# AGREEMENT BETWEEN THE CITY OF GAINESVILLE, d/b/a GAINESVILLE REGIONAL UTILITIES, AND THE CITY OF ALACHUA FOR ALACHUA DELIVERY POINT AND TRANSMISSION SERVICES AGREEMENT

THIS AGREEMENT (this "Agreement") is made and entered into this \_\_\_day of \_\_\_\_, 2022, and made effective April 1, 2022 (hereinafter the "Effective Date") by and between the CITY OF GAINESVILLE, FLORIDA, a municipal corporation organized and existing under the laws of the State of Florida, d/b/a GAINESVILLE REGIONAL UTILITIES (hereinafter referred to as "GRU"), and the CITY OF ALACHUA, FLORIDA, a municipal corporation organized and existing under the laws of the State of Florida (hereinafter referred to as "COA"). Throughout this Agreement, both GRU and COA may be referred to as "Party" or the "Parties".

WHEREAS, GRU and COA entered into a Contract for Wholesale Electric Service, dated October 2, 1992, which was amended by the Amendment To Wholesale Electric Service Contract, dated October 29, 1998 ("First Amendment"), amended by the Second Amendment to Wholesale Electric Service Contract, dated December 31, 2008 ("Second Amendment"); and amended by the Third Amendment to Wholesale Electric Service Contract, dated November 22, 2010 but effective January 1, 2011 ("Third Amendment"), and amended by the Amendment To Wholesale Electric Service Contract, dated April 1, 2016 ("Fourth Amendment"), which together will herein after be referred to as the "Contract"; the Parties agree the Contract terminates on March 31, 2022.

WHEREAS, The Parties acknowledge that the contractual relationship between the Parties has changed from wholesale electric seller and buyer to transmission interconnection provider and buyer; and

WHEREAS, Bulk Electric System facilities from the prior contractual relationship will be used by the parties in the new relationship.

# ARTICLE I RECITALS

**SECTION 1.1**: Pursuant to this Agreement, COA arranges and coordinates the delivery of energy and capacity to GRU for transmission by GRU on COA's behalf to COA's Alachua Substation (the "Alachua Delivery Point" or "Delivery Point") through the transmission system of GRU. COA's delivery of capacity and energy to GRU will normally be provided by firm transmission

service arranged by COA through Florida Power and Light Company's ("FPL") transmission system to the point of interconnection between GRU and FPL.

This Agreement does not provide for Operation & Maintenance activities for any equipment owned by COA.

SECTION 1.2: The COA load served from the Alachua Delivery Point shall normally be via Dynamic Schedule into FPL's balancing area and served from FPL's capacity and energy using GRU's transmission system, which energy shall be delivered at GRU's transmission interface with FPL. From time to time, in instances of emergency or for transmission equipment maintenance, the COA load may be temporarily served (a) by FPL at GRU's transmission interface with Duke Energy Florida Corporation ("DEF") or (b) by GRU. The COA load may be served by GRU for reasons other than instances of emergency or for transmission equipment maintenance if both Parties agree. Should COA be unable to implement dynamic schedule by the Commencement Date, GRU & COA agree to perform manual hourly scheduling up to July 1, 2022.

**SECTION 1.3:** The Parties have entered into this Agreement to define their respective rights and obligations relating to: (a) ownership of the Bulk Electric System (BES) facilities, (b) the facilities, procedures and processes required for interconnected operations and costs of installing and maintaining the necessary equipment, and (c) GRU's provision of firm transmission service for deliveries of FPL's energy and capacity to the Alachua Delivery Point.

In consideration of the mutual covenants and agreements herein contained, and intending to be legally bound, COA and GRU agree as follows:

# ARTICLE II DEFINITIONS

**SECTION 2.1 - Definitions**: As used in this Agreement, the following capitalized terms shall have the meanings set forth below:

- 2.1.1 "Agreement" means this Alachua Delivery Point and Transmission Services Agreement.
- 2.1.2 "Balancing Authority" means the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
- 2.1.3 "Balancing Authority Area" means the collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area.
- 2.1.4 "Commencement Date" means the later of (a) April 1 2022 or (b) the date the Parties have completed the installation, inspection and testing of the necessary equipment for the scheduling

and delivery of the Alachua Delivery Point, as set forth in this Agreement. If the Commencement Date is on a day other than the first day of a calendar month, the billing for such month will be prorated accordingly.

- 2.1.5 "Data Acquisition Equipment" shall mean any equipment or services necessary to provide for the telemetry requirements of the Parties under this Agreement, including, but not limited to: remote terminal units ("RTUs") to obtain information from the Delivery Point, radio equipment, telephone equipment and leased telephone circuits necessary to transmit data to remote locations. 2.1.6 "DEF" shall mean Duke Energy Florida Corporation.
- 2.1.7 Delivery Point" or "Alachua Delivery Point" means the point of interconnection between GRU and COA infrastructure defined as COA's mechanical connection on the line/GRU side of the Motor Operated Switches 1120 & 1121 at its Alachua Substation located at 13101 NW 104th Terrace, Alachua, Florida in Alachua County, Section 19, Township 8, Range 19, parcel ID 05949-006-000.
- 2.1.8. "Dynamic Schedule" means the provision of the real-time monitoring, telemetering, computer software, hardware, communications, engineering, energy accounting (including inadvertent interchange), and administration required to electronically move all or a portion of the real energy services associated with a generator or load out of one Balancing Authority Area into another. Another commonly used term for this service is 'Dynamic Transfer."
- 2.1.9 "Effective Date" has the meaning given such term in the first paragraph.
- 2.1.10 "Extension Term" has the meaning given such term in Section 3.1.
- 2.1.11 "Firm Transmission Service" has the meaning given such term in Section 4.2.
- 2.1.12 "Force Majeure Event" means any event, circumstance or condition that limits or prevents the ability of a Party to perform its obligations under this Agreement that is beyond the affected Party's reasonable control, that is not caused by such Party's fault or negligence, and that could not have been overcome or prevented through the exercise of reasonable diligence by such Party. The term "Force Majeure Event" includes, without limitation, acts of God, hurricane, tornado, rain, flood, sink hole, wind, hail, lightning, earthquake, snow or ice, extreme high or low temperatures, water or gas main break, electrical outage, fire, explosion, riot, terrorist act, military action, failure to act on the part of a governmental authority other than the Cities of Gainesville or Alachua, Florida, strike, lockout, or other labor problem, or material change in or in the interpretation of any law or regulation by a governmental authority other than the City of Gainesville, Florida or the City of Alachua, Florida.
- 2.1.13 "FPL" shall mean Florida Power & Light.
- 2.1.14 "FRCC" shall mean the Florida Reliability Coordinating Council or any successor thereto.

#### 2.1.15. INTENTIONALLY OMITTED

2.1.16 "Good Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the

facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good 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 acceptable practices, methods, or acts generally accepted in the region.

- 2.1.17 "GRU" shall mean the City of Gainesville d/b/a Gainesville Regional Utilities.
- 2.1.18 "COA Metering Equipment" shall mean any equipment necessary to implement the metering and Dynamic Schedule provisions of this Agreement, including but not limited to: high accuracy solid state meters (primary and backup), metering cabinets, metering panels, conduits, cabling, high accuracy current transformers and high accuracy potential transformers which directly or indirectly provide input to meters or transducers, meter recording devices, telephone circuits, signal or pulse dividers, transducers, and pulse accumulators.
- 2.1.19 "FPL Metering Equipment" shall mean any equipment necessary to implement the metering and Dynamic Schedule provisions of this Agreement, including but not limited to: high accuracy solid state meters (primary and backup), metering cabinets, metering panels, conduits, cabling, high accuracy current transformers and high accuracy potential transformers which directly or indirectly provide input to meters or transducers, meter recording devices, telephone circuits, signal or pulse dividers, transducers, and pulse accumulators.
- 2.1.20 "GRU Metering Equipment" shall mean any equipment necessary to implement the metering and enable the Dynamic Schedule provisions of this Agreement, including but not limited to: high accuracy solid state meters (primary and backup), metering cabinets, metering panels, conduits, cabling, high accuracy current transformers and high accuracy potential transformers which directly or indirectly provide input to meters or transducers, meter recording devices, telephone circuits, signal or pulse dividers, transducers, and pulse accumulators.
- 2.1.21 "NERC" shall mean the North American Electric Reliability Corporation or any successor thereto.
- 2.1.22. "Primary Term" has the meaning given such term in Section 3.1.
- 2.1.23 INTENTIONALLY OMITTED.
- 2.1.24 "RTU" has the meaning given such term in Sections 2.1.5 & 6.2.4
- 2.1.25 "SERC" shall mean the SERC Reliability Corporation, a nonprofit regulatory authority for administration of the bulk power system (BPS) reliability in all or parts of 16 southeastern states.
- 2.1.26 "Transmission Loss Factor" shall mean GRU average system losses as further described in Sections 4.1 and 8.1.
- 2.1.27 "Transmission Rate" has the meaning given such term in Section 8.1.
- 2.1.28 "Transmission Service Charges" has the meaning given such term in Section 8.1.

## ARTICLE III TERM AND TERMINATION

**SECTION 3.1 - Term**: This Agreement shall become effective upon the Effective Date and shall remain in effect in accordance with the term and termination provisions of Sections 3.1, 3.2, 3.3, and 11.6 of this Agreement. The initial term of the transmission and related services provided pursuant to this Agreement shall be for the period beginning on the Commencement Date, which as of the Effective Date is planned for April 1, 2022, and continuing until September 30, 2026 ("Primary Term"). This Agreement and the services provided herein shall automatically renew for successive two-year terms ("Extension Term") unless either Party terminates this agreement by written notice to the other party at least twelve (12) months' prior to the end of the term (either Initial or Extension Term). In such case where either Party has provided timely notice to terminate, this Agreement shall terminate at the end of the month in which the then current term expires. For example, if COA provides notice by September 30, 2025, the Agreement would terminate at the end of the Primary Term, or September 30, 2026. If COA provides notice on October 1, 2025, the Agreement would then terminate at the end of the first Extension Term, or September 30, 2028.

**SECTION 3.2 - Termination for Default**: Either Party shall have the right to terminate this Agreement if the other Party is in default of any of its material obligations hereunder and has not begun a cure procedure and diligently pursued such cure to address the condition of default within thirty (30) days of being notified in writing by the other Party of the default condition, unless such condition is the result of a Force Majeure Event.

**SECTION 3.2.1 - COA Default Conditions**: The following is a non-exclusive list of COA defaults under this Agreement:

- Failure to pay a valid invoice or undisputed portion thereof within sixty (60) days of the due date, provided that GRU has notified COA in writing of its failure to pay prior to such date.
- Failure to follow Good Utility Practice in performing routine maintenance of equipment at the Delivery Point
- Any action by COA that prevents or hinders GRU from performing routine maintenance of GRU owned equipment at the Delivery Point

**SECTION 3.2.2 - GRU Default Conditions**: The following is a non-exclusive list of GRU defaults under this Agreement:

• Failure to redeliver on a recurring basis energy and capacity received at the FPL/GRU or DEF/GRU interface point(s) to the Alachua Delivery Point.

• Failure on a recurring basis to restore GRU facilities in a timely fashion after an interruption caused by failure of GRU facilities affecting service to the Delivery Point.

**SECTION 3.3 - Post-Termination Obligations**: If this Agreement is terminated for any reason pursuant to the terms herein, GRU shall have the right upon the effective date of such termination to modify its transmission network to maintain its integrity. COA shall be obligated to reimburse GRU for reasonable costs associated with any network modifications on GRU's side of the Alachua Delivery Point in accordance with Section 6.8.4. GRU and COA shall not have any further obligations or liabilities to the other hereunder except as to those provisions that by their terms survive the termination of the Agreement, including payments incurred prior to termination and including Sections 6.1, 6.2, 6.3, 6.8, 8.6, 11.12, 11.13, and 11.14 and Article X..

### ARTICLE IV DELIVERY OF COA ENERGY AND CAPACITY

**SECTION 4.1 - Receipt on Behalf of COA**: COA shall cause FPL to deliver and GRU will receive energy and capacity for delivery to the Alachua Delivery Point, with such delivery equal to the Delivery Point metered load adjusted upward for GRU system transmission losses. The losses incurred on the GRU transmission system shall be a fixed percentage of 1.12%, and accounted for by dividing the compensated (for Delivery Point transformer losses as specified in Section 5.1) metered load at Alachua Delivery Point by 1 - (1.12 / 100) or 0.988 prior to including it in the actual interchange portion of each Party's area control error equation.

**SECTION 4.2 -Redelivery to COA**: GRU shall transmit to the Alachua Delivery Point on a firm basis and COA shall receive, the COA energy and capacity received by GRU at the FPL/GRU interface point(s) ("Firm Transmission Service"), less GRU transmission losses identified in Sections 4.1 and 8.2. GRU shall supply Firm Transmission Service in the form of three-phase, alternating current at a frequency of approximately 60 Hertz. GRU and COA shall record deliveries to the Alachua Delivery Point on an hourly basis.

**SECTION 4.2.1 -Character of Service**: The service provided by GRU under this Agreement is a composite service consisting of Firm Transmission Service, consistent with the firm transmission service that GRU provides to its own firm native load, and certain ancillary services, namely dynamic scheduling and reactive power service. The Parties acknowledge that the Transmission Rate in Section 8.1 is a composite rate and includes an allocated share of the cost for these ancillary services. GRU is not obligated to provide any other ancillary services associated with the transmission of energy and capacity under this Agreement, and COA shall make other provisions,

including self-supply, for any additional appropriate ancillary services associated with the delivery of energy and capacity under this Agreement.

**SECTION 4.2.2 -Redispatch Obligation**: GRU is not obligated to re-dispatch its generating resources or modify any of its power purchase schedules to accommodate the redelivery of energy and capacity under this Agreement in response to transmission events occurring outside GRU's system that affect its transmission of energy and capacity to the Alachua Delivery Point. In the event of a transmission constraint on GRU's system limiting GRU's ability to transmit COA's purchased capacity and energy from FPL to the Delivery Point that can be resolved through redispatch of GRU's resources and/or purchase power agreements, or in response to a request by the FRCC Reliability Coordinator for re-dispatch, GRU agrees to utilize such resources to meet COA's needs under this Agreement and COA agrees to compensate GRU for all such re-dispatch costs on a pro-rata basis with GRU's other firm customers and firm native load.

<u>SECTION 4.3 - No Right To Resell</u>: COA shall not resell any of the transmission capacity made available under this Agreement.

**SECTION 4.4 - Obligation To Take & Pay**: COA is obligated under this Agreement to accept and make payment for Firm Transmission Service, and the ancillary services described in Section 4.2.1 and any re-dispatch services provided pursuant to Section 4.2.2 above upon receipt of a valid invoice from GRU.

<u>SECTION 4.5 - Restrictions on Use</u>: COA shall not, without the written consent of GRU, use any Firm Transmission Service, ancillary service or re-dispatch service made available under this Agreement to serve any electric load or service except that served by COA behind the Alachua Delivery Point.

# ARTICLE V BALANCING AUTHORITY & DYNAMIC SCHEDULE RESPONSIBILITIES

**SECTION 5.1 - General**: The metering equipment necessary for determining the amounts of real and reactive energy and capacity flowing through the Alachua Delivery Point and for facilitating Dynamic Schedule of the Alachua Delivery Point load from the GRU Balancing Area to the FPL Balancing Area shall be installed by COA and/or its agents and owned by COA in accordance with this Article V. The Delivery Point revenue metering shall remain located on the secondary side of the 138kV step down transformer and shall include compensation for the transformer losses from the Delivery Point to the metering location.

**SECTION 5.2 - Balancing Authority Area and Dynamic Schedule**: GRU and FPL will use the real-time telemetered information as an input to their respective energy management system's area control error equations to model the Alachua substation on a moment-to moment basis as if it were connected within the actual FPL system. In the event that the Data Acquisition Equipment becomes temporarily unavailable, GRU and COA will work together to reach a mutually agreeable scheduling or data transfer arrangement on an interim basis. It is understood and agreed by the Parties that COA shall be responsible for all charges incurred by GRU to deliver capacity and energy to the Alachua Delivery Point whether or not the Dynamic Schedule is available.

SECTION 5.2.1 - FPL Balancing Authority Area: COA will execute agreements with FPL such that the Alachua Delivery Point shall be included as a delivery point under the network transmission agreement between COA and FPL, as such agreement is amended or superseded, facilitating the needed transmission arrangements such that Alachua Delivery Point shall be incorporated within FPL's Balancing Authority Area. The Delivery Point will be served by FPL through the FPL/GRU interface via the FPL and GRU transmission systems. The Delivery Point revenue metering, as adjusted upward to reflect GRU's system transmission losses pursuant to Section 8.2, shall represent the Dynamic Schedule flow into the GRU Balancing Authority Area and out of the FPL Balancing Authority Area. The Delivery Point revenue metering which includes the Delivery Point transformer losses compensation specified in section 5.1, without adjustment for GRU system transmission losses, shall represent the flow out of the GRU Balancing Authority Area and into the FPL Balancing Authority at the Delivery Point. COA and/or its agent(s) shall be responsible for meeting interchange tagging requirements, if any, which are specifically associated with this arrangement. FPL is not a party to this Agreement. It is COA's sole and exclusive responsibility to assure mutually satisfactory arrangements with FPL to implement the provisions of this section.

<u>SECTION 5.2.2 - Other Balancing Authority Area</u>: Notwithstanding the provisions of Section 5.2.1, COA at its option may at any time during the term of this Agreement, upon at least ninety (90) days written notice provided to GRU, incorporate the Delivery Point within another Balancing Authority. COA shall be responsible for making and paying the costs associated with the necessary arrangements in order to implement any such change, including any costs reasonably incurred by GRU to implement such change.

### ARTICLE VI OWNERSHIP OF FACILITIES & SUBSTATION ACCESS

#### **SECTION 6.1**:

COA owns all equipment on its side of the Alachua Delivery Point. GRU owns all Transmission Service facilities and equipment up to the Alachua Delivery Point. At the Alachua Delivery Point, the Parties agree to ownership of equipment within the Alachua Substation as follows:

#### **SECTION 6.2 – GRU Owned Facilities:**

<u>SECTION 6.2.1 – Electric Meters</u>: GRU shall own the four electric meters that are part of the GRU Electric Metering Equipment at the Alachua Delivery Point. GRU has the right to remove these from Alachua substation to allow for dynamic scheduling service by other energy providers.

**SECTION 6.2.2 – Substation Yard Facilities:** GRU shall retain ownership of circuit breakers 1102, 1106, their respective isolation switches 1101, 1103, 1107, 1105, 1104, as well as any jumpers and bus work connecting the devices that is necessary for their operation.

SECTION 6.2.3 –Control House Facilities: GRU shall retain ownership of the Real-Time Automation Controller (RTAC), network communications and other equipment that supports the exclusive control, operation, and protection of GRU's Bulk Electric System. Supporting equipment also includes, but is not limited to, control, protection and Supervisory Control and Data Acquisition ("SCADA") devices, wiring systems, conduits, networks, substation batteries, BES relays, and panels inside the control house for equipment that controls, operates, and protects GRU's BES. GRU will ensure that its respective infrastructure will be well maintained and in good repair pursuant to Good Utility Practices. Maintenance of the Control House building will be the sole responsibility of COA. GRU will continue to access and operate GRU's BES equipment and BES supporting infrastructure, inclusive of equipment inside the Control House.

**SECTION 6.2.4 - Remote Terminal Unit (RTU)**: GRU shall own the existing SEL-3530 Real Time Automation Controller (RTAC). GRU shall maintain the RTAC described in this Section 6.2.4 using Good Utility Practices. COA shall be responsible for the installed cost and ongoing maintenance costs of its own separate RTU if they desire.

#### **SECTION 6.3 – COA Owned Facilities:**

<u>SECTION 6.3.1 –Substation Yard/138KV Facilities</u>: COA shall own the motor operated isolation switches 1120 & 1121, Circuit Switchers 1122 & 1123, any jumper and bus work between these devices and the terminals on the line side of the transformer HV isolation switches at the Alachua Substation.

SECTION 6.3.2. COA shall own Transformers T-111 and T-112 in the Alachua Substation.

**SECTION 6.3.3**: COA shall own the supporting equipment, devices, and networks inherently a part of, or critical to, the operation and/or relay protection for 12kV distribution feeders including but not limited to, the physical building for the entire control house, the substation yard, foundations, conduits, yard perimeter fence and other physical structures inherently a part of, or critical to, the operation and/or protection of COA owned infrastructure inclusive of transformers.

SECTION 6.3.4 – CTs & PTs: COA shall own and maintain the Current Transformers (CTs) and Potential Transformers (PTs) and all associated wiring that provide inputs to electric meters using Good Utility Practices. COA shall ensure that test results, records, and specifications for CT & PTs that provide input into the GRU electric meters are made available to GRU. COA shall also ensure that transformer specifications and test sheets are made available to GRU. GRU shall have the right to be present during the testing of equipment that involves the accuracy of the meters.

<u>SECTION 6.4:</u> COA shall own and maintain the Control House building. COA shall ensure that its respective facilities described in this section shall be well maintained and in good repair pursuant to Good Utility Practices.

#### **SECTION 6.5 – Accessibility:**

**SECTION 6.5.1:** To satisfy the physical security controls requirement of the applicable version of CIP (Critical Infrastructure Protection) Standard CIP-003, COA hereby grants GRU access control of the control house within the Alachua Substation and grants GRU's authorized personnel unrestricted access. Access to the control house will be controlled by GRU by the issuance of a control house key to authorized Alachua and GRU personnel. Alachua will provide GRU a list of such authorized personnel to enter the substation control house, which list will be updated as necessary. Similarly, GRU will provide COA a list of its authorized personnel to enter the substation control house, which list will also be updated as necessary.

<u>SECTION 6.5.2:</u> Access to the COA substation yard at Alachua Substation will be controlled by a GRU lock and a COA lock that are linked (in series) for full substation yard access of both Utilities. GRU will issue their substation gate key to GRU authorized personnel and COA will issue their substation gate key to COA authorized personnel.

GRU will provide COA a list of such authorized personnel to enter the substation yard, which list will be updated as necessary. Similarly, COA will provide GRU a list of its authorized personnel

to enter the substation yard, which list will also be updated as necessary. GRU reserves the right to vet the quantity as well as the personnel selected by COA for access authorization.

#### **SECTION 6.6 Maintenance of Equipment**

**SECTION 6.6.1**. Each Party shall be responsible for the maintenance of equipment owned by each Party in accordance with Good Utility Practice.

#### SECTION 6.7 Capital Upgrades of GRU Owned Equipment.

<u>SECTION 6.7.1.</u> In the event that GRU determines in its sole discretion that emergency work is required for any of its assets at Alachua Substation, GRU shall retain the right to replace any equipment it deems defective to ensure the reliability of its Bulk Energy System as defined by NERC. GRU reserves the right to recall any and all personnel, material, equipment, supplies, and/or tools at any time for this purpose. The value of assets purchased for emergency purposes shall be depreciated as described in Section 6.8.3.

**SECTION 6.7.2.** It is COA's financial responsibility to upgrade or replace any GRU owned equipment at the Alachua Substation. In the event that GRU shall determine during the term of this Agreement that a capital upgrade or replacement of any GRU owned equipment at the Alachua Substation is necessary in order to maintain compliance with SERC and/or NERC Reliability Standards and/or Good Utility Practices, GRU shall promptly notify COA. The notification shall include the following:

- 1. Identification of the equipment requiring upgrading or replacement
- 2. Justification for the upgrade or replacement
- 3. Estimated capital cost of the upgrade or replacement project
- 4. Proposed project schedule

COA shall promptly review the capital cost estimate and provide comments for consideration by GRU. COA shall within 60 days notify GRU to:

- 1. Proceed with the capital cost project or
- 2. If COA desires to implement the capital cost project, GRU shall, within 15 calendar days of notice by COA, provide COA a schedule of GRU Standards, Specifications, and estimated Capital Costs that apply to the project. GRU shall also provide a schedule of contractor qualifications. Both schedules are necessary for inclusion in COA procurement documents.

In the event COA authorizes GRU to proceed with the capital cost project or replacement, GRU shall invoice COA for the costs and COA shall reimburse GRU within 30 days of invoice.

#### SECTION 6.8 Equipment Ownership upon the Expiration of this Agreement.

**SECTION 6.8.1.** When this Agreement either expires or is terminated by either Party in accordance with the provisions in this Agreement, ownership of all equipment in the Alachua Substation owned by GRU shall be transferred to COA as follows:

**SECTION 6.8.2:** COA will pay GRU the book value of GRU's investment of assets capitalized after January 1, 2011 and before April 1, 2022 at the Alachua Substation (inclusive of equipment and materials within the Alachua Control House), which book value is hereby determined to be the sum of Forty Five Thousand Seven Hundred Seventy Dollars (\$45,770.56) if paid immediately on April 1, 2022. The balance payable to GRU for these facilities at the Alachua Substation shall be reduced using straight line depreciation over the useful life by type of asset as shown in Attachment A.

**SECTION 6.8.3:** Assets, equipment & facilities that GRU replaces, re-arranges, upgrades, improves, and decommissions that are paid for by COA through the duration of this Agreement shall revert ownership to COA.

Any Assets, equipment & facilities that GRU replaces, re-arranges, upgrades, improves, and decommissions (inclusive of equipment and materials within the Alachua Control House) that are paid for by GRU and not reimbursed by COA through the duration of this Agreement shall revert ownership to COA with the provision that COA shall pay GRU the book value of GRU's investment of assets. The balance payable to GRU for these facilities at the Alachua Substation shall be reduced using straight line depreciation over the useful life by type of asset.

**SECTION 6.8.4:** GRU will disconnect the Alachua Substation from GRU's transmission network. COA agrees to reimburse GRU for the reasonable costs associated with disconnecting from the Alachua Substation. COA will pay the reasonable costs:

- a. To remove GRU transmission poles and wires so that COA may connect the Alachua Substation to another transmission provider and so that GRU can reestablish its transmission network loop as more specifically shown in and on Attachment B; and
- b. For GRU's installation of guying and dead-ending equipment and any poles required; and

- c. For GRU to review the relay protection and communication for its affected transmission lines.
- d. Before any work is performed, GRU will provide a cost estimate and description of required work to COA at least twelve (12) months prior to the projected start date of work. COA shall be obligated to reimburse GRU for reasonable costs associated with the herein contemplated network modifications on GRU's side of the Alachua Delivery Point. Should COA or GRU dispute the reasonableness of the costs or the scope of work, the Parties agree to follow the dispute resolution process set forth in Article X.
- e. The transmission lines will not be removed until any dispute has been resolved and payment amount agreed.

<u>SECTION 6.8.5 – COOPERATION AT CLOSE-OUT</u>. <u>Upon termination of this Agreement,</u> the Parties agree to do all things necessary to carry out the intent of this Article VI, including executing bills of sale, transferring, warranties, and making timely payment of all amounts due under this Agreement. If Parties cannot agree on any item for close-out, they shall submit the dispute to the dispute resolution process.

# ARTICLE VII METER CALIBRATION & READINGS, RTU, NERC COMPLIANCE OPTION

#### **SECTION 7.1 - Meter Calibration**

GRU will calibrate its meters annually, and if found to be outside of one percent (1%) accuracy, GRU will correct it. If the accuracy error is greater than two percent (2%), GRU will attempt to determine when the error occurred and the billings will be adjusted accordingly, failing which the Parties may resort to the procedures for disputed billings set forth in Section 8.4. The Parties shall have the right to witness all meter calibrations, and the Party making such calibrations shall provide at least fourteen (14) days advance written notice to the other Party of its intent to test and calibrate the metering. All Transmission Service, ancillary service and re-dispatched services furnished hereunder by GRU shall be measured at the Alachua Delivery Point.

In the event any meter fails to register or registers incorrectly, the Parties shall agree upon the length of time such meter failed to register or registered incorrectly and the quantity of Transmission Service so delivered during such time. An appropriate adjustment based thereon shall be made to COA's invoice for such agreed upon time. An adjustment shall be made for any

one (1) month period only if the meter has been tested by GRU of its own volition or at the written request of COA within 60 days from the date upon which the bill for such month had been rendered to COA. Any meter which complies with ANSI C-12 standards for revenue meters shall be deemed correct. No device or connection shall be installed or maintained by COA at the service location that will prevent any meter from registering correctly. GRU, at its expense, shall periodically inspect and test the meter(s) installed at least once per calendar year during the term of this Agreement. Pursuant to the written request of COA, GRU shall make additional tests of such meter(s) in the presence of representatives of COA. The cost of such additional tests shall be borne by COA if the percentage of deviation is found to be in compliance with ANSI C-12 standards for revenue meters. GRU shall provide reasonable advance notice to COA of the date of the scheduled annual test of the revenues meters and Alachua shall be permitted to witness the test.

**SECTION 7.2 - Lack of Meter Readings**: If both GRU and COA are unable to read a meter or a meter recording device for any reason, including failure of metering equipment, meter estimates shall be developed using the best available data and information or a mutually agreeable load estimation algorithm. The Parties shall cooperate in obtaining any information necessary to arrive at such estimates, and shall exchange such information on a timely basis. Any billings or payments rendered on the basis of such estimates, if not challenged in accordance with the procedures set forth in Section 8.4, shall be deemed as valid as if made from actual meter readings.

<u>SECTION 7.3 – RTU Communication</u>: Each Party shall be responsible for any leased telephone circuits or other telecommunications hardware from its own or the other Party's RTU(s) to its respective computer master equipment, except as may be mutually agreed to by the Parties. In addition, each Party shall order its own telephone circuits or other telecommunications hardware, except as may be mutually agreed to by the Parties.

<u>SECTION 7.4 - Failure of RTU</u>: Should there be a communications failure resulting in the inability of GRU to receive real time data on the capacity and energy received at the Delivery Point, the most recent reliable readings will be provided by COA to GRU. Operations will continue in this manner until communications are restored. Following the restoration, the Parties will arrange for an in-kind true-up of actual energy received at the Delivery Point.

<u>SECTION 7.5 – Transmission Network Modification</u>: The Transmission Service Rate set forth in Section 8.1 does not capture any future replacement costs of BES equipment contained inside the Alachua Substation. COA shall be responsible for any such costs as set forth in Section 6.8.

**SECTION 7.6 –NERC Compliance Option**: This section acknowledges that NERC Reliability Standards compliance responsibilities and services for COA have been terminated. The substation

batteries also support COA's 12kV distribution system. If this Agreement is terminated, COA shall install its own substation batteries.

### ARTICLE VIII TRANSMISSION SERVICE CHARGES, BILLING AND PAYMENT

SECTION 8.1 -Transmission Service Charges: COA shall pay to GRU \$2.36 per kW for the highest average hourly load measured at the Alachua Delivery Point during each month, measured at the Delivery Point ("Transmission Rate"), and adjusted upward based on a loss factor of 1.12% ("Transmission Loss Factor"). Beginning April 1, 2023, the Transmission Rate will be adjusted by the percentage change in the Producer Price Index for Electric Power Transmission, Control, and Distribution (PCU221121221121) as published by the Bureau of Labor Statistics, from December 2021 to December 2022. Thereafter and for the duration of this Agreement, the Transmission Rate will be adjusted on the Commencement Date anniversary of each year based on the year-to-year percentage change in this index. The Parties agree that should this index cease to be published, GRU shall have the right to adjust the Transmission Rate using a similar, mutually agreed-upon published index.

This annual Producer Price Index for Electric Power Transmission, Control, and Distribution. escalation will also continue during any further (e.g. the second or greater) Extension Terms to this Agreement unless modified terms are agreed upon by both Parties at least sixty (60) days prior to the end of the Extension Term.

GRU may perform a cost-of-service study during the term of this Agreement. Based upon that study, GRU reserves the right to change the Transmission Rate to the new value. If the transmission cost of service study concludes that a rate increase in justified, GRU shall implement the new transmission rate prospectively to COA. If the amount of the rate increase exceeds 10 percent, COA shall have the option to cancel this agreement by providing 12 months' notice to GRU.

SECTION 8.2 -Imbalance Charges and Credits: FPL is responsible for balancing COA's load. GRU shall have no responsibility for balancing. The differences between energy delivered to the acceptance point and energy delivered to the Delivery Point, less transmission losses of 1.12%, for all hours shall be totaled for each month ("Net Energy Imbalance"). The Net Energy Imbalance for the month, if any, will be settled financially each month utilizing a settlement price that is the product of 10.5 MMBtu/MWh and the monthly index price published by the US Energy Information Administration (EIA) under the heading "Henry Hub Natural Gas Spot Price" for the applicable month plus a \$0.50/MMBtu reservation charge ("Settlement Price"). If the Net Energy Imbalance indicates GRU received excess kWh from FPL during the billing month, the excess

kWh (converted to MWh) shall be multiplied by the Settlement Price with the resulting product credited to COA on the monthly invoice. Similarly, if the Net Energy Imbalance indicates GRU provided excess kWh to COA during the billing month, the excess kWh (converted to MWh) shall be multiplied by the Settlement Price with the resulting product to be charged to COA on the monthly invoices. If the EIA gas index referenced in this section ceases to exist during the Agreement, the Parties shall mutually agree on a successor index.

**SECTION 8.3 - Billing and Payment Procedure**: GRU will invoice COA on or about the 15th day of the month following the month for which the services were rendered. All undisputed invoices are due in full when rendered, and are payable within twenty-five (25) calendar days from the date of invoice as determined by postmark (the "Past Due Date"). Invoices not paid within 25 calendar days after the due date shall be deemed delinquent and shall accrue one percent (1%) per month on the unpaid balance pursuant to the Local Government Prompt Payment Act, Section 218.74(4), Florida Statutes, as amended from time to time. GRU will include with its monthly invoices to COA the following information:

- 1. The peak capacity scheduled during the month
- 2. The current Transmission Service Rate
- 3. Current imbalance charges for the month
- 4. Hourly meter data for the billing period

If imbalance charges are due, upon request, GRU can provide an invoice with the amount of energy delivered to the acceptance point and energy delivered to the Delivery Point.

**SECTION 8.4 - Disputed Billings**: COA shall make timely payment of all undisputed amounts that may become due in accordance with this Agreement. If COA disputes all or any part of any such invoice, COA shall make timely payment for the undisputed amount and may withhold payment for the disputed amount. COA shall include with such partial payment an explanation of the nature of the disputed amount. The Parties shall then cooperate to resolve the dispute, pursuant to the Local Government Prompt Payment Act. Upon resolution of the disputed amount, a true-up calculation shall be applied to the next invoice and the true-up amount shall include payment of all required interests if the dispute is resolved in favor of GRU. The true-up shall be in full resolution of the prior disputed amount between the Parties.

**SECTION 8.5 - Failure To Pay**: If COA fails to pay a valid invoice or the undisputed amount thereof within sixty (60) days of the due date, such failure shall be deemed a default under this Agreement, and GRU shall have the right to suspend service until payment is made or terminate

the Agreement as set forth in Section 3.2 in addition to any other right associated with recovery of unpaid amounts or such other remedies as are available at law.

**SECTION 8.6 -Audit Rights:** Each Party shall have the right, at its own expense, to audit and to examine any supporting documentation related to any bill submitted or payment requested under this Agreement. Any audit hereunder shall be undertaken by the requesting Party, or its representatives, during the hours from 9:00 a.m. to 5:00 p.m. eastern prevailing time on any business day and in conformance with generally accepted auditing standards. The right to initiate an audit shall extend for a period of two (2) years following the end of the calendar year in which the applicable service is rendered. Each Party shall fully cooperate with any audit by the other Party and retain all necessary records or documentation for the entire length of the audit period (and thereafter if an audit is in progress, until such audit is completed). Except for a payment that has been disputed and resolved pursuant to paragraph 8.4 above, if any audit discloses that an overpayment or underpayment has been made, the amount of such overpayment or underpayment shall promptly be paid by the owing Party, with interest at the Interest Rate from the date on which the payment should have been made to the date on which the payment or repayment is actually made. This provision and the rights of the Parties to audit and resolve audit-related disputes shall survive the termination of this Agreement. The Parties will cooperate to resolve any issues discovered in an audit expeditiously, failing which either Party may resort to dispute resolution under Article X. If, upon resolution, any amounts are found to be due from one Party to the other Party, such amounts shall be paid, plus interest thereon at the rate described in Section 8.3, within thirty (30) calendar days following the date such dispute is resolved.

# ARTICLE IX <u>ADDITIONAL TERMS AND CONDITIONS FOR TRANSMISSION SERVICE</u>

**SECTION 9.1 - Voltage**: GRU shall operate its system in accordance with Good Utility Practice so as to maintain voltage levels at the Alachua Delivery Point within acceptable ranges. Should the voltage at the Alachua Delivery Point regularly exceed a +/- 5% variation from the specified nominal voltage, GRU shall use due diligence to promptly remedy such condition and to bring the voltage within such limits. GRU shall plan its transmission system to meet or exceed all applicable NERC and FRCC reliability and compliance standards at the Alachua Delivery Point with a GRU voltage planning criteria within 0.95 per unit and 1.05 per unit under normal system conditions and 0.90 per unit and 1.05 per unit under contingency scenarios.

**SECTION 9.2 -Access to Delivery Point**: COA shall ensure that, to the extent that GRU has installed or needs to install equipment or facilities on the low side of the Delivery Point pursuant to this Agreement, the duly authorized employee or contractors of GRU, upon providing

reasonable notice, shall have the right of access to the premises at the Delivery Point at all reasonable hours for the purpose of installing facilities, recording metering information, inspecting GRU's wiring and apparatus, and changing, exchanging, repairing or replacing GRU's property on the premises of the Delivery Point. To the extent that COA has installed or needs to install equipment or facilities on GRU's side of the Delivery Point pursuant to this Agreement, COA, upon providing reasonable notice, shall have the right of access to the premises of GRU at all reasonable hours for the purpose of installing facilities, inspecting COA's wiring and apparatus, and changing, exchanging, or repairing COA's property on the premises of GRU. GRU shall protect the facilities and equipment of COA located on GRU's premises and shall permit no one but COA and GRU's qualified representatives to handle same. COA shall ensure the protection of GRU's facilities located on COA's respective premises and shall permit no one but the qualified representatives of GRU and COA to handle same.

<u>SECTION 9.3 - Disturbances</u>: Each Party shall, insofar as practicable, protect, operate, and maintain its system and facilities so as to avoid or minimize the likelihood of disturbances which might cause impairment of or jeopardy to service to the customers of the other Party or to other interconnected systems. Each Party shall implement and maintain an under-frequency load shedding program designed and coordinated with the FRCC.

**SECTION 9.3.1 - Suspension of Service**: GRU reserves the right to suspend service without liability on GRU's part at such times and for such periods and in such manner as GRU in its reasonable judgment may deem advisable for the purpose of making necessary adjustments to, changes in, or repairs on GRU's lines, substations, and facilities, and in cases where the continuance of service to COA would endanger persons or property, provided that such service suspension will be effectuated without undue discrimination vis-a-vis GRU's other firm customers; and in cases where COA fails to make payment to GRU. GRU will give COA as much advance notice as reasonably practicable in the event of such suspension, and shall limit the time of such suspension to the greatest extent possible.

**SECTION 9.3.2** - **Interruption of Service:** In the event of an adverse condition(s) or disturbance(s) on GRU's transmission system or on any other transmission system directly or indirectly interconnected with GRU's transmission system, GRU, as it deems necessary in its reasonable judgment, may take action(s) or inaction(s) that result in the automatic or manual interruption of the supply or delivery of electricity to some customers or areas in order (i) to limit the extent or damage of the adverse condition(s) or disturbance(s), (ii) to prevent damage to generating or transmission facilities, or (iii) to expedite restoration of service. GRU may, in the foregoing circumstances, without incurring liability (except in cases of gross negligence or intentional wrongdoing by GRU), interrupt service to COA, request COA to interrupt service to

all or a portion of the load at the Alachua Delivery Point, or take such other action(s) or inaction(s) as is deemed necessary by GRU in its reasonable judgment; provided that there is no discrimination between such action(s) or inaction(s) to COA as compared to GRU's retail, wholesale, and other transmission customers. Restoration of load shed or voltage levels reduced during such adverse condition(s) or disturbance(s) shall be achieved by GRU as soon as possible, and shall be coordinated and accomplished by GRU without undue discrimination between and among COA and any other firm customers of GRU.

**SECTION 9.3.3.** -Actions Upon Interruption: Upon interruption of service to the Alachua Delivery Point, and to the fullest extent possible prior to an interruption of service, GRU shall communicate the facts of said interruption (or future interruption) to COA as soon as practical and shall coordinate restoration of service to the Alachua Delivery Point with COA as soon as practical. Outage cause details and GRU response actions for service restoration shall be shared with COA as soon as they are known by GRU, but in no event later than thirty (30) business days following the occurrence of the outage. COA and GRU will discuss possible preventative measures and duration reduction measures for improving quality of Firm Transmission Service to the Alachua Delivery Point as may be deemed appropriate.

SECTION 9.4 -Limited Transmission Service: GRU's obligation to provide Firm Transmission Service shall be limited to times during which capacity and/or energy is actually received at the FPL/GRU or DEF/GRU interface point(s) for redelivery to the Delivery Point.

<u>SECTION 9.5 – Access of GRU:</u> GRU shall have the right to enter upon COA's premises where the billing meters are located at all reasonable times for the purpose of reading meters, inspecting or repairing apparatus used in connection with the service, removing its property and/or any other purpose to carry out the work of GRU in connection with the delivery of power. GRU shall provide notice, which is reasonable under the circumstances, to COA of its intent to enter upon the premises of COA.

**SECTION 9.6 Under-Frequency Conditions.** The Transmission System is designed to automatically activate a load-shed program as required by the Applicable Reliability Council in the event of an under-frequency system disturbance. COA shall arm UFLS capable relays that meet the performance characteristics set in PRC-006 Standard. The Alachua Delivery Point shall be included in the account of GRU's under-frequency load shedding program.

**SECTION 9.7 -Annual Planning Network Load Forecast**: COA shall provide GRU by February 15th (or if February 15 falls on a weekend or federal holiday, the next business day after February 15) of each year COA's best forecast of the following ten (10) calendar years' projected

summer and winter peak demand measured at the Alachua Delivery Point expressed in kW. Such forecast shall be made using forecasting techniques available and generally deemed acceptable in the electric utility industry. Based upon the forecast data provided by COA, GRU will notify COA promptly if it anticipates that it will not have sufficient transmission service for any of the future years beyond the current term.

### ARTICLE X DISPUTE RESOLUTION PROCEDURES

**SECTION 10.1 Disputes:** If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, either Party may, by giving written notice, refer the dispute to a meeting of appropriate higher management, to be held within 20 business days after giving of notice. If the dispute is not resolved within 30 business days after giving notice, or such later date as may be mutually agreed, the Parties will submit the dispute to a mediator. The Parties shall mutually agree to the mediator and the costs of the mediator will be born equally by both Parties. The venue for mediation and any subsequent litigation shall be in Alachua County, Florida.

## ARTICLE XI MISCELLANEOUS

**SECTION 11.1 -Complete Agreement**: This Agreement is intended as the exclusive statement of the agreement regarding the Alachua Delivery Point and related Firm Transmission Service as between the Parties. Unless otherwise provided for pursuant to this Agreement, this Agreement shall not be amended or modified unless authorized and executed by duly authorized officers of both Parties with the same formality as this Agreement.

SECTION 11.2.-Applicable Law: This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed under the laws of the State of Florida without giving effect to any principles of conflicts of laws where the giving of effect to any such principles would result in the laws of any other state or jurisdiction being applied to this Agreement. Jurisdiction for any dispute arising from this agreement shall be in the state or federal courts for Alachua County, Florida.

**SECTION 11.3 -Cooperation**: Upon the request of either Party, the other Party shall assist the requesting Party in the defense of any litigation that may arise involving contentions, claims, losses, or causes of action, relating to, arising out of, or connected with the terms and provisions

of this Agreement or its implementation, which may be asserted against such Party by any third party. This covenant of cooperation, however, shall not require a Party to file or formally join any legal action or proceeding. Further, a Party shall be reimbursed promptly for all out-of-pocket expenses reasonably expended in response to a Party's request for cooperation hereunder.

SECTION 11.4. - Force Majeure Event: Except for the obligation of COA to make payments hereunder, a Party shall not be liable to the other Party for failure to perform its obligations hereunder to the extent the affected Party is prevented from performing its obligations due to a Force Majeure Event which the affected Party was unable to prevent or avoid through commercially reasonable efforts and compliance with Good Utility Practice. The Party rendered unable to fulfill any obligation by reason of a Force Majeure Event shall continue to perform its other obligations hereunder to the extent practicable and take all reasonable actions necessary to mitigate the impact of the Force Majeure Event and remove such inability to perform the affected obligations with all due speed and diligence. Such partially performing or nonperforming Party shall be prompt and diligent in attempting to remove the cause of and address the impact of its inability to perform. The suspension of performance due to a claim of the Force Majeure Event must be of no greater scope and of no longer duration than is required by the Force Majeure. This Agreement may be terminated by the non-claiming Party upon ten (10) days prior written notice to the claiming Party with no further obligation to the Party impacted by Force Majeure Event if a Force Majeure Event prevents the performance of a material portion of the obligations hereunder for a period of three hundred sixty-five (365) consecutive days or more. In the event of such termination, neither Party shall have any further obligation to the other Party under this Agreement except such obligations which have already accrued at termination and/or survive the termination or expiration of this Agreement.

In the event of any delay or nonperformance resulting from a Force Majeure Event, the Party suffering the Force Majeure Event shall, as soon as practicable after the occurrence of the Force Majeure Event but in no event more than ten (10) Business Days after the commencement of an Force Majeure Event (i.e., the date performance is first delayed or prevented), notify the other Party in writing of the nature, cause, date of commencement thereof, and the anticipated extent of any delay or interruption in performance. The Party suffering the Force Majeure Event shall provide regular reports to the other Party regarding the progress to resume full performance of affected obligations.

**SECTION 11.5 -Notices**: Any notice, demand or request required or authorized by this Agreement shall be deemed properly given if mailed, postage prepaid, by personal delivery with receipt, or electronically with a confirmed electronic read receipt. For purposes of all notices, the Parties'

representatives are identified below or to such other person(s) as may be designated in writing by GRU or by COA:

#### For COA:

City of Alachua City Manager

15100 NW 142 Terrace

P.O. Box 9

Alachua, Florida 32615 Telephone: (386) 418-6100 Facsimile: (386) 418-6175

Email:mi\_daroza@cityofalachua.org

#### For GRU:

Gainesville Regional Utilities General Manager of Utilities P.O. Box 147117 Station E3D Gainesville, Florida 32614 Telephone: (352) 393-1700 Facsimile: (352) 334-2277

Email: cunninghaal@gru.com

The designation of the person to be notified or the address of such person may be changed by GRU or COA at any time, or from time to time, by similar notice.

**SECTION 11.6 -Regulation and Approvals**: In the event that this Agreement is amended, changed or modified by any governmental authority, other than the Cities of Gainesville or Alachua, having jurisdiction, each Party, if adversely affected, shall have the right to seek or negotiate for the necessary relief to alleviate said adverse effects brought on by either the changes or modifications so imposed. If the adversely affected Party (ies) is/are unable to obtain the necessary relief, after a reasonable period of negotiations, such Party shall have a unilateral right to terminate this Agreement upon written notice to the other Party, with such termination to be effective upon the later of the effective date of the amendment, change or modification or one hundred eighty (180) days after the written notice.

**SECTION 11.7 -Non-Waiver**: No waiver by any Party of any one or more defaults by the other Party in the performance of any of the provisions of this Agreement shall be construed as a waiver of any other default or defaults whether of a like kind or different nature.

**SECTION 11.8 - Headings; Attachments**: The headings used for the articles and sections herein are for convenience and reference purposes only and shall in no way affect the meaning or interpretation of the provisions of this Agreement. References in this Agreement to articles and sections shall be deemed a reference to this Agreement, unless otherwise indicated. Any and all attachments referred to in this Agreement are, by such reference, incorporated herein and made a part hereof for all purposes.

**SECTION 11.9 - No Third Party Beneficiaries**: Nothing in this Agreement shall provide any benefit to any third party or entitle any third party to any claim, cause of action, remedy or right

of any kind, it being the intent of the Parties that this Agreement shall not be construed as a third party beneficiary contract.

**SECTION 11.10 - Counterparts**: This Agreement may be executed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

**SECTION 11.11 - Assignments**: This Agreement shall not be assignable by either Party without the prior written consent of the other Party hereto, which consent may be withheld in the sole discretion of the other Party

**SECTION 11.12 – No Waiver of Sovereign Immunity**: Each Party is independently responsible for all personal injuries and property damage ("Claims") attributable to the negligent acts or omissions of that Party, its officers, employees and agents. Nothing contained herein shall be construed or interpreted as denying to any Party a remedy or defense available under the laws of the state of Florida, nor as a waiver of sovereign immunity beyond the limited waiver provided for in section 768.28, Florida Statutes, as amended.

**SECTION 11.13 - Limitation on Damages**: Neither Party nor its subsidiaries or affiliates nor the officers, agents, employees, representatives, participants, partners, members, shareholders, principals, directors, trustees, successors or assigns of any of them shall in any event be liable to the other Party or its subsidiaries or affiliates or the officers, agents, employees, representatives, participants, partners, members, shareholders, principals, directors or trustees of any of them for claims for incidental, punitive, consequential or indirect damages of any nature, arising at any time, from any cause whatsoever, whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, in any way pertaining to, connected with or resulting from any performance or non-performance under this Agreement.

**SECTION 11.14 - NERC Compliance**: The Parties agree that GRU will not, as a result of the services provided pursuant to this Agreement, assume any NERC reporting or compliance responsibilities for COA that would otherwise be the responsibility of COA or any other entity.

**SECTION 11.15 - Severability**: In the event that any provision of this Agreement shall be held unenforceable or void for any reason by any tribunal of competent jurisdiction, the provision in question shall be modified to the minimum extent necessary to become valid and enforceable, and the provision as so modified and all remaining provisions of this Agreement shall be enforced according to their terms.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers, and copies delivered to each of the Parties, as of the date and year first above stated. The execution of this Agreement shall be subject to the approval of the governing boards of the City of Gainesville and the City of Alachua. The Effective Date of this Agreement shall be the date first written above, which shall be after this Agreement has been executed by all the Parties and approved by all pertinent governing boards.

THE CITY OF ALAC	CHUA	THE CITY OF GAINES GAINESVILLE REGIO UTILITIES (GRU)	*	/a
Mike DaRosa City Manager	2/28/22 (date)	Anthony Cunningham General Manager of Utilit	(date)	
Approved as to form:		Approved as to form and l	egality:	
By: Mauan &	Push 2/28/2022 (date)	By: Lisa Bennett	(d	late)
City Attorney	(date)	Utilities Attorney	(0	iaio)

Attachment A. Alachua Substation Assets As of 12.31.21-Projected to 04.01.22

Book Val as of	77/7/20	8,859.21	3,121.14	3,192.44	101,35	118.40	152.04	152.04	287.07	287.07	422.92	439.55	507.25	540.94	1,200.22	10,682,36	1,288.83	12,391.34	236.01	1,204.70	2,579.08	5,582.36	6,481.52	6,040.56	11,317.16	48,387.20	42,682.43	1,383.44	1,383.44	244.75	13,246.44	7,362.78	9,326,15	80'606'6	2,914.48	
Planned Depreclation	(Jan-Mar)	(93.26)	(80.03)	(81.86)	(1.61)	(1.87)	(2.42)	(2.42)	(4.55)	(4.55)	(6.72)	(86.98)	(8.05)	(8.58)	(19.07)	(169.56)	(18.15)	(174.52)	(2.99)	(20.42)	(43.72)	(94.61)	(109.85)	(102.38)	(191.81)	(948.77)	(836.91)	(5.41)	(5.41)	(183,56)	(191.06)	(216,55)	(274.30)	(291.45)	(85.72)	
Book Val as of	47 (40) 77	8,952.47	3,201.17	3,274.30	102,96	120.27	154,46	154.46	291.62	291,62	429.64	446.53	515.30	549.52	1,219.28	10,851.92	1,306.98	12,565.86	239.00	1,225.12	2,622.80	5,676.97	6,591.37	6,142.94	11,508.97	49,335.97	43,519.34	1,388.85	1,388.85	428.31	13,437.50	7,579.33	9,600.45	10,200.53	3,000.20	
Accum dep.		(18,893.69)	(23,372.83)	(23,906.10)	(386.07)	(450.27)	(579.09)	(579.09)	(1,093.97)	(1,093.97)	(1,607.99)	(1,672.60)	(1,929.85)	(2,058.64)	(4,567.58)	(40,659.34)	(2,778.42)	(26,718.13)	(653.14)	(4,561.74)	(9,765.98)	(21,138.22)	(24,543.59)	(22,874.34)	(42,854.95)	(211,887.98)	(192,845.55)	(156.78)	(156.78)	(3,242.91)	(1,846.86)	(1,082,76)	(1,371.50)	(1,457.22)	(428.60)	
Acquis val.		27,846.16	26,574.00	27,180,40	489.03	570.54	733.55	733.55	1,385.59	1,385.59	2,037.63	2,119.13	2,445.15	2,608.16	5,786.86	51,511,26	4,085.40	39,283.99	892,14	5,786.86	12,388.78	26,815.19	31,134.96	29,017.28	54,363.92	261,223.95	235,364.89	1,545.63	1,545.63	3,671.22	15,284.36	8,662,09	10,971.95	11,657.75	3,428.80	
Depreclation		SL	SL	SL	S	SL	SI	ᅜ	SL	SL	S	정	rs S	ᅜ	S	ᅜ	<mark>1</mark> 5	ᅜ	S	rs'	ᅜ	S	S	SL	SL	N N	ઝ	SL	Si	SI	SL	SI	SI	SI	SI	
Useful		74	83	83	9/	76	9/	76	2/2	2/2	9/	76	76	76	26	76	23	22	9/	71	71	11	7	71	77	71	71	71	7.1	2	20	10	10	30	10	
ness Unit		SI.	EA	EA	EA	EA	EA	EA	EA	EA	EA	EA	EA	EA	EA	S	L.	ᇤ	EA	EA	EA	EA	ð	EA	Æ	E	EA	EA	Ę	EA	EA	EA	EA	EA	SI	
Quantity of Business Unit		1	7	7	1	1	1	10	2	9	1	1	1	1	2	1	2,565	7,696	2	9	20	9	2	9	Ŋ	2	7	Ħ	1	1	1	m	2	1	1	
Asset Description		ALA SUB-MICROWAVE TOWER	ALA SUB-138KV TRANS POLES(70'-105')-1988	ALA SUB-POLE FRAMING - 138 KV TRANS-1988	ALA SUB-RTU-WESTERM TS	ALA SUB-RTU-WESTERM TC	ALA SUB-RTU-WESTERM M3R	ALA SUB-RIBBON CABLE	ALA SUB-RTU-WESTERM TA	ALA SUB-CARD BIN	ALA SUB-RTU-WESDAC SDE	ALA SUB-RTU-WESDAC K	ALA SUB-POWER SUPPLY	ALA SUB-RTU-WESDAC M3	ALA SUB-RTU-WESDAC A	ALA SUB-MICROWAVE SYSTEM-1988	ALA SUB-CONDUCTOR, STATIC-7 #8 -1988	ASE-11	ALA SUB-3-PH WATT/VAR -1989	ALA SUB-TRANSFORMER, POTENTIAL	ALA SUB-INSULATOR, 138 KV	ALA SUB-ARRESTER, 90 KV	ALA SUB-DISCONNECT SWITCH,W/GS,138 KV	ALA SUB-CAPACITOR, 138 KV COUPLING	ALA SUB-SWITCH, 138 KV	ALA SUB-BREAKER, 138 KV 1600 AMP	ALA SUB-PANELS & EQPT., CONTROLS & RELAYS	ALA SUB ALB1102 Compressor (Dept 540) 2013	ALA SUB ALB1106 Compressor (Dept 540) 2013		Alachua Sub CCVT Replacement, Phase A	Alachua Sub Security Video System - Indoor cameras	Alachua Sub Security Video System -outdoor cameras	Alachua Sub Security Video System - server	Alachua Sub Security cabling & network material	
Capitalized on		10/1/1986	12/1/1987	12/1/1987	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1989	1/1/1990	1/1/1990	1/1/1991	10/18/2002	10/18/2002	10/18/2002	10/18/2002	10/18/2002	10/18/2002	10/18/2002	10/18/2002	4/30/2015	4/30/2015	9/29/2017	9/30/2019	2/28/2021	2/28/2021	2/28/2021	1/28/2021	
Asset Class Description	1	Trans-Towers&Fix	Trans-Poles&Fix	Trans-Poles&Flx	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Trans-OH Conduct	Trans-OH Conduct	Distrib-Stat&Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Trans-Stat & Equip	Gen Pit-Comm Equip	Trans-Stat & Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	Distrib-Stat&Equip	
Asset Asset Class			1303268 EL3550	1303287 EL3550	1300091 EL3620	1300123 EL3620	1300257 EL3620	1300258 EL3620	1300490 EL3620	1300491 EL3620	1300618 EL3620	1300631 EL3620	1300694 EL3620	1300722 EL3620	1301159 EL3620	1303567 EL3620	1300790 EL3560	1303231 EL3560	1300285 EL3620	1301154 EL3530	1302398 EL3530	1303164 EL3530	1303278 EL3530	1303495 EL3530	1303578 EL3530	1304006 EL3530	1304026 EL3530	1306429 EL3530	1306430 EL3530	1307186 EL3970	1307707 EL3530	1307977 EL3620	1307978 EL3620	1307979 EL3620	1307980 EL3620	

		\$ 98'b15'R17 \$ (55'917'560) \$ 65'155'T16 0
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Attachment B GRU Transmission Lines to be removed at Agreement Termination Alachua Substation 05949-009-000 TITO 1358-19 TIRN 22-363 05949-008-000 **GRU** Transmission Lines within this area to be removed