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RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA, that the attached Resale Rate Schedule Substitution Agreement, numbered TV-70310A, between the City of Florence and the Tennessee Valley Authority to modify retail rate schedules effective October 1, 2025, is hereby approved, ratified and confirmed.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA, that the Mayor and City Clerk are hereby authorized, respectively, to execute and attest such Agreement on behalf of the City of Florence.

ADOPTED this _____ day of _____, 2025.

CITY COUNCIL

APPROVED this _____ day of _____, 2025.

MAYOR

ADOPTED & APPROVED this _____ day of _____, 2025.

CITY CLERK- TREASURER

RESALE RATE SCHEDULE SUBSTITUTION AGREEMENT

TV-70310A, Supp. No. ____

This Agreement is between the CITY OF FLORENCE, ALABAMA ("**Distributor**"), an Alabama municipal corporation, and TENNESSEE VALLEY AUTHORITY ("**TVA**"), a corporate agency and instrumentality of the United States of America created and existing under and by virtue of the Tennessee Valley Authority Act of 1933, as amended.

Distributor purchases all of its power requirements from TVA for resale under contract number TV-70310A, effective July 6, 1986, as amended ("**Power Contract**").

Distributor and TVA periodically amend the Power Contract to make changes to the resale rate schedules that are part of the Power Contract's Schedule of Rates and Charges.

Distributor and TVA want to amend the Power Contract to substitute the new resale rate schedule(s) as specified below.

Therefore, the parties agree as follows:

SECTION 1 - DEFINITIONS

Unless otherwise stated, capitalized terms used in this Agreement have the same meaning as in the Power Contract.

SECTION 2 - EFFECTIVE DATE AND TERM

This Agreement will be effective on October 1, 2025, and will continue in effect until the termination of the Power Contract.

SECTION 3 - CHANGES TO RESALE RATE SCHEDULE(S)

3.1 - Resale Rate Substitution(s)

The parties agree to substitute the new resale rate schedule(s), specified in subsection 3.2 and attached to this Agreement, for the resale rate schedule(s) specified in subsection 3.3.

This substitution will be effective for all bills rendered from resale meter readings taken for Distributor's revenue months beginning with the October 2025 revenue month.

The parties agree that the adjustments set forth in the applicable Adjustment Addendum to the Schedule of Rates and Charges will continue to apply to the charges provided for by the attached schedule(s) specified in subsection 3.2.

The parties hereby affirm their understanding that, upon execution of this Agreement, all references in the Power Contract to the existing resale rate schedule(s) specified in subsection 3.3 will be deemed to refer to the appropriate new resale rate schedule(s) specified in subsection 3.2. All schedules not amended by this Agreement will remain in effect.

3.2 - New Resale Rate Schedule(s)

Residential Rate--Schedule RS (October 2025)
General Power Rate--Schedule GSA (October 2025)
Outdoor Lighting Rate--Schedule LS (October 2025)

3.3 - Existing Resale Rate Schedule(s)

Residential Rate--Schedule RS (July 2024)
General Power Rate--Schedule GSA (July 2024)
Outdoor Lighting Rate--Schedule LS (October 2019)

SECTION 4 - PREVIOUS AGREEMENTS

As of the effective date of this Agreement, the parties hereby terminate Supplement 85 to the Power Contract, effective July 1, 2024.

SECTION 5 - RATIFICATION

The parties hereby ratify and confirm that the Power Contract, as amended by this Agreement, is their continuing obligation.

CITY OF FLORENCE, ALABAMA

By _____

Title: _____

Date: _____

TENNESSEE VALLEY AUTHORITY

By _____

Director
Power Customer Contracts

**FLORENCE ELECTRICITY
DEPARTMENT**

**RESIDENTIAL RATE--SCHEDULE RS
(October 2025)**

Availability

This rate shall apply only to electric service to a single-family dwelling (including its appurtenances if served through the same meter), where the major use of electricity is for domestic purposes such as lighting, household appliances, and the personal comfort and convenience of those residing therein.

Character of Service

Alternating current, single-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor. Multiphase service shall be supplied in accordance with Distributor's standard policy.

Base Charges

Customer Charge: \$24.96 per month

Energy Charge:

Summer Period 7.839¢ per kWh per month

Winter Period 7.498¢ per kWh per month

Transition Period 7.292¢ per kWh per month

Adjustment

The base customer charges and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Minimum Monthly Bill

The base customer charge, as adjusted, constitutes the minimum monthly bill for all customers served under this rate schedule except those customers for which a higher minimum monthly bill is required under Distributor's standard policy because of special circumstances affecting Distributor's cost of rendering service.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of the bill that is unpaid after the due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage.

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**GENERAL POWER RATE--SCHEDULE GSA
(October 2025)**

Availability

This rate shall apply to the firm power requirements (where a customer's contract demand is 5,000 kW or less) for electric service to commercial, industrial, and governmental customers, and to institutional customers including, without limitation, churches, clubs, fraternities, orphanages, nursing homes, rooming or boarding houses, and like customers. This rate shall also apply to customers to whom service is not available under any other resale rate schedule.

Character of Service

Alternating current, single- or three-phase, 60 hertz. Power shall be delivered at a service voltage available in the vicinity or agreed to by Distributor.

Base Charges

1. If (a) the higher of (i) the customer's currently effective contract demand, if any, or (ii) its highest billing demand during the latest 12-month period is not more than 50 kW and (b) the customer's monthly energy takings for any month during such period do not exceed 15,000 kWh:
Customer Charge: \$31.00 per delivery point per month for single-phase service
 \$56.00 per delivery point per month for three-phase service
Energy Charge:
 Summer Period 8.120¢ per kWh per month
 Winter Period 7.784¢ per kWh per month
 Transition Period 7.582¢ per kWh per month

2. If (a) the higher of (i) the customer's currently effective contract demand or (ii) its highest billing demand during the latest 12-month period is greater than 50 kW but not more than 1,000 kW or (b) the customer's billing demand is less than 50 kW and its energy takings for any month during such period exceed 15,000 kWh:
Customer Charge: \$135.00 per delivery point per month
Demand Charge:
 Summer Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$14.40 per kW
 Winter Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$13.43 per kW
 Transition Period First 50 kW of billing demand per month, no demand charge
 Excess over 50 kW of billing demand per month, at \$13.43 per kW

Energy Charge:

Summer Period	First 15,000 kWh per month at 8.748¢ per kWh Additional kWh per month at 4.102¢ per kWh
Winter Period	First 15,000 kWh per month at 8.412¢ per kWh Additional kWh per month at 3.785¢ per kWh
Transition Period	First 15,000 kWh per month at 8.210¢ per kWh Additional kWh per month at 3.659¢ per kWh

3. If the higher of (a) the customer's currently effective contract demand or (b) its highest billing demand during the latest 12-month period is greater than 1,000 kW:

Customer Charge: \$350.00 per delivery point per month

Demand Charge:

Summer Period	First 1,000 kW of billing demand per month, at \$13.10 per kW Excess over 1,000 kW of billing demand per month, at \$12.99 per kW, plus an additional \$12.99 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand
Winter Period	First 1,000 kW of billing demand per month, at \$12.13 per kW Excess over 1,000 kW of billing demand per month, at \$12.02 per kW, plus an additional \$12.02 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand
Transition Period	First 1,000 kW of billing demand per month, at \$12.13 per kW Excess over 1,000 kW of billing demand per month, at \$12.02 per kW, plus an additional \$12.02 per kW per month for each kW, if any, of the amount by which the customer's billing demand exceeds the higher of 2,500 kW or its contract demand

Energy Charge:

Summer Period	4.770¢ per kWh per month
Winter Period	4.451¢ per kWh per month
Transition Period	4.329¢ per kWh per month

Adjustment

The base demand and energy charges shall be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

Summer Period shall mean the June, July, August, and September billing months. Winter Period shall mean the December, January, February, and March billing months. Transition Period shall mean the April, May, October, and November billing months.

Determination of Demand

Distributor shall meter the demands in kW of all customers having loads in excess of 50 kW. The metered demand for any month shall be the highest average during any 30-consecutive-minute period of the month of the load metered in kW. The measured demand for any month shall be the higher of the highest average during any 30-consecutive-minute period of the month of (a) the load metered in kW or (b) 85 percent of the load in kVA plus an additional 10 percent for that part of the load over 5,000 kVA, and such measured demand shall be used as the billing demand, except that the billing demand for any month shall in no case be less than 30 percent of the higher of the currently effective contract demand or the highest billing demand established during the preceding 12 months.

Minimum Bill

The monthly bill under this rate schedule shall not be less than the sum of (a) the base customer charge, (b) the base demand charge, as adjusted, applied to the customer's billing demand, and (c) the base energy charge, as adjusted, applied to the customer's energy takings; provided, however, that, under 2 of the Base Charges, the monthly bill shall in no event be less than the sum of (a) the base customer charge and (b) 20 percent of the portion of the base demand charge, as adjusted, applicable to the second block (excess over 50 kW) of billing demand, multiplied by the higher of the customer's currently effective contract demand or its highest billing demand established during the preceding 12 months.

Distributor may require minimum bills higher than those stated above.

Seasonal Service

Customers who contract for service on a seasonal basis shall be limited to 2,500 kW and shall pay the above charges, as adjusted, plus an additional seasonal use charge equal to:

(a) If the customer's billing demand and its contract demand, if any, are each 50 kW or less:

1.00¢ per kWh for the first 15,000 kWh of the customer's energy takings for the month.

(b) If the customer's billing demand or its contract demand exceeds 50 kW:

1.00¢ per kWh per month of the lesser of (1) the amount computed by multiplying 300 hours by the customer's billing demand or (2) the customer's energy takings for the month.

Consistent with Distributor's standard policy, the customer may arrange for seasonal testing of equipment during offpeak hours.

For such customers, the exception language under the Determination of Demand section and the minimum bill provided for above shall not apply. Distributor may require additional charges to provide recovery of costs for customer-specific distribution facilities.

Contract Requirement

Distributor may require contracts for service provided under this rate schedule. Customers whose demand requirements exceed 125 kW shall be required to execute contracts and such contracts shall be for an initial term of at least 1 year. The customer shall contract for its maximum requirements, which shall not exceed the amount of power capable of being used by customer, and Distributor shall not be obligated to supply power in greater amount at any time than the customer's currently effective contract demand. If the customer uses any power other than that supplied by Distributor under this rate schedule, the contract may include other special provisions. The rate schedule in any power contract shall be subject to adjustment, modification, change, or replacement from time to time as provided under the power contract between Distributor and TVA.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of the bill that is unpaid after the due date specified on bill may be subject to additional charges under Distributor's standard policy.

Single-Point Delivery

The charges under this rate schedule are based upon the supply of service through a single delivery and metering point, and at a single voltage. If service is supplied to the same customer through more than one point of delivery or at different voltages, the supply of service at each delivery and metering point and at each different voltage shall be separately metered and billed.

Service is subject to Rules and Regulations of Distributor.

**FLORENCE ELECTRICITY
DEPARTMENT**

**OUTDOOR LIGHTING RATE--SCHEDULE LS
(October 2025)**

Availability

Available for service to street and park lighting systems, traffic signal systems, athletic field lighting installations, and outdoor lighting for individual customers.

Service under this schedule is for a term of not less than 1 year.

Payment

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after the due date specified on the bill may be subject to additional charges under Distributor's standard policy.

Base Charges

Customer Charge:

Distributor shall apply a uniform monthly customer charge of \$2.50 for service to each traffic signal system and athletic field lighting installation.

Energy Charge:

Summer Period 4.704¢ per kWh per month

Winter Period 4.361¢ per kWh per month

Transition Period 4.157¢ per kWh per month

Adjustment

The base energy charges will be increased or decreased in accordance with the current Adjustment Addendum published by TVA.

Determination of Seasonal Periods

"Summer Period" means the June, July, August, and September billing months. "Winter Period" means the December, January, February, and March billing months. "Transition Period" means the April, May, October, and November billing months.

PART A--CHARGES FOR STREET AND PARK LIGHTING SYSTEMS, TRAFFIC SIGNAL SYSTEMS, AND ATHLETIC FIELD LIGHTING INSTALLATIONS

Facility Charge

The annual facility charge will be 12% of the installed cost to Distributor's electric system of the facilities devoted to street and park lighting service specified in this Part A. Distributor must recompute such installed cost annually (or more frequently if substantial changes in the facilities are made). One-twelfth of the annual facility charge will be billed to the customer each month. If any part of the facilities has not been provided at the electric system's expense; or if the installed cost of any portion thereof is reflected on the books of another municipality, agency, or department, then the annual facility charge will be adjusted to reflect accurately the remaining cost to be borne by the electric system.

Traffic signal systems and athletic field lighting installations will be provided, owned, and maintained by and at the expense of the customer, except as Distributor may agree otherwise, in accordance with the customer charge provisions. The facilities necessary to provide service to such systems and installations will be provided by and at the expense of Distributor's electric system, and the annual facility charge provided for above will apply to the installed cost of such facilities.

Distributor's electric system may provide, own, and maintain traffic signal systems and athletic field lighting installations for the customer's benefit when so authorized by policy duly adopted by Distributor's governing board. In such cases, Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such system or installation, and will require customer to pay a facility charge sufficient to cover all of Distributor's costs (except reimbursed costs, and including appropriate overheads) of providing, owning, and maintaining such system or installation. For athletic field lighting installations, such facility charge will in no case be less than 12% per year of such costs, and will be in addition to the annual facility charge necessary to provide service to such system or installation as provided for in the preceding paragraph.

Lamp Replacement

Traffic signal systems and athletic field lighting installations will be billed and will pay for replacement of lamps and related glassware as provided for in paragraph 1 below.

Street and park lighting customers will be billed and will pay for replacement of lamps and related glassware as provided in paragraph 2 below.

1. Distributor will bill the customer monthly for such replacements during each month at Distributor's cost of materials, including appropriate storeroom expense.
2. Distributor will bill the customer monthly for one-twelfth of the amount by which Distributor's cost of materials, including appropriate storeroom expense, exceeds the product of 3 mills multiplied by the number of kilowatt-hours used for street and park lighting during the fiscal year immediately preceding the fiscal year in which such month occurs.

Metering

For any billing month or part of such month in which the energy is not metered, or for which a meter reading is found to be in error, or a meter is found to have failed, then, for billing purposes, the energy for that billing month or part of such month will be computed from the rated capacity of the lamps (including ballast), plus 5% of such capacity (to reflect secondary circuit losses), multiplied by the number of hours of use.

Revenue and Cost Review

Distributor's costs of providing service under Part A of this rate schedule are subject to review at any time and from time to time to determine if Distributor's revenues from the charges being applied are sufficient to cover its costs. (Such costs, including applicable overheads, include, but are not limited to, those incurred in the operation and maintenance of the systems provided, and those resulting from depreciation and payments for taxes, tax equivalents, and interest.) If any such review discloses that revenues are either less or more than sufficient to cover said costs, Distributor must revise the above facility charges so that revenues will be sufficient to cover said costs. Any such revision of the annual facility charge provided for in Part A of this rate schedule will be by agreement between Distributor and TVA.

PART B--CHARGES FOR OUTDOOR LIGHTING FOR INDIVIDUAL CUSTOMERS AND SPECIAL OUTDOOR LIGHTING

Facility Charge

Distributor will make available to individual customers certain outdoor lighting fixtures. These fixtures will be provided, owned, and maintained by Distributor. A facility charge, covering Distributor's cost plus margin, will be calculated for each individual fixture. If the costs of providing and maintaining individual fixtures change, Distributor must use the formula set forth below to revise the facility charge for that fixture. If Distributor's facility charge calculations, using the formula set forth below, yield a positive revenue impact, then Distributor must notify TVA of the impact on Distributor's revenue. For a period of six years, Distributor will maintain on file the facility charge calculations or spreadsheets for audit purposes, and any other historical information as may be reasonably required by TVA for verification.

$$FC_i = \frac{ICR_i + RAC_i + M_i}{12}$$

i = individual fixture

FC = monthly facility charge

ICR = installed cost recovery of fixture

RAC = recurring annual cost of providing and maintaining fixture

M = Distributor's margin (not to exceed 23%)

Additional Facilities and Installations

The calculated facility charge in this Part B is limited to service from a photoelectrically-controlled standard lighting fixture installed on a pole already in place. If the customer wants to have the fixture installed at a location other than on a pole already in place, Distributor may apply an additional monthly charge.

Distributor's electric system may provide, own, and maintain special outdoor lighting installations for the customer's benefit when so authorized by policy duly adopted by Distributor's governing board. In such cases Distributor may require reimbursement from the customer for a portion of the initial installed cost of any such installation.

Lamp Replacements

Replacements of lamps and related glassware will be made in accordance with Distributor's replacement policies, without additional charge to the customer.

Service is subject to Rules and Regulations of Distributor.