

AMENDMENT TO STANDARD OFFER CONTRACT
FOR THE PURCHASE OF FIRM ENERGY AND
CAPACITY FROM A QUALIFYING FACILITY
DATED AS OF OCTOBER 12, 1988

RECITALS

Florida Power Corporation ("FPC") and NRG/Recovery Group, Inc. entered into a Standard Offer Contract for the Purchase of Firm Energy and Capacity, dated October 12, 1988 and approved by the Florida Public Service Commission on December 20, 1988 (the "Electric Contract"). With FPC's consent, NRG/Recovery Group, Inc. assigned the Electric Contract to Ogden Martin Systems of Lake, Inc., a wholly-owned subsidiary of Ogden Martin Systems, Inc., which has substantial experience in the construction and operation of waste-to-energy facilities. Ogden Martin Systems of Lake, Inc. subsequently changed its corporate name to NRG/Recovery Group, Inc. but operates under Florida law as Ogden Martin Systems of Lake, Inc. (hereinafter defined as "QF"). FPC also consented to the assignment of the Electric Contract, as financing security, to National Westminster Bank PLC and Southeast Bank, National Association.

Under the Electric Contract, FPC will buy all energy and capacity produced by a solid waste facility (the "Facility") operated by QF on behalf of Lake County, Florida (the "County") pursuant to a long-term Service Agreement, dated

as of November 8, 1988. The Service Agreement obligates QF to construct and operate the Facility for the disposal of up to 163,000 tons of solid waste from the County and commits the County to deliver all processible waste generated in the County to the Facility (and at least 130,000 tons per year) and to pay QF an annual service fee. The County will receive a credit against the service fee it owes QF equal to 90% of the electricity revenues paid to QF by FPC under the Electric Contract. The Service Agreement and the Electric Contract are coterminous.

When the Electric Contract was executed on October 12, 1988, the Florida Public Service Commission had proposed, but not finally adopted, revisions to its Rule 25-17.091 to permit the use of a risk multiplier equal to 1.0, rather than .80, for capacity payments to solid waste facilities owned or operated by, or on behalf of, a local government. The Commission was revising its Rule to comply with Section 54 of the 1988 Solid Waste Management Act (the "Act"), which became effective on October 1, 1988. Because the Rule was not final, the Electric Contract contained capacity payments based on the .80 risk multiplier. However, FPC and QF entered into a Letter Agreement, dated October 12, 1988, in which FPC agreed to modify, or supplement, the terms of the Electric Contract if the QF became entitled to higher capacity payments under the Act or the Rule.

On March 21, 1989, the Commission finally adopted the revisions to Rule 25-17.091. Under Section 25-17.091(1)(c)3 of the Rule (which was included to provide a "safe harbor" for the Lake County project and similar projects), the Lake County Facility will be a governmental "solid waste facility" within the meaning of the Rule and, therefore, eligible for capacity payments based on a 1.0 risk multiplier if the County enters into an agreement with FPC providing that in the event of a default by the QF under the Electric Contract, the County shall perform QF's obligations under the Electric Contract, or cause them to be performed, for the remaining term of the Electric Contract and the County shall not seek to renegotiate the Electric Contract. The County has determined that it is appropriate to enter into such an agreement with FPC in order to secure the higher capacity payments.

Accordingly, the parties to the Electric Contract and the County desire to amend the Electric Contract to add the County as a party and to make other changes necessary to confirm that the Facility is eligible for higher capacity payments under the "safe harbor" provisions of Rule 25-17.091.

In addition, FPC, QF and the County wish to update the recipient of certain notices required under the Electric Contract and the related Interconnection Agreement between FPC and QF, dated as of October 12, 1988 (the "Interconnection Agreement").

NOW, THEREFORE, for mutual consideration, FPC, QF and the County agree that the Electric Contract is amended as follows:

1. The County is added as a party and the term "Parties" shall include QF, FPC and the County.

2. A new Section 10, entitled "Lake County," is added to the Electric Contract to provide as follows:

10.1 Lake County, Florida (the "County") agrees with FPC that if QF commits a default described in Section 8 of this contract and FPC declares QF in default, the County shall thereafter adhere to the terms and conditions of this contract for the remainder of its term and perform all of QF's duties and obligations under it, or cause them to be performed. The County shall not seek to renegotiate this contract if QF commits a default. This Section shall survive the termination of this Contract.

FPC shall provide the County with copies of any notice sent by FPC to QF contemporaneously with sending such notice to QF. FPC shall also provide prompt notice to the County of any act, error or omission of QF which it claims to constitute a default by QF and shall provide at least 30 days prior notice to the County of any intended termination of the Contract due to QF's default. Failure to provide such notice

shall not affect FPC's rights against QF under the Contract.

Notice to the County shall be sent to:

County Administrator
Lake County Courthouse
315 West Main Street
Tavares, Florida 32778

FPC agrees that the County may perform QF's obligations under this Agreement and QF shall be discharged from any obligation performed for it by the County, but only to the extent of such performance.

10.2 APPENDIX B, "SCHEDULE OF MONTHLY CAPACITY PAYMENTS" is superseded by the revised version of APPENDIX B attached hereto.

3. Notices to the QF pursuant to Section 9.6 of this Electric Contract and Section 12 of the Interconnection Agreement shall hereafter be sent to the following:

For QF: NRG/Recovery Group, Inc.
c/o Ogden Martin Systems, Inc.
40 Lane Road
CN2615
Fairfield, New Jersey 07007-2615
Attention: President

IN WITNESS WHEREOF, QF, FPC and the County have executed this Amendment on this _____ day of _____, 1989.

Witnesses:

NRG/RECOVERY GROUP, INC.
doing business as and also known
as OGDEN MARTIN SYSTEMS OF
LAKE, INC.

Judith S. Lypstein

By: [Signature]

FLORIDA POWER CORPORATION

Deane Kusari

By: [Signature]
Senior Vice-President - Operations

LAKE COUNTY BOARD OF COUNTY
COMMISSIONERS

[Signature]

By: [Signature]
Charles W. Gregg, Chairman

This 2 day of Nov,
1989.

APPROVED AS TO FORM
AND CORRECTNESS:

[Signature]
COUNTY ATTORNEY



(COUNTY SEAL)

ATTEST:

[Signature]
James C. Watkins, Clerk
of the Board of County
Commissioners of Lake
County, Florida

Each of the undersigned hereby consents to the execution and delivery of the foregoing by the QF therein named; provided, however, that such consent shall not affect any of the rights, entitlements and benefits of the undersigned arising under any agreement or other instrument to which the undersigned are party or under which the undersigned are beneficiaries.

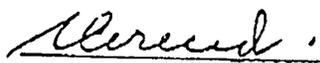
Witnesses:

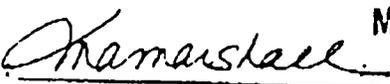
 _____

NATIONAL WESTMINSTER BANK PLC

BY:  _____
PHILLIP J. KIRKHAM
VICE PRESIDENT

SOUTHEAST BANK, NATIONAL
ASSOCIATION

 _____

By:  _____
MARCIA A. MARSHALL
TRUST OFFICER

APPENDIX B

Schedule of Monthly
Capacity Payments

<u>Year</u>	<u>Capacity \$/kw/Month</u>
1995	\$20.06
1996	21.32
1997	22.67
1998	24.11
1999	25.63
2000	27.26
2001	28.98
2002	30.82
2003	32.77
2004	34.85
2005	37.06
2006	39.41
2007	41.91
2008	44.57
2009	47.40
2010	50.41
2011	53.61
2012	57.01
2013	60.64
2014	64.49



Florida Power Corporation Fax Transmittal
 Purchased Power Resources Department
 263 13th Avenue South
 Mail Code BB3F
 St. Petersburg, Florida 33701
 Fax Number 727-826-4333

To: Jeff Cooper
 Organization: _____
 From: David Gammon

Date: 6/20/01
 Fax Number: _____
 Pages to Follow: 11

Please call Margaret Griffith at 727-826-4326 if all pages not received.

Comments:

Let me know if ~~these~~ this is acceptable.

cid:doc/fax.doc

The information contained in this transmittal is privileged and confidential information intended only for the use of the individual or entity named above. If this transmittal is received by anyone other than the intended recipient, you are hereby notified that any dissemination, distribution or copy of these contents is strictly prohibited. If you have received this transmittal in error, please immediately notify the sender by telephone (if long distance, please call collect) and return the original transmittal to the sender at the above address by U.S. Mail. Thank you.

RECEIVED

MAR 12 1990

FORD & ASSOCIATES, P.A.
ATTORNEYS AT LAW

14550 U.S. Highway 441

Tavares, Florida 32778

Phone 904-343-6195
FAX 904-343-2747

CHRISTOPHER C. FORD
WILLIAM I. STEARN

*Filed Lohr
5.6*

March 7, 1990

cc Pete Young

Mr. Matthew L. Root
Ogden Systems, Inc.
40 Lane Road
Fairfield, New Jersey 07007

Dear Matt:

Enclosed you will find a letter from James Fama, Corporate Counsel for Florida Power together with a copy of the Joint Petition for Approval. I noticed that Dexter Ewell is on the distribution list, and I am sure your attorneys have a copy of it, but I felt since you were primarily in charge of this when it went through originally that you would want a copy of this for your files and I am sending a copy to Joe Treshler. Should you think anyone else needs it at Ogden, please distribute the necessary copies.

Sincerely yours,

[Signature]
Christopher C. Ford

cc: Mr. Joseph Treshler (With Enclosure)
Ed Sledge, Esquire
Paul Tiburzi, Esquire
Annette Lustgarden, Esquire
Enclosure



FEB 26 1990

**Florida
Power**
CORPORATION

James P. Fama
CORPORATE COUNSEL

February 23, 1990

Mr. Steve C. Tribble
Director, Records and Reporting
Florida Public Service Commission
101 E. Gaines Street
Tallahassee, FL 32399-0872

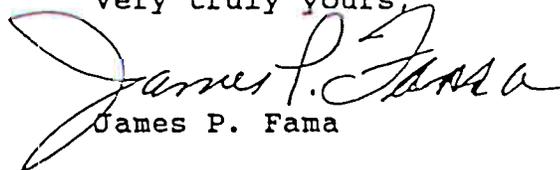
Re: Petition For Approval Of Lake County's Amendment to
Small Power Producer Contract Between Florida Power
Corporation and NRG/Recovery Group, Inc.
Docket No. _____

Dear Mr. Tribble:

Enclosed for filing in the subject docket is an original and
fifteen (15) copies of Joint Petition For Approval and Amendment.

Please acknowledge receipt and filing of the above by
completing the form on the enclosed duplicate copy of this letter
and returning same to this writer.

Very truly yours,


James P. Fama

JPF/emh
Enclosure

cc: All Parties of Record

CERTIFICATE OF SERVICE

I Hereby Certify that a copy of the foregoing Joint Petition For Approval and Amendment has been furnished by U.S. Mail this 23rd day of February, 1990 to:

Dexter Ewel, Esquire
Counsel for NRG/Recovery
Group, Inc.
NIXON, HARGRAVE, DEVANS
& DOYLE
Suite 800
One Thomas Circle
Washington, D.C. 20005

Mr. F. Brown Gregg
NRG/Recovery Group, Inc.
Leesburg, FL 32749-0300

Matthew W. Childs, Esquire
STEEL, HECTOR & DAVIS
310 West College
Tallahassee, FL 32301

Jack Shreve, Esquire
Office of the Public Counsel
624 Fuller Warren Building
Tallahassee, FL 32301

Legal Department
Florida Public Service Comm.
101 East Gaines Street
Tallahassee, FL 32301

Paul A. Tiburzi, Esquire
Special Counsel for Lake County
PIPER & MARBURY
1100 Charles Center South
36 South Charles Street
Baltimore, Maryland 21201

Annette Star Lustgarten, Esquire
Lake County Attorney
315 West Main Street
Tavares, FL 32778

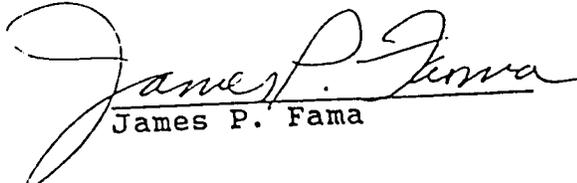
Christopher C. Ford, Esquire
Special Counsel for Lake Co.
Ford & Associates, P.A.
1150 U.S. Highway East 441
P.O. Drawer 1447
Tavares, FL 32778

Ed Holland, Esquire
P.O. Box 12950
Pensacola, FL 32576

James D. Beasley, Esquire
P.O. Box 391
Tallahassee, FL 32302

Prentice P. Pruitt, Esquire
Florida Public Service Commission
101 East Gaines Street
Tallahassee, FL 32301

Joseph A. McGlothlin, Esquire
P.O. Box 3350
Tampa, FL 33601-3350


James P. Fama

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of)
Lake County's Amendment to Small)
Power Producer Contract between)
Florida Power Corporation and)
NRG/Recovery Group, Inc.)

Docket No. _____

JOINT PETITION FOR APPROVAL

Florida Power Corporation ("FPC"), Lake County, a political subdivision of the State of Florida (the "County"), and NRG/Recovery Group Inc. ("QF"), by and through their undersigned counsel, petition this Commission to approve an amendment to the Electric Contract between FPC and QF, and in support thereof says:

1. The names and addresses of the persons authorized to receive notices and communications in respect to this petition are:

James Fama, Esquire
Corporate Counsel
Florida Power Corporation
P. O. Box 14042
St. Petersburg, FL 33733

Dexter Ewel, Esquire
Counsel for NRG/Recovery
Group, Inc.
Nixon, Hargrave, Devans
& Doyle
Suite 800
One Thomas Circle
Washington, D. C. 20005

Annette Star Lustgarten
Attorney at Law
Lake County Attorney
315 West Main Street
Tavares, Florida 32778

Christopher C. Ford, Esq.
Special Counsel for Lake Co.
Ford & Associates, P.A.
1150 U.S. Highway East 441
P. O. Drawer 1447
Tavares, Florida 32778

Paul A. Tiburzi, Esq.
Special Counsel for Lake Co.
Piper & Marbury
1100 Charles Center South
36 South Charles Street
Baltimore, Maryland 21201

2. FPC is an electric utility subject to the jurisdiction of this Commission.

3. QF has agreed to own and operate a resource recovery facility on behalf of Lake County (the "Lake County Resource Recovery Facility"), which Facility is a qualifying facility as defined in Rule 25-17.80, F.A.C.

4. Lake County is a political subdivision of the State of Florida.

5. FPC and QF have entered into a Standard Offer Contract for the Purchase of Firm Energy and Capacity from a Qualifying Facility, dated as of October 12, 1988 and approved by the Florida Public Service Commission on December 20, 1988 (the "Electric Contract"). The Electric Contract complies with the rules of this Commission. A copy of the Electric Contract is on file with this Commission.

6. On March 21, 1989, the Commission adopted revisions to Rule 25-17.091 which permit the use of a risk multiplier equal to 1.0, rather than .80, for capacity payments to solid waste facilities owned or operated by, or on behalf of, a local government.

7. The amendment requested for approval by this Petition is attached hereto as Exhibit A. The purpose of the amendment is to confirm that the Lake County Resource Recovery Facility is eligible to receive increased capacity payments pursuant to Commission Rule 25-17.091. If the Lake County

Resource Recovery Project is able to take advantage of the new Rule, the County's capacity revenues will increase by 25% each year. Accordingly, the County has decided to enter into an agreement with FPC and QF which amends the Electric Contract by adding the County as a party and making other changes necessary to confirm that the Facility is eligible for higher capacity payments under Rule 25-17.091. Specifically, the proposed amendment obligates Lake County to perform QF's duties and responsibilities for the remainder of the term of the Electric Contract should QF ever commit a default under that document.

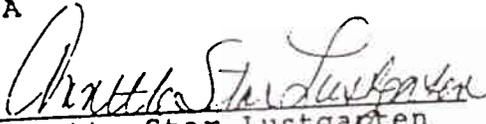
8. This amendment cannot become effective without express Commission approval.

WHEREFORE, FPC, QF, and Lake County petition this Commission to:

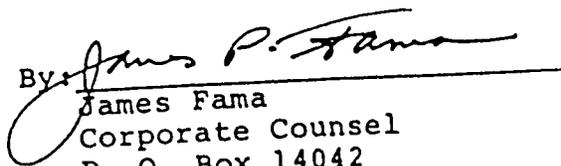
1. Approve said Electric Contract amendment for implementation as being in compliance with the rules of this Commission.
2. Enter such other orders as this Commission may deem appropriate.

Respectfully submitted,

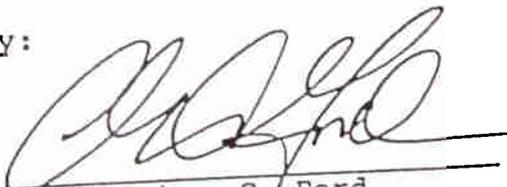
LAKE COUNTY, A POLITICAL
SUBDIVISION OF THE STATE OF
FLORIDA

By: 
Annette Star Lustgarten
County Attorney for Lake
County
315 West Main Street
Tavares, Florida 32778
(904) 343-9787

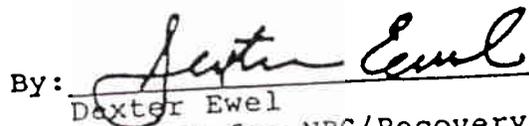
OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By: 
James Fama
Corporate Counsel
P. O. Box 14042
St. Petersburg, FL 33733
(813) 866-5786

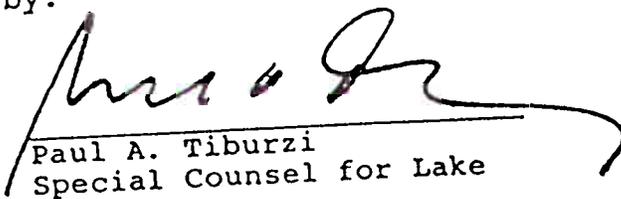
and by:


Christopher C. Ford
Special Counsel for Lake
County
Ford & Associates, P.A.
1150 U.S. Highway East 441
P. O. Drawer 1447
Tavares, Florida 32778
(904) 343-6195

NRG/RECOVERY GROUP, INC.

By: 
Dexter Ewel
Counsel for NRG/Recovery
Group, Inc.
Nixon, Hargrave, Devans
& Doyle
One Thomas Circle
Suite 800
Washington, D.C. 20005
(202) 223-7200

and by:


Paul A. Tiburzi
Special Counsel for Lake
County
1100 Charles Center South
36 South Charles Street
Baltimore, Maryland 21201
(301) 539-2530

AMENDMENT TO STANDARD OFFER CONTRACT
FOR THE PURCHASE OF FIRM ENERGY AND
CAPACITY FROM A QUALIFYING FACILITY
DATED AS OF OCTOBER 12, 1988

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Under the Electric Contract, FPC will buy all energy and capacity produced by a solid waste facility (the "Facility") operated by QF on behalf of Lake County, Florida (the "County") pursuant to a long-term Service Agreement, dated

as of November 8, 1988. The Service Agreement obligates QF to construct and operate the Facility for the disposal of up to 163,000 tons of solid waste from the County and commits the County to deliver all processible waste generated in the County to the Facility (and at least 130,000 tons per year) and to pay QF an annual service fee. The County will receive a credit against the service fee it owes QF equal to 90% of the electricity revenues paid to QF by FPC under the Electric Contract. The Service Agreement and the Electric Contract are coterminous.

When the Electric Contract was executed on October 12, 1988, the Florida Public Service Commission had proposed, but not finally adopted, revisions to its Rule 25-17.091 to permit the use of a risk multiplier equal to 1.0, rather than .80, for capacity payments to solid waste facilities owned or operated by, or on behalf of, a local government. The Commission was revising its Rule to comply with Section 54 of the 1988 Solid Waste Management Act (the "Act"), which became effective on October 1, 1988. Because the Rule was not final, the Electric Contract contained capacity payments based on the .80 risk multiplier. However, FPC and QF entered into a Letter Agreement, dated October 12, 1988, in which FPC agreed to modify, or supplement, the terms of the Electric Contract if the QF became entitled to higher capacity payments under the Act or the Rule.

On March 21, 1989, the Commission finally adopted the revisions to Rule 25-17.091. Under Section 25-17.091(1)(c)3 of the Rule (which was included to provide a "safe harbor" for the Lake County project and similar projects), the Lake County Facility will be a governmental "solid waste facility" within the meaning of the Rule and, therefore, eligible for capacity payments based on a 1.0 risk multiplier if the County enters into an agreement with FPC providing that in the event of a default by the QF under the Electric Contract, the County shall perform QF's obligations under the Electric Contract, or cause them to be performed, for the remaining term of the Electric Contract and the County shall not seek to renegotiate the Electric Contract. The County has determined that it is appropriate to enter into such an agreement with FPC in order to secure the higher capacity payments.

Accordingly, the parties to the Electric Contract and the County desire to amend the Electric Contract to add the County as a party and to make other changes necessary to confirm that the Facility is eligible for higher capacity payments under the "safe harbor" provisions of Rule 25-17.091.

In addition, FPC, QF and the County wish to update the recipient of certain notices required under the Electric Contract and the related Interconnection Agreement between FPC and QF, dated as of October 12, 1988 (the "Interconnection Agreement").

NOW, THEREFORE, for mutual consideration, FPC, QF and the County agree that the Electric Contract is amended as follows:

1. The County is added as a party and the term "Parties" shall include QF, FPC and the County.

2. A new Section 10, entitled "Lake County," is added to the Electric Contract to provide as follows:

10.1 Lake County, Florida (the "County") agrees with FPC that if QF commits a default described in Section 8 of this contract and FPC declares QF in default, the County shall thereafter adhere to the terms and conditions of this contract for the remainder of its term and perform all of QF's duties and obligations under it, or cause them to be performed. The County shall not seek to renegotiate this contract if QF commits a default. This Section shall survive the termination of this Contract.

FPC shall provide the County with copies of any notice sent by FPC to QF contemporaneously with sending such notice to QF. FPC shall also provide prompt notice to the County of any act, error or omission of QF which it claims to constitute a default by QF and shall provide at least 30 days prior notice to the County of any intended termination of the Contract due to QF's default. Failure to provide such notice

shall not affect FPC's rights against QF under the Contract.

Notice to the County shall be sent to:

County Administrator
Lake County Courthouse
315 West Main Street
Tavares, Florida 32778

FPC agrees that the County may perform QF's obligations under this Agreement and QF shall be discharged from any obligation performed for it by the County, but only to the extent of such performance.

10.2 APPENDIX B, "SCHEDULE OF MONTHLY CAPACITY PAYMENTS" is superseded by the revised version of APPENDIX B attached hereto.

3. Notices to the QF pursuant to Section 9.8 of this Electric Contract and Section 12 of the Interconnection Agreement shall hereafter be sent to the following:

For QF: NRG/Recovery Group, Inc.
c/o Ogden Martin Systems, Inc.
40 Lane Road
CN2615
Fairfield, New Jersey 07007-2615
Attention: President

IN WITNESS WHEREOF, OF, FPC and the County have
executed this Amendment on this 1st day of December, 1989.

Witnesses:

NRG/RECOVERY GROUP, INC.
doing business as and also known
as OGDEN MARTIN SYSTEMS OF
LAKE, INC.

Judith S. Lipstein

BY: [Signature]
Managing Director

FLORIDA POWER CORPORATION

Deane Kusgi

BY: [Signature]
Senior Vice-President - Operations

LAKE COUNTY BOARD OF COUNTY
COMMISSIONERS

[Signature]

BY: [Signature]
Charles W. Gregg, Chairman

This 2 day of Nov.,
1989.

APPROVED AS TO FORM
AND CORRECTNESS:

[Signature]
COUNTY ATTORNEY

(COUNTY SEAL)



ATTEST:

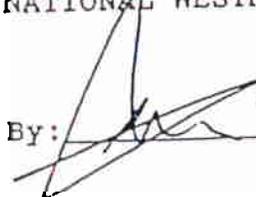
[Signature]
James C. Watkins, Clerk
of the Board of County
Commissioners of Lake
County, Florida

Each of the undersigned hereby consents to the execution and delivery of the foregoing by the QF therein named; provided, however, that such consent shall not affect any of the rights, entitlements and benefits of the undersigned arising under any agreement or other instrument to which the undersigned are party or under which the undersigned are beneficiaries.

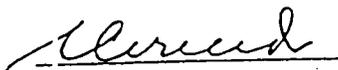
Witnesses:

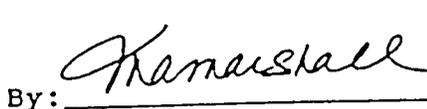


NATIONAL WESTMINSTER BANK PLC

By:  PHILLIP J. KIRKHAM
VICE PRESIDENT

SOUTHEAST BANK, NATIONAL
ASSOCIATION



By:  MARCIA A. MARSHALL
TRUST OFFICER

APPENDIX B

Schedule of Monthly
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