



TENNESSEE VALLEY AUTHORITY

**2015 REQUEST FOR SOLAR POWER PURCHASE
AGREEMENT PRICING**

FOR

Naval Support Activity Mid-South

October 29, 2015

TVA REQUEST FOR PRICING FOR SOLAR POWER PURCHASE AGREEMENT

Purpose

TVA is seeking proposals from qualified and eligible utility-scale photo-voltaic solar project developers (“Respondents”) to begin generation and delivery of power from a single provider by January 1, 2018. TVA is interested in solar proposals for power supply of 20 years in duration. The proposals would be for a single project comprised of solar facilities to be located on 72 acres of U.S. Navy property at Naval Support Activity (NSA) Mid-South and the adjoining 330 acres of property that is currently owned by the Millington Industrial Development Board (MIDB). The full utilization of the 72 acres at NSA Mid-South must be included in any proposal provided. TVA requests that the 72 acres of U.S. Naval property be developed before the adjoining 330 acres of MIDB property.

Description of Volume Requirements

TVA is seeking to purchase a maximum of 80 MW of solar power with no minimum quantity at the Mid-South site. The proposal should provide a site plan to include the size of proposed arrays and ancillary equipment at the site within the property allocated in this Request For Proposals (RFP). The property to be considered under this proposal will be 72 acres owned by the Navy and an adjoining 330 acres owned by the MIDB; these two tracts are collectively referred to as the Mid-South site. It will be the responsibility of the Respondent to evaluate the potential utilization of the Mid-South site to propose the most economic offer to TVA.

Past Performance

The Respondent shall provide up to three references that best represent the Respondent’s past performance in utility-scale solar development of 10 MW or larger. Projects may include those with the federal government, state or local governments, or commercial customers. Respondent should also provide any performance recognition documents received within the last three years.

Delivery to the TVA System

The TVA Large Generator Interconnection Procedures will be followed in order to interconnect the Respondent’s generation to the TVA transmission system. Transmission Service will also be required for the delivery of power over the TVA transmission system per the TVA Transmission Service Guidelines.

All solar generation at the Mid-South site will connect to the TVA transmission system at the Shelby 161/500 kV interconnection point. All energy shall be purchased by TVA pursuant to a Power Purchase Agreement. All interconnection costs will be the responsibility of the Respondent. These costs include fees and charges for the necessary studies and the cost of construction, including any electric facilities upgrades required to interconnect. Any necessary

engineering review, construction, and expense must be included in the proposal. During the TVA or MLGW interconnection process there may be findings that show Memphis Light Gas and Water (MLGW) needs to construct distribution infrastructure needed to provide new feeds to NSA Mid-South. Cost incurred by MLGW for studies and construction performed by MLGW will also be reimbursed by the Respondent.

Pricing

Year One pricing will be the same as the prices found in the pricing summary in Exhibit A of the attached Draft Power Purchase Agreement. All Respondents are asked to offer an annual escalator to Year One prices that will provide TVA with the most economic offer. Only the annual escalator will be negotiated from these Year One prices. Prices will include TVA's purchase of all energy, capacity, and environmental attributes.

Land & Site Control

The successful proposal must provide documentation that the Respondent will be able to achieve necessary site control within fifteen (15) days after being notified of its selection by TVA. The Respondent will also be responsible for any necessary permitting and approvals, as applicable. Currently, the 330 acres of the MIDB land is under option through November 15, 2015. All questions in relation to the MIDB land should be directed to Charles Gulotta, Executive Director, Millington Industrial Development Board, at Charles.gulotta@mecca.net. All questions in relation to the Navy land should be directed to John Baxter at john.w.baxter@navy.mil or Debra Kemp at debra.kemp@navy.mil.

Panel Manufacturing

All proposals shall comply with Section 858 of Public Law 113-291 for the sourcing of materials.

Environmental and Regulatory Requirements

The Respondent's proposal must comply with all applicable federal and state laws, both during construction and during plant operation. All federal, state, and local approvals, permits, licenses, fees, emissions allowances, environmental reviews, and other environmental requirements are the responsibility of the Respondent for the entire term covered by each proposal. This should include any rezoning, land-use permits, and other discretionary approvals that may be required by the local government.

TVA is an agency of the Federal government and accordingly must conduct or approve any environmental review necessary under the National Environmental Policy Act (NEPA). The proposed solar facility and any connected actions (e.g., transmission system upgrades) will be evaluated in the environmental review. Additionally, as a federal agency, TVA has certain obligations under the Endangered Species Act (ESA) and National Historic Preservation Act (NHPA), which may require studies and consultation with the U.S. Fish and Wildlife Service and

State Historic Preservation Office, respectively. The U.S. Navy has the same environmental review responsibilities for the 72 acres of Navy Land. TVA will incorporate the Navy's environmental analyses into its environmental review of the entire proposed solar facility. The successful Respondent will be responsible for reimbursing TVA for all costs incurred by TVA for its obligations under NEPA. The successful Respondent will also reimburse TVA for its cost incurred for ESA and NHPA compliance.

Respondents will be responsible for any and all applicable approvals and other regulatory actions required under the Federal Power Act, PURPA, and other applicable Federal and State laws.

System Design

The proposal shall provide a technical description of the proposed system, including the following:

- Conceptual Design Drawings
- In-kind consideration which enhances the installation's energy security posture, and/or make cash rent payments to the Department of Navy valued at not less than the fair market rental value of the Respondent's leasehold interest, as determined by Government appraisal
- A layout drawing of the solar facility and the electrical drawings up to the point of interconnection
- Risk Mitigation Plan with a description of how the Respondent will manage a lack of energy due to weather, mechanical failures, operational failures, and equipment life failures over the life of the contract
- Respondents should be aware that they will have to comply with FAA requirements for glare hazard analysis near airports (78 FR 63276). Analysis using the Solar Glare Hazard Analysis Tool (SGHAT) should be completed and the results submitted to the FAA (<https://oeaaa.faa.gov/oeaaa/external/portal.jsp>). Additional information on SGHAT can be found at <https://share.sandia.gov/phlux>

Implementation Plan

The proposal shall include an Implementation Plan that provides a realistic schedule and phasing of the project to include engineering, procurement of materials, construction, installation of meters required for utility billing, interconnection, commissioning, and testing of the facility before commercial operation.

Other Terms and Conditions

All other terms and conditions are set forth in the attached Power Purchase Agreement and are firm. TVA reserves the right to reject any proposal that requests a variance from TVA's standard terms.

Credit Assurance

The proposal must include sufficient financial information regarding the Respondent and its investors to establish creditworthiness with TVA. The proposal should include as a minimum the following information regarding the Respondent:

- Audited financial statements for the three (3) preceding years that include balance sheets, income statements, statements of cash flows, and notes to the financial statements
- Bank name, address, phone number, and officer contact
- Credit references from three (3) sources that include name, address, phone number, and contact
- Annual report or company brochure, if available

TVA requires secure and reliable physical delivery of the capacity and associated energy under all purchase power agreements. Security (credit assurance) covering both the option and the physical delivery of capacity and energy will be provided in the form of either:

- (1) A Letter of Credit issued by a U.S. commercial bank domiciled in the United States, or a foreign bank with a U.S. branch, with such branch having a credit rating on its long-term senior unsecured debt of (a) (1) "A3" or higher from Moody's or (2) "A-" or higher from S & P, or (b) if rated by both Moody's and S&P, both (a)(1) and (a)(2)
- (2) A Parent guaranty issued by an entity located in the United States and who is mutually agreed to by the parties and has a long-term senior unsecured debt rating (not supported by third party credit enhancements) of (a)(1) "Baa2" or higher by Moody's or (2) "BBB" or higher by S&P, or if rated by both Moody's and S&P, both (a)(1) and (a)(2)
- (3) Various combinations of the foregoing, as determined by TVA

The cost of such credit assurance must be borne by the Respondent and the initial performance assurance schedule is set forth in the Credit Annex (Exhibit D) of the attached Power Purchase Agreement.

Reservation of Rights

TVA reserves the right, without qualification and at its sole discretion, to amend or withdraw this request for proposals and to reject any or all proposals or portion of proposals received. In addition, TVA reserves the right to consider other alternatives outside of this solicitation at its sole discretion in order to satisfy its desired objectives. Those who submit proposals to TVA do so without recourse against TVA for either rejection by TVA or failure to execute a purchased power agreement for any reason. TVA also reserves the right in its sole discretion: (i) to request of and discuss with Respondents, individually or collectively, further information as part of its evaluation of the proposals received, (ii) to waive any requirements of this solicitation, and (iii) to negotiate separately with any Respondents or other parties at any time.

RFP Schedule

- Respondent Technical Conference and Site Visit to address required design specifications, land rights, timber removal, and other pertinent topics, to be hosted on November 12, 2015, at the Pat Thompson Conference Center, 5700 Attu Street, Millington Tennessee 38054-5026
- Proposals Due on November 20, 2015
- Successful Respondent Notified on December 4, 2015

Procedures for Application

Respondents are requested to submit their proposals to the address below along with a non-refundable \$5,000 submittal fee via certified check to Tennessee Valley Authority.

By Courier or U.S. Mail

Tennessee Valley Authority
Attention: Mr. Jason Haile, Senior Originator
1101 Market Street, MR 2B-C
Chattanooga, Tennessee 37402-2801

All proposals must be postmarked by November 20, 2015. Each Respondent must designate a contact person with whom TVA can communicate with questions about the proposal.

Confidentiality

TVA recognizes that certain information contained in proposals submitted may be confidential and, as permitted by applicable law, will treat each proposal in its entirety as confidential to the same degree it treats its own confidential information. If TVA is formally requested and required by any regulatory or judicial authority, or is otherwise required by law, to disclose information with regard to a proposal, TVA, upon notice to Respondent, will disclose such information in accordance with applicable laws and regulations.

Respondents are required to treat this solicitation in its entirety and any submissions to, or communications with, TVA as confidential to at least the same degree they treat their own confidential information. If a Respondent is formally requested and required by any regulatory or judicial authority or otherwise required by law to disclose information with regard to a proposal, such Respondent, upon notice to TVA, will disclose such information only in accordance with, and to the extent required by, applicable laws and regulations.

POWER PURCHASE AGREEMENT

BETWEEN

TENNESSEE VALLEY AUTHORITY

And

**POWER PURCHASE AGREEMENT
BETWEEN
TENNESSEE VALLEY AUTHORITY
and**

Preamble: THIS AGREEMENT, is made and entered into this _____ (“Effective Date”), by and between TENNESSEE VALLEY AUTHORITY, a corporation duly organized and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended, hereinafter called “Buyer” or “TVA,” its successors and assigns, and _____, a limited liability company, duly organized, created, and existing under and by virtue of the laws of the State of _____, hereinafter called “Seller,” its successors and assigns. Buyer and Seller are hereinafter known collectively as “the Parties” and individually as a “Party.”

RECITALS

WHEREAS, Buyer is engaged in the generation, transmission, and supply of electric power and energy in the Tennessee Valley region.

WHEREAS, Seller is developing and will own and operate a solar-powered electric generation facility known as _____ located in _____ (the “Project”) with an Installed Capacity of up to _____ MWs.

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the entire amount of Energy Output from the Project and Other Project Attributes, subject to the terms and conditions herein.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and conditions hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I: DEFINITIONS

1.1 “Actual Supply” has the meaning specified in Section 8.1.

1.2 “Affiliate” means, with respect to any Person, (i) each Person that directly or indirectly, controls or is controlled by or is under common control with such designated Person; (ii) any Person that beneficially owns or holds ten percent (10%) or more of any class of voting securities of such designated Person or ten percent (10%) or more of the equity interest in such designated Person; or (iii) any Person of which such designated Person beneficially owns or holds ten percent (10%) or more of the equity interest. For the purposes of this definition, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or

indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

1.3 “Alternative Compliance Payment” means the greater of the amount designated under the terms of the Renewable Energy Standard (RES), which is the amount that an entity subject to such RES must pay in lieu of the transfer of RECs in order to comply with the RES requirements for a given RES compliance year, or in the absence of any Federal requirements, 1.0¢/kWh.

1.4 “Ancillary Services” means those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of TVA’s transmission system in accordance with Good Utility Practice.

1.5 “Annual Supply Guarantee” has the meaning as set forth in Exhibit B.

1.6 “Applicable Law” means all Federal, state, local, or municipal laws, statutes, codes, acts, treaties, ordinances, orders, judgments, writs, decrees, injunctions, rules, regulations, governmental approvals, licenses, permits, directives, and requirements of all regulatory and other Governmental Authorities.

1.7 “Bankrupt” means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes, or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization, or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator, or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

1.8 “Base Prices” has the meaning set forth in Section 4.6.

1.9 “Base Price Average” has the meaning set forth in Section 4.6.

1.10 “Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. CPT.

1.11 “Capacity Attributes” means any current or future defined characteristic, certificate, tag, credit, or accounting construct associated with the amount of power that the Project can generate at a particular moment and that can be purchased and sold under market rules adopted in the region where the Project is located.

1.12 “Cash” means cash in United States Dollars.

1.13 “Claiming Party” has the meaning set forth in Section 16.2.

1.14 “Claims” has the meaning set forth in Section 17.12(a).

1.15 “Commercially Reasonable” means, with respect to any action required to be made, attempted, or taken by TVA or Seller under this Agreement, such efforts as a reasonably prudent business would undertake for the protection of its own interest under the conditions affecting such action, including the amount of notice of the need to take such action, the duration and type of action, the competitive environment in which such action occurs, and the risk to the Party required to take such action. With respect to price or cost, Commercially Reasonable means the price or cost obtained or reasonably expected to be obtainable given good faith efforts in a competitive business environment. The price or cost obtained for such purchase or sale need not necessarily be the lowest or highest (as the case may be) price or cost available at the time so long as such price or cost can be demonstrated as having been obtained through good faith efforts in a competitive business environment. Commercially Reasonable shall not include the payment of fees not otherwise contemplated under this Agreement or the making of any material, financial or other concessions as a condition to accomplishing the result contemplated.

1.16 “Contract Prices” has the meaning set forth in Section 4.6.

1.17 “Costs” means, with respect to the Non-Defaulting Party, brokerage fees, commissions, and other similar third party transaction costs and expenses reasonably incurred by such Party in entering into new arrangements that replace this Agreement; and all reasonable expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement pursuant to Section 9.2(i).

1.18 “CPT” means Central Prevailing Time, meaning prevailing Standard Time or Daylight Saving Time in the Central Time Zone.

1.19 “CSPP” means the simple average of Part B rates set forth in the Dispersed Price Schedule CSPP of TVA’s “Dispersed Power Production Guidelines for TVA and Distributors of TVA Power”.

1.20 “Curtailement” means any curtailment in whole or in part of energy production at the Project to maintain reliability pursuant to the instruction or other directive made or issued by TVA, Distributor, or any Regional Transmission Organization, any other affected transmission service provider, or any governmental authority with applicable authority to direct such a curtailment of energy production.

1.21 “Defaulting Party” has the meaning set forth in Section 9.1.

1.22 “Deficient Energy” has the meaning as specified in Section 8.1.

1.23 “Delivery Period” means for all purposes of this Agreement (a) in the case of the first such period, the period commencing on the Initial Delivery Date and ending on the December 31st next following the Initial Delivery Date, (b) in the case of each such period subsequent to the first such period (but not including the last such period), each twelve (12) calendar months commencing on the January 1st next following the end of the prior period (each a “Full Contract Year”), and (c) in the case of the last such period during the Term, the period beginning on the January 1st next preceding the final anniversary of the Initial Delivery Date and ending on such final anniversary of the Initial Delivery Date.

1.24 “Delivery Point” means the TVA _____line or alternative point as determined through the interconnection process associated with TVA interconnection queue position _____.

1.25 “Distributor’s System” means a system connected to the TVA transmission system for distributing Energy Output and includes any structures, equipment, or other items used for that purpose.

1.26 “Distributor” means the owner or operator of a Distributor’s System within the TVA Power Service Area.

1.27 “Downgrade Event” means if a Party’s or Party’s Guarantor’s credit rating fails to meet the Ratings Limit.

1.28 “Early Termination Date” has the meaning set forth in Section 9.2.

1.29 “Effective Date” means the execution date of this Agreement.

1.30 “Energy Output” means the amount of energy (in kWh) generated by the Project and delivered to the Delivery Point from and after the Test Commencement Date, as metered by the Metering Equipment, net of parasitic or auxiliary load.

1.31 “Environmental Attributes” means any and all credits, benefits, emissions reductions, environmental air quality credits, emissions reduction credits, renewable energy credits, offsets and allowances, attributable to a Qualifying Resource, or otherwise attributable to the generation, purchase, sale, or use of electrical energy from a Qualifying Resource during the Term, howsoever entitled or named, resulting from the avoidance, reduction, displacement, or offset of the emission of any gas, chemical, or other substance, including any of the same arising out of legislation or regulation concerned with oxides of nitrogen, sulfur, or carbon, with particulate matter, soot, or mercury, or implementing the United Nations Framework Convention on Climate Change (UNFCCC) or the Kyoto Protocol to the UNFCCC, or its successor, or crediting “early action” emissions reduction, or laws or regulations involving or administered by the Clean Air Markets Division of the United States Environmental Protection Agency (EPA), or any state or federal entity given jurisdiction over a program involving transferability of Environmental Attributes, and any Renewable Energy Credit reporting rights to such Environmental Attributes. Environmental Attributes do not include, (i) federal or state production tax credits; (ii) any investment tax credits or other tax credits associated with the construction or ownership of the Project; or (iii) any state, federal or private cash payments or grants relating in any way to the construction or ownership of the Project.

1.32 “Equitable Defenses” means any bankruptcy, insolvency, reorganization, and other laws affecting creditors’ rights generally, and with regard to equitable remedies, the discretion of the court before which proceedings to obtain same may be pending.

1.33 “Event of Default” has the meaning set forth in Section 9.1.

1.34 “Excused Hours” has the meaning as set forth in Section 8.2.

1.35 “Expected Initial Delivery Date” means January 1, 2018.

1.36 “Extended Force Majeure/Forced Outage Period” has the meaning as specified in Section 6.3.

1.37 “Force Majeure” has the meaning as specified in Section 16.1.

1.38 “Forced Project Outage” means any reduction or cessation of energy generation by the Project involving the shutdown of, and physical unavailability of generation from, Project facilities caused by any condition at the Project (as opposed to a Curtailment resulting from conditions on the Transmission System), but excluding Project Maintenance and Force Majeure.

1.39 “Full Contract Year” has the meaning as specified in the definition of “Delivery Period.”

1.40 “Gains” means with respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining term of this Agreement, determined in a Commercially Reasonable manner. Factors used in determining economic benefit may include reference to information either available to it internally or supplied by one or more third parties, including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads, or other relevant market data in the relevant markets, comparable transactions, forward price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs in the relevant markets, all of which should be calculated for the remaining term of this Agreement and include the value of Environmental Attributes. Third parties providing information hereunder shall not be Affiliates of the Parties hereto.

1.41 “Good Utility Practice” means any of the practices, methods, and acts engaged in or adopted by a significant portion of the electric generating industry during the relevant time period, or practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to any particular set of optimum practices, methods, or acts to the exclusion of all others, but rather is intended to include a spectrum of acceptable practices, methods, or acts generally accepted in the electric generating industry.

1.42 “Governmental Authority” means any nation, government, state or other political subdivision thereof, whether foreign or domestic, including, without limitation, any municipality, township and county, and any entity exercising executive, legislative, judicial, regulatory, or administrative functions of or pertaining to government, including, without limitation, any corporation, or any entity owned or controlled by any of the foregoing. The term “Governmental Authority” shall not include TVA.

1.43 “Governmental Charges” has the meaning set forth in Section 14.2.

1.44 “Gross Nameplate Capacity” means the manufacturer’s total installed rated

capacity of the Project to generate Energy Output, which shall be _____.

1.45 “Guaranty” means a guaranty in substantially the form attached hereto as Attachment 1 to Exhibit D.

1.46 “Guaranteed Party” means the Party in whose favor Performance Assurance is provided.

1.47 “Guarantor” means, with respect to a Party, the guarantor, if any. Guarantor shall issue a Guaranty in substantially the same format attached hereto as Attachment 1 to Exhibit D.

1.48 “Initial Delivery Date” means the first day following receipt by TVA of notice from Seller that (i) all actions by Seller necessary to construct and generate electricity from the Project have been taken; and (ii) the Project is capable of generating and delivering Energy Output to the Delivery Point in a consistent and reliable manner; provided that such date shall be no earlier than the Expected Initial Delivery Date and, subject to Section 3.2, no later than twelve (12) Months after the Expected Initial Delivery Date, unless otherwise agreed to in writing by the Parties.

1.49 “Initial Delivery Date Damages” means \$100/MW Day.

1.50 “Initial Delivery Date Deadline” has the meaning set forth in Section 3.2.

1.51 “Interconnection Agreement” means the interconnection agreement entered into between Seller and either TVA or the Distributor to provide for the interconnection of the Project to TVA’s or the Distributor’s electric system, as the case may be.

1.52 “Interest Rate” means, for any date, the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under “Money Rates” on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) and (b) the maximum rate permitted by applicable law.

1.53 “kW” means kilowatt.

1.54 “kWh” means kilowatt-hour.

1.55 “Letter of Credit” means an irrevocable standby letter of credit from a Qualified Bank in substantially the form attached hereto as Attachment 2 to Exhibit D, naming the Guaranteed Party as the beneficiary.

1.56 “Losses” means with respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from the termination of this Agreement for the remaining term of this Agreement, determined in a Commercially Reasonable manner. Factors used in determining the loss of economic benefit may include reference to information either available to it internally or supplied by one or more third parties including quotations (either firm or indicative) of relevant rates, prices, yields, yield curves, volatilities, spreads, or other relevant market data in the relevant markets, comparable transactions, forward

price curves based on economic analysis of the relevant markets, settlement prices for comparable transactions at liquid trading hubs in the relevant markets, all of which should be calculated for the remaining term of this Agreement and include the value of Environmental Attributes. Third parties providing information hereunder shall not be Affiliates of the Parties hereto.

1.57 “Material Credit Event” means any event that results in a Party’s failure to meet the Performance Assurance Requirements applicable to it; or if Seller has provided or caused to be provided a Guaranty from a Qualified Guarantor in satisfaction of its Performance Assurance Requirements, then any of the following shall be deemed to be a Material Credit Event: (a) a representation or warranty made by a Guarantor that is false or misleading in any material respect when made or when deemed made or repeated; (b) the failure of a Guarantor to make any payment required or to perform any other material covenant or obligation in any Guaranty made in connection with this Agreement and such failure is not remedied within thirty (30) calendar days after written notice; (c) a Downgrade Event has occurred; (d) a Guarantor becomes Bankrupt; (e) the failure of a Guarantor’s Guaranty to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of such Party under this Agreement without the written consent of the other Party; or (f) a Guarantor shall repudiate, disaffirm, disclaim, or reject, in whole or in part, or challenge the validity of any Guaranty.

1.58 “Metering Equipment” has the meaning given to such term in Section 5.1.

1.59 “Minimum Energy Quantity” has the meaning as set forth in Exhibit B.

1.60 “Month” means a calendar month commencing at 00:00 CPT on the first calendar day of such month and ending at 24:00 CPT on the last calendar day of such month.

1.61 “Moody’s” means Moody’s Investor Services, Inc. or its successor.

1.62 “MW” means megawatt.

1.63 “Non-Defaulting Party” has the meaning set forth in Section 9.2.

1.64 “Notice to Proceed” means the written notice issued by TVA to a Seller who has (i) submitted a NTP Request to TVA, and (ii) successfully demonstrated compliance with the criteria required under the NTP Request.

1.65 “NTP Deadline” has the meaning set forth in Section 3.1.

1.66 “NTP Request” means the submission by Seller of the Prescribed Form together with all necessary materials and documentation that show compliance with Seller’s Conditions under Article III, by which Seller requests that TVA issue a Notice to Proceed.

1.67 “Other Project Attributes” means, collectively, Environmental Attributes and, if applicable, Capacity Attributes and Ancillary Services.

1.68 “Parties” means both TVA and Seller.

1.69 “Party” means either TVA or Seller.

1.70 “Performance Assurance” means collateral in the form of Cash, Letter(s) of Credit, or a Guaranty from a Qualified Guarantor, in the amounts indicated on Exhibit D, which shall guarantee a Party’s payment obligations under this Agreement including, in the case where Seller is the Performance Assurance Party, collateral required to be delivered to TVA.

1.71 “Performance Assurance Party” means Seller, if Seller is providing Performance Assurance to TVA.

1.72 “Performance Assurance Requirements” means, with respect to any Person, that such Person has provided and maintained the applicable Performance Assurance or caused the applicable Performance Assurance to be provided and maintained.

1.73 “Permit” means any permit, exemption, approval, license, consent, authorization, concession, order, easement, or other right that is required by any applicable state or federal authority to develop, construct, finance, operate, and maintain the Project or Interconnection Facilities or to generate and sell the Project electrical output.

1.74 “Person” means an individual, partnership, corporation, limited liability company, joint venture, association, trust, unincorporated organization, governmental authority, or other form of entity.

1.75 “Prescribed Form” means the latest version of the corresponding form appearing on the TVA website, as may be amended or replaced by TVA from time to time and without notice to Seller.

1.76 “Product” means, on and after the Initial Delivery Date, Energy Output, Capacity Attributes (if any), Ancillary Services (if any), and Environmental Attributes.

1.77 “Project” means the solar photovoltaic generating facility located in _____, as described in Exhibit G.

1.78 “Project Maintenance” means Seller’s planned partial or complete reduction of the Project’s generating capability for routine maintenance purposes.

1.79 “Qualified Bank” means a U.S. commercial bank or a foreign bank with a U.S. branch, with such bank having a credit rating on its senior unsecured debt of (a)(1) “A3” or higher from Moody’s or (2) “A-” or higher from S&P, or (b) if rated by both Moody’s and S&P, both (a)(1) and (a)(2).

1.80 “Qualified Guarantor” means a Person who satisfies the Ratings Limit and who is mutually agreed to by the parties.

1.81 “Qualifying Resource” has the meaning as set forth in Section 4.1.

1.82 “Ratings Limit” means, with respect to any Person, such Person has a long-term credit rating, corporate or long-term senior unsecured debt rating (not supported by third party

credit enhancements) of (a)(1) “Baa2” or higher by Moody’s or (2) “BBB” or higher by S&P, or (b) if rated by both Moody’s and S&P, both (a)(1) and (a)(2).

1.83 “Regional Transmission Organization” means a large-scale electric transmission system operator that satisfies the definition in 18 C.F.R. § 35.34(b)(1).

1.84 “Reliability Coordinator” means, as defined by the North American Reliability Council, the entity that is the highest level of authority who is responsible for the reliable operation of the bulk electric system where the Project is located or where electrical energy output from the Project is being transmitted or scheduled, has the wide area view of the bulk electric system, and has the operating tools, processes and procedures, including the authority to prevent or mitigate operating situations in both next-day analysis and real-time operations.”

1.85 “Renewable Energy Credit” or “REC” means the certificate that evidences the ownership of Environmental Attributes for purposes of compliance with a Renewable Energy Standard or from any voluntary market.

1.86 “Renewable Energy Standard” means a United States Federal law or a State law that is legally applicable to TVA and requires TVA to achieve a percentage of its annual electric power sales to end-use customers through production or purchase of specified renewable energy sources and/or through the acquisition of RECs or payment of an Alternative Compliance Payment.

1.87 “S&P” means the Standard & Poor’s Rating Group (a division of McGraw-Hill, Inc.) or its successor.

1.88 “Seller” means _____.

1.89 “Seller’s Conditions” has the meaning as set forth in Article III.

1.90 “Settlement Amount” means, with respect to this Agreement and the Non-Defaulting Party, the Losses or Gains, and Costs, expressed in U.S. Dollars, which such Party incurs as a result of the early termination of this Agreement pursuant to Section 9.2.

1.91 “Supply Guarantee” has the meaning as set forth in Exhibit B.

1.92 “Term” has the meaning as specified in Article II.

1.93 “Termination Payment” has the meaning set forth in Section 9.3.

1.94 “Test Commencement Date” means the date prior to the Expected Initial Delivery Date upon which the Project has been interconnected to TVA’s or the Distributor’s electric system and is permitted to test the Project.

1.95 “Test Energy” means Energy Output that is delivered to the Delivery Point prior to the Initial Delivery Date.

1.96 “Test Energy Price” means the price paid by TVA for Energy Output delivered to the Delivery Point during the Test Period, which price shall equal the CSPP .

1.97 “Test Period” means that period, commencing on the Test Commencement Date and ending on Initial Delivery Date; provided, however, that the Test Period may not commence more than 60 days prior to the Expected Initial Delivery Date.

1.98 “TVA” means the Tennessee Valley Authority.

1.99 “TVA Power Service Area” means the area served at retail by Distributors of TVA power.

ARTICLE II: TERM

This Agreement shall become effective as of the Effective Date and, unless otherwise terminated in accordance with the provisions of this Agreement, shall remain in full force and effect until 24:00 CPT on the twentieth (20th) anniversary of the Initial Delivery Date, unless otherwise extended by an amendment to this Agreement consistent with Section 17.17.

ARTICLE III: NOTICE TO PROCEED AND INITIAL DELIVERY DATE

Section 3.1 NTP Request and Notice to Proceed. Upon full satisfaction of the conditions set forth below (“Seller’s Conditions”), Seller shall submit a NTP Request to TVA that incorporates all necessary documentation and materials that demonstrate compliance with each of Seller’s Conditions. If a NTP Request is not delivered to TVA within twelve (12) Months after the Effective Date of this Agreement (“NTP Deadline”), then TVA has the right, in its sole discretion, to terminate this Agreement, in which event neither Party shall have any further obligation or financial liability to the other Party as a result of such termination, except for any amounts accrued and owed by Seller to TVA upon the date of termination. Seller’s Conditions are:

- (a) Demonstration to TVA of external or internal financing arrangements or, if applicable, application therefore.
- (b) Receipt of, or application for, the permits for the Project’s construction, as set forth on Exhibit H.
- (c) Execution of any necessary Interconnection Agreements or other necessary documentation between Seller and either TVA or Distributor, as applicable.
- (d) Execution of any necessary metering agreements with TVA and/or the Distributor for the installation, operation, maintenance, and reading of the Metering Equipment.
- (e) Receipt from TVA of any necessary executed transmission service agreements, including Network Integration Transmission Service Agreements and Network Operating Agreements with TVA and/or the Distributor, for transmitting the Energy Output to TVA loads.
- (f) Completion of a solar resource survey indicating adequate solar resource

- for the production of the Minimum Energy Quantity.
- (g) The determination by TVA that the Project is deemed to be environmentally acceptable and consistent with environmental analyses done for and contained in TVA's environmental review and prepared in accordance with applicable requirements under Federal environmental laws and regulations. The determination of "environmentally acceptable" shall be at TVA's sole discretion and shall take into account said applicable Federal environmental laws and regulations and shall mean that the location, operation, and maintenance of the Project and any associated facilities not result in unacceptable impacts inconsistent with the purposes, provisions, and requirements of applicable Federal, State, and local environmental laws and regulations. TVA, or a TVA-approved third party, shall perform such environmental review at Seller's cost.
 - (h) Submittal of additional Performance Assurance for the NTP Request.
 - (i) Execution of any necessary Station Service Agreements or other necessary documentation between Seller and either TVA or Distributor, as applicable
 - (j) Execution of any necessary land or site control documentation with either the Department of the Navy or the Millington Industrial Board

Upon receipt of the NTP Request, TVA shall review the materials for adequacy, and, if TVA deems the NTP Request to be satisfactory, shall issue to Seller a Notice to Proceed. If TVA does not find the NTP Request to be satisfactory, TVA has the right, in its reasonable discretion, to terminate this Agreement; provided that TVA has provided Seller with written notice of its finding and Seller has failed to submit a satisfactory NTP request by the later of (i) sixty (60) days after receipt of written notice from TVA and (ii) the NTP Deadline. Upon termination, neither Party shall have any further obligation or financial liability to the other Party as a result of such termination, except for any amounts accrued and owed by Seller to TVA upon the date of termination.

Section 3.2 Failure to Meet the Expected Initial Delivery Date. If Seller does not achieve the Initial Delivery Date within sixty (60) days after the Expected Initial Delivery Date, then TVA shall charge Seller Initial Delivery Date Damages on a daily basis until the earlier of (i) full commercial operation is achieved, or (ii) one year from the Expected Initial Delivery Date. If Seller has not achieved the Initial Delivery Date by one year from the Expected Initial Delivery Date, then TVA has the right to immediately terminate the agreement with no further recourse.

ARTICLE IV: QUALIFYING RESOURCES, ENERGY OUTPUT, ENVIRONMENTAL ATTRIBUTES, AND PRICING

Section 4.1 Qualifying Resources.

- (i) In order for the Project to be a Qualifying Resource under this Agreement, Seller must be able to demonstrate, on an ongoing basis, that the Project generates electricity from monocrystalline panels, polycrystalline panels

or thin film cells using single/dual axis tracking systems, which can be ground or structure mounted.

- (ii) Should the Project cease to qualify as a Qualifying Resource under this Agreement, then TVA, in its sole discretion, may terminate this Agreement upon thirty (30) calendar days' prior written notice, and liquidated damages shall be assessed against Seller's Performance Assurance in accordance with Exhibit C.

Section 4.2 Energy Output. In accordance with and subject to the terms and conditions of this Agreement, including Section 4.1(i) above, commencing on the Test Commencement Date and continuing through the end of the Term, Seller shall sell to TVA, and TVA shall purchase from Seller, any and all right, title, and interest in and to the Energy Output generated from the Project and delivered to the Delivery Point. Pursuant to Section 8.1, Seller shall guarantee the supply of a total amount of Energy Output to TVA during each Delivery Period. Energy Output shall be deemed made available to TVA for billing and payment purposes under Article X in the Month in which Energy Output is made available at the Delivery Point.

Section 4.3 Environmental Attributes. RECs and other Environmental Attributes cannot be owned by or credited to more than one entity. In accordance with and subject to the terms and conditions of this Agreement, commencing on the Test Commencement Date and continuing through the end of the Term, Seller shall transfer to TVA, and TVA shall receive from Seller, any and all right, title, and interest in and to Environmental Attributes and associated RECs, as applicable, equal to the amount of Energy Output that is generated by the Project and delivered to the Delivery Point. As such, Seller shall not make claims with respect to the renewable energy sold to TVA except to note its sale to TVA. All Environmental Attributes (including all RECs pertaining thereto, if applicable) associated with Energy Output made available by Seller during such Month shall be delivered by Seller to TVA in accordance with Article VII.

Section 4.4 Capacity Attributes. In accordance with and subject to the terms and conditions of this Agreement, commencing on the Initial Delivery Date and continuing through the end of the Term, Seller shall deliver to TVA, and TVA shall receive from Seller, any and all right, title, and interest in and to all Capacity Attributes available with respect to the Energy Output.

Section 4.5 Ancillary Services. In accordance with and subject to the terms and conditions of this Agreement, commencing on the Initial Delivery Date and continuing through the end of the Term, Seller shall transfer to TVA, and TVA shall receive from Seller, any and all right, title, and interest in and to Ancillary Services available with respect to the Energy Output.

Section 4.6 Base Prices and Contract Prices.

- (i) Subject to Section 4.1(i) above, Base Prices for Energy Output (excluding Test Energy) are specified according to the seasonal time-of-day in the currently effective version of Exhibit A. These Base Prices are always stated in constant, unescalated United States currency as of the date of

execution of this Agreement. Notwithstanding any such revisions, the average of such Base Prices for every hour of any given calendar year (the "Base Price Average") shall remain fixed at the Base Price Average specified in Exhibit A.

- (ii) The Contract Price for any given seasonal time of day equals the Base Price for that seasonal time of day escalated at a rate of _____ % per year starting in year 2018.
- (iii) Subject to Section 4.1(i) above, for each hour that the Project delivers Energy Output to the Delivery Point during the Delivery Period, TVA shall pay Seller the Contract Price per kWh for that hour's Energy Output so delivered. This payment shall constitute TVA's payment for and entitle TVA to the following: (a) the Energy Output made available at the Delivery Point from and after the Initial Delivery Date; (b) the Environmental Attributes and associated RECs (if any) attributable to Energy Output made available at the Delivery Point during the Delivery Period; (c) if applicable, the Capacity Attributes available with respect to the Energy Output from and after the Initial Delivery Date; and (d) if applicable, the Ancillary Services available with respect to the Energy Output from and after the Initial Delivery Date.
- (iv) Subject to Section 4.1(i) above, for each hour that the Project delivers Test Energy to the Delivery Point during the Test Period, TVA shall pay Seller the Test Energy Price per kWh for that hour's Energy Output so delivered. This payment shall constitute TVA's payment for and entitle TVA to the following: (a) the Energy Output made available at the Delivery Point during the Test Period; and (b) the Environmental Attributes and associated RECs (if any) attributable to Energy Output made available at the Delivery Point during the Test Period.

ARTICLE V: METERING AND ATTESTATION

Section 5.1 Due to the size of the Project, both a primary and secondary TVA meter as well as a redundant communications path to TVA will be required. It is recognized that TVA or the Distributor, as the case may be, and Seller shall enter into separate arrangement(s) for the installation, operation, maintenance, and reading of this metering and related facilities ("Metering Equipment"). The Metering Equipment shall be used to determine the amounts of electric energy delivered to and purchased by TVA at the Delivery Point under this Agreement.

Section 5.2 These separate arrangement(s) shall provide for TVA or the Distributor, as the case may be, to make periodic tests and inspections of the Metering Equipment in order to maintain a high standard of accuracy. If tests show that the meter(s) are accurate within an acceptable threshold, as set forth under the separate arrangements, fast or slow, no adjustment shall be made to the payments submitted by TVA to Seller pursuant to Section 10.2. In case any

tests show the meter(s) to be in excess of the acceptable threshold fast or slow, however, adjustments shall be made to the payments submitted by TVA to Seller pursuant to Section 10.2 for any known or agreed upon period of inaccuracy; in the absence of any such knowledge or agreement, the adjustment shall be limited to one-half the period of time from the date of the last previous test of the meter(s) and the most recent test but in no event shall the period covered by the correction exceed one hundred eighty (180) days.

Section 5.3 Upon TVA's request, Seller shall provide, at no cost to TVA, routine and non-routine attestations and other verifications of the delivery of Energy Output, Capacity Attributes, Ancillary Services, and Environment Attributes from the Project to demonstrate performance under this Agreement.

Section 5.4 It is expressly understood that Seller is responsible for the protection of the Project by providing the local protection scheme necessary to isolate the Project when the TVA power source is lost. Accordingly, Seller must provide and install, at its expense, any necessary protection and control devices for the Project so that the Projects detects an islanding condition (a condition in which a generator continues to power a location even though electric power from the electric grid is no longer present) and trips or disconnects the Project from the connecting electric system in less than 10 cycles (0.1667 second).

ARTICLE VI: MAINTENANCE AND OUTAGES

Section 6.1 Scheduled Outage. Seller shall provide, or cause to be provided, to TVA a scheduled outage schedule for Project Maintenance no later than thirty (30) calendar days before the Initial Delivery Date for the period from such date through the end of the first Delivery Period. Seller shall submit to TVA a scheduled outage schedule no later than thirty (30) calendar days before each Delivery Period after the first Delivery Period that covers scheduled outages for such subsequent Delivery Period. To the extent practicable, scheduled outages should be scheduled during the Months of October, November, March, and April.

Section 6.2 Forced Project Outages. As soon as practicable after commencement of a Forced Project Outage, Seller shall provide TVA with notice and expected duration (if known) of any Forced Project Outage. Each such notice shall set forth, if known by Seller, a detailed explanation for the cause of the Forced Project Outage, identification of the equipment impacted, the expected duration of the Forced Project Outage, and Seller's proposed course of action to remedy such Forced Project Outage.

Section 6.3 Extended Force Majeure/Forced Project Outage. TVA shall have the right, but not the obligation, to terminate this Agreement, without liability to Seller except with respect to obligations or liabilities that arose prior to such termination, by giving at least thirty (30) calendar days' advance written notice of such termination to Seller, if one or more Force Majeure events or Forced Project Outages on Seller's side of the Delivery Point occur and prevent Seller from generating the Minimum Energy Quantity for each of any two (2) consecutive Delivery Periods ("Extended Force Majeure/Forced Project Outage Period") during

the term of this Agreement. Notwithstanding anything to the contrary in this Section 6.3, if the Force Majeure or Forced Outage event has been cured, mitigated, or has otherwise been overcome prior to Seller's receipt of any termination notice by TVA pursuant to this Section 6.3, and Seller is capable of generating, in a consistent manner, the Minimum Energy Quantity, then TVA's right to terminate under this Section 6.3 shall no longer be applicable.

ARTICLE VII: RENEWABLE ENERGY CREDITS

In consideration of TVA's payment obligations under this Agreement, TVA shall also have the sole right, title, and interest in any Renewable Energy Credits ("RECs") that arise or accrue as a result of the generation of the Energy Output delivered to and paid for by TVA, or as provided in Exhibit C, under this Agreement throughout the Term. With regard to the foregoing, and at no additional cost to TVA, Seller shall be obligated to execute all reasonable documentation and take all other reasonable action that a recipient of RECs must take in order to receive RECs and then transfer any and all of the aforementioned RECs to TVA as soon as practicable after their issuance; provided that such issuance shall be in accordance with a tracking system (or certification entity or other methodology) that is recognized by the administrator of the Renewable Energy Standard ("RES") after such RES is implemented. Such RECs shall be used only by TVA, and neither the Environmental Attributes nor the electric energy that was generated in conjunction with the Environmental Attributes shall be claimed or otherwise referenced by Seller or any other entity other than TVA with respect to any federal, state, or local renewable energy requirement, renewable energy procurement, renewable portfolio standard, or other renewable energy mandate. Marketing by Seller or any other entity other than TVA that implies the consumption of the renewable energy by Seller or any entity other than TVA is prohibited.

ARTICLE VIII: SUPPLY GUARANTEE; DISCONNECTION OR CURTAILMENT

Section 8.1 Supply Guarantee Generally. Commencing on the Initial Delivery Date, Seller shall guarantee the supply of sufficient Energy Output (in kWh) to TVA during each Delivery Period so as to meet or exceed Annual Supply Guarantee for such Delivery Period. If the kWh of energy actually delivered to the Delivery Point by Seller to TVA under this Agreement ("Actual Supply") is not sufficient to meet the Annual Supply Guarantee for the Delivery Period in question (such shortfall being referred to herein as "Deficient Energy"), Seller shall pay liquidated damages to TVA with respect to such Annual Supply Guarantee: (i) with respect to Deficient Energy, and (ii) with respect to RECs associated with the amount of the Deficient Energy, if applicable. The determination of TVA's damages in such an event and the manner in which TVA shall be compensated by Seller for such damages shall be as set forth in Exhibit C. The Parties further acknowledge and agree that the amount of such damages suffered by TVA are not able to be readily calculated or determined by normal means and that the proper measure of liquidated damages to which TVA shall be entitled under this Section 8.1 shall be in the amount as set forth in Exhibit C, and payable as set forth in Section 10.3.

If the Initial Delivery Date occurs after the start of any Full Contract Year, there shall be deducted from the total number of hours in said Full Contract Year, as expressed as "PH" in the formula set forth in Exhibit B, any and all hours during such Full Contract Year occurring prior

to the Initial Delivery Date.

If this Agreement terminates prior to the end of any Full Contract Year, there shall be deducted from the total number of hours in said Full Contract Year, as expressed as “PH” in the formula set forth in Exhibit B, any and all hours during such Full Contract Year occurring after the termination of this Agreement.

Section 8.2 Excused Hours. In determining whether Seller has met the Annual Supply Guarantee, there shall be deducted, from the total number of hours in said Delivery Period any and all hours (“Excused Hours”) during which Seller was unable to deliver and/or TVA was unable to receive and utilize energy supplied from the Project due solely to:

- (a) a disconnection or Curtailment;
- (b) an event of Force Majeure;
- (c) a suspension pursuant to Section 9.6;
- (d) an outage on the TVA transmission system or Distributor System.

Section 8.3 Disconnection of Project or Curtailment of Deliveries. In order to remain consistent with Good Utility Practice and Applicable Law, TVA or Distributor may require Seller: (1) to effect a Curtailment of deliveries from the Project or (2) to temporarily disconnect the Project from the TVA, or Distributor system, as the case may be, as necessary or appropriate to eliminate adverse impacts attributable to operation of the Project, including the following circumstances, whether such circumstances exist on the TVA transmission system, Distributor System, or another system:

- (i) if a condition exists that presents an imminent physical threat to persons or property and disconnection or Curtailment appears necessary for TVA or Distributor to protect such persons or property; or
- (ii) to overcome transmission system reliability problems ; or
- (iii) if such disconnection or Curtailment is necessary to construct, install, maintain, repair, replace, remove, investigate, inspect, or test any affected part of the TVA transmission system or Distributor’s System; or
- (iv) as permitted under any other express provisions of this Agreement that provide for any such disconnection or Curtailment.

Notwithstanding the foregoing, TVA shall have the right to curtail energy based on TVA power system cost in order to effectively manage the economics of the overall TVA power system. Any energy that is curtailed for economic purposes shall be considered delivered energy from Seller for purposes of the Supply Guarantee. For any month in which there is economic curtailed energy, TVA shall pay Seller, in addition to amounts otherwise due, an amount equal to the sum of (A) the Contract Price multiplied by the amount of curtailed energy, (B) an amount

equal to the PTCs that Seller would have been eligible for with respect to such curtailed energy if it had, in fact, been generated and purchase by TVA.

ARTICLE IX: EVENTS OF DEFAULT; REMEDIES

Section 9.1 Events of Default. An “Event of Default” shall mean, with respect to a Party (a “Defaulting Party”), the occurrence of any of the following:

(a) The failure by a Party to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within ten (10) Business Days after written notice from the other Party;

(b) A representation or warranty made by a Party in good faith that is discovered to have been false or misleading in any material respect when made or when deemed made or repeated.

(c) The failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default under another subsection of this Section 9.1, and except for the failure of Seller or TVA to comply with an obligation under this Agreement for which a specific remedy has been agreed) if such failure is not remedied within thirty (30) calendar days after written notice from the other Party.

(d) The filing of an involuntary petition in bankruptcy or any involuntary proceeding under any other insolvency law against a Party as debtor and the failure to have the same dismissed within one hundred and twenty (120) calendar days from the date of filing thereof;

(e) The filing by a Party of a voluntary petition in bankruptcy or for insolvency or reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or a Party voluntarily taking advantage of any such law or act by answer or otherwise;

(f) The failure of a Party to satisfy the Performance Assurance Requirements pursuant to Exhibit D;

(g) A Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger, or transfer, the resulting, surviving, or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party; or

(h) In the case of Seller, the Project ceases to qualify as a Qualifying Resource under this Agreement.

Section 9.2 Declaration of an Early Termination Date and Calculation of Settlement

Amounts. If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the other Party (“Non-Defaulting Party”) shall have the right (i) to designate a day, no earlier than the day such notice is effective and no later than twenty (20) calendar days after such notice is effective as an early termination date (“Early Termination Date”) to accelerate all amounts owing between the Parties and to liquidate and terminate this Agreement, (ii) to withhold any payments due to the Defaulting Party under this Agreement, and (iii) to exercise any combination or all of the remedies provided in Section 9.6. The Non-Defaulting Party shall calculate, in a Commercially Reasonable manner, a Settlement Amount for this Agreement as of the Early Termination Date. The Settlement Amount shall not include consequential, incidental, punitive, exemplary, indirect, or business interruption damages.

Section 9.3 Net Out of Settlement Amount. The Non-Defaulting Party shall aggregate the Settlement Amount into a single amount by: netting out (a) the Settlement Amount that is due to the Defaulting Party (if any), plus any or all other amounts due to the Defaulting Party under this Agreement against (b) the Settlement Amount that is due to the Non-Defaulting Party (if any), plus any or all other amounts due to the Non-Defaulting Party under this Agreement, so that all such amounts shall be netted out to a single liquidated amount (the “Termination Payment”). If the Termination Payment is in favor of the Non-Defaulting Party, such Termination Payment in favor of the Non-Defaulting Party shall be due and payable by the Defaulting Party to the Non-Defaulting Party, but, if such Termination Payment is in favor of the Defaulting Party, such Termination Payment shall not be due or payable from the Non-Defaulting Party to the Defaulting Party.

Section 9.4 Notice of Payment of Termination Payment. As soon as practicable after a declaration of an Early Termination Date, the Non-Defaulting Party shall give notice to the Defaulting Party of the amount of the Termination Payment (if any). The notice shall include a written statement explaining in reasonable detail the calculation of such amount and the sources for such calculation. If the Termination Payment is in favor of the Non-Defaulting Party, the Defaulting Party shall pay the Termination Payment to the Non-Defaulting Party within five (5) Business Days after such notice is effective.

Section 9.5 Disputes With Respect to Termination Payment. If the Defaulting Party disputes the Non-Defaulting Party’s calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within five (5) Business Days of receipt of Non-Defaulting Party’s calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute; provided, however, that the Defaulting Party shall first transfer Performance Assurance to the Non-Defaulting Party in an amount equal to the Termination Payment.

Section 9.6 Remedies for an Event of Default.

(a) Subject to Article XIII, Seller shall have the right, but not the obligation, to do the following upon the occurrence and notice to TVA of TVA’s Event of Default:

(i) suspend performance of its obligations under this Agreement; provided, however, in no event shall any such suspension continue for longer than ten (10)

Business Days unless an Early Termination Date shall have been declared and notice thereof given pursuant to Section 9.2;

(ii) receive payment from TVA for direct damages that Seller incurred in connection with such Event of Default (including during any applicable cure period, whether or not Seller elected to suspend performance during such cure period); and/or

(b) Subject to Article XIII, TVA shall have the right, but not the obligation, to do the following upon the occurrence and notice to Seller of Seller's Event of Default:

(i) suspend performance of its obligations under this Agreement; provided, however, in no event shall any such suspension continue for longer than ten (10) Business Days unless an Early Termination Date shall have been declared and notice thereof given pursuant to Section 9.2; and/or

(ii) call on and draw down upon the Performance Assurance that Seller provided to satisfy any and all payments due and amounts otherwise owing under this Agreement; and/or

(iii) receive payment from Seller for direct damages that TVA incurred in connection with such Event of Default (including during any applicable cure period, whether or not TVA elected to suspend performance during such cure period).

The remedies set forth in this Section 9.6 and the receipt of the Termination Payment shall constitute the Non-Defaulting Party's sole and exclusive remedies for an Event of Default.

ARTICLE X: BILLING AND PAYMENT

Section 10.1 From recorded meter data provided by the Metering Equipment installed per Section 5.1, TVA shall pay the applicable Contract Price or Test Energy Price to Seller each Month for all Energy Output in accordance with Article 4.

Section 10.2 TVA shall provide Seller a detailed accounting of the amounts of Energy Output received, as determined by TVA. From said meter readings and in accordance with this Agreement, TVA shall calculate the monthly amount to be paid for Energy Output received by TVA and shall promptly pay Seller within thirty (30) calendar days or if the thirtieth (30th) calendar day is not a Business Day, then on the next Business Day. Each payment to Seller shall be made electronically through the Automated Clearing House (ACH) network to Seller's account as designated by Seller. TVA shall have four (4) additional Business Days to effect such a transfer of funds.

Section 10.3 Amounts owed by each Party to the other Party during a Monthly billing period under this Article X shall be offset against each other so that only one Party shall pay a net amount to the other Party. Any liquidated damages owed by Seller to TVA pursuant to Article VIII and Exhibit C shall be applied as a credit toward amounts owed Seller by TVA

under the monthly amount calculated under Section 10.2.

ARTICLE XI: RISK MANAGEMENT

Seller agrees to provide and maintain the Performance Assurance for the duration of the Term of this Agreement and in accordance with Exhibit D.

ARTICLE XII

[RESERVED]

ARTICLE XIII: LIMITATIONS

Section 13.1 Limitation of Remedies, Liability, and Damages. EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED.

SUBJECT TO THE LAST SENTENCE OF THIS PARAGRAPH, THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY, SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, LOST PROFITS, OR OTHER BUSINESS INTERRUPTION DAMAGES, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. NOTWITHSTANDING ANY OF THE FOREGOING, THE PARTIES ACKNOWLEDGE AND AGREE THAT STATUTORY PUNITIVE DAMAGES SHALL NOT BE WAIVED UNDER THIS AGREEMENT IN THE EVENT THAT SUCH DAMAGES ARE AVAILABLE THROUGH A FEDERAL STATUTE FOR WRONGS COMMITTED AGAINST THE FEDERAL GOVERNMENT.

IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT, OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE

DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR THAT OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT, AND THAT THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

ARTICLE XIV: GOVERNMENTAL CHARGES

Section 14.1 Cooperation. Each Party shall use reasonable efforts to minimize all taxes, so long as neither Party is materially adversely affected by such efforts.

Section 14.2 Governmental Charges. Seller shall pay or cause to be paid all taxes imposed by any Governmental Authority (“Governmental Charges”) on or with respect to the Product arising prior to the Delivery Point. TVA shall pay or cause to be paid all Governmental Charges on or with respect to the Product at and from the Delivery Point (other than ad valorem, franchise, or income taxes that are related to the sale of the Product and are, therefore, the responsibility of Seller). In the event Seller is required by law or regulation to remit or pay Governmental Charges that are TVA’s responsibility hereunder, TVA shall promptly reimburse Seller for such Governmental Charges. If TVA is required by law or regulation to remit or pay Governmental Charges that are Seller’s responsibility hereunder, TVA may deduct the amount of any such Governmental Charges from the sums due to Seller under this Agreement. Nothing shall obligate or cause a Party to pay or be liable to pay any Governmental Charges for which it is exempt under the law. Each Party shall cooperate with the other Party in order to qualify for or take advantage of any available reduction in or exemption from such Governmental Charges and to otherwise minimize the amount of such Governmental Charges that must be paid under applicable law.

ARTICLE XV: REPRESENTATIONS AND WARRANTIES

Section 15.1 Representations and Warranties. On the Effective Date, each Party represents and warrants to the other Party that:

- (i) it is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation;
- (ii) it has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (iii) the execution, delivery, and performance of this Agreement are within its powers, have been duly authorized by all necessary action, and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party, or any Applicable Law;
- (iv) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, subject to any Equitable Defenses;

(v) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it that would result in it being or becoming Bankrupt;

(vi) there is not pending or, to its reasonable knowledge, threatened against it or any of its Affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;

(vii) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

(viii) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions, and risks of this Agreement;

(ix) it is a “forward contract merchant” within the meaning of the United States Bankruptcy Code;

(x) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to make or take delivery of all Products referred to in this Agreement to which it is a Party; and

(xi) with respect to this Agreement involving the purchase or sale of a Product, it is a producer, processor, commercial user, or merchant handling the Product, and it is entering into this Agreement for purposes related to its business as such.

ARTICLE XVI: FORCE MAJEURE

Section 16.1 Definition. “Force Majeure” means causes or events beyond the reasonable control of and without the fault or negligence of the Party claiming Force Majeure, that by exercise of due diligence and reasonable foresight could not reasonably have been avoided, including, but not limited to, acts of God; fire; war; riots; lightning; fire; ice storms; requirements imposed by, and/or actions or failures to act on the part of, Governmental Authorities that prevent or delay performance under this Agreement. Notwithstanding anything herein to the contrary, (i) a lack of, reduction in, or depletion of renewable fuel or reduction in quality of renewable fuel and (ii) economic hardship shall not be considered events of Force Majeure.

Section 16.2 Force Majeure Occurrence and Notice. To the extent that any Party is prevented by a Force Majeure event from carrying out, in whole or in part, its obligations under this Agreement (other than the obligation to pay money) or from complying with, in whole or in part, conditions under this Agreement, such Party (the “Claiming Party”) shall give notice and details of the Force Majeure event to the other Party as soon as practicable, unless otherwise specified by the terms of this Agreement. In addition, any completion milestones or deadlines or time periods by which performance is due shall be extended for a period of time equal to the time

period of such Force Majeure event plus a reasonable number of additional days as may be required to remobilize or otherwise re-commence the repair, reconstruction, or re-equipping of the Project, unless otherwise agreed upon herein. The Claiming Party shall use Commercially Reasonable efforts to remedy the Force Majeure event with all reasonable dispatch. The suspension of performance and compliance with such conditions due to the Force Majeure event shall be of no longer duration and no greater scope than is required by the Force Majeure event. The Claiming Party shall promptly notify the non-Claiming Party when it is able to resume performance of its obligations and compliance with such conditions under this Agreement, if it is able to do so. Until the non-Claiming Party is so notified, it shall not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by a Force Majeure event. No Party shall be relieved by operation of this Article XVI of any liability for breach of any obligations that were to be performed or that accrued before the Force Majeure event. If the Force Majeure event reduces but does not prevent Seller from generating and delivering to the Delivery Point available Energy Output and Other Project Attributes, then Seller shall suspend deliveries of Energy Output and Other Project Attributes on a pro rata basis relative to the extent by which the Force Majeure event reduces the Energy Output and Other Project Attributes that the Project would otherwise produce but for the Force Majeure event. If deliveries of Energy Output or Other Project Attributes are prevented in whole or in part by a Force Majeure event, the deliveries in question shall not be made up and the Term shall not be extended to permit any makeup or offset of the lost deliveries.

ARTICLE XVII: MISCELLANEOUS

Section 17.1 Title. Delivery of energy being purchased by TVA shall be deemed completed at the Delivery Point, and title to such energy shall pass to TVA upon delivery.

Section 17.2 Waiver. The non-exercise of, or delay in exercising, any power or right of a Party does not operate as a waiver of that power or right, nor does any single exercise of a power or right preclude any other or further exercise of it or the exercise of any other power or right. A power or right may only be waived in writing, signed by the Party to be bound by the waiver.

Section 17.3 Choice of Law. This Agreement shall be construed and interpreted in accordance with the Federal laws of the United States of America.

Section 17.4 Exhibits Made Part of this Agreement. The Exhibits identified in this section and attached to this Agreement are made a part of this Agreement. The Base Prices are specified in the attached Exhibit A. The manner of calculating the Supply Guarantee is attached as Exhibit B. The manner of calculating liquidated damages payable by Seller is attached as Exhibit C. A Credit Annex is attached as Exhibit D. Insurance requirements for Seller are attached as Exhibit E. Certain legally required clauses, with which the Parties must comply to the extent applicable, are attached as Exhibit F. A description of the Project is attached as Exhibit G. A list of permits to be obtained prior to the NTP Deadline are listed on Exhibit H. A form of consent to collateral assignment is attached as Exhibit I.

Section 17.5 Successors and Assigns. Neither Party shall assign this Agreement or its

rights hereunder without the prior written consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed. Seller intends to give first right of refusal to the Buyer to purchase the solar asset if Seller seeks to assign or sale the solar asset to a third party other than to a financing party..

Section 17.6 Approvals. Each Party hereto shall use Commercially Reasonable efforts and shall cooperate with the other to obtain any Permit. TVA, however, shall not be obligated to obtain or have financial responsibility for obtaining any Permit.

Section 17.7 Severability. In the event that any of the terms, covenants, or conditions of this Agreement, its Exhibits, or the application of any such term, covenant, or condition shall be held invalid by any court or administrative body having jurisdiction, it is the intention of the Parties that in lieu of each such term, covenant, or condition that is invalid, the Parties shall negotiate a valid term, covenant, or condition as similar in terms as possible to such invalid term, covenant, or condition. The Agreement shall not otherwise be affected thereby and shall remain in full force and effect.

Section 17.8 Integration. The terms and provisions contained in this Agreement between TVA and Seller constitute the entire agreement between TVA and Seller, and supersede all previous communications and representations, either oral or written, between TVA and Seller with respect to the subject matter of this Agreement.

Section 17.9 Notices and Payments.

- (a) Notices and Invoices. Except as otherwise expressly provided under this Agreement, any notice or invoice provided for in this Agreement must be in writing and shall be effective on the day on which it is actually received (provided that such day is a Business Day, otherwise it shall be deemed to be received on the first Business Day immediately following such day), in person by U.S. Mail or other nationally recognized delivery service, or by e-mail or facsimile transmission at the addresses provided set forth below:

If to TVA:

Tennessee Valley Authority
1101 Market Street, MR 2C
Chattanooga, TN. 37401
Attention: General Manager, Power Origination

If to Seller:

- (b) Payments. All payments required to be made to TVA under this Agreement shall be made by Automated Clearing House (ACH) to the following account (or to other account as may subsequently be designated by TVA), with the amounts deemed received as of the date the electronic fund transfer to the recipient's account is deemed effective:

Depository Institution Name:
Address:
ABA Routing Number:
Receiving Company Name:
DFI Account Number:
Standard Entry Class:
Transaction Code:
Employer Identification No (EIN):

Section 17.10 Audit.

- (a) The Parties shall maintain accurate records and books of account. Said books and records shall present fairly all costs and expenses utilized in computing any charges or payments to the other Party under this Agreement.
- (b) Each Party shall have the right at its own expense, upon two Business Days advance notice and during normal business hours, to have its own personnel or its independent auditors inspect the books and records of the other Party hereto pertaining solely to the performance of this Agreement at the offices of the other Party, to the extent necessary to verify the amounts of energy delivered, the amounts owed to Seller by TVA, and any amount owed to TVA by Seller. The Party conducting the inspection shall use its best efforts to minimize any disruptions of the other Party's operations that might result from any such inspection.

Section 17.11 Dispute Resolution. Should any question, disagreement, or need for clarification or interpretation about this Agreement arise, the Parties agree to use their best efforts to resolve disputes informally at the lowest possible levels of decision making. Disputes not resolved at the working level should be referred to higher levels of management of both

Seller and TVA for consideration, as necessary. Any legal action arising out of or related to this Agreement shall be brought in the United States District Court for the Eastern District of Tennessee and shall be nonjury. This Section 17.11 is not a "Disputes" clause within the meaning of the Contract Disputes Act of 1978, 41 U.S.C. §§ 601-613 ("CDA"), and this Agreement is not subject to the provisions of the CDA.

Section 17.12 Indemnity and Insurance.

- (a) Seller shall save, defend, and hold harmless TVA and its officers, employees, contractors, and agents from any and all claims for injury to person or persons or damage to property or the environment to the extent caused by Seller's negligent or reckless acts or omissions in activities within the scope of this Agreement. Seller is solely responsible for the risk of loss of, or damage to, its equipment, except to the extent that the loss or damage results from the negligent acts or omissions of TVA and its officers, employees, contractors, or agents.

- (b) Seller shall maintain or cause to be maintained the insurance required by Exhibit E. Failure of Seller to do so shall be deemed a failure to perform a material covenant or obligation set forth in Section 9.1(c).

Section 17.13 Interpretation. Unless otherwise expressly stated, references in this Agreement to "Sections" are to Sections of this Agreement, references to "Articles" are to Articles of this Agreement, and references to "Exhibits" are to the Exhibits attached to this Agreement. All references to Sections in the Exhibits to this Agreement are to the Sections in the Exhibits in which they appear unless otherwise noted. All titles, headings, and similar items are provided for the purpose of reference and convenience and are not intended to affect the meaning of the contents or scope of this Agreement. Words defined in the singular have the corresponding meaning in the plural and vice versa. Use of "including" means including without limitation. References to one gender include all others. Any capitalized terms used in the Exhibits to this Agreement that are not specifically defined in such Exhibits shall have the meanings ascribed to them in this Agreement. Such Exhibits shall constitute a material part of this Agreement, and the provisions of such Exhibits shall be interpreted and enforced as if such provisions were directly set forth in this Agreement.

Section 17.14 No Partnership. Nothing in this Agreement shall be treated as creating a partnership or joint venture between either of the Parties under the laws of any applicable jurisdiction and, except as specifically provided in this Agreement, neither Party may act or have any authority to act as agent of or in any way bind or commit the other Party to any obligation.

Section 17.15 Costs and Expenses. Each Party shall bear and is responsible for its own costs (including attorney's fees) in connection with the negotiation, preparation, execution, completion, implementation, and ongoing administration of this Agreement.

Section 17.16 Rights Cumulative. Except as specifically provided in this Agreement, the rights and remedies provided in this Agreement are cumulative with and do not exclude any rights or remedies provided by law.

Section 17.17 Amendment. This Agreement may be amended, changed, modified, or

altered, provided that such amendment, change, modification, or alteration shall be in writing and signed by both Parties hereto.

Section 17.18 Survival of Obligations. Except as specifically provided in this Agreement, cancellation, expiration, or earlier termination of this Agreement shall not relieve the Parties of obligations that by their nature should survive such cancellation, expiration, or termination, including warranties, remedies, and promises of indemnity.

Section 17.19 Counterparts. This Agreement may be executed in more than one counterpart, each of which is signed by one of the Parties but all of which together shall constitute the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

SELLER

By: _____

Name: _____

Title: _____

TENNESSEE VALLEY AUTHORITY

By: _____

Name: _____

Title: _____

EXHIBITS

| | |
|-----------|-------------------------------|
| Exhibit A | Base Prices |
| Exhibit B | Supply Guarantee |
| Exhibit C | Liquidated Damages |
| Exhibit D | Credit Annex |
| Exhibit E | Insurance |
| Exhibit F | Legally Required Clauses |
| Exhibit G | Project Description |
| Exhibit H | Construction Permits |
| Exhibit I | Form of Consent and Agreement |

EXHIBIT A
BASE PRICES

Seasonal and time-of-day Base Prices in constant, unescalated United States currency as of the date of execution of the Agreement to which this is an exhibit:

| Month | Time of Day (CPT) | Base Price (¢/kWh) |
|---------------------------------------|---|---------------------------|
| July & August | Mon-Fri 12pm-8pm | 5.121 |
| | Mon-Fri 6am-12pm and 8pm-12am; Sat & Sun 6am-12am | 4.040 |
| | Everyday 12am-6am | 3.051 |
| June & September | Mon-Fri 12pm-8pm | 4.128 |
| | Mon-Fri 6am-12pm and 8pm-12am; Sat & Sun 6am-12am | 3.642 |
| | Everyday 12am-6am | 2.913 |
| January & February | Mon-Fri 6am-10pm | 3.991 |
| | Mon-Fri 10pm-12am; Sat & Sun 6am-12am | 3.696 |
| | Everyday 12am-6am | 3.210 |
| December & March | Mon-Fri 6am-10pm | 3.579 |
| | Mon-Fri 10pm-12am; Sat & Sun 6am-12am | 3.580 |
| | Everyday 12am-6am | 3.150 |
| April, May, October, & November | Mon-Fri 6am-10pm | 3.529 |
| | Mon-Fri 10pm-12am; Sat & Sun 6am-12am | 3.437 |
| | Everyday 12am-6am | 2.893 |

The Base Price Average throughout the Term is fixed at 3.584¢/kWh

EXHIBIT B
SUPPLY GUARANTEE

For each Delivery Period throughout the Term of the Agreement to which this Exhibit B is attached, Seller guarantees delivery to the Delivery Point of Energy Output in an amount at least equal the Minimum Energy Quantity, pursuant to this Exhibit B (“Annual Supply Guarantee”)

Therefore, the number of kWh of energy that TVA must receive from Seller during each Delivery Period in order to meet the Annual Supply Guarantee is calculated as specified below.

Annual Supply Guarantee:

$$ASG = MEQ \times [(PH - EH) / PH]$$

Where:

ASG = Annual Supply Guarantee

P = 15%

GNC = Gross Nameplate Capacity (in kW)

MEQ = Minimum Energy Quantity

Where: $MEQ = P \times GNC \times PH$

PH = 8,760

EH = total number of Excused Hours, as defined under Section 8.2 of the Agreement to which this Exhibit B is attached

EXHIBIT C

LIQUIDATED DAMAGES

Energy

The formulas for calculating the amount of any liquidated damages (LD) owed to TVA by Seller for Deficient Energy for any Delivery Period during the Term are as follows:

$$LD = [DE \times DPA] + [DE \times DEA]$$

Where:

DE = Deficient Energy in kWh and is calculated as

$$DE = ASG - AS$$

Where:

ASG = Annual Supply Guarantee in kWh

AS = Actual Supply in kWh

For any Delivery Period in which the calculation of Deficient Energy above yields a negative number, there shall be no Deficient Energy for that Delivery Period, and there shall be no (zero) liquidated damages with regard to supply performance during that Delivery Period. Further, there shall be no further calculations using the formulas that follow with respect to said Delivery Period.

DPA (Deficient Performance Amount) = 5.4¢/kWh

Escalated annually by 5%, such escalation beginning in 2016.

DEA (Deficient Energy Amount) = (ACSPP - CP)

Where:

[ACSPP]₁ = The average of the CSPP hourly prices for each and every hour during the Delivery Period in question, as expressed in ¢/kWh

CP = Contract Price, as expressed in ¢/kWh

Provided, however, that if the calculation of DEA above yields a negative number with respect to a Delivery Period, DEA shall be deemed to be zero (0) in the formula above for calculating "LD" for said Delivery Period.

RECs

Notwithstanding any of the foregoing regarding the calculation of LDs for Deficient Energy, if Seller fails to deliver all or part of the Supply Guarantee as referenced above within any particular Delivery Period and if a RES has been enacted and is in effect with regard to that Delivery Period, Seller shall transfer to TVA, at no cost to TVA, the corresponding amount of RECs, regardless of whether Seller owes a LD payment to TVA under the provisions above in this Exhibit C. If Seller is incapable of transferring the corresponding amount of RECs associated with the deficiency in the amount of Seller's supply for the Delivery Period after using Commercially Reasonable efforts to do so, Seller shall pay the Alternative Compliance Payment for the number of RECs owed to TVA pursuant to this Exhibit.

EXHIBIT D

CREDIT ANNEX

Section 1

(a) Performance Assurance. Seller shall provide and maintain throughout the term of this Agreement or cause to be provided Performance Assurance as follows:

| Milestone | \$/kW 20 yr. |
|-----------------------------------|-------------------------|
| Effective Date | \$25 |
| Completion of Seller's Conditions | \$125 |
| Initial Delivery Date: | |
| Years 1-20 | \$125 |

(b) Notice of Material Credit Event. Seller shall notify TVA in writing of the occurrence of any event that, with notice or the passage of time or both, would constitute a Material Credit Event with respect to Seller, which notice shall be given by Seller within five (5) Business Days of the occurrence of such event. If at any time there shall occur a Material Credit Event with respect to Seller, and such Material Credit Event is not cured or replacement Performance Assurance is not provided within thirty (30) calendar days' notice of such event, then an Event of Default shall be deemed to have occurred pursuant to Section 9.1(f) of the Agreement to which this Exhibit D is attached.

Section 2 Letter of Credit as Performance Assurance. If Performance Assurance consists of a Letter of Credit, such Letter of Credit shall:

- (a) be issued by a Qualified Bank;
- (b) if the Letter of Credit is issued by a foreign bank with a U.S. branch, permit the Guaranteed Party to present for payment to the U.S. branch;
- (c) permit the Guaranteed Party to draw up to the then current "Available Amount" as defined in the Letter of Credit for the purpose of paying any and all amounts owing to the Guaranteed Party under the Agreement to which this Exhibit D is attached following the occurrence and during the continuation of an Event of Default; and

(d) permit the Guaranteed Party to draw the entire “Available Amount” thereunder to hold as cash collateral for any and all amounts owing to the Guaranteed Party under the Agreement to which this Exhibit D is attached if (i) the Letter of Credit will expire in fewer than forty-five (45) calendar days and (ii) the Performance Assurance Party has not provided the Guaranteed Party with alternative Performance Assurance.

Section 3 Substitution, Return, and Handling of Performance Assurance.

(a) Election to Change Form of Performance Assurance. A Performance Assurance Party shall have the right to, at any time and from time to time, request replacement of any or all of the Performance Assurance provided by it (the “*Outstanding Performance Assurance*”) with one or more alternative forms of Performance Assurance, whereupon the Guaranteed Party shall cooperate with the Performance Assurance Party in obtaining the concurrent release, termination, or return (as many as may be applicable) of the Outstanding Performance Assurance in favor of or held by the Guaranteed Party.

(b) Return of Original Performance Assurance Documents. Without limitation to the generality of the foregoing, the Guaranteed Party shall return to the Performance Assurance Party all original Letter of Credit and Guaranty Performance Assurance documents, and all amendment, extension, and other related documents, within sixty (60) days of the termination, cancellation, or replacement thereof.

Section 4 Financial Statements.

(a) TVA’s Financial Statements. If requested by Seller, TVA shall deliver (i) within 120 days following the end of each fiscal year, a copy of TVA’s annual report containing audited consolidated financial statements for such fiscal year and (ii) within 60 days after the end of each of its first three fiscal quarters of each fiscal year, a copy of TVA’s quarterly report containing unaudited consolidated financial statements for such fiscal quarter. In all cases the statements shall be for the most recent accounting period and prepared in accordance with generally accepted accounting principles; provided, however, that should any such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default so long as TVA diligently pursues the preparation, certification, and delivery of the statements.

(b) Seller’s Financial Statements. If requested by TVA, Seller shall deliver (i) within 120 days following the end of each fiscal year, a copy of the annual report containing audited consolidated financial statements for such fiscal year for Seller, Seller’s Guarantor or Seller’s Ultimate Parent, and (ii) within 60 days after the end of each of its first three fiscal quarters of each fiscal year, a copy of quarterly report containing unaudited consolidated financial statements for such fiscal quarter for Seller, Seller’s Guarantor or Seller’s Ultimate Parent. In all cases the statements shall be for the most recent accounting period and shall be prepared in accordance with generally accepted accounting principles; provided, however, that

should any such statements not be available on a timely basis due to a delay in preparation or certification, such delay shall not be an Event of Default so long as the relevant entity diligently pursues the preparation, certification, and delivery of the statements.

FORM OF GUARANTY

This Guaranty is made by _____ (“Guarantor”), a corporation created and existing under the laws of the _____, in favor of the Tennessee Valley Authority (“TVA”), a corporate agency and instrumentality of the United States of America created by and existing under the Tennessee Valley Authority Act of 1933, as amended, to guarantee any and all obligations and liabilities (“Guaranteed Obligations”), of _____ (“Debtor”), a corporation created and existing under the laws of the _____. The Obligations which are covered by this Guaranty are all Guaranteed Obligations, whether billed or unbilled, of Debtor arising under or related to any agreement, whether currently existing or hereafter created, including but not limited to: (1) the purchase and sale of electricity, natural gas, or other energy commodities (including damages for non-performance), (2) the purchase, sale or transportation of bituminous coal, limestone or ammonia, (3) the purchase of transmission service, (4) any liability incurred under an interconnection or keep-whole agreement, and (5) any financial derivative transactions under one or more agreements, contracts, or confirmations, or a combination thereof (collectively, the (“Agreement(s)”) entered into between Debtor and TVA.

For one dollar and other valuable consideration, receipt of which is hereby acknowledged, Guarantor absolutely and unconditionally guarantees, as a compensated guarantor, the payment when due, by acceleration or otherwise, as well as the performance of all of Debtor’s Guaranteed Obligations, direct or indirect, now existing or hereafter created, arising under or related to the Agreements, together with all interest and charges accruing thereon.

The liability of Guarantor under this Guaranty is primary, unlimited and unconditional, and shall be enforceable before, concurrently or after any claim or demand is made or suit is filed against Debtor or any other Obligor and before, concurrently or after any proceeding by TVA against any collateral or other security for the Guaranteed Obligations and shall be effective regardless of the solvency or insolvency of Debtor or any other Obligor at any time, the extension or modification of any of the Guaranteed Obligations by operation of law or the subsequent reorganization, merger or consolidation of Debtor or any other Obligor or any change in their composition, nature, ownership, personnel or location, and this Guaranty shall be a continuing guaranty of any and all agreements given in extension or renewal of the Guaranteed Obligations. Guarantor acknowledges, agrees and confirms that this is a guaranty of payment and performance and not of collection only and that demand for payment may be made hereunder on any number of occasions in the amount of all or any portion of the Guaranteed Obligations then due and no single demand shall exhaust the rights of TVA hereunder. This Guaranty shall continue in full force and effect until the date the Agreements are all terminated or expire; provided Guarantor agrees that the Obligations and liabilities hereunder shall continue in full force and effect with respect to any and all guaranteed Obligations accrued or contracted for prior to such expiration or termination.

Guarantor hereby waives: (a) notice of acceptance of this Guaranty, (b) notice of changes in the Agreements, (c) notice of changes of Debtor's Guaranteed Obligations under the Agreements, (d) notice of the acceptance, surrender, release, exchange or alteration of any other security held by TVA for Debtor's Guaranteed Obligations, (e) any requirement that suit be brought or that remedies be pursued against Debtor or any other entity or security as a condition of enforcement of this Guaranty, (f) any other notice or demand, and (g) any right to trial by jury in any action relating to this Guaranty.

Guarantor's liability hereunder shall not be released or reduced by the insolvency, bankruptcy, reorganization, release, receivership, or discharge of Debtor. Any payment made by Debtor to TVA which is rescinded or must otherwise be returned to the Debtor because of insolvency, bankruptcy, reorganization, or otherwise, shall be deemed a payment which was never made by Debtor.

Guarantor consents without the requirement of any notice to or further assent by Guarantor, to the fullest extent permitted by applicable law, that (i) the time of payment of any Guaranteed Obligation may be extended, (ii) any provision of the Agreement may be amended, waived or modified, (iii) any Obligor may be released from its obligations or other obligors or guarantors substituted therefor or added, (iv) any collateral or other property now or hereafter securing the Guaranteed Obligations may be released, exchanged, substituted, compromised or subordinated in whole or in part or any security may be added, and (v) TVA may proceed against Guarantor or any Obligor without proceeding against any other Obligor.

Guarantor has the right and power and has taken all necessary action to authorize it to guarantee the Guaranteed Obligations hereunder and to execute, deliver and perform this Guaranty in accordance with its terms. This Guaranty has been duly executed and delivered by the duly authorized officers of the Guarantor and is a legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms.

The obligations of Guarantor hereunder are irrespective of and shall not be dependent upon or affected by (i) the existence, value or condition of any collateral or other security for the Guaranteed Obligations, (ii) the validity, perfection or priority of any security interest in any collateral or other security, or (iii) any other dealings among TVA and Debtor.

No amendment of this Guaranty shall be effective unless consented to in writing by TVA. Guarantor may revoke this Guaranty by delivering written notice to Tennessee Valley Authority, 400 West Summit Hill Drive, WT 4C, Knoxville, TN 37902-1401, Attn: Director, Corporate Credit & Insurance, that this Guaranty will not apply to obligations created after the effective revocation date specified in the notice, which date shall be at least 30 calendar days after the delivery date of such notice. Any such revocation shall apply only to obligations created after the effective revocation date; such revocation shall not apply to payment obligations created prior to the effective revocation date even when such Obligations may become due and payable after such revocation.

The validity, interpretation, performance and enforcement of the Guaranty shall be governed by the Federal laws of the United States, including but not limited to, Federal Bankruptcy Code; provided that the laws of the State of New York may be applied to the extent not inconsistent with, or duplicative of, the Federal laws of the United States. Guarantor agrees to jurisdiction and venue in the United States District Court for the Eastern District of Tennessee in any action to enforce this Guaranty. Should TVA be the prevailing party in any action to enforce this Guaranty, Grantor agrees to pay, in addition to the guaranteed amount, any and all reasonable legal fees, costs, and other expenses incurred by TVA in enforcing this Guaranty.

If TVA determines that Guarantor's financial condition has materially changed, (such change shall hereinafter be called a "Downgrading Event"), and notifies Guarantor of the Downgrading Event, Guarantor shall, within three (3) business days of TVA's notification of the Downgrading Event, provide to TVA, cash or a letter of credit in an amount, in a form, and from a financial institution all as reasonably acceptable to TVA.

This Guaranty may be executed in any number of counterparts, each of which shall be deemed to be an original and shall be binding upon all parties, their successors and assigns.

IN WITNESS WHEREOF, as shown by the signature below, Guarantor, acting by and through its duly authorized officer has executed this Guaranty this _____ day of May, 2013.

GUARANTOR

By: _____

As: _____

FORM LETTER OF CREDIT

[LETTERHEAD]

[DATE]

Irrevocable Standby Letter of Credit No.

Beneficiary:

Applicant:

Tennessee Valley Authority
400 West Summit Hill Drive, WT 4C
Knoxville, TN 37902-1401

Attn: Kirk A. Kelley
Director, Corporate Credit & Insurance

Dear Madam or Sir:

We hereby establish for the account of _____ (Seller) _____ (“Seller’s name” or “Applicant”), our irrevocable standby letter of credit in your favor for an amount of USD _____ (_____ Dollars United States currency). Applicant has advised us that this letter of credit is issued in connection with the _____ Agreement dated as of _____, 20__, between Applicant and Beneficiary (as amended and as may be further amended, supplemented, or otherwise modified, the “_____ Agreement”). This letter of credit shall; (i) become effective immediately for the term of one (1) year and shall expire on _____ (the “Expiration Date”), and (ii) is subject to the following:

1. Funds under this letter of credit shall be made available to Beneficiary against its draft drawn on us in the form of Annex 1 hereto, accompanied by (a) a certificate in the form of Annex 2 hereto, appropriately completed and signed by an authorized representative of Beneficiary, dated the date of presentation and (b) the original of the letter of credit (the “Accompanying Documents”) and presented at our office located at _____, attention _____ (or at any other office that may be designated by us by written notice delivered to you). A presentation under this letter of credit may be made only on a day, and during hours, in which such office is open for business (a “Business Day”). If we receive your draft and the Accompanying Documents at such office on any Business Day, all in strict conformity with the terms and conditions of this letter of credit, we will honor the same by making payment at sight on the same day of presentation. Upon any draw of the letter of credit, unless otherwise agreed to by the Tennessee Valley Authority, Applicant shall be obligated to replenish the amount of the letter of credit draw within twenty (20) days.

2. This letter of credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Annex 3 hereto signed by an authorized officer of Beneficiary, accompanied by this letter of credit for cancellation, (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the preceding Business Day. This letter of credit shall be surrendered to us by you upon the earlier of presentation or expiration.

3. It is a condition of the letter of credit that it shall be deemed to be automatically extended without amendment for periods of one (1) year from the present or any future expiration date, unless at least forty-five (45) days prior to any such expiration date we send you notice by registered mail, return receipt requested or courier service or hand delivery at the above address that we hereby elect not to consider this letter of credit extended for any such additional period.

4. This letter of credit is issued and subject to the International Standby Practices 1998 (ISP98).

5. This letter of credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement referred to herein, except for Annexes 1, 2, and 3 hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument, or agreement except as otherwise provided in this paragraph 5.

6. Communications with respect to this letter of credit shall be in writing and shall be addressed to us at the address referred to in paragraph 1 above, and shall specifically refer to this letter of credit no. _____.

Very truly yours,

[LOC Issuer]

Authorized signature

ANNEX 1
TO LETTER OF CREDIT NO. _____

Draft under Letter of Credit No. _____

[Month, Day , Year]

On Sight

Pay to Tennessee Valley Authority U.S. \$ _____ [not to exceed amount available to be drawn]

400 West Summit Hill Drive, WT 4C
Knoxville, TN 37902-1401

[insert any wire instructions]

For value received and charge to account of Letter of Credit No. _____ of

By: _____

Title: _____

ANNEX 2
TO LETTER OF CREDIT NO. _____

Drawing under Letter of Credit No. _____

The undersigned, a duly authorized representative of the **Tennessee Valley Authority**, a corporate agency and instrumentality of The United States of America (“Beneficiary”), hereby certifies on behalf of Beneficiary to _____ with reference to irrevocable standby Letter of Credit No. _____ (the “Letter of Credit”) issued for the account of _____, (“ X ”), that:

1) [pursuant to the _____ Agreement between Beneficiary and X , as of the date hereof Beneficiary is entitled to draw under the Letter of Credit;]

--or--

[Beneficiary has received notice from the Issuing Bank pursuant to Section 3 of the Letter of Credit and, as such, as of the date hereto Beneficiary is entitled to draw under the Letter of Credit;]

2) by presenting this certificate and the accompanying sight draft, Beneficiary is requesting that payment in the amount of \$_____, as specified on said draft, be made under the Letter of Credit by wire transfer or deposit of funds into the account specified on said draft;

3) the amount specified on the sight draft accompanying this certificate does not exceed the amount to which Beneficiary is entitled to draft under said _____ Agreement.

In witness whereof, Beneficiary has caused this certificate to be duly executed and delivered by its duly authorized officer as of the date and year written below.

Date: _____

By: _____

Title: _____

ANNEX 3
TO LETTER OF CREDIT NO. _____

Notice of surrender of Letter of Credit No. _____

Date: _____

Attention: Letter of Credit Department

Re: Letter of Credit No. _____ issued for the account of (Seller)

Ladies and Gentlemen:

We refer to your above-mentioned irrevocable standby Letter of Credit (the "Letter of Credit"). The undersigned hereby surrenders the Letter of Credit to you for cancellation as of the date hereof. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

By: _____

Title: _____

EXHIBIT E

INSURANCE

A. Seller Insurance Coverages. Seller shall maintain or cause to be maintained the types of insurance coverages described in this Part A, provided that Seller shall be required to maintain the insurance coverages described in this Part A only to the extent that such coverages are available on commercially reasonable terms in the commercial insurance markets. All insurance coverages described herein shall be placed with Acceptable Insurance Companies. An “Acceptable Insurance Company” means an insurance company that, at the applicable time, is legally permitted to write the applicable insurance coverage and that (i) has a Credit Rating of A- or better from Standard & Poor’s at such time or (ii) has an insurance company rating of A- or better from A.M. Best at such time.

1. Workers’ Compensation Insurance. Seller shall maintain or cause to be maintained workers’ compensation insurance in compliance with Applicable Laws.

2. Commercial General Liability Insurance. Seller shall maintain or cause to be maintained commercial general liability insurance, including coverage for bodily injury, property damage, personal injury, death, premises/operations, explosion, collapse and underground hazards, broad form property damage and blanket contractual liability for written contracts, with primary coverage limits of not less than \$1,000,000 for injuries or death to one or more Persons or damage to Property per occurrence and an aggregate limit of not less than \$2,000,000.

3. Automobile Liability Insurance. Seller shall maintain or cause to be maintained automobile liability insurance for owned, non-owned and hired automobiles for both bodily injury and property damage and containing appropriate no-fault insurance provisions or other endorsements in accordance with Applicable Laws, with limits of not less than \$1,000,000 per accident with respect to bodily injury, property damage or death.

4. All-Risk Property Insurance. Seller shall maintain or cause to be maintained all-risk property coverage for the Project with commercially reasonable limits, sub-limits and deductibles.

B. Seller Insurance General Terms. To the extent available on commercially reasonable terms in the commercial insurance markets:

1. Evidence of Coverage. Seller shall deliver to Buyer certificates or other evidence of all insurance policies maintained (or caused to be maintained) by Seller within twenty (20) days after the Execution Date and each time thereafter when there is any renewal of such insurance policies.

2. Termination of Coverage. Seller shall provide Buyer prior written notice

of any cancellation or non-renewal of any insurance policy required to be maintained (or caused to be maintained) by Seller pursuant to this Exhibit E.

C. Buyer Insurance Coverages. Buyer shall maintain or cause to be maintained the types of insurance coverages described in this Part C, provided that Buyer shall be required to maintain the insurance coverages described in this Part C only to the extent that such coverages are available on commercially reasonable terms in the commercial insurance markets. All insurance coverages described herein shall be placed with Acceptable Insurance Companies.

1. Workers' Compensation Insurance. Buyer shall maintain or cause to be maintained workers' compensation insurance in compliance with Applicable Laws.

2. Commercial General Liability Insurance. Buyer shall maintain or cause to be maintained commercial general liability insurance, including coverage for bodily injury, property damage, personal injury, death, premises/operations, explosion, collapse and underground hazards, broad form property damage and blanket contractual liability for written contracts, with primary coverage limits of not less than \$1,000,000 for injuries or death to one or more Persons or damage to Property per occurrence and an aggregate limit of not less than \$2,000,000.

3. Automobile Liability Insurance. Buyer shall maintain or cause to be maintained automobile liability insurance for owned, non-owned and hired automobiles for both bodily injury and property damage and containing appropriate no-fault insurance provisions or other endorsements in accordance with Applicable Laws, with limits of not less than \$1,000,000 per accident with respect to bodily injury, property damage or death.

D. Buyer Insurance General Terms. To the extent available on commercially reasonable terms in the commercial insurance markets:

1. Evidence of Coverage. Buyer shall deliver to Seller certificates or other evidence of all insurance policies maintained (or caused to be maintained) by Buyer within twenty (20) days after the Execution Date and each time thereafter when there is any renewal of such insurance policies.

2. Termination of Coverage. Buyer shall provide Seller prior written notice of any cancellation or non-renewal of any insurance policy required to be maintained (or caused to be maintained) by Buyer pursuant to this Exhibit E.

E. Self Insurance. Notwithstanding the foregoing, each Party may self-insure to meet the minimum insurance requirements of this Exhibit E to the extent it maintains a self-insurance program, provided that such Party's senior secured debt is rated at investment grade or better by Standard & Poor's and its self-insurance program meets the minimum insurance requirements of this Exhibit E. For any period of time that an Interconnected Entity's senior secured debt is unrated by Standard & Poor's or is rated at less than investment grade by Standard & Poor's, such Party shall comply with the insurance requirements applicable to it under this Exhibit E. In the event that a Party is permitted to self-insure pursuant to this section, it shall notify the other

Party that it meets the requirements to self-insure and that its self-insurance program meets the minimum insurance requirements in a manner consistent with that specified in this Exhibit E.

EXHIBIT F

LEGALLY REQUIRED CLAUSES

The Parties shall comply with all Applicable Law. To the extent legally required by Applicable Law, the following clauses shall apply to the Parties' performance of the Agreement to which this Exhibit F is attached.

AFFIRMATIVE ACTION AND EQUAL OPPORTUNITY

To the extent applicable, contract incorporates by reference the Affirmative Action for Disabled Veterans and Veterans of the Vietnam-Era clause, 41 C.F.R. § 60-250.4; the Affirmative Action for Handicapped Workers clause, 41 C.F.R. § 60-741.4; the Equal Opportunity clause, 41 C.F.R. § 60-1.4; and the Discrimination on the Basis of Age clause, 18 C.F.R. § 1316.6; and all amendments thereto and all applicable regulations, rules, and orders issued thereunder. Seller complies with applicable regulatory requirements, including information reports and affirmative action programs.

BYRD RIDER

Lobbying. This contract is subject to the requirements of Public Law No. 101-121 (codified at 31 U.S.C. § 1352), which prohibits certain lobbying activities and requires disclosure of certain others, and to TVA's implementing regulations published at 55 Fed. Reg. 6736 (codified at 18 C.F.R. § 1315).

A. Prohibition, Certification, and Disclosure

- (1) Appropriated Funds. Section 319 of Public Law No. 101-121 provides that none of the funds appropriated by any act of Congress may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with: (a) the awarding of any Federal contract; (b) the making of any Federal grant; (c) the making of any Federal loan; (d) the entering into of any cooperative agreement; or (e) the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) Certification. Seller, by signing this contract, certifies in accordance with Exhibit, "Certification for Contracts, Grants, Loans, and Cooperative Agreements," attached hereto and made a part hereof ("Certification"), that it has not violated the foregoing prohibition.
- (3) Other Than Appropriated Funds. Except as provided in subsection D, below, if Seller has paid or will pay any funds other than Federal appropriated funds to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this contract, Seller shall complete and submit to TVA Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. (Copies of Standard Form-LLL may be obtained from the TVA representative for this contract.) The requirements of this subsection A(3) shall not apply to payments of reasonable compensation to regularly employed officers or employees. The term "regularly employed," with respect to an officer or employee of a person requesting or receiving a contract, means an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates TVA's consideration of such person for receipt of such contract.

- B. Updating. At the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in the Certification or, if applicable, Standard Form-LLL, Seller shall file with TVA an initial or new Standard Form-LLL with such new information or modifications as are necessary to correct any inaccuracies in the information originally declared and certified.
- C. Subcontractors. Seller shall include or cause to be included the form of the Certification in any subcontract exceeding \$100,000 at any tier. Seller shall promptly file with TVA each Standard Form-LLL provided by a subcontractor.
- D. Exceptions. The prohibition described in subsection A(1) above and the disclosure requirements in subsection A(3) do not apply in the case of (1) a payment of reasonable compensation made to an officer or employee of Seller to the extent that the payment is for agency and legislative liaison activities not directly related to a Federal action referred to in subsection A; or (2) any reasonable payment to a person, or any payment or reasonable compensation to an officer or employee of Seller, if the payment is for professional or technical services rendered directly in the preparation or negotiation of this Agreement.
- E. Definitions. Terms not defined herein shall have the meanings ascribed to them in Public Law No. 101-121 and TVA's implementing regulations.
- F. Penalties. (1) Any person who makes an expenditure prohibited by Public Law No. 101-121 shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure; and (2) any person who fails to file or amend a certification required under subsection A(2) above or a disclosure required to be filed or amended under subsection A(3) above shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 and to such other remedies as may apply for each such failure.

BYRD RIDER EXHIBIT

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

EXHIBIT G

PROJECT DESCRIPTION

The Facility Description and Site shall be defined as:

EXHIBIT H

CONSTRUCTION PERMITS