

A RESOLUTION OF City of Griffin

APPROVING AMENDMENT NO. 1 TO THE INTERGOVERNMENTAL PARTICIPANT CONTRACT AMONG ALL PARTICIPANTS RESPECTING PARTICIPATION IN ELECTRIC CITIES OF GEORGIA, INC.; AND FOR OTHER PURPOSES

WHEREAS, all 52 political subdivisions or other governmental bodies owning or operating electric distribution systems in the State of Georgia (the "Participants"), including City of Griffin (the "Participant"), caused to be formed Electric Cities of Georgia, Inc. ("ECG"), as successor to GMA's Electric Section, on September 2, 1992, in order to facilitate increased joint action among the Participants; and

WHEREAS, ECG is a Georgia nonprofit corporation under the Georgia Nonprofit Code, an instrumentality of the Participants under Section 115 of the Internal Revenue Code, and operates on a nonprofit basis on behalf of each of the Participants, having no purpose other than to benefit the Participants directly or through economies of scale, and all of its Annual Costs and benefits are shared and allocated among the Participants; and

WHEREAS, the 52 Participants have entered into an Intergovernmental Participant Contract, dated as of February 1, 2013 (the "Contract"), setting forth the terms of certain services to be provided by ECG on each of their behalf (the "Services"); and

WHEREAS, the Participants desire that certain amendments be made to the Contract respecting Distribution Engineering (DE) and Analytical (AN) Services, and the Contract, pursuant to Section 403 thereof, may be amended with the written approval of 75% of the Participants that would be affected by such amendment ("Affected Participants") using the weighted vote methodology set forth in such section;

NOW, THEREFORE, be it resolved by the governing body of the Participant in a meeting duly assembled, and it is hereby resolved by authority thereof, as follows:

Section 1. The Participant hereby (1) approves each of the amendments provided for by that certain draft Amendment No. 1 to the Contract among the Participants in substantially the form attached hereto as Exhibit A (the "Amendment") and (2) approves and authorizes the execution and delivery of the Amendment. Such Amendment shall be executed by its Chairperson (the "Authorized Official"), attested by the appropriate officer of the Participant, and shall have the Participant's seal affixed thereto, and shall be delivered to ECG on behalf of the other Participants. Execution of the Amendment as authorized herein shall be conclusive evidence of the Participant's approval thereof.

Section 2. The Participant hereby authorizes the Authorized Official and Secretary, or either of them, to take any further actions and execute and deliver any other documents necessary to carry out the purpose of this Resolution.

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

RESOLVED this 10<sup>th</sup> day of March, 2015.

[LEGAL NAME] City of Griffin, Ga.

[SEAL]

Attest:

Its: Henry A. Smith  
Secretary

By: Douglas S. Hallberg  
Its: Chairperson

**AMENDMENT NO. 1 TO  
INTERGOVERNMENTAL  
PARTICIPANT CONTRACT**

This Amendment No. 1 to Intergovernmental Participant Contract (the "Amendment"), dated as of [June 30], 2015 (the "Effective Date"), by and among each of the 52 political subdivisions of the State of Georgia or other governmental bodies formed under the laws of the State of Georgia (each a "Participant," and collectively, the "Participants"), which are "Participants" of Electric Cities of Georgia, Inc. ("ECG") pursuant to ECG's Bylaws (capitalized terms used herein but not defined shall have the meaning set forth in that certain Intergovernmental Participant Contract (the "Contract"), dated as of February 1, 2013, among the Participants);

WHEREAS, the Participants desire that certain amendments be made to the Contract respecting Distribution Engineering (DE) and Analytical (AN) Services, including moving Energy Services (ES) as a deliverable from the AN Service to the DE Service and modifying the methodology by which the share of DE and AN Annual Costs are allocated among the DE and AN Participants, respectively; and

WHEREAS, the Contract, pursuant to Section 403 thereof, may be amended with the written approval of 75% of the Participants that would be affected by such amendment ("Affected Participants") using the weighted vote methodology set forth in such section;

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived by the DE and AN Participants, the DE and AN Participants do hereby agree as follows:

1. DE Allocator Amendment. Exhibit A-2 is amended by deleting all paragraphs of the Exhibit after the heading "Detailed Description of Methodology for Allocation" and inserting in lieu thereof the paragraphs set forth under such heading in Revised Exhibit A-2 attached hereto (such amendment, the "DE Allocator Amendment").

2. AN Allocator Amendment. Exhibit A-4 is amended by deleting all paragraphs of the Exhibit beginning with, and including, the first occurrence of the word "Additionally" therein and inserting in lieu thereof the paragraphs set forth under, and including, the heading "Detailed Description of Methodology for Allocation" in Revised Exhibit A-4 attached hereto (such amendment, the "AN Allocator Amendment").

3. ES AN Amendment. Exhibit A-4 is amended by deleting all references to Energy Services, making corresponding changes and deleting the following language in its entirety (such amendments, collectively, the "ES AN Amendment"):

"Activities designed to provide a broad range of technical services to support the needs and concerns of the retail customers, including key accounts, small commercial and residential customers, and AN Participant owned facilities. Examples of the deliverables include energy audits, infrared scanning and energy efficiency programs."

4. ES DE Amendment. Exhibit A-2 is amended by adding references to ES as a DE Service deliverable provided for in such exhibit, making corresponding changes and adding the following language to the end of the first sentence thereof (such amendments, collectively, the "ES DE Amendment"):

"and activities designed to provide a broad range of technical services to support the needs and concerns of the retail customers, including key accounts, small commercial and residential customers, and DE Participant owned facilities. Examples of the deliverables include energy audits, infrared scanning and energy efficiency programs."

5. Independence of Amendment Decisions. The Participants desire that the AN Allocator Amendment be voted on independently of other amendments provided for herein, but that neither the DE Allocator Amendment, the ES AN Amendment nor the ES DE Amendment shall take effect unless all three such amendments are approved and become effective.

6. Voting Procedures to Evidence Approval of Amendments. In order to properly administer the approval voting process provided for in Section 403 of the Contract, there shall be a signature page hereto for each AN and DE Participant and each such page shall list each such Participant's applicable weighted vote as an AN Participant, DE Participant or both and provide a method for each such Participant to indicate (a) whether or not the AN Allocator Amendment is approved, and (b) collectively, whether or not the DE Allocator Amendment, the ES AN Amendment and the ES DE Amendment are approved. On or about [June 1], 2015, ECG, with advice of counsel, shall determine if all or any of the amendments provided for herein have received sufficient indications of approval by the AN Participants or DE Participants, as applicable. Upon approval of any or all such amendments, ECG shall finalize Revised Exhibit A-2, Revised Exhibit A-4 or both in accordance herewith and provide copies thereof to Participants along with a summary of the outcome of the voting process described herein. Assuming that the Amendment is approved by a sufficient aggregate weighted vote of the Affected Participants as determined by ECG, the Amendment shall take effect as of July 1, 2015.

7. The Contract Remains in Full Force and Effect. Except as specifically set forth in this Amendment, the terms and provisions of the Contract, as previously amended, and the Contract as a whole, remain in full force and effect.

8. Counterparts. This Amendment may be executed in multiple counterparts, and any one of such counterparts shall be considered an original hereof.

**IN WITNESS WHEREOF,** each AN and DE Participant executing this Amendment has caused this Amendment to be executed in its corporate name by its duly authorized officers and its corporate seal to be hereunto impressed and attested, and delivery hereof by such Participants to each other, through their instrumentality ECG, is hereby acknowledged, all as of the day and year first above written.

[Signature Pages Begin on Next Page]



**INTERGOVERNMENTAL  
PARTICIPANT CONTRACT**

**Revised Exhibit A-2**

**Revised  
Exhibit A-2**

**Engineering and Energy Services (EES)**

The Engineering and Energy Services (EES) Service includes providing engineering and design support to promote a predictable, efficient and economical delivery of electric service at the retail level and activities designed to provide a broad range of technical services to support the needs and concerns of the retail customers, including key accounts, small commercial and residential customers, and EES Participant owned facilities.

The Annual Costs for the EES Service ("EES Annual Costs") shall be allocated to each Participant confirming its agreement to receive such EES Service for a Fiscal Year (together, the "EES Participants") pursuant to the methodology set forth below. Over and under recoveries related to such Service shall be allocated on the same basis with no true up for the EES Participants average hours utilized during the applicable Fiscal Year.

**Detailed Description of Methodology for Allocation**

EES Annual Costs shall be allocated to each EES Participants based upon the percentage of each such EES Participant's rolling average hours of EES Service used during the immediately prior five calendar-year period divided by the total of all such average hours used by all EES Participants during such period; subject to the following allocation adjustments described below (the "Standard EES Allocation"):

**Maximum Calculation**

For each EES Participant with 0 – 500\* retail electric customers, the allocation of EES Annual Costs to each such Participant shall not exceed 0.5 percent\* of the aggregate EES Annual Costs.

For each EES Participant with greater than 500\* but less than or equal to 1,020\* retail electric customers, the allocation of EES Annual Costs to each such Participant shall not exceed 1 percent\* of the aggregate EES Annual Costs.

For each EES Participant with greater than 1,020\* retail electric customers, the allocation of EES Annual Costs shall be increased pro rata to account for the recovery of any EES Annual Costs not recovered due to the application of the adjustments provided for above.

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\* The ECG Board may adjust this annually as part of the Annual Budget process.

### **Calculation of Average Hours-Initial Year**

EES Annual Costs during Fiscal Year 2016 shall be allocated to each EES Participant with the methodology variations set forth below to be calculated by ECG.

- a. Determine Participants actual DE hours used during calendar years 2010-2014.
- b. Replace the single highest annual DE actual hour figure with the average of the remaining years that are not equal to zero.
- c. Determine Participants actual ES hours used during calendar years 2010-2014 (excluding any hours related to the American Recovery and Reinvestment Act renewable and residential projects as applicable).
- d. Sum the DE and ES hours per year for each EES Participant and calculate Initial 5-year average

### **Fiscal Year 2016 Cost Allocation**

For all EES Participants, the Fiscal Year 2016 Annual Cost (both Budget & Actual) shall be reduced or increased by 50% of the calculated increase/decrease of Annual Costs developed from the Standard EES Allocation compared to the Fiscal Year 2015 actual determined Annual Cost of DE plus an estimated 5-year historical average actual Annual Costs allocable to ES as calculated by ECG; provided that, to the extent that Fiscal Year 2016 Annual Cost exceeds actual Fiscal Year 2015 Annual Cost, such excess EES Annual Costs shall be allocated in accordance with the Standard EES Allocation applicable in all Fiscal Years.

### **Additional Components**

ECG may add additional components to the EES Service from time to time.



**Revised  
Exhibit A-4**

**Analytical  
(AN)**

The Analytical ("AN") Service is an umbrella Service, including components formerly operated under the Services Contracts as Pricing and Sales Support and Major Accounts. Such services are now part of the AN Service offering and are described as follows:

- Activities designed to support and maintain the financial viability of Participant utility systems, including cost of service studies, retail rate design, assessment of power costs adjustments, analysis of inter-participant pricing transactions, comparative rate analysis, benchmarking and associated analysis and research.
- Activities designed to attract new major accounts and to improve relationships with existing major accounts, including customer choice proposals and key accounts programs.

**Detailed Description of Methodology for Allocation**

The Annual Costs for the AN Service ("AN Annual Costs") shall be allocated to each Participant confirming its agreement to receive such AN Service for a Fiscal Year (together, the "AN Participants") pursuant to the methodology set forth below. Over and under recoveries related to such AN Service shall be allocated on the same basis with no true up for the AN Participants average hours utilized during the applicable Fiscal Year.

AN Annual Costs shall be allocated to each AN Participant based upon the percentage of each such AN Participant's rolling average hours of AN Service used during the immediately prior five calendar-year period divided by the total of all such average hours used by all AN Participants during such period. [The initial five-year average for calendar years 2010 through 2014 shall exclude hours related to AN Services allocable to Energy Services.]

ECG may add additional components to the AN Service from time to time.

**Revised Exhibit A-4**

**Weighted Voting Percentages  
For Amendment No. 1 to IPC**

City	AN Weighted Vote	DE Weighted Vote
Acworth	1.961	2.133
Adel	2.590	1.917
Albany	1.739	-
Barnesville	1.296	1.754
Blakely	2.035	1.665
Brinson	1.089	-
Buford	1.887	2.296
Calro	1.887	2.224
Calhoun	2.109	-
Camilla	1.887	1.950
Cartersville	3.107	-
Chickamauga	-	-
College Park	1.629	-
Commerce	2.331	1.688
Covington	3.218	-
Crisp County Power	1.444	-
Dalton	-	-
Doerun	1.444	1.497
Douglas	3.218	2.657
East Point	3.588	3.991
Elberton	-	-
Ellaville	1.444	1.438
Fairburn	2.479	1.715
Fitzgerald	1.739	2.380
Forsyth	1.444	1.863
Fort Valley	1.739	2.260
Grantville	1.666	1.471
Griffin	2.627	3.715
Hampton	1.370	1.418
Hogansville	2.109	1.531
Jackson	1.074	1.588
LaFayette	1.739	2.133
LaGrange	2.109	-
Lawrenceville	-	3.130
Mansfield	1.074	-
Marietta	-	-
Monroe	3.034	2.267
Monticello	2.109	1.391
Moultrie	1.739	-
Newnan	1.222	-
Norcross	2.479	1.941
Oxford	1.237	1.445
Palmetto	1.887	1.535
Quitman	1.444	1.785
Sandersville	3.403	1.758
Sylvania	1.296	2.044
Sylvester	2.109	2.152
Thomaston	1.887	1.854
Thomasville	3.403	-
Washington	2.109	1.795
West Point	2.331	1.616
Whigham	1.237	-
Totals	93.998	69.997
75% requirement	70.499	52.498

CLERK/SECRETARY'S CERTIFICATE

I, the undersigned Clerk/Secretary of the City of Griffin (the "Participant"), DO  
HEREBY CERTIFY that the foregoing pages constitute a true and correct copy of a Resolution adopted by the  
Participant at an open public meeting duly and lawfully assembled in accordance with Official Code of Georgia  
Annotated Section 50-14-1, at which a quorum was present and acting throughout. The original of the Resolution has  
been duly recorded in the minute book of the Participant, which is in my custody and control.

WITNESS MY HAND this \_\_\_\_ day of \_\_\_\_\_, 2015.

(SEAL)

[LEGAL NAME] City of Griffin

Kenny L. Smith  
Its: ~~Clerk~~ Secretary