

Note to Respondents:

As an alternative to the billing and collections arrangement described in this Schedule A in which the parties share in the collections risk in proportion to the energy sold by each party to Customers, JEA would like to explore a receivables factoring arrangement under which JEA would assign its interest in Vogtle Energy Customer Payments to Service Provider at a reasonable discounted price in exchange for Service Provider assuming the collections risk. Under this arrangement:

- Service Provider would pay JEA each month a discounted price for the total Vogtle Energy Customer Charges for the month within five days after the issuance of the monthly Consolidated Bills.
- JEA's assignment to Service Provider would be effective upon JEA's receipt of the discounted purchase price from Service Provider each month.
- Supplier would bear all collection risk associated with the assigned receivables without recourse against JEA.

JEA believes that this arrangement could be mutually beneficial to the parties in simplifying the collection and customer support processes for the Consolidated Bills. Service Provider would be able manage these processes on its own without direct involvement of JEA.

BILLING AND COLLECTIONS SERVICES AGREEMENT¹

SCHEDULE A

SERVICES

¹ **Note:** This draft remains subject to the ongoing review of the Office of the General Counsel of the City of Jacksonville and, as such, may require further modifications.

SCHEDULE A (SERVICES)

1. GENERAL

1.1 Introduction

- (a) Scope Generally. Without limiting Service Provider's obligations under the Agreement including Section 4 (Services) thereof, this Schedule A and Schedules hereto (collectively, the "Service Schedule") describe the Billing Services and Collection Services provided by Service Provider to JEA in respect of the sale by JEA of Vogtle Energy to Customers in the Service Territory. Commencing on the Effective Date, Service Provider shall perform the Services in accordance with Schedule A-1 (Service Description). For clarity, the Services include all related customer service functions, including call center support for Customers.
- (b) Treatment of JEA as a Utility Generally. Service Provider shall deliver the Services in a manner consistent with (i) JEA's ongoing treatment and responsibilities as a municipal utility, (ii) the treatment of the PPA and JEA's rights to purchase and sell energy received under the PPA as a separate "utility system" in accordance with the JEA Charter referred to in the preamble to the Agreement and any ordinance or other applicable regulations under Law and (iii) the applicable terms of the Territorial Agreement.

1.2 Defined Terms

All capitalized terms used in the Service Schedule and not defined in the Service Schedule shall have the meanings ascribed to them in, of by reference in, the Agreement or the Glossary to the Agreement.

As used in the Service Schedule, the following terms are defined as follows:

- (a) "Billing Services" has the meaning set forth in the preamble of Article 1 of Schedule A-1 (Service Description).
- (b) "Collection Services" has the meaning set forth in the preamble of Article 2 of Schedule A-1 (Service Description).
- (c) "DR/BC Plan" has the meaning set forth in Section 3.1(a) of this Schedule A.
- (d) "EFT" has the meaning set forth in the preamble of Section 1.8(i) of Schedule A-1 (Service Description).
- (e) "JEA Account" has the meaning set forth in Section 2.5(b) of this Schedule A.
- (f) "Mandatory Remittance Date" means the fifteenth (15th) day of each month (or if such calendar day does not fall on a Business Day, the immediately succeeding Business Day thereafter).
- (g) "Monthly Remittance Amount" has the meaning set for the in Section 2.5(b).
- (h) "Segregated Account" has the meaning set forth in Section 2.5(a) of this Schedule A.

- (i) “Service Schedule” has the meaning set forth in Section 1.1(a) of this Schedule A.
- (j) “Service Provider Energy Customer Payments” means all amounts received by Service Provider in payment of the Service Provider Energy Customer Charges.
- (k) “US GAAP” means United States generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board and as in effect from time to time.

2. VOGTLE CUSTOMER POWER CHARGES AND PAYMENTS

2.1 Determination of Vogtle Energy Customer Charges Generally

The Vogtle Customer Charges shall be determined and computed based on the Vogtle Energy Rates furnished to Service Provider by JEA.

2.2 JEA Right to Set Vogtle Energy Rates

As between the Parties, JEA shall have to sole right determine, and shall be solely responsible for determining, the Vogtle Energy Rates, and Service Provider shall have no right to establish, approve, increase, decrease or otherwise change, in any respect, the Vogtle Energy Rates.

2.3 Monthly Billing

All Consolidated Bills shall be generated and sent to Customers monthly by not later than the [•] calendar day of each month in accordance with the Service Schedule.²

2.4 Prorations

All late charges and under collections (included disputed charges or other deficient payments by Customers), and all refunds in respect of the amounts owed or paid by a Customer in connection with a Consolidated Bill shall be borne by, or allocated to, the Parties in proportion to the amount of the Vogtle Energy Customer Charge and the Service Provider Energy Customer Charge appearing on such Consolidated Bill; *provided* that, for the avoidance of doubt, the proration described in this Section 2.4 shall not take into account any other charges owed to Service Provider by a Customer or appearing on a Consolidated Bill for the account of Service Provider, including, for example, disconnect charges, reconnect charges, or meter or other equipment installation or repair charges, for which in all cases Service Provider shall bear to sole collection risk.

Example – Proration for Under Collection*

If:	Service Provider Energy Customer Charge = \$200
	Vogtle Energy Customer Charge = \$100
	Total amount of Consolidated Bill = \$300
	Total Customer payment = \$100
Then:	JEA proportionate share of customer payment = 0.33 (100 ÷ 300 = 0.33)

² Note to Respondent: Timing to be discussed and aligned.

Schedule A (Services)

	Proportionate share of payment for remittance to JEA = \$33.33 ($0.33 * \$100 = \33.33)
	Proportionate share of customer payment retained by Service Provider = 0.66 ($200 \div 300 = 0.66$)
	Proportionate share of payment retained by Service Provider = \$66.66 ($0.66 * \$100 = \66.66)

* Rounded, excludes interest and deductions of Service Provider Services Charge.

2.5 Remittance and Segregation of Vogtle Energy Customer Payments

Without limiting the rights and obligations of the Parties under Section 6 of the Agreement, Service Provider shall:

- (a) subject to any proration made in accordance with Section 2.4 above, upon receipt of payment of a Consolidated Bill, promptly deposit an amount equal to the Vogtle Energy Customer Payment in respect of such Consolidated Bill into a separate, interest bearing account maintained by Service Provider and acceptable to JEA, which account shall hold funds solely relating to the Vogtle Energy Customer Payments and, for the avoidance of doubt, shall be segregated from, and not be commingled with, any Service Provider Energy Customer Payments or any other funds received or held by Service Provider (“Segregated Account”);
- (b) not later than the Mandatory Remittance Date, transfer from the Segregated Account to the account designated by JEA in writing (the “JEA Account”) all Vogtle Energy Customer Payments, together with all interest accrued thereon, minus an amount equal to the undisputed portion of the Combined Services Charges for such month, as contemplated in Section 6.3 of the Agreement (“Monthly Remittance Amount”); and
- (c) take all actions necessary or appropriate to protect and secure all Vogtle Energy Customer Payments and all interest accrued thereon.

2.6 Billing Determinants Reporting

- (a) In addition to the reports referred to in Section 3.4 below, Service Provider shall provide to Customer the Billing Determinants, in a form and media reasonably requested by JEA or as otherwise agreed by the Parties.
- (b) Service Provider shall provide such Billing Determinants not later the fifth (5th) calendar day of each month (or if such calendar day does not fall on a Business Day, the immediately succeeding Business Day thereafter).

3. CROSS-FUNCTIONAL OBLIGATIONS AND SERVICES

3.1 Disaster Recovery & Business Continuity

- (a) Service Provider’s disaster recovery and business continuity plan (“DR/BC Plan”) is attached hereto as Schedule A-3 (Disaster Recovery and Business Continuity Plan). The DR/BC Plan shall, at a minimum and at all times (i) provide for the expeditious recovery

of all operations and systems in the Service Delivery Environment necessary for performance of the Services in accordance with the Agreement and the Service Schedule, (ii) include, points of contact, communication methods, and alternate work locations (on a temporary basis, if applicable) to allow the Services to continue, (iii) include industry best standards, policies and procedures associated with such plans, including recovery time objectives, recovery point objectives, sufficient geographic separation of data centers, and (iv) otherwise comply with applicable Law.

- (b) Service Provider will permit JEA to observe, and upon JEA's request will deliver to JEA the results of, any testing of the DR/BC Plan. Where any such test reveals that corrective action is required, Service Provider will make appropriate changes to the DR/BC Plan.
- (c) Upon the occurrence of a disaster and at no additional charge to JEA, Service Provider shall activate and implement the DR/BC Plan.

3.2 Notice of Service Interruption or Suspension

Except to the extent agreed in writing by the Parties as a scheduled event (e.g., scheduled maintenance at pre-agreed dates and times) and without limiting Service Provider's obligations under the DR/BC Plan, Service Provider shall provide JEA with advance written notice of any and all activities of, or events incurred by, Service Provider that may impact delivery of the Services.

3.3 Service Provider Quality Assurance

Without limiting Service Provider's obligation to provide the Service in accordance with the Service Levels described in Schedule B (Service Levels) to the Agreement, Service Provider shall be responsible for implementing and maintaining a quality assurance (QA) program that ensures, timely, accurate and uninterrupted Services and promotes repeatable, predictable and timely performance of the Services at a consistent level of quality.

3.4 Service Provider Reports

Service Provider shall provide the reports (a) specified in Schedule A-2 (Reports) and (b) otherwise expressly described in the Service Schedule, together with such other periodic or ad hoc reports as JEA reasonably request relating to the Services.

3.5 Service Provider Cooperation with Third Parties

Service Provider shall reasonably cooperate with (and provide JEA with reasonable cooperation and assistance in connection with) all applicable third parties to the extent reasonably required for proper receipt and delivery of the Services in accordance with the Agreement and the Service Schedule, and shall otherwise participate in discussions or meetings with third parties as reasonably directed by JEA.

4. SERVICE DESCRIPTIONS

The following Schedules are attached hereto:

- Schedule A-1 – Service Descriptions
- Schedule A-2 – Service Provider Reports

Schedule A (Services)

- Schedule A-3 – Disaster Recovery and Business Continuity Plan

BILLING AND COLLECTIONS SERVICES AGREEMENT

SCHEDULE A-1

SERVICE DESCRIPTIONS

TABLE OF CONTENTS

1. BILLING SERVICES..... 1

 1.1 General Obligations 1

 1.2 Back Office Billing 1

 1.3 Bill Calculation 1

 1.4 Meter Reading; Validating the Meter Reading Data 1

 1.5 Billing Investigations 2

 1.6 No-Bill Report 2

 1.7 Bill production 2

 1.8 Payments and Remittance 3

2. COLLECTIONS SERVICES 4

 2.1 General Requirements..... 4

 2.2 Collection Processing Activities 4

 2.3 Collection Accounting 6

 2.4 Miscellaneous Collection Functions 6

SCHEDULE A-1 (SERVICE DESCRIPTIONS)

1. BILLING SERVICES

Service Provider shall perform the Consolidated Bill preparation, print and presentment services described in this Article 1 for JEA, including the provision of Billing Determinants to JEA in a timely manner, the calculation of Vogtle Energy Customer Charge based on Vogtle Energy Rates furnished by JEA, and the performance of billing and payment exception resolution and invoice and notice production, together with all related Functions and back office activities associated with the foregoing (“Billing Services”).

1.1 General Obligations

Service Provider’s general responsibilities relating to Billings Services include:

- (a) Timely and accurate calculation, production and dispatch (mail and e-bill) of all Consolidated Bills to all applicable Customers, and posting related billing journal entries;
- (b) Interacting with JEA, JEA designated agents and, at the express direction of JEA, other third parties, including MEAG, and government agencies as required to provide the Billing Services;
- (c) Adjusting and updating Vogtle Energy Customer Charges (and related entries on the applicable Consolidated Bills) in accordance with JEA instructions;
- (d) In the case of an inquiry or complaint relating to a Vogtle Energy Customer Charge, following consultation with, and the direction of, JEA, performing the relevant action in order to validate or correct the relevant Customer account; and
- (e) Identifying, managing and resolving exceptions relating to Vogtle Energy Customer Charges, including (i) promptly identifying the exceptions, and (ii) tracking, researching, processing and resolving all exceptions.

1.2 Back Office Billing

Service Provider shall ensure and maintain the accuracy of all Customer billing records to ensure timely and accurate billing in accordance with the Service Schedule, and shall resolve billing exceptions, including reviewing and resolving bill production specific billing exceptions, bill outsorts and bill blocks created manually and generated.

1.3 Bill Calculation

In calculating the Vogtle Customer Power Charge for each rate class in accordance with Section 2.1 (Determination of Vogtle Energy Customer Charges Generally) of Schedule A, Service Provider’s obligations include (a) ensuring that all data inputs for such calculation are accurate, and that Vogtle Energy Rate and tax calculations are applied correctly and (b) performing, supporting and resolving cancel and re-bill calculations.

1.4 Meter Reading; Validating the Meter Reading Data

Schedule A-1 (Service Descriptions)

Service Provider shall perform all Functions relating to the meter reading, maintenance and configuration, and shall validate all meter data and related data files to ensure accurate computation of the Vogtle Energy Customer Charges in accordance applicable Law and industry-best practice, including:

- (a) Ensuring that the meter data provided for each Customer accurately corresponds with the existing data for such Customer;
- (b) Checking all meter data and Customer invoicing records and managing and remedying any errors or duplications;
- (c) Updating the billing system in the Service Delivery Environment to include all data on termination of services to Customer; and
- (d) Reviewing and updating Customer service listings to take into account Customer contract renewals.

1.5 **Billing Investigations**

Service Provider shall investigate and resolve all issues relating to the Consolidated Bills, including (a) following consultation with JEA, responding to requests to investigate the billing of Customer accounts related to complaints by any regulatory or government and any other investigative requests, (b) responding to Customer calls or complaints and (c) where a re-bill occurs, distinguishing the re-billed Consolidated Bill so that the Customer is adequately informed that the Customer statement is a re-bill and the associated reason, where appropriate (e.g., in the form of a bill insert or Customer statement notice).

1.6 **No-Bill Report**

Service Provider shall implement and maintain a system to identify, monitor, track and report on Customer accounts for which a Consolidated Bill has not been produced within the account's designated billing cycle, including (a) performing triage on accounts identified on the no-bill accounts report and (b) resolving any issues preventing a Consolidated Bill from being produced for the identified accounts.

1.7 **Bill Production**

Service Provider shall perform all Functions required for timely production and distribution of Consolidated Bills, including data collection and verification, Consolidated Bill preparation, printing, packaging, mailing and presentment, including:

- (a) Compiling all billing backup data and materials and submitting them with (or having such data and materials available for verification of) the Consolidated Bill, as required;
- (b) Verifying the accuracy of all data relating to each Consolidated Bill;
- (c) Preparing and generating the Consolidated Bill;
- (d) Calculating the Vogtle Customer Power Charge for each Consolidated Bill in accordance with the Service Schedule;

Schedule A-1 (Service Descriptions)

- (e) Configuring and printing Consolidated Bills;
- (f) Providing Consolidated Bill inserts and messages for manual Consolidated Bills, as required;
- (g) Validating that accounts are being sequentially billed with no gaps or overlaps in the billing cycle;
- (h) Administering all aspects of e-bill production and delivery; and
- (i) Mailing Consolidated Bills, including deliver to post in remote communities.

1.8 **Payments and Remittance**

- (a) General Responsibilities. Service Provider shall perform all Functions relating to the processing of Vogtle Energy Customer Payments, including (i) processing all forms of payments of Consolidated Bills, (ii) identifying and resolving all issues related to payment processes, (iii) managing all actions relating to expired credit and debit cards, (iv) processing reversal of accounting entries in accordance US GAAP, and (v) responding to and promptly answering all inquiries from JEA regarding Vogtle Energy Customer Payments or arising from or related to the payment processing of Consolidated Bills.
- (b) Process Payments. Service Provider shall perform all Functions necessary to properly process Vogtle Energy Customer Payments, including (i) verifying and reconciling receipt of Vogtle Energy Customer Payments, (ii) promptly applying all Vogtle Energy Customer Payments accurately against Customer accounts, (iii) processing credit card transactions, and reconciling credit card and debit card payment batches to unidentified and unallocated cash, (iv) recording credit card and debit card payments to Customer accounts, (v) processing and resolving direct debit defaults, credit card chargebacks and dishonored checks, and (v) segregating Vogtle Energy Customer Payments in accordance with Section 2.5 (Remittance and Segregation of Vogtle Energy Customer Payments) of Schedule A (Services).
- (c) Process Customer Refunds. Service Provider shall perform all Functions required to properly process Customer refunds (in compliance with the proration terms in Section 2.4 (Proration) of Schedule A (Services)), including (i) managing and responding to Customer queries and (ii) managing and processing credits in Customers' accounts, and (iii) maintaining acknowledgements and receipts for refunds.
- (d) Unapplied Payments. Service Provider shall perform all Functions required in connection with the administration of unapplied payments, including (i) managing and processing all unapplied Vogtle Energy Customer Payments, (ii) initiating the payments of funds for unclaimed credits, and (iii) preparing and post journal entries for unclaimed credits and funds.
- (e) Bankruptcy, Insolvencies, Deceased Estate Notifications. Service Provider shall process any payments received from Customers in bankruptcy, insolvency or from deceased estates.
- (f) Data Reconciliation. Service Provider shall maintain operational controls and reconcile, report, track and manage the inputs and outputs associated with remittances, including (i) validating, reconciling and reporting suspense account balances, (ii) reconciling credit

card and debit card recurring transactions, (iii) providing appropriate financial controls to ensure all remittance transactions are identified, tracked, cleared to the correct debtor and accounted for on a daily basis, and (iv) providing daily remittance information to JEA.

- (g) Identifying, Managing and Resolving Exceptions. Service Provider shall perform all Functions necessary for identifying, managing and resolving exceptions relating to payment processing, including (i) unapplied payments placed into a suspense account due to insufficient identifying data to properly allocate to a customer's account, and (ii) misdirected payments.
- (h) Pre-Authorized Debit (PAD). Service Provider shall perform all Functions required to (i) establish and perform the set-up of pre-authorized debit and (ii) resolve or escalate the pre-authorized debit exceptions that have been received for payment of Customer accounts.
- (i) Electronic Fund Transfer / Wire Transfers. Service Provider shall be responsible for all Functions (i) relating to with electronic fund transfers ("EFT"), wire transfers in connection Customers payments of the Consolidated Bills and (ii) required in connection with the resolution of any EFT related exceptions associated with Customer accounts.

2. COLLECTIONS SERVICES

Service Provider will perform the collection and related credit business processes described this Article 2, including all related Functions for collection accounting and Customer credit activities ("Collection Services").

2.1 General Requirements

Service Provider's general responsibilities for delivery of Collection Services include the following Functions, which shall be performed by Service Provider in compliance with the applicable guidelines in Fair Debt Collection Practices Act (FDCPA):

- (a) Communicate to JEA all collections issues relating Vogtle Energy Customer Charges and Vogtle Energy Customer Payments and resolve all such issues, including in consultation with JEA when requested by JEA;
- (b) Support JEA internal audit and third-party audits to ensure compliance with US GAAP rules and requirements; and
- (c) Provide support process capabilities in accordance with JEA's monthly closing schedule.

2.2 Collection Processing Activities

- (a) Aged Accounts Receivable. Service Provider shall perform all customary Functions relating to aged account receivables, including (i) generating aging reports and a complete analysis of all aging accounts receivables; (ii) reviewing reports and analysis with JEA, if requested by JEA; and (iii) monitoring and reporting on a daily/weekly basis collection amounts versus budget projections.

Schedule A-1 (Service Descriptions)

- (b) Collect Past Due Accounts. Service Provider shall be responsible for all Functions relating to the management and collection of past due amounts in respect of Vogtle Energy Customer Payments, including:
 - (i) Contacting Customers to initiate collection activities;
 - (ii) Advising JEA weekly on collection efforts regarding delinquent Vogtle Energy Customer Payments;
 - (iii) Producing and sending collection notices (Dunning Letters) for overdue Customer accounts and demand letters;
 - (iv) Tracking, researching, resolving and documenting issues and inquiries regarding Vogtle Energy Customer Payments; and
 - (v) Making collections calls to Customers in applicable languages in accordance with agreed time frames.

- (c) Customer Dispute Management. Service Provider shall be responsible for all Functions relating to the management and resolution of Customer disputes relating to Vogtle Energy Customer Payments and Vogtle Energy Customer Charges, including:
 - (i) Responding to Customer communications concerning the dispute;
 - (ii) Documenting such dispute in the applicable system and taking all appropriate administrative actions, including suspending delivery of Dunning Letters on disputed accounts, as applicable;
 - (iii) Meeting with JEA, upon request, to review dispute issues and providing status reports for all such disputes and such additional hoc or periodic status reports as may JEA reasonably requests; and
 - (iv) Managing all disputes to resolution, provided that Service Provider shall not resolve a dispute or claim that is specific to the Vogtle Energy Charges without the express written consent of JEA.

- (d) Collections – Litigation and Collection Agencies. Service Provider’s responsibilities relating to the administration of collection agencies and any litigation concerning Vogtle Energy Amounts shall include the following Functions: (i) engage and manage reputable third party collection agent(s), (ii) report the status of collection accounts that have been transferred to agent(s) and (iii) receive and process recoveries received by third-party agent(s).

- (e) Outbound Call Processing with Customers. Service Provider shall perform all Functions associated with contacting Customers concerning Vogtle Energy Amounts.

2.3 Collection Accounting

Service Provider shall maintain accounting process, procedures and protocols, including: (a) tracking and submitting collections adjustments and backup documentation; (b) reconciling Customers' open accounts to secure payment, determine liability, and/or clear outstanding Vogtle Energy Customer Charges; (c) analyzing Customer aging accounts for potentially uncollectable debt and consulting with JEA to determine whether such debt should be written off; (d) preparing and submitting credit adjustments to JEA for approval; and (e) at JEA's request, participating in collections meetings with, or answering JEA inquiries relating to, collections.

2.4 Miscellaneous Collection Functions

In addition to the Functions described above, Service Provider's responsibilities shall include: (a) filing liens in connection with delinquent Customer accounts and consult with JEA legal representatives as necessary to ensure the effective disposition of lien filings; (b) ensuring compliance with payment arrangements regarding Vogtle Energy Customer Payments outside stated terms (i.e., promissory notes) as agreed to by the Parties in writing; and (c) obtaining and filing copies of tax exemption certificates.

**SCHEDULE A-2
SERVICE PROVIDER REPORTS**

Pursuant to Section 3.4 (Service Provider Reports) of Schedule A (Services) Service Provider shall provide the reports in the table below on the frequency and by the deadlines specified therein.

Capitalized terms used herein and not defined herein shall have the meanings ascribed to them in, or by reference in, Schedule A (Services) or the Schedules thereto.

Report / Contents	Frequency	Deadline
Billing Determinants	Monthly	5 th calendar day (or next Business Day)
Vogle Energy Customer Charge accounts receivable	Monthly	5 th calendar day (or next Business Day)
Vogle Energy Customer Payment collections	Monthly	5 th calendar day (or next Business Day)
Vogle Energy Charge Customer disputes*	Monthly	5 th calendar day (or next Business Day)

* This report includes all disputes that result in (i) a Customer's refusal to pay the applicable Vogle Energy Customer Charge or (ii) a Vogle Energy Customer Payment that is less than the corresponding Vogle Energy Customer Charge.

**SCHEDULE A-3
DISASTER RECOVERY AND BUSINESS CONTINUITY PLAN**

Note to Respondent: To be discussed.

BILLING AND COLLECTIONS SERVICES AGREEMENT

SCHEDULE B

SERVICE LEVELS

SCHEDULE B

SERVICE LEVELS

1. GENERAL TERMS

1.1 Defined Terms

- (a) All capitalized terms used herein and not defined herein shall have the meanings ascribed to them in, or by reference in, the Agreement (including the Glossary), Schedule A (Services) or Schedule C (Service Provider Compensation).
- (b) As used in this Schedule B, the following terms are defined as follows:
 - (i) “Billing Deadline” means the date each month specified in Section 2.3 (Monthly Billing) of Schedule A (Services).
 - (ii) “Billing Determinant Deadline” means the latest permissible date each month specified in Section 2.6(b) (Billing Determinants Reporting) of Schedule A (Services).
 - (iii) “Monthly SLA Performance Report” has the meaning set forth in Section 1.3(a) below.
 - (iv) “Required Funds” means all amounts Service Provider is required to transfer to the JEA Account pursuant to Section 2.5(b) (Remittance and Segregation of Vogtle Energy Customer Payments) of Schedule A (Services).
 - (v) “SLA Default” has the meaning set forth in Section 1.2(b) below.
 - (vi) “SL Credit” has the meaning set forth in Section 1.2(b) below.

1.2 Service Level Terms and Conditions

- (a) General Obligation. Service Provider shall render the Services in a manner that meets or exceeds the Service Levels described in Section 2 below.
- (b) Service Level Credits. Without limiting JEA’s rights and remedies under the Agreement, at law or in equity, in the event of Service Provider’s unexcused failure to achieve a Service Level (“SLA Default”), Service Provider shall issue to JEA a monetary credit equal to the product of (i) \$[•] times (ii) the number of Service Level Defaults that occurred during the applicable month (each, an “SL Credit”). The aggregate amount of all SL Credits, if any, incurred during any month shall be added to the Monthly Remittance Amount for such month.³
- (c) Service Level Failure Excuses. Service Provider shall be excused from a failure to meet a Service Level if:

³ Note to Respondent. Amount of credit to be discussed.

Schedule B (Service Levels)

- (i) Service Provider demonstrates: (A) that such failure was caused by circumstances that constitute a Force Majeure Event or (B) a wrongful action or inaction by JEA resulted in the Service Level failure;
 - (ii) Service Provider promptly notifies JEA of the applicable circumstances referred to in Section 1.2(c)(i); and
 - (iii) Service Provider used Commercially Reasonable Efforts to prevent, overcome, or mitigate the adverse effects of such failure and to perform its obligations notwithstanding such failure.
- (d) Action Upon Service Level Failure. Without limiting JEA's rights and remedies or Service Provider's other obligations under the Agreement, if Service Provider fails to meet a Service Level, Service Provider will promptly:
- (i) Investigate and report on the causes of the problem, including performing a root cause analysis of the problem;
 - (ii) Advise JEA of (A) the root cause of the problem and (B) the status of remedial efforts being undertaken with respect to such problem; and
 - (iii) Minimize the impact of and correct the problem and recommence meeting the Service Level, and take appropriate preventive measures to prevent the problem from recurring.

1.3 Service Level Reporting

- (a) Service Provider shall track its performance with respect to each Service Level and, not later than the tenth (10th) day of each month, submit a report to JEA of Service Provider's performance against the Service Levels (the "Monthly SLA Performance Report"). The Monthly SLA Performance Report shall be in a format agreed to by the Parties, and shall include:
 - (i) Explanation of any SLA Defaults that occurred during the prior month;
 - (ii) An analysis and explanation of the root causes of such Service Level failures;
 - (iii) A description of the remedial and/or preventative measures taken or planned to be taken by Service Provider in connection with such Service Level failures; and
 - (iv) The calculations used for determining all SL Credits to which JEA is entitled pursuant to Section 1.2(b) above.
- (b) Service Provider's failure to submit a Monthly SLA Performance Report (or to report on any particular Service Level) shall constitute a SL Default for all unreported Service Levels.

2. SERVICE LEVEL METRICS⁴

Service Category	Service Level	Service Level Definition	Measurement Period
Remittance	Timely Remittance to JEA Account	100% of Required Funds transferred to JEA Account by the Mandatory Remittance Date	Monthly
Billing Determinants	Timely Submission of Billing Determinants	100% of Billing Determinants are submitted to JEA by the Billing Determinant Deadline	Monthly
Billing Determinants	Accuracy of Billing Determinants	≤[•] errors are identified in the Billing Determinants submitted by Service Provider	Monthly
Billing	Accuracy of Vogtle Energy Customer Charge Billing	≥[99.5]% of Consolidated Bills are sent without errors concerning the Vogtle Energy Customer Charge	Monthly

⁴ Note to Respondent: Metrics in “Service Level Definitions” column to be discussed.

BILLING AND COLLECTIONS SERVICES AGREEMENT

SCHEDULE C

SERVICE PROVIDER COMPENSATION

TABLE OF CONTENTS

	<u>Page</u>
1. MONTHLY CHARGES	1
2. PROJECT CHARGES	2
3. INCIDENTAL EXPENSES.....	2
4. TAXES.....	2

Schedule C-1 Per Bill Rate

SCHEDULE C

SERVICE PROVIDER COMPENSATION

This Schedule C (Service Provider Compensation) sets forth the Service Provider Services Charges payable by JEA to Service Provider for the Services and how the Service Provider Services Charges will be calculated. Service Provider shall not charge, and JEA will not be required to pay Service Provider, any amounts for the Services in addition to those expressly set forth in this Schedule C or elsewhere in this Agreement, or in a Change Order or Statement of Work executed by the Parties. Any capitalized term used but not defined in this Schedule will have the meaning indicated elsewhere in the Agreement.

1. GENERAL TERMS

1.1 Defined Terms

- (a) All capitalized terms used herein and not defined herein shall have the meanings ascribed to them in, or by reference in, the Agreement (including the Glossary) or Schedule A (Services).
- (b) As used in Schedule B and this Schedule C, the following terms are defined as follows:
 - (i) “Florida Sales and Use Taxes” has the meaning set forth in Section 5(a) of this Schedule C.
 - (ii) “Incremental Costs” has the meaning set forth in Section 2(a) of this Schedule C.
 - (iii) “Monthly Charge” has the meaning set forth in Section 2(a) of this Schedule C.
 - (iv) “Per Bill Rate” has the meaning set forth in Section 2(a) of this Schedule C.

2. MONTHLY CHARGES

- (a) General. Beginning on the Effective Date, there will be a monthly charge for Service Provider’s provision of the Services in accordance with the Agreement (the “Monthly Charge”) equal to the number of Consolidated Bills issued to Customers during the month multiplied by the unit rate set forth in Schedule C-1 (Per Bill Rate) hereto, as such unit rate may be adjusted from time to time as provided herein (the “Per Bill Rate”). Service Provider represents to JEA that, as of the Effective Date, the Per Bill Rate set forth in Schedule C-1 is set at a level that is designed to provide for recovery by Service Provider of only Incremental Costs, where the term “Incremental Costs” means the incremental costs, without mark-up or uplift, that are reasonably expected to be incurred by Service Provider during a Contract Year in providing the Services to JEA (i.e., only those costs that are above and beyond the costs that Service Provider would otherwise incur if it were performing billing and collections services in the Service Territory only for its own account).⁵

⁵ Note to Respondent: The Per Bill Rate should be set at a level that is consistent with the above representation. In responding to this Schedule C, please provide the following: (1) an estimate of the Incremental Costs of providing the Services to JEA with supporting detail showing the basis for such estimate; and (2) a proposed Per Bill Rate that is designed to provide recovery of its Incremental Costs.

- (b) Adjustments to Per Bill Rate. Beginning with the second Contract Year, the Per Bill Rate shall be subject to adjustment as of the commencement of each Contract Year as provided herein.
- (i) Either Party may propose an adjustment to the Per Bill Rate for the upcoming Contract Year to account for changes in Service Provider's Incremental Costs of delivering the Services to JEA over the prior Contract Year. Any such adjustment shall be proposed by a Party at least ninety (90) days prior to the beginning of the Contract Year for which the adjustment is to take effect.
 - (ii) If an adjustment is proposed by either Party, the Parties, acting reasonably and in good faith, will discuss and agree upon an adjustment (if any) to the Per Bill Rate to account for such changes. Service Provider will provide JEA with all information and supporting documentation that may be requested by JEA to understand Service Provider's Incremental Costs and to evaluate any proposed adjustment to the Per Bill Rate.
 - (iii) Upon reaching written agreement on an adjustment to the Per Bill Rate, the Parties shall update the then-current Per Bill Rate set forth in Schedule C-1. Pending written agreement on an adjustment to the Per Bill Rate, the then-current Per Bill Rate shall continue to apply.
 - (iv) Notwithstanding anything to the contrary herein, in no event shall the Per Bill Rate be subject to increase hereunder by more than three percent (3%) over the then current Per Bill Rate, unless otherwise agreed to in writing by JEA in its sole discretion.

Except as provided herein, the Per Bill Rate shall not be subject to adjustment.

3. PROJECT CHARGES

In the event that JEA engages Service Provider to perform a Project for JEA, Service Provider's rates and charges for performing the Project, and associated invoicing and payment terms, shall be as set forth in the applicable Statement of Work.

4. INCIDENTAL EXPENSES

Except as otherwise expressly agreed in writing by the Parties, incidental expenses, including travel-related expenses, that Service Provider incurs in performing the Services are covered by the Monthly Charges and, therefore, are not separately reimbursable by JEA. Any reimbursable travel expenses must be in accordance with the then-current JEA Policies and may not include any actual or allocated Service Provider overhead costs, administrative expenses or other mark-ups.

5. TAXES

This Section sets forth the allocation of responsibility between the Parties for taxes arising out of or in relation to the Agreement and the Services performed hereunder.

- (a) JEA will be financially responsible for sales and use taxes assessed by the state of Florida assessed in respect of the Services or Service Provider's charges for the Services ("Florida Sales and Use Taxes"). JEA is authorized to self-accrue the Florida Sales and Use Taxes; accordingly, Service Provider shall not invoice JEA for any Florida Sales and Use Taxes.
- (b) Except for Florida Sales and Use Taxes, Service Provider will be financially responsible for any sales, use, value added, services, consumption, excise, and other transaction-based taxes assessed

Schedule C (Service Provider Compensation)

in respect of the Services or Service Provider's charges for the Services. In addition, Service Provider will be responsible for all taxes that are assessed on any goods or services used or consumed by Service Provider (or its Affiliates or Subcontractors) in providing the Services where the tax is imposed on Service Provider's (or its Affiliate's or Subcontractor's) acquisition or use of the goods or services in its provision of the Services (regardless of whether the tax is assessed by tax authorities in the U.S. or elsewhere).

- (c) The Parties agree to cooperate with each other to minimize any applicable taxes and, in connection therewith, the Parties will provide each other with any relevant tax information as reasonably requested, including resale or exemption certificates, multi-state exemption certificates, value added tax numbers, information concerning the use of assets, materials and notices of assessments. The Parties shall cooperate with each other in responding to any notices of deficiencies or assessments and agree to work with each cooperatively to resolve any such tax issues that may arise pertaining to the Services. JEA shall be entitled to any tax refunds or rebates granted to the extent such refunds or rebates are of taxes that were paid by JEA.
- (d) Except as otherwise expressly provided herein, each Party remains solely responsible for taxes imposed or assessed on such Party and its Affiliates (or their activities), including taxes assessed on such Party's and its Affiliates' net income or gross receipts, employer-related taxes with respect to such Party's and its Affiliates' personnel, and taxes on such Party's and its Affiliates' property.

**Schedule C-1
Per Bill Rate**

As of the Effective Date, the Per Bill Rate is \$[•] per Customer Bill.

BILLING AND COLLECTIONS SERVICES AGREEMENT

SCHEDULE D

INSURANCE

SCHEDULE D

INSURANCE

Service Provider represents that it has, as of the Effective Date of the Agreement, and agrees to maintain in force throughout the Term of the Agreement (and, with respect to insurance carried on a claims made basis, until the expiration of the appropriate statute of limitation), at least the types and amounts of insurance coverage specified below:

- (a) Workers' Compensation and Employer's Liability: Florida Statutory coverage and Employer's Liability (including appropriate Federal Acts); Insurance Limits: Statutory Limits (Workers' Compensation) \$500,000 each accident (Employer's Liability).
- (b) Commercial General Liability: 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.
- (c) Automobile Liability: All autos-owned, hired, or non-owned; Insurance Limits: \$1,000,000 each occurrence, combined single limit.
- (d) Excess or Umbrella Liability: (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.
- (e) Cyber Liability: Security & Privacy Liability, Security Breach Response Costs, Privacy Regulatory Claims Coverage, PCI DSS Assessment Coverage, Cyber Extortion Coverage, Multimedia Liability, Digital Asset Restoration Costs, Business Income Loss Resulting from a Network Disruption and Ensuing Property Damage Loss; Insurance Limits: \$5,000,000 each claim and \$5,000,000 annual aggregate.
- (f) Professional Liability: Errors & Omissions; Insurance Limits: \$3,000,000 each claim and \$6,000,000 annual aggregate. Service Provider's Commercial General Liability, Excess or Umbrella Liability, Cyber Liability and Professional Liability policies shall remain in force throughout the Term and until the Services are completed to JEA's satisfaction.
- (g) Contractors Pollution Liability (CPL): Third-party coverage for bodily injury, property damage, defense, cleanup, and related defense costs as a result of pollution conditions (sudden/accidental or gradual) arising from contracting operations performed by or on behalf of Service Provider. Insurance Limits: \$1,000,000 each occurrence and \$2,000,000 annual aggregate.

Service Provider shall specify JEA as 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. Service Provider shall include a Waiver of Subrogation on all required insurance in favor of JEA, their board members, officers, employees, agents, successors and assigns. The indemnification provisions of the Agreement are separate and are not limited by the types of insurance or insurance amounts stated in this Schedule D.

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 Services under the Agreement, certificates evidencing

Schedule D (Insurance)

the maintenance of the insurance shall be furnished to JEA for approval. Service Provider's and its Subcontractors' Certificates of Insurance shall be mailed to JEA (Attn. Risk Management Services), 21 West Church Street, T12, Jacksonville, FL 32202-3139.

The insurance certificates shall provide that no material alteration or cancellation, including expiration and non-renewal, shall be effective until thirty (30) days after receipt of written notice by JEA.

Any Subcontractors of Service Provider shall procure and maintain the insurance required of Service Provider hereunder during the life of the subcontracts. Subcontractors' insurance may be either by separate coverage or by endorsement under insurance provided by Service Provider. Service Provider shall submit Subcontractors' certificates of insurance to JEA prior to allowing Subcontractors to perform Services on JEA's job sites.