

CRYSTAL RIVER UNIT 3 DECOMMISSIONING AGREEMENT

This Agreement entered into this 17 day of July 1990 by and between the City of Gainesville ("City") and the Florida Municipal Power Agency ("FMPA").

WHEREAS, the Nuclear Regulatory Commission ("NRC") has promulgated regulations applicable to the City, as a 1.4079% undivided owner in the Crystal River Unit 3 Nuclear Plant, in order to provide assurances that funds will be available when needed for NRC required decommissioning activities; and

WHEREAS, those regulations permit the City to segregate its share of decommissioning funds through the utilization of a trust fund; and

WHEREAS, FMPA has agreed to act as agent for the City and certain other Crystal River Unit 3 participants to coordinate and make necessary arrangements for the administration of a trust fund,

NOW, THEREFORE, the City and FMPA agree as follows:

Section 1. Duties of FMPA. As agent for the City, FMPA shall act for the benefit of the City. FMPA shall

- (a) coordinate all information necessary to file certain reports with Florida Power Corporation ("FPC") and/or the Nuclear Regulatory Commission ("NRC"). The necessary information includes but is not limited to: (1) an initial certification of financial assurance for decommissioning funds; (2) annual adjustments to the certification amount, reflecting escalation factors; and

- (3) a detailed cost estimate updating the cost estimate in the preliminary decommissioning plan;
- (b) establish a trust fund with a Florida bank to comply with NRC Regulations, which requires a funding method that provides assurance of the availability of decommissioning funds;
- (c) provide periodic reports to the City indicating the status of the fund and the interest earnings of the fund;
- (d) notify the City of any adjustments to future deposits into the fund;
- (e) administer payment of all fees and expenses associated with the trust and with investment of trust funds;
- (f) collect from the City its respective share of annual fees associated with the administration and investment of the trust; and
- (g) direct the investment of trust fund moneys through FMPA staff or outside investment manager.

Section 2. Duties of the City. The duties of the City shall be to:

- (a) provide to FMPA, in a timely manner, any information necessary to comply with NRC Regulations or with any other applicable regulation, including any subsequent regulation;
- (b) make annual deposits into the fund upon notice from FMPA; in the amount determined by FMPA, as based on fund balance, interest earning assumptions and inflation;

- (c) reimburse FMPA for fees and expenses incurred in the administration and investment of the trust;
- (d) appoint FMPA as the City's agent to enter into a trust agreement which is attached;
- (e) undertake the responsibility of assuring the adequacy of funds available for decommissioning activities; and
- (f) insure compliance with existing or subsequent regulations, relating to the decommissioning trust fund.

Section 3. Express Authorization. The City authorizes FMPA to enter into and to act on its behalf in the Trust Fund Agreement (attached hereto as Exhibit "A") between FMPA and Sun Bank, National Association or any amended version thereof.

Section 4. Duration. FMPA shall act as agent for the City for as long as this Agreement is in effect. The City may terminate this Agreement upon giving ninety (90) days written notice sent to the NRC by certified mail with a copy of the notice sent to FMPA. Upon termination of this Agreement, it is incumbent upon the City to make the necessary arrangements to continue compliance with NRC regulations. Any expenses incurred by FMPA to terminate or amend the trust agreement are to be paid by the City.

Section 5. Immunity and Indemnification. FMPA shall not incur any type of liability in connection with any act or omission, made in good faith, in the execution of obligations, pursuant to this Agreement. FMPA shall be indemnified by the City from and against any type of liability to which FMPA may be subjected by reason of any act or omission made in good faith in its capacity as agent for

the City, including all expenses reasonably incurred in its defense and in the administration of this Agreement and the Trust Fund Agreement.

Section 6. Governing Law. This Agreement shall be administered, construed, and enforced according to the laws of the State of Florida. Any action to which FMPA is a party shall be brought in trial courts located in Orange County, Florida and any objection as to the jurisdiction of or venue in such courts that either party hereto would otherwise have is hereby waived.

Section 7. Amendment of Agreement. This Agreement may be amended by a written instrument executed by FMPA and the City.

Section 8. Waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of any such provision of any other provision thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the respective officers duly authorized and the corporate seals to be hereunto affixed and attested as of the date first written above.

FLORIDA MUNICIPAL POWER AGENCY

ATTEST:

BY:

Isolinda A. Short  
Controller

By:

Arthur P. Kenz  
General Manager

Title

General Manager

CITY OF GAINESVILLE

By:

M. A. K. J.

Title

ATTEST: BY: \_\_\_\_\_

A:cryriv.agr

Approved as to Form and Correctness

By Raymond O. Manasco, Jr.

Raymond O. Manasco, Jr.

Utilities Attorney

City of Gainesville, Florida

Date: 7/17/20