms hereof, the provisions of Section 29(c) of the Vero ARP Contract and FMPA's Vero ARP Contract Section 29 withdrawal payment calculation methodology, and (iii) waives its right to any future calculations and the payment by FMPA to Vero Beach of any additional benefits under Section 29(f) of the Vero ARP Contract; and (b) fully releases and discharges FMPA from all liabilities and obligations to Vero Beach on account of, arising from, or in any way connected with, the Vero Contracts, the Vero ARP Contract, the Bond Resolutions, the Proposed Sale Transaction, the Interlocal Agreement or Vero Beach's membership in FMPA.

8. This Release Agreement may be signed in two or more counterparts, each of which shall be treated as an original but which, when taken together, shall constitute one and the same instrument. The exchange of copies of this Release Agreement and of signature pages by facsimile transmission or electronic mail shall constitute effective execution and delivery of this Release Agreement and may be used in lieu of the originally signed Release Agreement for all purposes. Signatures of the Parties transmitted by facsimile or electronic mail shall be deemed to be their original signatures for all purposes.

9. FMPA and Vero Beach acknowledge and agree that, as of the Assignment Effective Date, the Vero ARP Contract shall be terminated and Vero Beach shall no longer be a party to the Vero ARP Contract.

10. FMPA will provide a copy of this Release Agreement, promptly after this Release Agreement has been fully executed and delivered, to the trustee under the Bond Resolutions.

[Remainder of page intentionally left blank; signatures appear on the following page]

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 871 of 1048**

IN WITNESS WHEREOF, the parties hereto have caused this Release Agreement to be executed and delivered by their proper officers, respectively, being thereunto duly authorized and their corporate seals to be hereto affixed as of this day and year first set forth above.

ATTEST:

CITY OF VERO BEACH, FLORIDA

Tammy K. Bursick
City Clerk

Harry Howle III
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only—Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Approved as conforming to municipal policy:

Wayne R. Coment
City Attorney

James R. O'Connor
City Manager

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

William H. Conrad
Chairman, Board of Directors, with respect to Stanton Project, Stanton II Project and St. Lucie Project

Howard McKinnon
Chairman, All-Requirements Project Executive Committee, with respect to ARP Project

ATTEST:

Approved as to Form and Legality:

Sue Utley
Assistant Secretary

Jody Lamar Finklea
General Counsel and CLO

AGENDA ITEM 5 – ACTION ITEMS

- e. Approval of Resolution 2018-B5 –
Resolution to Form FMPA Solar
Project**

**Board of Directors
Meeting March 21, 2018**



AGENDA PACKAGE MEMORANDUM

TO: Board of Directors
FROM: Frank Gaffney / Chris Gowder / Dan O'Hagan
DATE: March 16, 2018
ITEM: BOD 5e – Approval of Resolution 2018-B5 – Resolution to Form FMPA Solar Project

Summary We hope that more than a year's effort on the solar initiative will culminate in FMPA's first new Project in more than 25 years. If the Board approves the attached resolution, this will be the first new Project formed by FMPA since the Stanton II Project was formed in 1991. If approved, FMPA will purchase close to 60 MW of solar on behalf of six (6) FMPA members.

FMPA, OUC and 11 other FMPA members – five (5) within the ARP and six (6) forming this new FMPA Solar Project – have approved or are expected to approve participation in 223.5 MWac of solar comprised of three (3) 74.5 MWac solar farms at three (3) sites. If approved, the Solar Project will take a total of 57 MW to be purchased from the NextEra Florida Renewables, Inc. ("NEFR") Osceola Solar Facility. Through this collaborative effort, FMPA's members achieve economies of scale that provides for low priced solar energy at about 1/3rd the cost of a rooftop solar installation per kWh.

The Solar Project is proposed to be very similar to FMPA's other entitlement projects (St. Lucie, Stanton, Tri-City and Stanton II) except for two significant differences: (i) instead of an ownership share in the solar facilities, FMPA will be entering a Power Purchase Agreement (PPA) with NEFR; and (ii) instead of firm capacity, the Solar Project will be an intermittent resource with as-available energy.

Solar Project Participants (MW Share)

- City of Alachua (9 MW)
- City of Bartow (13 MW)
- Homestead Public Services (10 MW)
- City of Lake Worth Utilities (10 MW)
- City of Wauchula (5 MW)
- Winter Park Electric Utility (10 MW)

BOD 5e – Approval of Resolution 2018-B5 – Resolution to Form FMPA Solar
Project March 16, 2018
Page 2

Five ARP members have approved or are expected to approve participation in joint-action solar for a total of 58 MW to be purchased from the NEFR Holopaw and Osceola Solar Facilities.

ARP Solar Participants (MW Share)

- Beaches Energy Service (10 MW)
- Fort Pierce Utilities Authority (3 MW)
- Keys Energy Services (5 MW)
- Kissimmee Utility Authority (30 MW)
- Ocala Electric Utility (10 MW)

The documents attached to this memo are the latest versions as of the time the agenda package was produced. Improvement to some of the language in the agreements is still being discussed. The revisions being discussed are minor in nature and do not change the business arrangement. Final versions, along with redline versions showing changes versus the attached versions, will be provided via the FTP site in advance of the March 15 Board of Directors meeting.

Resolution

Attachment 1 is a Resolution of the Board of Directors that, if adopted by the Board accomplishes the following:

- Designates the Solar Project as a Project under the Interlocal Agreement;
- Establishes the Power Entitlement Shares of the Participants in the Solar Project;
- Approves the terms of the Power Sales Contracts between FMPA and each of the Solar Project Participants;
- Approves the Power Purchase Agreement (the “Solar Project PPA”) between FMPA, as Agent for the Solar Project, and NextEra Florida Renewables, Inc., (“NEFR”); and
- Designates the authorized FMPA Officers for purposes of executing the Power Sales Contracts and the Solar Project PPA.

Power Sales
Contract

Exhibit A to the Resolution is the form of Power Sales Contract to be entered into between FMPA and each of the Solar Project Participants.

The Power Sales Contract binds the Project Participants to pay the costs of the solar energy purchased by the FMPA Solar Project (the “Project”) and all project related costs (including FMPA A&G, the return of funds to the Development Fund, and other costs related to FMPA’s acquisition of the solar energy). The agreement continues until the termination of the Solar Project PPA, except that any accrued liability or obligations shall continue. Project Participants take delivery of the solar energy at the

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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BOD 5e – Approval of Resolution 2018-B5 – Resolution to Form FMPA Solar
Project March 16, 2018
Page 3

point of interconnection of the solar facility and the high-voltage transmission system, and are responsible for arranging for transmission service to their electric systems. In the event a Participant defaults, the agreement includes “step-up” provisions whereby the other non-defaulting Project Participants agree to increase their Power Entitlement Shares to absorb the defaulting Participant’s Power Entitlement Share. Lastly, in the event a Project Participant no longer wishes to receive its solar energy, the Participant can find another entity to take on its obligations, or FMPA can facilitate the sales of its energy to other Project Participants or to third-parties; however, the Project Participant remains liable for any costs not covered by such sales.

Power Purchase
Agreement

Exhibit B to the Resolution is the template PPA to be entered into between FMPA on behalf of the Solar Project and NEFR, whereby the Solar Project agrees to purchase a share of the energy produced from a 74.5 MWac solar facility. The template PPA will be used as the basis for the agreements that will be specific to each off-taker (the Solar project, the ARP, and OUC) from each of the three (3) facilities being developed by NEFR.

The term of the Solar Project PPA is 20 years and the Project has the option to extend the term to 25 or 30 years. The Commercial Operation Date (COD) is guaranteed to be no later than June 30, 2020 (i.e. – it can be earlier), but which can be extended for permitted delays, after which NEFR pays damages for each day of delay, up to 240 days. The Project can terminate the agreement if COD has not been met by a date certain. NEFR also guarantees the production of energy from the facility; if production is less than what is guaranteed during the measurement period, but not less than 70% of what is guaranteed, NEFR pays damages; otherwise, if production is less than 70% of what is guaranteed, an Event of Default occurs and the Project may terminate the agreement.

In the event Network Upgrades are required to interconnect the solar facility to the high-voltage transmission system, the agreement allows for payment for the upgrades in return for the right to receive a refund from the transmission service provider in the form of credits on its transmission service bills. We anticipate there to be low risk of the need for Network Upgrades.

Finally, the agreement allows for early termination in the event certain milestones are not met or if the Network Upgrades required by the transmission service provider as part of the interconnection are too costly or take too long to construct.

Legal Review

FMPA’s Office of General Counsel has been integrally involved in the drafting of the Resolution, the Power Sales Contract, and the Power Purchase Agreement.

Sequence of Execution

If approved, FMPA will not execute the Solar PPA until after all of the Solar Power Sales Contracts are fully executed.

Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
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Recommended Motion Move approval of Resolution 2018-B5, the Power Sales Contract, and the Power Purchase Agreement in near final form; authorize FMPA's Office of the General Counsel to make non-material modifications to these agreements; and authorize FMPA's CEO to execute the agreements once finalized.



BOD 5e - Approval of Resolution 2018-B5 to Form FMPA Solar Project

**Chris Gowder
March 2018**

Solar Project

- First new FMPA project in more than 25 years
- Almost 60 MW of solar generation
- Six Participants, three who have not participated in an FMPA project before
 - City of Alachua
 - City of Bartow
 - Homestead Public Services
 - City of Lake Worth Utilities
 - City of Wauchula
 - Winter Park Electric Utility
- Economies of scale for three 74.5 MW farms at 1/3rd the cost of rooftop solar



Solar Participation

Total of 223.5 MW from 3 Facilities Approved

Member	Solar Participation (MW)	Approval Status
Alachua	9	Approved Mar. 12 th
Bartow	13	Approved Mar. 5 th
Beaches Energy	10	Approved Feb. 5 th
FPUA	3	Approved Feb. 6 th
Homestead	10	Approved Nov. 28 th
Keys Energy	5	Approved Nov. 15 th
KUA	30	Approved Sep. 13 th & Dec. 6 th
Lake Worth	10	Approved Mar. 6 th
Ocala	10	Approved Mar. 6 th
OUC	60-120	Approved Jan. 23 rd
Wauchula	5	Approved Mar. 12 th
Winter Park	10	Approved Mar. 12 th



Solar Participation

Facility Allocations

Facility	Capacity	OUC	ARP	Solar Project
Orange (OUC)	74.5	74.5	0.0	0.0
Holopaw (OUC)	74.5	34.0	40.5	0.0
Osceola (DEF)	74.5	0.0	17.5	57.0
Total	223.5	108.5	58.0	57.0

Resolution 2018-B5

- Designates the Solar Project as a Project under the Interlocal Agreement;
- Establishes the Power Entitlement Shares of the Participants in the Solar Project;
- Approves the terms of the Power Sales Contracts between FMPA and each of the Solar Project Participants;
- Approves the Power Purchase Agreement between FMPA, as Agent for the Solar Project, and NextEra Florida Renewables, Inc.; and
- Designates the authorized FMPA Officers for purposes of executing the Power Sales Contracts and the Solar Project PPA.

Power Sales Contract

- Project Participants pay the costs of the solar energy purchased by FMPA and Project related costs
- Includes “step-up” provisions
- Allows for reassignment or sale of a Participant’s share

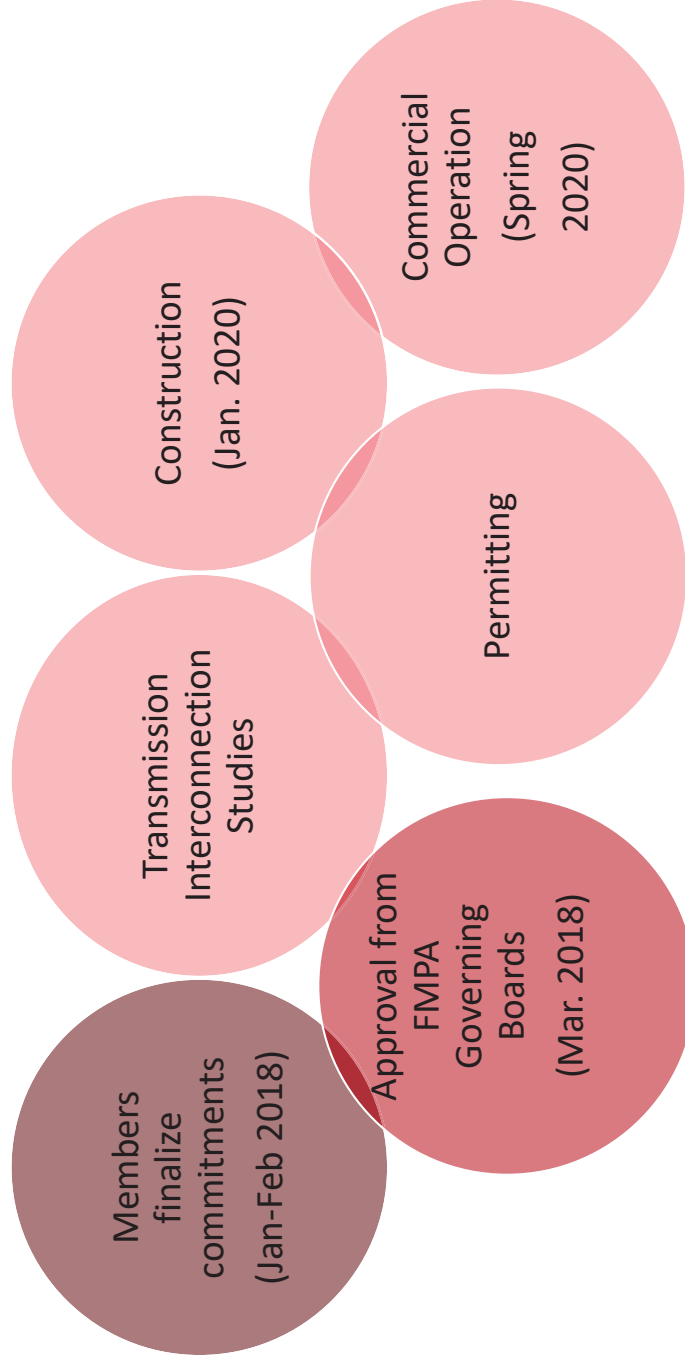
Power Purchase Agreement

- FMPA, on behalf of the Solar Project, purchases a share of energy produced from a 74.5 MW solar facility from NextEra Florida Renewables, Inc.
- 20-year term, two 5-year extension options
- Guaranteed commercial operation June 30, 2020
 - NEFR pays damages for permitted delays up to 240 days
 - Termination option if further delayed or interconnection is too costly

Sequence of Approvals and Signatures

- If formation of the Solar Project is approved today
 - Members sign Power Sales Contract by the end of March
 - Once all Power Sales Contracts are signed, FMPA Solar Project signs PPA with Developer and Power Sales Contracts with participants

Project Schedule



Motion

- Move approval of Resolution 2018-B5, the Power Sales Contract, and the Power Purchase Agreement in near final form; authorize FMPA's Office of the General Counsel to make non-material modifications to these agreements; and authorize FMPA's CEO to execute the agreements once finalized.

RESOLUTION 2018-B5

A RESOLUTION OF THE BOARD OF DIRECTORS OF FLORIDA MUNICIPAL POWER AGENCY (I) DESIGNATING THE SOLAR PROJECT AS A PROJECT UNDER THE INTERLOCAL AGREEMENT; (II) ESTABLISHING THE SOLAR PROJECT PARTICIPANTS' POWER ENTITLEMENT SHARES IN THE SOLAR PROJECT; (III) APPROVING THE SOLAR PROJECT POWER PURCHASE AGREEMENT BETWEEN FLORIDA MUNICIPAL POWER AGENCY (SOLAR PROJECT) AND AN AFFILIATE OF NEXTERA FLORIDA RENEWABLES; (IV) APPROVING SEPARATE POWER SALES CONTRACTS BETWEEN FLORIDA MUNICIPAL POWER AGENCY AND EACH OF THE SOLAR PROJECT PARTICIPANTS; (V) DESIGNATING AUTHORIZED OFFICERS; (VI) APPROVING AND TAKING CERTAIN OTHER ACTIONS; (VII) PROVIDING FOR SEVERABILITY; AND (VIII) PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 361, Part II, Florida Statutes, as amended, Chapter 163, Part I, Florida Statutes, as amended, and Chapter 166, Part II, Florida Statutes, as amended (collectively the "Act").

SECTION 2. DEFINITIONS. When used in this Resolution, capitalized terms shall have the same meaning as that specified in the Power Sales Contracts, a form of which is attached hereto as Exhibit A, unless otherwise provided for herein or unless the context clearly requires otherwise.

SECTION 3. FINDINGS. It is hereby found, determined, and declared as follows:

3.01 Florida Municipal Power Agency ("FMPA") was formed pursuant to the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended (the "Interlocal Agreement"), and the findings, determinations and declarations made in the preambles thereof are hereby reaffirmed and ratified.

3.02. FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide electric capacity and energy.

3.03. FMPA is authorized by the terms of the Act and the Interlocal Agreement, among other things (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in any electric power supply project or projects or to acquire an interest in any such project or facilities (ii) to issue its bonds, notes, or

other evidences of indebtedness to pay all or part of the cost of acquiring joint electric power supply projects; and (iii) to exercise all other powers which have been or may be granted to FMPA under the laws of the State of Florida which may be necessary and proper to further the purposes of FMPA.

3.04 It is necessary and desirable and in the best interests of FMPA, the Project Participants (as defined in the Power Sales Contracts, a form of which is annexed hereto as Exhibit A) and the residents of the State of Florida (the "State") to whom the Project Participants furnish, supply or distribute electrical energy that FMPA enter into the Solar Power Purchase Agreement between FMPA-Solar Project and an affiliate of NextEra Florida Renewables, dated as of _____, (the "Solar Project PPA"), a form of which is annexed hereto as Exhibit B), pursuant to which FMPA will purchase the Solar Product derived from the Solar Facility (as those terms are defined in the Power Sales Contracts).

3.05 It is necessary and desirable and in the best interests of FMPA, the Project Participants and the residents of the State to whom the Project Participants furnish, supply or distribute electrical energy, that FMPA take or cause to be taken all steps necessary for the execution and delivery of the Solar Project PPA, for the supply of Solar Product to the Project Participants and sell the Solar Product from the Solar Project PPA pursuant to the Power Sales Contracts with the Project Participants.

3.06 It is necessary and desirable and in the best interests of FMPA, the Project Participants and the residents of the State to whom the Project Participants furnish, supply or distribute electrical energy and the Board of Directors of FMPA desires to specify the Power Entitlement Share of each of the Project Participants in the Solar Project, and to approve the terms of and authorize the execution and delivery of the Power Sales Contracts and the Solar Project PPA.

SECTION 4. DESIGNATION OF PROJECT, ESTABLISHMENT OF POWER ENTITLEMENT SHARES; PROJECT AGREEMENT.

4.01 There is hereby authorized the undertaking by FMPA of all actions necessary or desirable to enter into a power purchase agreement for the purchase of ~~{X%}~~approximately 76.51% of the electric energy generated by the Solar Facility, as well as the associated Renewable Attributes, and other ancillary products, services or attributes similar to the foregoing which are or can be produced by or associated with the Solar Facility, to be located in Osceola County, Florida.

4.02 The Solar Project is hereby designated as a project under the Interlocal Agreement.

4.03 The Power Entitlement Share of each of the Project Participants is established as follows:

- City of Alachua – ~~{X%}~~15.789%
- City of Bartow – ~~{X%}~~22.807%

- Homestead Public Services – ~~{X%}~~17.544%
- City of Lake Worth Utilities – ~~{X%}~~17.544%
- City of Wauchula – ~~{X%}~~8.772%
- Winter Park Electric Utility – ~~{X%}~~17.544%

4.04 This Resolution shall constitute a supplement to the Interlocal Agreement and shall be maintained by the Secretary of FMPA among the permanent records of FMPA.

4.05 The Interlocal Agreement, as supplemented by this Resolution, shall (with respect to the Solar Project) constitute “an agreement to implement a project” and a “joint power agreement”, as those terms are used in Chapter 361, Part II, Florida Statutes, as amended.

SECTION 5. APPROVAL OF SEPARATE POWER SALES CONTRACTS.

5.01 The terms of the separate Power Sales Contracts to be entered into between FMPA and the Project Participants, in the form annexed hereto as Exhibit A, are hereby expressly approved.

SECTION 6. APPROVAL OF THE SOLAR PROJECT POWER PURCHASE AGREEMENT. The terms of the Solar Project PPA, to be entered in between FMPA and an affiliate of NextEra Florida Renewables, in substantially the form annexed hereto as Exhibit B, with such additions and changes as any Authorized Officer of FMPA shall deem necessary or appropriate, are hereby expressly approved, such approval of such final form to be presumed by the execution thereof by any Authorized Officer of FMPA.

SECTION 7. DESIGNATION OF AUTHORIZED OFFICERS OF FMPA. The Chairman and Vice Chairman of FMPA’s Board of Directors, the Secretary-Treasurer, the Assistant Secretary-Treasurer, the General Manager & CEO and the Chief Operating Officer are each hereby designated as an Authorized Officer of FMPA for the purpose of executing and delivering the Power Sales Contract, and Solar Project PPA and taking any other actions authorized by this Resolution.

SECTION 8. FURTHER ACTIONS. Each Authorized Officer of FMPA is hereby authorized and empowered (i) to execute and deliver the Power Sales Contracts and the Solar PPA, and (ii) to execute and deliver, in the name of and on behalf of FMPA such other documents, certificates or papers, not specifically referred to in this Resolution, as are required or contemplated by the provisions of the Power Sales Contracts and the Solar Project PPA and take all such further action as may be necessary or desirable in carrying out the terms and provisions of the Power Sales Contracts and the Solar Project PPA.

SECTION 9. SEVERABILITY. If any one or more provisions of this Resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way affect the validity or

enforceability of such remaining provisions.

SECTION 10. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED by the Florida Municipal Power Agency on

_____.

Florida Municipal Power Agency

ATTEST:

Secretary

Chairman

APPENDIX A

[Form of Power Sales Contract]

APPENDIX B

[Solar PPA]

**DRAFT – FOR DISCUSSION PURPOSES ONLY
SUBJECT TO FMPA BOARD OF DIRECTORS APPROVAL
(Draft of 03/9/2018)**

Solar Project

Power Sales Contract

Between

**Florida Municipal Power Agency, Solar
Power Project**

and

[MEMBER]

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**SOLAR PROJECT
POWER SALES CONTRACT**

This POWER SALES CONTRACT is made and entered into as of _____, 2018, by and between FLORIDA MUNICIPAL POWER AGENCY, a legal entity organized under the laws of the State of Florida ("FMPA") and _____, a public agency of the State of Florida and member of FMPA who has executed this Power Sales Contract (the "Project Participant").

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Energy generated by solar generating facilities; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the Purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and;

WHEREAS, NextEra Florida Renewables, Inc., including its successors or assigns, ("Seller") is developing a solar photovoltaic single-axis tracking electric generating facility having a nameplate capacity of 74.5 MW alternating current ("ac"), which will be designed, financed, constructed and operated by Seller in Osceola County, Florida ("Solar Facility"); and

WHEREAS, FMPA will enter into a Power Purchase Agreement between Seller and FMPA ("Solar Project PPA"), a copy of which is attached to this Power Sales Contract as "Attachment A," and FMPA will purchase and receive a portion of the as-available net Electric Energy output and associated Renewable Energy Attributes and Facility Attributes produced by Solar Facility (referred to cumulatively in this Power Sales Contract as the "Solar Product"); and

WHEREAS, FMPA will take or cause to be taken all steps necessary for delivery to Project Participant and the other Project Participants of their respective share of the Solar Product produced from or attributable to the Solar Facility and delivered to FMPA under the Solar Project PPA, and will sell the Solar Product from the Solar Facility pursuant to this Power Sales Contract and pursuant to contracts substantially similar to this contract with such other Project Participants; and

WHEREAS, the execution of the Solar Project PPA for the supply of Solar Product produced by or attributable to the Solar Facility to the Project Participant and the other Project Participants contracting with FMPA therefor has been authorized by the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended to date and as such Interlocal Agreement has been supplemented by a resolution adopted by the Board of FMPA at a meeting duly called and duly held on _____, 2018, which Interlocal Agreement, as so amended and supplemented, constitutes "an agreement to implement a project" and a "joint power agreement" for the Solar Project, as such terms are used in Chapter 361, Part II, Florida Statutes, as amended; and

WHEREAS, in order to pay the cost of acquiring the Solar Product produced by or attributable to the Solar Facility under the Solar Project PPA, it is necessary for FMPA to have substantially similar binding contracts with the Project Participant and such other Project Participants purchasing Solar Product produced by or attributable to the Solar Facility.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties hereto as follows:

SECTION 1. Definitions and Explanations of Terms. As used herein:

Allocable A&G Costs shall mean administrative and general costs incurred by FMPA that have been allocated to the Solar Project by the FMPA Board of Directors. The initial allocation of Allocable A&G Costs is attached to this Power Sales Contract as "Attachment B," as it may be amended from time to time at the discretion of the FMPA Board of Directors.

Annual Budget means the budget adopted by the Board of FMPA pursuant to paragraph (a) of SECTION 4 hereof which itemizes the estimated Monthly Energy Costs and Project Related Costs for the following Contract Year, or, in the case of an amended Annual Budget adopted by the Board of FMPA, during the remainder of a Contract Year, and the Project Participant's share, if any, of each.

Board shall mean the Board of Directors of FMPA, or if said Board shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof.

Contract Year shall mean the twelve (12) month period commencing at 12:01 a.m. on October 1 of each year, except that the first Contract Year shall commence on 12:01 a.m. on October 1, 2018, and shall expire at 12:01 a.m. the next succeeding October 1.

Discretionary Term Decision shall have the meaning set forth in SECTION 7(a) of this Power Sales Contract.

Downgrade Event shall have the meaning set forth in the Solar PPA.

Effective Date shall have the meaning set forth in SECTION 2 of this Power Sales Contract.

Electric Energy shall mean kilowatt hours (kWh).

Energy Price means the price (\$/MWh) to be paid by FMPA under the Solar Project PPA for Solar Product produced by the Solar Facility and delivered by Seller to FMPA.

Energy Share shall mean FMPA's [____%] share under the Solar Project PPA in the Solar Product produced by or associated with the Solar Facility.

Facility Attributes has the meaning given in the Solar Project PPA.

Initial Energy Delivery Date shall have the meaning provided for in the Solar Project PPA.

Month shall mean a calendar month.

Monthly Energy Costs shall mean, with respect to each Month of each Contract Year, the product of (i) the Energy Price and (ii) the quantity of Solar Product delivered by Seller to FMPA.

Network Upgrades shall have the meaning set forth in the Solar PPA.

Network Upgrade Costs shall have the meaning set forth in the Solar PPA.

Point of Delivery shall mean the high side of the generator step-up transformer of the Solar Facility.

Power Sales Contracts shall mean this Power Sales Contract and the other Power Sales Contracts, dated the date hereof, between FMPA and the other Project Participants, all relating to the Solar Project PPA and Solar Facility, as the same may be amended from time to time, and any substantially similar contract entered into by FMPA in connection with any transfer or assignment in accordance with this Power Sales Contract.

Project Development Fund Costs shall mean those costs incurred by FMPA and funded by the FMPA Project Development Fund used for the establishment of the FMPA Solar Project. The Project Development Fund Costs as of the Effective Date are set forth in Attachment D of this Power Sales Contract.

Project Related Costs shall mean the costs incurred under the Solar Project PPA other than Monthly Energy Costs, as well as any other costs incurred by FMPA directly attributable to the Solar Project, including, without limitation, Allocable A&G Costs, Network Upgrade Costs, an amount to reimburse FMPA Project Development Fund Costs, a Working Capital Allowance, any costs associated with real-time monitoring of the output from the Solar Facility to facilitate Project Participants' transmission scheduling requirements, any credit or payment assurance amounts that may be required under the Solar PPA due to a Downgrade Event, as such term is defined in the Solar PPA, among others.

Project Participants shall mean the parties, including the Project Participant, other than FMPA, to Power Sales Contracts substantially similar hereto.

Renewable Attributes has the meaning given in the Solar Project PPA.

Schedule of Project Participants shall mean the Schedule of Project Participants contained in Schedule 1 hereto, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

Seller shall have the meaning set forth in the Recitals of this Power Sales Contract.

Solar Entitlement Share shall mean, with respect to each project Participant, that percentage of FMPA's Energy Share from the Solar Facility shown opposite the name of such Project Participant in the Schedule of Project Participants as the same may be adjusted from time to time in accordance with the provisions hereof.

Solar Project shall mean the contractual arrangements and agreements for the purchase of Solar Product by FMPA pursuant to the Solar Project PPA and sale of the Solar Product to Project Participant pursuant to this Power Sales Contract.

Solar Project Committee has the meaning set forth in SECTION 7 of this Power Sales Contract.

Solar Facility shall have the meaning set forth in the recitals of this Power Sales Contract.

Solar Product shall have the meaning set forth in the recitals of this Power Sales Contract.

Solar Project PPA shall have the meaning set forth in the recitals of this Power Sales Contract.

Transmission Service Provider shall mean the transmission service provider(s) to which the Solar Facility is interconnected.

Uniform System of Accounts shall mean the Federal Energy Regulatory Commission (or its successor in function) Uniform Systems of Accounts prescribed for Class A and Class B Public Utilities and Licensees, as the same may be modified, amended or supplemented from time to time.

Working Capital Allowance shall mean funds acquired by the Solar Project in such amounts as shall be deemed reasonably necessary by the FMPA Board of Directors to provide for any working capital needs, including providing for the Solar Project's ability to pay the Seller in the event of non-payment by one or more Project Participants. The initial Working Capital Allowance and the method of funding is described in "Attachment C" to this Power Sales Contract.

SECTION 2. Term & Termination.

(a) Effective Date. This Power Sales Contract shall become effective upon the last date of execution and delivery of all Power Sales Contracts by all Project Participants originally listed in the Schedule of Project Participants and by FMPA (the "Effective Date") and shall, unless this Power Sales Contract is terminated early pursuant hereto, continue until the expiration or earlier termination of the Solar Project PPA. Unless a Project Participant terminates this Agreement pursuant to Section 19(a) by paying all stranded cost obligations, neither termination nor expiration of this Power Sales Contract shall affect any accrued liability or obligation hereunder. Notwithstanding the foregoing, in the event it is ultimately determined that any other Project Participant failed to duly and validly execute and deliver its Power Sales Contract, or if any other Power Sales Contract, or any portion thereof, shall be deemed invalid or unenforceable for any other reason whatsoever, such determination shall in no way affect the commencement, term or enforceability of this Power Sales Contract or the Project Participant's obligations hereunder.

(b) Early Termination. Project Participant may terminate this Power Sales Contract pursuant to SECTION 19 of this Power Sales Contract.

SECTION 3. Sale and Purchase.

Commencing on the Initial Energy Delivery Date of the Solar Facility, FMPA shall purchase from Seller in accordance with the terms and conditions of the Solar Project PPA, and FMPA agrees to and does sell, and the Project Participant agrees to and does hereby purchase, the Project Participant's Solar Entitlement Share. The Project Participant shall, in accordance with and subject to the provisions of SECTION 5 hereof, pay FMPA (i) for its Solar Entitlement Share, an amount determined by multiplying Monthly Energy Costs by the Project Participant's Solar Entitlement Share, and (ii) for its share of monthly Project Related Costs, an amount determined by multiplying the Project Related Costs for such Month by Project Participant's Solar Entitlement Share. FMPA shall provide documentation evidencing the conveyance of the Renewable Attributes associated with the Solar Product to Project Participant in a form acceptable to FMPA and Project Participant.

SECTION 4. Project Budget.

(a) In accordance with the FMPA Board of Directors' annual schedule for budget development, the Solar Project Committee shall develop and approve a budget for the Solar Project and submit the same to the FMPA Board of Directors for approval. As part of the budget process, the Solar Project Committee will review Project Related Costs, including the Allocable A&G and the Working Capital Allowance, to ensure the appropriate amount of resources are allocated the Solar Project.

(b) On or before August 1, 2019, and on or before August 1 prior to the beginning of each Contract Year thereafter, the Board of FMPA shall review the proposed Solar Project budget submitted by the Solar Project Committee, and shall adopt and submit to the Project Participant an Annual Budget for the following Contract Year which shall provide an estimate of the Project Participant's monthly payments hereunder and serve as a basis for Project Participants' payments hereunder for Monthly Energy Costs and Project Related Costs for such Contract Year.

(c) During each Contract Year, the Solar Project Committee or Board may review its Annual Budget for the remainder of the Contract Year at any time as it shall deem desirable. In the event such or any other review indicates that such Annual Budget will not substantially correspond with actual Monthly Energy Costs, or actual Project Related Costs, or if at any time during such Contract Year there are or are expected to be extraordinary receipts, credits or costs substantially affecting the Monthly Energy Costs, or Project Related Costs, the Solar Project Committee shall recommend and the Board of FMPA shall adopt and submit to each Project Participant an amended Annual Budget applicable to the remainder of such Contract Year which shall provide an estimate of the Project Participant's monthly payments hereunder for

the remainder of such Contract Year and serve as the basis for the Project Participant's monthly payments for Monthly Energy Costs and Project Related Costs hereunder for the remainder of such Contract Year.

SECTION 5. Billing, Payment, Disputed Amounts.

(a) On or before the 10th day of each Month beginning with the second Month of the first Contract Year following the Effective Date, FMPA shall render to the Project Participant a monthly statement showing, in each case with respect to the prior Month, the amounts payable by Project Participant in respect of the following (i) the Monthly Energy Costs; (ii) the Project Related Costs; and (iii) any amount, if any, to be credited to or paid by the Project Participant pursuant to the terms of this Power Sales Contract.

(b) Monthly payments required to be paid to FMPA pursuant to this SECTION 5 shall be due and payable to FMPA on the 25th day of the Month in which the monthly statement was rendered. The Project Participant shall make payment to FMPA by the transfer of funds from the Project Participant's bank account, using an ACH Push or domestic Wire Transfer, through instructions to be provided by FMPA to the Project Participant.

(c) If payment in full is not made on or before the close of business on the due date, a delayed payment charge on the unpaid amount due for each day overdue will be imposed at a rate equal to the annual percentage prime rate of interest plus 5%, or the maximum rate lawfully payable by the Project Participant, whichever is less. If said due date is Saturday, Sunday or a holiday, the next following business day shall be the last day on which payment may be made without the addition of the delayed payment charge.

(d) In the event of any dispute that is known by Project Participant, or should have reasonably been known, as to any portion of any monthly statement, the Project Participant shall nevertheless pay the full amount of such disputed charges when due and shall give written notice of such dispute to FMPA not later than the date such payment is due. Such notice shall identify the disputed bill, state the amount in dispute and set forth a full statement of the grounds on which such dispute is based. No adjustment shall be considered or made for disputed charges unless notice is given as aforesaid. FMPA shall give consideration to such dispute and shall advise the Project Participant with regard to its position relative thereto within thirty (30) days following receipt of such written notice. Upon final determination (whether by agreement, adjudication or otherwise) of the correct amount, any difference between such correct amount and such full amount shall be properly reflected in the statement next submitted to the Project Participant after such determination. If it is determined that the disputed amount is in the favor of the Participant, to the extent that FMPA earned any interest on the amount withheld, then interest actually earned shall be applied to the overpaid amount.

(e) The obligation of the Project Participant to make the payments under this SECTION 5 shall constitute an obligation of the Project Participant payable as an operating expense of the Project Participant's electric utility system solely from the revenues and other available funds of the electric utility system. The obligation of the Project Participant to make payments under this Power Sales Contract shall not be subject to any reduction, whether by offset, counterclaim, or otherwise, and shall not be otherwise conditioned upon performance of FMPA or Seller under the Solar Project PPA or the performance by FMPA under this or any other agreement or instrument or the validity or enforceability of any other Power Sales Contract or any other agreement between FMPA and any other Project Participant; provided, however, that the Monthly Energy Costs payable by Project Participant shall reflect the quantity of Solar Product made available by the Seller at the Point of Delivery, and payable by FMPA under the Solar Project PPA, during that month. The obligation of the Project Participant to make payments under this SECTION 5 shall not constitute a debt of the Project Participant within the meaning of any constitutional or statutory provision or limitation or a general obligation of or pledge of the full faith and credit of the Project Participant, and neither the Project Participant nor the State of Florida or any agency or political subdivision thereof shall ever be obligated or compelled to levy ad valorem taxes to make the revenues provided for in

this SECTION 5, and the obligation of the Project Participant to make payments pursuant to this SECTION 5 shall not give rise to or constitute a lien upon any property of the Project Participant or any property located within its boundaries or service area.

SECTION 6. Scheduling of Deliveries; Transmission.

(a) FMPA shall cause Seller, or Seller's agent, to schedule and deliver FMPA's Energy Share to the Point(s) of Delivery in accordance with standard scheduling and dispatching procedures. Unless otherwise agreed to in writing by FMPA and Project Participant, Project Participant shall be responsible for scheduling the delivery of its Solar Entitlement Share of Electric Energy, as well as the associated transmission service, from the Point(s) of Delivery to Project Participant's electric system. Upon request, FMPA, or its agent, shall provide such Project Participant with the Seller's daily forecasted output of the Solar Facility as provided by Seller pursuant to the Solar Project PPA. FMPA, or its agent, shall maintain communication with the Project Participant regarding Solar Facility forecasts and real-time output in order to enable Project Participant to modify its transmission schedules with its transmission service provider to align with the Solar Facility's actual output.

(b) Project Participant shall be responsible for securing transmission service necessary to deliver the Solar Energy from the Point of Delivery to Project Participant's electric system. To the extent this transmission service requires upgrades to Project Participant's transmission service provider's transmission system, Project Participant shall be responsible for ensuring all upgrades are complete and Project Participant is able to receive its Solar Entitlement Share prior to the Initial Energy Delivery Date, as defined in the Solar PPA, or otherwise arrange for alternative transmission arrangement for, or disposal of, its Solar Entitlement Share until such time as Project Participant can receive it. Project Participant shall be responsible for enforcing its rights under its transmission service agreement(s) and its transmission service provider's OATT regarding the transmission service provider's obligation to make such upgrades.

(c) All of the provisions of this SECTION 6 are subject to the provisions of the Solar Project PPA, and in the event of any inconsistencies between this SECTION 6 and the provisions of the Solar Project PPA governing scheduling, the terms of the Solar Project PPA shall govern.

SECTION 7. Solar Project PPA Early Termination and Term Extension, other Solar Project PPA Business Matters, and Solar Project Committee

(a) The Solar PPA includes several provisions that allow the Solar Project to exercise discretion regarding whether to extend the Term of the Solar PPA or to continue the existing Term of the Solar PPA despite a triggering event under the terms of the Solar PPA that permit early termination (hereinafter referred to as "Discretionary Term Decisions"). Such Discretionary Term Decisions may include, for example but without limitation, options for early termination of the Solar PPA if certain conditions precedent are not met, options for early termination where Network Upgrade Costs that exceed the threshold provided for under the Solar PPA, and for extension of the Term of the Solar PPA beyond the Initial Term. Project Participant and all other Project Participants will each designate a representative to serve on the Solar Project Committee. The Committee will meet in advance of any Discretionary Term Decisions provided for under the Solar PPA, and as FMPA or any Project Participant may request, with 30 day advance Notice (or less if the matter at hand so requires). The Solar Project Committee shall meet not less than 180 days prior to the expiration of the Initial Term, or a Renewal Term, if any, to decide whether to extend the Term of the Solar PPA. In making any Discretionary Term Decision, the Solar Project Committee will vote on the matter. If the Solar Project Committee unanimously decides to exercise a Discretionary Term Decision, then such unanimous consent shall be presented to the FMPA Board of Directors as a recommendation for action on the matter. If one or more Solar Project Participants do not wish to exercise a Discretionary Term Decision, then the other Solar Project Participants may elect to assume the Solar Entitlement Share of those Project Participant(s) that do not wish to exercise the

Discretionary Term Decision. In such event, the non-exercising Project Participant(s)' Solar Project Power Sales Contract shall be terminated, and the Power Sales Contract of the assuming Project Participant(s)' shall be amended to reflect the revised Solar Entitlement Shares. In the event that the Project Participant(s) that wish to exercise the Discretionary Term Decision cannot agree to assume 100% of the terminating Project Participant(s)' Solar Entitlement Share, then the Discretionary Term Decision shall not be exercised.

(b) All other, non-Discretionary Term Decisions made by the Solar Project Committee shall be by a simple majority, with each Project Participant having one equally-weighted vote on Solar Project matters. After formation of the Solar Project, each Project Participant shall designate a representative to serve on the Solar Project Committee. The Solar Project Committee shall develop a Solar Project Committee Charter for review and approval of the Board of Directors.

(c) Pursuant to the Solar Project PPA, Seller is required, at its sole expense, to interconnect the Solar Facility to the transmission system at the Point of Delivery, as defined in the Solar Project PPA. To the extent that Network Upgrades are necessary in order to obtain Network Resource Interconnection Service for the Solar Facility from the Transmission Service Provider, the Solar Project may be required to fund such Network Upgrades. Such funding entitles the Solar Project to reimbursement from the Transmission Service Provider in the form of transmission credits for service related to the Solar Facility. In the event that the Transmission Service Provider's required transmission system studies identify Network Upgrades, the Solar Project Committee shall meet to determine, consistent with the terms of the Solar PPA, whether to fund such Network Upgrades, how to fund the Network Upgrades, and how to appropriately apply the credits that the Solar Project will receive from the Transmission Service Provider in order to reimburse funds used for the Network Upgrades. This funding plan will be submitted to the FMPA Board of Directors for approval. In the event that the Solar Project Committee elects to fund such Network Upgrades, as approved by the Board of Directors, the costs associated with such funding shall be included in the Project Related Costs billable to the Project Participants. In the event that one or more Project Participants do not desire to fund Network Upgrades in excess of the threshold provided for in the Solar PPA, then the step-up option and termination rights provided for in SECTION 7(a) shall apply. To the extent a Project Participant funds Network Upgrades and assigns to FMPA the Project Participant's right to receive a refund from the Transmission Provider, FMPA shall refund such Project Participant the value of the refund credits as they are received by FMPA from its transmission provider.

SECTION 8. Availability of Entitlement Shares.

Except as provided otherwise by this Power Sales Contract, and subject to the provisions of the Solar Project PPA, the Project Participant's Solar Entitlement Share shall be made available by FMPA in accordance with this Power Sales Contract during the term of this Power Sales Contract; provided, however, that, regardless of the amount of Solar Product actually delivered in any given month, Project Participant shall be obligated to make its payments under SECTION 5 hereof all for non-energy related Project Related Costs.

SECTION 9. Accounting.

(a) FMPA agrees to keep accurate records and accounts relating to the Solar Project and relating to Monthly Energy Costs, and Project Related Costs, in accordance with the Uniform System of Accounts, separate and distinct from its other records and accounts. Said accounts shall be audited annually, which audit may be conducted as part of and in connection with the normal year-end audit of FMPA, by a firm of certified public accountants, experienced in public finance and electric utility accounting and of national reputation, to be employed by FMPA. A copy of each annual audit, including all written comments and recommendations of such accountants, shall be furnished by FMPA to the Project Participant not later than 120 days after the end of each Contract Year.

(b) The Project Participant shall supply to FMPA upon request a copy of the Project Participant's annual financial audit. Project Participant shall notify FMPA in writing immediately upon becoming aware of any event that may negatively affect the Project Participant's credit rating or cause a Downgrade Event, as defined in the Solar Project PPA.

SECTION 10. Information to be Made Available.

(a) Based, in each case, upon the data most recently available to FMPA pursuant to the Solar Project PPA, at intervals requested by Project Participant, FMPA will prepare and issue to the Project Participant the following reports:

- (1) status of the Solar Project annual budget,
- (2) status of construction of the Solar Facility during construction, as received from Seller, and
- (3) operating statistics relating to Solar Project, as received from Seller

(b) Upon request, FMPA shall furnish or otherwise make available to the Project Participant all other information which FMPA receives from Seller pursuant to the Solar Project PPA.

(c) FMPA shall promptly provide Project Participant copies of any notices made or received by FMPA pursuant to the Solar Project PPA.

(d) Project Participant shall, upon request, furnish to FMPA all such information as is reasonably required by FMPA to carry out its obligations under this Power Sales Contract and the Solar Project PPA. As the Solar Project is obligated to demonstrate creditworthiness as a requirement of the Solar Project PPA and report to Seller any Downgrade Event, Project Participants will cooperate with FMPA and will promptly notify FMPA of any event experienced by Project Participant that may cause or contribute to a Downgrade Event.

SECTION 11. Covenants.

(a) Project Participant Covenants. Project Participant agrees (1) to maintain its electric utility system in good repair and operating condition; (2) to cooperate with FMPA in the performance of the respective obligations of such Project Participant and FMPA under this Power Sales Contract; (3) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric utility system, which rents, rates, and other charges shall be at least sufficient (i) to meet the operation and maintenance expenses of such electric utility system, (ii) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, (iii) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (iv) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric utility system; and (4) take such action and execute and deliver all documents and information reasonably necessary to enable FMPA to perform its obligations under the Solar Project PPA.

Project Participant agrees that any power purchase agreement entered into by Project Participant after the Effective Date of this Power Sales Contract, including, without limitation, any full-requirements power supply agreement, with any third party shall permit Project Participant to purchase and receive Solar Product pursuant to this Power Sales Contract.

(b) FMPA Covenants. FMPA covenants that it shall administer and enforce against the Seller the terms and conditions of the Solar PPA, including complying with any covenants required therein, as advised by the Solar Project Committee and directed by the FMPA Board of Directors.

SECTION 12. Event of Default – Project Participant.

(a) Failure of the Project Participant to make to FMPA when due any of the payments for which provision is made in this Power Sales Contract shall constitute an immediate default on the part of the Project Participant.

(b) Continuing Obligation, Right to Discontinue Service. In the event of any default referred to in this SECTION 12 hereof, the Project Participant shall not be relieved of its liability for payment of the amounts in default, plus reasonable attorney's fees and costs, and FMPA shall have the right to recover from the Project Participant any amount in default. In enforcement of any such right of recovery, FMPA may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, specific performance, declaratory judgment, or any combination thereof, as may be necessary or appropriate to enforce any covenant, agreement or obligation to make any payment for which provision is made in this Power Sales Contract against the Project Participant, and FMPA shall, upon ten (10) days written notice to the Project Participant, cease and discontinue, either permanently or on a temporary basis, providing all or any portion of the Project Participant's Solar Entitlement Share, at the discretion of the Solar Project Committee.

(c) Transfer of Solar Entitlement Shares Following Default. In the event of a default by any Project Participant and permanent discontinuance of service pursuant to this SECTION 12 of such Project Participant's Power Sales Contract, FMPA is hereby appointed the agent of such Project Participant for the purpose of disposing of such Project Participant's Solar Entitlement Share and as such agent, FMPA shall proceed to dispose of such defaulting Project Participant's Solar Entitlement Share as follows:

(1) FMPA shall first offer to transfer to all other non-defaulting Project Participants a pro rata portion of the defaulting Project Participant's Solar Entitlement Share which shall have been discontinued by reason of such default. Any part of such Solar Entitlement Share of a defaulting Project Participant which shall be declined by any non-defaulting Project Participant shall be reoffered pro rata to the non-defaulting Project Participants which have accepted in full the first such offer; such reoffering shall be repeated until such defaulting Project Participant's Solar Entitlement Share has been reallocated in full or until all non-defaulting Project Participants have declined to take any portion or additional portion of such defaulting Project Participant's Solar Entitlement Share.

(2) In the event less than all of a defaulting Project Participant's Solar Entitlement Share shall be accepted by the other non-defaulting Project Participants pursuant to clause (1), FMPA shall, to the extent permitted by law, use commercially reasonable efforts to sell the remaining portion of a defaulting Project Participant's Solar Entitlement Share for the remaining term of such defaulting Project Participant's Power Sales Contract with FMPA. The agreement for such sale shall contain such terms and conditions, including provisions for discontinuance of service upon default, and as are otherwise acceptable to the Solar Project Committee.

(3) Any portion of the Solar Entitlement Share of a defaulting Project Participant transferred pursuant to SECTION 12(c)(1) to a non-defaulting Project Participant shall become a part of and shall be added to the Solar Entitlement Share of such Project Participant(s), and each such Project Participant(s) shall be obligated to pay for its Solar Entitlement Share increased as aforesaid, as if the Solar Entitlement Share of such Project Participant(s), increased as aforesaid, had been stated originally as the Solar Entitlement Share of such Project Participant(s) in its Power Sales Contract with FMPA; provided, however, that the Project Participant assuming the defaulting Project Participant's Power Entitlement share shall not be liable for, and the defaulting Project Participant shall remain liable for, any amounts owed by the defaulting Project Participant prior to the assignment and assumption of the defaulting Project Participant's Power Entitlement Share.

(4) The defaulting Project Participant shall remain liable for all payments to be made on its part pursuant to the Power Sales Contract, except that the obligation of the defaulting Project Participant to pay FMPA shall be reduced to the extent that payments shall be received by FMPA, net of any administrative and reasonable attorney's fees and costs incurred by FMPA that is caused by the default, for that portion of the defaulting Project Participant's Solar Entitlement Share which may be transferred or sold or for the Solar Product associated therewith which may be sold as provided in clauses (1), (2), or (3) of this SECTION 12. Notwithstanding the foregoing, to the extent a defaulting Project Participant has failed to pay its Solar Project invoice, in order to prevent FMPA from defaulting under the Solar PPA, the non-defaulting Project Participants' monthly Solar Project invoices shall be increased on a pro rata basis, based on such Project Participants Solar Entitlement Shares, unless and until FMPA shall recover from the defaulting Project Participants amounts owed, upon which FMPA shall reimburse the non-defaulting Project Participants.

(d) Other Default by Project Participant. In the event of any default by the Project Participant under any other covenant, agreement or obligation of this Power Sales Contract which has not been cured within thirty (30) days after receipt of notice by FMPA, FMPA may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, specific performance, declaratory judgment, or any combination thereof, as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Power Sales Contract against the Project Participant. Such remedies shall be in addition to all other remedies provided for herein.

SECTION 13. Default by FMPA.

In the event of any default by FMPA under any other covenant, agreement or obligation of this Power Sales Contract, Project Participant may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, specific performance, declaratory judgment, or any combination thereof, as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Power Sales Contract against FMPA. Such remedies shall be in addition to all other remedies provided for herein.

SECTION 14. Abandonment of Remedy.

In case any proceeding taken on account of any default shall have been discontinued or abandoned for any reason, the parties to such proceedings shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of FMPA and the Project Participant shall continue as though no such proceedings had been taken.

SECTION 15. Waiver of Default.

Any waiver at any time by either FMPA or the Project Participant of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Power Sales Contract, shall not be a waiver with respect to any subsequent default, right or matter.

SECTION 16. Relationship to and Compliance with Other Instruments.

(a) The performance of FMPA under this Power Sales Contract is made subject to the terms and provisions of the Solar Project PPA.

(b) FMPA covenants and agrees to use its commercially reasonable best efforts for the benefit of the Project Participant to comply in all material respects with all terms, conditions and covenants of the Solar Project PPA.

SECTION 17. Measurement of Electric Energy.

FMPA will or will cause Seller to install, maintain, and operate the metering equipment, required to measure the quantities of Electric Energy produced and delivered from the Solar Facility in accordance

with the Solar Project PPA. Each meter used pursuant to this SECTION 17 shall be tested and calibrated in accordance with the Solar Project PPA.

SECTION 18. Liability of Parties.

Any liability which is incurred by FMPA pursuant to the Solar Project PPA and not covered, or not covered sufficiently, by insurance shall be paid solely from the revenues of FMPA derived from the Solar Project, and any payments made by FMPA, or which FMPA is obligated to make, to satisfy such liability shall become part of Monthly Energy Costs, as required in order to satisfy the obligation of FMPA to make such payments as provided in the Solar Project PPA.

SECTION 19. Assignment or Sale of Project Participant's Solar Entitlement Share.

(a) Project Participant may terminate this Power Sales Contract upon 90 days advance written notice to FMPA and provided that Project Participant pay, prior to the termination date, the amounts set forth in this SECTION 19(a). Prior to the termination date, Project Participant shall pay to FMPA all stranded cost obligations, as determined by FMPA, to hold the other, non-terminating, Project Participants harmless from the costs associated with Project Participant's termination. For purposes of this SECTION 19(a), stranded cost obligations are defined as an estimate of the solar energy costs that FMPA will pay for the terminating Project Participant's Solar Entitlement Share during each remaining month of the remaining Initial Term of the Solar PPA based on a forecast of expected solar production. The forecast of expected solar production is defined as a P50 (probability of exceedance is 50 percent) production estimate under typical meteorological year conditions using an industry standard modeling tool (PV System or its successor/peer products) reflective of a degradation rate of 0.3% per year relative to the original nominal alternating current capacity of the solar resource in the current year (prorated over a partial year as applicable) and each subsequent remaining year of the Solar PPA Initial Term. Upon such payment and termination, Project Participant shall have no further obligation to the Solar Project or other Project Participants under this Power Sales Contract. The terminating Project Participant's Solar Entitlement Share shall be allocated to the remaining Project Participants on a pro rata basis based on their Solar Entitlement Shares.

(b) Project Participant may assign this Power Sales Contract to another Project Participant or another FMPA member, provided that such assignee agrees to fully assume, and fully accept all terms and conditions of, this Power Sales Contract for the Term hereof. If assigned to a FMPA member that is not a Project Participant, such assuming FMPA member shall become a Project Participant upon its assumption of the Power Sales Contract. Upon such assignment and assumption, this Power Sales Contract shall terminate, and Project Participant shall have no further obligation to the Solar Project or other Project Participants under this Power Sales Contract.

(c) In the event the Project Participant shall determine that all or any amount of the Solar Product which can be produced from the Project Participant's Solar Entitlement Share are in excess of the requirements of the Project Participant, or Project Participant no longer desires to purchase and receive its Solar Entitlement Share, at the written request of the Project Participant, FMPA shall use commercially reasonable efforts to sell and transfer on behalf of such Project Participant for any period of time all or any part of such excess Solar Product to such other Project Participant or Participants as shall agree to take such Solar Product at such prices as may be agreed to, provided, however, that in the event the other Project Participants do not agree to take the entire amount of such excess, FMPA shall have the right, to the extent permitted by law, to dispose of such excess to other utilities. If all or any portion of such excess of the Project Participant's Solar Entitlement Share is sold pursuant to this SECTION 19(c), then the Project Participant's Solar Entitlement Share shall not be reduced, and the Project Participant shall remain liable to FMPA to pay the full amount due as if such sale had not been made; except that such liability shall be discharged to the extent that FMPA shall receive payment for such excess from the purchaser or purchasers

thereof and that any amounts received by FMPA as payment for such excess which is greater than the liability owed by the Project Participant to FMPA in respect of such excess shall be promptly paid or credited by FMPA to the Project Participant.

SECTION 20. Consent to Assignment of Power Sales Contract, Sale of Project Participant's System.

(a) This Power Sales Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties to this Power Sales Contract; provided, however, that, except as provided in (1) SECTION 12 hereof in the event of a default; (2) SECTION 19(a), and (3) SECTION 20(b), neither this Power Sales Contract nor any interest herein shall be transferred or assigned by either party hereto except with the consent in writing of the other party hereto, which consent shall not be unreasonably withheld. The Solar Project Committee shall make a recommendation on any assignment of a Power Sales Contract hereunder to the FMPA Board of Directors for their action.

(b) Project Participant agrees that it will not sell, lease, abandon or otherwise dispose of all or substantially all of its electric utility system except upon ninety (90) days prior written notice to FMPA and, in any event, will not sell, lease, abandon or otherwise dispose of the same unless the following conditions are met: (i) the Project Participant shall, subject to the Solar Project PPA, assign this Power Sales Contract and its rights and interest hereunder to the purchaser or lessee of said electric system, if any, and any such purchaser or lessee shall assume all obligations of the Project Participant under this Power Sales Contract; and (ii) FMPA shall by affirmative vote of the FMPA Solar Project Committee reasonably determine that such sale, lease, abandonment or other disposition will not materially adversely affect FMPA's ability to meet its obligations under the Solar Project PPA.

SECTION 21. Termination or Amendment of Contract.

(a) This Power Sales Contract shall not be terminated by either party under any circumstances, whether based upon the default of the other party under this Power Sales Contract or any other instrument or otherwise except as specifically provided in this Power Sales Contract.

(b) This Power Sales Contract may be terminated by FMPA by notice to the Project Participant upon an event of default by Project Participant that has not been cured in accordance with this Power Sales Contract.

(c) No Power Sales Contract entered into between FMPA and another Project Participant may be amended so as to provide terms and conditions different from those herein contained except upon written notice to and written consent or waiver by each of the other Project Participants, and upon similar amendment being made to the Power Sales Contract of any other Project Participants requesting such amendment after receipt by such Project Participant of notice of such amendment.

SECTION 22. Notice and Computation of Time.

Any notice or demand by the Project Participant to FMPA under this Power Sales Contract shall be deemed properly given if sent by overnight mail or courier, or by facsimile or email transmission to the following:

Florida Municipal Power Agency
Attn: Chief Operating Officer
8553 Commodity Circle
Orlando, FL 32819
Email: frank.gaffney@fmpa.com
Fax: 407-355-5794

With a required copy to:
FMPA Office of the General Counsel
2061-2 Delta Way
P.O. Box 3209 (32315-3209)
Tallahassee, FL 32303
Email: jody.lamar.finkea@fmpa.com
dan.ohagan@fmpa.com
Fax: 850-297-2014

Any notice or demand by FMPA to the Project Participant under this Power Sales Contract shall be deemed properly given if sent by overnight mail or courier, or by facsimile or email transmission, and addressed to the Project Participant at the address set forth on Schedule 1 hereto. A Notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the business day on which such notice was transmitted if received before 5:00 p.m. (and if received after 5:00 p.m., on the next business day) and a notice of overnight mail or courier shall be deemed to have been received two (2) business days after it was sent or such earlier time as is confirmed by the receiving Party. The designations of the name and address to which any such notice or demand is directed may be changed at any time and from time to time by either party giving notice as above provided.

SECTION 23. Applicable Law; Construction.

This Power Sales Contract is made under and shall be governed by the laws of the State of Florida. Headings herein are for convenience only and shall not influence the construction hereof.

SECTION 24. Severability.

If any section, paragraph, clause or provision of this Power Sales Contract shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Power Sales Contract shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

SECTION 25. Solar Project Responsibility

This Power Sales Contract is a liability and obligation of the Solar Project only. No liability or obligation under this Power Sales Contract shall inure to or bind any of the funds, accounts, monies, property, instruments, or rights of the Florida Municipal Power Agency generally, any individual FMPA member, or any of any other "project" of FMPA as that term is defined in the Interlocal Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Power Sales Contract to be executed by their proper officers respectively, being thereunto duly authorized, and their respective seals to be hereto affixed, as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

By: _____
Title

Attest:

Secretary

[MEMBER]

(SEAL)

By: _____
Title

Attest:

Secretary

**ATTACHMENT A
POWER PURCHASE AGREEMENT**

**RENEWABLE ENERGY POWER PURCHASE
AGREEMENT**

between

[FLORIDA MUNICIPAL POWER AGENCY / OUC]

as Buyer

and

[PROJECT COMPANY]

as Seller

dated as of

March [__], 2018

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RENEWABLE ENERGY POWER PURCHASE AGREEMENT

This RENEWABLE ENERGY POWER PURCHASE AGREEMENT (this "Agreement") is made this [____] day of [March], 2018 (the "Effective Date"), by and between [FLORIDA MUNICIPAL POWER AGENCY/OUC], a [_____] ("Buyer") and [PROJECT COMPANY], a Delaware limited liability company ("Seller"). Buyer and Seller are each individually referred to herein as a "Party" and collectively as the "Parties".

WITNESSETH:

WHEREAS, Seller intends to develop a photovoltaic solar energy generation facility of approximately 74.5 MW alternating current ("AC") aggregate nameplate capacity on a site located in [Orange County/Osceola County], Florida ("Site"); and

WHEREAS, Seller desires to sell and deliver to Buyer and Buyer desires to purchase and receive all of Buyer's Share (as defined hereinafter) of the nameplate capacity, electric energy and environmental credits from the Project (as defined hereinafter), on the terms and conditions set forth herein.

NOW, THEREFORE, the Parties hereto, for good and sufficient consideration, the receipt of which is hereby acknowledged, intending to be legally bound, do hereby agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 *Definitions.*

The capitalized terms listed in this Article 1 shall have the meanings set forth herein. Other terms used in this Agreement but not listed in this Article shall have the meanings as commonly used in the English language and, where applicable, in Prudent Operating Practice.

"Abandon" means after having commenced construction of the Project, Seller stops construction of the Project for more than ninety (90) consecutive days excluding cessation of construction work caused by the occurrence of a Force Majeure Event, Permitting Delay, or Transmission Delay.

"AC" has the meaning set forth in the Recitals.

"Adjustment Period" has the meaning set forth in Section 5.2(b).

"Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, means the power, directly or indirectly, to direct or cause the

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direction of the management, policies or operations of such Person, whether through the ownership of voting securities or by contract or otherwise.

“After-Tax Basis” means, with respect to Sections 12.2 and 12.3, any payment received or deemed to have been received by any Person, the amount of such payment (the “Base Payment”) supplemented by a further payment (the “Additional Payment”) to such Person so that the sum of the Base Payment plus the Additional Payment shall, after deduction of the amount of all taxes required to be paid by such Person in respect of the receipt or accrual of the Base Payment and the Additional Payment (taking into account any current or previous credits or deductions arising from the underlying event giving rise to the payment, the Base Payment and the Additional Payment), be equal to the amount required to be received. Such calculations shall be made on the assumption that the recipient is subject to federal income taxation at the highest applicable statutory rate applicable to corporations for the relevant period or periods, is subject to state and local income taxation at the highest applicable statutory rates applicable to corporations doing business in the State of Florida and shall take into account the deductibility (for federal income tax purposes) of any state and local income taxes.

“Agreement” has the meaning set forth in the first paragraph hereof.

“Applicable Law” means, with respect to any Person, the Site, or the Project, all laws, statutes, codes, acts, treaties, ordinances, orders, judgments, writs, decrees, injunctions, rules, regulations, Governmental Approvals, directives and requirements of all regulatory and other Governmental Authorities, in each case applicable to or binding upon such Person, the Site or the Project (as the case may be).

“ARP Contract” is defined in Section 11.4(e).

“Bankrupt” means, with respect to a Party, such Party (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) is generally unable to pay its debts as they fall due, (v) has been adjudicated bankrupt or has filed a petition or an answer seeking an arrangement with creditors, (vi) has taken advantage of any insolvency law or shall have submitted an answer admitting the material allegations of a petition in bankruptcy or insolvency proceedings, (vii) becomes subject to an order, judgment or decree for relief, entered in an involuntary case, by any court of competent jurisdiction appointing a receiver, trustee, assignee, custodian or liquidator, for a substantial part of any of its assets and such order, judgment or decree shall continue unstayed and in effect for any period of one hundred eighty (180) consecutive Days, (viii) fails to remove an involuntary petition in bankruptcy filed against it within one hundred eighty (180) Days of the filing thereof, or (ix) becomes subject to an order for relief under the provisions of the United States Bankruptcy Act, 11 U.S.C. § 301.

"Business Day" means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday. A Business Day opens at 8:00 a.m. and closes at 5:00 p.m. Eastern Prevailing Time.

"Buyer" has the meaning set forth in the first paragraph of this Agreement.

"Buyer Excuses" has the meaning set forth in Section 3.5(b).

"Buyer's Performance Assurance" means a letter of credit issued for the account of Buyer in the amount of the product of Buyer's Share percentage and [REDACTED] as security for Buyer's obligation to pay for Product pursuant to this Agreement in the event of a Downgrade Event in respect of Buyer.

"Buyer Purchase Damages" means:

(a) the Buyer Purchase Damages shall be the discounted value (discounted at the Interest Rate of the positive difference, if any, of: (i) all dollar amounts that Buyer would, in the manner set forth below, be expected to pay at then prevailing market conditions to buy from a third party a product comparable to the Product being purchased under this Agreement through the remaining Delivery Term; plus (ii) all incremental costs over and above those that Buyer would otherwise incur; provided that such costs are quantifiable and directly related to the termination of this Agreement, and provided further that the incremental costs explicitly excludes costs related to any retail electric customer program; less (iii) all dollar amounts Buyer would have been expected to pay to Seller for Product under this Agreement through the remainder of the Term.

(b) Buyer shall calculate the Buyer Purchase Damages in a Commercially Reasonable manner by using the average of market quotations provided by three (3) or more bona fide unaffiliated market participants, if available. The average of the quotes that were obtained shall be deemed to be the market price. The quotes obtained shall be: (i) for a like amount, (ii) of the same Products, (iii) at the same or reasonably similar Delivery Point, (iv) for the remaining Term, and (v) determined in any other Commercially Reasonable manner. In no event shall Buyer Purchase Damages include any penalties or ratcheted demand or similar charges, nor shall Buyer be required to utilize or change its utilization of its owned or controlled assets or market positions to minimize Seller's liability. For the purposes of this definition, Buyer shall not be required to actually have purchased replacement Product to calculate Buyer Purchase Damages as set forth herein. If Buyer Purchase Damages are owed as a result of an Event of Default and the Buyer Purchase Damages are a negative number then the Buyer Purchase Damages shall be deemed to equal zero dollars (i.e. if the estimated cost for Buyer of obtaining substantially similar products is less than the amount it would have paid Seller, neither Party shall owe any damages to the other).

(c) Buyer shall provide Seller Notice containing the Buyer Purchase Damages calculations, including the supporting data such as associated charges and other relevant assumptions used to calculate the Buyer Purchase Damages, to the degree Buyer deems

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pertinent within sixty (60) days after the Early Termination Date. Upon receipt of the Buyer Purchase Damages, if Seller disputes the calculation of the Buyer Purchase Damages, in whole or in part, Seller shall, within fifteen (15) Business Days following its receipt of such Notice, provide to Buyer a detailed written explanation of the basis for such dispute; provided, however, Seller can only dispute the calculation based on a failure as to the material assumptions used in preparation of the Buyer Purchase Damages. Buyer shall nevertheless be entitled during the pendency of any dispute to draw the entire amount due from the Seller's Performance Assurance. Any dispute with regard to Buyer Purchase Damage computation shall be pursued through the dispute resolution process of Article 18. Upon resolution of the dispute (i) any amount owed by Seller to Buyer in addition to the amount drawn on Seller's Performance Security shall be paid by Seller to Buyer within thirty (30) Business Days following such resolution with interest accrued at the Interest Rate, or (ii) any amount required to be returned to Seller by Buyer shall be paid within thirty (30) Business Days following such resolution along with interest accrued at the Interest Rate.

"Buyer's Share" means Buyer's undivided pro rata entitlement share of the Product which as of the Effective Date is [XXX] percent ([X]%). The sum of Buyer's Share and the share(s) of Other Buyer(s) shall equal one hundred percent (100%) of the Product.

"Change of Law" means any change in or addition to any Applicable Law on or after the Effective Date.

"Commercially Reasonable" or **"Commercially Reasonable Efforts"** means, with respect to any purchase, sale, decision, or other action made, attempted or taken by a Party, such efforts as a reasonably prudent business would undertake consistent with its required performance under this Agreement while protecting its own interest under the conditions affecting such purchase, sale, decision or other action, consistent with Prudent Operating Practices, including electric system reliability and stability, state or other regulatory mandates relating to renewable energy portfolio requirements, the cost of such action (including whether such cost is reasonable), the amount of notice of the need to take a particular action, the duration and type of purchase or sale or other action, and the commercial environment in which such purchase, sale, decision or other action occurs. "Commercially Reasonable" or "Commercially Reasonable Efforts" shall be reviewed and determined based upon the facts and circumstances known, or which could have been known with the exercise of reasonable efforts, at the time that a sale, purchase, decision or other action is taken and shall not be based upon a retroactive review of what would have been optimal at such time.

"Commercial Operation" means the Project is fully operable and capable of continuous operation at the Project Capacity and able to produce and deliver the Product to Buyer in accordance with the terms of this Agreement.

"Commercial Operation Date" means the date following the Initial Energy Delivery Date, on which (a) Commercial Operation has occurred with respect to the full Project Capacity; (b) Seller shall have delivered to Buyer the Seller's Delivery Term Security required under

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Section 10.4(a)(ii); (c) Seller shall have delivered to Buyer a report with the results of start-up and operational and performance testing conducted by Seller to demonstrate the attainment of Commercial Operation of the Project; (d) Seller has received all local, state and federal Governmental Approvals and other approvals, consents and authorizations as may be required by Applicable Law for the construction, operation and maintenance of the Project and generation, delivery and sale of Product hereunder and (e) Seller has executed and delivered to Buyer a certificate certifying to Buyer the fulfillment of all conditions precedent to Commercial Operation of the Project substantially in the form of Exhibit L.

“Confidential Information” has the meaning set forth in Section 14.1.

“Contract Price” has the meaning set forth in Section 3.3.

“Contract Quantity” has the meaning set forth in Section 3.19(a).

“Contract Year” means each one year period during the Term, with the first Contract Year commencing on the Commercial Operation Date and ending on the day before the anniversary of the Commercial Operation Date, and subsequent Contract Years commencing on the anniversary of the Commercial Operation Date.

“Credit Rating” means, (a) with respect to Seller or any other Person, the rating then assigned to Seller’s or such Person’s unsecured, senior long-term debt obligations (not supported by third-party credit enhancements); and (b) [*FMPA ARP: with respect to Buyer, the rating then assigned to Buyer’s long-term bonds secured by revenues of the ARP Project.] [**FMPA SP only:** with respect to Buyer, the rating then assigned to Buyer’s long-term bonds secured by revenues of the FMPA Solar Project or, if Buyer does not have a rating for its long-term bonds or no such bonds are issued and outstanding, then the rating then assigned to the electric or integrated utility system of any one (1) FMPA Solar Project Participant.]

“Cure Payment Period” has the meaning set forth in Section 3.19(f).

“Curtailed Period” means the period of time during which there is any of the following occur: (a) Transmission Provider orders, directs, alerts, or provides notice to a Party to curtail Energy deliveries for the following reasons: (i) any System Emergency; (ii) any warning of an anticipated System Emergency, or warning of an imminent condition or situation, which jeopardizes Transmission Provider’s electric system integrity; (b) a curtailment ordered by the Transmission Provider for reasons including, (i) any situation that affects normal function of the electric system, including any abnormal condition that requires action to prevent circumstances such as equipment damage, loss of load, or abnormal voltage conditions, (ii) any warning, forecast or anticipation of conditions or situations that jeopardize the Transmission Provider’s Transmission System integrity or the integrity of other systems to which the Transmission Provider is connected; (c) scheduled or unscheduled maintenance on the Transmission Provider’s Transmission System that prevents (i) Buyer from receiving Energy at or (ii) Seller from delivering

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Energy to the Delivery Point; or (d) a curtailment in accordance with Seller's obligations under its Interconnection Agreement.

"Daily Delay Damages" means [REDACTED] per day payable to Buyer and Other Buyers pro rata based on their respective entitlement share of Product.

"Daily Delay Damages Cap" has the meaning set forth in Section 4.4(a).

"Day" or "day" means a period of twenty-four (24) consecutive hours beginning at 00:00 hours Eastern Prevailing Time on any calendar day and ending at 24:00 hours Eastern Prevailing Time on the same calendar day.

"Delivered Energy" means Buyer's Share of the Energy produced from the Project and delivered to Buyer at the Delivery Point net of all electrical losses associated with the transmission or transformation (from direct current to AC) of the Energy to the Delivery Point, including, if applicable, any losses between the Metering System and the Delivery Point.

"Delivery Point" means the point, more specifically described as the ring bus in Exhibit C, where Seller's Interconnection Facilities connect to the Transmission Provider's Interconnection Facilities.

"Delivery Term" means the period of time commencing upon the Initial Energy Delivery Date and terminating at the end of the Term.

"Disclosing Party" has the meaning set forth in Section 14.1.

"Dispute" has the meaning set forth in Section 18.1.

"Downgrade Event" means any point in time during the Term when: (a) with respect to Seller, two of three of Seller's Guarantor's Credit Ratings fall below Investment Grade; and (b) [*FMPA ARP: with respect to Buyer, any Credit Rating of Buyer's long-term bonds secured by the revenues of the ARP Project falls below Investment Grade.] [***FMPA SP only:** with respect to Buyer, any Credit Rating of Buyer's long-term bonds secured by the revenues of the FMPA Solar Project falls below Investment Grade or if Buyer does not have a Credit Rating for its long-term bonds or no such bonds are issued and outstanding, then the Credit Ratings then assigned to the electric or integrated utility systems of all of the FMPA Solar Project Participants falls below Investment Grade or if the FMPA Solar Project Participants Covenants in any FMPA Solar Project Power Sales Contract are amended, modified or altered in a manner which materially adversely impacts the ability of the FMPA Solar Project to perform and pay its obligations under this Agreement and Seller does not consent thereto, such consent not to be unreasonably withheld, conditioned or delayed.]

"Early Termination Date" has the meaning set forth in Section 7.2(a).

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“Effective Date” has the meaning set forth in the Preamble to the Agreement.

“Electric Interconnection Upgrade” means complete or cause to be completed all work, services, installations, equipment and facilities and obtains all required Governmental Approvals necessary to interconnect the Project with the Transmission Provider’s Transmission System.

“Energy” means net electric energy generated by the Project and available for delivery to the Delivery Point, which shall be in the form of three (3)-phase, sixty (60) Hertz, alternating current (AC). Energy shall include any and all associated Renewable Attributes and Facility Attributes.

“Energy Not Received” means, in any hour where Energy is not delivered to the Delivery Point, Buyer's Share of (i) the positive difference between (a) the most recently available forecast of Energy deliveries as defined in Section 3.16, and (b) the actual amount of Energy delivered to the Delivery Point during such hour, if any; or (ii) if such forecast is unavailable, the positive difference between (a) the estimate of Energy production for such hour derived from a P50 (probability of exceedance is fifty percent (50%)) simulation using actual meteorological data for the hours in question and an industry standard solar energy forecasting tool (i.e. PV System or its successor or peer tools or products), reflective of the same degradation rate as was assumed in the preparation of Exhibit D per year relative to the Project Capacity (prorated over a partial year as applicable) and (b) the actual amount of Energy delivered to the Delivery Point for such hour, if any.

“Equitable Defenses” means any bankruptcy, insolvency, reorganization or other laws affecting creditors’ rights generally and, with regard to equitable remedies, the discretion of the court before which proceedings may be pending to grant same.

“Event of Default” has the meaning set forth in Section 7.1.

“Excess Energy Delivery” has the meaning set forth in Section 3.19(d).

“Excess Energy Rate” means the rate set forth in Exhibit A that Buyer will have paid Seller for Buyer’s Share of Excess Energy Delivery after giving effect to Seller’s payment to Buyer of a credit pursuant to Section 3.19(d).

“Executives” has the meaning set forth in Section 18.2(a).

“Facility Attributes” means Buyer's Share of all ancillary products, services, capabilities or attributes which are or can be produced by or associated with the Project at any time during the Term.

“Fair Market Value” means the price that, as of the applicable Notice Date, would be paid in an arm’s length, free market transaction, in cash, between an informed, willing seller and informed willing buyer neither of whom is under compulsion to complete the transaction, taking into account, among other things, the age and performance of the Project

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and advances in solar technology and the commercial benefits that Seller may be able to derive from the Project, provided that installed equipment will be valued on an installed basis and costs of removal from current location will not be a deduction from the value.

“Fitch” means Fitch Ratings Ltd. or any successor thereto, or if there is no such successor, a nationally recognized credit rating agency.

[*For Solar Project:] “FMPA Solar Project” means the joint-action solar project created by the FMPA Board of Directors pursuant to FMPA Resolution No. ##, dated March XX, 2018.

[*For Solar Project:] “FMPA Solar Project Participant” means a municipality or municipal electric utility that is a member of the Florida Municipal Power Agency and a member of the FMPA Solar Project, all of which are listed on Exhibit P.

[*For Solar Project:] “FMPA Solar Project Power Sales Contract” means the Power Sales Contract between each FMPA Solar Project Participant and the Florida Municipal Power Agency for the sale of Electric Energy, Renewable Attributes and Facility Attributes by FMPA to the FMPA Solar Project Participant.

[*For Solar Project:] “FMPA Solar Project Participant Covenants” means the covenants by each FMPA Solar Project Participant in the applicable FMPA Solar Project Power Sales Contract: (i) that the payments which the FMPA Solar Project Participant is required to make under the applicable FMPA Solar Project Power Sales Contract constitute an obligation payable as an operating expense of the FMPA Solar Project Participant's electric utility system solely from the revenues and other available funds of the electric utility system, (ii) that upon the failure of another FMPA Solar Project Participant to make payments owed to FMPA under the applicable FMPA Solar Project Power Sales Contract, to pay to Buyer such non-defaulting FMPA Solar Project Participant's pro rata share of the amounts owed by the defaulting FMPA Solar Project Participant, and (iii) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric utility system, which rents, rates, and other charges shall be at least sufficient to meet the operation and maintenance expenses of such electric utility system.

“Forced Outage” means a time period during which there is a reduction or suspension of the Energy from the Project or unavailability of the Project in an amount greater than five percent (5%) of the Project Capacity in response to a mechanical, electrical, or hydraulic control system trip or operator-initiated trip or unavailability that is not a Planned Outage or Maintenance Outage, due to a Curtailment Period, or the result of a Force Majeure Event.

“Force Majeure Event” means any event or circumstance after the Effective Date that wholly or partly prevents or delays the performance of any material obligation arising under this Agreement, other than the obligation to pay amounts due, but only to the extent (1) such event is not within the reasonable control, directly or indirectly, of the Party seeking to have its performance obligation(s) excused thereby, (2) the Party seeking to have its performance obligation(s) excused thereby has taken all reasonable precautions

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and measures in order to prevent or avoid such event and thereafter to mitigate the effect of such event on such Party's ability to perform its obligations under this Agreement, (3) such Party could not reasonably have been expected to prevent or avoid such event and could not overcome such event by the exercise of due diligence, and (4) such event is not the direct or indirect result of the fault or negligence of the Party seeking to have its performance obligations excused thereby.

- (a) Subject to the foregoing, events that could qualify as a Force Majeure Event include the following:
- (i) acts of God, flooding, landslide, earthquake, fire, explosion, epidemic, quarantine, hurricane, tornado, volcano, other natural disaster or unusual or extreme adverse weather-related events;
 - (ii) war (declared or undeclared), riot or similar civil disturbance, acts of the public enemy (including acts of terrorism), sabotage, blockade, insurrection, revolution, expropriation or confiscation which directly impact operations;
 - (iii) except as set forth in subpart (b)(vii) below, strikes, work stoppage or other labor disputes (in which case the affected Party shall have no obligation to settle the strike or labor dispute on terms it deems unreasonable);
 - (iv) environmental and other contamination at or affecting the Project prior to the Effective Date which was not reasonably discoverable during Site due diligence using Prudent Operating Practices;
 - (v) accidents of navigation or breakdown or injury of vessels, accidents to harbors, docks, canals or other assistances to or adjuncts of shipping or navigation, or quarantine, air crash, shipwreck, train wrecks or other failures or delays of transportation;
 - (vi) vandalism beyond that which could not be reasonably prevented by Seller using Prudent Operating Practices;
 - (vii) the discovery of Native American burial grounds not evidenced in Seller's Phase I environmental assessment of the Site and not reasonably discoverable during Site due diligence using Prudent Operating Practices;
 - (viii) the discovery of endangered species at the Site, as defined by Applicable Law, not reasonably discoverable during Site due diligence using Prudent Operating Practices;
 - (ix) damage to or destruction of the Project generator step-up transformer that requires installation of a replacement unit; and
 - (x) damage to or destruction of the Transmission Provider's Transmission System which prevents Buyer from accepting delivery of Energy to the Delivery Point.

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- (b) A Force Majeure Event shall not be based on:
- (i) Buyer's inability to economically use or resell the Product purchased hereunder;
 - (ii) Seller's ability to sell the Product at a price greater than the price set forth in this Agreement;
 - (iii) Seller's inability to obtain Governmental Approvals or other consents, approvals or authorizations of any type for the ownership, construction, operation, or maintenance of the Project or the production, transmission, delivery and sale of Product;
 - (iv) Seller's inability to obtain sufficient labor, equipment, materials, or other resources to install, equip, build, operate, maintain or repair the Project, except to the extent Seller's inability to obtain sufficient labor, equipment, materials, or other resources is caused by a Force Majeure Event of the specific type described in any of subsections (a)(i) through (a)(vi) above;
 - (v) Seller's failure to obtain Performance Assurance, financing or other funds, including funds authorized by a state or the federal government or agencies thereof, to supplement the payments made by Buyer pursuant to this Agreement; or
 - (vi) a strike, work stoppage or labor dispute limited only to any one or more of Seller or Seller's Affiliates.

"Force Majeure Extension" has the meaning set forth in Section 4.3(c)(iii).

"GEP Damages" has the meaning set forth in Section 3.19(c).

"GEP Failure" has the meaning set forth in Section 3.19(c).

"Governmental Approvals" means all authorizations, consents, approvals, waivers, exceptions, variances, filings, notices, permits, orders, licenses, exemptions and declarations of or with any Governmental Authority and shall include those siting, construction and operating permits and licenses, and any of the foregoing under any Applicable Law that are required to construct, interconnect, operate, maintain and repair the Project and deliver Delivered Energy to the Delivery Point.

"Governmental Authority" means any federal, state, local or municipal government body; any governmental, quasi-governmental, regulatory or administrative agency, commission, body or other authority exercising or entitled to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power; any court or governmental tribunal; or any independent operator, regional transmission organization or other regulatory body; in each case having jurisdiction over either Party, the Project, the Site, the generation, delivery and sale of Product, Seller's Interconnection Facilities, the

Transmission Provider's Interconnection Facilities, or the Transmission Provider's Transmission System.

"Governmental Charges" has the meaning set forth in Section 13.2.

"Guaranteed Commercial Operation Date" is June 30, 2020.

"Guaranteed Energy Production" or "GEP" has the meaning set forth in Section 3.19(a).

"Guarantor" means an entity providing payment security on behalf of a Party which at the time it is to provide a Guaranty (a)(i) has a Credit Rating of "Baa3" or higher by Moody's, (ii) "BBB-" or higher by S&P, and (iii) "BBB-" or higher by Fitch, or (b) if such Person is rated by each of Moody's, S&P and Fitch, the two highest ratings will be the applicable standard. The Guarantor must be incorporated or organized in a jurisdiction of the United States and be in good standing in such jurisdiction.

"Guaranty" means a Guaranty substantially in the form of Exhibit F.

"Holopaw Project" means the project identified as such in Exhibit O.

"Initial Energy Delivery Date" means the first date that Seller delivers Energy from the Project to Buyer at the Delivery Point that Buyer is able to receive and transmit from the Delivery Point.

"Initial Negotiation End Date" has the meaning set forth in Section 18.2(a).

"Initial Term" has the meaning set forth in Section 2.1.

"Interconnection Agreement" means the mutually agreed interconnection agreement between the Transmission Provider and Seller pursuant to which Seller's Interconnection Facilities and the Transmission Provider's Interconnection Facilities will be constructed and operated and maintained.

"Interest Payment Date" means the last Business Day of each calendar month.

"Interest Rate" means the lower of (i) annual rate equal to the U.S. 10-year Treasury Note then in effect plus four percent (4%) and (ii) the maximum interest permitted by Applicable Law.

"Interim Milestones" has the meaning set forth in Section 4.1(a)(i).

"Interlocal Agreement" means the Interlocal Agreement creating the Florida Municipal Power Agency, as amended and supplemented to date, and as the same may be amended or supplemented in the future.

"Investment Grade" means a Credit Rating of at least: (i) BBB- when the Credit Rating is issued by S&P; (ii) Baa3 when the Credit Rating is issued by Moody's; or (iii) BBB- from Fitch.

"kW" means a kilowatt of AC electric generating capacity.

"kWh" means a kilowatt hour of Energy.

"Letter(s) of Credit" means one or more irrevocable, transferable standby letters of credit, substantially in the form of Exhibit G, issued by a U.S. commercial bank or a foreign bank with a U.S. branch with such bank having a Credit Rating of at least A- from S&P or A3 from Moody's, without a "negative credit watch", "negative outlook" or other rating decline alert by either S&P or Moody's and having net tangible assets of at least \$10 Billion, in a form acceptable to the Party in whose favor the letter of credit is issued.

"Lien" means any lien, charge, claim, mortgage, security agreement or other encumbrance.

"LGIA" means the Transmission Provider's Large Generator Interconnection Agreement.

"LGIP" means the Transmission Provider's Large Generator Interconnection Procedures.

"Maintenance Outage" means removal of a portion of the Project from service availability, excluding Planned Outages and Forced Outages.

"Manager" has the meaning set forth in Section 18.2(a).

"Measurement Period Performance Percentage" has the meaning set forth in Section 3.19(a).

"Metering System" means all meters, metering devices and related instruments used to measure and record Energy and to determine the amount of such Energy that is being delivered to Buyer at the Delivery Point.

"Milestone Daily Delay Damages" means pro rata share of [REDACTED] per day payable to Buyer and Other Buyers based on their respective entitlement share of Product.

"Milestone Daily Delay Damages Cap" has the meaning set forth in Section 4.1(h).

"Milestone Schedule" has the meaning set forth in Section 4.1(h).

"Moody's" means Moody's Investor Service, Inc. or any successor thereto, or in the event that there is no such successor, a nationally recognized credit rating agency.

"MW" means a megawatt (or 1,000 kilowatts) of AC electric generating capacity.

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“*MWh*” means a megawatt hour of Energy.

“*NERC*” means the North American Electric Reliability Corporation.

“*Network Upgrades*” means additions, modifications and upgrades to the Transmission Provider’s Transmission System, or any other electric delivery system beyond the Delivery Point to which Transmission Provider’s Transmission System is directly or indirectly interconnected or which is affected, to accommodate the interconnection of the Project to the Transmission Provider’s Transmission System.

“*Network Upgrade Cost*” means the costs to make any Network Upgrades required by the Transmission Provider.

“*Newly Available Product*” means any Product available to Seller following a default or termination by any Other Buyer or under any power purchase agreement relating to a Solar Project.

“*Non-Defaulting Party*” has the meaning set forth in Section 7.2.

“*Notice*” has the meaning set forth in Section 19.1.

“*Notice Date*” has the meaning set forth in Section 9.1.

“*NRIS*” means Network Resource Interconnection Service.

“*Operating Procedures*” has the meaning set forth in Section 3.11.

“*Option Price*” has the meaning set forth in Section 9.1.

“*Orange Project*” means the project identified as such in Exhibit O.

“*Osceola Project*” means the project identified as such in Exhibit O.

“*Other Buyers*” means the Persons identified as such in Exhibit N, together with their respective entitlement share to Product from each of the Solar Projects.

“*Other Buyer's Share*” means the entitlement share (expressed as a percentage) of an Other Buyer to Product (with the Buyer’s Share and the shares of Other Buyers totaling one hundred percent (100%)).

“*Parties*” has the meaning set forth in the first paragraph of this Agreement.

“*Party*” has the meaning set forth in the first paragraph of this Agreement.

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“Performance Assurance” means security in the form of cash, Letters of Credit, or Guaranty in the form and substance set out in this Agreement provided by a Party to the other Party to secure a Party’s obligations hereunder.

“Performance Measurement Period” has the meaning set forth in Section 3.19(a).

“Permitted Extensions” means extensions to the Guaranteed Commercial Operation Date due to Transmission Delay, Permitting Delay, or Force Majeure Extension.

“Permitting Delay” has the meaning set forth in Section 4.3(c)(ii).

“Person” means an individual, partnership, corporation, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority, governmental entity, limited liability company or any other entity of whatever nature.

“Plan” means a plan delivered by one Party to the other Party or by Collateral Agent or Investor(s) to Buyer, as applicable, in connection with an outage or an Event of Default (as applicable) pursuant to Section 7.1(a)(iii) (Events of Default), Section 16.1 (Force Majeure), section 3(c) of a consent to assignment delivered pursuant to Section 15.2(d), or section 6(c) of an estoppel certificate delivered pursuant to Section 15.2(d), as such plan may be updated by written Notice (including by e-mail) from the Person delivering such plan to the applicable Party.

“Planned Outage” means the scheduled removal of all or a portion of the Project from service availability. To qualify as a Planned Outage, the maintenance (a) must actually be conducted during the Planned Outage period, and in Seller’s sole discretion must be of the type that is necessary to reliably maintain the Project consistent with recommendations of equipment manufacturers and Prudent Operating Practice, (b) cannot be reasonably conducted during the Project’s operations, and (c) causes the amount of Energy delivered to the Delivery Point to be reduced by at least five percent (5%) of the Project Capacity.

“Point of Interconnection” has the meaning set forth in Exhibit C.

“Product” means the Energy, Renewable Attributes and Facility Attributes generated by the Project, net of Station Service.

“Project” means Seller’s electrical plant and equipment used to generate electricity utilizing photovoltaic solar energy generator equipment and facilities located at the Site, Seller’s Interconnection Facilities and any and all additions, replacements or modifications. The Project is more particularly described in Exhibit B.

“Project Capacity” has the meaning set forth in Section 3.4.

“Project Cure Period” has the meaning set forth in Section 4.4(a).

“Project Development Security” has the meaning set forth in Section 10.4(a)(i).

“Project Investor” or **“Project Investors”** means any and all Persons or successors in interest thereof (A) lending money, extending credit or providing loan guarantees (whether directly to Seller or to an Affiliate of Seller) as follows: (i) for the construction, interim or permanent financing or refinancing of the Project; (ii) for working capital or other ordinary business requirements of the Project (including the maintenance, repair, replacement or improvement of the Project); (iii) for any development financing, bridge financing, credit support, credit enhancement or interest rate protection in connection with the Project; (iv) for any capital improvement or replacement related to the Project; or (v) for the purchase of the Project and the related rights from Seller; or (B) participating (directly or indirectly) as an equity investor (including a Tax Equity Investor) in the Project; or (C) any lessor under a lease finance arrangement relating to the Project.

“Project Quantity” means the total Energy production of the Project for a Contract Year as set forth in Exhibit D.

“Prudent Operating Practices” means the practices, methods and standards of professional care, skill and diligence engaged in or approved by a significant portion of the electric generation industry for solar facilities of similar size, type, and design as the Project, that, in the exercise of reasonable judgment, in light of the facts known at the time, would have been expected to accomplish results consistent with Applicable Law, reliability, safety, environmental protection and standards of economy and expedition. Prudent Operating Practices is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practice, methods, or acts generally accepted in the industry.

“Purchase Option” has the meaning set forth in Section 9.1.

“Qualified Institution” means a U.S. commercial bank or a licensed U.S. branch of a foreign bank, or other Person having an unsecured bond rating equivalent to A- or better as determined by at least two (2) Ratings Agencies, one of which must be either Standard & Poor’s or Moody’s, and net tangible assets of at least thirty billion dollars (\$30,000,000,000).

“Ratings Agency” means either of Fitch, S&P or Moody’s.

“Receiving Party” has the meaning set forth in Section 14.1.

“Referral Date” has the meaning set forth in Section 18.2(a).

“Renewable Attributes” means Buyer's Share of any and all existing and future renewable resource attributes, emissions credits and other environmentally related attributes that arise from, result from, are created by or are attributable to the generation, production, purchase or sale of Energy from the Project. Renewable Attributes do not include (i) any energy, capacity, reliability or other power attributes from the Project, (ii) Tax Attributes or (iii)

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emission reduction credits encumbered or used by the Project for compliance with local, state or federal operating and/or air quality permits.

“Renewal Term” has the meaning set forth in Section 2.1.

“S&P” means Standard & Poor’s or any successor thereto, or in the event that there is no such successor, a nationally recognized credit rating agency.

“Scheduling Coordinator” means the Persons designated by Buyer and Other Buyers by Notice to Seller as the Persons who are authorized and responsible for (a) scheduling the amount of Energy expected to be delivered to the Delivery Point by the Project, consistent with the Operating Procedures, during any hour during the Delivery Term and (b) acting as the designated account manager for the Green-E Tracking System, or other body for the registration, certification, or transfer of renewable energy attributes, for the purposes of allocating and distributing Renewable Attributes among the Buyer and the Other Buyers (if any), based on Buyer’s Share and each Other Buyer’s Share, as applicable.

“SEC” means the U.S. Securities and Exchange Commission.

“Seller” has the meaning set forth in the first paragraph of this Agreement.

“Seller Excuses” has the meaning set forth in Section 3.5(a).

“Seller Excuse Hours” means the hours Seller is unable to generate or deliver Energy due to Seller Excuses.

“Seller Sales Damages” means:

(a) the Seller Sales Damages shall be the discounted value (discounted at the Interest Rate of the positive difference, if any, of: (i) all dollar amounts that Seller would, in the manner set forth below, be expected to receive from the sale of the Product under this Agreement through the remainder of the Term of the Agreement; plus (ii) all incremental costs over and above those that Seller would otherwise incur when delivering the Product to the Delivery Point; less (iii) all dollar amounts Seller reasonably would, in the manner set forth below, be expected to receive at then-prevailing market conditions from the sale to a third party of the Product that it would have provided to Buyer through the remainder of the Term.

(b) Seller shall calculate the Seller Sales Damages in a Commercially Reasonable manner by using the average of market bids or quotations provided by three (3) or more bona fide unaffiliated market participants, if available. The average of the bids/quotes that were obtained shall be deemed to be the market price. The quotes obtained shall be: (i) for a like amount, (ii) of the same Products, (iii) at the same or reasonably similar Delivery Point, (iv) for the remaining Term, and (v) determined in any other Commercially Reasonable manner. In no event shall Seller Sales Damages include any penalties, or ratcheted demand or similar charges, nor shall Seller be required to utilize or

change its utilization of its owned or controlled assets or market positions to minimize Buyer's liability. For the purposes of this definition, Seller shall not be required to actually resell the Product to calculate the Seller Sales Damages as set forth herein. If Seller Sales Damages are owed as a result of an Event of Default and the Seller Sales Damages are a negative number then the Seller Sales Damages shall be deemed to equal zero dollars (i.e. if the estimated cost for Seller to sell substantially similar products is more than the amount it would have received from Buyer, neither Party shall owe any damages to the other).

(c) Seller shall provide Buyer Notice containing the Seller Sales Damages calculations, including the supporting data such as associated charges and other relevant assumptions used to calculate the Seller Sales Damages to the degree Seller deems pertinent within sixty (60) days after the Early Termination Date. Upon receipt of the Seller Sales Damages, if Buyer disputes the calculation of the Seller Sales Damages, in whole or in part, Buyer shall, within fifteen (15) Business Days following its receipt of such Notice, provide to Seller a detailed written explanation of the basis for such dispute; provided, however, Buyer can only dispute the calculation based on a failure as to the material assumptions and the sufficiency of the data used in preparation of the Seller Sales Damages. Any dispute as described above in this definition shall be pursued through the dispute resolution process set forth in Article 18. Upon resolution of the dispute, any payment required from one Party to the other shall be made by the owing Party within thirty (30) Business Days following such resolution.

"Seller's Delivery Term Security" has the meaning set forth in Section 10.4 (a)(ii).

"Seller's Interconnection Facilities" means the interconnection facilities, control and protective devices and metering and supervisory control and data acquisition (SCADA) facilities required to connect the Project with the Transmission Provider's Transmission System up to, and on Seller's side of, the Delivery Point.

"Seller's Ultimate Parent Company" means the ultimate parent of Seller, which as of the Effective Date is NextEra Energy, Inc.

"Settlement Amount" means (a) Buyer Purchase Damages; or (b) Seller Sales Damages, as applicable.

"Site" has the meaning set forth in the Recitals as further described in Exhibit I.

"Solar Project" means the Project, the Holopaw Project or the Osceola Project.

"Station Service" means the electric energy required by the Project to power the lights, motors, control systems and other auxiliary electrical loads that are necessary for operation of the Project.

"System Emergency" means a condition on the Transmission Provider's Transmission System, at the Project, or on transmission facilities used to deliver Energy from the Project to the Delivery Point which condition is likely to result in imminent significant disruption

of service to the Transmission Provider's Transmission System customers or is imminently likely to endanger life or property.

"System Operator" means the operator of the Florida Municipal Power Pool.

"Tax Attributes" means (i) investment tax credits (including any grants or payments in lieu thereof) and any other tax deductions or tax benefits under federal, state or other Law available as a result of the ownership and operation of the Project or the output generated by the Project (including tax credits, payments in lieu thereof and accelerated and/or bonus depreciation); and (ii) present or future (whether known or unknown) cash payments, grants under Section 1603 of the American Recovery and Reinvestment Tax Act of 2009 or outright grants of money relating in any way to the Project.

"Tax Equity Investor" means one or more investors seeking a return that is enhanced by tax credits and/or tax depreciation and generally (i) described in Revenue Procedures 2001-28 (sale-leaseback (with or without "leverage")), 2007-65 (flip partnership) or 2014-12 (flip partnership and master tenant partnership) as those revenue procedures are reasonably applied or analogized to a solar project transaction (as opposed to a wind farm or rehabilitated real estate) or (ii) contemplated by Section 50(d)(5) of the Code, as amended (a pass-through lease).

"Term" has the meaning set forth in Section 2.1.

"Termination Payment" has the meaning set forth in Section 7.3.

"Transmission Delay" has the meaning set forth in Section 4.3(c)(i).

"Transmission Provider" means [OUC/Duke Energy Florida] or any successor to the Transmission Provider's Transmission System.

"Transmission Provider's Interconnection Facilities" means the interconnection facilities, control and protective devices and metering facilities required to connect the Transmission Provider's Transmission System with the Project up to, and on the Transmission Provider's side of, the Delivery Point.

"Transmission Provider's Transmission System" means the facilities for the transmission of Delivered Energy from the Delivery Point to Buyer's electric delivery system.

1.2 Interpretation.

The following rules of construction shall be followed when interpreting this Agreement:

- (a) the gender (or lack of gender) of all words used in this Agreement includes the masculine, feminine, and neuter;
- (b) words used or defined in the singular include the plural and vice versa;

(c) references to Articles and Sections refer to Articles and Sections of this Agreement;

(d) references to Annexes, Exhibits and Schedules refer to the Annexes, Exhibits and Schedules attached to this Agreement, each of which is made a part hereof for all purposes;

(e) references to Applicable Laws refer to such Applicable Laws as they may be amended from time to time, and references to particular provisions of an Applicable Law include any corresponding provisions of any succeeding Applicable Law and any rules and regulations promulgated thereunder;

(f) terms defined in this Agreement are used throughout this Agreement and in any Annexes, Exhibits and Schedules hereto as so defined;

(g) references to money refer to legal currency of the United States of America;

(h) the words "includes" or "including" shall mean "including without limitation;"

(i) the words "hereof," "hereby," "herein," "hereunder" and similar terms in this Agreement shall refer to this Agreement as a whole and not any particular Article or Section in which such words appear, unless otherwise specified;

(j) all references to a particular entity shall include a reference to such entity's successors and permitted assigns but, if applicable, only if such successors and assigns are permitted by this Agreement;

(k) references to any agreement, document or instrument shall mean a reference to such agreement, document or instrument as the same may be amended, modified, supplemented or replaced from time to time;

(l) the word "or" will have the inclusive meaning represented by the phrase "and/or;"

(m) the words "shall" and "will" mean "must", and shall and will have equal force and effect and express an obligation; and

(n) the words "writing," "written" and comparable terms refer to printing, typing, and other means of reproducing in a visible form.

ARTICLE 2

TERM

2.1 Term.

This Agreement shall commence on the Effective Date and continue until the date that is twenty (20) years following the Commercial Operation Date (the "**Initial Term**"). The Initial Term may be extended at the option of Buyer for two (2) extension terms of five (5) years each or by one ten

(10) year extension term (the “**Renewal Term(s)**”), with no change to the Contract Price, by Notice from Buyer to Seller at least one hundred and twenty (120) days prior to the expiration of the Initial Term or the initial Renewal Term, as applicable. The Initial Term and any Renewal Term(s) are collectively (the “**Term**”).

ARTICLE 3
OBLIGATIONS AND DELIVERIES

3.1 *Product.*

(a) Seller shall produce, deliver and sell to Buyer Buyer's Share of all Product which are or can be produced by or associated with the Project now and in the future (whether known or unknown) in accordance with the terms hereof. Seller and Buyer acknowledge that except in the case in which Buyer's Share is or becomes a one hundred percent (100%) entitlement to Product, the Buyer's Share under this Agreement is not intended to be the entire Product produced by or relating to the Project and that Seller has or will contract to sell the remaining shares of the Product to Other Buyers. Seller acknowledges that Buyer does not and shall not incur obligations to the Other Buyers through this Agreement and the rights and obligations of this Agreement shall be separate and independent of any agreements entered into by Seller with Other Buyers except as expressly, specifically set forth herein.

(b) In the event of availability of Newly Available Product resulting from permanent discontinuance of service to an Other Buyer pursuant to a power purchase agreement between Seller and such Other Buyer, Seller shall proceed to dispose of such Other Buyer's share of the Project Product as follows: Seller shall first offer to transfer to Buyer and all other Other Buyers a pro rata portion of the Newly Available Product. Any part of such Newly Available Product which shall be declined by Buyer or any such Other Buyer shall be reoffered pro rata to Buyer and/or such Other Buyer which have accepted in full the first such offer; such reoffering shall be repeated until such Newly Available Product has been reallocated in full or until Buyer and/or all such Other Buyers have declined to take any portion or additional portion of such Newly Available Product. If less than all of the Newly Available Product shall be accepted by Buyer and/or such Other Buyers pursuant to this clause (b), Seller may sell to a third party the remaining portion of Newly Available Product share for the remaining term of the applicable power purchase agreement with Seller for which service has been permanently discontinued.

3.2 *Purchase and Sale.*

(a) Unless specifically excused by the terms of this Agreement, during the Delivery Term Seller shall produce at the Project, sell and deliver, or cause to be delivered, and Buyer shall purchase and receive, or cause to be received, Buyer's Share of the Product at the Delivery Point, and Buyer shall pay Seller for Buyer's Share of the delivered Product in accordance with the terms hereof.

(b) For and in consideration of Buyer entering into this Agreement, and in addition to the agreement by Buyer and Seller to purchase and sell Energy on the terms and

conditions set forth herein, Seller hereby transfers to Buyer, and Buyer receives from Seller, all right, title, and interest in and to all Renewable Attributes and Facility Attributes, whether now existing or acquired by Seller or that hereafter come into existence or are acquired by Seller during the Term, for all Delivered Energy and replacement Energy. Seller agrees to transfer and make such Renewable Attributes and Facility Attributes available to Buyer immediately to the fullest extent allowed by Applicable Law upon Seller's production or acquisition of the Renewable Attributes and Facility Attributes. Seller shall not assign, transfer, convey, encumber, sell or otherwise dispose of all or any portion of such Renewable Attributes and Facility Attributes to any Person other than Buyer.

3.3 Contract Price.

Buyer shall pay Seller for each MWh of Buyer's Share of Product (i) during the period from and including the Initial Energy Delivery Date to the Commercial Operation Date, at the applicable rate set forth in Exhibit A; and (ii) during the period from and including the Commercial Operation Date through the remainder of the Delivery Term, at the applicable rate set forth in Exhibit A (as applicable during the respective periods, the "**Contract Price**"). Buyer and Seller acknowledge and agree that the consideration for the transfer of Renewable Attributes and Facility Attributes is contained within Contract Price. In the event that during any Contract Year Seller produces and makes an Excess Energy Delivery to the Delivery Point, within thirty (30) days after the end of such Contract Year, Seller shall credit Buyer by an amount such that in respect of all such Excess Energy Delivery, Buyer effectively paid the Excess Energy Rate for such Excess Energy Delivery pursuant to the settlement process described in Section 3.19.

3.4 Project Capacity.

The "**Project Capacity**" is the full generation capacity of the Project net of all Station Service and net of losses, including transformation or transmission losses, to the Delivery Point, which shall be 74.5 MW AC as of the Commercial Operation Date. Throughout the Delivery Term, Seller shall sell and deliver Buyer's Share of all Product associated with the Project Capacity of the Project solely to Buyer, except as may be permitted under this Agreement in the case of an Event of Default of Buyer or during a Curtailment Period, Planned Outage or Maintenance Outage, Forced Outage or Force Majeure Event where Buyer is prevented from accepting delivery of the Product.

3.5 Performance Excuses.

(a) The obligation of Seller to deliver the Energy to the Delivery Point shall be excused only (i) during periods of a Force Majeure Event, (ii) by Buyer's unexcused failure to perform its obligation to receive Delivered Energy at the Delivery Point, (iii) during Curtailment Periods and (iv) during Planned Outages and Maintenance Outages ("**Seller Excuses**").

(b) The obligation of Buyer to receive and pay for the Product delivered at the Delivery Point shall be excused only (i) during periods of a Force Majeure Event, (ii) by Seller's failure to perform its obligations to generate and deliver Energy to the Delivery Point, or (iii) during Curtailment Periods ("**Buyer Excuses**").

(c) Except for a failure resulting from a Force Majeure Event or during a Curtailment Period, the failure of electric transmission service shall not excuse performance with respect to either Party.

3.6 Buyer's Right to Curtail.

(a) The Scheduling Coordinator may curtail, or require Seller to curtail, all or part of the Energy from the Project at any time for any reason, including Buyer Excuses. In the event that the curtailment does not arise out of Buyer Excuses, Buyer shall be responsible for and shall pay Seller for Buyer's Share of the Energy Not Received at the Delivery Point as a result of the curtailment directed by Scheduling Coordinator at the Contract Price for the amount of Buyer's Share of Energy Not Received as determined and calculated by Seller and agreed to by Buyer in a Commercially Reasonable Manner. In the event that Buyer requests Seller to curtail all or part of the Energy from the Project, Seller shall curtail the Delivered Energy as soon as reasonably possible after receiving, and otherwise in accordance with, Notice from Buyer.

(b) Seller shall include in a monthly invoice delivered to Buyer pursuant to Section 8.1 the amounts, if any, owed by Buyer pursuant to Section 3.5(a) and a description, in reasonable detail, of the calculation of the Energy Not Received.

3.7 Replacement Energy.

(a) Subject to clauses (b) and (c) of this Section 3.7, in the event of a Planned Outage, Maintenance Outage, Forced Outage, or an outage in connection with a Force Majeure Event or any other Permitted Excuse, during the period of such outage, Buyer (i) has the right to purchase replacement energy as necessary and (ii) shall be relieved from the obligation to receive and purchase, or cause to be received and purchased, Buyer's Share of the Energy at the Delivery Point; provided, that Seller shall have no obligation to reimburse Buyer for any such replacement energy.

(b) In connection with any outage for which Seller delivers written Notice (including by e-mail) to Buyer stating that Seller anticipates such outage will continue for forty-eight (48) hours or more, and Seller has delivered a Plan to Buyer:

(i) Buyer may, upon written Notice to Seller, Collateral Agent or Investor(s) (as applicable), purchase replacement energy for a period of time equal to the lesser of (A) the remaining period of time outlined in such Plan, or (B) seven (7) days; *provided*, for the avoidance of doubt, that if the Plan provides a timeline greater than seven (7) days to resume the delivery of Energy to the Delivery Point, Buyer may continue to purchase replacement energy upon written Notice to Seller, Collateral Agent or Investor (as applicable) on a rolling basis until the date on which delivery of Energy to the Delivery Point is anticipated to resume, as specified in the Plan;

(ii) Buyer shall not be obligated to purchase or receive Delivered Energy during such period; and

(iii) Seller, Collateral Agent or Investor(s) (as applicable) shall provide regular Plan updates to Buyer.

(c) In connection with any outage that is not a Planned Outage or a Maintenance Outage and for which Seller fails to deliver written Notice (including by e-mail) to Buyer within twenty-four (24) hours after the occurrence of such outage

(i) Buyer may, upon written Notice to Seller, Collateral Agent or Investor(s) (as applicable), purchase replacement energy for a period of time equal to seven (7) days, and Buyer may continue to purchase replacement energy upon written Notice to Seller or Collateral Agent (as applicable) on a rolling basis until the date on which delivery of Energy to the Delivery Point is anticipated to resume, as specified in a Plan;

(ii) Buyer shall not be obligated to purchase or receive Delivered Energy during such period; and

(iii) Seller, Collateral Agent or Investor(s) (as applicable) shall provide regular Plan updates to Buyer.

3.8 Offsets, Allowances and Renewable Attributes.

(a) Buyer shall be entitled to Buyer's Share of all Renewable Attributes and Facility Attributes resulting from the generation of Energy at the Project. Buyer shall not be entitled to any Renewable Attributes resulting from the generation of electric energy that Seller made available to Buyer at the Delivery Point, which Buyer does not purchase under this Agreement.

(b) Seller shall transfer and assign to Buyer all Renewable Attributes associated with the Energy produced by the Project. On or before the tenth (10th) day following the end of each Month, Seller shall complete and provide to Buyer the bill of sale for Renewable Attributes in the form attached hereto as Exhibit L, together with Seller's monthly invoice to Buyer for Product issued in accordance with Section 8.1.

(c) Seller shall be entitled to all (i) federal and state production tax credits, investment tax credits and any other tax credits which are or will be generated by the Project, (ii) any cash payments, grants under Section 1603 of the American Recovery and Reinvestment Tax Act of 2009 or outright grants of money relating in any way to the Project or Renewable Attributes, and (iii) any Renewable Attributes that the Buyer is not entitled to pursuant to the provisions of Section 3.8(a). Buyer acknowledges that Seller has the right to sell any Renewable Attributes to which Seller is entitled pursuant to this Section 3.8(c) to any Person other than Buyer at any rate and upon any terms and conditions that Seller may determine in its sole discretion without liability to Buyer hereunder. Buyer shall have no claim, right or interest in such Renewable Attributes that Seller has the right to sell under this Section 3.8(c) or in any amount that Seller realized from the sale of such Renewable Attributes.

(d) Seller shall bear all risks, financial and otherwise throughout the Term, associated with Seller's or the Project's eligibility to receive any Tax Attributes, or to qualify for accelerated or bonus depreciation for Seller's accounting, reporting or tax purposes. The obligations of the Parties hereunder, including those obligations set forth herein regarding the sale, purchase and price for and Seller's obligation to generate and deliver Energy and Renewable Attributes and Facility Attributes, shall be effective regardless of whether the generation of Product or sale and delivery of Delivered Energy from the Project is eligible for, or receives Tax Attributes or to qualify for accelerated or bonus depreciation during the Term.

3.9 *Transmission.*

(a) Seller shall be responsible for presenting to and receiving Transmission Provider approval of the Project interconnection requirements and transmission facilities so that Seller can perform its Product deliveries hereunder in accordance with applicable Transmission Provider requirements. Seller shall be responsible for all costs to design, equip, construct and maintain the interconnection facilities necessary to deliver Energy from the Project to the Point of Interconnection. Seller shall be responsible for receiving NRIS from the Transmission Provider during Transmission Provider's LGIP. Subject to Section 4.2, Buyer shall be responsible for arranging for all transmission services required to effectuate Buyer's purchase of Product, including obtaining firm transmission service or delivery to the wholesale and retail power customers of Buyer, in an amount of capacity equal to the Buyer's Share of the Project Capacity, and shall be responsible for the payment of any charges related to such transmission services hereunder, including charges for transmission or wheeling services, ancillary services, control area services, congestion charges, transaction charges and line losses. The Parties acknowledge that the Contract Price does not include charges for such transmission services, all of which shall be paid by Buyer.

(b) In the event that the Transmission Provider or any other properly authorized Person exercising control over the Transmission Provider's Interconnection Facilities or the Transmission Provider's Transmission System takes any action or orders Seller or Buyer to take any action that affects Buyer's ability to take delivery of Energy hereunder not caused by or resulting from Seller's act or omission, a Curtailment Period or a Force Majeure Event, Buyer shall use its Commercially Reasonable efforts to attempt to mitigate the adverse effects of such action(s) on Buyer's ability to take delivery of Energy hereunder; including redispatching its generation resources other than the Project.

3.10 *Scheduling.*

Scheduling Coordinator shall be responsible for the scheduling of all Delivered Energy during the Delivery Term, including arranging any Open Access Same Time Information Systems (OASIS), tagging, transmission scheduling or similar protocols with the Transmission Provider or any other Persons.

3.11 *Operating Procedures.*

Seller and Buyer will endeavor to develop written operating procedures (“**Operating Procedures**”) not less than sixty (60) days before the scheduled Initial Energy Delivery Date, which Operating Procedures shall only be effective if made by mutual written agreement of Seller and Buyer. The Parties agree that the Operating Procedures they will endeavor to establish will cover the protocol under which the Parties will perform their respective obligations under this Agreement and will include procedures concerning the following: (1) the method of day-to-day communications; (2) key personnel lists for Seller and Buyer; and (3) reporting of scheduled maintenance, Maintenance Outages, Planned Outages and Forced Outages of the Project.

3.12 *Regulatory Approvals.*

(a) Buyer shall apply for and shall diligently pursue a reservation of network transmission service that secures a firm delivery path for the Delivered Energy from the Delivery Point to and over the Transmission Provider’s Transmission System, in an amount of capacity equal to Buyer's Share of the Project Capacity, with such application being submitted not later than ten (10) Business Days following the Effective Date.

(b) Following execution of this Agreement by both Parties, each Party shall promptly seek to obtain all Governmental Approvals and other licenses, permits and approvals necessary to perform its obligations hereunder.

3.13 *Standards of Care.*

(a) Seller shall comply with all requirements of Applicable Law, Governmental Approvals and NERC relating to the Project (including those related to construction, ownership, interconnection and/or operation of the Project and production and delivery of Product).

(b) As applicable, each Party shall perform all generation, scheduling and transmission services in compliance with all applicable operating policies, criteria, rules, guidelines, tariffs and protocols of Prudent Operating Practices.

(c) Seller agrees to comply with all (i) NERC reliability requirements, including all such reliability requirements for generator owners and generator operators, and (ii) all applicable requirements regarding interconnection of the Project, including the requirements of the interconnected Transmission Provider.

3.14 *Outage Notification.*

(a) Seller shall schedule Planned Outages for the Project in accordance with Prudent Operating Practices and with the prior written consent of Buyer, which consent may not be unreasonably withheld, conditioned or delayed. The Parties acknowledge that in all circumstances, Prudent Operating Practices shall dictate when Planned Outages should occur. Seller shall notify Buyer of its proposed Planned Outage schedule for the Project for the following calendar year by submitting a written Planned Outage schedule no later than August 1st of each year during the Delivery Term. The Planned Outage schedule is subject to Buyer’s approval, which approval may not be unreasonably

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withheld, conditioned or delayed. Buyer shall promptly respond within five (5) Business Days with its approval or with reasonable modifications to the proposed Planned Outage schedule and Seller shall use its best efforts in accordance with Prudent Operating Practices to accommodate Buyer's requested modifications and deliver the final schedule to Buyer. Seller shall contact and confirm by Notice to Buyer with any requested changes to the Planned Outage schedule if Seller believes the Project must be shut down to conduct maintenance that cannot be delayed until the next scheduled Planned Outage consistent with Prudent Operating Practices. Seller shall not change its Planned Outage schedule without Buyer's approval, not to be unreasonably withheld, conditioned or delayed. Seller shall use its best efforts in accordance with Prudent Operating Practices not to schedule Planned Outages during the period of April 1st through October 31st of the Delivery Term. Seller shall not substitute Energy from any other source for the output of the Project during a Planned Outage or at any other time.

(b) In addition to Planned Outages, Seller shall promptly inform Buyer of any Forced Outage lasting for more than sixty (60) consecutive minutes. Such information shall be communicated by electronic mail to Buyer's designated personnel and describe the nature of the Forced Outage, the beginning date and time of such Forced Outage, the expected end date and time of such Forced Outage, the amount of Energy that Seller expects will be delivered at the Delivery Point during such Forced Outage, and any other information reasonably requested by Buyer. With respect to any such Forced Outage, Seller shall communicate and inform Buyer and thereafter provide Buyer with such Notice by any reasonable means requested by Buyer, including by telephone or electronic mail.

(c) If Seller reasonably determines that it is necessary to schedule a Maintenance Outage, Seller shall notify Buyer of the proposed Maintenance Outage as soon as practicable but in any event at least five (5) days before the outage begins (or such shorter period to which Buyer may reasonably consent), in order to optimize the Delivered Energy from the Project. Upon such Notice, the Parties shall plan the Maintenance Outage to mutually accommodate the reasonable requirements of Seller and the service obligations of Buyer; provided, however, that Seller shall take all reasonable measures consistent with Prudent Operating Practices to not schedule any Maintenance Outage during the weekday day light hours during the period of April 1st through October 31st of the Delivery Term. Notice of a proposed Maintenance Outage shall include the expected start date and time of the outage, the amount of generation capacity of the Project that will not be available, and the expected completion date and time of the outage. Seller shall give Buyer notice of the Maintenance Outage as soon as practicable after Seller determines that the Maintenance Outage is necessary. Buyer shall promptly respond to such Notice and may request reasonable modifications in the schedule for the outage. Seller shall use all reasonable efforts to comply with any request to modify the schedule for a Maintenance Outage provided that such change has no substantial impact on Seller. Seller shall notify Buyer of any subsequent changes in generation capacity available to Buyer as a result of such Maintenance Outage or any changes in the Maintenance Outage completion date and time. As soon as practicable, any notifications given orally shall be confirmed in Notices. Seller shall take all reasonable measures consistent with Prudent Operating Practices to minimize the frequency and duration of Maintenance Outages. Seller may schedule a

Maintenance Outage at any time and without the requirement to notify Buyer in advance during conditions of low solar insolation, but Seller shall notify Buyer of the commencement of the Maintenance Outage if such Maintenance Outage is expected to exist for more than four (4) hours.

(d) The Parties acknowledge and agree that the estimated monthly net output of Energy from the Project as set forth on Exhibit D does not take into account Planned Outages, Maintenance Outages, and Forced Outages.

3.15 *Operations Logs and Access Rights.*

(a) Seller shall maintain a complete and accurate log of all material operations and maintenance information on a daily basis. Such log shall include information on power production, solar insolation, efficiency, availability, maintenance performed, Maintenance Outages, Planned Outages, Forced Outages, results of inspections, manufacturer recommended services, replacements, electrical characteristics of the generators, control settings or adjustments of equipment and protective devices. Seller shall maintain this information for at least two (2) years and shall provide this information electronically in an agreed format to Buyer within five (5) days of Buyer's request.

(b) Buyer, its authorized agents, and employees shall have the right of ingress to and egress from the Site and Project during normal business hours upon reasonable advance Notice and for any purposes reasonably connected with this Agreement; *provided*, that Buyer shall observe all applicable Project safety rules that Seller has communicated to Buyer; and *provided further* that Buyer, subject to and without waiving its rights to sovereign immunity under Florida Statutes, indemnify Seller for damage to property or injury to persons to the extent caused by the negligent or wrongful act or omission of Buyer's authorized agents or employees while such authorized individuals are at the Site or the Project.

3.16 *Availability; Energy Production Forecasting.*

(a) Seller shall provide Buyer with forecasts of the delivery of Energy under this Agreement as described below. Such forecasts shall include the updated status of all Project equipment that may impact availability and production of Product, and other information reasonably requested by Buyer. Seller shall use Commercially Reasonable Efforts to forecast daily by 5:00 a.m. the hourly delivery of Energy under this Agreement accurately and to transmit such information in the format agreed by the Parties consistent with the Operating Procedures. Buyer and Seller shall agree upon reasonable changes to the requirements and procedures set forth below from time-to-time, as necessary to accommodate changes to operating and scheduling procedures of Buyer.

(b) No later than: (i) the earlier of January 15th preceding the first Contract Year or forty-five (45) Days prior to the commencement of the first Contract Year; and (ii) January 15th of each calendar year for every subsequent Contract Year, Seller shall provide to Buyer a non-binding forecast of the hourly delivery of Energy at the Delivery Point under this Agreement for an average day in each month of the following calendar year in

a form agreed by the Parties.

(c) Ten (10) Business Days before the commencement of the first Contract Year, and thereafter ten (10) Business Days before the beginning of each month during the Delivery Term, Seller shall provide to Buyer a non-binding forecast of the hourly energy deliveries of Energy to the Delivery Point under this Agreement for each day of the following month in a form agreed by the Parties.

(d) No later than 5:00 a.m. of each day of each Contract Year, Seller shall provide Buyer a non-binding forecast of hourly Energy deliveries at the Delivery Point under this Agreement for the remainder of such day and the following seven (7) days in a form reasonably acceptable to Buyer. Each such Notice shall clearly identify, for each hour, Seller's forecast of all deliveries of Energy pursuant to this Agreement. In the event that Seller foresees that actual deliveries of Energy under this Agreement for any hour will be materially different than a forecast previously provided for such day, Seller shall, as soon as reasonably possible, provide Notice to Buyer of such change and an updated forecast.

3.17 Weather Station.

(a) No later than sixty (60) Days prior to the Commercial Operation Date, Seller, at its own expense, shall install and maintain at least one stand-alone meteorological station at the Site to monitor, measure, communicate and report the meteorological data required under Section 3.17(b). Seller shall maintain and replace the meteorological station as necessary to provide accurate data with respect to the location of the Project.

(b) Upon Commercial Operation, and continuing through the end of the Delivery Term, Seller shall record and maintain the following data:

- (i) real and reactive power production by the Project for each hour;
- (ii) changes in operating status, outages and maintenance events;
- (iii) any unusual conditions found during inspections;
- (iv) any significant events related to the operation of the Project; and

(v) one (1) minute and hourly time-averaged measurements from data samples at ten (10) seconds or greater frequency for the following parameters at the Project: total global horizontal irradiance, total global radiation within the plane of the array, air temperature, relative humidity, wind direction and speed, precipitation, barometric pressure, back of module surface temperature, and other pertinent meteorological conditions.

(c) Buyer shall have real-time access to the required meteorological data at a frequency not to exceed every five (5) minutes. Seller shall provide Buyer a report within thirty (30) days after the end of each month that provides the foregoing information for such month as well as any other additional information that Buyer reasonably requests regarding conditions at the Site and the operation of the Project that is collected and

maintained by Seller in the ordinary course of Project operations.

(d) Seller shall make available to Buyer all data from any weather monitoring portals Seller elects to install at the Site.

(e) Subject to procedures agreed upon in the Operating Procedures, Buyer shall have the right to install equipment and associated communication infrastructure to enable Buyer to monitor, measure and communicate pertinent operation and weather data.

3.18 *Change of Law.*

Buyer shall be responsible for Changes of Law which impact Buyer and Seller shall be responsible for Changes of Law which impact Seller.

3.19 *Contract Quantity, Guaranteed Energy Production and Excess Energy.*

(a) The quantity of Delivered Energy that Seller expects to be able to deliver to Buyer during any Contract Year (without consideration for Planned Outages, Maintenance Outages, Curtailment Periods or other Seller Excuses) is Buyer's Share of the Project Quantity in Exhibit D ("**Contract Quantity**"). Throughout the Delivery Term, Seller shall be required to deliver to Buyer no less than Guaranteed Energy Production (as defined below) in the two (2) prior consecutive Contract Years during the Delivery Term ("**Performance Measurement Period**") in accordance with the following formula:

Measurement Period Performance Percentage = Delivered Energy during Performance Measurement Period / [Contract Quantity during Performance Measurement Period * (Hours in Performance Measurement Period – Seller Excuse Hours in Performance Measurement Period) / Hours in Performance Measurement Period] * 100

(b) Guaranteed Energy Production ("**GEP**") means a Measurement Period Performance Percentage of [REDACTED]

(c) If Seller has a Measurement Period Performance Percentage below [REDACTED] ("**GEP Failure**"), then within forty-five (45) days after the last day of the Performance Measurement Period, Seller shall Notify Buyer of such failure. If the Measurement Period Performance Percentage is greater than [REDACTED] Seller may cure the GEP Failure by paying Buyer within ten (10) Business Days after such Notice (the "**Cure Payment Period**") GEP Damages as described by the following formula:

GEP Damages = Contract Price x [REDACTED] x Contract Quantity during Performance Measurement Period x ((Hours in Performance Measurement Period – Seller Excuse Hours in Performance Measurement Period) / Hours in Performance Measurement Period) – Delivered Energy during Performance Measurement Period]

(d) If Seller has a Measurement Period Performance Percentage greater than [REDACTED]

██████████ ("Excess Energy Delivery"), then within forty-five (45) days after the last day of the Performance Measurement Period, Seller shall Notify Buyer of such Excess Energy Delivery. The Seller shall credit the Buyer within ten (10) Business Days after such Notice an Excess Energy Credit as described by the following formula:

Excess Energy Credit = 25% x Contract Price x [Delivered Energy during Performance Measurement Period - (██████████ x Contract Quantity during Performance Measurement Period x (Hours in Performance Measurement Period - Seller Excuse Hours in Performance Measurement Period) / Hours in Performance Measurement Period)]

(e) The Parties agree that the damages sustained by Buyer associated with Seller's failure to achieve the Guaranteed Energy Production requirement would be difficult or impossible to determine, or that obtaining an adequate remedy would be unreasonably time consuming or expensive and the GEP Damages are a reasonable approximation of damages sustained by Buyer and therefore agree that Seller shall pay the GEP Damages to Buyer as liquidated damages. In no event shall Buyer be obligated to pay GEP Damages.

(f) If Seller has a Measurement Period Performance Percentage below ██████████ or does meet such threshold but does not pay the GEP Damages within the Cure Payment Period, then Buyer may, at its option, declare an Event of Default within ninety (90) days following the Cure Payment Period.

3.20 *Signage.*

Seller shall install, at its own expense but subject to Buyer's approval, signage at the Project site that informs the public of Buyer's involvement with the Project as a purchaser of Product. The Parties shall work in good faith to determine the appropriate location and specifications of such signage, but in no event shall such signage be less visible or informative than that which Seller provides for itself at the Project Site. The Parties shall also work in good faith to jointly plan and execute all public communications and events related to the Project including any press release, groundbreaking or other ceremony, and ongoing media or other public announcements during the Term of this Agreement. All Persons attending events at the Site shall sign Seller's waiver of liability or shall not be allowed access to the Site and the Project. Buyer may provide or install, at its own expense and in a manner that does not interfere with the normal operation of the Project, displays or other materials that support public education regarding the Project. Seller shall use Commercially Reasonable Efforts to cooperate with Buyer to ensure the timely installation and display and maintenance of such materials.

ARTICLE 4 PROJECT DESIGN AND CONSTRUCTION

4.1 *Project Development.*

Seller, at no cost to Buyer shall:

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(a) Design and construct, permit, finance, commission, start-up and test the Project, including directly assigned interconnection facility cost but excluding Network Upgrades except as provided in Sections 4.2(a) and 4.2(b).

(b) Acquire all rights, title, entitlements and/or interests in the Site sufficient for Seller to be able to construct, operate and maintain the Project on the Site.

(c) Perform or cause to be performed all due diligence inspection, evaluation, testing and investigation activities relating to the viability of the Project.

(d) Perform or cause to be performed all studies and pay all fees, obtain all necessary approvals and execute all necessary agreements with the Transmission Provider.

(e) Acquire all Governmental Approvals and other approvals, consents and authorizations necessary for the construction, operation, and maintenance of the Project and production, delivery and sale of Product.

(f) Complete all environmental impact studies necessary for the construction, operation, and maintenance of the Project and production, delivery and sale of Product.

(g) At Buyer's request, provide to Buyer Seller's electrical specifications and design and construction drawings pertaining to the Project.

(h) Within fifteen (15) days after each month until the Commercial Operation Date, provide to Buyer a monthly Progress Report and agree to regularly scheduled meetings between representatives of Buyer and Seller to review such reports and discuss Seller's development and construction progress. Seller shall provide access to Buyer, its authorized agents, employees and inspectors for purpose of inspecting the Project's construction site or on-site Seller data and information pertaining to the Project during normal business hours upon reasonable advance Notice.

(i) Seller will make all Commercially Reasonable Efforts to achieve timely the interim milestones for Project construction as set forth in Exhibit J ("**Interim Milestones**"). The Interim Milestones are Seller's best estimate of the schedule for construction and installation of the Project and the failure of Seller to meet any such other interim milestone will not itself be a breach. Seller shall provide monthly status reports on development activity relative to the Interim Milestones, including any actual or anticipated delays and efforts to mitigate the delay.

(j) In addition to the damages for delay referred to in Sections 4.3 and 6.1, Seller shall (a) pay a maximum aggregate to Buyer and Other Buyers (a) Milestone Daily Damages for the milestones for up to [REDACTED] per milestone ("**Milestone Daily Damages Cap**") as set forth in the first two (2) rows of Exhibit K (Milestone Delay Damages) and (b) develop a remedial plan to complete development and construction of the Project by the Guaranteed Commercial Operation Date.

4.2 Network Upgrades.

(a) Seller shall be responsible for submitting the necessary generator interconnection requests and causing the necessary transmission studies be performed to determine whether Network Upgrades are required to interconnect the Project with the Transmission Provider's Transmission System in accordance with the LGIA and LGIP. To the extent Network Upgrades are necessary, Seller shall coordinate with Transmission Provider to cause the Network Upgrades to be constructed. Buyer may incur or reimburse Seller for costs incurred by Seller for the Network Upgrades for the Project pursuant to 4.2 (b), and if Buyer incurs or reimburses Seller, Seller shall invoice Buyer for all Network Upgrade Costs incurred by Buyer under the LGIA. If Buyer funds the Network Upgrades, or causes a third party to fund such Network Upgrades, then Seller shall assign and transfer to Buyer any rights or interests of Seller in and to a refund of the cost of the Network Upgrades which Seller may have under the LGIA associated with the funding of such Network Upgrades from the Transmission Provider, and Buyer may thereafter reassign such rights and interests in and to a refund to any person, in Buyer's sole discretion.

(b) After Seller receives the facilities studies and estimate of Network Upgrade Costs from the Transmission Provider and from owners of any affected systems, and prior to initiating Network Upgrade construction, Seller shall provide to Buyer the studies and estimated costs of the Network Upgrades and the LGIA including any description of the reimbursement or crediting process for Network Upgrade Costs to review and approve prior to Buyer incurring Buyer's share of Network Upgrade Costs or reimbursing Seller for Seller's funding Buyer's Share of Network Upgrade Costs. If the Network Upgrade Costs exceed Ten Million Dollars (\$10,000,000) or Buyer is not satisfied with the reimbursement or crediting process for Network Upgrade Costs and Buyer decides not to pay Buyer's Share of the Network Upgrades Costs, then Buyer shall Notify Seller within three (3) Business Days of its decision and Seller shall have the right exercisable by Notice to Buyer sent within five (5) Business Days after receipt of Buyer's Notice to assume responsibility to pay Buyer's Share of the Network Upgrade Costs for the Project and obtain the credit from the Transmission Provider. In such event, Buyer shall not be required to incur or reimburse Seller for any costs of the Network Upgrades. If Seller does not give Notice to Buyer of Seller's intention to assume responsibility to pay Buyer's Share of the Network Upgrades, either Party may terminate this Agreement by Notice to the other Party without further liability. If Buyer incurs or pays for all or part of the Network Upgrade Costs for the Project and Seller terminates this Agreement, then Seller shall reimburse Buyer for Network Upgrades Costs incurred by Buyer, as described in Section 6.1(c).

4.3 Guaranteed Commercial Operation.

(a) Seller shall cause the Project to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date, unless the Guaranteed Commercial Operation Date is extended in accordance with Section 4.3(c).

(b) If Seller believes that the requirements for Commercial Operation have been satisfied and fulfilled, Seller shall present to Buyer, an independent engineer's report, the

form of which is attached as Exhibit L, verifying that each of the conditions set forth therein has been satisfied or waived in writing by both Parties. The date identified in such report as the day Commercial Operation was achieved shall be the Commercial Operation Date in the absence of manifest error.

(c) Permitted Extensions to the Guaranteed Commercial Operation Date are as follows, provided that the Permitted Extensions shall not exceed one hundred eighty (180) days:

(i) The Guaranteed Commercial Operation Date may be extended on a day for day basis for a cumulative period equal to no more than one hundred and eighty (180) days if from the Effective Date Seller has used Commercially Reasonable Efforts to have the Project physically interconnected to the Transmission Provider's Transmission System and to complete all Electric Interconnection Upgrades, if any, but such interconnection or Electric Interconnection Upgrades cannot be completed thirty (30) days prior to the Guaranteed Commercial Operation Date. Seller shall provide Buyer Notice of such occurrence promptly upon the determination that such physical interconnection or upgrades cannot be completed timely in accordance with the Milestone Schedule and Seller shall work diligently to resolve the delay ("**Transmission Delay**");

(ii) The Guaranteed Commercial Operation Date may be extended on a day for day basis for a cumulative period equal to no more than one hundred eighty (180) days if from the Effective Date Seller has used Commercially Reasonable Efforts to obtain the Governmental Approvals necessary for the construction and operation of the Project, but is unable to obtain such Governmental Approvals by the deadline date therefor in the Milestone Schedule and Seller has worked diligently to resolve the delay ("**Permitting Delay**"); and

(iii) The Guaranteed Commercial Operation Date may be extended on a day for day basis for a cumulative period equal to no more than one hundred eighty (180) days for Force Majeure Events ("**Force Majeure Extension**"); provided that Seller works diligently to resolve the effect of the Force Majeure Event and provides evidence of its efforts promptly to Buyer upon Buyer's written request.

(d) Notwithstanding the foregoing, if Seller claims more than one Permitted Extension under Section 4.3(c), such extensions cannot cumulatively exceed one hundred eighty (180) days and all Permitted Extensions taken shall be concurrent, rather than cumulative, during any overlapping days.

(e) If Seller claims a Permitted Extension, Seller shall provide prompt Notice to Buyer of the occurrence of the event causing delay and the anticipated delay impact, which Notice must clearly identify the Permitted Extension being claimed and include information necessary for Buyer to verify the length and qualification of the extension.

4.4 *Project Cure Period and Delay Damages.*

(a) Seller shall cause the Project to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Date. If the Commercial Operation Date has not been achieved prior to the Guaranteed Commercial Operation Date after giving effect to Permitted Extensions (up to one hundred eighty (180) days), then if Seller does not pay Buyer the Daily Delay Damages within thirty (30) days after receipt of Buyer's invoice therefor, Buyer shall be entitled to draw upon the Project Development Security for liquidated damages equal to Daily Delay Damages for each day or portion of a day that the Commercial Operation Date occurs after the Guaranteed Commercial Operation Date (after giving effect to Permitted Extensions) for up to an additional two hundred and forty (240) days ("**Project Cure Period**"). The Daily Delay Damages payable to Buyer for the Project shall not exceed the product of Buyer's Share percentage and [REDACTED] ("**Daily Delay Damages Cap**"). For the avoidance of doubt the Permitted Extensions and the Project Cure Period are sequential.

(b) Each Party agrees and acknowledges that (A) the damages that Buyer would incur due to Seller's delay in achieving the Guaranteed Commercial Operation Date would be difficult or impossible to predict with certainty and (B) the Daily Delay Damages are an appropriate approximation of such damages.

(c) If the Project has not achieved Commercial Operation by the date upon which Seller has paid to Buyer the Delay Damages Cap, such failure shall be a Seller Event of Default and Buyer shall have the right to terminate this Agreement within sixty (60) days of such date upon ten (10) days' prior Notice to Seller.

ARTICLE 5 METERING AND MEASUREMENT

5.1 *Metering System.*

Seller shall ensure the Metering System is designed, located, constructed, installed, owned, operated, tested, calibrated and maintained in accordance with the Interconnection Agreement and Prudent Operating Practices in order to measure and record the amount of Energy delivered from the Project to the Delivery Point. The meters shall be revenue meters of a mutually acceptable accuracy range and type and measure deliveries of Energy in kilowatt hours. Seller shall be responsible for the cost of all metering that will be installed, owned, operated and maintained by Seller for the purpose of determining the amount of Energy delivered to the Delivery Point. None of Buyer, Buyer's Affiliates or the employees, subcontractors or contractors of any of them shall make adjustments to the Metering System without the written consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed. Buyer, may, at its own cost, install additional meters or other such facilities, equipment or devices on Buyer's side of the Delivery Point as Buyer deems necessary or appropriate to monitor the measurements of the Metering System; provided, however, that in all cases Seller will be entitled to base its invoiced amounts for Product solely by reference to its own Metering System.

5.2 *Inspection and Adjustment.*

(a) Seller shall inspect and test all meters at such times as will conform to Prudent Operating Practices, but not less often than every two (2) Contract Years. Seller shall be responsible for all costs and expenses incurred by Seller for such inspection and testing. Upon reasonable written request to Seller, Buyer may request, at its own expense, inspection or testing of any such meters more frequently than once every two (2) Contract Years.

(b) If any seal securing the metering is found broken, if the Metering System fails to register, or if the measurement made by a metering device is found upon testing to vary by more than one percent (1.0%) from the measurement made by the standard meter used in the test, an adjustment shall be made correcting all measurements of energy made by the Metering System during: (i) the actual period when inaccurate measurements were made by the Metering System, if that period can be determined to the mutual satisfaction of the Parties; or (ii) if such actual period cannot be determined to the mutual satisfaction of the Parties, the last three (3) months of the second half of the period from the date of the last test of the metering System to the date such failure is discovered or such test is made (“**Adjustment Period**”). If the Parties are unable to agree on the amount of the adjustment to be applied to the Adjustment Period, the amount of the adjustment shall be determined: (A) by correcting the error if the percentage of error is ascertainable by calibration, tests or mathematical calculation; or (B) if not so ascertainable, by estimating on the basis of deliveries made under similar conditions during the period since the last test. Within thirty (30) Days after the determination of the amount of any adjustment, Buyer shall pay Seller any additional amounts then due for deliveries of Energy during the Adjustment Period or Buyer shall be entitled to a credit against any subsequent payments for Energy, as the case may be.

(c) Buyer and its representatives shall be entitled to be present at any test, inspection, maintenance, adjustments and replacement of any part of the Metering System relating to obligations under this Agreement.

ARTICLE 6 EARLY TERMINATION

6.1 *Early Termination.*

(a) In addition to applicable termination rights under Sections 7.2 and 16.1, this Agreement may be terminated prior to the expiration of the Term as follows:

(i) By Seller if an Interconnection Agreement in form and substance satisfactory to Seller, in its sole discretion, is not executed on or before on or before January 2, 2020, *provided* that in each case Seller shall give Buyer Notice of such termination within fifteen (15) Days after such date;

(ii) By Seller if Buyer has not, on or before May 1, 2020, and at its sole cost and expense, secured adequate transmission access and firm transmission service in accordance with the requirements of this Agreement and as required for Buyer to accept all Energy from the Project to be delivered to Buyer at the Delivery Point in accordance

with this Agreement on terms and conditions satisfactory to Buyer in its sole discretion, *provided* that in each case Seller shall give Buyer Notice of such termination within fifteen (15) Days after such date;

(iii) By Seller in the event that Seller has not obtained the necessary fee, leasehold or other title to or interest in the Site on or before November 20, 2018, *provided* that Seller shall give Buyer Notice of such termination within fifteen (15) Days after such date;

(iv) By Seller in the event that Seller has not obtained all Governmental Approvals necessary to construct and operate the Project in the manner contemplated by this Agreement, on or before October 20, 2019, *provided* that Seller shall give Buyer Notice of such termination within fifteen (15) Days after such date;

(v) By Seller if all approvals of its management and board of directors (or equivalent governing body) required for the execution, delivery and performance of this Agreement have not been granted by April 30, 2018; *provided* that Seller shall give Buyer Notice of such termination within fifteen (15) Days after such date;

(vi) By Buyer, if after giving effect to Permitted Extension and the payment of Daily Delay Damages payments up to the Daily Delay Damages Cap, the Guaranteed Commercial Operation Date has not been obtained on or before August 31, 2021; *provided* that Buyer shall give Seller Notice of such termination within fifteen (15) Days after such date;

(b) Notwithstanding any provision of this Agreement to the contrary, in the event of termination pursuant to this Section 6.1, the Parties shall be released and discharged from any obligations arising or accruing hereunder from and after the date of such termination and shall not incur any additional liability to each other as a result of such termination, *provided, however*, that such termination shall not discharge or relieve either Party from any obligation that has accrued prior to such termination or any indemnity obligations under ARTICLE 12 or the provisions of ARTICLE 14, which provisions shall survive any termination of this Agreement.

(c) In the event that Buyer has incurred, or caused a third party to incur, unreimbursed costs related to Network Upgrades, upon any Seller's termination of this Agreement or termination by Buyer, Seller shall reimburse Buyer for the Network Upgrades costs incurred by Buyer, or a third party on behalf of Buyer, within thirty (30) days of receipt of Buyer's invoice therefor, with Interest.

ARTICLE 7

EVENTS OF DEFAULT

7.1 *Events of Default.*

An "Event of Default" shall mean,

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(a) with respect to a Party that is subject to the Event of Default the occurrence of any of the following:

(i) the failure by such Party to make, when due, any payment required pursuant to this Agreement and such failure is not remedied within ten (10) Business Days after Notice thereof;

(ii) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after Notice thereof;

(iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) and such failure is not remedied within thirty (30) days after Notice thereof; provided, however, that if such failure is not reasonably capable of being remedied within the thirty (30) day cure period, such Party shall have such additional time (not exceeding an additional ninety (90) days) as is reasonably necessary to remedy such failure, so long as such Party promptly commences and diligently pursues such remedy and provides a Plan to the other Party which outlines the actions that will be taken to cure the default and the proposed cure timeline.

(iv) such Party becomes Bankrupt;

(v) such Party assigns this Agreement or any of its rights or obligations hereunder other than in compliance with Section 15.1;

(vi) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume in writing acceptable to Buyer all the obligations of such Party under this Agreement (including posting applicable Performance Assurances) to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party; or

(b) with respect to Seller as the Defaulting Party, the occurrence of any of the following:

(i) Seller fails to satisfy the Performance Assurance requirements set forth in Section 10.4, as applicable, in each case within five (5) Business Days after receipt of Notice of such failure;

(ii) if at any time, Seller delivers or attempts to deliver to Buyer hereunder any Product that was not generated by or is not associated with the Project;

(iii) the failure by Seller to achieve the Commercial Operation Date by the Guaranteed Commercial Operation Deadline, after giving effect to Permitted Extensions, if any, and payment of Daily Delay Damages up to the Daily Delay Damages Cap.

(iv) Seller Abandons the Project.

(v) Buyer is unable to acquire the Project and occupy, possess and use the Site and the Project free and clear of all Liens through exercise of Buyer's Purchase Option.

(vi) the failure by Seller to achieve the Guaranteed Energy Production requirement as set forth in Section 3.19(a) and pay GEP Damages if between [REDACTED] and [REDACTED] of the Contract Quantity in the time period set forth in Section 3.19(f).

(vii) the failure by Seller to make delivery to Buyer of at least [REDACTED] of the Contract Quantity in any Contract Year.

(viii) if Seller sells or delivers or attempts to sell or deliver Energy and/or Renewable Attributes and Facility Attributes to any Person other than Buyer except as expressly, specifically permitted under this Agreement.

7.2 Remedies; Declaration of Early Termination Date.

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party ("**Non-Defaulting Party**") shall have the right to the following:

(a) send Notice, designating a day, no earlier than the day such Notice is deemed to be received and no later than twenty (20) days after such Notice is deemed to be received, as an early termination date of this Agreement ("**Early Termination Date**") on which the following shall apply (i) if Seller is the Non-Defaulting Party, Seller's sole and exclusive remedy shall be to, (A) collect damages if any Event of Default arose at any time prior to the commencement of the Delivery Term, or (B) collect the Termination Payment if any Event of Default arose during the Delivery Term and (ii) if Buyer is the Non-Defaulting Party, (A) Buyer may exercise its right pursuant to Section 10.4 to draw upon and retain Performance Assurance prior to commencement of the Delivery Term, or (B) collect GEP Damages and the Termination Payment if any Event of Default arose during the Delivery Term;

(b) As to either Party as the Non-Defaulting Party:

(i) accelerate all amounts owing between the Parties and end the Delivery Term effective as of the Early Termination Date;

(ii) withhold any payments due to the Defaulting Party under this Agreement;

(iii) suspend performance; and

(iv) exercise its rights pursuant to Section 10.4 to draw upon and retain Performance Assurance (if any) that is in place at that time.

7.3 Termination Payment.

The Termination Payment shall be the Settlement Amounts plus any or all other amounts due to the Non-Defaulting Party as of the Early Termination Date netted into a single amount. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect or business interruption damages (excluding replacement costs); provided, however, that any lost Renewable Attributes shall be deemed direct damages covered by this Agreement. Without prejudice to the Non-Defaulting Party's duty to mitigate, the Non-Defaulting Party shall not have to enter into replacement transactions to establish a Settlement Amount. Each Party agrees and acknowledges that (a) the actual damages that the Non-Defaulting Party would incur in connection with the termination of this Agreement would be difficult or impossible to predict with certainty, (b) each of the Settlement Amount and the Termination Payment described in this section is a reasonable and appropriate approximation of such damages, and (c) the Settlement Amount described in this section is the exclusive remedy of the Non-Defaulting Party in connection with the termination of this Agreement but shall not otherwise act to limit any of the Non-Defaulting Party's rights or remedies in respect of obligations and liabilities incurred prior to the Early Termination Date.

7.4 Notice of Payment of Termination Payment.

As soon as practicable after a designation of the Early Termination Date, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. The Termination Payment shall be made to the Non-Defaulting Party, as applicable, within ten (10) Business Days after such Notice is effective.

7.5 Disputes with Respect to Termination Payment.

If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of the Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute. Disputes regarding the Termination Payment shall be determined in accordance with ARTICLE 18.

7.6 Rights and Remedies Are Cumulative.

Except where liquidated damages are provided as the exclusive remedy for a specific failure, breach or default, the rights and remedies of a Party pursuant to this ARTICLE 7 shall be cumulative and in addition to the rights of the Parties otherwise provided in this Agreement.

7.7 Mitigation.

Any Non-Defaulting Party shall be obligated to mitigate its damages resulting from any Event of Default of the other Party under this Agreement.

ARTICLE 8
PAYMENT

8.1 *Billing and Payment.*

(a) On or about the tenth (10th) day of each month beginning with the month following the Initial Energy Delivery Date and every month thereafter, and continuing through and including the first month following the end of the Delivery Term, Seller shall provide to Buyer an invoice covering the Product provided in the preceding month determined in accordance with Article 5 (which may include preceding months), with all component charges and unit prices identified and all calculations used to arrive at invoiced amounts described in reasonable detail. Buyer shall pay the undisputed amount of such invoices on or before thirty (30) days after date of the invoice to the account designated by Seller. If either the invoice date or payment date is not a Business Day, then such invoice or payment shall be provided on the next following Business Day. Each Party will make payments by electronic funds transfer, or by other mutually agreeable method(s), to the account designated by the other Party. Any undisputed amounts not paid by the due date will be deemed delinquent and will accrue interest at the Interest Rate, such interest to be calculated from and including the due date to but excluding the date the delinquent amount is paid in full. Invoices may be sent by electronic mail.

(b) On or before the tenth (10th) day following the end of each month during the Delivery Term, Seller will document the production of Renewable Attributes by delivering with each invoice to Buyer a bill of sale and attestation for Renewable Attributes produced by the Project. The form of bill of sale and attestation is set forth as Exhibit M.

8.2 *Disputes and Adjustments of Invoices.*

A Party may, in good faith, dispute the correctness of any invoice or any adjustment to an invoice, rendered under this Agreement or adjust any invoice for any arithmetic or computational error within twelve (12) months after the date the invoice, or adjustment to an invoice, was rendered. In the event an invoice or portion thereof, or any other claim or adjustment arising hereunder, is disputed, payment of the undisputed portion of the invoice shall be required to be made when due. Any invoice dispute or invoice adjustment shall be in writing and shall state the basis for the dispute or adjustment. Payment of the disputed amount shall not be required until the dispute is resolved. Upon resolution of the dispute, any required payment shall be made within two (2) Business Days of such resolution along with interest accrued at the Interest Rate from and including the original due date to but excluding the date paid. Inadvertent overpayments shall be returned upon request or deducted by the Party receiving such overpayment from subsequent payments, with interest accrued at the Interest Rate from and including the date of such overpayment to but excluding the date repaid or deducted by the Party receiving such overpayment. Any dispute with respect to an invoice is waived if the other Party is not notified in accordance with this Section 8.1(b) within twelve (12) months after the invoice is rendered or subsequently adjusted, except to the extent any misinformation was from a third party which is not an Affiliate of any Party and such third party corrects its information after the twelve-month period. If an invoice is not rendered within twelve (12) months after the close of the month during which performance occurred, the right to payment for such performance is waived.

ARTICLE 9
PURCHASE OPTION

9.1 *Buyer Purchase Option.*

So long as a Buyer Default has not occurred and is continuing at the end of the Initial Term or the first Renewal Term, Seller grants to Buyer an option to purchase the Project in accordance with this Section 9.1 (the "**Purchase Option**") for a purchase price equal to the greater of (a) the Fair Market Value of the Project or (b) the applicable "Minimum Purchase Price" set forth in Exhibit E (such greater amount, the "**Option Price**"), as follows:

(a) To exercise the Purchase Option, Buyer shall, not less than one hundred eighty (180) days prior to the end of the then-current Term of the Agreement, provide written Notice to Seller of Buyer's intent to exercise the Purchase Option (the date on which Seller receives such Notice, the "**Notice Date**").

(b) Within thirty (30) days after the Notice Date, Seller shall specify the Option Price by written Notice to Buyer, and Buyer shall then have a period of thirty (30) days after receipt of such Notice either (i) to confirm or retract its decision to exercise the Purchase Option, or (ii) if the Option Price specified by Seller is equal to the Fair Market Value of the Project, to disagree with Seller's determination of such Fair Market Value, in each case, by written Notice to Seller.

(c) If Buyer disagrees with Seller's determination of such Fair Market Value (to the extent in excess of the applicable "Minimum Purchase Price" set forth in Exhibit E), it shall so notify Seller in writing, and the Parties shall determine the Fair Market Value of the Project in accordance with Section 9.2.

(d) Upon final determination of the Option Price (including any determination of the Fair Market Value pursuant to Section 9.2), and before the applicable "Purchase Date" set forth in Exhibit E (or such other date as the Parties may mutually agree in writing): (i) the Parties shall promptly execute all definitive agreements necessary to cause title to the Project to pass to Buyer, free and clear of any Liens, subject only to the Liens of Project Investors which Buyer elects to assume; and (ii) Buyer shall pay the Option Price to Seller in immediately available funds and in accordance with any previous written instructions delivered to Buyer by Seller or any Project Investors, as applicable, for payments under this Agreement. Buyer shall also execute such documents reasonably necessary for Buyer to accept, assume and perform all then-existing agreements relating to the Project.

(e) Each Party shall bear its respective fees, costs and expenses incurred in connection with such Purchase Option transaction. In the event that the Purchase Option transaction closes prior to the applicable "Purchase Date" set forth in Exhibit E, this Agreement shall terminate automatically. In the event Buyer retracts its intent to exercise the Purchase Option, or does not timely confirm the Purchase Option in accordance with this Article 9, in each case, prior to the end of the Term, the provisions of the Agreement

shall continue in full force and effect as if Buyer had not notified Seller of its intent to exercise the Purchase Option.

9.2 Determination of Fair Market Value.

If the Option Price indicated by Seller in accordance with Section 9.1 is equal to the Fair Market Value of the Project and Buyer disagrees with such stated Fair Market Value in accordance with Section 9.1, then the Parties shall mutually select an independent appraiser with relevant experience and expertise; *provided*, that if the Parties cannot agree on the selection of such independent appraiser within thirty (30) days of Seller's receipt of Buyer's written Notice that Buyer disagrees with Seller's determination of the Fair Market Value, then each Party shall select an appraiser, and the two (2) appraisers so selected shall appoint a third appraiser, which appraiser shall perform the appraisal described in this Section 9.2. The Parties shall cooperate to cause the appraiser to act reasonably and in good faith to determine the Fair Market Value and to support such determination in a written opinion delivered to the Parties within thirty (30) days of the initial request for appraisal. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error. Upon Buyer's receipt of such written opinion, Buyer shall then have a period of thirty (30) days to confirm or retract its decision to exercise the Purchase Option. The costs of the appraisal shall be borne equally by the Parties.

ARTICLE 10
INSURANCE, CREDIT AND COLLATERAL REQUIREMENTS

10.1 Insurance.

In connection with Seller's performance of its duties and obligations under this Agreement, during the Delivery Term, Seller shall maintain insurance in accordance with Exhibit H.

10.2 Grant of Security Interest.

To secure its obligations under this Agreement and to the extent Seller delivers Performance Assurance hereunder, Seller hereby grants to Buyer a present and continuing first priority security interest in, and lien on (and right of setoff against), and assignment of, such Performance Assurance and all cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, Buyer, and each Party agrees to take such action as the other Party reasonably requires in order to perfect the Buyer's first-priority security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence and during the continuation of an Event of Default by Seller or an Early Termination Date as a result thereof, in addition to its other rights and remedies hereunder, Buyer may do any one or more of the following: (i) exercise any of the rights and remedies of a secured party with respect to all Performance Assurance, including any such rights and remedies under law then in effect; (ii) exercise its rights of setoff against such collateral and any and all proceeds resulting therefrom or from the liquidation thereof; (iii) draw on any outstanding Letter of Credit issued for its benefit; and (iv) liquidate all or any portion of any Performance Assurance then held by or for the benefit of Buyer free from any claim or right of

any nature whatsoever of Seller or other Person, including any equity or right of purchase or redemption by Seller. Buyer shall apply the proceeds of the collateral realized upon the exercise of any such rights or remedies to reduce the Seller's obligations under the Agreement (Seller remaining liable for any amounts owing to Buyer after such application), subject to Buyer's obligation to return any surplus proceeds remaining after such obligations are satisfied in full, if applicable.

10.3 Seller Financial Statements.

If requested by Buyer the Seller shall deliver within one hundred twenty (120) days following the end of each fiscal year of Seller's Ultimate Parent Company: (i) a copy of Seller's Ultimate Parent Company's annual report or 10K report, and (ii) within sixty (60) days after the end of each of its first three fiscal quarters of each fiscal year, a copy of such Seller's Ultimate Parent Company's quarterly report containing unaudited consolidated financial statements for such fiscal quarter, in each case unless otherwise publicly available. If any such statements shall not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default so long as the Seller diligently pursues the preparation, certification and delivery of the statements.

10.4 Seller's Performance Assurance.

(a) Seller agrees to deliver to Buyer collateral to secure its obligations under this Agreement, which Seller shall maintain in full force and effect for the period posted with Buyer, as follows:

(i) Performance Assurance in the amount of [REDACTED] ("**Project Development Security**") without replenishment and in the form of cash, Letter of Credit or Guaranty within five (5) Business Days following the Effective Date of this Agreement until Seller posts Seller's Delivery Term Security. Seller's maximum aggregate obligation to Buyer and Other Buyers with respect to the Project Development Security shall not exceed [REDACTED].

(ii) Performance Assurance in the amount of [REDACTED] ("**Seller's Delivery Term Security**") and in the form of cash, Letter of Credit or Guaranty from the Commercial Operation Date until the end of the Term; provided that Seller may elect to apply the Project Development Security toward Seller's Delivery Term Security. Seller's Delivery Term Security shall be subject to replenishment; provided, however, that Seller's maximum aggregate obligation to the Buyer and Other Buyers with respect to the Performance Assurance shall not exceed [REDACTED].

(b) If, after the Commercial Operation Date, no amounts are due and owing to Buyer under this Agreement, then Seller shall no longer be required to maintain the Project Development Security, and Buyer shall return to Seller the Project Development Security, less the amounts drawn from a cash deposit or Letter of Credit, if applicable, in accordance with Section 10.4(c). The Project Development Security (or portion thereof) due to Seller

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shall be returned to Seller within five (5) Business Days after Seller's provision of Seller's Delivery Term Security unless, with respect to cash held as Project Development Security, Seller elects by Notice to Buyer to apply the Project Development Security toward Seller's Delivery Term Security.

(c) Any amounts owed by Seller to Buyer under this Agreement (other than disputed amounts) and not satisfied within thirty (30) Days of becoming due and owing may be satisfied by Buyer on a draw on Seller's Performance Assurance. In addition, upon termination, Buyer shall have the right to draw upon Seller's Performance Assurance for any undisputed amounts owed to Buyer under this Agreement if not paid when due pursuant to Section 8.1. Subject to the maximum aggregate obligation set forth in Section 10.4(a)(ii), Seller's Delivery Term Security shall be subject to replenishment within five (5) days after any draw thereon by Buyer.

(d) Buyer shall deposit Seller's Performance Assurance in a Qualified Institution; provided that, interest on cash held as Project Development Security shall be retained by Buyer until Seller posts Seller's Delivery Term Security. Upon Seller's posting of Seller's Delivery Term Security, all accrued interest on the Project Development Security shall be transferred to Seller in the form of cash by wire transfer to the bank account specified by Seller. After Seller posts Seller's Delivery Term Security, Buyer shall transfer (as described in the preceding sentence) on or before each Interest Payment Date the amount of interest due to Seller for Seller's Delivery Term Security. Buyer does not guaranty any particular rate of interest.

(e) If, during the Term, there shall occur a Downgrade Event in respect of Seller's Guarantor, then Seller shall deliver to Buyer replacement Performance Assurance in the form of a Letter of Credit, cash or a replacement Guaranty from a different Guarantor (meeting the requirements set forth in the definition thereof and acceptable to Buyer, such acceptance not to be unreasonably withheld) in lieu thereof in an amount equal to the then applicable amount of Performance Assurance; provided, however, that Seller shall only be required to maintain its Performance Assurance in the form of a Letter of Credit, cash or a replacement Guaranty for so long as (1) Seller's Guarantor's Credit Rating remains below BBB- from S&P, BBB- from Fitch, or Baa3 from Moody's, if rated by two of the three Ratings Agencies, or (2) no Ratings Agency rates Seller's Guarantor.

(f) Seller's obligation to maintain the applicable Performance Assurance shall terminate upon the occurrence of the following: (i) the Term of the Agreement has ended, or the Agreement has been terminated pursuant to Section 7.2, as applicable; and (ii) all payment obligations of each Party arising under this Agreement, the Termination Payment, indemnification payments or other damages are paid in full. Upon the occurrence of the foregoing, Buyer shall promptly return to Seller the unused portion of the applicable Performance Assurance, if any, including the payment of any interest due thereon.

(g) Any Letter of Credit provided by Seller pursuant to this Agreement must provide, among other things, that the Buyer is entitled to draw the full amount of such Letter of Credit if: (i) the Letter of Credit has not been renewed or replaced within thirty

(30) days prior to the expiration date of the Letter of Credit; or (ii) the issuer of the Letter of Credit fails to maintain a credit rating of at least A- from S&P and a rating of at least A3 from Moody's and the Party required to provide the Letter of Credit has failed, within ten (10) Business Days after receipt of Notice thereof by Buyer to replace such Letter of Credit with another Letter of Credit, in a form reasonably acceptable to the issuer of the Letter of Credit and Buyer. Costs of a Letter of Credit provided by Seller shall be borne by Seller.

10.5 Buyer's Performance Assurance

Buyer agrees to deliver to Seller collateral to secure its obligations under this Agreement under the following circumstances:

(a) If, during the Term, there shall occur a Downgrade Event in respect of Buyer's long-term bonds, then Buyer shall deliver to Seller Performance Assurance in the form of a Letter of Credit or cash in an amount equal to the then applicable amount of Buyer's Performance Assurance; provided, however, that Buyer shall only be required to maintain its Performance Assurance in the form of a Letter of Credit or cash for so long as (i) Buyer's Credit Ratings remain below the lower of BBB- from S&P, BBB- from Fitch, or Baa3 from Moody's if rated by two of the three Ratings Agencies, or (ii) that of the Seller or, if applicable the Seller's Guarantor. Buyer's Performance Assurance shall be subject to replenishment within five (5) days after any draw thereon by Seller after the failure of Buyer to pay the undisputed amount of any amount invoiced by Seller to Buyer.

(b) Buyer's obligation to maintain the applicable Performance Assurance shall terminate upon the occurrence of the following: (i) the Term of the Agreement has ended, or the Agreement has been terminated pursuant to Section 7.2, as applicable; (ii) Buyer has achieved the requisite Credit Rating, and (iii) all payment obligations of each Party arising under this Agreement, Termination Payment, indemnification payments or other damages are paid in full. Upon the occurrence of the foregoing, Seller shall promptly return to Buyer the unused portion of the applicable Performance Assurance, including the payment of any interest due thereon.

(c) Any Letter of Credit provided by Buyer pursuant to this Agreement must provide, among other things, that the Seller is entitled to draw the full amount of such Letter of Credit if: (i) the Letter of Credit has not been renewed or replaced within thirty (30) days prior to the expiration date of the Letter of Credit; or (ii) the issuer of the Letter of Credit fails to maintain a credit rating of at least A- from S&P and a rating of at least A3 from Moody's and Buyer has failed, within ten (10) Business Days after receipt of Notice thereof by Seller to replace such Letter of Credit with another Letter of Credit, in a form reasonably acceptable to the issuer of the Letter of Credit and Seller. Costs of a Letter of Credit provided by Buyer as Buyer's Performance Assurance shall be borne by Buyer.

ARTICLE 11 REPRESENTATIONS, WARRANTIES AND COVENANTS

11.1 Representations and Warranties.

On the Effective Date, each Party represents and warrants to the other Party that:

(a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) it has or will obtain in accordance herewith (i) all Governmental Approvals necessary for it to perform its obligations under this Agreement, and (ii) all Governmental Approvals and rights, title and interest in and to the Site and as otherwise necessary to construct, operate and maintain the Project and related interconnection facilities in the case of Seller;

(c) the execution, delivery and performance of and consummation of the transactions contemplated by this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any Governmental Approvals, any contracts to which it is a party or any Applicable Law;

(d) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses;

(e) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;

(f) except as may be set forth in its reports filed with the SEC, there is not pending or, to its knowledge, threatened against it or any of its Affiliates any legal proceedings that could reasonably be expected to materially adversely affect its ability to perform its obligations under and consummation of the transactions contemplated by this Agreement;

(g) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under and the transactions contemplated by this Agreement;

(h) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Agreement;

(i) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or the ability to make or deliver or take delivery of the Product as provided in this Agreement; and

(j) Seller represents and warrants that as of the Effective Date it is an Affiliate of NextEra Florida Renewables, LLC.

11.2 General Covenants.

Each Party covenants that throughout the Term:

(a) it shall continue to be duly organized, validly existing and in good standing under the Applicable Laws of the jurisdiction of its formation;

(b) it shall maintain (or obtain from time to time as required, including through renewal, as applicable) all Governmental Approvals necessary for it to legally perform its obligations under this Agreement;

(c) it shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any Applicable Law or Governmental Approval; and

(d) it shall not dispute its status as a “forward contract merchant” within the meaning of the United States Bankruptcy Code.

11.3 Seller Covenants.

(a) Seller covenants as follows:

(i) from the date hereof through the expiration or termination of this Agreement, Seller shall comply with this Agreement and Applicable Laws;

(ii) from the Initial Energy Delivery Date through the expiration or termination of this Agreement, the Project shall be operated and maintained in accordance with this Agreement, Applicable Laws, and Prudent Operating Practices;

(iii) throughout the Term that it, or its permitted successors or assigns, shall maintain ownership of a fee, easement, long-term leasehold interest, or other similar asset ownership interest in the Project; and

(iv) except as expressly provided for in this Agreement, Seller will not grant, create, confer, assign, transfer or convey any right, title or interest in or to the Project in favor of any third party which is not terminable without cost or expense to Buyer upon exercise by Buyer of the Buyer's Purchase Option.

(b) Seller represents and covenants that it has not sold and will not in the future sell or attempt to sell, convey, transfer or encumber any of the Renewable Attributes and Facility Attributes or any right, title or interest in or to the Renewable Attributes or Facility Attributes to any Person other than Buyer. Seller shall not report to any Person that any of the Renewable Attributes and Facility Attributes are owned by or belong to any Person other than Buyer. Buyer may, at its own risk and expense, report to any Person that the Renewable Attributes and Facility Attributes are owned by and belong to it. At Buyer's request, the Parties shall execute and deliver such documents and instruments as may be reasonably required to effect recognition and transfer of the Renewable Attributes and Facility Attributes to Buyer. Except with regard to the execution and delivery of bills of

sales and attestations similar to Exhibit L, Buyer shall bear the costs, fees and expenses associated with preparing and executing any such documents and instruments. Seller shall reasonably cooperate in any registration by Buyer of the Project (at Buyer's cost) in the renewable portfolio standard or equivalent program in any state and program in which Buyer may wish to register or maintained registered the Project by providing copies of all such information as Buyer reasonably requires for such registration

(c) Seller represents that, as of the Commercial Operation Date and continuing through the Term of this Agreement, the Project shall satisfy the criteria for qualifying small power production facilities under the Public Utility Regulatory Policies Act of 1978 and 18 C.F.R. § 292.204.

11.4 Buyer's Covenants.

Buyer covenants or affirms as follows:

(a) Buyer covenants that from the date hereof through the expiration or termination of this Agreement, Buyer shall comply with this Agreement and Applicable Laws.

(b) Buyer covenants that Buyer's obligations under this Agreement shall qualify as operating expenses which enjoy first priority payment at all times under any and all bond or other ordinances or indentures to which Buyer is a party relating to electric utility operations and shall be included as part of the rate calculations required by any rate-related debt covenants to which Buyer is bound.

(c) Buyer affirms that it elected to commence negotiations with Seller for the generation, sale and delivery of solar energy, renewable attributes and facility attributes from the Project pursuant to a competitive solicitation after determining that Seller's proposal was the most favorable alternative meeting Buyer's procurement criteria and requirements for solar energy and capacity.

(d) [***FMPA Solar Project only:**] Buyer covenants that from the date hereof through the expiration or termination of this Agreement, Buyer shall (i) establish and maintain FMPA Solar Project Participant payment obligations pursuant to the FMPA Solar Project Power Sales Contracts at amounts sufficient to meet FMPA's costs and liabilities lawfully owed under this Agreement; (ii) deliver written Notice to Seller of (a) any defaults occurring under any FMPA Solar Project Power Sales Contract that are not cured by the applicable cure period and (b) any changes to the list of FMPA Solar Project Participants set forth in Exhibit P; and (iii) not agree to any amendment, modification or alteration of the FMPA Solar Project Power Sales Contract that would materially adversely affect the FMPA Solar Project Covenants without the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed.

(e) [***For FMPA-ARP only:** FMPA shall set its rates payable pursuant to the FMPA All-Requirements Power Supply Project Contract ("ARP Contract"), as it may be

amended by FMPA from time to time, in a manner sufficient to meet its Revenue Requirements, as such term is defined in the ARP Contract. FMPA represents that the term Revenue Requirement, as used in the ARP Contract, includes all of its costs and liabilities lawfully owed under this Agreement.]

ARTICLE 12
TITLE, RISK OF LOSS, INDEMNITIES

12.1 Title and Risk of Loss.

Title to and risk of loss related to the Product shall transfer from Seller to Buyer at the Delivery Point. Seller warrants that it will deliver to Buyer the Product free and clear of all Liens therein or thereto by any Person arising prior to or at the Delivery Point.

12.2 Indemnities by Seller.

Seller shall release, indemnify, defend, and hold harmless, on an After-Tax Basis, Buyer, its Affiliates, and its and their directors, officers, employees, agents, and representatives against and from any and all actions, suits, losses, costs, damages, injuries, liabilities, claims, demands, penalties and interest, including reasonable costs and attorneys' fees ("**Claims**") resulting from, or arising out of or in any way connected with (i) any event, circumstance, act, or incident relating to the Product delivered under this Agreement up to and at the Delivery Point, (ii) Seller's development, permitting, construction, ownership, operation and/or maintenance of the Project, (iii) the failure by Seller or the failure of the Project to comply with Applicable Laws, (iv) any Governmental Charges for which Seller is responsible hereunder, or (v) any Liens against the Product delivered hereunder made by, under, or through Seller, in all cases including any Claim for or on account of injury, bodily or otherwise, to or death of persons, or for damage to or destruction of property belonging to Buyer, Seller, or third parties, caused by the negligence of Seller excepting only such Claim to the extent caused by the willful misconduct or gross negligence of Buyer, its Affiliates, and its and their directors, officers, employees, agents, and representatives.

12.3 Indemnities by Buyer.

To the fullest extent permitted under Florida law, subject to and without waiving its rights to sovereign immunity under Florida Statutes, Buyer shall release, indemnify and hold harmless, on an After-Tax Basis, Seller and its directors, officers, employees, agents, and representatives against and from any and all Claims resulting from, or arising out of or in any way connected with (i) any event, circumstance, act, or incident relating to the Product received by Buyer under this Agreement after the Delivery Point, (ii) the failure by Buyer to comply with Applicable Laws, or (iii) any Governmental Charges for which Buyer is responsible hereunder, in all cases including any Claim for or on account of injury, bodily or otherwise, to or death of persons, or for damage to or destruction of property belonging to Buyer, Seller or third parties caused by the negligence of Buyer, excepting only such Claims to the extent caused by the willful misconduct or gross negligence of Seller, its Affiliates, and its and their directors, officers, employees, agents, and representatives.

ARTICLE 13
GOVERNMENTAL CHARGES

13.1 *Cooperation.*

Each Party shall use reasonable efforts to implement the provisions of and to administer this Agreement in accordance with the intent of the Parties to minimize all taxes, so long as neither Party incurs any cost, expense, risk, obligation or liability or is otherwise materially adversely affected by such efforts.

13.2 *Governmental Charges.*

Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority (“**Governmental Charges**”) on or with respect to the Product or the transaction under this Agreement arising prior to the Delivery Point, including ad valorem taxes and other taxes attributable to the Project, land, land rights or interests in land for the Project. Buyer shall pay or cause to be paid all Governmental Charges on or with respect to the Product or the transaction under this Agreement at and after the Delivery Point. If Seller is required by Law or regulation to remit or pay Governmental Charges which are Buyer’s responsibility hereunder, Buyer shall promptly reimburse Seller for such Governmental Charges. If Buyer is required by Law or regulation to remit or pay Governmental Charges which are Seller’s responsibility hereunder, Buyer may deduct such amounts from payments to Seller with respect to payments under the Agreement; if Buyer elects not to deduct such amounts from Seller’s payments, Seller shall promptly reimburse Buyer for such amounts upon request. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under law.

ARTICLE 14
CONFIDENTIAL INFORMATION

14.1 *Confidential Information.*

(a) The Parties acknowledge that Seller asserts that this Agreement contains trade secret information. The Parties have and will develop certain information, processes, know-how, techniques and procedures concerning the Project that they consider confidential and proprietary (together with the terms and conditions of this Agreement, the “**Confidential Information**”). Notwithstanding the confidential and proprietary nature of such Confidential Information, the Parties (each, the “**Disclosing Party**”) may make such Confidential Information available to the other (each, a “**Receiving Party**”) subject to the provisions of this Section 14.1.

(b) Upon receiving or learning of Confidential Information, the Receiving Party shall:

(i) Treat such Confidential Information as confidential and use reasonable care not to divulge such Confidential Information to any third party except as required by law, subject to the restrictions set forth below;

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(ii) Restrict access to such Confidential Information to only those employees, subcontractors, suppliers, vendors, and advisors whose access is reasonably necessary for the development, construction, operation or maintenance of the Project and for the purposes of this Agreement who shall be bound by the terms of this Section 14.1;

(iii) Use such Confidential Information solely for the purpose of developing the Project and for purposes of implementing, performing, administering and enforcing this Agreement; and

(iv) Upon the termination of this Agreement, destroy or return any such Confidential Information in written or other tangible form and any copies thereof; provided, however, the Buyer shall be entitled to keep on record copy of such information as required by Florida law.

(c) The restrictions of this Section 14.1 do not apply to:

(i) Release of this Agreement to any Governmental Authority required for obtaining any approval or making any filing pursuant to Sections 3.122 or 4.2, *provided* that each Party agrees to cooperate in good faith with the other to maintain the confidentiality of the provisions of this Agreement by redacting and/or requesting confidential treatment with all filings to the extent appropriate and permitted by Applicable Law;

(ii) Information which is, or becomes, publicly known or available other than through the action of the Receiving Party in violation of this Agreement;

(iii) Information which is in the possession of the Receiving Party prior to receipt from the Disclosing Party or which is independently developed by the Receiving Party, *provided* that the Person or Persons developing such information have not had access to any Confidential Information;

(iv) Information which is received from a third party which is not known (after due inquiry) by Receiving Party to be prohibited from disclosing such information pursuant to a contractual, fiduciary or legal obligation; and

(v) Information which is, in the reasonable written opinion of counsel of the Receiving Party, required to be disclosed pursuant to Applicable Law (including any Florida Public Records Law (Chapter 119, Florida Statutes) request); *provided, however*, that the Receiving Party, prior to such disclosure, shall provide reasonable advance Notice to the Disclosing Party of the time and scope of the intended disclosure in order to provide the Disclosing Party an opportunity to obtain a protective order or otherwise seek to prevent, limit the scope of, or impose conditions upon such disclosure.

(d) Notwithstanding the foregoing, Seller may disclose Confidential Information to the Project Investors and any other financial institutions expressing an interest in providing equity or debt financing or refinancing and/or credit support to Seller, and the

agent or trustee of any of them, provided that they agree to comply with the requirements and limitations on disclosure and use of Confidential Information.

(e) Neither Party shall issue any press or publicity release or otherwise release, distribute or disseminate any information, with the intent that such information will be published (other than information that is, in the reasonable written opinion of counsel to the Disclosing Party, required to be distributed or disseminated pursuant to Applicable Law, *provided* that the Disclosing Party has given Notice to, and an opportunity to prevent disclosure by, the other Party as provided in Section 14.1(c)(v)), concerning this Agreement or the participation of the other Party in the transactions contemplated hereby without the prior written approval of the other Party, which approval will not be unreasonably withheld or delayed. This provision shall not prevent the Parties from releasing information which is required to be disclosed in order to obtain permits, licenses, releases and other approvals relating to the Project or as are necessary in order to fulfill such Party's obligations under this Agreement.

(f) The obligations of the Parties under this Section 14.1 shall remain in full force and effect for three (3) years following the expiration or termination of this Agreement.

ARTICLE 15

ASSIGNMENT

15.1 Successors and Assigns; Assignment.

(a) This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and permitted assigns. This Agreement and a Party's rights, obligations and interests shall not be assigned or transferred by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Notwithstanding the foregoing, no consent shall be required for the following assignment if the assignee has demonstrated experience and ability and a level of creditworthiness to perform and assume obligations under other agreements similar to this Agreement with the other Persons:

(i) Any collateral assignment of this Agreement by Seller to any senior lien Project Investors as collateral security for Seller's obligations under the financing documents entered into with such Project Investors;

(ii) Any assignment by the Project Investors to a third party in connection with a foreclosure of the Project Investor's mortgage and lien on the Project;

(iii) Any assignment or transfer of this Agreement by Seller to an Affiliate of Seller and the Guarantor;

(iv) Any assignment or transfer of this Agreement by Seller to a Person succeeding to all or substantially all of the assets of Seller, provided that such Person's

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creditworthiness and the creditworthiness of any provider of Performance Assurance is equal to or better than that of Seller, there is an assignment and assumption agreement among all Parties and the assignee and the Performance Assurance in place at such time is replaced by equal or better security by assignee; and

(v) Any assignment or transfer of this Agreement by Buyer to any Other Buyer on this Project or on another solar photovoltaic electric generating project owned or leased by an Affiliate of Seller.

(c) An assignee shall be afforded no additional rights, interests or remedies beyond those specifically granted to the assignor in this Agreement. The Party seeking to assign or transfer this Agreement shall be solely responsible for paying all costs and expenses, including attorney's and advisor fees of any such assignment.

(d) Buyer acknowledges that upon an event of default under any financing documents relating to the Project, subject to receipt by Buyer of notice, and further subject to rights of Other Buyers, any of the Project Investors may (but shall not be obligated to) assume, or cause its designee or a new lessee or buyer of the Project with demonstrated experience and ability and a level of creditworthiness to perform and assume obligations under other renewable energy power purchase agreements similar to this Agreement, to assume, all of the interests, rights and obligations of Seller thereafter arising under this Agreement, provided that, regardless of whether any such Project Investor or its designee assumes all of the interests, rights and obligations of Seller thereafter arising under this Agreement, the Performance Assurance and security required to be posted by Seller is replaced by the assignee and Buyer's interests, rights, remedies, benefits, privileges, and obligations under this Agreement will remain in full force and effect, including the right to terminate this Agreement.

(e) If the rights and interests of Seller in this Agreement shall be assumed, sold or transferred as herein provided, and the assuming party shall agree in writing to be bound by and to assume, the terms and conditions hereof and any and all obligations to Buyer arising or accruing hereunder from and after the date of such assumption, then Seller shall be released and discharged from the terms and conditions hereof except with respect to obligations arising prior to the assignment, and each such obligation hereunder from and after such date except with respect to obligations and covenants which survive expiration or early termination, but not any obligation or liability owned, accrued, incurred, or relating to the period prior to the date of such assumption, and Buyer shall continue this Agreement with the assuming party as if such Person had been named as Seller under this Agreement; *provided, however*, that if any such Person assumes this Agreement as provided herein, Buyer acknowledges and agrees that such Persons shall not be personally liable for the performance of such obligations hereunder except to the extent of the required Performance Assurance and the total interest of the Project Investors in the Project. Notwithstanding any such assumption by any of the Project Investors or a designee thereof, Seller shall not be released and discharged from and shall remain liable for any and all obligations to Buyer arising or accruing hereunder prior to such assumption.

15.2 Collateral Assignment.

(a) Seller, without approval of Buyer, may, by security, charge or otherwise encumber its entire interest under this Agreement in favor of a Project Investor for the purposes of financing the development, construction and/or operation of the Project and the Seller's Interconnection Facilities.

(b) Promptly after making such encumbrance, Seller shall deliver Notice to Buyer in writing of the name, address, and telephone and facsimile numbers of each Project Investor to which Seller's interest under this Agreement has been encumbered. Such Notice shall also include the name of the single representative of the Project Investors to whom all written and telephonic communications may be addressed by Buyer.

(c) After giving Buyer such initial Notice, Seller shall promptly give Buyer Notice of any change in the information provided in the initial Notice or any revised Notice.

(d) If Seller intends to encumber its interest under this Agreement as permitted by this Section 15.2, the Parties shall use Commercially Reasonable Efforts to enter into a mutually acceptable consent agreement substantially in the form of Exhibit N-1. Buyer shall, upon a commercially reasonable request by Seller or a Project Investor and at Seller's sole expense, cooperate reasonably to execute, or arrange for the delivery of, those normal, reasonable and customary certificates, opinions and other documents (including estoppel certificates related to a tax equity financing substantially in the form of Exhibit N-2) and to provide such other normal and customary representations and warranties, as may be necessary in connection with a financing of the Project that Buyer reasonably determines do not affect any of Buyer's rights, benefits, risks, burdens, liabilities or obligations under this Agreement.

ARTICLE 16
FORCE MAJEURE

16.1 Force Majeure Events.

To the extent either Party is prevented by a Force Majeure Event from carrying out, in whole or part, its obligations under this Agreement and such Party gives Notice and details of the Force Majeure Event to the other Party as detailed below, then, the Party impacted by the Force Majeure Event shall be excused from the performance of its obligations for the period during which its performance is impacted. As soon as practicable after commencement of a Force Majeure Event, the non-performing Party shall provide the other Party with oral notice of the Force Majeure Event, and within two (2) weeks of the commencement of a Force Majeure Event, the non-performing Party shall provide the other Party with Notice in the form of a letter describing in detail the particulars of the occurrence giving rise to the Force Majeure Event claim and the anticipated impact on the non-performing Party's ability to perform its obligations and the non-performing Party's Plan to resume full performance of the obligations impacted by the Force Majeure Event. Seller shall not without the prior written consent of Buyer substitute Product from any other source for the output of the Project during an outage resulting from a Force Majeure Event. The suspension of performance due to a claim of a Force Majeure Event must be of no greater scope

and of no longer duration than is required by the Force Majeure Event. Buyer shall not be required to make any payments for any Product that Seller fails to schedule, deliver or provide as a result of a Force Majeure Event during the term of such Force Majeure Event. This Agreement may be terminated by either Party with no further obligation to the other Party if such Force Majeure Event prevents the performance of a material portion of the obligations hereunder and such Force Majeure Event is not resolved and full performance resumed within one hundred eighty (180) days after the commencement of such Force Majeure Event; *provided, however*, if the Force Majeure Event occurs after the Commercial Operation Date and Seller is the non-performing Party, Seller shall have up to ninety (90) days following such Force Majeure Event to obtain a report from an independent, third party engineer stating whether the Project is capable of being repaired or replaced within fifteen (15) additional months or less from the date of the report and provide Buyer a copy of the engineer's report, at no cost to Buyer. If such engineer's report concludes that the Project is capable of being repaired or replaced within such fifteen (15) month period and Seller undertakes and continues such repair or replacement with due diligence, then Buyer shall not have the right to terminate this Agreement pursuant to this Section 16.1 until the expiration of the period deemed necessary by the engineer's report (not to exceed fifteen (15) months), after which time, Buyer may terminate this Agreement by notice to Seller unless the Project has been repaired or replaced, as applicable, and the Seller has resumed and is satisfying its performance obligations under this Agreement.

ARTICLE 17
LIMITATIONS ON LIABILITY

17.1 *Disclaimer of Warranties.*

EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED.

17.2 *Limitations on Liability.*

THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY IS PROVIDED, SUCH EXPRESS REMEDY SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED, UNLESS THE PROVISION IN QUESTION PROVIDES THAT THE EXPRESS REMEDIES ARE IN ADDITION TO OTHER REMEDIES THAT MAY BE AVAILABLE. A PARTY'S REMEDY OR MEASURE OF DAMAGES WILL BE ACTUAL DAMAGES. NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. UNLESS EXPRESSLY HEREIN PROVIDED, IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING

THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

ARTICLE 18 DISPUTE RESOLUTION

18.1 *Intent of the Parties*

Except as provided in the next sentence, the sole procedure to resolve any claim arising out of or relating to this Agreement (a “**Dispute**”) is the dispute resolution procedure set forth in this Article 18. Either Party may seek a preliminary injunction or other provisional judicial remedy at any time if such action is necessary to prevent irreparable harm or preserve the status quo, in which case both Parties nonetheless will continue to pursue resolution of the Dispute by means of the dispute resolution procedure set forth in this ARTICLE 18.

18.2 *Management Negotiations*

(a) The Parties will attempt in good faith to resolve any Dispute by prompt negotiations between each Party’s authorized representative designated in writing as a representative of the Party (each a “**Manager**”). Either Manager may, by Notice to the other Party, request a meeting to initiate settlement negotiations to be held within ten (10) Business Days of the other Party’s receipt of such request, at a mutually agreed time and place (either in person or telephonically). If the matter is not resolved within fifteen (15) Business Days of their first meeting (“**Initial Negotiation End Date**”), the Managers shall refer the matter to the designated senior officers of their respective companies that have authority to settle the Dispute (“**Executives**”). Within five (5) Business Days of the Initial Negotiation End Date (“**Referral Date**”), each Party shall provide one another Notice confirming the referral and identifying the name and title of the Executive who will represent the Party.

(b) Within five (5) Business Days of the Referral Date, the Executives shall establish a mutually acceptable location and date, which date shall not be greater than thirty (30) days from the Referral Date, to meet. After the initial meeting date, the Executives shall meet, as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the Dispute.

(c) All communication and writing exchanged between the Parties in connection with these settlement negotiations shall be confidential and shall not be used or referred to in any subsequent binding adjudicatory process between the Parties. The Parties shall bear their respective costs, expenses and fees relating to the activities under this Section 18.2.

(d) If the matter is not resolved within forty-five (45) days of the Referral Date, or if the Party receiving the Notice to meet, pursuant to Section 18.2(a) above, refuses or does not meet within the ten (10) Business Day period specified in Section 18.2(a) above, and subject to Sections 17.2, 20.7 and 20.8 of this Agreement, either Party may pursue all remedies available to it at law or in equity. Venue for any action or proceeding shall be state and federal courts in Orange County, Florida.

18.3 *Specific Performance and Injunctive Relief.*

Each Party shall be entitled to seek a decree compelling specific performance with respect to, and shall be entitled, without the necessity of filing any bond, to seek the restraint by injunction of, any actual or threatened breach of any non-monetary material obligation of the other Party under this Agreement, including with respect to disclosure or misuse of Confidential Information, audit rights, access to facilities, access to information, data and documents, emergencies, imminent harm to persons or property of impermissible transactions; provided, that, the right to specific performance explicitly excludes Seller's obligation to construct the Project. The Parties in any action for specific performance or restraint by injunction agree that they shall each request that all expenses incurred in such proceeding, including reasonable counsel fees, be apportioned in the final decision based upon the respective merits of the positions of the Parties.

ARTICLE 19

NOTICES

19.1 *Notices.*

Whenever this Agreement requires or permits delivery of a “**Notice**” (or requires a Party to “notify”), the Party with such right or obligation shall provide a written communication in the manner specified in herein and to the addresses set forth below; provided, however, that Notices of Outages or other Scheduling or dispatch information or requests, shall be provided in accordance with the terms set forth in the relevant section of this Agreement or procedure developed by the Parties. Invoices may be sent by facsimile or e-mail. A Notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the Business Day on which such Notice was transmitted if received before 5:00 p.m. (and if received after 5:00 p.m., on the next Business Day) and a Notice of overnight mail or courier shall be deemed to have been received two (2) Business Days after it was sent or such earlier time as is confirmed by the receiving Party. Each Party shall provide Notice to the other Party of the persons authorized to nominate and/or agree to a [schedule or dispatch order] for the delivery or acceptance of the Product or make other Notices on behalf of such Party and specify the scope of their individual authority and responsibilities, and may change its designation of such persons from time to time in its sole discretion by providing Notice.

If to Seller: **[PROJECT COMPANY]**
c/o NextEra Florida Renewables, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attn:
Telephone:
Facsimile:

If to Buyer: Florida Municipal Power Agency

Attn: _____
Telephone: () ____ - ____
Facsimile: () ____ - ____

With a copy to: Florida Municipal Power Agency

Attn: General Counsel
Telephone: () ____ - ____
Facsimile: () ____ - ____

ARTICLE 20
MISCELLANEOUS

20.1 *Effectiveness of Agreement; Survival.*

This Agreement shall be in full force and effect, enforceable and binding in all respects as of the Effective Date until the conclusion of the Term or earlier termination pursuant to the terms of this Agreement; provided however, that this Agreement shall remain in effect until (a) the Parties have fulfilled all obligations under this Agreement, including payment in full of amounts due for the Product delivered or not delivered prior to the end of the Term, the Termination Payment, the Settlement Amount, indemnification payments or other damages (whether directly or indirectly such as through set-off or netting) and (b) the undrawn portion of the Project Development Security or Delivery Term Security, as applicable, is released and/or returned as applicable (if any is due). All indemnity rights shall survive the termination or expiration of this Agreement for the longer of twelve (12) months or the expiration of the statute of limitations period of the claim underlying the indemnity obligation. Notwithstanding any provisions herein to the contrary, the obligations set forth in the following articles and sections shall survive (in full force) the expiration of termination of this Agreement: Sections 12.2 and 12.3 until the applicable statute of limitation lapses, 14.1 regarding confidentiality, for a period of two (2) years, 20.2, 20.7, 20.8, 20.9 and 20.11; ARTICLE 1, and ARTICLE 17 regarding limitation of liability.

20.2 *Audits.*

Each Party has the right, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made promptly and shall bear interest calculated at the Interest Rate from the date the overpayment or underpayment was made until paid; provided, however, that no adjustment for any statement or payment will be made unless objection to the accuracy thereof was made prior to the lapse of twelve (12) months from the rendition thereof, and thereafter any objection shall be deemed waived except to the extent any misinformation was from a third party not affiliated with any Party and such third party corrects its information after such twelve (12)-month period.

20.3 Amendments.

This Agreement shall not be modified nor amended unless such modification or amendment shall be in writing and signed by authorized representatives of both Parties.

20.4 Waivers.

Failure to enforce any right or obligation by any Party with respect to any matter arising in connection with this Agreement shall not constitute a waiver as to that matter nor to any other matter. Any waiver by any Party of its rights with respect to a breach or default under this Agreement or with respect to any other matters arising in connection with this Agreement must be in writing. Such waiver shall not be deemed a waiver with respect to any subsequent breach or default or other matter.

20.5 Severability.

If any of the terms of this Agreement are finally held or determined to be invalid, illegal or void, all other terms of the Agreement shall remain in effect; *provided* that the Parties shall enter into negotiations concerning the terms affected by such decision for the purpose of achieving conformity with requirements of any Applicable Law and the intent of the Parties.

20.6 Standard of Review.

Absent the agreement of the Parties to the proposed change, the standard of review for changes to this Agreement proposed by a Party, a Person or the Federal Energy Regulatory Commission acting sua sponte shall be the “public interest” application of the “just and reasonable” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), as clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008) (the “Mobile-Sierra” doctrine).

20.7 Governing Law.

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN

ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. THE SOLE AND EXCLUSIVE VENUE FOR ANY DISPUTE, CLAIM OR CONTROVERSY RELATING TO THIS AGREEMENT SHALL BE THE STATE AND FEDERAL COURTS IN ORANGE COUNTY, FLORIDA.

20.8 Waiver of Trial by Jury.

EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

20.9 Attorneys' Fees.

In any proceeding brought to enforce this Agreement or because of the breach by any Party of any covenant or condition herein contained, the prevailing Party shall be entitled to reasonable attorneys' fees (including reasonably allocated fees of in-house counsel) in addition to court costs and any and all other costs of the proceeding recoverable in said action.

20.10 No Third-Party Beneficiaries.

Except indemnitees, a Project Investor party to a consent to assignment among the Parties, and Other Buyers with respect to their priority right to purchase Product which is the subject of a terminated power purchase agreement for Product, this Agreement is intended solely for the benefit of the Parties hereto and nothing contained herein shall be construed to create any duty to, or standard of care with reference to, or any liability to, or any benefit for, any Person not a Party to this Agreement.

20.11 Project Members.

[*FMPA ARP] This Agreement is an obligation of Buyer only, and all costs and liabilities of Buyer hereunder are payable solely from the revenues and funds of the All-Requirements Power Supply Project. No liability or obligation under this Agreement shall inure to or bind any of the funds, accounts, monies, property, instruments, or rights of the Florida Municipal Power Agency generally, any individual FMPA member, or of any other "project" of FMPA as that term is defined in the Interlocal Agreement. Buyer shall enforce the provision of the All-Requirements Power Supply Project Contracts and duly perform its covenants and agreements thereunder.

[*FMPA Solar Project] This Agreement is an obligation of Buyer only, and all costs and liabilities of Buyer hereunder are payable solely from the revenues and funds of the FMPA Solar Project. No liability or obligation under this Agreement shall inure to or bind any of the funds, accounts, monies, property, instruments, or rights of the Florida Municipal Power Agency generally, any

individual FMPA member, or of any other “project” of FMPA as that term is defined in the Interlocal Agreement. Buyer shall enforce the provision of the FMPA Solar Project Power Sales Contracts and duly perform its covenants and agreements thereunder; provided, however, that notwithstanding any provision of this Agreement to the contrary, in the event of the failure of an FMPA Solar Project Participant to observe the FMPA Solar Project Covenants, such failure shall be considered a Downgrade Event (without limiting Article 7) and the sole and exclusive remedy of Seller for such failure shall be the posting by Buyer of Performance Assurance in the form of a Letter of Credit or cash in an amount equal to the then applicable amount of Buyer’s Performance Assurance.

[*OUC] **20.11 RESERVED**

20.12 No Agency.

This Agreement is not intended, and shall not be construed, to create any association, joint venture, agency relationship or partnership between the Parties or to impose any such obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act as or be an agent or representative of, or otherwise bind, the other Party.

20.13 Cooperation.

The Parties acknowledge that they are entering into a long-term arrangement in which the cooperation of both of them will be required. If, during the Term, changes in the operations, facilities or methods of either Party will materially benefit a Party without detriment to the other Party, the Parties commit to each other to make Commercially Reasonable Efforts to cooperate and assist each other in making such change on terms and conditions mutually agreed by the Parties.

20.14 Further Assurances.

Upon the receipt of a written request from the other Party, each Party shall execute such additional documents, instruments and assurances and take such additional actions as are reasonably necessary and desirable to carry out the terms and intent hereof. Neither Party shall unreasonably withhold, condition or delay its compliance with any reasonable request made pursuant to this Section 20.14. No Party shall be required to take any action or execute any document under this Section 20.14 that would negatively change that Party's risk or benefit under this Agreement.

20.15 Captions; Construction.

All indexes, titles, subject headings, section titles, and similar items are provided for the purpose of reference and convenience and are not intended to affect the meaning of the content or scope of this Agreement. Any term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Party.

20.16 *Entire Agreement.*

This Agreement shall supersede all other prior and contemporaneous understandings or agreements, both written and oral, between the Parties relating to the subject matter of this Agreement.

20.17 *Forward Contract.*

The Parties acknowledge and agree that this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code.

20.18 *Counterparts.*

This Agreement may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK –
SIGNATURES APPEAR ON FOLLOWING PAGE]**

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IN WITNESS WHEREOF the Parties have executed this Agreement in the manner appropriate to each on the date set forth above.

[PROJECT COMPANY]

**[FLORIDA MUNICIPAL POWER AGENCY
ARP/SP / OUC]**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

CONTRACT PRICE AND EXCESS ENERGY RATE

CONTRACT PRICE

PERIOD	CONTRACT PRICE (\$/MWh)
From and including the Initial Energy Delivery Date until the Commercial Operation Date	Seventy-five percent (75%) of the Contract Price
From the Commercial Operation Date through the remainder of the Term, as extended	[REDACTED]

EXCESS ENERGY RATE

Excess Energy Rate During the Delivery Term	Seventy-five percent (75%) of the Contract Price
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EXHIBIT B

DESCRIPTION OF PROJECT

Seller intends to build, own and operate Project with a nameplate capacity rating of the Project Capacity. The Project will be located in [Osceola County/Orange County]. The Project will generate electrical power that will be sold wholesale.

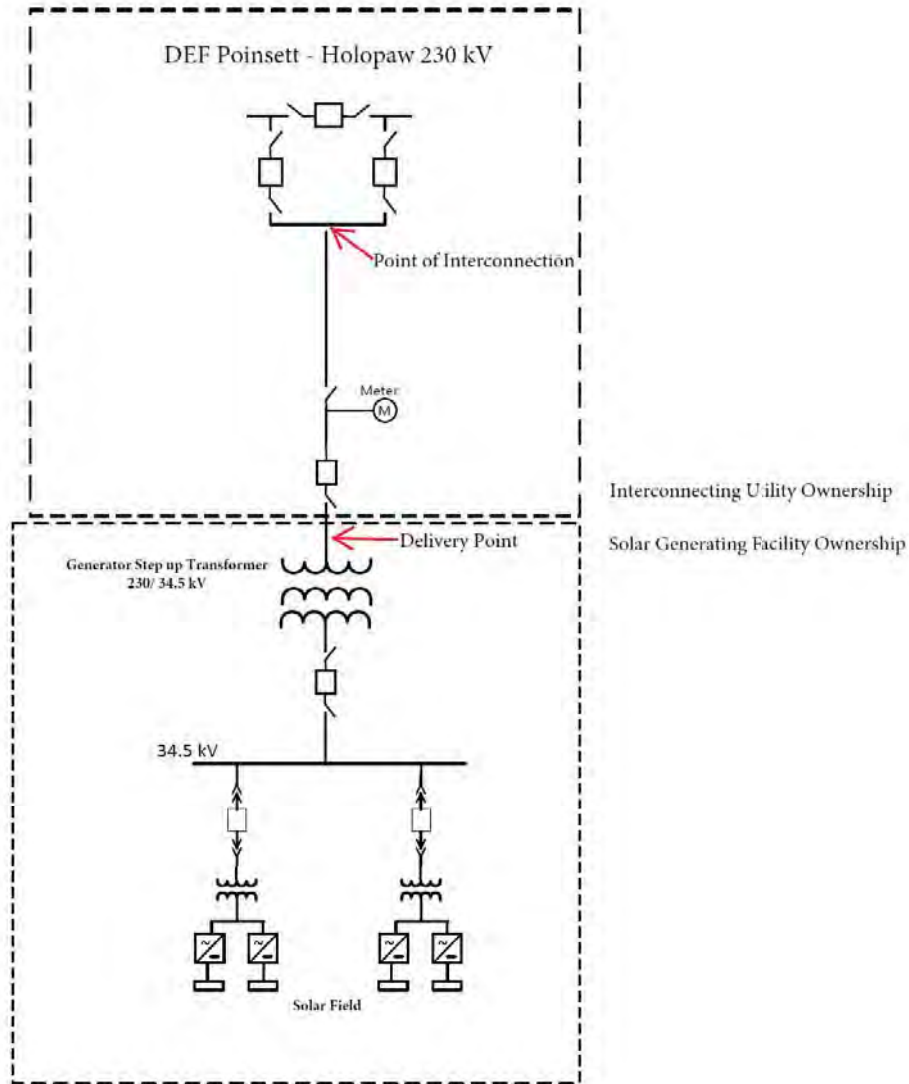
As presently planned, the Project will consist of:

- [solar equipment]
- Electrical transformation equipment located at the Project.
- An underground and aboveground electric cable collection system to carry electricity to the substation.
- An underground and aboveground fiber-optic data collection system.
- [] permanent meteorological ("MET") towers.
- A temporary construction lay down area.
- Maintenance/field office(s).

Nothing in this Agreement or Exhibit B is intended to either (i) limit the right of Seller to make any changes to the Project consistent with the terms and conditions of this Agreement it determines to undertake consistent with Applicable Law, Governmental Approvals and Prudent Operating Practices, or (ii) grant any rights to Buyer regarding the description, nature or components of the Project.

EXHIBIT C

DESCRIPTION OF DELIVERY POINT AND ONE-LINE DIAGRAM



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EXHIBIT D

PROJECT QUANTITY

Period	Delivered Energy (MWh)
Jul-Dec 2020	[102,568]
2021	[204,606]
2022	[204,071]
2023	[203,532]
2024	[202,989]
2025	[202,441]
2026	[201,888]
2027	[201,330]
2028	[200,767]
2029	[200,199]
2030	[199,627]
2031	[199,051]
2032	[198,471]
2033	[197,887]
2034	[197,300]
2035	[196,709]
2036	[196,116]
2037	[195,522]
2038	[194,924]
2039	[194,326]
2040	[193,726]
2041	[193,126]
2042	[192,524]
2043	[191,922]
2044	[191,320]
2045	[190,716]
2046	[190,111]
2047	[189,507]
2048	[188,901]
2049	[188,295]
Jan-Jun 2050	[93,845]

EXHIBIT E
PURCHASE OPTION

Purchase Date	Minimum Purchase Price
Last day of the Initial Term	
Last day of first Renewal Term	

**EXHIBIT F
FORM OF GUARANTY**

THIS GUARANTY (this "**Guaranty**"), dated as of _____, _____ (the "**Effective Date**"), is made by [NEXTERA ENERGY CAPITAL RESOURCES, LLC]. ("**Guarantor**"), in favor of [_____] ("**Counterparty**").

RECITALS:

- A.** WHEREAS, Counterparty and Guarantor's indirect, wholly-owned subsidiary [INSERT NEXTERA ENERGY PROJECT COMPANY] ("**Obligor**"), have entered into, or concurrently herewith are entering into, that certain Renewable Energy Power Purchase Agreement dated as of _____, 2018 (together, the "**Agreement**"); and
- B.** WHEREAS, Guarantor will directly or indirectly benefit from the transaction to be entered into between Obligor and Counterparty pursuant to the Agreement.

NOW THEREFORE, in consideration of the foregoing premises and as an inducement for Counterparty's execution, delivery and performance of the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Guarantor hereby agrees for the benefit of Counterparty as follows:

1. **GUARANTY.** Subject to the terms and provisions hereof, Guarantor hereby absolutely and irrevocably guarantees the timely payment when due of all obligations owing by Obligor to Counterparty arising pursuant to the Agreement on or after the Effective Date (the "**Obligations**"). This Guaranty shall constitute a guarantee of payment and not of collection. The liability of Guarantor under this Guaranty shall be subject to the following limitations:

- (a) Notwithstanding anything herein or in the Agreement to the contrary, the maximum aggregate obligation and liability of Guarantor under this Guaranty, and the maximum recovery from Guarantor under this Guaranty, shall in no event exceed [spell out the dollar amount] U.S. Dollars (U.S. \$ _____) (the "**Maximum Recovery Amount**").
- (b) The obligation and liability of Guarantor under this Guaranty is specifically limited to payments expressly required to be made under the Agreement, as well as costs of collection and enforcement of this Guaranty (including attorney's fees) to the extent reasonably and actually incurred by the Counterparty (subject in all instances, to the limitations imposed by the Maximum Recovery Amount as specified in Section 1(a) above).

2. **DEMANDS AND PAYMENT.**

- (a) If Obligor fails to pay any Obligation to Counterparty when such Obligation is due and owing under the Agreement (an "**Overdue Obligation**"), Counterparty may present a written demand to Guarantor calling for Guarantor's payment of such Overdue Obligation pursuant to this Guaranty (a "**Payment Demand**").

(b) Guarantor's obligation hereunder to pay any particular Overdue Obligation(s) to Counterparty is conditioned upon Guarantor's receipt of a Payment Demand from Counterparty satisfying the following requirements: (i) such Payment Demand must identify the specific Overdue Obligation(s) covered by such demand, the specific date(s) upon which such Overdue Obligation(s) became due and owing under the Agreement, and the specific provision(s) of the Agreement pursuant to which such Overdue Obligation(s) became due and owing; (ii) such Payment Demand must be delivered to Guarantor in accordance with Section 9 below; and (iii) the specific Overdue Obligation(s) addressed by such Payment Demand must remain due and unpaid at the time of such delivery to Guarantor.

(c) After issuing a Payment Demand in accordance with the requirements specified in Section 2(b) above, Counterparty shall not be required to issue any further notices or make any further demands with respect to the Overdue Obligation(s) specified in that Payment Demand, and Guarantor shall be required to make payment with respect to the Overdue Obligation(s) specified in that Payment Demand within five (5) Business Days after Guarantor receives such demand. As used herein, the term "**Business Day**" shall mean all weekdays (i.e., Monday through Friday) other than any weekdays during which commercial banks or financial institutions are authorized to be closed to the public in the State of Florida or the State of New York.

3. REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants that:

(a) it is a corporation duly organized and validly existing under the laws of the State of Florida and has the corporate power and authority to execute, deliver and carry out the terms and provisions of the Guaranty;

(b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of this Guaranty; and

(c) this Guaranty constitutes a valid and legally binding agreement of Guarantor, enforceable against Guarantor in accordance with the terms hereof, except as the enforceability thereof may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

4. RESERVATION OF CERTAIN DEFENSES. Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which Obligor is or may be entitled arising from or out of the Agreement, except for defenses (if any) based upon the bankruptcy, insolvency, dissolution or liquidation of Obligor or any lack of power or authority of Obligor to enter into and/or perform the Agreement.

5. AMENDMENT OF GUARANTY. No term or provision of this Guaranty shall be amended, modified, altered, waived or supplemented except in a writing signed by Guarantor and Counterparty; provided, however, that an amendment to this Guaranty increasing the Maximum

Recovery Amount and/or extending the termination date of this Guaranty may be executed solely by Guarantor.

6. **WAIVERS AND CONSENTS.** Subject to and in accordance with the terms and provisions of this Guaranty:

- (a) Except as required in Section 2 above, Guarantor hereby waives (i) notice of acceptance of this Guaranty; (ii) presentment and demand concerning the liabilities of Guarantor; and (iii) any right to require that any action or proceeding be brought against Obligor or any other person, or to require that Counterparty seek enforcement of any performance against Obligor or any other person, prior to any action against Guarantor under the terms hereof.
- (b) No delay by Counterparty in the exercise of (or failure by Counterparty to exercise) any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from its obligations hereunder (with the understanding, however, that the foregoing shall not be deemed to constitute a waiver by Guarantor of any rights or defenses which Obligor may have under the Agreement.
- (c) Without notice to or the consent of Guarantor, and without impairing or releasing Guarantor's obligations under this Guaranty, Counterparty may: (i) change the manner, place or terms for payment of all or any of the Obligations (including renewals, extensions or other alterations of the Obligations); (ii) release Obligor or any person (other than Guarantor) from liability for payment of all or any of the Obligations; or (iii) receive, substitute, surrender, exchange or release any collateral or other security for any or all of the Obligations.

7. **REINSTATEMENT.** Guarantor agrees that this Guaranty shall continue to be effective or shall be reinstated, as the case may be, if all or any part of any payment made hereunder is at any time avoided or rescinded or must otherwise be restored or repaid by Counterparty as a result of the bankruptcy or insolvency of Obligor, all as though such payments had not been made.

8. **TERMINATION.** This Guaranty and the Guarantor's obligations hereunder will terminate automatically and immediately upon the earlier of (i) the termination or expiration of the Agreement and (ii) [need fixed termination date – term of Agreement plus six months]; provided, however, that no such termination shall affect Guarantor's liability with respect to any Obligations arising under any Transactions entered into prior to the time the termination is effective, which Obligations shall remain subject to this Guaranty.

9. **NOTICE.** Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder (herein collectively called "Notice") by Counterparty to Guarantor, or by Guarantor to Counterparty, as applicable, shall be in writing and may be delivered either by (i) U.S. certified mail with postage prepaid and return receipt requested, or (ii) recognized nationwide courier service with delivery receipt requested, in either case to be delivered to the following address (or to such other U.S. address as may be specified via Notice provided by Guarantor or Counterparty, as applicable, to the other in accordance with the requirements of this Section 9):

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TO GUARANTOR: * NextEra Energy Capital Holdings, Inc. 700 Universe Blvd. Juno Beach, Florida 33408 Attn: Treasurer	TO COUNTERPARTY: _____ _____ _____ Attn: _____
[Tel: (561) 694-6204 -- for use in connection with courier deliveries]	[Tel: () - - -- for use in connection with courier deliveries]

* *(NOTE: Copies of any Notices to Guarantor under this Guaranty shall also be sent via facsimile to ATTN: Contracts Group, Legal, Fax No. (561) 625-7504 and ATTN: Credit Department, Fax No. (561) 625-7642. However, such facsimile transmissions shall not be deemed effective for delivery purposes under this Guaranty.)*

Any Notice given in accordance with this Section 9 will (i) if delivered during the recipient's normal business hours on any given Business Day, be deemed received by the designated recipient on such date, and (ii) if not delivered during the recipient's normal business hours on any given Business Day, be deemed received by the designated recipient at the start of the recipient's normal business hours on the next Business Day after such delivery.

10. MISCELLANEOUS.

- (a) This Guaranty shall in all respects be governed by, and construed in accordance with, the law of the State of Florida, without regard to principles of conflicts of laws thereunder.
- (b) This Guaranty shall be binding upon Guarantor and its successors and permitted assigns and inure to the benefit of and be enforceable by Counterparty and its successors and permitted assigns and shall be binding regardless of whether Counterparty and Obligor enter into amendments to the Agreement. Guarantor may not assign this Guaranty in part or in whole without the prior written consent of Counterparty. Counterparty may not assign its rights or benefits under this Guaranty in part or in whole without the prior written consent of Guarantor.
- (c) This Guaranty embodies the entire agreement and understanding between Guarantor and Counterparty and supersedes all prior agreements and understandings relating to the subject matter hereof.
- (d) The headings in this Guaranty are for purposes of reference only, and shall not affect the meaning hereof. Words importing the singular number hereunder shall include the plural number and vice versa, and any pronouns used herein shall be deemed to cover all genders. The term "person" as used herein means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated association, or government (or any agency or political subdivision thereof).

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- (e) Wherever possible, any provision in this Guaranty which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any one jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

- (f) Counterparty (by its acceptance of this Guaranty) and Guarantor each hereby irrevocably:
 - (i) consents and submits to the exclusive jurisdiction of the United States District Court for the Middle District of Florida, or if that court does not have subject matter jurisdiction, to the exclusive jurisdiction of the Circuit Court in and for Orange County, Florida (without prejudice to the right of any party to remove to the United States District Court for the Middle District of Florida) for the purposes of any suit, action or other proceeding arising out of this Guaranty or the subject matter hereof or any of the transactions contemplated hereby brought by Counterparty, Guarantor or their respective successors or assigns; and
 - (ii) waives (to the fullest extent permitted by applicable law) and agrees not to assert any claim that it is not personally subject to the jurisdiction of the above-named courts, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Guaranty or the subject matter hereof may not be enforced in or by such court.

- (g) COUNTERPARTY (BY ITS ACCEPTANCE OF THIS GUARANTY) AND GUARANTOR EACH HEREBY IRREVOCABLY, INTENTIONALLY AND VOLUNTARILY WAIVES THE RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS GUARANTY OR THE AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PERSON RELATING HERETO OR THERETO. THIS PROVISION IS A MATERIAL INDUCEMENT TO GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty on _____, 20___, but it is effective as of the Effective Date

NEXTERA ENERGY RESOURCES, LLC

By: _____
Name: _____
Title: _____

EXHIBIT G
FORM OF LETTER OF CREDIT

[ISSUING BANK] IRREVOCABLE STANDBY LETTER OF CREDIT

DATE OF ISSUANCE:
[Date of issuance]

[BENEFICIARY] (“Beneficiary”)
[Address]
Attention: [Contact Person]

Re: [ISSUING BANK] Irrevocable Standby Letter of Credit No. _____

Messrs/Mesdames:

We hereby establish in favor of Beneficiary (sometimes alternatively referred to herein as “you”) this Irrevocable Standby Letter of Credit No. _____ (the “**Letter of Credit**”) for the account of [NextEra Energy Capital Holdings, LLC] [--- Address ---] and [NextEra Energy Resources, LLC, (--- Address ---)] (“**Account Parties**”), effective immediately and expiring on the date determined as specified in numbered paragraphs 5 and 6 below.

We have been informed that this Letter of Credit is issued pursuant to the terms of that certain [*describe the underlying agreement which requires this LC*].

1. **Stated Amount.** The maximum amount available for drawing by you under this Letter of Credit shall be [*written dollar amount*] United States Dollars (US\$[*dollar amount*]) (such maximum amount referred to as the “**Stated Amount**”).

2. **Drawings.** A drawing hereunder may be made by you on any Business Day on or prior to the date this Letter of Credit expires by delivering to [ISSUING BANK], at any time during its business hours on such Business Day, at [*bank address*] (or at such other address as may be designated by written notice delivered to you as contemplated by numbered paragraph 9 hereof), a copy of this Letter of Credit together with (i) a Draw Certificate executed by an authorized person substantially in the form of Attachment A hereto (the “**Draw Certificate**”), appropriately completed and signed by your authorized officer (signing as such) and (ii) your draft substantially in the form of Attachment B hereto (the “**Draft**”), appropriately completed and signed by your authorized officer (signed as such). Partial drawings and multiple presentations may be made under this Letter of Credit. Draw Certificates and Drafts under this Letter of Credit may be presented by Beneficiary by means of facsimile or original documents sent by overnight delivery or courier to [ISSUING BANK] at our address set forth above, Attention: _____ (or at such other address as may be designated by written notice delivered to you as contemplated by numbered paragraph 9 below). In the event of a presentation by facsimile transmission, the original of such documents need not be sent to us.

3. **Time and Method for Payment.** We hereby agree to honor a drawing hereunder made in compliance with this Letter of Credit by transferring in immediately available funds the amount specified in the Draft delivered to us in connection with such drawing to such account at such bank in the United States as you may specify in your Draw Certificate. If the Draw Certificate is presented to us at such address by 12:00 noon, [_____] time on any Business Day, payment will be made not later than our close of business on third succeeding business day and if such Draw Certificate is so presented to us after 12:00

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noon, [_____] time on any Business Day, payment will be made on the fourth succeeding Business Day. In clarification, we agree to honor the Draw Certificate as specified in the preceding sentences, without regard to the truth or falsity of the assertions made therein.

4. **Non-Conforming Demands.** If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you prompt notice that the demand for payment was not effectuated in accordance with the terms and conditions of this Letter of Credit, stating the reasons therefor and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effectuated in conformity with this Letter of Credit, you may correct any such non-conforming demand.

5. **Expiration.** This Letter of Credit shall automatically expire at the close of business on the date on which we receive a Cancellation Certificate in the form of Attachment C hereto executed by your authorized officer and sent along with the original of this Letter of Credit and all amendments (if any).

6. **Initial Period and Automatic Rollover.** The initial period of this Letter of Credit shall terminate on [one year from the issuance date] (the “Initial Expiration Date”). The Letter of Credit shall be automatically extended without amendment for one (1) year periods from the Initial Expiration Date or any future expiration date, unless at least sixty (60) days prior to any such expiration date we send you notice by registered mail or courier at your address first shown (or such other address as may be designated by you as contemplated by numbered paragraph 9) that we elect not to consider this Letter of Credit extended for any such additional one year period.

7. **Business Day.** As used herein, “Business Day” shall mean any day on which commercial banks are not authorized or required to close in the State of New York, and inter-bank payments can be effected on the Fedwire system.

8. **Governing Law.** THIS LETTER OF CREDIT IS GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AND, EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, TO THE INTERNATIONAL STANDBY PRACTICES, ICC PUBLICATION NO. 590 (THE “ISP98”), AND IN THE EVENT OF ANY CONFLICT, THE LAWS OF THE STATE OF FLORIDA WILL CONTROL, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS.

9. **Notices.** All communications to you in respect of this Letter of Credit shall be in writing and shall be delivered to the address first shown for you above or such other address as may from time to time be designated by you in a written notice to us. All documents to be presented to us hereunder and all other communications to us in respect of this Letter of Credit, which other communications shall be in writing, shall be delivered to the address for us indicated above, or such other address as may from time to time be designated by us in a written notice to you.

10. **Irrevocability.** This Letter of Credit is irrevocable.

11. **Complete Agreement.** This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for the ISP98 and Attachment A, Attachment B and Attachment C hereto and the notices referred to herein and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as set forth above.

* * *

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SINCERELY,
[ISSUING BANK]

By: _____

Title: _____

Address:

EXHIBIT H
INSURANCE REQUIREMENTS

Before the Commercial Operation Date, Seller shall procure and maintain the following minimum insurance, with insurers rated "A-" VII or higher by A.M. Best's Key Rating Guide, that are licensed to do business in Florida:

(a) Workers' Compensation Insurance for statutory obligations imposed by applicable laws, including, where applicable, the Alternate Employer Endorsement, the United States Longshoremen's and Harbor Workers' Act, the Maritime Coverage and the Jones Act;

(b) Employers' Liability Insurance, including Occupational Disease, shall be provided with a limit of (i) One Million Dollars (\$1,000,000) for bodily injury per accident, (ii) One Million Dollars (\$1,000,000) for bodily injury by disease per policy, and (iii) One Million Dollars (\$1,000,000) for bodily injury by disease per employee;

(c) Business Automobile Liability Insurance which shall apply to all owned, non-owned, leased, and hired automobiles with a limit of One Million Dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage;

(d) Commercial General Liability Insurance which shall apply to liability arising out of premises, operations, bodily injury, property damage, products and completed operations and liability insured under and insured contract (contractual liability), with a limit of One Million Dollars (\$1,000,000) per occurrence, Two Million Dollars (\$2,000,000) aggregate. The products and completed operations coverage insurance shall be provided for the duration of any applicable warranty period;

(e) Excess Liability Insurance which shall apply to Employers Liability, Commercial General Liability and Business Automobile Liability Insurance, required in (b), (c), and (d) above, with a limit of Five Million Dollars (\$5,000,000) per occurrence and Five Million Dollars (\$5,000,000) aggregate;

(f) Upon commencement of construction of the Project, Builder's Risk Insurance with limits of insurance written on a probable maximum loss basis, including sublimits for wind, earthquakes and flood exposure;

(g) Following the Commercial Operation Date, All-Risk Property Insurance with limits of insurance written on a probable maximum loss basis, including sublimits for wind, earthquake, and flood exposures.

Except for Workers' Compensation Insurance, Buyer shall be endorsed as an additional insured on Seller's insurance policies required to be maintained under the Agreement and such policies shall provide for a waiver of subrogation in favor of Buyer. All policies of insurance required to be maintained by Seller hereunder shall provide for a severability of interests clause and include a provision that Sellers's insurance policies are to be primary and non-contributory to any insurance that may be maintained by or on behalf of Buyer.

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In the event that any policy furnished by Seller provides for coverage on a “claims made” basis, the retroactive date of the policy shall be the same as the effective date of the Agreement, or such other date, as to protect the interest of Buyer. Furthermore, for all policies furnished on a “claims made” basis, Seller’s providing of such coverage shall survive the termination of the Agreement and the expiration of any applicable warranty period, until the expiration of the maximum statutory period of limitations in the State of Florida for actions based in contract or in tort. If coverage is on “occurrence” basis, Seller shall maintain such insurance during the entire term of the Agreement.

Following execution of this Agreement and annually thereafter, Seller shall promptly provide evidence of the minimum insurance coverage required under the Agreement in the form of an ACORD certificate or other certificate of insurance. If any of the required insurance is cancelled or non-renewed, Seller shall within thirty (30) days provide written notice to Buyer and file a new certificate of insurance with Buyer, demonstrating that the required insurance coverage to be maintained hereunder has been extended or replaced. Neither Seller’s failure to provide evidence of minimum coverage of insurance following Buyer’s request, nor Buyer’s decision to not make such request, shall release Seller from its obligation to maintain the minimum coverage provided for in this Schedule 11.

Seller shall be responsible for covering all deductibles associated with the foregoing insurance coverage.

**EXHIBIT I
SITE DESCRIPTION; MAP**

[SELLER TO INSERT]

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**EXHIBIT J
INTERIM MILESTONE SCHEDULE**

Date	Milestone	Section
April 30, 2018	NEFR Management Approval	6.1(a)(v)
November 20, 2018	Site Control	6.1(a)(iii)
October 20, 2019	Receipt of all Governmental Approvals	6.1(a)(iv)
January 2, 2020	Interconnection Agreement execution	6.1(a)(i)
February 15, 2020	Initial Energy Date	3.3
May 30, 2020	Electric Interconnection Upgrades Complete	4.3(i), 6.1(a)(ii)
June 30, 2020	Guaranteed Commercial Operation Date (COD)	4.3, 6.1(a)(vi)
December 27, 2020	COD with 180 days Permitted Extensions	4.3, 4.4, 6.1(a)(vi)
August 24, 2021	Outside COD with 180 days Permitted Extensions plus 240 days delay	4.3, 4.4, 6.1(a)(vi)

EXHIBIT K

MILESTONES WITH DELAY DAMAGES

Date	Milestone	Section
January 30, 2019	FDEP Environmental Resource Permit Received	4.1(j)
January 1, 2020	Start of Construction	4.1(j)
February 25, 2021	COD with 240 days delay	4.3, 4.4, 6.1(a)(vi)

EXHIBIT L
CERTIFICATE – COMMERCIAL OPERATIONS

This certification ("Certification") is delivered by _____ ("Seller") to _____ ("Buyer") in accordance with the terms of that certain Renewable Energy Power Purchase Agreement dated _____ ("Agreement"), as amended from time to time, by and between Seller and Buyer. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement. Seller hereby certifies and represents to Buyer the following:

- a) The Project and all equipment and systems comprising the Project have been fully commissioned.
- b) The Plant has demonstrated that it can safely and continuously produce and deliver the "**Project Capacity**" of 74.5MW_{ac} to the Delivery Point. [Refer to **Attachment A**]
- c) Seller has delivered to Buyer the Delivery Term Security required under Section 10.4(a)(ii). [Refer to **Attachment B**]
- d) Seller has installed all equipment needed to enable telemetering of the Product from the Project to the Delivery Point, as may be necessary pursuant to the Interconnection Agreement, and such equipment, if needed, is fully operational.
- e) Seller has delivered to Buyer a report with the results of start-up and performance testing conducted by Seller to demonstrate the attainment of commercial operation status of the Project. [Refer to **Attachment A**]
- f) Seller has received all local, state and federal Governmental Approvals and other approvals, consents and authorizations as may be required by Applicable Law for the construction, interconnection, operation and maintenance of the Project and generation, delivery and sale of Product hereunder. [Refer to **Attachment C**]
- g) Seller has obtained and submitted to Buyer Certificates of insurance evidencing the coverage required by **Exhibit H**. [Refer to **Attachment D**]

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate on behalf of the Company as of the ___ day of _____, 201__.

_____ PROJECT, LLC
_____, Vice President

EXHIBIT M
REC BILL OF SALE

RENEWABLE ATTRIBUTES ATTESTATION AND BILL OF SALE

In accordance with the terms and conditions of that certain Renewable Energy Power Purchase Agreement (the "Agreement") made the [____] day of _____, 2018, by and between [FLORIDA MUNICIPAL POWER AGENCY/OUC], a [_____] ("Buyer") and [PROJECT COMPANY], a Delaware limited liability company ("Seller"), Seller hereby sells, transfers and delivers to Buyer all Renewable Attributes produced by or associated with the Energy delivered by Seller to the Delivery Point, including but not limited to all renewable energy credits, green tags, environmental attributes and reporting rights, in the amount of one _____ for each megawatt hour of Energy delivered by Seller to the Delivery Point during the Operation Period set forth below. Capitalized terms used in this Renewable Attributes Attestation and Bill of Sale and not otherwise defined shall have the meaning set forth in the Agreement.

Project name and location: _____

Fuel Type: Photovoltaic - Solar

Capacity (MW_{AC}): _____

Operational Date: _____

Energy Admin. ID no.: _____

Operation Period:

Dates: From __ to ____ _____

MWh: _____

Buyer's Share of Project Output (%): _____

Renewable Attributes Sold to Buyer: _____

Seller further attests, warrants and represents as follows:

- i) to the best of its knowledge, the information provided herein is true and correct;
- ii) the sale, transfer and delivery by Seller to Buyer of the Renewable Attributes which are the subject hereof is the one and only sale, transfer and delivery of the Renewable Attributes referenced herein;
- iii) the Energy delivered by Seller to the Delivery Point during the period indicated above was in the amount indicated above;
- iv) Seller has at all times complied with the requirements of Applicable Law with respect to the operation of the Project and the generation of Renewable Attributes; and

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- v) to the best of Seller's knowledge, the Renewable Attributes associated with the Energy delivered by Seller to the Delivery Point have been generated and sold by the Project.

IN WITNESS WHEREOF this Renewable Attributes Attestation and Bill of Sale confirms, in accordance with the Agreement, the transfer from Seller to [BUYER] of Buyer's Share of the Renewable Attributes as set forth above, and has been executed on the date set forth below.

Seller's Contact Person: [_____]

SELLER

By _____

Name _____

Its _____

Date: _____

EXHIBIT N-1
CONSENT TO ASSIGNMENT

FORM OF CONSENT AND AGREEMENT
([NAME OF CONTRACTING PARTY])
([NAME OF ASSIGNED AGREEMENT])

This CONSENT AND AGREEMENT (this "Consent"), dated as of _____, 20[], is executed by and among [NAME OF CONTRACTING PARTY], a [legal form of Contracting Party] organized under the laws of the State of [] (the "Contracting Party"), [], a [] (the "Project Owner"), and [], as collateral agent (in such capacity, together with its successors and permitted assigns, the "Collateral Agent") for various financial institutions named from time to time as Lenders under the Credit Agreement (as defined below) and any other parties (or any of their agents) who hold any other secured indebtedness permitted to be incurred under the Credit Agreement (the Collateral Agent and all such parties collectively, the "Secured Parties"). Capitalized terms used in this Consent and not otherwise defined shall have the meaning set forth in the Assigned Agreement.

A. The Project Owner owns, operates and maintains [] (the "Project").

B. The Contracting Party and the Project Owner have entered into the agreement specified in Schedule I hereto (as further amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "Assigned Agreement").

C. [] (the "Borrower"), the Project Owner, the other affiliates of the Borrower as Guarantors, various financial institutions named therein from time to time as Lenders, [], as the Administrative Agent and Collateral Agent, have entered into a Credit Agreement, dated as of [] (as amended, modified or supplemented from time to time, the "Credit Agreement"), providing for the extension of the credit facilities described therein.

D. As security for the payment and performance by the Project Owner of its obligations under the Credit Agreement and the other Financing Documents (as defined below) and for other obligations owing to the Secured Parties, the Project Owner has assigned as collateral all of its right, title and interest in, to and under, and granted a security interest in, the Assigned Agreement to the Collateral Agent pursuant to the Assignment and Security Agreement, dated as of [] between the Project Owner and the Collateral Agent (as amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "Security Agreement", and, together with the Credit Agreement and any other financing documents relating to the issuance of promissory notes under the Credit Agreement (the "Notes"), the "Financing Documents").

E. It is a requirement under the Credit Agreement that the Project Owner cause the Contracting Party to execute and deliver this Consent.

NOW, THEREFORE as an inducement for Lenders to make the Loans, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto hereby agree as follows:

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1. Consent to Assignment. The Contracting Party hereby acknowledges and consents to the pledge and collateral assignment of all right, title and interest of the Project Owner in, to and under (but not its obligations, liabilities or duties with respect to) the Assigned Agreement by the Project Owner to the Collateral Agent pursuant to the Security Agreement.

2. Representations and Warranties. The Contracting Party represents and warrants as follows as of the date of this Consent:

(a) No Amendments. [Except as described in Schedule I hereto,] there are no amendments, modifications or supplements (whether by waiver, consent or otherwise) to the Assigned Agreement, either oral or written.

(b) No Previous Assignments. The Contracting Party affirms that it has received no notice of any assignment relating to the right, title and interest of the Project Owner in, to and under the Assigned Agreement other than the pledge and collateral assignment to the Collateral Agent referred to in Section 1 above.

(c) No Termination Event; No Disputes. After giving effect to the pledge and collateral assignment referred to in Section 1, and after giving effect to the consent to such pledge and collateral assignment by the Contracting Party herein, there exists no event or condition (a "Termination Event") that would, either immediately or with the passage of time or giving of notice, or both, entitle either the Project Owner or the Contracting Party to terminate the Assigned Agreement or suspend the performance of its obligations under the Assigned Agreement. [Except as set forth on Schedule III hereto,] there are no unresolved disputes between the parties under the Assigned Agreement. All amounts due under the Assigned Agreement as of the date hereof have been paid in full [, except as set forth on Schedule III hereto].

3. Right to Cure.

(a) From and after the date hereof and unless and until the Contracting Party shall have received written notice from the Collateral Agent that the lien of the Security Agreement has been released in full, the Collateral Agent shall have the right, but not the obligation, following an "event of default" or "default" (or any other similar event however defined) by the Project Owner under the Assigned Agreement, in the manner and within the times prescribed therein, to pay all sums due under the Assigned Agreement by the Project Owner and to perform any other act, duty or obligation required of the Project Owner thereunder as described in Section 3(c) below; provided, that no such payment or performance shall be construed as an assumption by the Collateral Agent or any other Secured Party of any covenants, agreements or obligations of the Project Owner under or in respect of the Assigned Agreement.

(b) The Contracting Party agrees that it will not (i) terminate the Assigned Agreement [(other than pursuant to Section __ of the Assigned Agreement)]¹ or (ii) suspend the performance of any of its obligations under the Assigned Agreement which can be performed notwithstanding the event of default or default without copying the Collateral Agent on any notice to the Project Owner required under the Assigned Agreement for Contracting Party to terminate the Assigned Agreement or suspend performance thereunder [(other than a termination pursuant

¹ Insert applicable provision, if any, of the Assigned Agreement giving the Contracting Party a right to terminate the Assigned Agreement other than upon a default or other event or condition curable by the Project Owner.

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to Section ___ of the Assigned Agreement)]² and providing the Collateral Agent the opportunity to cure as provided below. The Contracting Party further agrees that it will not assign the Assigned Agreement without copying the Collateral Agent as set forth in in Section [] of the Assigned Agreement.

(c) If a Termination Event shall occur [(other than a termination pursuant to Section ___ of the Assigned Agreement)]³, and the Contracting Party shall then be entitled to and shall desire to terminate the Assigned Agreement or suspend the performance of any of its obligations under the Assigned Agreement, the Contracting Party shall, prior to exercising such remedies or taking any other action with respect to such Termination Event, give written notice to the Collateral Agent of such Termination Event. If the Collateral Agent elects to exercise its right to cure as herein provided, it shall (i) give written notice to the Contracting Party that Collateral Agent intends to cure the Termination Event and (ii) have a period of thirty (30) days after receipt by it of notice from the Contracting Party referred to in the preceding sentence in which to cure the Termination Event specified in such notice if such Termination Event consists of a payment default, or if such Termination Event is an event other than a failure to pay amounts due and owing by the Project Owner (a "Non-monetary Event") the Collateral Agent shall have one hundred twenty (120) days to cure such Termination Event so long as the Collateral Agent has commenced and is diligently pursuing appropriate action to cure such Termination Event and Collateral Agent has provided a Plan to the Contracting Party which outlines the actions that will be taken to cure the Non-monetary Event and includes the proposed timeline to cure the Non-monetary Event; provided, however, that (i) if possession of the Project is necessary to cure such Non-monetary Event and the Collateral Agent has commenced foreclosure proceedings, the Collateral Agent will be allowed a reasonable time to complete such proceedings, and (ii) if the Collateral Agent is prohibited from curing any such Non-monetary Event by any process, stay or injunction issued by any governmental authority or pursuant to any bankruptcy or insolvency proceeding or other similar proceeding involving the Project Owner, then the time periods specified herein for curing a Termination Event shall be extended for the period of such prohibition. The Contracting Party shall be entitled to rely, and shall be fully protected in relying, upon any notice by Collateral Agent of its intent to cure a Termination Event in good faith believed by Contracting Party to be genuine and correct and to have been signed.

(d) Any curing of or attempt to cure any Termination Event shall not be construed as an assumption by the Collateral Agent or the other Secured Parties of any covenants, agreements or obligations of the Project Owner under or in respect of the Assigned Agreement or a relinquishment by Contract Party of any right or remedy in respect of the Assigned Agreement.

(e) In connection with any outage for which (i) the Collateral Agent delivers written Notice (which such Notice may consist of an e-mail) to Buyer stating that the Collateral Agent anticipates such outage will continue for forty-eight (48) hours or more, and (ii) the Collateral Agent has delivered a Plan to Buyer:

(i) Buyer may, upon written Notice to Collateral Agent, purchase replacement energy for a period of time equal to the lesser of (A) the remaining period of time outlined

² Insert applicable provision, if any, of the Assigned Agreement giving the Contracting Party a right to terminate the Assigned Agreement other than upon a default or other event or condition curable by the Project Owner.

³ Insert applicable provision, if any, of the Assigned Agreement giving the Contracting Party a right to terminate the Assigned Agreement other than upon a default or other event or condition curable by the Project Owner.

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in such Plan, or (B) seven (7) days; *provided*, for the avoidance of doubt, that if the Plan provides a timeline greater than seven (7) days to resume the delivery of Product to the Delivery Point, Buyer may continue to purchase replacement energy upon written Notice to Collateral Agent on a rolling basis until the date on which delivery of Product to the Delivery Point will resume, as specified in the Plan;

(ii) Buyer shall not be obligated to purchase or receive Delivered Energy during such period; and

(iii) the Collateral Agent shall provide regular Plan updates to Buyer.

(f) In connection with any outage that is not a Planned Outage or a Maintenance Outage and for which Seller fails to deliver written Notice (including by e-mail) to Buyer within twenty-four (24) hours after the occurrence of such outage

(i) Buyer may, upon written Notice to Seller or Collateral Agent (as applicable), purchase replacement energy for a period of time equal to seven (7) days, and Buyer may continue to purchase replacement energy upon written Notice to Seller or Collateral Agent (as applicable) on a rolling basis until the date on which delivery of Energy to the Delivery Point is anticipated to resume, as specified in a Plan;

(ii) Buyer shall not be obligated to purchase or receive Delivered Energy during such period; and

(iii) Seller or Collateral Agent (as applicable) shall provide regular Plan updates to Buyer.

4. Replacement Agreements. Notwithstanding any provision in the Assigned Agreement to the contrary, in the event the Assigned Agreement is rejected or otherwise terminated as a result of any bankruptcy, insolvency, reorganization or similar proceedings affecting the Project Owner, at the Collateral Agent's request, the Contracting Party will, within sixty (60) days after presentation by Collateral Agent of the proposed designee and agreement, enter into a new agreement with the Collateral Agent or the Collateral Agent's qualified designee for the remainder of the originally scheduled term of the Assigned Agreement, effective as of the date of such rejection, with the same Project Owner Performance Assurance, covenants, agreements, terms, provisions and limitations as are contained in the Assigned Agreement.

5. Substitute Owner. The Contracting Party acknowledges that in connection with the exercise of remedies following a default under the Financing Documents, the Collateral Agent may (but shall not be obligated to) assume, or cause any qualified purchaser at any foreclosure sale or any qualified assignee or transferee under any instrument of assignment or transfer in lieu of foreclosure to assume, all of the interests, rights, duties and obligations of the Project Owner thereafter arising under the Assigned Agreement. If the interest of the Project Owner in the Assigned Agreement shall be assumed, sold or transferred as provided above, the assuming party shall agree in writing with Contracting Party and Collateral Agent to be bound by and to assume the terms and conditions of the Assigned Agreement and any and all obligations to the Contracting Party arising or accruing thereunder from and after the date of such assumption, shall provide Performance Assurance consistent with the terms of the Assigned Agreement, and the Contracting Party shall continue to perform its obligations under the Assigned Agreement in favor of the

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assuming party as if such party had thereafter been named as the "Seller" under the Assigned Agreement; provided that if the Collateral Agent or its designee (or any entity acting on behalf of the Collateral Agent, the Collateral Agent's designee or any of the other Secured Parties) assumes the Assigned Agreement as provided above, it shall not be personally liable for the performance of the obligations thereunder except to the extent of all of its right, title and interest in and to the Project and the amount of Performance Assurance. For purposes of this Article 5, a "qualified" purchaser or assignee or transferee shall be one which Contracting Party and Collateral Agent agree has the technical skill and financial wherewithal to operate and maintain the Project in the same manner as the Project Owner.

6. Payments. The Contracting Party shall make all payments due to the Project Owner under the Assigned Agreement directly into the account specified on Schedule II hereto, or to such other person or account as shall be specified from time to time by the Collateral Agent to the Contracting Party in writing. All parties hereto agree that each payment by the Contracting Party as specified in the preceding sentence of amounts due to the Project Owner from the Contracting Party under the Assigned Agreement shall satisfy the Contracting Party's corresponding payment obligation under the Assigned Agreement.

7. No Amendments. The Contracting Party acknowledges that the Project Owner and Collateral Agent have informed Contracting Party that the Financing Documents restrict the right of the Project Owner to amend or modify the Assigned Agreement, or to waive or provide consents with respect to certain provisions of the Assigned Agreement, unless certain conditions specified in the Financing Documents are met. The Contracting Party shall not without the prior written consent of the Collateral Agent, materially amend or modify the Assigned Agreement, or accept any waiver or consent with respect to certain provisions of the Assigned Agreement, unless the Contracting Party has received from the Project Owner a copy of a certificate delivered by the Project Owner to the Collateral Agent to the effect that such amendment, modification, waiver or consent has been made in accordance with the terms and conditions of the Financing Documents, which may in certain circumstances require the prior written consent of the Collateral Agent thereto.

8. Additional Provisions. [To be specified if necessary to clarify the Assigned Agreement.]

9. Notices. Notice to any party hereto shall be in writing and shall be deemed to be delivered on the earlier of: (a) the date of personal delivery, (b) postage prepaid, registered or certified mail, return receipt requested, or sent by express courier, in each case addressed to such party at the address indicated below (or at such other address as such party may have theretofore specified by written notice delivered in accordance herewith), upon delivery or refusal to accept delivery, or (c) if transmitted by facsimile, the date when sent and facsimile confirmation is received; provided that any facsimile communication shall be followed promptly by a hard copy original thereof by express courier:

The Collateral Agent: [_____]
[_____]
Attn: [_____]
Telephone No.: [_____]
Facsimile No.: [_____]

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The Project Owner: _____

The Contracting Party: _____

10. Successors and Assigns. This Consent shall be binding upon and shall inure to the benefit of the successors and assigns of the Contracting Party, and shall inure to the benefit of the Collateral Agent, the other Secured Parties, the Project Owner and their respective successors, transferees and assigns. No assignment of this Consent by a party hereto shall be effective without the prior consent of the other parties hereto, which consent shall not be unreasonably withheld.

11. Counterparts. This Consent may be executed in one or more counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

12. Governing Law. This Consent shall be governed by and construed in accordance with the laws of the State of Florida, without regard to principles of conflicts of laws.

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IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Consent as of the date first written above.

[NAME OF CONTRACTING PARTY]

By:

Name:

Title:

[_____]

as Collateral Agent

By:

Name:

Title:

Acknowledged and Agreed:

[NAME OF PROJECT OWNER]

By:

Name:

Title:

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Schedule I

Assigned Agreement

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Schedule II

Payment Instructions
(Section 6)

All payments due to the Project Owner pursuant to the Assigned Agreement shall be made to [INSERT REVENUE ACCOUNT INFORMATION].

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[Schedule III]

[Amounts Due and Unpaid under the Assigned Agreement
(Section 2(c))]

EXHIBIT N-2
ESTOPPEL CERTIFICATE

[FLORIDA MUNICIPAL POWER AGENCY/OUC]
(Effective Date: _____ [20__])

[PROJECT COMPANY], a Delaware limited liability company (“Seller”), and [FLORIDA MUNICIPAL POWER AGENCY/OUC], a [_____] (“Buyer”), are parties to that certain Renewable Energy Power Purchase Agreement, dated as of [March __, 2018] as it may have been amended and modified (the “Agreement”). Capitalized terms used but not otherwise defined herein have the same meaning given such terms in the Agreement. Buyer acknowledges that [name of tax equity Investor(s)] (the “Investor(s)”) has requested an estoppel certificate in connection with the close of the purchase by the Investor(s) of [one hundred] percent ([100]%) of the non-managing Class B equity interest in the Seller effective the date hereof.

The undersigned, a duly authorized representative of Buyer, does hereby certify and with respect to Section 6 hereof, covenant to Investor(s) as of the date of this Estoppel Certificate set forth above the following with respect to the Agreement:

1. No Event of Default with respect to Buyer, nor, to the knowledge of Buyer, Seller has occurred and is continuing under the Agreement, and there are no defaults or unsatisfied conditions presently existing (or which would exist after the passage of time and/or giving of notice) that would allow the Seller or, to the knowledge of Buyer, Buyer to terminate the Agreement.
2. There exists no event or condition that would, either immediately or with the passage of time and/or giving of notice, allow the Seller or, to the knowledge of Buyer, Buyer to suspend the performance of its obligations under the Agreement.
3. Each representation or warranty made or given by Buyer in Section 11.1 of the Agreement is complete, true and correct.
4. As of the date hereof, (i) with respect to Buyer, the Agreement is in full force and effect and has not been assigned, amended, supplemented or modified by Buyer, (ii) with respect to Seller, to the knowledge of Buyer, the Agreement is in full force and effect and has not been assigned, amended, supplemented or modified by Seller, (iii) there are no pending or to the knowledge of Buyer, threatened disputes or legal proceedings between Buyer and the Seller, (iv) there is no pending or, to the knowledge of Buyer, threatened action or proceeding involving or relating to Buyer before any court, tribunal, governmental authority or arbitrator the adverse outcome of which would materially affect the legality, validity or enforceability of the Agreement, (v) Buyer does not have knowledge of any event, act, circumstance or condition constituting a Force Majeure Event under the Agreement that would relieve Buyer from the

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performance of its obligations under the Agreement, and (vi) all undisputed amounts due from Seller under the Agreement as of the date hereof have been paid in full and to the knowledge of Buyer the Seller owes no indemnity payments or other amounts to Buyer under the Agreement.

5. The execution, delivery and performance by Buyer of this Estoppel Certificate have been duly authorized by all necessary action on the part of Buyer and do not require any approval or consent of any other person or entity and do not violate any provision of any law, regulation, order, judgment, injunction or similar matters or breach any agreement presently in effect with respect to or binding on Buyer.

(a) Buyer agrees to send copies of all Notices of all Events of Default of Seller sent to Seller (and copies of any notices sent by Buyer to Seller related to Buyer's exercise of its termination rights) to the Investor designated by the Investors to receive notice at the address set forth on Exhibit A hereto by overnight carrier, mail, fax or email.

(b) Buyer agrees that it will not terminate the Agreement without first sending the Investor notice and opportunity to cure as provided in this Section 6.

(c) If an Investor elects to exercise its right to cure an Event of Default by Seller under the Agreement as provided in this Section 6, it shall (i) give written notice to the Buyer and Other Buyers that Investor intends to cure the Event of Default and (ii) have a period beginning on the date the cure period for such Event of Default for the Seller expires and ending on the later of (A) thirty (30) days if such Event of Default consists of a payment default or (B) if such Event of Default is an event other than a failure to pay amounts due and owing by the Seller (a "Non-monetary Event"), one hundred twenty (120) days so long as the Investor has commenced and is diligently pursuing appropriate action to cure such Event of Default and Investor has provided a Plan to the Buyer which outlines the actions that will be taken to cure the Non-monetary Event and includes the proposed timeline to cure the Non-monetary Event; provided, however, that (x) if possession of the Project is necessary to cure such Non-monetary Event and the Investor has commenced foreclosure proceedings, the Investor will be allowed a reasonable time to complete such proceedings, and (y) if the Investor is prohibited from curing any such Non-monetary Event by any process, stay or injunction issued by any governmental authority or pursuant to any bankruptcy or insolvency proceeding or other similar proceeding involving the Seller, then the time periods specified herein for curing an Event of Default shall be extended for the period of such prohibition. The Buyer shall be entitled to rely, and shall be fully protected in relying, upon any notice by Investor, including with respect to its intent to cure an Event of Default in good faith believed by Buyer to be genuine and correct.

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(d) In connection with any outage of the Project for which (i) the Investor(s) delivers written Notice (which such Notice may consist of an e-mail provided that it is confirmed by overnight delivery of a copy of such Notice to Buyer) to Buyer stating that the Investor(s) anticipates such outage will continue for forty-eight (48) hours or more, and (ii) the Investor(s) has delivered a Plan to Buyer:

A. Buyer may, upon written Notice to Investor(s), purchase replacement energy for a period of time equal to the lesser of (A) the remaining period of time outlined in such Plan, or (B) seven (7) days; *provided*, for the avoidance of doubt, that if the Plan provides a timeline greater than seven (7) days to resume the delivery of Product to the Delivery Point, Buyer may continue to purchase replacement energy upon written Notice to Investor(s) on a rolling basis until the date on which delivery of Product to the Delivery Point will resume, as specified in the Plan.

B. Buyer shall not be obligated to purchase or receive Delivered Energy during such period; and

C. the Investor(s) shall provide regular Plan updates to Buyer.

(e) In connection with any outage that is not a Planned Outage or a Maintenance Outage and for which Seller or Investor fails to deliver written Notice to Buyer within twenty-four (24) hours after the occurrence of such outage:

(iv) Buyer may, upon written Notice to Seller or Investor (as applicable), purchase replacement energy for a period of time equal to seven (7) days, and Buyer may continue to purchase replacement energy upon written Notice to Seller or Investor (as applicable) on a rolling basis until the date on which delivery of Energy to the Delivery Point is anticipated to resume, as specified in a Plan;

(v) Buyer shall not be obligated to purchase or receive Delivered Energy during such period; and

(vi) Investor shall provide regular Plan updates to Buyer.

(f) Any curing of or attempt to cure any Event of Default shall not be construed as an assumption by any Investor of any covenants, agreements or obligations of the Seller under or in respect of the Agreement.

6. Buyer confirms that the Commercial Operation Date has occurred.

7. Buyer acknowledges that as of the date hereof, Buyer has not provided a Notice to Seller of Buyer's intent to exercise the Purchase Option to Seller that is pending.

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8. As of the date hereof, the Performance Assurance provided by Seller has not been drawn upon by Buyer.

9. Buyer acknowledges and agrees that solely on the basis of the truth, accuracy and completeness of written certification provided by Seller and delivered to Buyer, each of the Investor(s) (i) is a "Project Investor" as defined in the Agreement, (ii) has all rights of a "Project Investor" as defined in the Agreement and (iii) Buyer's consent is not required for a direct or indirect transfer of the non-managing Class B equity interest in the Seller to the Investor(s).

[Signature page follows]

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IN WITNESS WHEREOF, Buyer has caused this Estoppel Certificate to be executed by its undersigned authorized officer as of the date first set forth above.

[FLORIDA MUNICIPAL POWER AGENCY/OUIC]

By: _____
Name:
Title:

Exhibit A

INVESTOR ADDRESS FOR NOTICES

Buyer shall send notices under this Estoppel Certificate to the address of the single Investor identified below.

[Investor Name]
[Address]
[Attention: _____, Position]
[Email Address]

With a copy to the other Investor identified below:

[Investor Name]
[Address]
[Attention: _____, Position]
[Email Address]

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**EXHIBIT O
OTHER BUYERS**

Project	Buyer	Buyer's Share of Project
Osceola	OUC	X%
	FMPA ARP	X%
	FMPA SEP	X%
Holopaw	OUC	X%
	FMPA ARP	X%
	FMPA SEP	X%
Orange	OUC	X%
	FMPA ARP	X%
	FMPA SEP	X%

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**EXHIBIT P
FMPA SOLAR PROJECT PARTICIPANTS**

ATTACHMENT B

FMPA PROCESS FOR DETERMINING ALLOCABLE A&G COSTS

FMPA uses a process to determine the Administrative and General Costs (A&G Costs) that will be incurred to effectively manage its non-ARP power supply projects. FMPA's Board approves the process and the allocations to power supply project participants when the Board approves each annual power supply project budget. The process is subject to annual review and approval by the Board, and thus, may change from time to time.

The following describes the power supply project A&G cost determination process for the FY2018 Budget and provides an example of how A&G costs will be allocated to Solar Project and ARP Solar Participants, starting with the FY2020 budget:

- 1) Staff determines the FMPA positions that are essential to effective management of the Projects;
- 2) Staff determines the percent time each position spends serving the needs of each the Projects and the ARP;
- 3) The allocable cost of each position to each of the Projects is the percent time this position spends serving the needs of each the Projects determined in 2) multiplied by the current mid-point of the salary range of the position as maintained by FMPA's Human Resources Department and approved by the Board, and multiplied by FMPA's overhead adder percentage;
- 4) The total A&G allocated to each Project is the sum of the allocable costs of each position essential to effective management of the Project;
- 5) The total A&G allocated to the Solar Project will not exceed 100% of the cost associated with the single highest cost non-executive level FMPA position essential to the effective management of the Projects, and annual increases in total A&G allocated shall be commensurate with annual salary increases of such highest costs non-executive level FMPA position;
- 6) Once the annual A&G costs to be allocated to the Solar Project and ARP Solar Participants is determined, the amount is divided by 12 to arrive at the monthly allocable A&G costs.
- 7) For Solar Project and ARP Solar Participants, the monthly allocable A&G costs will be divided by the total amount of the solar energy received by the Solar Project and the ARP Solar Participants for the billing month to determine a monthly allocable A&G rate (\$/MWh). Each Solar Project and ARP Solar Participant pays this rate times the amount of solar energy each Participant received during the billing month.
- 8) The table below is an example of the calculation of annual and monthly allocable A&G costs to each power supply project and the Solar Project and the ARP Solar Participants for the FY2020 Budget using cost data and the process approved for the FY2018 Budget. This allocation process is subject to Board approval each year.

**Florida Power & Light Company
Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
Attachment No. 1
Page 1017 of 1048**

Position	FYE2018 Mid Point Salary	Example A&G Allocation for FY2020 Budget					
		ARP	STN	Tri-City	STN 2	St Lucie	Solar
General Manager	\$200,000	20%	20%	20%	20%	20%	2%
Admin Asst.	\$56,456	20%	20%	20%	20%	20%	2%
Director of Engineering	\$191,969	20%	20%	20%	20%	20%	2%
Engineer	\$117,722	19%	19%	19%	19%	19%	5%
Engineering Assistant	\$56,456	20%	20%	20%	20%	20%	2%
Director of Finance	\$191,969	18%	18%	18%	18%	18%	10%
Mgr. Contracts Compliance	\$132,777	18%	18%	18%	18%	18%	10%
Accountant III	\$92,539	18%	18%	18%	18%	18%	10%
Accounting Clerk	\$43,833	18%	18%	18%	18%	18%	10%
Payroll Clerk PT	\$28,228	20%	20%	20%	20%	20%	2%
Total	\$1,111,949	\$209,858	\$209,858	\$209,858	\$209,858	\$209,858	\$62,660
Overhead Adder	95.10%	95.10%	95.10%	95.10%	95.10%	95.10%	95.10%
Annual Allocable A&G	\$2,169,412	\$409,433	\$409,433	\$409,433	\$409,433	\$409,433	\$122,250
Monthly Allocable A&G	\$180,784	\$34,119	\$34,119	\$34,119	\$34,119	\$34,119	\$10,187

ATTACHMENT C
WORKING CAPITAL ALLOWANCE

In order to provide for working capital for the Solar Project, and to provide for the Solar Project's ability to pay Seller in the event that of non-payment by one or more Project Participants, the Solar Project shall maintain a line of credit in the principal amount of \$250,000, or other financial instrument or cash on hand as determined by the Solar Project Committee ("Line of Credit"). The Line of Credit will be obtained at the time solar energy starts to be provided under the Solar PPA and will remain in place for the remaining term of this Power Sales Contract. Working capital expenses, including payment of interest on any amounts drawn on the Line of Credit, shall constitute Project Related Costs.

Attachment D

Project Development Fund Costs

As of the Effective Date of this Agreement, FMPA has incurred \$135,705.10 in Project Development Fund costs. No additional Project Development Fund costs shall be incurred after the Effective Date.

The amount of Project Development Fund costs allocable to Project Participants shall be calculated by dividing the total balance of Development Fund Costs incurred for solar development by the total expected energy production allocated to the Solar Project and ARP solar participants over the first 20 years of the Solar Project PPA and the power purchase agreement entered into between the ARP solar participants and Seller. The resulting dollar per MWh cost shall be allocated as a Project Related Cost.

[FMPA Note: Actual Project Development Fund expenses as of (3/1) are approximately \$119,000. We expect to incur approximately \$135k total by the Effective Date. The number above will reflect the actual number on the Effective Date, and will not increase thereafter.]

[FMPA Note: The following is a table showing our projected calculations for project development fund reimbursement. We will include a table similar to this, with updated development fund expenditure and participation level numbers, in the final document:

Project Development Fund Cost	Units	Value
Total Development Fund Expenditure	\$	135,705
Participant Capacity	MW-AC	115
Est. Annual Capacity Factor	%	28%
Est. Annual Project Energy	MWh	282,072
20 Year Buy down Per Year	\$	6,785
20 Year Buy down Per MWh	\$/MWh	0.0241

SCHEDULE 1
SCHEDULE OF PROJECT PARTICIPANTS

<u>Name and Address of Participant</u>	<u>Solar Entitlement Share (MW)</u>	<u>Solar Entitlement Share (%)</u>
City of Alachua	9	15.789%
City of Bartow	13	22.807%
Homestead Public Services	10	17.544%
City of Lake Worth Utilities	10	17.544%
City of Wauchula	5	8.772%
Winter Park Electric Utility	10	17.544%
Total	57	100%

[FMPA Note: This schedule is subject to change based on final participation levels among Project Participants]

DRAFT – FOR DISCUSSION PURPOSES ONLY
SUBJECT TO EXECUTIVE COMMITTEE/FMPA BOARD OF DIRECTORS APPROVAL
(Draft of 03/9/2018)

Solar Project

Power Sales Contract

Between

**Florida Municipal Power Agency, Solar
Power Project**

and

[MEMBER]

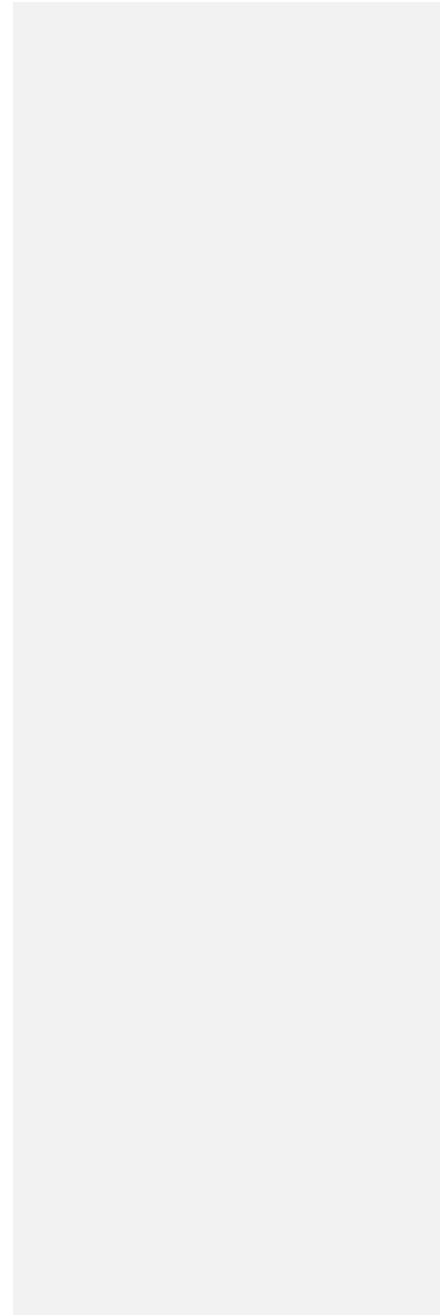


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**SOLAR PROJECT
POWER SALES CONTRACT**

This POWER SALES CONTRACT is made and entered into as of _____, 2018, by and between FLORIDA MUNICIPAL POWER AGENCY, a legal entity organized under the laws of the State of Florida ("FMPA") and _____, a public agency of the State of Florida and member of FMPA who has executed this Power Sales Contract (the "Project Participant").

WITNESSETH:

WHEREAS, FMPA was created to, among other things, provide a means for the Florida municipal corporations and other entities which are members of FMPA to cooperate with each other on a basis of mutual advantage to provide Electric Energy generated by solar generating facilities; and

WHEREAS, FMPA is authorized and empowered, among other things, (i) to plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate jointly in one or more electric projects; (ii) to issue its bonds, notes or other evidences of indebtedness to pay all or part of the costs of acquiring such electric projects; and (iii) to exercise all other powers which may be necessary and proper to further the Purposes of FMPA which have been or may be granted to FMPA under the laws of the State of Florida; and;

WHEREAS, NextEra Florida Renewables, Inc., including its successors or assigns, ("Seller") is developing a solar photovoltaic single-axis tracking electric generating facility having a nameplate capacity of 74.5 MW alternating current ("ac"), which will be designed, financed, constructed and operated by Seller in Osceola County, Florida ("Solar Facility"); and

WHEREAS, FMPA will enter into a Power Purchase Agreement between Seller and FMPA ("Solar Project PPA"), a copy of which is attached to this Power ~~Purchase Agreement~~Sales Contract as "Attachment A," and FMPA will purchase and receive a portion of the as-available net Electric Energy output and associated Renewable Energy Attributes and Facility Attributes produced by Solar Facility (referred to cumulatively in this Power Sales Contract as the "Solar Product"); and

WHEREAS, FMPA will take or cause to be taken all steps necessary for delivery to Project Participant and the other Project Participants of their respective share of the Solar Product produced from or attributable to the Solar Facility and delivered to FMPA under the Solar Project PPA, and will sell the Solar Product from the Solar Facility pursuant to this Power Sales Contract and pursuant to contracts substantially similar to this contract with such other Project Participants; and

WHEREAS, the execution of the Solar Project PPA for the supply of Solar Product produced by or attributable to the Solar Facility to the Project Participant and the other Project Participants contracting with FMPA therefor has been authorized by the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended to date and as such Interlocal Agreement has been supplemented by a resolution adopted by the Board of FMPA at a meeting duly called and duly held on _____, 2018, which Interlocal Agreement, as so amended and supplemented, constitutes "an agreement to implement a project" and a "joint power agreement" for the Solar Project, as such terms are used in Chapter 361, Part II, Florida Statutes, as amended; and

WHEREAS, in order to pay the cost of acquiring the Solar Product produced by or attributable to the Solar Facility under the Solar Project PPA, it is necessary for FMPA to have substantially similar binding contracts with the Project Participant and such other Project Participants purchasing Solar Product produced by or attributable to the Solar Facility.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties hereto as follows:

SECTION 1. Definitions and Explanations of Terms. As used herein:

Allocable A&G Costs shall mean administrative and general costs incurred by FMPA that have been allocated to the Solar Project by the FMPA Board of Directors. The initial allocation of Allocable A&G Costs is attached to this Power Sales Contract as "Attachment B," as it may be amended from time to time at the discretion of the FMPA Board of Directors.

Annual Budget means the budget adopted by the Board of FMPA pursuant to paragraph (a) of SECTION 4 hereof which itemizes the estimated Monthly Energy Costs and Project Related Costs for the following Contract Year, or, in the case of an amended Annual Budget adopted by the Board of FMPA, during the remainder of a Contract Year, and the Project Participant's share, if any, of each.

Board shall mean the Board of Directors of FMPA, or if said Board shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof.

Contract Year shall mean the twelve (12) month period commencing at 12:01 a.m. on October 1 of each year, except that the first Contract Year shall commence on 12:01 a.m. on October 1, 2018, and shall expire at 12:01 a.m. the next succeeding October 1.

Discretionary Term Decision shall have the meaning set forth in SECTION 7(a) of this Power Sales Contract.

Downgrade Event shall have the meaning set forth in the Solar PPA.

Effective Date shall have the meaning set forth in SECTION 2 of this Power Sales Contract.

Electric Energy shall mean kilowatt hours (kWh).

Energy Price means the price (\$/MWh) to be paid by FMPA under the Solar Project PPA for Solar Product produced by the Solar Facility and delivered by Seller to FMPA.

Energy Share shall mean FMPA's [___ %] share under the Solar Project PPA in the Solar Product produced by or associated with the Solar Facility.

Facility Attributes has the meaning given in the Solar Project PPA.

Initial Energy Delivery Date shall have the meaning provided for in the Solar Project PPA.

Month shall mean a calendar month.

Monthly Energy Costs shall mean, with respect to each Month of each Contract Year, the product of (i) the Energy Price and (ii) the quantity of Solar Product delivered by Seller to FMPA.

Network Upgrades shall have the meaning set forth in the Solar PPA.

Network Upgrade Costs shall have the meaning set forth in the Solar PPA.

Point of Delivery shall mean the high side of the generator step-up transformer of the Solar Facility.

Power Sales Contracts shall mean this Power Sales Contract and the other Power Sales Contracts, dated the date hereof, between FMPA and the other Project Participants, all relating to the Solar Project PPA and Solar Facility, as the same may be amended from time to time, and any substantially similar contract entered into by FMPA in connection with any transfer or assignment in accordance with this Power Sales Contract.

Project Development Fund Costs shall mean those costs incurred by FMPA and funded by the FMPA Project Development Fund used for the establishment of the FMPA Solar Project. The Project Development Fund Costs as of the Effective Date are set forth in Attachment D of this Power Sales Contract.

Project Related Costs shall mean the costs incurred under the Solar Project PPA other than Monthly Energy Costs, as well as any other costs incurred by FMPA directly attributable to the Solar Project, including, without limitation, Allocable A&G Costs, Network Upgrade Costs, an amount to reimburse FMPA Project Development Fund Costs, a Working Capital Allowance, any costs associated with real-time monitoring of the output from the Solar Facility to facilitate Project Participants' transmission scheduling requirements, any credit or payment assurance amounts that may be required under the Solar PPA due to a Downgrade Event, as such term is defined in the Solar PPA, among others.

Project Participants shall mean the parties, including the Project Participant, other than FMPA, to Power Sales Contracts substantially similar hereto.

Renewable Attributes has the meaning given in the Solar Project PPA.

Schedule of Project Participants shall mean the Schedule of Project Participants contained in Schedule I hereto, as the same may be amended or supplemented from time to time in accordance with the provisions hereof.

Seller shall have the meaning set forth in the Recitals of this Power Sales Contract.

Solar Entitlement Share shall mean, with respect to each project Participant, that percentage of FMPA's Energy Share from the Solar Facility shown opposite the name of such Project Participant in the Schedule of Project Participants as the same may be adjusted from time to time in accordance with the provisions hereof.

Solar Project shall mean the contractual arrangements and agreements for the purchase of Solar Product by FMPA pursuant to the Solar Project PPA and sale of the Solar Product to Project Participant pursuant to this Power Sales Contract.

Solar Project Committee has the meaning set forth in SECTION 7 of this Power Sales Contract.

Solar Facility shall have the meaning set forth in the recitals of this Power Sales Contract.

Solar Product shall have the meaning set forth in the recitals of this Power Sales Contract.

Solar Project PPA shall have the meaning set forth in the recitals of this Power Sales Contract.

Transmission Service Provider shall mean the transmission service provider(s) to which the Solar Facility is interconnected.

Uniform System of Accounts shall mean the Federal Energy Regulatory Commission (or its successor in function) Uniform Systems of Accounts prescribed for Class A and Class B Public Utilities and Licensees, as the same may be modified, amended or supplemented from time to time.

Working Capital Allowance shall mean funds acquired by the Solar Project in such amounts as shall be deemed reasonably necessary by the FMPA Board of Directors to provide for any working capital needs, including providing for the Solar Project's ability to pay the Seller in the event of non-payment by one or more Project Participants. The initial Working Capital Allowance and the method of funding is described in "Attachment C" to this Power Sales Contract.

SECTION 2. Term & Termination.

(a) Effective Date. This Power Sales Contract shall become effective upon the last date of execution and delivery of all Power Sales Contracts by all Project Participants originally listed in the Schedule of Project Participants and by FMPA (the "Effective Date") and shall, unless this Power Sales Contract is terminated early pursuant hereto, continue until the expiration or earlier termination of the Solar Project PPA. ~~Neither~~Unless a Project Participant terminates this Agreement pursuant to Section 19(a) by paying all stranded cost obligations, neither termination nor expiration of this Power Sales Contract shall affect any accrued liability or obligation hereunder. Notwithstanding the foregoing, in the event it is ultimately determined that any other Project Participant failed to duly and validly execute and deliver its Power Sales Contract, or if any other Power Sales Contract, or any portion thereof, shall be deemed invalid or unenforceable for any other reason whatsoever, such determination shall in no way affect the commencement, term or enforceability of this Power Sales Contract or the Project Participant's obligations hereunder.

(b) Early Termination. Project Participant may terminate this Power Sales Contract pursuant to SECTION 19 of this Power Sales Contract.

SECTION 3. Sale and Purchase.

Commencing on the Initial Energy Delivery Date of the Solar Facility, FMPA shall purchase from Seller in accordance with the terms and conditions of the Solar Project PPA, and FMPA agrees to and does sell, and the Project Participant agrees to and does hereby purchase, the Project Participant's Solar Entitlement Share. The Project Participant shall, in accordance with and subject to the provisions of SECTION 5 hereof, pay FMPA (i) for its Solar Entitlement Share, an amount determined by multiplying Monthly Energy Costs by the Project Participant's Solar Entitlement Share, and (ii) for its share of monthly Project Related Costs, an amount determined by multiplying the Project Related Costs for such Month by Project Participant's Solar Entitlement Share. FMPA shall provide documentation evidencing the conveyance of the Renewable Attributes associated with the Solar Product to Project Participant in a form acceptable to FMPA and Project Participant.

SECTION 4. Project Budget.

(a) In accordance with the FMPA Board of Directors' annual schedule for budget development, the Solar Project Committee shall develop and approve a budget for the Solar Project and submit the same to the FMPA Board of Directors for approval. As part of the budget process, the Solar Project Committee will review Project Related Costs, including the Allocable A&G and the Working Capital Allowance, to ensure the appropriate amount of resources are allocated the Solar Project.

(b) On or before August 1, ~~2018~~2019, and on or before August 1 prior to the beginning of each Contract Year thereafter, the Board of FMPA shall review the proposed Solar Project budget submitted by the Solar Project Committee, and shall adopt and submit to the Project Participant an Annual Budget for the following Contract Year which shall provide an estimate of the Project Participant's monthly payments hereunder and serve as a basis for Project Participants' payments hereunder for Monthly Energy Costs and Project Related Costs for such Contract Year.

(c) During each Contract Year, the Solar Project Committee or Board may review its Annual Budget for the remainder of the Contract Year at any time as it shall deem desirable. In the event such or any other review indicates that such Annual Budget will not substantially correspond with actual Monthly Energy Costs, or actual Project Related Costs, or if at any time during such Contract Year there are or are expected to be extraordinary receipts, credits or costs substantially affecting the Monthly Energy Costs, or Project Related Costs, the Solar Project Committee shall recommend and the Board of FMPA shall adopt and submit to each Project Participant an amended Annual Budget applicable to the remainder of such Contract Year which shall provide an estimate of the Project Participant's monthly payments hereunder for

the remainder of such Contract Year and serve as the basis for the Project Participant's monthly payments for Monthly Energy Costs and Project Related Costs hereunder for the remainder of such Contract Year.

SECTION 5. Billing, Payment, Disputed Amounts.

(a) On or before the 10th day of each Month beginning with the second Month of the first Contract Year following the Effective Date, FMPA shall render to the Project Participant a monthly statement showing, in each case with respect to the prior Month, the amounts payable by Project Participant in respect of the following (i) the Monthly Energy Costs; (ii) the Project Related Costs; and (iii) any amount, if any, to be credited to or paid by the Project Participant pursuant to the terms of this Power Sales Contract.

(b) Monthly payments required to be paid to FMPA pursuant to this SECTION 5 shall be due and payable to FMPA on the 25th day of the Month in which the monthly statement was rendered. The Project Participant shall make payment to FMPA by the transfer of funds from the Project Participant's bank account, using an ACH Push or domestic Wire Transfer, through instructions to be provided by FMPA to the Project Participant.

(c) If payment in full is not made on or before the close of business on the due date, a delayed payment charge on the unpaid amount due for each day overdue will be imposed at a rate equal to the annual percentage prime rate of interest plus 5%, or the maximum rate lawfully payable by the Project Participant, whichever is less. If said due date is Saturday, Sunday or a holiday, the next following business day shall be the last day on which payment may be made without the addition of the delayed payment charge.

(d) In the event of any dispute ~~that is known by Project Participant, or should have reasonably been known,~~ as to any portion of any monthly statement, the Project Participant shall nevertheless pay the full amount of ~~thesuch~~ disputed charges when due and shall give written notice of ~~thesuch~~ dispute to FMPA not later than the date such payment is due. Such notice shall identify the disputed bill, state the amount in dispute and set forth a full statement of the grounds on which such dispute is based. No adjustment shall be considered or made for disputed charges unless notice is given as aforesaid. FMPA shall give consideration to such dispute and shall advise the Project Participant with regard to its position relative thereto within thirty (30) days following receipt of such written notice. Upon final determination (whether by agreement, ~~arbitration,~~ adjudication or otherwise) of the correct amount, any difference between such correct amount and such full amount shall be properly reflected in the statement next submitted to the Project Participant after such determination. If it is determined that the disputed amount is in the favor of the Participant, to the extent that FMPA earned any interest on the amount withheld, then interest actually earned shall be applied to the overpaid amount.

(e) The obligation of the Project Participant to make the payments under this SECTION 5 shall constitute an obligation of the Project Participant payable as an operating expense of the Project Participant's electric utility system solely from the revenues and other available funds of the electric utility system. The obligation of the Project Participant to make payments under this Power Sales Contract shall not be subject to any reduction, whether by offset, counterclaim, or otherwise, and shall not be otherwise conditioned upon performance of FMPA or Seller under the Solar Project PPA or the performance by FMPA under this or any other agreement or instrument or the validity or enforceability of any other Power Sales Contract or any other agreement between FMPA and any other Project Participant; provided, however, that the Monthly Energy Costs payable by Project Participant shall reflect the quantity of Solar Product made available by the Seller at the Point of Delivery, and payable by FMPA under the Solar Project PPA, during that month. The obligation of the Project Participant to make payments under this SECTION 5 shall not constitute a debt of the Project Participant within the meaning of any constitutional or statutory provision or limitation or a general obligation of or pledge of the full faith and credit of the Project Participant, and neither the Project Participant nor the State of Florida or any agency or political subdivision thereof shall ever be obligated or compelled to levy ad valorem taxes to make the revenues provided for in

this SECTION 5, and the obligation of the Project Participant to make payments pursuant to this SECTION 5 shall not give rise to or constitute a lien upon any property of the Project Participant or any property located within its boundaries or service area.

SECTION 6. Scheduling of Deliveries; Transmission.

(a) FMPA shall cause Seller, or Seller's agent, to schedule and deliver FMPA's Energy Share to the Point(s) of Delivery in accordance with standard scheduling and dispatching procedures. Unless otherwise agreed to in writing by FMPA and Project Participant, Project Participant shall be responsible for scheduling the delivery of its Solar Entitlement Share of Electric Energy, as well as the associated transmission service, from the Point(s) of Delivery to Project Participant's electric system. Upon request, FMPA, or its agent, shall provide such Project Participant with the Seller's daily forecasted output of the Solar Facility as provided by Seller pursuant to the Solar Project PPA. FMPA, or its agent, shall maintain communication with the Project Participant regarding Solar Facility forecasts and real-time output in order to enable Project Participant to modify its transmission schedules with its transmission service provider to align with the Solar Facility's actual output.

(b) Project Participant shall be responsible for securing transmission service necessary to deliver the Solar Energy from the Point of Delivery to Project Participant's electric system. To the extent this transmission service requires upgrades to Project Participant's transmission service provider's transmission system, Project Participant shall be responsible for ensuring all upgrades are complete and Project Participant is able to receive its Solar Entitlement Share prior to the Initial Energy Delivery Date, as defined in the Solar PPA, or otherwise arrange for alternative transmission arrangement for, or disposal of, its Solar Entitlement Share until such time as Project Participant can receive it. Project Participant shall be responsible for enforcing its rights under its transmission service agreement(s) and its transmission service provider's OATT regarding the transmission service provider's obligation to make such upgrades.

(c) All of the provisions of this SECTION 6 are subject to the provisions of the Solar Project PPA, and in the event of any inconsistencies between this SECTION 6 and the provisions of the Solar Project PPA governing scheduling, the terms of the Solar Project PPA shall govern.

SECTION 7. Solar Project PPA Early Termination and Term Extension, other Solar Project PPA Business Matters, and Solar Project Committee

(a) The Solar PPA includes several provisions that allow the Solar Project to exercise discretion regarding whether to extend the Term of the Solar PPA or to continue the existing Term of the Solar PPA despite a triggering event under the terms of the Solar PPA that permit early termination (hereinafter referred to as "Discretionary Term Decisions"). Such Discretionary Term Decisions may include, for example but without limitation, options for early termination of the Solar PPA if certain conditions precedent are not met, options for early termination where Network Upgrade Costs that exceed the threshold provided for under the Solar PPA, and for extension of the Term of the Solar PPA beyond the Initial Term. Project Participant and all other Project Participants will each designate a representative to serve on the Solar Project Committee. The Committee will meet in advance of any Discretionary Term Decisions provided for under the Solar PPA, and as FMPA or any Project Participant may request, with 30 day advance Notice (or less if the matter at hand so requires). The Solar Project Committee shall meet not less than 180 days prior to the expiration of the Initial Term, or a Renewal Term, if any, to decide whether to extend the Term of the Solar PPA. In making any Discretionary Term Decision, the Solar Project Committee will vote on the matter. If the Solar Project Committee unanimously decides to exercise a Discretionary Term Decision, then such unanimous consent shall be presented to the FMPA Board of Directors as a recommendation for action on the matter. If one or more Solar Project Participants do not wish to exercise a Discretionary Term Decision, then the other Solar Project Participants may elect to assume the Solar Entitlement Share of those Project Participant(s) that do not wish to exercise the

Discretionary Term Decision. In such event, the non-exercising Project Participant(s)' Solar Project Power Sales Contract shall be terminated, and the Power Sales Contract of the assuming Project Participant(s)' shall be amended to reflect the revised Solar Entitlement Shares. In the event that the Project Participant(s) that wish to exercise the Discretionary Term Decision cannot agree to assume 100% of the terminating Project Participant(s)' Solar Entitlement Share, then the Discretionary Term Decision shall not be exercised. ~~All other, non-Discretionary Term Decisions made by the Solar Project Committee shall be by a simple majority, with each Project Participant having one equally weighted vote on Solar Project matters. A copy of the Solar Project Committee Charter is attached to this Power Sales Contract as Attachment E. Amendments to the Solar Project Committee Charter shall be by unanimous consent of the Project Committee.~~

(b) All other, non-Discretionary Term Decisions made by the Solar Project Committee shall be by a simple majority, with each Project Participant having one equally-weighted vote on Solar Project matters. After formation of the Solar Project, each Project Participant shall designate a representative to serve on the Solar Project Committee. The Solar Project Committee shall develop a Solar Project Committee Charter for review and approval of the Board of Directors.

(b)(c) Pursuant to the Solar Project PPA, Seller is required, at its sole expense, to interconnect the Solar Facility to the transmission system at the Point of Delivery, as defined in the Solar Project PPA. To the extent that Network Upgrades are necessary in order to obtain Network Resource Interconnection Service for the Solar Facility from the Transmission Service Provider, the Solar Project may be required to fund such Network Upgrades. Such funding entitles the Solar Project to reimbursement from the Transmission Service Provider in the form of transmission credits for service related to the Solar Facility. In the event that the Transmission Service Provider's required transmission system studies identify Network Upgrades, the Solar Project Committee shall meet to determine, consistent with the terms of the Solar PPA, whether to fund such Network Upgrades, how to fund the Network Upgrades, and how to appropriately apply the credits that the Solar Project will receive from the Transmission Service Provider in order to reimburse funds used for the Network Upgrades. This funding plan will be submitted to the FMPA Board of Directors for approval. In the event that the Solar Project Committee elects to fund such Network Upgrades, as approved by the Board of Directors, the costs associated with such funding shall be included in the Project Related Costs billable to the Project Participants. In the event that one or more Project Participants do not desire to fund Network Upgrades in excess of the threshold provided for in the Solar PPA, then the step-up option and termination rights provided for in SECTION 7(a) shall apply. To the extent a Project Participant funds Network Upgrades and assigns to FMPA the Project Participant's right to receive a refund from the Transmission Provider, FMPA shall refund such Project Participant the value of the refund credits as they are received by FMPA from its transmission provider.

SECTION 8. Availability of Entitlement Shares.

Except as provided otherwise by this Power Sales Contract, and subject to the provisions of the Solar Project PPA, the Project Participant's Solar Entitlement Share shall be made available by FMPA in accordance with this Power Sales Contract during the term of this Power Sales Contract; provided, however, that, regardless of the amount of Solar Product actually delivered in any given month, Project Participant shall be obligated to make its payments under SECTION 5 hereof all for non-energy related Project Related Costs.

SECTION 9. Accounting.

(a) FMPA agrees to keep accurate records and accounts relating to the Solar Project and relating to Monthly Energy Costs, and Project Related Costs, in accordance with the Uniform System of Accounts, separate and distinct from its other records and accounts. Said accounts shall be audited annually, which audit may be conducted as part of and in connection with the normal year-end audit of FMPA, by a

firm of certified public accountants, experienced in public finance and electric utility accounting and of national reputation, to be employed by FMPA. A copy of each annual audit, including all written comments and recommendations of such accountants, shall be furnished by FMPA to the Project Participant not later than 120 days after the end of each Contract Year.

(b) The Project Participant shall supply to FMPA upon request a copy of the Project Participant's annual financial audit. Project Participant shall notify FMPA in writing immediately upon becoming aware of any event that may negatively affect the Project Participant's credit rating or cause a Downgrade Event, as defined in the Solar Project PPA.

SECTION 10. Information to be Made Available.

(a) Based, in each case, upon the data most recently available to FMPA pursuant to the Solar Project PPA, ~~upon request at intervals requested by Project Participant~~, FMPA will prepare and issue to the Project Participant the following reports:

- (1) status of the Solar Project annual budget,
- (2) status of construction of the Solar Facility during construction, as received from Seller, and
- (3) operating statistics relating to Solar Project, as received from Seller

(b) Upon request, FMPA shall furnish or otherwise make available to the Project Participant all other information which FMPA receives from Seller pursuant to the Solar Project PPA.

~~(c) FMPA shall promptly provide Project Participant copies of any notices made or received by FMPA pursuant to the Solar Project PPA.~~

~~(d)~~ Project Participant shall, upon request, furnish to FMPA all such information as is reasonably required by FMPA to carry out its obligations under this Power Sales Contract and the Solar Project PPA. As the Solar Project is obligated to demonstrate creditworthiness as a requirement of the Solar Project PPA and report to Seller any Downgrade Event, Project Participants will cooperate with FMPA and will promptly notify FMPA of any event experienced by Project Participant that may cause or contribute to a Downgrade Event.

SECTION 11. Covenants.

(a) Project Participant Covenants. Project Participant agrees (1) to maintain its electric utility system in good repair and operating condition; (2) to cooperate with FMPA in the performance of the respective obligations of such Project Participant and FMPA under this Power Sales Contract; (3) to establish, levy and collect rents, rates and other charges for the products and services provided by its electric utility system, which rents, rates, and other charges shall be at least sufficient (i) to meet the operation and maintenance expenses of such electric utility system, (ii) to comply with all covenants pertaining thereto contained in, and all other provisions of, any resolution, trust indenture, or other security agreement relating to any bonds or other evidences of indebtedness issued or to be issued by the Project Participant, (iii) to generate funds sufficient to fulfill the terms of all other contracts and agreements made by the Project Participant, including, without limitation, this Power Sales Contract, and (iv) to pay all other amounts payable from or constituting a lien or charge on the revenues of its electric utility system; and (4) take such action and execute and deliver all documents and information reasonably necessary to enable FMPA to perform its obligations under the Solar Project PPA.

Project Participant agrees that any power purchase agreement entered into by Project Participant after the Effective Date of this Power Sales Contract, including, without limitation, any full-requirements

power supply agreement, with any third party shall permit Project Participant to purchase and receive Solar Product pursuant to this Power Sales Contract.

(b) FMPA Covenants. FMPA covenants that it shall administer and enforce against the Seller the terms and conditions of the Solar PPA, including complying with any covenants required therein, as advised by the Solar Project Committee and directed by the FMPA Board of Directors.

SECTION 12. Event of Default – Project Participant.

(a) Failure of the Project Participant to make to FMPA when due any of the payments for which provision is made in this Power Sales Contract shall constitute an immediate default on the part of the Project Participant.

(b) Continuing Obligation, Right to Discontinue Service. In the event of any default referred to in this SECTION 12 hereof, the Project Participant shall not be relieved of its liability for payment of the amounts in default, plus reasonable attorney's fees and costs, and FMPA shall have the right to recover from the Project Participant any amount in default. In enforcement of any such right of recovery, FMPA may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, specific performance, declaratory judgment, or any combination thereof, as may be necessary or appropriate to enforce any covenant, agreement or obligation to make any payment for which provision is made in this Power Sales Contract against the Project Participant, and FMPA shall, upon ten (10) days written notice to the Project Participant, cease and discontinue, either permanently or on a temporary basis, providing all or any portion of the Project Participant's Solar Entitlement Share, at the discretion of the Solar Project Committee.

(c) Transfer of Solar Entitlement Shares Following Default. In the event of a default by any Project Participant and permanent discontinuance of service pursuant to this SECTION 12 of such Project Participant's Power Sales Contract, FMPA is hereby appointed the agent of such Project Participant for the purpose of disposing of such Project Participant's Solar Entitlement Share and as such agent, FMPA shall proceed to dispose of such defaulting Project Participant's Solar Entitlement Share as follows:

(1) FMPA shall first offer to transfer to all other non-defaulting Project Participants a pro rata portion of the defaulting Project Participant's Solar Entitlement Share which shall have been discontinued by reason of such default. Any part of such Solar Entitlement Share of a defaulting Project Participant which shall be declined by any non-defaulting Project Participant shall be reoffered pro rata to the non-defaulting Project Participants which have accepted in full the first such offer; such reoffering shall be repeated until such defaulting Project Participant's Solar Entitlement Share has been reallocated in full or until all non-defaulting Project Participants have declined to take any portion or additional portion of such defaulting Project Participant's Solar Entitlement Share.

(2) In the event less than all of a defaulting Project Participant's Solar Entitlement Share shall be accepted by the other non-defaulting Project Participants pursuant to clause (a1), FMPA shall, to the extent permitted by law, use commercially reasonable efforts to sell the remaining portion of a defaulting Project Participant's Solar Entitlement Share for the remaining term of such defaulting Project Participant's Power Sales Contract with FMPA. The agreement for such sale shall contain such terms and conditions, including provisions for discontinuance of service upon default, and as are otherwise acceptable to ~~FMPA~~the Solar Project Committee.

(3) Any portion of the Solar Entitlement Share of a defaulting Project Participant transferred pursuant to SECTION 12(c)(1) to a non-defaulting Project Participant shall become a part of and shall be added to the Solar Entitlement Share of such Project Participant(s), and each such Project Participant(s) shall be obligated to pay for its Solar Entitlement Share increased as

aforesaid, as if the Solar Entitlement Share of such Project Participant(s), increased as aforesaid, had been stated originally as the Solar Entitlement Share of such Project Participant(s) in its Power Sales Contract with FMPA; provided, however, that the Project Participant assuming the defaulting Project Participant's Power Entitlement share shall not be liable for, and the defaulting Project Participant shall remain liable for, any amounts owed by the defaulting Project Participant prior to the assignment and assumption of the defaulting Project Participant's Power Entitlement Share.

(4) The defaulting Project Participant shall remain liable for all payments to be made on its part pursuant to the Power Sales Contract, except that the obligation of the defaulting Project Participant to pay FMPA shall be reduced to the extent that payments shall be received by FMPA, net of any administrative and ~~legal~~reasonable attorney's fees and costs incurred by FMPA that is caused by the default, for that portion of the defaulting Project Participant's Solar Entitlement Share which may be transferred or sold or for the Solar Product associated therewith which may be sold as provided in clauses (1), (2), or (3) of this SECTION 12. Notwithstanding the foregoing, to the extent a defaulting Project Participant has failed to pay its Solar Project invoice, in order to prevent FMPA from defaulting under the Solar PPA, the non-defaulting Project Participants' monthly Solar Project invoices shall be increased on a pro rata basis, based on such Project Participants Solar Entitlement Shares, unless and until FMPA shall recover from the defaulting Project Participants amounts owed, upon which FMPA shall reimburse the non-defaulting Project Participants.

(d) Other Default by Project Participant. In the event of any default by the Project Participant under any other covenant, agreement or obligation of this Power Sales Contract which has not been cured within thirty (30) days after receipt of notice by FMPA. FMPA may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, specific performance, declaratory judgment, or any combination thereof, as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Power Sales Contract against the Project Participant. Such remedies shall be in addition to all other remedies provided for herein.

SECTION 13. Default by FMPA.

In the event of any default by FMPA under any other covenant, agreement or obligation of this Power Sales Contract, Project Participant may bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, specific performance, declaratory judgment, or any combination thereof, as may be necessary or appropriate to enforce any covenant, agreement or obligation of this Power Sales Contract against FMPA. Such remedies shall be in addition to all other remedies provided for herein.

SECTION 14. Abandonment of Remedy.

In case any proceeding taken on account of any default shall have been discontinued or abandoned for any reason, the parties to such proceedings shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of FMPA and the Project Participant shall continue as though no such proceedings had been taken.

SECTION 15. Waiver of Default.

Any waiver at any time by either FMPA or the Project Participant of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Power Sales Contract, shall not be a waiver with respect to any subsequent default, right or matter.

SECTION 16. Relationship to and Compliance with Other Instruments.

(a) The performance of FMPA under this Power Sales Contract is made subject to the terms and provisions of the Solar Project PPA.

(b) FMPA covenants and agrees to use its commercially reasonable best efforts for the benefit of the Project Participant to comply in all material respects with all terms, conditions and covenants of the Solar Project PPA.

SECTION 17. Measurement of Electric Energy.

FMPA will or will cause Seller to install, maintain, and operate the metering equipment, required to measure the quantities of Electric Energy produced and delivered from the Solar Facility in accordance with the Solar Project PPA. Each meter used pursuant to this SECTION 17 shall be tested and calibrated in accordance with the Solar Project PPA.

SECTION 18. Liability of Parties.

~~FMPA and the Project Participant shall assume full responsibility and liability for the maintenance and operation of their respective properties and each shall indemnify and save harmless the other from all liability and expense on account of any and all damages, claims, or actions, including injury to or death of persons arising from any act in connection with the installation, presence, maintenance and operation of the property and equipment of the indemnifying party and not caused by the negligence of the other party; provided that any~~Any liability which is incurred by FMPA pursuant to the Solar Project PPA and not covered, or not covered sufficiently, by insurance shall be paid solely from the revenues of FMPA derived from the Solar Project, and any payments made by FMPA, or which FMPA is obligated to make, to satisfy such liability shall become part of Monthly Energy Costs, as required in order to satisfy the obligation of FMPA to make such payments as provided in the Solar Project PPA.

SECTION 19. Assignment or Sale of Project Participant's Solar Entitlement Share.

(a) Project Participant may terminate this Power Sales Contract upon 90 days advance written notice to FMPA and provided that Project Participant pay, prior to the termination date, the amounts set forth in this SECTION 19(a). Prior to the termination date, Project Participant shall pay to FMPA all stranded cost obligations, as determined by FMPA, to hold the other, non-terminating, Project Participants harmless from the costs associated with Project Participant's termination. For purposes of this SECTION 19(a), stranded cost obligations are defined as an estimate of the solar energy costs that FMPA will pay for the terminating Project Participant's Solar Entitlement Share during each remaining month of the remaining Initial Term of the Solar PPA based on a forecast of expected solar production. The forecast of expected solar production is defined as a P50 (probability of exceedance is 50 percent) production estimate under typical meteorological year conditions using an industry standard modeling tool (PV System or its successor/peer products) reflective of a degradation rate of 0.3% per year relative to the original nominal alternating current capacity of the solar resource in the current year (prorated over a partial year as applicable) and each subsequent remaining year of the Solar PPA Initial Term. Upon such payment and termination, Project Participant shall have no further obligation to the Solar Project or other Project Participants under this Power Sales Contract. The terminating Project Participant's Solar Entitlement Share shall be allocated to the remaining Project Participants on a pro rata basis based on their Solar Entitlement Shares.

(b) Project Participant may assign this Power Sales Contract to another Project Participant or another FMPA member, provided that such assignee agrees to fully assume, and fully accept all terms and conditions of, this Power Sales Contract for the Term hereof. If assigned to a FMPA member that is not a Project Participant, such assuming FMPA member shall become a Project Participant upon its assumption of the Power Sales Contract. Upon such assignment and assumption, this Power Sales Contract shall terminate, and Project Participant shall have no further obligation to the Solar Project or other Project Participants under this Power Sales Contract.

(c) In the event the Project Participant shall determine that all or any amount of the Solar Product which can be produced from the Project Participant's Solar Entitlement Share are in excess of the requirements of the Project Participant, or Project Participant no longer desires to purchase and receive its Solar Entitlement Share, at the written request of the Project Participant, FMPA shall use commercially reasonable efforts to sell and transfer on behalf of such Project Participant for any period of time all or any part of such excess Solar Product to such other Project Participant or Participants as shall agree to take such Solar Product at such prices as may be agreed to, provided, however, that in the event the other Project Participants do not agree to take the entire amount of such excess, FMPA shall have the right, to the extent permitted by law, to dispose of such excess to other utilities. If all or any portion of such excess of the Project Participant's Solar Entitlement Share is sold pursuant to this SECTION 19(c), then the Project Participant's Solar Entitlement Share shall not be reduced, and the Project Participant shall remain liable to FMPA to pay the full amount due as if such sale had not been made; except that such liability shall be discharged to the extent that FMPA shall receive payment for such excess from the purchaser or purchasers thereof and that any amounts received by FMPA as payment for such excess which is greater than the liability owed by the Project Participant to FMPA in respect of such excess shall be promptly paid or credited by FMPA to the Project Participant.

SECTION 20. Consent to Assignment of Power Sales Contract, Sale of Project Participant's System.

(a) This Power Sales Contract shall inure to the benefit of and shall be binding upon the respective successors and assigns of the parties to this Power Sales Contract; provided, however, that, except as provided in (1) SECTION 12 hereof in the event of a default; (2) SECTION 19(a), and (3) SECTION 20(b), neither this Power Sales Contract nor any interest herein shall be transferred or assigned by either party hereto except with the consent in writing of the other party hereto, which consent shall not be unreasonably withheld. The Solar Project Committee shall make a recommendation on any assignment of a Power Sales Contract hereunder to the FMPA Board of Directors for their action.

(b) Project Participant agrees that it will not sell, lease, abandon or otherwise dispose of all or substantially all of its electric utility system except upon ninety (90) days prior written notice to FMPA and, in any event, will not sell, lease, abandon or otherwise dispose of the same unless the following conditions are met: (i) the Project Participant shall, subject to the Solar Project PPA, assign this Power Sales Contract and its rights and interest hereunder to the purchaser or lessee of said electric system, if any, and any such purchaser or lessee shall assume all obligations of the Project Participant under this Power Sales Contract; and (ii) FMPA shall by affirmative vote of the FMPA Solar Project Committee reasonably determine that such sale, lease, abandonment or other disposition will not materially adversely affect FMPA's ability to meet its obligations under the Solar Project PPA.

SECTION 21. Termination or Amendment of Contract.

(a) This Power Sales Contract shall not be terminated by either party under any circumstances, whether based upon the default of the other party under this Power Sales Contract or any other instrument or otherwise except as specifically provided in this Power Sales Contract.

(b) This Power Sales Contract may be terminated by FMPA by notice to the Project Participant upon an event of default by Project Participant that has not been cured in accordance with this Power Sales Contract.

(c) No Power Sales Contract entered into between FMPA and another Project Participant may be amended so as to provide terms and conditions different from those herein contained except upon written notice to and written consent or waiver by each of the other Project Participants, and upon similar

amendment being made to the Power Sales Contract of any other Project Participants requesting such amendment after receipt by such Project Participant of notice of such amendment.

SECTION 22. Notice and Computation of Time.

Any notice or demand by the Project Participant to FMPA under this Power Sales Contract shall be deemed properly given if ~~mailed, certified mail, postage prepaid, return receipt requested and addressed to FMPA at its operational office; any~~ sent by overnight mail or courier, or by facsimile or email transmission to the following:

Florida Municipal Power Agency
Attn: Chief Operating Officer
8553 Commodity Circle
Orlando, FL 32819
Email: frank.gaffney@fmpa.com
Fax: 407-355-5794

With a required copy to:
FMPA Office of the General Counsel
2061-2 Delta Way
P.O. Box 3209 (32315-3209)
Tallahassee, FL 32303
Email: jody.lamar.finkea@fmpa.com
dan.ohagan@fmpa.com
Fax: 850-297-2014

~~Any~~ notice or demand by FMPA to the Project Participant under this Power Sales Contract shall be deemed properly given if ~~mailed, certified~~ sent by overnight mail ~~-postage prepaid, return receipt requested or courier, or by facsimile or email transmission,~~ and addressed to the Project Participant at the address set forth on Schedule 1 hereto; ~~in computing any period of time from, A Notice sent by facsimile transmission or e-mail will be recognized and shall be deemed received on the business day on which such notice was transmitted if received before 5:00 p.m. (and if received after 5:00 p.m., on the next business day) and a notice of overnight mail or courier shall be deemed to have been received two (2) business days after it was sent or such period shall commence at noon on the date mailed earlier time as is confirmed by the receiving Party.~~ The designations of the name and address to which any such notice or demand is directed may be changed at any time and from time to time by either party giving notice as above provided.

SECTION 23. Applicable Law; Construction.

This Power Sales Contract is made under and shall be governed by the laws of the State of Florida. Headings herein are for convenience only and shall not influence the construction hereof.

SECTION 24. Severability.

If any section, paragraph, clause or provision of this Power Sales Contract shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Power Sales Contract shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

SECTION 25. Solar Project Responsibility

This Power Sales Contract is a liability and obligation of the Solar Project only. No liability or obligation under this Power Sales Contract shall inure to or bind any of the funds, accounts, monies,

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Docket No. 20170235-EI
Staff's Third Set of Interrogatories
Interrogatory No. 28
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property, instruments, or rights of the Florida Municipal Power Agency generally, any individual FMPA member, or any of any other "project" of FMPA as that term is defined in the Interlocal Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Power Sales Contract to be executed by their proper officers respectively, being thereunto duly authorized, and their respective seals to be hereto affixed, as of the day and year first above written.

FLORIDA MUNICIPAL POWER AGENCY

(SEAL)

By: _____
Title

Attest:

Secretary

[MEMBER]

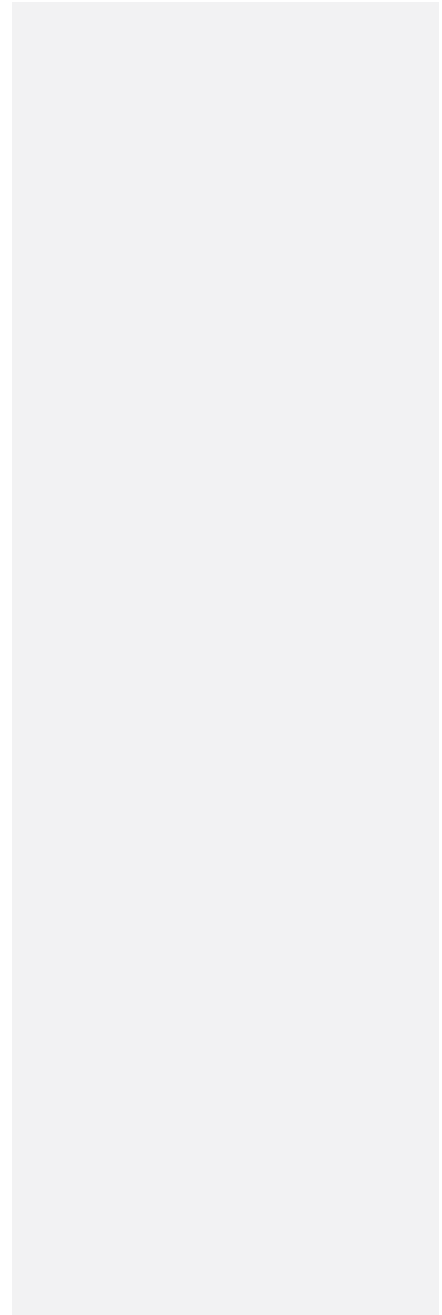
(SEAL)

By: _____
Title

Attest:

Secretary

**ATTACHMENT A
POWER PURCHASE AGREEMENT**



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ATTACHMENT B

FMPA PROCESS FOR DETERMINING ALLOCABLE A&G COSTS

FMPA uses a process to determine the Administrative and General Costs (A&G Costs) that will be incurred to effectively manage its non-ARP power supply projects. FMPA's Board approves the process and the allocations to power supply project participants when the Board approves each annual power supply project budget. The process is subject to annual review and approval by the Board, and thus, may change from time to time.

The following describes the power supply project A&G cost determination process for the FY2018 Budget and provides an example of how A&G costs will be allocated to Solar Project and ARP Solar Participants, starting with the FY2020 budget:

- 1) Staff determines the FMPA positions that are essential to effective management of the Projects;
- 2) Staff determines the percent time each position spends serving the needs of each the Projects and the ARP;
- 3) The allocable cost of each position to each of the Projects is the percent time this position spends serving the needs of each the Projects determined in 2) multiplied by the current mid-point of the salary range of the position as maintained by FMPA's Human Resources Department and approved by the Board, and multiplied by FMPA's overhead adder percentage;
- 4) The total A&G allocated to each Project is the sum of the allocable costs of each position essential to effective management of the Project;
- 5) The total A&G allocated to the Solar Project will not exceed 100% of the cost associated with the single highest cost non-executive level FMPA position essential to the effective management of the Projects, and annual increases in total A&G allocated shall be commensurate with annual salary increases of such highest costs non-executive level FMPA position;
- 6) Once the annual A&G costs to be allocated to the Solar Project and ARP Solar Participants is determined, the amount is divided by 12 to arrive at the monthly allocable A&G costs.
- 7) For Solar Project and ARP Solar Participants, the monthly allocable A&G costs will be divided by the total amount of the solar energy received by the Solar Project and the ARP Solar Participants for the billing month to determine a monthly allocable A&G rate (\$/MWh). Each Solar Project and ARP Solar Participant pays this rate times the amount of solar energy each Participant received during the billing month.
- 8) The table below is an example of the calculation of annual and monthly allocable A&G costs to each power supply project and the Solar Project and the ARP Solar Participants for the FY2020 Budget using cost data and the process approved for the FY2018 Budget. This allocation process is subject to Board approval each year.

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Position	FYE2018 Mid Point Salary	Example A&G Allocation for FY2020 Budget					
		ARP	STN	Tri-City	STN 2	St Lucie	Solar
General Manager	\$200,000	20%	20%	20%	20%	20%	2%
Admin Asst.	\$56,456	20%	20%	20%	20%	20%	2%
Director of Engineering	\$191,969	20%	20%	20%	20%	20%	2%
Engineer	\$117,722	19%	19%	19%	19%	19%	5%
Engineering Assistant	\$56,456	20%	20%	20%	20%	20%	2%
Director of Finance	\$191,969	18%	18%	18%	18%	18%	10%
Mgr. Contracts Compliance	\$132,777	18%	18%	18%	18%	18%	10%
Accountant III	\$92,539	18%	18%	18%	18%	18%	10%
Accounting Clerk	\$43,833	18%	18%	18%	18%	18%	10%
Payroll Clerk PT	\$28,228	20%	20%	20%	20%	20%	2%
Total	\$1,111,949	\$209,858	\$209,858	\$209,858	\$209,858	\$209,858	\$62,660
Overhead Adder	95.10%	95.10%	95.10%	95.10%	95.10%	95.10%	95.10%
Annual Allocable A&G	\$2,169,412	\$409,433	\$409,433	\$409,433	\$409,433	\$409,433	\$122,250
Monthly Allocable A&G	\$180,784	\$34,119	\$34,119	\$34,119	\$34,119	\$34,119	\$10,187

B-2

ATTACHMENT C
WORKING CAPITAL ALLOWANCE

In order to provide for working capital for the Solar Project, and to provide for the Solar Project's ability to pay Seller in the event that of non-payment by one or more Project Participants, the Solar Project shall maintain a line of credit in the principal amount of \$250,000, or other financial instrument or cash on hand as determined by the Solar Project Committee ("Line of Credit"). The Line of Credit will be obtained at the time solar energy starts to be provided under the Solar PPA and will remain in place for the remaining term of this Power Sales Contract. Working capital expenses, including payment of interest on any amounts drawn on the Line of Credit, shall constitute Project Related Costs.

C-1

Attachment D

Project Development Fund Costs

As of the Effective Date of this Agreement, FMPA has incurred \$135,705.10 in Project Development Fund costs. No additional Project Development Fund costs shall be incurred after the Effective Date.

The amount of Project Development Fund costs allocable to Project Participants shall be calculated by dividing the total balance of Development Fund Costs incurred for solar development by the total expected energy production allocated to the Solar Project and ARP solar participants over the first 20 years of the Solar Project PPA and the power purchase agreement entered into between the ARP solar participants and Seller. The resulting dollar per MWh cost shall be allocated as a Project Related Cost.

[FMPA Note: Actual Project Development Fund expenses as of (3/1) are approximately \$119,000. We expect to incur approximately \$135k total by the Effective Date. The number above will reflect the actual number on the Effective Date, and will not increase thereafter.]

[FMPA Note: The following is a table showing our projected calculations for project development fund reimbursement. ~~A~~We will include a table similar to this, with updated development fund expenditure and participation level numbers, ~~will be included~~ in the final document:

Estimated Project Development Fund Cost (Joint Action Solar)		
Assumption/Estimate	Units	Value
Total Development Fund Expenditure	\$	135,705
Est. Participant Capacity	MW-AC	114,115
Est. Annual Capacity Factor	%	28%
Est. Annual Project Energy	MWh	279,619,282.072
Est. 20 Year Buy down Per Year	\$	6,785
Est. 20 Year Buy down Per MWh	\$/MWh	0.02430241

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ATTACHMENT E

Solar Project Committee Charter

~~1. Purpose~~

~~This Solar Project Committee (Committee) is intended to govern the Florida Municipal Power Agency's (FMPA's) Solar Project as delegated by the FMPA Board.~~

~~2. Mission~~

~~The mission of the Committee is threefold.~~

~~(a) The Committee shall oversee the administration of the FMPA's Solar Project Power Purchase Agreement from the Solar Developer and make decisions provided for within that agreement.~~

~~(b) As delegated by the FMPA Board, the Committee shall oversee the administration of the Solar Power Sales Contract between FMPA and the Solar Project Participants and make decisions provided for within that agreement.~~

~~(c) The Committee shall establish an annual Solar Project budget for approval by the FMPA Board.~~

~~3. Organization and Term~~

~~The Committee reports to the FMPA Board and shall exist until termination of the Solar Power Sales Contracts.~~

~~4. Membership~~

~~Each Solar Project Participant will appoint a primary and alternative representative to the Committee. If a Solar Project Participant assigns its entitlement to another utility, the assigning Participant shall not have representation on the Committee while the utility receiving the assignment shall have representation on the Committee.~~

~~5. Meetings~~

~~Notice of the time, date, and place of each meeting will be provided to each Committee member at least 10 days prior to any meeting. Meetings of the Committee shall be called by the chairperson, by any two members of the Committee, or as otherwise regularly scheduled by the Committee. The conduct of the meetings will follow *Roberts Rules of Order Newly Revised*, with~~

~~the chairperson running the meeting. In the absence of the chairperson, the chairperson may designate another Committee member to run the meeting.~~

~~6. Quorum~~

~~A quorum of the Committee is necessary for the Committee to be in session and take action.~~

~~For Discretionary Term Decisions, as defined in the Power Sales Contract, a quorum requires 100% of the Committee voting members present and able to participate in the meeting in person or by electronic means, including by telephone.~~

~~For budget decisions, approval of meeting minutes, and Committee business other than Discretionary Term Decisions, a quorum requires one half of the Committee voting members present and able to participate in the meeting in person or by electronic means, including by telephone.~~

~~7. Voting~~

~~Each Participant has one vote.~~

~~For Discretionary Term Decisions, unanimous consent of the Participants is required.~~

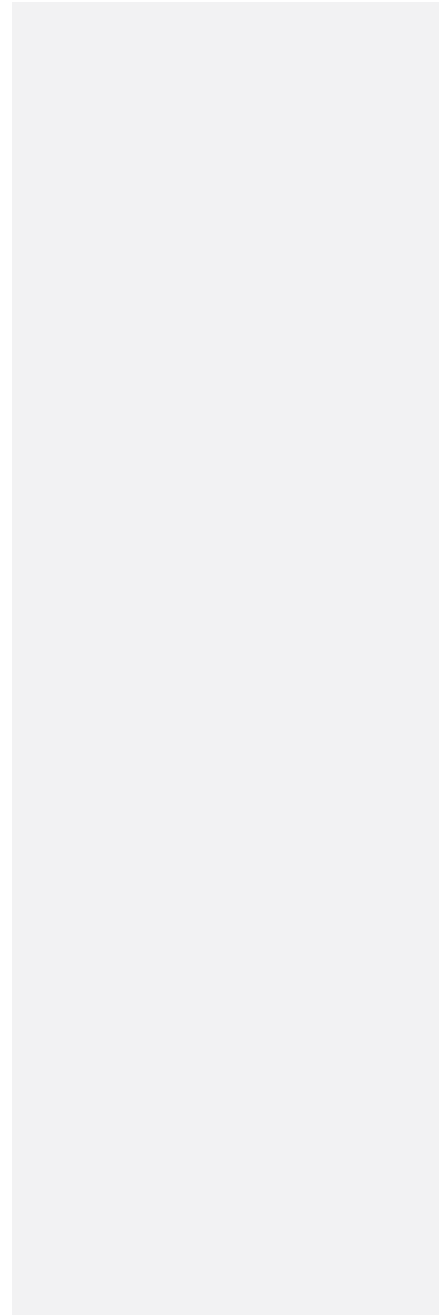
~~For budget decisions, approval of meeting minutes, and Committee business other than Discretionary Term Decisions, an affirmative vote will result from a simple majority of the quorum present.~~

~~8. Election of Chair~~

~~The Committee members shall select a chairperson from among their membership by simple majority vote. The term of office for the Committee chairperson is two years without limit on the number of terms an officer may serve.~~

~~9. Changes to Charter.~~

~~Changes to this Charter shall require unanimous consent of the Solar Project Committee.~~



|

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SCHEDULE 1
SCHEDULE OF PROJECT PARTICIPANTS

<u>Name and Address of Participant</u>	<u>Solar Entitlement Share (MW)</u>	<u>Solar Entitlement Share (%)</u>
City of Alachua	9	15.79789%
City of Bartow	13	22.84807%
Homestead Public Services	10	17.54544%
City of Lake Worth Utilities	10	17.54544%
City of Wauchula	5	8.7772%
Winter Park Electric Utility	10	17.54544%
Total	57	100%

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[FMPA Note: This schedule is subject to change based on final participation levels among Project Participants]

AGENDA ITEM 6 - INFORMATION ITEMS

a. None

**Board of Directors Meeting
March 21, 2018**

AGENDA ITEM 7 – MEMBER COMMENTS

**Board of Directors
Meeting March 21, 2018**

AGENDA ITEM 8 – ADJOURNMENT

**Board of Directors
Meeting March 21, 2018**