

RESOLUTION NO. RS2020-634

A resolution approving Tranche Amendment 1 between the Tennessee Valley Authority, Nashville Electric Service, and the Metropolitan Government of Nashville and Davidson County for the purchase of renewable energy.

WHEREAS, Resolution RS2020-441 approved a "Green Invest Agreement" between the Tennessee Valley Authority ("TVA"), Nashville Electric Service ("NES"), and the Metropolitan Government of Nashville and Davidson County ("Metro") for the potential purchase of renewable energy; and,

WHEREAS, Metro desires to enter Tranche Amendment 1 to purchase renewable energy from NES and TVA, attached hereto and incorporated herein; and,

WHEREAS, pursuant to Tranche Amendment 1, the price per Renewable Energy Certificate or REC is \$1.25; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that Tranche Amendment 1 be approved for Metro to pursue timely compliance with its near and long-term Renewable Portfolio Standard benchmarks laid out in the Metropolitan Code of Law Section 2.32.080.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That Tranche Amendment 1, attached hereto and incorporated herein, is hereby approved, and the Director of the Metropolitan Department of Finance is authorized to execute the same.

Section 2. Any further amendments, renewals, or extension of the terms of Tranche Amendment 1 may be approved by resolution of the Metropolitan Council.

Section 3. That this resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

APPROVED AS TO AVAILABILITY:

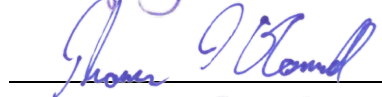
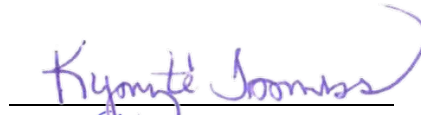


Kevin Crumbo, Director
Department of Finance

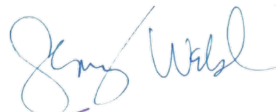
APPROVED AS TO FORM AND
LEGALITY:

Tara M. Ladd
Assistant Metropolitan Attorney

INTRODUCED BY:



Member(s) of Council



TRANCHE AMENDMENT # 1

Contract No. 99818372, Supp. No. ____

This Green Invest Tranche Amendment (“**Amendment**”) is among The Metropolitan Government of Nashville & Davidson County, (“**Company**”); The Metropolitan Government of Nashville & Davidson County, acting by and through the Electric Power Board of said Government (“**Distributor**”); and Tennessee Valley Authority (“**TVA**”), and is subject to the provisions of the Green Invest Agreement (“**Agreement**”), Contract No. 99818372, Supp. No. 1. This Amendment is effective as set out in Conditions Precedent below.

Applicable Renewable Energy Facility	<p>Company will purchase from TVA Product derived from new renewable generation on an as-generated basis contingent on the availability of the new renewable generation resource at SR Tullahoma LLC, accounting for 50% of that facility’s total renewable generation, being obtained by TVA under a power purchase agreement, (“PPA”) Contract Number 6555561.</p> <p>Contract Output (MWac): 200 MW (of which 50% equals 100 MWac) Coordinate Location: 35°20'49.10"N, 86°16'15.88"W Expected Delivery Point: delivery point on the TVA Franklin-Wartrace 161-kV transmission line #2 adjacent to the site Expected Initial Delivery Date: September 29, 2023 Delivery Period (years): 20</p>
Term	The term of this Amendment runs through the expiration of the term of the PPA or the earlier termination thereof.
Product Price	The Product price for generation from the applicable Renewable Energy Facility is \$1.25 per REC.
Renewable Energy Facility Underperformance	<p>TVA will pay Company 4.71% of its proportionate share of the total damages owed and received by TVA from the PPA, specifically Section 3.3, “Failure to Meet the Expected Initial Delivery Date,” and Article 8, “Supply Guarantee; Disconnection or Curtailment;” provided that, pursuant to Section 5.4 of the Agreement, Company shall have the right to receive replacement RECs in the event they are received by TVA under the PPA.</p> <p>In the event of early termination pursuant to Article 9, “Early Termination; Remedies” under the PPA, the percentage and allocation of damages paid to Company will be as set out in Section 5.4 of the Agreement.</p>
Early Termination	Section 7.3 of the Agreement will establish the early termination amount.
Conditions Precedent	This Amendment will become effective on the earlier of the PPA’s Notice to Proceed Deadline or the granting of the Notice to Proceed of the underlying Renewable Energy Facility of the PPA; in the event that the PPA is not executed within 30 days of the execution of this Amendment, this Amendment will not become effective.

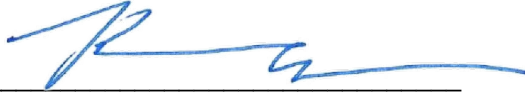
<p>General Terms and Conditions:</p>	<p><u>Ratification of the Agreement.</u> The Agreement, as amended by this Amendment, is ratified and confirmed as the continuing obligation of the parties.</p> <p><u>Defined Terms.</u> Capitalized terms not otherwise defined in this Amendment have the same meaning as in the Agreement.</p> <p><u>Conflicts.</u> In the event of any conflict between this Amendment and the Agreement, this Amendment controls.</p> <p><u>Assignment.</u> This Amendment will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. No party may transfer or assign this Amendment, in whole or in part, without the other parties' prior written consent.</p> <p><u>Amendment.</u> This Amendment may be amended only by a written agreement signed by all parties.</p> <p><u>Counterparts.</u> This Amendment may be executed in multiple counterparts, each of which will be considered an original and all of which together will be considered to be but one and the same instrument. Facsimile or PDF transmission of any signed original document, and retransmission of any facsimile or PDF transmission, will be the same as delivery of any original document.</p>
<p>Performance Assurance:</p>	<p>Section 6 of the Agreement (as amended by that certain Performance Assurance Agreement for the Green Invest Agreement, effective August 14, 2020, by and between the parties) shall govern Company's Performance Assurance obligations with TVA throughout the term of this Amendment. As of the date of execution, the amount of Credit Risk, as defined in Section 6.1.4 of the Agreement, is \$5,500,000.00 for this Tranche Amendment. This amount is subject to change in accordance with Section 6 of the Agreement. The amount of Credit Risk for this Tranche Amendment does not include the amount of Credit Risk that will apply to additional Tranche Amendments that the parties may enter into pursuant to the Agreement.</p>

Signatures on the following pages

By signing below, the parties agree to be bound by the terms and conditions contained in this Amendment and the Agreement.

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**

**APPROVED AS TO AND
AVAILABILITY OF FUNDS**

By 
Kevin Crumbo, Director
Department of Finance

**APPROVED AS TO FORM AND
LEGALITY**

By Tara M. Ladd
Metropolitan Attorney

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**

By _____
John Cooper
Metropolitan County Mayor

ATTEST, this the _____ day of
_____, 20 _____.

By _____
Metropolitan Clerk

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY**
Acting by and through the Electric Power

Attest: Board of said Government

Secretary

By _____
Chairman of the Board

Approved:

By _____ Date _____
President and Chief
Executive Officer

Approved as to Form and Legality:

General Counsel Date _____

Tennessee Valley Authority

Signature:

Title: Chief Financial Officer

Printed Name: John M. Thomas, III

Date: