



October 19, 2015

City of Griffin, Georgia  
Attn: Honorable Douglas S. Holberg, Mayor  
100 South Hill Street  
Griffin, GA 30223

City of Fairburn, Georgia  
Attn: Honorable Mario Avery, Mayor  
106 Howell Avenue  
Fairburn, GA 30213

**Re: MEAG Power Sale of Excess Reserve Capacity to the City of Fairburn  
on Behalf of the City of Griffin**

Dear Mayor Holberg and Mayor Avery:

This Letter Agreement sets forth the agreement between the Municipal Electric Authority of Georgia ("MEAG Power"), the City of Griffin, Georgia ("Griffin"), and the City of Fairburn, Georgia ("Fairburn") for MEAG Power's sale on behalf of Griffin of certain excess reserve capacity to Fairburn pursuant to Section 312 of the Power Sales Contract between MEAG Power and Griffin. MEAG Power is willing to facilitate and execute this transaction pursuant to Section 312, subject to this Letter Agreement.

The capitalized words or terms that are used in this Letter Agreement, but are not defined herein, shall have the same meanings as assigned to them in the Power Sales Contract.

In consideration of the mutual agreements set forth herein, the sufficiency and adequacy of which are acknowledged by MEAG Power, Griffin and Fairburn, it is understood and agreed that:

**(1) Sale of Excess Reserve Capacity by MEAG Power on Behalf of Griffin.**

**(a)** Pursuant to Section 312 of the Power Sales Contract between MEAG Power and Griffin, Griffin has declared capacity in the amount of 1,395 kW, as measured at B1, of the total kW of its Project One Entitlement Share (the "Sales Amount") to be excess to its needs. Griffin has requested MEAG Power to sell, and MEAG Power shall, in accordance with this Letter Agreement, sell this capacity, but no energy associated therewith, to Fairburn.

**(b)** This Sale Amount shall not reduce Griffin's Entitlement Share of output and services under the Power Sales Contract and Griffin shall remain liable to MEAG Power for its entire Entitlement Share. All payments received by MEAG Power from Fairburn for the Sale Amount pursuant to this Letter Agreement shall be credited to Griffin's obligation to MEAG Power to pay for its Entitlement Share.

Municipal Electric Authority of Georgia  
1470 Riveredge Parkway NW  
Atlanta, Georgia 30328-4640

1-800-333-MEAG 770-563-0300  
Fax 770-953-3141

**(2) Purchase of Excess Reserve Capacity by Fairburn.** Fairburn agrees to purchase the Sale Amount for a price of \$2.00 per kW-year (the "Contract Price"). MEAG Power shall bill Fairburn for such amount and Fairburn shall pay all amounts due in the same manner as other payments under the Power Sales Contract between MEAG Power and Fairburn.

**(3) Costs.** Griffin shall be obligated for all costs incurred by MEAG Power as a direct result of the transaction identified in this Letter Agreement. MEAG Power agrees to provide sufficient documentation to Griffin to enable it to verify any such costs.

**(4) Indemnification.** Griffin hereby indemnifies and holds MEAG Power and the remaining MEAG Power Participants harmless from and against any and all losses, costs, liabilities, damages, expenses (including without limitation attorneys' fees and expenses) of any kind and incurred or suffered by MEAG Power or its Participants as a result of, or in connection with, Griffin's sale of excess reserve capacity pursuant to this Letter Agreement.

**(5) Term.** The initial term of the sale of Griffin's excess reserve capacity to Fairburn pursuant to this Letter Agreement shall begin at 0000 hours on January 1, 2016 and end at 2400 hours on December 31, 2016, and until all obligations under this Letter Agreement are satisfied, including, but not limited to, Griffin's obligation to indemnify MEAG Power and the Participants. All times referenced herein are Central Prevailing Time.

**(6) Termination and Unwind.** If MEAG Power changes its policy concerning the computation of necessary reserve capacity from a "budgeted coincident peaks" standard to an "actual peaks" standard and such policy change goes into effect during the Term of this Letter Agreement, Griffin and Fairburn shall be returned to their respective positions as if this Letter Agreement had not been entered into (e.g., Fairburn shall receive a credit for amounts it paid pursuant to this Letter Agreement and Griffin shall be billed for all such amounts). Subsequently, this Letter Agreement shall terminate, except that Sections (3) and (4) shall remain effective.

If you are in agreement with the foregoing and after this Letter Agreement has been duly authorized by the respective governing bodies of Griffin and Fairburn, please execute this Letter Agreement in the space provided below.

**MUNICIPAL ELECTRIC AUTHORITY OF  
GEORGIA**

ATTEST:

\_\_\_\_\_

By: \_\_\_\_\_  
Robert P. Johnston  
President and Chief Executive Officer

[SIGNATURES CONTINUED ON NEXT PAGE]

Agreed to and accepted, this \_\_\_\_ day  
of \_\_\_\_\_, 2015.

**CITY OF GRIFFIN**

By: \_\_\_\_\_  
Douglas S. Holberg, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

[SEAL]

Agreed to and accepted, this 10 day  
of November, 2015.

**CITY OF FAIRBURN**

By: M. B. Avery  
Mario Avery, Mayor

ATTEST:

Brenda B. James  
City Clerk

[SEAL]

