

**RELIABILITY CALL AGREEMENT
BETWEEN ORLANDO UTILITIES COMMISSION AND
FLORIDA POWER & LIGHT COMPANY**

This reliability call agreement (“Reliability Call Agreement”) is entered as of January 8, 2013 (the “**Effective Date**”) between Florida Power & Light Company (“**FPL**”) and Orlando Utilities Commission (“**OUC**”). OUC and FPL are referred to individually as a “**Party**,” and collectively as the “**Parties**.”

Whereas, the City of Vero Beach (“**COVB**”) and FPL are currently negotiating the purchase and assumption by FPL, and the sale and assignment by COVB, of certain electric utility assets and certain associated liabilities pursuant to terms and conditions as may be agreed upon, and set forth in a purchase and sale agreement to be executed, by COVB and FPL (such purchase and sale agreement, upon execution by COVB and FPL, shall be referred to herein as the “**COVB Electric Utility Purchase and Sale Agreement**”); and

Whereas, if closing under the COVB Electric Utility Purchase and Sale Agreement (“**COVB Electric Utility Closing**”) occurs, FPL will purchase from COVB the COVB Units; and

Whereas, pursuant to the OUC- COVB PPA Termination Agreement (as hereinafter defined), COVB will release to OUC any right to re-assignment of those certain Form of Service Agreement Applicable to Agreements Executed After April 1, 2002 Firm Transportation Service – Market Area FTS-2, dated January 1, 2010 and Form of Service Agreement Firm Transportation Service – Market Area FTS-1, dated January 1, 2010 between OUC and Florida Gas Transmission Company (“**FGT**”), as amended (collectively, the “**Gas Transportation Contracts**”), which Gas Transportation Contracts were used from time-to-time to supply gas to the COVB Units; and

Whereas, OUC, COVB and FPL entered into that certain Memorandum of Understanding dated September 19, 2012 (“**MOU**”), relating to certain agreements to be entered into between such parties, including this Reliability Call Agreement; and

Whereas, pursuant to terms and condition set forth in this Reliability Call Agreement, the Parties desire for FPL to have the ability, from time to time in its discretion, under the conditions set forth in section 2(a) to buy gas from OUC and pay OUC for delivery of such gas to the COVB Units at the rates established under FGT’s rate schedules under the Gas Transportation Contracts.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. **Conditions Precedent to FPL’s Rights to Buy Gas and Transport.**

The condition precedent to FPL's rights under Section 2 hereof is the execution by OUC and COVB of the OUC- COVB PPA Termination Agreement and the satisfaction or waiver of all conditions precedent therein for the termination of the OUC- COVB PPA.

2. **Fuel Agent.**

a. Upon satisfaction or waiver of all conditions precedent set forth in Section 1 hereof but in any event no earlier than January 1, 2014 (the date of satisfaction or waiver of all such conditions precedent shall be the "**Reliability Call Effective Date**"), FPL may, from time to time in its discretion where any of the COVB Units that consume natural gas as of the Effective Date are dispatched in response to a reliability call (and not dispatched for economic reasons) by the Florida Reliability Coordinating Council, Inc. ("**FRCC**") security coordinator or FPL's transmission department, require OUC to sell natural gas to FPL on a day-ahead basis (if on an intra-day basis OUC shall use commercially reasonable efforts to accommodate such an intra-day call) delivered to such COVB Unit(s) and OUC shall comply with such requirement. FPL shall notify OUC of such request for natural gas delivery by telephone, or electronic (instant) messenger to OUC's Scheduling Notice Party (a "**Fuel Call Notice**") no later than 9 a.m. eastern prevailing time the day ahead of the delivery day and will include such information as FPL received regarding the reliability call need for COVB generation. The Fuel Call Notice shall set forth the day for the fuel delivery (which start time shall not be less than one day prior to gas flow as required by FGT for nominations for the upcoming gas day) and the quantity of fuel to be delivered for the delivery day. The quantity of fuel in any such Fuel Call Notice shall not exceed the gas transportation volumes per the Gas Transportation Contracts. The performance obligation shall be for firm quantity of gas. OUC's Scheduling Notice Party: Telephone No.: Bob Pollack (407)434-4312 and Debbie Eichen (407)434-3092(alternate) and Electronic (instant) Messenger: Bob Pollack is OUCbob and Debbie Eichen is OUCdebbie.

b. OUC shall purchase and deliver or cause to be delivered to the COVB Units at the Fuel Point of Delivery any natural gas fuel requested by FPL in the Fuel Call Notice. The purchase and sale of the natural gas shall be pursuant to the oral transaction procedure set forth in the "Base Contract For Short-Term Sale and Purchase of Natural Gas" between OUC and FPL originally dated June 26, 2000 and amended to a May 1, 2000 effective date, as amended or revised ("**GISB Contract**"). FPL shall pay for such fuel pursuant to the terms of Section 4 of this Reliability Call Agreement and the GISB Contract. OUC shall use commercially reasonable efforts to obtain such gas for FPL at market prices and OUC will bill FPL for such gas under the provisions of section 4 of this agreement.

c. Any gas transportation utilized to deliver gas to the COVB Units will be billed to FPL at FGT's posted tariff rate per FTS-2, which is currently \$0.72/mmbtu. All natural gas fuel delivered to the COVB Units by OUC shall be delivered based on FGT pipeline specifications under the Gas Transportation Contracts.

3. **Gas Interconnection, Metering, Fuel Mix.**

FGT shall be the operator of the gas interconnection facilities at the COVB Units, including the Fuel Point of Delivery, and shall be responsible for the maintenance and testing arrangements for all natural gas metering at such facilities. All such meters shall comply with FGT standards for accuracy. FPL shall be the point operator for the FGT interconnection point. As the point operator, FPL shall be responsible for all volume confirmations, allocations and balancing functions with the applicable upstream pipeline, as well as confirming any flow-day diversions requested by OUC to or from the COVB FGT interconnection point.

4. **Fuel Payment**

FPL will be billed for the costs of natural gas delivered by OUC to the COVB Units, as requested by FPL pursuant to Section 2 hereof, as OUC pays on a pass-through basis, including fuel and usage charges under the FGT Tariff on a pro rata basis. The fuel rate shall be set at the weighted average cost of gas (WACOG) for the respective delivery day and shall be equal across all of the OUC units and the COVB Units. The gas reservation fee shall be priced at FGT's posted tariff rate per FTS-2, which is currently \$0.72/mmbtu. Except as otherwise set forth in this Section 4, the provisions of the GISB Contract shall govern all aspects of the natural gas transaction between the Parties.

5. **Term.**

This Reliability Call Agreement shall commence on the Reliability Call Effective Date and shall expire on the earlier of (i) retirement of the COVB Units by FPL or (ii) the fourth (4th) anniversary of the COVB Electric Utility Closing.

6. **Governing Law.**

This Reliability Call Agreement shall be governed, construed and enforced in accordance with the laws of the State of Florida, without giving effect to the conflict of law provisions thereof.

7. **Waiver of Jury Trial.**

EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS RELIABILITY CALL AGREEMENT AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS RELIABILITY CALL AGREEMENT.

8. Entire Agreement.

This Reliability Call Agreement constitutes the entire final understanding and agreement of the Parties with respect to its subject matter, and there are no agreements, understandings, restrictions, representations or warranties among the Parties other than those set forth in this Reliability Call Agreement. The Parties agree that this Reliability Call Agreement supersedes the MOU in all respects as to the subject matter of this Reliability Call Agreement.

9. Expenses.

The Parties shall pay their own expenses incident to negotiating, entering into and carrying out this Reliability Call Agreement.

10. Third Party Beneficiary.

This Reliability Call Agreement is intended solely for the benefit of the Parties, and the Parties expressly disclaim any intent to create any rights in any third party as a third-party beneficiary to this Reliability Call Agreement.

11. Assignment.

This Reliability Call Agreement may not be assigned or transferred by any Party without the prior written consent of the other Party. The provisions set forth herein shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the Parties.

12. Amendment.

This Reliability Call Agreement may not be amended, modified or supplemented, except by written agreement of the Parties.

13. Waiver.

No delay, failure or refusal on the part of any Party to enforce any provision of this Reliability Call Agreement shall be construed as a waiver of such provision.

14. Invalid Provision.

If any provision of this Reliability Call Agreement is held to be illegal, invalid or unenforceable under any present or future law, such provision will be fully severable and this Reliability Call Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof. The remaining provisions of this Reliability Call Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and in lieu of such illegal, invalid or unenforceable provision, there will be added

automatically as a part of this Reliability Call Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

15. Construction.

The Parties acknowledge and agree that the terms and conditions of this Reliability Call Agreement have been freely and fairly negotiated. Each Party acknowledges that in executing this Reliability Call Agreement they have relied solely on their own judgment, belief and knowledge, and such advice as they may have received from their own counsel, and they have not been influenced by any representation or statements made by any other Party or its counsel. No provision in this Reliability Call Agreement is to be interpreted for or against any Party because that Party or its counsel drafted such provision.

16. Confidentiality.

This Reliability Call Agreement and any document submitted by a Party to the other under Reliability Call Agreement or during the negotiation of this Reliability Call Agreement ("**Confidential Documents**") may be a public record (as defined in Section 119.011, Florida Statutes) and may be open for inspection or copying by any person or entity unless such document is exempted under Section 119.071, Florida Statutes. A Party may claim that one or all of the Confidential Documents is, or has been treated as, confidential and proprietary by such Party in accordance with Florida law, and is exempt from disclosure under Chapter 119, Florida Statutes. In the event that a Party is requested or required by legal or regulatory authority to disclose any Confidential Document, such Party shall within three (3) days notify the other Party of such request or requirement prior to disclosure so that the other Party may seek an appropriate protective order.

17. Press Releases.

Except as may be required by applicable law, the Parties shall not issue any press release or other public disclosure with respect to this Reliability Call Agreement or the transactions contemplated hereby without first affording the non-disclosing Parties the opportunity to review and comment on such press release or public disclosure.

18. Counterparts.

The Parties acknowledge and agree that this Reliability Call Agreement may be executed in multiple counterparts, each such counterpart, when executed and delivered, shall constitute an integral part of one and the same agreement.

19. Definitions.

EXECUTION VERSION

As used in this Reliability Call Agreement, the following initial capitalized terms have the meanings indicated below:

a. **“COVB Units”** means existing generating units 1, 3, 4, 2 & 5 (combined cycle) located at the Vero Beach Municipal Power Plant at 100 17th Street, Vero Beach Florida;

b. **“Fuel Point of Delivery”** means the point at which OUC makes available and delivers to FPL the natural gas fuel to be consumed at the COVB Units as defined in the Gas Transportation Contracts.

c. **“OUC-COVB PPA”** means that certain Agreement for Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services dated April 21, 2008, as amended.

d. **“OUC- COVB PPA Termination Agreement”** means an agreement executed or to be executed between OUC and COVB for the termination of the OUC-COVB PPA.

[Remainder of page is intentionally left blank; signatures on following page]

EXECUTION VERSION

IN WITNESS WHEREOF, the Parties have caused this Reliability Call Agreement to be signed by their respective duly authorized representatives as of the date first above written.

FLORIDA POWER & LIGHT COMPANY

By: [Signature]
Name: SAH A. FORREST
Title: VICE PRESIDENT



Orlando Utilities Commission

By: _____
Kenneth P. Ksionek
General Manager and CEO

Attest:

Name: _____
Title: _____

Approved as to form and legality,
OUC Legal Department

By: _____

Date: _____

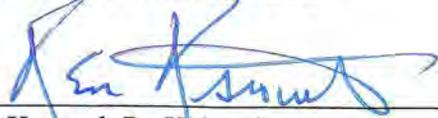
EXECUTION VERSION

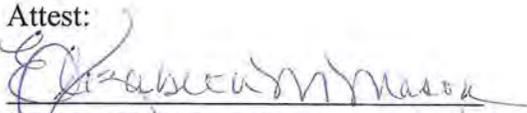
IN WITNESS WHEREOF, the Parties have caused this Reliability Call Agreement to be signed by their respective duly authorized representatives as of the date first above written.

FLORIDA POWER & LIGHT COMPANY

By: _____
Name: _____
Title: _____

Orlando Utilities Commission

By:  _____
Kenneth P. Ksionek
General Manager and CEO

Attest:

Name: ELIZABETH M. MASON
Title: ASSISTANT SECRETARY

Approved as to form and legality,
OUC Legal Department

By:  _____

Date: 1-8-13