

#130154  
8/11/13  
Nathan Skog

130154.

**Florida Municipal Power Agency (FMPA) Costs and Expenses for  
Crystal River Unit 3 Negotiations (B)**

*Explanation: FMPA has thus far represented the City of Gainesville, d/b/a Gainesville Regional Utilities (GRU), as GRU's and other municipal joint owners and wholesale purchasers' agent in negotiations with Duke Energy Florida, Inc. ("Duke") concerning Duke's failed Crystal River Unit 3 ("CR3") plant. There are numerous complicated legal and technical issues involved in these negotiations, and despite this, the negotiations are moving in a productive direction and FMPA believes there is a possibility that it may be able to settle some or all of the potential claims against Duke.*

*Fiscal Note: Funds are available in GRU's FY 2013 budget.*

**RECOMMENDATION**

*The City Commission (1) authorize the General Manager, or his designee, to pay FMPA up to a total of \$110,000 for FMPA's efforts on GRU's behalf, inclusive of all amounts already incurred and paid by GRU for the CR3 negotiations with Duke; and (2) authorize the General Manager, or his designee, to execute the Authorization for Increased FMPA Costs and Expenses, agreeing to pay up to \$110,000 to FMPA on GRU's behalf.*

130154 ltr 20130801



Florida Municipal Power Agency

Nicholas P. Guarriello  
General Manager and CEO

Mr. Robert Hinzinger  
General Manager  
Gainesville Regional Utilities  
301 SE 4<sup>th</sup> Avenue  
Gainesville, FL 32601

Dear Bob:

As you know, FMPA has thus far represented the City of Gainesville, doing business as Gainesville Regional Utilities ("GRU"), as GRU's and the other municipal joint owners' and wholesale purchasers' agent in negotiations with Duke Energy Florida, Inc. concerning Duke's failed Crystal River Unit 3 plant. The negotiations are moving in a direction that I believe is productive, and I recommend that we continue those negotiations. Our legal team and staff costs continue to grow as our efforts continue, however, for this technically and legally complex undertaking. Thus, I am asking GRU to commit to an authorization of up to a total of \$110,000 for FMPA's efforts on GRU's behalf, inclusive of all amounts already incurred and paid by GRU for the Crystal River Unit 3 negotiations with Duke Energy Florida, Inc.

If GRU is in agreement with the authorization for it of a total of \$110,000 for Crystal River Unit 3 negotiations, please sign the authorization below and return it to me.

Sincerely,

FLORIDA MUNICIPAL POWER AGENCY

A handwritten signature in black ink that reads "Nicholas P. Guarriello".

Nicholas P. Guarriello  
General Manager and CEO

Approved and agreed as of this \_\_\_\_ day of July, 2013:

CITY OF GAINESVILLE, DOING BUSINESS AS,  
GAINESVILLE REGIONAL UTILITIES

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

**From:** "Hunzinger, Robert E" <[HunzingerRE@gru.com](mailto:HunzingerRE@gru.com)>

**Date:** July 25, 2013, 8:26:07 AM EDT

**To:** [citycomm@gru.com](mailto:citycomm@gru.com)

**Cc:** "McNeill, Shayla L" <[McNeillSL@gru.com](mailto:McNeillSL@gru.com)>, "Stanton, John W" <[StantonJW@gru.com](mailto:StantonJW@gru.com)>, "Hunt, Jennifer L" <[HUNTJL@gru.com](mailto:HUNTJL@gru.com)>, "Viehe, Kathy E" <[VIEHEKE@gru.com](mailto:VIEHEKE@gru.com)>, "Strother, Rita K" <[STROTHERRK@gru.com](mailto:STROTHERRK@gru.com)>

**Subject:** **Background information, FMPA agenda item for 8/1 City Commission meeting**

Honorable Mayor and City Commissioners:

As you are aware, the City of Gainesville (through GRU) is a partial (1.4079%) owner of the Duke Energy (formerly Progress Energy) Crystal River 3 nuclear plant. This plant has been inoperable since the fall of 2009 due to the well publicized problems that occurred during the replacement of the steam generators located within the containment structure. Duke has insurance through a pool of nuclear plant owners, Nuclear Electric Insurance Limited (NEIL). Thus as a partial owner, GRU has a share in any insurance proceeds.

GRU has also been a wholesale customer of Duke during this period (through our 50 MW capacity and energy contract). As such, we are also eligible for NEIL insurance proceeds for energy purchased.

Last Friday (July 19th), GRU received payment from Duke representing our share of NEIL insurance proceeds for our ownership status in the amount of \$2.85 million. This money will reside in our construction fund for electric. There is no impact on our fiscal year 2014 budget. Also, it would only slightly reduce borrowing needs for future fiscal years. We also received approximately \$646,000 for our reimbursement share of purchased energy under the wholesale contract from the NEIL insurance proceeds. There is no budget impact, since a similar amount had been anticipated and had already been included in the fuel adjustment recently discussed.

GRU had previously received from NEIL insurance proceeds in 2010 our share of purchased energy under the wholesale contract in the amount of approximately \$661,000. This amount was previously included in the fuel adjustment at that time.

GRU has an agenda item for the August 1st City Commission meeting relative to authorization of up to \$110,000 for our share of staff and legal fees for the Florida Municipal Power Agency (FMPA). The FMPA is representing GRU, along with the other municipal partial owners and wholesale purchasers in negotiations with Duke for the myriad remaining complicated legal and technical issues involved in the ongoing settlement discussions. This strategy has been successful in prior discussions with the former nuclear plant owner, Progress Energy (who has since been acquired by Duke), as it allows the sharing of costs and expertise among the larger group.

Please let me know if you have any questions, or would like additional background information.

Sincerely,

Bob Hunzinger

GM, GRU

**Billing Period Aug 2012**

**Invoice # 022545**

**Crystal River 3**

	<u>Aug</u>	<u>Total</u>
Labor Hrs	264.25	264.25
Payroll	10,881.77	10,881.77
Overhead	7,073.15	7,073.15
Travel	0.00	0.00
Consultant	1,156.34	1,156.34
	<u>19,111.26</u>	<u>19,111.26</u>
	% Allocation	17.12899%
	<b>Amount Due</b>	<b><u><u>\$3,273.57</u></u></b>

**Billing Period Oct 2012**

**Invoice # 022864**

**Crystal River 3**

	<u>Oct</u>	<u>Total</u>
Labor Hrs	188	188
Payroll	8,010.02	8,010.02
Overhead	5,206.51	5,206.51
Travel		0.00
Consultant	550.00	550.00
	<u>13,766.53</u>	<u>13,766.53</u>
	% Allocation	17.12899%
	<u>Amount Due</u>	<u>\$2,358.07</u>

**Billing Period Aug 2012**

**Invoice # 022545**

**Crystal River 3**

	<u>Aug</u>	<u>Total</u>
Labor Hrs	264.25	264.25
Payroll	10,881.77	10,881.77
Overhead	7,073.15	7,073.15
Travel	1,156.34	0.00
Consultant	19,111.26	1,156.34
	<u>19,111.26</u>	<u>19,111.26</u>
	% Allocation	17.12899%
	<b>Amount Due</b>	<b><u><u>\$3,273.57</u></u></b>



Florida Municipal Power Agency

406107

Date: December 20, 2012

City of Gainesville, Gainesville Regional Utilities  
Attr: Accounts Payable

# INVOICE

INVOICE # 23011

23011

January 19, 2013

City's Cost Allocation for CRS Negotiations with Progress Energy Florida  
under the Agency authorization Agreement between the city and Florida  
Municipal Power Agency for the period March 2012 - October 2012.

Description	Total	Rate	Total Due
	\$52,679.12	X 21.99%	\$11,584.38

GUARANTEED

RECEIVED	DEC 26 2012
DISC. DATE	_____
DUE DATE	_____
NOTIFIED	AUCGA
ENTERED	_____
PAID	_____
CHECK #	_____

Balance Due \$11,584.38

Remit Payment to:  
Florida Municipal Power Agency | Accounts Receivable  
8553 Commodity Circle | Orlando, FL 32819-9002  
T. (407) 355-7767 | Toll Free (888) 774-7606  
F. (407) 355-5795 | www.fmpa.com



Agency fees

FMPA NRC Trust-Crystal River

Invoice Number: 241271  
Invoice Date: 07/23/2012  
Account Number: 6735868  
Billing Period: 07/01/2011 - 06/30/2012

Mr Mark Larson  
Director of Finance & CFO  
Florida Municipal Power Agency  
8553 Commodity Circle  
Orlando FL 32819

Please refer inquiries to your SunTrust Administrator:

Sara Manning  
(407) 237-5987

*2WSUNTR*

	Amount
Previous Balance	\$1,775.00
Payments received through 07/12/2012	(\$1,775.00)
Current Charges	
Base Fee	1,000.00
Trades 46 @ 25.00 each	1,150.00
Total Current Period Charges	\$2,150.00
Total Amount Due	\$2,150.00

*143-120 Agency-00-00*

*7/30/12*

We appreciate your business and look forward to serving you in the future.

Please detach and return this portion of the invoice with your payment in the enclosed envelope.  
Make your check payable to SunTrust Bank and please note your invoice number on your check.

Address Change, please specify.

FMPA NRC Trust-Crystal River

Account Number	Total Amount Due	Invoice Number	Due Date	Amount Remitted
6735868	\$2,150.00	241271	August 22, 2012	\$

Mailing Address: SunTrust Bank, Trust Fee Unit, P.O. Box 26489, Richmond, VA 23261-0489







Florida Municipal Power Agency

Nicholas P. Guarriello  
General Manager and CEO

November 12, 2012

Robert Hunzinger  
Gainesville Regional Utilities  
301 SE 4<sup>th</sup> Avenue  
Gainesville, FL 32601

**RE: Signed Agreement to Represent Florida Cities in Settlement Discussion with Progress Energy Florida**

Dear Bob:

Enclosed please find a fully executed agency authorization agreement (the "Agreement") between the Florida Municipal Power Agency (FMPA) and your city for the purposes of acting as your City's agent in settlement discussions with Progress Energy Florida ("PEF") relating to the steam generator replacement and resulting containment building delamination and ongoing outage at Crystal River Unit 3 (CR3).

FMPA will be contacting you in the near future to have further discussion with you regarding the status of discussion with Progress Energy concerning outstanding issues relating to CR3.

Please do not hesitate to contact me should you have any questions or require further information.

Sincerely,

A handwritten signature in black ink that reads "Nicholas P. Guarriello".

Nicholas P. Guarriello  
General Manager and CEO

Enc.

cc: Fred Bryant, FMPA  
Dan O'Hagan, FMPA  
Jason Wolfe



Florida Municipal Power Agency

Nicholas P. Guarriello  
General Manager and CEO

## MEMORANDUM

**TO:** Mike New, City of Alachua  
George Long, City of Bartow  
Vince Ruano, City of Bushnell  
Lee Garner, City of Chattahoochee  
Robert Hunzinger, City of Gainesville, Gainesville Regional Utilities  
Barbara Quiñones, City of Homestead  
James Welsh, Kissimmee Utility Authority  
Paul Kalv, City of Leesburg  
Charles Revell, City of Mount Dora  
William Ray Mitchum, Utilities Commission, City of New Smyrna Beach  
Matt Brower, City of Ocala  
Ken Ksionek, Orlando Utilities Commission  
Mike Wade, City of Quincy  
Oel Wingo, City of Williston

**FROM:** Nick Guarriello, General Manager and CEO

**DATE:** October 17, 2012

**SUBJECT:** REVISED AGREEMENT TO REPRESENT FLORIDA CITIES IN  
SETTLEMENT DISCUSSIONS WITH PROGRESS ENERGY FLORIDA

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As you are aware, FMPA is working to enter into an agency authorization agreement (the "Agreement") with each of the cities listed above (individually, a "Florida City," and collectively, the "Florida Cities") for purposes of acting as the Florida Cities' agent in settlement discussions with Progress Energy Florida ("PEF") relating to the steam generator replacement and resulting containment building delamination and ongoing outage at Crystal River Unit 3 ("CR3"). On October 2, 2012, FMPA provided each of the cities listed above with a draft of the Agreement (the "Draft Agreement"). During the past two weeks, we have attempted to contact each of the cities individually (we have to date been unable to reach Bartow) and have received comments from most on the Draft Agreement. Enclosed for your review is a revised version of the Agreement that is based on the comments we have received. We have provided clean and redlined (against the Draft Agreement) copies of the Agreement.

The primary changes that have been made to the Agreement are as follows:

- For purposes of reaching a settlement agreement with PEF, FMPA may from time to time communicate information to the Florida Cities that is protected under that certain Confidentiality Agreement with respect to Settlement Negotiations by and between Florida Power Corporation d/b/a Progress Energy Florida and Florida Municipal Power Agency, on behalf of itself and the named "Florida Cities" in the Crystal River 3 Tolling

Agreement between FMPA and PEF, effective as of August 13, 2012, as amended (“the Confidentiality Agreement”). To assist the Florida Cities in understanding their responsibilities and to protect them and FMPA, we have attached a copy of the Confidentiality Agreement as Exhibit A to the Agreement and have incorporated the Confidentiality Agreement into and made it a material part of the Agreement. With this language, each Florida City agrees to be bound by the terms and conditions of the Confidentiality Agreement (and any other applicable confidentiality agreements). Rest assured, the Confidentiality Agreement takes into account the limitations on confidential information imposed on the Florida Cities under the Florida Sunshine Law.

- Any Florida City can participate directly in the negotiations between FMPA and PEF to the extent that issues unique to that city arise; however, in order to protect the collective interests of the Florida Cities, each Florida City agrees not to independently negotiate with PEF regarding the Crystal River 3 steam generator replacement project and resulting delamination and outage prior to the termination of this agreement.
- To ensure that any required notices find the appropriate person(s) in a timely manner, we have added a “Notices” provision to the agreement. Please in the signed Agreement write in the name(s) and email address(es) of the individual(s) from your utility or city to whom such notices should be sent or provide us with the information and we will add it to your executed Agreement. In order to prevent delays when a timely response is needed from your city or utility, FMPA recommends that at least two individuals from your utility or city be designated to receive notices.
- We have received comments from some cities looking for a general indication of the order of magnitude of potential expenses for this effort. While we are unable to predict how much this effort will ultimately cost, in order to address such concerns, we have added an initial cap on total costs and expenses for the collective Florida Cities of \$250,000.<sup>1</sup> FMPA will provide notice to each of the Florida Cities when and if it reasonably believes that it has incurred costs and expenses equal to 80% of the \$250,000 cap, and FMPA will stop incurring additional costs and expenses once it reaches the cap until advance written authorization to exceed the cap is received from the Florida Cities.
- FMPA has agreed to provide the Florida Cities with updates on the progress of the negotiations no less than monthly.

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<sup>1</sup> The \$250,000 cap is based on the approximate total of costs and expenses that were incurred by FMPA on behalf of itself and the cities it represented in reaching the previous settlement agreement with PEF concerning CR3 in 2002.

- Paragraph 3 revises the language in the Draft Agreement concerning amendments to the cost allocations among the Florida Cities. These revisions should provide clarity on the process for FMPA to amend Exhibit B to the Agreement and the impact of such amendment on the Florida Cities.<sup>2</sup> Paragraph 3(a) provides the procedure for FMPA to amend Exhibit B due to better information on actual or potential damages becoming known to FMPA (e.g., PEF provides additional reimbursement to purchasers from insurance monies received, or PEF makes a repair vs. retire decision on CR3). In such cases, FMPA will provide a proposed Exhibit B amendment to the Florida Cities no less than 15 days before the effective date of such amendment. Paragraph 3(b) provides the procedure for FMPA to amend Exhibit B if a Florida City provides its notice to terminate its Agreement. Under such a scenario, FMPA will provide the remaining Florida Cities with a proposed Exhibit B amendment as soon as practicable after receipt of such notice; however, due to timing issues, this may be less than 15 days prior to the effective date of the amended Exhibit B. In that case, the effective date of the amended Exhibit B will be the same as the termination date of the departing Florida City.
- Any party may terminate the Agreement upon 15 days prior notice, and the Agreement will automatically terminate if PEF terminates negotiations with FMPA.
- The Florida Cities will have access to any data, information, analysis and reports that FMPA makes or receives in connection with the CR3 negotiations, provided that such data and information may be subject to the Confidentiality Agreement or other applicable confidentiality agreements.
- The Agreement does not permit FMPA to bind the Florida Cities or act as their agent for any other purposes, except as described in the Agreement.
- We have revised the proposed cost allocations shown in Exhibit B to the Agreement based on information recently received from PEF relating to insurance-related refunds to those wholesale purchasers that no longer purchase requirements energy from PEF.<sup>3</sup> The cost allocations shown in Exhibit B assume that all of the Florida Cities sign their respective Agreements. Based on the recent individual discussions with each of the Florida Cities, we believe this Agreement covers all concerns raised by the Florida Cities and that all of the Florida Cities intend to enter into the Agreement. Additionally, as you may be aware, we are in discussions with Winter Park concerning joining the group. If Winter Park decides to join, the cost allocations to each of the Florida Cities shown in Exhibit B will decrease slightly.

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<sup>2</sup> Exhibit B was labeled as Exhibit A in the Draft Agreement.

<sup>3</sup> Bartow, the FMPA All-Requirements Power Supply Project, and Quincy each had full-requirements or partial-requirements power purchase agreements with PEF that terminated at the end of 2010. As such, these cities have a limited claim to actual or potential damages compared to the other Florida Cities.

We believe that we have taken into account the comments from those cities that have provided them. Please contact me as soon as possible if your city plans to enter into this Agreement with FMPA or just return a signed Agreement. As mentioned in my October 2, 2012, letter, we would appreciate your response as soon as possible, as discussions have already commenced with PEF, and we need to begin informing you of the information from those meetings and the information received to date. As soon as we receive your signed agreement, we will contact you to provide you with the current status of the discussions.

Yours sincerely,



Nicholas P. Guarriello  
General Manager and CEO

cc: Fred Bryant, FMPA  
Jody Finklea, FMPA  
Jason Wolfe, FMPA  
Dan O'Hagan, FMPA  
Ken Konkol, City of Homestead  
Larry Mattern, Kissimmee Utility Authority  
Tim Beyrle, Utilities Commission, City of New Smyrna Beach  
Larry Novak, City of Ocala  
Chris Browder, Orlando Utilities Commission

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Examination of the outage and replacement fuel/power costs associated with the CR3 steam generator replacement project by Progress Energy Florida, Inc.

DOCKET NO. 100437-EI  
ORDER NO. PSC-13-0344-PCO-EI  
ISSUED: July 31, 2013

**Docket 130207 - Petition for declaratory statement with respect to use of decommissioning trust fund dollars for spent fuel and other non-radiological decommissioning costs for Crystal River 3 Nuclear Plant.**



Florida Municipal Power Agency

Nicholas P. Gaunado  
General Manager and CEO

June 14, 2013

Via Email

Re: Increased FMPPA Costs and Expenses for Crystal River Unit 3 Negotiations

Mr. Paul Kalv  
City of Leesburg  
501 W. Meadow St.  
Leesburg, FL 34749

Dear Paul:

As you know FMPPA has been negotiating with Duke Energy Florida, Inc. ("Duke") on behalf of the Crystal River Unit 3 ("CR3") joint owners and Duke municipal wholesale customers (collectively the "Florida Cities"<sup>1</sup>) regarding the failed CR3 steam generator replacement project, the resulting extensive containment building delamination, extended outage, and forced retirement of the plant. As we have previously discussed, there are numerous complicated legal and technical issues involved in this matter. Despite this, the negotiations are continuing and I believe there is a possibility that FMPPA may be able to settle some or all of the Florida Cities' potential claims against Duke.

FMPPA has entered into agreements with each of the Florida Cities, by which each has designated FMPPA as its agent for purposes of these settlement negotiations (the "Agency Agreement"). Pursuant to the Agency Agreement, FMPPA's total costs and expenses relating to the CR3 negotiations are not to exceed \$250,000 without advance written consent of the Florida Cities, and FMPPA is required to provide notice when actual costs and expenses reach 80% of \$250,000 (i.e. \$200,000).

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<sup>1</sup> The Florida Cities are: City of Alachua; City of Bartow; City of Bushnell; City of Chattahoochee; Gainesville Regional Utilities; Town of Havana; City of Homestead; Kissimmee Utility Authority; City of Leesburg; City of Mount Dora; City of Newberry; Utilities Commission; City of New Smyrna Beach; City of Ocala; Orlando Utilities Commission; City of Quincy; City of Williston; and FMPPA All-Requirements Power Supply Project.

The purpose of this letter is to: (1) notify you that FMPA has, to date, incurred \$190,042.66<sup>2</sup> (i.e. approximately 76% of the \$250,000 limit) in CR3 settlement negotiation related costs, and (2) request written authority to incur up to an additional \$250,000 in costs for our ongoing settlement efforts, upon the condition that FMPA (a) not exceed the additional \$250,000 without the Florida Cities' consent and (b) will provide the Florida Cities with notice when FMPA reasonably believes that it has incurred costs equal to 80% of that amount.

If you agree to the additional \$250,000 spending authority, subject to the conditions listed in the preceding paragraph, please execute and return the authorization form included with this letter to FMPA.

Also Included with this letter is a copy of Exhibit B of the Agency Agreement, which indicates each of the Florida Cities' proportional cost responsibility.

Very truly yours,



Nicholas P. Guarriello  
General Manager and CEO

Enclosures (2)

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<sup>2</sup> The Florida Cities have paid a total of \$158,570.73 to date. On June 11, FMPA issued invoices for an additional \$31,471.93 of incurred costs, resulting in a total of \$190,042.66.



Authorization for Increased FMPPA Costs and Expense

Leesburg authorizes FMPPA to incur up to an additional \$250,000 (for a total of \$500,000) in costs and expenses related to negotiations with Duke Energy Florida, Inc. (formerly Progress Energy Florida, Inc.) regarding the Crystal River 3 Plant steam generator replacement project, the resulting extensive containment building deamination, extended outage, and forced retirement of the Crystal River 3 Plant. FMPPA's costs and expenses shall not exceed the additional \$250,000 without Leesburg's, and the other the Florida Cities', advance written consent. FMPPA shall provide Leesburg and the other Florida Cities with notice when FMPPA reasonably believes that it has incurred costs and expenses equal to 80% of the additional \$250,000. FMPPA's incurrence of such costs and expenses, and Leesburg's obligation to reimburse FMPPA for its proportionate share of such costs and expenses is subject to the Agency Agreement between FMPPA and Leesburg. Capitalized terms used in this authorization have the meaning given to them in the Agency Agreement.

Leesburg

by \_\_\_\_\_

\_\_\_\_\_  
(please print name)

its \_\_\_\_\_

Date: \_\_\_\_\_

FLORIDA MUNICIPAL POWER AGENCY



Nicholas P. Guarriello  
its General Manager and CEO

Date: June 14, 2013

**EXHIBIT B**

**PROPOSED MEMBER COST ALLOCATION  
FOR CRS NEGOTIATIONS WITH PROGRESS ENERGY FLORIDA**

Member	Ownership Energy (MWh) [1]	Purchased Energy (MWh) [2]	Total Energy (MWh)	Proposed Cost Allocation (%) [3]
Gainesville	90,973	24,412	115,385	21.99%
OUC	103,482	0	103,482	19.72%
Ocala	86,152	0	86,152	16.42%
Leesburg	53,269	0	53,269	10.15%
New Smyrna Beach	36,237	9,019	45,256	8.62%
KUJA	43,642	0	43,642	8.32%
Homestead	0	30,482	30,482	5.81%
Mt. Dora	0	13,131	13,131	2.50%
Bartow [4]	0	8,563	8,563	1.63%
FMPA (ARP) [4]	0	5,469	5,469	1.04%
Alachua	5,034	0	5,034	0.96%
Williston	0	4,740	4,740	0.90%
Chattahoochee	0	4,593	4,593	0.88%
Quincy [4]	0	3,000	3,000	0.57%
Bushnell	2,507	0	2,507	0.48%
Newberry [5]	0	0	0	0.00%
Havana [6]	0	0	0	0.00%
<b>Total</b>	<b>471,296</b>	<b>103,409</b>	<b>524,705</b>	<b>100.00%</b>

[1] Represents the assumed average level of energy each CRS owner could have expected to have received from CRS in a typical year.

[2] Amounts represent the estimated average annual requirements energy each city purchased from PEF over the period 2010-2011 (calendar years) that could have been expected to have come from CRS had the unit been in service.

[3] Represents each member's total energy from CRS as a percent of the entire group's energy from CRS.

[4] Bartow, the FMPA ARP, and Quincy stopped purchasing requirements energy from PEF effective January 1, 2011, and are no longer exposed to baseload energy purchases from PEF. Additionally, Bartow, the FMPA ARP, and Quincy received reimbursement from PEF for at least a portion of their increased purchased power costs in 2010 due to the CRS outage. As such, their respective claims to damages are limited compared to many of the Florida Cities, and their respective cost allocations have been adjusted, accordingly.

[5] At this time, since Newberry I) joined the ARP in 2000 and began taking service from the ARP on January 1, 2006, and ii) no longer purchases energy directly from PEF, Newberry has not been allocated any costs.

[6] At this time, since Havana I) joined the ARP in 2000 and began taking service from the ARP on May 1, 2003, and ii) no longer purchases energy directly from PEF, Havana has not been allocated any costs.