

**Lee County Board of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20051723-UTL

1. Action Requested/Purpose:

Authorize the Chairwoman, on behalf of the BOCC, to: 1) execute the "Commercial/Industrial Demand Reduction Rider Agreement" between Lee County and the Florida Power & Light Company (FP&L); and, 2) execute the "Agreement for Curtailable Service" between Lee County and Lee County Electric Cooperative, Inc. (LCEC).

2. What Action Accomplishes:

Allows Lee County Utilities to have the best rates possible on our electrical consumption.

3. Management Recommendation:

Approval.

4. Departmental Category: 10 -

CIOH

5. Meeting Date:

01-10-2006

6. Agenda:

- Consent
- Administrative
- Appeals
- Public
- Walk-On

7. Requirement/Purpose (specify)

- Statute
- Ordinance
- Admin. Code
- Other Approval

8. Request Initiated:

Commissioner _____
 Department Public Works
 Division Utilities
 By: [Signature] 12-20
 For: Rick Diaz, P.E., Director

9. Background:

Both FPL and LCEC provide optional load management programs that help reduce power usage by predictable and specific levels during times when energy demands are highest. These programs allow participating customers to receive lower electric bills for allowing the power company to occasionally reduce their electrical use. (On 10-16-91, the BOCC approved an FP&L Electrical Load Control Agreement for the Olga Water Plant, Corkscrew Water Plant, and the Fort Myers Beach Wastewater Plant.)

With the new facilities (Airport Haul Reservoir and North Lee County Water Plant) coming on-line, the LCU Electrical Manager is recommending approval of the attached agreements to ensure the best possible rates. As per the program, these rates are only available at limited times.

No funds required.

Attachments: Originals (2 Each)

10. Review for Scheduling

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager / P.W. Director
					Analyst	Risk	Grants	Mgr.	
<u>[Signature]</u> J. Lavender Date: 12-20-05	<u>N/A</u> Date: <u>12/21/05</u>	N/A Date:		<u>[Signature]</u> S. Coover Date: 12/21/05	<u>[Signature]</u> 12/21/05	<u>[Signature]</u> 12/21/05	<u>[Signature]</u> 12/21/05	<u>[Signature]</u> 12/21/05	<u>[Signature]</u> J. Lavender Date: 12-20-05

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

RECEIVED BY COUNTY ADMIN: [Signature]
 12/21/05
 11am
 COUNTY ADMIN FORWARDED TO: [Signature]
 12/22/05
 10:17am

Rec. by CoAtty
 Date: 12/21/05
 Time: 11:03am
 Forwarded To: Co. Admin.
 12/21/05

(Continued from Sheet No. 9.495)

6. The Customer agrees to be responsible for the determination that all electrical equipment to be controlled and/or backed up is in good repair and working condition. The Company shall not be responsible for the repair, maintenance or replacement of the Customer's equipment.
7. Within two (2) years of this Agreement, the Customer agrees to (i) perform the necessary changes to allow control of a portion of the Customer's load and/or (ii) install or have in place backup generation equipment to contribute to the demand reduction level. Should the Customer fail to complete the above work by the above-specified date, or should the Customer fail to begin taking service under Rider CDR during that year, this Agreement shall become null and void unless otherwise agreed by the Company.
8. Upon completion of the installation of the load control equipment and/or backup generation equipment, a test of this equipment will be conducted at a mutually agreeable time and date. This time and date shall typically be within the Controllable Rating Period unless otherwise agreed by the Company. Notice of the test shall be provided to the Company at least five (5) business days in advance of the date of the test, and the Company shall be afforded the opportunity to witness the test. The test of the load control equipment will consist of a period of load control of not less than one hour. Effective upon the completion of the testing of the load control equipment and/or backup generation equipment, the Customer will agree to a "Firm Demand". Service under Rider CDR cannot commence prior to the installation of load control equipment or any necessary backup generation equipment and the successful completion of the test.
9. In order to minimize the frequency and duration of interruptions under the Commercial Industrial Demand Reduction Rider, the Company will attempt to obtain reasonably available additional capacity and/or energy under the Continuity of Service Provision in Rider CDR. The Customer elects/does not elect to continue taking service under the Continuity of Service Provision. Service will be provided only if capacity and/or energy can be obtained by the Company and can be transmitted and distributed to non-firm Customers without any impairment of the Company's system or service to firm Customers. The Customer may countermand the election specified above by providing written notice to the Company pursuant to the guidelines set forth in Rider CDR. The Company's obligations under this Section 9 are subject to the terms and conditions specifically set forth in Rider CDR.
10. The Company may terminate this Agreement at any time if the Customer's load control equipment and/or backup generation equipment fails to permit the Company to effect control of the Customer's load. Prior to any such termination, the Company shall notify the Customer at least ninety (90) days in advance and describe the failure or malfunction of the Customer's load control equipment and/or backup generation equipment. The Company may then terminate this Agreement at the end of the 90-day notice period unless the Customer takes measures necessary to remedy, to the Company's satisfaction, the deficiencies in the load control equipment and/or backup generation equipment. Notwithstanding the foregoing, if at any time during the 90-day period, the Customer either refuses or fails to initiate and pursue corrective action, the Company shall be entitled to suspend forthwith the monthly credit under Rider CDR, bill the Customer under the otherwise applicable firm service rate schedule, and to apply the rebilling and penalty provisions enumerated under "Charges for Early Termination" in Rider CDR.
11. The Customer agrees that the Company will not be liable for any damages or injuries that may occur as a result of control of electric service pursuant to the terms of Rider CDR by remote control or otherwise, and/or installation, operation or maintenance of the Customer's generation equipment to meet the Firm Demand level.
12. This Agreement supersedes all previous agreements and representations, either written or oral, heretofore made between the Company and the Customer with respect to matters herein contained.
13. This Agreement may not be assigned by the Customer without the prior written consent of the Company. The Customer shall, at a minimum, provide to the Company a copy of the articles of incorporation or partnership agreement of the proposed assignee, and a copy of such assignee's most recent annual report at the time an assignment is requested.
14. This Agreement is subject to the Company's "General Rules and Regulations for Electric Service" and the Rules of the Commission.

(Continued on Sheet No. 9.497)

(Continued from Sheet No. 9.496)

IN WITNESS WHEREOF, the Customer and the Company have caused this Agreement to be duly executed as of the day and year first above written.

CUSTOMER (private)

FLORIDA POWER & LIGHT COMPANY

Company: _____

Signed: _____

Signed: _____

Name: _____

Name: _____

Title: _____

Title: _____

CUSTOMER (public) LEE COUNTY BOARD OF
Governmental Entity: COUNTY COMMISSIONERS

Attest: _____

Signed: _____

By: _____
Clerk/Deputy Clerk

Name: TAMMARA HALL

Title: CHAIRWOMAN

APPROVED AS TO FORM

OFFICE OF COUNTY ATTORNEY

AIRPORT HAUL RESERVIC12
BILL ACCT # 13923-64335

FLORIDA POWER & LIGHT COMPANY

Second Revised Sheet No. 8.680
Cancels First Revised Sheet No. 8.680

COMMERCIAL/INDUSTRIAL DEMAND REDUCTION RIDER (CDR)
(OPTIONAL)

AVAILABLE:

In all territory served. Available to any commercial or industrial customer receiving service under Rate Schedules GSD-1, GSDT-1, GSLD-1, GSLDT-1, GSLD-2, GSLDT-2, GSLD-3, or GSLDT-3, through the execution of a Commercial/Industrial Demand Reduction Rider Agreement in which the load control provisions of this rider can feasibly be applied.

LIMITATION OF AVAILABILITY:

This Rider may be modified or withdrawn subject to determinations made under Commission Rules 25-17.0021(4), F.A.C., Goals for Electric Utilities and 25-6.0438, F.A.C., Non-Firm Electric Service - Terms and Conditions or any other Commission determination.

APPLICATION:

For electric service provided to any commercial or industrial customer receiving service under Rate Schedule GSD-1, GSDT-1, GSLD-1, GSLDT-1, GSLD-2, GSLDT-2, GSLD-3, or GSLDT-3, who as a part of the Commercial/Industrial Demand Reduction Rider Agreement between the Customer and the Company, agrees to allow the Company to control at least 200 kW of the Customer's load, or agrees to operate Back-up Generation Equipment (see Definitions) and designate (if applicable) additional controllable demand to serve at least 200 kw of the Customer's own load during periods when the Company is controlling load. A Customer shall enter into a Commercial/Industrial Reduction Demand Rider Agreement with the Company to be eligible for this Rider. To establish the initial qualification for this Rider, the Customer must have had a Utility Controlled Demand during the summer Controllable Rating Period (April 1 through October 31) for at least three out of seven months of at least 200 kW greater than the Firm Demand level specified in Section 4 of the Commercial/Industrial Demand Reduction Rider Agreement. The Utility Controlled Demand shall not be served on a firm service basis until service has been terminated under this Rider.

LIMITATION OF SERVICE:

Customers participating in the General Service Load Management Program (FPL "Business On Call" Program) are not eligible for this Rider.

MONTHLY RATE:

All rates and charges under Rate Schedules GSD-1, GSDT-1, GSLD-1, GSLDT-1, GSLD-2, GSLDT-2, GSLD-3, GSLDT-3 shall apply. In addition, the applicable Monthly Administrative Adder and Utility Controlled Demand Credit shall apply.

MONTHLY ADMINISTRATIVE ADDER:

Rate Schedule	Adder
GSD-1	\$525.28
GSDT-1	\$519.24
GSLD-1, GSLDT-1	\$519.70
GSLD-2, GSLDT-2	\$399.77
GSLD-3, GSLDT-3	\$2,603.16

UTILITY CONTROLLED DEMAND CREDIT:

A monthly credit of \$4.75 per kW is allowed based on the Customer's Utility Controlled Demand.

UTILITY CONTROLLED DEMAND:

The Utility Controlled Demand for a month in which there are no load control events during the Controllable Rating Period shall be the sum of the Customer's kWh usage during the hours of the applicable Controllable Rating Period, divided by the total number of hours in the applicable Controllable Rating Period, less the Customer's Firm Demand.

In the event of Load Control occurring during the Controllable Rating Period, the Utility Controlled Demand shall be the sum of the Customer's kWh usage during the hours of the applicable Controllable Rating Period less the sum of the Customer's kWh usage during the Load Control Period, divided by the number of non-load control hours occurring during the applicable Controllable Rating Period, less the Customer's Firm Demand.

(Continued on Sheet No. 8.681)

(Continued from Sheet No. 8.680)

CONTROLLABLE RATING PERIODS:

November 1 through March 31: Mondays through Fridays during the hours from 6 a.m. to 9 a.m. excluding Thanksgiving Day, Christmas Day, and New Year's Day.

April 1 through October 31: Mondays through Fridays during the hours from 3 p.m. to 6 p.m. excluding Memorial Day, Independence Day, and Labor Day.

FIRM DEMAND:

The Customer's monthly Firm Demand shall be the lesser of the "Firm Demand" level specified in the Commercial/Industrial Demand Reduction Rider Agreement with the Company, or the Customer's maximum demand during the applicable Controllable Rating Period. The level of "Firm Demand" specified in the Commercial/Industrial Demand Reduction Rider Agreement shall not be exceeded during the periods when the Company is controlling the Customer's load.

LOAD CONTROL:Control Condition:

The Customer's controllable load served under this Rider is subject to control when such control alleviates any emergency conditions or capacity shortages, either power supply or transmission, or whenever system load, actual or projected, would otherwise require the peaking operation of the Company's generators. Peaking operation entails taking base loaded units, cycling units or combustion turbines above the continuous rated output, which may overstress the generators.

Frequency: The Control Conditions will typically result in less than fifteen (15) Load Control Periods per year and will not exceed twenty-five (25) Load Control Periods per year. Typically, the Company will not initiate a Load Control Period within six (6) hours of a previous Load Control Period.

Notice: The Company will provide one (1) hour's advance notice or more to a Customer prior to controlling the Customer's controllable load. Typically, the Company will provide advance notice of four (4) hours or more prior to a Load Control Period.

Duration: The duration of a single Load Control Period will typically be three (3) hours and will not exceed six (6) hours.

In the event of an emergency, such as a Generating Capacity Emergency (see Definitions) or a major disturbance, greater frequency, less notice, or longer duration than listed above may occur. If such an emergency develops, the Customer will be given 15 minutes' notice. Less than 15 minutes' notice may only be given in the event that failure to do so would result in loss of power to firm service customers or the purchase of emergency power to serve firm service customers. The Customer agrees that the Company will not be liable for any damages or injuries that may occur as a result of providing no notice or less than one (1) hour's notice.

Customer Responsibility:

Upon the successful installation of the load control equipment, a test of this equipment will be conducted as specified in the Commercial/Industrial Demand Reduction Demand Rider Agreement. Testing will be conducted at a mutually agreeable time and date. This time and date shall typically be within the Controllable Rating Period unless otherwise agreed by the Company.

The Customer shall be responsible for providing and maintaining the appropriate equipment required to allow the Company to electrically control the Customer's load, as specified in the Commercial/Industrial Demand Reduction Rider Agreement.

The Company will control the controllable portion of the Customer's service for a one-hour period (typically within the Controllable Rating Periods) once per year for Company testing purposes on the first Wednesday in November or, if not possible, at a mutually agreeable time and date, if the Customer's load has not been successfully controlled during a load control event in the previous twelve (12) months. Testing purposes include the testing of the load control equipment to ensure that the load is able to be controlled within the agreed specifications.

LOAD CONTROL PERIOD:

All hours established by the Company during a monthly billing period in which:

1. the Customer's load is controlled, or
2. the Customer is billed pursuant to the Continuity of Service Provision.

(Continued on Sheet No. 8.682)

(Continued from Sheet No. 8.681)

PROVISIONS FOR ENERGY USE DURING CONTROL PERIODS:

Customers notified of a load control event should not exceed their Firm Demand during periods when the Company is controlling load. However, electricity will be made available during control periods if the Customer's failure to meet its Firm Demand is a result of one of the following conditions:

1. Force Majeure events (see Definitions) which can be demonstrated to the satisfaction of the Company, or
2. maintenance of generation equipment necessary for the implementation of load control which is performed at a pre-arranged time and date mutually agreeable to the Company and the Customer (See Special Provisions), or
3. adding firm load that was not previously non-firm load to the Customer's facility, or
4. an event affecting local, state or national security, or
5. an event whose nature requires that space launch activities be placed in the critical mode (requiring a closed-loop configuration of FPL's transmission system) as designated and documented by the NASA Test Director at Kennedy Space Center and/or the USAF Range Safety Officer at Cape Canaveral Air Force Station.

The Customer's energy use (in excess of the Firm Demand) for the conditions listed above will be billed pursuant to the Continuity of Service Provision. For periods during which power under the Continuity of Service Provision is no longer available, the Customer will be billed, in addition to the normal charges provided hereunder, the greater of the Company's As-Available Energy cost, or the most expensive energy (calculated on a cents per kilowatt-hour basis) that FPL is purchasing or selling during that period, less the applicable class fuel charge. As-Available Energy cost is the cost calculated for Schedule COG-1 in accordance with FPSC Rule 25-17.0825, F.A.C.

If the Company determines that the Customer has utilized one or more of the exceptions above in an excessive manner, the Company will terminate service under this rider as described in TERM OF SERVICE.

If the Customer exceeds the Firm Demand during a period when the Company is controlling load for any reason other than those specified above, then the Customer will be:

1. billed a \$4.75 charge per kW of excess kW for the prior sixty (60) months or the number of months the Customer has been billed under this rider, whichever is less, and
2. billed a penalty charge of \$1.00 per kW of excess kW for each month of rebilling.

Excess kW for rebilling and penalty charges is determined by taking the difference between the Customer's kWh usage during the load control period divided by the number of hours in the load control period and the Customer's "Firm Demand". The Customer will not be rebilled or penalized twice for the same excess kW in the calculation described above.

(Continued on Sheet No. 8.683)

(Continued from Sheet No. 8.682)

TERM OF SERVICE:

During the first year of service under this Rider, the Customer will determine whether or not this Rider is appropriate for the Customer and may request to exit the program subject to the Provisions for Early Termination. It is intended that the Company will continue to provide and the Customer will continue to take service under this Rider for the life of the generating unit which has been avoided by the Rider. There is, however, a five-year termination notice provision which will allow either the Customer or the Company to terminate service under this Rider should there be circumstances under which the termination of the Customer's participation or the Company's offering of this Rider is desired.

Service under this Rider shall continue, subject to Limitation of Availability, until terminated by either the Company or the Customer upon written notice given at least five (5) years prior to termination.

The Company may terminate service under this Rider at any time for the Customer's failure to comply with the terms and conditions of this Rider or the Commercial Industrial Demand Reduction Rider Agreement. Prior to any such termination, the Company shall notify the Customer at least ninety (90) days in advance and describe the Customer's failure to comply. The Company may then terminate service under this Rider at the end of the 90-day notice period unless the Customer takes measures necessary to eliminate, to the Company's satisfaction, the compliance deficiencies described by the Company. Notwithstanding the foregoing, if, at any time during the 90-day period, the Customer either refuses or fails to initiate and pursue corrective action, the Company shall be entitled to suspend forthwith the monthly credits under this Rider and bill the Customer under the otherwise applicable firm service rate schedule.

PROVISIONS FOR EARLY TERMINATION:

Termination of this Rider, with less than five (5) years' written notice, for which the Customer would qualify, may be permitted if it can be shown that such termination is in the best interests of the Customer, the Company and the Company's other customers.

If the Customer no longer wishes to receive electric service in any form from the Company, or decides to cogenerate to serve all of the previously Utility Controlled Demand and to take interruptible standby service from the Company, the Customer may terminate the Commercial Industrial Demand Reduction Agreement by giving at least thirty (30) days' advance written notice to the Company.

If service under this Rider is terminated for any reason, the Customer will not be rebilled as specified in Charges for Early Termination if:

- a. it has been demonstrated to the satisfaction of the Company that the impact of such transfer of service on the economic cost-effectiveness of the Company's Commercial/Industrial Demand Reduction Rider is in the best interests of the Customer, the Company and the Company's other customers, or
- b. the Customer is required to terminate this Rider as a result of Commission Rule 25-6.0438, F.A.C., or a Commission decision pursuant to this rule, or
- c. the termination of service under this Rider is the result of either the Customer's ceasing operations at its facility (without continuing or establishing similar operations elsewhere in the Company's service area), or a decision by the Customer to cogenerate to serve all of the previously utility controlled load and to take interruptible standby service from the Company, or
- d. any other Customer(s) with demand reduction equivalent to, or greater than, that of the existing Customer(s) agree(s) to take service under this Rider and the MW demand reduction commitment to the Company's Generation Expansion Plan has been met and the new replacement Customer(s) has (have) the equipment installed and is (are) available to perform load control, or
- e. FPL determines that the Customer's MW reduction is no longer needed in accordance with the FPL Numeric Commercial/Industrial Conservation Goals.

(Continued on Sheet No. 8.684)

(Continued from Sheet No. 8.683)

In the event the Customer pays the Charges for Early Termination because no replacement Customer(s) is (are) available as specified in paragraph d. above, but the replacement Customer(s) does(do) become available within twelve (12) months from the date of termination of service under this Rider or FPL later determines that there is no need for the MW reduction in accordance with the FPL Numeric Commercial/Industrial Conservation Goals, then the Customer will be refunded all or part of the rebilling and penalty in proportion to the amount of MW obtained to replace the lost capacity less the additional cost incurred by the Company to serve those MW during any load control periods which may occur before the replacement Customer(s) became available.

Charges for Early Termination:

In the event that:

- a) service is terminated by the Company for any reason(s) specified in this section, or
- b) there is a termination of the Customer's existing service and, within twelve (12) months of such termination of service, the Company receives a request to re-establish service of similar character under a firm service or a curtailable service rate schedule, or under this rider with a shift from non-firm load to firm service,
 - i) at a different location in the Company's service area, or
 - ii) under a different name or different ownership, or
 - iii) under other circumstances whose effect would be to increase firm demand on the Company's system without the requisite five (5) years' advance written notice, or
- e) the Customer transfers the controllable portion of the Customer's load to "Firm Demand" or to a firm or a curtailable service rate schedule without providing at least five (5) years' advance written notice,

then the Customer will be:

1. rebilled \$4.75 per kW of Utility Controlled Demand for the shorter of (a) the most recent prior sixty (60) months during which the Customer was billed for service under this Rider, or (b) the number of months the Customer has been billed under this Rider, and
2. billed a penalty charge of \$1.00 per kW of Utility Controlled Demand times the number of months rebilled in No. 1 above.

SPECIAL PROVISIONS:

1. Control of the Customer's load shall be accomplished through the Company's load management systems by use of control circuits connected directly to the Customer's switching equipment or the Customer's load may be controlled by use of an energy management system where the firm demand level can be established or modified only by means of joint access by the Customer and the Company.
2. The Customer shall grant the Company reasonable access for installing, maintaining, inspecting, testing and/or removing Company-owned load control equipment.
3. It shall be the responsibility of the Customer to determine that all electrical equipment to be controlled is in good repair and working condition. The Company will not be responsible for the repair, maintenance or replacement of the Customer's electrical equipment.
4. The Company is not required to install load control equipment if the installation cannot be economically justified.
5. Credits under this Rider will commence after the installation, inspection and successful testing of the load control equipment.
6. Maintenance of equipment (including generators) necessary for the implementation of load control will not be scheduled during periods where the Company projects that it would not be able to withstand the loss of its largest unit and continue to serve firm service customers.

(Continued on Sheet No. 8.685)

(Continued from Sheet No. 8684)

CONTINUITY OF SERVICE PROVISION:

In order to minimize the frequency and duration of interruptions, the Company will attempt to obtain reasonably available additional capacity and/or energy during periods for which interruptions may be requested. The Company's obligation in this regard is no different than its obligation in general to purchase power to serve its Customers during a capacity shortage; in other words, the Company is not obligated to account for, or otherwise reflect in its generation planning and construction, the possibility of providing capacity and/or energy under this Continuity of Service Provision. Any non-firm customers so electing to receive capacity and/or energy which enable(s) the Company to continue service to the Customer's non-firm loads during these periods will be subject to the additional charges set forth below.

In the event a Customer elects not to have its non-firm load interrupted pursuant to this Rider, the Customer shall pay, in addition to the normal charges provided hereunder, a charge reflecting the additional costs incurred by the Company in continuing to provide service, less the applicable class fuel charge for the period during which the load would otherwise have been controlled (see Sheet No. 8.030). This incremental charge shall apply to the customer's non-firm load for all consumption above the Customer's Firm Demand during the time in which the non-firm load would otherwise have been controlled. If, for any reason during such period, this capacity and/or energy is (are) no longer available or cannot be accommodated by the Company's system, the terms of this Continuity of Service Provision will cease to apply and interruptions will be required for the remainder of such period unless energy use is for one of the conditions outlined under "Provisions for Energy Use During Control Periods".

Any customer served under this Rider may elect to minimize the interruptions through the procedure described above. The initial election must be made in the Commercial/Industrial Demand Reduction Agreement. Any adjustment or change to the election must be provided to the Company with at least 24 hours' written notice (not including holidays and weekends) and must be by mutual agreement, in writing, between the Customer and the Company. In such case, the written notice will replace any prior election with regard to this Continuity of Service Provision.

RULES AND REGULATIONS:

Service under this rider is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision(s) of this rider and said "General Rules and Regulations for Electric Service", the provision(s) of this rider shall apply.

DEFINITIONS:Generating Capacity Emergency:

A Generating Capacity Emergency exists when any one of the electric utilities in the state of Florida has inadequate generating capability, including purchased power, to supply its firm load obligations.

Force Majeure:

Force Majeure for the purposes of this rider means causes not within the reasonable control of the Customer affected and not caused by the negligence or lack of due diligence of the Customer. Such events or circumstances may include acts of God, strikes, lockouts or other labor disputes or difficulties, wars, blockades, insurrections, riots, environmental constraints lawfully imposed by federal, state, or local governmental bodies, explosions, fires, floods, lightning, wind, accidents to equipment or machinery, or similar occurrences.

Backup Generation Equipment:

Backup generation equipment shall be Customer-provided generation equipment and switch gear. This generation equipment will be utilized for emergency purposes, including periods when the Company is controlling load.



AGREEMENT FOR CURTAILABLE SERVICE
(LOAD SHED AT NORTH LEE CO. WP)

This Agreement, made this _____ day of _____, by and between _____
Lee County Board of County Commissioners (Utilities Division)
(hereinafter called the Customer) located at 18250 Durrance Rd, N. Ft. Myers, FL 33917
in Lee County, Florida, LEE COUNTY ELECTRIC COOPERATIVE, INC., a cooperative, organized
and existing under the laws of the State of Florida (hereinafter called the Cooperative).

WITNESSETH

That for and in consideration of the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

1. The Cooperative shall provide electric service pursuant to Rate Schedule GSD-O-IS, marked Exhibit "A," which is made a part of this Agreement and attached hereto. If the Customer's demand is insufficient to qualify for said rate, it is hereby agreed that the Customer shall pay monthly the customer charge, demand charge for the minimum demand or the currently effective demand, whichever is larger, and the energy charge but never less than the minimum charge provided for on Exhibit "A."
2. That the Customer agrees to curtail demand by 50 kW or more upon request of the Cooperative.
3. That the Customer agrees to curtail to a maximum demand of -0- kW during the curtailment periods specified by the Cooperative.
4. That the monthly curtailment credit shall be based on the difference between the Customer's monthly billing demand and the maximum demand specified in paragraph 3. The Customer has the option to revise the contracted maximum demand during the initial twelve- (12) month period. Thereafter, a change may be made after a twelve- (12) month period.
5. That in the event the Customer fails to curtail to the demand specified in paragraph 3, the Cooperative may recover from the Customer all curtailment credits issued in the preceding 12 months, or since the last curtailment, whichever is less, and may also recover a penalty charge in accordance with the Rate Schedule marked Exhibit "A." No penalty will be applied should failure to curtail result from unforeseen equipment failure.
6. That all terms and conditions of the Rate Schedule marked Exhibit "A," which is attached to and made a part of this Agreement, or its successive rate schedule which may be approved from time to time by the Florida Public Service Commission, shall apply to the Customer. In the event any of these terms and conditions are not met, the Customer will be placed on an appropriate non-curtable service rate for a period no less than the term of service of that rate.
7. That failure or delay by either party in exercising any rights or remedies provided herein or by law shall not be deemed to constitute waiver of any of the provisions hereof.
8. That this Agreement supersedes all previous agreements or representations, either written, verbal, or otherwise between the Customer and the Cooperative, with respect to the matters contained herein and constitutes the entire Agreement between the parties.

Witnesses for the Customer:

_____	Company	<u>CUSTOMER -Public</u> <u>LEE COUNTY BOARD OF</u> <u>COUNTY COMMISSIONERS</u>
_____	By	_____
	Title	<u>TAMMARA HALL</u> <u>CHAIRWOMAN</u>

Witnesses for the Cooperative:

		<u>LEE COUNTY ELECTRIC COOPERATIVE, INC.</u>
_____	By	_____
_____	Title	_____

APPROVED AS TO FORM

IS

RATE SCHEDULE IS
 INTERRUPTIBLE GENERAL SERVICE-DEMAND
ELECTRIC SERVICE RATE SCHEDULE

The Lee County Electric Electric Cooperative, Inc., shall charge and collect for interruptible general service-demand electric energy on the following basis of availability, application, character of service, monthly rate, minimum charge, power cost adjustment, primary service discount, power factor adjustment, and tax adjustment.

AVAILABILITY:

This schedule is available throughout the entire territory served by and at the option of the Lee County Electric Cooperative, Inc.

APPLICATION:

This schedule is available to any customer who qualifies for Rate Schedule GSD, GSLD, or GSD-O and contracts for at least 50 kW demand and agrees to curtail its demand by 50 kW or more upon request from time to time of the Lee County Electric Cooperative, Inc.

CHARACTER OF SERVICE:

Service under this schedule shall be single phase or three phase, 60 Hertz, alternating current at the Lee County Electric Cooperative, Inc.'s available standard voltages. All service required on the premises by the customer shall be furnished through one meter. Stand-by or resale service is not permitted hereunder.

MONTHLY RATE:	<u>GSD</u>	<u>GSLD</u>	<u>GSD-O</u>
Customer Charge.....	\$50.00	50.00	50.00
Demand Charge:			
All kW of billing demand per month @. \$ 5.00		7.80	12.78
Energy Charge:			
All kWh per month @..... \$ 4.86¢		4.31¢	2.95¢

(Continued on Sheet No. 16.1)

ISSUED BY: PAMELA M. MAY
 EXECUTIVE VICE PRESIDENT
 AND CHIEF EXECUTIVE OFFICER

EFFECTIVE: May 1, 2000

IS

(Continued from Sheet No. 16.0)

INTERRUPTIBLE CREDIT:

A credit will be calculated at the rate of \$3.75 for each kw that the contracted maximum demand during a curtailment period is less than the billing demand during the current billing period. The contracted maximum demand during a curtailment period must be established by agreement and at the customers option may be revised once during the initial twelve (12) month period of service. Thereafter, a change may be made after a twelve (12) month period. If the demand during a curtailment period is higher than that established by agreement, then the Lee County Electric Cooperative, Inc., shall recover one hundred fifteen percent (115%) of all excess credits given to the customer during the preceding twelve (12) month period or since the last curtailment, whichever is less.

POWER COST ADJUSTMENT:

The amount computed at the above monthly rate shall be adjusted plus or minus by an amount calculated in accordance with the formula specified in the Lee County Electric Cooperative, Inc.'s power cost adjustment clause which is a part of this rate schedule.

MINIMUM CHARGE:

The monthly minimum charge shall be the "Customer Charge" plus the "Demand Charge Adjusted for Interruptible Credit."

DETERMINATION OF BILLING DEMAND:

The demand to be used for billing purposes shall be the maximum fifteen (15) minute integrated demand occurring during the billing period as indicated to the nearest one-tenth of a kw by a meter installed to measure demand, but in no event shall billing demand be less than 20 kw, nor less than seventy (70) percent of the maximum measured demand, if applicable, during the preceding eleven (11) months.

POWER FACTOR ADJUSTMENT:

The Lee County Electric Cooperative, Inc., may, at its option, install metering equipment to allow determination of the reactive component of power utilized by the customer. The customers utilization equipment shall not result in a power factor at the point of delivery of less than 90% lagging at the time of maximum demand. Should this power factor be less than 90% lagging during the month, the Cooperative may adjust the reading taken to determine the demand multiplying the kw obtained through such reading by 90% and by dividing the result by the power factor actually established at the time of maximum demand during the current month. Such adjusted reading shall be used in determining the demand. At the request of the customer, but not more frequently than once in each twelve (12) month

(Continued on Sheet No. 16.2)

LEE COUNTY ELECTRIC COOPERATIVE, INC.
NORTH FORT MYERS, FLORIDA

SECOND REVISED SHEET NO. 16.2
CANCELLING FIRST SHEET NO. 16.2

IS

(Continued from Sheet No. 16.1)

period, the Lee County Electric Cooperative, Inc., will review the need for such metering and may, at its option, terminate such metering.

CURTAILMENT PERIOD:

All hours established by the Cooperative during a monthly billing period in which the Customer is requested to curtail demand.

TERM OF SERVICE:

Not less than one year.

PRIMARY SERVICE DISCOUNT:

For service provided and metered at 14.4 kV and higher where the Lee County Electric Cooperative, Inc., has such service available in the immediate area of the load and where the customer owns the necessary transformation equipment, the foregoing demand charges shall be subject to a discount of twenty-five cents (\$0.25) per kW of billing demand.

TAX ADJUSTMENT:

The amount computed at the above monthly rate as adjusted by the application of the monthly power cost adjustment clause shall be subject to taxes, assessments, and surcharges imposed by any governmental authority calculated in accordance with the Lee County Electric Cooperative, Inc.'s tax adjustment clause which is a part of this rate schedule.

TERMS OF PAYMENT:

The above rates are net. In the event the current bill is not paid after due notice, to the extent permitted by law, the customer is subject to a late-payment charge and disconnection. In the event it is necessary for the Lee County Electric Cooperative, Inc., to send a bill collector to collect the bill, to the extent permitted by law, a collection charge shall be made.

ISSUED BY: PAMELA M. MAY
EXECUTIVE VICE PRESIDENT
AND CHIEF EXECUTIVE OFFICER

Effective: February 1, 2002