

TABLE OF CONTENTS

Description	Schedule	Rate Class
Description of territory & communities served	-	-
General Terms	-	-
Rate Schedules:		
Residential		
• Residential	R	110
• Residential – Senior Citizen/Disabled Veteran	RS	111
Commercial		
• Small Commercial	SC	210
• Large Commercial	LC	214
• Large Commercial – Primary Service	LP	215
• Large Power Service for Churches	CH	217
• Military Installation – Secondary Service	MS -LC	-
• Military Installation – Primary Service	MS -LP	-
Lighting		
• Street Lighting	S-1	-
• Private Area Lighting – residential and commercial	S-2	-
• Governmental Recreational Facility Lighting	S-3	-
Miscellaneous Charges	-	-
Power Cost Adjustment	PCA	-
Gross Receipts Tax	GRT	-
Net Metering Service	NM1	-

TERRITORIES AND COMMUNITIES SERVED

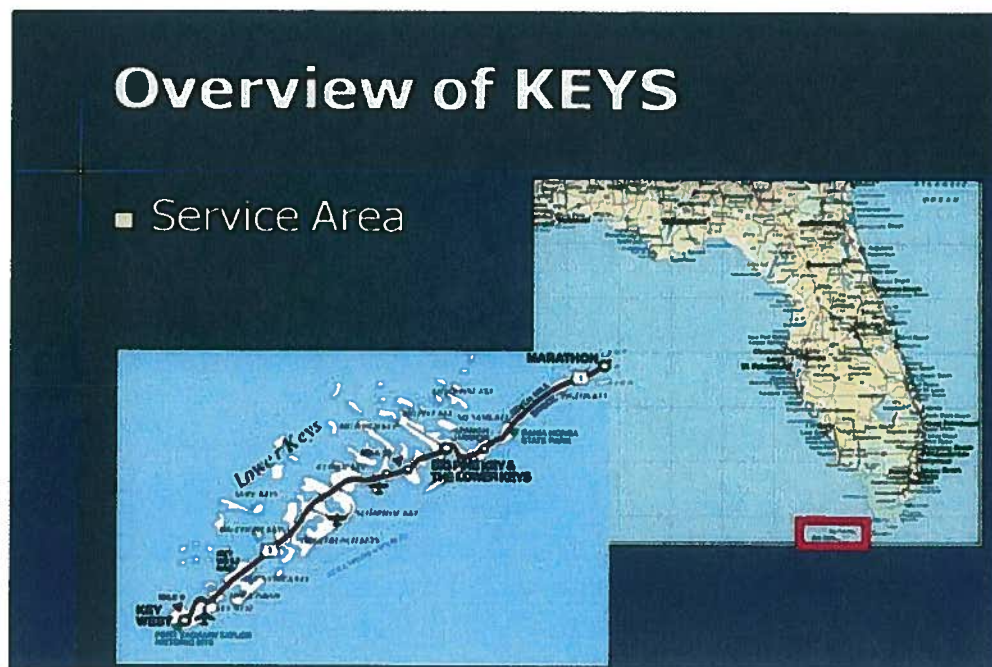
Keys Energy Services (KEYS) is the public power utility for the Lower Florida Keys. Headquartered in Key West, Florida, KEYS provides electricity from Key West to the Seven-Mile Bridge.

The City of Key West purchased the electric utility in 1943 and the City Council created the Utility Board to oversee KEYS (formerly known as City Electric System before the utility's name was changed in 2002). In 1969, the Florida State Legislature passed a new enabling act for the governing of KEYS, which is still in effect today, and calls for the popular election of five Utility Board members serving four-year terms. Through the Utility Board, KEYS' customers have a say in their municipal electric utility.

Initially, KEYS provided electric service to the City of Key West only. In 1953, the utility expanded its service area to the Seven-Mile Bridge. In those early years, electricity was produced via local generation.

In the late 1970s, the Utility Board studied alternative power supplies and decided to construct a transmission line (or TIELINE) to interconnect KEYS service area to the mainland power grid. On May 8, 1987, KEYS interconnected the TIELINE with the mainland power grid and KEYS' operations changed dramatically.

KEYS currently imports nearly all of its power supply and uses local generation for emergency back-up only. The utility relies on power from the mainland because it is far less expensive than local generation. As a member of the Florida Municipal Power Agency's All Requirements Project, KEYS pools its power resources with other public power utilities in the State. Together, the public power utilities in the state of Florida enjoy greater efficiency and economies of scale.



GENERAL TERMS

All customer accounts are subject to the following general terms:

Power Cost Adjustment (PCA):

An energy charge or credit, in accordance with the formula specified in the "Power Cost Adjustment" provisions on Sheet No. 10.0, may be included in each billing.

Gross Receipts Tax:

The Florida Gross receipts Tax shall be charged in accordance with the terms of the "Tax Adjustment" provisions on Sheet No. 11.0.

Terms of Payment:

Electric bills are due approximately thirty (30) days after the meter reading date. If the bill is not paid on or before the past due date listed on the bill, a 5% penalty charge will be imposed.

Point of Delivery:

This is the point where KEYS wires or apparatus are connected with those of the Customer. The point of delivery shall be determined by KEYS.

Continuity of Service:

KEYS will use reasonable diligence at all times to provide continuous service at the agreed nominal voltage, and shall not be liable to KEYS customers for complete or partial failure or interruption of service, or for fluctuations in voltage, resulting from causes beyond its control or through ordinary negligence of employees, servants or agents. KEYS shall not be liable for any act of omission caused directly or indirectly by strikes, labor troubles, accident, litigation, shutdowns for repairs or adjustments, interference by Federal, State or Municipal governments, acts of God or other causes beyond its control.

Indemnity to KEYS:

The Customer shall indemnify, hold harmless and defend KEYS from and against any and all liability, proceedings, suits, costs or expense for loss, damage or injury to persons or property, in any manner directly or indirectly connected with, or growing out of the transmission and use of electricity on the Customer's side of the point of delivery.

**RATE SCHEDULE
RESIDENTIAL/ SENIOR CITIZEN and/or DISABLED VETERAN**

Schedule	Rate	Description	Customer Charge Per Month	Energy Charge Per kWh	Enrollment Fee	Demand Charge Per KW
R	110	Residential	\$15.03	\$0.1220	NA	NA
RS	111	Residential – Senior Citizen and/or Disabled Veteran	\$5.50	\$0.1220	NA	NA
R-NS	115	Residential – Non-Standard Meter	\$30.03	\$0.1220	\$90.00	
RS-NS	116	Residential – Senior Citizen and/or Disabled Veteran – Non-Standard Meter	\$20.50	\$0.1220	\$90.00	NA

Availability, applicability and character of service:

This schedule is available throughout the entire territory served by Keys Energy Services (hereinafter "KEYS"). This service covers energy supplied for residential purposes, including lighting, cooking, and water heating, to individual (single-family) residences, apartments, or farms. Single-phase motor installations with a total connected load not exceeding 5 H.P. may be connected and served by this rate if used for residential purposes. All of the electrical appliances to be served under this rate are subject to approval by the management of KEYS. Energy delivered under this schedule shall be single-phase, 60 cycle, alternating current at nominal 120, 208, 240 volts.

For commonly-owned facilities located in condominiums to qualify for the residential rate, the following criteria must be satisfied:

- (1) One-hundred percent (100%) of the energy is used exclusively for all co-owners' benefit.
- (2) None of the energy is used in any endeavor which sells or rents a commodity or provides a service for a fee, including, but not limited to any coin operated machines.
- (3) Each point of delivery will be separately metered and billed at customer's sole expense.
- (4) A responsible legal entity is established as the customer to whom KEYS can render its bills for said service.
- (5) Legal entity shall provide proof satisfactory to KEYS of all of the foregoing and execute a contract to each point of delivery.

Non-Standard Meters Rate Class 115 & 116:

KEYS' standard residential meter is a remotely read meter. Should a residential customer wish to opt out of the standard meter and convert to a non-standard

meter, KEYS will comply. The non standard meter option will remain available as long as non standard meter options are reasonably available and are supported by the manufacturers.

The cost to replace a standard meter to a non standard meter will be charged to the customer through an enrollment fee. The cost to read and maintain a non standard meter will be charged to the customer through the monthly customer charge. The enrollment fee and the monthly customer charge are shown above.

If a customer decides to return to a standard meter, a charge equal to the standard field trip/trouble call as outlined in the Miscellaneous Charge tariff will be assessed and the monthly customer charge will revert to that of either the 110 or 111 rate class. If a customer relocates to a new premise and requests a non standard meter, they must pay the enrollment fee for the new premise. Customers who cancel the non standard meter option and then later re-enroll for this service, at any location, would also be required to pay another enrollment fee.

Senior citizen's/disabled American veteran's discount rate class 111 & 116:

A \$9.53 credit will be applied to the Residential Customer Charge per Billing.

This discount has been established for any residential customer who is sixty-two (62) years or older or is a permanently disabled American veteran, and meets certain maximum annual income requirements established by KEYS.

**RATE SCHEDULE
COMMERCIAL SERVICE**

Schedule	Rate	Description	Customer Charge Per Month	Energy Charge Per kWh	Enrollment Fee	Demand Charge Per KW
SC	210	Small Commercial	\$28.31	\$0.1224	NA	NA
SCG	210	Small Commercial – Government	\$28.31	\$0.1224	NA	NA
LC	214	Large Commercial	\$94.27	\$0.1022	NA	\$8.45
LCG	214	Large Commercial – Government	\$94.27	\$0.1022	NA	\$8.45
LP	215	Large Commercial – Primary Service	\$175.74	\$0.1041	NA	\$8.03
LPG	215	Large Commercial Primary Government	\$175.74	\$0.1041	NA	\$8.03
CH	217	Large Power Service for Churches	\$77.46	\$0.1116	NA	\$2.39
MS-LC	-	Military Installation – Secondary Service	\$94.27	\$0.1022	NA	\$8.45
MS-LP	-	Military Installation – Primary Service	\$175.74	\$0.1041	NA	\$8.03
SC	220	Small Commercial – Non-Standard Meter	\$43.31	\$0.1224	\$180.00	NA
SCG	220	Small Commercial – Government – Non-Standard Meter	\$43.31	\$0.1224	\$180.00	NA
LC	224	Large Commercial – Non-Standard Meter	\$109.27	\$0.1022	\$300.00	\$8.45
LCG	224	Large-Commercial – Government – Non-Standard Meter	\$109.27	\$0.1022	\$300.00	\$8.45
LP	225	Large Commercial – Primary Service – Non-Standard Meter	\$190.74	\$0.1041	\$300.00	\$8.03
LPG	225	Large Commercial – Primary Government – Non-Standard Meter	\$190.74	\$0.1041	\$300.00	\$8.03
CH	227	Large Power Service for Churches – Non-Standard Meter	\$92.46	\$0.1116	\$300.00	\$2.39
MS-LC	-	Military Installation – Secondary Service Non-Standard Meter	\$109.27	\$0.1022	\$300.00	\$8.45
MS-LP	-	Military Installation – Primary Service Non-Standard Meter	\$190.74	\$0.1041	\$300.00	\$8.03

Availability, applicability and character of service:

Small Commercial:

This schedule is available throughout the entire territory served by Keys Energy Services. This schedule applies to energy used for lighting or power purposes in any commercial establishment or federal, state or county institution, camp, building or other service having a maximum demand as determined by Keys Energy Services of less than 20 kilowatts. Service to be furnished under this schedule shall be single phase or three phase, 60 cycle, alternating current at 120, 208, 240 or 480 volts at the option of Keys Energy Services, depending upon the class of service available.

Keys Energy Services shall not be obligated under the terms of this schedule to deliver energy to the customer at any time the power factor of the customer's load is below 90%.

Small Commercial - Government:

This schedule is available throughout the entire territory served by Keys Energy Services. This schedule applies to energy used for lighting or power purposes in any commercial establishment or federal, state or county institution, camp, building or other service having a maximum demand as determined by Keys Energy Services of less than 20 kilowatts. Service to be furnished under this schedule shall be single phase or three phase, 60 cycle, alternating current at 120, 208, 240 or 480 volts at the option of Keys Energy Services, depending upon the class of service available.

Keys Energy Services shall not be obligated under the terms of this schedule to deliver energy to the customer at any time the power factor of the customer's load is below 90%.

Large Commercial:

This schedule applies to power and energy for general power purposes, and is available throughout the entire territory served by Keys Energy Services to those customers agreeing to purchase a fixed minimum amount of power each month, which amount shall be known as CONTRACT DEMAND, and said Contract Demand in no case shall be less than 20 kilowatt. Alternating current nominally at 60 cycles will be supplied at the three phases 120, 208, 240, 480 or 13,800 nominal voltages, at the option of Keys Energy Services according to the class of service available.

Large Commercial - Government:

This schedule applies to power and energy for general power purposes, and is available throughout the entire territory served by Keys Energy Services to those customers agreeing to purchase a fixed minimum amount of power each month, which amount shall be known as CONTRACT DEMAND, and said Contract Demand in no case shall be less than 20 kilowatt.

Alternating current nominally at 60 cycles will be supplied at the three phases 120, 208, 240, 480 or 13,800 nominal voltages, at the option of Keys Energy Services according to the class of service available.

Large Commercial – Primary Service:

This schedule applies to power and energy for general power purposes, and is available throughout the entire territory served by Keys Energy Services to those customers that own their transformers, primary conductors and agree to purchase a fixed minimum amount of power each month, which amount shall be known as CONTRACT DEMAND, and said Contract Demand in no case shall be less than 20 kilowatt. Alternating current nominally at 60 cycles will be supplied at the three phase, 13,800 nominal voltage, at the option of Keys Energy Services according to the class of service available.

Large Commercial Primary - Government:

This schedule applies to power and energy for general power purposes, and is available throughout the entire territory served by Keys Energy Services to those customers that own their transformers, primary conductors and agree to purchase a fixed minimum amount of power each month, which amount shall be known as CONTRACT DEMAND, and said Contract Demand in no case shall be less than 20 kilowatt. Alternating current nominally at 60 cycles will be supplied at the three phase, 13,800 nominal voltage, at the option of Keys Energy Services according to the class of service available.

Large Power Service for Churches:

This schedule applies to power and energy for Churches, and is available throughout the entire territory served by Keys Energy Services, to those Churches that have exempt status as determined by the Internal Revenue Service and agreeing to purchase a fixed minimum amount of power each month. This schedule is only available to that portion of the Church facilities utilized for religious worship. Any and all other installations that are not associated with these religious services are excluded, such as school or vocational training programs that may be so operated or controlled by the Church.

The amount of power shall be known as CONTRACT DEMAND, and said Contract Demand, in no case, shall be less than twenty (20) kilowatts.

Alternating current nominally at sixty (60) cycles will be supplied at the three phase, 120, 208, 240, 480 or 13,800 nominal voltage at the option of Keys Energy Services, according to the class of service available.

Military Installation – both Secondary and Primary:

This schedule applies to power and energy for general power purposes, and is available throughout the entire territory served by Keys Energy Services, to the military installations agreeing to establish a CONTRACT DEMAND amount and to purchase a fixed minimum amount of power each month. Alternating current nominally at 60 cycles will be supplied at the three-phase, 120, 208, 240, 480 or 13,800 nominal voltages, at the option of Keys Energy Services.

Determination of billing demand-applicable to large commercial, large commercial primary and large power service for churches:

The billing demand shall be determined by the installation of a demand meter. The billing demand for the month shall be the average kilowatt delivery of the fifteen-minute interval, in which, the utilization of electric energy is greater than in any other fifteen-minute interval in that month. The monthly billing demand shall not be less than 90% of the Contract Demand.

The amount of power shall be known as CONTRACT DEMAND, and said Contract Demand, in no case, shall be less than twenty (20) kilowatts.

DETERMINATION OF BILLING DEMAND applicable to the Military:

The billing demand shall be determined by the installation of a demand meter. The billing demand for the month shall be the average kilowatt delivery of the fifteen-minute interval, in which, the utilization of electric energy is greater than in any other fifteen-minute interval in that month. The monthly billing demand shall not be less than the kW amount specified by contract between the customer and the Utility Board, which amount as of the effective date of this schedule is currently 10,500 kW.. The billing demand is to be expressed in kilowatts to the nearest 0.5 kilowatt. If service at a meter location is supplied at 13,800 volts, and the transformers are owned by the customer, a discount of 5% will be applied to the demand rate portion of this rate schedule.

Power factor clause:

Keys Energy Services shall not be obligated under the terms of this schedule to deliver energy to the customer at any time the power factor of the customer's load is below 90% lagging. When the power factor of the customer's load shall fall below 90%, as indicated by a test made by KEYS, or as indicated by a meter installed to measure power factor, the billing demand shall be determined by taking 90% of the actual demand as measured by the demand meter, and dividing this amount by the actual power factor determined by test or by measurement.

Non Standard Meters Rate Class 220, 224, 225 & 227:

KEYS' standard commercial meter is a remotely read meter. Should a commercial customer wish to opt out of the standard meter and convert to a non standard meter, KEYS will comply. The non standard meter option will remain available as long as non standard meter options are reasonably available and are supported by the manufacturers.

The cost to replace a standard meter to a non standard meter will be charged to the customer through an enrollment fee. The cost to read and maintain a non standard meter will be charged to the customer through the monthly customer charge. The enrollment fee and the monthly customer charge are shown above.

If a customer decides to return to a standard meter, a charge equal to the standard field trip/trouble call as outlined in the Miscellaneous Charge tariff will be assessed and the monthly customer charge will revert to that of the 210, 214, 215 or 217 rate classes, as appropriate. If a customer relocates to a new premise and requests a non standard meter, they must pay the enrollment fee for the new premise. Customers who cancel the non standard meter option and then later re-enroll for this service, at any location, would also be required to pay another enrollment fee.

RATE SCHEDULE LIGHTING

Street Lighting:

This schedule applies to electric service used for street lighting in Key West and the Lower Keys, including public ways and areas. The schedule includes the monthly fee charged for each lamp type.

LAMP TYPE	Case 1	Case 2	Case 3
SL 100W S/V	\$ 10.47	\$ 9.17	\$ 5.18
SL 200W S/V	\$ 13.89	\$ 12.33	\$ 8.35
SL 400W S/V	\$ 20.69	\$ 18.50	\$ 14.51
SL 400W S/V Cobra [1]	\$ 20.69	\$ 18.50	\$ 14.51
SL 100W S/V Cutoff Optic	\$ 10.57	\$ 9.17	\$ 5.18
SL 200W S/V Cutoff Optic	\$ 13.95	\$ 12.33	\$ 8.35
SL 400W S/V Cutoff Optic	\$ 20.69	\$ 18.50	\$ 14.51
SL 175W M/V [1]	\$ 13.07	\$ 11.54	\$ 7.55
SL 250W M/V [1]	\$ 15.40	\$ 13.79	\$ 9.81
SL 400W M/V [1]	\$ 20.91	\$ 18.71	\$ 14.72
SL 24W Low Watt LED (100W Equivalent)	\$ 13.50	\$ 6.59	\$ 2.61
SL 24W Low Watt LED (100W Equivalent) NOTE 1	\$ 14.57	\$ 6.59	\$ 2.61
SL 38W Med Watt LED (150W Equivalent)	\$ 13.89	\$ 6.97	\$ 2.98
SL 38W Med Watt LED (150W Equivalent) NOTE 1	\$ 14.96	\$ 6.97	\$ 2.98
SL 54W High Watt LED (200W Equivalent)	\$ 14.33	\$ 7.39	\$ 3.40
SL 54W High Watt LED (200W Equivalent) NOTE 1	\$ 15.40	\$ 7.39	\$ 3.40

Note 1: Costs associated with remote controlled sensor

Availability, applicability and character of service:

Case 1: Keys Energy Services shall own the fixture served from overhead wires, and shall provide maintenance, including lamp renewals and energy, from dusk to dawn.

Case 2: Customer owns the infrastructure [excluding the pole] and contracts Keys Energy Systems to maintain the system, including lamp renewals and energy, from dusk to dawn.

Case 3: Customer owns the infrastructure [excluding the pole] and customer maintain the systems, including lamp renewals, from dusk to dawn and Keys Energy Services provides energy.

Area Lighting:

The schedule includes the monthly fee charged for each lamp type.

LAMP TYPE		
AL-3 100W S/V	\$	10.65
AL-3 100W S/V Cutoff Optic	\$	10.65
AL-3 175W M/V	\$	13.12
AL-3 200W S/V	\$	13.94
AL-3 200W S/V Cutoff Optic	\$	13.94
AL-3 400W M/V	\$	20.32
AL-3 400W S/V	\$	20.32
AL-3 400W S/V Cutoff Optic	\$	20.32
AL-3 24W Low Watt LED (100W Equivalent)	\$	15.91
AL-3 24W Low Watt LED (100W Equivalent) NOTE 1	\$	16.98
AL-3 38W Med Watt LED (150W Equivalent)	\$	16.29
AL-3 38W Med Watt LED (150W Equivalent) NOTE 1	\$	17.37
AL-3 54W High Watt LED (200W Equivalent)	\$	16.73
AL-3 54W High Watt LED (200W Equivalent) NOTE 1	\$	17.81

Note 1: Costs associated with remote controlled sensor**Availability, applicability and character of service:**

Keys Energy Services shall own the fixture served from overhead wires, and shall provide maintenance, including lamp renewals and energy, from dusk to dawn.

Street Light and Area Light Power Cost Adjustment [PCA]:

Included in the monthly rates shown above is an assumed power cost of \$0.03805 per kilowatt hour. The base energy rates for all other classes of customers are \$0.08000 per kilowatt hours. Therefore, 47.56% of the amount included in all other rate classes is included in the lighting energy base rate.

Should the actual power costs differ from the assumed rate, a pro-rated PCA may be charged or credited.

Government Recreational Facility Lighting:

This rate class has been eliminated and all customers have been reclassified to the small commercial government rate class.

MISCELLANEOUS CHARGES

<p>Service Fee/Trouble Call – [Standard] - Connect, reconnect or disconnect, per account. A standard call is deemed to be approximately 15 minutes on site during normal hours and 30 minutes on site after hours.</p>	<p>\$35 @ meter normal hours \$105 @ top of pole normal hours \$115 @ meter after hours \$190 @ top of pole after hours</p>
<p>Service Fee/Trouble Call – [Non-Standard] - Connect, reconnect or disconnect, per account</p>	<p>\$35 @ meter normal hours \$105 @ top of pole normal hours \$115 @ meter after hours \$190 @ top of pole after hours</p> <p>Plus a prorated charge [to the nearest 30 minutes], using actual costs, when the field crew exceeds time on call which is covered in the standard call fee</p>
<p>Non-Payment/Tampering – [Standard] - Connect or disconnect, per account. A standard call is deemed to be approximately 15 minutes on site during normal hours and 30 minutes on site after hours.</p>	<p>\$70 @ meter normal hours \$200 @ top of pole normal hours \$155 @ meter after hours \$240 @ top of pole after hours</p>
<p>Non-Payment/Tampering – [Non-Standard] - Connect or disconnect, per account.</p>	<p>\$70 @ meter normal hours \$200 @ top of pole normal hours \$155 @ meter after hours \$240 @ top of pole after hours</p> <p>Plus a prorated charge [to the nearest 30 minutes], using actual costs, when the field crew exceeds time on call which is covered in the standard call fee</p>
<p>Returned Payment Charge - 5% of the face amount of the check or \$25, whichever is greater</p>	<p style="text-align: center;">\$25 minimum</p>
<p>Penalty Charge – applicable to all amounts due when balance is not paid when due</p>	<p style="text-align: center;">5%</p>
<p>Meter Tampering Charge – when evidence is found that someone other than a Keys Energy Services representative has tampered with wiring, equipment or instrumentation between the meter and the distribution system</p>	<p style="text-align: center;">\$450</p>
<p>Meter Test Charge – One free meter test is provided within a 12 month period. Additional tests, where results are within the allowable limits, will result in a charge.</p>	<p style="text-align: center;">\$80</p>
<p>Line Extension Charge – Applies to overhead and underground line extensions</p>	<p style="text-align: center;">Actual Cost</p>

Initial Permanent Service Charge (IPSC) – In addition to the initial connect charge, a customer requesting initial permanent service at a new location will pay the following charge for installation of the meter and accessory equipment	
• Single Phase – self-contained meter	\$300
• Single Phase – residential network	\$350
• Single Phase – commercial	\$450
• Three Phase – self-contained meter	\$975
• Secondary – instrument meter	\$2,250
• Primary – Type I – less than 450 kW load	Actual Cost
• Primary – Type II – 450 kW load or greater	Actual Cost
Residential Deposits	\$125
Commercial Deposits	
• The greater of the monthly average of the previous (projected) 12 months billings times 2 or \$150	\$150 minimum

POWER COST ADJUSTMENT Schedule PCA

Availability, applicability and character of service:

The power cost adjustment is applicable to and becomes a part of all filed retail rate schedules and is applicable to all kWh sales thereunder.

Calculation:

There may be an adjustment to the energy charge for each kWh if the cost of power differs from the amount that is included in the base rate. Currently, power costs of 8.00 cents (80.0 mills) per kWh are included in the base rate.

The monthly power cost adjustment factor (\$/kWh sold) will be based on estimated power costs and estimated kWh sold for the billing period. Power cost may include the following:

- (a) the total cost of purchased power (which includes purchases associated with participation in joint action agency projects and purchases associated with customer-owned generating units);
- (b) less capacity and energy revenues received from Florida Keys Electric Cooperative under the "FKEC Capacity and Energy Sale Agreement";
- (c) less revenues received in connection with the sale of emissions credits or allowances associated with retired generating units.

There will be an adjustment to the monthly power cost adjustment calculation to correct any difference between estimated costs and actual costs for the second month preceding the billing period. The difference will be subtracted from the estimated power costs for the billing period if there was an over collection, and added to the estimated power costs if there was an under collection. However, over and under collections may be temporarily accumulated in such a manner as to minimize fluctuations in the monthly adjustment factor.

For billing purposes, the monthly power cost adjustment factor, as calculated, shall be rounded to the nearest 0.01 cent (0.1 mill) per kWh. The power cost adjustment shall be in addition to all minimum charges, and shall not be subject to discount provisions contained in any rate schedule.

In addition, the monthly power cost adjustment factor shall be subject to any applicable gross receipts, kilowatt-hour, or other form of tax imposed by any municipal, state, or federal taxing body.

**GROSS RECEIPTS TAX
Schedule GRT**

Availability, applicability and character of service:

The tax adjustment is applicable to and becomes a part of all filed retail rate schedules and is applicable to all sales thereunder. Pursuant to Section 201.3 of the Florida Statutes, a 2.50% gross receipts tax is applicable to all retail electric charges, including any adjustments or surcharges. The tax is imposed on the total amount of gross receipts derived from utility business done within the State of Florida or between points within the state. All consumers, regardless of tax-exempt status, are subject to the recovery of this tax on the utility. In addition, the rates including any adjustments or surcharges, shall be adjusted for any other applicable gross receipts, kilowatt-hour, or other form of tax imposed by any municipal, state or federal taxing body.

Calculation:

The gross receipts tax recovery factor will be calculated as follows:

$$\frac{\text{(Gross Receipts Tax)}}{\text{(1 - Gross Receipts Tax)}} = \frac{0.0250}{0.9750} = 0.025641, \text{ or } 2.5641\%$$

**NET METERING SERVICE FOR
RENEWABLE GENERATION SYSTEM
SCHEDULE NM1**

Availability, applicability and character of service:

This schedule is available throughout the entire territory served by Keys Energy Services (KEYS). The tariff is offered to customers on a first-come, first-served basis until the time that the total rated generating capacity of interconnected Renewable Generation Systems (RGSs) equals or exceeds 2.5 percent (2.5%) of KEYS aggregate customer peak demand. KEYS may approve interconnections in excess of the limits set forth, at its sole discretion, to the extent there is no adverse impact on KEYS' system or Florida Municipal Power Agency (FMPA).

This schedule is applicable to customers who:

1. Take retail service from KEYS under an otherwise applicable rate schedule at their premises;
2. Reside in a premises with a RGS with a capacity that does not exceed two megawatts (2 MW), located on the customer's premises and that is primarily intended to offset part or all of customer's own electric requirements at the premises;
3. Are interconnected and operate in parallel with KEYS' electric distribution system;
4. Provides KEYS with an executed Standard Interconnection Agreement for Renewable Generation System, and is in compliance with the interconnection standards therein, and an executed Tri-Party Net Metering Power Purchase Agreement among KEYS, FMPA and the RGS Owner for the purchase of the energy output from the RGS.

Rate:

All rates charged under this schedule will be in accordance with the customer's applicable rate schedule. Customers served under this schedule are responsible for all charges from its otherwise applicable rate schedule. Charges for electric kilowatt-hours (kWh) supplied by KEYS and exported to KEYS will be based on the metered usage in accordance with billing (see below).

Metering:

Energy metering under this schedule shall be accomplished by separately registering the flow of electricity from KEYS to the premises and excess energy generated by the RGS and delivered to KEYS. KEYS will furnish, install, own and maintain metering equipment capable of measuring such flow of kilowatt-hours (kWh) of energy.

Customer shall offer KEYS and FMPA the right of first refusal to purchase any and all Renewable Energy Certificates or similarly titled credits for renewable energy generated by the customer.

Meter readings shall be taken monthly on the same cycle as required under the applicable rate schedule.

Billing:

Customer shall be billed for consumption and export of energy as follows:

Customer shall be billed for the total amount of electricity delivered to customer by KEYS in accordance with otherwise applicable rate schedules.

Electric energy from the RGS shall be used first to service the customer's own load and offset the customer's demand for KEYS electricity. Any kWh electric energy produced by the RGS that is not consumed by the customer's own load and is delivered to KEYS system shall be deemed as "excess RGS generation." Excess RGS generation shall be purchased in the form of a credit on the customer's monthly energy consumption bill.

Each billing cycle, the customer shall be credited for the total amount of excess electricity generated by the RGS that is delivered to KEYS electric system during the previous billing cycle. The credit shall be:

- Tier 1 – Ten (10) kW or less – The first 75 Standard Residential Service (Non-Commercial) and Small Commercial Service customers to interconnect an RGS and comply with all requirements of this tariff, the interconnection agreement, and Tri-Party Power Purchase Agreement prior to October 1, 2017 will earn credit for excess RGS generation at the full retail rate (i.e. applicable rate plus power cost adjustment that KEYS charges to customers in the Standard Residential Service (Non-Commercial) Rate or the Small Commercial Service Rate.) Notwithstanding anything in this Tariff, the interconnection agreement, or Tri-Party Power Purchase Agreement to the contrary, the full retail incentive rate for the first 75 customers will sunset on January 31, 2037. As of February 1, 2037 the credit for excess RGS generation for all net metering customers shall be at KEYS' avoided cost rate, as determined by KEYS. A customer may only qualify for the full retail rate for excess RGS generation at a single premise. Additional net metering accounts for the same customer at multiple premises will be credited at KEYS' avoided cost rate, as determined by KEYS. All customers on the Large Commercial Service Rate and all other customers after the first 75 will be at KEYS' avoided cost rate, as determined by KEYS.
- Tier 2 – Greater than 10 kW and less than or equal to 100 kW: KEYS' avoided cost rate, as determined by KEYS.

- Tier 3 – Greater than 100 kW and less than or equal to two (2) MW: KEYS' avoided cost rate, as determined by KEYS.

In the event that a given monthly credit for excess RGS generation exceeds the total billed amount for the customer's consumption in any corresponding month, the excess credit shall be applied to the customer's subsequent bill. Excess energy credits produced pursuant to the preceding sentence shall accumulate and be used to offset the customer's energy consumption bill for a period of not more than twelve (12) months. At the end of each calendar year, KEYS shall pay the customer for any unused excess energy credits.

In the event that a customer closes an account, the customer's unused excess energy credits shall be paid by KEYS to the customer.

Fees:

The following fees shall be required for application review and processing, as well as interconnection studies:

- Tier 1 - No application fee; no study fee;
- Tier 2 - \$320.00 application fee; no study fee;
- Tier 3 - \$470.00 application fee and RGS Owner will be responsible for the actual cost of the interconnection study to be paid in advance of the study being performed.

Fees may be adjusted annually.