### FILED 6/9/2022 DOCUMENT NO. 03507-2022 FPSC - COMMISSION CLERK

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of amended standard offer contract (Schedule COG-2), by Duke Energy Florida, LLC. DOCKET NO. 20220071-EQ ORDER NO. PSC-2022-0204-PAA-EQ ISSUED: June 9, 2022

The following Commissioners participated in the disposition of this matter:

# ANDREW GILES FAY, Chairman ART GRAHAM GARY F. CLARK MIKE LA ROSA GABRIELLA PASSIDOMO

# NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING DUKE ENERGY FLORIDA LLC.'S AMENDED STANDARD OFFER CONTRACT AND RATE SCHEDULE

### BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

### Background

Section 366.91(3), Florida Statutes (F.S.), requires each investor-owned utility (IOU) to continuously offer to purchase capacity and energy from renewable generating facilities and small qualifying facilities. Rules 25-17.200 through 25-17.310, Florida Administrative Code (F.A.C.), implement the statute and require each IOU to file with the Commission, by April 1 of each year, a revised standard offer contract based on the next avoidable fossil-fueled generating unit of each technology type identified in the utility's current Ten-Year Site Plan. On April 1, 2022, Duke Energy Florida, LLC (DEF) filed a petition for approval of its amended standard offer contract and rate schedule COG-2 based on its 2022 Ten-Year Site Plan. We have jurisdiction over this amended standard offer contract pursuant to Sections 366.04 through 366.055, and 366.91, F.S.

### **Review and Decision**

Section 366.91(3), F.S., and Rule 25-17.250, F.A.C., require DEF, an IOU, continuously make available a standard offer contract for the purchase of firm capacity and energy from renewable generating facilities (RF) and small qualifying facilities (QF) with design capacities of

100 kilowatts (kW) or less. Pursuant to Rules 25-17.250(1) and (3), F.A.C., the standard offer contract must provide a term of at least 10 years, and the payment terms must be based on the utility's next avoidable fossil-fueled generating unit identified in its most recent Ten-Year Site Plan, or if no avoided unit is identified, its next avoidable planned purchase. DEF has identified a 214 megawatt (MW) natural gas-fueled combustion turbine (CT) as the next avoidable planned generating unit in its 2022 Ten-Year Site Plan. The projected in-service date of the avoided CT is June 1, 2029.

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

In order to promote renewable generation, we require the IOU to offer multiple options for capacity payments, including the options to receive early or levelized payments. If the RF/QF operator elects to receive capacity payments under the normal or levelized contract options, it will receive as-available energy payments only until the in-service date of the avoided unit (in this case June 1, 2029), and thereafter, begin receiving capacity payments in addition to firm energy payments. If either the early or early levelized option is selected, then the operator will begin receiving capacity payments earlier than the in-service date of the avoided unit. However, payments made under the early capacity payment options tend to be lower in the later years of the contract term because the net present value (NPV) of the total payments must remain equal for all contract payment options.

Table 1 contains DEF's estimates of the annual payments for the normal and levelized capacity payment options available under the revised standard offer contract to an operator with a 50 MW facility, operating at a capacity factor of 95 percent, which is the minimum capacity factor required under the contract to qualify for full capacity payments. Normal and levelized capacity payments begin with the projected in-service date of the avoided unit (June 1, 2029).

	•	Capacity Payment			
Year	Energy Payment	Normal	Levelized	Early	Early Levelized
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
2023	13,273	-	-	-	-
2024	11,866	-	-	-	-
2025	10,656	-	-	-	-
2026	10,581	-	-	-	-
2027	10,470	_	-	2,547	2,698
2028	11,411	-	-	2,574	2,701
2029	11,299	1,922	2,027	2,600	2,704
2030	11,637	3,328	3,478	2,627	2,707
2031	12,013	3,362	3,482	2,654	2,710
2032	12,180	3,397	3,485	2,681	2,713
2033	12,243	3,432	3,489	2,709	2,716
2034	13,149	3,468	3,493	2,737	2,719
2035	13,820	3,503	3,497	2,765	2,722
2036	14,812	3,540	3,501	2,794	2,726
2037	16,109	3,576	3,506	2,823	2,729
2038	16,187	3,613	3,510	2,852	2,732
2039	17,432	3,651	3,514	2,882	2,736
2040	18,447	3,689	3,519	2,912	2,740
2041	18,936	3,727	3,524	2,942	2,743
2042	19,130	3,766	3,528	2,973	2,747
Total	275,652	47,975	47,554	44,075	43,543
Total	147,062	21,236	21,236	21,236	21,236
(NPV)					

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

Source: DEF's Response to Staff's First Data Request<sup>1</sup>

DEF's standard offer contract, in type-and-strike format, is included as Attachment A to this Order. The changes made to DEF's tariff sheets are consistent with the updated avoided unit. Revisions include updates to calendar dates and payment information which reflect the current economic and financial assumptions for the avoided unit. In addition, the language in Section 14(g), Sheet No. 9.428, was revised to now require that the RF/QF maintain the licensing and certification approvals necessary to operate the facility and failure to do so constitutes a default.

Upon review, we find that DEF's amended standard offer contract and rate schedule COG-2 shall be approved. The provisions of DEF's amended standard offer contract and associated rate schedule COG-2 conforms to the requirements of Rules 25-17.200 through 25-17.310, F.A.C. The amended standard offer contract offers multiple payment options so that a

<sup>&</sup>lt;sup>1</sup>Document No. 02697-2022, filed April 29, 2022, in Docket No. 20220071-EQ.

developer of renewable generation may select the payment stream best suited to its financial needs.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amended standard offer contract and associated rate schedule COG-2 filed by Duke Energy Florida, LLC are hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. Potential signatories should be aware that, if a timely protest is filed, DEF's standard offer contract may subsequently be revised. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this <u>9th</u> day of <u>June</u>, <u>2022</u>.

ADAM J. TEITZMAN Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

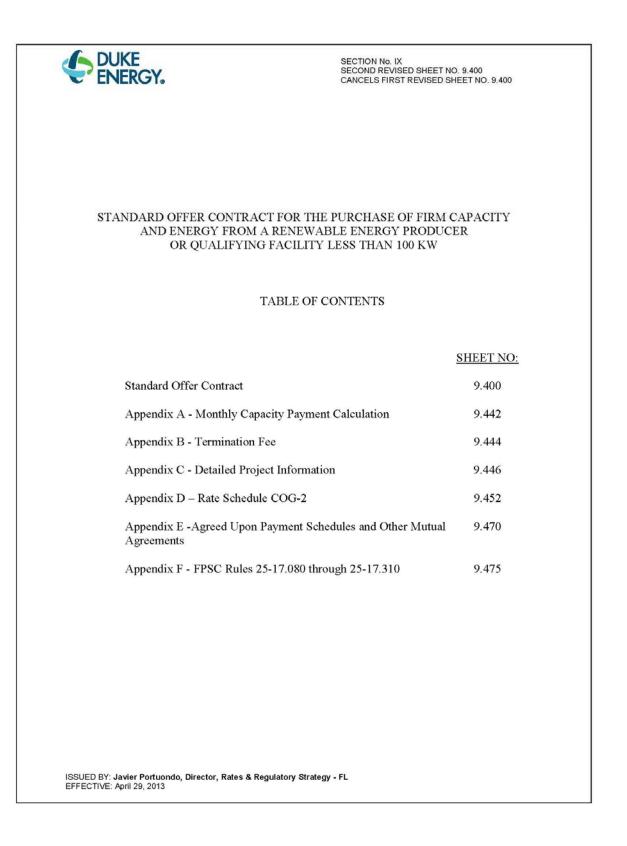
### NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our action is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 30, 2022. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Office of Commission Clerk and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.



DUKE ENERGY. SECTION NO. IX SECOND REVISED SHEET NO. 9.401 CANCELS FIRST SHEET NO. 9.401 STANDARD OFFER CONTRACT FOR THE PURCHASE OF FIRM CAPACITY AND ENERGY FROM A RENEWABLE ENERGY PRODUCER OR QUALIFYING FACILITY LESS THAN 100 KW between and DUKE ENERGY FLORIDA, LLC ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: June 5, 2018

ENIEDCV	SECTION NO. IX THIRD REVISED SHEET NO.9.402 CANCELS SECOND REVISED SHEET NO. 9.402
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2. Facility; Renewable Facility or Qualifying Facility S	status 9.414
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ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 9, 2019

DUKE ENERGY.	SECTION NO. IX FIFTH REVISED SHEET NO.9.403 CANCELS FOURTH REVISED SHEET NO. 9.403				
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ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 9, 2019



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

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

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

#### WITNESSETH:

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

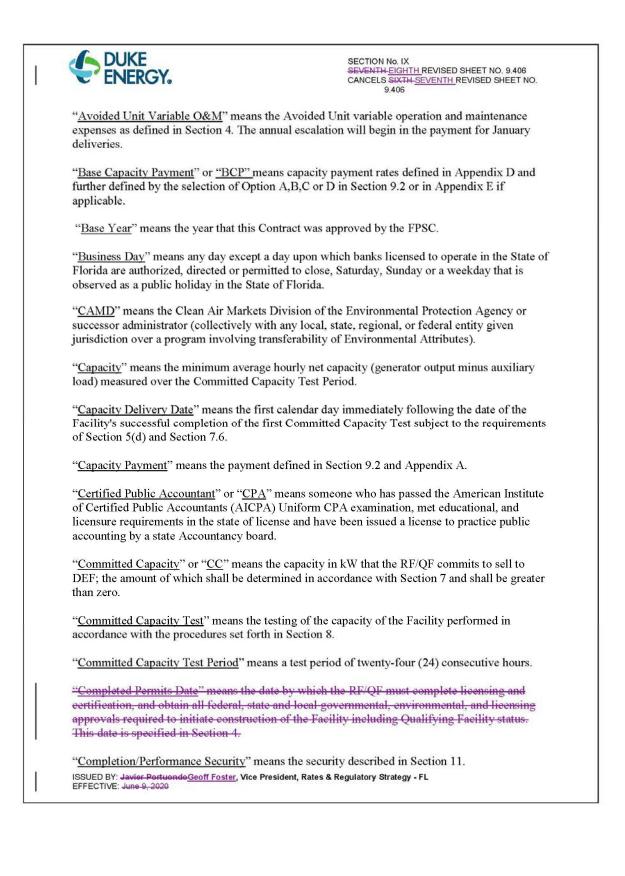
WHEREAS, the RF/QF will acquire an interconnection/transmission service agreement with the utility in whose service territory the Facility is to be located, pursuant to which the RF/QF assumes contractual responsibility to make any and all transmission-related arrangements (including ancillary services)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

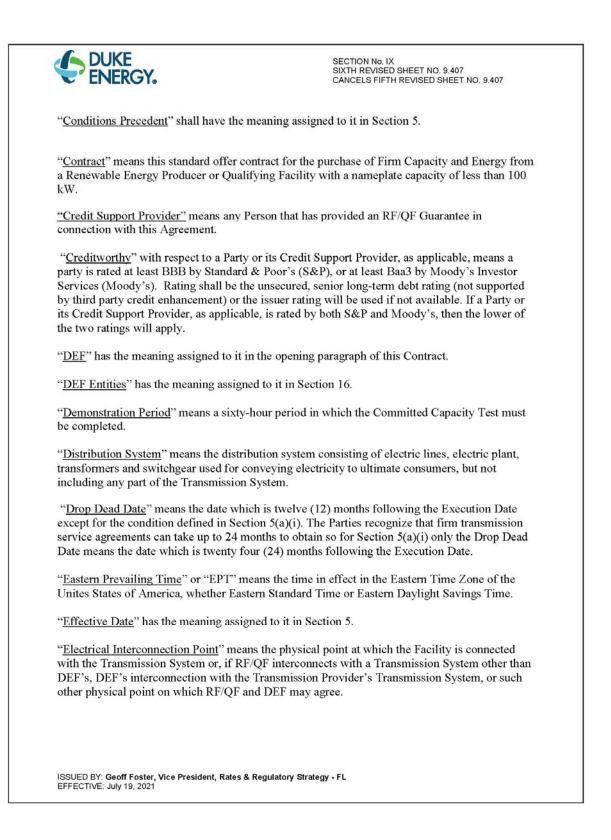
WHEREAS, the FPSC has approved this Contract for the Purchase of Firm Capacity and Energy from a Renewable Energy Producer, and

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

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

DUKE ENERGY.	SECTION NO. IX THIRD REVISED SHEET NO. 9.405 CANCELS SECOND REVISED SHEET NO. 9.405
1. Definitions	
"AFR" means the Facility's annual fuel requirement.	
"AFTR" means the Facility's annual fuel transportation	on requirement
" <u>Annual Capacity Billing Factor</u> " or <u>"ACBF"</u> means Availability Factor as further defined and explained in	
" <u>Appendices</u> " shall mean the schedules, exhibits, and are hereby incorporated by reference and made a part	
" <u>Appendix A</u> " sets forth the Monthly Capacity "Appendix B" arts forth the Transisting Fee	y Payment Calculation.
" <u>Appendix B</u> " sets forth the Termination Fee. " <u>Appendix C</u> " sets forth the Detailed Project I	
" <u>Appendix D</u> " sets forth Rate Schedule COG- " <u>Appendix E</u> " sets forth the Agreed Upor	
Agreements " <u>Appendix F</u> " sets forth Florida Public Servi	ce Commission ("EPSC") Rules 25-17.080
through 25-17.310, F.A.C.	
" <u>As-Available Energy Rate</u> " means the rate calculated 25-17.0825, F.A.C., and DEF's Rate Schedule COG-1 to time	
" <u>Auditor's Standard Report</u> " means a written opinion financial statements. The report is written in a standa accepted auditing standards (GAAS).	
" <u>Authorization to Construct</u> " means authorization issu Agency to construct or reconstruct the Facility granted the State of Florida and any relevant federal law.	ued by any appropriate Government d to RF/QF in accordance with the laws of
" <u>Avoided Unit</u> " means the electrical generating unit d Contract is based.	lescribed in Section 4 upon which this
" <u>Avoided Unit Energy Cost</u> " has the meaning assigne	ed to it in Appendix D.
"Avoided Unit Fuel Cost" has the meaning assigned t	o it in Appendix D.
" <u>Avoided Unit Heat Rate</u> " means the average annual Section 4.	heat rate of the Avoided Unit as defined in
" <u>Avoided Unit In-Service Date</u> " means the date upon started commercial operation as specified in Section 4	
" <u>Avoided Unit Life</u> " means the economic life of the A	Avoided Unit.
ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulato EFFECTIVE: July 9, 2019	ory Strategy - FL





Attachment A



SECTION No. IX SEVENTH REVISED SHEET NO. 9.408 CANCELS SIXTH REVISED SHEET NO. 9.408

"<u>Eligible Collateral</u>" means (i) a Letter of Credit from a Qualified Institution or (ii) cash deposit provided to DEF by RF/QF or a combination of (i), and/or (ii) as outlined in Section 11.

"<u>Energy</u>" means megawatt-hours generated by the Facility of the character commonly known as three-phase, sixty hertz electric energy that is delivered at a nominal voltage at the Electrical Interconnection Point.

"Environmental Attributes" or "EA" means all attributes of an environmental or other nature that are created or otherwise arise from the Facility's generation of electricity from a renewable energy source in contrast with the generation of electricity using nuclear or fossil fuels or other traditional resources. Forms of such attributes include, without limitation, any and all environmental air quality credits, green credits, renewable energy credits ("RECs"), carbon credits, emissions reduction credits, certificates, tags, offsets, allowances, or similar products or rights, howsoever entitled, (i) resulting from the avoidance of the emission of any gas, chemical, or other substance, including but not limited to, mercury, nitrogen oxide, sulfur dioxide, carbon dioxide, carbon monoxide, particulate matter or similar pollutants or contaminants of air, water or soil gas, chemical, or other substance, and (ii) attributable to the generation, purchase, sale or use of Energy from or by the Facility, or otherwise attributable to the Facility during the Term. Environmental Attributes include, without limitation, those currently existing or arising during the Term under local, state, regional, federal, or international legislation or regulation relevant to the avoidance of any emission described in this Contract under any governmental, regulatory or voluntary program, including, but not limited to, the United Nations Framework Convention on Climate Change and related Kyoto Protocol or other programs, laws or regulations involving or administered by the Clean Air Markets Division of the Environmental Protection Agency ("CAMD") or successor administrator (collectively with any local, state, regional, or federal entity given jurisdiction over a program involving transferability of Environmental Attributes).

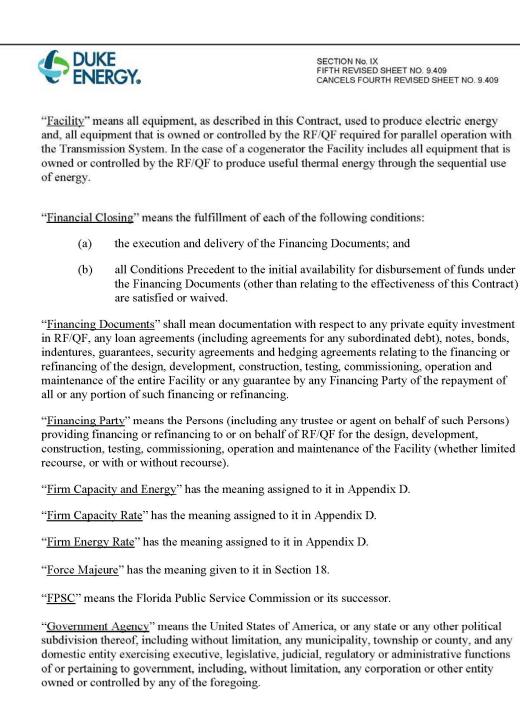
"Event of Default" has the meaning assigned to it in Section 14.

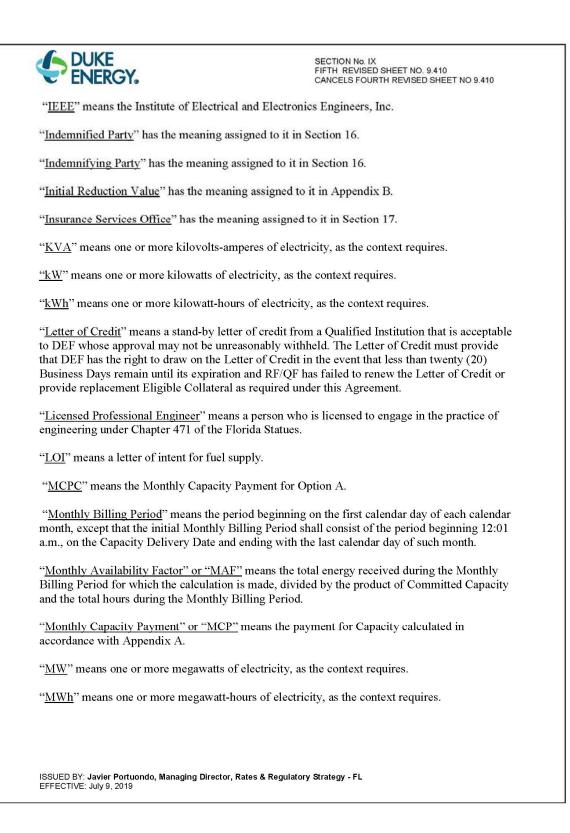
"Execution Date" has the meaning assigned to it in the opening paragraph of this Contract.

"<u>Exemplary Early Capacity Payment Date</u>" means the exemplary date used to calculate Capacity Payments for Option B and D. This date is specified in Section 4. The actual Capacity Payments for Option B and D will be calculated based upon the Required Capacity Delivery Date.

"Expected Nameplate Capacity Rating" means the total generating capacity of the Facility that is the sum of (a) the Committed Capacity, and (b) the capacity required for any station service use of generating unit equipment or auxiliaries, including, without limitation, cooling towers, heat exchanges, duct burners and other equipment that could be used for energy production or as required by law, and shall be in service during the Committed Capacity Test Period and (c) any other capacity reserved for on-site use or energy production.

"Expiration Date" means the final date upon which this Contract can be executed. This date is specified in Section 4.







SECTION No. IX THIRD REVISED SHEET NO. 9.411 CANCELS SECOND REVISED SHEET NO. 9.411

"Option A" means normal Capacity Payments as described in Appendix D.

"Option B" means early Capacity Payments as described in Appendix D.

"Option C" means levelized Capacity Payments as described in Appendix D.

"Option D" means early levelized Capacity Payments as described in Appendix D.

"Party" or "Parties" has the meaning assigned to it in the opening paragraph of this Contract.

"<u>Person</u>" means any individual, partnership, corporation, association, joint stock company trust, joint venture, unincorporated organization, or Governmental Agency (or any department, agency, or political subdivision thereof).

"Project Consents" mean the following Consents, each of which is necessary to RF/QF for the fulfillment of RF/QF's obligations hereunder:

- (a) the Authorization to Construct;
- (b) planning permission and consents in respect of the Facility, and any electricity substation located at the Facility site, including but not limited to, a prevention of significant deterioration permit, a noise, proximity and visual impact permit, and any required zoning permit; and
- (c) any integrated pollution control license.

"<u>Project Contracts</u>" means this Contract, and any other contract required to construct, operate and maintain the Facility. The Project Contracts may include, but are not limited to, the turnkey engineering, procurement and construction contract, the electrical interconnection and operating agreement, the fuel supply agreement, the facility site lease, and the operation and maintenance agreement.

"<u>Prudent Regulated Utility Practices</u>" means any of the practices, methods, standards and acts (including, but not limited to, the practices, methods and acts engaged in or approved by a significant portion of owners and operators of power plants regulated by the state authority or state's jurisdiction over an electric utility as defined in Florida Statute, 366.02(2) of technology, complexity and size similar to the Facility in the United States) that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that should reasonably have been known at the time a decision was made, could have been expected to accomplish the desired result and goals (including such goals as efficiency, reliability, economy and profitability) in a manner consistent with applicable facility design limits and equipment specifications and applicable laws and regulations. Prudent Regulated Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of acceptable practices, methods or acts in each case.



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

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

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

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

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

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

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

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

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

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



SECTION No. IX THIRD REVISED SHEET NO. 9.413 CANCELS SECOND REVISED SHEET NO. 9.413

"RF/QF Insurance" has the meaning assigned to it in Section 17.

"RF/QF Performance Security" has the meaning assigned in Section 11.

"Security Documentation" has the meaning assigned to it in Section 12.

"Term" has the meaning assigned to it in Section 3.

"<u>Termination Date</u>" means the date upon which this Contract terminates unless terminated earlier in accordance with the provisions hereof. This date is specified in Section 4.

"<u>Termination Fee</u>" means the fee described in Appendix B as it applies to any Capacity Payments made under Option B, C or D.

"Termination Security" has the meaning assigned to it in Section 12.

"<u>Transmission Provider</u>" means the operator(s) of the Transmission System(s) or any successor thereof or any other entity or entities authorized to transmit Energy on behalf of RF/QF from the Electrical Interconnection Point.

"Transmission System" means the system of electric lines comprised wholly or substantially of high voltage lines, associated system protection, system stabilization, voltage transformation, and capacitance, reactance and other electric plant used for conveying electricity from a generating station to a substation, from one generating station to another, from one substation to another, or to or from any Electrical Interconnection Point or to ultimate consumers and shall include any interconnection owned by the Transmission Provider or DEF, but shall in no event include any lines which the Transmission Provider has specified to be part of the Distribution System except for any distribution facilities required to accept capacity and energy from the Facility.

ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: July 21, 2015

# DUKE ENERGY.

SECTION No. IX SECOND REVISED SHEET NO. 9.414 CANCELS FIRST REVISED SHEET NO. 9.414

#### 2. Facility; Renewable Facility or Qualifying Facility Status

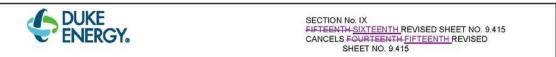
The Facility's location and generation capabilities are as described in Table 1 below.

TABLE 1			
TECHNOLOGY AND GENERATOR CAPABILITIES			
Location: Specific legal description (e.g., metes and bounds or other legal description with street address required)	City: County:		
Generator Type (Induction or Synchronous)			
Technology			
Fuel Type and Source			
Generator Rating (KVA)			
Maximum Capability (kW)			
Net Output (kW)			
Power Factor (%)			
Operating Voltage (kV)			
Peak Internal Load kW			

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

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

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



#### 3. Term of Contract

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Except as otherwise provided herein, this Contract shall become effective immediately upon its execution by the Parties and shall end at 12:01 a.m. on the Termination Date, (the "Term") unless terminated earlier in accordance with the provisions hereof. Notwithstanding the foregoing, if the Capacity Delivery Date of the Facility is not accomplished by the RF/QF before the Required Capacity Delivery Date (or such later date as may be permitted by DEF pursuant to Section 7), this Contract shall be rendered null and void and DEF shall have no obligations under this Contract.

#### 4. Minimum Specifications and Milestones

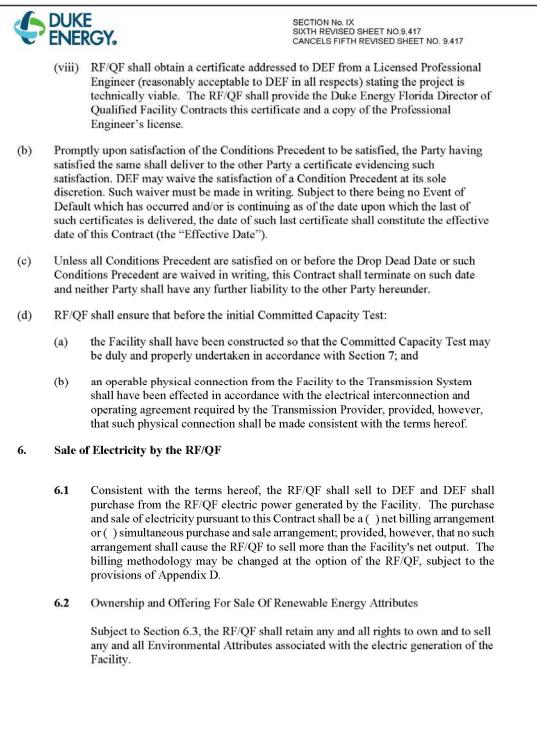
As required by FPSC Rule 25-17.0832(4)(e), the minimum specifications pertaining to this Contract and milestone dates are as follows:

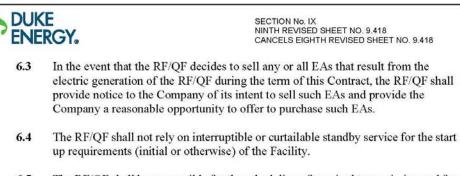
Avoided Unit	Undesignated Combustion Turbine
Avoided Unit Capacity	214 MW
Avoided Unit In-Service Date	June 1, 202 <u>9</u> 7
Avoided Unit Heat Rate	10, <u>633</u> 4 <del>62</del> BTU/kWh
Avoided Unit Variable O&M	0.961791¢ per kWh in mid-2021-2022 dollars escalating annually at 2.50%
Avoided Unit Life	35 years
Capacity Payments begin	Avoided Unit In-Service Date unless Option B, or D is selected or amended in Appendix E
Termination Date	May 31, 203 <u>9</u> 7 (10 years) unless amended in Appendix E
Minimum Performance Standards – On Peak Availability Factor*	95%
Minimum Performance Standards – Off Peak Availability Factor	95%
Minimum Availability Factor Required to qualify for a Capacity payment	75%
Expiration Date	April 1, 202 <u>3</u> 2
Completed Permits Date	June 1, 2025
Exemplary Early Capacity Payment Date	January 1, 20275

\* RF/QF performance shall be as measured and/or described in Appendix A.

<b>(</b>	DUK	E RGY.	SECTION No. IX TENTH REVISED SHEET NO. 9.416 CANCELS NINTH REVISED SHEET NO. 9.416
5.	Cond	itions Precedent	
(a)		s otherwise waived in writing by DEF, on satisfy the following Conditions Preceden	
	(i)	the RF/QF to begin construction of the i firm transmission service by the host util	acility to the Electrical Interconnection transmission service includes the ent including the written authorization by
	(ii)	RF/QF shall have obtained and maintain Consents for which it is responsible und substance satisfactory to RF/QF in its so	ler the terms hereof in a form and
	(iii)	of the entire Facility and have achieved and substance satisfactory to RF/QF in it obtained an Auditor's Standard Report f Certified Public Accountant (reasonably RF/QF has a nameplate capacity of 5 M Government Agency or the RF/QF is a p Creditworthy then an Auditor's Standard	for the most recent financial year from a v acceptable to DEF in all respects). If the W or less, or the RF/QF is owned by a publicly traded company that is d Report is not required. The RF/QF shall or of Qualified Facility Contracts a copy
	(iv)	RF/QF shall have entered into and main substance satisfactory to RF/QF in its set	
	(v)	RF/QF shall have obtained and maintain compliance with Section 17;	n insurance policies or coverage in
	(vi)	and (ii) a copy of a corporate resolution	cretary as true, complete and up-to-date) approving the terms of this Contract and d authorizing one or more individuals to copy to have been certified by its
	(vii)	FPSC or FERC. The RF/QF shall provi	ne certification of QF status filing and any
	) BY: <b>Geo</b> t TIVE: July	ff Foster, Vice President, Rates & Regulatory Strateg 19, 2021	y - FL

Attachment A





6.5 The RF/QF shall be responsible for the scheduling of required transmission and for all costs, expenses, taxes, fees and charges associated with the delivery of energy to DEF. The RF/OF shall enter into a transmission service agreement with the Transmission Provider in whose service territory the Facility is to be located and the RF/OF shall make any and all transmission-related arrangements (including interconnection and ancillary services) between the RF/QF and the Transmission Provider for delivery of the Facility's firm Capacity and energy to DEF. The Capacity and Energy amounts paid to the RF/QF hereunder do not include transmission losses. The RF/QF shall be responsible for transmission losses that occur prior to the point at which the RF/QF's Energy is delivered to DEF. The Parties recognize that the Transmission Provider may be DEF and that if DEF is the Transmission Provider, the transmission service will be provided under a separate agreement.

SECTION No. IX

NINTH REVISED SHEET NO. 9.418 CANCELS EIGHTH REVISED SHEET NO. 9.418

#### 7. **Committed Capacity/Capacity Delivery Date**

- 7.1 If the RF/OF commits to sell capacity to DEF, the amount of which shall be determined in accordance with this Section 7. Subject to Section 7.3, the Committed Capacity is set at kW, with an expected Capacity Delivery Date on or before the Required Capacity Delivery Date.
- 7.2 Capacity testing of the Facility (each such test a Committed Capacity Test) shall be performed in accordance with the procedures set forth in Section 8. The Demonstration Period for the first Committed Capacity Test shall commence no earlier than ninety (90) days before the Required Capacity Delivery Date and testing must be completed before the Avoided Unit In-Service Date or an earlier date in Appendix E. The first Committed Capacity Test shall not be successfully completed unless the Facility demonstrates a Capacity of at least one hundred percent (100%) of the Committed Capacity set forth in Section 7.1. Subject to Section 8.1, the RF/QF may schedule and perform up to three (3) Committed Capacity Tests to satisfy the requirements of the Contract with respect to the first Committed Capacity Test.

Attachment A



SECTION No. IX NINTH REVISED SHEET NO. 9.419 CANCELS EIGHTH REVISED SHEET NO. 9.419

- 7.3 In addition to the first Committed Capacity Test, DEF shall have the right to require the RF/QF, after notice of no less than ten (10) Business Days prior to such proposed event, to validate the Committed Capacity by means of a Committed Capacity Test at any time, up to two (2) times per year, the results of which shall be provided to DEF within seven (7) calendar days of the conclusion of such test. On and after the date of such requested Committed Capacity Test, and until the completion of a subsequent Committed Capacity Test, the Committed Capacity shall be set at the lower of the Capacity tested or the Committed Capacity as set forth in Section 7.1. Provided however, any such second test requested within a twelve (12) month period must be for cause.
- 7.4 Notwithstanding anything contrary to the terms hereof, the Committed Capacity may not exceed the amount set forth in Section 7.1 without the consent of DEF, which consent shall be granted in DEF's sole discretion.
- 7.5 Unless Option B or D as contained in Appendix D or Appendix E is chosen by RF/QF, DEF shall make no Capacity Payments to the RF/QF prior to the Avoided Unit In-Service Date.
- 7.6 The RF/QF shall be entitled to receive Capacity Payments beginning on the Capacity Delivery Date, provided the Capacity Delivery Date occurs before the Required Capacity Delivery Date (or such later date permitted by DEF) and the following Delivery Date Conditions (defined below) have been satisfied. If the Capacity Delivery Date does not occur before the Required Capacity Delivery Date, DEF shall immediately be entitled to draw down the Completion/Performance Security in full in its sole discretion.
  - **7.6.1** A certificate addressed to DEF from a Licensed Professional Engineer (reasonably acceptable to DEF in all respects) stating: (a) the nameplate capacity rating or capability of the Facility at the anticipated time of commercial operation and through the term of this Contract assuming the use of Prudent Regulated Utility Practices, must be between 95% and 105% of the "Expected Nameplate Capacity Rating;" (b) that the Facility is able to generate electric Energy reliably in amounts expected by this Contract and in accordance with all other terms and conditions hereof; (c) that start-up testing of the Facility has been completed; and (d) that, pursuant to Section 10.5, all system protection and control and Automatic Generation Control devices are installed and operational.

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SECTION No. IX SEVENTH REVISED SHEET NO. 9.420 CANCELS SIXTH REVISED SHEET NO. 9.420

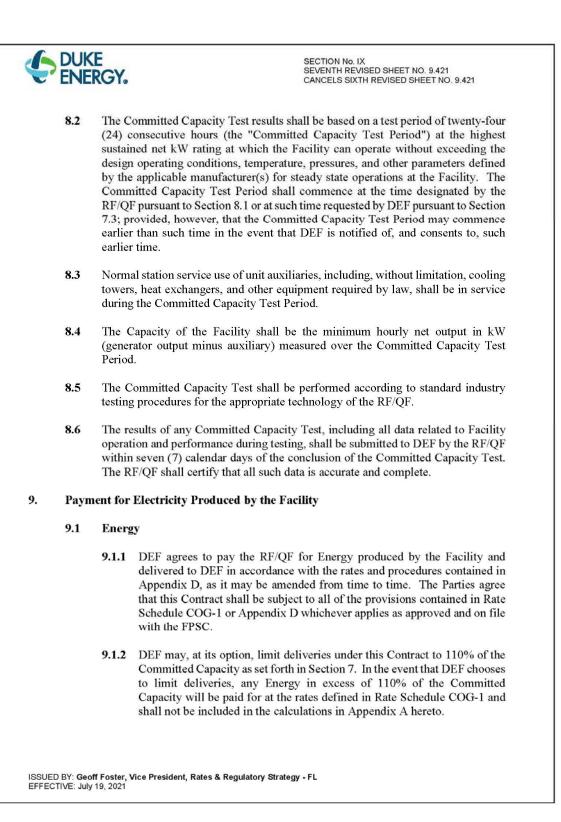
- **7.6.2** A certificate addressed to DEF from a Licensed Professional Engineer (reasonably acceptable to DEF in all respects) stating, in conformance with the requirements of the interconnection agreement, that: (a) all required interconnection facilities have been constructed; (b) all required interconnection tests have been completed; and (c) the Facility is physically interconnected with the Transmission System in conformance with the interconnection agreement and able to deliver energy consistent with the terms of this Contract.
- 7.6.3 A certificate addressed from a Licensed Professional Engineer (reasonably acceptable to DEF in all respects) stating that the RF/QF has obtained or entered into all permits and agreements including, but not limited to Project Contracts with respect to the Facility necessary for land control, construction, ownership, operation, and maintenance of the Facility (the "Project Contracts"). RF/QF must provide copies of any or all Project Contracts requested by DEF.
- 7.6.4 An opinion from a law firm or attorney, registered or licensed in the State of Florida (reasonably acceptable to DEF in all respects), stating, after all appropriate and reasonable inquiry, that: (a) the RF/QF has obtained or entered into all Project Contracts; (b) neither RF/QF nor the Facility is in violation of, or subject to any liability under any applicable law; and (c) RF/QF has duly filed and had recorded all of the agreements, documents, instruments, mortgages, deeds of trust, and other writings.

For each Licensed Professional Engineer utilized in 7.6.1 through 7.6.4, RF/QF should provide DEF with a copy of the Professional Engineer's license.

DEF shall have ten, (10) Business Days after receipt either to confirm to the RF/QF that all of the Delivery Date Conditions have been satisfied or have occurred, or to state with specificity what DEF reasonably believes has not been satisfied.

#### 8. Testing Procedures

**8.1** The Committed Capacity Test must be completed successfully within the Demonstration Period, which period, including the approximate start time of the Committed Capacity Test, shall be selected and scheduled by the RF/QF by means of a written notice to DEF delivered at least thirty (30) calendar days prior to the start of such period. The provisions of the foregoing sentence shall not apply to any Committed Capacity Test ordered by DEF under any of the provisions of this Contract. DEF shall have the right to be present onsite to monitor firsthand any Committed Capacity Test required or permitted under this Contract.



# DUKE ENERGY.

SECTION No. IX SEVENTHREVISED SHEET No. 9.422 CANCELS SIXTH REVISED SHEET NO. 9.422

#### 9.2 Capacity

DEF agrees to pay the RF/QF for the Capacity described in Section 7 in accordance with the rates and procedures contained in Appendix D, as it may be amended and approved from time to time by the FPSC, and pursuant to the election of Option \_\_\_\_\_\_\_\_ of Appendix D or an alternative rate schedule in Appendix E. The RF/QF understands and agrees that Capacity Payments will only be made if the Capacity Delivery Date occurs before the Required Capacity Delivery Date and the Facility is delivering firm Capacity and Energy to DEF. Once so selected, this Option, the Firm Capacity Rate and/or the Firm Energy Rate cannot be changed for the term of this Contract.

#### 9.3 Payments for Energy and Capacity

- **9.3.1** Payments due the RF/QF will be made monthly, and normally by the twentieth Business Day following the end of the billing period. The kilowatt-hours sold by the RF/QF and the applicable avoided energy rate at which payments are being made shall accompany the payment to the RF/QF.
- **9.3.2** Payments to be made under this Contract shall, for a period of not longer than two (2) years, remain subject to adjustment based on billing adjustments due to error or omission by either Party, provided that such adjustments have been agreed to between the Parties.

#### 10. Electricity Production and Plant Maintenance Schedule

10.1 No later than sixty (60) calendar days prior to the Required Capacity Delivery Date, and prior to October 1 of each calendar year thereafter during the term of this Contract, the RF/QF shall submit to DEF in writing a good-faith estimate of the amount of electricity to be generated by the Facility and delivered to DEF for each month of the following calendar year, including the time, duration and magnitude of any scheduled maintenance period(s) or reductions in Capacity. The RF/QF agrees to provide updates to its planned maintenance periods as they become known. The Parties agree to discuss coordinating scheduled maintenance schedules.

Attachment A



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

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

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

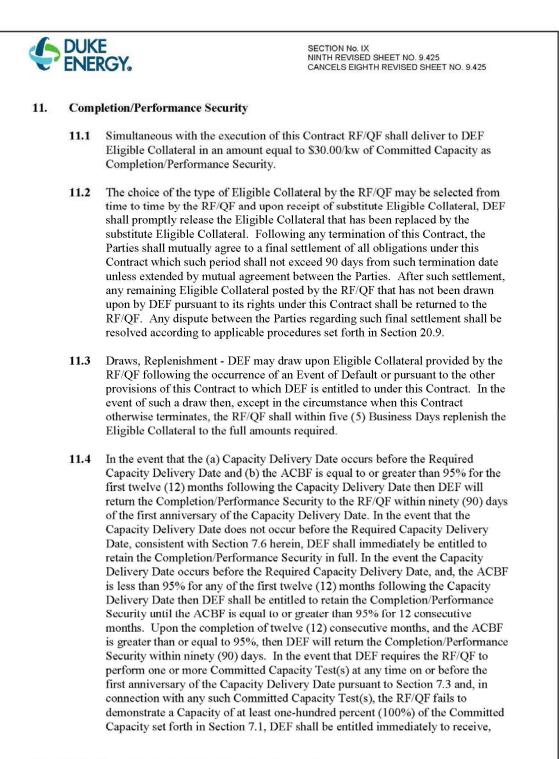
#### 10.5 Dispatch and Control

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

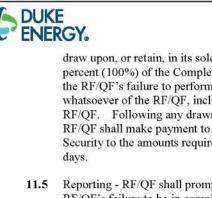
DUKE ENERGY.

SECTION No. IX ELEVENTH REVISED SHEET NO. 9.424 CANCELS TENTH REVISED SHEET NO. 9.424

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



Attachment A



SECTION No. IX FIFTH REVISED SHEET NO. 9.426 CANCELS FOURTH REVISED SHEET NO. 9.426

draw upon, or retain, in its sole discretion as the case may be, one-hundred percent (100%) of the Completion/Performance Security as its sole remedy from the RF/QF's failure to perform, free from any claim or right of any nature whatsoever of the RF/QF, including any equity or right of redemption by the RF/QF. Following any draws on the Completion/Performance Security, the RF/QF shall make payment to DEF to replenish the Completion/Performance Security to the amounts required pursuant to Section 11.1 within five (5) business days.

11.5 Reporting - RF/QF shall promptly notify DEF of any circumstance that results in RF/QF's failure to be in compliance with the RF/QF Performance Security Requirements of this Section 11. From time to time, at DEF's written request, RF/QF shall provide DEF with such evidence as DEF may reasonably request, that RF/QF Letter of Credit or Security Account is in full compliance with this Contract.

#### 12. Termination Fee and Security

- **12.1** In the event that the RF/QF receives Capacity Payments pursuant to Option B, Option C, or Option D of Appendix D or any Capacity Payment schedule in Appendix E that differs from a Normal Capacity Payment Rate as calculated in FPSC Rule 25-17.0832(6)(a), then upon the termination of this Contract, the RF/QF shall owe and be liable to DEF for the Termination Fee. The RF/QF's obligation to pay the Termination Fee shall survive the termination of this Contract. DEF shall provide the RF/QF, on a monthly basis, a calculation of the Termination Fee.
  - 12.1.1 The Termination Fee shall be secured by the RF/QF by: (i) an unconditional, irrevocable, standby letter(s) of credit issued by a Qualified Institution in form and substance acceptable to DEF (including provisions (a) permitting partial and full draws and (b) permitting DEF to draw upon such Letter of Credit, in full, if such Letter of Credit is not renewed or replaced at least twenty (20) Business Days prior to its expiration date); (ii) a bond issued to DEF by a financially sound company in form and substance acceptable to DEF in its sole discretion; or (iii) a cash deposit with DEF (any of (i), (ii), or (iii), the "Termination Security").

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

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

#### 13. Performance Factor

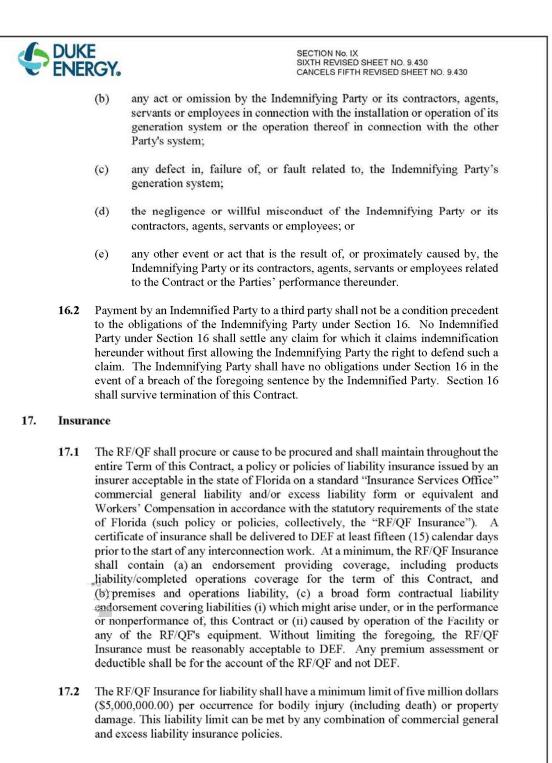
DEF desires to provide an incentive to the RF/QF to operate the Facility during on-peak and off-peak periods in a manner that approximates the projected performance of the Avoided Unit. A formula to achieve this objective is attached as Appendix A.

#### 14. Default

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

		SECTION No. IX EIGHTH-NINTH-REVISED SHEET NO. 9,428 CANCELS SEVENTH-EIGHTH REVISED SHEET NO. 9,428
	(a)	the RF/QF changes or modifies the Facility from that provided in Section 2 with respect to its type, location, technology or fuel source, without the prior written approval of DEF;
	(b)	after the Capacity Delivery Date, the Facility fails for twelve (12) consecutive months to maintain an Annual Capacity Billing Factor, as described in Appendix A, of at least seventy five percent (75%);
	(c)	the RF/QF fails to satisfy its obligations to maintain sufficient fuel on the site of the Facility to deliver the Capacity and Energy associated with the Committed Capacity for an uninterrupted seventy-two-(72) hour period under Section 10.5.6 hereof;
	(d)	the failure to make when due, any payment required pursuant to this Contract if such failure is not remedied within three (3) Business Days after written notice;
	(e)	either Party, or the entity which owns or controls either Party, ceases the conduct of active business; or if proceedings under the federal bankruptcy law or insolvency laws shall be instituted by or for or against either Party or the entity which owns or controls either Party; or if a receiver shall be appointed for either Party or any of its assets or properties, or for the entity which owns or controls either Party; or if any part of either Party's assets shall be attached, levied upon, encumbered, pledged, seized or taken under any judicial process, and such proceedings shall not be vacated or fully stayed within thirty (30) calendar days thereof; or if either Party shall make an assignment for the benefit of creditors, or admit in writing its inability to pay its debts as they become due;
	(f)	the RF/QF fails to give proper assurance of adequate performance as specified under this Contract within thirty (30) calendar days after DEF, with reasonable grounds for insecurity, has requested in writing such assurance;
	(g)	the RF/QF fails to achieve-maintain licensing, certification, and all federal, state and local governmental, environmental, and licensing approvals required to initiate construction of operate the Facility by no later than the Completed Permits Date;
	(h)	the RF/QF fails to comply with the provisions of Section 11 hereof;
	(i)	any of the representations or warranties, including the certification of the completion and maintaining of the Conditions Precedent, made by either Party in this Contract is false or misleading in any material respect as of the time made;
	(j)	if, at any time after the Capacity Delivery Date, the RF/QF reduces the Committed Capacity due to an event of Force Majeure and fails to repair the Facility and reset the Committed Capacity to the level set forth in Section 7.1 (as such level may be reduced by Section 7.3) within twelve (12) months following the occurrence of such event of Force Majeure; or
I	ISSUED BY: Geof EFFECTIVE: July	f Foster, Vice President, Rates & Regulatory Strategy - FL <del>19, 2021</del>

	E RGY.		SECTION No. IX SIXTH REVISED SHEET NO. 9.429 CANCELS FIFTH REVISED SHEET NO. 9.429		
(k)		Party breaches any material pr ned in this Section 14;	ovision of this Contract not specifically		
(1)	the RF/QF fails to maintain its status as a Qualifying Facility;				
(m)	the RF/	the RF/QF sells any Energy or Capacity to an entity other than DEF;			
(n)	the RF/QF suspends its Interconnection Agreement or the construction of its interconnection facilities;				
15. Right	15. Rights in the Event of Default				
15.1	<b>15.1</b> Upon the occurrence of any of the Events of Default in Section 14, the DEF may, at its option:				
	15.1.1	obligation, except as set forth	Contract, without penalty or further in Section 15.2, by written notice to the payment(s) due from DEF to the RF/QF, n the RF/QF to DEF;		
	15.1.2		Completion/Performance Security pursuant nination Security requirement pursuant to le; and		
	15.1.3	exercise any other remedy(ies in equity.	) which may be available to DEF at law or		
15.2	5.2 Termination shall not affect the liability of either Party for obligations arising prior to such termination or for damages, if any, resulting from any breach of this Contract.				
16. Inder	nnificatio	on			
16.1	16.1 DEF and the RF/QF shall each be responsible for its own facilities. DEF and the RF/QF shall each be responsible for ensuring adequate safeguards for other DEF customers, DEF's and the RF/QF's personnel and equipment, and for the protection of its own generating system. Each Party (the "Indemnifying Party") agrees, to the extent permitted by applicable law, to indemnify, pay, defend, and hold harmless the other Party (the "Indemnified Party") and its officers, directors, employees, agents and contractors (hereinafter called respectively, "DEF Entities" and "RF/QF Entities") from and against any and all claims, demands, costs or expenses for loss, damage, or injury to persons or property of the Indemnified Party (or to third parties) directly caused by, arising out of, or resulting from:				
		a breach by the Indemnifying F warranties or obligations hereun	earty of its covenants, representations, and der;		



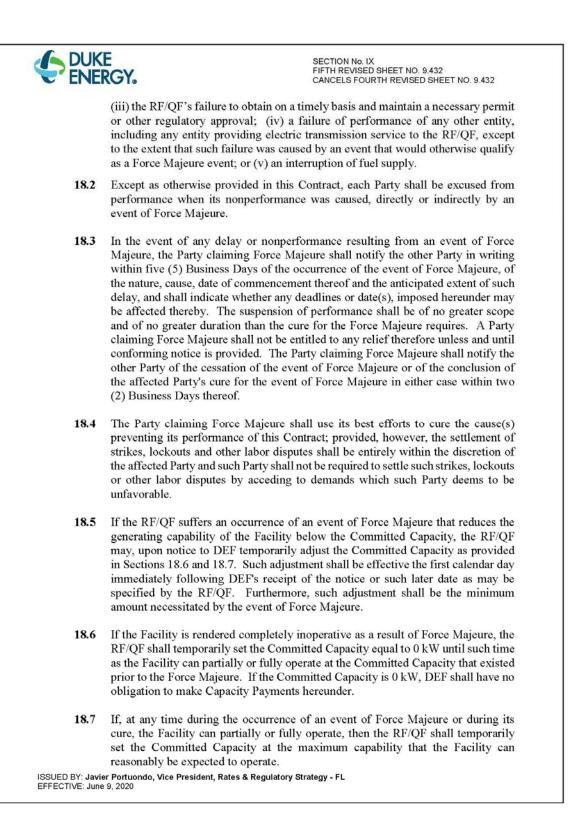
Attachment A

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

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

## 18. Force Majeure

18.1 "Force Majeure" is defined as an event or circumstance that is not reasonably foreseeable, is beyond the reasonable control of and is not caused by the negligence or lack of due diligence of the Party claiming Force Majeure or its contractors or suppliers and adversely affects the performance by that Party of its obligations under or pursuant to this Contract. Such events or circumstances may include, but are not limited to, acts of God, war (including actions or inactions of military authority), riot or insurrection, blockades, embargoes, sabotage, epidemics (that are recognized by a health agency authority, and authorities have required a mandated quarantine impacting the Facility, and the RF/QF has shown a direct correlation and impact to the Facility), explosions and fires not originating in the Facility or caused by its operation, hurricanes, floods, strikes, lockouts or other labor disputes or difficulties (not caused by the failure of the affected Party to comply with the terms of a collective bargaining agreement). Force Majeure shall not include or be based on (i) RF/QF's ability to sell the Capacity or Energy to another market at an economic advantage or a price greater than the price herein; (ii) equipment breakdown or inability to use equipment caused by its design, construction, operation, maintenance or inability to meet regulatory standards, or otherwise caused by an event originating in the Facility;





SECTION No. IX FOURTH REVISED SHEET NO. 9.433 CANCELS THIRD REVISED SHEET NO. 9.433

- 18.8 Upon the cessation of the event of Force Majeure or the conclusion of the cure for the event of Force Majeure, the Committed Capacity shall be restored to the Committed Capacity that existed immediately prior to the Force Majeure. Notwithstanding any other provisions of this Contract, upon such cessation or cure, DEF shall have right to require a Committed Capacity Test to demonstrate the Facility's compliance with the requirements of this Section 18.8. Any such Committed Capacity Test required by DEF shall be additional to any Committed Capacity Test under Section 7.3.
- **18.9** During the occurrence of an event of Force Majeure and a reduction in Committed Capacity under Section 18.5 all Monthly Capacity Payments shall reflect, pro rata, the reduction in Committed Capacity, and the Monthly Capacity Payments will continue to be calculated in accordance with the pay-for-performance provisions in Appendix A.
- **18.10** The RF/QF agrees to be responsible for and pay the costs necessary to reactivate the Facility and/or the interconnection with DEF's system if the same is (are) rendered inoperable due to actions of the RF/QF, its agents, or Force Majeure events affecting the RF/QF, the Facility or the interconnection with DEF. DEF agrees to reactivate, at its own cost, the interconnection with the Facility in circumstances where any interruptions to such interconnections are caused by DEF or its agents.

### 19. Representations, Warranties, and Covenants of RF/QF

Each Party hereto represents and warrants that as of the Effective Date:

## 19.1 Organization, Standing and Qualification

DEF is a corporation duly organized and validly existing in good standing under the laws of Florida and has all necessary power and authority to carry on its business as presently conducted to own or hold under lease its properties and to enter into and perform its obligations under this Contract and all other related documents and agreements to which it is or shall be a Party. The RF/QF is a (corporation, partnership, or other, as applicable) duly organized and validly existing in good standing under the laws of

existing in good standing under the laws of \_\_\_\_\_\_ and has all necessary power and authority to carry on its business as presently conducted to own or hold under lease its properties and to enter into and perform its obligations under this Contract and all other related documents and agreements to which it is or shall be a Party. Each Party is duly qualified or licensed to do business in the State of Florida and in all other jurisdictions wherein the nature of its business and operations or the character of the properties owned or leased by it makes such qualification or licensing necessary and where the failure to be so qualified or licensed would impair its ability to perform its obligations under this Contract or would result in a material liability to or would have a material adverse effect on the other Party.

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



SECTION No. IX THIRD REVISED SHEET NO. 9.434 CANCELS SECOND REVISED SHEET NO. 9.434

#### 19.2 Due Authorization, No Approvals, No Defaults

Each of the execution, delivery and performance by each Party of this Contract has been duly authorized by all necessary action on the part of such Party, does not require any approval, except as has been heretofore obtained, of the shareholders DEF or of the \_\_\_\_\_\_\_ (shareholders, partners, or others, as applicable) of the RF/QF or any consent of or approval from any trustee, lessor or holder of any indebtedness or other obligation of such Party, except for such as have been duly obtained, and does not contravene or constitute a default under any law, the articles of incorporation of DEF or the \_\_\_\_\_\_ (articles of incorporation, bylaws, or other as applicable) of such Party, or any agreement, judgment, injunction, order, decree or other instrument binding upon such Party, or subject the Facility or any component part thereof to any lien other than as contemplated or permitted by this Contract.

## 19.3 Compliance with Laws

Each party has knowledge of all laws and business practices that must be followed in performing its obligations under this Contract. Each party also is in compliance with all laws, except to the extent that failure to comply therewith would not, in the aggregate, have a material adverse effect on the other Party.

### 19.4 Governmental Approvals

Except as expressly contemplated herein, neither the execution and delivery by each Party of this Contract, nor the consummation by each Party of any of the transaction contemplated thereby, requires the consent or approval of, the giving of notice to, the registration with, the recording or filing of any document with, or the taking of any other action with respect to governmental authority, except with respect to permits (a) which have already been obtained and are in full force and effect or (b) are not yet required (and with respect to which the RF/QF has no reason to believe that the same will not be readily obtainable in the ordinary course of business upon due application therefore).

### 19.5 No Suits, Proceedings

There are no actions, suits, proceedings or investigations pending or, to the knowledge of each Party, threatened against it at law or in equity before any court or tribunal of the United States or any other jurisdiction which individually or in the aggregate could result in any materially adverse effect on each Party's business, properties, or assets or its condition, financial or otherwise, or in any impairment of its ability to perform its obligations under this Contract. Each Party has no knowledge of a violation or default with respect to any law which could result in any such materially adverse effect or impairment.



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

#### 19.6 Environmental Matters

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

### 20. General Provisions

### 20.1 Project Viability

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

### 20.2 Permits

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

## 20.3 Project Management

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



SECTION No. IX SIXTH REVISED SHEET NO. 9.436 CANCELS FIFTH REVISED SHEET NO. 9.436

relieve RF/QF of its obligation to the Capacity Delivery Date. DEF shall have the right to monitor the construction, start-up and testing of the Facility, either on-site or off-site. DEF's technical review and inspections of the Facility and resulting requests, if any, shall not be construed as endorsing the design thereof or as any warranty as to the safety, durability or reliability of the Facility.

The RF/QF shall provide DEF with the final designer's/manufacturer's generator capability curves, protective relay types, proposed protective relay settings, main one-line diagrams, protective relay functional diagrams, and alternating current and direct elementary diagrams for review and inspection at DEF no later than one hundred eighty (180) calendar days prior to the initial synchronization date.

### 20.4 Assignment

Either Party may not assign this Contract, without the other Party's prior written approval, which approval may not be unreasonably withheld or delayed.

The RF/QF shall be responsible for DEF's reasonable costs and expenses associated with the review, negotiation, execution and delivery of any such documents or information pursuant to such collateral assignment, including reasonable attorney's fees.

## 20.5 Disclaimer

In executing this Contract, DEF does not, nor should it be construed, to extend its credit or financial support for benefit of any third parties lending money to or having other transactions with the RF/QF or any assigns of this Contract.

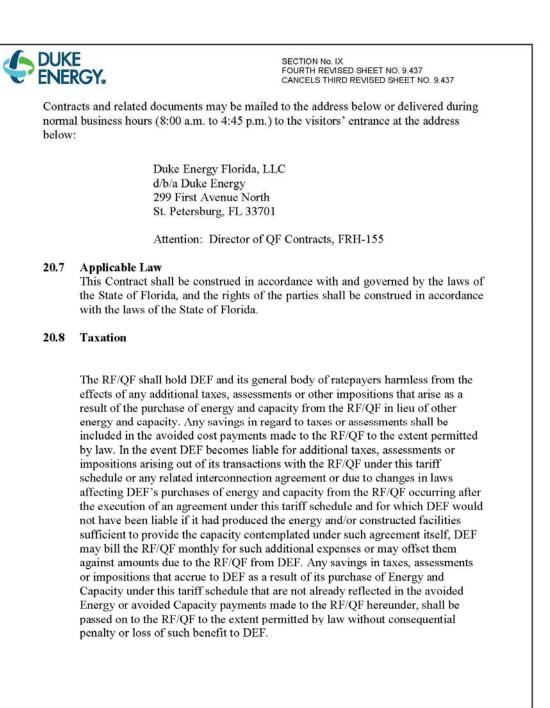
## 20.6 Notification

All formal notices relating to this Contract shall be deemed duly given when delivered in person, or sent by registered or certified mail, trackable private delivery service, or sent by fax if followed immediately with a copy sent by registered or certified mail or trackable private delivery service, to the individuals designated below. The Parties designate the following individuals to be notified or to whom payment shall be sent until such time as either Party furnishes the other Party written instructions to contact another individual:

For the RF/QF:

### For DEF:

Duke Energy Florida, LLC Director of QF Contracts, FRH-155 299 First Avenue North St. Petersburg, FL 33701



## Attachment A



SECTION No. IX FIFTH REVISED SHEET NO. 9.438 CANCELS FOURTH REVISED SHEET NO. 9.438

### 20.9 Dispute, Venue and Waiver of Jury Trial

With respect to any dispute, suit, action or proceedings relating to this Contract, each party irrevocably submits to the exclusive jurisdiction of the courts of the State of Florida and the United States District Court located in Hillsborough County in Tampa, Florida, and in respect of the transactions contemplated hereby, and hereby waive, and agree not to assert, as a defense in any dispute, action, suit or proceeding for the interpretation or enforcement hereof or of any such document, that it is not subject thereto or that such dispute, action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Contract or any such document may not be enforced in or by such courts, and the Parties hereto irrevocably agree that all claims with respect to such action or proceeding shall be heard and determined in such a court. The Parties hereby consent to and grant any such court jurisdiction over the persons of such Parties solely for such purpose and over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 20.6 hereof or in such other manner as may be permitted by Law shall be valid and sufficient service thereof.

Each Party acknowledges and agrees that any controversy which may arise under this Contract is likely to involve complicated and difficult issues, and therefore each Party hereby irrevocably and unconditionally waives any right a Party may have to a trial by jury in respect of any litigation resulting from, arising out of or relating to this Contract or the transactions contemplated hereby. Each Party certifies and acknowledges that (a) no representative, agent or attorney of the other Party has represented, expressly or otherwise, that such other Party would not, in the event of litigation, seek to enforce the foregoing waiver, (b) each Party understands and has considered the implications of this waiver, (c) each Party makes this waiver voluntarily and (d) each Party has been induced to enter into this Contract by, among other things, the mutual waivers and certifications in this Section 20.9.

## 20.10 Limitation of Liability

IN NO EVENT SHALL DEF, ITS PARENT CORPORATION, OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE, OR MULTIPLE DAMAGES RESULTING FROM ANY CLAIM OR CAUSE OF ACTION, WHETHER BROUGHT IN CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO, NEGLIGENCE OR STRICT LIABILITY), OR ANY OTHER LEGAL THEORY.



SECTION No. IX THIRD REVISED SHEET NO. 9.439 CANCELS SECOND REVISED SHEET NO. 9.439

### 20.11 Severability

If any part of this Contract, for any reason, is declared invalid or unenforceable by a public authority of appropriate jurisdiction, then such decision shall not affect the validity of the remainder of the Contract, which remainder shall remain in force and effect as if this Contract had been executed without the invalid or unenforceable portion.

### 20.12 Complete Agreement and Amendments

All previous communications or agreements between the Parties, whether verbal or written, with reference to the subject matter of this Contract are hereby abrogated. No amendment or modification to this Contract shall be binding unless it shall be set forth in writing and duly executed by both Parties. This Contract constitutes the entire agreement between the Parties.

## 20.13 Survival of Contract

Subject to the requirements of Section 20.4, this Contract, as it may be amended from time to time, shall be binding upon, and inure to the benefit of, the Parties' respective successors-in-interest and legal representatives.

### 20.14 Record Retention

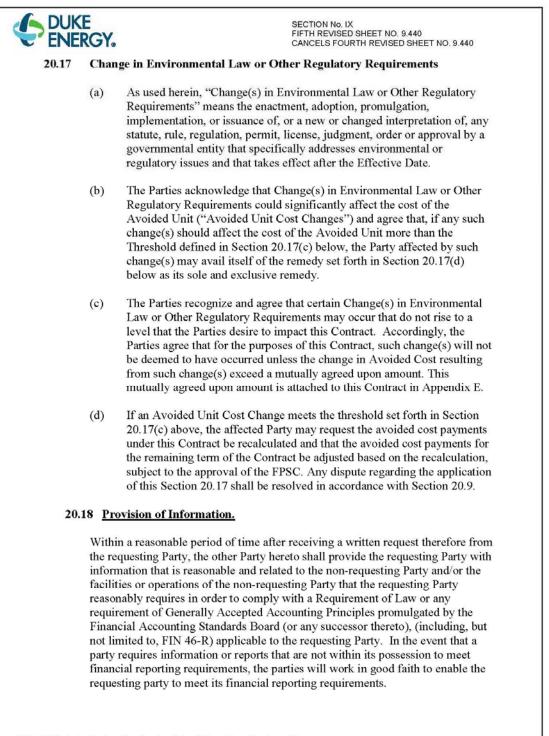
Each Party shall maintain for a period of five (5) years from the date of termination hereof all records relating to the performance of its obligations hereunder.

### 20.15 No Waiver

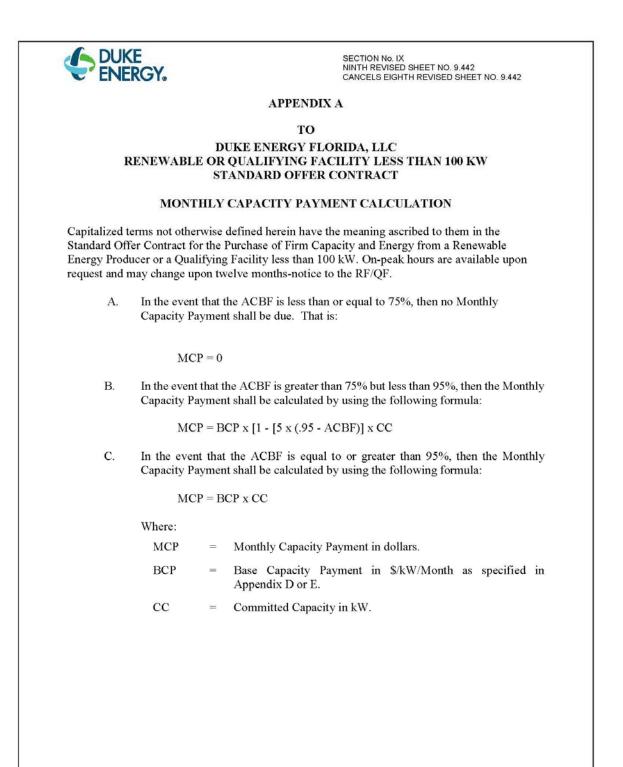
No waiver of any of the terms and conditions of this Contract shall be effective unless in writing and signed by the Party against whom such waiver is sought to be enforced. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given. The failure of a Party to insist, in any instance, on the strict performance of any of the terms and conditions hereof shall not be construed as a waiver of such Party's right in the future to insist on such strict performance.

#### 20.16 Set-Off

DEF may at any time, but shall be under no obligation to, set off or recoup any and all sums due from the RF/QF against sums due to the RF/QF hereunder without undergoing any legal process.



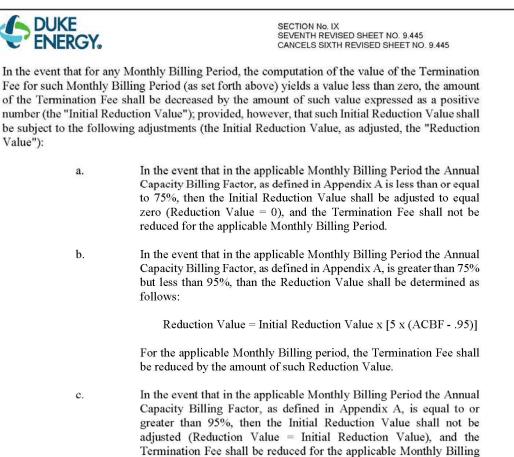
DUKE ENERGY.	SECTION No. IX THIRD REVISED SHEET NO. 9.441 CANCELS SECOND REVISED SHEET NO. 9.441
IN WITNESS WHEREOF, th	e RF/QF has executed this Contract on the date set forth below.
RF/QF	
Signature	
Print Name	
Title	
Date	
IN WITNESS WHEREOF, D DUKE ENERGY FLORIDA, Signature	EF has acknowledged receipt of this executed Contract.
Print Name	
Title	
Date	
ISSUED BY: Javier Portuondo, Director, EFFECTIVE: July 13, 2017	Rates & Regulatory Strategy - FL



DUKE ENERGY.		SECTION No. IX THIRD REVISED SHEET NO. 9.443 CANCELS SECOND REVISED SHEET NO. 9.443
ACBF	=	Annual Capacity Billing Factor. The ACBF shall be the electric Energy actually received by DEF for the 12 consecutive months preceding the date of calculation excluding any energy received during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW, divided by the product of the Committed Capacity and the number of hours in the 12 consecutive months preceding the date of calculation excluding the hours during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW. If an event of Force Majeure occurs during the 12 consecutive months preceding the date of calculation in which the Committed Capacity is temporarily set to a value greater than 0 kW then the 12 month rolling average will be pro- rated accordingly. During the first 12 consecutive Monthly Billing Periods commencing with the first Monthly Billing Period in which Capacity Payments are to be made, the calculation of 12-month rolling average ACBF shall be performed as follows (a) during the first Monthly Billing Period, the ACBF shall be equal to the Monthly Availability Factor; (b) thereafter, the calculation of the ACBF shall be computed by summing the electric Energy actually received by DEF for the number of full consecutive months preceding the date of calculation excluding any energy received during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW, divided by the product of the Committed Capacity and the number of hours in the number of full consecutive months preceding the date of calculation excluding the hours during an event of Force Majeure in which the Committed Capacity is temporarily set equal to 0 kW. If an event of Force Majeure occurs during the months preceding the date of calculation in which the Committed Capacity is temporarily set to a value greater than 0 kW then the 12 month rolling average will be pro- rated accordingly. This calculation shall be performed at the end of each Monthly Billing Period until enough Monthly
MAF	=	Monthly Availability Factor. The total Energy received during the Monthly Billing Period for which the calculation is made, divided by the product of Committed Capacity times the total hours during the Monthly Billing Period.
Monthly Billing Period	=	The period beginning on the first calendar day of each calendar month, except that the initial Monthly Billing Period shall consist of the period beginning 12:01 a.m., on the Capacity Delivery Date and ending with the last calendar day of such month.
ISSUED BY: Geoff Foster, Vice Pres EFFECTIVE: July 19, 2021	sident	, Rates & Regulatory Strategy - FL

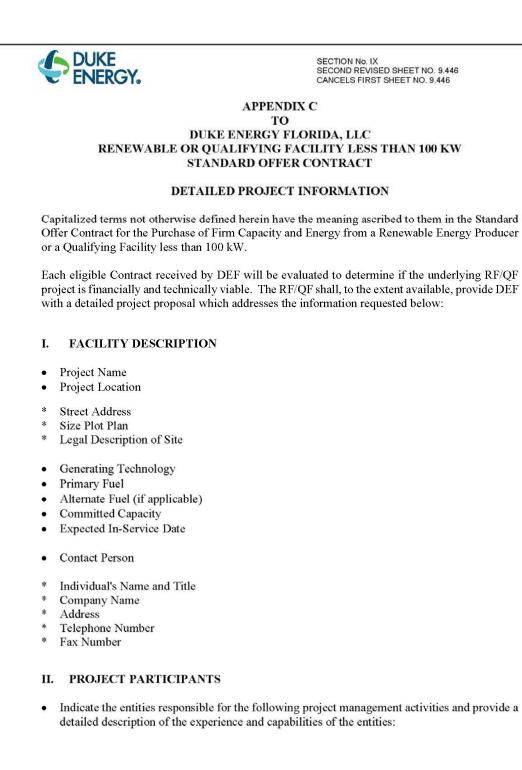
ENERGY.	SECTION No. IX FOURTH REVISED SHEET 9.444 CANCELS THIRD REVISED SHEET NO. 9.444			
RENEWABL	APPENDIX B TO DUKE ENERGY FLORIDA, LLC RENEWABLE OR QUALIFYING FACILITY LESS THAN 100 KW STANDARD OFFER CONTRACT			
	TERMINATION FEE			
Standard Offer Contract for	rwise defined herein have the meaning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

Attachment A



period by the amount of the Initial Reduction Value.

In no event shall DEF be liable to the RF/QF at any time for any amount by which the Termination Fee, adjusted in accordance with the foregoing, is less than zero (0).

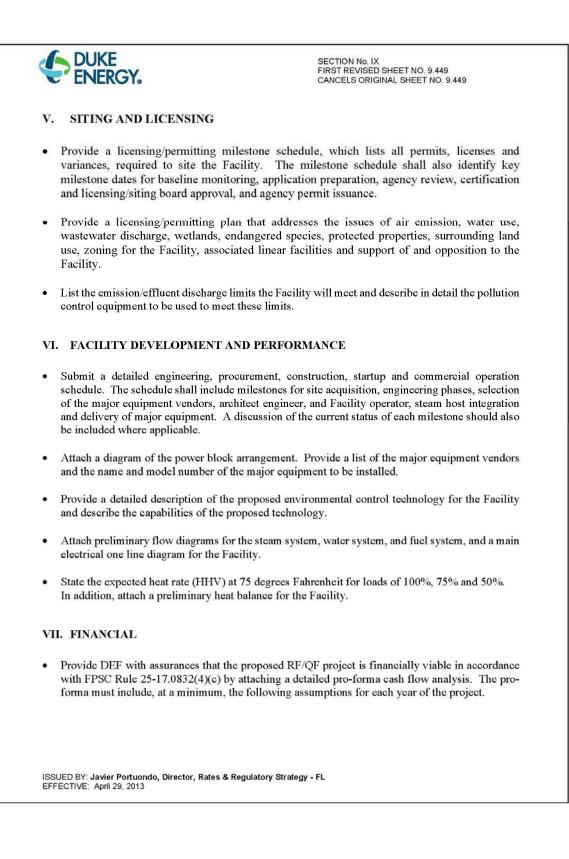


ISSUED BY: Javier Portuondo, Managing Director, Rates & Regulatory Strategy - FL EFFECTIVE: June 5, 2018

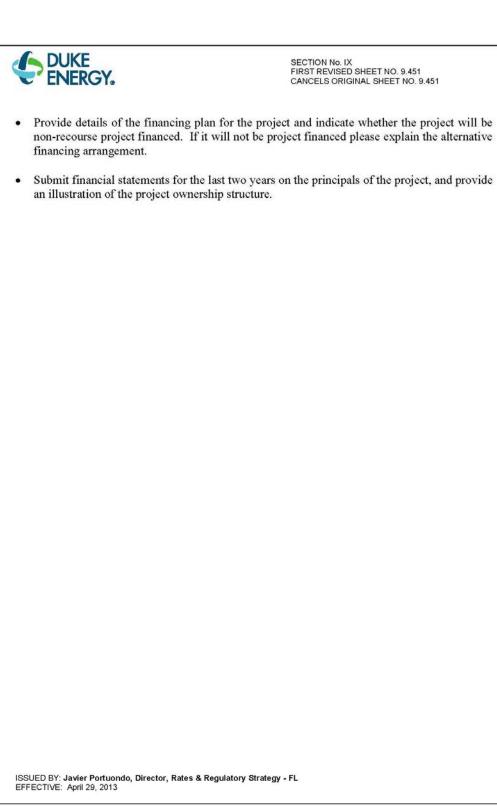
# Attachment A

DUKE SECTION No. IX FIRST REVISED SHEET NO. 9.447 ENERGY. CANCELS ORIGINAL SHEET NO. 9.447 Project Development Siting and Licensing the Facility Designing the Facility Constructing the Facility Securing the Fuel Supply Operating the Facility Provide details on all electrical facilities which are currently under construction or operational which were developed by the RF/QF. Describe the financing structure for the projects identified above, including the type of financing used, the permanent financing term, the major lenders and the percentage of equity invested at Financial Closing. III. FUEL SUPPLY Describe all fuels to be used to generate electricity at the Facility. Indicate the specific physical and chemical characteristics of each fuel type (e.g. Btu content, sulfur content, ash content, etc.). Identify special considerations regarding fuel supply origin, source and handling, storage and processing requirements. Provide AFR necessary to support planned levels of generation and list the assumptions . used to determine these quantities. Provide a summary of the status of the fuel supply arrangements in place to meet the AFR, in each year of the proposed operating life of the Facility. Use the categories below to describe the current arrangement for securing the AFR. Description of Fuel Supply Arrangement Category owned = fuel is from a fully developed source owned by one or more of the project participants fully executed firm fuel contract exists between the developer(s) and fuel contract = supplier(s) LOI =a letter of intent for fuel supply exists between developer(s) and fuel supplier(s) SPP =small power production facility will burn biomass, waste, or another renewable resource fuel supply will be purchased on the spot market spot = no firm fuel supply arrangement currently in place none fuel supply arrangement which does not fit any of the above categories (please other = describe) Indicate the percentage of the Facility's AFR which is covered by the above fuel supply arrangement(s) for each proposed operating year. The percent of AFR covered for each operating year must total 100%. For fuel supply arrangements identified as owned, contract, or LOI, provide documentation to support this category and explain the fuel price mechanism of the arrangement. In addition, indicate whether or not the fuel price includes delivery and, if so, to what location. ISSUED BY: Javier Portuondo, Director, Rates & Regulatory Strategy - FL EFFECTIVE: April 29, 2013

DUKE ENERGY.	SECTION No. IX SECOND REVISED SHEET NO. 9.448 CANCELS FIRST REVISED SHEET NO. 9.448				
• Describe fuel transportation networks available for delivering all primary and secondary fuel to the Facility site. Indicate the mode, route and distance of each segment of the journey, from fuel source to the Facility site. Discuss the current status and pertinent factors impacting future availability of the transportation network.					
	necessary to support planned levels of generation and list the ed to determine these quantities.				
the AFTR in eac	ary of the status of the fuel transportation arrangements in place to meet of year of the proposed operating life of the Facility. Use the categories be the current arrangement for securing the AFTR.				
owned =	fuel transport via a fully developed system owned by one or more of the project participants				
contract =	fully executed firm transportation contract exists between the developer(s) and fuel transporter(s)				
LOI =	a letter of intent for fuel transport exists between developer(s) and fuel transporter(s)				
spot = none = other =	fuel transportation will be purchased on the spot market no firm fuel transportation arrangement currently in place fuel transportation arrangement which does not fit any of the above categories (please describe)				
for primary and	ximum, minimum and average fuel inventory levels to be maintained d secondary fuels at the Facility site. List the assumptions used in inventory levels.				
	ation regarding RF/QF's plans to maintain sufficient on site fuel to y and Energy for an uninterrupted seventy-two (72) hour period.				
IV. PLANT DISPATCE	IABILITY/CONTROLLABILITY				
• Provide the following performance capabilitie	operating characteristics and a detailed explanation supporting the es indicated:				
* Peak Ca * Minimu * Facility * Start-up	ate (MW/minute) pability (% above Committed Capacity) m power level (% of Committed Capacity) Turnaround Time, Hot to Hot (hours) Time from Cold Shutdown (hours)				
	cling (# cycles/yr.) 1 MVAR Control (ACC, Manual, Other (please explain))				
ISSUED BY: Geoff Foster, Vice Pre EFFECTIVE: July 19, 2021	sident, Rates & Regulatory Strategy - FL				



DUKE ENERGY.	SECTION No. IX FIRST REVISED SHEET NO. 9.450 CANCELS ORIGINAL SHEET NO. 9.450
Annual Project Revenues	
<ul> <li>Capacity Payments (\$ and \$/kW</li> <li>Variable O&amp;M (\$ and \$/MWh)</li> <li>Energy (\$ and \$/MWh)</li> <li>Tipping Fees (\$ and \$/ton)</li> <li>Interest Income</li> <li>Other Revenues</li> <li>Variable O&amp;M Escalation (%/yr)</li> <li>Energy Escalation (%/yr)</li> </ul>	
<ul> <li>* Energy Escalation (%/yr.)</li> <li>* Tipping Fee Escalation (%/yr.)</li> </ul>	
Annual Project Expense	
<ul> <li>Fixed O&amp;M (\$ and \$/kW/Mo.)</li> <li>Variable O&amp;M (\$ and \$/MWh</li> <li>Energy (\$ and \$/MWh)</li> <li>Property Taxes (\$)</li> <li>Insurance (\$)</li> <li>Emission Compliance (\$ and \$</li> <li>Depreciation (\$ and %/yr.)</li> <li>Other Expenses (\$)</li> <li>Fixed O&amp;M Escalation (%/yr.)</li> <li>Variable O&amp;M Escalation (%/yr.)</li> <li>Energy Escalation (%/yr.)</li> </ul>	////Wh)
• Other Project Information	
<ul> <li>Installed Cost of the Facility (\$ <ul> <li>Committed Capacity (kW)</li> <li>Average Heat Rate - HHV (MI</li> <li>Federal Income Tax Rate (%)</li> <li>Facility Capacity Factor (%)</li> <li>Energy Sold to DEF (MWh)</li> </ul> </li> </ul>	
Permanent Financing	
<ul> <li>tax exempt debt and equity</li> <li>Financing Costs (cost of log and equity)</li> <li>Annual Interest Expense</li> <li>Annual Debt Service (\$)</li> </ul>	percentage of long-term debt, subordinated debt, ) ng-term debt, subordinated debt, tax exempt debt peginning balance, interest expense, principal
ISSUED BY: Javier Portuondo, Director, Rates & Regulatory St EFFECTIVE: April 29, 2013	rategy - FL





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

### APPENDIX D

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

### **RATE SCHEDULE COG-2**

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

## SCHEDULE

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

## AVAILABLE

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

## APPLICABLE

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

## CHARACTER OF SERVICE

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

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



SECTION No. IX FIRST REVISED SHEET NO. 9.453 CANCELS ORIGINAL SHEET NO, 9.453

## **LIMITATION**

Purchases under this schedule are subject to FPSC Rules 25-17.080 through 25-17.310, F.A.C., and are limited to those RF/QFs which:

A. Are defined in the Contract;

B. Execute a Contract;

## RATES FOR PURCHASES BY DEF

Firm Capacity and Energy are purchased at unit cost, in dollars per kilowatt per month and cents per kilowatt-hour, respectively, based on the value of deferring additional capacity required by DEF. For the purpose of this schedule, an Avoided Unit has been designated by DEF. DEF's next Avoided Unit has been identified in Section 4 of the Contract. Schedule 1 to this Appendix describes the methodology used to calculate payment schedules, general terms, and conditions applicable to the Contract filed and approved pursuant to FPSC Rules 25-17.080 through 25-17.310, F.A.C.

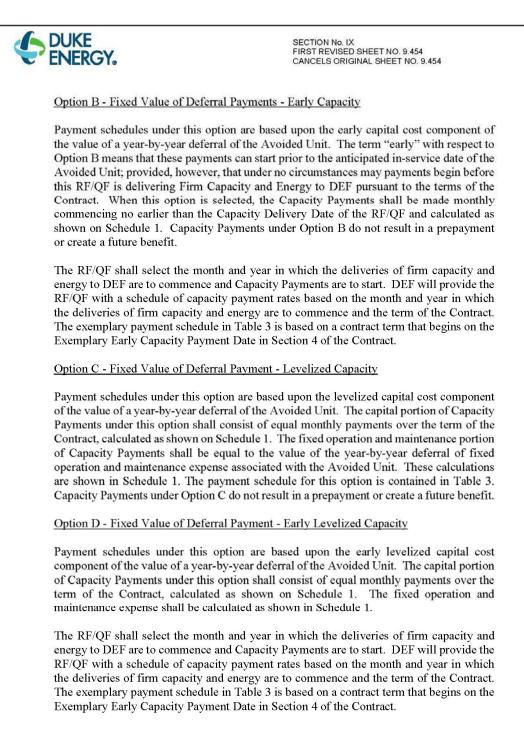
A. Firm Capacity Rates

Four options, A through D, as set forth below, are available for payments of firm capacity that is produced by a RF/QF and delivered to DEF. Once selected, an option shall remain in effect for the term of the Contract. Exemplary payment schedules, shown below, contain the monthly rate per kilowatt of firm Capacity which the RF/QF has contractually committed to deliver to DEF and are based on a contract term which extends through the Termination Date in Section 4 of the Contract. Payment schedules for other contract terms will be made available to any RF/QF upon request and may be calculated based on the methodologies described in Schedule 1. The currently approved parameters used to calculate the following schedule of payments are found in Schedule 2 to this Appendix.

Option A - Fixed Value of Deferral Payments - Normal Capacity

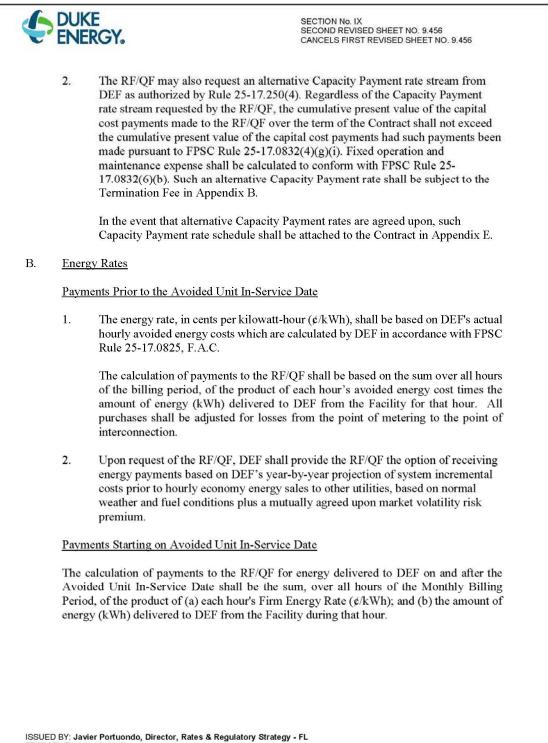
Payment schedules under this option are based on the value of a year-by-year deferral of DEF's Avoided Unit with an in-service date as of the Avoided Unit In-Service Date in Section 4 of the Contract, calculated in accordance with FPSC Rule 25-17.0832, F.A.C., as described in Schedule 1. Once this option is selected, the current schedule of payments shall remain fixed and in effect throughout the term of the Contract. The payment schedule for this option follows in Table 3.

# Attachment A



l		GY.	SECTION No. IX FIFTEENTH SIXTEENTH REVISED SHEET NO. 9.455 CANCELS FOURTEENTH FIFTEENTH REVISED SHEET NO. 9.455		
I		XAMPLE MONTH DEF'S J e or Qualifying Faci	une 1, <del>2027</del> - <u>2029</u> Ut	ndesignated CT	
			(\$/kW/MONT]	H)	
	Contract Year 20242026 20252027 20262028 20272029 20282030 20292031 20302032 20312033 20322034 20322034 20322035 20342036 20352037	<u>Option A</u> Normal Capacity Payment Starting on the Avoided Unit In-Service Date 5.4449 5.4655 5.5460 5.5460 5.5666 5.6272 5.6778 5.7384 5.7890 5.8496	$\begin{array}{r} \underline{Option B} \\ Early \\ Capacity \\ Payment Starting \\ on the \\ Exemplary \\ Capacity \\ Payment Date \\ \hline 4.2229 \\ 4.2634 \\ 4.3038 \\ 4.3443 \\ 4.3947 \\ 4.4352 \\ 4.4756 \\ 4.5161 \\ 4.5666 \\ 4.6071 \\ 4.6576 \\ \hline \end{array}$	<u>Option C</u> Levelized Capacity Payment Starting on the Avoided Unit In-Service Date 5.6272 5.6272 5.6272 5.6373 5.6373 5.6374 5.6474 5.6475 5.6576 5.6576 5.6576 5.6677	$\begin{array}{r} \underline{Option D} \\ Early Levelized \\ Capacity \\ Payment Starting \\ on the \\ Exemplary \\ Capacity \\ Payment Date \\ \hline 4.4250 \\ 4.4251 \\ 4.4251 \\ 4.4351 \\ 4.4352 \\ 4.4352 \\ 4.4352 \\ 4.4453 \\ 4.4454 \\ 4.4554 \\ 4.4555 \\ 4.4655 \\ \hline 4.4655 \\ \hline \end{array}$
	20362038 20372039	5.89 <u>6.02</u> 5.95 <u>6.08</u>	4. <del>69</del> <u>81</u> 4.74 <u>86</u>	5. <u>6678</u> 5. <u>6778</u>	4. <u>4656</u> 4.47 <u>56</u>
	1.	The Capacity Paymo years from the Avoi term greater than ter prepare a schedule o Payment rates shall described in FPSC F	ent schedules contain ded Unit In-Service n years but less than of Capacity Payment be calculated utilizin Rule 25-17.0832(6).	ned in this Contract Date. In the event the Avoided Unit L is for the requested t ing the value-of-defe	assume a term of ten he RF/QF requests a ife then DEF shall term. Such Capacity
I	ISSUED BY: Geoff EFFECTIVE: July 14	Foster, Vice President, Ra 3, 2021	ates & Regulatory Strateg	y - FL	

Attachment A



EFFECTIVE: July 13, 2017



SECTION No. IX ELEVENTH REVISED SHEET NO. 9.457 CANCELS TENTH REVISED SHEET NO. 9.457

For any period during which energy is delivered by the RF/QF to DEF, the Firm Energy Rate in cents per kilowatt hour ( $\phi$ /kWh) shall be the following on an hour-by-hour basis: the lesser of (a) the As-Available Energy Rate and (b) the Avoided Unit Energy Cost. The Avoided Unit Energy Cost, in cents per kilowatt - hour ( $\phi$ /kWh) shall be defined as the product of (a) the Avoided Unit Fuel Cost and (b) the Avoided Unit Heat Rate; plus (c) the Avoided Unit Variable O&M.

For the purposes of this agreement, the Avoided Unit Fuel Cost shall be determined from gas price published in Platts Inside FERC, Gas Market Report, first of the month posting for Florida Gas Transmission ("FGT") Zone 3, plus other charges, surcharges and percentages that are in effect from time to time.

The Parties may mutually agree to fix a minority portion of the base firm energy payments associated with the Avoided Unit and amortize that fixed portion, on a present value basis, over the term of the Contract. Such fixed firm energy payments may, at the option of the RF/QF, start as early as the Avoided Unit In-Service Date. For purposes of this paragraph, "base firm energy payments associated with the Avoided Unit" means the energy costs of the Avoided Unit to the extent that the Avoided Unit would have been operated. If this option is mutually agreed upon, it will be attached to this Contract in Appendix E.

## ESTIMATED AS-AVAILABLE ENERGY COST

As required in Section 25-17.0825, F.A.C., information relating to as-available energy cost projections will be provided within 30 days of a written request for such projections by any interested person.



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

## ESTIMATED UNIT FUEL COST

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

## DELIVERY VOLTAGE ADJUSTMENT

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

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

## PERFORMANCE CRITERIA

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

A. Capacity Delivery Date

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

B. Availability and Capacity Factor

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



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

### METERING REQUIREMENTS

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

### BILLING OPTIONS

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

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

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



SECTION No. IX FOURTH REVISED SHEET NO. 9.460 CANCELS THIRD REVISED SHEET NO. 9.460

## CHARGES TO RENEWABLE ENERGY PROVIDER

The RF/QF shall be responsible for all applicable charges as currently approved or as they may be approved by the Florida Public Service Commission, including, but not limited to:

A. <u>Retail Service Charges</u>

The RF/QF shall be responsible for all FPSC approved charges for any retail service that may be provided by DEF. The RF/QF shall be billed at the customer charge rate stated in DEF's applicable standby tariff monthly for the costs of meter reading, billing, and other administrative costs.

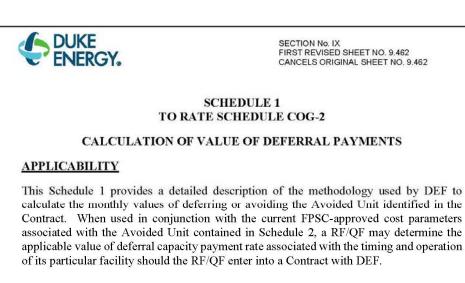
### B. Interconnection Charges

Applicable Interconnection Charges are included in the transmission arrangements entered into with the Transmission Provider. Notwithstanding the above, Interconnection Charges must be in accordance with the provisions of FPSC Rule 25-17.087.

C. Transmission Charges

Applicable Transmission Charges are included in the transmission arrangements entered into with the Transmission Provider. Notwithstanding the above, Transmission Charges must be in accordance with the provisions of FPSC Rule 25-17.087.

6	DUKE	Y.	SECTION No. IX SECOND REVISED SHEET NO. 9.461 CANCELS FIRST REVISED SHEET NO. 9.461	
TER	MS OF SEF	<u>VICE</u>		
A.		It shall be the RF/QF's responsibility to inform DEF of any change in its electric generation capability.		
B.	Any electric service delivered by DEF to a RF/QF located in DEF's service shall be subject to the following terms and conditions:			
			separately and billed under the applicable retail as and conditions shall pertain.	
		security deposit will be 082(5) and 25-6.097, F.A	required in accordance with FPSC Rules 25- .C., and the following:	
	(i)	upon the singular me from DEF exceed, purchases from the F	operation, the security deposit should be based onth in which the RF/QF's projected purchases by the greatest amount, DEF's estimated RF/QF. The security deposit should be equal to the difference estimated for that month. The pon interconnection.	
	(ii)	between the RF/QF actual month of max be adjusted to equal	fter, a review of the actual sales and purchases and DEF will be conducted to determine the timum difference. The security deposit should twice the greatest amount by which the actual by the RF/QF exceed the actual sales in DEF in	
	(3) DE	F shall specify the point	of interconnection and voltage level.	
	sys fac agr fac con inte	tem. Specific features of ilities will be considered eement. In order to ass ilities, the RF/QF cannot instruction of the intercon- erconnection with, and of	o an agreement for interconnection to DEF's of the RF/QF and its interconnection to DEF's ed by DEF in preparing the interconnection ure timely completion of the interconnection is suspend the interconnection agreement or the mection facilities. Notwithstanding the above, lelivery into, the Company's system must be with the provisions of FPSC Rule 25-17.087.	
C.	Service un	der this rate schedule is s	ubject to the rules and regulations of the FPSC.	



Also contained in this Schedule 1 is the discussion of the types and forms of surety bond requirements or equivalent assurance for payment of the Termination Fee acceptable to DEF in the event of contractual default by a RF/OF.

SCHEDULE 1

SECTION No. IX

FIRST REVISED SHEET NO. 9.462 CANCELS ORIGINAL SHEET NO. 9.462

### CALCULATION OF VALUE OF DEFERRAL OPTION A

FPSC Rule 25-17.0832(5) specifies that avoided capacity costs, in dollars per kilowatt per month, associated with capacity sold to a utility by a RF/QF pursuant to Contract shall be defined as the year-by-year value of deferral of the Avoided Unit. The year-by-year value of deferral shall be the difference in revenue requirements associated with deferring the Avoided Unit one year, and shall be calculated as follows:

 $VAC_m = 1/12 [KI_n (1 - R) / (1 - R^L) + O_n]$ 

Where, for a one year deferral:

In

VACm	=	utility's monthly value of avoided capacity, in dollars per kilowatt per month, for each month of year n;
K	=	present value of carrying charges for one dollar of

present value of carrying charges for one dollar of investment over L years with carrying charges computed using average annual rate base and assumed to be paid at the middle of each year and present valued to the middle of the first year;

R = 
$$(1 + i_p)/(1 + r);$$

total direct and indirect cost, in mid-year dollars per kilowatt including AFUDC but excluding CWIP, of the Avoided Unit with an in-service date of year n, including all identifiable and quantifiable costs relating to the construction for the Avoided Unit which would have been paid had the Avoided Unit been constructed;

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

## <u>CALCULATION OF FIXED VALUE OF DEFERRAL PAYMENTS - EARLY</u> <u>CAPACITY-OPTION B</u>

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

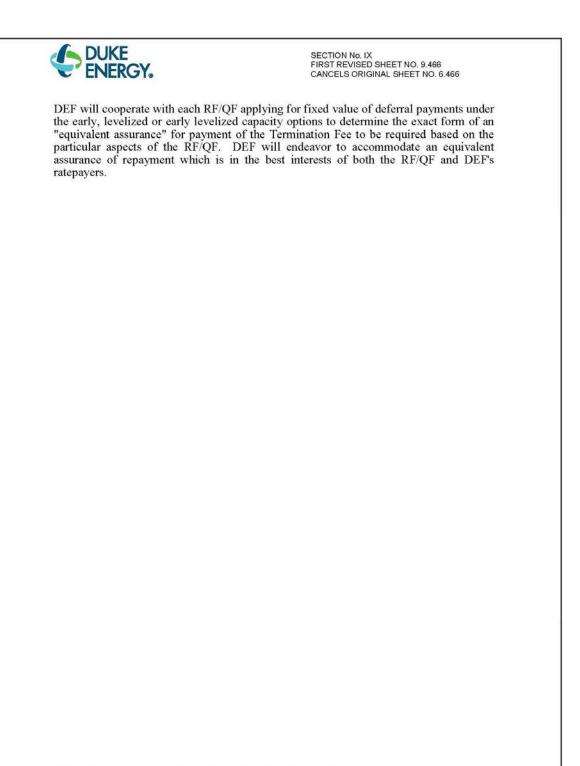
$$A_{M} = [A_{c} (1 + i_{p})^{(m-1)} + A_{o} (1 + i_{o})^{(m-1)}] / 12 \qquad \text{for } m = 1 \text{ to } t$$

Where:

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

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

	Y.	SECTION No. IX FIRST REVISED SHEET NO. 9.465 CANCELS ORIGINAL SHEET NO. 9.465		
PL	= (F / 12) · [r	$(1 - (1 + r)^{4}] + O$		
Where:				
PL	=	the monthly levelized capacity payment, starting on or prior to the in-service date of DEF's Avoided Unit(s):		
F	=	the cumulative present value, in the year that the contractual payments will begin, of the avoided capital cost component of the Capacity Payments which would have been made had the Capacity Payments not been levelized;		
r	=	the annual discount rate, defined as DEF's incremental after-tax cost of capital;		
t	=	the Term, in years of the Contract		
0	=	the monthly fixed operation and maintenance component of the Capacity Payments, calculated in accordance with calculation of the fixed value of deferral payments for the levelized capacity or the early levelized capacity options.		
RISK-RELATE	D GUARANI	TEES		
17.091, FPSC R payments - early RF/QF must prov Termination Fee Contract. Depend	ule 25-17.083 capacity, leve ride a surety b in the event th ling on the natu neet the terms	mental solid waste facilities covered by FPSC Rule 25- 32 (4)(e)10 requires that, when fixed value of deferral lized capacity, or early levelized capacity are elected, the ond or equivalent assurance of securing the payment of a the RF/QF is unable to meet the terms and conditions of its ure of the RF/QF's operation, financial health and solvency, and conditions of the Contract, one of the following may use of payment:		
(2) Ca (3) Ur (4) Ur pa co all go cu ca	<ul> <li>(2) Cash deposit(s) with DEF;</li> <li>(3) Unconditional, irrevocable, direct pay Letter of Credit;</li> <li>(4) Unsecured promise by a municipal, county or state government to repay payments for early or levelized capacity in the event of default, in conjunction with a legally binding commitment from such government allowing the utility to levy a surcharge on either the electric bills of the government's electricity consuming facilities or the constituent electric customers of such government to assure that payments for early or levelized capacity are repaid;</li> </ul>			
ea leg co pa	rly or levelize gally binding mpany, and/or yments for ear	hise by a privately-owned RF/QF to repay payments for d capacity in the event of default, in conjunction with a commitment from the owner(s) of the RF/QF, parent r subsidiary companies located in Florida to assure that ly, levelized or early levelized capacity are repaid; or		
ISSUED BY: Javier Po	<ul> <li>(6) Other guarantees acceptable to DEF.</li> <li>ISSUED BY: Javier Portuondo, Director, Rates &amp; Regulatory Strategy - FL EFFECTIVE: April 29, 2013</li> </ul>			



1	4	DUI	SECTION No. IX FIFTEENTH SIXTEENTH REVISED SI 9.467 CANCELS FOURTEENTH FIFTEENTH SHEET NO. 9.467						
SCHEDULE 2 TO RATE SCHEDULE COG-2 CAPACITY OPTION PARAMETERS									
FIXED VALUE OF DEFERRAL PAYMENTS - NORMAL CAPACITY OPTION PARAMETERS									
Where, for one year deferral:									
l	$\mathrm{VAC}_{m}$	=	DEF's value of avoided capacity and O&M, in dollars per kilowatt per month, during month m;	<u>Value</u> 5.41 <u>49</u>					
]	Κ	=	present value of carrying charges for one dollar of investment over L years with carrying charges computed using average annual rate base and assumed to be paid at the middle of each year and present valued to the middle of the first year;	1. <del>267<u>276</u></del>					
]	In	=	total direct and indirect cost, in mid-year dollars per kilowatt including AFUDC but excluding CWIP, of the Avoided Unit with an in-service date of year n;	<del>782.08<u>7</u>99.0</del>					
1	On	-	total fixed operation and maintenance expense, for the year n, in mid-year dollars per kilowatt per year, of the Avoided Unit:	2. <u>2184</u>					
1	İp	=	annual escalation rate associated with the plant cost of the Avoided Unit;	. <del>906<u>962</u>%</del>					
	io	=	annual escalation rate associated with the operation and maintenance expense of the Avoided Unit;	2.50%					
ļ	r	=	annual discount rate, defined as DEF's incremental after-tax cost of capital;	6. <u>55</u> 70%					
	L	=	expected life of the Avoided Unit;	35					
j	n	=	year for which the Avoided Unit is deferred starting with the Avoided Unit In-Service Date and ending with the Termination Date.	202 <u>9</u> 7					
1		JED BY: Ge ECTIVE: Ju	eoff Foster, Vice President, Rates & Regulatory Strategy - FL <del>ly 19, 2021</del>						

1		DU		ON No. IX ENTH- <u>SIXTEENTH</u> REVISED SHEET NO. 9.468 ELS FOURTEENTH- <u>FIFTEENTH</u> REVISED SHEET NO. 9.468	
1	Am	=	FIXED VALUE OF DEFERRAL EARLY CAPACITY OPTION I monthly avoided capital cost component be made to the RF/QF starting as early Avoided Unit In-Service Date, in dollars	PARAMETERS t of Capacity Payments to 4.08 <u>11</u> as two years prior to the	
	ip n F	=	annual escalation rate associated with Avoided Unit; year for which early Capacity Payments to the cumulative present value of the component of Capacity Payments which w had Capacity Payments commenced wir service date of the Avoided Unit and contin	b a RF/QF are to begin; $20257$ avoided capital cost would have been made th the anticipated in- 20257 358.95344. 73	
1	r t	=	years; annual discount rate, defined as DEF's inc of capital; the Term, in years, of the Contract for capacity commencing prior to the in-servic	the purchase of firm 13	
]	G	=	Unit; the cumulative present value of the avoid maintenance expense component of Cap would have been made had Capacity Payn the anticipated in-service date of the Avoid until the Termination Date.	acity Payments which nents commenced with	
1		UED BY: <b>G</b> ECTIVE: <del>Ju</del>	eoff Foster, Vice President, Rates & Regulatory Strate <u>c</u> <del>ly 19, 2021</del>	gy - FL	

