

ENERGY MANAGEMENT AND PURCHASE AGREEMENT

THIS ENERGY MANAGEMENT AND PURCHASE AGREEMENT (the "**Agreement**") is effective as of July 1, 2011, by and between **NextEra Energy Power Marketing, LLC** ("**NEPM**") and **FPL Energy Stateline II, Inc.** ("**Counterparty**"). NEPM and Counterparty are referred to individually as a "**Party**" and collectively as the "**Parties**".

RECITALS:

WHEREAS, Counterparty is in the business of energy generation ("**Business**");

WHEREAS, NEPM has extensive expertise related to Counterparty's Business;

WHEREAS, Counterparty desires NEPM to provide energy management services for the Business; and

WHEREAS, NEPM has agreed to provide Counterparty energy management services pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the Parties agree as follows:

1. **Scope of Services.** Counterparty hereby engages NEPM as its service provider with respect to energy management related to the Business, including, but not limited to, performing the following services (to the extent each service is applicable): (a) fuel procurement, (b) energy marketing, and (c) risk management (the "**Services**"). NEPM will perform the Services for Counterparty, and the scope and nature of the Services will be mutually agreed upon by the Parties from time to time. Pursuant to this Agreement, NEPM will take title to, and purchase from, Counterparty all merchant energy or capacity produced from Counterparty's facility, but will not take title to, or purchase from, Counterparty any energy or capacity contracted to third parties under separate agreements.
2. **Fees and Costs.** Counterparty shall pay NEPM a monthly fee to be agreed on from time to time for the Services rendered by NEPM under this Agreement. Upon request, Counterparty will reimburse NEPM for any reasonable costs and expenses incurred by NEPM in rendering the Services, including any fees paid to Regional Transmission Organizations ("**RTO**") and Independent System Operators ("**ISO**"). For any fees and costs which are payable by Counterparty, NEPM shall provide an invoice to Counterparty on monthly basis, which shall be paid within five (5) business days of receipt.
3. **Term.** This Agreement will continue to be in effect until terminated. Either Party may, in its sole discretion, terminate this Agreement upon thirty (30) days prior written notice to the other Party. Upon termination of this Agreement, Parties shall cooperate to ensure that all matters handled by NEPM under the terms of this Agreement are adequately transitioned to Counterparty or its designee.
4. **Relationship of Parties.**
 - (a) Except as expressly provided hereunder, NEPM shall not be construed to be an agent, partner, joint venturer, or legal representative of Counterparty for any purpose whatsoever; provided, however, that NEPM may be appointed by Counterparty as its agent with respect to NEPM's dealings with (i) a RTO or an ISO, or other control area operator, or (ii) an applicable transporter for purposes of scheduling and/or transporting fuel.
 - (b) NEPM is in the business of buying and selling energy and fuel throughout the United States, including in the same geographic region as Counterparty, for its own account or for the account of others, and nothing in this Agreement will prohibit NEPM from doing so.

- (c) Counterparty acknowledges and agrees that NEPM is not assuming and will not be assuming the role of “Generator Operator” or “Generator Owner” as such terms are defined by the North America Electric Reliability Corporation (“NERC”).
 - (d) Counterparty acknowledges that (i) NEPM is not acting as a fiduciary or financial or investment advisor for such Counterparty; (ii) Counterparty has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors to the extent it has deemed necessary, and it has made its own investment, hedging, and trading decisions based upon its own judgment and upon any advice from such advisors as it has deemed necessary; and (iii) Counterparty is entering into this Agreement and each financial derivative transaction relating to risk management services with a full understanding of all of the risks thereof (economic and otherwise) and is not relying on the advice of NEPM contained in any plan, proposal or presentation provided by NEPM.
5. **Transfer of Title.** With respect to all energy transactions, the title to energy in respect of each energy sale will transfer from Counterparty to NEPM at the “delivery point”: the applicable point of sale into the relevant RTO or ISO, such as the node at which the locational marginal price is determined. Counterparty warrants, on a continuing basis that all the energy delivered to NEPM will be free and clear of all liens, security interests, claims, encumbrances or adverse interests whatsoever, arising prior to or at the applicable delivery point.
6. **Power Transactions.**
- (a) In the event the Parties agree that all of the power generated by the Counterparty’s facility will be offered for sale only to the applicable RTO or ISO markets, then, Parties agree that NEPM will first purchase the full output of Counterparty’s facility and sell the output to the applicable ISO or RTO. The amount which NEPM will pay the Counterparty will be calculated based on the monthly weighted average price of the sale during the month, based on the relevant market price (such as, locational marginal price) at the applicable delivery point, adjusted for any fees, costs and expenses.
 - (b) In the event the Parties agree that the power generated by the Counterparty will be offered for sale directly to the applicable RTO or ISO market, and then a portion thereof will be scheduled to a third party counterparty through a bilateral transaction, then:
 - (1) Parties agree that NEPM will first purchase the full output of the Counterparty’s facility and then sell such output to the ISO or RTO at the applicable market price; concurrently, NEPM will sell an amount equal to the scheduled bilateral transaction to the Counterparty, and will then schedule the applicable quantity of power bilaterally to a third party via the applicable ISO or RTO at the price agreed upon with the third party.
 - (2) NEPM will pay Counterparty a rate equal to the monthly average weighted price NEPM receives for its sale. NEPM and Counterparty will mutually agree on the methodology by which to calculate the averaged weighted average price, where the calculation will take into account (i) the actual amount paid by the RTO, ISO or bilateral transaction counterparty, adjusted for any fees, costs and expenses; (ii) the relevant market price (such as, locational marginal price) at the applicable delivery point, adjusted for any fees, costs and expenses, notwithstanding any proceeds received from a third party bilateral transaction counterparty.
7. **Standard of Performance of Obligations.** NEPM shall perform the Services in a commercially reasonable manner. NEPM does not represent or warrant that it will be able to arrange or consummate any particular transaction or contract with any particular third party, and Counterparty acknowledges that NEPM does not guarantee and does not represent or warrant that any particular level of revenue or financial performance will be achieved through the performance of the Services or otherwise by virtue of entry into this Agreement.

8. **Audit Rights.** Both Parties shall have the right to examine the books and records of the other Party as they relate to matters covered by this Agreement to verify the accuracy of any invoice issued pursuant to this Agreement. All such audits shall occur during normal business hours and upon receipt of reasonable notice at the office of the Party whose books are being audited.
9. **Limitation of Liability and Remedy.**
- (a) To the fullest extent permitted by law, neither NEPM nor Counterparty shall be liable to the other Party for claims, suits, actions or causes of action for incidental, indirect, special, punitive, multiple, exemplary or consequential damages connected with or resulting from performance or non-performance of this Agreement, including without limitation, any such damages which are based upon causes of action for breach of contract, tort (including negligence, misrepresentation, gross negligence, willful misconduct, or bad faith), breach of warranty, strict liability, statute, operation of law, under any indemnity provision or any other theory of recovery.
- (b) To the extent anything delivered by NEPM pursuant to this Agreement or any implementation Agreement is construed to be "goods" subject to Article 2 of the Uniform Commercial Code of the State of New York, NEPM makes no representations or warranties, express or implied, as to the merchantability, fitness for a particular purpose or otherwise, with respect to any such goods furnished to Counterparty under this Agreement or in connection with any transaction entered into pursuant to this Agreement.
- (c) This Section 8 shall survive the termination of this Agreement.
10. **Taxes.** Counterparty is liable for and shall pay, or cause to be paid, or reimburse NEPM if NEPM has paid, all taxes applicable to providing the Services hereunder, including taxes applicable to the sale of the energy by NEPM as required in order to perform the Services hereunder; provided, Counterparty shall not be responsible for income (or similar) taxes incurred by NEPM and related to compensation under this Agreement. Counterparty shall indemnify, defend and hold harmless NEPM on an after-tax basis, from any claims for such taxes, including any taxes imposed or collected by a taxing authority with jurisdiction over NEPM. Either Party, upon written request of the other, shall provide a certificate of exemption or other reasonably satisfactory evidence of exemption if such Party is exempt from taxes, and shall use reasonable efforts to obtain and cooperate with obtaining any exemption from or reduction of any tax. Each Party shall use reasonable efforts to administer this Agreement and implement the provisions in accordance with the intent to minimize taxes.
11. **Governing Law; Waiver of Jury Trial.** Parties each hereby irrevocably: (i) consents and submits to the exclusive jurisdiction of the federal and state courts located in the New York County, New York for the purposes of any suit, action or other proceeding arising out of this Agreement or the subject matter hereof; and (ii) waives (to the fullest extent permitted by applicable law) and agrees not to assert any claim that it is not personally subject to the jurisdiction of the above-named courts, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Each Party hereby irrevocably waives any and all right to trial by jury in any suit, action or proceeding arising out of or relating to the Agreement and acknowledges that this waiver is a material inducement to the other Party's entering into this Agreement.
12. **Notices.** Any notice, request, demand, or statement provided for in this Agreement or any notice which a Party may desire to give to the other Party shall be in writing and shall be considered as duly delivered when mailed, or delivered to the other Party at the following address:
- (a) If to NEPM:

NextEra Energy Power Marketing, LLC
700 Universe Boulevard
Juno Beach, Florida 33408

(b) If to Counterparty:

FPL Energy Stateline II, Inc.
700 Universe Boulevard
Juno Beach, Florida 33408

13. **Assignment.** This Agreement may be assigned by either Party without the prior written consent of the other Party to any corporation, partnership or other entity or association that (a) is controlled, directly or indirectly, by such assigning Party, (b) controls, directly or indirectly, such assigning Party, or (c) is, directly or indirectly, under common control with the assigning Party. For the purposes of this Section, "control" shall mean the ownership of a majority of the voting shares of such Party.
14. **Captions.** The captions contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained herein.
15. **Counterparts.** This Agreement may be signed in counterparts, which counterparts, when assembled together, shall constitute fully executed originals as if signed by both Parties. Execution of this Agreement by facsimile or electronic signature is deemed to be, and has the same effect as, execution by original signature.
16. **No Waiver.** Any failure of either Party to enforce any of the provisions of this Agreement or to require compliance with any of its terms at any time during the term of this Agreement, shall in no way affect the validity of this Agreement, or any part hereof, and shall not be deemed a waiver of the right of such Party thereafter to enforce any and each such provision.
17. **Severability.** The invalidity of one or more phrases, sentences, clauses, or Sections contained in this Agreement shall not affect the validity of the remaining portions of this Agreement so long as the material purposes of this Agreement can be determined and effectuated.
18. **Entire Agreement.** This Agreement contains the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersedes all previous communications, negotiations and agreements, whether oral or written, between the Parties with respect to the subject matter of this Agreement and no addition to or modification of this Agreement or waiver of any of the provisions of this Agreement shall be binding upon either party unless made in writing and executed by both Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives so as to be effective on the date first written above.

NextEra Energy Power Marketing, LLC

FPL Energy Stateline II, Inc.

By: Lawrence Silverstein

Name: _____

Title: Lawrence Silverstein

Senior Vice President and

Managing Director

Date: September 29, 2011
NextEra Energy
Power Marketing, LLC

By: TJ Tuscai

Name: TJ Tuscai

Title: President

Date: September 29, 2011

