

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 2, 2019

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Merryday, Doherty, Higgins) *DM RD D.O.*
Office of the General Counsel (Trierweiler) *WST* *ELD* *QSH*

RE: Docket No. 20190034-EI – Petition for approval of optional supplemental power services pilot program and rider, by Florida Power & Light Company.

AGENDA: 05/14/19 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 60-day suspension date waived by Florida Power & Light Company until 05/14/19

SPECIAL INSTRUCTIONS: None

RECEIVED-FPSC
2019 MAY -2 AM 10:12
COMMISSION CLERK

Case Background

On January 31, 2019, Florida Power & Light Company (FPL or utility) filed a petition for approval of an optional three-year supplemental power services pilot program (OSPS pilot program) and associated tariff. The OSPS pilot program would offer customers on-site back-up generation that is installed, operated, maintained, and owned by FPL. Customers would be responsible for all costs associated with the back-up generation provided by FPL through a monthly fee. In addition, FPL requested that the Commission establish depreciation rates applicable to its customer-sited generators.

Docket No. 20190034-EI

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The Commission approved a similar program for Duke Energy Florida, LLC (DEF) in 2001.¹ DEF's program was originally approved for a 5-year period with subsequent extensions and tariff modifications approved in 2006, 2011, and 2016.

On February 15, 2019, FPL provided a letter waiving the 60-day file and suspend provision of Section 366.06(3), Florida Statutes (F.S.), until the May 14, 2019 Agenda Conference. On February 25 and March 21, 2019, FPL responded to staff's data requests. Issue 1 addresses the proposed OSPS pilot program and Issue 2 addresses the proposed depreciation rates. The OSPS pilot program tariff sheets are contained in Attachments A, B, and C of this recommendation. Attachment A shows the OSPS tariff, Attachment B shows the residential OSPS agreement, and Attachment C shows the non-residential OSPS agreement. The Commission has jurisdiction over this matter pursuant to Sections 366.04 and 366.06, F.S.

¹ Order No. PSC-01-1648-TRF-EI, issued August 13, 2001, in Docket No. 010373-EI, *In re: Petition for approval to provide optional Premier Power Service Rider, Rate Schedule PPS-1, for general service customers by Florida Power Corporation.*

Discussion of Issues

Issue 1: Should the Commission approve FPL's petition for approval of the OSPS pilot program?

Recommendation: Yes, the Commission should approve FPL's petition for approval of the OSPS pilot program. The participating customers would be responsible for all costs associated with this optional program, thus protecting the general body of ratepayers. The proposed tariffs should become effective 90 days after the Commission's order approving the program. The proposed OSPS tariff can be found in Attachments A, B, and C to this recommendation. Prior to the expiration of the three-year OSPS pilot program, FPL should petition the Commission regarding the future of the program. (Merryday)

Staff Analysis: Customers currently have the option of contracting with licensed electrical contractors or general contractors not affiliated with FPL to install on-site back-up generation. FPL states that the process of finding a back-up generation solution could require a customer to independently research solutions, solicit offers from installers, evaluate installers, and negotiate the terms of a contract. FPL explained that customers would have significant up-front and continuing costs associated with back-up generation including the monitoring, maintenance, and repair of the equipment. Based on inquiries made by customers and conversations with customers, FPL asserts that customers are increasingly seeking back-up power solutions.

OSPS Pilot Program Overview

FPL is proposing the OSPS pilot program to introduce the option of back-up power to customers that wish to avoid the associated ownership and maintenance responsibilities. Under the OSPS pilot program, FPL would be responsible for the monitoring, maintenance, and repair of the equipment located on a customer's premises. The customer would be responsible for all costs associated with this service through a monthly fee. FPL projects that approximately 300 customers will participate in the OSPS pilot program.

FPL explained that the appropriate back-up power solution will be determined by the customer's needs and the feasibility of system implementation. The utility will conduct an evaluation of customer requirements and of potential solutions. The utility and the customer would thereafter execute a residential or non-residential OSPS agreement that includes all the terms and conditions of the OSPS service. In addition, a customer-specific "Statement of Work" will include a description of the equipment installed, the service to be performed by FPL, and the monthly charge for the service. The agreements are included as Attachments B and C to this recommendation. Under the terms of the OSPS agreements, customers commit to remain in the OSPS pilot program for the specified term or otherwise compensate FPL for the net unrecovered capital and maintenance costs of the installed assets.

OSPS Equipment

In response to staff's data request, FPL explained that the type of back-up generators contemplated for use will depend on each customer's needs and is subject to change over time as technology advances. The OSPS pilot program is designed to accommodate any back-up and power conditioning technology currently available or available in the future. Currently, the types of generators contemplated for use include:

- “Whole House” residential standby generators – primarily 120/240V single-phase, stationary generators fueled by either natural gas or liquid propane, ranging from approximately 10 kilowatts (kW) to 50 kW.
- Commercial standby generators – either single-phase or three-phase stationary generators, fueled by natural gas, liquid propane, or diesel, ranging in size from 20 kW to over 60 kW. These generators are used for small-to-medium commercial applications that do not have demanding load requirements.
- Large commercial/industrial “Heavy Duty” standby generators – three-phase stationary generators typically fueled by diesel or natural gas, ranging in size from approximately 50 kW to over 2 megawatts. These generators are typically custom-built for the application and designed to meet demanding, critical load requirements.

The utility explained that, with customer approval, FPL may install additional equipment, such as interconnection, dispatch, control and/or monitoring equipment, which would enable FPL to dispatch the equipment to assist with system emergencies. The costs of such interconnection or dispatch equipment would not be included in the customer’s monthly payment and therefore borne by the utility. The customer would always have the primary right to the power and any potential dispatch of equipment to support grid operations would not encumber the equipment’s ability to provide the service specified in the customer’s OSPS agreement.

Monthly Service Payment

FPL explained that a customer’s monthly payments will cover all costs associated with the back-up generation provided by FPL. The monthly fee is referred to as a monthly service payment in the proposed tariff. The tariff provides a formula that FPL will use to calculate the monthly fee. FPL provided work papers to show sample calculations, based on generator size, in response to staff’s first data request, No. 14. The monthly fee would apply in addition to all otherwise applicable charges. The monthly fee will reflect two types of costs intended to be recovered over the term of a customer’s OSPS agreement: (1) capital costs of the installed generator and (2) on-going expenses. The two types of costs are discussed below.

Capital Costs

Each customer’s capital costs will be identified in an engineering/evaluation phase. FPL states that the capital costs under the OSPS pilot program will include the cost of the selected equipment and the cost of installation. Installation costs may include engineering, surveys, construction plans, permits, site preparation, and miscellaneous materials. Carrying costs that reflect FPL’s approved capital structure will be assessed on the total capital amount.

On-going Expenses

The projected on-going expenses recovered under the OSPS pilot program may include, but are not limited to: non-fuel operations and maintenance expenses, administrative and general expenses, depreciation expenses, and property taxes on the installed equipment. In addition, the expenses include a six percent factor to reflect a bad debt and loss reserve.

FPL explained that the utility may provide fueling services to non-residential OSPS pilot program customers in limited cases. Fuel expenses will be added to the customer’s monthly

service payment and will be trued-up annually based upon actual and forecasted operating parameters and fuel costs. The utility stated that the fuel costs incurred under the OSPS pilot program will not be included in FPL’s fuel cost recovery clause filings.

In addition to annual revisions to the fuel expense, FPL stated that the monthly service payment may be adjusted by agreement of both the customer and the utility during the term of service. Reasons for modifying the monthly fee may include, but are not limited to, changes in service required by the customer, requests by the customer for supplemental equipment or services, or changes or increases in the customer’s facilities which will materially affect the operation of the utility’s equipment.

FPL proposes to include the capital costs of the OSPS pilot program in rate base and the revenues from the monthly fee will be included in base rate operating revenue (which acts as a credit when setting base rates). FPL asserts that the OSPS program is designed to have no impact on the general body of ratepayers over the life of the equipment and that the capital investment only occurs after a customer signs a long-term contract.

Table 1-1 shows three examples of generators with potential parameters contemplated for use under the OSPS pilot program. Numbers provided by FPL are for illustrative purposes and actual costs are contingent on specific project requirements.

**Table 1-1
 Examples of Monthly Service Payments**

<u>Equipment Type</u>	<u>Capital Costs</u>	<u>On-going Expenses</u>	<u>Contract Term</u>	<u>Monthly Service Payment</u>
Residential, light-duty, whole-house generator	\$15,000	\$1,000/year	10 years	\$303/month
100 kW commercial heavy-duty generator	\$90,000	\$2,750/year	20 years	\$1,167/month
1,000 kW industrial heavy-duty generator	\$650,000	\$9,250/year	20 years	\$7,302/month

Source: FPL’s response to staff’s data request, No. 14.

OSPS Pilot Program Period

FPL requests that the OSPS pilot program be approved as a pilot program and an experimental rate for a period of three years. FPL requests that this three-year period commence 90 days after the Commission’s order approving the OSPS pilot program. The utility states that the three-year period will allow FPL to gain insight into the benefits, costs, and optimal economic implementation of various customer-sited back-up power solutions and equipment configurations. During this time, FPL will determine whether the estimates and assumptions used in developing the OSPS pilot program were reasonably accurate and that if continuing the

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OSPS program on a permanent basis is warranted. If the utility decides against continuing the OSPS program after the pilot period expires, FPL proposes that customers taking service under the OSPS pilot program would be allowed to continue being served pursuant to and through the term of their OSPS agreement.

Conclusion

Based on the petition and materials provided in response to staff's data requests, the Commission should approve FPL's petition for approval of the OSPS pilot program and rider. The participating customers are responsible for all costs associated with this optional program, thus protecting the general body of ratepayers. The proposed tariffs should become effective 90 days after the Commission's order approving the program. The proposed tariffs and OSPS agreements can be found in Attachments A, B, and C to this recommendation. Prior to the expiration of the three-year OSPS pilot program, FPL should petition the Commission regarding the future of the program.

Issue 2: Should the Commission establish annual depreciation rates applicable to FPL's customer-sited generators?

Recommendation: Yes. Staff recommends the Commission approve a 10 percent annual depreciation rate for Light-Duty Generators and a 5 percent annual depreciation rate for Heavy-Duty Generators. (Higgins)

Staff Analysis:

Depreciation Parameters and Rates

In accordance with Rule 25-6.0436(3)(b), Florida Administrative Code (F.A.C.), FPL requests Commission approval of two new depreciation rates.² The requested depreciation rates would apply to four newly-established plant subaccounts. The subaccounts would be listed under Federal Energy Regulatory Commission (FERC) Account – 371 - Installations on customers' premises and Account – 372 - Leased property on customers' premises.

Pursuant to Rule 25-6.0436(3)(a), F.A.C., electric utilities are required to maintain depreciation rates and accumulated depreciation reserves in accounts or subaccounts in accordance with the Uniform System of Accounts for Public Utilities and Licensees, as found in the Code of Federal Regulations, which is incorporated by reference in Rule 25-6.014(1), F.A.C.³ The four property subaccounts, which are based on Uniform System of Accounts prescribed for public utilities and licensees subject to the provisions of the Federal Power Act are: Account 371.6 - Light-Duty Generators; Account 371.7 - Heavy-Duty Generators; Account 372.6 - Light-Duty Generators; and Account 372.7 - Heavy-Duty Generators.

For light-duty generators and associated ancillary equipment, the utility requests approval of a 10-year average service life (ASL) and a zero percent net salvage level (NS). An annual depreciation rate of 10 percent is computed from these parameters.⁴ For heavy-duty generators and associated ancillary equipment, FPL requests approval of a 20-year ASL and a zero percent NS level. An annual depreciation rate of 5 percent is computed from these parameters.

In response to staff's data requests, FPL provided supporting information detailing typical life expectancies for customer-sited generators covering various levels of electric output.⁵ The information includes life estimates from generator manufacturers, associated trade groups, and engineering-oriented academia. In reviewing the provided materials, staff believes that the utility's life proposals are well founded and that a 10- and 20-year ASL for light-duty and heavy-duty generators respectively are reasonable at this time. Further, the Commission will have

² Rule 25-6.0436(3)(b), F.A.C., requires that: “[u]pon establishing a new account or subaccount classification, each utility shall request Commission approval of a depreciation rate for the new plant category.”

³ Code of Federal Regulations, Title 18, Subchapter C, Part 101, for Major Utilities, as revised April 1, 2013.

⁴ Rule 25-6.0436(1)(e), F.A.C., and Rule 25-6.0436(1)(m), F.A.C., specify the Commission's depreciation rate formulae and methodologies.

⁵ FPL's Responses to Staff's First Data Request, Document Request No. 1.

future opportunities based on existing rules to evaluate FPL's depreciation data associated with useful lives and net salvage levels and to order modifications as it deems appropriate.⁶

Conclusion

For the reasons discussed above, staff recommends that a 10 percent annual depreciation rate for Light-Duty Generators and a 5 percent annual depreciation rate for Heavy-Duty Generators, applicable to subaccounts Account 371.6 - Light-Duty Generators; Account 371.7 - Heavy-Duty Generators; Account 372.6 - Light-Duty Generators; and Account 372.7 - Heavy-Duty Generators, be approved.

⁶ Rule 25-6.0436(4)(a), F.A.C., requires investor-owned electric companies to file a depreciation study for Commission review at least once every four years from submission of the previous study and/or pursuant to Commission order.

Issue 3: Should this docket be closed?

Recommendation: If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed upon issuance of a consummating order. (Trierweiler)

Staff Analysis: If a protest is filed within 21 days of the issuance of the order, this tariff should remain in effect with any increase held subject to refund pending resolution of the protest. If no timely protest is filed, this docket should be closed upon issuance of a consummating order.

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 8.845

SUPPLEMENTAL POWER SERVICES RIDER PILOT
(OPTIONAL)

RATE SCHEDULE: OSP-1

AVAILABLE:

In all territory served. This optional rider ("Rider") is available on a voluntary basis to Customers who desire an alternative source of power supply and/or power conditioning service ("Service") in the event Customers' normal electric supply is disrupted. This Rider shall expire three years from the effective date of this program, unless extended by approval of the FPSC. No new Optional Supplemental Power Services Agreements may be executed following the expiration of this Rider. Service under this Rider shall be provided under the terms specified in the Optional Supplemental Power Services Agreements that are outstanding at such time as the Rider expires.

APPLICATION:

Service is provided through the installation of equipment by the Company at the Customer's premise, the purpose of which is to meet the Customer's requested scope of Service. In order to meet the Service need identified by the Customer, the Company will conduct an evaluation of Customer requirements and of potential solutions, including the potential need of a detailed professional engineering design through a feasibility study. The Company and the Customer may thereafter execute a Residential or Non-Residential Optional Supplemental Power Services Agreement ("Agreement") which must include a description of the equipment to be installed, the Service to be performed, and the monthly charge for the Service. Upon receipt of the proposed Agreement from Company, the Customer shall have no more than ninety (90) days to execute the Agreement. After 90 days, the proposed Agreement shall be considered expired, unless extended in writing by the Company.

Service would be at the Customer's request and is not considered by the Company to be usual and customary for the type of installation to be served.

LIMITATION OF SERVICE:

Installation of Service equipment shall be made only when, in the judgment of the Company, the location and the type of the Service equipment are, and will continue to be economical, accessible and viable. The Company will own, operate and maintain the Service equipment for the term of the Agreement.

The Company may, at its option, provide and maintain equipment required by the Customer beyond the point of delivery for standard electric service. In the event that Company agrees to a Customer's request to connect generating equipment on the Company's side of the billing meter, energy provided by such equipment will be billed under the Customer's otherwise applicable general service rate schedule.

MONTHLY SERVICE PAYMENT:

The Company will design, procure, install, own, operate and provide maintenance to all equipment included in the determination of the Monthly Service Payment. The Monthly Service Payment under this Rider is in addition to the monthly billing determined under the Customer's otherwise applicable rate schedule and any other applicable charges, and shall be calculated based on the following formula:

$$\text{Monthly Service Payment} = \text{Capital Cost} + \text{Expenses}$$

Where:

Capital Cost shall be levelized over the term of Service based upon the estimated installed cost of equipment times a carrying cost. The carrying cost is the cost of capital, reflecting current capital structure and most recent FPSC-approved return on common equity.

Any replacement cost(s) expected to be incurred during the term of Service will also be included. Any equipment installed by the Company that is not necessary to support Service to the customer shall not be included in the Monthly Service Payment.

Except for fuel expenses, projected expenses will be recovered on a levelized basis over the term of Service and may include, but not be limited to: non-fuel operations and maintenance expenses associated with the installed equipment, administrative and general expenses, depreciation expense, income taxes, and property taxes that will be recorded as costs are incurred.

(Continue on Sheet No. 8.846)

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Effective:

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Original Sheet No. 8.846

(Continued from Sheet No. 8.845)

Fuel expenses, if applicable, will be recalculated annually for the following 12-month period based on forecasted operating parameters and expected fuel costs, and will be in addition to the Monthly Service Payment. Fuel expense will be based upon an estimate of the cost of fuel consumed for back-up operation and testing and also includes, but is not limited to, delivery costs, inventory costs, administrative expenses and taxes applicable to Company's acquisition, storage and delivery of the fuel. Actual fuel expenditures will be reconciled to projected fuel revenues annually and any differential will be incorporated into the following twelve (12) month fuel charge component.

REVISIONS TO MONTHLY SERVICE PAYMENT:

In addition to annual revisions to fuel expense, when applicable, during the term of the Service, the Monthly Service Payment(s) may be adjusted, by agreement of both the Customer and the Company, to reflect the Customer's request for modifications to the Service and equipment specified in the Optional Supplemental Power Services Agreement. Modifications include, but are not limited to, equipment modifications necessitated by changes in the character of Service required by the Customer, requests by the Customer for supplemental equipment or services, or changes or increases in the Customer's facilities which will materially affect the operation of the Company's equipment.

TERM OF SERVICE:

The term of Service will be specific to each Optional Supplemental Power Services Agreement.

RULES AND REGULATIONS:

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

Issued by: Tiffany Cohen, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.811

RESIDENTIAL OPTIONAL SUPPLEMENTAL POWER SERVICES AGREEMENT

THIS Residential Optional Supplemental Power Services Agreement ("Agreement") is made and entered into this ____ day of _____, 20__ by and between _____, having a primary residence located at _____ (hereafter, the "Customer") and Florida Power & Light Company, a Florida corporation, having offices at 700 Universe Boulevard, Juno Beach, Florida 33408 (hereafter "Company")(each a "Party" and collectively the "Parties"). The Service (as defined in the paragraph below) provided under this Agreement is subject to the Rules and Orders of the Florida Public Service Commission ("FPSC") and to Company's Electric Tariff, including, but not limited to the Optional Supplemental Power Services Rider, Rate Schedule OSP-1, as approved or subsequently revised by the FPSC (hereafter the "Rider") and the General Rules and Regulations for Electric Service as they are now written, or as they may be hereafter revised, amended or supplemented (collectively, hereafter referred to as the "Electric Tariff"). In case of conflict between any provision of this Agreement and the Electric Tariff, this Agreement shall control. Capitalized terms not defined herein shall have the meaning set forth in the Electric Tariff.

WHEREAS, the Customer hereby applies to Company for receipt of service, as more specifically described in a Statement of Work ("SOW"), for the purpose of providing an alternative source of power supply and/or power conditioning service in the event Customer's normal electric supply is disrupted (hereafter the "Service") at the Customer residential property located at _____ (hereafter the "Residential Property").

NOW THEREFORE, in consideration of their mutual promises and undertakings, the Parties agree to the following terms and conditions in this Agreement:

1. **Effective Date.** This Agreement shall become effective upon the acceptance hereof by Company ("Effective Date"), evidenced by the signature of Company's authorized representative appearing below, which, together with the Electric Tariff and the SOW, shall constitute the entire agreement between the Customer and Company with respect to provision of the Service.
2. **Term of Agreement.** The term of this Agreement will commence on the Effective Date and will continue for ____ years following the Residential Operation Date as defined in Section 4(a) below (the "Term").
3. **Scope of Services.** Company will design, procure, install, own, operate, and provide maintenance to all alternative sources of power supply and/or power conditioning equipment ("Equipment") to furnish the Service as more specifically described in the SOW. Customer acknowledges and agrees that (i) the Equipment will be removable and will not be a fixture or otherwise part of the Residential Property, (ii) Company will own the Equipment, and (iii) Customer has no ownership interest in the Equipment. For the avoidance of doubt, it is the Parties' intent that this Agreement (i) is for the Company's provision of Services to Customer using Company's Equipment, and (ii) is not for the license, rental or lease of the Equipment by Company to Customer.
4. **Design and Installation.** Company will design, procure, and install the Equipment pursuant to the requirements of the SOW.
 - (a) **Residential Operation.** Upon completion of the installation of the applicable Equipment in accordance with the requirements of the SOW, Company shall deliver to Customer a notice that the Equipment is ready for operation, with the date of such notice being the "Residential Operation Date".
 - (b) **Commencement of Monthly Service Payment Upon Residential Operation Date.** Customer's obligation to pay the applicable Customer's monthly Service payment, plus applicable taxes due from Customer pursuant to Section 6 (Customer Payments), shall begin on the Residential Operation Date and shall be due and payable by Customer pursuant to the General Rules and Regulations for Electric Service.
5. **Equipment Maintenance; Alterations.** During the Term, Company shall provide maintenance to the applicable Equipment in accordance with generally accepted industry practices. Customer shall promptly notify Company when Customer has knowledge of any operational issues or damage related to the Equipment. Company shall inspect and repair Equipment that is not properly operating within the timelines agreed upon in the SOW. Company will invoice Customer for repairs that are the Customer's financial responsibility under

(Continued on Sheet No. 9.812)

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Original Sheet No. 9.812

(Continued from Sheet No. 9.811)

Section 12(c), due and payable by Customer within thirty (30) days of the date of such invoice. The Customer shall not manually operate or test Equipment, move, modify, remove, adjust, alter or change in any material way the Equipment, or any part thereof, during the term of the Agreement, except in the event of an occurrence reasonably deemed by the Customer or Company to constitute a bona fide emergency. All replacements of, and alterations or additions to, the Equipment shall become part of the Equipment. In the event of a breach of this Section 5 by Customer, Company may, at its option and sole discretion, restore Equipment to its original condition at Customer's sole cost and expense.

6. Customer Payments.

(a) Fees. The Customer's monthly Service payment shall be in the amount set forth in the SOW ("Monthly Service Payment"). Applicable taxes will also be included in or added to the Monthly Service Payment. In the event that Company agrees to a Customer's request to connect Equipment on the Company's side of the billing meter, energy provided by such Equipment will be billed under the Customer's otherwise applicable general service rate schedule.

(b) Late Payment. Charges for Services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of the greater of \$5.00 or 1.5% applied to any past due unpaid balance of all accounts. Further if the Customer fails to make any undisputed payment owed the Company hereunder within five (5) business days of receiving written notice from the Company that such payment is past due, Company may cease to supply Service under this Agreement until the Customer has paid the bills due. It is understood, however, that discontinuance of Service pursuant to the preceding sentence shall not constitute a breach of this Agreement by Company, nor shall it relieve the Customer of the obligation to comply with all payment obligations under this Agreement.

7. Customer Credit Requirements. In the reasonable discretion of Company to assure Customer payment of Monthly Service Payments, Company may request and Customer will be required to provide cash security, a surety bond or a bank letter of credit, in an amount as set forth in the SOW, prior to Company's procurement or installation of Equipment. Each Customer that provides a surety bond or a bank letter of credit must enter into the agreement(s) set forth in Sheet No. 9.440 of the Company's Electric Tariff for the surety bond and Sheet Nos. 9.430 and 9.435 of the Company's Electric Tariff for the bank letter of credit. Failure to provide the requested security in the manner set forth above within ninety (90) days of the date of this Agreement shall be a material breach of this Agreement unless such 90-day period is extended in writing by Company. Upon the end of the Term and after Company has received final payment for all bills, including any applicable Termination Fee pursuant to Section 13(a), for Service incurred under this Agreement, any cash security held by the Company under this Agreement will be refunded, and the obligors on any surety bond or letter of credit will be released from their obligations to the Company.

8. Right of Access. Customer hereby grants Company an access easement on the Residential Property sufficient to allow Company, in Company's sole discretion, to (i) laydown and stage the Equipment, tools, materials, other equipment and rigging and to park construction crew vehicles in connection with the installation or removal of the Equipment, (ii) inspect and provide maintenance to the Equipment; or (iii) provide any other service contemplated or necessary to perform under this Agreement. Furthermore, if any event creates an imminent risk of damage or injury to the Equipment, any person or person's property, Customer grants Company immediate unlimited access to the Residential Property to take such action as Company deems appropriate to prevent such damage or injury (collectively "Access").

9. Company Operation and Testing of Equipment. The Company shall have the exclusive right to manually and/or remotely operate the Equipment, and, except as expressly provided in the SOW, has the right to manually and/or remotely operate the Equipment at all times it deems appropriate, including, but not limited to, for the purpose of testing the Equipment to verify that it will operate within required parameters.

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FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.813

(Continued from Sheet No. 9.812)

- 10. Customer Responsibilities.** Except for an agreed upon Change (as defined in the SOW), the Customer shall not modify its electrical system at the Residential Property in a manner that exceeds the capacity of the Equipment. Company shall be entitled to rely on the accuracy and completeness of any information provided by the Customer related to the Residential Property. The Customer shall be obligated, at its sole expense, to keep the Residential Property free and clear of anything that may (i) impair the maintenance or removal of Equipment, (ii) impair the Company's operation of the Equipment pursuant to Section 9, or (iii) cause damage to the Equipment.
- 11. Permits and Regulatory Requirements.** Company shall be responsible for obtaining and for compliance with any license or permit required to be in Company's name to enable it to provide the Service. The Customer shall be responsible for obtaining and for compliance with any license, permits, and/or approvals from proper authorities required to be in Customer's name in order for the Customer to receive the Service. Each Party agrees to cooperate with the other Party and to assist the other Party in obtaining any required permit.
- 12. Title and Risk of Loss.**
- (a) **Title.** The Customer agrees that Equipment installed at the Residential Property is and will remain the sole property of Company unless and until such time as the Customer exercises any purchase option set forth in the Agreement and pays such applicable purchase price to Company. Company reserves the right to modify or upgrade Equipment as Company deems necessary, in its sole discretion, for the continued supply of the Service. Any modifications, upgrades, alterations, additions to the Equipment or replacement of the Equipment shall become part of the Equipment and shall be subject to the ownership provisions of this Section 12(a). The Parties agree that the Equipment is personal property of Company and not a fixture to the Residential Property and shall retain the legal status of personal property as defined under the applicable provisions of the Uniform Commercial Code. With respect to the Equipment, and to preserve the Company's title to, and rights in the Equipment, Company may file one or more precautionary UCC financing statements or fixture filings, as applicable, in such jurisdictions as Company deems appropriate. Furthermore, the Parties agree that Company has the right to record notice of its ownership rights in the Equipment in the public records of the county of the Residential Property.
- (b) **Liens.** Customer shall keep the Equipment free from any liens by third parties. Customer shall provide timely notice of Company's title and ownership of the Equipment to all persons that may come to have an interest in or lien upon the Residential Property.
- (c) **Risk of Loss to Equipment (Customer Responsibility).** **CUSTOMER SHALL BEAR ALL RISK OF LOSS OR DAMAGE OF ANY KIND WITH RESPECT TO ALL OR ANY PART OF THE EQUIPMENT LOCATED AT THE RESIDENTIAL PROPERTY TO THE EXTENT SUCH LOSS OR DAMAGE IS CAUSED BY THE ACTIONS, NEGLIGENCE, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF CUSTOMER, ITS CONTRACTORS, AGENTS, INVITEES AND/OR GUESTS, AND IN THE EVENT THAT THE EQUIPMENT IS DAMAGED BY A FORCE MAJEURE EVENT OR BY THIRD PARTY CRIMINAL ACTS OR TORTIOUS CONDUCT, THE CUSTOMER SHALL BE LIABLE TO THE EXTENT SUCH DAMAGES ARE RECOVERABLE UNDER THE CUSTOMER'S INSURANCE AS REQUIRED TO BE PROVIDED BY SECTION 18(b) OR UNDER ANY OTHER AVAILABLE INSURANCE OF CUSTOMER (COLLECTIVELY A "CUSTOMER CASUALTY").** Any proceeds provided by such insurance for loss or damage to the Equipment shall be promptly paid to Company.

(Continue on Sheet No. 9.814)

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Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.814

(Continued from Sheet No. 9.813)

- (d) Risk of Loss to Equipment (Company Responsibility). In the event the Equipment is damaged and is not a Customer Casualty, the Company will repair or replace the Equipment at Company's cost, or, in the event that Equipment is so severely damaged that substantial replacement is necessary, the Company may in its sole discretion either (i) terminate this Agreement for its convenience upon written notice to Customer, provided that Company will have the right to remove the Equipment at its cost within a reasonable period of time, and Customer will be obligated to pay any outstanding Monthly Service Payments and applicable taxes for Service provided to Customer up to and through the date the Equipment was damaged, or (ii) replace the Equipment and adjust the Monthly Service Payments to reflect the new in-place cost of the Equipment less the in-place cost of the replaced Equipment. For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election.

13. Expiration or Termination of Agreement

- (a) Early Termination for Convenience by Customer. Subject to the obligation of Customer to pay Company the Termination Fee (as defined below), the Customer has the right to terminate this Agreement for its convenience upon written notice to Company at least one-hundred eighty (180) days prior to the effective date of termination. The "Termination Fee" will be an amount equal to (i) any outstanding Monthly Service Payments and applicable taxes for Service provided to Customer prior to the effective date of termination, plus (ii) any unrecovered maintenance costs expended by Company prior to the effective date of termination, plus (iii) the unrecovered capital costs of the Equipment less any salvage value of Equipment removed by Company, plus (iv) any removal cost of any Equipment, minus (v) any payment security amounts recovered by the Company under Section 7 (Customer Credit Requirements). For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. Company will invoice Customer the Termination Fee, due and payable by Customer within thirty (30) days of the date of such invoice. Company's invoice may include an estimated salvage value of Equipment removed by Company. Company retains the right to invoice Customer based upon actual salvage value within one-hundred eighty (180) days of the date of Company's removal of Equipment.
- (b) Early Termination by Company for Convenience or by Company Due to Change in Law. The Company has the right to terminate this Agreement for its convenience upon written notice to Customer at least one-hundred eighty (180) days prior to the effective date of termination, or, in whole or in part, immediately upon written notice to Customer as a result of FPSC actions or change in applicable laws, rules, regulations, ordinances or applicable permits of any federal, state or local authority, or of any agency thereof, that have the effect of terminating, limiting or otherwise prohibiting Company's ability to provide the Service. Upon a termination for convenience by Company pursuant to this Section 13(b), Customer must choose to either: (i) Purchase the Equipment upon payment of (A) a transfer price mutually agreeable to Company and Customer, plus (B) Company's cost to reconfigure the Equipment to accept standard electric service from the Company, plus (C) any outstanding Monthly Service Payments and applicable taxes for Service provided to Customer prior to the effective date of termination, plus (D) any unrecovered maintenance costs expended by Company prior to the effective date of termination, minus (E) any cash security held by the Company under this Agreement, or (ii) Request that Company remove the Equipment, at Company's sole cost, within a reasonable time period, provided that, for the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. If Customer and Company cannot reach agreement as to the transfer price of the Equipment within ninety (90) days of Company's notice of termination for convenience, Customer shall be deemed to have elected the request for Company to remove the Equipment.

(Continue on Sheet No. 9.815)

Issued by: Tiffany Cohen, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.815

(Continued from Sheet No. 9.814)

- (c) **Early Termination of Agreement for Cause.** In addition to any other termination rights expressly set forth in this Agreement, Company and Customer, as applicable, may terminate this Agreement for cause upon any of the following events of default (each an "Event of Default"): (i) Customer fails to timely pay the Monthly Service Payment and fails to cure such deficiency within five (5) business days of written notice from the Company; (ii) Company materially breaches its obligations under the Agreement and such failure is not cured within thirty (30) days after written notice thereof by Customer; (iii) Customer fails to perform or observe any other covenant, term or condition under the Agreement and such failure is not cured within thirty (30) days after written notice thereof by Company; (iv) Subject to Section 20, Customer sells, transfers or otherwise disposes of the Residential Property; (v) Customer enters into any voluntary or involuntary bankruptcy or other insolvency or receivership proceeding, or makes an assignment for the benefit of creditors; (vi) any representation or warranty made by Customer or otherwise furnished to Company in connection with the Agreement shall prove at any time to have been untrue or misleading in any material respect; or (vii) Customer removes or allows a third party to remove, any portion of the Equipment from the Residential Property.
- i. Upon a termination for cause by Company, the Company shall have the right to access and remove the Equipment and Customer shall be responsible for paying the Termination Fee as more fully described in Section 13(a). For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. Additionally, the Customer shall be liable to Company for any attorney's fees or other costs incurred in collection of the Termination Fee. In the event that Company and a purchaser of the Residential Property (who has not assumed the Agreement pursuant to Section 20) agree upon a purchase price of the Equipment, such purchase price shall be credited against the Termination Fee owed by Customer.
 - ii. Upon a termination for cause by Customer, Customer must choose to either (i) pursue the purchase option pursuant to Section 13(e), or (ii) request that Company remove the Equipment, at Company's sole cost, within a reasonable time period, and pay no Termination Fee; provided that, for the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election.
- (d) **Expiration of Agreement.** At least ninety (90) days prior to the end of the Term, Customer shall provide Company with written notice of an election of one of the three following options: (i) to renew the Term of this Agreement, subject to modifications to be agreed to by Company and the Customer, for a period and price to be agreed upon between Company and the Customer, (ii) to purchase the Equipment by payment of the purchase option price set forth in Section 13(e) plus applicable taxes, plus any outstanding Monthly Service Payments and applicable taxes, for Service provided to Customer prior to the expiration of the Term, or (iii) to request that Company remove the Equipment and for Customer to pay Company the Termination Fee. In the event that Customer fails to make a timely election, Customer shall be deemed to have elected the request for Company to remove the Equipment and for Customer to pay the Termination Fee. For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. If options (i) or (ii) is selected by Customer but the Parties have failed to reach agreement as to the terms of the applicable option by the expiration of the then current Term, the Agreement will auto-renew on a month-to-month basis until (A) the date on which the Parties reach agreement and finalize the option, or (B) the date Customer provides written notice to Company to change its election to option (iii) above.

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FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.816

(Continued from Sheet No. 9.815)

- (e) **Customer Purchase Option.** Pursuant to a purchase option under Section 13(e), Section 13(d), or Section 20, the Customer may elect to purchase and take title to the Equipment upon payment of (i) the greater of (A) Company's unrecovered capital cost of the Equipment, or (B) the mutually agreed upon fair market value of the Equipment, plus (ii) Company's cost to reconfigure the Equipment to accept standard electric service from the Company, plus (iii) any outstanding Monthly Service Payments and applicable taxes for Service provided to Customer prior to the effective date of termination, plus (iv) any unrecovered maintenance costs expended by Company prior to the effective date of termination, minus (v) any cash security held by the Company under this Agreement. Company will invoice Customer the purchase option price within thirty (30) days of Customer's election of the purchase option, due and payable by Customer within thirty (30) days of the date of such invoice. If Customer and Company cannot reach agreement as to the fair market value of the Equipment within thirty (30) days of Customer's election of the purchase option, then such purchase option will expire and Customer must proceed subject to and pay the Termination Fee pursuant to Section 13(a).

14. Warranty and Representations.

- (a) **Company's Disclaimer of Express and/or Implied Warranties.** CUSTOMER ACKNOWLEDGES AND AGREES THAT COMPANY HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING, OR WITH RESPECT TO THE COMPANY'S OBLIGATIONS, SERVICES AND/OR THE EQUIPMENT. CUSTOMER ACKNOWLEDGES THAT THERE IS NO WARRANTY IMPLIED BY LAW, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND THE IMPLIED WARRANTY OF CUSTOM OR USAGE. CUSTOMER FURTHER ACKNOWLEDGES IN NO EVENT DOES COMPANY WARRANT AND/OR GUARANTY TO THE CUSTOMER THAT THE ELECTRICAL SERVICES TO THE RESIDENTIAL PROPERTY WILL BE UNINTERRUPTED OR THAT THE INSTALLATION OF THE EQUIPMENT AND PROVISION OF SERVICES PROVIDED HEREUNDER WILL AVERT OR PREVENT THE INTERRUPTION OF ELECTRIC SERVICES.
- (b) **Customer Representations and Warranties.** The Customer represents and warrants that (i) the Residential Property at which Company's Equipment is to be located is suitable for the location of such Equipment; (ii) the placing of such Equipment at such Residential Property will comply with all laws, rules, regulations, ordinances, zoning requirements or any other federal, state and local governmental requirements applicable to Customer; (iii) all information provided by the Customer related to the Residential Property is accurate and complete; and (iv) Customer holds sole and exclusive title to the Residential Property or has the sole and exclusive right of possession of the Residential Property for the Term.

15. LIMITATIONS OF LIABILITY.

- (a) IT IS UNDERSTOOD AND ACKNOWLEDGED BY CUSTOMER THAT COMPANY IS NOT AN INSURER OF LOSSES OR DAMAGES THAT MIGHT ARISE OR RESULT FROM THE EQUIPMENT NOT OPERATING AS EXPECTED. BY SIGNING THIS AGREEMENT, CUSTOMER ACKNOWLEDGES AND AGREES THAT COMPANY SHALL NOT BE LIABLE TO THE CUSTOMER FOR COMPLETE OR PARTIAL INTERRUPTION OF SERVICE, OR FLUCTUATION IN VOLTAGE, RESULTING FROM CAUSES BEYOND ITS CONTROL OR THROUGH THE ORDINARY NEGLIGENCE OF ITS EMPLOYEES, SERVANTS OR AGENTS.

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Issued by: Tiffany Cohen, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.817

(Continued from Sheet No. 9.816)

(b) **SUBJECT TO SECTION 15(c)**, NEITHER COMPANY NOR CUSTOMER SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, SPECIAL, EXEMPLARY, INDIRECT OR INCIDENTAL LOSSES OR PUNITIVE DAMAGES UNDER THE AGREEMENT, INCLUDING LOSS OF USE, COST OF CAPITAL, LOSS OF GOODWILL, LOST REVENUES OR LOSS OF PROFIT, AND COMPANY AND CUSTOMER EACH HEREBY RELEASES THE OTHER FROM ANY SUCH LIABILITY.

(c) THE LIMITATIONS OF LIABILITY UNDER **SECTION 15(a)** AND **SECTION 15(b)** ABOVE SHALL NOT BE CONSTRUED TO LIMIT ANY INDEMNITY OR DEFENSE OBLIGATION OF CUSTOMER UNDER **SECTION 18(c)**. Customer's initials below indicate that Customer has read, understood and voluntarily accepted the terms and provisions set forth in **Section 15**.

Agreed and accepted by Customer: _____ (Initials)

16. **Force Majeure.** Force Majeure is defined as an event or circumstance that is not reasonably foreseeable, is beyond the reasonable control of and is not caused by the negligence or lack of due diligence of the affected Party or its contractors or suppliers. Such events or circumstances may include, but are not limited to, actions or inactions of civil or military authority (including courts and governmental or administrative agencies), acts of God, war, riot or insurrection, blockades, embargoes, sabotage, epidemics, explosions and fires not originating in the Residential Property or caused by its operation, hurricanes, floods, strikes, lockouts or other labor disputes or difficulties (not caused by the failure of the affected Party to comply with the terms of a collective bargaining agreement). If a Party is prevented or delayed in the performance of any such obligation by a Force Majeure event, such Party shall provide notice to the other Party of the circumstances preventing or delaying performance and the expected duration thereof. The Party so affected by a Force Majeure event shall endeavor, to the extent reasonable, to remove the obstacles which prevent performance and shall resume performance of its obligations as soon as reasonably practicable. Provided that the requirements of this **Section 16** are satisfied by the affected Party, to the extent that performance of any obligation(s) is prevented or delayed by a Force Majeure event, the obligation(s) of the affected Party that is obstructed or delayed shall be extended by the time period equal to the duration of the Force Majeure event. Notwithstanding the foregoing, the occurrence of a Force Majeure event shall not relieve Customer of payment obligations under this Agreement.
17. **Confidentiality.** "Confidential Information" shall mean all nonpublic information, regardless of the form in which it is communicated or maintained (whether oral, written, electronic or visual) and whether prepared by Company or otherwise, which is disclosed to Customer. Confidential Information shall not be used for any purpose other than for purposes of this Agreement and shall not be disclosed without the prior written consent of Company.
18. **Insurance and Indemnity.**
- (a) **Insurance to Be Maintained by the Company.** At any time that the Company is performing Services under this Agreement at the Customer Residential Property, the Company shall, maintain, at its sole cost and expense, liability insurance as required by law, including workers' compensation insurance mandated by the applicable laws of the State of Florida. Company may meet the above required insurance coverage with any combination of primary, excess, or self-insurance.
- (b) **Insurance to Be Maintained by the Customer.** During and throughout the Term of this Agreement and until all amounts payable to the Company pursuant to this Agreement are paid in full, the Customer shall maintain a homeowner's property insurance policy with minimum limits equal to the value of the Residential Property and homeowner's liability insurance policy with minimum limits of Three Hundred Thousand (\$300,000.00) Dollars.

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Issued by: Tiffany Cohen, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.818

(Continued from Sheet No. 9.817)

(c) Indemnity. The Customer shall indemnify, hold harmless and defend Company from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property ("Losses") to the extent arising out of, connected with, relating to or in any manner directly or indirectly connected with this Agreement; provided, that nothing herein shall require Customer to indemnify Company for Losses caused by Company's own negligence, gross negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Agreement.

19. Non-Waiver. The failure of either Party to insist upon the performance of any term or condition of this Agreement or to exercise any right hereunder on one or more occasions shall not constitute a waiver or relinquishment of its right to demand future performance of such term or condition, or to exercise such right in the future.

20. Assignment. Neither this Agreement, nor the Service, nor any duty, interest or rights hereunder shall be subcontracted, assigned, transferred, delegated or otherwise disposed of by Customer without Company's prior written approval. Customer will provide written notice to Company of a prospective sale of the real property upon which the Equipment is installed, at least thirty (30) days prior to the sale of such property. In the event of the sale of the real property upon which the Equipment is installed, subject to the obligations of this Agreement including Section 7 (Customer Credit Requirements), the Customer has the option to purchase the Equipment pursuant to Section 13(c) or this Agreement may be assigned by the Customer to the purchaser if such obligations have been assumed by the purchaser and agreed to by the Customer and the Company in writing. This Agreement shall inure to the benefit of, and be binding upon the successors and assigns of the Customer and Company. This Agreement is free of any restrictions that would prevent the Customer from freely transferring the Residential Property. Company will not prohibit the sale, conveyance or refinancing of the Residential Property. Company may choose to file in the real estate records one or more precautionary UCC financing statements or fixture filings (collectively "Fixture Filing") that preserves their rights in the Equipment. The Fixture Filing is intended only to give notice of its rights relating to the Equipment and is not a lien or encumbrance against the Residential Property. Company shall explain the Fixture Filing to any subsequent purchasers of the Residential Property and any related lenders as requested. Company shall also accommodate reasonable requests from lenders or title companies to facilitate a purchase, financing or refinancing of the Residential Property.

21. Dispute Resolution, Governing Law, Venue and Waiver of Jury Trial. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions. Each Party agrees not to commence or file any formal proceedings against the other Party related to any dispute under this Agreement for at least forty-five (45) days after notifying the other Party in writing of the dispute. A court of competent jurisdiction in the Circuit Court for Palm Beach County, Florida or the United States District Court for the Southern District of Florida only, as may be applicable under controlling law, shall decide any unresolved claim or other matter in question between the Parties to this Agreement arising out of or related in any way to this Agreement, with such court having sole and exclusive jurisdiction over any such matters. EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS THAT MIGHT EXIST TO HAVE A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED UPON, RELATING TO, ARISING OUT OF, UNDER OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF EITHER PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

22. Modification. No statements or agreements, oral or written, made prior to the date hereof, shall vary or modify the written terms set forth herein and neither Party shall claim any amendment, modification or release from any provision hereof by reason of a course of action or mutual agreement unless such agreement is in writing, signed by both Parties and specifically states it is an amendment to this Agreement.

(Continue on Sheet No. 9.819)

Issued by: Tiffany Cohen, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.819

(Continued from Sheet No. 9.818)

23. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
24. **Survival.** The obligations of the Parties hereunder which by their nature survive the termination or expiration of the Agreement and/or the completion of the Service hereunder, shall survive and inure to the benefit of the Parties. Those provisions of this Agreement which provide for the limitation of or protection against liability shall apply to the full extent permitted by law and shall survive termination or expiration of this Agreement and/or completion of the Service.
25. **Notices.** All notices, demands, offers or other written communications required or permitted to be given pursuant to this Agreement shall be in writing signed by the Party giving such notice and, shall be either hand-delivered, sent via certified mail, return receipt requested and postage prepaid, or sent via overnight courier to such Party's address as set forth in the first paragraph of this Agreement and with respect to Company, sent to the attention of _____. Each Party shall have the right to change the place to which notices shall be sent or delivered or to specify additional addresses to which copies of notices may be sent, in either case by similar notice sent or delivered in like manner to the other Party.
26. **Further Assurances.** Company and Customer each agree to do such other and further acts and things, and to execute and deliver such additional instruments and documents, as either Party may reasonably request from time to time whether at or after the execution of this Agreement, in furtherance of the express provisions of this Agreement.
27. **Entire Agreement.** The Agreement constitutes the entire understanding between Company and the Customer relating to the subject matter hereof, superseding any prior or contemporaneous agreements, representations, warranties, promises or understandings between the Parties, whether oral, written or implied, regarding the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereby caused this Agreement to be executed by their duly authorized representatives, effective as of the Effective Date.

Customer

Florida Power & Light Company

By: _____
(Signature)

By: _____
(Signature of Authorized Representative)

(Print or Type Name)

(Print or Type Name)

Date: _____

Title: _____

Date: _____

Customer

By: _____
(Signature)

(Print or Type Name)

Date: _____

Issued by: Tiffany Cohen, Director, Rates and Tariffs
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.820

NON-RESIDENTIAL OPTIONAL SUPPLEMENTAL POWER SERVICES AGREEMENT

THIS Non-Residential Optional Supplemental Power Services Agreement ("Agreement") is made and entered into this _____ day of _____, 20__ by and between _____, a _____, having its principal office at _____ (hereafter, the "Customer") and Florida Power & Light Company, a Florida corporation, having offices at 700 Universe Boulevard, Juno Beach, Florida 33408 (hereafter "Company") (each a "Party" and collectively the "Parties"). The Service (as defined in the paragraph below) provided under this Agreement is subject to the Rules and Orders of the Florida Public Service Commission ("FPSC") and to Company's Electric Tariff, including, but not limited to, the Optional Supplemental Power Services Rider, Rate Schedule OSP-1, as approved or subsequently revised by the FPSC (hereafter the "Rider") and the General Rules and Regulations for Electric Service as they are now written, or as they may be hereafter revised, amended or supplemented (collectively, hereafter referred to as the "Electric Tariff"). In case of conflict between any provision of this Agreement and the Electric Tariff, this Agreement shall control. Capitalized terms not defined herein shall have the meaning set forth in the Electric Tariff.

WHEREAS, the Customer hereby applies to Company for receipt of service, as more specifically described in a Statement of Work ("SOW") for the purpose of providing an alternative source of power supply and/or power conditioning service in the event Customer's normal electric supply is disrupted (hereafter the "Service"), at the Customer facility located at _____ (hereafter the "Facility").

NOW THEREFORE, in consideration of their mutual promises and undertakings, the Parties agree to the following terms and conditions in this Agreement:

1. **Effective Date.** This Agreement shall become effective upon the acceptance hereof by Company ("Effective Date"), evidenced by the signature of Company's authorized representative appearing below, which, together with the Electric Tariff and the SOW, shall constitute the entire agreement between the Customer and Company with respect to provision of the Service.
2. **Term of Agreement.** The term of this Agreement will commence on the Effective Date and will continue for _____ years following the Commercial Operation Date as defined in Section 4(a) below (the "Term").
3. **Scope of Services.** Company will design, procure, install, own, operate and provide maintenance to all alternative sources of power supply and/or power conditioning equipment ("Equipment") to furnish the Service as more specifically described in the SOW. Customer acknowledges and agrees that (i) the Equipment will be removable and will not be a fixture or otherwise part of the Facility, (ii) Company will own the Equipment, and (iii) Customer has no ownership interest in the Equipment. For the avoidance of doubt, it is the Parties' intent that this Agreement (i) is for the Company's provision of Services to Customer using Company's Equipment, and (ii) is not for the license, rental or lease of the Equipment by Company to Customer.
4. **Design and Installation.** Company will design, procure, and install the Equipment pursuant to the requirements of the SOW.
 - (a) **Commercial Operation.** Upon completion of the installation of the applicable Equipment in accordance with the requirements of the SOW, Company shall deliver to Customer a notice that the Equipment is ready for commercial operation, with the date of such notice being the "Commercial Operation Date".
 - (b) **Commencement of Monthly Service Payment Upon Commercial Operation Date.** Customer's obligation to pay the applicable Customer's monthly Service payment, plus applicable fuel charges and taxes due from Customer pursuant to Section 6 (Customer Payments), shall begin on the Commercial Operation Date and shall be due and payable by Customer pursuant to the General Rules and Regulations for Electric Service.
5. **Equipment Maintenance; Alterations.** During the Term, Company shall provide maintenance to the applicable Equipment in accordance with generally accepted industry practices. Customer shall promptly notify Company when Customer has knowledge of any operational issues or damage related to the Equipment. Company shall inspect and repair Equipment that is not properly operating within the timelines agreed upon in the SOW. Company will invoice Customer for repairs that are the Customer's financial responsibility under

(Continue on Sheet No. 9.821)

Issued by: Tiffany Cohen, Director, Rates and Tariff
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.821

(Continued from Sheet No. 9.820)

Section 12(c), due and payable by Customer within thirty (30) days of the date of such invoice. The Customer shall not manually operate or test Equipment, move, modify, remove, adjust, alter or change in any material way the Equipment, or any part thereof, during the term of the Agreement, except in the event of an occurrence reasonably deemed by the Customer or Company to constitute a bona fide emergency. All replacements of, and alterations or additions to, the Equipment shall become part of the Equipment. In the event of a breach of this Section 5 by Customer, Company may, at its option and sole discretion, restore Equipment to its original condition at Customer's sole cost and expense.

6. Customer Payments.

- (a) Fees. The Customer's monthly Service payment shall be in the amount set forth in the SOW ("Monthly Service Payment"). Any monthly fuel charges specified in the SOW will be in addition to the Monthly Service Payment. Monthly fuel charges, if applicable, will be recalculated annually by Company in accordance with the Rider, and such recalculated monthly fuel charges shall be effective upon written notice to Customer. Applicable taxes will also be included in or added to the Monthly Service Payment and any fuel charges. In the event that Company agrees to a Customer's request to connect Equipment on the Company's side of the billing meter, energy provided by such Equipment will be billed under the Customer's otherwise applicable general service rate schedule.
- (b) Late Payment. Charges for Services due and rendered which are unpaid as of the past due date are subject to a Late Payment Charge of the greater of \$5.00 or 1.5% applied to any past due unpaid balance of all accounts, except the accounts of federal, state, and local governmental entities, agencies, and instrumentalities. A Late Payment Charge shall be applied to the accounts of federal, state, and local governmental entities, agencies, and instrumentalities at a rate no greater than allowed, and in a manner permitted, by applicable law. Further if the Customer fails to make any undisputed payment owed the Company hereunder within five (5) business days of receiving written notice from the Company that such payment is past due, Company may cease to supply Service under this Agreement until the Customer has paid the bills due. It is understood, however, that discontinuance of Service pursuant to the preceding sentence shall not constitute a breach of this Agreement by Company, nor shall it relieve the Customer of the obligation to comply with all payment obligations under this Agreement.

- 7. Customer Credit Requirements.** At the discretion of the Company and subject to the confidentiality obligations set forth in this Agreement, Company may request and Customer shall provide Company with the most recent financial statements of each of the Customer and/or its parent company and with such other documents, instruments, agreements and other writings to determine the creditworthiness of Customer. The Company may also use debt ratings provided by the major credit rating agencies or consult other credit rating services to determine Customer creditworthiness. In the reasonable discretion of Company to assure Customer payment of Monthly Service Payments, Company may request and Customer will be required to provide cash security, a surety bond or a bank letter of credit, in an amount as set forth in the SOW, prior to Company's procurement or installation of Equipment. Each Customer that provides a surety bond or a bank letter of credit must enter into the agreement(s) set forth in Sheet No. 9.440 of the Company's Electric Tariff for the surety bond and Sheet Nos. 9.430 and 9.435 of the Company's Electric Tariff for the bank letter of credit. Failure to provide the requested security in the manner set forth above within ninety (90) days of the date of this Agreement shall be a material breach of this Agreement unless such 90-day period is extended in writing by Company. Upon the end of the Term and after Company has received final payment for all bills, including any applicable Termination Fee pursuant to Section 13(a), for Service incurred under this Agreement, any cash security held by the Company under this Agreement will be refunded, and the obligors on any surety bond or letter of credit will be released from their obligations to the Company.

(Continue on Sheet No. 9.822)

Issued by: Tiffany Cohen, Director, Rates and Tariff
Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.822

(Continued from Sheet No. 9.821)

8. **Grant of Easement to Company.** Customer hereby grants Company an access easement to the Facility sufficient to allow Company, in Company's sole discretion, to (i) laydown and stage the Equipment, tools, materials, other equipment and rigging and to park construction crew vehicles in connection with the installation or removal of the Equipment, (ii) inspect and provide maintenance to the Equipment; or (iii) provide any other service contemplated or necessary to perform under this Agreement. Furthermore, if any event creates an imminent risk of damage or injury to the Equipment, any person or person's property, Customer grants Company immediate unlimited access to the Facility to take such action as Company deems appropriate to prevent such damage or injury (collectively "Access"). Upon execution of this Agreement and the Parties agreement to the Equipment location, Company shall obtain a legal description of the necessary Access locations and provide Customer with an applicable easement form for Customer's approval and signature. The Customer must also obtain and provide mortgage subordinations, as necessary to protect the Company's right of Access. Upon receiving the signed easement form and any associated mortgage subordinations, the Company shall record Company's easement rights in the public records of the County where the Facility is located. All such costs related thereto shall be the included as part of calculating the Customer's Monthly Service Payment. Failure to provide the above requested documents in the manner set forth above within ninety (90) days of the date of this Agreement shall be a material breach of this Agreement unless such 90-day period is extended in writing by Company. Customer agrees that it will not interfere with Company's right of access to the Facility as reasonably necessary for (i) Company's laydown and installation of the Equipment, (ii) Company's maintenance and/or removal of Equipment, and (iii) Company's performance of the Service.
9. **Company Operation and Testing of Equipment.** The Company shall have the exclusive right to manually and/or remotely operate the Equipment, and, except as expressly provided in the SOW, has the right to manually and/or remotely operate the Equipment at all times it deems appropriate, including, but not limited to, for the purpose of testing the Equipment to verify that it will operate within required parameters.
10. **Customer Responsibilities.** Except for an agreed upon Change (as defined in the SOW), the Customer shall not modify its electrical system at the Facility in a manner that exceeds the capacity of the Equipment. Company shall be entitled to rely on the accuracy and completeness of any information provided by the Customer related to the Facility. The Customer shall be obligated, at its sole expense, to keep the Facility free and clear of anything that may (i) impair the maintenance or removal of Equipment, (ii) impair the Company's operation of the Equipment pursuant to Section 9, or (iii) cause damage to the Equipment.
11. **Permits and Regulatory Requirements.** Company shall be responsible for obtaining and for compliance with any license or permit required to be in Company's name to enable it to provide the Service. The Customer shall be responsible for obtaining and for compliance with any license, permits, and/or approvals from proper authorities required to be in Customer's name in order for the Customer to receive the Service. Each Party agrees to cooperate with the other Party and to assist the other Party in obtaining any required permits.
12. **Title and Risk of Loss.**
 - (a) **Title.** The Customer agrees that Equipment installed at the Facility is and will remain the sole property of Company unless and until such time as the Customer exercises any purchase option set forth in the Agreement and pays such applicable purchase price to Company. Company reserves the right to modify or upgrade Equipment as Company deems necessary, in its sole discretion, for the continued supply of the Service. Any modifications, upgrades, alterations, additions to the Equipment or replacement of the Equipment shall become part of the Equipment and shall be subject to the ownership provisions of this Section 12(a). The Parties agree that the Equipment is personal property of Company and not a fixture to the Facility and shall retain the legal status of personal property as defined under the applicable provisions of the Uniform Commercial Code. With respect to the Equipment, and to preserve the Company's title to, and rights in the Equipment, Company may file one or more precautionary UCC financing statements or fixture filings, as applicable, in such jurisdictions, as Company deems appropriate. Furthermore, the Parties agree that Company has the

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FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.823

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right to record notice of its ownership rights in the Equipment in the public records of the county of the Facility.

- (b) Liens. Customer shall keep the Equipment free from any liens by third parties. Customer shall provide timely notice of Company's title and ownership of the Equipment to all persons that may come to have an interest in or lien upon the Facility.
- (c) Risk of Loss to Equipment (Customer Responsibility). CUSTOMER SHALL BEAR ALL RISK OF LOSS OR DAMAGE OF ANY KIND WITH RESPECT TO ALL OR ANY PART OF THE EQUIPMENT LOCATED AT THE FACILITY TO THE EXTENT SUCH LOSS OR DAMAGE IS CAUSED BY THE ACTIONS, NEGLIGENCE, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF CUSTOMER, ITS EMPLOYEES, CONTRACTORS, AGENTS, INVITEES AND/OR GUESTS, AND IN THE EVENT THAT THE EQUIPMENT IS DAMAGED BY A FORCE MAJEURE EVENT OR BY THIRD PARTY CRIMINAL ACTS OR TORTIOUS CONDUCT, THE CUSTOMER SHALL BE LIABLE TO THE EXTENT SUCH DAMAGES ARE RECOVERABLE UNDER THE CUSTOMER'S INSURANCE AS REQUIRED TO BE PROVIDED BY SECTION 18(b) OR UNDER ANY OTHER AVAILABLE INSURANCE OF CUSTOMER (COLLECTIVELY, A "CUSTOMER CASUALTY"). Any proceeds provided by such insurance for loss or damage to the Equipment shall be promptly paid to Company.
- (d) Risk of Loss to Equipment (Company Responsibility). In the event the Equipment is damaged and is not a Customer Casualty, the Company will repair or replace the Equipment at Company's cost, or, in the event that Equipment is so severely damaged that substantial replacement is necessary, the Company may in its sole discretion either (i) terminate this Agreement for its convenience upon written notice to Customer, provided that Company will have the right to remove the Equipment at its cost within a reasonable period of time, and Customer will be obligated to pay any outstanding Monthly Service Payments, fuel charges and applicable taxes for Service provided to Customer up to and through the date the Equipment was damaged, or (ii) replace the Equipment and adjust the Monthly Service Payments to reflect the new in-place cost of the Equipment less the in-place cost of the replaced Equipment. For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election.

13. Expiration or Termination of Agreement

- (a) Early Termination for Convenience by Customer. Subject to the obligation of Customer to pay Company the Termination Fee (as defined below), the Customer has the right to terminate this Agreement for its convenience upon written notice to Company at least one-hundred eighty (180) days prior to the effective date of termination. The "Termination Fee" will be an amount equal to (i) any outstanding Monthly Service Payments, fuel charges and applicable taxes for Service provided to Customer prior to the effective date of termination, plus (ii) any unrecovered fuel and maintenance costs expended by Company prior to the effective date of termination, plus (iii) the unrecovered capital costs of the Equipment less any salvage value of Equipment removed by Company, plus (iv) any removal cost of any Equipment, minus (v) any payment security amounts recovered by the Company under Section 7 (Customer Credit Requirements). For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. Company will invoice Customer the Termination Fee, due and payable by Customer within thirty (30) days of the date of such invoice. Company's invoice may include an estimated salvage value of Equipment removed by Company. Company retains the right to invoice Customer based upon actual salvage value within one-hundred eighty (180) days of the date of the Company's removal of Equipment.

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(Continued from Sheet No. 9.823)

- (b) **Early Termination by Company for Convenience or by Company Due to Change in Law.** The Company has the right to terminate this Agreement for its convenience upon written notice to Customer at least one-hundred eighty (180) days prior to the effective date of termination, or, in whole or in part, immediately upon written notice to Customer as a result of FPSC actions or change in applicable laws, rules, regulations, ordinances or applicable permits of any federal, state or local authority, or of any agency thereof, that have the effect of terminating, limiting or otherwise prohibiting Company's ability to provide the Service. Upon a termination for convenience by Company pursuant to this Section 13(b), Customer must choose to either: (i) Purchase the Equipment upon payment of (A) a transfer price mutually agreeable to Company and Customer, plus (B) Company's cost to reconfigure the Equipment to accept standard electric service from the Company, plus (C) any outstanding Monthly Service Payments, fuel charges and applicable taxes for Service provided to Customer prior to the effective date of termination, plus (D) any unrecovered fuel and maintenance costs expended by Company prior to the effective date of termination, minus (E) any cash security held by the Company under this Agreement; or (ii) Request that Company remove the Equipment, at Company's sole cost, within a reasonable time period, provided that, for the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. If Customer and Company cannot reach agreement as to the transfer price of the Equipment within ninety (90) days of Company's notice of termination for convenience, Customer shall be deemed to have elected the request for Company to remove the Equipment.
- (c) **Early Termination of Agreement for Cause.** In addition to any other termination rights expressly set forth in this Agreement, Company and Customer, as applicable, may terminate this Agreement for cause upon any of the following events of default (each an "Event of Default"): (i) Customer fails to timely pay the Monthly Service Payment and fails to cure such deficiency within five (5) business days of written notice from the Company; (ii) Company materially breaches its obligations under the Agreement and such failure is not cured within thirty (30) days after written notice thereof by Customer; (iii) Customer fails to perform or observe any other covenant, term or condition under the Agreement and such failure is not cured within thirty (30) days after written notice thereof by Company; (iv) Subject to Section 20, Customer sells, transfers or otherwise disposes of the Facility; (v) Customer or any guarantor of Customer's obligations or liabilities hereunder ("Guarantor") sells, transfers or otherwise dispose of all or substantially all of its assets; (vi) Customer or Guarantor enters into any voluntary or involuntary bankruptcy or other insolvency or receivership proceeding, or makes an assignment for the benefit of creditors; (vii) any representation or warranty made by Customer or Guarantor or otherwise furnished to Company in connection with the Agreement shall prove at any time to have been untrue or misleading in any material respect; or (viii) Customer removes or allows a third party to remove, any portion of the Equipment from the Facility.
- i. Upon a termination for cause by Company, the Company shall have the right to access and remove the Equipment and Customer shall be responsible for paying the Termination Fee as more fully described in Section 13(a). For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. Additionally, the Customer shall be liable to Company for any attorney's fees or other costs incurred in collection of the Termination Fee. In the event that Company and a purchaser of the Facility (who has not assumed the Agreement pursuant to Section 20) agree upon a purchase price of the Equipment, such purchase price shall be credited against the Termination Fee owed by Customer.

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Original Sheet No. 9.825

(Continued from Sheet No. 9.824)

- ii. Upon a termination for cause by Customer, Customer must choose to either (i) pursue the purchase option pursuant to Section 13(e), or (ii) request that Company remove the Equipment, at Company's sole cost, within a reasonable time period, and pay no Termination Fee; provided that, for the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election.
- (d) **Expiration of Agreement.** At least ninety (90) days prior to the end of the Term, Customer shall provide Company with written notice of an election of one of the three following options: (i) to renew the Term of this Agreement, subject to modifications to be agreed to by Company and the Customer, for a period and price to be agreed upon between Company and the Customer, (ii) to purchase the Equipment by payment of the purchase option price set forth in Section 13(e) plus applicable taxes, plus any outstanding Monthly Service Payments, fuel charges and applicable taxes, for Service provided to Customer prior to the expiration of the Term, or (iii) to request that Company remove the Equipment and for Customer to pay Company the Termination Fee. In the event that Customer fails to make a timely election, Customer shall be deemed to have elected the request for Company to remove the Equipment and for Customer to pay the Termination Fee. For the avoidance of doubt, Company has the right, but not the obligation, to access and remove any and all Equipment, at its sole discretion. Title to Equipment that Company elects not to remove shall transfer to Customer upon written notice by Company to Customer of such an election. If options (i) or (ii) is selected by Customer but the Parties have failed to reach agreement as to the terms of the applicable option by the expiration of the then current Term, the Agreement will auto-renew on a month-to-month basis until (A) the date on which the Parties reach agreement and finalize the option, or (B) the date Customer provides written notice to Company to change its election to option (iii) above.
- (e) **Customer Purchase Option.** Pursuant to a purchase option under Section 13(c), Section 13(d), or Section 20, the Customer may elect to purchase and take title to the Equipment upon payment of (i) the greater of (A) Company's unrecovered capital cost of the Equipment, or (B) the mutually agreed upon fair market value of the Equipment, plus (ii) Company's cost to reconfigure the Equipment to accept standard electric service from the Company, plus (iii) any outstanding Monthly Service Payments, fuel charges and applicable taxes for Service provided to Customer prior to the effective date of termination, plus (iv) any unrecovered fuel and maintenance costs expended by Company prior to the effective date of termination, minus (v) any cash security held by the Company under this Agreement. Company will invoice Customer the purchase option price within thirty (30) days of Customer's election of the purchase option, due and payable by Customer within thirty (30) days of the date of such invoice. If Customer and Company cannot reach agreement as to the fair market value of the Equipment within thirty (30) days of Customer's election of the purchase option, then such purchase option will expire and Customer must proceed subject to and pay the Termination Fee pursuant to Section 13(a).
- (f) **Termination of Easements.** Following expiration or termination of this Agreement and satisfaction of all Customer obligations under this Section 13, Company shall provide Customer with a release of Easements in a form mutually agreed upon between the Parties.

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Original Sheet No. 9.826

(Continued from Sheet No. 9.825)

14. Warranty and Representations.

- (a) Company's Disclaimer of Express and/or Implied Warranties. CUSTOMER ACKNOWLEDGES AND AGREES THAT COMPANY HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING, OR WITH RESPECT TO THE COMPANY'S OBLIGATIONS, SERVICES AND/OR THE EQUIPMENT. CUSTOMER ACKNOWLEDGES THAT THERE IS NO WARRANTY IMPLIED BY LAW, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AND THE IMPLIED WARRANTY OF CUSTOM OR USAGE. CUSTOMER FURTHER ACKNOWLEDGES IN NO EVENT DOES COMPANY WARRANT AND/OR GUARANTY TO THE CUSTOMER THAT THE ELECTRICAL SERVICES TO THE FACILITY WILL BE UNINTERRUPTED OR THAT THE INSTALLATION OF THE EQUIPMENT AND PROVISION OF SERVICES PROVIDED HEREUNDER WILL AVERT OR PREVENT THE INTERRUPTION OF ELECTRIC SERVICES.
- (b) Customer Representations and Warranties. The Customer represents and warrants that (i) the Facility at which Company's Equipment is to be located is suitable for the location of such Equipment; (ii) the placing of such Equipment at such Facility will comply with all laws, rules, regulations, ordinances, zoning requirements or any other federal, state and local governmental requirements applicable to Customer; (iii) all information provided by the Customer related to the Facility is accurate and complete; (iv) Customer holds title to the real property on which the Facility is located or has the right of possession of the real property on which the Facility is located for the Term; and (v) Customer has the right to grant Company easement rights related to the real property on which the Facility is located, or has the right to require the owner of the real property on which the Facility is located to grant Company such easement rights.

15. LIMITATIONS OF LIABILITY.

- (a) IT IS UNDERSTOOD AND ACKNOWLEDGED BY CUSTOMER THAT COMPANY IS NOT AN INSURER OF LOSSES OR DAMAGES THAT MIGHT ARISE OR RESULT FROM THE EQUIPMENT NOT OPERATING AS EXPECTED. BY SIGNING THIS AGREEMENT, CUSTOMER ACKNOWLEDGES AND AGREES THAT COMPANY SHALL NOT BE LIABLE TO THE CUSTOMER FOR COMPLETE OR PARTIAL INTERRUPTION OF SERVICE, OR FLUCTUATION IN VOLTAGE, RESULTING FROM CAUSES BEYOND ITS CONTROL OR THROUGH THE ORDINARY NEGLIGENCE OF ITS EMPLOYEES, SERVANTS OR AGENTS.
- (b) SUBJECT TO SECTION 15(c), NEITHER COMPANY NOR CUSTOMER SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, SPECIAL, EXEMPLARY, INDIRECT OR INCIDENTAL LOSSES OR PUNITIVE DAMAGES UNDER THE AGREEMENT, INCLUDING LOSS OF USE, COST OF CAPITAL, LOSS OF GOODWILL, LOST REVENUES OR LOSS OF PROFIT, AND COMPANY AND CUSTOMER EACH HEREBY RELEASES THE OTHER FROM ANY SUCH LIABILITY.
- (c) THE LIMITATIONS OF LIABILITY UNDER SECTION 15(a) AND SECTION 15(b) ABOVE SHALL NOT BE CONSTRUED TO LIMIT ANY INDEMNITY OR DEFENSE OBLIGATION OF CUSTOMER UNDER SECTION 18(c).

Customer's initials below indicate that Customer has read, understood and voluntarily accepted the terms and provisions set forth in Section 15.

Agreed and accepted by Customer: _____ (Initials)

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FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.827

(Continued from Sheet No. 9.826)

- 16. Force Majeure.** Force Majeure is defined as an event or circumstance that is not reasonably foreseeable, is beyond the reasonable control of and is not caused by the negligence or lack of due diligence of the affected Party or its contractors or suppliers. Such events or circumstances may include, but are not limited to, actions or inactions of civil or military authority (including courts and governmental or administrative agencies), acts of God, war, riot or insurrection, blockades, embargoes, sabotage, epidemics, explosions and fires not originating in the Facility or caused by its operation, hurricanes, floods, strikes, lockouts or other labor disputes or difficulties (not caused by the failure of the affected Party to comply with the terms of a collective bargaining agreement). If a Party is prevented or delayed in the performance of any such obligation by a Force Majeure event, such Party shall provide notice to the other Party of the circumstances preventing or delaying performance and the expected duration thereof. The Party so affected by a Force Majeure event shall endeavor, to the extent reasonable, to remove the obstacles which prevent performance and shall resume performance of its obligations as soon as reasonably practicable. Provided that the requirements of this Section 16 are satisfied by the affected Party, to the extent that performance of any obligation(s) is prevented or delayed by a Force Majeure event, the obligation(s) of the affected Party that is obstructed or delayed shall be extended by the time period equal to the duration of the Force Majeure event. Notwithstanding the foregoing, the occurrence of a Force Majeure event shall not relieve Customer of payment obligations under this Agreement.
- 17. Confidentiality.** "Confidential Information" shall mean all nonpublic information, regardless of the form in which it is communicated or maintained (whether oral, written, electronic or visual) and whether prepared by a disclosing Party or otherwise ("Disclosing Party"), which is disclosed to a receiving Party ("Receiving Party"). Confidential Information shall not be used for any purpose other than for purposes of this Agreement. The Receiving Party shall use the same degree of care to protect the Confidential Information as the Receiving Party employs to protect its own information of like importance, but in no event less than a reasonable degree of care based on industry standard. Except to the extent required by applicable law, Customer shall not make any public statements that reference the name of Company or its affiliates without the prior written consent of Company.
- 18. Insurance and Indemnity.**
- (a) Insurance to Be Maintained by the Company.
- i. At any time that the Company is performing Services under this Agreement at the Customer Facility, the Company shall, maintain, at its sole cost and expense, with insurer(s) rated "A-, VII" or higher by A.M. Best's Key Rating Guide, (i) commercial general liability policy with minimum limits of One Million (\$1,000,000.00) Dollars per occurrence for bodily injury or death and/or property damage, (ii) automobile liability policy with minimum limits of One Million (\$1,000,000.00) Dollars combined single limit for all owned, non-owned, leased and hired automobiles, (iii) umbrella liability policy with minimum limits of Two Million (\$2,000,000.00) Dollars per occurrence, and (iv) workers' compensation insurance coverage as mandated by the applicable laws of the State of Florida and Employers' Liability cover with limits of One Million (\$1,000,000.00) Dollars per accident, by disease and per policy and per employee.
 - ii. Upon the request of Customer, the Company shall provide the Customer with insurance certificates which provide evidence of the insurance coverage under this Agreement.
 - iii. Notwithstanding any other requirement set forth in this Section 18(a), Company may meet the above required insurance coverage and limits with any combination of primary, excess, or self-insurance. In the event Company self-insures any of the above required coverages, Company will provide Customer with a letter of self-insurance upon written request by Customer.

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FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.828

(Continued from Sheet No. 9.827)

(b) Insurance to Be Maintained by the Customer.

- i. The Customer, during and throughout the Term of this Agreement, shall, maintain, at its sole cost and expense, with insurer(s) rated "A-, VII" or higher by A.M. Best's Key Rating Guide, (i) commercial general liability policy with minimum limits of One Million (\$1,000,000.00) Dollars per occurrence for bodily injury or death and/or property damage, (ii) automobile liability policy with minimum limits of One Million (\$1,000,000.00) Dollars combined single limit for all owned, non-owned, leased and hired automobiles, (iii) umbrella liability policy with minimum limits of Two Million (\$2,000,000.00) Dollars per occurrence, and (iv) workers' compensation insurance coverage as mandated by the applicable laws of the State of Florida and Employers' Liability cover with limits of One Million (\$1,000,000.00) Dollars per accident, by disease and per policy and per employee. With respect to insurance required in (i), (ii), and (iii) above, Customer shall name Company as an additional insured and provide a waiver of subrogation in favor of Company.
- ii. In the event Customer is subject to Section 728.28 Florida Statute, Customer acknowledges, without waiving the right to sovereign immunity as provided by Section 768.28, Florida Statutes, that Customer is self-insured for general liability under Florida sovereign immunity statutes with coverage limits of Two Hundred Thousand (\$200,000.00) Dollars per person and Three Hundred Thousand (\$300,000.00) Dollars per occurrence, or such monetary waiver limits that may change and be set forth by the legislature. Customer shall also maintain workers' compensation insurance in accordance with Chapter 440, Florida Statute. Coverage shall also include Employers' Liability coverage with limits of One Million (\$1,000,000.00) Dollars per accident.

(c) Indemnity. The Customer shall indemnify, hold harmless and defend Company from and against any and all liability, proceedings, suits, cost or expense for loss, damage or injury to persons or property ("Losses") to the extent arising out of, connected with, relating to or in any manner directly or indirectly connected with this Agreement; provided, that nothing herein shall require Customer to indemnify Company for Losses caused by Company's own negligence, gross negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Agreement.

19. Non-Waiver. The failure of either Party to insist upon the performance of any term or condition of this Agreement or to exercise any right hereunder on one or more occasions shall not constitute a waiver or relinquishment of its right to demand future performance of such term or condition, or to exercise such right in the future.
20. Assignment. Neither this Agreement, nor the Service, nor any duty, interest or rights hereunder shall be subcontracted, assigned, transferred, delegated or otherwise disposed of by Customer without Company's prior written approval. Customer will provide written notice to Company of a prospective sale of the real property upon which the Equipment is installed, at least thirty (30) days prior to the sale of such property. In the event of the sale of the real property upon which the Equipment is installed, subject to the obligations of this Agreement including Section 7 (Customer Credit Requirements), the Customer has the option to purchase the Equipment pursuant to Section 13(e) or, this Agreement may be assigned by the Customer to the purchaser if such obligations have been assumed by the purchaser and agreed to by the Customer and the Company in writing. This Agreement shall inure to the benefit of, and be binding upon the successors and assigns of the Customer and Company.

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Effective:

FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.829

(Continued from Sheet No. 9.828)

21. **Dispute Resolution, Governing Law, Venue and Waiver of Jury Trial.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions. Each Party agrees not to commence or file any formal proceedings against the other Party related to any dispute under this Agreement for at least forty-five (45) days after notifying the other Party in writing of the dispute. A court of competent jurisdiction in the Circuit Court for Palm Beach County, Florida or the United States District Court for the Southern District of Florida only, as may be applicable under controlling law, shall decide any unresolved claim or other matter in question between the Parties to this Agreement arising out of or related in any way to this Agreement, with such court having sole and exclusive jurisdiction over any such matters. EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS THAT MIGHT EXIST TO HAVE A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED UPON, RELATING TO, ARISING OUT OF, UNDER OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF EITHER PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.
22. **Modification.** No statements or agreements, oral or written, made prior to the date hereof, shall vary or modify the written terms set forth herein and neither Party shall claim any amendment, modification or release from any provision hereof by reason of a course of action or mutual agreement unless such agreement is in writing, signed by both Parties and specifically states it is an amendment to this Agreement.
23. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
24. **Survival.** The obligations of the Parties hereunder which by their nature survive the termination or expiration of the Agreement and/or the completion of the Service hereunder, shall survive and inure to the benefit of the Parties. Those provisions of this Agreement which provide for the limitation of or protection against liability shall apply to the full extent permitted by law and shall survive termination or expiration of this Agreement and/or completion of the Service.
25. **Notices.** All notices, demands, offers or other written communications required or permitted to be given pursuant to this Agreement shall be in writing signed by the Party giving such notice and, shall be either hand-delivered, sent via certified mail, return receipt requested and postage prepaid, or sent via overnight courier to such Party's address as set forth in the first paragraph of this Agreement, and with respect to Company, sent to the attention of _____. Each Party shall have the right to change the place to which notices shall be sent or delivered or to specify additional addresses to which copies of notices may be sent, in either case by similar notice sent or delivered in like manner to the other Party.
26. **Further Assurances.** Company and Customer each agree to do such other and further acts and things, and to execute and deliver such additional instruments and documents, as either Party may reasonably request from time to time whether at or after the execution of this Agreement, in furtherance of the express provisions of this Agreement.
27. **Governmental Entities.** For those Customers which are a governmental entity of the State of Florida or political subdivision thereof ("Governmental Entity"), to the extent the Governmental Entity is legally barred by Florida state or federal law from executing or agreeing to any provision of this Agreement, then such provision of this Agreement will be deemed modified to the extent necessary to make such provisions consistent with Florida state or federal law. The remainder of this Agreement shall not be affected thereby and will survive and be enforceable.

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FLORIDA POWER & LIGHT COMPANY

Original Sheet No. 9.830

(Continued from Sheet No. 9.829)

28. Entire Agreement. The Agreement constitutes the entire understanding between Company and the Customer relating to the subject matter hereof, superseding any prior or contemporaneous agreements, representations, warranties, promises or understandings between the Parties, whether oral, written or implied, regarding the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereby caused this Agreement to be executed by their duly authorized representatives, effective as of the Effective Date.

Customer

Florida Power & Light Company

By: _____
(Signature of Authorized Representative)

By: _____
(Signature of Authorized Representative)

(Print or Type Name)

(Print or Type Name)

Title: _____

Title: _____

Date: _____

Date: _____

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