FILED 6/1/2023 DOCUMENT NO. 03459-2023 FPSC - COMMISSION CLERK



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: June 1, 2023 TO: Office of Commission Clerk (Teitzman) Division of Engineering (Wooten, Buys, Ellis, King) 78 FROM: Office of the General Counsel (Sparks) RE: Docket No. 20230044-EQ - Petition for approval of amended standard offer contract (Schedule COG-2), by Duke Energy Florida, LLC. **AGENDA:** 06/13/23 – Regular Agenda – Proposed Agency Action - Interested Persons May Participate **COMMISSIONERS ASSIGNED:** All Commissioners PREHEARING OFFICER: Administrative **CRITICAL DATES:** None SPECIAL INSTRUCTIONS: None

Case Background

Section 366.91(3), Florida Statutes (F.S.), requires each investor-owned utility (IOU) to continuously offer to purchase capacity and energy from renewable generating facilities and small qualifying facilities. Florida Public Service Commission (Commission) Rules 25-17.200 through 25-17.310, Florida Administrative Code (F.A.C.), implement the statute and require each IOU to file with the Commission, by April 1 of each year, a revised standard offer contract based on the next avoidable fossil-fueled generating unit of each technology type identified in the utility's current Ten-Year Site Plan (TYSP). On March 31, 2023, Duke Energy Florida, LLC (DEF) filed a petition for approval of its amended standard offer contract and rate schedule COG-2 based on its 2023 TYSP. The Commission has jurisdiction over this amended standard offer contract pursuant to Sections 366.04 through 366.055, and 366.91, F.S.

Discussion of Issues

Issue 1: Should the Commission approve the amended standard offer contract and rate schedule COG-2 filed by Duke Energy Florida, LLC?

Recommendation: Yes. The provisions of DEF's amended standard offer contract and associated rate schedule COG-2 conform to the requirements of Rules 25-17.200 through 25-17.310, F.A.C. The amended standard offer contract offers multiple payment options so that a developer of renewable generation may select the payment stream best suited to its financial needs. (Wooten, Buys)

Staff Analysis: Section 366.91(3), F.S., and Rule 25-17.250, F.A.C., require that an IOU continuously make available a standard offer contract for the purchase of firm capacity and energy from renewable generating facilities (RF) and small qualifying facilities (QF) with design capacities of 100 kilowatts (kW) or less. Pursuant to Rules 25-17.250(1) and (3), F.A.C., the standard offer contract must provide a term of at least 10 years, and the payment terms must be based on the utility's next avoidable fossil-fueled generating unit identified in its most recent TYSP, or if no avoided unit is identified, its next avoidable planned purchase. While DEF's 2023 TYSP does not feature an avoidable fossil-fueled generating unit or planned purchases that could be deferred during the planning period, DEF has identified a 215 megawatt (MW) natural gasfueled combustion turbine (CT) as the next avoidable planned generating unit based on its current planning process. The projected in-service date of the avoided CT is June 1, 2034. In order to comply with the rule, the Commission has previously approved using a unit outside of the TYSP planning period as the avoided unit for standard offer contract purposes.¹

Under DEF's standard offer contract, the RF/QF operator commits to certain minimum performance requirements based on the identified avoided unit, such as being operational and delivering an agreed upon amount of capacity by the in-service date of the avoided unit, and thereby becomes eligible for capacity payments in addition to payments received for energy. The standard offer contract may also serve as a starting point for negotiation of contract terms by providing payment information to an RF/QF operator, in a situation where one or both parties desire particular contract terms other than those established in the standard offer.

In order to promote renewable generation, the Commission requires each IOU to offer multiple options for capacity payments, including the options to receive early or levelized payments. If the RF/QF operator elects to receive capacity payments under the normal or levelized contract options, it will receive as-available energy payments only until the in-service date of the avoided unit (in this case June 1, 2034), and thereafter, begin receiving capacity payments in addition to

¹See Order No. PSC-2018-0316-PAA-EQ, issued June 20, 2018, in Docket No. 20180083-EQ, *In re: Petition for approval of renewable energy tariff and standard offer contract, by Florida Power & Light Company*; Order No. PSC-2020-0212-PAA-EQ, issued June 26, 2020, in Docket No. 20200114-EQ, *In re: Florida Power & Light Company's Petition for Approval of a Renewable Energy Tariff and Standard Offer Contract*; Order No. PSC-2020-0213-PAA-EQ, issued June 26, 2020, in Docket No. 20200115-EQ, *In re: Petition for approval of new standard offer for purchase of firm capacity and energy from renewable energy facilities or small qualifying facilities and rate schedule QS-2, by Gulf Power Company; and Order No. PSC-2022-0203-PAA-EQ, issued June 9, 2022, in Docket No. 20220072-EQ, <i>In re: Petition for approval of revised standard offer contract and a revised accompanying rate schedule QS-2, by Florida Power & Light Company.*

firm energy payments. If either the early or early levelized option is selected, then the operator will begin receiving capacity payments earlier than the in-service date of the avoided unit. However, payments made under the early capacity payment options tend to be lower in the later years of the contract term because the net present value (NPV) of the total payments must remain equal for all contract payment options.

Table 1 contains DEF's estimates of the annual payments for the normal and levelized capacity payment options available under the revised standard offer contract to an operator with a 50 MW facility, operating at a capacity factor of 95 percent, which is the minimum capacity factor required under the contract to qualify for full capacity payments. Normal and levelized capacity payments begin with the projected in-service date of the avoided unit (June 1, 2034) and continue for 10 years, while early and early levelized capacity payments begin 2 years prior to the in-service date, or 2032 for this example.

	Enonau		Capacity	Payment	
Year	Energy Payment	Normal	Levelized	Early	Early Levelized
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
2024	19,772	-	-	-	-
2025	17,188	-	-	-	-
2026	16,698	-	-	-	-
2027	16,142	-	-	-	-
2028	16,912	-	-	-	-
2029	16,501	-	-	-	-
2030	15,872	-	-	-	-
2031	15,302	-	-	-	-
2032	14,926	-	-	2,535	2,751
2033	15,594	-	-	2,581	2,753
2034	16,479	2,046	2,199	2,628	2,756
2035	17,615	3,571	3,773	2,676	2,759
2036	19,021	3,636	3,777	2,724	2,762
2037	19,845	3,702	3,781	2,774	2,765
2038	20,910	3,769	3,785	2,824	2,768
2039	22,147	3,837	3,790	2,875	2,772
2040	22,513	3,907	3,794	2,928	2,775
2041	22,595	3,978	3,799	2,981	2,779
2042	24,085	4,050	3,803	3,035	2,782
2043	24,563	4,124	3,808	3,090	2,786
Total	374,681	36,618	36,309	33,650	33,208
Total (NPV)	199,751	13,501	13,501	13,501	13,501

Table 1 - Estimated Annual Payments to a 50 MW Renewable Facility(95% Capacity Factor)

Source: DEF's Response to Staff's First Data Request²

²Document No. 02747-2023, filed April 18, 2023, in Docket No. 20230044-EQ.

DEF's standard offer contract, in type-and-strike format, is included as Attachment A to this recommendation. The changes made to DEF's tariff sheets are consistent with the updated avoided unit. Revisions include updates to calendar dates and payment information which reflect the current economic and financial assumptions for the avoided unit. In addition, the language on Sheet No. 9.447 was revised to update the project management activities list to include the decommissioning of the facility. This will allow DEF to better evaluate the financial and technical ability of the RF/QF to determine if they are capable of delivering firm capacity for the duration of the contract. Staff believes the change to Sheet No. 9.447 is reasonable as it would protect DEF ratepayers from non-viable RF/QFs.

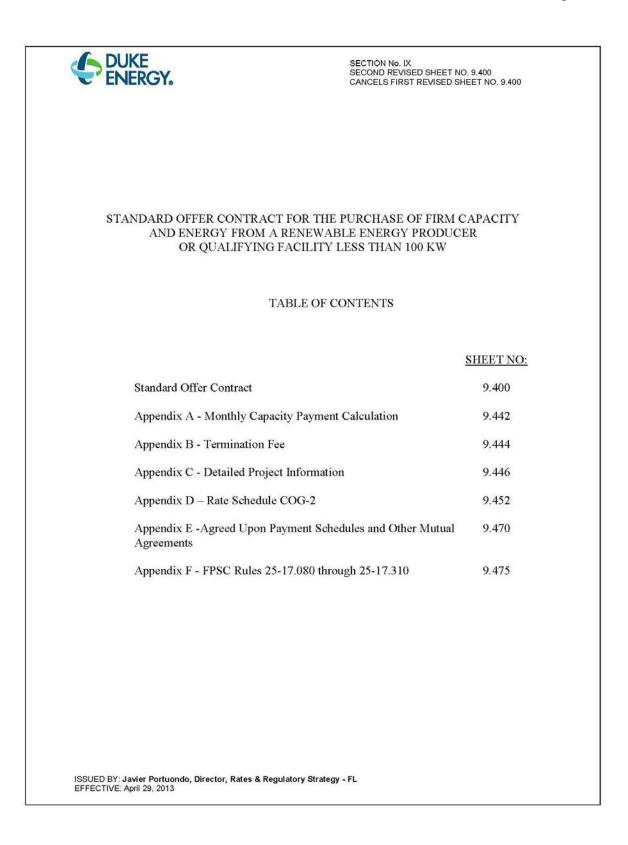
Conclusion

The provisions of DEF's amended standard offer contract and associated rate schedule COG-2 conform to the requirements of Rules 25-17.200 through 25-17.310, F.A.C. The amended standard offer contract offers multiple payment options so that a developer of renewable generation may select the payment stream best suited to its financial needs.

Issue 2: Should this docket be closed?

Recommendation: Yes. This docket should be closed upon issuance of a consummating order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, DEF's standard offer contract may subsequently be revised. (Sparks)

Staff Analysis: This docket should be closed upon the issuance of a consummating order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Commission's Proposed Agency Action Order. Potential signatories should be aware that, if a timely protest is filed, DEF's standard offer contract may subsequently be revised.



DUKE ENERGY.	SECTION NO. IX SECOND REVISED SHEET NO. 9.401 CANCELS FIRST SHEET NO. 9.401
	0300/40000199999994445390045446539004646539044665454
STANDADD OFFE	R CONTRACT FOR THE PURCHASE OF FIRM CAPACITY
AND ENER	GY FROM A RENEWABLE ENERGY PRODUCER UALIFYING FACILITY LESS THAN 100 KW
	between
	and
	DUKE ENERGY FLORIDA, LLC
ISSUED BY: Javier Portuondo, Man EFFECTIVE: June 5, 2018	aging Director, Rates & Regulatory Strategy - FL

DUKE ENERGY.	THIRD REVISED SHEET NO.9.402 CANCELS SECOND REVISED SHEET NO. 9.402
TABLE OF CC	DNTENTS
	SHEET NO:
Introduction & Parties' Recitals	9.404
1. Definitions	9.405
2. Facility; Renewable Facility or Qualifying Fac	ility Status 9.414
3. Term of Contract	9.415
4. Minimum Specifications and Milestones	9.415
5. Conditions Precedent	9.416
6. Sale of Electricity by the RF/QF	9.417
7. Committed Capacity/Capacity Delivery Date	9.418
8. Testing Procedures	9.420
9. Payment for Electricity Produced by the Facilit	y 9.421
10. Electricity Production and Plant Maintenance S	Schedule 9.422
11. Completion/Performance Security	9.424
12. Termination Fee	9.426
13. Performance Factor	9.427
14. Default	9.427
15. Rights in the Event of Default	9.428
16. Indemnification	9.429

ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 9, 2019

DUKE ENERGY.	SECTION NO. IX FIFTH REVISED SHEET NO.9.403 CANCELS FOURTH REVISED SHEET NO. 9.403
TABLE OF CC	ONTENTS
ii	
17 Insurance	9.430
18. Force Majeure	9.431
19. Representations, Warranties, and Covenants of	RF/QF 9.433
20. General Provisions	9.435
Execution	9.441
ISSUED BY: Javier Portuondo, Managing Director, Rates & Regul EFFECTIVE: July 9, 2019	atory Strategy - FL



SECTION NO. IX SIXTH REVISED SHEET NO. 9.404 CANCELS FIFTH REVISED SHEET NO. 9.404

STANDARD OFFER CONTRACT FOR THE PURCHASE OF FIRM CAPACITY AND ENERGY FROM A RENEWABLE ENERGY PRODUCER OR QUALIFYING FACILITY LESS THAN 100 KW

THIS STANDARD OFFER CONTRACT FOR THE PURCHASE OF FIRM CAPACITY AND ENERGY (hereinafter referred to as the "Contract") is made and entered day of (hereinafter referred to as the "Execution Date"), by and this between (hereinafter the Renewable Energy Provider/Qualifying Facility ("RF/QF"), and Duke Energy Florida, LLC d/b/a Duke Energy (hereinafter "DEF"), a private utility corporation organized and existing under the laws of the State of Florida. The RF/QF and DEF shall be individually identified herein as the "Party" and collectively as the "Parties". This Contract contains six Appendices which are incorporated into and made part of this Contract: Appendix A: Monthly Capacity Payment Calculation; Appendix B: Termination Fee; Appendix C: Detailed Project Information; Appendix D: Rate Schedule COG-2; Appendix E: Agreed Upon Payment Schedules and Other Mutual Agreements; and Appendix F: Florida Public Service Commission ("FPSC") Rules 25-17.080 through 25-17.310, F.A.C.

WITNESSETH:

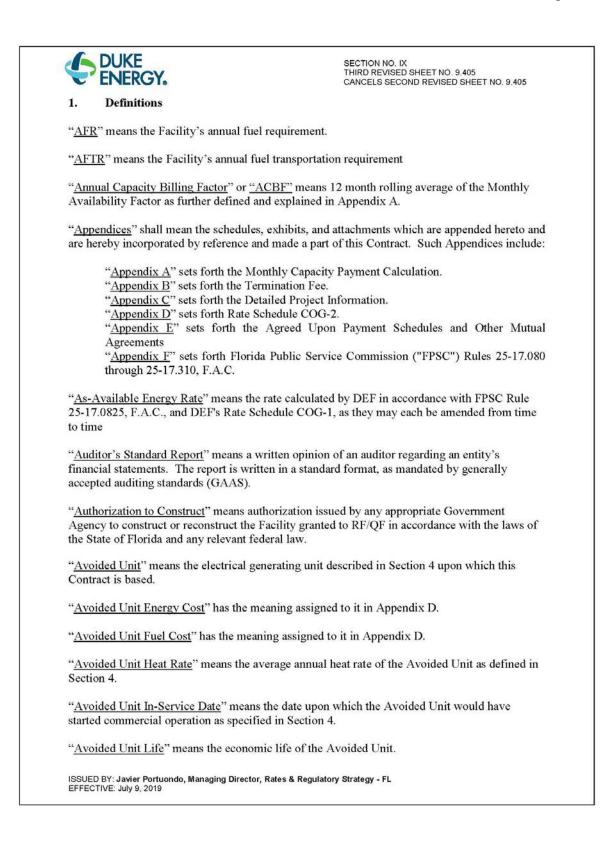
WHEREAS, the RF/QF desires to sell, and DEF desires to purchase electricity to be generated by the RF/QF consistent with Florida Statutes 366.91 (2006) and FPSC Rules 25-17.080 through 25-17.310 F.A.C.; and

WHEREAS, the RF/QF will acquire an interconnection/transmission service agreement with the utility in whose service territory the Facility is to be located, pursuant to which the RF/QF assumes contractual responsibility to make any and all transmission-related arrangements (including ancillary services) between the RF/QF and the Transmission Provider for delivery of the Facility's firm capacity and energy to DEF. The Parties recognize that the Transmission Provider may be DEF and that the transmission service will be provided under a separate agreement; and

WHEREAS, the FPSC has approved this Contract for the Purchase of Firm Capacity and Energy from a Renewable Energy Producer; and

WHEREAS, the RF/QF guarantees that the Facility is capable of delivering firm capacity and energy to DEF for the term of this Contract in a manner consistent with the provision of this Contract;

NOW, THEREFORE, for mutual consideration the Parties agree as follows:

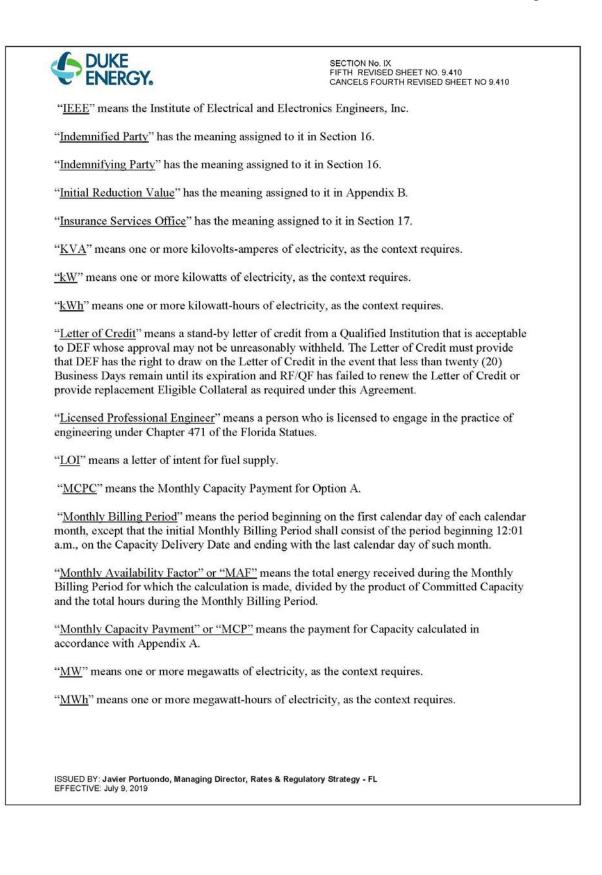


DUKE ENERGY.	SECTION No. IX EIGHTH REVISED SHEET NO. 9.406 CANCELS SEVENTH REVISED SHEET NO. 9.406
	e Avoided Unit variable operation and maintenance nual escalation will begin in the payment for January
	ns capacity payment rates defined in Appendix D and A,B,C or D in Section 9.2 or in Appendix E if
"Base Year" means the year that this Co	ntract was approved by the FPSC.
	day upon which banks licensed to operate in the State of ted to close, Saturday, Sunday or a weekday that is of Florida.
	Division of the Environmental Protection Agency or a any local, state, regional, or federal entity given asferability of Environmental Attributes).
" <u>Capacity</u> " means the minimum average load) measured over the Committed Capa	hourly net capacity (generator output minus auxiliary acity Test Period.
	calendar day immediately following the date of the st Committed Capacity Test subject to the requirements
"Capacity Payment" means the payment	defined in Section 9.2 and Appendix A.
of Certified Public Accountants (AICPA)	means someone who has passed the American Institute Uniform CPA examination, met educational, and nse and have been issued a license to practice public
	e capacity in kW that the RF/QF commits to sell to nined in accordance with Section 7 and shall be greater
" <u>Committed Capacity Test</u> " means the te accordance with the procedures set forth	sting of the capacity of the Facility performed in in Section 8.
"Committed Capacity Test Period" mean	s a test period of twenty-four (24) consecutive hours.
"Completion/Performance Security" mea	ns the security described in Section 11.
ISSUED BY: Geoff Foster, Vice President, Rates & R EFFECTIVE: July 1, 2022	egulatory Strategy - FL

" <u>Conditions Precedent</u> " shall have the meaning	
	assigned to it in Section 5.
	or the purchase of Firm Capacity and Energy from acility with a nameplate capacity of less than 100
<u>"Credit Support Provider"</u> means any Person the connection with this Agreement.	nat has provided an RF/QF Guarantee in
Services (Moody's). Rating shall be the unsecu by third party credit enhancement) or the issuer	redit Support Provider, as applicable, means a 's (S&P), or at least Baa3 by Moody's Investor ured, senior long-term debt rating (not supported rating will be used if not available. If a Party or ted by both S&P and Moody's, then the lower of
" <u>DEF</u> " has the meaning assigned to it in the op	ening paragraph of this Contract.
" <u>DEF Entities</u> " has the meaning assigned to it i	n Section 16.
"Demonstration Period" means a sixty-hour period of completed.	riod in which the Committed Capacity Test must
" <u>Distribution System</u> " means the distribution s ransformers and switchgear used for conveyin including any part of the Transmission System.	
except for the condition defined in Section 5(a)	elve (12) months following the Execution Date $y(i)$. The Parties recognize that firm transmission obtain so for Section $5(a)(i)$ only the Drop Dead months following the Execution Date.
" <u>Eastern Prevailing Time</u> " or "EPT" means the Unites States of America, whether Eastern Star	time in effect in the Eastern Time Zone of the ndard Time or Eastern Daylight Savings Time.
"Effective Date" has the meaning assigned to it	t in Section 5.
with the Transmission System or, if RF/QF into	hysical point at which the Facility is connected erconnects with a Transmission System other than hission Provider's Transmission System, or such may agree.
SSUED BY: Geoff Foster, Vice President, Rates & Regulato EFFECTIVE: July 19, 2021	ry Strategy - FL

DUKE SECTION No. IX SEVENTH REVISED SHEET NO. 9.408 ENERGY. CANCELS SIXTH REVISED SHEET NO. 9,408 "Eligible Collateral" means (i) a Letter of Credit from a Qualified Institution or (ii) cash deposit provided to DEF by RF/QF or a combination of (i), and/or (ii) as outlined in Section 11. "Energy" means megawatt-hours generated by the Facility of the character commonly known as three-phase, sixty hertz electric energy that is delivered at a nominal voltage at the Electrical Interconnection Point. "Environmental Attributes" or "EA" means all attributes of an environmental or other nature that are created or otherwise arise from the Facility's generation of electricity from a renewable energy source in contrast with the generation of electricity using nuclear or fossil fuels or other traditional resources. Forms of such attributes include, without limitation, any and all environmental air quality credits, green credits, renewable energy credits ("RECs"), carbon credits, emissions reduction credits, certificates, tags, offsets, allowances, or similar products or rights, howsoever entitled, (i) resulting from the avoidance of the emission of any gas, chemical, or other substance, including but not limited to, mercury, nitrogen oxide, sulfur dioxide, carbon dioxide, carbon monoxide, particulate matter or similar pollutants or contaminants of air, water or soil gas, chemical, or other substance, and (ii) attributable to the generation, purchase, sale or use of Energy from or by the Facility, or otherwise attributable to the Facility during the Term. Environmental Attributes include, without limitation, those currently existing or arising during the Term under local, state, regional, federal, or international legislation or regulation relevant to the avoidance of any emission described in this Contract under any governmental, regulatory or voluntary program, including, but not limited to, the United Nations Framework Convention on Climate Change and related Kyoto Protocol or other programs, laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency ("CAMD") or successor administrator (collectively with any local, state, regional, or federal entity given jurisdiction over a program involving transferability of Environmental Attributes). "Event of Default" has the meaning assigned to it in Section 14. "Execution Date" has the meaning assigned to it in the opening paragraph of this Contract. "Exemplary Early Capacity Payment Date" means the exemplary date used to calculate Capacity Payments for Option B and D. This date is specified in Section 4. The actual Capacity Payments for Option B and D will be calculated based upon the Required Capacity Delivery Date. "Expected Nameplate Capacity Rating" means the total generating capacity of the Facility that is the sum of (a) the Committed Capacity, and (b) the capacity required for any station service use of generating unit equipment or auxiliaries, including, without limitation, cooling towers, heat exchanges, duct burners and other equipment that could be used for energy production or as required by law, and shall be in service during the Committed Capacity Test Period and (c) any other capacity reserved for on-site use or energy production. "Expiration Date" means the final date upon which this Contract can be executed. This date is specified in Section 4. ISSUED BY: Geoff Foster, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: July 19, 2021

DUKE SECTION No. IX FIFTH REVISED SHEET NO. 9.409 ENERGY. CANCELS FOURTH REVISED SHEET NO. 9.409 "Facility" means all equipment, as described in this Contract, used to produce electric energy and, all equipment that is owned or controlled by the RF/QF required for parallel operation with the Transmission System. In the case of a cogenerator the Facility includes all equipment that is owned or controlled by the RF/QF to produce useful thermal energy through the sequential use of energy. "Financial Closing" means the fulfillment of each of the following conditions: (a) the execution and delivery of the Financing Documents; and all Conditions Precedent to the initial availability for disbursement of funds under (b) the Financing Documents (other than relating to the effectiveness of this Contract) are satisfied or waived. "Financing Documents" shall mean documentation with respect to any private equity investment in RF/QF, any loan agreements (including agreements for any subordinated debt), notes, bonds, indentures, guarantees, security agreements and hedging agreements relating to the financing or refinancing of the design, development, construction, testing, commissioning, operation and maintenance of the entire Facility or any guarantee by any Financing Party of the repayment of all or any portion of such financing or refinancing. "Financing Party" means the Persons (including any trustee or agent on behalf of such Persons) providing financing or refinancing to or on behalf of RF/QF for the design, development, construction, testing, commissioning, operation and maintenance of the Facility (whether limited recourse, or with or without recourse). "Firm Capacity and Energy" has the meaning assigned to it in Appendix D. "Firm Capacity Rate" has the meaning assigned to it in Appendix D. "Firm Energy Rate" has the meaning assigned to it in Appendix D. "Force Majeure" has the meaning given to it in Section 18. "FPSC" means the Florida Public Service Commission or its successor. "Government Agency" means the United States of America, or any state or any other political subdivision thereof, including without limitation, any municipality, township or county, and any domestic entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including, without limitation, any corporation or other entity owned or controlled by any of the foregoing. ISSUED BY: Geoff Foster, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: July 19, 2021



DUKE SECTION No. IX THIRD REVISED SHEET NO. 9.411 ENERGY. CANCELS SECOND REVISED SHEET NO. 9.411 "Option A" means normal Capacity Payments as described in Appendix D. "Option B" means early Capacity Payments as described in Appendix D. "Option C" means levelized Capacity Payments as described in Appendix D. "Option D" means early levelized Capacity Payments as described in Appendix D. "Party" or "Parties" has the meaning assigned to it in the opening paragraph of this Contract. "Person" means any individual, partnership, corporation, association, joint stock company trust, joint venture, unincorporated organization, or Governmental Agency (or any department, agency, or political subdivision thereof). "Project Consents" mean the following Consents, each of which is necessary to RF/OF for the fulfillment of RF/QF's obligations hereunder: the Authorization to Construct; (a) planning permission and consents in respect of the Facility, and any electricity (b) substation located at the Facility site, including but not limited to, a prevention of significant deterioration permit, a noise, proximity and visual impact permit, and any required zoning permit; and any integrated pollution control license. (c) "Project Contracts" means this Contract, and any other contract required to construct, operate and maintain the Facility. The Project Contracts may include, but are not limited to, the turnkey engineering, procurement and construction contract, the electrical interconnection and operating agreement, the fuel supply agreement, the facility site lease, and the operation and maintenance agreement. "Prudent Regulated Utility Practices" means any of the practices, methods, standards and acts (including, but not limited to, the practices, methods and acts engaged in or approved by a significant portion of owners and operators of power plants regulated by the state authority or state's jurisdiction over an electric utility as defined in Florida Statute, 366.02(2) of technology, complexity and size similar to the Facility in the United States) that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, could have been expected to accomplish the desired result and goals (including such goals as efficiency, reliability, economy and profitability) in a manner consistent with applicable facility design limits and equipment specifications and applicable laws and regulations. Prudent Regulated Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of acceptable practices, methods or acts in each case.

ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020



SECTION No. IX FIFTH REVISED SHEET NO. 9.412 CANCELS FOURTH REVISED SHEET NO. 9.412

"<u>Qualifying Facility</u>" or "<u>QF</u>" means a cogenerator, small power producer, or non-utility generator that has been certified or self-certified by the FERC as meeting certain ownership, operating and efficiency criteria established by the Federal Energy Regulatory Commission pursuant to the Public Utility Regulatory Policies Act of 1978 ("PURPA"), the criteria for which are currently set forth in 18 C.F.R. § 292, *et seq.* (2006), Section 210 of PURPA, 16 U.S.C. § 824a-3 (2005), 16 U.S.C. 796 *et seq.* (2006), and Section 1253 of EPAct 2005, Pub. L. No. 109-58, § 1253, 119 Stat. 594 (2005) or, alternatively, analogous provisions under the laws of the State of Florida.

"<u>Qualified Institution</u>" means the domestic office of a United States commercial bank or trust company or the United States branch of a foreign bank having total assets of at least ten billion dollars (\$10,000,000,000) (which is not an affiliate of either party) and a general long-term senior unsecured debt rating of A- or higher (as rated by Standard & Poor's Ratings Group), or A3 or higher (as rated by Moody's Investor Services).

"<u>Rate Schedule COG-1</u>" means DEF's Agreement for Purchase of As-Available Energy and/or Parallel Operation with a Qualifying Facility as approved by the FPSC and as may be amended from time to time.

"<u>REC</u>" means renewable energy credits, green tags, green tickets, renewable certificates, tradable renewable energy credits ("T-REC") or any tradable certificate that is produced by a renewable generator in addition to and in proportion to the production of electrical energy.

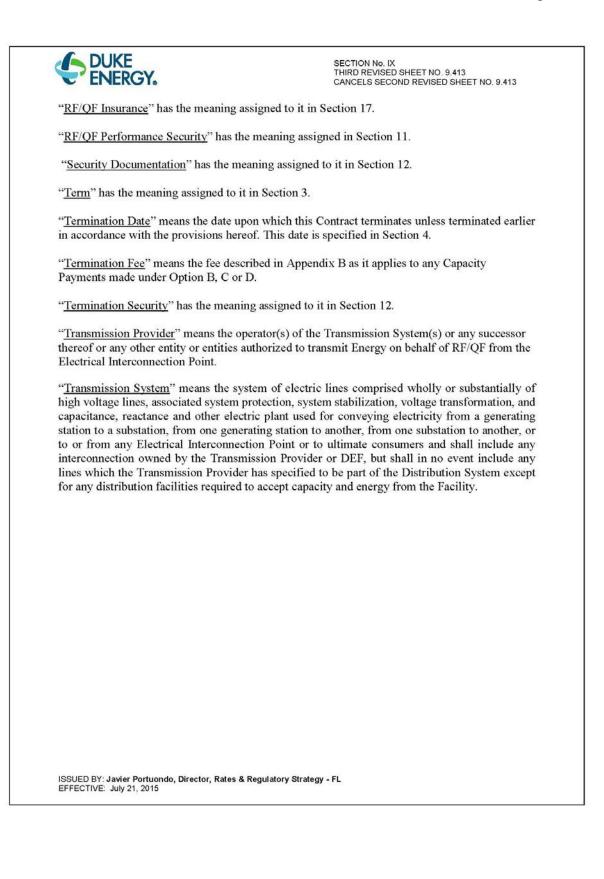
"Reduction Value" has the meaning assigned to it in Appendix B.

"Remedial Action Plan" has the meaning assigned to it in Section 20.3.

"<u>Renewable Facility</u>" or "<u>RF/QF</u>" means an electrical generating unit or group of units at a single site, interconnected for synchronous operation and delivery of electricity to an electric utility, where the primary energy in British Thermal Units used for the production of electricity is from one or more of the following sources: hydrogen produced from sources other than fossil fuels, biomass, solar energy, geothermal energy, wind energy, ocean energy, hydroelectric power or waste heat from a commercial or industrial manufacturing process.

"<u>Required Capacity Delivery Date</u>" means the date specified in Appendix E. In the event that no Required Capacity Delivery Date is specified in Appendix E then the RF/QF shall achieve the Capacity Delivery Date on or before the Avoided Unit In-Service Date.

"RF/QF Entities" has the meaning assigned to it in Section 16.



S	ECTION No. IX ECOND REVISED SHEET NO. 9.414 ANCELS FIRST REVISED SHEET NO. 9.414
2. Facility; Renewable Facility or Qualifying Faci	ility Status
The Facility's location and generation capabilities are as o	lescribed in Table 1 below.
TABLE 1	
TECHNOLOGY AND GENERATO	DR CAPABILITIES
Location: Specific legal description (e.g., metes and bou other legal description with street address required)	nds or City: County:
Generator Type (Induction or Synchronous)	
Technology	
Fuel Type and Source	
Generator Rating (KVA)	
Maximum Capability (kW)	
Net Output (kW)	
Power Factor (%)	
Operating Voltage (kV)	
Peak Internal Load kW	

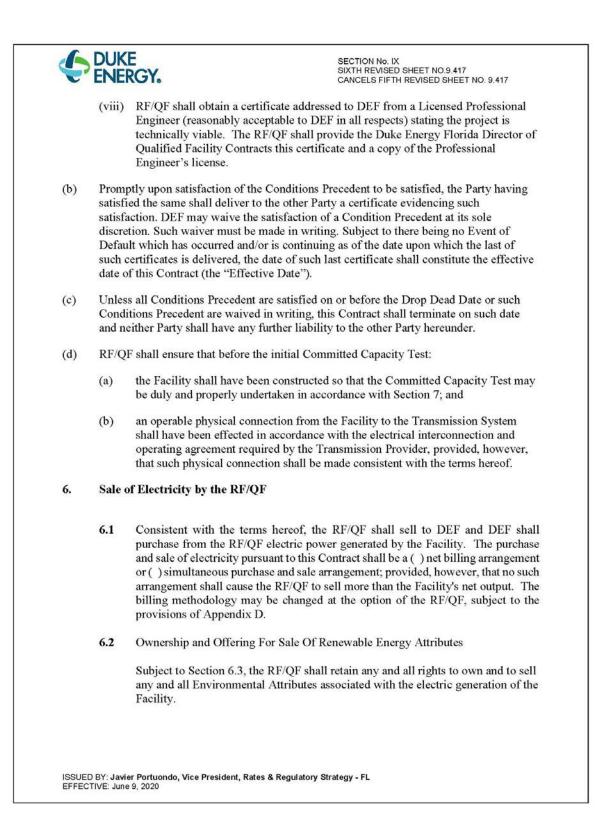
The RF/QF's failure to complete Table 1 in its entirety shall render this Contract null and void and of no further effect.

The RF/QF shall use the same fuel or energy source and maintain the status as a Renewable Facility or a Qualifying Facility throughout the term of this Contract. RF/QF shall at all times keep DEF informed of any material changes in its business which affects its Renewable Facility or Qualifying Facility status. DEF and RF/QF shall have the right, upon reasonable notice of not less than seven (7) Business Days, to inspect the Facility and to examine any books, records, or other documents reasonably deemed necessary to verify compliance with this Contract. In the event of an emergency at or in proximity to the RF/QF site that impacts DEF's system, DEF shall make reasonable efforts to contact the Facility and make arrangements for an emergency inspection. On or before March 31 of each year during the term of this Contract, the RF/QF shall provide to DEF a certificate signed by an officer of the RF/QF certifying that the RF/QF continuously maintained its status as a Renewable Facility or a Qualifying Facility during the prior calendar year.

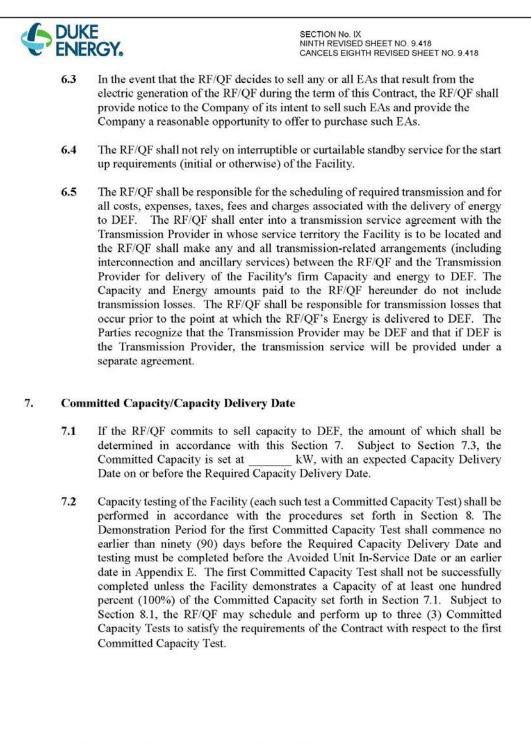
ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: April 29, 2013

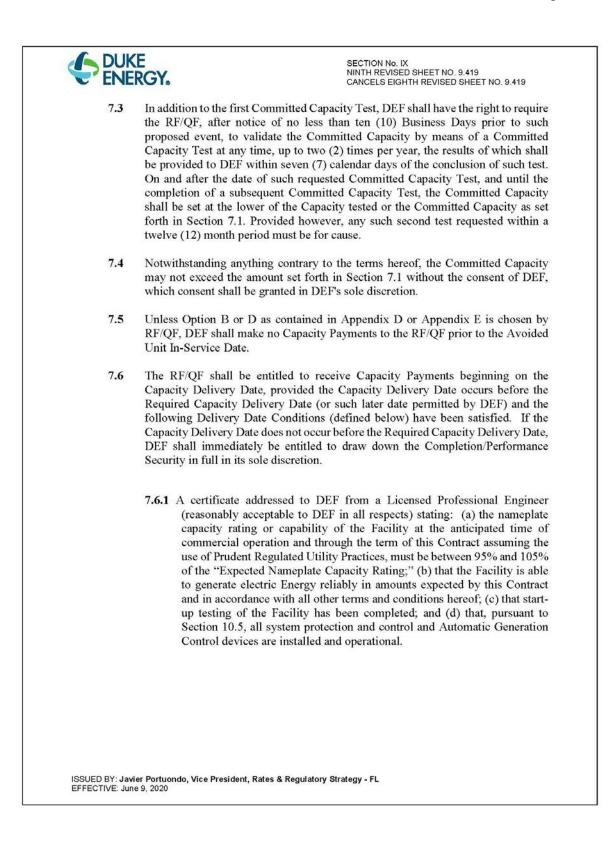
DUKE ENERGY.	SECTION No. IX SIXTEENTH SEVENTEENTH 9.415 CANCELS FIFTEENTH SIXTEENTH NO. 9.415
. Term of Contract	
xecution by the Parties and shall end at 12:0 erminated earlier in accordance with the prov Capacity Delivery Date of the Facility is no Capacity Delivery Date (or such later date a his Contract shall be rendered null and void at	ontract shall become effective immediately upo of a.m. on the Termination Date, (the "Term") ur visions hereof. Notwithstanding the foregoing, i of accomplished by the RF/QF before the Requ is may be permitted by DEF pursuant to Section nd DEF shall have no obligations under this Cont
. Minimum Specifications and Miles	tones
As required by FPSC Rule 25-17.0832(4)(Contract and milestone dates are as follows:	(e), the minimum specifications pertaining to
Avoided Unit	Undesignated Combustion Turbine
Avoided Unit Capacity	214-215 MW
Avoided Unit In-Service Date	June 1, 20 <u>3429</u>
Avoided Unit Heat Rate	10,63311,091 BTU/kWh
Avoided Unit Variable O&M	0.961388¢ per kWh in mid-20232 dollars escalating annually at 2.50%
Avoided Unit Life	35 years
Capacity Payments begin	Avoided Unit In-Service Date unless Option B or D is selected or amended in Appendix E
Termination Date	May 31, 20 <u>4439</u> (10 years) unless amended in Appendix E
Minimum Performance Standards – On Peak Availability Factor*	95%
Minimum Performance Standards – Off Peak Availability Factor	95%
Minimum Availability Factor Required to qualify for a Capacity payment	75%
Expiration Date	April 1, 20243
Exemplary Early Capacity Payment Date	January 1, 20 <u>32</u> 27 and/or described in Appendix A.

P	DUKE ENERGY.	SECTION No. IX TENTH REVISED SHEET NO. 9.416 CANCELS NINTH REVISED SHEET NO. 9.416
5.	Conditions Precedent	
(a)	Unless otherwise waived in writing shall satisfy the following Condition	by DEF, on or before the Drop Dead Date, RF/QF is Precedent:
	deliver Capacity and Energy Point. For the avoidance of a execution of an interconnect the RF/QF to begin construct firm transmission service by	nd maintain firm transmission service necessary to from the Facility to the Electrical Interconnection loubt, firm transmission service includes the ion agreement including the written authorization by tion of the interconnection facilities, and approved the host utility either under a Transmission Service ss, in a form and substance satisfactory to RF/QF in
		nd maintain the Project Consents and any other onsible under the terms hereof in a form and /QF in its sole discretion;
	of the entire Facility and hav and substance satisfactory to obtained an Auditor's Stand Certified Public Accountant RF/QF has a nameplate capa Government Agency or the D Creditworthy then an Audito provide the Duke Energy Flo	to Financing Documents relative to the construction re achieved and maintain Financial Closing in a form RF/QF in its sole discretion; RF/QF shall have ard Report for the most recent financial year from a (reasonably acceptable to DEF in all respects). If the with of 5 MW or less, or the RF/QF is owned by a RF/QF is a publicly traded company that is or's Standard Report is not required. The RF/QF shall orida Director of Qualified Facility Contracts a copy eport and a copy of the signing partner's Certified
	(iv) RF/QF shall have entered in substance satisfactory to RF	to and maintain the Project Contracts in a form and /QF in its sole discretion;
	(v) RF/QF shall have obtained a compliance with Section 17;	nd maintain insurance policies or coverage in
	documents (certified by its c and (ii) a copy of a corporate the transactions contemplate execute this Contract on its l	red to the other Party (i) a copy of its constitutional orporate secretary as true, complete and up-to-date) e resolution approving the terms of this Contract and d hereby and authorizing one or more individuals to behalf (such copy to have been certified by its rue, complete and up-to-date);
	FPSC or FERC. The RF/QF Qualified Facility Contracts	nd maintain Qualifying Facility status from either the shall provide the Duke Energy Florida Director of a copy of the certification of QF status filing and any subsequent changes to the previously certified



Docket No. 20230044-EQ Date: June 1, 2023





DUKE SECTION No. IX SEVENTH REVISED SHEET NO. 9.420 ENERGY. CANCELS SIXTH REVISED SHEET NO. 9.420 7.6.2 A certificate addressed to DEF from a Licensed Professional Engineer (reasonably acceptable to DEF in all respects) stating, in conformance with the requirements of the interconnection agreement, that: (a) all required interconnection facilities have been constructed; (b) all required interconnection tests have been completed; and (c) the Facility is physically interconnected with the Transmission System in conformance with the interconnection agreement and able to deliver energy consistent with the terms of this Contract. 7.6.3 A certificate addressed from a Licensed Professional Engineer (reasonably acceptable to DEF in all respects) stating that the RF/QF has obtained or entered into all permits and agreements including, but not limited to Project Contracts with respect to the Facility necessary for land control, construction, ownership, operation, and maintenance of the Facility (the "Project Contracts"). RF/QF must provide copies of any or all Project Contracts requested by DEF. 7.6.4 An opinion from a law firm or attorney, registered or licensed in the State of Florida (reasonably acceptable to DEF in all respects), stating, after all appropriate and reasonable inquiry, that: (a) the RF/QF has obtained or entered into all Project Contracts; (b) neither RF/QF nor the Facility is in violation of, or subject to any liability under any applicable law; and (c) RF/QF has duly filed and had recorded all of the agreements, documents, instruments, mortgages, deeds of trust, and other writings. For each Licensed Professional Engineer utilized in 7.6.1 through 7.6.4, RF/QF should provide DEF with a copy of the Professional Engineer's license. DEF shall have ten, (10) Business Days after receipt either to confirm to the RF/QF that all of the Delivery Date Conditions have been satisfied or have occurred, or to state with specificity what DEF reasonably believes has not been satisfied. 8. **Testing Procedures** The Committed Capacity Test must be completed successfully within the 8.1 Demonstration Period, which period, including the approximate start time of the Committed Capacity Test, shall be selected and scheduled by the RF/QF by means of a written notice to DEF delivered at least thirty (30) calendar days prior to the start of such period. The provisions of the foregoing sentence shall not apply to any Committed Capacity Test ordered by DEF under any of the provisions of this Contract. DEF shall have the right to be present onsite to monitor firsthand any Committed Capacity Test required or permitted under this Contract. ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020

DUKE SECTION No. IX SEVENTH REVISED SHEET NO. 9.421 ENERGY. CANCELS SIXTH REVISED SHEET NO. 9.421 8.2 The Committed Capacity Test results shall be based on a test period of twenty-four (24) consecutive hours (the "Committed Capacity Test Period") at the highest sustained net kW rating at which the Facility can operate without exceeding the design operating conditions, temperature, pressures, and other parameters defined by the applicable manufacturer(s) for steady state operations at the Facility. The Committed Capacity Test Period shall commence at the time designated by the RF/QF pursuant to Section 8.1 or at such time requested by DEF pursuant to Section 7.3; provided, however, that the Committed Capacity Test Period may commence earlier than such time in the event that DEF is notified of, and consents to, such earlier time. 8.3 Normal station service use of unit auxiliaries, including, without limitation, cooling towers, heat exchangers, and other equipment required by law, shall be in service during the Committed Capacity Test Period. 8.4 The Capacity of the Facility shall be the minimum hourly net output in kW (generator output minus auxiliary) measured over the Committed Capacity Test Period. 8.5 The Committed Capacity Test shall be performed according to standard industry testing procedures for the appropriate technology of the RF/QF. The results of any Committed Capacity Test, including all data related to Facility 8.6 operation and performance during testing, shall be submitted to DEF by the RF/QF within seven (7) calendar days of the conclusion of the Committed Capacity Test. The RF/QF shall certify that all such data is accurate and complete. 9. Payment for Electricity Produced by the Facility 9.1 Energy 9.1.1 DEF agrees to pay the RF/QF for Energy produced by the Facility and delivered to DEF in accordance with the rates and procedures contained in Appendix D, as it may be amended from time to time. The Parties agree that this Contract shall be subject to all of the provisions contained in Rate Schedule COG-1 or Appendix D whichever applies as approved and on file with the FPSC. 9.1.2 DEF may, at its option, limit deliveries under this Contract to 110% of the Committed Capacity as set forth in Section 7. In the event that DEF chooses to limit deliveries, any Energy in excess of 110% of the Committed Capacity will be paid for at the rates defined in Rate Schedule COG-1 and shall not be included in the calculations in Appendix A hereto.

DUKE SECTION No. IX SEVENTHREVISED SHEET No. 9.422 ENERGY. CANCELS SIXTH REVISED SHEET NO. 9.422 9.2 Capacity DEF agrees to pay the RF/QF for the Capacity described in Section 7 in accordance with the rates and procedures contained in Appendix D, as it may be amended and approved from time to time by the FPSC, and pursuant to the election of Option of Appendix D or an alternative rate schedule in Appendix E. The RF/QF understands and agrees that Capacity Payments will only be made if the Capacity Delivery Date occurs before the Required Capacity Delivery Date and the Facility is delivering firm Capacity and Energy to DEF. Once so selected, this Option, the Firm Capacity Rate and/or the Firm Energy Rate cannot be changed for the term of this Contract. 9.3 **Payments for Energy and Capacity** 9.3.1 Payments due the RF/QF will be made monthly, and normally by the twentieth Business Day following the end of the billing period. The kilowatt-hours sold by the RF/QF and the applicable avoided energy rate at which payments are being made shall accompany the payment to the RF/QF. 9.3.2 Payments to be made under this Contract shall, for a period of not longer than two (2) years, remain subject to adjustment based on billing adjustments due to error or omission by either Party, provided that such adjustments have been agreed to between the Parties. 10. **Electricity Production and Plant Maintenance Schedule** No later than sixty (60) calendar days prior to the Required Capacity Delivery Date, 10.1 and prior to October 1 of each calendar year thereafter during the term of this Contract, the RF/QF shall submit to DEF in writing a good-faith estimate of the amount of electricity to be generated by the Facility and delivered to DEF for each month of the following calendar year, including the time, duration and magnitude of any scheduled maintenance period(s) or reductions in Capacity. The RF/QF agrees to provide updates to its planned maintenance periods as they become known. The Parties agree to discuss coordinating scheduled maintenance schedules. ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020

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ENERGY.

SECTION No. IX NINTH REVISED SHEET NO. 9.423 CANCELS EIGHTH REVISED SHEET NO. 9.423

- **10.2** By October 31 of each calendar year, DEF shall notify the RF/QF in writing whether the requested scheduled maintenance periods in the detailed plan are acceptable. If DEF does not accept any of the requested scheduled maintenance periods, DEF shall advise the RF/QF of the time period closest to the requested period(s) when the outage(s) can be scheduled. The RF/QF shall only schedule outages during periods approved by DEF, and such approval shall not be unreasonably withheld. Once the schedule for the detailed plan has been established and approved, either Party requesting a subsequent change in such schedule, except when such change is due to Force Majeure, must obtain approval for such change from the other Party. Such approval shall not be unreasonably withheld or delayed. Scheduled maintenance outage days shall be limited to eleven days per calendar year. In no event shall maintenance periods be scheduled during the following periods: June 1 through September 15 and December 1 through and including the last day of February.
- **10.3** The RF/QF shall comply with reasonable requests by DEF regarding day-to-day and hour-by-hour communication between the Parties relative to electricity production and maintenance scheduling.
- 10.4 The Parties recognize that the intent of the availability factor in Section 4 of this Contract includes an allowance for scheduled outages, forced outages and forced reductions in the output of the Facility. Therefore, the RF/QF shall provide DEF with notification of any forced outage or reduction in output which shall include the time and date at which the forced outage or reduction occurred, a brief description of the cause of the outage or reduction and the time and date when the forced outage or reduction ceased and the Facility was able to return to normal operation. This notice shall be provided to DEF within seventy-two (72) hours of the end of the forced outage or reduction.

The RF/QF is required to provide the total electrical output to DEF except (i) during a period that was scheduled in Section 10.2, (ii) during a period in which notification of a forced outage or reduction was provided, (iii) during an event of Force Majeure or (iv) during a curtailment period as described in Section 10.5.5. In no event shall the RF/QF deliver any portion of their electrical output to a third party.

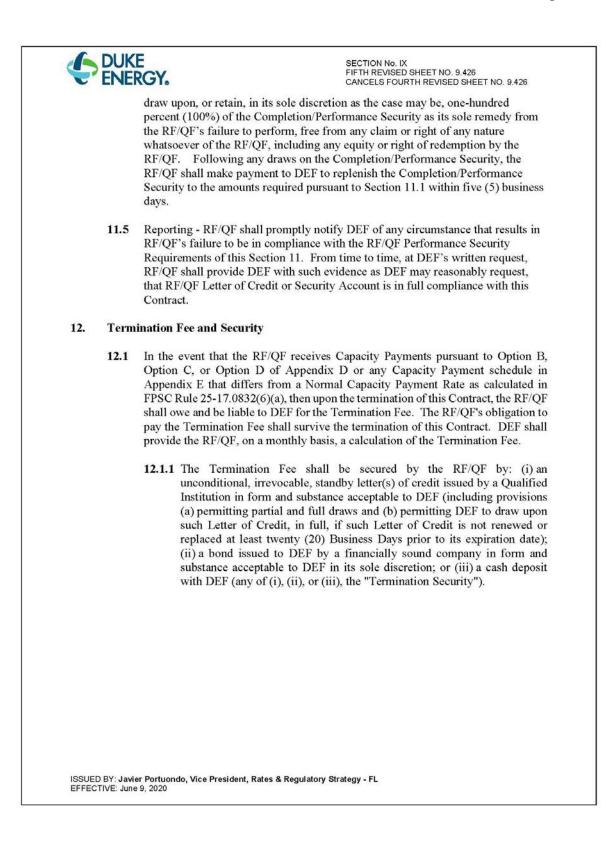
10.5 Dispatch and Control

10.5.1 Power supplied by the RF/QF hereunder shall be in the form of three-phase 60 hertz alternating current, at a nominal operating voltage of ______ volts (______ kV) and power factor dispatchable and controllable in the range of 90% lagging to 90% leading as measured at the interconnection point to maintain system operating parameters, including power factor, as specified from time to time by DEF.

ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020 DUKE SECTION No. IX ELEVENTH REVISED SHEET NO. 9.424 ENERGY. CANCELS TENTH REVISED SHEET NO. 9.424 10.5.2 The RF/QF shall operate the Facility with all system protective equipment in service whenever the Facility is connected to, or is operated in parallel with, DEF's system, except for normal testing and repair in accordance with good engineering and operating practices as agreed by the Parties. The RF/QF shall provide adequate system protection and control devices to ensure safe and protected operation of all energized equipment during normal testing and repair. All RF/QF facilities shall meet IEEE and utility standards. The RF/QF shall have independent, third party qualified personnel test, calibrate and certify in writing all protective equipment at least once every twelve (12) months in accordance with good engineering and operating practices. A unit functional trip test shall be performed after each overhaul of the Facility's turbine, generator or boilers and results provided to DEF in writing prior to returning the equipment to service. The specifics of the unit functional trip test will be consistent with Prudent Regulated Utility Practices. 10.5.3 If the Facility is separated from the DEF system for any reason, under no circumstances shall the RF/QF reconnect the Facility to DEF's system without first obtaining DEF'S specific approval. 10.5.4 During the term of this Contract, the RF/QF shall employ qualified personnel for managing, operating and maintaining the Facility and for coordinating such with DEF. The RF/QF shall ensure that operating personnel are on duty at all times, twenty-four (24) hours a calendar day and seven (7) calendar days a week. Additionally, during the term of this Contract, the RF/QF shall operate and maintain the Facility in such a manner as to ensure compliance with its obligations hereunder and in accordance with applicable law and Prudent Regulated Utility Practices. 10.5.5 DEF shall not be obligated to purchase, and may require curtailed or reduced deliveries of Energy to the extent allowed under FPSC Rule 25-17.086 and under any curtailment plan which DEF may have on file with the FPSC from time to time. 10.5.6 During the term of this Contract, the RF/QF shall maintain sufficient fuel on the site of the Facility to deliver the Capacity and Energy associated with the Committed Capacity for an uninterrupted seventy-two-(72) hour period. At DEF's request, the RF/QF shall demonstrate this capability to DEF's reasonable satisfaction. During the term of this Contract, the RF/QF's output shall remain within a band of plus or minus ten percent (10%) of the daily output level or levels specified by the plant operator, in ninety percent (90%) of all operating hours under normal operating conditions. This calculation will be adjusted to exclude forced outage periods and periods during which the RF/QF's output is affected by a Force Majeure event.

Docket No. 20230044-EQ Date: June 1, 2023

D E	UKE NERGY。	SECTION №. IX NINTH REVISED SHEET NO. 9.425 CANCELS EIGHTH REVISED SHEET NO. 9.425		
11. C	Completion/Performance Security			
1	Eligible Collateral in a	Simultaneous with the execution of this Contract RF/QF shall deliver to DEF Eligible Collateral in an amount equal to \$30.00/kw of Committed Capacity as Completion/Performance Security.		
1	time to time by the RF/ shall promptly release f substitute Eligible Coll Parties shall mutually a Contract which such po- unless extended by mu any remaining Eligible upon by DEF pursuant RF/QF. Any dispute b	of Eligible Collateral by the RF/QF may be selected from /QF and upon receipt of substitute Eligible Collateral, DEF the Eligible Collateral that has been replaced by the lateral. Following any termination of this Contract, the agree to a final settlement of all obligations under this eriod shall not exceed 90 days from such termination date tual agreement between the Parties. After such settlement, collateral posted by the RF/QF that has not been drawn to its rights under this Contract shall be returned to the etween the Parties regarding such final settlement shall be upplicable procedures set forth in Section 20.9.		
т	RF/QF following the o provisions of this Cont event of such a draw th otherwise terminates, t	- DEF may draw upon Eligible Collateral provided by the courrence of an Event of Default or pursuant to the other ract to which DEF is entitled to under this Contract. In the nen, except in the circumstance when this Contract he RF/QF shall within five (5) Business Days replenish the ne full amounts required.		
1	Capacity Delivery Data first twelve (12) month return the Completion/ of the first anniversary Capacity Delivery Data Date, consistent with S retain the Completion/ Delivery Date occurs b is less than 95% for an Delivery Date then DE Security until the ACB months. Upon the com is greater than or equal Security within ninety perform one or more C first anniversary of the connection with any su demonstrate a Capacity	Capacity Delivery Date occurs before the Required e and (b) the ACBF is equal to or greater than 95% for the is following the Capacity Delivery Date then DEF will Performance Security to the RF/QF within ninety (90) days of the Capacity Delivery Date. In the event that the e does not occur before the Required Capacity Delivery Section 7.6 herein, DEF shall immediately be entitled to Performance Security in full. In the event the Capacity before the Required Capacity Delivery Date, and, the ACBF y of the first twelve (12) months following the Capacity F shall be entitled to retain the Completion/Performance F is equal to or greater than 95% for 12 consecutive upletion of twelve (12) consecutive months, and the ACBF to 95%, then DEF will return the Completion/Performance (90) days. In the event that DEF requires the RF/QF to committed Capacity Test(s) at any time on or before the Capacity Delivery Date pursuant to Section 7.3 and, in uch Committed Capacity Test(s), the RF/QF fails to y of at least one-hundred percent (100%) of the Committed ection 7.1, DEF shall be entitled immediately to receive,		



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ENERGY.

SECTION No. IX EIGHTH REVISED SHEET NO. 9.427 CANCELS SEVENTH REVISED SHEET NO. 9.427

- **12.1.2** DEF shall have the right and the RF/QF shall be required to monitor the financial condition of (i) the issuer(s) in the case of any Letter of Credit and (ii) the insurer(s), in the case of any bond. In the event the senior debt rating of any issuer(s) or insurer(s) has deteriorated to the extent that they fail to meet the requirements of a Qualified Institution, DEF may require the RF/QF to replace the letter(s) of credit or the bond, as applicable. In the event that DEF notifies the RF/QF that it requires such a replacement, the replacement letter(s) of credit or bond, as applicable, must be issued by a Qualified Institution, and meet the requirements of Section 12.1.1 within thirty (30) calendar days following such notification. Failure by the RF/QF to comply with the requirements of this Section 12.1.2 shall be grounds for DEF to draw in full on any existing Letter of Credit or bond and to exercise any other remedies it may have hereunder.
- **12.1.3** After the close of each calendar quarter (March 31, June 30, September 30, and December 31) occurring subsequent to the Capacity Delivery Date, upon DEF's issuance of the Termination Fee calculation as described in Section 12.1, the RF/QF must provide DEF, within ten calendar (10) days, written assurance and documentation (the "Security Documentation"), in form and substance acceptable to DEF, that the amount of the Termination Security is sufficient to cover the balance of the Termination Fee through the end of the following quarter. In addition to the foregoing, at any time during the term of this Contract, DEF shall have the right to request and the RF/QF shall be obligated to deliver within five (5) calendar days of such request, such Security Documentation. Failure by the RF/QF to comply with the requirements of this Section 12.1.3 shall be grounds for DEF to draw in full on any existing Letter of Credit or bond or to retain any cash deposit, and to exercise any other remedies it may have hereunder.
- 12.1.4 Upon any termination of this Contract following the Required Capacity Delivery Date, DEF shall be entitled to receive (and in the case of the Letter(s) of Credit or bond, draw upon such Letter(s) of Credit or bond) and retain one hundred percent (100%) of the Termination Security.

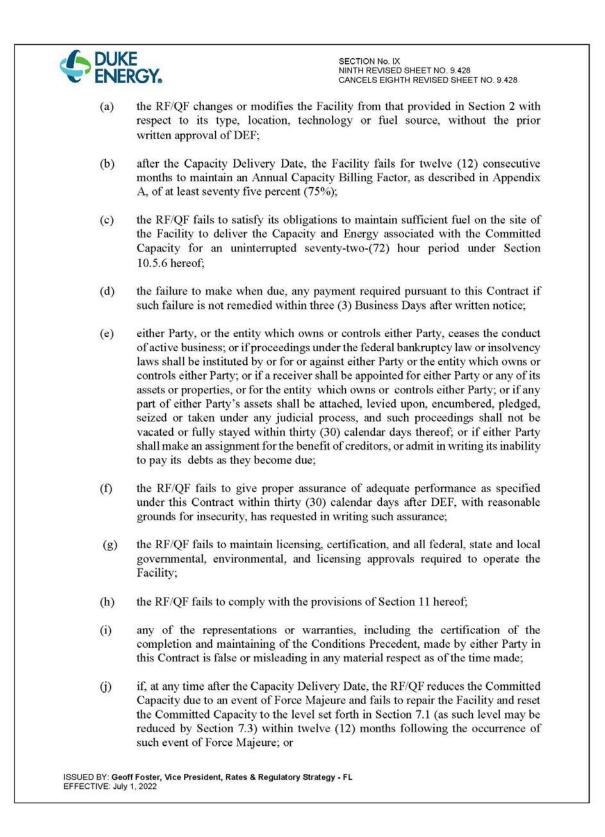
13. Performance Factor

DEF desires to provide an incentive to the RF/QF to operate the Facility during on-peak and off-peak periods in a manner that approximates the projected performance of the Avoided Unit. A formula to achieve this objective is attached as Appendix A.

14. Default

Notwithstanding the occurrence of any Force Majeure as described in Section 18, each of the following shall constitute an Event of Default:

ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020



0	DUK	RGY.	SECTION No. IX SIXTH REVISED SHEET NO. 9.429 CANCELS FIFTH REVISED SHEET NO. 9.429		
	(k)	either Party breaches any material provision of this Contract not specifically mentioned in this Section 14;			
	 the RF/QF fails to maintain its status as a Qualifying Facility; the RF/QF sells any Energy or Capacity to an entity other than DEF; 		status as a Qualifying Facility;		
			Capacity to an entity other than DEF;		
	(n)	the RF/QF suspends its Inter- interconnection facilities;	connection Agreement or the construction of its		
15.	Rights in the Event of Default				
15.1 Upon the occurrence of any of the Events of Default in Section 14, the DE at its option:		he Events of Default in Section 14, the DEF may,			
		obligation, except as RF/QF, and offset aga	te this Contract, without penalty or further set forth in Section 15.2, by written notice to the inst any payment(s) due from DEF to the RF/QF, due from the RF/QF to DEF;		
			of the Completion/Performance Security pursuant the Termination Security requirement pursuant to applicable; and		
		15.1.3 exercise any other ren in equity.	nedy(ies) which may be available to DEF at law or		
	15.2		liability of either Party for obligations arising prior mages, if any, resulting from any breach of this		
16.	Inder	Indemnification			
	16.1	RF/QF shall each be responsib customers, DEF's and the RF/Q of its own generating system. H extent permitted by applicable the other Party (the "Indemnif agents and contractors (hereinal Entities") from and against any	be responsible for its own facilities. DEF and the le for ensuring adequate safeguards for other DEF F's personnel and equipment, and for the protection ach Party (the "Indemnifying Party") agrees, to the law, to indemnify, pay, defend, and hold harmless ied Party") and its officers, directors, employees, her called respectively, "DEF Entities" and "RF/QF and all claims, demands, costs or expenses for loss, or property of the Indemnified Party (or to third ng out of, or resulting from:		
		(a) a breach by the Indemn warranties or obligation	ifying Party of its covenants, representations, and s hereunder;		
		ff Foster, Vice President, Rates & Regulato	ry Strategy - FL		

DUKE SECTION No. IX SIXTH REVISED SHEET NO. 9.430 ENERGY. CANCELS FIFTH REVISED SHEET NO. 9.430 (b) any act or omission by the Indemnifying Party or its contractors, agents, servants or employees in connection with the installation or operation of its generation system or the operation thereof in connection with the other Party's system; any defect in, failure of, or fault related to, the Indemnifying Party's (c) generation system; (d) the negligence or willful misconduct of the Indemnifying Party or its contractors, agents, servants or employees; or (e) any other event or act that is the result of, or proximately caused by, the Indemnifying Party or its contractors, agents, servants or employees related to the Contract or the Parties' performance thereunder. 16.2 Payment by an Indemnified Party to a third party shall not be a condition precedent to the obligations of the Indemnifying Party under Section 16. No Indemnified Party under Section 16 shall settle any claim for which it claims indemnification hereunder without first allowing the Indemnifying Party the right to defend such a claim. The Indemnifying Party shall have no obligations under Section 16 in the event of a breach of the foregoing sentence by the Indemnified Party. Section 16 shall survive termination of this Contract. 17. Insurance The RF/OF shall procure or cause to be procured and shall maintain throughout the 17.1 entire Term of this Contract, a policy or policies of liability insurance issued by an insurer acceptable in the state of Florida on a standard "Insurance Services Office" commercial general liability and/or excess liability form or equivalent and Workers' Compensation in accordance with the statutory requirements of the state of Florida (such policy or policies, collectively, the "RF/QF Insurance"). A certificate of insurance shall be delivered to DEF at least fifteen (15) calendar days prior to the start of any interconnection work. At a minimum, the RF/QF Insurance shall contain (a) an endorsement providing coverage, including products liability/completed operations coverage for the term of this Contract, and (b) premises and operations liability, (c) a broad form contractual liability endorsement covering liabilities (i) which might arise under, or in the performance or nonperformance of, this Contract or (ii) caused by operation of the Facility or any of the RF/QF's equipment. Without limiting the foregoing, the RF/QF Insurance must be reasonably acceptable to DEF. Any premium assessment or deductible shall be for the account of the RF/QF and not DEF. 17.2 The RF/QF Insurance for liability shall have a minimum limit of five million dollars (\$5,000,000.00) per occurrence for bodily injury (including death) or property damage. This liability limit can be met by any combination of commercial general and excess liability insurance policies. ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020

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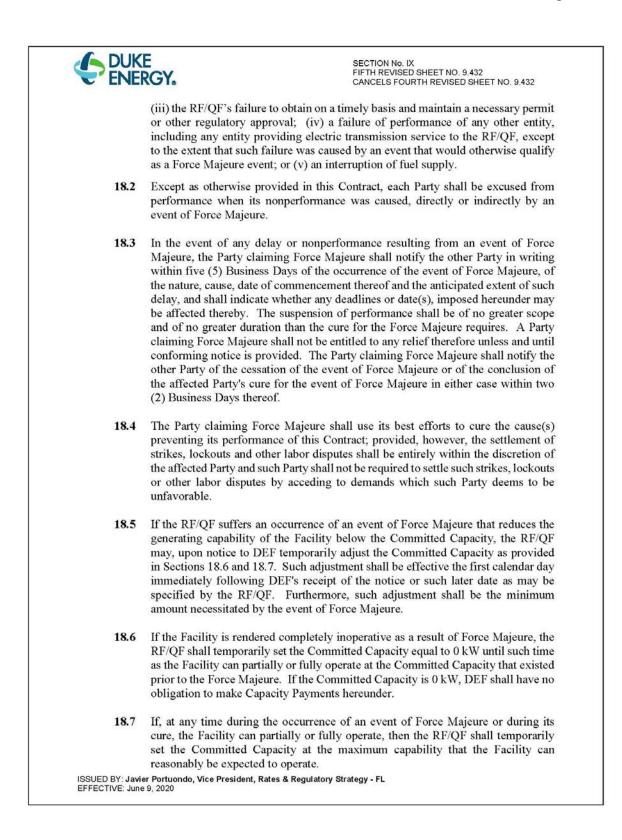
SECTION No. IX SEVENTH REVISED SHEET NO. 9.431 CANCELS SIXTH REVISED SHEET NO. 9.431

- 17.3 To the extent that the RF/QF Insurance is on a "claims made "basis, the retroactive date of the policy(ies) shall be the Effective Date of this Contract or an earlier date. Furthermore, to the extent the RF/QF Insurance is on a "claims made" basis, the RF/QF's duty to provide insurance coverage shall survive the termination of this Contract until the expiration of the maximum statutory period of limitations in the State of Florida for actions based in contract or in tort. To the extent the RF/QF Insurance is on an "occurrence" basis, such insurance shall be maintained in effect at all times by the RF/QF during the term of this Contract.
- **17.4** The RF/QF shall provide DEF with a copy of any material communication or notice related to the RF/QF Insurance within ten (10) Business Days of the RF/QF's receipt or issuance thereof.
- 17.5 DEF shall be designated as an additional named insured under the RF/QF Insurance (except Workers' Compensation). The RF/QF Insurance shall be primary to any coverage maintained by DEF and provide, where permitted by law, waiver of any rights of subrogation against DEF. Any deductibles or retentions shall be the sole responsibility of RF/QF. RF/QF's compliance with these provisions and the limits of insurance specified herein shall not constitute a limitation of RF/QF's liability or otherwise affect RF/QF's indemnification obligations pursuant to this Contract. Any failure to comply with all of these provisions shall not be deemed a waiver of any rights of DEF under this Contract with respect to any insurance coverage required hereunder. DEF may request the RF/QF to provide a copy of any or all of its required insurance policies, including endorsements in which DEF is included as an additional insured for any claims filed relative to this Contract.

18. Force Majeure

18.1 "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 Party claiming Force Majeure or its contractors or suppliers and adversely affects the performance by that Party of its obligations under or pursuant to this Contract. Such events or circumstances may include, but are not limited to, acts of God, war (including actions or inactions of military authority), riot or insurrection, blockades, embargoes, sabotage, epidemics (that are recognized by a health agency authority, and authorities have required a mandated quarantine impacting the Facility, and the RF/OF has shown a direct correlation and impact to the Facility), 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). Force Majeure shall not include or be based on (i) RF/QF's ability to sell the Capacity or Energy to another market at an economic advantage or a price greater than the price herein; (ii) equipment breakdown or inability to use equipment caused by its design, construction, operation, maintenance or inability to meet regulatory standards, or otherwise caused by an event originating in the Facility;

ISSUED BY: Geoff Foster, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: July 19, 2021



DUKE SECTION No. IX FOURTH REVISED SHEET NO. 9.433 ENERGY. CANCELS THIRD REVISED SHEET NO. 9.433 18.8 Upon the cessation of the event of Force Majeure or the conclusion of the cure for the event of Force Majeure, the Committed Capacity shall be restored to the Committed Capacity that existed immediately prior to the Force Majeure. Notwithstanding any other provisions of this Contract, upon such cessation or cure, DEF shall have right to require a Committed Capacity Test to demonstrate the Facility's compliance with the requirements of this Section 18.8. Any such Committed Capacity Test required by DEF shall be additional to any Committed Capacity Test under Section 7.3. 18.9 During the occurrence of an event of Force Majeure and a reduction in Committed Capacity under Section 18.5 all Monthly Capacity Payments shall reflect, pro rata, the reduction in Committed Capacity, and the Monthly Capacity Payments will continue to be calculated in accordance with the pay-for-performance provisions in Appendix A. 18.10 The RF/QF agrees to be responsible for and pay the costs necessary to reactivate the Facility and/or the interconnection with DEF's system if the same is (are) rendered inoperable due to actions of the RF/QF, its agents, or Force Majeure events affecting the RF/QF, the Facility or the interconnection with DEF. DEF agrees to reactivate, at its own cost, the interconnection with the Facility in circumstances where any interruptions to such interconnections are caused by DEF or its agents. 19. Representations, Warranties, and Covenants of RF/QF Each Party hereto represents and warrants that as of the Effective Date: 19.1 Organization, Standing and Qualification DEF is a corporation duly organized and validly existing in good standing under the laws of Florida and has all necessary power and authority to carry on its business as presently conducted to own or hold under lease its properties and to enter into and perform its obligations under this Contract and all other related documents and agreements to which it is or shall be a Party. The RF/QF is a (corporation, partnership, or other, as applicable) duly organized and validly existing in good standing under the laws of and has all necessary power and authority to carry on its business as presently conducted to own or hold under lease its properties and to enter into and perform its obligations under this Contract and all other related documents and agreements to which it is or shall be a Party. Each Party is duly qualified or licensed to do business in the State of Florida and in all other jurisdictions wherein the nature of its business and operations or the character of the properties owned or leased by it makes such qualification or licensing necessary and where the failure to be so qualified or licensed would impair its ability to perform its obligations under this Contract or would result in a material liability to or would have a material adverse effect on the other Party.

ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020

DUKE SECTION No. IX THIRD REVISED SHEET NO. 9.434 ENERGY. CANCELS SECOND REVISED SHEET NO. 9.434 19.2 Due Authorization, No Approvals, No Defaults Each of the execution, delivery and performance by each Party of this Contract has been duly authorized by all necessary action on the part of such Party, does not require any approval, except as has been heretofore obtained, of the shareholders DEF or of the (shareholders, partners, or others, as applicable) of the RF/QF or any consent of or approval from any trustee, lessor or holder of any indebtedness or other obligation of such Party, except for such as have been duly obtained, and does not contravene or constitute a default under any law, the articles of incorporation of DEF or the (articles of incorporation, bylaws, or other as applicable) of such Party, or any agreement, judgment, injunction, order, decree or other instrument binding upon such Party, or subject the Facility or any component part thereof to any lien other than as contemplated or permitted by this Contract. 19.3 Compliance with Laws Each party has knowledge of all laws and business practices that must be followed in performing its obligations under this Contract. Each party also is in compliance with all laws, except to the extent that failure to comply therewith would not, in the aggregate, have a material adverse effect on the other Party. 19.4 Governmental Approvals Except as expressly contemplated herein, neither the execution and delivery by each Party of this Contract, nor the consummation by each Party of any of the transaction contemplated thereby, requires the consent or approval of, the giving of notice to, the registration with, the recording or filing of any document with, or the taking of any other action with respect to governmental authority, except with respect to permits (a) which have already been obtained and are in full force and effect or (b) are not yet required (and with respect to which the RF/QF has no reason to believe that the same will not be readily obtainable in the ordinary course of business upon due application therefore). 19.5 No Suits, Proceedings There are no actions, suits, proceedings or investigations pending or, to the knowledge of each Party, threatened against it at law or in equity before any court or tribunal of the United States or any other jurisdiction which individually or in the aggregate could result in any materially adverse effect on each Party's business, properties, or assets or its condition, financial or otherwise, or in any impairment of its ability to perform its obligations under this Contract. Each Party has no knowledge of a violation or default with respect to any law which could result in any such materially adverse effect or impairment. ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 9, 2019

DUKE ENERGY.

SECTION No. IX FIFTH REVISED SHEET NO. 9.435 CANCELS FOURTH REVISED SHEET NO. 9.435

19.6 Environmental Matters

To the best of its knowledge after diligent inquiry, each Party knows of no (a) existing violations of any environmental laws at the Facility, including those governing hazardous materials or (b) pending, ongoing, or unresolved administrative or enforcement investigations, compliance orders, claims, demands, actions, or other litigation brought by governmental authorities or other third parties alleging violations of any environmental law or permit which would materially and adversely affect the operation of the Facility as contemplated by this Contract.

20. General Provisions

20.1 Project Viability

To assist DEF in assessing the RF/QF's financial and technical viability, the RF/QF shall provide the information and documents requested in Appendix C or substantially similar documents, to the extent the documents apply to the type of Facility covered by this Contract and to the extent the documents are available. All documents to be considered by DEF must be submitted at the time this Contract is presented to DEF. Failure to provide the following such documents may result in a determination of non-viability by DEF.

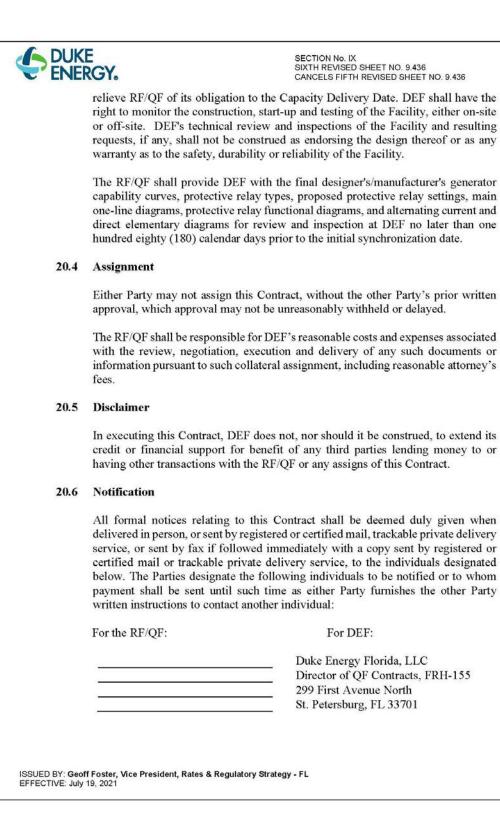
20.2 Permits

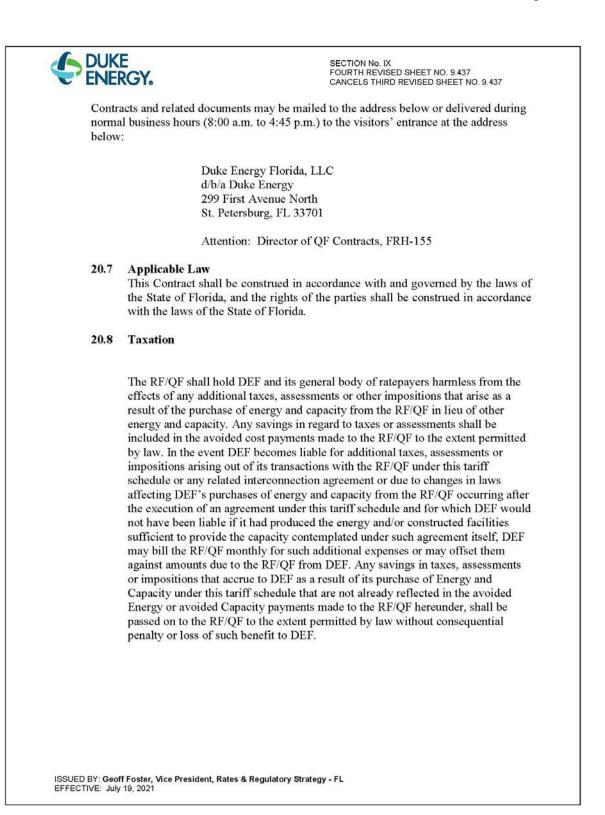
The RF/QF hereby agrees to obtain and maintain any and all permits, certifications, licenses, consents or approvals of any governmental authority which the RF/QF is required to obtain as a prerequisite to engaging in the activities specified in this Contract.

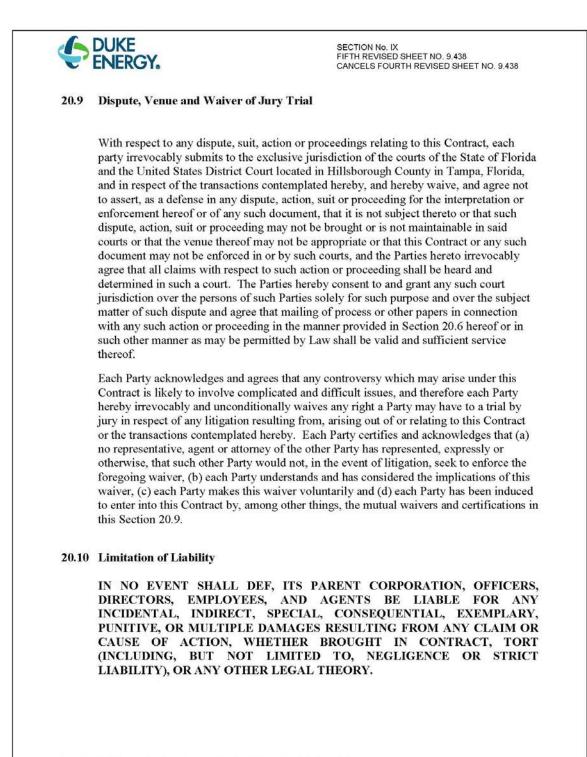
20.3 Project Management

If requested by DEF, the RF/QF shall submit to DEF its integrated project schedule for DEF's review within sixty (60) calendar days from the execution of this Contract, and a start-up and test schedule for the Facility at least sixty (60) calendar days prior to start-up and testing of the Facility. These schedules shall identify key licensing, permitting, construction and operating milestone dates and activities. The RF/QF shall submit monthly progress reports in a form satisfactory to DEF within fifteen (15) calendar days after the close of each month from the first month following the Effective Date until the Capacity Delivery Date. The RF/QF shall notify DEF of any changes in such schedules within ten (10) calendar days after such changes are determined. If for any reason, DEF has reason to believe that RF/QF shall submit to DEF, within ten (10) business days of such request, a remedial action plan ("Remedial Action Plan") that sets forth a detailed description of RF/QF's proposed course of action to promptly achieve the Capacity Delivery Date. Delivery of a Remedial Action Plan does not

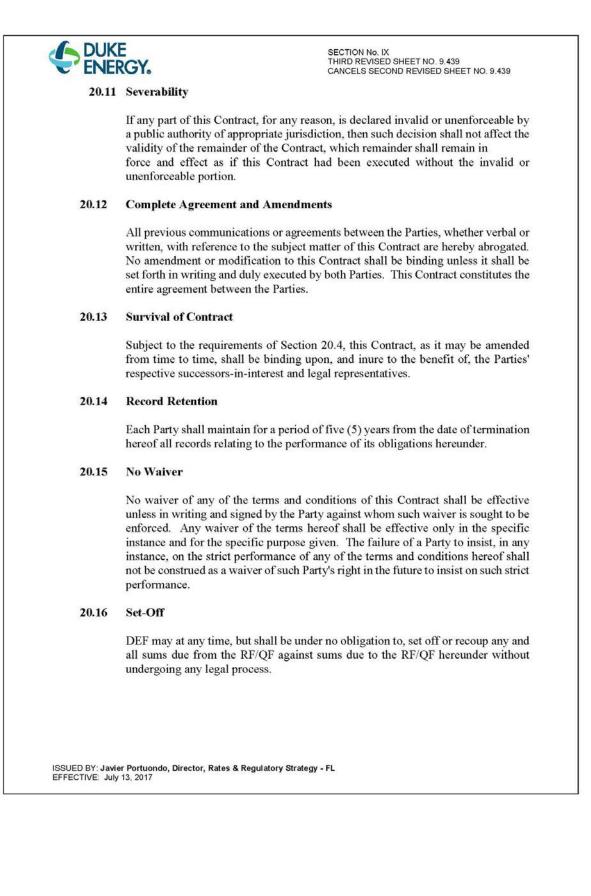
ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 9, 2019

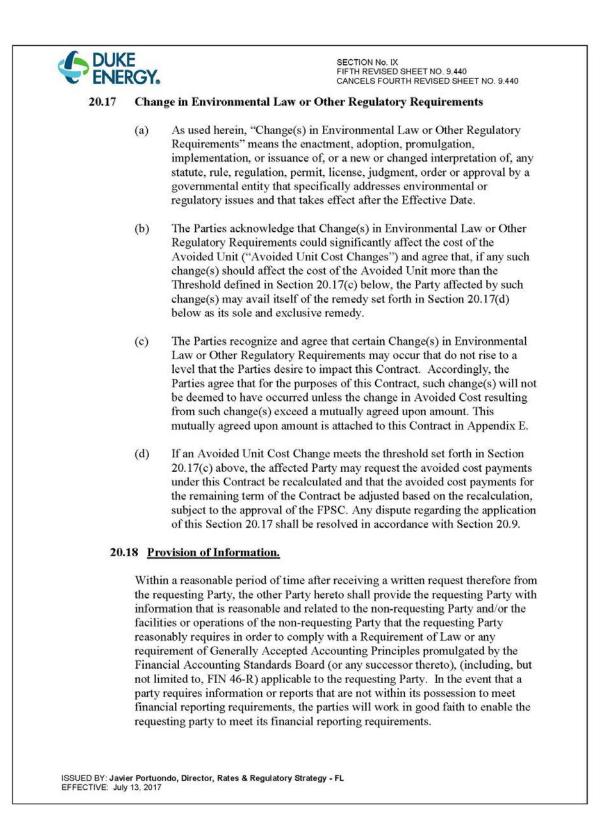






ISSUED BY: Geoff Foster, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: July 19, 2021



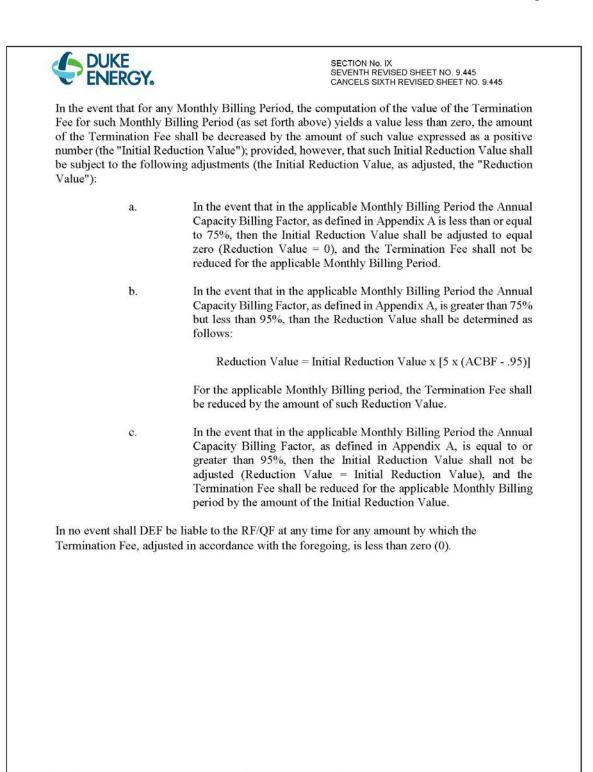


DUKE ENERGY.	SECTION №. IX THIRD REVISED SHEET NO. 9.441 CANCELS SECOND REVISED SHEET NO. 9.441
IN WITNESS WHEREOF, the RF/Q	PF has executed this Contract on the date set forth below.
RF/QF	
Signature	
Print Name	
Title	
Date	
IN WITNESS WHEREOF, DEF has	acknowledged receipt of this executed Contract.
DUKE ENERGY FLORIDA, LLC.	
DUKE ENERGY FLORIDA, LLC.	
DUKE ENERGY FLORIDA, LLC.	
DUKE ENERGY FLORIDA, LLC. Signature Print Name	

ENE	(E RGY.		SECTION No. IX NINTH REVISED SHEET NO. 9.442 CANCELS EIGHTH REVISED SHEET NO. 9.442
			APPENDIX A
			то
1	RENEWABLI	EOR	UKE ENERGY FLORIDA, LLC QUALIFYING FACILITY LESS THAN 100 KW YANDARD OFFER CONTRACT
	MONT	HLY	CAPACITY PAYMENT CALCULATION
Standard Of Energy Prod	fer Contract fo lucer or a Qual may change up	r the ifying oon tv	defined herein have the meaning ascribed to them in the Purchase of Firm Capacity and Energy from a Renewable g Facility less than 100 kW. On-peak hours are available upon velve months-notice to the RF/QF. the ACBF is less than or equal to 75%, then no Monthly
			at shall be due. That is:
	MC	$\mathbf{P} = 0$	
B.			he ACBF is greater than 75% but less than 95%, then the Monthly t shall be calculated by using the following formula:
	MC	$\mathbf{b} = \mathbf{B}$	CP x [1 - [5 x (.95 - ACBF)] x CC
C.			the ACBF is equal to or greater than 95%, then the Monthly it shall be calculated by using the following formula:
	MC	$\mathbf{b} = \mathbf{B}$	CP x CC
	Where:		
	MCP	=	Monthly Capacity Payment in dollars.
	BCP	=	Base Capacity Payment in \$/kW/Month as specified in Appendix D or E.

DUKE ENERGY.	SECTION No. IX THIRD REVISED SHEET NO. 9.443 CANCELS SECOND REVISED SHEET NO. 9.443
ACBF	Annual Capacity Billing Factor. The ACBF shall be the electric Energy actually received by DEF for the 12 consecutive months preceding the date of calculation excluding any energy received during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW, divided by the product of the Committed Capacity and the number of hours in the 12 consecutive months preceding the date of calculation excluding the hours during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW. If an event of Force Majeure occurs during the 12 consecutive months preceding the date of calculation in which the Committed Capacity is temporarily set equal to 0 kW. If an event of Force Majeure occurs during the 12 consecutive months preceding the date of calculation in which the Committed Capacity is temporarily set to a value greater than 0 kW then the 12 month rolling average will be prorated accordingly. During the first 12 consecutive Monthly Billing Periods commencing with the first Monthly Billing Period in which. Capacity Payments are to be made, the calculation of 12-month rolling average ACBF shall be performed as follows (a) during the first Monthly Billing Period, the ACBF shall be equal to the Monthly Availability Factor; (b) thereafter, the calculation of the ACBF shall be computed by summing the electric Energy actually received by DEF for the number of full consecutive months preceding the date of calculation excluding any energy received during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW, divided by the product of the Committed Capacity and the number of hours in the number of full consecutive months preceding the date of calculation excluding any energy received during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW. If an event of Force Majeure occurs during the months preceding the date of calculation in which the Committed Capacity is temporarily set to a value g
MAF	Monthly Availability Factor. The total Energy received during the Monthly Billing Period for which the calculation is made, divided by the product of Committed Capacity times the total hours during the Monthly Billing Period.
Monthly Billing Period	The period beginning on the first calendar day of each calendar month, except that the initial Monthly Billing Period shall consist of the period beginning 12:01 a.m., on the Capacity Delivery Date and ending with the last calendar day of such month.
ISSUED BY: Geoff Foster, Vice Pre	sidant Bates & Bamulatany Oratomy El

DUKE ENERGY.	SECTION No. IX FOURTH REVISED SHEET 9.444 CANCELS THIRD REVISED SHEET NO. 9.444
RENEWABL	APPENDIX B TO DUKE ENERGY FLORIDA, LLC E OR QUALIFYING FACILITY LESS THAN 100 KW STANDARD OFFER CONTRACT
	TERMINATION FEE
Standard Offer Contract for	rwise defined herein have the meaning ascribed to them in the or the Purchase of Firm Capacity and Energy from a Renewable lifying Facility less than 100 kW.
which the Capacity Delive	all be the sum of the values for each month beginning with the month in ry Date occurs through the month of the Termination Date (or month of y be) computed according to the following formula:
$\begin{array}{l} n \\ \sum \\ i = 1 \end{array}$ (MCP ₁)	$-\operatorname{MCPC}_{i}$) · $(1 + r)^{(n-i)}$
with:	MCPC = 0 for all periods prior to the in-service date of the Avoided Unit:
where	
i	number of Monthly Billing Periods commencing with the Capacity Delivery Date (i.e., the month in which Capacity Delivery Date occurs = 1; the month following this month in which Capacity Delivery Date occurs = 2 etc.)
n	the number of Monthly Billing Periods which have elapsed from the month in which the Capacity Delivery Date occurs through the month of termination (or month of calculation, as the case may be)
r	 DEF's incremental after-tax avoided cost of capital (defined as r in Appendix D).
MCPi	 Monthly Capacity Payment paid to RF/QFQF corresponding to the Monthly Billing Period i, calculated in accordance with Appendix A.
MCPC _i	Monthly Capacity Payment for Option A corresponding to the Monthly Billing Period i, calculated in accordance with this Contract.
ISSUED BY: Javier Portuondo, Ma EFFECTIVE: June 5, 2018	anaging Director, Rates & Regulatory Strategy - FL

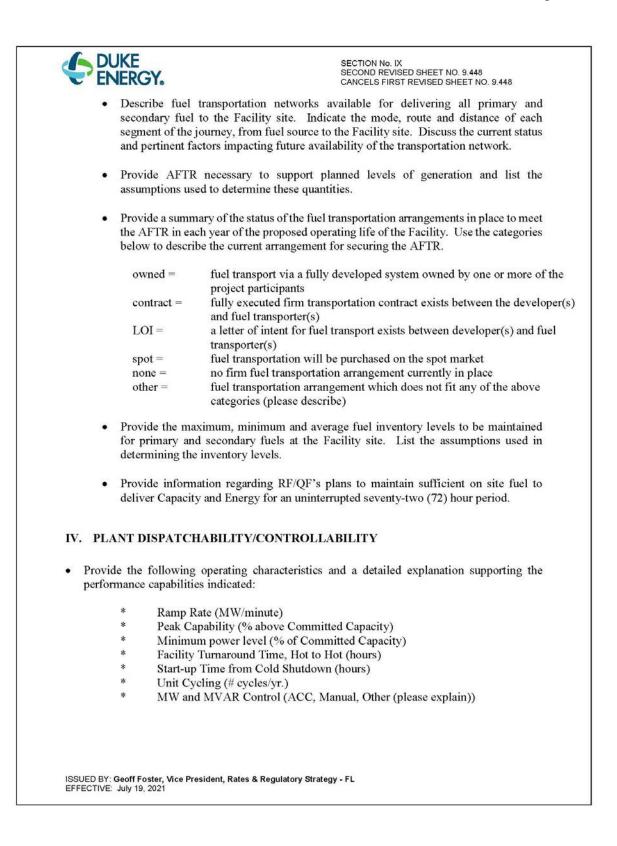


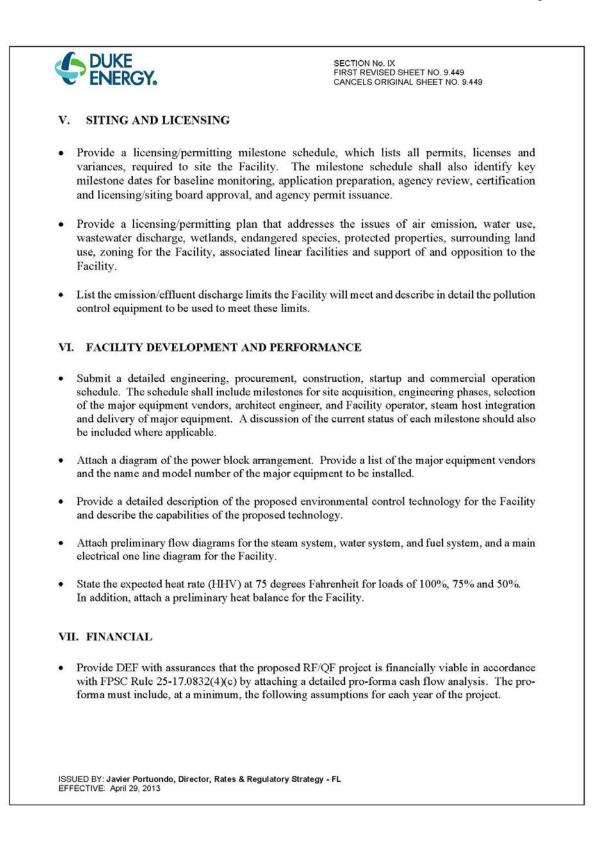
ISSUED BY: Geoff Foster, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: July 19, 2021

DUKE ENERGY.	SECTION No. IX SECOND REVISED SHEET NO. 9.446 CANCELS FIRST SHEET NO. 9.446
	APPENDIX C
DUK	TO E ENERGY FLORIDA, LLC
RENEWABLE OR QU	JALIFYING FACILITY LESS THAN 100 KW NDARD OFFER CONTRACT
DETAIL	ED PROJECT INFORMATION
	ined herein have the meaning ascribed to them in the Standard Firm Capacity and Energy from a Renewable Energy Producer 0 kW.
project is financially and technically	DEF will be evaluated to determine if the underlying RF/QF viable. The RF/QF shall, to the extent available, provide DEF ch addresses the information requested below:
I. FACILITY DESCRIPTION	
Project Name	
 Project Location 	
* Street Address	
Street Address	
* Size Plot Plan	
 Size Plot Plan Legal Description of Site 	
 Size Plot Plan Legal Description of Site Generating Technology 	
 Size Plot Plan * Legal Description of Site Generating Technology Primary Fuel 	
 Size Plot Plan Legal Description of Site Generating Technology Primary Fuel 	
 Size Plot Plan * Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) 	
 * Size Plot Plan * Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) Committed Capacity 	
 Size Plot Plan Size Plot Plan Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) Committed Capacity Expected In-Service Date Contact Person 	
 Size Plot Plan Size Plot Plan Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) Committed Capacity Expected In-Service Date Contact Person Individual's Name and Title 	
 Size Plot Plan Size Plot Plan Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) Committed Capacity Expected In-Service Date Contact Person Individual's Name and Title Company Name 	
 Size Plot Plan Size Plot Plan Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) Committed Capacity Expected In-Service Date Contact Person Individual's Name and Title Company Name Address 	
 Size Plot Plan Size Plot Plan Legal Description of Site Generating Technology Primary Fuel Alternate Fuel (if applicable) Committed Capacity Expected In-Service Date Contact Person Individual's Name and Title Company Name Address Telephone Number 	
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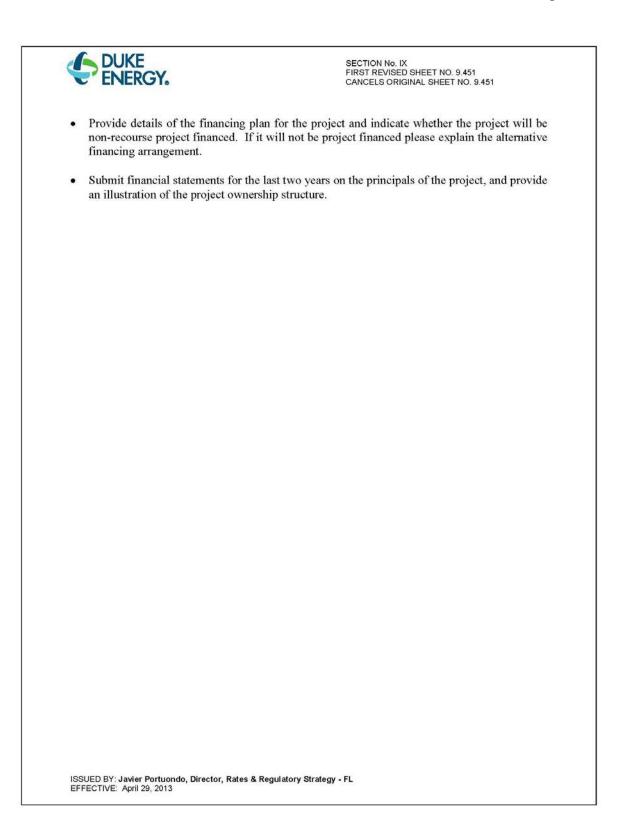
ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: June 5, 2018

	SECTION No. IX CHRST_SECOND REVISED SHEET NO. 9.447 CANCELS ORIGINAL_FIRST REVISED 9.447
ſ	 Project Development Siting and Licensing the Facility Designing the Facility Constructing the Facility Securing the Fuel Supply Operating the Facility * Decommissioning the Facility
	 Provide details on all electrical facilities which are currently under construction or operational which were developed by the RF/QF. Describe the financing structure for the projects identified above, including the type of financing used, the permanent financing term, the major lenders and the percentage of equity invested at Financial Closing.
	III. FUEL SUPPLY
	• Describe all fuels to be used to generate electricity at the Facility. Indicate the specific physical and chemical characteristics of each fuel type (<i>e.g.</i> Btu content, sulfur content, ash content, etc.). Identify special considerations regarding fuel supply origin, source and handling, storage and processing requirements.
	 Provide AFR necessary to support planned levels of generation and list the assumptions used to determine these quantities.
	• Provide a summary of the status of the fuel supply arrangements in place to meet the AFR, in each year of the proposed operating life of the Facility. Use the categories below to describe the current arrangement for securing the AFR.
	<u>Category</u> owned = <u>Description of Fuel Supply Arrangement</u> fuel is from a fully developed source owned by one or more of the project participants
	contract = fully executed firm fuel contract exists between the developer(s) and fuel supplier(s)
	LOI = a letter of intent for fuel supply exists between developer(s) and fuel supplier(s) SPP = small power production facility will burn biomass, waste, or another renewable resource
	spot =fuel supply will be purchased on the spot marketnone =no firm fuel supply arrangement currently in placeother =fuel supply arrangement which does not fit any of the above categories (please describe)
r	 Indicate the percentage of the Facility's AFR which is covered by the above fuel supply arrangement(s) for each proposed operating year. The percent of AFR covered for each operating year must total 100%. For fuel supply arrangements identified as owned, contract, or LOI, provide documentation to support this category and explain the fuel price mechanism of the arrangement. In addition, indicate whether or not the fuel price includes delivery and, if so, to what location. ISSUED BY: Javier PertuandoGeoff Foster, DirectorVice President, Rates & Regulatory Strategy - FL
	EFFECTIVE: April 29, 2013





DUKE SECTION No. IX FIRST REVISED SHEET NO. 9.450 ENERGY. CANCELS ORIGINAL SHEET NO. 9.450 Annual Project Revenues . * Capacity Payments (\$ and \$/kW/Mo.) * Variable O&M (\$ and \$/MWh) * Energy (\$ and \$/MWh) * Tipping Fees (\$ and \$/ton) * Interest Income Other Revenues Variable O&M Escalation (%/yr.) * * Energy Escalation (%/vr.) * Tipping Fee Escalation (%/yr.) Annual Project Expense * Fixed O&M (\$ and \$/kW/Mo.) * Variable O&M (\$ and \$/MWh) * Energy (\$ and \$/MWh) * Property Taxes (\$) * Insurance (\$) Emission Compliance (\$ and \$/MWh) Depreciation (\$ and %/yr.) * Other Expenses (\$) * Fixed O&M Escalation (%/yr.) * Variable O&M Escalation (%/yr.) * Energy Escalation (%/yr.) Other Project Information * Installed Cost of the Facility (\$ and \$/kW) * Committed Capacity (kW) * Average Heat Rate - HHV (MBTU/kWh) * Federal Income Tax Rate (%) Facility Capacity Factor (%) * Energy Sold to DEF (MWh) Permanent Financing * Permanent Financing Term (vr.) Project Capital Structure (percentage of long-term debt, subordinated debt, tax exempt debt and equity) Financing Costs (cost of long-term debt, subordinated debt, tax exempt debt and equity) * Annual Interest Expense Annual Debt Service (\$) * Amortization Schedule (beginning balance, interest expense, principal reduction, ending balance) ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: April 29, 2013





SECTION No. IX THIRD REVISED SHEET NO. 9.452 CANCELS SECOND REVISED SHEET NO. 9.452

APPENDIX D

то

DUKE ENERGY FLORIDA, LLC RENEWABLE OR QUALIFYING FACILITY LESS THAN 100 KW STANDARD OFFER CONTRACT

RATE SCHEDULE COG-2

Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Standard Offer Contract for the Purchase of Firm Capacity and Energy from a Renewable Energy Producer or a Qualifying Facility less than 100 kW.

SCHEDULE

COG-2, Firm Capacity and Energy from a Renewable Facility ("RF/QF") or a Qualifying Facility less than 100 kW ("QF")

AVAILABLE

DEF will, under the provisions of this schedule and the Contract to which this Appendix is attached and incorporated into by reference, purchase firm capacity and energy offered by a RF/QF as defined in the Contract. DEF's obligation to contract to purchase firm capacity from such RF/QF by means of this schedule and the Contract will continue no later than the Expiration Date.

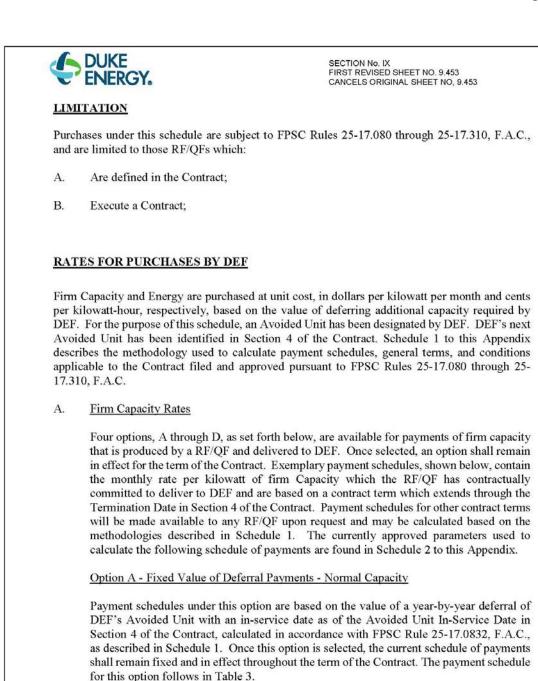
APPLICABLE

To RF/QFs as defined in the Contract producing capacity and energy for sale to DEF on a firm basis pursuant to the terms and conditions of this schedule and the Contract. "Firm Capacity and Energy" are described by FPSC Rule 25-17.0832, F.A.C., and are capacity and energy produced and sold by a RF/QF pursuant to the Contract provisions addressing (among other things) quantity, time and reliability of delivery.

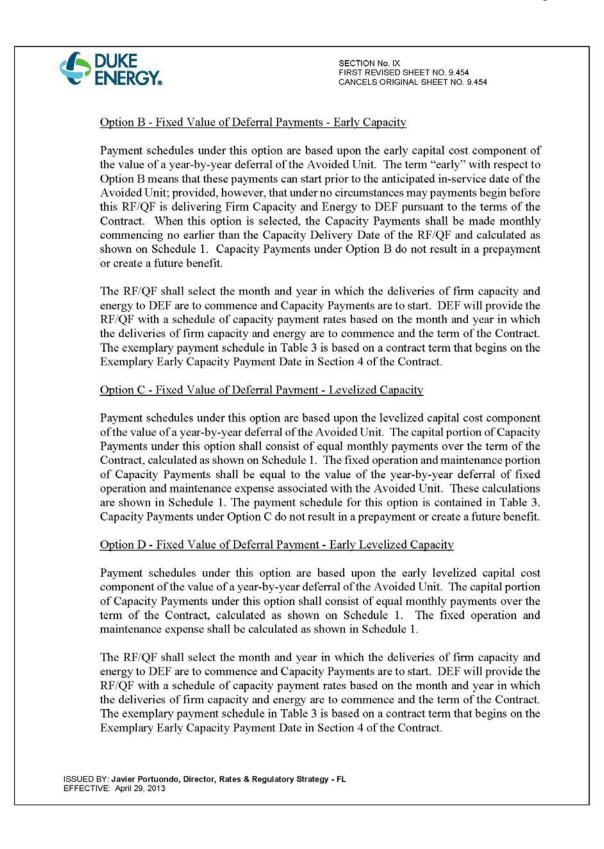
CHARACTER OF SERVICE

Purchases within the territory served by DEF shall be, at the option of DEF, single or three phase, 60-hertz alternating current at any available standard DEF voltage. Purchases from outside the territory served by DEF shall be three phase, 60-hertz alternating current at the voltage level available at the interchange point between DEF and the entry delivering the Firm Capacity and Energy from the RF/QF.

ISSUED BY: Javier Portuondo, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: June 9, 2020

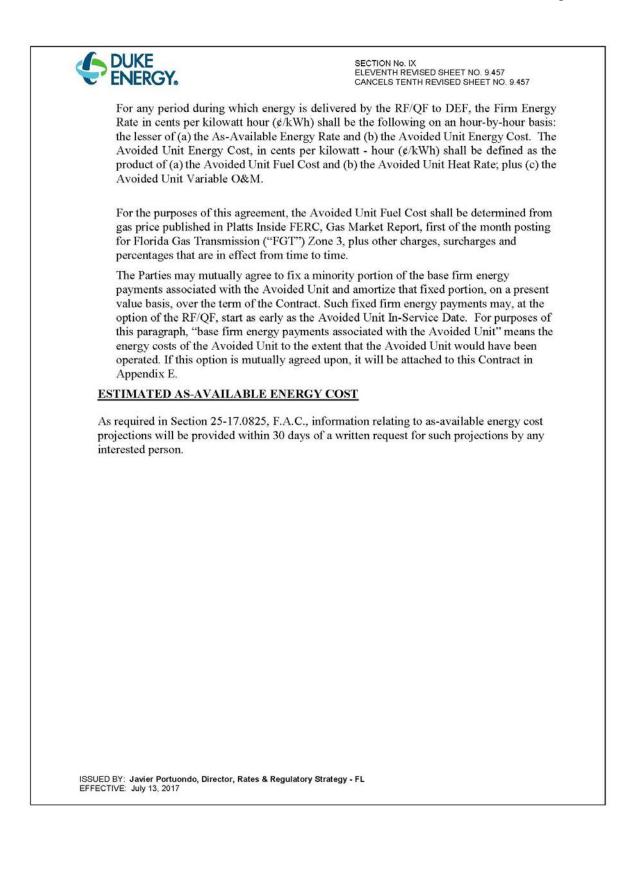


ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: April 29, 2013



	KE ERGY.		9.455	NTH REVISED SHEET NO.
Renew	EXAMPLE MONTH DEF'S vable or Qualifying Faci	June 1, 20 <u>34</u> 29 Uno	designated CT	
		(\$/kW/MONT	H)	
Contrac Year	Option A Normal Capacity t Payment Starting on the Avoided Unit In-Service Date	<u>Option B</u> Early Capacity Payment Starting on the Exemplary Capacity Payment Date	Option C Levelized Capacity Payment Starting on the Avoided Unit In-Service Date	Option D Early Levelized Capacity Payment Starting on the Exemplary Capacity Payment Date
202620 202720 202820 202920 203020 203120 203220 203220 203320 203420 203520 200500 200500 20050000000000	$\begin{array}{r} 32\\ 33\\ 34\\ 5.495.85\\ 35\\ 5.555.95\\ 36\\ 5.606.06\\ 37\\ 5.666.17\\ 38\\ 5.726.28\\ 39\\ 5.786.40\\ 40\\ 5.846.51\\ 40\\ 5.846.51\\ 41\\ 5.906.63\\ 42\\ 5.966.75\\ 43\\ 6.026.87\\ \end{array}$	$\begin{array}{r} 4.29 \underline{4.53} \\ 4.34 \underline{4.61} \\ 4.38 \underline{4.69} \\ 4.43 \underline{4.78} \\ 4.47 \underline{4.86} \\ 4.52 \underline{4.95} \\ 4.56 \underline{5.04} \\ 4.64 \underline{5.13} \\ 4.66 \underline{5.23} \\ 4.74 \underline{5.32} \\ 4.76 \underline{5.42} \\ 4.84 \underline{5.52} \\ 4.86 \underline{5.62} \end{array}$	$\frac{5.726.30}{5.726.31}$ $\frac{5.736.31}{5.746.32}$ $\frac{5.746.33}{5.756.33}$ $\frac{5.766.34}{5.766.35}$ $\frac{5.7766.36}{5.786.36}$	$\begin{array}{r} 4.504.94\\ 4.514.95\\ 4.514.95\\ 4.514.96\\ 4.524.96\\ 4.524.97\\ 4.534.97\\ 4.534.97\\ 4.534.97\\ 4.544.98\\ 4.544.99\\ 4.554.99\\ 4.555.00\\ 4.565.00\\ 4.565.01\\ \end{array}$
1.	The Capacity Paym	ent schedules contai ided Unit In-Service n years but less than of Capacity Payment be calculated utilizi	ned in this Contract Date. In the event the Avoided Unit L is for the requested t	assume a term of ten he RF/QF requests a ife then DEF shall erm. Such Capacity
ISSUED BY: G EFFECTIVE: Ju	eoff Foster, Vice President, R i ly 1, 2022	ates & Regulatory Strateg	y - FL	

DUKE SECTION No. IX SECOND REVISED SHEET NO. 9.456 ENERGY. CANCELS FIRST REVISED SHEET NO. 9.456 2. The RF/QF may also request an alternative Capacity Payment rate stream from DEF as authorized by Rule 25-17.250(4). Regardless of the Capacity Payment rate stream requested by the RF/QF, the cumulative present value of the capital cost payments made to the RF/QF over the term of the Contract shall not exceed the cumulative present value of the capital cost payments had such payments been made pursuant to FPSC Rule 25-17.0832(4)(g)(i). Fixed operation and maintenance expense shall be calculated to conform with FPSC Rule 25-17.0832(6)(b). Such an alternative Capacity Payment rate shall be subject to the Termination Fee in Appendix B. In the event that alternative Capacity Payment rates are agreed upon, such Capacity Payment rate schedule shall be attached to the Contract in Appendix E. B. Energy Rates Payments Prior to the Avoided Unit In-Service Date 1. The energy rate, in cents per kilowatt-hour (¢/kWh), shall be based on DEF's actual hourly avoided energy costs which are calculated by DEF in accordance with FPSC Rule 25-17.0825, F.A.C. The calculation of payments to the RF/QF shall be based on the sum over all hours of the billing period, of the product of each hour's avoided energy cost times the amount of energy (kWh) delivered to DEF from the Facility for that hour. All purchases shall be adjusted for losses from the point of metering to the point of interconnection. Upon request of the RF/QF, DEF shall provide the RF/QF the option of receiving 2. energy payments based on DEF's year-by-year projection of system incremental costs prior to hourly economy energy sales to other utilities, based on normal weather and fuel conditions plus a mutually agreed upon market volatility risk premium. Payments Starting on Avoided Unit In-Service Date The calculation of payments to the RF/QF for energy delivered to DEF on and after the Avoided Unit In-Service Date shall be the sum, over all hours of the Monthly Billing Period, of the product of (a) each hour's Firm Energy Rate (¢/kWh); and (b) the amount of energy (kWh) delivered to DEF from the Facility during that hour. ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 13, 2017





SECTION No. IX FOURTEENTH REVISED SHEET NO. 9.458 CANCELS THIRTEENTH REVISED SHEET NO. 9.458

ESTIMATED UNIT FUEL COST

As required in Section 25-17.0832, F.A.C., the estimated fuel costs associated with DEF's Avoided Unit are based on current estimates of the price of natural gas and will be provided within 30 days of a written request for such projections by any interested person.

DELIVERY VOLTAGE ADJUSTMENT

DEF's average system line losses are analyzed annually for the prior calendar year, and delivery efficiencies are developed for the transmission, distribution primary, and distribution secondary voltage levels. This analysis is provided in the DEF's Procedures For Changing The Real Power Loss Factor (currently Attachment Q) in its Open Access Transmission Tariff and DEF's fuel cost recovery filing with the FPSC. An adjustment factor, calculated as the reciprocal of the appropriate delivery efficiency factor, is applicable to the above determined energy costs if the RF/QF is within DEF's service territory to reflect the delivery voltage level at which RF/QF energy is received by the DEF.

The Delivery Voltage Adjustment will be calculated based on the current delivery efficiencies in conjunction with DEF's Open Access Transmission Tariff as approved by the FERC. The current Delivery Voltage Adjustment will be provided within 30 days of a written request by any interested person.

PERFORMANCE CRITERIA

Payments for firm Capacity are conditioned on the RF/QF's ability to maintain the following performance criteria:

A. Capacity Delivery Date

The Capacity Delivery Date shall be no later than the Required Capacity Delivery Date.

B. Availability and Capacity Factor

The Facility's availability and capacity factor are used in the determination of firm Capacity Payments through a performance based calculation as detailed in Appendix A to the Contract.

ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 9, 2019



SECTION No. IX THIRD REVISED SHEET NO. 9.459 CANCELS SECOND REVISED SHEET NO. 9.459

METERING REQUIREMENTS

The RF/QFs within the territory served by DEF shall be required to purchase from DEF hourly recording meters to measure their energy deliveries to DEF. Energy purchases from the RF/QFs outside the territory of DEF shall be measured as the quantities scheduled for interchange to DEF by the entity delivering Firm Capacity and Energy to DEF.

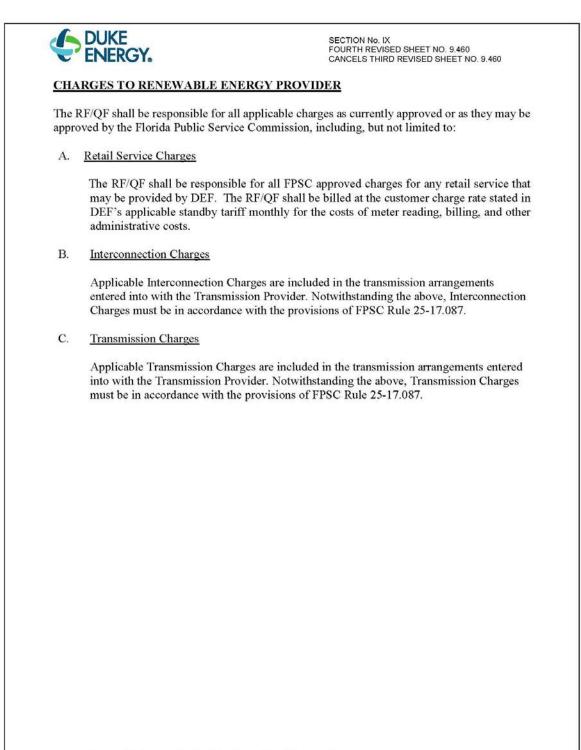
BILLING OPTIONS

A RF/QF, upon entering into this Contract for the sale of firm capacity and energy or prior to delivery of as-available energy, may elect to make either simultaneous purchases from and sales to DEF, or net sales to DEF; provided, however, that no such arrangement shall cause the RF/QF to sell more than the Facility's net output. A decision on billing methods may only be changed: 1) when a RF/QF selling as-available energy enters into this Contract for the sale of firm capacity and energy; 2) when a Contact expires or is lawfully terminated by either the RF/QF or DEF; 3) when the RF/QF is selling as-available energy and has not changed billing methods within the last twelve months; 4) when the election to change billing methods will not contravene the provisions of FPSC Rule 25-17.0832 or a contract between the RF/QF and DEF.

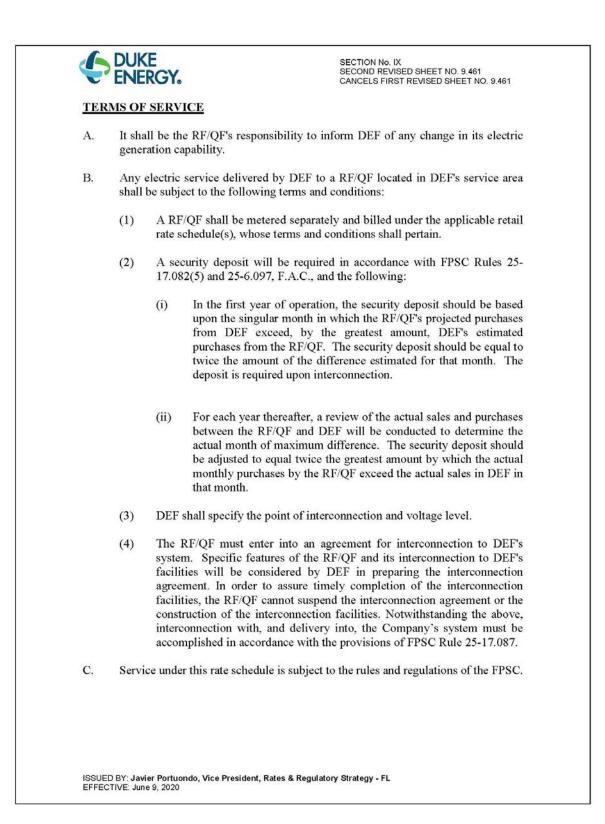
If a RF/QF elects to change billing methods, such changes shall be subject to the following: 1) upon at least thirty days advance written note to DEF; 2) the installation by DEF of any additional metering equipment reasonably required to effect the change in billing and upon payment by the RF/QF for such metering equipment and its installation; and 3) upon completion and approval by DEF of any alteration(s) to the interconnection reasonably required to effect the change in billing and upon payment by the RF/QF for such alteration(s).

Payments due a RF/QF will be made monthly and normally by the twentieth business day following the end of the billing period. The kilowatt-hours sold by the RF/QF and the applicable avoided energy rates at which payment are being made shall accompany the payment to the RF/QF.

ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 13, 2017



ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: April 29, 2013



DUKE ENERGY.	SECTION No. IX FIRST REVISED SHEET NO. 9.462 CANCELS ORIGINAL SHEET NO. 9.462
	SCHEDULE 1 TO RATE SCHEDULE COG-2
CALCULA	TION OF VALUE OF DEFERRAL PAYMENTS
APPLICABILITY	
calculate the monthly va Contract. When used in associated with the Avo applicable value of defer	es a detailed description of the methodology used by DE dues of deferring or avoiding the Avoided Unit identified in a conjunction with the current FPSC-approved cost parame ided Unit contained in Schedule 2, a RF/QF may determine ral capacity payment rate associated with the timing and opera hould the RF/QF enter into a Contract with DEF.
requirements or equivale	chedule 1 is the discussion of the types and forms of surety bent assurance for payment of the Termination Fee acceptabl ractual default by a RF/QF.
CALCULATION OF V	ALUE OF DEFERRAL OPTION A
month, associated with c defined as the year-by-ye of deferral shall be the c	5) specifies that avoided capacity costs, in dollars per kilowatt apacity sold to a utility by a RF/QF pursuant to Contract shal ear value of deferral of the Avoided Unit. The year-by-year v lifference in revenue requirements associated with deferring
Avoided Unit one year, a	nd shall be calculated as follows:
1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 - 1865 -	and shall be calculated as follows: $1/12 [KI_n (1 - R) / (1 - R^L) + O_n]$
	$1/12 \ [KI_n (1-R) / (1-R^L) + O_n]$
$VAC_m = 1$	$1/12 \ [KI_n (1-R) / (1-R^L) + O_n]$
$VAC_m = \frac{1}{2}$ Where, for a one	 I/12 [KI_n (1 - R) / (1 - R^L) + O_n] year deferral: utility's monthly value of avoided capacity, in dollars
VAC _m = : Where, for a one VAC _m	 I/12 [KI_n (1 - R) / (1 - R^L) + O_n] year deferral: utility's monthly value of avoided capacity, in dollars kilowatt per month, for each month of year n; present value of carrying charges for one dollar investment over L years with carrying charges compusing average annual rate base and assumed to be pair the middle of each year and present valued to the middle of each year and present valued to the middle of the middle
VAC _m = 1 Where, for a one VAC _m K	 I/12 [KI_n (1 - R) / (1 - R^L) + O_n] year deferral: utility's monthly value of avoided capacity, in dollars kilowatt per month, for each month of year n; present value of carrying charges for one dollar investment over L years with carrying charges comp using average annual rate base and assumed to be pai the middle of each year and present valued to the mid of the first year;

DUKE ENERGY.		SECTION No. IX FIRST REVISED SHEET NO. 9.463 CANCELS ORIGINAL SHEET NO, 9.463
On	=	total fixed operation and maintenance expense for the year n, in mid-year dollars per kilowatt per year, of the Avoided Unit;
İp	=	annual escalation rate associated with the plant cost of the Avoided Unit;
io	=	annual escalation rate associated with the operation and maintenance expense of the Avoided Unit;
r	=	annual discount rate, defined as the utility's incremental after-tax cost of capital;
L	=	expected life of the Avoided Unit; and
n	=	year for which the Avoided Unit is deferred starting with the Avoided Unit In-Service Date and ending with the Termination Date.

CALCULATION OF FIXED VALUE OF DEFERRAL PAYMENTS - EARLY CAPACITY-OPTION B

Under the fixed value of deferral Option A, payments for firm capacity shall not commence until the in-service date of the Avoided unit(s). At the option of the RF/QF, however, DEF may begin making payments for capacity consisting of the capital cost component of the value of a year-by-year deferral of the Avoided Unit prior to the anticipated in-service date of the Avoided Unit. When such payments for capacity are elected, the avoided capital cost component of Capacity Payments shall be paid monthly commencing no earlier than the Capacity Delivery Date of the RF/QF, and shall be calculated as follows:

$$A_{M} = [A_{c} (1 + i_{p})^{(m-1)} + A_{o} (1 + i_{o})^{(m-1)}] / 12 \qquad \text{for } m = 1 \text{ to } t$$

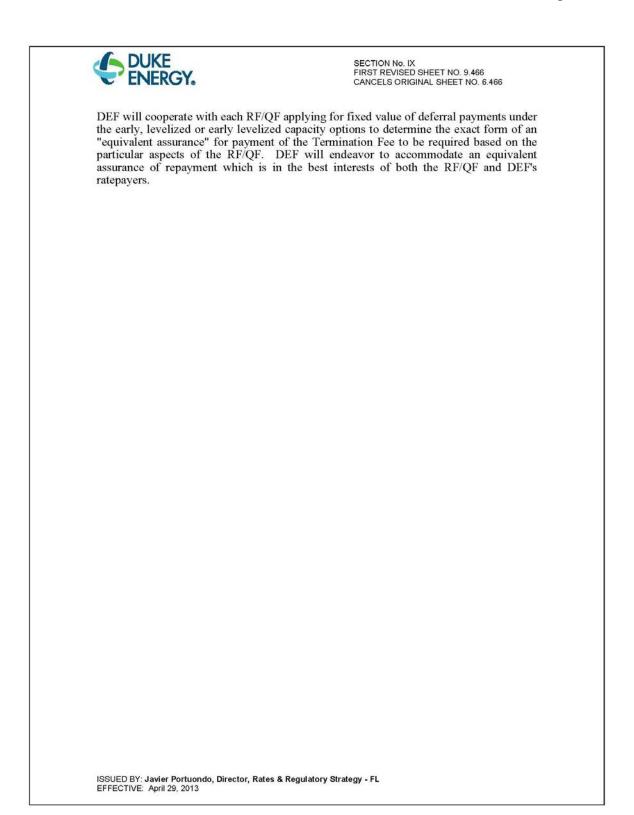
Where:

A _M	=	monthly payments to be made to the RF/QF for each month of the contract year n, in dollars per kilowatt per month in which RF/QF delivers capacity pursuant to the early capacity option;
ip	=	annual escalation rate associated with the plant cost of the Avoided Unit;
i _o	=	annual escalation rate associated with the operation and maintenance expense of the Avoided Unit;

ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: April 29, 2013

DUKE ENERGY.		SECTION No. IX FIRST REVISED SHEET NO. 9.464 CANCELS ORIGINAL SHEET NO, 9.464
m	=	year for which the fixed value of deferral payments under the early capacity option are made to a RF/QF, starting in year one and ending in the year t;
t	=	the Term, in years, of the Contract:
Ac	=	$F[(1-R)/(1-R^{t})]$
Where:		
F	=	the cumulative present value, in the year that the contractual payments will begin, of the avoided capital cost component of Capacity Payments which would have been made had Capacity Payments commenced with the Avoided Unit In-Service Date;
R	=	$(1 + i_p)/(1 + r)$
r	=	annual discount rate, defined as DEF's incremental after- tax cost of capital; and
Ao	=	$G[(1-R)/(1-R^{t})]$
Where:		
G	=	The cumulative present value, in the year that the contractual payments will begin, of the avoided fixed operation and maintenance expense component of Capacity Payments which would have been made had Capacity Payments commenced with the Avoided Unit In-Service Date.
R	=	$(1 + i_0)/(1 + r)$
The currently approved j	parame	ters applicable to the formulas above are found in Schedule 2.
CALCULATION OF 1	FIXED	VALUE OF DEFERRAL PAYMENTS -
LEVELIZED AND EA RESPECTIVELY	RLYI	LEVELIZED CAPACITY - OPTION C & OPTION D,
Monthly fixed value of be calculated as follows		l payments for levelized and early levelized capacity shall
ISSUED BY: Javier Portuondo, EFFECTIVE: April 29, 2013	Director,	Rates & Regulatory Strategy - FL

	E RGY.		SECTION No. IX FIRST REVISED SHEET NO. 9.465 CANCELS ORIGINAL SHEET NO. 9.465
	$P_{L} = (F / $	12) · [r	$(1 - (1 + r)^{4}] + O$
Wher	e:		
	P_L		the monthly levelized capacity payment, starting on or prior to the in-service date of DEF's Avoided Unit(s):
	F		the cumulative present value, in the year that the contractual payments will begin, of the avoided capital cost component of the Capacity Payments which would have been made had the Capacity Payments not been levelized;
	r	=	the annual discount rate, defined as DEF's incrementa after-tax cost of capital;
	t	=	the Term, in years of the Contract
	0	=	the monthly fixed operation and maintenance componen of the Capacity Payments, calculated in accordance with calculation of the fixed value of deferral payments for the levelized capacity or the early levelized capacity options
RISK-RELA	TED GUA	RAN	<u>rees</u>
17.091, FPS	C Rule 25	-17.08. ty, leve	mental solid waste facilities covered by FPSC Rule 25 32 (4)(e)10 requires that, when fixed value of deferra- blized capacity, or early levelized capacity are elected, the
RF/QF must Termination Contract. De and its ability	provide a s Fee in the pending on to meet th	event the the nat	ne RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency
RF/QF must Termination Contract. De and its ability	provide a s Fee in the pending on to meet th	event the the nat	ne RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency s and conditions of the Contract, one of the following may
RF/QF must Termination Contract. De and its ability constitute an (1) (2)	provide a s Fee in the pending on to meet th equivalent Bond; Cash dep	event th the nat assurar osit(s)	ne RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency s and conditions of the Contract, one of the following may nee of payment: with DEF;
RF/QF must Termination Contract. De and its ability constitute an (1) (2) (3)	provide a s Fee in the pending on to meet th equivalent Bond; Cash dep Uncondit	event th the nat assurar osit(s) ional, i	ne RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency s and conditions of the Contract, one of the following may nee of payment: with DEF; rrevocable, direct pay Letter of Credit;
RF/QF must Termination Contract. De and its ability constitute an (1) (2)	provide a s Fee in the pending on y to meet the equivalent Bond; Cash dep Uncondit Unsecure payments conjuncti allowing governme customer	event the nat the nat assuran osit(s) ional, i of pron s for e on wit the uti ent's el s of suc	he RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency s and conditions of the Contract, one of the following may nee of payment: with DEF; rrevocable, direct pay Letter of Credit; hise by a municipal, county or state government to repay arly or levelized capacity in the event of default, in h a legally binding commitment from such government lity to levy a surcharge on either the electric bills of the ectricity consuming facilities or the constituent electric of government to assure that payments for early or levelized
RF/QF must Termination Contract. De and its ability constitute an (1) (2) (3) (4) (5)	provide a s Fee in the pending on y to meet th equivalent Bond; Cash dep Uncondit Unsecure payments conjuncti allowing governme customer early or legally b company payments	event the nation of the nation	with DEF; rrevocable, direct pay Letter of Credit; hise by a municipal, county or state government to repay early or levelized capacity in the event of default, in h a legally binding commitment from such government lity to levy a surcharge on either the electric bills of the ectricity consuming facilities or the constituent electric h government to assure that payments for early or levelized aid; hise by a privately-owned RF/QF to repay payments for ed capacity in the event of default, in conjunction with a commitment from the owner(s) of the RF/QF, parent r subsidiary companies located in Florida to assure that rely, levelized or early levelized capacity are repaid; or
RF/QF must Termination Contract. De and its ability constitute an (1) (2) (3) (4)	provide a s Fee in the pending on y to meet th equivalent Bond; Cash dep Uncondit Unsecure payments conjuncti allowing governme customer early or legally b company payments	event the nation of the nation	he RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency s and conditions of the Contract, one of the following may nee of payment: with DEF; rrevocable, direct pay Letter of Credit; hise by a municipal, county or state government to repay early or levelized capacity in the event of default, in h a legally binding commitment from such government lity to levy a surcharge on either the electric bills of the ectricity consuming facilities or the constituent electric h government to assure that payments for early or levelized aid; hise by a privately-owned RF/QF to repay payments for ed capacity in the event of default, in conjunction with a commitment from the owner(s) of the RF/QF, paremr r subsidiary companies located in Florida to assure that



			SHEET NO. 9.467	
		то	SCHEDULE 2 RATE SCHEDULE COG-2 CAPACITY OPTION PARAMETE	RS
			FIXED VALUE OF DEFERRAL PAYMENTS - NORMAL CAPACITY OPTION PARAMETERS	
	Whe	re, for	one year deferral:	
1				Value
	VACm	=	DEF's value of avoided capacity and O&M, in dollars per kilowatt per month, during month m;	5.49 <u>5.85</u>
	K	=	present value of carrying charges for one dollar of investment over L years with carrying charges computed using average annual rate base and assumed to be paid at the middle of each year and present valued to the middle of the first year;	1. 276 268
	In	=	total direct and indirect cost, in mid-year dollars per kilowatt including AFUDC but excluding CWIP, of the Avoided Unit with an in-service date of year n;	799.0<u>911.1</u>
	On	=	total fixed operation and maintenance expense, for the year n, in mid-year dollars per kilowatt per year, of the Avoided Unit:	2.84<u>3.13</u>
	ip	=	annual escalation rate associated with the plant cost of the Avoided Unit;	.962<u>1.783</u>%
	io	=	annual escalation rate associated with the operation and maintenance expense of the Avoided Unit;	2.50%
	r	=	annual discount rate, defined as DEF's incremental after-tax cost of capital;	6. 55<u>85</u>%
	L	=	expected life of the Avoided Unit;	35
	n	=	year for which the Avoided Unit is deferred starting with the Avoided Unit In-Service Date and ending with the Termination Date.	20 <u>3429</u>
	ISSUE			

SIXTEENTH SEVENTEENTH REVISED SHE 9.468 CANCELS FIFTEENTH SIXTEENTH REVISE SHEET NO. 9.468					
FIXED VALUE OF DEFERRAL PAYMENTS - EARLY CAPACITY OPTION PARAMETERS					
 Am = monthly avoided capital cost component of Capacity Payments to be made to the RF/QF starting as early as two years prior to the Avoided Unit In-Service Date, in dollars per kilowatt per month; 	4. 11<u>32</u>				
i_p = annual escalation rate associated with the plant cost of the Avoided Unit;	<u>621.783</u> %				
n = year for which early Capacity Payments to a RF/QF are to begin; $\frac{20}{20}$	272032				
F = the cumulative present value of the avoided capital cost component of Capacity Payments which would have been made had Capacity Payments commenced with the anticipated in- service date of the Avoided Unit and continued for a period of 10 years;	<u>1.73282.</u> <u>25</u>				
r = annual discount rate, defined as DEF's incremental after-tax cost of capital; 6.	5. <u>5585</u> %				
t = the Term, in years, of the Contract for the purchase of firm capacity commencing prior to the in-service date of the Avoided Unit;	13				
G = the cumulative present value of the avoided fixed operation and maintenance expense component of Capacity Payments which would have been made had Capacity Payments commenced with the anticipated in-service date of the Avoided Unit and continued until the Termination Date.	63<u>13.61</u>				
ISSUED BY: Geoff Foster, Vice President, Rates & Regulatory Strategy - FL EFFECTIVE: July 1, 2022					