

Long-Term Service Agreement Specification Term Sheet

The purpose of this Long-Term Service Agreement Term Sheet (Term Sheet) is to solicit a firm price offer from Companies for a Long-Term Services Agreement (LTSA) covering the combustion turbine (CT), electric generator (at JEA's option as described below) and the associated auxiliaries described below for the Project based on indicative terms. This Term Sheet is not intended to be fully inclusive of all terms and conditions that would be included in a definitive LTSA between JEA and Company. Company's firm price shall remain valid through the bid validity period based on Company's proposed modifications to the indicative terms presented in this Term Sheet. Agreement to this Term Sheet or any of the terms set forth in Company's LTSA bid shall not constitute any legal obligation of JEA to accept Company's offer or to enter into a binding LTSA with Company. Company's LTSA bid will summarize Company's position on key provisions of this Term Sheet and any other relevant key terms, but this Term Sheet is not intended to reflect final contractual language that might be agreed upon between Company and JEA in a definitive LTSA. JEA may require changes to the terms included herein prior to the execution of a mutually acceptable memorandum of understanding or contract, and JEA may cease negotiations of a definitive memorandum of understanding or LTSA at any time and for any reason.

It is anticipated that the services for maintenance of the Covered Equipment (as defined below) will commence on the Commercial Operation Date under the Equipment Purchase Contract.

It is anticipated that the CT will operate as follows.

Operating Service	Combined Cycle
Fuel Type	Natural Gas Fuel No. 2 Fuel Oil (backup only)
Number of Hours per year	Up to 6,000
Number of Starts per year	100-200

Summary of Key LTSA Items

The following table includes key contract items that should be included in the bid submitted by the Company. The items below are not intended to be the entirety of terms and conditions that would apply to the LTSA. The LTSA bid shall define all terms acceptable to the Company and the JEA and shall be the basis for any agreement between the parties.

Project	The JEA Combined Cycle Power Island (Project) will be a minimum of 525 megawatts (MW), with duct firing capability up to 700 MW, net power output advanced class dual fuel capable 1x1 multi-shaft combined cycle electric generating block located at the Greenland Energy Center in Jacksonville, FL.
Owner	JEA

Company	[__By Company]
Pricing	Company's proposal shall include LTSA pricing.
Equipment Purchase Contract	The equipment supply contract for the procurement of a 1x1 multi-shaft combined-cycle power train configuration with one combustion turbine, one heat recovery steam generator, and a steam turbine.
Bid Validity	Company's proposal shall be valid in all respects, including pricing, for a minimum of 180 days. Pricing shall be firm through bid validity, including material and currency escalation.
Commercial Operation Date	The date commercial operation of the Project commences, as more particularly defined in the Equipment Purchase Contract.
LTSA Term	<p>The Term shall commence on the date of execution of the LTSA and shall expire on:</p> <p>the later of (i) the earlier of (a) [<i>Note: Company to provide quantity of hours associated with the second (2nd) Major Inspection</i>] and b) [<i>Note: Company to provide quantity of starts associated with the second (2nd) Major Inspection</i>], and (ii) completion of the second (2nd) Major Inspection on the Covered Equipment.</p> <p>If mutually agreeable, this contract may be amended to extend the contract to include coverage for a duration beyond the expiration of the Term described above.</p> <p>The Term shall not extend beyond the date that is thirty (30) years after the Commercial Operation Date of the Covered Equipment (Sunset Date), subject to earlier termination in accordance with the termination provisions of the LTSA.</p>
Covered Equipment	<p>Covered Equipment shall include:</p> <p>The CT with the following terminal points:</p> <ul style="list-style-type: none"> • First flanged connections to the turbine casing as defined in the P&ID for the affected system. • First welded connection of the exhaust expansion joint. • Flanged connection at inlet bellmouth.

	<ul style="list-style-type: none"> • Last pin connection at the Inlet Guide Vane (IGV) and Variable Stator Vane (VSV) actuator rods. • Rotor and compressor shall be included. <p>The following auxiliary equipment:</p> <ul style="list-style-type: none"> • Turbine Control System (including the control system cards and I/O modules whether installed locally or remotely) but excluding control system upgrades. (Pricing for control system upgrades shall be included as an option.) <p><i>Note: Respondents to provide alternate pricing to include coverage for the following additional Auxiliaries:</i></p> <ul style="list-style-type: none"> • Fuel Control Module and all enclosed components including the gas fuel control valves • IGV and VSV actuators including actuator digital valve positioners. • Lube Oil Module with enclosure and all associated components except for the module compartment ventilation system. <p>Generator (Inspect Only)</p> <p>Company should provide a breakout of costs for Minor and Major Inspections for Inspect Only coverage of the CT Generator.</p> <p>A proposal and scope of work for full CT Generator coverage, including parts repair and replacement, shall be provided as an additional option. Company should provide a breakout of costs for Minor and Major Inspections for full coverage of CT Generator.</p> <p>Pricing for a CT Rotor repair/replacement shall be provided by Company as an additional option, even if it's outside the LTSA Term.</p> <p>Company shall provide a complete and detailed listing of all Covered Parts, to include component description, quantities required, lead times, and list prices.</p>
Planned Maintenance	<p>A. <u>Planned Maintenance</u>. Company shall provide all Parts and Services, including miscellaneous hardware, tools, materials, equipment, craft labor and technical advisory services (including</p>

	<p>disassembly and reassembly of the Covered Equipment) as necessary for the Planned Maintenance of the Covered Equipment including, but not limited to, the following:</p> <p>a) Performance of Annual Borescope Inspections, Combustion Inspections, Hot Gas Path Inspections, and Major Inspections, or other Inspections as required or recommended in the Company's CT Maintenance Manual.</p> <p>b) Implementation of all Technical Advisories associated with the Covered Equipment and Auxiliaries (but excluding Upgrades and Technical Advisories that are optional).</p> <p>c) Implementation of corrective actions whenever the need arises as required to maintain or restore expected performance, reliability or safety of any component of the Covered Equipment, including in the following situations:</p> <p>(i) because a part fails or is otherwise defective,</p> <p>(ii) because of wear and tear (regardless of whether same is normal or premature),</p> <p>(iii) as necessary or appropriate to correct any condition regarding a part which could, if not corrected, be reasonably expected to result in a failure of such part or a de-rating of the Covered Equipment prior to the performance of the next scheduled Planned Maintenance Inspection (<i>i.e.</i>, preemptive work); and</p> <p>(iv) as necessary to modify, correct or otherwise address fleet design and/or safety issues or as required pursuant to prudent industry practices.</p> <p>d) Maintaining of emissions compliance as specified in the Equipment Purchase Contract.</p> <p>e) Other services such as: in-and-out work; inspection services for Inspect Only Components; Monitoring & Diagnostic services; diagnostic, supervision and engineering services for the control system issues; start-up services (including rotor balancing and alignment, as required in connection with Planned Maintenance Inspections); combustion tuning services (both post-outage and up to 2 seasonal tunes per calendar year at JEA's request); monthly and quarterly reporting; etc.</p>
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	<p><u>Attachment 3: Planned Maintenance Workscopes</u> includes the minimum scope of Company's work for each Planned Maintenance event, and any deviations from this work scope, including as a result of condition-based maintenance, will be subject to JEA prior written consent.</p> <p>B. <u>Planned Maintenance Schedule</u>. Planned Maintenance Inspections will be performed in accordance with the schedule set forth in <u>Attachment 4: Planned Maintenance Inspection Schedule</u>, unless otherwise mutually agreed by the Parties in writing; provided that JEA shall have the ability to extend the intervals between Planned Maintenance Inspections by up to +/- 10% starts or operating hours without seeking Company's prior technical review and approval. Company shall provide the formulas used for determining the equivalent operating hours and equivalent starts to reach the Planned Maintenance Inspections.</p> <p>C. <u>Post-Outage Reporting</u>. A post-outage meeting following the performance of each Planned Maintenance Inspection shall take place no later than forty-five (45) days after each outage's completion. Such meeting will include a detailed presentation and discussion of Company's post outage reports, which shall include a complete list of outage results, including the "as found" and "as left" condition of the Covered Equipment, details of conditions found, corrective actions taken, photographs, unusual conditions observed (e.g., excessive wear and tear, TBC coating spallation, deformities, cracking, etc.), a list of Capital Parts installed during such Planned Maintenance Inspection and a list of estimated Services, Capital Parts and components recommended for the next Planned Maintenance Inspection (to the extent reasonably known at such time).</p> <p>In addition, the Parties will address health and safety matters, Extra Work performed, schedule compliance, performance, logistics, opportunities for improvement, best practices, and pitfalls to avoid in the context of the most recent Planned Maintenance Inspection and future outages.</p>
Unplanned Maintenance	<p>Company shall provide Parts and Services for all Unplanned Maintenance of the Covered Equipment as necessary to return the Covered Equipment to service as soon as possible.</p>

	<p>For purposes hereof, "Unplanned Maintenance" shall mean any Parts and Services to address (i) a forced outage of the Covered Equipment between Planned Maintenance inspections and (ii) emergent work during a Planned Maintenance inspection, in each case, that is outside of the Company's scope of Planned Maintenance or warranty obligations, including Parts and Services to perform the Repair of Collateral Damage.</p> <p>Initial response by Company to be within 4 hours from formal notification by JEA and commencement of in-and-out work as soon as practicable, but not more than 24 hours after notice of JEA. Company shall work on a 24 hours per day, 7 days per week basis to return the Covered Equipment to service. All Parts that are required to return the Covered Equipment to service will be delivered to the Site within 24 hours after their need being identified. Company shall issue a return to service schedule within 48 hours of commencement of in-and-out work.</p> <p>Company shall complete all Technical Advisories (i.e., Service Bulletin/TIL, etc.) not included in Planned Maintenance; provided that JEA shall have the right to defer non-mandatory Technical Advisories to a Planned Maintenance outage.</p> <p>Cost for Unplanned Maintenance to be covered by Purchaser unless the Unplanned Maintenance is caused by the fault or breach of Company, including a defect in a Part or Service, or arises out of the performance or nonperformance of the Company's work. In the event the Unplanned Maintenance is caused by the fault or breach of Company or arises out of the performance or nonperformance of the Company's work, Company shall be responsible for all costs for repair including in-and-out costs. Unplanned Maintenance scope and cost shall be developed by Company in a timely manner and submitted to Purchaser for approval by Purchaser.</p>
Repair of Collateral Damage	<p>Company shall provide Parts and Services for the Repair of Collateral Damage for the Covered Equipment. Costs for the Repair of Collateral Damage coverage, including in-and-out costs, shall be borne by the Company up to a specified limit. Limits on Repair of Collateral Damage shall be \$2,000,000-</p>

	<p>3,000,000 for each event and \$5,000,000-10,000,000 for the Contract Term.</p> <p><u>“Repair of Collateral Damage”</u> means the repair and/or replacement of all parts and services as necessary (excluding those covered under warranty) to address any physical damage to the Covered Equipment (including any Inspect Only Components) resulting from the failure of or defect in a part or component of the Covered Equipment that is covered under warranty or Service provided by Company or its subcontractors that is covered under warranty (including as a result of the negligent actions or omissions of Company).</p>
Insurance	<p>Insurance</p> <p>Before starting the Work, and without further limiting its liability under the Contract, Company shall procure and maintain throughout the Term at its sole expense, insurance of the types and in the minimum amounts stated below:</p> <p>Workers' Compensation</p> <p>Florida Statutory coverage and Employer's Liability (including appropriate Federal Acts); Insurance Limits: Statutory Limits (Workers' Compensation) \$500,000 each accident (Employer's Liability).</p> <p>Commercial General Liability</p> <p>Premises-Operations, Products-Completed Operations, Contractual Liability, Independent Contractors, Broad Form Property Damage, Explosion, Collapse and Underground, Hazards (XCU Coverage) as appropriate; Insurance Limits: \$1,000,000 each occurrence, \$2,000,000 annual aggregate for bodily injury and property damage, combined single limit.</p> <p>Automobile Liability</p> <p>All autos-owned, hired, or non-owned; Insurance Limits: \$1,000,000 each occurrence, combined single limit.</p>

	<p>Professional Services/Errors and Omissions</p> <p>Insurance Limits: \$1,000,000 each claim; \$2,000,000 annual aggregate</p> <p>Excess or Umbrella Liability</p> <p>(This is additional coverage and limits above the following primary insurance: Employer's Liability, Commercial General Liability, and Automobile Liability); Insurance Limits: \$4,000,000 each occurrence and annual aggregate.</p> <p>Company's Commercial General Liability and Excess or Umbrella Liability policies shall be effective for two years after Work is complete. The Indemnification provision provided herein is separate and is not limited by the type of insurance or insurance amounts stated above.</p> <p>Company shall specify JEA as an additional insured for all coverage except Workers' Compensation and Employer's Liability. Such insurance shall be primary to any and all other insurance or self-insurance maintained by JEA. Company shall include a Waiver of Subrogation on all required insurance in favor of JEA, its board members, officers, employees, agents, successors and assigns.</p> <p>Such insurance shall be written by a company or companies licensed to do business in the State of Florida and satisfactory to JEA. Prior to commencing any Work under the Contract, certificates evidencing the maintenance of the insurance shall be uploaded to JEA's iSupplier Portal which can be found at https://isupplier.jea.com/OA_HTML/AppsLocalLogin.jsp.</p> <p>The insurance certificates shall provide that no material alteration or cancellation, including expiration and</p>
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	<p>non[1]renewal, shall be effective until 30 days after receipt of written notice by JEA.</p> <p>It shall be the sole responsibility of Company to ensure that any Subcontractors performing work for Company are properly insured against any claim, action, loss, damage, injury, liability, cost and expense (including, but not by way of limitation, reasonable attorney's fees and court costs) to the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Subcontractors.</p>
Extra Work	<p>Company to furnish Parts and Services required for Extra Work. The conditions of Extra Work shall be explicitly defined as Parts and Services that are outside of the Company's scope under the LTSA and must be mutually agreed upon in advance. All Parts and Services performed as Extra Work shall be priced at discounted rates defined in the LTSA, unless otherwise mutually agreed by the Parties. Extra Work scope and cost shall be developed by Company in a timely manner and submitted to JEA for approval by JEA before work begins.</p> <p>JEA will have no obligation to utilize Company to perform Extra Work outside of the Covered Equipment.</p>
Technical Advisory/Service Bulletin/TIL Coverage	<p>To be included as part of the Company's Planned Maintenance scope for the Covered Equipment, except for optional TAs/SBs/TILs.</p> <p>Company shall provide JEA copies of all technology TILs/SBs/TAs regarding the Covered Equipment and Auxiliaries as they are published.</p>
Monitoring and Diagnostic System	<p>Company shall provide a Monitoring and Diagnostic System such that the Covered Equipment can be monitored remotely at the Company's M&D Center. Company will immediately communicate any anomalies and related recommendations to JEA and provide technical expertise as required to troubleshoot resolution of such issues. JEA shall maintain ownership of the data collected by the monitoring system. Company shall bear the cost of establishing operational data communication</p>

	connection/service between the JEA location and Company M&D center. Company shall provide the JEA a monthly summary report of observations.
Services Director	Company shall provide a Services Director who shall administer and oversee all matters under the LTSA. Duties of the Services Director should be outlined by the Company in the LTSA. The Services Director shall be 100% committed to the site during all outages. During normal operation the expectation would be to be available 5-7 days per week within the service territory and onsite a minimum of 3-4 days per week as directed by the JEA. The Services Director must be able to perform duties as required in the LTSA in a timely manner. The individual designated by Company as the Services Director shall be subject to the prior approval of JEA, not to be unreasonably withheld. JEA may require that Company (and Company shall) remove and replace the Services Director if JEA determines (in its sole discretion) that such Services Director is not performing its obligations in a reasonably satisfactory manner. The Services Director shall have technical experience satisfactory to JEA in the operation and maintenance of the Covered Equipment.
Spare Parts Supply	Company to provide Initial Capital Spare Parts and Mandatory Spare Parts, as required, prior to the plant Commercial Operation Date. Company to provide consumable spare parts required to perform Planned Maintenance.
Parts at End of Term	<p>During the last Planned Maintenance Inspection of the Covered Equipment prior to the end of the Term, Company shall ensure that all Capital Parts installed in the Covered Equipment have a life (pedigree to be furnished) of at least one more applicable Planned Maintenance Inspection interval.</p> <p>The Company will provide pricing for the JEA's option to elect at the end of the Term for the Company to provide one full set of new or refurbished Capital Parts. Company may either refurbish the Parts that come out of the Covered Equipment at the last Planned Maintenance Inspection and/or provide new or refurbished Parts in order to complete such set; so long as all such Capital Parts supplied will have an estimated life of not less than the Capital Parts removed from the Covered Equipment and</p>

	at least one applicable Planned Maintenance Inspection interval. JEA will elect this option prior to the end of the Term.
Use of New Technology	Company may utilize new technology in the performance of maintenance to enhance Covered Equipment performance and/or improve maintenance/part intervals, subject to the consent of JEA. In such event, Company shall provide JEA with the following information as part of obtaining JEA's prior approval: (i) the technical basis supporting Company's decision to implement such New Technology, (ii) the impact, if any, such application is likely to have on Covered Equipment performance, (iii) any impacts to the recommended Planned Maintenance Inspection intervals, (iv) any impacts to the repair/replace interval(s) of Capital Parts, (v) data demonstrating Company's fleet experience with the implementation of such New Technology and (vi) such other information as JEA may reasonably request.
Performance Guarantees	<p>A. <u>Degradation Guarantees.</u> Company shall provide Output Degradation and Heat Rate Degradation Guarantees following the completion of each Hot Gas Path Inspection and Major Inspection. These guarantees shall be referenced to the performance test results from the Equipment Purchase Contract. <i>[Note: Respondents to provide degradation curves as part of their Proposal]</i></p> <p>B. <u>Reliability Guarantee and Outage Duration Guarantee.</u> Company shall provide an Annual Reliability Guarantee and an Outage Duration Guarantee for the Covered Equipment.</p> <p>The Supplier shall guarantee the Annual Reliability of the Covered Equipment will not be less than 99%. Annual Reliability shall be based on an EFORD calculation.</p> <p>Outage duration guarantees shall be provided for each of the following (if applicable): (i) Borescope Inspection Outage ([__By Company] hours); (ii) Combustion Inspection Scheduled Outage ([__By Company] hours); (iii) Hot Gas Path Inspection Outage ([__By Company] hours) and (iv) Major Inspection Scheduled Outage ([__By Company] hours).</p> <p>Outage duration shall be charged beginning upon completion of lockout/tagout activities by JEA and Company and ending when</p>

	Company releases the Covered Equipment back to JEA for turning gear operation. The guaranteed duration will recommence when the Covered Equipment has been returned to the Company for purposes of performing post-outage tuning and will end when Company releases the Covered Equipment back to the JEA for turning gear operation.
Emission Guarantee	Company shall provide Emissions Guarantees for the Covered Equipment, as specified in the Equipment Purchase Contract, for a specified load range. If the Covered Equipment fails to meet the Emissions Guarantee during the Term for any reason attributable to Company, including any Part or Service provided by Company, then Company shall remedy such failure, on a schedule to be mutually agreed with JEA. The Emissions Guarantees will be “must-make” and in the event plant operation is emissions limited by Covered Equipment failures, hours shall be counted against the annual reliability guarantee.
Contract Price and Payment Structure:	The total Contract Price shall be \$[<u> </u> <i>By Company</i>]. Company shall provide the payment structure for the LTSA as further described below. All currency to be provided in 2024 USD.
Price Structure	
A. Fixed Fee:	[U.S. \$ <u> </u> <i>By Company</i>]
B. Milestone Fees:	[U.S. \$ <u> </u> <i>By Company</i>]; Company shall provide Milestone Fees for each Combustion Inspection (as required), Hot Gas Path Inspection, and Major Inspection through the Term of the LTSA.
C. Optional Pricing	Company shall provide the equivalent operating hours and equivalent starts to reach the Planned Maintenance Inspections.
i. Full Generator Coverage	[U.S. \$ <u> </u> <i>By Company</i>]
ii. Parts at End of Term	[U.S. \$ <u> </u> <i>By Company</i>]
iii. CT Rotor Repair/Replacement	[U.S. \$ <u> </u> <i>By Company</i>]
iv. Additional Auxiliary Coverage	[U.S. \$ <u> </u> <i>By Company</i>]
v. Control system upgrades	[U.S. \$ <u> </u> <i>By Company</i>]

Payment Structure	<p>Invoiced quarterly based on actual operation during the prior quarter.</p> <p>Payment of undisputed amounts is due within 45 days from the receipt of the invoice by JEA.</p> <p>JEA shall have the right to withhold that portion of any payment due Company that JEA disputes in good faith is so owed (provided that JEA has given written notice of such dispute to Company). JEA shall be entitled to set-off amounts owed to it under the LTSA against amounts it owes to Company.</p>
Company Parts Pricing	Company shall provide pricing for Capital Parts and Non-Capital Parts. Such pricing shall be included as Attachment 2: T&M Parts and Services Rates.
Company Labor Rates	Company shall provide Labor rates for Technical Advisory Services and Repair Services. Such pricing shall be included as Attachment 2: T&M Parts and Services Rates.
Parts and Discounted Time and Material Rates	<p>Company shall provide Parts and Services being supplied as Extra Work and Unplanned Maintenance/Repair of Collateral Damage above the Unplanned Maintenance/Repair of Collateral Damage cap amounts at the lesser of (a) the pricing set forth in Attachment 2: T&M Parts and Services Rates, and (b) the Company's then-current list price, subject in all cases to the following discount rates for each item below.</p> <p>Company shall maintain books and records of account concerning the performance of the work under the LTSA in accordance with generally accepted accounting principles and practices. JEA shall have the right to review and audit the pertinent books and records in order to verify amounts invoiced to JEA under the LTSA on a time and materials basis.</p>
- Technical Advisory Services	- [__By Company]%
- Repair Services	- [__By Company]%
- Capital Parts	- [__By Company]%
- Non-Capital Parts	- [__By Company]%
- Purchased Labor & Material from non-Affiliated third parties	Invoice + [__By Company]%

- Purchased Labor & Material from Affiliates	- [<u> </u> <i>By Company</i>]%
Escalation	<p>Escalation shall be based on a mutually agreed upon index published by the U.S. Bureau of Labor Statistics.</p> <p>Annual floor of -3.0% and annual cap of 3.0% shall apply.</p> <p>Escalated amounts include: the Fee amounts, Unplanned Maintenance cap amounts, and Repair of Collateral Damage coverage amounts borne by Company, the Company's now current list prices in connection with the Time and Materials rates as set forth in Attachment 2: T&M Parts and Services Rates, and the Termination Payment amount (if applicable).</p>
Taxes	<p>If applicable, Company will bear all taxes, duties (including import/export) and fees, and penalties and interest thereupon, arising in connection with its performance under the LTSA and its receipt of payments under the LTSA except for Sales Taxes applicable in the state of Florida. "<u>Sales Taxes</u>" means sales, use, gross receipts, excise, VAT or similar such taxes imposed upon the sale of goods or services by Company to JEA. Company will work with JEA to determine the appropriate allocation of the Variable Fee as between Parts and Services for JEA's tax purposes.</p>
Late Payment Annual Interest Rate	The Parties shall negotiate in good faith the late payment interest.
Contract Termination	<p>The LTSA will have "termination for default" provision.</p> <p>Events of Default will include, with respect to each Party: (a) bankruptcy; and (b) such Party defaults in its performance of any material obligation, and does not cure such default within thirty (30) days after receipt of notice of default, or, if not capable of cure within such thirty (30) days, such Party fails to commence and thereafter continue diligent efforts to cure, and ultimately effect cure within sixty (60) days (or such longer period as the Parties may mutually agree in writing).</p> <p>In the event of a termination for a Company default, JEA may perform the remaining Planned Maintenance and Unplanned Maintenance for the remainder of the uncompleted Term. In such event, Company shall be responsible for paying JEA's "cost</p>

	<p>of cover,” including any amounts that JEA incurs or has to pay a third party to complete any Planned Maintenance and Unplanned Maintenance. In addition, for the remainder of the uncompleted Term, JEA may purchase, and Company shall be obligated to sell, Parts to perform such Planned Maintenance and Unplanned Maintenance, subject to a 50% discount from the then existing list price for all Parts by Company or its affiliates.</p> <p>In the event of a termination for an JEA default, JEA shall pay Company a Termination Payment to be agreed upon during LTSA finalization. [<i>Note: Respondents to include proposed Termination Amount as part of its Proposal</i>]</p> <p>Other Termination Events will include:</p> <p>A. <u>Termination for JEA’s Convenience</u>. JEA may also terminate the LTSA for its convenience after the completion of the first Major Inspection. JEA shall give Company notice of its intention to terminate hereunder within ninety (90) days after the first Major Inspection. In the event of a termination for JEA’s convenience hereunder, no Termination Payment will be owed.</p> <p>B. <u>Termination for Extended Force Majeure</u>. In the event that Company suffers a Force Majeure event that lasts more than ninety (90) days and the Parties have not mutually agreed on a manner to continue the LTSA, JEA may, in JEA’s sole discretion, elect to terminate the LTSA. In the event of a termination for extended Force Majeure, no Termination Payment will be owed by either Party.</p> <p>C. <u>Termination of the EPC</u>. The Equipment Purchase Contract is terminated for any reason prior to the first fire of the Combustion Turbine. In the event of a termination for termination of the Equipment Purchase Contract prior to first fire, no Termination Payment will be owed.</p> <p>D. <u>True-Up</u>. In the event of any early termination of the LTSA, the Parties will perform a true-up or other mutually agreeable process whereby JEA will (i) pay Company for Parts and Services provided but for which Company has not been paid in accordance with the provisions of the LTSA and (ii) be refunded any pre-paid amounts toward Planned Maintenance Inspections that have not yet occurred.</p>
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	<p>E. <u>Back-Charges</u>. If Company fails to perform its obligations under the LTSA, then JEA may, in addition to any other rights and remedies it may have available under the LTSA, either self-perform, or hire another contractor to perform such obligations. JEA may back-charge Company for the reasonable and demonstrable costs thereof.</p>
Delivery & Title Transfer	
- Delivery	<p>Company, at its cost, shall deliver all Parts Delivered Duty Paid (Incoterms 2020), to the Jobsite or JEA's specified storage location.</p> <p>Company will deliver any Parts needed for Planned Maintenance Inspections (that are not already on Site in JEA's inventory) no later than thirty (30) days prior to the scheduled commencement date of such Inspection.</p>
- Title Transfer	<p>Title to Covered Parts delivered to the JEA for Company's Planned Maintenance or warranty obligations shall pass to the JEA upon installation. Title to Spare Parts and all other Parts shall pass upon delivery. Title to Parts being replaced as part of Company's Planned Maintenance or warranty obligations shall pass back to the Company upon removal from the Covered Equipment. Title to parts purchased by JEA as Extra Work will remain with JEA at all times.</p>
- Risk of Loss Transfer	<p>Risk of loss or damage to Parts remains with Company until installation, and Company will be responsible for any damage to Parts while any such Parts are in the care, custody, and control of the Company at the JEA's site.</p>
Inventory Utilization	<p>If Company utilizes any Parts in JEA's inventory for the performance of Planned Maintenance, Company shall be responsible for delivering replacement Parts at Company's expense within a reasonable time (considering among other things the repair and transportation time and anticipated schedule of Planned Maintenance).</p>
JEA Obligations	<p>JEA will perform all "<u>Routine Maintenance</u>" on the Covered Equipment, which means maintenance of a regular, preventive or minor nature, that is performed during Covered Equipment shutdown or during operation, to maintain the Covered Equipment in good working order on a day-to-day basis (e.g.,</p>

	<p>lubrication, minor leak repair, provision of chemicals, cleaning, etc.).</p> <p>Company shall provide a detailed listing of all such Routine Maintenance, required intervals, and procedures for each to the JEA.</p>
Warranty for Covered Equipment	<p>A. <u>Term Warranty</u>. In addition to its Planned Maintenance obligations, a Term Warranty shall be provided whereby Company warrants all Parts and Services for the Covered Equipment for the Term of the LTSA. Such warranty shall include warranty coverage for: (i) defects in material, manufacturing, workmanship and design; (ii) premature wear and tear and/or failure; (iii) early fallout (i.e., prior to reaching its estimated replace interval); (iv) inability or failure to meet performance criteria; and (v) any technical advisory, technical information letter, service bulletin, service advisory or other written recommendation of Company, or any Company's affiliates (but not including written recommendations that are merely performance upgrades).</p> <p>B. <u>Root Cause Analysis</u>. In the event of a warranty failure, JEA may require that Company perform, at Company's expense, a root cause analysis ("RCA") to determine the cause of such failure. JEA and its representatives shall be allowed to visit any of Company's or its subcontractors' repair facilities and witness and participate in any such RCA being performed. In addition, JEA shall be entitled to samples and all reports and data supporting, resulting from, or developed in connection with any such RCAs and all proposed remediation plans. JEA shall retain the option to use a third party for RCAs in addition to Company's requirement.</p>
Warranty for Parts at end of Term	The Warranty Period for Parts that are part of the Covered Equipment shall be warranted until 3 years after the end of the Term.
Warranty for Extra Work Parts	The Warranty Period for Parts that are not part of the Covered Equipment and which are provided as Extra Work shall be the earlier of (i) 2 years after 1st use or (ii) 4 years after date of delivery.

Warranty for Extra Work Services	Warranty for Services not performed on the Covered Equipment and provided as Extra Work shall be 2 years after performance of such Services.
Warranty Remedy	If during the applicable warranty period, Company is notified (or becomes aware) that a Part or Service fails to comply to its respective warranty, then Company shall mobilize its crew and tools, at its cost (including the cost of opening and closing the Covered Equipment, if required) to correct such non-conformity by repair or replacement of the defective Part or re-performance of the defectively performed Service, as applicable, on a schedule to be mutually agreed upon with JEA.
Upgrades	<u>Attachment 5: Upgrade Options</u> to this Term Sheet includes proposed upgrades and improvements that Company is willing to offer to JEA as part of the LTSA, as well as any additional performance improvements associated therewith. Upgrades shall be provided at Discounted Time and Material Rates.
Attachments	<p>The following Attachments are incorporated into this Term Sheet by reference:</p> <ol style="list-style-type: none"> 1. Division of Responsibilities 2. T&M Parts and Services Rates 3. Planned Maintenance Workscopes 4. Planned Maintenance Inspection Schedule 5. Upgrade Options

Attachment 1: Division of Responsibility

The following table outlines a Division of Responsibility to be provided by the Company and the JEA as part of the Scope of Work during the term of the LTSA.

	Company	JEA
Review Scope of Work, Scheduling and Planning	X	X
Provide Field Engineers and Specialists required by Scope of Work	X	
Provide Qualified Labor and perform work safely and cleanly	X	
Provide Tools for work force, including transportation	X	
Provide OEM Special Tools Purchased with Turbine / Generator (Including Lifting Beam and associated slings provided as part of the Equipment Purchase Contract)		X
Provide Lifting Slings (other than those associated with Lifting Beam)	X	
Rotor Shipping Skid (if Required)	X	
Provide Safety Equipment	X	
Safety Program to be used during Outage (more stringent Safety Program to apply)	X	X
Site security		X
Confined Space Monitoring Equipment	X	
Confined Space Monitoring Personnel	X	
Confined Space Rescue Services		X
Lock Out / Tag Out	X	X
Expendable Materials (rags, cleaning fluids, etc.)	X	
Provide Consumable Spare Parts for Planned Maintenance (gaskets, nuts, bolts, fittings, etc.)	X	
Clerical / Administrative support	X	
Final Outage Reports	X	
Adequate laydown space in vicinity of unit (provide temporary laydown trailers and transportation, if required)		X
Transport Parts to / from warehouse to outside area		X
Transport Parts to / from outside area to laydown space / unit	X	
Dustblast Equipment & Supplies	X	
NDE Equipment, Material and Technicians	X	
Compressed Air ([__By Company] cfm @[__By Company] PSIG)	X	
Welding Machine	X	
Welding Services / Procedures	X	
Insulation Contractor (Removal and Installation) of Insulation inside the Covered Equipment gas turbine enclosure	X	
Direction and coordination of Insulation Contractor	X	
Office Space or Office Trailer, Change Trailer	X	

	Company	JEA
Provide Office Equipment (desks, chairs, phone, fax, copier, etc.)	X	
Sanitary Facilities	X	
Potable Water / Ice / Water Cooler	X	
Service Water		X
Cribbing / Pallets for disassembled Parts while on Site	X	
Scaffolding Contractor and Material for scaffolding inside the Covered Equipment gas turbine enclosure	X	
Telephone Service and High-Speed Internet Service	X	
Crane Service and Operator for Planned Covered Maintenance Events		X
Crane Service and Operator for Unplanned Covered Maintenance events or Collateral Damage events	X	
I&C Technicians for Disconnects and Connections		X
Electricians for Disconnects and Connections		X
Electrical Power (120-220 VAC Single Phase / 480 VAC 3-Phase)		X
Consumable Gases (Ex. Oxygen, Acetylene, Argon etc.) as necessary for disassembly and reassembly	X	
Lubricants as necessary for disassembly and reassembly (anti seize, penetrants, etc.)	X	
Trash Containers and Disposal Service		X
Disposal of Hazardous Waste	X	
Fire Protection Equipment		X
First Aid Facilities	X	
Asbestos Control, Removal and Disposal		X
Forklift Service	X	
Painting (Paint and Service)		X
Shipping	X	
Drain, Store and Refill Lube Oil Reservoir		X
Machine Shop Services	X	
Tuning Engineer	X	
Balancing Engineer	X	
Inspection and inventory of Customer owned Special Tools pre and post outage	X	X

Attachment 2: T&M Parts and Services Rates

[to be provided by Respondents]

Attachment 3: Planned Maintenance Workscopes

[to be provided by Respondents]

Attachment 4: Planned Maintenance Inspection Schedule

[to be provided by Respondents]

Attachment 5: Upgrade Options

[to be provided by Respondents]