
FOURTH AMENDED AND RESTATED SERVICE AGREEMENT

BETWEEN

COVANTA PASCO, INC.

AND

PASCO COUNTY

Effective as of January 1, 2025

TABLE OF CONTENTS

		Page
ARTICLE I	COOPERATION; DOCUMENTS	2
Section 1.01	Cooperation.....	2
Section 1.02	Service Agreement Documents.....	3
ARTICLE II	DEFINITIONS.....	4
Section 2.01	Definitions.....	4
Section 2.02	Terms Defined in the Construction Agreement or the Expansion Construction Agreement	22
Section 2.03	Terms Generally.....	22
Section 2.04	Notices Generally.....	22
ARTICLE III	OPERATION AND MAINTENANCE OF THE FACILITY BY CONTRACTOR	23
Section 3.01	Overall Responsibilities	23
Section 3.02	Safety of Persons and Property	24
Section 3.03	Repair and Maintenance of the Facility, the Expansion, the Expanded Facility and Facility Site	24
Section 3.04	Personnel.....	29
Section 3.05	Equipment and Spare Parts Inventory.....	30
Section 3.06	Operating Hours; Receiving Time; Legal Holidays	32
Section 3.07	Inspection of the Facility, the Expansion or Expanded Facility; Recordkeeping and Reporting.....	32
Section 3.08	Operation and Maintenance Manuals	35
Section 3.09	Determination of Electrical Capacity.....	35
Section 3.10	Mercury Control System.....	36
Section 3.11	LN NOx Technology	36
Section 3.12	Facility and Expanded Facility Life Extension Projects.....	36
Section 3.13	Stack Testing.....	37
Section 3.14	RESERVED.....	37
Section 3.15	RESERVED.....	37
Section 3.16	BioSolids Facility Electrical Interconnection	38
Section 3.17	Ash Monofill Additional Metal Recovery	38
Section 3.18	Credits.....	38
Section 3.19	RESERVED.....	39
ARTICLE IV	DELIVERY AND PROCESSING OF PROCESSIBLE WASTE	39
Section 4.01	Receipt of Processible Waste; Rejection Rights; Processible Waste Composition; Nonprocessable Waste.....	39
Section 4.02	Processing Guarantee Expanded Facility Processing Guarantee; Delivery of Processible Waste	41
Section 4.03	Inadvertent Deliveries of Nonprocessable Waste.....	41
Section 4.04	Weighing of Processible Waste; County Data; Operation of the Scale House; Invoicing of Disposal Fees; Testing of Scales	42
Section 4.05	Removal and Disposal of Nonprocessable Waste, Residue and Spent Reagent	43

TABLE OF CONTENTS

(continued)

	Page
Section 4.06	Storage 43
Section 4.07	Landfill Operations; Indemnity..... 43
Section 4.08	Hazardous Waste 44
Section 4.09	Composition of Processible Waste – HHV Adjustment..... 46
Section 4.10	Facility or Expanded Facility HHV Adjustment Amount 47
Section 4.11	RESERVED 48
Section 4.12	Additional Solid Waste 48
ARTICLE V	CONTRACTOR GUARANTEES OF FACILITY PERFORMANCE..... 49
Section 5.01	Capacity Guarantees 49
Section 5.02	Electrical Guarantees 49
Section 5.03	Environmental Guarantee 51
Section 5.04	Contractual Environmental Guarantee..... 53
Section 5.05	Ferrous and Non-Ferrous Metals Recovery Guarantees..... 53
Section 5.06	Lime Consumption Guarantee and Expansion Hydrated Lime Consumption Guarantee..... 53
Section 5.07	Residual Quality Guarantee 54
Section 5.08	Effluent Guarantee 54
Section 5.09	Maximum Utility Utilization Guarantee 54
ARTICLE VI	SERVICE FEE PAYMENTS 55
Section 6.01	Service Fee..... 55
Section 6.02	Operation and Maintenance Charge..... 56
Section 6.03	Pass Through Costs..... 57
Section 6.04	Energy Credit and Recovered Resources Revenues 57
Section 6.05	Landfill Charge 58
Section 6.06	Monthly Damages..... 58
Section 6.07	Monthly Adjustment 59
Section 6.08	Billing and Payment of Contractor’s Invoices..... 60
Section 6.09	Uncontrollable Circumstance and Performance 60
Section 6.10	Contractor Non-Performance..... 62
Section 6.11	County Non-Performance 62
Section 6.12	Annual Settlement Procedure 63
Section 6.13	RESERVED 66
Section 6.14	RESERVED 66
Section 6.15	WWTP Electric Sales Arrangement 66
Section 6.16	Contractor Contribution 67
Section 6.17	Certain Costs of RO Process Water Treatment System..... 67
Section 6.18	RESERVED 67
ARTICLE VII	UNCONTROLLABLE CIRCUMSTANCE AND DISPOSAL COST INCREASE LIMITATION 67
Section 7.01	Effect on Obligations 67
Section 7.02	Notices; No Repair or Reconstruction 68
Section 7.03	Repair and Reconstruction 68

TABLE OF CONTENTS

(continued)

	Page
ARTICLE VIII CAPITAL PROJECTS.....	70
Section 8.01 Capital Projects Due to Uncontrollable Circumstance	70
Section 8.02 Contractor Capital Projects	70
Section 8.03 County Capital Projects	71
Section 8.04 Capital Projects due to Uncontrollable Circumstance	72
Section 8.05 Costs for Preparation of Proposals for Capital Projects.....	73
Section 8.06 Additional Financing	74
Section 8.07 Construction Monitoring of Capital Projects	74
ARTICLE IX ARBITRATION; INDEPENDENT ENGINEER.....	74
Section 9.01 Scope.....	74
Section 9.02 Non-Technical Dispute Arbitration Procedure	75
Section 9.03 Technical Disputes.....	76
Section 9.04 Selection of Independent Engineer	76
Section 9.05 Replacement of Independent Engineer	76
Section 9.06 Covenant to Continue Performance	77
Section 9.07 Survival.....	77
ARTICLE X INSURANCE.....	77
Section 10.01 Insurance	77
Section 10.02 Contract Deductible	77
Section 10.03 Insurance Miscellaneous	78
Section 10.04 Insurance Proceeds.....	78
Section 10.05 No Limitation.....	78
ARTICLE XI INDEMNIFICATION AND WAIVER.....	79
Section 11.01 Indemnification	79
Section 11.02 Waiver.....	79
Section 11.03 Exclusion of Consequential Damages	80
Section 11.04 Survival.....	80
ARTICLE XII EVENTS OF DEFAULT	80
Section 12.01 Remedies for Breach or Failure to Perform.....	80
Section 12.02 Events of Default by the Contractor	81
Section 12.03 Events of Default by County.....	83
ARTICLE XIII TERMINATION.....	84
Section 13.01 Mitigation.....	84
Section 13.02 Termination by County for Contractor Event of Default; Limit of Liability	84
Section 13.03 Termination by Contractor For County Event of Default.....	85
Section 13.04 Termination for Uncontrollable Circumstance	86
Section 13.05 Operation Upon Termination.....	86
Section 13.06 Manner of Termination Payment	86
Section 13.07 Survival.....	87

TABLE OF CONTENTS

(continued)

	Page
ARTICLE XIV CONFIDENTIALITY.....	87
Section 14.01 Confidential Information	87
Section 14.02 County Obligation of Confidentiality	87
Section 14.03 Identification of Confidential Information.....	88
Section 14.04 Survival.....	88
ARTICLE XV REPRESENTATIONS	88
Section 15.01 Representations of County	88
Section 15.02 Contractor's Representations	89
ARTICLE XVI MISCELLANEOUS	90
Section 16.01 Term; Testing at End of Term; Term Extension Notice Requirements	90
Section 16.02 Visitation Rights	91
Section 16.03 Industrial Property Rights	92
Section 16.04 Interest on Payments	92
Section 16.05 Compliance with Laws	92
Section 16.06 Assignment	92
Section 16.07 Subcontracts, Assignment and Default	93
Section 16.08 Notices	93
Section 16.09 Relationship of the Parties	93
Section 16.10 Waiver.....	94
Section 16.11 Authorized Representatives	94
Section 16.12 Article and Section Captions; References.....	94
Section 16.13 Severability	94
Section 16.14 Amendment.....	94
Section 16.15 Agreement Governed by Florida Law	94
Section 16.16 No Other Agreements	94
Section 16.17 Successors and Assigns.....	95
Section 16.18 Execution of Documents.....	95
Section 16.19 Transfer or Removal of Equipment, Liability to Transfer.....	95
Section 16.20 Ambiguity	95
Section 16.21 Modification of Indenture	95
Section 16.22 Interpretation of this Agreement.....	95

SCHEDULES

Schedule	1 -	Guarantee
Schedule	2 -	Performance Guarantees
Schedule	3 -	RESERVED
Schedule	4 -	Scheduled and Unscheduled Maintenance
Schedule	5 -	Performance Test Procedures
Schedule	6 -	Power Purchase Agreement
Schedule	7 -	Insurance
Schedule	8 -	Adjustment Factor
Schedule	9 -	Pass Through Costs
Schedule	10 -	Martin Guarantee
Schedule	11 -	Disposal Cost Calculation
Schedule	12 -	Permits
Schedule	13 -	Representative Concentrations for Pasco County Treated Wastewater Effluent
Schedule	14 -	Indenture
Schedule	15 -	Higher Heating Value Adjustment Procedures
Schedule	16 -	Facility Staffing Plan and Expanded Facility Staffing Plan
Schedule	17 -	Additional Solid Waste Program Procedures
Schedule	18 -	Representative Form of Additional Solid Waste Disposal Agreement
Schedule	19 -	Scalehouse Procedures for Additional Solid Waste
Schedule	20 -	Turbine Generator Major Outage Scope of Work
Schedule	21 -	License Agreement
Schedule	22 -	Facility and Expanded Facility Road Pavement Repair Responsibility
Schedule	23 -	Stoker Major Work Scope Responsibility

FOURTH AMENDED AND RESTATED SERVICE AGREEMENT

THIS FOURTH AMENDED AND RESTATED SERVICE AGREEMENT is entered as of the Contract Execution Date by and between Covanta Pasco, Inc., a Florida corporation, (“Contractor”), and Pasco County, Florida, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners (“County”).

RECITALS:

WHEREAS, the County is empowered to enter into this Service Agreement with the Contractor providing for solid waste disposal services by the Processing of Processible Waste delivered by or on behalf of County to the Facility and the operation and maintenance of the Facility pursuant to the terms hereof; and

WHEREAS, the County selected the Contractor, pursuant to its Request for Proposals, dated January 15, 1988, in reliance on the skill, expertise and past successful experience with mass burn technology of the Contractor and its Licensor, Martin GmbH Fur Umwelt- und Energietechnik (“Martin”) to design, construct, start-up, Acceptance Test, operate and maintain the Facility as a service to the County, in accordance with the terms and provisions of the Construction Agreement, this Service Agreement, and, as applicable, the Related Documents as hereinafter defined; and

WHEREAS, the County has been authorized and empowered by the provisions of Chapter 87-441, Florida Statutes (1987), to issue its solid waste disposal and resource recovery bonds which the County intends to use, together with other moneys available to the County, to be applied to the cost of financing the design, construction, start-up and Acceptance Testing of the Facility and the design and construction of functionally related facilities in connection with the Project, as hereinafter defined; and

WHEREAS, the County and the Contractor entered into the Construction and Service Agreements, dated as of December 20, 1988; and

WHEREAS, the County and Contractor are parties to that certain Amended and Restated Service Agreement, dated March 28, 1989 (the “Original Agreement”), pursuant to which Contractor agreed to provide certain services to the County in relation to a Solid Waste Disposal Facility and an Electric Generating Facility (collectively, the “Project”) to be owned by the County; and

WHEREAS, the County and Contractor executed the following amendments to the Original Agreement: Amendment No. 1, dated December 15, 1992; Amendment No. 2, dated June 6, 1995; Amendment No. 3, dated July 9, 1996; Amendment No. 4, dated May 25, 1999; Amendment No. 5, dated December 19, 2000; Amendment No. 6, dated September 5, 2001; and Amendment No. 7, dated February 14, 2006 (collectively, the “Amendments”); and

WHEREAS, the County and Contractor entered into a Second Amended and Restated Service Agreement as of September 23, 2008 (the “Second Agreement”) to amend and restate the Original Agreement in its entirety by incorporating the Amendments previously executed by the

Parties as herein set forth and to remove certain language and provisions the Parties have satisfied; and

WHEREAS, the parties executed an Amendment No.1 to the Second Agreement dated December 17, 2013 (“Amendment No.1”); and

WHEREAS, the County and Contractor entered into a Third Amended and Restated Service Agreement as of October 5, 2016 (the “Third Agreement”) to amend and restate the Original Agreement in its entirety by incorporating the Amendments previously executed by the Parties as herein set forth and to remove certain language and provisions the Parties have satisfied; and

WHEREAS, the parties executed an Amendment No.1 to the Third Agreement dated June 5, 2018; an Amendment No.2 to the Third Agreement dated October 22, 2019; an Amendment No.3 to the Third Agreement dated March 23, 2021; and an Amendment No.4 to the Third Agreement dated December 7, 2021; and

WHEREAS, the parties desire to amend and restate the Third Agreement in its entirety by incorporating certain provisions of Amendments No.1, No.2, No. 3 and No.4 and by correcting certain non-substantive errors in Amendments No.1, No.2, No. 3 and No.4 and by including the Expansion Construction Agreement and incorporating certain provisions for the Facility, the Expansion and the Expanded Facility to take effect as the Fourth Amended and Restated Service Agreement on January 1, 2025 @ 12:00 A.M.; and

WHEREAS, the Third Agreement will remain in effect until 11:59 P.M. December 31, 2024; and

WHEREAS, the Contractor shall operate and maintain the Facility and the Expanded Facility so as to provide certain solid waste Processing services to the County, and the County will deliver or cause to be delivered to the Facility and the Expanded Facility certain quantities of Processible Waste to be Processed at the Facility and the Expanded Facility in accordance with the terms and conditions of this Service Agreement; and

WHEREAS, Covanta Holding Corporation (“Guarantor”) has executed the Guarantee set forth in Schedule 1 guaranteeing the Contractor’s performance of its obligations under the Construction Agreement and this Service Agreement.

NOW, THEREFORE, in consideration of the mutual premises set forth above, and the terms and conditions hereinafter set forth, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Contractor and the County do hereby agree as follows:

ARTICLE I COOPERATION; DOCUMENTS

Section 1.01 Cooperation. The Parties shall cooperate and use their best efforts, pursuant to the terms of this Service Agreement, to facilitate the Processing and disposal of Processible Waste delivered to the Facility by or on behalf of the County. Accordingly, the Parties agree in

good faith to mutually undertake the resolution of disputes, if any, in an equitable and timely manner so as to avoid the need for resolution of such disputes in accordance with Article IX.

Section 1.02 Service Agreement Documents. The following Schedules are attached hereto and made a part of this Service Agreement.

Schedule	1 -	Guarantee
Schedule	2 -	Performance Guarantees
Schedule	3 -	RESERVED
Schedule	4 -	Scheduled and Unscheduled Maintenance
Schedule	5 -	Performance Test Procedures
Schedule	6 -	Power Purchase Agreement
Schedule	7 -	Insurance
Schedule	8 -	Adjustment Factor
Schedule	9 -	Pass Through Costs
Schedule	10 -	Martin Guarantee
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Schedule	21 -	License Agreement
Schedule	22 -	Facility and Expanded Facility Road Pavement Repair Responsibility
Schedule	23	Stoker Major Work Scope Responsibility

This Service Agreement, together with the foregoing Schedules, constitutes the entire Service Agreement between the Contractor and the County with respect to the Processing and disposal of Processible Waste delivered or caused to be delivered to the Facility and the Expanded Facility by the County; provided, however, that the Indenture set forth in Schedule 14, are intended by the Parties to be attached for informational purposes only. It is recognized and agreed between the Parties that the terms and provisions of this Service Agreement shall prevail.

ARTICLE II DEFINITIONS

For purposes of this Service Agreement, the following words and phrases shall be given the following respective interpretations and meanings:

Section 2.01 Definitions.

AAA means the American Arbitration Association.

Acceptance or Accepted means that the Full Acceptance Standard has been met or, if the Full Acceptance Standard cannot be met, that the Minimum Acceptance Standard has been met, as determined in accordance with Sections 7.02 or 7.03 of the Construction Agreement.

Acceptance Date means -on or about May 11, 1991 the date on which Acceptance of the Facility occurred.

Acceptance Test and Acceptance Testing means the tests described in the test plan developed in accordance with Section 7.02(b) of the Construction Agreement, together with the test procedures specified in Schedule 4 of the Construction Agreement.

Actual Acceptance Standard means the adjusted performance guarantees specified in Schedule 2 as a result of Acceptance of the Facility pursuant to Article VII of the Construction Agreement.

Actual Expansion Acceptance Standard means the adjusted performance guarantees specified in Schedule 2 as a result of Acceptance of the Expansion pursuant to Article VII of the Expansion Construction Agreement.

Additional Bonds means bonds, other than the initial Bonds and other evidences of indebtedness, issued by the County pursuant to the Indenture to provide the County with funds for the construction of the Facility, the Expansion or for Capital Projects.

Additional Project Elements Costs means the total of the amounts requisitioned, or to be requisitioned, from the proceeds of the Bonds and the County Contribution for the cost of construction and completion of the Transfer Station, the dedicated cells for Residue disposal at the Landfill and sewage treatment capacity, which purchases, or improvements are not included in the Work to be performed by the Contractor pursuant to this Service Agreement.

Additional Solid Waste shall mean Non-Hazardous Processible Waste received at the Facility or the Expanded Facility from generators, brokers or other suppliers under contracts to be negotiated and entered into solely between Contractor and the said generators and suppliers (the County shall not be a party to such agreements) but this shall not preclude the County from securing Processible Waste pursuant to Section 4.02. All inquiries from third parties regarding the accepting and processing of Additional Solid Waste shall be reviewed jointly by the County and the Contractor for handling. The categories of waste materials that constitute Additional Solid Waste are generally as follows:

- Non-Hazardous items suitable for human consumption and/or application whose shelf-life has expired or which the generator wishes to remove from the market and wishes to ensure proper destruction such as off-specification pharmaceuticals (excluding beauty aids).
- Non-Hazardous consumer-packaged products not intended for human consumption and/or application.

- Non-Hazardous materials used in the manufacture of items in the categories above that are or contain commercially useless (expired, rejected or spent), or finished products not yet formed or packaged for commercial distribution.
- Non-Hazardous, non-recyclable plastics, packaging materials, shredded carpet, natural and synthetic fibers, clothing or fabric remnants, containers, (including but not limited to items such as; aprons, gloves, floor sweepings and latex paints).
- Non-Hazardous materials that contain oil from routine clean-up of industrial establishments and machinery or the oil contaminated materials used in the clean-up of spills of petroleum products in transit or storage, and which are liquid free (including but not limited to items such as rags, lints, and absorbents) plus oil filters.
- Non-hazardous materials generated by manufacturing and industrial activities. This category includes filtercake from the manufacture of synthetic oil, paint overspray, and other filtration materials from industrial processes and systems.
- Confidential documents (including but not limited to items such as; records and microfilm).

Adjustment Factor has the meaning specified in Schedule 8.

Affiliate means the Guarantor, and any wholly-owned corporation, partnership, joint venture or other entity controlled directly or indirectly by the Guarantor or any one of such entities.

Alternate Landfill means any landfill or other Solid Waste disposal or processing site or facility designated by the County pursuant to Section 4.07 to receive Nonprocessable Waste, Residue, Bypassed Waste, Spent Reagent or Processible Waste other than the County's Landfill to be located on Hayes Road in Pasco County, Florida.

Amendment means Section 129 of the Clean Air Act Amendment of 1990.

Annual Average Electrical Guarantee means the Contractor's obligation to generate electrical energy per Ton of Processible Waste Processed by the Facility in each Billing Year in accordance with Section 5.02, as specified in PART A 9 of Schedule 2.

Annual Average Expansion Electrical Guarantee means the Contractor's obligation to generate electrical energy per Ton of Processible Waste Processed by the Expansion in each Billing Year in accordance with Section 5.02, as specified in PART A.9 of Schedule 2. Authorized Representative means the County's and the Contractor's representatives designated pursuant to Section 16.10, which representatives shall have express authority to act on behalf of their respective Party to this Service Agreement, evidenced by a written authorization executed by the respective signatories of this Service Agreement and delivered to the other Party.

Billing Month means each calendar month in each Billing Year, except that (a) the first Billing Month for the Expanded Facility and the last Billing Month for the Facility shall begin and end respectively on the first day of the month following the date on which the Acceptance of the Expansion occurs, subject to the provisions of Section 7.7 of the Expansion Construction

Agreement, and (b) the last Billing Month shall end concurrently with the end of the term of this Service Agreement.

Billing Year means, for each Billing Year other than the first, the twelve calendar-month period commencing on the first Day of October following the fiscal year in which the first Billing Month occurs and ending on the thirtieth (30th) Day of September, and each twelve calendar-month period thereafter. The first Billing Year for the Expanded Facility and the last Billing Year for the Facility shall commence and end respectively on the first Day of the Billing Month following the Acceptance Date of the Expansion and shall end on the thirtieth (30th) Day of September following the first Billing Month. The last Billing Year shall end concurrently with the end of this Service Agreement.

BioSolids Facility Electrical Interconnection means the electrical equipment installed on the Facility Site as identified in Section 3.16.

Bonds means the outstanding bonds, or any other evidences of indebtedness, issued by the County from time to time pursuant to the Indenture to finance the Project, including, but not limited to, the Transfer Station, the cells of the Landfill dedicated to the disposal of Residue by the County, wastewater treatment capacity related to the Facility, the treated sewage effluent line for delivery of cooling water to the Facility, the sanitary sewer lines, related transportation improvements and the potable water line outside of the Facility Site related to the Facility, the Expansion or the Expanded Facility, or any Capital Project, including such additional amounts as are, or were, required to pay the costs of issuance of the bonds, interest during construction, and to fund any reserves required to be funded from Bond proceeds, or to pay for any insurance on the Bonds or on any reserves required under the Indenture.

Btu means British Thermal Unit.

Business Day means each Monday, Tuesday, Wednesday, Thursday, Friday and Saturday which is not a Legal Holiday.

Bypassed Waste means the Tons of Processible Waste calculated pursuant to Section 4.01(b)(iii).

Capacity Damages means the damages payable by the Contractor for the loss of electric revenues during any Billing Month due to the loss of capacity payments pursuant to the terms of the Power Purchase Agreement(s). Such damages payable by the Contractor subject to Section 6.06(b) shall be equal to the product of: (i) the total shortfall in electric revenues for such Billing Month as a result of the loss of all or a portion of the capacity payment in accordance with the terms of the Power Purchase Agreement(s), as adjusted by the Contractor in accordance with Section 5.02(c)(i); times, (ii) a fraction, the numerator of which is the sum of (A) the total kWh lost as demonstrated by Energy Inefficiency Period(s) test(s) results during the said preceding twelve (12) consecutive Billing Months, exclusive of Qualified Turbine Generator Outage Day(s), plus (B) the total kWh lost as a result of Bypass Waste that has occurred within the prior twelve (12) consecutive Billing Months, provided that such amount of Bypass Waste shall not exceed the Processing Guarantee minus the total Tons Processed in such period, which total kWh amount shall be expressed as such total Tons of Bypass Waste multiplied by the Annual Average Electrical

Guarantee and the denominator of which is the product of (C) the Guaranteed Tonnage, times (D) the Energy Efficiency Guarantee.

Capital Project means any addition, change, modification or alteration to the Facility, or the Expansion described in the specifications set forth in Appendices 2 and 3 of the Expansion Construction Agreement and the plans and drawings submitted to the County with respect to the Expansion provided by the Contractor in accordance with Section 8.10 of the Expansion Construction Agreement, which addition, change or modification is performed pursuant to the provisions of Article VIII.

Change in Law means either (a) the enactment, adoption, promulgation, modification or repeal after the Contract Effective Date of any Federal, State, County or other local law, ordinance, code, rule or regulation or other similar legislation or (b) the change in interpretation of any official permit, license or approval by any regulatory entity having jurisdiction with respect to the construction, operation or maintenance of the Facility or the Expanded Facility, or the imposition, after the Contract Effective Execution Date of any material conditions in the issuance or renewal of any official permit, license or approval necessary for construction, start-up, performance testing of the Expansion or operation of the Facility or the Expanded Facility, which, in any case, necessitates a Capital Project or increases the Initial Operation and Maintenance Charge pursuant to Section 8.04 by establishing requirements with respect to the operation, performance testing or maintenance of the Facility, the Expansion or the Expanded Facility which are more burdensome than the most stringent of the following requirements

(i) those in effect on the Contract Effective Date;

(ii) those agreed to by the County and the Contractor in any applications for official permits, licenses or approvals for the Facility, the Expansion or the Expanded Facility; other than any requirements set forth in said applications to comply with future laws, ordinances, codes, rules, regulations or similar legislation; or,

(iii) those contained in any official permits, licenses or approvals with respect to the Facility, the Expansion or the Expanded Facility in effect on the Contract Effective Date other than any requirements set forth in said permits to comply with future laws, ordinances, codes, rules, regulations or similar legislation.

For purposes of part (a) of this definition, no enactment, adoption, promulgation modification or repeal of laws, ordinances, codes, rules, regulations or similar legislation shall be considered a Change in Law if, as of the Contract Effective Date, such law, ordinance, code, rule, regulation or other similar legislation was officially proposed, with an effective date on or before the Contract Effective Date, and the comment period with respect to which has expired on or before the Contract Effective Date and any required hearings have been concluded on or before the Contract Effective Date in accordance with applicable administrative procedures. In no event shall a change in Federal, State, or local tax law, or any other tax law, be considered a Change in Law.

Combustion/Steam Generator Line means the separate complete furnace/boiler including the waste feed hopper, grates, boiler, combustion air fans, ash quench device, ash removal device,

dry scrubber, baghouse, other air pollution control equipment, induced draft fan, flue, and related auxiliary equipment.

Committed Capacity Damage Payment means the difference between (i) the capacity payments that would have been received by the County for each Billing Month, as provided by any of the Power Purchase Agreement(s), minus (ii) the actual capacity payments that the County is entitled to receive for capacity payments pursuant to the Power Purchase Agreement for capacity committed by the Contractor pursuant to Section 5.02(c)(i).

Confidential Information means information now or hereafter owned or controlled by the Contractor and identified as such pursuant to the provisions of Section 14.03, including, without limitation, patented and unpatented inventions, trade secrets, know-how, techniques, data, specifications, as-built drawings, blueprints, flow sheets, designs, engineering information, cost and productivity data, construction information, operation criteria, and Operation and Maintenance Manuals relating to the Facility or the Expanded Facility. Any such information which becomes a part of general knowledge other than in violation of the provisions of Article XIV or is a public record pursuant to Florida's Public Records Act, shall not be deemed Confidential Information.

Construction Agreement means the Amended and Restated Construction Agreement between the Contractor and the County, dated as of March 28, 1989.

Consulting Engineer means a consulting engineering company, with demonstrated experience in the area of resource recovery, as approved by Pasco County, until such time as the County, in its sole discretion, shall engage a replacement engineer. The County shall notify the Contractor of any change in such consulting engineering company.

Contract Execution Date means the date the Fourth Amended and Restated Service Agreement is fully executed by the Parties.

Contract Effective Date means January 1, 2025.

Contractor means Covanta Pasco, Inc., a corporation formed under the laws of the State of Florida and authorized to do business in the State.

Contractor Fault means any breach, failure, nonperformance, or noncompliance by the Contractor with the terms and provisions of this Service Agreement, or any negligent or willful act or misconduct of any officer, agent, employee, contractor, subcontractor of any tier or independent contractor of the Contractor which prevents or delays the Contractor from performing its obligations under this Service Agreement, and any act or omission of the Design Builder, its Subcontractors, Subconsultants, Professionals or other persons or entities employed or utilized by Design Builder in the performance of the Expansion Construction Agreement that directly or indirectly impacts the Facility or Expanded Facility or the operations thereof.

Contractor's Share means the amount calculated pursuant to Section 5.03 (c).

Cost Substantiation means, with respect to any cost incurred by either Party, a certificate signed by either the County's Authorized Representative with respect to Direct Costs incurred by the County, or a certificate signed by the Contractor's Authorized Representative with respect to

Direct Costs incurred by the Contractor, stating the reason for incurring such Direct Cost, the amount of such Direct Cost, the event or Section of this Service Agreement giving rise to the Party's right to incur such Direct Cost and that such Direct Cost is at a competitive price for the service or materials supplied (taking into account that such service or material may be provided by a wholly-owned corporation, partnership, joint venture or other entity controlled directly or indirectly by the Contractor or the Guarantor on a sole source basis). If a Party does not object, in writing, to any such certificate provided by the other Party within thirty (30) Days after receipt thereof, such Direct Cost shall be deemed accepted by such Party and shall be payable in accordance with the terms of this Service Agreement. With respect to Direct Costs incurred by the County or the Contractor, the amount shall be increased to provide for the payment of a profit only when expressly authorized pursuant to the terms of this Service Agreement. Such increase, when applicable, shall be an amount equal to a percentage, or as specifically negotiated between the Parties on a case-by-case basis of such Direct Costs, exclusive of the costs of travel and subsistence incurred by any employee of the County or the Contractor. Any certification provided by either Party shall include copies of all invoices, or charges, together with any additional documentation of such costs or expenses incurred which are necessary, in accordance with generally accepted accounting practices and procedures, to verify the amount of such costs and expenses and to demonstrate the basis for the amount claimed.

County means Pasco County, Florida, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners.

County Contribution means any monies other than Bond proceeds or Additional Bond proceeds, paid by the County for Project costs which were applied, or which are to be applied, pursuant to and consistent with the terms of the Indenture, to the payment of any cost with respect to the Project, the Expansion or the Expanded Facility.

County Fault means any breach, failure, nonperformance or noncompliance by the County with the terms and provisions of this Service Agreement, or any negligent or willful act or omission of any official, commissioner, agent, employee, contractor, subcontractor of any tier or independent contractor of the County which prevents or delays County from performing its obligations under this Service Agreement.

Daily Capacity Guarantee, Expansion Daily Capacity Guarantee and Expanded Facility Daily Capacity Guarantee means the Contractor's obligation to Process the quantities of Processible Waste, in accordance with Section 5.01, and as specified in Schedule 2, Part A, paragraphs.2. (a), (b) and (c).

Day shall mean a calendar day of time, beginning at 12:01 a.m. in the eastern time zone of the United States coinciding with the calendar day, whether or not a Sunday or Legal Holiday.

Direct Costs means, in connection with any cost or expense incurred by either Party for which Cost Substantiation is required pursuant to the terms of this Service Agreement, the sum of (i) the costs of the Party's payroll directly related to the performance or supervision of any obligation of said Party pursuant to the terms of this Service Agreement, consisting of compensation and fringe benefits, including vacation, sick leave, holidays, retirement, Worker's Compensation Insurance not otherwise provided by either Party pursuant to the provisions of

Article X, federal and State unemployment taxes and all medical and health insurance benefits, times 1.10, plus (ii) the costs of materials, services, direct rental costs and supplies purchased by such Party, plus (iii) the costs of travel and subsistence as authorized by State law, but not including employee relocation expenses incurred by any employee of such Party, plus (iv) the reasonable costs of any payments to subcontractors necessary to, and in connection with, the performance of such obligation.

Disposal Cost means the amount calculated pursuant to Schedule 11.

Disposal Cost Increase Limitation means the limit on the increase in Disposal Cost due to Uncontrollable Circumstances which occur after the Contract Effective Date. The maximum cumulative increase in the County's Disposal Cost due to such Uncontrollable Circumstance events is ten dollars (\$10.00) per Ton of Processible Waste, adjusted in accordance with the indices set forth in Schedule 8, as calculated by the County pursuant to Section 8.04.

Effluent Guarantee means the Contractor's obligation with respect to storm water discharge and wastewater discharge specified in Section 5. and Part A paragraph.4. of Schedule 2.

Energy Credit means the component of the Service Fee calculated in accordance with Section 6.04(b).

Energy Efficiency Guarantee means the Contractor's obligation to generate electric energy when the Facility, the Expansion or the Expanded Facility is tested in accordance with Schedule 5, and as specified in Part A Paragraph. 1 of Schedule 2.

Energy Inefficiency Period means the period of time, as specified pursuant to Section 5.02(c) or Section 5.02(d), during which the Contractor is obligated to pay the County Monthly Damages for lost electric revenues pursuant to Section 6.06(a).

Environmental Guarantee means the Contractor's obligation to operate the Facility, the Expansion or the Expanded Facility in compliance with applicable environmental rules and regulations, and permits, licenses or approvals issued thereunder, in accordance with Section 5.03 and Part A paragraph.5 of Schedule 2.

EPA means the United States Environmental Protection Agency or its successor.

EPA Toxicity Test means the procedures set forth in 40 C.F.R. 261.33, Appendix II, EPA Toxicity Test Procedure, as modified or amended.

Event of Default means any one or more of those events described in Sections 12.02 and 12.03.

Expanded Facility means the Facility plus the Expansion once Expansion Acceptance of the Expansion has been achieved.

Expanded Facility Capital Project means any addition, change, modification or alteration to the Expanded Facility provided by the Contractor.

Expanded Facility Guaranteed Tonnage means the number of Tons of Processible Waste to be delivered by or on behalf of the County to the Expanded Facility in any Billing Year, which number shall be four hundred thirty five thousand two hundred sixty-three (435,263) Tons or such lesser amount as may result from (i) reduction of the Processing Guarantee due to Uncontrollable Circumstance, or (ii) an Uncontrollable Circumstance which prevents delivery of Processible Waste, or (iii) Acceptance of the Expansion at less than the Full Acceptance Standard; provided, however, that for a Billing Year of less than Fifty-two (52) weeks, the Expanded Facility Guaranteed Tonnage shall be proportionately reduced to reflect the number of weeks in said Billing Year.

Expanded Facility HHV Adjustment means the amount for a Billing Year or partial Billing Year as it defined in Section 4.10.

Expanded Facility Maximum Utility Utilization Guarantee means the maximum amounts of electricity, sanitary sewage disposal requirements, natural gas and potable water, and potable water and/or reclaimed water if applicable, which the Expanded Facility may utilize pursuant to Section 5.09 and specified in PART A paragraph.6 of Schedule 2.

Expanded Facility NFMRS means the non-ferrous material recovery system designed to recover Non-Ferrous Metal from the Residue that remains after the ferrous material has been removed from the Residue. The NFMRS shall include ferrous metal recovery equipment, Non-Ferrous Metal separation equipment (eddy current or other mechanical separation equipment), screening, handling and conveying equipment, controls, utility services and a Non-Ferrous Metal storage area in the ash building at the Expanded Facility.

Expanded Facility Processing Guarantee means the Contractor's obligation to Receive the quantity of Processible Waste per Billing Year specified in paragraph A2.c. of Schedule 3 in accordance with Section 5.01, or such lesser amount as may result from (i) a reduction in Processing capacity due to an Uncontrollable Circumstance or County Fault, or (ii) an Uncontrollable Circumstance or event or circumstance due to County Fault which prevents delivery of Processible Waste to the Expanded Facility, or (iii) Acceptance of the Expansion at less than the Expansion Full Acceptance Standard; provided, however, that for a Billing Year of less than fifty-two (52) weeks, the number of such Tons of Processible Waste shall be proportionately reduced to reflect the number of weeks in said Billing Year.

Expansion means that portion of the System which is being designed, constructed, started up, operated and at some point achieves Expansion Acceptance by the Contractor, including the mass-burn resource recovery electric generating facility, as well as any Capital Projects (or Change Orders as defined in the Expansion Construction Agreement), together with appurtenant structures and equipment constructed by the Contractor on the Facility Site in accordance with the Expansion Construction Agreement.

Expansion Acceptance means that the Expansion Full Acceptance Standard has been met or, if the Expansion Full Acceptance Standard cannot be met, that the Expansion Minimum Acceptance Standard has been met, or other standard as accepted by the County as determined in accordance with Section(s) 7.7 of the Expansion Construction Agreement.

Expansion Acceptance Date means the date on which Expansion Acceptance occurs.

Expansion Acceptance Test and Expansion Acceptance Testing means the tests described in the test plan developed in accordance with Appendix 17 of the Expansion Construction Agreement, together with the test procedures specified in Appendix 17 of the Expansion Construction Agreement.

Expansion Construction Agreement means the Design Build Agreement for Waste-to-Energy Plant Expansion between County and the Contractor, executed on the 5th day of September, 2023.

Expansion Full Acceptance Standard means compliance of the Expansion with the performance standards set forth in Appendix 18 of the Expansion Construction Agreement, as demonstrated by Expansion Acceptance Testing in accordance with Appendix 7 of the Expansion Construction Agreement.

Facility means that portion of the System which has been designed, constructed and Acceptance Tested by the Contractor, including the mass-burn resource recovery electric generating facility, as well as any Capital Projects, together with appurtenant structures and equipment constructed by the Contractor on the Facility Site in accordance with Section 3.01 and Schedule 2 of the Construction Agreement.

Facility Reagents, Expansion Reagents or Expanded Facility Reagents have the meaning specified in Section 3.07(c)(i).

Facility Site means the real property, easements, and rights of way located in Pasco County, Florida, as more particularly described in Schedule 3 of the Construction Agreement, upon which the Facility was constructed and the Expansion is to be constructed. It includes the transmission line corridor and the transformer located on the adjacent WWTP site, which are part of the electrical interconnect between the Facility, the Expansion or the Expanded Facility, and the WWTP.

Ferrous and Non-Ferrous Metals Removal Guarantees means the Contractor's obligation to recover ferrous and non-ferrous metals pursuant to Section 5.05, as specified in Part A paragraph 8 of Schedule 2.

FPC means Duke Energy or its successors or assigns.

Full Acceptance Standard means compliance of the Facility with the performance standards set forth in Part B of Schedule 7 of the Construction Agreement, as demonstrated by Acceptance Testing in accordance with Schedule 4 of the Construction Agreement.

Guarantee means the agreement between the Guarantor and the County set forth in Schedule 1.

Guaranteed Tonnage means the number of Tons of Processible Waste to be delivered by or on behalf of the County to the Facility in any Billing Year, which number shall be three hundred sixteen thousand five hundred (316,500) Tons or such lesser amount as may result from (i)

reduction of the Processing Guarantee due to Uncontrollable Circumstance, or (ii) an Uncontrollable Circumstance which prevents delivery of Processible Waste, or (iii) Acceptance of the Facility at less than the Full Acceptance Standard; provided, however, that for a Billing Year of less than Fifty-two (52) weeks, the Guaranteed Tonnage shall be proportionately reduced to reflect the number of weeks in said Billing Year.

Guarantor means the Person which executed the Guarantee set forth in Schedule 1.

Hazardous Waste means any material or substance which, as of the Contract Execution Date, and by reason of its composition or characteristics is (a) toxic or hazardous waste as defined in the Solid Waste Disposal Act, 42 USC §6901 et seq., as amended, replaced or superseded, and the regulations implementing same, or (b) material regulated by the Toxic Substances Control Act, 15 USC §2601, et seq., as amended, replaced or superseded, and the regulations implementing same, or (c) special nuclear or by-products material within the meaning of the Atomic Energy Act of 1954. If any governmental agency or unit having appropriate jurisdiction shall determine that substances which are not, as of the Contract Date, considered harmful, toxic, or dangerous, are in fact harmful, toxic or dangerous or are hazardous or harmful to health when Processed at the Facility, the Expansion or the Expanded Facility, then any such substances or materials shall thereafter be Hazardous Waste for purposes of this Service Agreement.

Higher Heating Value or HHV means the Btu content or specific higher heating value of Processible Waste as determined by using the combustion system of the Facility or the Expansion as a calorimeter in accordance with ASME Performance Test Code PTC 4.1 (or such later edition(s) as the Parties may mutually agree).

HHV Adjustment Amount means the amount determined in accordance with Section 4.10.

Hydrated Lime Consumption Guarantee means the Contractor's obligation with respect to the use of chemical reagents for the Facility and the Expansion in accordance with Section 5.06 and Part A Paragraph, 7 of Schedule 2. Line Hour of Maintenance means any given hour, or part thereof, during which a Combustion/Steam Generator Line is unable to Process Processible Waste (for any-reason other than Uncontrollable Circumstance or County Fault).

Indenture means the Indenture of Trust dated February 1, 2008, as amended pursuant to the terms thereof, between the County and the Trustee and any other agreement or supplemental indenture or future indenture pursuant to which Bonds are issued to finance the Project, the Expansion or any Capital Project.

Independent Engineer means the nationally recognized independent consulting engineer or firm selected in accordance with the procedure set forth in Article IX.

Initial Expanded Facility Operation and Maintenance Charge means the amount of \$50.50 per Ton of Processible Waste received at the Expanded Facility once the Expanded Acceptance Date occurs for the first 448,001 Tons of Processible Waste received at the Expanded Facility, and the amount of \$33.38 per Ton of Processible Waste for Tons of Processible Waste received at the Expanded Facility above 448,001 Tons, as such amounts may be adjusted pursuant to Section 7.7 of the Expansion Construction Agreement. The preceding dollar values are stated in September 30, 2023 dollars. After September 30, 2023, the Initial Expanded Facility Operations and

Maintenance Charge Value shall be adjusted pursuant to the Service Fee Adjustment Factor as provided in Schedule 8.

Initial Operation and Maintenance Charge means the amount of \$53.82 per ton received at the Facility for the first 326,000 tons, and the amount of \$36.70 per ton received at the Facility for tons over 326,000. The preceding dollar values are stated in September 30, 2023 dollars. After September 30, 2023, the Initial Operations and Maintenance Charge Value shall be adjusted pursuant to the Service Fee Adjustment Factor as provided in Schedule 8.

Interlocal Agreements means the agreements between the County and certain cities located within the County for the disposal of waste, or any other governmental authority or agency within or without the County.

kWh means kilowatt hours of electricity.

Landfill means the County's landfill located on Hays Road in Pasco County, Florida which is permitted to operate and accept Processible Waste, Nonprocessible Waste, Residue and Spent Reagent under applicable federal or State law.

Landfill Charge means the Landfill Charge component of the Service Fee calculated pursuant to Section 6.05, in the amount of the greater of (a) seventy dollars (\$70.00) per Ton of Bypassed Waste, adjusted from the Contract Execution Date in accordance with Schedule 8, or (b) the County's Direct Cost incurred for the disposal of Bypassed Waste, to the extent of Cost Substantiation, excluding profit.

Legal Holiday means New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day or such other Legal Holidays as may be designated from time to time by the County.

License Agreement means the Covanta Energy, LLC proprietary LN NOx Control Technology license agreement attached as Schedule 21 to this Service Agreement. The Parties acknowledge the existence and continued effectiveness of the License Agreement under this Service Agreement.

Licensor means Covanta Energy, LLC and its successors and assignees.

Life Extension Projects or LEP means replacements in kind of equipment or structures whose installed costs exceed four hundred thousand dollars (\$400,000), as of September 30, 2022 subject to the same escalation formula as the Operations and Maintenance Charge, and which have a design life of at least 5 years and (i) that have exceeded (or are expected to exceed within 2 years) their expected useful life, or (ii) should be replaced to maintain Facility or Expanded Facility operating conditions provided that in the case of projects proposed to be replaced pursuant to clause (ii), the need for replacement is not due to lack of maintenance in accordance with prudent industry practices and as prescribed in its respective Operation and Maintenance Manual, or is not due to improper operation beyond manufacturer warranty conditions. Obsolescence of installed equipment that is no longer supported by the original equipment manufacturer and where replacement or spare parts are not otherwise available may be considered for Replacement and Refurbishment Projects when all of the above criteria are met.

Lime Consumption Guarantee means the Contractor's obligation with respect to the use of chemical reagents for the Facility and the Expansion in accordance with Section 5.06 and Part A Paragraph,7 of Schedule 2. Line Hour of Maintenance means any given hour, or part thereof, during which a Combustion/Steam Generator Line is unable to Process Processible Waste (for any-reason other than Uncontrollable Circumstance or County Fault).

LN NOx Technology has the meaning given such term in the License Agreement.

Martin means Martin GmbH Fur Umwelt- und Energietechnik.

Martin Guarantee means the covenant made by Martin to and for the benefit of the County set forth in Schedule 10.

Maximum Utility Utilization Guarantee means the maximum amounts of electricity, sanitary sewage disposal requirements and natural gas which the Facility and the Expansion may utilize pursuant to Section 5.09 and specified in paragraph A.6 of Schedule 2.

Mercury Control System has the meaning set forth in Section 3.10(a).

Monthly Adjustment means the component of the Service Fee calculated pursuant to Section 6.07.

Monthly Damages means the component of the Service Fee calculated pursuant to Section 6.06.

NFMRS means the non-ferrous material recovery system designed to recover Non-Ferrous Metal from the Residue that remains after the ferrous material has been removed from the Residue. The NFMRS shall include ferrous metal recovery equipment, Non-Ferrous Metal separation equipment (eddy current or other mechanical separation equipment), screening, handling and conveying equipment, controls, utility services and a Non-Ferrous Metal storage area in the existing ash building at the Facility.

Non-Ferrous Metal means all non-magnetic metallic materials contained in Residue.

Non-Ferrous Metal Sales Contract(s) means contracts or arrangements between the Contractor and a Non-Ferrous Metal purchaser or party arranging for such purchases pursuant to which the County shares revenues relative to the sale or other disposition of Non-Ferrous Metal, after the Contractor has recovered its initial costs.

Nonprocessible Waste means that portion of Solid Waste, exclusive of Hazardous Waste, that is not Processible Waste and which is predominantly noncombustible, including ashes, metal furniture and appliances, concrete rubble, mixed roofing materials, noncombustible building debris, rock, gravel and other earthen materials, large automotive vehicle parts, engines, blocks and transmissions, agricultural and farm machinery and equipment, marine vessels and major parts thereof, trailers, and other large machinery or equipment, wire and cable, as well as, dead animals, offal from slaughterhouses and wholesale food processing establishments, infectious, pathological and biological waste, sewage, sludge from air or water pollution control facilities or water supply treatment facilities, liquid wastes, explosives, chemicals and radioactive materials, or other

materials which by applicable law, ordinance, rule or regulation may not be Processed by the Facility, the Expansion or the Expanded Facility, or which, in the mutual judgment of the County and the Contractor (a) may present a substantial endangerment to public health or safety, (b) may cause applicable air quality or water effluent standards to be violated by the normal operation of the Facility, the Expansion or the Expanded Facility or (c) will materially and adversely affect the operation of the Facility, the Expansion or the Expanded Facility, unless such nonprocessable Waste is delivered in minimal quantities and concentrations as part of normal collections in which case such material shall constitute Processible Waste.

NOx Emissions Control System Acceptance Criteria means a concentration of not greater than; (1) 110 ppmdv (corrected to 7% O₂) over a 24 hour block average basis for each furnace/boiler of the Facility, while such furnace/boiler is generating at least 90,368 lbs/hr of steam, and, (2) 90 ppmdv (corrected to 7% O₂) over a 24 hour block average basis for the Expansion furnace/boiler, while such furnace/boiler is generating at least 140,000 lbs/hr of steam.

Operation and Maintenance Charge means the component of the Service Fee calculated in accordance with Sections 6.01 and 6.02.

Operation and Maintenance Manuals means drawings, diagrams, schematics, instructions, parts lists, schedules, procedures, and other literature provided by equipment suppliers or subcontractors or developed by the Contractor for the purpose of providing guidance in operating, maintaining and repairing all mechanical, electrical and control instrumentation systems installed in the Facility or the Expansion.

Party or Parties means either the County or the Contractor, or both, as the context of the usage of such term may require.

Pass Through Costs means the component of the Service Fee calculated pursuant to Section 6.03.

Pass Through Taxes means federal, State and local sales and use taxes on materials and equipment furnished and installed in the Facility, Expansion, Expanded Facility, or on the Facility Site, personal property taxes, personal service taxes, value added taxes, and utility taxes (except to the extent in lieu of generally applicable taxes on income in which case the excess over such taxes on income shall be a Pass Through Tax), any land rental taxes or real estate taxes which arise out of and directly result from the Contractor's performance of this Service Agreement or which relate to the Expanded Facility or Facility Site and any other tax imposed on the Contractor because it is constructor and/or operator of a plant such as the Facility, the Expansion or the Expanded Facility. Taxes on rooms, meals, utilities (those normally levied in conjunction with the provision of routine utility services), and other consumables (except to the extent applicable to Pass Through Costs), payroll taxes, taxes on income and taxes in the nature thereof are not Pass Through Taxes.

Permits means those permits set forth in Schedule 12.

Person means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

Pit means the storage area in the Facility or Expanded Facility from which Processible Waste is extracted for Processing.

Power Purchase Agreement means (a) the contract entered into between the County and Qualified Power Purchaser, substantially in the form set forth in Schedule 6, providing for the sale of electricity produced by the Facility, the Expansion or the Expanded Facility, as the same may from time to time be amended, modified or supplemented in accordance with its terms; provided, however, that the County shall not voluntarily amend, modify or supplement any Power Purchase Agreement(s) in a manner which would materially and adversely affect the rights or obligations of the Contractor hereunder, and, (b) any additional or subsequent contracts with an electric power purchaser, including any contract entered into upon the termination or expiration of the contract referenced in (a), and, in any case, providing for the sale of Electric Energy or Electric Capacity, or both, generated and made available by the Facility, the Expansion, or the Expanded Facility, as such contract(s) may be amended, modified or supplemented from time to time.

Prime Rate means the rate of interest announced from time to time by The Chase Manhattan Bank, N.A., or its successor, as its prime rate.

Process, Processed or Processing means incineration to dispose of Processible Waste and incineration or separation to obtain Recovered Resources at the Facility or the Expanded Facility.

Processible Waste means that portion of Solid Waste which can be Processed which is collected and disposed of as part of normal collections of Solid Waste, such as, but not limited to: garbage, trash, rubbish, refuse, paper and cardboard, plastics, tin cans, beds, mattresses, sofas, bicycles, and other noncombustible residential waste mixed in Solid Waste, chipped, shredded and occasional automobile or small vehicle whole tires (to the extent the air emission or other permit criteria applicable to the Facility or the Expanded Facility are not violated by the Processing thereof), as well as portions of commercial and industrial Solid Waste which can be Processed, and trees and lumber, if no more than four (4) feet long and/or six (6) inches in diameter or width, branches, leaves, twigs, grass and plant cuttings; excepting, however, Nonprocessible Waste and Hazardous Waste. If any governmental agency or unit having appropriate jurisdiction shall determine that any wastes which are not included, as of the Contract Effective Date, within this definition of Processible Waste because they are considered harmful, toxic or dangerous to public health and welfare, are not harmful, toxic or dangerous, then such wastes shall be Processible Waste for purposes of this Service Agreement, unless otherwise excluded under the definitions of Nonprocessible Waste or Hazardous Waste.

Processing Guarantee means the Contractor's obligation to Process the quantity of Processible Waste per Billing Year specified in PART A paragraph -2(d) of Schedule 2 in accordance with Section 5.01, or such lesser amount as may result from (i) a reduction in Processing capacity due to an Uncontrollable Circumstance or County Fault, or (ii) an Uncontrollable Circumstance or event or circumstance due to County Fault which prevents delivery of Processible Waste to the Facility or Expanded Facility, provided, however, that for a Billing Year of less than fifty-two (52) weeks, the number of such Tons of Processible Waste shall be proportionately reduced to reflect the number of weeks in said Billing Year.

Project means any purchase, capital improvement, acquisition, expenditure, fee or charge authorized by the Indenture, including, but not limited to, the Facility, the Expansion, the Expanded Facility, the Facility Site, the electrical transmission line from the Facility Site to the interconnection point specified in the Power Purchase Agreement, the cells of the Landfill dedicated to the disposal of Residue, the Transfer Station, wastewater treatment capacity related to the Facility, the Expansion or the Expanded Facility, the treated wastewater effluent line for delivery of cooling water to the Facility or the Expanded Facility, the sanitary sewer lines, related transportation improvements and the potable water line outside the Facility Site but constructed specifically with respect to the Facility, the Expansion or the Expanded Facility.

Qualified Power Purchasers (QPP) means any entity properly qualified to purchase and receive electricity from the Facility Site via the electrical interconnect provided by Duke Energy or its successors or assigns.

Qualified Turbine Outage Day means any day of maintenance of the turbine generator, as specified in Section 6.12(b)(ii).

Receiving Time means the period of operation for the Facility or the Expanded Facility consisting of any consecutive ten (10) hour period of operation for each Business Day as specified pursuant to Section 3.06(b).

Recovered Resources means electric energy meeting the specifications and requirements of the Power Purchase Agreement(s), magnetic ferrous metals and non-ferrous metals recovered at the Facility, the Expansion or the Expanded Facility.

Recovered Resources Revenues means the component of the Service Fee calculated pursuant to Section 6.04(d)

Reference Waste means Processible Waste having a Higher Heating Value of five thousand two hundred (5,200) Btu's per pound, as well as other characteristics described in Table 1 of Schedule 2.

Regulations means the final air emission guidance regulation that the EPA caused to be published in the Federal Register on December 19, 1995.

Related Documents means the Construction Agreement, Expansion Construction Agreement, Power Purchase Agreement(s), Indenture, Guarantee, Martin' Guarantee, License Agreement and any credit support agreement relating to the Bonds.

Residue means the material remaining after Processible Waste is Processed by the Facility, the Expansion or the Expanded Facility, including fly ash, bottom ash and Spent Reagent, and prior to recovery of magnetic ferrous metals.

Residue Quality Guarantee means the Contractor's obligation with respect to Residue composition required by Section 5.07, as specified in PART A paragraph.3. of Schedule 2.

RO Process Water Treatment System means the water treatment system that allows reverse osmosis process water to be used for boiler water makeup and cooling tower make-up water.

Schedule means an exhibit or schedule attached hereto and incorporated in this Service Agreement, unless otherwise expressly indicated by the terms of this Service Agreement.

Service Agreement means this Fourth Amended and Restated Service Agreement between the County and the Contractor.

Service Fee means the amount payable to the Contractor by the County for solid waste disposal services, calculated in accordance with Section 6.01.

Solid Waste means all materials or substances generally discarded or rejected as being spent, useless, worthless, or in excess to the owners at the time of such discard or rejection, including but not limited to garbage, refuse, industrial and commercial waste, sludges from air or water pollution control facilities or water supply treatment facilities, rubbish, ashes, contained gaseous material, incinerator residue, demolition and other construction debris and offal; provided, however, this definition shall not include sewage and other highly diluted water-carried materials or substances and those in gaseous form, or Hazardous Waste.

Spent Reagent means reacted and unreacted chemicals remaining after passing through the acid gas control system of the Facility, the Expansion or the Expanded Facility which may be mixed with Residue.

Standards of Maintenance has the meaning specified in Section 3.03(a)(ii).

State means the State of Florida and all of its appropriate administrative, contracting and regulatory agencies and offices.

System means the Pasco County Solid Waste Disposal and Resource Recovery System established by the Board of County Commissioners, and any improvements thereto or extensions thereof.

System Revenues means the total gross revenues received by the County in respect of the System, as defined by the Indenture.

Term has the meaning specified in Section 16.01(a).

Timeframe has the meaning specified in Section 3.03(b)(ii).

Ton means two thousand (2,000) pounds.

TPD means Tons per Day.

Transfer Station means the facility for the transfer of waste described in the Interlocal Agreements, or any additional or replacement facilities for the transfer of Solid Waste.

Trustee means First Union National Bank of Florida, Jacksonville, Florida, or a successor trustee appointed pursuant to the Indenture.

Uncontrollable Circumstance means any act, event or condition, excluding, however, any labor strike, work stoppage or slowdown that has a direct material adverse effect on the rights or the obligations of a Party under this Service Agreement, if such act, event or condition is beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under this Service Agreement or is not the result of the Contractor's failure to maintain the Facility in accordance with the terms of this Service Agreement. This shall not include any direct or indirect impacts to the Facility or the Expanded Facility or the operations thereof caused by any act or omission of the Design Builder, its Subcontractors, Subconsultants, Professionals or other persons or entities employed or utilized by Design Builder in the performance of the Expansion Construction Agreement. Such acts or events shall include, and shall be limited to, the following:

(a) an act of God (except normal weather conditions for the geographic area of the Facility Site), hurricanes, tornados, epidemic, landslide, lightning, earthquake, flood, fire or explosion if not caused by Contractor Fault or County Fault, or similar occurrence, an act of the public enemy, sabotage, war, blockade, insurrection, riot, general unrest, or restraint of government and people, civil disturbance or similar occurrence;

(b) the order, or injunction or judgment of any federal, State or local court, administrative agency or governmental body or officer with jurisdiction in the County, including any exercise of the power of eminent domain, police power, condemnation or other taking by or on behalf of any public, quasi-public or private entity; excepting decisions interpreting federal, State and local tax laws; provided, however, that order or judgment shall not arise in connection with or be related to the negligent or willful action or inaction of the Party relying thereon and that neither the contesting in good faith of any such order or judgment nor the reasonable failure to so contest shall be construed as a willful or negligent action or inaction of such Party;

(c) the failure to issue, or the suspension, termination, interruption, denial, failure to issue or failure of renewal of any permit, license, consent, authorization or approval essential to the operation and maintenance of the Facility, the Expansion or the Expanded Facility, if such act or event shall not arise in connection with or be related to the negligent or willful action or inaction of the Party relying thereon, and that neither the contesting in good faith of any such order nor the reasonable failure to so contest shall be construed as a negligent or willful action or inaction of such Party; excluding, however, any license, consent or authorization for the technology of the Licensor, if applicable, which is required for the operation, repair or maintenance of the Facility, the Expansion or the Expanded Facility;

(d) the failure of any appropriate federal, state or local agency or public or private utility having operational jurisdiction with respect to the Facility Site, to provide, and maintain and assure, the maintenance of all utilities necessary for operation of the Facility, the Expansion, the Expanded Facility, or operation of the Landfill;

(e) a default by QPP under the Power Purchase Agreement(s) not due to Contractor Fault or County Fault;

(f) any subsurface condition(s), other than the presence of any quantity (as opposed to quality) of groundwater, which is discovered after the Contract Effective Date and which was unknown to the Contractor and which could not have been discovered with reasonable diligence by the Contractor on or before the Acceptance Date, which prevents operation of the Facility, the Expansion or the Expanded Facility or requires a Capital Project to correct the adverse effect of such subsurface condition on the Facility, the Expansion or the Expanded Facility;

(g) a Change in Law;

(h) the unavailability of the Landfill or Alternate Landfill sufficient for disposal of all Residue;

(i) any act, event or condition of the same type, and subject to the same conditions, as those set forth in subparagraphs (a) through (h) above;

(j) the failure of any subcontractor or supplier to furnish services, material or equipment on the dates agreed to: provided, however, that: (i) such failure is (A) caused by an act, event or condition materially and adversely affecting the performance of such subcontractor or supplier that would be an Uncontrollable Circumstance if it directly affected the Contractor; and (B) materially, adversely affects the Contractor's ability to perform its obligations; and (ii) the Contractor is not reasonably able to obtain substitute services, material or equipment on the agreed upon dates;

(k) the failure of the wells to provide sufficient quantities of water for operation of the Facility, the Expansion or the Expanded Facility, other than failure caused by Contractor Fault; provided, however, that no other adequate supply of water is provided by the County for delivery to the Facility or the Expanded Facility; and

(l) the failure of the wells to provide water quality which (i) meets National and State Primary and Secondary Drinking Water regulations and/or (ii) which materially and adversely affects the Contractor's ability to meet the Effluent Guarantee;

(m) maintenance, repair and/or replacement of equipment due to the age of the equipment associated with electric energy production for the Facility, including the turbine generator, the main transformer, and circulating water piping for the Facility, but specifically excluding the steam generators and steam piping, not caused by Contractor's failure to comply with its obligations under Article III of this Service Agreement and such maintenance was not performed in the past by the Contractor at the Facility, the Expansion or the Expanded Facility;

(n) the failure, not due to Contractor fault, of the BioSolids equipment or any equipment or systems used by the County in the electrical connection with the BioSolids Facility, which failure results in damage to the Facility, the Expansion or the Expanded Facility - that causes a loss of the ability to transmit power to the electric power grid; and

(o) the failure, not due to Contractor fault, of any equipment or systems used by the County in the electrical connection with the adjacent WWTP or other off-site

County delivered electrical services, which failure results in damage to the Facility, the Expansion or the Expanded Facility - that causes a loss of the ability to transmit power to the electrical power grid.

Unscheduled Maintenance Bank means the number of Tons of Processible Waste established pursuant to Schedule 4 for each Billing Year.

Week means a period commencing Sunday at 12:01 a.m. and ending midnight of the following Saturday.

Weighted Average Annual Higher Heating Value means for a Billing Year, an amount equal to (1) the sum of the following for all twelve (12) Billing Months during such Billing Year: (a) the average monthly HHV for Processible Waste Processed by the Contractor at the Facility for each Billing Month, as calculated in accordance with PART B.1(b) of Schedule 5, and calculated monthly by the Contractor, times (b) the number of Tons of Processible Waste Processed by the Contractor at the Facility for each such Billing Month, divided by (2) the total Tons of Processible Waste Processed by the Contractor at the Facility for such Billing Year.

Work Change means (i) a change in the Facility specifications set forth in Schedule 2 of the Construction Agreement or a change in the Expansion specifications set forth in Appendix X of the Expansion Construction Agreement, or (ii) a repair, reconstruction or alteration of the Facility or operations thereof pursuant to Article VIII that requires a Capital Project and/or an increase or decrease in the Operation and Maintenance Charge.

WWTP means the Shady Hills Wastewater Treatment Plant.

Section 2.02 Terms Defined in the Construction Agreement or the Expansion Construction Agreement. In the absence of a clear implication otherwise, capitalized terms used in this Service Agreement which are not defined herein shall have the meaning given to such terms in the Construction Agreement or the Expansion Construction Agreement.

Section 2.03 Terms Generally. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words include, includes and including shall be deemed to be followed by the phrase without limitation, except as the context may otherwise require. The words agree, agreement, approval and consent shall be deemed to be followed by the phrase which shall not be unreasonably withheld or unduly delayed except as the context may otherwise require.

Section 2.04 Notices Generally. Unless specifically provided elsewhere in this Service Agreement, at least fifteen (15) Days prior written notice shall be required to be given by one Party to the other Party of any breach or failure to perform its obligations under this Service Agreement.

ARTICLE III OPERATION AND MAINTENANCE OF THE FACILITY BY CONTRACTOR

Section 3.01 Overall Responsibilities.

(a) The Contractor shall, at its sole cost and expense, provide management, supervision, personnel, materials, equipment, services and supplies (other than Processible Waste) necessary to operate, maintain and repair the Facility, the Expansion or the Expanded Facility, as well as the electrical transmission line, between the Facility, the Expansion or the Expanded Facility switchyard site and the point of interconnection as specified in the Power Purchase Agreement(s) and maintain and repair the well water pumping station and associated transmission line, throughout the term of this Service Agreement in a manner consistent with generally accepted engineering, operational and maintenance practices and procedures for mass-burn water wall boiler, steam and electric generating facilities and electrical transmission facilities in order to receive Processible Waste during the Receiving Time, and to Process such Processible Waste and produce steam and generate electricity therefrom in accordance with the terms of this Service Agreement.

(b) The County shall deliver or cause to be delivered the Guaranteed Tonnage to the Facility or the Expanded Facility Guaranteed Tonnage to the Expanded Facility during each Billing Year at no cost to the Contractor. The County shall also use reasonable effort to deliver or cause to be delivered Processible Waste from within the County in excess of the Guaranteed Tonnage or the Expanded Facility Guaranteed to the extent available and not in interference with recycling programs within the County. If the Guaranteed Tonnage is not delivered to the Facility or the Expanded Facility Guaranteed Tonnage is not delivered to the Expanded Facility, the County nevertheless shall be responsible for payment of the Service Fee, including damages, if any, as provided in Section 6.11(a).

(c) After the Acceptance Date and after the Expansion Acceptance Date and subject to Section 4.01(b), the Contractor shall receive Processible Waste during the Receiving Time, and shall Process all Processible Waste which is delivered to the Facility and to the Expanded Facility respectively throughout the term of this Service Agreement.

(d) The County shall provide the Landfill, at its cost and expense, for use by the Contractor throughout the term of this Service Agreement for disposal of Residue and Bypassed Waste.

(e) The Contractor shall operate and maintain the Facility, the Expansion and the Expanded Facility so that the Facility, the Expansion and Expanded Facility will receive and Process Processible Waste in accordance with its guarantees set forth in Article V and, consistent with the terms and provisions of this Service Agreement, will maximize the revenues resulting from the sale of Recovered Resources.

(f) Except for goods and services procured under company-wide agreements, the Contractor shall use in-County vendors, subcontractors and other service providers to the extent such in-County service providers, vendors and subcontractors are qualified, available and cost competitive.

Section 3.02 Safety of Persons and Property. The Contractor agrees that it will: (a) take all reasonable precautions to prevent damage, injury or loss, by reason of or related to the operation and maintenance of the Facility, the Expansion, or the Expanded Facility , to any property on the

Facility Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, equipment, structures and utilities; (b) establish and maintain safety procedures for the Facility and the Expanded Facility for the protection of employees of the Contractor and all other Persons, invitees and permittees at the Facility, the Expansion or the Expanded Facility in connection with the operation and maintenance thereof at a level consistent with applicable law and with good industry standards and practices for mass burn steam and electrical generating plants; (c) comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to the safety of persons or property at the Facility, the Expansion or the Expanded Facility or their protection at the Facility and the Expanded Facility from damage, injury or loss; and (d) designate a qualified and responsible member of its organization at the Facility Site whose duties shall be safety and the prevention of fires and accidents at the Facility, the Expansion, the Expanded Facility and the Facility Site and to coordinate such activities as shall be necessary with federal, State, local, and municipal officials.

Section 3.03 Repair and Maintenance of the Facility, the Expansion, the Expanded Facility and Facility Site. Contractor confirms that it is responsible for repair and maintenance of the Facility, the Expansion and the Expanded Facility as set forth in this Section 3.03.

(a) Repair and Maintenance Standards.

(i) Subject to the more specific requirements set forth in this Section 3.03 and subject to the County's rights relative to performing, or causing to be performed through a third party, repairs, replacements, corrections or cures to the Facility, the Expansion or the Expanded Facility and equipment pursuant to Sections 3.03(e) through 3.03(g), the Contractor shall, at its sole cost and expense, (A) operate and maintain the Facility, the Expansion or the Expanded Facility and the Facility Site in a good, clean, orderly and litter-free condition, including performing all corrective, predictive, preventative and routine maintenance and repair and replacement of the equipment and Facility, the Expansion or the Expanded Facility consistent with meeting Contractor's performance guarantees set forth in Article V and Schedule 2, as well as its other obligations set forth in this Service Agreement, (B) maintain and manage the Facility, the Expansion or the Expanded Facility consistent with good industry standards and applicable laws, ordinances, rules, regulations and lawful orders of any public authority, (C) maintain, within the Facility Site, all drainage systems, including, but not limited to, storm water drainage systems and pipes, manholes, inlets, headwalls, flared-end sections, cleanouts and rip-raps, (D) operate and maintain the potable water pump station and associated piping specified in Schedules 2 and 3 of the Construction Agreement, and (E) maintain the landscaping at the Facility Site consistent with the intent of the Parties to present an aesthetically pleasing environment, in each case in accordance with the Standards of Maintenance and at a level adequate for the efficient, long-term reliability and preservation of capital investment; provided, however, the Contractor shall not have any repair, replacement and/or maintenance responsibility with respect to the Facility's or Expanded Facility's weigh scales, the concrete ramps immediately before and after the weigh scales, the foundation for the scales and the pedestrian walkways in the scale area; provided further, however, the Contractor shall be responsible for the scalehouse structure.

(ii) In furtherance of the Contractor's obligations under this Section 3.03, the Contractor shall repair and maintain the Facility, the Expansion or the Expanded Facility and equipment, replace equipment and perform each and every component of the work in

accordance with the more stringent of (1) Operation and Maintenance Manuals and other operating instructions relating to the Facility or the Expanded Facility or the equipment as provided by any vendors, suppliers, contractors or manufacturers, each as may change from time to time, (2) manufacturer's recommendations, as modified by the Contractor consistent with good industry standards and practices for mass-burn steam and electrical generating plants, that are necessary to maintain equipment warranties whether or not the warranty period is then in effect, (3) the applicable terms and conditions of this Service Agreement, (4) good industry standards and practices for mass-burn steam and electrical generating plants, (5) applicable laws, ordinances, rules, regulations and lawful orders of any public authority, and (6) the requirements of applicable insurance providers relative to this Service Agreement as of the date hereof (collectively, the "Standards of Maintenance"); provided, however, that compliance with the foregoing shall not be a violation of applicable laws, ordinances, rules, regulations and lawful orders of any public authority. The Contractor shall be obligated to comply with those Standards of Maintenance which are applicable in any particular circumstance. Where more than one Standard of Maintenance applies to any particular obligation under this Service Agreement, the Contractor shall comply with each applicable Standard of Maintenance.

(iii) The Contractor shall maintain the Facility, the Expanded Facility, the Facility Site, settling basin, scalehouse, and shall provide routine required replacement of portions of the Facility or the Expanded Facility siding, roofing and other appurtenances, to maintain them in good repair and in a neat, orderly and litter-free condition, to protect the Facility or the Expanded Facility against deterioration and to maintain the aesthetic quality of the Facility or the Expanded Facility. Without relieving the Contractor's responsibilities relative to the foregoing if the Parties agree that Facility or the Expanded Facility siding in excess of 3000 square feet needs to be replaced in any Billing Year, and any replacement required is not a result of damage directly caused by the Contractor or the Contractor's negligence the Parties shall endeavor to agree to a price for such replacement work on a fixed price, cost-plus or other basis, the quality of materials and supplies to be used and a schedule for completion of and payment for the same. The County shall be liable for the payment for such work in excess of the foregoing, pursuant to a County requested Work Change in accordance with Article VIII. If the Parties cannot agree to a Work Change for such work within a reasonable period following agreement that such replacement work needs to be done, the County, through its reasonably qualified employees or one or more reasonably qualified third parties, may cause such work to be performed. The Contractor shall cooperate fully with the County in the County's efforts to perform and complete such work expeditiously, and the Parties shall seek to minimize any disruption to the operation and maintenance of the Facility, the Expansion or the Expanded Facility as a result of such work. In any case the Parties agree that the Contractor will be responsible for as needed replacement of up to 3000 square feet of siding at its sole cost and expense in every Billing Year through the Term of the Service Agreement. The Contractor will not be responsible for perfect paint color match when replacing siding panels.

(iv) [reserved]

(v) County shall be responsible for the cost of repair and maintenance of all roadways exclusive of pavements used primarily for plant equipment travel. Schedule 22 to this Agreement presents a map of pavement repair and maintenance responsibility. If road maintenance is required from time to time, the Contractor may manage the costs and expenses of

such maintenance as a Pass Through Cost and shall provide the County with Cost Substantiation. Contractor shall ensure that the trucks used for the transfer of ash residue from the Facility or the Expanded Facility to the County's monofill shall not be loaded in excess of established DOT limits and in any event not in excess of 70,000 pounds (weight restriction). If ash residue trucks are found to be over the weight restriction, Contractor shall pay a penalty or issue a credit to the County on its next monthly invoice an amount equal to \$3,000 per truck exceeding the weight restriction starting with the second overweight truck each day. Each day the County's scale house operator shall immediately contact the Facility or Expanded Facility control room operator at 727- 856 - 2917 extension 216 and advise if any ash residue truck exceeds the weight restriction.

(b) Consulting Engineer Inspections and Reports.

(i) The Consulting Engineer shall have the right, on a quarterly basis, commencing during the first full month after the Contract Effective Date hereof and every third month thereafter during the term of this Service Agreement, to conduct an inspection over one or more Days of the Facility or the Expanded Facility and with the full cooperation of the Contractor to determine if the Facility, the Expansion or the Expanded Facility and its equipment are being repaired, replaced and maintained in accordance with the Standards of Maintenance. Within fifteen (15) Business Days following the completion of such inspection, the Consulting Engineer shall file a written report with the County and the Contractor of its findings. To the extent that the Facility, the Expansion or Expanded Facility and/or the equipment does not comply with the requirements and standards specified in Section 3.03(a)(ii), such written report shall so identify such items and specify in reasonable detail as to how such items are not in compliance. The report shall further specify the action that the Contractor shall pursue to bring such non-compliant items into compliance with Section 3.03(a)(ii), including the draft proposed timeframe, on an item-by-item basis, by which each item must achieve compliance. In establishing such proposed timeframe(s), the Consulting Engineer shall take into account the time necessary to purchase or acquire each such item, the work necessary to bring such item into compliance, the priority of such work relative to maintaining the performance guarantees set forth in Article V and Schedule 2, the availability of subcontractors to perform work, the time for review pursuant to Section 3.03(b)(ii), the potential for coordination of such work with scheduled downtimes of applicable portions of the Facility, the Expansion or Expanded Facility and other relevant factors.

(ii) Upon receipt of the report, the Contractor shall have fifteen (15) Business Days thereafter to provide the County and the Consulting Engineer with written notice of its disagreement, if any, on an item-by-item basis, with the findings of the Consulting Engineer. Such notice shall specify in reasonable detail the basis for the Contractor's disagreement with each contested item. Failure of the Contractor to give such notice within such fifteen (15) Business Day period shall be deemed acceptance or approval of the Consulting Engineer's report. If the Contractor gives such notice to the County and the Consulting Engineer, the Parties and the Consulting Engineer shall meet within ten (10) Business Days after the delivery of such notice by the Contractor in an effort to resolve the disputed portions of the Consulting Engineer's report and agree on a final schedule under which corrective measures shall be implemented with respect to each non-compliant item (the "Timeframe"). If the Parties resolve some or all such disputed portions of the report, the report will be amended accordingly, redelivered by the Consulting Engineer to the Parties within five (5) Business Days after such resolution and the Contractor shall diligently pursue the necessary repairs, replacements, corrections or cures identified in the

amended report that are no longer in dispute. If, within ten (10) Business Days after the initial meeting of the Consulting Engineer and the Parties to resolve the disputed portions of the Consulting Engineer's report, resolution is not achieved as to all contested items, either Party may refer the remaining disputed items to dispute resolution pursuant to Article IX.

(iii) If the Contractor does not achieve compliance with respect to all items identified in the Consulting Engineer's report that have not been referred to dispute resolution within the Timeframe, then the County, upon written notice to the Contractor, may direct that the Consulting Engineer prepare a cost estimate to complete the compliance work with respect to each item not brought into compliance within the Timeframe. In preparing such cost estimate, the Consulting Engineer may be required to inspect the Facility, the Expansion or the Expanded Facility and/or the equipment regarding such uncompleted work and the Contractor shall be fully cooperative in such inspection. Upon completion of such cost estimate, the Consulting Engineer shall file its written cost estimate with the Parties and the County may offset payment of the Contractor's current invoice and, as necessary, future monthly invoices for services under this Service Agreement in accordance with Section 3.03(c).

(c) County Completion of Work. The County, through its reasonably qualified employees or one or more reasonably qualified third parties, may after providing notice to the Contractor, cause the uncompleted items referenced in Section 3.03(b)(iii) to be completed on a schedule specified by the County. After such notice is delivered to the Contractor, the County may credit the difference, if any, between (i) the aggregate amount of the cost estimate of such uncompleted items developed by the Consulting Engineer pursuant to Section 3.03(b)(iii) and (ii) the aggregate amount retained by the County pursuant to Section 3.03(d), against the payment of the Contractor's current invoice and, as necessary, future monthly invoices for services under this Services Agreement. Amounts withheld and retained by the County pursuant to this Section 3.03(c) and Section 3.03(d) shall be used by the County to pay for the work necessary to complete such uncompleted items. If the actual costs to pay for the work necessary to complete such items exceeds such amounts withheld and retained by the County, the Contractor shall be liable for such excess amount. Any excess amount shall be paid by the Contractor to the County either, at the County's election, as (1) a direct payment of the County's invoiced amount within thirty (30) Days following the Contractor's receipt of the County's invoice or (2) as a credit against the amounts otherwise due and owing with respect to the Contractor's next or future monthly invoice(s) for services performed under this Service Agreement. The Contractor shall fully cooperate with the County in its effort to complete, or to cause to be completed, the items not achieving compliance by the due date set forth in the Consulting Engineer's report, and once each such item is completed, the Contractor shall comply with Section 3.03(e). Until such time as the County, through its reasonably qualified employees or one or more reasonably qualified third parties, completes the uncompleted items referenced in Section 3.03(b)(iii), the Contractor retains the right to complete, or cause to be completed, such uncompleted items.

(d) Withholding of Payment and Payment of Withheld Amounts. To encourage the Contractor to perform and complete corrective and cure actions within the Timeframe, the County, effective on (i) the first Day following the last Day in the Timeframe or (ii) at any time thereafter, may retain and withhold up to one thousand five hundred dollars (\$1,500.00) per Day per item from payment of the Contractor's monthly invoice until all

non-compliant items are completed; provided however, such continued per Day retaining and withholding shall cease to be effective on the date either (1) that the County, through its reasonably qualified employees or one or more reasonably qualified third parties and upon seven (7) Days prior notice to the Contractor, commences corrective or curative action of all outstanding non-compliant items pursuant to Section 3.03(c) or (2) the Contractor completes corrective or curative action of all outstanding non-compliant items. The County shall give the Contractor seven (7) Days prior written notice of the per Day retainage to be applied prior to implementing such retainage. Upon completion of all non-compliant items, the County shall release any remaining accumulated retainage collected pursuant to Section 3.03(b)(iii) or Section 3.03(c) and shall pay the Contractor any such remaining amount as part of the Contractor's next monthly invoice for services performed under this Service Agreement. No interest shall accrue on any such retainage nor shall any interest be paid by the County on such retainage. To the extent the County has set-off and retained the Consulting Engineer's aggregate cost estimate pursuant to Section 3.03(b)(iii) and the Contractor corrects, cures and completes one or more uncompleted item(s) identified pursuant to Sections 3.03(b)(ii) or 3.03(c), the County shall pay to the Contractor such amount as it has set-off and retained for each such item, without interest, on the Contractor's next monthly invoice for services performed under this Service Agreement, less any costs and expenses incurred or to be incurred by the County in its effort to effect a correction, cure or completion of each such item. In no event shall the County pay or be required to pay the Contractor any amount in excess of the total amount set-off and withheld by the County pursuant to Section 3.03(b)(iii), and the Contractor waives any and all claims it could have or assert to any payment from the County in excess of such amount set-off and withheld.

(e) Contractor Operation and Maintenance of County Completed Work.

To the extent the County, through its reasonably qualified employees or one or more reasonably qualified third parties, completes the repair, replacement or maintenance of the out-of-compliance items in accordance with Section 3.03(c), the Contractor shall thereafter operate and maintain such items in accordance with this Service Agreement, and the Contractor hereby waives any claim it may assert against the County that as a result of such repair, replacement or maintenance, it can no longer operate the Facility, the Expansion or the Expanded Facility in accordance with the performance guarantees set forth in Article V and Schedule 2, but shall be entitled to the benefits of any rights that the County may have against the County's third party contractors relative to defective work.

(f) No Waiver of Event of Default. Notwithstanding the County's retention and/or use of funds by the County under Section 3.03(c) and/or 3.03(d) to encourage the Contractor to perform corrective or curative work and/or the completion of such work by the County's reasonably qualified employees or by one or more reasonably qualified third parties, the Contractor's repeated and persistent failure to perform repair, replacement, maintenance, and correction of identified, non-compliant and undisputed material items and to complete the same within the Timeframe shall be considered a Contractor Event of Default pursuant to Section 12.02(a).

(g) Surplus Equipment and Material. The Contractor will retain any "trade-in" value derived from any equipment that is replaced and paid for by the Contractor. In the event that any equipment or material (including wire) is removed from the Facility,

the Expansion or the Expanded Facility and not "traded-in" for replacement equipment because it is obsolete or discarded, the Contractor shall give the County notice of such equipment or material availability, place such equipment or material (including wire) in a roll-off container supplied by the County on the Facility Site at a location designated by the County and the County shall remove such equipment or material (including wire) for disposition at the County's sole cost and expense.

Section 3.04 Personnel.

(a) The Contractor shall staff the Facility, the Expansion and the Expanded Facility with the appropriate number of hourly and salaried employees consistent with good management and industry standards and practices for mass burn, steam and electrical generating plants, in sufficient numbers to enable the Contractor to perform all of the Contractor's obligations and duties under this Service Agreement in a timely and efficient manner. Schedule 16 provides the Facility Staffing Plan and the Expanded Facility Staffing Plan that presents the organizational structure and the minimum staffing requirements by position. Any reductions in the Facility Staffing Plan or the Expanded Facility Staffing Plan must be approved in writing by the County. The Contractor can increase the number of its employees in the Staffing Plan upon written notice to the County. The Contractor cannot charge the County for any additional employees – unless the Parties agree that there has been a change in the Scope of Work and an Amendment to this Agreement is executed.

(b) The Contractor's dedicated staff shall include but not be limited to a Facility Manager, Chief Engineer, Maintenance Manager and Purchasing Agent. All of the Contractor's personnel shall be appropriately trained in accordance with all applicable rules, regulations and law so that the Facility, the Expansion or the Expanded Facility will be operated and maintained in accordance with and consistent with applicable law and said good industry standards and practices for mass burn steam and electrical generating plants. The Facility Manager and each shift supervisor shall have not less than two years of experience in a management, assistant management, or responsible supervisory position in a mass burn resource recovery facility with a Processing capacity of four hundred (400) TPD or greater. The Contractor may meet the requirements of the preceding sentence by utilizing appropriate training programs for Facility, the Expansion or Expanded Facility personnel; provided, however, that such personnel have served in a responsible supervisory position at the Facility or the Expanded Facility for the requisite two-year period. The Contractor shall not, absent good cause, replace or remove the Facility Manager more often than once every two (2) years without the prior written approval of the County. The Parties agree that "good cause" shall be interpreted to include a transfer or promotion to and with an Affiliate; provided that the Facility Manager has served in that role at the Facility for at least three (3) years. If the Facility Manager shall retire, resign his or her position as Facility Manager, be transferred or promoted to and with an Affiliate consistent with this Section 3.04 or otherwise cease his or her employment with the Contractor, the Contractor shall appoint a successor qualified Facility Manager, which successor shall be subject to the prior written approval of the County. The County shall have the right to request the removal of the Facility Manager at any time provided that the County presents the Contractor with reasonable justification therefor and, in such event, the Contractor shall promptly remove and replace such Facility Manager, which replacement shall be subject to the prior written approval of the County.

Section 3.05 Equipment and Spare Parts Inventory.

(a) In addition to the Contractor's obligations under Section 3.03(a), the Contractor shall, at the Contractor's cost and expense: (a) keep all equipment at the Facility, Expansion or Expanded Facility in good repair and operating condition and maintain an adequate equipment and spare parts inventory, and maintain such equipment and spare parts inventory, in order to repair and replace the same, if necessary, in a timely fashion and so as not to disrupt the operation of the Facility, the Expansion or the Expanded Facility; (b) operate the Facility, the Expansion or the Expanded Facility and equipment and perform all tests or testing as may be required by all permits, applicable federal, state and local laws, rules and regulations, including those pertaining to the environment and OSHA; (c) notify the County promptly if any major equipment should fail or be seriously damaged, and repair or replace such equipment, or procure a substitute unit of comparable quality; (d) comply with the provisions contained in the Indenture with respect to the removal of any unit of equipment from the Facility, the Expansion or the Expanded Facility; and (e) be responsive to requests for information from the public and designate a person to conduct the public on tours of portions of the Facility, the Expansion or the Expanded Facility.

(b) Within one hundred twenty (120) Days after the Expansion Acceptance Date, the County and the Consulting Engineer, at the County's cost and expense, shall conduct a physical inventory and current listing of the Expansion equipment, ("Expansion Equipment List"). The Expansion Equipment List shall, to the extent applicable to each such item, include the number or, as applicable, units of all such equipment, and a reasonably detailed description, to the extent known or can reasonably be determined, including photographs of all such items, including the physical and operating condition of the Expansion and equipment (identifying and listing any defects existing at the time of such inventory), the date of purchase, if available, the identification number, if any, and the manufacturer's name, if available. Such physical inventory and current listing may be witnessed and/or the results verified by the Contractor. The County or the Consulting Engineer shall maintain possession of the Expansion Equipment List and shall provide free of charge to the Contractor a copy of such lists and all further updated lists for review and comment.

(c) As it procures equipment during construction of the Expansion in accordance with the Expansion Construction Agreement, the Contractor will submit a list of recommended spare parts for each item of such equipment to the County for approval, which approval shall not be unreasonably withheld, delayed or conditioned. The Contractor shall procure the spare parts approved by the County and shall compile a comprehensive list of all spares with their associated costs procured for the Expansion ("Expansion Spare Parts List"). The Contractor shall provide a copy of the Expansion Spare Parts List to the County and the Consulting Engineer.

(d) Within one hundred twenty (120) Days after the Expansion Acceptance Date the Contractor shall prepare a list of the equipment, materials, supplies and chemicals to be available to the County upon Termination ("Expanded Facility Inventory List"). The chemicals shall include the lesser of the volume of Reagents (1) that are necessary to operate the Expanded Facility for two (2) weeks or (2) that are necessary to provide a full

storage tank for that Reagent. The Expanded Facility Inventory List shall be submitted to the County for approval, which approval shall not be unreasonably withheld.

(e) Any Contractor proposed modifications to the Expansion Equipment List, the Expansion Spare Parts List and the Expanded Facility Inventory List to take into account obsolete equipment, materials, supplies, chemicals and spare parts or other appropriate modification shall be submitted by the Contractor to the County for approval. The County approval of the foregoing shall not be unreasonably withheld. Upon expiration of the Term or, as applicable, termination of this Service Agreement, the physical inventory and current listing of the equipment, materials, supplies, and chemicals must be at least equal to the number and composition of such items as contained in the Expansion Equipment List and Expanded Facility Inventory List unless otherwise approved in writing by the County

(f) To determine or verify the physical inventory and current listing of the equipment, materials, supplies, chemicals and spare parts at the expiration of the Term or, as applicable, on the termination of this Service Agreement, the County and the Consulting Engineer may, on such expiration or, as applicable, termination date, conduct a physical inventory and current listing of equipment, materials, supplies, chemicals and spare parts. This physical inventory may be witnessed and/or the results verified by the Contractor. To the extent the number and composition of equipment, materials, supplies and chemicals, as determined by the County and the Consulting Engineer, is less than that listed in the Expansion Equipment List and the Expanded Facility Inventory List or to the extent the number and composition of the Expansion Spare Parts List, as determined by the County and the Consulting Engineer, is less in value than that listed in the Expansion Spare Parts List or, on a total value basis, is less than the total value of such lists as the value of each item on each such list is escalated solely by the Machinery and Equipment Index of Schedule 8, then, notwithstanding any provision in this Service Agreement to the contrary, the Contractor shall, at its election, either (1) procure or replace the applicable components, including equipment, materials, supplies, chemicals and spare parts at the Contractor's cost and expense or (2) deliver to the County a check in the amount of the monetary difference within thirty (30) Days after the County and the Consulting Engineer have made such determination and delivered the same to the Contractor, provided that in no event shall the Contractor be obligated to pay any amount to the County that would qualify as Pass Through Costs. If the Contractor disagrees with the total value determination of the County and the Consulting Engineer relative to the escalated value of the applicable items in the Expansion Equipment List, Expanded Facility Inventory List or the Expansion Spare Parts List, the Contractor may refer the matter to dispute resolution pursuant to Section 9. If the Contractor elects to procure and replace the number and composition of the applicable items and the Contractor's proposed procurement and replacement is not implemented and completed prior to the earlier to occur of the termination or expiration of the Term, the Contractor shall, notwithstanding anything in this Service Agreement to the contrary, be solely liable for the entire cost and expense of such procurement process and purchase costs, plus labor costs to perform such replacement. The estimated cost of such procurement process, purchase and third-party labor shall be determined by the Consulting Engineer, and such estimated amount may be withheld from any payments due and owing, or which may become due and owing in the future, under this Service Agreement; provided, however, that nothing shall preclude the County from exercising all legal and equitable means available to it to secure timely and full payment by

the Contractor. If the actual cost of such procurement process, purchase and third-party labor exceeds the estimated amount withheld, the Contractor shall be liable for the difference. Any excess amount shall be paid by the Contractor to the County either, at the County's election, as (1) a direct payment to the County's invoiced amount within thirty (30) Days following the Contractor's receipt of the County's invoice or (2) if known at such time, as a credit against the amounts otherwise due and owing for the final three (3) Billing Months of this Service Agreement, as an adjustment to the Service Fee.

Section 3.06 Operating Hours; Receiving Time; Legal Holidays.

(a) The Contractor shall operate the Facility, the Expansion or the Expanded Facility continuously, subject to the availability of Processible Waste, to the extent consistent with good industry standards and practices and procedures for the operation and maintenance of mass-burn steam and electric generation facilities.

(b) The Contractor shall keep the Facility, the Expansion or the Expanded Facility open for receiving Processible Waste during the Receiving Time from time to time specified in writing by the County, excluding Legal Holidays. Subject to applicable State regulations and any permit issued thereunder, the Contractor may receive Processible Waste at the Facility, the Expansion or the Expanded Facility at such additional times as the Contractor and the County may agree.

(c) The Contractor agrees to receive Processible Waste at the Facility, the Expansion or the Expanded Facility at hours other than the Receiving Time, if (i) requested by the County to accommodate unusual quantities of Processible Waste resulting from an emergency or from programs of the County or any local governmental entity designed to promote clean-up of an area serviced by the Facility, the Expansion or the Expanded Facility; (ii) the Facility, the Expansion or the Expanded Facility is able, in the reasonable judgment of the Contractor, to receive such additional quantities of Processible Waste without adversely affecting the Contractor's operation or maintenance of the Facility, the Expansion or the Expanded Facility or its performance guarantees set forth in Article V and Schedule 2; and (iii) the County provides the Contractor with reasonably adequate advance notice of such delivery of Processible Waste to enable the Contractor to respond to any such request.

Section 3.07 Inspection of the Facility, the Expansion or Expanded Facility; Recordkeeping and Reporting.

(a) (i) Notwithstanding the provisions of Section 3.03(b), the County may, at its cost and expense and with the full cooperation of the Contractor, inspect the Facility, the Expansion or the Expanded Facility, including the right to require the Contractor to test the Facility, the Expansion or the Expanded Facility pursuant to Section 5.02(d), to determine whether the Contractor is in compliance with all of its obligations under this Service Agreement. If such inspection shall reveal that the Contractor is not in compliance with such obligations, and such noncompliance does not solely result in the payment of damages pursuant to any provision of this Service Agreement, then the Contractor shall have thirty (30) Days from the date of the Contractor's receipt of written notice by the County of such noncompliance to correct or take appropriate steps to commence

the correction of such noncompliance or to dispute any such report. The County shall furnish the Contractor with a copy of any report made as a result of any such inspection. The County shall, at the request of the Contractor, and at the Contractor's cost and expense, cause the Facility, the Expansion or the Expanded Facility to be re-inspected or re-tested pursuant to Section 5.02(d) to verify the correction of any deficiency noted in such report. Any dispute arising with respect to such inspection and report shall be resolved in accordance with Article IX.

(ii) In connection with such inspections or visits, the County shall, on behalf of itself, its agents and representatives, comply, and cause its agents and representatives to comply, with all reasonable rules and regulations adopted by the Contractor, including a requirement that each person inspecting or visiting the Facility, the Expansion or the Expanded Facility sign a statement agreeing (1) to assume the risk of injury or death during the inspection or visitation, but not the risk of injury or death due to the intentional or negligent acts of the Contractor, and (2) not to disclose or use, consistent with applicable law, and pursuant to Article XIV, any confidential information of the Contractor.

(iii) Inspections by federal, State, County or local officials pertaining to permits or licenses necessary for the operation of the Facility, the Expansion or the Expanded Facility may be conducted without prior notice to the Contractor, except as otherwise provided by applicable law.

(b) (i) The Contractor shall establish and maintain an information system to provide storage and ready retrieval of all information necessary to verify calculations made pursuant to Article VI.

(ii) The Contractor shall prepare and maintain proper, accurate and complete books and records and accounts of all its transactions related to the Facility, the Expansion and the Expanded Facility.

(iii) The Contractor shall, on or before the fifteenth (15) Day of each Billing Month, submit as part of its invoice for the previous Billing Month, the following operating data:

(1) hourly electricity generated each Day, and summary totals of electricity delivered to each electric power purchaser during the preceding Billing Month; (2) the anticipated operating schedule for the next succeeding Billing Month for each combustor and electric generator; (3) the total amount of any materials consumed with respect to operation of the Facility, the Expansion or the Expanded Facility during such preceding Billing Month, including but not limited to Facility Reagents, Expansion Reagents and Expanded Facility Reagents respectively, which are purchased by the County or the Contractor pursuant to Section 3.07(c); (4) the quantities of Recovered Resources generated other than electricity, and summary totals of the amount of such Recovered Resources Revenues received by the Contractor from such sales during such preceding Billing Month and (5) those costs and expenses incurred by the Contractor during

such preceding Billing Month which are specified as Pass Through Costs in Schedule 9, and which have not been previously paid by the County. Each invoice shall present all data in a form consistent with generally accepted accounting practices and procedures and reasonably acceptable to the County and the Consulting Engineer, and, with respect to Pass Through Costs, copies of all invoices, receipts, records and data received by the Contractor for sanitary sewage, electric stand-by charges; if any, and fossil fuel in support of such invoice, and in such form, as the County may require.

(iv) The Contractor shall provide the County with reasonable access, including, where feasible, access by computer, excluding data transmission, to all meters and records relating to the kilowatt hours of electricity which were (a) generated by the Facility, the Expansion or the Expanded Facility, (b) delivered to each electric power purchaser pursuant to the Power Purchase Agreement, and (c) the amount of Recovered Resources generated and sold, other than electric energy, which were produced by the Facility, the Expansion or the Expanded Facility.

(c) (i) The County reserves the right to contract for or otherwise purchase the chemical reagents comprised of ammonia, carbon, urea, pebble lime, and/or hydrated lime (Facility Reagents, Expansion Reagents or Expanded Facility Reagents) for use and consumption at the Facility, the Expansion or the Expanded Facility that, under the otherwise applicable terms of this Service Agreement, are secured by the Contractor and paid as a Pass Through Cost by the County. To the extent the County, by written notice to the Contractor, evidences its intent to purchase a Facility Reagent, Expansion Reagent or a Expanded Facility Reagent, the County shall, commencing on the date specified in the County's notice for purchasing a Facility Reagent, Expansion Reagent or Expanded Facility Reagent, which date shall not be sooner than one-hundred twenty (120) Days from the date notice is given, and until such time during the Term that the County gives the Contractor written notice that it will no longer purchase any or all of the Facility Reagents, Expansion Reagents or Expanded Facility Reagents, purchase such Facility Reagent, Expansion Reagent or Expanded Facility Reagent for use and consumption at the Facility, the Expansion or the Expanded Facility . If the date of the County's commencement of Facility Reagent, Expansion Reagent or Expanded Facility Reagent purchases does not provide the Contractor with sufficient notice to conclude or otherwise terminate its Facility Reagent, Expansion Reagent or Expanded Facility Reagent purchase contract(s) with supplier(s) without cancellation fee and/or cost liability, the County shall be liable for the payment of any applicable cancellation fees and costs under such Contractor Facility Reagent, Expansion Reagent or Expanded Facility Reagent contract(s). If any Facility Reagent, Expansion Reagent or Expanded Facility Reagent contract the County may have with a Facility Reagent, Expansion Reagent or Expanded Facility Reagent supplier has less than ninety (90) Days remaining on its term and the County, to the Contractor's knowledge, after having made reasonable inquiry to the County and the Consulting Engineer, has not taken reasonable steps to extend such Facility Reagent, Expansion Reagent or Expanded Facility Reagent contract or to contract on a timely basis with an alternative supplier pursuant to this Section 3.07(c), notwithstanding the County's procurement activities, if any, the Contractor shall procure such Facility Reagent, Expansion Reagent or Expanded Facility Reagent and the cost of such Facility Reagent, Expansion Reagent or Expanded Facility Reagent commodity shall be a Pass Through Cost to the County.

(ii) Administration. Upon the County's notice implementing the County's right to purchase Facility Reagent(s), Expansion Reagent(s) or Expanded Facility Reagent(s) pursuant to Section 3.07(c)(i), the Contractor shall perform the following with respect to each Facility Reagent, Expansion Reagent or Expanded Facility Reagent that is the subject of such County notice:

(A) The Contractor shall exercise all reasonable efforts to secure the particular Facility Reagent(s), Expansion Reagent(s) or Expanded Facility Reagent(s) at the lowest price reasonably available in the marketplace consistent with the quality of Facility Reagent, Expansion Reagent or Expanded Facility Reagent necessary for the efficient and effective operation of the Facility, the Expansion or the Expanded Facility. The County, may, alternatively, by notice to the Contractor, direct that the Contractor prepare a bid package and conduct a procurement for the subject Facility Reagent, Expansion Reagent or Expanded Facility Reagent in which case, the Contractor shall, within sixty (60) Days after the receipt of the County's notice, solicit bids from at least three (3) qualified and responsible vendors. Upon receipt of such bids, the Contractor shall evaluate and recommend the bidder for selection. The selection, bids, evaluation and recommendation shall all be forwarded to the County for review and approval. If three (3) qualified and responsible vendors are not reasonably available or if three (3) qualified and responsible bidders are available but less than three (3) bids are received, the County may waive the requirement that three (3) bids be received and evaluated. Such waiver, if any, must be given in writing. The Contractor shall consult with the County before awarding any bid. After such consultation, the Contractor may award the bid to the selected bidder, and the applicable contract or purchase order as prescribed in Section 3.07(c)(ii)(B) may be filled-in and completed for County execution.

(B) The Contractor shall prepare all contracts or purchase orders prescribed by the County for all Facility Reagents, Expansion Reagents or Expanded Facility Reagents to be purchased by the County pursuant to Section 3.07(c)(i). The County shall execute the contract or purchase order for the applicable Facility Reagent, Expansion Reagent or Expanded Facility Reagent. The County shall promptly execute the County prescribed contract or purchase order filled-in or completed by the Contractor for the County.

Section 3.08 Operation and Maintenance Manuals. The Contractor shall, throughout the term of this Service Agreement, promptly deliver to the County two (2) copies of all revisions of the Operation and Maintenance Manuals required for the Facility, the Expansion or the Expanded Facility.

Section 3.09 Determination of Electrical Capacity. The Parties agree to mutually determine, in good faith, the historical electrical generating capacity of the Facility, and the actual electrical capacity of the Expansion that when taken together reflect the electrical generating capacity of the Expanded Facility that can be committed pursuant to the Power Purchase Agreement(s), in order to maximize the electric revenues received from the sale of electricity generated by the Facility, the Expansion or the Expanded Facility consistent with sound engineering practices and procedures and the specific provisions of the Power Purchase Agreement(s); provided, however, that if the Facility was Accepted pursuant to the Construction Agreement or the Expansion was Accepted pursuant to the Expansion Construction Agreement and Acceptance Testing demonstrated that the Facility or the Expansion failed to meet the Energy

Efficiency Guarantee, then the provisions of Section 5.02(c)(i) shall be applicable with respect to designation of committed capacity pursuant to the Power Purchase Agreement(s).

Section 3.10 Mercury Control System.

(a) Facility Mercury Control System. The Contractor has designed, constructed, started-up and Acceptance Tested a mercury emissions control system (“Mercury Control System”) for the Facility.

(b) Future Considerations. If any regulatory agency adopts an air emission standard applicable to the Facility, the Expansion or the Expanded Facility, and which standard can be consistently achieved by injecting activated carbon using the Mercury Control System and requires no other Capital Project (including but not limited to modification of the Mercury Control System), the Contractor shall not increase the Service Fee with the exception of the Pass Through Cost specifically for any additional Carbon which may be consumed and the Carbon Consumption Guarantee shall be modified appropriately. Nothing in this Section 3.10(b) creates any obligation of the Contractor to modify its performance or Environmental Guarantees.

Section 3.11 LN NOx Technology.

(a) Designed. Constructed. Operate. The Contractor shall design, construct, start-up and Acceptance Test a nitrous oxide emissions control system (“LN NOx Technology Control System”) for the Facility.

Section 3.12 Facility and Expanded Facility Life Extension Projects.

(a) Life Extension Projects (“LEPs”) are to be proposed by Contractor and reviewed by the County at least 2 years prior to implementation. Contractor to prepare a business case justification and probable cost estimate for each LEP to be included in the 5-year plan. The parties shall meet each year to discuss and prioritize LEPs for the 2-year plan, and Contractor shall prepare a detailed cost estimate to include current quotes, a detailed scope of work, estimated scope and cost of engineering, if necessary, and a 10% contingency for further authorization and County review. All approved LEPS for a given Fiscal year, must be presented to the County no later than February 14th of the prior Fiscal year. Any project on the 2-year plan can be modified, revised, or removed upon mutual agreement of the parties.

(b) The Parties agree that nomination of a LEP is not to be used for minor equipment replacements that fall under the category of normal maintenance, nor shall the tentative approval of a candidate be reason to cease or minimize required maintenance up until the time of actual replacement. Contractor shall not aggregate or “bundle” small unassociated projects/items to meet the minimum cost requirement, nor shall costs be unreasonably inflated to meet the minimum project size. However certain projects may at times consist of several related components. Unless Contractor can demonstrate a compelling reason to sole-source equipment or services to a particular vendor, normal bidding practices shall prevail with three bids from qualified vendors the standard practice, unless waived by written County approval. The parties will also agree in writing to any appropriate

adjustments to the Performance Guarantees as outlined in Schedule 2 which directly result from Facility or Expanded Facility downtime during construction and installation of any LEP.

If the County fails to approve a LEP which meets the criteria for a LEP or fails to provide funding for the cost of a LEP as provided in this Section 3.12 then Contractor will be excused from meeting Performance Guarantees as outlined in Schedule 2 to the extent the inability to meet a Performance Guarantee as outlined in Schedule 2 directly results from the failure to implement the LEP. The extent of such excuse from having to meet Performance Guarantees as outlined in Schedule 2 shall be taken into account when accounting for the Annual Settlement Procedure as outlined in Section 6.12.

(c) LEPs shall be performed and reimbursed at cost with no profit. All local Contractor employees are excluded from reimbursement for any LEP labor costs.

(d) County will reimburse Contractor for properly invoiced costs up to the established LEP budget.

(e) The County reserves the right to execute any LEP independent from the Contractor, based on a Contractor provided performance specification, with reimbursement to Contractor for costs to prepare the performance specification if engineering is required.

(f) The following types of projects are excluded from being proposed by the Contractor as a LEP:

(i) All boiler tubes and tube bundles.

(ii) Ductwork, insulation, lagging and patching.

(g) The County and Contractor shall share in LEP responsibility as outlined below for the following types of projects:

(i) Turbine generator major overhauls: For each Turbine generator major overhaul the Contractor shall be responsible to undertake and complete the tasks identified in the Turbine/Generator and Auxiliary Equipment – Base Scope of Work Section of Schedule 20 - Turbine Generator Major Outage Scope of Work. As the Contractor completes the Base Scope of Work the Contractor will identify discovery repairs and component replacements that need to be completed during the outage (reference the Turbine, Generator and Auxiliary Equipment – Discovery Repairs and Component Replacements Section of Schedule 20). The Contractor shall be responsible to complete all such discovery repairs and component replacements and also be responsible for the costs up to \$400,000 as of September 30, 2022 for such discovery repairs and component replacements. The County shall be responsible for the costs in excess of \$400,000 as of September 30, 2022 for such discovery repairs and component replacements. After September 30, 2022, the value of \$400,000 shall be adjusted pursuant to the Service Fee Adjustment Factor as provided in Schedule 8.

(ii) Major stoker projects: Schedule 23 – Stoker Major Work Scope Responsibility identifies which major stoker projects are the Contractor’s responsibility and which major stoker projects are the County’s responsibility. Those identified as County responsibility shall be undertaken and completed by the Contractor as LEPs. Those identified as Contractor responsibility shall be undertaken and completed by the Contractor but excluded as LEPs.

(h) Capital Improvement Funding Mechanism. Effective with the Billing Year commencing on January 1, 2025, the County shall establish a mechanism for funding of future Capital Projects, which may include Contractor or County Capital Projects, or Life Extension Projects agreed to by both the County and the Contractor. Priority shall be placed upon projects that improve the performance and/or extend the life of the primary Facility or Expanded Facility operations; however, may include mutually agreed to site enhancement projects from time to time. During the period commencing 1/1/2025 through 12/31/2034, or for such longer period as may be determined at the County’s sole discretion, such funding shall be held in a dedicated County administered account with annual funding in the minimum amount of \$1,000,000. Deposits into the account will be made in accordance with County fiscal policies and as approved by the County’s BOCC. Any withdrawal of funding is restricted to the payment of County approved Capital Project or Life Extension Project improvements to the Facility or Expanded Facility.

Section 3.13 Stack Testing. Contractor shall perform and pay the cost of all stack tests required by applicable laws and the Permits, in effect on the Contract Execution Date, for the Facility, the Expansion or for the Expanded Facility the stack tests required by applicable laws and the Permits in effect at the time of the execution of this Service Agreement.

Section 3.14 RESERVED

Section 3.15 RESERVED

Section 3.16 BioSolids Facility Electrical Interconnection. The Contractor has installed the electrical interconnect on the Facility Site as a Capital Project to facilitate the supply of electricity to the BioSolids Facility as follows (and the following shall be referred to as the “BioSolids Equipment”):

- New 13.8 Kv Switchgear
- Protective Relays
- Electricity metering device
- 13.8 Kv to 24.9 Kv transformer
- 24.9 Kv pad-mounted switchgear- All associated power feed cabling

Upon energizing the electrical interconnection, the Contractor shall commence regular periodic inspection of the electrical interconnect in accordance with standard industry practice. All maintenance shall be the responsibility of the Contractor and will be paid for by the County as a Pass Through Cost.

Section 3.17 Ash Monofill Additional Metal Recovery. The Contractor and the County may develop a business structure acceptable to both Parties for the recovery of metals and other materials from the ash residue for potential beneficial reuse from the Pasco County Ash Monofill.

Section 3.18 Credits. The Parties acknowledge and agree that opportunities may arise during the Term of this Service Agreement to receive tax credits, emission related offsets, or other credits or other benefits that may be available to either Party pursuant to any existing or future applicable law or newly available commercial options for emission trading or the sale or purchase of allowances, offsets or credits or other benefits derived from the Facility, the Expansion or the Expanded Facility. To the extent the County qualifies for such offsets, credits or benefits as the owner of the Facility or Expanded Facility and the Contractor incurs no obligation other than that which it already has under this Service Agreement, the County shall have no obligation to share the same with the Contractor. To the extent the Contractor in its capacity as the Facility or Expanded Facility operator qualifies or may qualify for such offsets, credits or benefits, the Parties shall share in the same as they may mutually agree. Failure to agree on the equitable sharing arrangement shall be subject to dispute resolution as provided in Section 9. Prior to the Contractor commencing activities to qualify for or realize such offsets, credits or benefits, the Parties shall discuss and estimate the costs to secure such qualification or realization. The County, if it decides to move forward with such Contractor activities, shall reimburse the Contractor for its costs to secure such offsets, credits or benefits on the basis of Direct Costs, subject to Cost Substantiation and exclusive of profit. In addition, Contractor is working to create a market for Florida Waste-to-Energy generated Energy Credits (EC's) During the life of this Service Agreement Contractor shall have the exclusive right to market E-RINS credits ("E-RINS"). Contractor will perform all the work to qualify County, market the E-RINS, execute contract(s), perform delivery, and collect revenue. Contractor will receive 50% of the "net revenue" received from each transaction. The "net revenue" shall be the gross revenue value of the E-RINS less the costs for Contractor to qualify for the E-RINS, Market the E-RINS, execute contract(s), perform delivery and collect the revenue. Contractor shall advise County of its intentions to market these E-RINS and shall provide an estimate to the County for their information of the revenue expected to be received and the expected costs for Contractor to qualify for the E-RINS, Market the E-RINS, execute contract(s), perform delivery and collect the revenue.

Section 3.19 RESERVED

ARTICLE IV DELIVERY AND PROCESSING OF PROCESSIBLE WASTE

Section 4.01 Receipt of Processible Waste; Rejection Rights; Processible Waste Composition; Nonprocessible Waste.

(a) Guaranteed Tonnage and Expanded Facility Guaranteed Tonnage. The County shall deliver or cause to be delivered to the Facility or the Expanded Facility, at least the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage for each Billing Year in accordance with this Article IV. Subject to Section 4.01(b)(i), the Contractor shall use its best efforts to Process all Processible Waste delivered to the Facility or the Expanded Facility. Ninety (90) Days prior to the first Day of each Billing Year, the Parties shall mutually establish the scheduled maintenance periods for the next Billing Year in accordance

with Schedule 4, taking into account the Contractor's obligation, consistent with good engineering practices and procedures, to maximize the Recovered Resources generated during such Billing Year. The County and the Contractor shall establish scheduled maintenance periods for each Billing Year to, using best efforts, coincide with the periods during such Billing Year in which the lowest quantities of Processible Waste are expected to be delivered to the Facility or the Expanded Facility in order to minimize the quantities of Processible Waste, if any, which will be required to be delivered to the Landfill during scheduled maintenance of the Facility, the Expansion or the Expanded Facility, consistent with good engineering practices, and consistent with the Contractor's long-term maintenance obligations hereunder.

(b) Rejection of Deliveries.

(i) Contractor's Rejection Rights. The Contractor may reject tenders of: (1) Processible Waste delivered at hours other than the Receiving Time; (2) Processible Waste delivered in excess of seven thousand eight hundred fifty (7,850) Tons per week, or in excess of twenty-nine thousand four hundred (29,400) Tons in any four (4) week period for the Facility; or delivered in excess of ten thousand six hundred fifty (10,600) Tons per week, or in excess of thirty-nine thousand seven hundred (39,700) Tons in any four (4) week period to the Expanded Facility ; provided, however, that the Contractor shall not have the right to reject tenders of Processible Waste pursuant to this Section 4.01(b)(i)(2) if, at the time of delivery of such Processible Waste, there is available Pit capacity to receive and store such Processible Waste to the fullest extent possible and consistent with safe operating practices; (3) Processible Waste which the Facility or the Expanded Facility is unable to accept as a result of (A) an Uncontrollable Circumstance or (B) County Fault; (4) Hazardous Waste; (5) Nonprocessible Waste; and (6) Processible Waste delivered during periods of scheduled maintenance which are in excess of the reduced Daily Capacity Guarantee or the Expanded Facility Daily Capacity Guarantee , adjusted pursuant to Schedule 4 during periods of allowable scheduled maintenance.

(ii) Effect of Contractor's Rejection Rights on Guaranteed Tonnage or Expanded Facility Guaranteed Tonnage. All Processible Waste which is not Processed by the Contractor pursuant to clauses (1), (2), (3)(B) and (6) of Section 4.01(b)(i), shall not be credited to the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage. All other Processible Waste which is delivered or caused to be delivered to the Facility or the Expanded Facility and not Processed by the Contractor, and any Processible Waste not Processed which is rejected pursuant to clause (3)(A) of Section 4.01(b)(i) or which is not Processed due to unscheduled maintenance of the Facility, the Expansion or the Expanded Facility, shall be credited to the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage; provided, however, that Processible Waste rejected due to unscheduled maintenance of the Facility, the Expansion or the Expanded Facility shall not be credited to the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage respectively until the Unscheduled Maintenance Bank has been reduced to zero during any Billing Month.

(iii) Bypassed Waste. All Processible Waste delivered to the Facility Site which is not Processed by the Contractor and which is rejected, unless such rejection is authorized pursuant to Section 4.01(b)(i), and in any event not until the balance in the Unscheduled Maintenance Bank for any Billing Year is reduced to zero pursuant to Section 4.01(b)(iv), shall be

Bypassed Waste; provided, that, when the sum of the total Tons of Processible Waste Processed plus the Tons of Bypassed Waste during any Billing Month is equal to the Daily Capacity Guarantee or the Expanded Facility Daily Capacity Guarantee as applicable, as adjusted pursuant to Schedule 4, times the number of Days in said Billing Month, then any Processible Waste rejected by the Contractor during the rest of said Billing Month, shall not be Bypassed Waste. For each Billing Month, the Contractor shall be obligated to pay the County the Landfill Charge for each Ton of Bypassed Waste, subject to the provisions of Section 4.01(b)(iv).

(iv) Unscheduled Maintenance Bank. For each Billing Month, the Tons of Bypassed Waste calculated pursuant to Section 4.01(b)(iii) shall be subtracted from the Unscheduled Maintenance Bank, only to the extent that the outstanding balance of Tons in the Unscheduled Maintenance Bank is positive after subtraction of each Ton of said Bypassed Waste. The foregoing provisions of Section 4.01(b)(iii) to the contrary notwithstanding, if each Ton of Bypassed Waste is subtracted from the remaining balance of the Unscheduled Maintenance Bank at the end of any Billing Month, then the Contractor shall not be obligated to pay the County the Landfill Charge for such Tons of Bypassed Waste as part of the Service Fee calculated for said Billing Month. At any time that the balance of Tons remaining in the Unscheduled Maintenance Bank reaches zero, then the Contractor shall thereafter pay the Landfill Charge for each Ton of Bypassed Waste not subtracted from the Unscheduled Maintenance Bank for said Billing Month as part of the calculation of the Service Fee for said Billing Month, and for each Billing Month thereafter for the remainder of the Billing Year, subject to the annual settlement calculated pursuant to Section 6.12(a)(ii). At the end of each Billing Year, the Unscheduled Maintenance Bank shall be reduced to zero, and any Tons remaining in the Unscheduled Maintenance Bank and any unused Line Hours for scheduled maintenance shall not be carried forward to the next Billing Year.

Section 4.02 Processing Guarantee Expanded Facility Processing Guarantee; Delivery of Processible Waste.

(a) During each Billing Year, but subject to the Contractor's rejection rights during any Billing Month specified in Section 4.01(b)(i) and subject to Section 4.01(b)(iii), the Contractor shall receive and process Processible Waste delivered to the Facility or the Expanded Facility by or on behalf of County in an amount at least equal to the Processing Guarantee or the Expanded Facility Processing Guarantee.

(b) Only Processible Waste which the County authorizes or delivers, or causes to be delivered to the Facility or the Expanded Facility, may be Processed by the Contractor. The County shall be solely responsible for providing for the delivery of the Guaranteed Tonnage to the Facility or the Expanded Facility Guaranteed Tonnage to the Expanded Facility. All tipping or disposal fees, if any, or, if applicable, disposal assessments, for Processing Processible Waste shall be established by the County, in its sole discretion.

Section 4.03 Inadvertent Deliveries of Nonprocessible Waste.

(a) The County shall use reasonable efforts, in good faith, to cause only Processible Waste to be delivered to the Facility or the Expanded Facility and to minimize the quantities of Nonprocessible Waste included therein. However, the Contractor and the

County agree that inadvertent deliveries of other than Processible Waste to the Facility or the Expanded Facility shall not constitute a breach of the County's obligations hereunder and shall not be deemed to be a County Fault.

(b) Nonprocessible Waste which is delivered to the Facility or the Expanded Facility shall be removed from the pit by the Contractor and placed in a roll-on, roll-off container located on the tipping floor. The Contractor shall provide for the removal and disposal of all such Nonprocessible Waste, and the amount of such Nonprocessible Waste shall be deducted from the Processing Guarantee or the Expanded Facility Processing Guarantee as applicable and shall not be credited toward the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage. The County shall pay the Contractor for its Direct Costs incurred for the removal and transport of Nonprocessible Waste from the Facility or the Expanded Facility, to the extent of Cost Substantiation, including profit, which amounts shall be paid by the County as Pass Through Costs. The Contractor shall not permit scavenging of any such Nonprocessible Waste at the Facility, the Expanded Facility or the Facility Site.

(c) If the Contractor and the County cannot agree whether any Solid Waste constitutes Nonprocessible Waste, the Contractor may reject such Solid Waste as Nonprocessible Waste and the Parties shall resolve such dispute pursuant to Article IX. If resolution of such dispute pursuant to Article IX determines that such Solid Waste was Processible Waste, then the quantity of such material rejected by the Contractor shall be Bypassed Waste and shall be subject to the provisions of Section 4.01(b)(iv).

(d) Nothing in this Service Agreement shall be construed to mean that receiving Processible Waste, or the inadvertent receipt of Nonprocessible Waste or Hazardous Waste at the Facility Site, creates on the part of the County or the Contractor, any ownership interest in, or confers on the County or the Contractor any title to, such Processible Waste, Nonprocessible Waste or Hazardous Waste'.

Section 4.04 Weighing of Processible Waste; County Data; Operation of the Scale House; Invoicing of Disposal Fees; Testing of Scales.

(a) The County shall operate and maintain the weigh scales located on the Facility Site and associated computer equipment and weigh scales records, for the purpose of determining the total Tons of Processible Waste delivered to the Facility or the Expanded Facility, and the Tons of Residue, Bypassed Waste and Nonprocessible Waste delivered to the Landfill, as well as the Tons of Recovered Resources other than electricity, which leave the Facility Site. The Contractor shall be obligated, at its expense, to perform all routine janitorial services at the scale house and to maintain the scale house structure. The Contractor shall have the right to have an employee present from time to time in the scale house during operating hours to observe scale house operations.

The County shall provide the Contractor with the following data necessary for preparation of the Contractor's invoice for each Billing Month no later than seven (7) Days after the first Day of each Billing Month: (i) the total quantity of Processible Waste delivered to the Facility or the Expanded Facility during the preceding Billing Month; (ii) the total quantity of

Residue delivered to the Landfill during the preceding Billing Month; (iii) the quantities of Bypassed Waste and Nonprocessable Waste delivered to the Landfill during the preceding Billing Month; and (iv) a copy of the County's statement for electric energy sold during the preceding Billing Month, as each such statement becomes available pursuant to the Power Purchase Agreement.

In the event that actual data for the preceding Billing Month is not available to the County, then any such data shall be estimated by the County and shall be the basis for the Contractor's invoice for the Billing Month. Any estimate of such data shall be adjusted in any succeeding Billing Month when such information becomes available to the County and shall be included in the Service Fee as the Monthly Adjustment.

(b) The County shall be responsible for the preparation, mailing and collection of all invoices or assessments for operating the System.

(c) The County, at its expense, shall test and recalibrate the Facility Site weigh scales as often as may be required by State law. Either Party may request more frequent testing of the weigh scales at the requesting Party's cost and expense. If, at any time, testing of the weigh scales indicates that the scales do not meet the accuracy requirements of applicable State law, or are being tested, the Parties shall estimate the quantity of Processible Waste delivered on the basis of truck volumes and estimated data obtained from historical information pertinent to the County and shall assume, for purposes of such estimate, that the weigh scale inaccuracy occurred on a linear basis from the test most recently preceding the test demonstrating such inaccuracy. These estimates shall take the place of actual weighing records until correction of the weigh scales is completed. The County shall provide copies of all weigh scale records to the Contractor. Copies of all daily weigh records shall be maintained by the County for a period of at least two (2) years.

Section 4.05 Removal and Disposal of Nonprocessable Waste, Residue and Spent Reagent. In accordance with all applicable permits, and federal, State, and local laws, ordinances, rules or regulations, the Contractor shall remove and transport all Nonprocessable Waste, Residue and Spent Reagent from the Facility Site for disposal at the Landfill, or at an Alternate Landfill designated by the County. The cost of any such removal and transport of all Residue and Spent Reagent to the Landfill shall be at the Contractor's sole cost and expense. The Direct Costs of any removal, transport and disposal of Nonprocessable Waste at the Landfill incurred by the Contractor, to the extent of Cost Substantiation, including profit, shall be paid by the County as a Pass Through Cost. If the County designates an Alternate Landfill, the increased Direct Costs incurred by the Contractor, to the extent of Cost Substantiation, including profit, unless such designation was due to Uncontrollable Circumstance, in which case the Contractor's Direct Costs shall exclude profit, as a result of the removal, transport and disposal of Residue, Spent Reagent and Nonprocessable Waste at the Alternate Landfill shall be paid by the County as a Pass Through Cost.

Section 4.06 Storage. Processible Waste shall be stored in the pit at the Facility or the Expanded Facility designed for that purpose. No Processible Waste, Nonprocessable Waste, Hazardous Waste, Recovered Resources or Residue may be stored outside the Facility or Expanded Facility structure; provided, however, that the Contractor may temporarily store

Recovered Resources or Residue in totally enclosed vehicles or trailers on the Facility Site prior to their removal for disposal or sale.

Section 4.07 Landfill Operations; Indemnity.

(a) The County shall be responsible, at its cost and expense, to provide the Landfill, or Alternate Landfill, during normal operating hours, but not less than eight (8) hours per Day, Monday through Friday, excluding Legal Holidays, for the term of this Service Agreement, for the disposal of: (i) Spent Reagent and Residue resulting from operation of the Facility, the Expansion or the Expanded Facility; (ii) Bypassed Waste, (iii) Processible Waste not Processed at the Facility or the Expanded Facility by the Contractor; and (iv) Nonprocessible Waste, exclusive of Hazardous Waste and any other material contained in Nonprocessible Waste which is not permitted to be disposed of therein by applicable provisions of federal, State or local law, and the rules, regulations, orders, permits or licenses issued thereunder. Any Alternate Landfill designated by the County shall be currently permitted or authorized to operate under applicable provisions of State law to receive such Spent Reagent, Residue, Bypassed Waste, Nonprocessible Waste and Processible Waste, and shall not be currently included on the final National Priorities List pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sec. 9601, et seq., as replaced or amended, and the regulations thereunder.

(b) At any time that the County permanently designates an Alternate Landfill, the Contractor and the County shall mutually determine an appropriate adjustment to the Contractor's Operation and Maintenance Charge or the Expanded Facility Operation and Maintenance Charge, calculated on the basis of the Contractor's increased Direct Costs, to be paid in accordance with Section 4.05, resulting from the designation of such Alternate Landfill, and such adjusted Operation and Maintenance Charge shall thereafter be the basis for the calculation of the Service Fee until the County may thereafter permanently designate another Alternate Landfill. If the Parties cannot agree to the amount of any such adjustment, then such dispute shall be resolved in accordance with Article IX.

(c) (i) The County shall indemnify, defend and hold the Contractor and its suppliers and subcontractors of any tier ("Contractor Indemnified Parties") harmless from and against any and all liability, loss, damages, penalties, fines or charges, however designated, including injury or damage to persons or property, and including reasonable attorneys' fees and expenses, which may be incurred by Contractor Indemnified Parties or which may be levied by any federal, state or local court or agency arising out of, or with respect to, either the release of any hazardous substance from the Landfill or the Alternate Landfill into the environment or which results from stormwater runoff from the Landfill; provided, however, that any such liability, loss, damage, fine, penalty or charge is not the result of Contractor Indemnified Parties' willful misconduct or negligence. Any such County obligation to indemnify and reimburse the Contractor Indemnified Parties shall become due and payable when any liability, loss, damage, fine, penalty or charge is incurred by the Contractor, but not until all appeals thereof shall have been exhausted.

(ii) The Contractor shall be obligated to promptly notify the County of any and all claims against the Contractor for losses or damages, or any notification of violations

of any permit, license or easement or assertion of any fine or penalty, however designated, with respect to ownership or operation of the Landfill or ownership or operation of the Alternate Landfill, and the County shall have the right and the obligation to defend the Contractor's and the County's interests against any such claims for losses or damages, or any liability for fines or penalties, and to initiate, pursue and control, on behalf of both Parties, any proceeding at law or in equity in any court of competent jurisdiction legally available to the County, including the power to continue, discontinue, withdraw, compromise, settle or otherwise dispose of any such claim or legal proceeding on behalf of either Party. The Contractor may, at its sole cost and expense, elect to participate and assist the County in the defense of any such claim. Notwithstanding anything herein to the contrary, the Contractor shall, at all times, have the right, but not the obligation, to protect itself from the prospect of an adverse judgment or ruling, and may elect to assume control of the defense of any claim with respect to its interests therein; provided, however, that if the Contractor elects to assume such control of the defense of its interests, then the County shall have no further obligation to defend the Contractor's interests and shall not be obligated to indemnify the Contractor for any such losses or damages pursuant to this Section 4.07(c).

(iii) This Section 4.07 shall survive termination of this Service Agreement.

Section 4.08 Hazardous Waste. The Parties acknowledge and agree that the Facility or the Expanded Facility is not, and is not intended to be, a Hazardous Waste or infectious waste disposal facility in any sense and that the Facility or the Expanded Facility is solely intended to be a Solid Waste disposal facility, and that it is in the Parties' mutual best interests to fully cooperate to prevent the delivery of any Hazardous Waste or infectious waste to the Facility or the Expanded Facility and to treat illegal deliveries of Hazardous Waste or infectious waste appropriately.

(a) Prevention of Delivery. The County shall use reasonable efforts to prevent and avoid the delivery to the Facility or the Expanded Facility of Hazardous Waste or infectious waste. Such efforts will include, but will not necessarily be limited to:

(i) adoption of an ordinance by the County prohibiting the delivery of Hazardous Waste or infectious waste to the Facility or the Expanded Facility by any municipality or Person engaged in the business of collecting and transporting, delivering or disposing of Solid Waste generated within the County; and

(ii) periodic and random inspections at the Facility Site scale house of vehicles delivering material to the Facility or the Expanded Facility for Processing, including periodic selection of vehicles that will be required to dump such material in such a manner as to allow full inspection by the County of the character of the waste load.

(b) Prevention of Acceptance. The Contractor shall use reasonable efforts to avoid the deposit or acceptance of Hazardous Waste or infectious waste into the Facility or Expanded Facility pit and shall conduct periodic and random inspections of vehicles delivering material into the Facility or Expanded Facility tipping floor and may require any vehicle to dump such material inside the Facility or the Expanded Facility in or near the pit in such a manner as to allow full inspection by the Contractor of the waste load.

(c) Refusal or Rejection. Should either the County or the Contractor discover that any Hazardous Waste or infectious waste has been delivered to the Facility or the Expanded Facility, the Party or Parties discovering the delivery shall:

(i) notify the other Party of the delivery and include in such notification all available information concerning the hauler so as to allow either Party to identify that hauler in the future; and

(ii) immediately order and direct the hauler to leave the Facility Site with the hauler's entire load of waste, or, in the event that the load has been dumped in or near the pit, to remove such portion of the load which is reasonably suspected to be Hazardous Waste or infectious waste from the Facility Site, or, at the option of either Party, the hauler may be required to remove or provide for the removal of such Hazardous Waste or infectious waste from the Facility Site by a qualified and duly licensed third Person.

(d) Removal, Transport and Disposal. If, notwithstanding the efforts of the Parties described in (a), (b) and (c) above, Hazardous Waste or infectious waste is delivered to the Facility or the Expanded Facility and the source of such Hazardous Waste or infectious waste, or the identity of the hauler delivering the Hazardous Waste or infectious waste is unknown, or, if after request, the hauler does not remove such Hazardous Waste, or if Hazardous Waste is discovered on the Facility Site grounds, then the Hazardous Waste shall be contained, set aside, isolated and maintained separately by the Contractor, as agent for the County, from all other Solid Waste in the Facility or the Expanded Facility, and the County shall be immediately notified of the location, general character and amount of such material. The County shall remove, or contract for the removal of, such Hazardous Waste or infectious waste from the Facility, Expanded Facility and the Facility Site and shall transport and dispose of, or shall contract for the transport and disposal of, such material in accordance with applicable State and federal law, at a duly licensed and permitted Hazardous Waste or infectious waste, as the case may be, disposal facility.

(e) Expenses. All Direct Costs incurred by the Contractor for such Hazardous Waste or infectious waste, containment or clean-up, shall be Pass Through Costs, to the extent of Cost Substantiation, including profit.

Section 4.09 Composition of Processible Waste – HHV Adjustment.

(a) Nothing in this Service Agreement shall be construed to mean that the County guarantees the composition of any Processible Waste as it pertains to the proportion of any material contained therein, the energy value thereof, or any other physical or chemical property of Processible Waste, nor shall the performance guarantees set forth in Article V and Schedule 2 be diminished due to any variation in the composition of Processible Waste; provided however:

(i) If for any Billing Year the Weighted Average Annual Higher Heating Value is less than four thousand (4000) Btu per pound, then the Contractor shall pay the County, or the County shall credit against the amounts owed to Contractor hereunder, an amount equal to the HHV Adjustment Amount.

(ii) If for any Billing Year the Weighted Average Annual Higher Heating Value is greater than or equal to four thousand (4000) Btu per pound and less than or equal to five thousand two hundred (5200) Btu per pound, then there shall be no HHV Adjustment Amount owed by either Party to the other Party.

(iii) If for any Billing Year the Weighted Average Annual Higher Heating Value is greater than five thousand two hundred (5200) Btu per pound, then the County shall pay the Contractor an amount equal to the HHV Adjustment Amount.

(iv) Any HHV Adjustment Amount to be paid, or credited, by one Party to the other Party pursuant to this Section 4.09(a) shall be computed on or before the last Day of the calendar month immediately following the last month of the Billing Year for which the adjustments were calculated and paid or credited as part of the annual settlement statement described in Section 6.12.

(b) The Parties expressly recognize that provisions of State or federal law which mandates recycling, whether in effect on the Contract Date or thereafter adopted, amended or otherwise promulgated, including any regulation, rule or official interpretation adopted with respect to any such State or federal law, may reduce the total Processible Waste available for delivery to the Facility or the Expanded Facility which originates within the jurisdiction of any governmental unit or agency, or any Person, which has contracted, or which may contract, with the County for the delivery of Processible Waste to the Facility or the Expanded Facility, and that such reduction in available Processible Waste may adversely affect the ability of either Party to meet its obligations under this Service Agreement. Accordingly, the Parties agree that to the extent that any public or private recycling program or activity conducted in compliance with and pursuant to any recycling plan developed to meet State law mandates for recycling which materially and adversely affects the ability of either Party to meet any obligation or guarantee set forth in this Service Agreement, that either Party's obligation or guarantee, including but not limited to the Processing Guarantee or the Expanded Facility Processing Guarantee, the Annual Average Electrical Guarantee, the Environmental Guarantee, the Daily Capacity Guarantee or the Expanded Facility Capacity Guarantee, and the Maximum Utility Utilization Guarantee and the Expanded Facility Maximum Utility Utilization Guarantee, as well as the Guaranteed Tonnage and the Expanded Facility Guaranteed Tonnage, shall be equitably adjusted to reflect the extent of such adverse effect on the Parties' obligations or guarantees. Any dispute with respect to such adjustment shall be resolved pursuant to Article IX.

Section 4.10 Facility or Expanded Facility HHV Adjustment Amount. The Facility or Expanded Facility Adjustment Amount for a Billing Year or partial Billing Year shall be calculated as follows:

(a) If the Weighted Average Annual Higher Heating Value for such Billing Year is greater than or equal to four thousand (4000) Btu per pound and less than or equal to five thousand two hundred (5200) Btu per pound, then there shall be no HHV Adjustment Amount.

(b) If the Weighted Average Annual Higher Heating Value for such Billing Year is less than four thousand (4000) Btu per pound, an amount equal to the product of:

(i) the difference between (A) the number one (1) and (B) the Weighted Average Annual Higher Heating Value divided by four thousand (4000) Btu per pound, times the Initial Operation and Maintenance Charge or the Expanded Facility Operation and Maintenance Charge as applicable for such Billing Year times

(ii) the Tons of Processible Waste received by the Contractor at the Facility or the Expanded Facility as applicable for such Billing Year.

(c) If the Weighted Average Annual Higher Heating Value for such Billing Year is greater than five thousand two hundred (5200) Btu per pound, an amount equal to the product of:

(i) the difference between (A) the Weighted Average Annual Higher Heating Value divided by five thousand two hundred (5200) Btu per pound and (B) the number one (1), times

(ii) the Initial Operation and Maintenance Charge or the Initial Expanded Facility Operation and Maintenance Charge as applicable for such Billing Year

(iii) the Tons of Processible Waste by the Contractor at the Facility or Expanded Facility as applicable for such Billing Year.

Sample Calculation:

In a year in which the following assumptions are true:

Adjusted Initial Expanded Facility Operations and Maintenance Charge = \$50.00

Weighted Average Annual Higher Heating Value = 5300 Btu/lb

Tons of Processible Waste Processed during Billing Year = 475,000

The HHV Adjustment will be calculated as:

\$50.00 X ((5300/5200) – 1) X 475,000 tons = \$ 456,730.69

Section 4.11 RESERVED

Section 4.12 Additional Solid Waste. In accordance with the procedures outlined in Schedules 17, 18 and 19, Contractor shall evaluate, screen, arrange, schedule and supervise the content, time, and method of deliveries of Additional Solid Waste, all in a manner which will not interfere with or disrupt the normal processing of municipal solid waste from the County. Schedule 17 describes the Contractor's Additional Solid Waste program procedure and record keeping. Schedule 18 is a representative form of agreement that suppliers and generators will be required

to execute as may be modified from time to time. The County shall perform scale activities related to Additional Solid Waste deliveries as described in Schedule 19.

(a) County agrees to allow Contractor to arrange for and take delivery of such Additional Solid Waste in the manner described in Schedule 17 provided the waste shall meet the criteria of all applicable permits relating to operation of the Facility, the Expansion or the Expanded Facility and provided the County shall provide written authorization prior to each and all deliveries of Additional Solid Waste at the Facility or the Expanded Facility arranged for by the Contractor. In addition to all applicable permits and regulations, such waste shall not be Unacceptable Waste or Hazardous (or Bio-Hazardous) Waste as those terms are defined in Schedule 18.

(b) Contractor agrees that the processing of the Additional Solid Waste will not result in any bypassing, displacement or interruption of the normal collection, processing and disposal of municipal solid waste in the County. Notwithstanding the foregoing, the County may reject a particular Additional Solid Waste delivery upon reasonable written notice to the Contractor.

(c) Contractor shall create and maintain the following information and data at no cost to the County: (i) descriptions or analyses of waste material, (ii) analyses of combustion or thermal decomposition; (iii) original producer or generator, brokers, storage or warehousing and transporters; (iv) quantities and types of waste materials accepted at the Facility or the Expanded Facility. The County shall have the right to review this information and to monitor the compliance of Contractor.

(d) Additional Solid Waste tonnage shall be credited to the Guaranteed Tonnage and the Processing Guarantee.

(e) Revenues derived from the delivery and processing of Additional Solid Waste shall be billed to the generators, suppliers or transporters by Contractor. Such customers shall be required to demonstrate and, if necessary, guarantee their ability to pay by letter of credit, bonding, pre-payment/payment at delivery of other acceptable instrument of guarantee.

(f) Revenues from the disposal of Additional Solid Waste shall be distributed as follows:

(i) County revenues for Additional Waste will be agreed to by the Parties on a case by case basis.

(ii) Contractor shall provide to the County a detailed monthly statement of Additional Solid Waste deliveries made and amounts payable to the County for such deliveries, which statement shall be based on the information provided to Contractor by the County from the scale records to be prepared in accordance with Schedules 17 and 19.

(g) The County share of the revenues shall be credited to the County through the Monthly Adjustment component of the Service Fee in the month following receipt of the Additional Solid Waste delivered in accordance with Section 6.01.

(h) The Contractor shall provide the County with a list of all generic descriptions of the materials accepted as Additional Solid Waste.

(i) Either Party may terminate this Section 4.12 without cause by providing a ninety (90) day written notice of termination of this Section 4.12.

ARTICLE V CONTRACTOR GUARANTEES OF FACILITY PERFORMANCE

Section 5.01 Capacity Guarantees. The Contractor hereby guarantees that the Facility, the Expansion or the Expanded Facility shall be operated and maintained in such a manner as to Process Processible Waste in amounts equal to the Daily Capacity Guarantee, Expansion Daily Capacity Guarantee or the Expanded Facility Daily Capacity Guarantee, subject to the provisions of Section 4.01(b), and equal to the annual Processing Guarantee, Expansion Processing Guarantee or the Expanded Facility Processing Guarantee, subject to the provisions of Sections 6.12(b) and 13.02.

Section 5.02 Electrical Guarantees.

(a) Annual Average Electrical Guarantees. The Contractor hereby guarantees that the Facility, the Expansion or the Expanded Facility shall be operated and maintained so as to generate for sale electric energy per Ton of Reference Waste Processed equal to the Annual Average Electrical Guarantee, subject to the provisions of Sections 6.06(a), (b) and (c), 6.09(a) and 6.12(b).

(b) Energy Inefficiency Period Prior to Expansion Acceptance.

(i) Prior to the Acceptance of the Expansion the County may, at such intervals as it may deem necessary and at its sole option, upon prior written notice to the Contractor, require that the Facility be tested in accordance with the appropriate provisions of Schedule 5. If such performance testing demonstrates that the Full Acceptance Standard for the Energy Efficiency Guarantee per Ton of Reference Waste Processed set forth in Schedule 2 is not met by the Facility for any reason other than Uncontrollable Circumstance or County Fault, then the Facility shall be deemed to be in an Energy Inefficiency Period, as hereinafter described. If the Contractor conducts performance testing within seven (7) Days of the date of the County's notice, then the Energy Inefficiency Period will commence as of the date of testing. If performance testing is conducted on a date in excess of seven (7) Days of such notice, then the Energy Inefficiency Period will begin on the Day of the County's notice to the Contractor of testing. Any performance test shall commence no later than thirty (30) Days following receipt by the Contractor of the County's notice of performance testing. In either event, the Energy Inefficiency Period shall end as of the Day that the Contractor certified to the County pursuant to the provisions of Schedule 5 that the Facility has met the Energy Efficiency Guarantee; or, in the event that the Facility has Processed Processible Waste during any Billing Year in excess of the Processing Guarantee, the Energy Inefficiency Period shall be suspended as of the Day following any Day on which the Processing Guarantee was exceeded until the last Day of said Billing Year, (and shall be resumed on the first (1st) Day of the next succeeding Billing Year unless a performance test has

demonstrated otherwise), during which period of suspension, the Contractor shall not be obligated for the payment of energy inefficiency damages, pursuant to Section 6.06(a), for any Ton Processed during such period of suspension. For each Billing Month during the said Energy Inefficiency Period, the Contractor shall be obligated to pay Monthly Damages pursuant to Section 6.06(a).

(ii) Prior to the Acceptance of the Expansion. Contractor, as agent for the County, shall have the right to designate the committed capacity for electrical generation for the Facility pursuant to the Power Purchase Agreement, and the Contractor, as the County's agent, shall also have the right to adjust the committed capacity and/or the date of initiation of capacity payments pursuant to said Power Purchase Agreement; provided, however, that if the committed capacity is less than as provided by the Power Purchase Agreement(s) for reasons other than Uncontrollable Circumstance events or County Fault, then the Contractor shall be obligated to pay the County the Committed Capacity Damage Payment pursuant to Section 6.06(c).

(iii) Prior to the Acceptance of the Expansion, if the Facility does not meet the Energy Efficiency Guarantee, other than due to Uncontrollable Circumstance events and County Fault, then for the period of time, referred to as the Energy Inefficiency Period, from the date of the determination of the commencement of the Energy Inefficiency Period until the Day the Contractor certifies to the County pursuant to performance testing conducted pursuant to Schedule 5 that the Facility has met the Energy Efficiency Guarantee, the Contractor shall be obligated to pay Monthly Damages pursuant to Section 6.06(a) for each Billing Month during the said Energy Inefficiency Period; subject, however, to the provisions of Section 5.02(d)(i).

(c) Inefficiency Period After Acceptance of the Expansion.

(i) Upon and after the Acceptance of the Expansion the County may, at such intervals as it may deem necessary and at its sole option, upon prior written notice to the Contractor, require that the Expanded Facility be tested in accordance with the appropriate provisions of Schedule 5. If such performance testing demonstrates that the Full Acceptance Standard for the Energy Efficiency Guarantee per Ton of Reference Waste Processed set forth in Schedule 2 is not met by the Expanded Facility for any reason other than Uncontrollable Circumstance or County Fault, then the Expanded Facility shall be deemed to be in an Energy Inefficiency Period, as hereinafter described. If the Contractor conducts performance testing within seven (7) Days of the date of the County's notice, then the Energy Inefficiency Period will commence as of the date of testing. If performance testing is conducted on a date in excess of seven (7) Days of such notice, then the Energy Inefficiency Period will begin on the Day of the County's notice to the Contractor of testing. Any performance test shall commence no later than thirty (30) Days following receipt by the Contractor of the County's notice of performance testing. In either event, the Energy Inefficiency Period shall end as of the Day that the Contractor certified to the County pursuant to the provisions of Schedule 5 that the Expanded Facility has met the Energy Efficiency Guarantee; or, in the event that the Expanded Facility has Processed Processible Waste during any Billing Year in excess of the Processing Guarantee, the Energy Inefficiency Period shall be suspended as of the Day following any Day on which the Processing Guarantee was exceeded until the last Day of said Billing Year, (and shall be resumed on the first (1st) Day of the next succeeding Billing Year unless a performance test has demonstrated otherwise), during which period of suspension, the Contractor shall not be obligated for the payment of energy

inefficiency damages, pursuant to Section 6.06(a), for any Ton Processed during such period of suspension. For each Billing Month during the said Energy Inefficiency Period, the Contractor shall be obligated to pay Monthly Damages pursuant to Section 6.06(a).

(ii) Upon and after Acceptance of the Expansion, Contractor, as agent for the County, shall have the right to designate the committed capacity for electrical generation for the Expanded Facility pursuant to the Power Purchase Agreement, and the Contractor, as the County's agent, shall also have the right to adjust the committed capacity and/or the date of initiation of capacity payments pursuant to said Power Purchase Agreement; provided, however, that if the committed capacity is less than as provided by the Power Purchase Agreement(s), then the Contractor shall be obligated to pay the County the Committed Capacity Damage Payment pursuant to Section 6.06(c).

(iii) After Acceptance of the Expansion, if the Expanded Facility does not meet the Energy Efficiency Guarantee, other than due to Uncontrollable Circumstance events and County Fault, then for the period of time, referred to as the Energy Inefficiency Period, from the date of the determination of the commencement of the Energy Inefficiency Period until the Day the Contractor certifies to the County pursuant to performance testing conducted pursuant to Schedule 5 that the Expanded Facility has met the Energy Efficiency Guarantee, the Contractor shall be obligated to pay Monthly Damages pursuant to Section 6.06(a) for each Billing Month during the said Energy Inefficiency Period; subject, however, to the provisions of Section 5.02(d)(i).b

(d) Costs of Testing .

(i) If any performance test conducted by the Contractor pursuant to this Section 5.02 demonstrates that the Facility, Expansion or Expanded Facility (as applicable) failed to meet the performance standards demonstrated by the most recent performance test, then the Contractor shall pay the County for the County's Direct Costs incurred with respect to such performance test, to the extent of Cost Substantiation, excluding profit. Any such Direct Costs shall be deducted from the Contractor's Service Fee payable during the Billing Month in which such performance test occurred. Any Processible Waste not Processed as a direct result of such performance testing shall be Bypassed Waste, subject to Section 4.01(b)(iii) and (iv).

(ii) If any performance test conducted by the Contractor at the request of the County pursuant to this Section 5.02 demonstrates that the Facility or Expanded Facility (as applicable) met the lower of the level of performance most recently demonstrated by performance testing or the Energy Efficiency Guarantee, then the County shall pay the Contractor for the Direct Costs incurred by the Contractor for the conduct of such performance testing to the extent of Cost Substantiation, excluding profit, as part of the Contractor's invoice for the Billing Month in which the performance test occurred. To the extent that the preparation for and conduct of such performance testing directly and adversely affected the Contractor's ability to meet any performance guarantee, then only in the event that such performance test results achieved the lower of the level most recently demonstrated by prior performance testing or the Energy Efficiency Guarantee, any performance guarantee directly affected by the preparation for and conduct of such performance test shall be adjusted to reflect the adverse effects on such performance guarantee

during the preparation for and conduct of the performance test. Otherwise, no adjustments shall be made.

(iii) The Contractor may, at any time during the term of this Service Agreement, cause the Facility or Expanded Facility (as applicable) to be tested at its cost and expense, and the Contractor shall pay the County for its Direct Costs incurred as a result of such testing, to the extent of Cost Substantiation, excluding profit.

Section 5.03 Environmental Guarantee. The Contractor hereby guarantees that it shall operate and maintain the Facility, the Expansion or the Expanded Facility to meet the Environmental Guarantee, subject to the provisions of Section 8.04 with respect to Uncontrollable Circumstance events and County Fault. The Contractor shall be obligated to pay any fine or penalty imposed on the County by any regulatory entity having jurisdiction over operation of the Facility, the Expansion or Expanded Facility, or shall indemnify and reimburse the County for any such fine or penalty, to the extent the County pays such fine or penalty which results from the Contractor's failure to meet the Environmental Guarantee, not resulting from Uncontrollable Circumstance or County Fault. Notwithstanding the foregoing, with respect to the Contractor's obligation to pay fines and penalties under this Section and under Section 6.06(e), the Environmental Guarantee for particulate control shall be the less stringent of the applicable particulate emission limitation in any applicable permits or an emission limitation of 0.010 gr/dscf (corrected to 12% CO₂).

(a) The Contractor shall operate all Clean Air Act modifications installed pursuant to this Service Agreement in a manner consistent with generally accepted engineering, operational and maintenance practices and procedures for such equipment as and when it is incorporated into the Facility or the Expanded Facility. Within the upper limit on the Pass Through Cost for aqueous ammonia and other reagents stated in pass through Item 16 of Schedule 9 of this Service Agreement, Contractor shall not feed aqueous ammonia into any of the Facility's or the Expanded Facility's furnaces at a rate which Contractor knows or has reason to know is insufficient to achieve control of Nitrogen Oxide emissions equivalent to the level specified as the NO_x Emissions Control System Acceptance Criteria. Any failure to agree on whether the Contractor is meeting its obligations under the immediately preceding sentence shall be subject to dispute resolution as provided in Article IX of this Service Agreement. The Contractor shall comply with the testing, monitoring and reporting requirements contained in 40 CFR Part 60, as applicable.

(b) [reserved]

(c) Notwithstanding subparagraphs (a) and (b) above, (i) the Contractor reaffirms the Performance Guarantees and Expanded Facility Performance Guarantees contained in Schedule 2 of this Service Agreement, and agrees that the Environmental Guarantee related to stack emission limitations calls for compliance with the emission limitations set forth in Schedule 12 to this Service Agreement, (ii) the Contractor shall be obligated to pay the Contractor's Share (as defined in the next sentence) of any fine or penalty imposed on the County by any regulatory entity having jurisdiction over the operation of the Facility or the Expanded Facility, or shall indemnify and reimburse the County for the Contractor's Share of any such fine or penalty, to the extent that the County pays such fine

or penalty which results from the Contractor's failure to meet the Environmental Guarantee (as measured in accordance with the test methods specified in PSD-FL-127) (not resulting from Uncontrollable Circumstance or County Fault), and (iii) Facility, Expansion or Expanded Facility shutdowns, reductions in processing or other related events resulting from the Contractor's failure to meet the Environmental Guarantee (as measured in accordance with the test methods specified in PSD-FL- 127) (not resulting from Uncontrollable Circumstances or County Fault) shall be deemed to arise from Contractor Fault. The Contractor's Share of the fines or penalties referred to in the preceding sentence shall mean the full amount of such fine or penalty reduced (but not to less than zero) by subtracting any incremental amount or portion of any fine or penalty assessed corresponding to any increase in such fine or penalty due to the incremental variance between the emissions allowable pursuant to the Environmental Guarantee and the emissions allowable pursuant to the MACT requirements. Any failure to agree on the amount of the Contractor's Share shall be subject to dispute resolution as provided in Article IX of this Agreement. The Contractor shall, in no event, have any liability for fines and penalties under this subsection with respect to emissions from the Facility, the Expansion or Expanded Facility (as measured in accordance with the test methods specified in PSD-FL-127) which are (i) less than or equal to the Environmental Guarantee, or (ii) not subject to the Environmental Guarantee.

Section 5.04 Contractual Environmental Guarantee. In addition to the guarantee of the Contractor set forth in Section 5.03, the Contractor guarantees that, notwithstanding any applicable federal, State or local environmental laws, ordinances, codes, regulations or rules, or any permit(s) issued thereunder which may establish a less stringent air emission standard, operation of the Facility, the Expansion or Expanded Facility shall not result in air emissions in excess of the Environmental Guarantees set forth in Schedule 2, provided such failure does not result from Uncontrollable Circumstance events or County Fault.

Section 5.05 Ferrous and Non-Ferrous Metals Recovery Guarantees.

(a) The Contractor hereby guarantees that it will operate and maintain the Facility, the Expansion and the Expanded Facility so that the recovery of ferrous and non-ferrous metals will meet the Ferrous and Non-Ferrous Metals Recovery Guarantees. Any failure to meet the Ferrous or Non-Ferrous Metals Recovery Guarantees shall obligate the Contractor to make such repairs or modifications to the Facility, the Expansion or the Expanded Facility necessary to correct such failure.

(b) The Contractor shall operate the ferrous and non-ferrous metals recovery system continuously throughout the term of this Service Agreement, unless otherwise directed by the County. The County shall have the right to audit the Contractors stated cost of operation for the ferrous and non-ferrous metals recovery system at any time throughout the term of this Service Agreement. The Contractor shall be obligated to use all reasonable efforts to identify available markets for the sale of ferrous and non-ferrous metals recovered from the Residue, and shall be responsible for marketing and selling such recovered ferrous and non-ferrous metals. The Contractor and the County shall share equally in the net revenues received by the Contractor from the sale of recovered ferrous and non-ferrous metals, and such amounts shall be included in the calculation of the Service Fee pursuant to Section 6.04(c). If no market or purchasers for such recovered ferrous or non-

ferrous metals can be identified by the Contractor, then the Contractor shall transport or shall arrange for the transport of such recovered ferrous or non-ferrous metals to the Landfill. The County shall provide for disposal of such recovered ferrous or non-ferrous metals at the Landfill without cost to the Contractor, and all such unsold ferrous or non-ferrous metals shall be deemed to be Residue.

Section 5.06 Lime Consumption Guarantee and Expansion Hydrated Lime Consumption Guarantee.

(a) The Contractor hereby guarantees that it will operate and maintain the Facility so that the consumption of lime will not exceed the Lime Consumption Guarantee per Ton of Processed Waste. Lime consumed in excess of the Lime Consumption Guarantee shall be paid for by the Contractor, or the Contractor shall reimburse the County for the County's Direct Costs, to the extent of Cost Substantiation, excluding profit, incurred for such excess consumption.

(b) The Contractor hereby guarantees that it will operate and maintain the Expansion so that the consumption of hydrated lime will not exceed the Hydrated Lime Consumption Guarantee per Ton of Processed Waste. Hydrated lime consumed in excess of the Hydrated Lime Consumption Guarantee shall be paid for by the Contractor, or the Contractor shall reimburse the County for the County's Direct Costs, to the extent of Cost Substantiation, excluding profit, incurred for such excess consumption.

Section 5.07 Residual Quality Guarantee.

(a) The Contractor hereby guarantees that the Facility, the Expansion and Expanded Facility shall be operated and maintained so that the Residue shall meet the Residue Quality Guarantee, subject to the provisions of Section 6.12(c).

(b) The Contractor shall use its best efforts to meet the TCLP Toxicity Test or other EPA test pertaining to analysis of Residue at any time such test is required by EPA, the State or the County. The County shall pay the Contractor for its Direct Costs incurred for such testing, to the extent of Cost Substantiation, excluding profit.

Section 5.08 Effluent Guarantee. The Contractor hereby guarantees that the Facility, the Expansion and Expanded Facility shall be operated and maintained so that storm water and wastewater discharges from the Facility or Expanded Facility and Facility Site will meet the Effluent Guarantee. The Contractor shall be obligated to pay any fine or penalty imposed on the County by any regulatory entity having jurisdiction over operation of the Facility, the Expansion or the Expanded Facility, or shall indemnify and reimburse the County for any such fine or penalty to the extent the County pays such fine or penalty, which results from the Contractor's failure to meet the Effluent Guarantee, except to the extent caused by Uncontrollable Circumstance or County Fault; provided, however, that the County shall indemnify and reimburse the Contractor for any such fine or penalty, to the extent the Contractor pays such fine or penalty, which results from stormwater runoff from the Landfill causing the Contractor to fail to meet the Effluent Guarantee.

Section 5.09 Maximum Utility Utilization Guarantee.

(a) The Contractor hereby guarantees that the Facility, the Expansion or the Expanded Facility shall be operated and maintained so that consumption of sanitary sewage and cooling tower blowdown disposal requirements and natural gas will not exceed the Maximum Utility Utilization Guarantee or the Expanded Facility Maximum Utility Utilization Guarantee respectively. Utilities consumed in excess of the Maximum Utility Utilization Guarantee or the Expanded Facility Maximum Utility Utilization Guarantee, for reasons other than Uncontrollable Circumstances or County Fault, shall be paid for by the Contractor, or the Contractor shall reimburse the County for the County's Direct Costs, to the extent of Cost Substantiation, excluding profit, incurred for such excess consumption.

(b) If the constituent concentrations of the treated wastewater effluent vary from any of those concentrations set forth in Schedule 13, which variance adversely affects the Contractor's ability to meet the Effluent Guarantee, then the Contractor and the County shall promptly mutually agree to either: (i) blend, or replace, as appropriate the treated wastewater effluent with potable water, to the extent necessary to reduce such constituent concentrations to the levels specified herein, in which case the Maximum Utility Utilization Guarantee for Cooling Tower Blowdown set forth in PART A, Paragraph 6.c. of Schedule 2 shall remain in full force and effect; or (ii) if technically practicable, use the treated wastewater effluent as delivered in which case the Maximum Utility Utilization Guarantee for Cooling Tower Blowdown set forth in PART A paragraph 6.c. of Schedule 2 shall be adjusted to the extent necessary to meet the effluent quality specified in Table 2 of Schedule 2 and the County shall pay the sewage fee up to the said adjusted Maximum Utility Utilization Guarantee for Cooling Tower Blowdown, and any increased Direct Costs for chemical treatment associated with such use of treated wastewater effluent incurred by the Contractor, shall be paid by the County, to the extent of Cost Substantiation, excluding profit until such time that the treated wastewater quality returns to a quality in conformance with Schedule 13 at which time the original Maximum Utility Utilization Guarantee for Cooling Tower Blowdown set forth in PART A paragraph 6.c. of Schedule 2 shall be in full force and effect.

(c) The Contractor hereby guarantees that the Facility, the Expansion or the Expanded Facility shall be operated and maintained so that consumption of electricity will not exceed the Maximum Utility Utilization Guarantee, which guarantee shall only be applicable if the County enters into an amendment of the Power Purchase Agreement(s) for the purchase of all in-plant electrical needs and the sale of the gross electrical generation of the Facility, the Expansion or the Expanded Facility. Thereafter, purchased electricity utility costs shall be a Pass Through Cost, to the extent that electrical consumption does not exceed the Maximum Utility Utilization Guarantee or the Expanded Facility Maximum Utility Utilization Guarantee for electricity, and all utility costs in excess of said amount shall be paid by the Contractor. The Contractor shall not be liable for such excess costs due to the failure to meet the Maximum Utility Utilization Guarantee or the Expanded Facility Maximum Utility Utilization Guarantee for electricity unless and until the County provides the Contractor with written notification that such amendment to the Power Purchase Agreement(s) will become effective.

ARTICLE VI SERVICE FEE PAYMENTS

Section 6.01 Service Fee.

(a) Commencing January 1, 2025, and for each Billing Month thereafter, the Contractor shall be paid a Service Fee by the County for operating and maintaining the Facility or the Expanded Facility, (excluding operation and maintenance of the Facility Site weigh scales), pursuant to the terms of this Service Agreement, in accordance with the following formula:

$$SF = OM + PT + EC - RRR - LC - MD + MA$$

Where:

SF	=	Service Fee
OM	=	Operation and Maintenance Charge
PT	=	Pass Through Costs
EC	=	Energy Credit
RRR	=	Recovered Resources Revenues
LC	=	Landfill Charges
MD	=	Monthly Damages
MA	=	Monthly Adjustments

Section 6.02 Operation and Maintenance Charge.

(a) For any Billing Month prior to the date upon which waste is Processed at the Expansion, the Operation and Maintenance Charge shall be the tons received at the Facility times the Initial Operation and Maintenance Charge, as adjusted by the Adjustment Factor for the first 326,000 tons received in a Billing Year and for tons received in excess of 326,000 in a Billing Year the number of tons in excess of 326,000 times the Initial Operation and Maintenance Charge, as adjusted by the Adjustment, plus or minus amounts calculated pursuant to Section 6.09(c).

(b) For any Billing Month after the date upon which waste commences to be Processed at the Expansion, the Operation and Maintenance Charge shall be the product of the tons received at the Facility or the Expanded Facility times the Initial Operation and Maintenance Charge, as adjusted by the Adjustment Factor for the first 326,000 tons received in a Billing Year and for tons received in excess of 326,000 in a Billing Year the number of tons in excess of 326,000 times the Initial Operation and Maintenance Charge, as adjusted by the Adjustment, plus or minus amounts calculated pursuant to Section 6.09(c).

(c) For the Billing Month in which the Expansion Acceptance Date occurs, the Operation and Maintenance Charge shall be the product of the tons received at the Expanded Facility times the Initial Expanded Facility Operation and Maintenance Charge, as adjusted by the Adjustment Factor for the first 448,001 tons (or such lesser amount as adjusted pursuant to Section 7.7 of the Expansion Construction Agreement) received in a Billing Year and for tons received in excess of 448,001 (as may be adjusted) in a Billing

Year the number of tons in excess of 448,001 (as may be adjusted) times the Initial Expanded Facility Operation and Maintenance Charge, as adjusted by the Adjustment Factor, plus or minus amounts calculated pursuant to Section 6.09(c).

(d) If, pursuant to the terms and provisions of the Expansion Construction Agreement or this Service Agreement, the Initial Operation and Maintenance Charge or Initial Expanded Facility Operation and Maintenance Charge is required to be increased or decreased, then such increase or decrease shall be calculated as hereinafter provided. Upon final determination of the amount of any such increase or decrease in the Initial Operation and Maintenance Charge or Initial Expanded Facility Operation and Maintenance Charge after the Contract Date pursuant to the terms of the Expansion Construction Agreement or this Service Agreement, the County shall calculate the net present value of such increased or decreased amount as of September 30, 2023, using a discount rate equal to the rate of adjustment of the Adjustment Factor from September 30, 2023, including the year in which the Initial Operation and Maintenance Charge or Initial Expanded Facility Operation and Maintenance Charge was subject to adjustment. The discounted amount so calculated shall then be summed to the Initial Operation and Maintenance Charge or Initial Expanded Facility Operation and Maintenance Charge, and such increased or decreased Initial Operation and Maintenance Charge or Initial Expanded Facility Operation and Maintenance Charge shall thereafter be the basis of the calculation of the Operation and Maintenance Charge pursuant to Section 6.02(a); provided, however, that neither Party shall be entitled to any retroactive adjustments of any payments of the Operation and Maintenance Charge previously made prior to the occurrence of the event giving rise to the said increase or decrease in the Initial Operation and Maintenance Charge or Initial Expanded Facility Operation and Maintenance Charge as applicable.

(e) Operations and Maintenance Charge includes all costs (except the cost for hydrated lime) associated with operating the Expansion at a hydrated lime feed rate up to the number of pounds of hydrated lime per ton of Processed Waste established during the optimization program conducted within ninety (90) days after Acceptance Testing of the Expansion. If an adjustment to the Operations and Maintenance Charge is requested by the Contractor, due to operating the Expansion at the hydrated lime feed rate as established in the previous sentence, a negotiation by the Parties regarding an adjustment to the Lime Consumption Guarantee may first be undertaken, at the County's sole discretion, prior to any consideration of the Contractor's request for an Operations and Maintenance Charge adjustment.

Section 6.03 Pass Through Costs. Pass Through Costs for any Billing Month shall be the sum of the costs and expenses for the items set forth in Schedule 9 which were incurred by the Contractor during such Billing Month, to the extent of Cost Substantiation, excluding profit. Except as otherwise expressly set forth in this Service Agreement, all costs for utility usages in excess of the Maximum Utility Utilization Guarantee or the Expanded Facility Maximum Utility Utilization Guarantee shall be paid by the Contractor as part of the calculation of Monthly Damages.

Section 6.04 Energy Credit and Recovered Resources Revenues.

(a) For the purpose of this Agreement, gross revenues, when used in connection with the sale of Recovered Resources, shall mean the total revenues derived from the sale of any Recovered Resources, and net revenues shall mean the gross revenues less (i) administrative costs charged by purchasers of Recovered Resources and (ii) all commissions or charges, plus all Direct Costs paid by either Party in connection with the sale of any Recovered Resources to the extent of Cost Substantiation, excluding profit.

(b) Prior to the Expansion Scheduled Acceptance Date as defined in the Expansion Construction Agreement, the Energy Credit component of the Service Fee calculated pursuant to Section 6.01(a) for each Billing Month shall be an amount equal to: the net electrical generation in megawatt hours during such Billing Month, calculated as all gross electrical generation produced by the Facility and the Expansion which is determined by the sum of (1) generation used to determine revenues payable to the County pursuant to the Power Purchase Agreement plus (2) generation provided to the BioSolids Facility as metered by a mutually agreeable meter times \$9.75 as of January 1, 2025 as adjusted annually thereafter per megawatt hour by the Adjustment Factor, less all generation associated with electrical consumption and service availability in megawatt hours times \$9.75 as of January 1, 2025 as adjusted annually thereafter by the Adjustment Factor per megawatt hour incurred by the County to replace electrical energy that should have been delivered by the Facility or the Expanded Facility but, for any reason, except for Uncontrollable Circumstance, was not delivered. If Expansion achieves Acceptance before the Expansion Scheduled Acceptance Date specified in this Agreement, Contractor shall be entitled to one hundred percent (100%) of the net energy revenues generated by the Expansion until such Expansion Scheduled Acceptance Date, not to exceed One Million and No/100ths Dollars (\$1,000,000.00). For the avoidance of doubt, during this period that Contractor is receiving all energy revenues prior to the Expansion Scheduled Acceptance Date, Contractor is not entitled to receive the Energy Credit component of the Service Fee for the Expansion specified in Section 6.02(b) of the Service Agreement. Any net energy revenues over one million dollars (\$1,000,000) received prior to the Expansion Scheduled Acceptance Date will be kept by the County, subject to the Contractor's continued entitlement to the Energy Credit component of the Service Fee.

(c) Upon the Scheduled Expansion Acceptance Date as defined in the Expansion Construction Agreement, the Energy Credit component of the Service Fee calculated pursuant to Section 6.01(a) for each Billing Month shall be an amount equal to: (i) the net electrical generation in megawatt hours during such Billing Month, calculated as all gross electrical generation produced by the Facility and Expansion (i.e. Expanded Facility) which is determined by the sum of (1) generation used to determine revenues payable to the County pursuant to the Power Purchase Agreement plus (2) generation provided to the BioSolids Facility as metered by a mutually agreeable meter times \$ \$9.75 as of January 1, 2025as adjusted by the Adjustment Factor per megawatt hour, less all generation associated with electrical consumption and service availability in megawatt hours times \$9.75 as of January 1, 2025as adjusted by the Adjustment Factor per megawatt hour incurred by the ,County to replace electrical energy that should have been delivered by the Facility or the Expanded Facility but, for any reason, except for Uncontrollable Circumstance, was not delivered.

(d) The Recovered Resources Revenues component of the Service Fee calculated pursuant to Section 6.01(a) for each Billing Month shall be equal to (i) the net revenues from the sale of any Recovered Resources other than electric energy, times (ii) fifty percent (50%).

Section 6.05 Landfill Charge. The Landfill Charge component of the Service Fee during any Billing Month for Bypassed Waste shall be an amount equal to the number of Tons of Bypassed Waste calculated pursuant to Section 4.01(b)(iii), times the Landfill Charge, subject to Section 4.01(b)(iv).

Section 6.06 Monthly Damages. The Monthly Damages for any Billing Month, shall be equal to the sum of the amounts, if any, calculated pursuant to paragraphs (a), (b), (c) and (d) of this Section 6.06.

(a) Energy Inefficiency Period Damages. If an Energy Inefficiency Period occurred or is continuing during any Billing Month, or any portion thereof, other than due to Uncontrollable Circumstance or County Fault, the Contractor shall pay the County an amount equal to the product of: (i) the Tons of Processible Waste Processed during the Energy Inefficiency Period up to the Daily Capacity Guarantee times the number of Days in said Energy Inefficiency Period within such Billing Month, times (ii) the shortfall in kilowatt hours of electricity below the lower of the level demonstrated by the most recent Energy Efficiency Guarantee performance test or the Energy Efficiency Guarantee; times (iii) the average net energy (but not capacity) revenues per kilowatt hour of electricity sold pursuant to the Power Purchase Agreement during such Billing Month. If more than one Energy Efficiency Guarantee performance test shall have been performed during any such Billing Month, then the Energy Inefficiency Period damages shall be calculated separately in connection with each such test in accordance with the foregoing sentence.

(b) Capacity Payment Reduction. If, due solely to the Contractor's failure to meet performance guarantees, as provided in and subject to the terms of this Service Agreement, and not due in whole or part to any other factors, pursuant to the Power Purchase Agreement there is a loss of all or a portion of the capacity payment specified therein for the current Billing Month as a result of a shortfall in electric generation in the preceding twelve (12) Billing Months, to the extent such failure(s) were not due to Uncontrollable Circumstance or County Fault, then the Contractor shall be obligated to pay the County an amount equal to the total lost electric revenues resulting from the loss of such capacity payments pursuant to the Power Purchase Agreement. If, however, the loss of capacity payments was not due solely to the Contractor's failure to meet its performance guarantees, but the Contractor has incurred liability for Bypass Waste, Energy Inefficiency Damages or damages under Section 6.12(b)(iv) within the previous twelve (12) months, then the Contractor shall pay the County the Capacity Damages during the current Billing Month; provided, however, that if during the preceding twelve (12) month period, as a result of an Uncontrollable Circumstance and/or County Fault, the Facility, the Expansion or Expanded Facility failed to generate electricity and the total kWhs lost solely as a result of such event(s) would have resulted in the loss of capacity payments for the Billing Month, then notwithstanding the Contractor's failure to meet any of its performance guarantees during said twelve (12) period, the Contractor shall not be obligated to pay Capacity Damages.

Contractor must coordinate scheduled outages and maintenance of the Facility, Expansion or Expanded Facility with FPC or any other QPP able to utilize available curtailment time.

(c) Committed Capacity Damage Payment. If, pursuant to Section 5.02(c), the Contractor has committed capacity less than the capacity payments pursuant to the Power Purchase Agreement, then the Contractor shall pay the County the Committed Capacity Damage Payment.

(d) Excess Utility and Lime Utilization. To the extent such costs are not previously paid by the Contractor, the Contractor shall pay the County for the costs of utilities in excess of the Maximum Utility Utilization Guarantee or Expanded Facility Maximum Utilization Guarantee and chemical reagent utilized by the Contractor during any Billing Month in excess of the Lime Consumption Guarantee and Expansion Lime Consumption Guarantee, unless such limits were exceeded due to Uncontrollable Circumstances or County Fault.

(e) Fines and Penalties. Any fine or penalty imposed against the County by any regulatory agency having jurisdiction over operation of the Facility Site for the Contractor's failure to meet its guarantees set forth in Article V shall be paid by the Contractor, except to the extent due to Uncontrollable Circumstance or County Fault.

Section 6.07 Monthly Adjustment.

(a) To the extent that the actual value of any item in any invoice of the Contractor for payment of the Service Fee for any Billing Month cannot be accurately determined as of the Billing Month statement date, such item shall be mutually estimated by the Parties for said Billing Month. Any disputes with respect to such adjustment shall be resolved pursuant to Article IX. Final adjustment shall be made, to reflect the difference between such estimated value and the actual value of such item in the Billing Month invoice next following the date on which the exact value of any such estimated item is determined.

(b) Any amounts to be withheld or to be rebated under the provisions of Sections 3.03(c) and Section 3.03(d) shall be considered Monthly Adjustments.

Section 6.08 Billing and Payment of Contractor's Invoices.

(a) The Contractor shall submit its invoice to the County for each Billing Month no later than the fifteenth (15th) Day after each Billing Month. Each element necessary to calculate the Service Fee payment due to the Contractor shall be reflected in said invoice, including the following items, if applicable:

(i) any balance due to the County or the Contractor as a result of the annual settlement pursuant to Section 6.12;

(ii) any amount due to the Contractor for a Capital Project payable pursuant to Article VIII;

(iii) the operating data required to be maintained by the Contractor pursuant to Section 3.07(b);

(iv) the Facility Site weigh scale data required to be maintained by the County and provided to the Contractor pursuant to Section 4.04; and,

(v) any insurance proceeds payable to the Contractor.

(b) The County shall pay the Contractor all undisputed Service Fee amounts within thirty (30) Days after the date of receipt by the County of said invoice for any Billing Month.

(c) On or before June 1 of each Billing Year, the Contractor shall provide the County with a written statement, which statement shall not be binding on the Contractor, setting forth its reasonable estimate of the aggregate Service Fee for the next Billing Year, and the calculations upon which said statement was based.

(d) The County shall provide the Contractor with copies of each statement rendered by QPP(s) pursuant to the Power Purchase Agreement(s) and the Contractor shall provide the County with copies of each statement rendered by any purchaser of Recovered Resources other than electricity, as soon as said statements are available to either Party.

Section 6.09 Uncontrollable Circumstance and Performance.

(a) If either Party fails to perform any of its obligations under this Service Agreement, and if such failure to perform was caused by an Uncontrollable Circumstance, then the Parties shall cooperate to remove, reduce or eliminate the adverse effect of such Uncontrollable Circumstance and the Contractor shall receive and Process Processible Waste to the extent of the remaining Processing capability of the Facility, the Expansion or Expanded Facility. The County shall deliver, or cause to be delivered, Processible Waste, to the extent of its ability to cause such delivery, to the Facility or the Expanded Facility. The County shall pay the Contractor the Service Fee based on the Operation and Maintenance Charge component to be based on a tonnage received value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable, and shall provide for the disposal of Processible Waste not Processed at the Facility, the Expansion or the Expanded Facility at no cost to the Contractor. During the occurrence of an Uncontrollable Circumstance, the Contractor shall (i) use all reasonable efforts to continue to Process Processible Waste and (ii) consistent with its contractual and long-term operating and maintenance requirements, use all reasonable efforts to reduce its operating costs, in which case, the Operation and Maintenance Charge based on a tonnage Received value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable shall be reduced pursuant to paragraph (c) of this Section 6.09.

(b) If the County is unable to deliver Processible Waste to the Facility or Expanded Facility due to the occurrence of an Uncontrollable Circumstance, the County shall nevertheless pay the Service Fee based on the Operation and Maintenance Charge component to be based on a tonnage Received value of one twelfth (1/12) of the Guaranteed Tonnage or

one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable, subject to the Contractor's obligation to reduce its costs of operation and maintenance pursuant to paragraph (a) of this Section 6.09.

(c) During the occurrence of the adverse effect of an Uncontrollable Circumstance, the Contractor shall, in good faith, reduce its costs of operation to the minimal level possible, taking into account the remaining Processing capacity of the Facility, the Expansion or Expanded Facility; including, but not limited to, reduced hours in which Processible Waste is delivered to the Facility or Expanded Facility, reduction of staffing, and reduction of Pass Through Costs. The total amount of such reductions in costs of operation shall be deducted from the Operation and Maintenance Charge based on a tonnage Received value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable, to the extent of Cost Substantiation, including profit, to the extent that payments of Operation and Maintenance Charges based on a tonnage Received value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable, including profit, are not covered by insurance proceeds. Any dispute as to the extent of available operating cost reductions, or the amount of any reductions in cost resulting from the Contractor's efforts, shall be resolved in accordance with Article IX.

(d) The Parties agree that if any Processible Waste is not Processed due to the occurrence of an Uncontrollable Circumstance, that neither Party shall be entitled to recover lost electric revenues from the other Party; provided, however, that if any business interruption insurance proceeds are paid as a result of the occurrence of an Uncontrollable Circumstance, exclusive of the amount of any such insurance proceeds available for payment of the Debt Service on the Bonds or the payment of either Party's extra expenses and costs resulting from such Uncontrollable Circumstance, then each Party shall receive the percentage share of any remaining insurance proceeds which is equal to such Party's percentage share of electric revenues utilized to calculate the Energy Credit which would have been received by such Party if such Processible Waste were Processed but for the occurrence of such Uncontrollable Circumstance. The Contractor's percentage share shall be based on the current rate per megawatt hour paid by the County to the Contractor (i.e. \$9.75 as escalated in accordance with Schedule 8 attached hereto) to determine Energy Credits in Section 6.04 divided by the current rate paid per megawatt hour by the utility to the County and the remaining percentage (determined by subtracting the Contractor's percentage share from 100%) to be the County's percentage share.

(e) If, due to one or more Uncontrollable Circumstance events, the costs to the Contractor of operating the Facility, the Expansion or Expanded Facility shall increase, the Operation and Maintenance Charge based on a tonnage value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable for each Billing Month shall be increased by an amount equal to the Contractor's increased Direct Costs of operating the Facility resulting from such event(s), subject to the provisions of Sections 7.03(c), (d) and (f) to the extent of Cost Substantiation, excluding profit.

Section 6.10 Contractor Non-Performance.

(a) If, during any Billing Year, the Contractor does not Process at least the lesser of the Tons of Processible Waste delivered to the Facility or the Expanded Facility and not rightfully rejected pursuant to Section 4.01(b)(i), (iii) and (iv) or the Processing Guarantee or the Expanded Facility Processing Guarantee as applicable, and said failure to Process was not the result of an Uncontrollable Circumstance or County Fault, then in addition to Contractor's responsibility to pay the County the Landfill Charge during any Billing Month of said Billing Year pursuant to Section 6.05, the Contractor shall be obligated for the payment of damages calculated pursuant to Section 6.12(b)(vi).

(b) If, at any time, the Facility, the Expansion or the Expanded Facility performs at less than the Full Acceptance Standard, other than as a result of Uncontrollable Circumstance or County Fault, the Contractor may, at its sole cost and expense and subject to the provisions of Section 8.02, alter the Facility, the Expansion or the Expanded Facility in order for the Facility, the Expansion or the Expanded Facility to meet the Facility Full Acceptance Standard or Expansion Full Acceptance Standard; provided, however, that no expenditure by the Contractor in connection with such alteration shall in itself cause an increase in the Service Fee.

Section 6.11 County Non-Performance.

(a) If, during any Billing Year, the County does not deliver the number of Tons of Processible Waste to the Facility or the Expanded Facility at least equal to the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage respectively and subject to the provisions of Section 4.01(b)(ii), unless such failure was due to Uncontrollable Circumstance or Contractor Fault, then the Contractor shall receive and shall Process such lesser amounts of Processible Waste, subject to the provisions of Section 4.01(b)(1), (iii) and (iv), the County shall pay the Service Fee based on the Operation and Maintenance Charge component to be based on a tonnage value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable and the County shall pay the Contractor damages, if any, pursuant to Section 6.12(a).

(b) During any such period described in Section 6.11(a), the Contractor shall use all reasonable efforts to reduce its costs of operation and maintenance of the Facility, the Expansion or the Expanded Facility, consistent with good engineering practices and the Contractor's long-term obligations hereunder, and any such reduction in cost shall correspondingly reduce the Operation and Maintenance Charge based on a tonnage value of one twelfth (1/12) of the Guaranteed Tonnage or one twelfth (1/12) of the Expanded Facility Guaranteed Tonnage as applicable, in the same manner as provided in Section 6.09(c), except that any allowance for profit will not be reduced.

Section 6.12 Annual Settlement Procedure. Within sixty (60) Days after the last Day of each Billing Year, the Contractor shall prepare and deliver to the County an annual settlement statement, payable by the Contractor or the County, as the case may be, within thirty (30) Days of such statement date, reflecting the following items:

(a) Adjustment for County Fault.

(i) If, in any Billing Year due to County Fault, the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage exceeds the sum of (A) the Tons of Processible Waste Processed, plus (B) the Tons of Processible Waste credited to the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage as applicable pursuant to Section 4.01(b)(ii), then the County shall pay the Contractor the sum of (1) the product of: (W) the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage less the sum of (A) and (B) above, as applicable, times (X) the Annual Average Electrical Guarantee or the Expansion Annual Average Electrical Guarantee, as applicable times (Y) \$9.75 per KWhr as of January 1, 2025 as adjusted by the Adjustment Factor plus (2) the product of fifty percent (50%) times the average net revenues from the sale of Recovered Resources Revenues per Ton of Processible Waste Processed in said Billing Year, times the number of Tons of Processible Waste calculated pursuant to (W) above; provided, however, no payment shall be made by the County to the Contractor pursuant to this subsection if the amount of Processible Waste delivered or caused to be delivered to the Facility by the County, notwithstanding the obligations stated in Section 4.01(a), is the maximum amount of Processible Waste available from within Pasco County that is not subject to requirements in applicable state or federal law or regulations regarding source separation.

(ii) The County shall refund to the Contractor, as part of the annual settlement, any excess Landfill Charges paid by the Contractor during the Billing Year pursuant to Section 6.05 for Bypassed Waste. If, (A) the Processing Guarantee or the Expanded Facility Guaranteed Tonnage as applicable minus the total of the Tons Received during the Billing Year, is less than (B) the total Tons of Bypassed Waste calculated pursuant to Section 4.01(b)(iii) for said Billing Year, then the County shall pay the Contractor an amount equal the product of: (1) the Landfill Charge; times (2) the number of Tons in (B) above, minus the number of Tons in (A) above; provided, however, that such amount shall not exceed the total of any Landfill Charge payments by the Contractor during said Billing Year.

(b) Adjustment For Contractor Fault.

(i) If, at the end of any Billing Year, the annual average net kWh generated per Ton of Reference Waste Processed during the Billing Year is equal to or greater than the Annual Average Electrical Guarantee calculated as described in (ii) below, then the Contractor shall not be obligated to pay the County damages pursuant to this Section 6.12(b) with respect to energy generation for such Billing Year; provided, however, that the provisions of Section 6.06(b) and (c) with respect to Capacity Damages and Committed Capacity Damages shall not be affected by this Section 6.12(b)(i).

(ii) In consideration that there are certain periods of operating conditions when the Energy Efficiency Guarantee is not achievable the following steps shall be followed to determine if the Annual Average Electrical Guarantee is met. The Tons Processed and electricity generated shall not be taken into account for purposes of determining whether the Contractor achieved the Annual Average Electrical Guarantee during any (a) Qualified Turbine Outage Day, (b) Days the exit gas temperature for the Facility was below 380 degrees Fahrenheit as measured at the economizer outlet (provided that if the County observes, during the Contractor's normal inspection, abnormal or excessive corrosion at the outlet to the boiler or inlet to the scrubber or associated piping between them such 45-Day period shall be appropriately reduced) (c) Days during which Contractor is engaged in maintaining or cleaning electrical generating

equipment or auxiliary equipment as a result of either deficiencies in the quality of water provided by the Shady Hills Wastewater Treatment Facility approved in advance by the County, (d) Days during which Contractor is engaged in preventative maintenance or replacement of electrical generation block equipment including without limitation the main transformer, circulating water piping or electric boiler feed pump/motor for the Facility or Expanded Facility approved in advance by the County or (e) Days during an event not caused by Contractor gross negligence that has diminished the efficiency of the turbine generator and cannot be remedied in 14 days due to the nature of the repair (lead time of parts, planning and scheduling of required specialists) or the Operational needs of the County. The total Tons Processed and electricity (in Kwh) generated for the Days described in (a), (b), (c), (d) and e) in the preceding sentence shall not be used to determine whether the Annual Average Electrical Guarantee for the Billing Year is met. For each of all the other Days in the Billing Year which are to be used in the evaluation (1) the Tons Processed for the Day shall be summed to determine the Tons Processed for evaluation and (2) the electricity generated for the Day shall be summed to determine the value of total electricity generated for evaluation. The value of (1) in the preceding sentence shall be converted to Reference Tons Processed by (3) determining the average Btu/lb on the Days that Tons Processed are used in the evaluation and dividing (4) by 5,200 Btu/lb to determine the ratio of Tons Processed to Reference Tons. The ratio determined to three decimal places in the preceding sentence shall be multiplied by the Tons Processed in (1) above to determine (5) the total Reference Tons Processed for evaluation. Then the value of total electricity generated in (2) above shall be divided by the value of total Reference Tons Processed in (5) to determine (6) the average annual electricity per Reference Ton Processed achieved in the Billing Year. If the average annual electricity per Reference Ton Processed in (6) is less than the Annual Average Electrical Guarantee then the Annual Average Electrical Guarantee is not met and then (7) the amount that it is less in kwhr/Reference Ton is determined to be the shortfall in the Annual Average Electrical Guarantee. If not met then the Contractor shall be obligated to pay the County damages for energy generation inefficiency calculated pursuant to Section 6.12(b)(iii). A Qualified Turbine Outage Day shall mean any Day the Facility turbine-generator or for the Expanded Facility one of the turbine generators is scheduled to be and is shut down for maintenance and refurbishment; provided, however, that the number of Qualified Turbine Outage Days shall not exceed ninety (90) Days within every five (5) consecutive Billing Years, This provision shall not affect the Contractor's obligation to Process the Processing Guarantee or the Expanded Facility Processing Guarantee

(iii) If the Contractor is obligated to pay the County damages pursuant to Section 6.12(b)(ii), then the amount of such damages shall be an amount equal to (A) the shortfall in Annual Average Electrical Guarantee determined in (7) above in kwhr per Reference Ton times (B) the total Reference Tons Processed in (5) above times the average net revenues received per kWh of electricity sold during the Billing Year exclusive of the portion of such revenues attributable to payments for capacity determined as follows: Such total amount of damages shall not exceed an amount equal to (A) the number of Tons of Processible Waste Received at the Facility or the Expanded Facility, up to but not exceeding the Processing Guarantee or the Expanded Facility Processing Guarantee in any Billing Year, times (B) the Annual Average Electrical Guarantee, times (C) the average net revenues received per kWh of electricity sold during the Billing Year exclusive of the portion of such revenues attributable to payments for capacity, minus (D) the total net energy (but not capacity) revenues received by the County from the sale of electric energy pursuant to the Power Purchase Agreement during the said Billing Year

(iv) Daily damages for any Day during an Energy Inefficiency Period, shall be an amount, if greater than zero, equal to (A) the product of: (W) the number of Tons of Reference Waste Processed at the Facility or Expanded Facility on each of said Days; times (X) the Annual Average Electrical Guarantee; times (Y) the average net energy (but not capacity) revenues received per kWh hour of electricity sold with respect to each of said Days, minus (B) the product of the total net energy (but not capacity) revenues received by the County from the sale of electricity pursuant to the Power Purchase Agreement(s) with respect to each of said Days.

(v) For any Billing Year in which an Energy Inefficiency Period(s) occurred, only those Days exclusive of Days which occurred during any Energy Inefficiency Period(s) will be considered for the purpose of calculating daily damages pursuant to Section 6.12(b)(iv).

(vi) If, due to Contractor Fault, at the end of any Billing Year, the number of Tons of Processible Waste which is equal to (P) the lesser of (1) the total Tons of Bypassed Waste calculated pursuant to Section 4.01(b)(iii), in such Billing Year or (2) the difference by which the Processing Guarantee or the Expanded Facility Processing Guarantee, exceeds (Q) the sum of the Tons of Processible Waste Received at the Facility or the Expanded Facility, then the Contractor shall pay the County an amount equal to the sum of: (1) the product of (A) the number of Tons calculated pursuant to (P) of this paragraph times (B) the Annual Average Electrical Guarantee, times (C) the average net energy (but not capacity) revenues received per kWh hour of electricity sold during the Billing Year; plus (2) an amount equal to the product of (X) the number of Tons of Processible Waste calculated pursuant to (A) of this paragraph times (Y) the average net revenues received from the sale of Recovered Resources other than electricity per Ton of Processible Waste Processed for the recovery of such materials during said Billing Year, times (Z) fifty percent (50%).

(c) Residue Adjustment. If a performance test conducted in accordance with Schedule 5 demonstrates that the Facility, the Expansion or the Expanded Facility does not meet the Residue Quality Guarantee and such failure is not the result of County Fault or Uncontrollable Circumstance, then, for each Billing Month, or portion thereof, during the Billing Year following such performance test until the Day when a performance test demonstrates that the Facility, the Expansion or the Expanded Facility meets the Residue Quality Guarantee, all Tons of Residue resulting from Processing Processible Waste in said period which are in excess of an amount calculated as hereinafter provided, shall be Bypassed Waste. The amount of such Tons shall be calculated by multiplying (A) the number of Tons of Processible Waste Received by the Facility, the Expansion or the Expanded Facility during each such period and (B) the difference between the percentage of combustible matter in the Residue, as demonstrated by the most recent performance test, and the percentage stated in the Residue Quality Guarantee. The total weight of Bypassed Waste calculated hereunder shall be multiplied by the Landfill Charge and the resulting amount shall be paid by the Contractor to the County as part of the annual settlement pursuant to Section 6.12(b).

(d) Certain Average Net Revenues. Average net electric revenues per kWh shall be determined with respect to the most recent Billing Year in which net revenues from the sale of electricity were received; provided, however, the amount of capacity payments under the Power Purchase Agreement(s) will not be taken into account in the

determination of average net electric revenues per kWh, unless otherwise provided by the terms of this Service Agreement. Average net revenues for Recovered Resources other than electricity shall be determined on the basis of the average price per Ton of the most recent five hundred (500) Tons of such Recovered Resources which were recovered and sold during any Billing Year. If no net Recovered Resources Revenues from the sale of electricity have been received for a Billing Year under this Service Agreement, as hereinabove specified, then with respect to electric energy production, net electric revenues shall be the product of (A) the Annual Average Electrical Guarantee, times (B) the average rate then payable under the Power Purchase Agreement per kWh of electricity applicable to the Billing Year in issue. If at least said amount of Recovered Resources other than electricity was not sold in the Billing Year in issue, then in such event, such net Recovered Resources Revenues shall be assumed to be zero.

(e) Reagent Credit. In any Billing Year in which (i) the amount of pebble lime (CaO-90% reactive) invoiced monthly to the County over the Billing Year exceeds the limit of pebble lime consumption set forth in PART A paragraph 7 of Schedule 2 with respect to the amount of Waste Processed in such Billing Year, (ii) the amount of Hydrated Lime invoiced monthly to the County over the Billing Year exceeds the limit of Hydrated Lime consumption set forth in PART A paragraph 7 of Schedule 2 with respect to the amount of Waste Processed in such Billing Year, (iii) the amount of ammonia invoiced monthly to the County over the Billing Year exceeds the limit on ammonia consumption set forth in PART A Paragraph 11 of Schedule 2 with respect to the amount of Waste Processed in such Billing Year, or (iv) the amount of activated carbon invoiced monthly to the County over the Billing Year exceeds the limit on activated carbon set forth in PART A paragraph 10 of Schedule 2, as tested annually by the Contractor, the Contractor shall reimburse the County for the costs of any such excess reagent(s).

(f) HHV Adjustment Amount. The HHV Adjustment Amount for the Billing Year, if any, as calculated pursuant to Section 4.09(a).

Section 6.13 RESERVED

Section 6.14 RESERVED

Section 6.15 WWTP Electric Sales Arrangement. It may be desirable in the future to construct an electrical interconnection between the Facility and the WWTP. The County and Contractor shall mutually agree on the arrangements for either the County or the Contractor to design, construct and acceptance test such electrical interconnection. County and Contractor shall promptly agree to monthly meter readings to determine electric energy sales to the WWTP under the WWTP Electric Sales Arrangement. County to pay Contractor \$9.75 as of January 1, 2025, adjusted by the Adjustment Factor-Schedule 8 for each MWhr provided to the WWTP. The meter used for measuring electric deliveries to the WWTP shall be calibrated by an independent third party on a frequency not less than every 3 years at the Contractor's cost. The other Party shall be given a minimum of 7 days' notice of such meter check/calibration and shall have the right to witness such check/calibration. The revenues received under the WWTP Electric Sales Arrangement shall not be included in electric revenues for purposes of Sections 6.06 and 6.12 of this Service Agreement.

Section 6.16 Contractor Contribution. Contractor shall annually support the County's integrated waste management system initiatives with a contribution of not less than \$40,000 (stated in September 30, 2022 dollars) and such minimum contribution shall be adjusted annually pursuant to the Adjustment Factor.

Section 6.17 Certain Costs of RO Process Water Treatment System. Contractor will be responsible for the cost of operation, maintenance and reagents and chemicals required for the proper operation and maintenance of the new RO Process Water Treatment System for boiler water makeup or cooling tower makeup located on the Facility Site.

Section 6.18 RESERVED

**ARTICLE VII
UNCONTROLLABLE CIRCUMSTANCE AND DISPOSAL COST INCREASE
LIMITATION**

Section 7.01 Effect on Obligations.

(a) If an Uncontrollable Circumstance occurs which (i) prevents the Facility, the Expansion or Expanded Facility from Processing any portion of the Guaranteed Tonnage, or meeting any of the performance guarantees specified in Article V and Schedule 2, or (ii) which causes the Landfill to be unable to accept any portion of the Residue or (iii) which prevents the delivery of any portion of the Guaranteed Tonnage to the Facility Site for Processing, then, to the extent of available Facility, the Expansion or Expanded Facility Processing capacity, or to the extent of available Residue disposal capacity of the Landfill, the Contractor shall be obligated to Process as much Processible Waste as is reasonably possible during such reduction in Processing capacity or Landfill Residue disposal capacity

(b) Except for the County's obligation to pay the Service Fee pursuant to Sections 6.06 and 6.09(a), and the Contractor's obligation to reduce Operation and Maintenance costs pursuant to Section 6.09(c), neither Party shall be liable to the other for its failure to perform any obligation under this Service Agreement to the extent such performance is prevented by an Uncontrollable Circumstance.

(c) The County shall reinstate regular deliveries of Processible Waste to the Facility Site as promptly as possible after receipt of notice from the Contractor that any such Uncontrollable Circumstance, or its adverse effect on the Facility, the Expansion or Expanded Facility has ceased, unless this Service Agreement is terminated as provided in Sections 7.02 or 7.03.

Section 7.02 Notices; No Repair or Reconstruction.

(a) Immediately upon the occurrence of any Uncontrollable Circumstance adversely affecting the operation of the Facility, the Expansion or Expanded Facility, the Contractor shall notify the County of such fact, followed as promptly as possible thereafter, by written confirmation of such notice.

(b) Not more than ninety (90) Days following the date of such initial notice, the Contractor shall notify the County of (i) any required increase in the Operation and Maintenance Charge under Section 6.09(e), and (ii) if the Facility, the Expansion or the Expanded Facility was damaged whether or not, in the Contractor's opinion, the Facility, the Expansion or the Expanded Facility can be repaired or reconstructed so that it can resume operation at either the Full Acceptance Standard, or any portion of the Full Acceptance Standard specified in said notice.

(c) If Contractor's notice states that in the reasonable engineering judgment of the Contractor, the Facility, the Expansion or the Expanded Facility cannot be repaired, reconstructed, modified or completed so that the Facility, the Expansion or the Expanded Facility can Process Processible Waste and meet at least the Minimal Acceptance Standard, the County may in writing, at its discretion, elect to either: (1) continue to operate the Facility, the Expansion or the Expanded Facility pursuant to this Agreement, except that the performance guarantees set forth in Article V and Schedule 2 shall be modified to reflect the level of operation of the Facility, the Expansion or the Expanded Facility at which the Contractor has notified the County and which the County has found to be reasonable, and the Guaranteed Tonnage, the Processing Guarantee, Section 4.01(b), Article V and Schedules 2 and, if necessary, 3, 5 and 9 shall be appropriately modified to the mutual satisfaction of the County and the Contractor; or (2) terminate this Agreement in accordance with Article XIII.

Section 7.03 Repair and Reconstruction.

(a) If the Contractor's notice states that in its reasonable engineering judgment the Facility, the Expansion or the Expanded Facility can be repaired, reconstructed, modified or completed so that it can meet at least the Minimal Acceptance Standard, such notice shall also include: (i) the total cost of any resulting Capital Project, as well as the effect on the Operation and Maintenance Charge and the Pass Through Costs resulting from such Capital Project; (ii) the effect on the Guaranteed Tonnage, the Contractor's performance guarantees specified in Article V and Schedule 2, and, if applicable, Schedules 3, 5 and 9 and the amount of Processible Waste that the Facility, the Expansion or the Expanded Facility will be capable of Processing; (iii) the time required for such Capital Project; and (iv) any other information or data necessary to the County with respect to such Uncontrollable Circumstance. The total aggregate increase in Disposal Cost since the Contract Date as a result of all prior Uncontrollable Circumstances shall then be determined, which shall additionally include an estimate of the cost of the increased debt service resulting from the Capital Project necessitated by the current Uncontrollable Circumstance, the assumed interest rate, financing costs and amortization information as of the date of Contractor's notice to the County pursuant to Section 7.02, which are necessary to calculate the impact on the Disposal Cost resulting from the current Uncontrollable Circumstance. The information so provided shall be the basis of the calculation of the Disposal Cost pursuant to Schedule 11. Disputes as to the calculation of the Disposal Cost shall be resolved in accordance with Article IX.

(b) Mandatory Repair or Reconstruction. If the Contractor's notice states that the Facility, the Expansion or the Expanded Facility can be repaired, modified or

reconstructed so that it can meet at least the Minimal Acceptance Standard, then if (i) the aggregate increase in Disposal Cost since the Contract Date as a result of the current and all prior Uncontrollable Circumstances is not greater than the Disposal Cost Increase Limitation and (ii) the time required for such repair, modification or reconstruction is not longer than the period covered by business interruption insurance proceeds, if any, then subject to the provisions of Section 7.03(d), the Contractor shall undertake the Capital Project in accordance with Section 8.04, and the County shall arrange for financing of the Capital Project pursuant to Section 8.06.

(c) County Option. If the cumulative amount of the increase in Disposal Cost resulting from the current and all prior Uncontrollable Circumstances since the Contract Date calculated pursuant to Section 6.09(e) and/or this Article VII and in accordance with Schedule 11 is greater than the Disposal Cost Increase Limitation, or if the time required for such repair is longer than the period covered by business interruption insurance proceeds, if any, then the County may (1) approve such increase in Disposal Cost or (2) elect to operate the Facility, the Expansion or the Expanded Facility at the reduced capacity specified in the Contractor's notice without undertaking such Capital Project, or (3) subject to Section 7.03(d), terminate this Service Agreement pursuant to Section 13.04. Upon receipt of the County's written election to undertake such Capital Project, and subject to the provisions of this Section 7.03, the Contractor shall design, construct, and complete such Capital Project in accordance with Section 8.04. Financing of the cost of such Capital Project shall be arranged by the County pursuant to Section 8.06.

(d) Contractor Option. If the County notifies the Contractor of its intent to terminate this Service Agreement pursuant to Section 7.03(c), the Contractor may elect to absorb and pay for only those amounts in excess of the Disposal Cost Increase Limitation resulting from the Capital Project or increase in the Operation and Maintenance Charge necessitated by, and resulting from, the current Uncontrollable Circumstance, in which event, this Service Agreement shall continue and the Parties shall proceed in accordance with paragraph (c) of this Section 7.03; provided, however, that any increase in the Disposal Cost Increase Limitation pursuant to the Adjustment Factor subsequent to the Uncontrollable Circumstance event which gave rise to the County's right to terminate this Service Agreement shall correspondingly reduce the Contractor's elected payment of such Disposal Costs in excess of the Disposal Cost Increase Limitation.

(e) Issuance of Bonds and Conformance With Indenture. If the County elects or is required to undertake a Capital Project in accordance with this Section 7.03, the County shall pay for the cost of such Capital Project utilizing available insurance proceeds, if any, funds held pursuant to the Indenture or supplemental indenture and available for such purpose, any other legally available funds or the proceeds of any additional Bonds issued pursuant to Section 8.06. Any Capital Project to be performed pursuant to this Service Agreement shall be undertaken in accordance with the terms and provisions of Article VIII and the Indenture.

(f) Calculation of Disposal Cost Increase Limitation. Calculation of the Disposal Cost Increase Limitation shall be accomplished in accordance with the provisions of Schedule 11.

ARTICLE VIII CAPITAL PROJECTS

Section 8.01 Capital Projects Due to Uncontrollable Circumstance. The Contractor shall be solely responsible for the design, construction, and, if applicable, Acceptance Testing, of any Capital Project or Work Change which is required by or results from an Uncontrollable Circumstance, subject to the Disposal Cost Increase Limitation. The County shall be responsible for financing the cost of the design and construction of any such Capital Project or Work Change, taking into account any reserves available therefore pursuant to the Indenture, any available insurance proceeds, as provided in Section 8.03, or any other available funds.

Section 8.02 Contractor Capital Projects.

(a) The Contractor may, at its sole expense, and subject to the provisions of this Section 8.02, make changes to the Expanded Facility which the Contractor determines are necessary or desirable to comply with the performance guarantees specified in Article V and Schedule 2 only after prior written notice in conformance with this Section 8.02 to the County and the Consulting Engineer. The County shall, within thirty (30) Days of the date of receipt of the Contractor's written notice as hereinafter provided, approve or disapprove the Capital Project specified in the Contractor's notice. The County may disapprove such Capital Project only if it determines that the proposed change (i) materially adversely affects the ability of the Contractor to comply with the requirements of Article V and Schedule 2, (ii) impairs the quality of the Expanded Facility and designated in the specifications utilized for implementation of the Expanded Facility, or (iii) would adversely affect the tax status of income on the Bonds. Any Capital Project undertaken by the Contractor pursuant to this Section 8.03 without the approval of the County may be undertaken at the Contractor's sole risk only if the County's disapproval of such Capital Project was based upon (i) or (ii) above. Should the Contractor proceed with any such Capital Project without the County's prior written approval, or should the County disapprove the proposed Capital Project on the grounds of (i) or (ii) above, then either Party may elect to resolve such dispute pursuant to Article IX to secure a determination as to whether the County withheld its approval for reasons other than as stated in Sections 8.02(i) or (ii). If the decision reached pursuant to such dispute resolution determines that the County correctly withheld its approval for the Capital Project, then the Contractor shall correct such Capital Project initiated without the County's prior written approval and shall bring the Expanded Facility into full compliance with the specifications designated for implementation of the Expanded Facility. In no event shall the Contractor undertake a Capital Project which the County has disapproved for reasons stated in Section 8.02(iii) unless the County has obtained the written opinion of qualified counsel, in the County's sole opinion, that such Capital Project will not adversely affect the tax status of income on the Bonds, and that such Capital Project is in compliance with the terms and conditions of the Indenture, and the County expressly approves such Capital Project in writing. In no event shall any Contractor Capital Project pursuant to this Section 8.02 increase the Operation and Maintenance Charge or the Pass Through Costs.

(b) The foregoing to the contrary notwithstanding, the Contractor is not authorized by this Section 8.02 to modify the appearance of the Expanded Facility, including, but not limited to, the provisions of specifications designated for implementation of the

Expanded Facility pertaining to colors, building materials, site layout and landscaping. Any such changes may be initiated by the Contractor only upon the prior written approval of the County.

Additionally, if any of the equipment installed in the Expanded Facility and designated in the specifications for implementation of the Expanded Facility (or as otherwise permitted by the Expansion Construction Agreement) then the Contractor may substitute an item of equipment for the item of equipment originally specified in the specifications for implementation of the Expanded Facility only upon the prior written approval of the County and the Consulting Engineer.

Section 8.03 County Capital Projects.

(a) Any Capital Project or Work Change requested by the County shall be submitted in writing by the County to the Contractor. Prior to the Contractor undertaking any activity in connection with any such requested Capital Project or Work Change, the County and the Contractor shall promptly agree on the cost of such Capital Project or Work Change, the amount of any increase or decrease in the Pass Through Costs and the amount of any increase or decrease in the Operation and Maintenance Charge, if any, as well as a new not-to-exceed and milestone drawdown schedule for such Capital Project or Work Change, and the effect, if any, of such Capital Project or Work Change on the Guaranteed Tonnage, the performance guarantees set forth in Article V and Schedule 2 and any other appropriate modification to any obligation of either Party under this Service Agreement. The Contractor shall be obligated to complete any such Capital Project or Work Change requested by the County; provided, however, that the Contractor shall have the right to reject any County requested Capital Project or Work Change that, if implemented, would adversely affect the Contractor's ability to meet the standards and performance guarantees set forth in Article V and Schedule 2 unless the County and the Contractor have mutually agreed to appropriately modify such standards or performance guarantees.

(b) If the Contractor receives a request from the County to undertake a Capital Project or Work Change, the Contractor shall send to the County within ten (10) Days of such request a written estimate of the cost to prepare a firm proposal for such Capital Project or Work Change. If the County gives its written approval to the estimate of the cost for the preparation of a firm price proposal for such Capital Project or Work Change, then the Contractor shall furnish a detailed proposal within thirty (30) Days after the receipt of such written approval or within such other period of time as the Parties may agree, describing in reasonable detail: (i) the necessary revisions to the plans, drawings and specifications; and (ii) the total effect of the Capital Project or Work Change, including, if any, the resulting impact on the Facility operations, the cost of such Capital Project or Work Change, the resulting impact on the Operation and Maintenance Charge and the Pass Through Costs, if any, the new not to exceed drawdown and milestones schedule for such Capital Project or Work Change, the impact on the performance guarantees set forth in Article V and Schedule 2, the effect, if any, on the Guaranteed Tonnage and the Processing Guarantee and any other appropriate modification to any obligation of either Party under this Service Agreement. The County shall notify the Contractor in writing within thirty (30) Days of the receipt of the price proposal if the County wishes to proceed with such Capital Project or Work Change. If the County provides such notice, the items and Schedules referred to above shall be adjusted

in accordance with the Contractor's proposal, and the Contractor shall undertake and complete such Capital Project or Work Change.

(c) If the County and the Contractor cannot agree as to the cost of any such Capital Project or Work Change, the County shall have the right to require the Contractor to perform such Capital Project or Work Change for an amount equal to the Contractor's Direct Costs to the extent of Cost Substantiation, including profit.

(d) If the County and the Contractor cannot agree to the resulting impact on the Operation and Maintenance Charge, the Pass Through Costs, the new not to exceed drawdown and milestones schedule for such Capital Project or Work Change, or the performance guarantees set forth in Article V and Schedule 2, such dispute shall be resolved in accordance with Article IX. Increases or decreases in the Operation and Maintenance Charge, if applicable, shall be limited to an amount equal to the increase or decrease in the Contractor's Direct Costs, to the extent of Cost Substantiation, including profit, and such adjustment shall be calculated in accordance with Sections 6.02(b) and 6.02(c).

(e) Whenever the Contractor determines that a Capital Project or Work Change would be in the best interest of the County and the Contractor, it shall so notify the County in a writing that describes the suggested Capital Project or Work Change and the justification for such Capital Project or Work Change in reasonable detail. Upon receipt of such notice, the County, in its sole discretion, may initiate the suggested Capital Project or Work Change pursuant to this Section 8.03,

Section 8.04 Capital Projects due to Uncontrollable Circumstance.

(a) Immediately upon the occurrence of an Uncontrollable Circumstance adversely affecting the operation of the Facility, the Expansion or Expanded Facility the Contractor shall provide the County with notice of such event, followed by prompt written confirmation thereof in accordance with Section 7.03. As expeditiously as possible following such notice, the Contractor shall provide the County with the written description of the impact of such Uncontrollable Circumstance required by said Section 7.03 setting forth (i) any necessary revisions to the plans, drawings and specifications specified in the Construction Agreement; (ii) the purpose of any Capital Project or Work Change and its expected impact on operation of the Facility, the Expansion or Expanded Facility; and (iii) the total expected effect of the Capital Project or Work Change, including, if any, the resulting impact on the performance guarantees set forth in Article V and Schedule 2, the cost of such Capital Project or Work Change, the increase or decrease in the Operation and Maintenance Charge or the Pass Through Costs, the new not to exceed drawdown and milestones schedule for said Capital Project or Work Change, the impact, if any, on the Guaranteed Tonnage and the Processing Guarantee, and the necessary modifications to Schedules 2, 3, 5 and, if necessary, 9.

(b) If the County and the Contractor cannot agree to the cost of such Capital Project or Work Change, then the County shall have the right to require the Contractor to undertake and complete such Capital Project or Work Change in accordance with the provisions of Section 8.04(e).

(c) If the County and the Contractor cannot agree as to the resulting impact on the Operation and Maintenance Charge, the Pass Through Costs, the new not to exceed drawdown and milestones schedule, the requirements of Schedules 2, and, if applicable, Schedules 3, 5, and 9 or the Guaranteed Tonnage or the Processing Guarantee, such dispute shall be resolved in accordance with Article IX. Increases or decreases in the Operation and Maintenance Charge, if applicable, shall be limited to an amount equal to the Contractor's Direct Costs, to the extent of Cost Substantiation, excluding profit, and such adjustment shall be calculated in accordance with Sections 6.02(b) and 6.02(c).

(d) Notwithstanding the provisions of Section 8.04(a) to the contrary, if the Contractor shall reasonably determine that a Capital Project or Work Change is required due to an Uncontrollable Circumstance and that failure to promptly execute such Capital Project or Work Change will materially adversely affect (i) the Contractor's ability to meet its performance guarantees set forth in Article V and Schedule 2, or (ii) the Operation and Maintenance Charge, the Contractor shall notify the County in writing of the actions planned under this Section 8.04(d), and the total estimated cost of such planned action. If the total estimated cost of the Contractor's planned action does not exceed one hundred thousand dollars (\$100,000), then the Contractor may proceed with such action without the prior written consent of the County only if the County's Authorized Representative has verbally approved such action and only if the circumstances were such that prior written approval of the County was not possible prior to the material adverse effect of the Uncontrollable Circumstance on the Facility. In such case, and to the extent of Cost Substantiation, excluding profit, the Contractor shall be paid the its costs incurred, not to exceed One Hundred Thousand Dollars (\$100,000); provided, however, that the cost of such action shall be taken into account for purposes of calculation of the Disposal Cost Increase Limitation. If the estimated cost exceeds one hundred thousand dollars (\$100,000) for any one event, then the Contractor shall be authorized to proceed only upon the prior written consent of the County in accordance with this Section 8.04. In either event, the County shall have the right to dispute the reasonableness of the Contractor's action and the reasonableness of the costs incurred by the Contractor pursuant to this Section 8.04(d) (except for those actions and costs, if any, which the County has specifically consented to in writing). Any disputes relating thereto shall be resolved in accordance with Article IX.

(e) For any Capital Project or Work Change due to an Uncontrollable Circumstance involving a cost not in excess of five million dollars (\$5,000,000), the Contractor shall be entitled to payment for such costs incurred to the extent of Cost Substantiation, excluding profit, and for any cost in excess of said amount, the Contractor shall be entitled to payment for such costs to the extent of Cost Substantiation, including profit. If the Parties disagree as to the cost of any Capital Project or Work Change caused by an Uncontrollable Circumstance upon which basis the Contractor would be entitled to receive a profit pursuant to this Section 8.04(e), then such dispute shall be resolved in accordance with Article IX.

Section 8.05 Costs for Preparation of Proposals for Capital Projects. The County shall reimburse the Contractor for its Direct Costs, to the extent of Cost Substantiation, including profit, incurred in the preparation of proposals for Capital Projects or Work Changes pursuant to Section

8.03, or, with respect to the preparation of proposals for Capital Projects or Work Changes pursuant to Section 8.04, for its Direct Costs incurred, to the extent of Cost Substantiation, excluding profit.

Section 8.06 Additional Financing. At the County's option, Additional Bonds may be issued by the County to finance the cost of Capital Projects or Work Changes undertaken pursuant to this Article VIII, taking into account any applicable proceeds of insurance to be received and available funds, if any, in applicable reserves for contingencies established in the Indenture for such purchase or any other funds available to the County. If the County elects to issue Additional Bonds, the County shall comply with terms of the Indenture pertaining thereto. The Contractor shall cooperate with the County in connection with the issuance of any such Additional Bonds. If the County is unable to issue Additional Bonds, and other legally available funds of the County are insufficient to pay for the cost of such Capital Project or Work Change, the Contractor shall use reasonable efforts to obtain alternate financing for this purpose. The Contractor shall not be obligated to provide such alternate financing until, in the Contractor's sole judgment and discretion, which judgment shall be absolute and not subject to the provisions of Article IX, the County has entered into, appropriate undertakings to assume or repay any obligation of the Contractor created in connection with any such alternate financing.

Section 8.07 Construction Monitoring of Capital Projects. The County, the Consulting Engineer and the County's agents shall have the right to monitor the Contractor's performance of its obligation to design and construct and, if applicable, to start-up and Acceptance Test, any Capital Project or Work Change undertaken by the Contractor pursuant to this Article VIII, in the same manner as specified in the Expansion Construction Agreement. The Parties mutually agree to enter into a written agreement incorporating substantially similar provisions with respect to the supervision and monitoring of any Capital Project or Work Change as are set forth in the Expansion Construction Agreement prior to the Contractor undertaking such Capital Project or Work Change. The County and the Contractor agree to mutually review and, in good faith, attempt to resolve any disputes arising out of the Consulting Engineer's monitoring activities of Capital Projects or Work Changes. If the Parties cannot resolve any such disputes, then such disputes shall be resolved by pursuant to Article IX.

ARTICLE IX ARBITRATION; INDEPENDENT ENGINEER

Section 9.01 Scope.

(a) To help bring about a quick and efficient resolution of disputes which may arise during the term of this Service Agreement, the Parties do hereby establish a procedure for resolution of disputes, as set forth in this Article IX.

(b) Any technical dispute involving engineering judgment between the Parties that would reasonably be expected to result in a cost or expense of five hundred thousand dollars (\$500,000), or less, shall be resolved by binding arbitration by the Independent Engineer pursuant to Section 9.03. Any such technical dispute involving a cost or expense reasonably expected to be in excess of said amount, but not including an Event of Default, as described in Sections 12.02 and 12.03, shall be referred to the Independent Engineer for non-binding arbitration pursuant to Section 9.03. Upon issuance of the

Independent Engineer's final order with respect to any technical dispute reasonably expected to be in excess of five hundred thousand dollars (\$500,000), either Party may take any legally available action, pursuant to Section 12.01, with respect to such dispute.

(c) If the Parties are unable, in good faith, to resolve any non-technical dispute within thirty (30) Days of written notice of such dispute by either Party pursuant to this Service Agreement, then either Party may take any legally available action with respect to such dispute, pursuant to Section 12.01, unless the Parties otherwise mutually agree to refer such dispute to binding or non-binding arbitration pursuant to Section 9.02. The Parties agree, in good faith, to determine whether or not such arbitration of such non-technical dispute would be binding or non-binding within thirty (30) Days of written notice of any dispute pursuant to this Service Agreement.

Section 9.02 Non-Technical Dispute Arbitration Procedure.

(a) If, pursuant to Section 9.01, any non-technical dispute is referred to binding arbitration pursuant to this Section 9.02, then such dispute shall be decided by a panel of three (3) arbitrators in accordance with the then applicable Construction Industry Rules, or other appropriate successor rules, of the AAA. The Parties acknowledge that this Service Agreement is a contract affecting interstate commerce and any agreement to submit to binding arbitration is subject to, and enforceable in accordance with, the Federal Arbitration Act, 9 USC Section 1, et seq.

(b) Initiation of arbitration proceedings shall be accomplished by written notice from the Parties to the Florida Regional Director of the AAA within five (5) Days after the date of the determination to submit to binding or non-binding arbitration proceeding pursuant to Section 9.01(c).

(c) Each Party shall, within ten (10) Days after notice of institution of arbitration proceedings, select one arbitrator and the two so selected shall, within ten (10) Days after their selection, select the third arbitrator. If the two selected arbitrators are unable to agree upon the third arbitrator, the third arbitrator shall be chosen by the AAA within five (5) Days after said ten (10) Day period in accordance with the AAA's Construction Industry Rules.

(d) No individual who is, or has at any time been, an officer, employee, representative or consultant of either of the Parties, or any Affiliate of either of the Parties, shall be an arbitrator without the express written consent of the Parties.

(e) All arbitration proceedings shall be held in Pasco County, Florida or such other location as is mutually agreeable to the Parties. Each of the Parties shall produce such records as the arbitrators may request.

(f) The arbitrators shall determine a fair and equitable allocation of the reasonable expenses of both Parties incurred in connection with the arbitration of any dispute hereunder, which expenses associated with each dispute shall be borne and paid by the Party losing such dispute. Such allocation of expenses shall be binding upon the Parties. Each Party shall bear its own attorney's fees, unless the arbitrators shall determine that the nature of the

action or defense of the losing Party was frivolous, in which event the arbitrators shall determine a fair and equitable attorney's fee to be paid by the losing Party to the prevailing Party.

(g) Each Party submits to the jurisdiction of the arbitrators appointed in accordance herewith. The determination of the arbitrators shall be in the form of a written decision of the arbitrators, with written findings of fact and each Party hereby waives any objection to admission of such binding final order in any court of appropriate jurisdiction, and if such decision is binding, as determined pursuant to Section 9.01(c), such final order may be specifically enforced by any court of appropriate jurisdiction.

(h) Arbitration of disputes shall be governed by Florida law.

Section 9.03 Technical Disputes. If, pursuant to Section 9.01(b), any dispute is referred to the Independent Engineer, then such proceedings shall be initiated by written notice to the Independent Engineer within five (5) Days of the determination of the binding or non-binding effect of such proceeding pursuant to Section 9.01(b), and the Independent Engineer shall assume exclusive jurisdiction of such dispute. The Independent Engineer shall be required to make a final determination within forty-five (45) Days from the receipt of notice of such dispute by the Independent Engineer. The determination by the Independent Engineer shall be made in writing and shall contain written findings of fact, and each Party hereby waives any objection to admission of such binding final order in any court of appropriate jurisdiction, and if such decision is binding, as determined pursuant to Section 9.01(c), such final order may be specifically enforced by any court of appropriate jurisdiction. The Independent Engineer shall determine a fair and equitable allocation of the reasonable expenses of both Parties incurred in connection with the resolution of any dispute hereunder, which expenses associated with each dispute shall be borne and paid by the Party losing such dispute. Each Party shall bear the cost of its own attorney's fees, unless the Independent Engineer shall determine that the nature of the action or defense of the losing Party was frivolous, in which event the Independent Engineer shall determine a fair and equitable attorneys' fee to be paid by the losing Party to the prevailing Party.

Section 9.04 Selection of Independent Engineer. The Independent Engineer, and any successor Independent Engineer, shall be the original Independent Engineer, or a successor Independent Engineer, selected to serve in such capacity pursuant to the Expansion Construction Agreement. Fees of the Independent Engineer shall be paid one-half by the Contractor and one-half by the County. The Contractor and the County shall cooperate to establish the terms and conditions of the Independent Engineer's continued retention that are mutually satisfactory to the Contractor and the County, it being the intent of the Parties that the activities of the Independent Engineer be limited to the resolution of technical disputes between the Parties and related questions, and that the Independent Engineer not be retained on a full-time basis.

Section 9.05 Replacement of Independent Engineer. If the Independent Engineer resigns, or if either Party desires to terminate the services of the selected Independent Engineer; provided, however, that the Independent Engineer may not be terminated while engaged in dispute resolution pursuant to Sections 9.02 and 9.03, then the Parties shall mutually select a successor Independent Engineer that is a nationally recognized independent consulting engineering firm. All of such consulting engineering firms shall not otherwise be associated with the transactions

contemplated by the Expansion Construction Agreement or this Service Agreement. Such consulting engineering firms shall have knowledge with respect to the design, construction, Acceptance Testing, operation and maintenance of solid waste disposal and mass burn resource recovery facilities. If the County and the Contractor have not agreed upon the selection of a successor Independent Engineer within ninety (90) Days of the date the Independent Engineer ceased to serve, the successor Independent Engineer shall be selected by AAA as expeditiously as possible. The successor Independent Engineer's fees shall be paid in the same manner as provided in Section 9.04.

Section 9.06 Covenant to Continue Performance. During resolution of any dispute under this Article IX, the Contractor and the County shall each continue to perform all of their respective obligations under this Service Agreement without interruption or slow down.

Section 9.07 Survival. This Article IX shall survive termination of this Service Agreement.

ARTICLE X INSURANCE

Section 10.01 Insurance.

(a) The County and the Contractor shall use their best efforts to mutually determine the availability and cost of the insurance coverage, in the amount and form, and with such deductible limits, as is set forth in Schedule 7 and determined in accordance with the provisions of the Indenture, subject to the availability of coverage in the marketplace and in accordance with industry best practices. Subject to the foregoing and Section 10.01(e), Contractor and County shall maintain the insurance coverage in the amount and form, and with such deductible limits, as is set forth in Schedule 7. Contractor and County may mutually agree to modify Schedule 7 during the term of the Service Agreement.

(b) The premium costs for the insurance coverages set forth in Schedule 7, Section 1, shall be paid by Contractor and the insurance coverage set forth in Schedule 7, Section 2 shall be paid by the County.

(c) The Contractor and the County hereby waive, and the Parties shall require their respective insurers to waive, any and all rights of recovery including subrogation against the Contractor, the County and any of their subcontractors and lower-tier subcontractors resulting from performance of this Service Agreement to the extent that any such recovery is based upon a loss covered by any valid and collectible insurance policy under which such recovery is collected.

(d) If at any point County has been satisfying its obligations under Section 10.01(a) by obtaining coverage under Contractor's property and business interruption program, County must remain in such program until such program's next expiration date occurring after Acceptance Date of the Expansion. ("Contractor Property Program Withdrawal Date").

(e) During the term of the Service Agreement, County may request to satisfy its obligations in Schedule 7 by rolling into Contractor's property and business interruption program. The request must be made at least forty-five (45) days in advance of the date County wishes to roll into Contractor's program. Upon such request, Contractor will confirm that its program meets the requirements set forth in this Agreement. If Contractor's program would satisfy the requirements, Contractor shall seek the approval of its insurers of such roll in. If roll in occurs during the mid-term of Contractor's program, an additional premium will be generated by Covanta's insurers and County will be responsible for payment of such invoice. Subsequent inclusion in Covanta's program will be at a cost determined by Contractor's allocation of its total property & business interruption program costs among the facilities insured in the program.

(f) After the Contractor Property Program Withdrawal Date, County may elect to purchase the required insurance on a stand-alone basis. At such time and anytime afterwards, County may elect to purchase limits of property damage insurance that is less than the then 100% replacement cost value of the Expanded Facility, but not less than \$200,000,000. The exercise of such option however shall in no way pass any risk onto Contractor and the County shall be responsible for all losses in excess of policy limits, if and to the extent such losses would have been covered by the property damage insurance if it was written for 100% of the replacement cost value of the Expanded Facility. All exclusions in the property damage insurance shall apply so that the County's coverage will be no more and no less broad than the underlying property damage insurance. County shall grant Contractor the same rights as it would otherwise have had as an additional named insured and same protections as it would have had with a waiver of subrogation.

(g) Contractor, in its sole discretion and for its sole benefit, may elect to purchase Excess and/or Difference in Conditions insurance. Such insurance will protect Contractor's interest only and provide no protection, either directly or indirectly to the County. The policy shall be considered strictly confidential, and Contractor will share with County at Contractor's sole discretion. The insurance required to be procured by County per Article X and Schedule 7 will be primary and without right of contribution from any Contractor procured insurance.

Section 10.02 Insurance Deductibles.

Contractor shall be responsible to satisfy any and all deductibles and self-insured retentions contained in the insurance coverages required to be secured and maintained by the County pursuant to Schedule 7, Section 2, to the extent the covered loss is caused by Contractor Fault, County shall be responsible to satisfy the deductibles and self-insured for all other covered losses.

Section 10.03 Evidence of Insurance. Each Party shall provide the other with certificates of insurance in a form reasonably satisfactory to the other, for all insurance policies required by Schedule 7. The certificates must provide evidence that the requirements of this Article X and Schedule 7 have been satisfied. The certificates shall provide notice of cancellation in accordance with policy provisions, however each Party shall provide the other with not less than sixty (60) Days prior written notice by registered or certified mail of any cancellation, nonrenewal, or material change in coverage made by the insurance company.

Section 10.04 Insurance Proceeds. The proceeds of any insurance recoveries from the property insurance policies required to be maintained pursuant to this Article X and Schedule 7 (except for any insurance procured by Contractor per Section 10.01(g)), shall be paid to the Trustee, if so required by the Indenture, which shall apply such proceeds as directed by the Indenture. Notwithstanding the provisions of Section 10.01 to the contrary, after the expiration of the term of the Builder's Risk insurance policy on the Facility which is maintained by Contractor pursuant to the Expansion Construction Agreement, County shall procure and maintain or have the Contractor procure the property insurance required by this Agreement to be procured and maintained by County with a stipulated limit of Two Hundred Million Dollars (\$200,000,000) (the "Sub-limit") instead of the full replacement value of the Expanded Facility. The County agrees that, subject to the provisions of Section 10.02: (a) losses in excess of the Sub-limit (the "PD Sub-limit Excess Loss") shall be borne by the County to the extent that such losses would have been covered by the property damage insurance if it had a property damage limit equal to 100% of the replacement cost value of the Expanded Facility and such loss was not explicitly excluded in the underlying property damage insurance policy, and (b) the County for itself and on behalf of any person or entity claiming by, through or under County, waives the right to recover from, and releases, Contractor and other Contractor parties from all Sub-limit Excess Loss. Such waiver of right to recover and release shall apply to the extent that such losses would have been covered by the property damage insurance if it had a property damage limit equal to 100% of the replacement cost value of the Expanded Facility and such losses were not explicitly excluded in the underlying property damage insurance policy.

Section 10.05 No Limitation. Nothing contained in this Article X or in this Service Agreement shall be construed or deemed as limiting either Party's obligations under this Service Agreement to pay damages or other costs and expenses as may be specifically provided for in other Articles of this Service Agreement.

ARTICLE XI INDEMNIFICATION AND WAIVER

Section 11.01 Indemnification.

(a) The Contractor agrees, to the extent permitted by law, that it shall protect, indemnify, and hold harmless the County and its respective officers, commissioners, employees and agents, including the Consulting Engineer, (the County Indemnified Parties) from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, or actions and reasonable attorneys' fees, and shall defend the County Indemnified Parties in any suit, including appeals, for personal injury to, or death of, any person or persons, or for loss or damage to property arising out of the acts or omissions of the Contractor, including its representatives and agents, in the performance (or nonperformance) of the Contractor's obligations under this Service Agreement. The Contractor is not, however, required to protect, indemnify or hold harmless any County Indemnified Party for loss or claim resulting from performance (or nonperformance) of the County's obligations under this Agreement or the negligence or willful misconduct of any County Indemnified Party, or which results from the delivery, handling, Processing, transportation or disposal of Hazardous Waste or Nonprocessable Waste delivered to the Facility Site. The Contractor's aforesaid indemnity is for the exclusive benefit of the County

Indemnified Parties and in no event shall such indemnity inure to the benefit of any third Person.

(b) The County agrees that it shall protect, indemnify, and hold harmless the Contractor, its subcontractors and their affiliates (including subsidiaries), and their respective officers, directors, employees and agents (the Contractor Indemnified Parties) from and against all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, or actions and reasonable attorneys' fees, and shall defend the Contractor Indemnified Parties in any suit, including appeals, for personal injury to, or death of, any person or persons, or for loss or damage to property arising out of: (i) the acts or omissions of the County, including its Consulting Engineer and agents, in the performance (or nonperformance) of the County's obligations under this Agreement; (ii) operation of the Facility, the Expansion or the Expanded Facility by or under the direction of the County after termination of this Service Agreement unless such termination is due to an Event of Default by the Contractor, in which case such indemnification shall apply only with respect to negligence or willful misconduct of the County or its agents or subcontractors and (iii) the delivery, handling, Processing, transportation or disposal of Hazardous Waste or Nonprocessable Waste delivered to the Facility Site. The County is not, however, required to protect, indemnify or hold harmless any Contractor Indemnified Party for loss or claim resulting from performance (or nonperformance) of the Contractor's obligations under this Agreement or the negligence or willful misconduct of any Contractor Indemnified Party. The County's aforesaid indemnity is for the exclusive benefit of the Contractor Indemnified Parties, and in no event shall such indemnity inure to the benefit of any third Person.

Section 11.02 Waiver. Subject to the provisions of Section 10.02, the Contractor and the County hereby waive any and every claim arising pursuant to the terms of this Service Agreement for recovery from the other for any and all loss or damage to each other resulting from the performance of this Service Agreement, which loss or damage is covered or, but for the County's election to insure property damage for less than full replacement value, would have been covered by property damage insurance, and will require their insurers to waive all rights of recovery and subrogation against the County or the Contractor as the case may be. If, however, the deductible or risk-retained amount of such insurance coverages is governed by the provisions of Section 10.02, then to the extent of such deductible or retention amount, neither Party shall be deemed to have waived its right to recover such loss or damage under the terms of this Service Agreement from the Party causing such loss or damage and the provisions of Section 10.02 shall be applicable to such loss or event.

Section 11.03 Exclusion of Consequential Damages.

(a) The Parties acknowledge and agree that because of the unique nature of the undertakings contemplated by this Service Agreement, it is difficult or impossible to determine with precision the amount of damages that would or might be incurred by either Party as a result of a breach of this Service Agreement by the other Party. Accordingly, in the event that either Party elects not to exercise its right of specific performance to enforce any obligation of the other Party pursuant to Section 12.01, or should damages, payments, fines or credits be set forth herein for such Party's failure to perform its obligations or meet its guarantees or warranties, then whether a claim is based upon contract, tort (including

negligence or strict liability), warranty, guarantee, delay or otherwise, arising out of the performance or nonperformance by either Party of its obligations under this Service Agreement, the Parties agree that either Party shall be liable and obligated to pay only those damage amounts, payments, fines and credits expressly provided for in accordance with the terms of this Service Agreement, or such amounts as may be determined pursuant to Article IX, and that such amounts that may become due pursuant to the terms of this Service Agreement shall constitute either Party's sole damages and exclusive remedy recoverable from the other Party.

(b) In no event, however, whether because of a breach of any provision contained in this Service Agreement or any other cause, whether based upon contract, tort (including negligence or strict liability), warranty, guarantee, delay or otherwise, arising out of the performance or nonperformance by either Party of its obligations under this Service Agreement, including, without limitation, suits by third Persons, shall either Party be liable for or obligated in any manner to pay incidental, special, punitive, consequential or indirect damages of any nature incurred by either Party whether occurring during or subsequent to the performance of this Service Agreement.

Section 11.04 Survival. This Article XI shall survive termination of this Agreement.

ARTICLE XII EVENTS OF DEFAULT

Section 12.01 Remedies for Breach or Failure to Perform. The Parties agree, in the event of the breach or failure to perform by any Party of an obligation under this Service Agreement, that neither Party shall have the right to terminate this Service Agreement except for, and as a result of, an Event of Default as described in Sections 12.02 and 12.03. With respect to, and as a result of, any breach or failure of performance under this Service Agreement which is not an Event of Default as described in said Sections 12.02 or 12.03, or which is such that performance damages are not specified by this Service Agreement as payable as a consequence thereof, the Parties acknowledge that the sole and exclusive remedy of the Party not in breach or default shall be specific performance to compel such performance, if applicable, by the Party in breach or failing to perform; provided, however, that if either Party fails to pay the other Party amounts due pursuant to the terms of this Service Agreement, and if such failure to pay is an Event of Default as defined in Sections 12.02 or 12.03, either Party may elect to take legal action to compel the defaulting Party to pay any such amounts due, notwithstanding the foregoing provisions of this sentence to the contrary.

Section 12.02 Events of Default by the Contractor. Each of the following shall constitute an Event of Default on the part of the Contractor:

(a) The persistent or repeated failure or refusal by the Contractor to fulfill all or any of the Contractor's obligations under this Service Agreement, or the persistent or repeated failure of the Guarantor to fulfill all or any of the Guarantor's obligations under the Guarantee, unless in each case such failure or refusal shall be excused or justified by an Uncontrollable Circumstance or by County Fault, and except insofar as such refusal or failure relates to payment obligations of the Contractor, in which case Section 12.02(e) shall govern,

or the Contractor's failure to meet its Daily Processing Guarantee and/or the Environmental Guarantee, in which case the specific limitations and obligations set forth in Section 12.02(d) shall govern. Except as provided in Section 12.02(d), no failure or default with respect to the Contractor's performance guarantees shall constitute an Event of Default giving the County the right to terminate this Service Agreement under this Section 12.02(a) if the Contractor is paying, when due, any damages or penalties specified in this Service Agreement for failure to meet the performance guarantees set forth in Schedule 2; provided, however, in any event that any such default shall not constitute an Event of Default unless and until:

(i) the County shall have given prior written notice to the Contractor and the Guarantor specifying that a particular default or defaults exist which will, unless corrected, constitute a material breach of this Service Agreement or the Guarantee on the part of the Contractor or the Guarantor respectively; and,

(ii) the Contractor or the Guarantor has not corrected such default or has not taken reasonable steps to commence to correct the same within thirty (30) Days from the date of the notice given pursuant to clause (a)(i) of this Section 12.02(a) or thereafter does not continue to take reasonable steps to diligently correct such default.

(b) the Contractor or the Guarantor (i) being or becoming insolvent or bankrupt or ceasing to pay its debts as they mature or making an arrangement with or for the benefit of their creditors or consenting to or acquiescing in the appointment of a receiver, trustee or liquidator for a substantial part of their property, or (ii) being or becoming a party to a bankruptcy, winding up, reorganization, insolvency, arrangement or similar proceeding instituted by or against the Contractor under the laws of any jurisdiction, which proceeding, if involuntary in nature, has not been dismissed or stayed within sixty (60) Days, or (iii) taking any action approving of, consenting to, or acquiescing in, any such proceeding, or (iv) being a party to the levy of any distress, execution or attachment upon the property of the Contractor or the Guarantor which shall substantially interfere with the Contractor's performance hereunder. In the event of the Contractor or the Guarantor being or becoming insolvent or bankrupt, the Contractor shall (i) assume or reject this Service Agreement within sixty (60) days after the order for relief; (ii) promptly cure any failure to perform its obligations or any Event of Default arising under this Service Agreement for reasons other than the event set forth in this paragraph; (iii) compensate or provide adequate assurance that it will promptly compensate the County for any amounts due the County pursuant to Article IV; and (iv) provide adequate assurance of future performance under this Service Agreement under 11 USC J365(b)(1)(c), or any successor provision of the Federal Bankruptcy Code, which adequate assurance shall include the posting of a letter of credit or other security by the Contractor or the Guarantor in an amount sufficient to defease the Bonds pursuant to the terms of this Service Agreement. The foregoing provisions shall not prevent the County from requesting such other conditions to assumption of this Service Agreement, as it deems reasonable and necessary.

(c) The Contractor's or the Guarantor's ceasing to pay their respective debts, which are not being contested in good faith, as they mature or the written admission by Contractor or the Guarantor that it is insolvent or bankrupt, or the filing by Contractor or the Guarantor of a voluntary petition under the Federal Bankruptcy Act or under the laws of

any other jurisdiction, the consent or acquiescence by Contractor or the Guarantor to the appointment by a court of a receiver, liquidator or trustee for all or a substantial portion of its property or business, or the making by the Contractor or the Guarantor of any arrangement with or for the benefit of its creditors involving an assignment to a trustee, receiver or similar fiduciary, regardless of how designated, of all or a substantial portion of, the Contractor's or the Guarantor's property or business or the levy of any distress, execution or attachment of the property and assets of the Contractor or the Guarantor which would substantially interfere with the Contractor's performance under this Service Agreement or the Guarantor's performance under the Guarantee.

(d) Failure by the Contractor for reasons other than an Uncontrollable Circumstance or County Fault, for a period of twelve consecutive (12) Billing Months, to demonstrate by performance testing that the Expansion and the Expanded Facility operated at an average throughput capacity of at least eighty-five percent (85%) of the Daily Guaranteed Capacity (or the adjusted Daily Capacity Guarantee at which the Expansion and the Expanded Facility was Accepted) and to meet the Environmental Guarantee; provided, however, that the County has made available sufficient quantities of Processible Waste. For purposes of this Section 12.02(d), the Expansion and the Expanded Facility shall have failed to meet eighty-five percent (85%) of the Daily Guaranteed Capacity (or the adjusted Daily Guaranteed Capacity at which the Expansion and the Expanded Facility was Accepted) if any performance test demonstrates that the Expansion and the Expanded Facility failed to meet said level of Processing capacity and the Contractor fails to demonstrate, by any subsequent performance test conducted during the next consecutive twelve (12) Billing Months following the Billing Month in which the initial performance testing referred to herein occurred, that the Expansion and the Expanded Facility achieved at least the said level of Processing capacity. This subsection shall not be construed as imposing on the Contractor an obligation to periodically conduct any performance tests. An Event of Default described in this subsection shall not give rise to the right of the County, in its sole discretion, to terminate this Service Agreement until:

(i) the County shall have given prior written notice of the Event of Default to the Contractor and the Guarantor which, unless corrected, will constitute a material breach of this Service Agreement and the Guarantee on the part of the Contractor and the Guarantor; and

(ii) (A) the Contractor and/or the Guarantor has not corrected the Event of Default or has not demonstrated that the Contractor has initiated steps to commence to correct such default within thirty (30) Days from the date of the notice given in (i) above of this paragraph (d); such steps to include, but not be limited to, planned revisions or modifications to the Facility to correct the Event of Default within a reasonable period of time, but in no event no later than two (2) years after the date of the County's notice hereunder. Any disputes as to whether or not such planned action can be reasonably expected to correct such default within said two (2) year period, shall be resolved pursuant to Article IX; or

(B) the Contractor thereafter does not continue to correct the Event of Default in accordance with the Contractor's plan specified pursuant to Section

12.02(d)(ii)(1), as may from time to time be modified, with all reasonable diligence and dispatch, and in any case, in accordance with Section 12.02 (d) (ii) (1) .

(e) Failure on the part of the Contractor to pay all or any amount required to be paid to the County or the Trustee under this Service Agreement when such amount becomes due and payable, unless the same is paid within thirty (30) Days after written demand therefor by the County accompanied by notice that unless the same is not so paid, such failure to pay will constitute an Event of Default, unless a dispute with respect to any such amount is being pursued under the provisions of Article IX.

(f) Failure on the part of the Guarantor to pay all or any amount required to be paid to the County or the Trustee or to perform any obligation under the Guarantee when required, unless the same is paid or performed within thirty (30) Days after written demand therefor by the County accompanied by notice that unless the same is not so paid or performed, such failure will constitute an Event of Default.

(g) The failure of the Contractor to timely comply with any final binding determination and order with respect to any dispute required by this Service Agreement to be resolved pursuant to Article IX.

Section 12.03 Events of Default by County. Each of the following shall constitute an Event of Default on the part of the County:

(a) The persistent or repeated failure or refusal by the County to fulfill all or any of its obligations under this Service Agreement except insofar as such failure or refusal relates to payment obligations of the County, in which case Section 13.03 shall govern; unless such failure or refusal shall be excused or justified by an Uncontrollable Circumstance or Contractor Fault; provided, however, that no such default shall constitute an Event of Default giving the Contractor the right to terminate this Service Agreement under this Section 12.03(a) unless and until:

(i) the Contractor shall have given the County prior written notice specifying that a particular default or defaults exist, which will, unless corrected, constitute a material breach of this Service Agreement on the part of the County; and

(ii) the County has not corrected such default or has not taken reasonable steps to commence to correct the same within thirty (30) Days from the date of the notice given pursuant to clause (a)(i) of this Section 12.03 or thereafter does not continue to take reasonable steps to correct such default.

(b) Failure on the part of the Trustee or the County to pay all or any amount required to be paid to the Contractor under this Service Agreement and the Indenture when such amount becomes due and payable, unless the same is paid within thirty (30) Days after written demand therefor by the Contractor accompanied by notice that unless the same is not so paid, such failure to pay will constitute an Event of Default, unless a dispute with respect to any such amount is being pursued under the provisions of Article IX.

(c) The County (i) being or becoming insolvent or bankrupt or ceasing to pay its debts as they mature or making an arrangement with, or for the benefit of, its creditors or consenting to, or acquiescing in, the appointment of a receiver, trustee or liquidator for a substantial part of its property, or (ii) being or becoming a party to a bankruptcy, winding up, reorganization, insolvency, arrangement or similar proceeding instituted by or against the County under the laws of any jurisdiction, which proceeding has not been dismissed or stayed within sixty (60) Days, or (iii) taking any action approving of, consenting to, or acquiescing in, any such proceeding, or (iv) being a party to the levy of any distress, execution or attachment upon the property of the County which shall substantially interfere with its performance hereunder. In the event of the County being or becoming insolvent or bankrupt, the County shall (i) assume or reject this Service Agreement within sixty (60) days after the order for relief; (ii) promptly cure any failure to perform its obligations or any Event of Default arising under this Service Agreement for reasons other than the event set forth in this paragraph; (iii) compensate or provide adequate assurance that it will promptly compensate the Contractor for any amounts due the Contractor pursuant to this Service Agreement. The foregoing provisions shall not prevent the Contractor from requesting such other conditions to assumption of this Service Agreement, as it deems reasonable and necessary.

(d) The failure of the County to timely comply with any final binding determination and order of the arbitration panel or the Independent Engineer with respect to any dispute required by this Service Agreement to be resolved pursuant to Article IX.

ARTICLE XIII TERMINATION

Section 13.01 Mitigation. The Contractor and the County agree that in the event either Party is terminated by the other Party due to an Event of Default, the injured Party is entitled only to the rights and remedies specified in this Article XIII and for damages as specified in other provisions of this Service Agreement accruing or accrued prior to the effective date of such termination; provided, however, that the injured Party is obligated, to the extent not detrimental to its interests and within any applicable provisions of law, to mitigate the damages, costs and expenses incurred by reason of such Events of Default and to credit the savings therefrom to any damages, costs and expenses otherwise payable by the defaulting Party.

Section 13.02 Termination by County for Contractor Event of Default; Limit of Liability.

(a) If this Service Agreement is terminated by the County due to an Event of Default by the Contractor as set forth in Section 12.02, then the Contractor's total obligation to the County for the payment of damages by reason of such termination (except those obligations which expressly survive termination of this Service Agreement) and the County's sole and exclusive remedy, shall be limited to the Service Fee paid in the twelve calendar months immediately preceding the termination date and any obligations set forth in Section 16.01(b), if applicable. The Contractor shall pay such amount in accordance with Section 13.06.

(b) Upon termination of this Service Agreement pursuant to Section 13.02(a), the Contractor shall, in a timely manner to permit the continued operation of the

Facility, the Expansion or Expanded Facility: (i) grant to the County a paid-up, royalty-free nonexclusive license to any patents, trademarks, copyrights and trade secrets and shop rights as necessary for, and limited to, the operation and maintenance of the Facility, the Expansion or the Expanded Facility; (ii) supply at their fair market price any proprietary components needed for continuing the operation of the Facility, the Expansion or the Expanded Facility; (iii) assign for the benefit of the County all maintenance and supply contracts; (iv) at the County's request, assist the County by providing initial training of personnel as may be reasonably necessary to enable the County to continue with the operation of the Facility, the Expansion or the Expanded Facility and the County shall pay the Contractor for its Direct Costs, to the extent of Cost Substantiation, excluding profit, incurred by the Contractor in the performance of such services; and (v) provide non-technical and technical design, construction and operational information, whether or not proprietary, including technical specifications and as-built reproducible plans of the Facility, the Expanded or the Expanded Facility and, to the extent permissible by applicable law, assign or provide any other license, permit or consent which is necessary for the operation, maintenance and repair of the Facility, the Expansion or the Expanded Facility. In any such event, the Contractor shall be entitled to payment of the Service Fee pursuant to Article VI prior to the effective date of the County's notice of termination of this Service Agreement pursuant to Section 12.02.

Section 13.03 Termination by Contractor For County Event of Default. If the Contractor terminates this Service Agreement for an Event of Default on the part of the County pursuant to Section 12.03, the Contractor shall have no further obligation or liability to the County, except as provided by Section 13.05, and the County shall pay the Contractor an amount equal to: (a) the Service Fee payable up to the effective date of termination; plus (b) all Direct Costs incurred by the Contractor in connection with such termination, including cancellation charges, if any, from contractors, subcontractors, or suppliers, for which the Contractor shall provide Cost Substantiation, including profit; plus (c) amounts expended by the Contractor in connection with Capital Projects, if any, to the extent not otherwise recovered by the Contractor under this Service Agreement; plus (d) the amount of four million dollars (\$4,000,000); minus (e) the amount of any adjustments favorable to the County, including Monthly Damages payable by the Contractor to the County pursuant to Section 6.06.

Section 13.04 Termination for Uncontrollable Circumstance.

(a) Termination by either Party due to the occurrence of an Uncontrollable Circumstance pursuant to Section 7.02(c) or Section 7.03(c), shall be effective upon thirty (30) Days' prior written notice of such termination by either Party. Upon such termination, neither Party shall be obligated to the other for the payment of any costs or expenses, except as accrued to the date of termination or as otherwise specifically provided in this Service Agreement. Upon such termination, the County shall pay the Contractor for any additional incremental Direct Costs incurred by the Contractor prior to the effective date of such termination, to the extent of Cost Substantiation, excluding profit, which were not paid by the County through the effective date of such termination as part of the Service Fee, subject to the Disposal Cost Increase Limitation, and the Contractor shall have no further obligation or liability to the County, except as provided by Section 13.05.

Section 13.05 Operation Upon Termination. Upon termination of this Service Agreement pursuant to Sections 13.03 or 13.04, and if the County elects to continue operation of the Facility, the Expansion or the Expanded Facility, the Contractor shall, in a timely manner to permit the continued operation of the Facility, the Expansion or the Expanded Facility, (i) grant to the County a paid-up, royalty-free nonexclusive license to any patents, trademarks, copyrights and trade secrets and shop rights as necessary for, and limited to, the operation of the Facility, the Expansion or the Expanded Facility; (ii) supply at their fair market price any proprietary components needed for continuing the operation of the Facility, the Expansion or the Expanded Facility; (iii) assign for the benefit of the County all maintenance and supply contracts; (iv) at the County's request, assist the County by providing initial training of personnel as may be reasonably necessary to enable the County to continue with the operation of the Facility, the Expansion or the Expanded Facility and the County shall pay the Contractor for its Direct Costs, to the extent of Cost Substantiation, including profit, incurred in the performance of such services; and (v) provide nontechnical and technical design, construction and operational information, whether or not proprietary, including technical specifications and as-built reproducible mylar plans of the Facility, the Expansion or the Expanded Facility and assign or provide any other license, permit or consent which is necessary for the operation, maintenance and repair of the Facility, the Expansion or the Expanded Facility.

Section 13.06 Manner of Termination Payment. Within ninety (90) Days following the effective date of termination of this Service Agreement, the Parties shall reconcile all amounts then due and payable to either Party under the terms of this Service Agreement. Upon reaching the total amount of the outstanding unpaid balance which either Party may owe the other Party as a result of such reconciliation, the County or the Contractor, as the case may be, shall pay such amount within thirty (30) Days of the date of determination of said final amount in complete discharge of each Party's obligations to the other Party under this Service Agreement, except those obligations arising out of any Sections of this Service Agreement which explicitly survive the termination of this Service Agreement. The outstanding principal balance shall bear interest compounded at the rate determined pursuant to Section 16.04, and such principal and interest payments shall be payable in equal, semi-annual installments over said period.

Section 13.07 Survival. This Article XIII shall survive termination of this Service Agreement.

ARTICLE XIV CONFIDENTIALITY

Section 14.01 Confidential Information. The County acknowledges that the Contractor owns Confidential Information. The Contractor shall deliver to the County two (2) copies of Operation and Maintenance Manuals and one complete set of current as built reproducible mylar plans, specifications, drawings, foreign prints and technical data sheets relating to the Facility which the County shall hold confidential pursuant to the terms of this Article XIV.

Section 14.02 County Obligation of Confidentiality.

(a) The County shall hold in strict confidence any Confidential Information which it obtains from the Contractor and shall take all reasonable precautions to

prevent disclosure of Confidential Information to third Persons, except for disclosures permitted under this Service Agreement. The Contractor recognizes and agrees, however, that disclosure of Confidential Information may be permitted pursuant to: (1) the Consulting Engineer's performance of its responsibilities in connection with its duties for the County, but only to the extent that such disclosure is authorized under an agreement providing appropriate disclosure restrictions entered into between the Contractor and the Consulting Engineer; (2) disclosures to any governmental agency necessary to obtain and maintain any permits, licenses, or other approvals with respect to the operation and maintenance of the Facility, the Expansion or the Expanded Facility pursuant to federal, State or local regulatory requirements; and (3) disclosures permitted pursuant to Section 14.02(b) of this Service Agreement. The County shall promptly notify the Contractor of any request for disclosure of Confidential Information and shall, to the extent permitted by State law, limit the scope of disclosure of such Confidential Information to the purpose of such request. The County, to the extent authorized by applicable provisions of State law pertaining to public records, shall disclose such Confidential Information only upon prior authorization by the Contractor. Prior to the disclosures required by the immediately preceding sentence, the Contractor may participate with the County in discussions with such requesting Party and may comment on the scope and content of such requested Confidential Information.

(b) The Parties acknowledge that the rights and obligations of the Parties set forth herein with respect to Confidential Information are subject to applicable provisions of State law pertaining to public records. The County shall give the Contractor prompt notice of any request for information, data or material which has previously been designated by the Contractor as Confidential Information pursuant to Section 16.03 made pursuant to such provisions of State law pertaining to public records. The County shall consult with the Contractor prior to any response to such request, and within the time provided by such applicable provisions of State law prior to compliance with such request for disclosure, fully cooperate with the Contractor in negotiations with the Person requesting such information or in any legal action by the Contractor to enjoin the release of said Confidential Information; provided, however, that unless prohibited by a court of competent jurisdiction, disclosure by the County of such Confidential Information pursuant to such applicable provisions of State law pertaining to public records shall not violate the terms of this Section 14.02.

Section 14.03 Identification of Confidential Information. The Contractor shall clearly identify as such Confidential Information which the Contractor discloses to the County, its representatives or consultants. Any document or portion of a document containing Confidential Information which is delivered by the Contractor to the County, or its representative or consultant, shall be clearly labeled with the words Confidential Information. Any other form of Confidential Information shall be clearly identified by the Contractor as such prior to or promptly after disclosure to the County, its agents or representatives in such manner as to reasonably put any recipient of such information on notice of the confidential nature of such communication; provided, however, that no obligation to protect Confidential Information shall arise until such time as the County, its agents or representatives receives such notice or identification. Upon notice that the County has been requested to disclose Confidential Information pursuant to the provisions of State law pertaining to public records, the Contractor shall further separately identify that information, if any, which, in the opinion of Contractor, is not included within the meaning of such provisions of State law, and the statutory basis therefor; provided, however, that such opinion of

the Contractor shall in no way modify the County's obligation to disclose such information in accordance with the provisions of such law and the provisions of Section 14.02.

Section 14.04 Survival. This Article XIV shall survive termination of this Service Agreement.

ARTICLE XV REPRESENTATIONS

Section 15.01 Representations of County. The County represents to the Contractor that:

(a) The County is duly organized and existing in good standing under the laws of the State and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Service Agreement;

(b) The County has the power, authority and legal right to enter into and perform its obligations set forth in this Service Agreement, and the execution; delivery and performance hereof by the County (i) has been duly authorized by the Board of County Commissioners, (ii) does not require any other approvals by any other governmental officer or body, other than those permits or approvals contemplated to be obtained after the Contract Date; (iii) does not require any consent or referendum of voters, (iv) will not violate any judgment, order, law or regulation applicable to the County, and (v) does not constitute a default under, or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the County under any agreement or instrument to which the County is a party or by which the County or its assets may be bound or affected;

(c) This Service Agreement has been duly entered into and delivered by the Board of County Commissioners and, as of the Contract Date, constitutes a legal, valid and binding obligation of the County, fully enforceable in accordance with its terms; and

(d) There is no action, suit or proceeding, at law or in equity, before or by any court or governmental authority, pending or, to the best of the County's knowledge, threatened against the County, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the County of its obligations hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of this Service Agreement, or any other agreement or instrument entered into by the County in connection with the transactions contemplated hereby.

(e) To the extent permitted by State law, the County hereby irrevocably waives any and all defenses it may have on the grounds of sovereign immunity in any action which may be brought by the Contractor against the County in connection with this Service Agreement.

(f) The County hereby represents and warrants that it has the authority to extend the term of the Service Agreement, as described in Section 16.01.

Section 15.02 Contractor's Representations. The Contractor hereby represents to the County that:

(a) The Contractor is qualified to do business in the State and is duly qualified to do business wherever necessary to carry on the business and operations contemplated by this Service Agreement;

(b) The Contractor has the power, authority and legal right to enter into and perform its obligations set forth in this Service Agreement, and the execution, delivery and performance hereof, (i) has been duly authorized, (ii) does not require the approval of any governmental officer or body, other than those permits or approvals contemplated to be obtained after the date of execution of this Service Agreement, (iii) will not violate any judgment, order, law or regulation applicable to the Contractor or any provisions of the Contractor's articles of incorporation and by-laws and (iv) does not constitute a default under or result in the creation of, any lien, charge, encumbrance or security interest upon any assets of the Contractor under any agreement or instrument to which the Contractor is a party or by which the Contractor or its assets may be bound or affected;

(c) The Contractor holds, or is expressly authorized under, the necessary patent rights, licenses and franchises to construct and operate and maintain the Facility pursuant to the terms of the Construction Agreement and this Service Agreement;

(d) This Service Agreement has been duly entered into and delivered and, as of the Contract Date, constitutes a legal, valid and binding obligation of the Contractor, fully enforceable in accordance with its terms; and

(e) There has been no material adverse change in the Contractor's or the Guarantor's financial condition since April 1, 1988, which would materially impair the Contractor's ability to perform its obligations under this Service Agreement, or the Guarantor's ability to fulfill its obligations under the Guarantee.

(f) There is no action, suit or proceeding, at law or in equity, before or by any court or governmental authority, pending or, to the best of the Contractor's knowledge, threatened against the Contractor, wherein an unfavorable decision, ruling or finding would materially adversely affect the performance by the Contractor of its obligations hereunder or the other transactions contemplated hereby, or which, in any way, would adversely affect the validity or enforceability of the Construction Agreement or this Service Agreement, or any other agreement or instrument entered into by the Contractor in connection with the transactions contemplated hereby.

ARTICLE XVI MISCELLANEOUS

Section 16.01 Term; Testing at End of Term; Term Extension Notice Requirements.

(a) Unless sooner terminated in accordance with the provisions of this Service Agreement, the term of this Service Agreement shall commence at 12:00 A.M. January 1, 2025, and continue in effect until 11:59 P.M. December 31, 2034 (the "Term") unless further extended for an additional term of five years by the parties in accordance with the notice provisions set forth in Section 16.01(d), (e) and (f) below.

(b) At least twelve (12) months prior to the expiration of the Term the County shall have the right, unless waived by the County pursuant to Section 16.01(c), to require the Contractor to conduct performance tests on the Facility, the Expansion or the Expanded Facility pursuant to Schedule 5 to determine whether the Facility, the Expansion or the Expanded Facility is capable of meeting the Full Acceptance Standard specified in Article V and Schedule 2 for the Facility, the Expansion or the Expanded Facility, or the performance standard at which the Expansion or the Expanded Facility was actually Accepted. The County shall be responsible for the costs related to any testing requested under this section except for the case where Contractor chooses to assign the Agreement to a non-affiliate third party in which case Contractor shall be responsible for 50% of the costs to do the testing. In the event such performance tests demonstrate that the Facility, the Expansion or the Expanded Facility do not achieve said level of performance, the Contractor shall, at the Contractor's cost, modify the Facility, the Expansion or the Expanded Facility, as applicable, or take such other appropriate measures as are necessary, to enable the Facility, the Expansion or the Expanded Facility to meet the Full Acceptance Standard, or the performance standard at which the Expansion or Expanded Facility was actually Accepted not to exceed one hundred percent (100%); provided, however, that if the performance guarantees demonstrated by said performance testing vary by two percent (2%) or less from the Full Acceptance Standard, or the performance standard at which the Expansion or Expanded Facility was actually Accepted, or, if applicable, as said performance guarantees were modified after the Acceptance Date pursuant to the provisions of Article VII or Article VIII, then the Contractor shall not be obligated to make such modifications.

(c) The County may choose to waive the performance tests in Section 16.01(b) if, in its sole and absolute judgment, the performance of the Facility, the Expansion or Expanded Facility as demonstrated by the monthly Facility, the Expansion or Expanded Facility performance records meets the performance requirements specified in Section 16.01(b).

(d) If the Contractor does not have interest in extending the Term, then Contractor shall provide notice in writing to the County on or before 11:59 December 31, 2031 that it does not desire to extend the Service Agreement beyond the end of the current Term of 11:59PM December 31, 2034.

(e) The County shall provide notice in writing to the Contractor on or before 11:59PM December 31, 2032 whether or not it has interest to extend the Service Agreement beyond the end of the current Term of 11:59PM December 31, 2034.

(f) The Contractor shall provide notice in writing to the County on or before 11:59PM December 31, 2032 that it has interest to extend the Service Agreement beyond the end of the current Term of 11:59PM December 31, 2034.

Section 16.02 Visitation Rights.

(a) During the term of this Service Agreement, County and its representatives, invitees and representatives of regulatory agencies shall have the right to visit the Facility, the Expansion or the Expanded Facility in the presence of a Contractor

representative, if approved in advance by the Contractor (which approval shall not be unreasonably withheld); provided, however, that such visitation shall be conducted in a manner so as to minimize interference with the Contractor's performance of its obligations under this Service Agreement and its operation of the Facility, the Expansion or the Expanded Facility. The Contractor shall cooperate with, and shall provide reasonable assistance to the County, as requested by the County, in the preparation and presentation of any educational or public informational programs or materials with respect to operation of the Facility, the Expansion or the Expanded Facility.

(b) In connection with any such visits, the County shall comply, and shall cause its agents, representatives, employees or invitees to comply, with all reasonable rules and regulations adopted by the Contractor, including a requirement that each Person visiting the Facility Site shall sign a statement agreeing (i) to assume the risk of injury or death during the inspection or visit but not the risk of injury or death due to the intentional or negligent acts or omissions of the Contractor and (ii) not disclose or use any Confidential Information other than for the purpose for which it was disclosed. The Contractor shall have no obligation to disclose Confidential Information to members of the public who are invitees of the County. Individuals employed or retained by the County or the Consulting Engineer making more than one visit to the Facility Site shall be required to sign such statement at their initial visit and such statement shall apply to all subsequent visits made by that individual.

Section 16.03 Industrial Property Rights.

(a) The Contractor shall pay all royalties and license fees relating to the design, construction, performance testing, operation and maintenance of the Facility, the Expansion or the Expanded Facility. The Contractor hereby warrants that the design, construction and performance testing of the Expansion, and the contemplated operation or maintenance of the Facility, the Expansion or Expanded Facility or the use of any component unit thereof or the use of any article, machine or process, or a combination of any or all of the aforesaid, by the County or any third Person shall not infringe any patent, trademark or copyright of any other third Person. The Contractor shall defend any claim or lawsuit brought against the County or any of its directors, officers, commissioners, employees or representatives, including any claim or lawsuit for infringement of any patent, trademark or copyright relating to the design of the Expansion, or for the unauthorized use of trade secrets by reason of the design, construction, operation or maintenance of the Facility, the Expansion or the Expanded Facility, or the Contractor may, at its option, acquire the rights of use under infringed patents, or modify or replace infringing equipment with equipment equivalent in quality, performance, useful life and technical characteristics and development so that such equipment does not so infringe, subject to the provisions of Section 8.02, and the Contractor shall indemnify the County or any of its directors, officers, commissioners, employees or representatives and hold each and all harmless against all liability, judgments, decrees, damages, interest, costs and expenses (including reasonable attorneys' fees) recovered against the County or any of its directors, officers, commissioners, employees or representatives sustained by any or all by reason of any such actual or alleged infringement of any patent, trademark or copyright or the unauthorized use of any trade secret.

(b) This Section 16.03 shall survive termination of this Service Agreement.

Section 16.04 Interest on Payments. All payments to be made pursuant to this Service Agreement outstanding after the applicable due date shall bear interest calculated on the basis of the lesser of (i) the maximum annual rate permitted by State law, if applicable, or (ii) the greater of the prime rate of The Chase Manhattan Bank, N.A., or the then current rate of interest on the Bonds.

Section 16.05 Compliance with Laws. The Contractor shall comply with all laws and regulations and permits issued thereunder in connection with operation or maintenance of the Facility, the Expansion or the Expanded Facility, subject to the provisions of this Service Agreement with respect to a Change in Law.

Section 16.06 Assignment. This Service Agreement may not be assigned by either Party without the prior consent of the other Party, except that the Contractor may, without such consent, assign its interest hereunder to any Affiliate which has a credit rating (or its equivalent) at least equal to that of the Contractor and in which event the Affiliate shall assume all the obligations and undertakings of the Contractor under this Service Agreement; provided, however, that such assignment shall not relieve the Guarantor from its obligations and undertakings under the Guarantee and the Guarantor shall execute such documents as are necessary to assure that the Guarantee shall continue and remain in full force and effect; provided further that should Contractor substitute the Guarantee with a letter of credit pursuant to Section 16.07(a) below, the provisions of Section 16.07(b) shall apply. The County may, however, without such consent, assign its interest hereunder to: (a) the Trustee as collateral for, or otherwise in connection with, the Indenture, Bonds, Additional Bonds, if any, other arrangements of the financing or refinancing of all or part of the Facility or (b) to a successor of the County.

Section 16.07 Substitution of Parent Guarantee by Contractor.

(a) Guarantor or Contractor may, at any time upon written notice to County, replace the Guarantee with a letter of credit from a financial institution reasonably acceptable to County and with financial terms reasonably acceptable to County. Such letter of credit shall be in the amount of the estimated value of the next Billing Year Service Fee determined in accordance with Section 6.01 of this Service Agreement. The Guarantee shall terminate for all purposes upon the effective date of such letter of credit and be of no further force or effect.

(b) Upon any assignment by Contractor of this Service Agreement to an Affiliate pursuant to Section 16.06 above, Contractor shall do all things necessary or appropriate to assure that such letter of credit, or such substitute letter of credit as may be reasonably required upon such assignment, shall continue and remain in full force and effect at all times during the Term of this Service Agreement.

Section 16.08 Subcontracts, Assignment and Default. The Contractor shall use all reasonable efforts to assure that all contracts with subcontractors and suppliers are assignable to Trustee in the event of termination of this Service Agreement. Additionally, the Contractor shall

use reasonable efforts to obtain favorable subcontracts which include competitive warranties and guarantees of services, materials and equipment.

Section 16.09 Notices. All notices, demands, requests and other communications hereunder shall be deemed sufficient and properly given if in writing and delivered in person to the following addresses or sent by certified or registered mail, postage prepaid with return receipt requested, at such addresses; provided, if such notices, demands, requests or other communications are sent by mail, they shall be deemed as given on the third day following such mailing which is not a Saturday, Sunday or Day on which United States mail is not delivered:

(a) If to County: County Administrator
West Pasco Government Center
8731 Citizens Drive, Suite 350
New Port Richey, Florida 34654

with a copy to: County Attorney
West Pasco Government Center
8731 Citizens Drive, Suite 350
New Port Richey, Florida 34654

(b) If to Contractor: Pasco Facility Business Manager
Covanta Pasco, Inc.
14230 Hays Road
Spring Hill, Florida 34610

with a copy to: General Counsel
Covanta Energy
445 South Street
Morristown, New Jersey 07044

Either Party may, by like notice, designate any further or different persons or addresses to which subsequent notices shall be sent. Any notice hereunder signed on behalf of the notifying Party by a duly authorized attorney at law shall be valid and effective to the same extent as if signed on behalf of such Party by a duly authorized officer or employee.

Section 16.10 Relationship of the Parties. Neither Party shall have any responsibility to perform services for or to assume contractual obligations which are the obligation of the other Party; nothing herein shall constitute either Party as a partner, agent or representative of the other Party, or to create any fiduciary relationship between the Parties.

Section 16.11 Waiver. Unless otherwise specifically provided by the terms of this Service Agreement, no delay or failure to exercise a right resulting from any breach of this Service Agreement shall impair such right or shall be construed to be a waiver thereof, but such right may be exercised from time to time and as often as may be deemed expedient. Any waiver shall be in writing and signed by the Party granting such waiver. If any representation, warranty or covenant contained in this Service Agreement is breached by either Party and thereafter waived by the other

Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive, either expressly or impliedly, any other breach under this Service Agreement.

Section 16.12 Authorized Representatives. For purposes of this Service Agreement, the Parties' authorized representatives are as follows:

For Contractor: Pasco Facility Business Manager
Covanta Pasco, Inc.
14230 Hays Road
Spring Hill, Florida 34610

For County: County Administrator
West Pasco Government Center
8731 Citizens Drive, Suite 340
New Port Richey, Florida 33553

Either Party may change its Authorized Representative at any time by written notice to the other Party.

Section 16.13 Article and Section Captions; References. The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof. Except as otherwise indicated, all references herein to sections and articles are to sections and articles of this Service Agreement.

Section 16.14 Severability. In the event that any provision of this Service Agreement shall, for any reason, be determined to be invalid, illegal or unenforceable in any respect the Parties hereto shall negotiate in good faith and agree to such amendments, modifications or supplements of or to this Service Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Service Agreement, as so amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

Section 16.15 Amendment. No amendment, modification or change to this Service Agreement shall be effective unless same shall be in writing and duly executed by the Parties.

Section 16.16 Agreement Governed by Florida Law. This Service Agreement shall be governed by the laws of the State of Florida.

Section 16.17 No Other Agreements. All negotiations, proposals and agreements prior to the date of this Service Agreement are superseded hereby. This Service Agreement and Schedules hereto, together with the Construction Agreement, and Schedules thereto, shall constitute the entire agreement between the County and the Contractor with respect to the design, construction, start-up, Acceptance Testing, operation and maintenance of the Facility, the Expansion or the Expanded Facility.

Section 16.18 Successors and Assigns. This Service Agreement shall be binding upon and inure to the benefit of the respective successors, permitted assigns, administrators and trustees of County and the Contractor.

Section 16.19 Execution of Documents. This Service Agreement shall be executed in any number of duplicate originals, any of which shall be regarded for all purposes as an original and all of which shall constitute but one and the same instrument.

Section 16.20 Transfer or Removal of Equipment, Liability to Transfer. Upon any termination of this Service Agreement, neither Party, as applicable, shall remove any equipment or materials from the Facility Site nor transfer any interest therein, without first providing the other Party with written assurance satisfactory to the other Party that limitations of, and protections against, liability following such removal or transfer are, at a minimum, equivalent to those afforded each Party under the provisions of this Service Agreement. In the event of any such transfer or removal, such assurance shall be obtained from the transferee; however, if such written assurances are not obtained, then transferring Party shall indemnify the other Party for any liability incurred by reason of any such removal or transfer. This Section 16.19 shall survive termination of this Service Agreement.

Section 16.21 Ambiguity. The Parties hereby agree that each has played an equal part in the negotiation and drafting of this Service Agreement, and in the event any ambiguity should be asserted or realized in the construction or interpretation of this Service Agreement, the result of such ambiguity shall be equally assumed and realized by each Party.

Section 16.22 Modification of Indenture. The County agrees that during the lesser of the term of this Service Agreement or the effectiveness of the Indenture, that no material modification or amendment to the substance of the provisions of the Indenture that would materially and adversely affect the rights or obligations of the Contractor under this Construction Agreement or under this Service Agreement or under the Indenture, shall be made by the County without the prior written consent of the Contractor.

Section 16.23 Interpretation of this Agreement. The Parties agree that this Service Agreement is an agreement for the sale of services, and as such, is not governed, directly, indirectly, or by analogy, by the statutory provisions or judicial interpretations of the Florida Uniform Commercial Code, Florida Statutes, Chapters 671-680 (the Code). The Parties hereby waive any and all protections, rights or remedies provided by the Code and agree that the Code shall not be utilized to interpret this Service Agreement.

[Signatures on page following.]

IN WITNESS WHEREOF, County and Contractor have caused this Service Agreement to be executed in their respective names, have caused their respective corporate seals to be hereto affixed, and have caused this Service Agreement to be attested, all by their duly authorized officers, and representatives and County and Contractor, have caused this Service Agreement to be dated as of the date and year first written above.

<p><u>Joanne Law</u> Witness Joanne Law</p> <p><u>Carolina Araujo-Foti</u> Witness Carolina Araujo-Foti</p>	<p>CONTRACTOR:</p> <p>COVANTA PASCO, INC., a Florida corporation (SEAL)</p> <p>By: <u>[Signature]</u> Signature of Contractor <u>Tim Reilly</u></p> <p>Title: <u>Vice President + Treasurer</u></p> <p><u>445 South Street Morristown NJ 07960</u> Business Address of Contractor</p> <p><u>862-345-5000</u> Phone Number of Contractor</p>
<p>[SEAL]</p> <p>APPROVED IN SESSION</p> <p>SEP 05 2023</p> <p>PASCO COUNTY BCC</p> <p>ATTEST By: <u>[Signature]</u> <u>09/05/23 SW23-0430</u> NIKKI ALVAREZ-SOWLES, ESQ. CLERK AND COMPTROLLER</p>	<p>COUNTY:</p> <p>BOARD OF COUNTY COMMISSIONERS OF PASCO COUNTY, FLORIDA</p> <p>By: <u>[Signature]</u> JACK MARIANO, CHAIRMAN</p> <p>Date: _____, 2023</p>

(Signature page to Fourth Amended and Restated Service Agreement)

SCHEDULES

FOR

PASCO COUNTY
FOURTH AMENDED AND RESTATED
SERVICE AGREEMENT

SCHEDULES

- Schedule 1 - Guarantee
- Schedule 2 - Performance Guarantees
- Schedule 3 - RESERVED
- Schedule 4 - Scheduled and Unscheduled Maintenance
- Schedule 5 - Performance Test Procedures
- Schedule 6 - Power Purchase Agreement
- Schedule 7 - Insurance
- Schedule 8 - Adjustment Factor
- Schedule 9 - Pass Through Costs
- Schedule 10 - Martin Guarantee
- Schedule 11 - Disposal Cost Calculation
- Schedule 12 - Permits
- Schedule 13 - Representative Concentrations for Pasco County Treated Wastewater Effluent
- Schedule 14 - Indenture
- Schedule 15 - Higher Heating Value Adjustment Procedures
- Schedule 16 - Facility Staffing Plan and Expanded Facility Staffing Plan
- Schedule 17 - Additional Solid Waste Program Procedures
- Schedule 18 - Representative Form of Additional Solid Waste Disposal Agreement
- Schedule 19 - Scalehouse Procedures for Additional Solid Waste
- Schedule 20 - Turbine Generator Major Outage Scope of Work
- Schedule 21 - License Agreement
- Schedule 22 - Facility or Expanded Facility Road Pavement Repair Responsibility
- Schedule 23 - Stoker Major Work Scope Responsibility

SCHEDULE 1

GUARANTEE

[SEE ATTACHED]

Contractor may substitute for the Guaranty a letter of credit from a mutually acceptable financial institution in the amount of the estimated value of the next Billing Year Service Fee determined in accordance with Section 6.01.

GUARANTEE

This Guarantee made as of this ____ day of _____, 2023 but is only effective as of the Contract Effective Date, by Covanta Holding Corporation, a Delaware corporation (“Guarantor”), having its principal place of business in Morristown, New Jersey, to and for the benefit of Pasco County, Florida, a political subdivision of the State of Florida, (“County”). Guarantor and County may hereinafter be referred to as a “Party” or together as the “Parties”

WITNESSETH:

WHEREAS, Ogden Corporation, a Delaware corporation (“Ogden”), and County executed and delivered that certain Guarantee by and between Ogden and County dated March 28, 1989 (the “Original Guarantee”), which Guarantee related to previous services and design-build activities performed by Contractor for County;

WHEREAS, Covanta Pasco, Inc., a Florida corporation (“Contractor”), having an office at 445 South Street, Morristown, New Jersey 07960, has entered into a Fourth Amended and Restated Services Agreement (the “Agreement”) with County dated as of even date herewith;

WHEREAS, pursuant to the terms and conditions of the Agreement, Contractor and County have required, in conjunction with the execution and delivery of the Agreement to terminate and replace in its entirety the Original Guarantee, each effective as of the “Contract Effective Date”, as defined in the Agreement (i.e., January 1, 2025);

WHEREAS, Guarantor is willing to guarantee, as set forth below, the performance of Contractor under the Agreement; and

WHEREAS, County would not enter into the Agreement unless Guarantor provided this Guarantee;

NOW, THEREFORE, as an inducement to County to enter into this Agreement, Guarantor agrees as follows:

1. As a condition of Guarantor executing and delivering this Guarantee, County acknowledges and agrees the Original Guarantee shall be terminated for all purposes as of the Contract Effective Date and, as of the Contract Effective Date, the Original Guarantee shall be of no further force and effect.

2. Guarantor hereby absolutely and unconditionally and, subject to Guarantor’s right to substitute a letter of credit for this Guarantee in accordance with the terms of the Service Agreement, irrevocably, guarantees the full and prompt performance by Contractor of all of Contractor’s obligations under the Agreement in accordance with the terms and conditions set forth therein.

3. This Guarantee shall be governed by the laws of the State of Florida, exclusive of the choice of law rules thereof, and Guarantor hereby agrees to submit to the exclusive jurisdiction of the state courts in Pasco County, Florida, in connection herewith.

4. This Guarantee shall be binding upon and enforceable against Guarantor, its successors, assigns or any transferee of all or substantially all of the assets of Guarantor, whether or not such obligations are expressly assumed by such successor, assignee or transferee, and is for the benefit of County, and its permitted successors and assigns under the Agreement. Notwithstanding the foregoing, Guarantor shall require any successor or assign to expressly assume in writing all of Guarantor's obligations under this Guarantee without qualification.

5. Each and every Event of Default by Contractor, as defined pursuant to the Agreement, shall give rise to a separate cause of action hereunder, and separate suits may be brought by County as each cause of action arises. Guarantor waives presentation to, demand of performance from, protest to County of, or any other notice with respect to any of the obligations of Contractor under the Agreement.

6. No failure or delay by County in exercising any right, power or privilege hereunder or under the Agreement shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided in the Agreement or by law or equity. For the avoidance of doubt, the Parties agree that nothing in this Guarantee is intended to permit any double recovery by County of the same amounts owing with respect to any Contractor obligations. No waiver, amendment, release or modification of this Guarantee shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the Party against who such waiver, amendment, release or modification is sought to be enforced.

7. Guarantor may not assign its obligations hereunder, except to a successor by merger or consolidation or to any transferee of all or substantially all of the assets of Guarantor. Notice of any such assignment shall be given in writing to County within thirty (30) days of the effective date of any such merger, consolidation or transfer, together with an express written assumption of all of Guarantor's obligations under this Guarantee without qualification.

8. The obligations of Guarantor to County set forth in this Guarantee shall be absolute and unconditional, and, subject to Guarantor's right to substitute a letter of credit for this Guaranty in accordance with the terms of the Service Agreement, irrevocable, shall not be subject to any requirement that County first enforce any remedies it may have against Contractor or any other person, or any requirement to seek to recover from Contractor before proceeding against Guarantor hereunder, and shall not be subject to any claim of Guarantor against any other person, including County, other than a claim that the matter giving rise to County's claim is the subject of dispute resolution in good faith under the Agreement or in the State courts in Pasco County, Florida.

9. Guarantor or Contractor may, at any time upon written notice to County, replace this Guarantee in accordance with the terms of the Service Agreement with a letter of credit from a financial institution reasonably acceptable to County, containing terms and conditions reasonably acceptable to County. Such letter of credit shall be in the amount of the estimated value of the next Billing Year Service Fee determined in accordance with Section 6.01 of the Service Agreement. This Guarantee shall terminate for all purposes upon the effective date of such letter of credit and be of no further force or effect.

10. Notwithstanding anything in this Guarantee to the contrary: (a) Guarantor's obligations to County pursuant to the terms of this Guarantee are no greater than Contractor's obligations under the Agreement, (b) Guarantor's responsibilities under this Guarantee are secondary to Contractor's performance of its obligations under the Agreement, and Guarantor will thus only be responsible under this Guarantee if and to the extent that Contractor fails to timely perform any of Contractor's obligations under the Agreement; (c) Guarantor shall be entitled to all defenses to Guarantor's obligations under this Guarantee that Contractor has under the Agreement and (d) Guarantor shall be entitled to exercise or avail itself of any and all remedies available to Contractor under the Agreement.

11. County shall notify Guarantor in writing, at its address set forth herein, at the same time as County's notice to Contractor of any Event of Default of Contractor due to Contractor's failure to meet its obligations under the Agreement.

12. This Guarantee is for the exclusive benefit of County and Trustee (as defined in the Agreement), to the extent the rights of County hereunder have been assigned to Trustee, and in no event shall inure to the benefit of any other Person.

13. This Guarantee may be executed simultaneously in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. The invalidity or unenforceability of one or more provisions of this Guarantee shall not affect the validity or enforceability of the remaining portions of this Guarantee. This Guarantee is entered into by Guarantor solely and exclusively for the benefit of County and Trustee, to the extent the rights of County hereunder have been assigned to Trustee, and may be enforced against Guarantor by the County or, to the extent of such assignment, Trustee.

14. Any term used herein and defined in the Agreement shall have the meaning attributed to it in the Agreement.

15. Notices to be given pursuant to this Guarantee unless otherwise stated shall be in writing and shall be served personally or sent by certified mail return receipt requested, to:

Guarantor at:

Covanta Holding Corporation
445 South Street
Morristown, NJ 07960
Attention: Chief Financial Officer

With a copy to:

Covanta Pasco, Inc.
445 South Street
Morristown, NJ 07960
Attention: General Counsel

County at:

Pasco County
8731 Citizens Drive, Suite 340
New Port Richey, FL 34654

Attention: County Attorney

or to such other address as shall be designated by such Party in a written notice to the other Party hereto. Any notice given pursuant to this Section shall be effective immediately upon receipt, and if delivered by hand, upon delivery.

(Signatures on page following)

IN WITNESS WHEREOF, Guarantor has executed this instrument the day and year first above written.

[Signature]
Witness Doreen Trabucco

Joanne Law
Witness Joanne Law

GUARANTOR:

COVANTA HOLDING CORPORATION,
a Delaware corporation (SEAL)

By: [Signature]
Signature of Guarantor Jim Reilly

Title: Vice President + Treasurer

445 South Street Morristown, NJ 07960
Business Address of Guarantor

862-345-5000
Phone Number of Guarantor

[SEAL]

**APPROVED
IN SESSION**

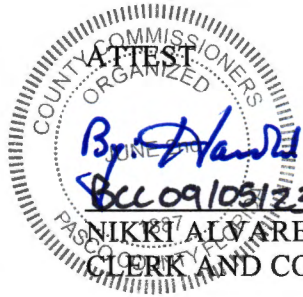
SEP 05 2023

**PASCO COUNTY
BCC**

ACCEPTED:

COUNTY:

**BOARD OF COUNTY
COMMISSIONERS OF PASCO
COUNTY, FLORIDA**



By: Nikki Alvarez-Sowles, Esq.
BCC 09/05/23 SW23-0430
NIKKI ALVAREZ-SOWLES, ESQ.
CLERK AND COMPTROLLER

By: [Signature]
JACK MARIANO, CHAIRMAN

Date: _____, 2023

(Signature page to ARSA Parent Guarantee)

SCHEDULE 2

PERFORMANCE GUARANTEES AND FULL ACCEPTANCE STANDARD AND MINIMUM ACCEPTANCE STANDARD

PART A. PERFORMANCE GUARANTEES

During the term of this Service Agreement, the Contractor guarantees to operate the Facility and the Expanded Facility based on the requirements of the following paragraphs, as adjusted, if required pursuant to Section 4.09. Whether the requirements of any of the following paragraphs 1 through 11 have been satisfied shall be determined by testing in accordance with the requirements of the performance test procedures developed in accordance with Schedule 5 of this Service Agreement and review of reagents in accordance with Section 6.12 – Annual Settlement Procedure.

Appendix 18 of the Expansion Construction Agreement provides the Performance Guarantees and the Full Acceptance Standard and the Minimum Acceptance Standard for the Expansion. Once the Expansion has achieved Expansion Acceptance only the Expanded Facility Guarantees are applicable.

1. ENERGY EFFICIENCY GUARANTEE

The Facility shall generate (at the average annual ambient conditions and in accordance with the technical characteristics required by the Electricity Sales Contract) for export and sale 580 KWH per Ton of Reference Waste Processed as specified in Table 1 below, when the Facility is operated at a rate of nine hundred sixty-nine Tons of Reference Waste Processed per Day. KWH generated for export and sale shall not include energy generated and consumed by the Facility. The points of measurement during any performance test will be at the export meter located in the interconnecting utility's Substation located off the Facility Site, the meter measuring amounts of electricity delivered to the County leachate system or the BioSolid Facility, the meter-measuring amounts of electricity delivered to the WWTP and the amount of electricity delivered via any other export meters mutually agreed to by the Parties.

The Expanded Facility shall generate (at the average annual ambient conditions and in accordance with the technical characteristics required by the Electricity Sales Contract) for export and sale 595 KWH per Ton of Reference Waste Processed as specified in Table 1 below, when the Expanded Facility is operated at a rate of one thousand four hundred forty-four (1,444) Tons of Reference Waste Processed per Day. KWH generated for export and sale shall not include energy generated and consumed by the Expanded Facility. The points of measurement during any performance test will be at the export meter located in the interconnecting utility's Substation located off the Facility Site, the meter measuring amounts of electricity delivered to the County leachate system or the BioSolid Facility, the meter measuring amounts of electricity delivered to the WWTP and the amount electricity delivered via any other export meters mutually agreed to by the Parties.

TABLE 1
COMPOSITION OF REFERENCE WASTE
5200 HHV

Component	Percent by Weight
Carbon	29.75%
Hydrogen	3.79%
Oxygen	25.06%
Nitrogen	0.50%
Sulfur	0.20%
Chlorine	0.40%
Ash and Inerts	20.13%
Moisture	<u>20.17%</u>
Total	100%

2. CAPACITY GUARANTEES.

Subject to adjustments in any Billing Year pursuant to the terms of this Service Agreement, the Daily Capacity Guarantee, Expanded Facility Daily Capacity Guarantees, Processing Guarantee and the Expanded Facility Processing Guarantee shall be as follows:

- (a) Daily Capacity Guarantee. The Facility shall Process during a Day not less than nine hundred sixty-nine (969) Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb., (the “Daily Guaranteed Capacity”).
- (b) Expanded Facility Daily Capacity Guarantee. The Expanded Facility shall Process during a Day the lesser of: (i) one thousand four hundred forty-four (1,444) Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb. and (ii) the sum of (A) nine hundred sixty-nine (969) Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb, plus (B) the number of Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb as determined in b (ii) above., (the “Expanded Facility Daily Guaranteed Capacity”).
- (c) Processing Guarantee. The Facility shall Process in a Billing Year of twelve months not less than three hundred x thousand and nine hundred (300,900) Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb., except that in the first and last Billing Year the Facility shall Process an amount of Processible Waste having an average HHV between 4000 and 5200 Btu/lb., not less than 5,775 Tons times the number of full weeks in such Billing Year.
- (d) Expanded Facility Processing Guarantee. The Expanded Facility shall Process in a Billing Year of twelve months the lesser of (i) four hundred forty-eight thousand and one (448,001) Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb., except that in the first and last Billing Year the Expanded shall Process an amount of Processible Waste having an average HHV between

4000 and 5200 Btu/lb., not less than 8,615 Tons times the number of full weeks in such Billing Year and (ii) the sum of (A) three hundred thousand and nine hundred (300,900) Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb, plus (B) the number of Tons of Processible Waste having an average HHV between 4000 and 5200 Btu/lb for such Billing Year of twelve months as determined in c (ii) above x 365 x 85% (except that in the first and last Billing Year the Expanded Facility shall Process an amount of Processible Waste having an average HHV between 4000 and 5200 Btu/lb., not less than the tons determined in c (ii) above x 365 x 85% divided by 52 Tons times the number of full weeks in such Billing Year).

3. PROCESS RESIDUE QUALITY GUARANTEE

The Facility and the Expanded Facility shall produce (measured prior to ferrous metal removal) Residue when Processing Processible Waste having an average HHV between 4000 and 5200 Btu/lb., containing not more than (i) four percent (4%) combustibile matter (dry weight), and (ii) thirty percent (30%) moisture (by weight); provided that the foregoing shall be determined by excluding the amount of carbon reagent in the Residue that results from the operation of the Mercury Control System.

4. EFFLUENT GUARANTEE

The Facility and the Expanded Facility shall comply with the conditions of all applicable governmental laws, ordinances, regulations, licenses, approvals and permits in existence as of the Contract Date pertaining to: (a) storm water management; and (b) all applicable industrial pretreatment standards for industrial discharges to publicly owned wastewater treatment facilities; provided, however, that the Contractor shall not be responsible for the quality of any runoff or discharge originating from the Landfill; and provided further that the Contractor’s storm water management system shall be compatible with the County’s storm water management and collection system associated with the Landfill. At no time shall any wastewater be disposed of on the Facility Site. All cooling tower blowdown and other wastewater discharged from the Facility, the Expansion and the Expanded Facility shall comply with the maximum concentrations and restrictions shown in Table 2. Effluent from this outfall shall not contain any unregulated waste stream.

Rule 62.625.410, Florida Administrative Code
 Pasco County Code of Ordinances, Chapter 110,
 Division 2, Section 110-153, Discharge Standards

<u>Table 2</u>	
<u>Parameter</u>	<u>Limit (mg/l)¹</u>
Temperature	104°F

<u>Table 2</u>	
<u>Parameter</u>	<u>Limit (mg/l)¹</u>
PH (S.U.)	5.5-9.5
Oil and Grease	100.00
Arsenic	0.20
Beryllium	2.48
BOD 5	350
Cadmium	0.23
Chromium	3.52
Copper	1.50
Cyanide	1.51
Lead	1.40
Mercury	0.12
Molybdenum	0.32
Nickel	3.00
Phosphorus, total	Per Report
Selenium	0.41
Silver	3.13
Sulfates	Per Report
Total Nitrogen	40
Total Suspended Solids	350
Zinc	1.85
Flow	Per Report

¹A data report showing the date of sampling, analysis results, maximum that has been exceeded, if any, and anticipated next discharge period must be submitted to the PCPI Utilities for every discharge into the POTW episode. Such a report is to be submitted to the County by the 28th day of the month following the previous sampling quarter (a total of four reports annually).

5. ENVIRONMENTAL GUARANTEE

The Facility and the Expanded Facility shall comply with all applicable federal, State and local laws, rules or regulations and applicable County ordinances and rules and regulations, and any federal, State, County or local permits, licenses, or approvals issued thereunder with respect to the Facility and the Expanded Facility, subject to Uncontrollable Circumstance events and the

provisions of Section 8.04 with respect to change orders due to such events.

6. MAXIMUM UTILITY UTILIZATION GUARANTEE

(a) Electricity:

The Facility, when tested in accordance with Schedule 5, shall not utilize and consume more than 103 kWh of electricity, whether purchased or internally generated, per ton of Reference Waste Processed.

The Expanded Facility, when tested in accordance with Schedule 5, shall not utilize and consume more than 101 kWh of electricity, whether purchased or internally generated, per ton of Reference Waste Processed.

(b) Sanitary Sewage:

The Facility, when tested in accordance with Schedule 5, shall not require disposal of more than a total of 25 gallons of sanitary wastewater and in-plant water systems discharge per Ton of Waste Processed.

The Expanded Facility, when tested in accordance with Schedule 5, shall not require disposal of more than a total of 25 gallons of sanitary wastewater and in-plant water systems discharge per Ton of Waste Processed.

(c) Cooling Tower Blowdown:

The Facility, when tested in accordance with Schedule 5, shall not require disposal of more than a total of 172 gallons of cooling tower blowdown per Ton of Reference Waste Processed.

The Expanded Facility, when tested in accordance with Schedule 5, shall not require disposal of more than a total of 172 gallons of cooling tower blowdown per Ton of Reference Waste Processed.

(d) Natural Gas:

The Facility shall not utilize or consume more than 7,800 million Btu of natural gas per year.

The Expanded Facility shall not utilize or consume more than 13,085 million Btu of natural gas per year.

7. LIME CONSUMPTION GUARANTEE

The Facility, when tested in accordance with Schedule 5, shall not consume more than seventeen (17) pounds of pebble lime (CaO -- 90% reactive) per Ton Processed.

For the Expansion a mutually agreeable program to optimize the usage of hydrated lime

Ca(OH) will be performed within the first 90 Days after Expansion Acceptance. Such program shall not require stack testing.

The Expansion, when tested in accordance with Schedule 5, shall not consume more than twenty percent (20% percent) more than the pounds of pure hydrated lime Ca(OH) per Ton of Reference Waste Processed as determined by the optimization program. Such guarantee shall be subject to the Processible Waste satisfying the component percentages listed in Table 1 in PART A.1 above.

8. FERROUS AND NON-FERROUS METAL RECOVERY GUARANTEE

The Facility and the Expanded Facility, when tested in accordance with Schedule 5, shall recover from the Residue 80% (by weight) of all magnetic ferrous metals contained therein which would not pass through a one-inch screen, except that if Residue contains less than 8% (by wet weight) of magnetic ferrous metals, the Facility and the Expanded Facility shall recover from the Residue only as much magnetic ferrous metal as is reasonably practicable. The previous sentence constitutes the Ferrous Metal Recovery Guarantee.

The Facility and the Expanded Facility shall recover on average 3.6 lbs. of Non-Ferrous Metal per Processed Ton from the Residue which constitutes the Non-Ferrous Metal Recovery Guarantee.

9. ANNUAL AVERAGE ELECTRICAL GUARANTEE AND EXPANDED FACILITY ANNUAL AVERAGE ELECTRICAL GUARANTEE¹

In each Billing Year the Facility shall generate, in accordance with the technical characteristics required by the Power Purchase Agreement(s), for export and sale a number of kWh which, when divided by the number of Tons of Processible Waste Processed during such Billing Year, shall be at least 551 kWh per Ton, subject to the terms of this Service Agreement. For purposes of Annual Average Electrical Guarantee, kWh generated for export and sale shall not include energy generated and consumed by the Facility. The points of measurement for export and sale of kWh will be at the export meter located in the interconnecting utility's Substation located off the Facility Site, the meter measuring amounts of electricity delivered to the BioSolid Facility, the meter-measuring amounts of electricity delivered to the WWTP and the amount of electricity delivered via any other export meters mutually agreed to by the Parties.

In each Billing Year, if it achieved the Full Acceptance Standard, the Expanded Facility shall generate, in accordance with the technical characteristics required by the Power Purchase Agreement(s), for export and sale a number of kWh which, when divided by the number of Tons of Processible Waste Processed during such Billing Year, shall be at least 567 kWh per Ton, subject to the terms of this Service Agreement. For purposes of the Expanded Facility Annual Average Electrical Guarantee, kWh generated for export and sale shall not include energy generated and consumed by the Expanded Facility. The points of measurement for export and sale of kWh will be at the export meter located in the interconnecting utility's Substation located off the Facility Site, the meter measuring amounts of electricity delivered to the BioSolid Facility, the

meter-measuring amounts of electricity delivered to the WWTP and the amount of electricity delivered via any other export meters mutually agreed to by the Parties.

In the event that the Expansion achieves Acceptance at the Minimum Acceptance Standard, the Annual Average Expanded Facility Electrical Guarantee of 567 KWH per ton of Reference Waste shall be reduced by 0.17% for each 1% shortfall in Expansion Daily Capacity Guarantee (Net) as determined by the Expansion Acceptance performed in accordance with the Expansion Construction Agreement.

10. CARBON CONSUMPTION GUARANTEE

The Facility and the Expanded Facility shall not consume an annual average more than 110 percent of the "Hourly Feedrate" demonstrated during the most recent mercury emission test for each boiler unit. For purpose of this provision, "Hourly Feedrate" shall mean activated carbon feedrate per boiler operating hour.

Additionally, the Expansion unit shall not consume more than 1.1 pounds of pure activated carbon per ton of Reference Waste.

11. AMMONIA CONSUMPTION GUARANTEE

The Facility and the Expanded Facility shall not consume on an annual basis more than X.XX pounds of Ammonia per Ton of Reference Waste Processed for the Facility's three boiler units or more than X.XX pounds of Ammonia per Ton of Reference Waste Processed for the Expansion boiler. The X.XX values for each in the preceding sentence will be determined during a mutually agreeable optimization program conducted within 90 days of the Expansion Acceptance Date. This program to optimize the usage of the Ammonia and the X.XX values and will include a 20% margin above the set point for Ammonia consumption determined to keep below the permit emission limits with appropriate margin. Such guarantee shall be subject to the Processible Waste satisfying the component percentages listed in Table 1 in PART A.1 above.

PART B. FULL ACCEPTANCE STANDARD

The Facility, when tested in accordance with Schedule 5, during the Acceptance testing conducted in May of 1991 complied with the Performance Guarantees set forth at paragraphs A.2(a), A.4 and A.5 of this Schedule 2.

SCHEDULE 3

RESERVED

SCHEDULE 4

SCHEDULED AND UNSCHEDULED MAINTENANCE

During any Billing Year, the County and the Contractor County agree that fifty-three thousand (53,000) and seventy-nine thousand (79,000) Tons of Processible Waste may be rejected by the Contractor as a result of scheduled and unscheduled downtime of the Facility or the Expanded Facility respectively. The Contractor and the County shall agree, in writing, to the scheduled maintenance periods for the Facility, the Expansion and Expanded Facility for each Billing Year as required by Section 4.01(a), and such written agreement shall specify the projected date and duration of each scheduled maintenance period, a description of the scheduled maintenance to be performed, and the number of Line Hours of Maintenance for each scheduled maintenance period, (not less than one thousand three hundred fourteen (1,314) line hours) and the number of Tons (not in excess of fifty-three thousand (53,000) Tons) for the Facility and seventy-nine thousand (79,000) Tons for the Expanded Facility respectively expected to be rejected as a result of the scheduled maintenance, based upon the Nameplate Capacity of one combustion, steam generator line, in tons per hour, times the total number of Line Hours of Maintenance for the Billing Year. The total number of Tons of Processible Waste which are projected to be rejected during the Billing Year as a result of the scheduled maintenance periods shall account for at least seventeen thousand seven hundred (17,700) Tons for the Facility and twenty-six thousand and three hundred (26,300) for the Expanded Facility of Processible Waste allowed to be rejected by the Contractor pursuant to this Schedule 4. Such projected amount shall be subtracted from fifty-three thousand (53,000) for the Facility and seventy-nine thousand (79,000) for the Expanded Facility and the remaining number of Tons shall be the "Unscheduled Maintenance Bank". For any Billing Year in which the total number of Tons actually rejected as a result of scheduled maintenance exceeds seventeen thousand seven hundred (17,700) Tons for the Facility and twenty-six thousand and three hundred (26,300) for the Expanded Facility but is less than the number of Tons originally projected to be so rejected, such difference shall be allocated to the Unscheduled Maintenance Bank for the then current Billing Year. In addition, in the event and to the extent in any such Billing Year that any unscheduled maintenance occurs which the Contractor demonstrates incorporates scheduled maintenance described in the written agreement hereinabove required for such Billing Year, then the Tons of Processible Waste rejected as a result of such unscheduled maintenance shall be allocated between scheduled maintenance and the Unscheduled Maintenance Bank reflecting the written agreement referred to above prepared pursuant to this Schedule 4.

During any Billing Month in which scheduled or unscheduled maintenance occurs, the Daily Capacity Guarantee or the Expanded Facility Daily Capacity Guarantee times the number of Days in said Billing Month shall be reduced by the number of Tons which are permitted to be diverted during the period(s) of such maintenance in accordance with the foregoing provisions of this Schedule 4; provided, however, that the foregoing provisions of this Schedule 4 shall not be construed to reduce the Processing Guarantee or the Expanded Facility Processing Guarantee and the Contractor's obligations set forth in Section 4.01(a). Any unused Line Hours of Scheduled Maintenance or Tons remaining in the Unscheduled Maintenance Bank at the end of the last Day in any Billing Year shall be reduced to zero prior to establishing the written agreement referred to above pursuant to this Schedule 4 for the next succeeding Billing Year.

SCHEDULE 5

PERFORMANCE TEST PROCEDURES FOR THE FACILITY OR THE EXPANDED FACILITY

The purpose of this Schedule 5 is to provide an outline of the procedures for performance tests incorporated in the test plan developed pursuant to Section 7.02 of the original Facility Construction Agreement and Section 7.4 of the Expansion Construction Agreement. Whenever this Agreement refers to Performance Tests, such reference shall be deemed to mean performance testing pursuant to the approved Test Plan developed in accordance with this Schedule 5 and Section 7.02(b) of the original Facility Construction Agreement and Section 7.4 of the Expansion Construction Agreement. For the purposes of all performance tests, all measured readings and test results shall not be adjusted to account for uncertainty of test results.

PART A. PERFORMANCE TESTING

1. TEST PLAN.

The Contractor's detailed performance Test Plan shall be based on the latest edition, as of the Effective Date, of the American Society of Mechanical Engineers Power Test Code and ASME PTC 34 Waste Combustors with Energy Recovery, and, at the Contractor's option, other ASME PTC's as required for definitions, symbols, instruments and apparatus used during testing, and the like.

2. GENERAL PROCEDURES FOR PERFORMANCE TESTING.

The purpose of performance testing is to determine the extent to which the Facility or the Expanded Facility complies with the performance guarantees, except the Processing Guarantee, Expanded Facility Processing Guarantee, the Annual Average Electrical Guarantee and the Expanded Facility Annual Average Electrical Guarantee, the 30-day CO standard and the annual CO₂ standards.

The Test Plan shall require overall satisfactory operation of the Facility or the Expanded Facility during the performance testing. During performance testing, the Contractor shall operate the Facility or the Expanded Facility in accordance with normal operating procedures and staffing (except that special staffing required to perform tests and record measurements is acceptable) as set forth in this Service Agreement; and all operations shall be conducted, including weighing of all Waste delivery vehicles, routine equipment operation and maintenance services, and loading of Residue, and normal quantities of Nonprocessable Waste. All instrumentation, meters and recording devices shall be calibrated prior to the performance test(s). The Contractor shall furnish, prior to commencement of performance testing, documentation confirming the calibrations of the instruments to be used during such performance tests.

Processing interruptions during performance testing shall not necessarily invalidate performance testing or any individual test(s). Occasional and minor Processing interruptions are considered part of normal Facility or the Expanded Facility operation. During performance testing, routine equipment maintenance shall be conducted as scheduled and resulting outages shall not

necessarily invalidate the Performance Testing or any individual test(s). Shutdown of all or a portion of the Facility or the Expanded Facility to make necessary repairs or maintenance to equipment or to correct normal operational problems will be permitted. Shutdown time, up to one-half Facility Day, or equivalent individual unit hours, may be excluded from the seven (7) Day Capacity Test. Facility or the Expanded Facility capacity shall be determined by dividing the Tons Processed by the actual Processing hours during the test period, excluding allowable shutdown time. Shutdown time for a combustion/steam generation unit shall commence when the steam flow drops below 90% of its normal amount, and shall end when the steam flow is restored to 90% of its normal amount.

PART B. PERFORMANCE TESTS

1. ENERGY EFFICIENCY GUARANTEE TEST.

The Energy Efficiency Guarantee Test shall be conducted to determine the extent to which the Facility or the Expanded Facility complies with the appropriate Energy Efficiency Guarantee. The Energy Efficiency Guarantee Test shall consist of two independent analyses. Each analysis shall be conducted separately for an eight (8) hour period (the "Analysis Period") and the second such analysis shall be conducted within seven (7) Days after completion of the first such Analysis Period; provided, that during the interval between such analyses the Facility or the Expanded Facility shall Process approximately 969 Tons for the Facility or 1,444 Tons for the Expanded Facility of Processible Waste per Day; and provided further, that for performance testing, the amount of Processible Waste Processed during the seven (7) Day interval shall be approximately the average daily amount that the Facility or the Expanded Facility Processed during the prior Billing Period, subject, during such interval, to minor Processing interruptions, routine equipment maintenance outages and required equipment testing and installation, all as described in Part A.2 of this Schedule 5. Use of auxiliary fuel other than during the last hour of the Analysis Period shall invalidate the test. If auxiliary fuel is used during the last hour of the Analysis Period, the test could still be deemed valid by mutual agreement of the Contractor and the Consulting Engineer on any adjustments needed.

(a) The Measured and Recorded Parameters.

As part of the Energy Efficiency Guarantee Test, the following parameters shall be continuously measured or sampled and recorded during each analysis period:

- (1) the weight and feed rate of Processible Waste for each boiler as determined with the crane load cells, using the procedures set forth in Part B.2(a);
- (2) feedwater rate, temperature and pressure for each boiler;
- (3) attemperator water rate for each boiler (except if included above in feedwater measurement);
- (4) steam drum pressure and temperature for each boiler;
- (5) superheater outlet steam rate, temperature and pressure for each boiler;

- (6) estimated, if not isolated, blowdown rate and temperature for each boiler;
- (7) turbine throttle steam flow, temperature and pressure for each turbine;
- (8) turbine generator electrical output (including Kva and power factor for each turbine);
- (9) flue gas rate, composition (CO₂, N₂, O₂ and water vapor and trace constituents including SO₂ and HCl) and temperature at economizer outlet for each boiler;
- (10) turbine exhaust pressure (condenser vacuum) and temperature for each turbine;
- (11) Facility or the Expanded Facility electrical usage;
- (12) weight and discharge rate of Residue shall be estimated; while the percentage of combustible matter and putrescible matter in Residue will be determined in accordance with the Residue Quality Guarantee Test; and
- (13) any other required data pursuant to the Test Plan.

(b) Determination of HHV.

The HHV of Processible Waste delivered during each Analysis Period shall be determined by using the Facility or the Expanded Facility as a calorimeter in accordance with the ASME PTC 4.34 and as set forth in this Part B.1(b). Utilizing the data and measurements from each analysis, averaged for each boiler during the Analysis Period, calculations shall be made in accordance with ASME PTC 4.34 to determine, with respect to each boiler, heat losses, heat outputs and heat credits.

Calculations for heat credits in the combustion air shall be in accordance with ASME PTC 4.34, Section 5.12.

Calculations for heat losses shall be in accordance with ASME PTC 4.34, Section 5.11 and shall include:

- (1) heat loss in the dry flue gas;
- (2) heat loss due to moisture in the combustion air and all other moisture in flue gas;
- (3) heat loss of the boiler blowdown, if in service;
- (4) heat loss of the Residue for
 - (i) unburned Carbon in the Residue;
 - (ii) moisture fraction of the Residue; and

- (iii) dry fraction of the Residue (as determined by ASTM D 5468 – 02 (Reapproved 2007);
- (5) miscellaneous heat losses such as heat loss due to ash discharger make and the like; and
- (6) heat loss due to radiation and convection as determined from the “Standard Radiation and Convection Loss Chart” in the Mandatory Appendix of ASME PTC 34.

The HHV of Processible Waste shall be calculated by dividing the heat input by the weight of Processible Waste Processed as determined with the crane load cells. The heat input shall be the total of all heat output and losses minus heat credits, averaged for the three boilers if for the Facility and for the four boilers if for the Expanded Facility.

$$\frac{\text{HHV} = \text{Output} + \text{Losses} - \text{Credits}}{\text{Processible Waste Processed}} = \frac{\text{Input}}{\text{Processible Waste Processed}}$$

- (c) Adjustment to Gross Electrical Output for Annual Average Wet Bulb Temperature:

The turbine gross generator(s) electrical output shall be adjusted as set forth in this Part B.1(c).

The Contractor shall provide the manufacturer’s performance curves for the expected turbine performance versus condenser vacuum, expected condenser performance versus cold water temperature and expected cooling tower performance versus ambient wet-bulb temperature. By use of the manufacturer’s performance curves, an adjusted turbine generator electrical output will be determined for the annual average wet bulb temperature

:

- (d) As Tested Efficiency.

The as tested net electrical output shall be the adjusted gross electrical output determined pursuant to Part B.1(d) less the Facility or Expanded Facility electrical usage as measured during the Analysis Period. The as tested net electrical output for the eight (8) hour period shall then be divided by the actual tons per hour of actual Processible Waste during the analysis period to determine the as-tested energy efficiency of the Facility or Expanded Facility (the “As-Tested Efficiency”). The average of the two analyses shall be deemed the sole As-Tested Efficiency provided however that if the two results differ from the average by more than 5%, the test shall be deemed not valid. The As-Tested Efficiency shall be compared to the value in Table 1, Energy Efficiency Adjustment Table, corresponding to the as-tested HHV in the Analysis Period to determine the extent to which the Facility or the Expanded Facility meets the Energy Efficiency Guarantee.

TABLE 1 – ENERGY EFFICIENCY ADJUSTMENT TABLE –

FACILITY

HHV BTU/lb	In-plant kWh/ton	Net kWh/ton
4400	87	472
4600	91	499
4800	95	526
5000	99	553
5200	103	580

EXPANDED FACILITY

HHV BTU/lb	In-plant kWh/ton	Net kWh/ton
4400	86	485
4600	90	513
4800	94	540
5000	98	568
5200	101	595

2. CAPACITY GUARANTEE TEST.

(a) Daily Capacity Guarantee Test.

The Daily Capacity Guarantee Test of the Facility or the Expanded Facility shall be conducted during seven (7) consecutive Days (the “DCG Test Period”) to determine the extent to which the Facility or the Expanded Facility complies with the Daily Capacity Guarantee. The distributed control system shall be utilized to the fullest extent possible.

The Tonnage of Processible Waste required to commence and conduct the Daily Capacity Guarantee Test shall be specified in the performance Test Plan. The delivered Processible Waste shall be mixed and evenly distributed in the Pit by the cranes to minimize the variation of the composition of the Waste.

The following parameters shall be measured and recorded during the DCG Test Period:

- (1) the weight and feed rate of Processible Waste, total for each combustion/steam generation unit as determined with the crane load cells;
- (2) the percentage of combustible matter in Residue determined in accordance with the Residue Quality Guarantee Test;
- (3) the parameters required to be measured and recorded for the Energy Efficiency Guarantee Test;

- (4) lime consumption, as determined in accordance with the Lime Consumption Guarantee Test;
- (5) hydrated lime consumption, as determined in accordance with the Hydrated Lime Consumption Guarantee test;
- (6) ferrous and non-ferrous metals recovery, as determined in accordance with Ferrous and Non-Ferrous Metal Recovery Guarantee Test;
- (7) carbon consumption, as determined in accordance with the Carbon Reagent Usage Guarantee test; and
- (8) ammonia consumption, as determined in accordance with the Ammonia Reagent Usage Guarantee test.

The total Processible Waste Processed for the DCG Test Period shall be measured with the crane load cells. The crane load cells shall be calibrated at the start of the DCG Test Period and recalibrated once each shift and re-tared every two hours during the DCG Test Period. As each crane load is lifted from the Pit, the load cell shall be allowed to settle in a location directly above the charging hopper of the furnace to be fed before the load weight is recorded. If desired, a representative of the County and a representative of the Contractor shall jointly determine and record the calibration and each load weight in a log, provided that the entire crane load is placed in the charging hopper. Loads partially discharged into the hopper shall be prorated. If requested, each representative shall be required to initial each log entry.

The daily capacity of the Facility or the Expanded Facility (the "Daily Capacity") shall be the aggregate Tons of Adjusted Waste Processed during the DCG Test Period divided by the actual number of Days of the DCG Test Period, excluding shutdown time.

The average HHV during the DCG Test Period shall be determined using a theoretical specific steam output correlation of boiler steam output versus HHV as customized for the E Facility or Expanded Facility boiler design parameters. The custom theoretical correlation will be validated and calibrated using four (4) waste HHV's calculated during four, 8-hour Analysis Periods.

The Daily Capacity Guarantee shall be deemed to have been demonstrated if, during the DCG Test Period, the Daily Capacity is equal to, or greater than the value from Table 2, Processing Adjustment Table, corresponding to the actual tested HHV for the period so long as the Residue tested during the DCG Test Period meets the requirements of the Residue Quality Guarantee. If the Residue fails to meet the requirements of the Residue Quality Guarantee, on average, during the DCG test period but is demonstrated to vary from the Residue Quality Guarantee by no more than ten percent (10%), then the Daily Capacity for the DCG Test Period shall be reduced by the amount of the combustible matter in excess of that allowed by the Residue Quality Guarantee. If the Residue fails to meet the requirements of the Residue Quality Guarantee during the DCG Test Period and is demonstrated to vary from the Residue Quality Guarantee, on average, by more than ten percent (10%), then the Daily Capacity for the Daily Capacity Guarantee Test shall be deemed to be zero.

TABLE 2 – PROCESSING ADJUSTMENT TABLE – FACILITY

HHV BTU/lb	Adjusted TPD
4400	1145
4600	1095
4800	1050
5000	1008
5200	969

EXPANDED FACILITY

HHV BTU/lb	Adjusted TPD
4400	1,707
4600	1,632
4800	1,564
5000	1,502
5200	1,444

(b) Processing Guarantee Test.

(i) The Processing Guarantee shall be deemed satisfied if the Facility or the Expanded Facility is shown to be capable of Processing the Tonnage of Processible Waste required by the appropriate Processing Guarantee. The Test Plan shall specify a method of determining whether the Processing Guarantee is satisfied if the average HHV of all Waste Processed is not equal to the HHV of Reference Waste, as set forth in (ii) below.

(ii) Each Processing Guarantee Test shall be the same as a Daily Capacity Guarantee Test except that each Processing Guarantee Test shall be 24 hours in duration and shall include:

(A) determination of the HHV of the Waste Processed in accordance with the Energy Efficiency Guarantee Test for one Analysis Period, and

(B) comparison to guarantee, in a manner similar to that used to determine the Daily Capacity Guarantee in Part B.2(a).

(iii) Compliance with the Processing Guarantee in any Billing Year shall be determined by summation of the total tons of Processible Waste Processed at the Facility or the Expanded Facility in each of the twelve Billing Months during that Billing Year; provided that, if the average HHV of all Processible Waste Processed is greater than the

HHV of Reference Waste of 5,200 Btu/lb. in order to determine if the Processing Guarantee is met the following adjustment is needed. Determine the ratio to three decimal places of the actual HHV in Btu/lb. of all Processible Waste Processed divided by 5,200 Btu/lb. Multiply this ratio by the total tons of Processible Waste Processed to determine the Reference Tons Processed in the Billing Year. If the Reference Tons Processed is greater than the Processing Guarantee the Processing Guarantee is met.

3. RESIDUE QUALITY GUARANTEE TEST.

Except when the Residue Quality Guarantee Test is being performed solely to comply with the requirements of other performance tests, the Facility or the Expanded Facility shall be operated at a rate of approximately forty-four (44) Tons per hour of Processible Waste Processed for the Facility and sixty-four (64) Tons per hour of Processible Waste for the Expanded Facility an uninterrupted twenty-four (24) hour period (the "RQG Test Period"). During the RQG Test Period, Residue shall be segregated from Residue produced outside of the RQG Test Period.

As part of the Residue Quality Guarantee Test, the weight and feed rate of Processible Waste Processed as determined with the crane load cells, using the procedure set forth in Part B.2(a), shall be continuously measured and recorded during the RQG Test Period.

Representative samples of Residue produced during the RQG Test Period shall be taken at least hourly during the RQG Test Period from the discharge point of the Residue conveyor at a time during which the ferrous metal recovery system is not operating. Alternatively, the Parties may agree upon another appropriate composite sampling method. The representative samples of Residue may exclude those items which because of their substantial bulk or general nature can be considered relatively noncombustible, such as Waste bundled by metal or otherwise noncombustible straps or ties (for example, baled newspapers), canned goods in unopened noncombustible containers whose contents have not been exposed to the flame, or tree limbs and timbers greater than forty (40) millimeters in diameter. The composite samples produced during the RQG Test Period shall be weighed, sampled and analyzed to determine moisture content and dry weight percentage of unburned combustible matter in accordance with procedures described in the ASME PTCs listed below:

(i) The Residue unburned combustible determination will be performed in accordance with ASTM D 5468 – 02 (Reapproved 2007) "Standard Test Method for Gross Calorific and Ash Value of Waste Materials", utilizing the adiabatic bomb calorimeter.

(ii) The determination of Residue total moisture will be conducted in accordance with ASTM D-3302. It is felt that a more representative and accurate moisture determination can be made using ASTM Method D-3302. The moisture determination in accordance with ASTM Method D-3302 is based on air drying the entire sample (approximately 8 - 10 lbs) and therefore is considered as the more appropriate method.

The foregoing results shall be compared with the Residue Quality Guarantee to determine the extent to which the Facility or the Expanded Facility complies with the Residue Quality Guarantee.

The performance Test Plan shall provide a method of calculating the difference in the weight of Residue per Ton of Processible Waste Processed if the Residue does not meet the Residue Quality Guarantee.

The Residue Quality Guarantee Test shall be undertaken and compliance with the Process Residue Quality Guarantee shall be determined excluding the amount of activated carbon reagent resulting from the operation of the Mercury Control System.

4. EFFLUENT GUARANTEE TEST.

The performance Test Plan shall (a) specify a method of determining whether the Facility or the Expanded Facility complies with the Effluent Guarantee and (b) provide that the Contractor shall perform all tests and monitor all activities required by all laws, ordinances, rules, regulations, licenses, approvals and permits relating to water quality and effluent disposal. Such performance Test Plan shall include provisions for using potable water and/or blending potable water with treated wastewater effluent if the constituent concentrations in the treated wastewater effluent vary from the concentrations set forth in Schedule 13, which variance adversely affects the Contractor's ability to meet the Effluent Guarantee.

5. ENVIRONMENTAL GUARANTEE TEST.

The Environmental Guarantee Test shall be conducted on each combustion train to determine whether each combustion train of the Facility or the Expanded Facility comply with the Environmental Guarantee.

The Environmental Guarantee Test shall include the testing of air quality, water quality and noise levels by a mutually agreed testing laboratory experienced in testing and evaluating combustion systems. All tests required in connection with any license, approval or permit for the Facility or the Expanded Facility shall also be performed. Monitoring, sampling and testing methods and procedures shall be in compliance with the requirements of all regulatory agencies.

(a) Flue Gas Quality Test.

The following parameters shall be measured and recorded during the test:
Emissions, including

- (1) flue gas rate (acfm, scfm, lb/hr, etc.), composition (CO₂, O₂, N₂, H₂ and certain trace constituents) and temperature at economizer outlet and stack;
- (2) Sulfur dioxide emissions at the inlet of the circulating dry scrubber system using USEPA Reference Method 6C coincident with stack emissions testing for sulfur dioxide.;
- (3) Hydrogen chloride emissions at the inlet of the circulating dry scrubber system using USEPA Reference Method 26 coincident with stack emissions testing for hydrogen chloride.

- (4) Mercury emissions at the inlet of the circulating dry scrubber system using USEPA Reference Method 29 coincident with stack emissions testing for mercury.
- (5) For the Expansion emissions of the substances listed in Condition No. 30 of Air Permit 1010056-016-AC during the initial compliance test. Testing shall be conducted in accordance with USEPA reference methods as specified in Condition No. 33 of Air Permit 1010056-016-AC, or as otherwise approved by the Florida Department of Environmental Protection. For the Facility units, emissions of the substances listed in Conditions Nos. A.9.-A.18. of Title V Air Permit No. 1010056-002-AV. Testing shall be conducted in accordance with USEPA reference methods as specified in Condition No. 33 of Air Permit 1010056-016-AC, or as otherwise approved by the Florida Department of Environmental Protection.
- (6) ambient wet and dry bulb temperature;
- (7) barometric pressure;
- (8) lime consumption as determined pursuant to the Lime Consumption Guarantee Test and ammonia and activated carbon consumption as determined pursuant to the reagent usage Guarantee Tests as described below.

(b) Noise Emission Test.

Noise emission levels shall be tested at (i) fifty (50) feet from each of the four sides of the principal structure, (ii) points along the boundary of the Facility Site, (iii) surrounding areas and (iv) elsewhere as appropriate to determine whether the Facility or the Expanded Facility (excluding noise emissions from motor vehicles on the Facility Site and noise emissions not caused by the Facility or the Expanded Facility) complies with all regulations, licenses, approvals and permits relating to noise emission.

(c) Water Quality Test.

The performance Test Plan shall provide test methods for determining compliance with the Public Water Supply Permit and any other applicable water quality permits.

6. UTILITY UTILIZATION GUARANTEE TEST.

- (a) The performance Test Plan shall provide test methods for determining compliance with the Maximum Utility (Utilization) Guarantee for electricity.
- (b) The performance Test Plan shall provide test methods for determining compliance with the Maximum Utility Utilization Guarantee for sanitary sewage.

- (c) The performance Test Plan shall provide test methods for determining compliance with the Maximum Utility Utilization Guarantee for cooling tower blowdown.

7. PEBBLE LIME AND HYDRATED LIME CONSUMPTION GUARANTEE TESTS.

As part of the performance testing, the Contractor shall test the Facility's pebble lime consumption rate and the Expansion's hydrated lime consumption rate if performing testing for the Expanded Facility in accordance with the following paragraph.

For the performance test, the actual pebble lime consumption rate and the hydrated lime consumption rate shall be determined over a nominal 9-hour sample period associated with USEPA reference methods for SO₂ and HCl. The actual pebble lime rate for each of the Facility's boilers and actual hydrated lime rate for the Expansion boiler shall be the average of three (3) nominal 3-hour sample periods to yield a nominal 9-hour period test period. Each nominal 3-hour sample period will include three (3) Reference Method 26 tests for HCl and three Reference Method 6C for SO₂ at the inlet of the scrubber system and after the fabric filter so that the total acid gas burden is determined at the same proximate time. The inlet HCl and SO₂ concentrations during testing for each boiler will be used to calculate the sulfur and chlorine content of the waste Processed during testing for comparison to the Reference Waste composition. The total evaluation time will be a nominal nine (9) hours. The average pebble lime rate for each of the Facility's boilers and the average hydrated lime rate for the Expansion boiler during that nine-hour period will be compared with the MSW charging rate for each of the boilers for that same period to yield a "pound of pebble lime per ton of Actual MSW" factor for each of the Facility's boilers and a "pound of hydrated lime per ton of Actual MSW" factor for the Expansion boiler. The MSW charging rate will be adjusted to reflect the actual HHV during the performance testing period to yield a "pound of pebble lime per ton of Reference Waste" factor for each of the Facility's boilers and a "pound of hydrated lime per ton of Reference Waste" factor for the Expansion boiler. Note that the actual and guaranteed pebble lime consumption rates shall be expressed as 100 % pebble lime [CaO] and the actual and guaranteed lime hydrated lime consumption rates shall be expressed as 100 % lime hydrate [Ca(OH)₂]. The pebble lime used during the performance testing will require analysis to determine the available CaO to enable a conversion from total lime to CaO used during that period and the hydrated lime used during the performance testing will require analysis to determine the available Ca(OH)₂ to enable a conversion from total lime to Ca(OH)₂ used during that period.

8. FERROUS AND NON-FERROUS METAL RECOVERY GUARANTEE TEST.

The Test Plan shall specify a method of determining the extent to which the magnetic ferrous metal recovery system complies with the Ferrous Recovery Guarantee. The method shall address weighing recovered ferrous material and the separation and weighing of non-recovered ferrous material over a continuous twenty-four-hour period.

The Test Plan shall also specify a method of determining the extent to which the non-ferrous metal recovery system complies with the Ferrous Recovery Guarantee.

9. REAGENT USAGE TESTS

- (a) Ammonia

As part of the performance testing, the Contractor shall test the Facility and Expansion (if

testing the Expanded Facility) boilers ammonia usage rate in accordance with the following paragraph.

The ammonia addition rate for each boiler tested will be measured over the sample period associated with the USEPA reference Method for NOx. The ammonia usage rate for each boiler shall be evaluated as the average of three (3) 3-hour averages. Each 3-hour average shall include NOx CEM data after the fabric filter. The total evaluation time shall be a nominal nine (9) hours. The average ammonia usage rate for each boiler during that nine-hour period will be compared with the MSW charging rate for each boiler for that same period to yield a “pound of ammonia per ton of Actual MSW” factor for each boiler. The MSW charging rate will be adjusted to reflect the actual HHV during the Performance Testing period to yield a “pound of ammonia per ton or Reference MSW” factor for each boiler.

(b) Activated Carbon

The carbon usage rate for each boiler tested will be measured over the nominal 12-hour sample period associated with the three (3) USEPA Reference Method 23 test runs for tetra- through octa- chlorinated dioxin/furan emissions. The carbon usage rate shall be the average carbon rate during the three (3) nominal 4-hour Reference Method 23 test runs for each boiler. The total evaluation time will be a nominal twelve 12 hours. The average carbon usage rate during that nominal 12-hour period will be compared with the MSW charging rate for that same period to yield a “pound of carbon per ton of Actual MSW” factor for each boiler. The MSW charging rate will be adjusted to reflect the actual HHV during the Performance Testing period to yield a “pound of carbon per ton or Reference MSW” factor for each boiler.

10. ANNUAL AVERAGE ELECTRICAL GUARANTEE TEST.

The Test Plan shall specify a method of determining the extent to which the Facility or the Expanded Facility complies with the Annual Average Electrical Guarantee, which shall be deemed satisfied if the Facility or the Expanded Facility produces the electricity per Ton of Reference Waste Processed required by the Annual Average Electrical Guarantee.

11. OTHER TESTS.

Additional tests, procedures and protocols, other than those described in paragraphs 1. through 10. of this Schedule 5, for determining whether, and the extent to which, the Facility or the Expanded Facility and the use and operation of the Facility or the Expanded Facility comply with all provisions of this Service Agreement shall be developed by the Parties as part of the performance Test Plan. The additional costs incurred by the Contractor for conducting such additional tests shall be paid by the County as a Pass-Through Cost, to the extent of Cost Substantiation, including profit.

PART C. REPORTS

Upon completion of performance testing, or completion of any performance test(s), the Contractor shall submit to the Consulting Engineer and the County a written report of such test

results. The performance Test Plan shall specify the contents of such report, including but not limited to:

- (a) a certification that performance testing was conducted in accordance with the performance Test Plan;
- (b) a certification of the results of performance testing, including a determination of the extent to which the Facility or the Expanded Facility complies with the applicable Performance Guarantee(s);
- (c) all data to be measured and recorded during the performance test(s);
- (d) any other data reasonably requested by the County to be included in such report; and
- (e) a statement as to whether the Contractor intends to conduct additional performance testing and an estimated schedule of such testing.

SCHEDULE 6

POWER PURCHASE AGREEMENTS

[TO BE DETERMINED]

SCHEDULE 7

INSURANCE

1. **INSURANCE TO BE MAINTAINED BY CONTRACTOR**

1.1 Commercial General Liability Insurance shall be maintained by Contractor in the amount of \$10,000,000 per occurrence and in the aggregate covering bodily injury and property damage to third parties. The \$10,000,000 limit may be satisfied with a single comprehensive general liability policy or by combining a primary comprehensive general liability policy and an excess liability policy(ies). County shall be included as an additional insured. Contractor's general liability coverages shall be primary with respect to the interest of County and any insurance maintained by County shall be excess and non-contributory.

1.2 Workers Compensation and Employers Liability Insurance shall be maintained by Contractor in compliance with the Applicable laws of the State of Florida. Employers Liability limit shall be one million dollars (\$1,000,000) each accident, one million dollars (\$1,000,000) per employee and one million dollars (\$1,000,000) policy limit for disease.

1.3 Comprehensive Automobile Liability Insurance shall be maintained by Contractor covering all owned, non-owned and hired vehicles with a \$1,000,000 combined single limit for bodily injury.

2. **INSURANCE TO BE MAINTAINED BY COUNTY.**

2.1 All-Risk Property and Boiler & Machinery Insurance. The County shall maintain all risk property and boiler & machinery coverage insuring against physical damage or loss to the Facility under an "all risk" policy form in an amount equal to the full replacement cost value of the Facility. Coverage will include, but not be limited to, coverage for the perils of earth movement, earthquake, fire, lightning, explosion, hurricane, windstorm, flood, hail, collapse, sudden and accidental breakdown, riot, civil commotion, aircraft, vehicles, smoke, vandalism, and malicious mischief.

The policy may be sub-limited to provide only \$25,000,000 annual aggregate coverage separately for the perils of earthquake and flood and \$50,000,000 annual aggregate coverage for named windstorm.

Contractor is responsible for insuring Contractor's property, including personal property and rolling stock and any Contractor property not included in the definition of Facility.

The deductible for property damage shall not be more than \$2,500,000 per occurrence for property damage resulting from perils other than flood, named windstorm or earthquake. The flood, named windstorm and earthquake deductibles may not exceed 10% of the total insurable value at risk.

Contractor shall be an additional named insured on the All-Risk Property and Boiler & Machinery policy.

2.2 Business Interruption and Extra Expense Insurance. The County shall maintain business interruption and extra expense coverage for the benefit of the County and the Contractor in accordance with an agreed formula with the insurance company(ies) as to the method of determining the loss of income generated by the Facility due to a total or partial interruption of operations as result of an insured peril. The policy shall cover loss of gross revenue from all revenue sources less discontinued expenses and each Party's extra expense incurred as a result of the loss. The Business Interruption coverage shall be written on an actual loss sustained basis with no sub-limit on the period of indemnity. The extra expense coverage may be sub-limited to \$5,000,000 per occurrence.

The deductible for business interruption & extra expense coverage shall not be more than sixty (60) days.

Contractor shall be an additional named insured on the business interruption and extra expense policy.

The sub-limits specified in Sections 2.1 and 2.2 of this Schedule 7 shall remain applicable should the County opt to purchase insurance pursuant to Section 10.01(f) of the Service Agreement.

SCHEDULE 8

SERVICE FEE ADJUSTMENT

The Service Fee Adjustment Factor (the "Adjustment Factor") for Billing Year "n" shall be the greater of 1.0 or the number determined as follows:

0.6 X Labor Index for Billing Year "n" divided by the Labor Index for third quarter –2023

Plus 0.35 X Machinery and Equipment Index for Billing Year "n" divided by Material Index for September, -2023

Plus 0.05 X Chemical Index for Billing Year "n" divided by Equipment Index for September, 2023

Where:

- (a) The Index for any Billing Year is the Index for the first published for September of the preceding year for machinery and Equipment and Chemical Indices and third quarter for the labor index.
- (b) The Labor Index is the Employment Cost Index, Total Compensation, Private Industry, Utilities, Series ID CIU20144000000001(B), published quarterly by the U.S. Department of Labor, Bureau of Labor Statistics. The value of this index as of third quarter 2022 is 163.10.
- (c) The Machinery and Equipment Index is the Producer Price Index, Commodity Code 11-4, General Purpose Machinery and Equipment, Series ID WPU114 as published by the U. S. Department of Labor, Bureau of Statistics. The value of this index as of September 2022 is 312.12.
- (d) The Chemical Index is the Producer Price Index, Commodity Code 06-1, Industrial Chemicals, Series ID WPU061 as published by the U.S. Department of Labor, Bureau of Labor Statistics. The value of this index as of September 2022 is 359.36.

If any index is not available for early months of the Billing Year the most recent published version of that index will be utilized to bill an estimate. When all published indices are available all estimated billing months will be billed final.

If any index defined above shall not be determined and published or if any index as it is construed on the Contract Date is therefore substantially changed, there shall be substituted for such index another index which is determined and announced on a basis substantially similar to the index being replaced as shall be mutually agreed upon by the County and the Contractor.

Indices may be found at www.bls.gov.

SCHEDULE 9

PASS THROUGH COSTS

For the purposes of this Service Agreement, the costs and expenses specified in this Schedule 9, are Project costs and expenses, and except as specifically limited or excluded pursuant to the Service Agreement and this Schedule 9, the County is responsible for the payment of such costs and expenses. To the extent that any such costs and expenses which are payable by the County are paid by the Contractor, the County shall reimburse the Contractor for such expenditures as Pass Through Costs in accordance with the terms of the Service Agreement.

Beginning on the Acceptance Date and ending on the effective date of termination of the Service Agreement, the following shall be Pass Through Costs:

16. The insurance premiums, for the insurance coverages specified in Schedule 7. If the County elects to require the Contractor to purchase the insurance specified in paragraphs 2.1 through 2.2, and paragraphs 2.4 through 2.6 of Schedule 7, the premium costs for such insurance coverage will be Pass Through Costs; provided, however, that the premium costs for other insurance coverages which the Contractor is required to purchase, or which the Contractor is permitted to purchase, pursuant to Article 11 and Schedule 7, shall not be Pass Through Costs payable by the County.

17. Pass Through Taxes (except those imposed on net income or business activities) paid or assumed after the Acceptance Date, including any special assessments related to the Facility.

18. Those costs associated with the containment, removal, transport, clean-up and disposal of (i) any Hazardous Waste delivered to the Facility, or the Expanded Facility (other than Hazardous Waste which is so categorized as a result of a Change in Law or an Uncontrollable Circumstance, in which case the provisions of this Service Agreement pertaining to Uncontrollable Circumstance events shall apply) and (ii) any Residue determined to be Hazardous Waste (other than as a result of Contractor Fault).

19. Cost increases or decreases resulting from (a) Landfill or Alternate Landfill delivery hours other than eight (8) consecutive hours between the hours of 6:00 A.M. to 6:00 P.M. Monday through Saturday, exclusive of Legal Holidays, or (b) unless the Operation and Maintenance Charge is adjusted pursuant to Section 4.07(c) transportation of Residue and Spent Reagent to an Alternate Landfill, or (d) receiving Processible Waste at the Facility during hours other than the Receiving Time.

20. Disposal fees, if any, incurred at the Landfill, or at the Alternate Landfill for the disposal of Residue, Spent Reagent or Nonprocessible Waste.

21. Subject to the provisions of Section 11.02, the deductible or self-insured retention amount, if any, for the insurance coverages which the County is required to maintain pursuant to Schedule 7.

22. The cost of (i) utilities not in excess of the costs associated with maximum utility utilization guarantee levels specified in Schedule 2 for sanitary sewer usage, pebble lime and hydrated lime

consumption, natural gas and, if applicable, electricity, and (ii) electric consumption for the well water pumping station and for electrical usage at the Facility scale house.

23. The cost of electric consumption and service availability incurred by the Contractor, if any, for operation of the Facility, the Expansion or the Expanded Facility during periods when the Facility, the Expansion or the Expanded Facility does not generate electric energy due to the occurrence of an Uncontrollable Circumstance or County Fault, or during Qualified Turbine Generator Outage Days.

24. The cost of the removal and transport of NonProcessible Waste from the Facility or the Expanded Facility to the Landfill or Alternate Landfill for disposal.

25. Fees, if any, payable by the Contractor for the renewal of any permits required to be maintained by the Contractor pursuant to Schedule 12.

26. Any Direct Costs payable by the County to the Contractor pursuant to the terms of the Service Agreement.

27. Payments made by the Contractor, if levied against the Contractor or any of its subcontractors, to FPC with respect to any federal or State taxes owed by FPC as a result of the interconnection facilities between the Facility or the Expanded Facility and the FPC system.

28. In the event that the County exercises a buy-sell electricity purchase option under the Power Purchase Agreement, all costs for electrical usage, stated as kWh per Ton of Processible Waste Processed, incurred by the Contractor up to and including the Electricity Maximum Utility Utilization Guarantee set forth in paragraph B.6.b.a. of Schedule 2.

29. All purchases of diesel fuel to operate the back-up generator located at the well pumping station at the Facility Site.

30. The cost of activated carbon reagent required for the operation of the Mercury Control System up to the quantity of the Carbon Consumption Guarantee.

31. The cost of aqueous ammonia required for the operation of the Nitrogen Oxide Emissions Control System up to the quantity of the Ammonia Consumption Guarantee.

32. Any permitting costs incurred by the Contractor at the written request of the County to comply with the requirements of CAA Title V.

33. The cost of compliance with time response requirements relating to confined space rescue service.

34. The Direct Costs for which Cost Substantiation is provided that are incurred by Contractor for maintaining, repairing or replacing materials or equipment installed as part of the electrical interconnect between the BioSolids Facility and the Facility or the Expanded Facility, which shall be reviewed by the County's Independent Engineer, plus on a case by case basis, Profit as agreed to by the Parties.

SCHEDULE 10

MARTIN GUARANTEE

[SEE ATTACHED]



Covenant of Assurance

THIS COVENANT, made as of this 28th day of March, 1989, by MARTIN GMBH FÜR UMWELT- UND ENERGIETECHNIK ("MARTIN") of Munich, West Germany, to and for the benefit of the County of Pasco, Florida, acting by and through its Board of Public Works ("County").

W I T N E S S E T H:

WHEREAS, Ogden Martin Systems of Pasco, Inc. ("Contractor") has executed an Amended and Restated Construction Agreement (the "Construction Agreement") and an Amended and Restated Service Agreement (the "Service Agreement"), each dated as of March 28th, 1989 (collectively, the "Agreements") with the County for a solid waste disposal and resource recovery facility ("Facility"), incorporating the MARTIN combustion system;

WHEREAS, MARTIN and Ogden Martin Systems, Inc., the corporate parent of the Contractor have executed a long-term Cooperation Agreement pertaining to the design, construction, operation and maintenance of mass-burn incinerators and resource recovery facilities utilizing the MARTIN combustion system; and,

WHEREAS, the Contractor and its parent have agreed to waive any right at law or at equity to restrict the County from contracting directly with MARTIN in the event the Construction Agreement or Service Agreement is terminated by the County for default by the Contractor; and,

WHEREAS, the County requires as a consideration for selecting a solid waste disposal and resource recovery facility system incorporating the MARTIN combustion system, that MARTIN's proprietary components and know-how continue to be available to the County in the event of a termination for default by the Contractor; and,

...



WHEREAS, it is in the interest of MARTIN that the County enter into the Construction Agreement and Service Agreement with the Contractor; and,

WHEREAS, the County is willing to enter into the Construction Agreement and Service Agreement only upon the condition that MARTIN executes this instrument.

NOW, THEREFORE, to induce the County to enter into the Construction Agreement and Service Agreement, in consideration of the foregoing and other good and valuable consideration, MARTIN agrees as follows:

In the event that the County terminates Contractor pursuant to the Construction Agreement or Service Agreement for default by the Contractor, MARTIN will continue to supply its proprietary components and know-how to the County on terms and conditions offered to other parties to the extent that Contractor does not have, or continues to reasonably supply, such components and know-how.

This Covenant shall continue in full force and effect during the term of the Construction Agreement and Service Agreement and, in the event that the Construction Agreement or Service Agreement are terminated by the County for the default of Contractor, shall continue in full force and effect until the Construction Agreement and Service Agreement would have expired by their terms had they not been terminated.



MARTIN understands that this Covenant will be assigned by the County to Trustee for the benefit of the holders of the Bonds, the proceeds of which will be used to finance the Project and hereby consents to such assignment.

IN WITNESS WHEREOF, MARTIN has executed this instrument the day and year first above written.

MARTIN GMBH
FÜR UMWELT- UND ENERGIETECHNIK

W. Martin

(Witness/Attest)

SCHEDULE 11

CALCULATION OF DISPOSAL COST

Prior to the start of any Billing Year, the County shall prepare a budget for such Billing Year for the purpose of establishing the System Disposal Cost to the County for all expense associated with operation of the System. In connection with such Billing Year budget, the County shall give due consideration to, but shall not be bound by, the Service Fee estimates prepared by the Contractor pursuant to Section 6.08(c).

- A. The budget for which the System Disposal Cost is calculated for each Billing Year shall be based, when necessary, on reasonable estimates and, where available, on actual experience, or on a combination of estimates and projections based on actual experience. The budget shall include the following cost components:
1. Annual Debt Service.
 2. Service Fee Payments.
 3. Pass Through Costs.
 4. All County expenses incurred in operation of the System.
 5. The total Tons of Solid Waste to be disposed of by the System during the said Billing Year.
 6. County expenses incurred in performing its obligations under this Service Agreement.
 7. Costs to fund or replenish funds under the Indenture.
 8. Any other costs and expenses associated with financing any project under the Indenture, including the issuance of Additional Bonds.

The budget shall also include all estimated System revenues, as defined in the Indenture, including any insurance proceeds paid to the County for losses resulting from covered Uncontrollable Circumstance events. The System Disposal cost shall be calculated by dividing (1) the total estimated System costs, minus the total estimated System revenues, by (2) the Guaranteed Tonnage or the Expanded Facility Guaranteed Tonnage.

- B. During any Billing year, upon the occurrence of an Uncontrollable Circumstance event, the County shall calculate the increased cost resulting from such event, taking into account insurance proceeds paid to the County for losses resulting in a covered Uncontrollable Circumstance event, on the System Disposal Cost by preparing a pro forma budget for the Billing Year in which the Uncontrollable Circumstance event occurred which reflects any cost increases resulting therefrom, as determined pursuant to Sections 7.03 and 8.04, based upon the disposal of the Guaranteed Tonnage for such period. A second pro forma budget for the same time

period shall be prepared by the County based upon the disposal of the Guaranteed Tonnage as if the Uncontrollable Circumstance event had not occurred. The two pro forma budgets shall then be compared to determine the increased System Disposal Cost per Ton of Processible Waste resulting from such Uncontrollable Circumstance event. Such increase in System Disposal Cost per Ton of Processible Waste shall then be compared to the Disposal Cost Increase Limitation as provided by Section 7.03.

- C. The County shall compute any increased System Disposal Cost based upon the following assumptions: (i) that the cost of any Capital Project due to an Uncontrollable Circumstance event, which costs are not capitalized and are paid by the County, shall be amortized over the remaining term of this Service Agreement, even though paid by the County in the year incurred, at an assumed interest rate equal to the then current average interest rate on the Bonds; (ii) adjustment of the Disposal Cost Increase Limitation pursuant to the Adjustment Factor shall be calculated as of the date of any notice to the County by the Contractor pursuant to Section 7.02, and (iii) reduction in the System Disposal Cost by the amount of any insurance proceeds paid to the County by reason of such Uncontrollable Circumstance Event.

SCHEDULE 12

PERMITS

Part A

The County will obtain the following permits:

Power Plant Site Certification

Title V Permit

Part B

The Contractor shall obtain all other permits not listed in Part A including, but not limited to:

Industrial Use Permits

Building Permits

SCHEDULE 13

REPRESENTATIVE CONCENTRATIONS FOR PASCO COUNTY TREATED WASTEWATER EFFLUENT		
Parameter Measured	Concentration, in mg/L (unless noted)	Averaging Period
BOD, Carbonaceous 5 day	< 45.0	WEEKLY
Total Suspended Solids	< 5.0	DAILY
pH	6.0 - 8.0 s.u.	DAILY
Fecal Coliform	< 25/100 ml	DAILY
Chlorine Residual	> 0.5	DAILY
Nitrogen, Nitrate, Total	< 12.0	DAILY
Conductivity	< 3,000 umhos	DAILY
Ammonia (as N)	< 3	DAILY
Phosphate	< 22	WEEKLY
Arsenic	< 1	DAILY
Barium	< 1	DAILY
Cadmium	< 1	DAILY
Chromium	< 1	DAILY
Copper	< 1	DAILY
Lead	< 1	DAILY
Manganese	< 1	DAILY
Mercury	< 1	DAILY
Nickel	< 1	DAILY
Selenium	< 1	DAILY
Silver	< 1	DAILY
Zinc	< 1	DAILY

SCHEDULE 14

RESERVED

SCHEDULE 15

HIGHER HEATING VALUE (HHV) ADJUSTMENT PROCEDURES

Procedure Development

A document will be developed and mutually agreed to by both Contractor and County and its representatives that outlines the development of correlation(s) required by this Schedule, the source of all factors used, and explaining the calculations associated with using the methodology.

Monthly Determination of Processible Waste Higher Heating Value (HHV)

Based upon information obtained from multiple Performance Tests a correlation curve will be developed to correlate the Processible Waste Higher Heating Value (in Btu/pound) versus the specific steam production from the boilers (in pounds of steam per pound of Processible Waste fired). The curve will be normalized to design conditions for steam and feedwater temperatures and pressures, and to specific economizer exit gas temperature(s), oxygen content, measured ambient air temperature(s) and measured combustion air temperatures (i.e. heat credits resulting from air preheat) while the boilers are operating at maximum continuous rating (MCR) steam flow. Specific steam production as normalized will be utilized in conjunction with the curve to determine the Processible Waste Higher Heating Value.

The Specific Steaming Rate (SSR) versus HHV Correlation Curve

The Specific Steaming Rate (SSR) versus HHV Correlation Curve will be transformed into a mathematical equation by least squares curve fit of the normalized performance test data. The equations will be used for purposes of determining monthly waste HHV and the following will be used as adjustments to the HHV determined by the correlation curve.

For every 10°F increase (decrease) from the reference economizer exit gas temperature to which the correlation curve was developed, the Higher Heating Value (HHV) will decrease (increase) approximately 0.5 percent. Therefore, the Processible Waste Higher Heating Value obtained from the correlation curve shall be adjusted proportionately upward (downward) based upon the actual increase (decrease) in economizer exit gas temperature at MCR.

For every 10% increase (decrease) from the initial reference excess air percentage for which the correlation curve was developed, the Higher Heating Value (HHV) will decrease (increase) 0.8 percent.

For every 10°F increase (decrease) from the reference combustion air inlet temperature for which the correlation curve was developed, the Higher Heating Value (HHV) will also increase (decrease) 0.6 percent.

For every 10°F temperature rise combustion air temperature across the steam coil air heaters above (below) the reference combustion air temperature rise for which the correlation curve was developed, the Higher Heating Value (HHV) will decrease (increase) approximately 12.0 Btu/lb.

Adjustment Factors

Adjustment factors for deviation in economizer exit gas temperature, combustion air inlet temperature, airheater outlet temperature, and excess air percentage from reference values may be modified after operating data is developed if mutually agreed upon between the Contractor and the County.

Data Acquisition

All instruments used will be calibrated in accordance with industry practice. The record of these calibrations will be maintained on-site for inspection by the County and their representatives in accordance with the recordkeeping provisions of the Service Agreement. Data for the above calculations shall be obtained from the following sources.

Steam Flow - Boiler Outlet flow determined by permanent plant primary flow elements.

Flue Gas Oxygen (%) - Dry O₂ analyzer at the Economizer Exit as installed as part of the Continuous Emissions Monitoring System (CEM).

Economizer Exit Gas Temperature (°F) - Station thermocouple in the economizer outlet flue.

Ambient Air Temperature (°F) - Station thermocouples in the forced or overfire air fan inlet ducts.

Combustion Air Temperature Downstream of the Steam Coil Air Preheaters (°F) - Station thermocouple(s) downstream of the air preheat coils.

Processible Waste Quantity - The monthly Facility Processible Waste throughput will be determined using the truck scale/pit volume method as follows:

$$MRT = PIB + WRS - WR + PIE$$

Where:

Monthly Processible Waste Throughput (MRT) is the amount of Processible Waste in tons determined to have been Processed by the Facility in accordance with the above formula.

Pit Inventory Beginning (PIB) is the amount of Processible Waste in tons determined to be in the Facility Processible Waste storage pit at the beginning of the month.

Waste Received Scales (WRS) is the amount of Processible Waste in tons as measured by the truck scales or other mutually accepted method, transported to the Facility and discharged into the Facility Processible Waste storage pit during the month.

Waste Returned (WR) is the amount of Processible Waste in tons diverted from the Facility (for alternate disposal) after having been credited as WRS.

Pit Inventory End (PIE) is the amount of Processible Waste in tons determined to be in the Facility storage pit at the end of the month.

Pit Inventory measurements are performed routinely and the County and its representatives have the right to witness and concur with these determinations in accordance with the visitation rights of the Service Agreement.

ATTACHMENT 1

COVANTA WASTE to ENERGY
HHV SPREADSHEET EXPLANATION

Providing explanation on calculation methodology for Covanta-Pasco

Prepared: May – 2001



STEP 1b) A summary of the Weighted Average Parameters is as follows:

Boiler Parameter	Value
Average Steam Temp	824.67
Average Steam Pressure	862.34
Average Econ Exit Gas Temp	439.37
Average Heated Comb Air Temp	182.70
Average Econ Dry O ₂	9.294

STEP 2 Using the Weighted Average Steam Temperature, Steam Pressure, and Feedwater Temperature, the average steam and feedwater enthalpy for the month is determined using look-up functions from steam tables (ASME 1967-based).

Using data from Attachment 1 Steam Enthalpy (H_{steam}) = 1409.92 (Row ID 24)
 Feedwater Enthalpy ($H_{\text{feedwater}}$) = 266.54 (Row ID 25)

STEP 3 The percent Excess Air (Row ID 26) is determined using the weighted average Dry O₂ and a correlation for excess air as follows:

$$\text{Excess Air} = 55.5 - 10.52 \times (O_{2DRY}) + 1.4 \times (O_{2DRY})^2$$

Using the weighted average data from Attachment 1 (Avg Econ Dry O₂ = 9.294)

$$\text{Excess Air} = 55.5 - 10.52 \times (9.294) + 1.4 \times (9.294)^2 = 78.66$$

STEP 4 The total boiler steam heat output (Row ID 27) in Btu's is next calculated:
 This calculation uses the pressure and temperature compensated boiler steam flows as measured by the plants distributed control system.

$$\text{Blr Stm Heat Output} = \left(\sum_{n=1}^{n=3} \text{Blr } n \text{ Stm Flow} \right) \times 1,000 \times (H_{\text{steam}} - H_{\text{feedwater}})$$

Using the data from Attachment 1:

$$\text{Blr Stm Heat Output} = (204,657) \times 1000 \times (1409.92 - 266.54) = 2.340 \times 10^{11}$$

STEP 5 Reference Steam from Auxiliary Fuel (*Row ID 28*) is then calculated:

This calculation is based upon the following assumptions:

- 50% of the auxiliary fuel is used to warm up a cold boiler & produces no steam, the remainder goes towards steam production during boiler start-up/shutdowns and for combustion stabilization/environmental compliance.
- The boiler efficiency firing auxiliary fuel is 85 %
- The heating value of the aux fuel is constant (located under Reference Value column on *Row ID 23*)

In order to calculate Reference Steam, it is necessary to know the Steam and Feedwater Enthalpy at design (Reference) conditions. These enthalpies are looked up using reference steam conditions and are located under the Reference Values column on *Row ID's 24 & 25*. For Pasco:

the reference Steam Enthalpy (H_{refSteam}) is 1412.89

the reference Feedwater enthalpy ($H_{\text{refFeedwater}}$) is 270.61

The calculation is as follows:

$$\text{Ref Stm from Aux Fuel} = \frac{\text{Propane} \times \text{HHV}_{\text{propane}} \times \text{Aux Fuel Eff} \times 0.5}{H_{\text{refSteam}} - H_{\text{refFeedwater}}}$$

Using data from Attachment 1:

$$\text{Ref Stm from Aux Fuel} = \frac{100 \times 1000 \times 21523 \times 0.85 \times 0.5}{1412.89 - 270.61} = 8.008 \times 10^5$$

STEP 6 Reference Steam from Refuse is then calculated (*Row ID 29*)

$$\text{Ref Total Stm Prod'd} = \frac{\text{Total Stm Heat Output}}{H_{\text{refSteam}} - H_{\text{refFeedwater}}} - \text{Ref Stm from Aux Fuel}$$

Using data from Attachment 1:

$$\text{Ref Total Stm Prod'd} = \frac{2.340 \times 10^{11}}{1412.89 - 270.61} - 8.008 \times 10^5 = 2.041 \times 10^8$$

STEP 7 The next step is to calculate the specific steam ratio:

$$\text{Specific Steam Ratio} = \frac{\text{Ref Total Stm Prod'd}}{\text{lbs of Refuse Processed}}$$

Using data from Attachment 1:

$$\text{Specific Steam Ratio} = \frac{2.041 \times 10^8}{30922.5 \times 2000} = 3.30$$

STEP 8 Applying the database curve (SS070) to predict the HHV
(The theoretical basis & development of the specific steam correlation method is contained in the ASME paper presented in Attachment 2. The current database correlation details are included in Attachment 3)

$$\text{HHV Raw Database Curve} = 1,508.955 \times \text{SSR} + 364.4$$

Using the SSR calculated in Attachment 1 yields:

$$\text{HHV Raw Database Curve} = 1,508.955 \times 3.30 + 364.4 = 5,343.$$

Once the Raw HHV is calculated, this value is corrected for actual operating conditions (boiler efficiency) that differed from the conditions for which the correlation was normalized to. The adjustment factors used are listed in the Reference Values column next to their associated adjustment. (*Row ID's 32-35*). The basis for these adjustment factors is included in Attachment 4.

STEP 9 The effect on the predicted HHV from the economizer exit gas temperature varying from the correlation reference value is computed.

The Reference value for Economizer Exit Gas Temperature is illustrated under the Reference Value Column in *Row ID 13*. The SSO70 correlation used at Pasco was based upon an Economizer Exit Gas Temperature of 430°F.

The amount of adjustment was determined using theoretical combustion calculations to determine the net effect on boiler efficiency (& therefore HHV) that a change of 10°F would have. For 5000 Btu fuel, the effect on HHV prediction was determined to be 0.5% per 10°F difference between the actual & reference conditions.

The weighted average economizer exit gas temperature calculated from the data in Attachment 1 was 439.37°F. The adjustment is calculated as follows:

$$\text{EEGT Adjustment} = \text{Raw HHV} \times \text{EEGT Adj. Factor} \times \frac{\text{Avg EEGT} - 430}{10}$$

(For the purpose of consolidating the equation Economizer Exit Gas Temp has been abbreviated EEGT)

Using the data from Attachment 1 reveals

$$\text{EEGT Adjustment} = 5,343.1 \times 0.005 \times \frac{439.37 - 430}{10} = 25.0$$

STEP 10 The Reference value for Heated Combustion Air Temperature is illustrated under the Reference Value Column in *Row ID 16*. The SSO70 correlation used at Pasco was based upon no (zero) heat credits or a condition where ambient and heated Combustion air temperatures are equal.

The amount of adjustment was determined using theoretical combustion calculations to determine the net effect on boiler efficiency (& therefore HHV) that a increase of 10°F above ambient air temperature would have. For 5,000 Btu fuel, the effect on HHV prediction was determined to be -12 Btu's per 10°F temperature change.

The weighted average combustion air temperature calculated from the data in Attachment 1 was 182.70. The Ambient Air Temperature measured was 80 (*Row ID 19*) The adjustment is calculated as follows:

$$\text{HCAT Adjmt} = \text{HCAT Adj Factor} \times \frac{(\text{Avg HCAT} - \text{Avg AAT}) - (\text{HCAT}_{\text{ref}} - \text{AAT}_{\text{ref}})}{10}$$

(For the purpose of consolidating the equation Heated Combustion Air Temperature has been abbreviated HCAT and Ambient Air Temperature has been abbreviated AAT)

Using the data from Attachment 1 reveals

$$\text{HCAT Adjustment} = -12 \times \frac{(182.7 - 72) - (80 - 80)}{10} = -132.8$$

STEP 11 The effect on the predicted HHV from the ambient air temperature varying from the correlation reference value is computed.

The Reference value for Ambient Air Temperature is illustrated under the Reference Value Column in *Row ID 19*. The SSO70 correlation used at Pasco was based upon an Ambient Air Temperature of 80°F.

The amount of adjustment was determined using theoretical combustion calculations to determine the net effect on boiler efficiency (& therefore HHV) that a change of 10°F would have. For 5000 Btu fuel, the effect on HHV prediction was determined to be -0.6% per 10°F difference between the actual & reference conditions.

The Ambient Air Temperature measured was 80 (*Row ID 19*) The adjustment is calculated as follows:

$$\text{AAT Adjustment} = \text{Raw HHV} \times \text{AAT Adj Factor} \times \frac{(\text{AAT} - \text{AAT}_{\text{ref}})}{10}$$

(For the purpose of consolidating the equation Ambient Air Temperature has been abbreviated AAT)

Using the data from Attachment 1 reveals

$$\text{AAT Adjustment} = 5343.1 \times -0.006 \times \frac{(72 - 80)}{10} = 25.6$$

STEP 12 The effect on the predicted HHV from the quantity of excess air varying from the correlation reference value is computed.

The Reference value for Excess Air is illustrated under the Reference Value Column in *Row ID 26*. The SSO70 correlation used at Pasco was based upon an Excess Air level of 90%.

The amount of adjustment was determined using theoretical combustion calculations to determine the net effect on boiler efficiency (& therefore HHV) that a change of 10% would have. For 5000 Btu fuel, the effect on HHV prediction was determined to be 0.8% per each 10 % point difference between the actual & reference conditions.

In Step 3, the average excess air calculated from the data in Attachment 1 was 78.7 %. The adjustment is calculated as follows:

$$\text{XAIR Adjustment} = \text{Raw HHV} \times \text{AAT Adjustment} \times \frac{(\text{XAIR} - \text{XAIR}_{\text{ref}})}{10}$$

(For the purpose of consolidating the equation Excess Air has been abbreviated XAIR)

Using the data from Attachment 1 reveals

$$\text{XAIR Adjustment} = 5343.1 \times .008 \times \frac{(78.66 - 90)}{10} = -48.5$$

STEP 13 The 4 Adjustments (from steps 9-12) are subtotaled.

$$\text{Adjustment Subtotal} = \sum_{\text{adjustments}} (\text{EEGT}, \text{H CAT}, \text{AAT}, \text{XAIR})$$

Using the data from Attachment 1 reveals

$$\text{Adjustment Subtotal} = (25 - 132.8 + 25.6 - 48.5) = -130.6$$

STEP 14 Net HHV is calculated:

$$\text{Net HHV} = \text{Raw HHV} + \text{Adjustment Subtotal}$$

Using the data from Attachment 1 reveals

$$\text{Net HHV} = 5,343.1 - 130.6 = 5,212$$

COVANTA-PASCO MONTHLY HHV CALCULATION SHEET

From: SAMPLE to: ATTACHMENT 1

DATA INPUTS		UNITS	MONTHLY VALUE	REFERENCE VALUES
1	Refuse Processed	tons	30,922.5	
2	Total Operating Time - All Units	hours	2,184.0	
3	Boiler 1 Steam Production	kbs	67,905.0	
4	Boiler 2 Steam Production	kbs	68,678.0	
5	Boiler 3 Steam Production	kbs	68,174.0	
6	Boiler 1 Stm Temp	deg F	828.0	830 deg F
7	Boiler 2 Stm Temp	deg F	830.0	
8	Boiler 3 Stm Temp	deg F	816.0	
9	Boiler 1 Stm Press	psig	862.0	865 psig
10	Boiler 2 Stm Press	psig	865.0	
11	Boiler 3 Stm Press	psig	860.0	
12	Boiler Feedwater Temperature (Avg)	deg F	295.0	299 deg F
13	Blr 1 Econ Exit Gas Temp (Avg)	deg F	440.0	430 deg F
14	Blr 2 Econ Exit Gas Temp (Avg)	deg F	456.0	
15	Blr 3 Econ Exit Gas Temp (Avg)	deg F	422.0	
16	Blr 1 Heated Comb Air Temp	deg F	190.0	80 deg F
17	Blr 2 Heated Comb Air Temp	deg F	202.0	
18	Blr 3 Heated Comb Air Temp	deg F	156.0	
19	Ambient Air Temp (Avg)	deg F	72.0	80 deg F
20	Blr 1 Econ Exit Dry O2 (Avg)	%	9.00	
21	Blr 2 Econ Exit Dry O2 (Avg)	%	9.56	
22	Blr 3 Econ Exit Dry O2 (Avg)	%	9.32	
23	Aux Fuel Usage - Propane	kbs	100.00	21,523 Btu/lb

ENTHALPIES				
24	Main Steam	Btu/lb	1,409.92	1,412.89 Btu/lb
25	Feedwater	Btu/lb	266.54	270.61 Btu/lb

CALCULATIONS				
26	% Excess Air from %O2	%	78.7	90 %
27	Total Blr Steam Ht Output	Btu	2.340E+11	
28	Ref Stm Prod due to Aux Fuel	lbs	8.008E+05	85% Eff. on Aux Fuel
29	Ref Total Stm Prod from Refuse	lbs	2.040539E+08	
30	Specific Stm Ratio (lb stm/lb ref fired)		3.30	
31	HHV Raw Database Curve	Btu/lb	5,343.1	

ADJUSTMENTS				Factors
32	Econ Gas Temp	Btu/lb	25.0	0.5 % raw HHV/10 deg F
33	Heated Combustion Air Temp	Btu/lb	(132.8)	-12.0 BTU/lb/10 deg F
34	Ambient Air Temp	Btu/lb	25.6	-0.6 % raw HHV/10 deg F
35	Excess Air	Btu/lb	(48.5)	0.8 % raw HHV/10%
36	Sub-total of adjustments	Btu/lb	(130.6)	
37	Net HHV (Btu/lb)		5,212	

COVANTA-PASCO

SAMPLE HHV SPREADSHEET

E:\data\123\Pasco\HHVSAMP.wk4

ATTACHMENT 2

LONG TERM HHV DETERMINATION OF MUNICIPAL SOLID WASTE — A PRACTICAL APPROACH

ZENON SEMANYSHYN AND STEPHEN G. DEDUCK

Ogden Martin Systems
Fairfield, New Jersey

ABSTRACT

The determination of waste HHV over extended time periods is achievable by applying the concept of a specific steam correlation method developed from results of multiple boiler calorimetry tests. This correlation, used in conjunction with appropriate corrections for critical boiler operating parameters, provides a practical and reliable method of waste HHV determination. The theoretical basis, calculations and limitations of this HHV determination technique are presented and discussed.

INTRODUCTION

Waste processing capacity and energy recovery rate are the two primary production parameters used to gauge the performance of a resource recovery facility and are typically guaranteed on a long term basis. A capacity throughput guarantee is based on combusting a minimum quantity of waste having a specific "reference" higher heating value (HHV) and is typically expressed in terms of tons of waste processed per month or year, adjusted for the reference heating value. An energy recovery guarantee is based on producing a minimum amount of energy from waste at the same reference HHV and is typically expressed in kilowatt-hours/reference ton or pounds of steam/reference ton of waste. The reference HHV is specified in conjunction

with the waste processing or energy recovery guarantee due to the heterogeneous nature of waste and the large impact varying waste HHV has on these production parameters.

The determination of waste HHV is necessary to determine the difference between the actual waste HHV and the reference HHV for purposes of adjusting the actual production parameters to equivalent reference parameters which would have been obtained had waste of reference composition and HHV been processed. The performance of a facility can then be accurately assessed for purposes of:

(a) Demonstrating monthly or annual energy recovery and waste processing guarantees.

(b) Ensuring that the facility is being operated at the optimum capability and efficiency desired.

The purpose of this paper is to present a method for the determination of municipal solid waste HHV over extended time periods which is practical, accurate and economical to implement.

BACKGROUND OF HIGHER HEATING VALUE DETERMINATION

Conventional Fuels

The higher heating values of conventional fuels, such as coal, oil and gas are typically determined by regu-

larly obtaining small representative samples of the fuel and performing an analysis for energy content (HHV) on a Btu/lb basis. This laboratory HHV determination is performed by utilizing a bomb calorimeter. The bomb calorimeter analysis consists of combusting typically a 1 gram sample of fuel in an airtight enclosure, surrounded by water. The heat generated from combusting the fuel is transferred to the water and measured by the temperature rise of the water jacket. The fuel HHV is then easily calculated.

Municipal Solid Waste

Municipal Solid Waste, with its inherent variability in composition and energy content (HHV), does not allow one to obtain a truly representative sample for laboratory analysis of HHV and thus leads to highly variable or questionable results when applying the conventional bomb calorimetry technique. Recognizing the difficulties with obtaining representative waste HHVs in a conventional laboratory calorimeter, the National Bureau of Standards embarked on the development of a larger calorimeter in the 1970s. Shortly thereafter it was determined that even with a larger calorimeter, representative waste HHV results were difficult to obtain. Because of these difficulties, the boiler-as-a-calorimeter test method gained wider acceptance and became the preferred method for waste HHV determination.

The boiler-as-a-calorimeter method is based on the similar concept of a laboratory calorimeter where all of the heat produced from the combusted refuse is measured across the boiler boundary, either as heat losses or recovered energy. The obvious and critical difference, however, is that instead of measuring several "representative" grams of refuse, one is literally measuring the heat released from tons of refuse. The boiler-as-a-calorimeter test method combines: (a) the heat loss method for boiler efficiency determination contained in the American Society of Mechanical Engineers (ASME) Power Test Codes (PTC) 4.1 and 33; (b) portions of the input-output method for boiler efficiency calculation contained in PTC-4.1; and (c) various equations and assumptions to combine the referenced documents into one cohesive test calculation method. The technical community within the resource recovery industry and the ASME have long recognized the need to develop a comprehensive, standardized Power Test Code for conducting and analyzing data from boiler calorimeter tests. This code, designated as PTC-34, Waste Combustors with Energy Recovery, is currently being developed by the ASME and in the near future will become the reference document for conducting

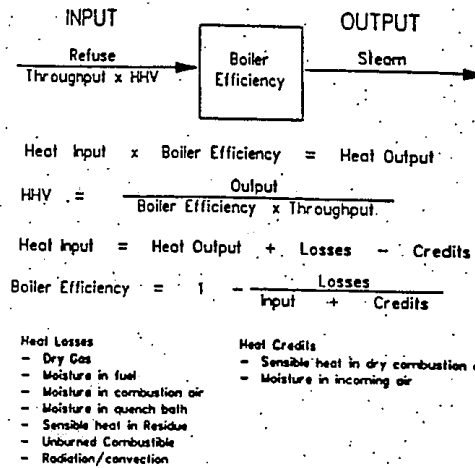


FIG. 1 BOILER AS A CALORIMETER TEST METHOD

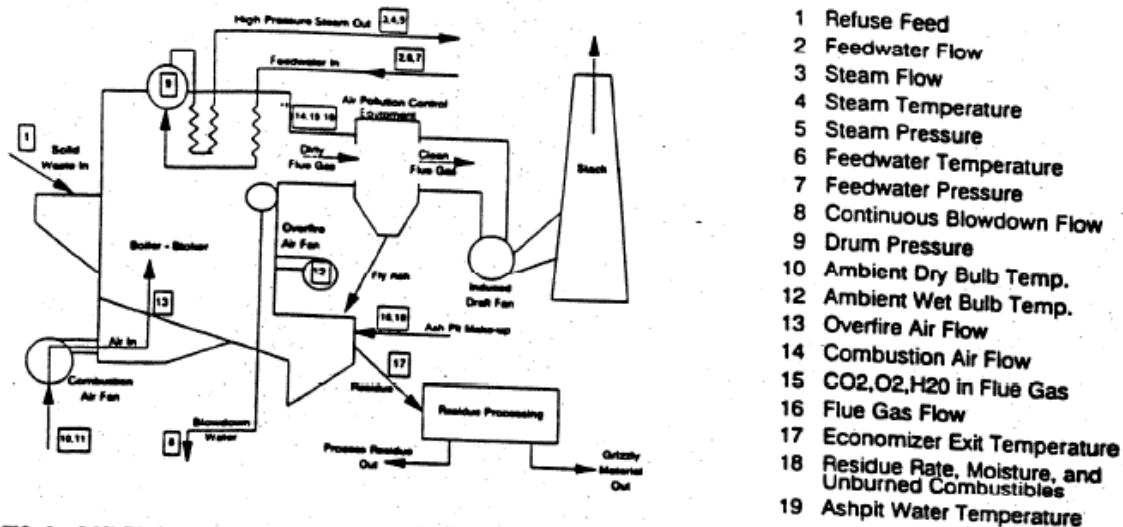
tests and performing the required calculations for determining waste HHV.

The HHV determination performed in accordance with the boiler-as-a-calorimeter test method (refer to Fig. 1) is based on the premise that the HHV can be calculated by measuring the heat output of the boiler and translating it into heat input by determining one variable; namely boiler efficiency (i.e., heat output divided by boiler efficiency = heat input). The output is the product of the boiler steam flow and the energy required to generate and superheat the steam. The input is the product of the HHV and the measured quantity of the waste. The boiler efficiency is determined in accordance with the Heat Loss method in PTC-4.1/Re-affirmed 1979.

The test duration for a boiler calorimetry test is typically 8 hr. The determination of waste HHV for this relatively short period, in itself, poses a formidable challenge to the facility operator due to the costs associated with such a labor-intensive undertaking and the many data inputs required (refer to Fig. 2). For this reason, the boiler-as-a-calorimeter test method is primarily used during a facility's initial performance test and is not a practical option for long-term determination of HHV.

ALTERNATIVE METHODS FOR LONG TERM HHV DETERMINATION OF MSW

Any practical method considered for long term waste HHV determination must make a compromise between



- 1 Refuse Feed
- 2 Feedwater Flow
- 3 Steam Flow
- 4 Steam Temperature
- 5 Steam Pressure
- 6 Feedwater Temperature
- 7 Feedwater Pressure
- 8 Continuous Blowdown Flow
- 9 Drum Pressure
- 10 Ambient Dry Bulb Temp.
- 12 Ambient Wet Bulb Temp.
- 13 Overfire Air Flow
- 14 Combustion Air Flow
- 15 CO₂, O₂, H₂O in Flue Gas
- 16 Flue Gas Flow
- 17 Economizer Exit Temperature
- 18 Residue Rate, Moisture, and Unburned Combustibles
- 19 Ashpit Water Temperature

FIG. 2 BOILER CALORIMETRY TEST DATA INPUTS FOR A TYPICAL MASS BURN RESOURCE RECOVERY FACILITY

test accuracy and the time duration over which the HHV determination can be performed.

Three methods typically considered for long term waste HHV determination are the extrapolation method, the instrumentation method and the specific steam correlation method. Each of these methods represents a different compromise between test accuracy and the duration over which boiler data and corresponding heat output data is measured.

Extrapolation Method

This method consists of conducting multiple 8-hr boiler calorimetry tests in accordance with the general guidelines outlined in PTC-4.1. and PTC-33. The 8-hr tests are performed at regularly specified intervals (i.e., daily, weekly, and monthly) and the results are extrapolated to provide an estimate of the waste HHV combusted during the remaining portion of that interval in which the HHV was not actually measured. For example, an 8-hr boiler calorimetry test might be performed weekly and the HHV determined for that 8-hr period would be assumed or "extrapolated" to be the same HHV for the entire week. The extrapolation method maintains the accuracy associated with the boiler-as-a-calorimeter method, but compromises on the duration of the analysis period. Since the actual HHV analysis period is less than 5% of the total time interval, significant errors in the HHV determination can arise. The concern over the impact of the limited analysis period becomes even more evident when one considers the heterogeneous nature of the waste and its

correspondingly widely fluctuating HHVs. The error could be reduced by conducting tests more frequently, but the large expense and manpower needs associated with performing an ASME quality boiler calorimetry test (e.g., \$10,000 or more) become prohibitive factors.

For these reasons, the extrapolation method is considered impractical for use in the determination of refuse HHV over extended time periods.

Instrumentation Method

The instrumentation method consists of implementing a system which continuously acquires the data necessary for determining the major boiler efficiency heat losses. Therefore, the duration of the analysis period is not compromised.

The continuous determination of the major losses and credits requires the acquisition of many data inputs, some of which can only be accurately and reliably obtained using prohibitively expensive manual test methods; namely, the determination of flue gas flow, flue gas moisture and residue unburned combustibles. Currently, the state of the art for instruments which continuously determine flue gas moisture and flue gas flow is not sufficiently developed or commercially proven where they may be deemed reliable or accurate in a harsh flue gas environment. Therefore, implementation of the instrumentation method for long term refuse HHV determination is considered unachievable.

Specific Steam Correlation Method

Recognizing that the extrapolation and instrumentation methods rely on techniques which are either unac-

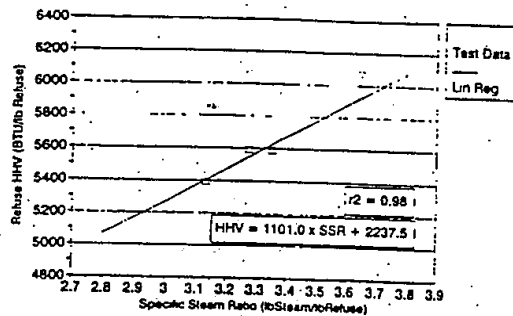


FIG. 3 SPECIFIC STEAM RATIO CORRELATION
(Typical OMS Facility)

ceptable or unachievable from the standpoint of accuracy, cost, manpower and available instrumentation, a third method — the specific steam correlation method — has been investigated. The specific steam correlation method is based on continuous data input for the major boiler parameters and therefore no compromise is made in the duration of the analysis period. Furthermore, the method uses inputs from standard commercially proven plant instruments and therefore can be easily implemented.

The specific steam correlation method is based on a concept which establishes a relationship between waste HHV and two regularly monitored production parameters: namely, waste processed and steam produced. The ratio of these two production parameters (pounds of steam produced per pound of waste processed) is termed the specific steam ratio (SSR). The SSRs and corresponding waste HHVs obtained from multiple boiler calorimetry tests are used to establish a correlation for use in determining the waste HHV on a long-term basis (refer to Fig. 3).

The HHV determination for a given interval is accomplished by: (a) measuring the waste processed and steam produced for the entire interval; (b) calculating the SSR; and (c) obtaining the corresponding HHV from the correlation.

DEVELOPMENT OF THE SPECIFIC STEAM CORRELATION METHOD

Ogden Martin Systems has (OMS) conducted multiple boiler calorimetry tests at 11 OMS facilities as part

of acceptance test programs. The results of 37 such tests are presented in Table 1.

To enable a meaningful comparison of the test results among the facilities, differences in boiler operating conditions from facility to facility were adjusted to a common or normalized basis. It was realized during this early stage of development that a general or overall correlation based on a large number of points would be more statistically valid than a correlation from an individual facility based on three points. OMS proceeded to develop the specific steam correlation method for long term determination of refuse HHV using this overall correlation as follows:

(a) Data Analysis: Data and results from nine facility acceptance test programs, performed in accordance with applicable ASME Performance Test Codes were analyzed to develop the overall correlation of specific steam ratios to HHVs.

(b) Operating Parameter Adjustments: A mechanism was established to adjust the HHVs obtained from the correlation for differences between the baseline operating parameters on which the correlation is based and those measured during the desired HHV determination period.

(c) Validation: The accuracy of the method was determined empirically using data and results of nine ASME boiler calorimetry tests. In addition, an analytical model was used to compare the test results to theoretical results.

(d) Implementation: The continuous data acquisition requirements were established, along with corrections, for obvious operational influences affecting the method, such as boiler downtime and auxiliary fuel usage.

Data Analysis

To normalize the test results among the facilities, each test specific steam ratio — SSR — (lb steam/lb refuse) was converted to an equivalent specific steam output — SSO — (Btu/lb refuse). In addition, the test results were adjusted to the most prevalent boiler operating conditions. The baseline values are listed below:

- economizer exit gas temp = 430°F
- ambient air temp = 80°F
- air preheat heat credit = 0 Btu/lb
- excess air = 90%
- unburned carbon in residue = 2.25%
- unaccounted heat loss = 0.25%

The overall specific steam correlation was developed from the results of 28 of 37 of these boiler calorimetry tests, with pertinent data shown in Table 2. The test results were transformed into a mathematical equation

TABLE 1

Plant	Test Date	Steam Flow (LB/HR)	Refuse Flow (LB/HR)	Specific Steam Ratio (LBstm/LBref)	Refuse HHV (BTU/LBref)
Babylon, NY	21-Feb-89	173,087	57,889	2.99	4750
Babylon, NY	22-Feb-89	173,719	60,530	2.87	4693
Babylon, NY	23-Feb-89	178,161	56,186	3.17	4871
Babylon, NY	27-Feb-89	176,204	48,413	3.64	5556
Bristol, Ct.	03-Feb-88	135,670	51,639	2.81	4687
Bristol, Ct.	11-Feb-88	141,790	48,812	2.93	4851
Fairfax, Va.	21-May-90	731,216	274,458	2.64	4331
Fairfax, Va.	23-May-90	736,496	241,220	3.03	4740
Fairfax, Va.	24-May-90	740,008	255,890	2.87	4459
Haverhill, Ma.	25-May-89	394,609	126,273	3.13	5197
Haverhill, Ma.	26-May-89	416,523	146,924	2.83	5099
Haverhill, Ma.	27-May-89	416,491	140,573	2.96	5157
Huntsville, Al.	25-Jun-90	99,270	25,728	3.57	5095
Huntsville, Al.	26-Jun-90	95,707	21,784	4.24	5783
Huntsville, Al.	09-Jul-90	103,430	32,582	2.92	4183
Huntsville, Al.	10-Jul-90	99,133	27,772	3.28	4749
Huntsville, Al.	14-Jul-90	102,086	26,089	3.68	5345
Indianapolis	10-Nov-88	675,778	226,488	2.98	4180
Kent County, Mi.	04-Jan-90	156,460	47,834	3.27	5560
Kent County, Mi.	05-Jan-90	161,718	43,394	3.73	5979
Kent County, Mi.	08-Jan-90	157,040	50,168	3.13	5366
Kent County, Mi.	10-Jan-90	155,449	46,405	3.35	5558
Lake County, Fl.	15-Jan-91	137,501	45,015	3.05	5041
Lake County, Fl.	16-Jan-91	134,234	47,495	2.83	4704
Lake County, Fl.	17-Jan-91	134,864	46,898	2.88	4827
Lancaster, Pa.	26-Mar-91	306,859	95,154	3.22	5232
Lancaster, Pa.	28-Mar-91	315,365	100,345	3.14	5058
Lancaster, Pa.	02-Apr-91	312,225	104,938	2.98	5199
Lancaster, Pa.	04-Apr-91	310,416	97,818	3.17	5362
Lancaster, Pa.	05-Apr-91	310,115	99,388	3.12	5252
Pasco County, Fl.	15-Apr-91	274,717	95,220	2.89	4574
Pasco County, Fl.	17-Apr-91	282,051	94,480	2.99	4742
Pasco County, Fl.	19-Apr-91	279,919	95,101	2.94	4640
Pasco County, Fl.	22-Apr-91	270,865	101,130	2.68	4338
Stanislaus, Ca.	13-Dec-88	202,170	73,064	2.77	4657
Stanislaus, Ca.	16-Dec-88	208,940	68,658	3.04	4919
Stanislaus, Ca.	06-Jan-89	202,131	77,285	2.62	4474

by performing a linear regression analysis. Results from the remaining nine tests, not used in generating the original correlation, were then used for validation purposes by comparing the HHV results determined by the boiler-as-a-calorimeter method to the HHVs deter-

mined by the specific steam correlation method, as is discussed later.

The specific steam output correlation (HHV versus Btu/lb refuse) based on the 28 boiler calorimetry tests is shown in Fig. 4(a). The specific steam output correla-

TABLE 2. SPECIFIC STEAM CORRELATION DATA

Plant	Test Date	Operating Parameters									
		Feedwater Temp (F)	Steam Temp (F)	Steam Press (PSIG)	Ambient Air Temp (F)	Heated Air Temp (F)	Heat Credit (BTU/LB)	Excess Air (%)	Economizer Exit Gas Temp (F)	Specific Steam Output (BTU/LB)	Reduce HHV (BTU/LB)
Babylon, NY	21-Feb-89	241	700	641	53	225	182	79	406	3262	4779
Babylon, NY	22-Feb-89	244	703	637	47	232	193	83	428	3158	4678
Babylon, NY	23-Feb-89	245	700	639	44	238	215	83	412	3461	4833
Babylon, NY	27-Feb-89	246	705	640	48	241	259	78	422	3970	5601
Bristol, Ct.	03-Feb-88	243	630	648	31	244	250	98	421	3267	4680
Bristol, Ct.	11-Feb-88	238	628	639	48	264	208	97	419	3438	4797
Fairfax, Va.	21-May-90	246	825	867	70	271	242	96	421	3000	4114
Fairfax, Va.	23-May-90	247	819	867	62	275	236	103	405	3452	4823
Fairfax, Va.	24-May-90	248	820	870	63	282	221	91	404	3246	4542
Haverhill, Ma.	25-May-89	251	813	861	79	282	221	94	428	3683	5136
Haverhill, Ma.	26-May-89	250	811	855	80	282	221	104	437	3433	4834
Haverhill, Ma.	27-May-89	250	811	854	78	282	221	102	460	3593	5032
Huntsville, Al.	25-Jun-90	251	660	348	86	273	167	83	427	3500	5056
Huntsville, Al.	26-Jun-90	251	663	355	87	277	182	80	398	4066	5772
Huntsville, Al.	09-Jul-90	255	476	348	85	180	94	87	421	2911	4138
Huntsville, Al.	10-Jul-90	259	472	351	90	206	145	100	447	3273	4571
Huntsville, Al.	14-Jul-90	250	465	352	80	215	178	79	446	3634	5349
Huntsville, Al.	10-Nov-88	243	704	512	58	294	232	100	452	2905	4104
Kent County, Md.	04-Jan-90	249	836	879	58	186	179	82	452	3847	5357
Kent County, Md.	05-Jan-90	250	832	887	49	252	296	82	451	4314	6090
Kent County, Md.	06-Jan-90	244	840	892	54	175	171	86	458	3776	5370
Kent County, Md.	10-Jan-90	246	828	881	52	180	181	90	450	3959	5668
Lake County, Fl.	15-Jan-91	242	812	864	69	220	226	94	397	3457	5111
Lake County, Fl.	16-Jan-91	242	816	863	74	234	260	99	399	3178	4761
Lake County, Fl.	17-Jan-91	242	814	863	63	218	218	102	399	3282	4905
Stanislaus, Ca.	13-Dec-88	242	829	863	64	247	215	104	434	3316	5311
Stanislaus, Ca.	16-Dec-88	242	809	858	55	265	216	95	413	3528	5163
Stanislaus, Ca.	04-Jan-89	243	836	856	56	269	174	89	422	3111	5173

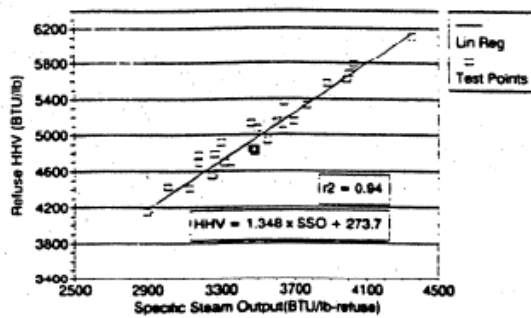


FIG. 4(a) SPECIFIC STEAM OUTPUT CORRELATION
(OHtCr, 430°F, 80°F, 90% Xs, and Luac = 0.25)

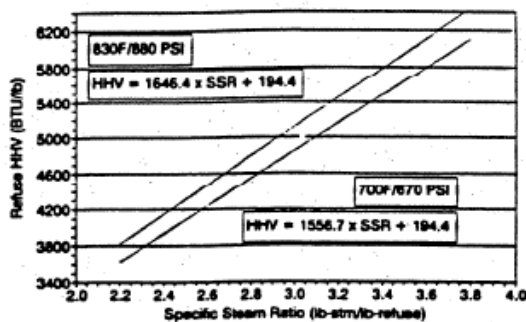


FIG. 4(b) SPECIFIC STEAM RATIO CORRELATIONS
(OHtCr, 430°F, 80°F, 90% Xs, and Luac = 0.25)

tion (btu/lb refuse) is also presented on a specific steam ratio basis (lb steam/lb refuse) in Fig. 4(b) for two common final steam conditions in the waste-to-energy industry; 830°F, 865 psia and 700°F, 670 psia. The correlation method is presented on a specific steam ratio basis (lb steam/lb refuse), since in this form, it is expressed in terms of measured parameters familiar to the facility operator.

A statistical analysis of the data indicates that: (a) the resulting r^2 value equals 0.95 (i.e., 1.0 representing a theoretically perfect correlation); and (b) the standard error of Y estimate (i.e., the HHV) equals 113 Btu/lb. This standard error, expressed as a percentage of a typical HHV of 5000 Btu/lb combusted at a mass-burn facility, would yield an overall HHV determination tolerance of less than 2.3%.

Operating Parameter Adjustments

The boiler operating parameters with the greatest impact on boiler efficiency consist of:

- Economizer gas outlet temperature.
- Ambient air temperature.

- Preheated combustion air temperature.
- Flue gas oxygen concentration (i.e., excess air/flue gas flow).
- Unburned carbon.

The relationship of each of these boiler operating parameters to boiler efficiency and waste HHV content was established by individually varying the parameters in a mathematical model which uses the heat loss formulas in PTC-4.1. Specifically, the following heat losses were evaluated:

- Heat loss due to heat in dry flue gas.
- Heat loss due to moisture in the air.
- Heat loss due to moisture in the fuel and combustion of hydrogen to form moisture.
- Heat loss due to unburned carbon.

Using these equations, calculations were performed varying the three temperature parameters in 10 degree increments, the excess air parameter in 10% increments and the residue unburned carbon in 1% increments to yield the respective changes in boiler efficiency. The analysis was performed using a typical waste composition (ultimate analysis) corresponding to a waste HHV of 5000 Btu/lb. The HHV of 5000 Btu/lb was selected as the baseline waste for the analysis since it represents the midpoint of the typical range of HHVs combusted at a mass-burn facility. The analysis yields the following relationships (refer to Fig. 5):

Economizer Exit Gas Temperature

A 10°F increase (decrease) in economizer exit gas temperature from the baseline economizer exit gas temperature equates to a 0.4% change in boiler efficiency and a corresponding increase (decrease) of 0.57% in the refuse Btu content obtained from the correlation.

Ambient Air Temperature

A 10°F increase (decrease) in ambient air temperature from the baseline ambient air temperature equates to a 0.5% change in boiler efficiency and a corresponding decrease (increase) of 0.71% in the refuse Btu content obtained from the correlation.

Preheated Combustion Air Temperature

For every 10°F rise in combustion air temperature across the steam coil airheaters (supplied by steam from outside the boiler boundary), the refuse higher heating value obtained from the correlation will decrease (increase) by 12 Btu/lb.

Excess Air

For every 10% increase (decrease) from the baseline excess air percentage, the boiler efficiency will change by 0.6% and the higher heating value obtained from the correlation will correspondingly increase (decrease) 0.86%.

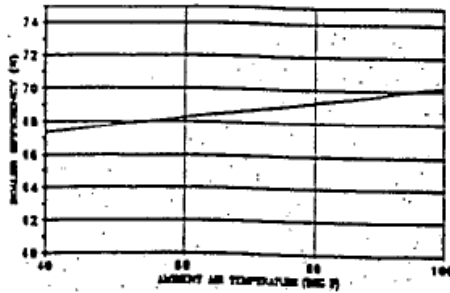


FIG. 5(a) AMBIENT AIR TEMPERATURE VERSUS BOILER EFFICIENCY

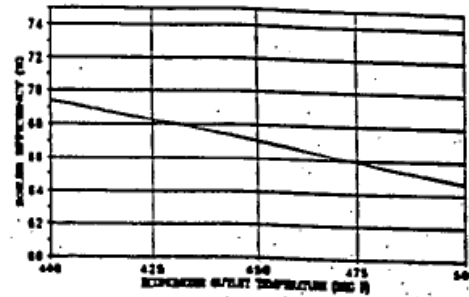


FIG. 5(b) ECON OUTLET TEMP VERSUS BOILER EFFICIENCY

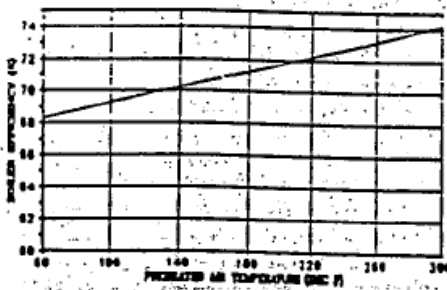


FIG. 5(c) PREHEATED AIR TEMPERATURE VERSUS BOILER EFFICIENCY

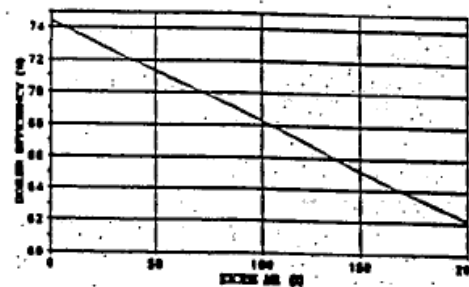


FIG. 5(d) EXCESS AIR VERSUS BOILER EFFICIENCY

Unburned Combustibles

For every 1% increase (decrease) from the baseline unburned combustible percentage, the boiler efficiency will change by 0.6% and the higher heating value obtained from the correlation will increase (decrease) 0.86%.

Validation

The validity of the specific steam correlation method was demonstrated empirically, using the results of nine boiler calorimetry tests and supported theoretically using an analytical model.

Empirical Validation

HHVs calculated using the boiler-as-a-calorimeter test method were compared to the HHVs determined using the correlation method. Data and results from the two most recent boiler calorimetry test programs were used. The data for these test programs are pre-

sented in Table 3 and the results of the comparison are included in Table 4. The HHVs determined by the correlation method averaged 0.2% lower for the four Pasco tests and 1.9% higher for the five Lancaster tests than HHVs calculated by the boiler-as-a-calorimeter test method. The agreement within $\pm 2.5\%$ of the more rigorous boiler-as-a-calorimeter method demonstrates the empirical validity.

Theoretical Validation

Typical waste compositions corresponding to HHVs ranging between the extremes (for mass-burn waste) of 2500 Btu/lb and 9000 Btu/lb were used to develop a theoretical model. Keeping boiler operating parameters at their constant baseline values, calculations were performed to determine the boiler efficiency and specific steam ratio (SSR) for each of the respective waste compositions. The results of the analysis are summarized in Table 5. A plot of the theoretical specific steam correlation results is included in Fig. 6. When the re-

TABLE 3 SPECIFIC STEAM CORRELATION TEST DATA FOR CORRELATION VALIDATION

Plant	Date	Feedwater Temp (F)	Steam Temp (F)	Steam Press (PSIG)	Ambient Air Temp (F)	Heated Air Temp (F)	Heat Credit (BTU/LB)	Excess Air (%)	Economizer Exit Gas Temp (F)	Specific Steam Output (BTU/LB)	Refuse HHV (BTU/lb)
Lancaster, Pa.	28-Mar-91	250	805	862	72	258	274	83	423	3597	5232
Lancaster, Pa.	28-Mar-91	250	805	863	82	252	248	82	434	3517	5232
Lancaster, Pa.	02-Apr-91	250	824	863	72	151	112	85	447	3498	5199
Lancaster, Pa.	04-Apr-91	250	816	862	75	183	160	91	458	3609	5252
Lancaster, Pa.	05-Apr-91	250	812	861	69	177	154	89	445	3628	5252
Pasco County, FL	15-Apr-91	298	833	878	82	230	150	90	455	3229	4574
Pasco County, FL	17-Apr-91	299	848	873	81	230	159	87	447	3231	4743
Pasco County, FL	19-Apr-91	298	823	872	79	227	153	89	445	3244	4660
Pasco County, FL	22-Apr-91	297	838	873	74	226	147	90	452	2998	4338

TABLE 4 COMPARISON OF BOILER-AS-A-CALORIMETER RESULTS VERSUS CORRELATION PREDICTION

Plant	Date	Calorimeter HHV (BTU/lb)	Correlation HHV (BTU/lb)	% Error
Lancaster	28-Mar-91	5232	5115	-2.3
Lancaster	28-Mar-91	5058	5003	-1.1
Lancaster	02-Apr-91	5199	4991	-4.2
Lancaster	04-Apr-91	5252	5289	0.3
Lancaster	05-Apr-91	5252	5174	-1.5
Pasco-91-1	15-Apr-91	4574	4640	1.4
Pasco-91-2	17-Apr-91	4743	4789	1.0
Pasco-91-3	19-Apr-91	4660	4686	0.6
Pasco-91-4	22-Apr-91	4338	4334	-0.1

sults of the 37 boiler calorimetry tests are also plotted on Fig. 6, it can be seen that there is excellent agreement between the theoretical model results and boiler calorimetry test results.

Implementation

Ogden Martin Systems (OMS) has implemented the specific steam correlation method at all OMS operating facilities. A specific steam correlation summary sheet, containing the data inputs, calculations and adjustments performed as part of this method is included in Table 6. The HHV determination using the specific steam correlation concept is accomplished as follows:

Step 1: Acquiring and Inputting Data

The following process parameters are used as data inputs:

Monthly Totals:

- (a) Refuse Throughput.
- (b) Boiler steam flow.
- (c) Auxiliary fuel usage.

Monthly Averages:

- (a) Boiler steam temperature.
- (b) Boiler steam pressure.
- (c) Boiler feedwater temperature.
- (d) Boiler economizer exit gas temperature.
- (e) Boiler heated combustion air temperature.

(f) Ambient air temperature.

(g) Boiler flue gas oxygen content O₂.

Step 2: Determining of Refuse Throughput

It is recommended that the minimum HHV determination interval consist of a one month period. This recommended period stems from the need at most facilities to rely on the truck scale weights with adjustments for pit volume difference for determining the quantity of waste combusted.

Step 3: Converting the Measured O₂ to Excess Air

The measured O₂ concentration on a "dry" volumetric basis is used to calculate the excess air.

Step 4: Calculating the Average Hourly Heat Output for the Month

The heat output is based on the measured flow using the permanent plant feedwater or main steam flow elements. Each respective facility must be evaluated on an individual basis to include any additional output streams (if existing) into the heat output determination. In most cases the continuous blowdown flow can be assumed as having a negligible contribution to heat output.

The as-measured steam flow is normalized to reference steam temperature and pressure and feedwater temperature. This is accomplished by multiplying the measured steam flow by the ratio of the actual feedwater to steam enthalpy difference to reference feedwater to steam enthalpy difference.

Step 5: Adjusting the Weekly Heat Output for Any Auxiliary Fuel Fired

Steam flow generated from auxiliary fuel usage is calculated using the measured average fuel flow, a boiler efficiency corresponding to the fuel being fired and the energy required to generate a pound of steam. The calculated steam flow attributed to auxiliary fuel firing is then subtracted from the total average steam flow to obtain the average steam flow generated from waste alone.

TABLE 5 ANALYTICAL MODEL RESULTS
(Waste Composition Versus Boiler Efficiency and Specific Steam Ratio)

BASE CASE CONDITIONS:	WASTE COMPOSITIONS/HRV														
	2500	3000	3500	4000	4500	5000	5500	6000	6500	7000	7500	8000	8500	9000	9500
STEAM PRODUCE	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000
WASTE COMBUSTED	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166	54,166
FINAL STEAM CONDITIONS	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia	830°F, 445 psia
BOILER FEEDWATER INLET	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F	250°F
ECONOMIZER EXIT GAS TEMP.	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F	430°F
AMBIENT AIR TEMP.	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F
PREHEATED AIR TEMP.	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F	80°F
EXCESS AIR	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
WASTE COMPOSITIONS/HRV (BTU/LB)	2500	3000	3500	4000	4500	5000	5500	6000	6500	7000	7500	8000	8500	9000	9500
(LB/100 LB WASTE)															
ASH & HEAVY	23.27	23.49	23.81	22.44	21.19	20.24	16.57	14.53	12.21	9.95	7.90	5.84	4.04	2.70	1.50
MOISTURE	45.00	34.50	32.00	27.10	22.40	17.50	14.00	13.00	11.00	9.00	7.00	6.00	5.00	3.20	1.50
CARBON	14.30	17.23	20.07	22.49	23.74	26.51	31.13	33.77	36.25	38.71	41.19	43.48	45.72	47.62	49.90
NITROGEN	7.03	7.43	7.84	3.24	3.64	4.04	4.43	4.81	5.18	5.54	5.90	6.25	6.59	6.90	7.27
OXIGEN	15.06	16.03	20.87	23.70	24.43	26.99	30.94	32.78	34.05	35.20	34.18	34.28	34.20	35.72	37.87
NITROGEN	0.75	0.31	0.39	0.48	0.56	0.67	0.87	1.04	1.25	1.50	1.75	2.03	2.33	2.65	3.00
SULFUR	0.01	0.01	0.01	0.02	0.02	0.03	0.04	0.05	0.06	0.08	0.09	0.10	0.12	0.14	0.15
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
AIR & GAS WEIGHTS (LB/LB WASTE)															
DRY AIR	3.230	3.070	4.576	5.177	5.830	6.487	7.152	7.828	8.508	9.192	9.882	10.606	11.375	12.068	12.834
WET GAS	4.040	4.686	5.307	6.020	6.691	7.369	8.060	8.784	9.497	10.186	10.933	11.686	12.433	13.185	13.950
DRY GAS	3.457	4.142	4.841	5.536	6.232	6.929	7.629	8.329	9.045	9.731	10.470	11.208	11.940	12.687	13.454
BOILER HEAT LOSSES (%)															
-DRY GAS	11.617	11.598	11.619	11.676	11.633	11.640	11.652	11.674	11.689	11.706	11.724	11.748	11.800	11.841	11.896
-MOIST. H ₂ O IN FUEL	0.293	0.293	0.293	0.294	0.294	0.294	0.295	0.294	0.297	0.298	0.299	0.301	0.302	0.304	0.307
-MOISTURE IN AIR	30.853	24.518	20.027	17.149	14.911	13.094	12.346	11.348	10.747	10.210	9.728	9.444	9.182	8.903	8.489
-FUELED LOSSES	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470	3.470
TOTAL LOSS	46.233	39.680	35.409	32.519	30.300	28.500	27.163	26.038	25.223	25.684	25.223	24.983	24.754	24.418	24.142
BOILER EFFICIENCY (%)	53.767	60.320	64.591	67.481	69.692	71.500	72.237	73.162	73.777	74.316	74.777	75.017	75.248	75.582	75.838
SPECIFIC STEAM RATIO (WITH BOILER EFF CONSIDERATIONS)															
(LB STEAM/LB REFUSE)	1.000	1.341	1.661	2.007	2.332	2.658	2.984	3.284	3.566	3.850	4.171	4.463	4.758	5.058	5.358
SPECIFIC STEAM RATIO (W/O BOILER EFF CONSIDERATIONS)															
(LB STEAM/LB REFUSE)	1.329	1.955	2.618	3.273	3.958	4.691	5.471	6.298	7.169	8.087	9.057	10.082	11.166	12.313	13.528

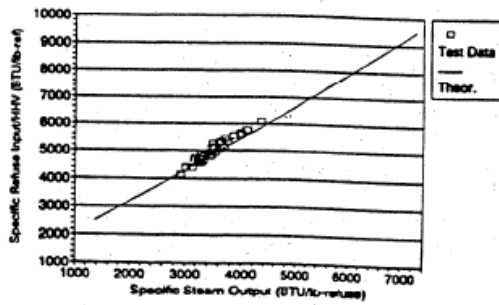


FIG. 6 COMPARISON OF THEORETICAL VERSUS TEST
($T_{g14} = 430^{\circ}\text{F}$, $T_{a8} = 80^{\circ}\text{F}$, 0 HtCr, 90% Xs, and $L_{uac} = 0.25$)

Step 6: Calculating the Specific Steam Ratio

The specific steam ratio is determined by dividing the monthly quantity of steam generated by the total monthly quantity of waste combusted. Note that the steam quantity used in this Step 6 has been adjusted per Steps 4 and 5. The monthly processed tonnages are determined by using the waste quantity as measured by the calibrated truck scales and adjusted for changes in volume of waste in the pit between the beginning and ending of the monthly period.

Step 7: Determining the HHV from the Correlation (i.e., Using the Equation Determined from the Regression Analysis)

The unadjusted HHV is obtained from the specific steam correlation using the specific steam ratio determined in Step 6.

Step 8: Adjusting the Raw HHV Obtained from Step 7 for:

- Monthly average economizer exit gas temperature.
- Monthly average combustion air temperature.
- Monthly average ambient air temperature.
- Monthly average excess air percentage.
- Monthly average of residue unburned combustible.

Adjustments to the HHV for operating parameters are calculated by determining the deviations between the weekly average parameters and the reference "baseline" values for which the correlation was based. The relationships established in the theoretical model for operating parameter deviations are applied to determine the required adjustments to the unadjusted HHV obtained in Step 7.

TABLE 6 MONTHLY HHV CALCULATION SHEET

DATA INPUTS		UNITS	MONTHLY VALUE	REFERENCE VALUE
Refuse Throughput	tons		4376	
Boiler 1 Steam Flow	lb		13963	
Boiler 2 Steam Flow	lb		12663	
Boiler 1 Bin Temp. (Avg)	$^{\circ}\text{F}$		320	320 $^{\circ}\text{F}$
Boiler 2 Bin Temp. (Avg)	$^{\circ}\text{F}$		320	320 $^{\circ}\text{F}$
Boiler 1 Bin Press. (Avg)	psig		860	860 psig
Boiler 2 Bin Press. (Avg)	psig		860	860 psig
Boiler 1 Flw Temp. (Avg)	$^{\circ}\text{F}$		250	250 $^{\circ}\text{F}$
Boiler 2 Flw Temp. (Avg)	$^{\circ}\text{F}$		250	250 $^{\circ}\text{F}$
Boiler 1 Econ Exit Gas Temp. (Avg)	$^{\circ}\text{F}$		420	420 $^{\circ}\text{F}$
Boiler 2 Econ Exit Gas Temp. (Avg)	$^{\circ}\text{F}$		420	420 $^{\circ}\text{F}$
Boiler 1 Heated Comb. Air Temp. (Avg)	$^{\circ}\text{F}$		80	80 $^{\circ}\text{F}$
Boiler 2 Heated Comb. Air Temp. (Avg)	$^{\circ}\text{F}$		80	80 $^{\circ}\text{F}$
Ambient Air Temp. (Avg)	$^{\circ}\text{F}$		80	80 $^{\circ}\text{F}$
Boiler 1 Econ Exit CO ₂ (Avg)	%		8.7	8.7
Boiler 2 Econ Exit CO ₂ (Avg)	%		8.7	8.7
Raw Fuel Usage = natural Gas	lb/ton		0	1000 BTU/lb
ADJUSTMENTS				
Steam System	BTU/lb		1414	1414 BTU/lb
Feedwater	BTU/lb		221	221 BTU/lb
CALCULATIONS				
% Excess Air from %CO ₂	%		50	50 %
Total St. Steam Ht Output	BTU		3,078,410	
Raw St. Prod. due to Aux Gas	lb		0.008,469	
Reference Total St. Prod.	lb		2,878,467	
Monthly St. Ratio (lb. steam/ton-ref)			2.84	
HHV Raw Database Curve	BTU/lb		5000	
ADJUSTMENTS				
Econ Gas Temp.	BTU/lb		0	0.87 % raw HHV/1000
Heated Combustion Air Temp.	BTU/lb		0	-12 BTU/lb/1000
Ambient Air Temp.	BTU/lb		0	2.71 % raw HHV/1000
Excess Air	BTU/lb		0	0.84 % raw HHV/1000
Raw HHV of adjustments	BTU/lb		0	
Net HHV			5000 BTU/lb	

DISCUSSION

The many factors which impact the HHV determination using the specific steam ratio method can be categorized into two distinct groups:

- Boiler operating parameters.
- Composition of the waste itself.

The influence of the major boiler operating parameters on boiler efficiency and in turn on HHV determination has been addressed by incorporating an adjustment mechanism. This adjustment mechanism accounts for the impact of these parameters on the specific steam ratio, as previously outlined in the section on Operating Parameter Adjustments.

The influence of varying waste composition on HHV determination is also accounted for by the specific steam correlation. This is achieved because implicit within the correlation are boiler efficiencies which reflect the effects of waste composition. For example, a boiler efficiency resulting from firing a lower waste HHV is less than a boiler efficiency resulting from firing a higher waste HHV. The higher waste moisture content that is typically present in a low waste HHV requires more energy from the combustion process in order to vaporize the larger quantity of water present (i.e., more latent heat of vaporization), thus resulting in a lower boiler efficiency. This waste composition

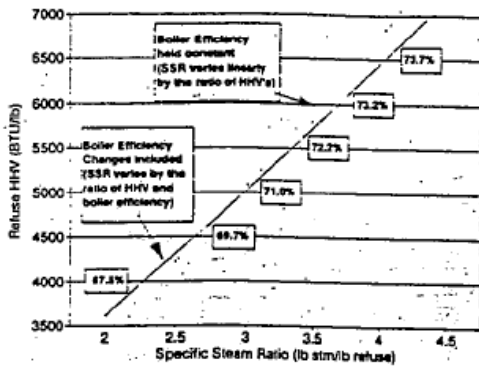


FIG. 7 THEORETICAL HHV VERSUS SSR WITH AND WITHOUT ADJUSTMENT FOR BOILER EFFICIENCY

impact on boiler efficiency and on the specific steam ratio is illustrated in Fig. 7. One of the two correlations in Fig. 7 includes the impact of waste composition on the correlation. In this case, the boiler efficiency corresponding to 6000 Btu/lb waste equals 73.2%, while the boiler efficiency corresponding to 4000 Btu/lb is equal to 67.5%, i.e., a boiler efficiency change of 5.7% results from a 2000 Btu/lb change in HHV, assuming identical boiler operating parameters (i.e., excess air, flue gas exit temperature, etc). If this influence of waste composition was not inherently incorporated into the correlation (e.g., if the boiler efficiency was

incorrectly assumed to be constant over the HHV range), then a substantially different correlation arises (as illustrated in Fig. 7 by the second correlation). As indicated, the variation in boiler efficiency due to waste composition significantly impacts the correlation and corresponding HHV determination.

Waste moisture content has the most significant impact on boiler efficiency, but influences from other important waste composition constituents such as the carbon to hydrogen ratio, inerts fraction, carbon to oxygen ratio, etc. also exist. However, as evidenced by the excellent correlation, the collective influence of these other waste constituents can be deemed negligible.

CONCLUSIONS

The determination of municipal solid waste HHV, over extended time periods, is achievable using the specific steam correlation method. The test results of 37 boiler calorimetry tests at 11 different facilities, were used to develop the method.

The method is derived from recognized ASME Power Test Code methods and calculations and is, in essence, an extension of the theoretical basis of the boiler-as-a-calorimeter method. The method has demonstrated an accuracy of better than $\pm 2.5\%$.

In addition to having a sound theoretical basis, the method is practical and can easily be implemented at minimal cost using data typically available from conventional facility instrumentation.

ATTACHMENT 3

The following documents the procedures for normalizing test data obtained from acceptance testing to standard conditions prior to performing the linear regression necessary to establish the correlation.

This normalization is performed in two steps. The SSO is first adjusted for the four effects on boiler efficiency that have been chosen as a standard, Economizer Exit Gas Temperature, Heat Credits, Ambient Air Temperature, and Excess Air. This is illustrated on Attachment 3, Sheet 1.

The as-tested HHV is then adjusted to account for the varying fixed and unaccounted losses for each test/test program. An explanation of how this adjustment is performed is shown on Attachment 3 - Sheet 2.

Attachment 3 Sheets 3 & 4 are the tabular results of the 70 data points that make up the SSO70 correlation. Sheet 5 summarizes the correlation on an SSO and SSR basis along with the regression output produced. Sheet 6 is the graphical representation of the data and the regression curve fit.

Specific Steam Ratio Correlation

8-hour refuse HHV (Btu/lb) determinations are performed in accordance with the boiler as a calorimeter test method. As described below, the test data and results will be normalized and used to establish a correlation between refuse HHV and specific steam output, (SSO).

Normalization of SSR to Reference Parameters

The SSR will be normalized to reference values in order to compensate for differences in actual operating parameters between boilers. The reference conditions are steam at 830°F and 865 psig, zero steam coil air heater heat credits, 430°F economizer exit gas temperature, 90% excess air and 80°F ambient air temperature. The normalization is accomplished using factors which represent the theoretical change in boiler efficiency for changes in the respective parameter. These factors were calculated using the major heat losses as calculated in accordance with ASME PTC 4.1. See Attachment 2, "Long Term HHV Determination of Municipal Solid Waste - A Practical Approach" for a detailed discussion of this method.

Economizer Exit Gas Temperature Adjustment

The economizer exit gas temperature normalization adjustment is calculated using a 0.38% efficiency change for every 10°F that the test economizer exit gas temperature differs from the reference value of 430°F. This factor is applied to the test steam output.

*HHV Normalization for Fixed Losses***1. Calculate Fixed Loss**

The fixed loss for each boiler-as-a-calorimeter test is calculated by taking the total heat loss and subtracting the dry gas loss and the moisture from H₂ and H₂O in the fuel loss. These fixed losses consist of:

- Moisture from combustion air
- Moisture from ashpit quench water, both liquid & vapor
- Sensible heat in the dry residue
- Unburned combustibles
- Radiation
- Unaccounted

$$L_{fixed} = \sum_{heat\ losses} - L_{dry\ gas} - L_{H_2\ and\ H_2O}$$

2. Normalize Fixed Loss to 0.25% Unaccounted Loss

The unaccounted loss for the boiler-as-a-calorimeter tests varies from 0.25% to 1.50%. The fixed loss for each test is normalized to an unaccounted loss of 0.25%. This normalization is achieved by subtracting the difference between the unaccounted loss for that test and 0.25% from the fixed loss.

$$L_{fixed25} = L_{fixed} - (L_{unac} - 0.25\%)$$

3. Normalize HHV to Average Normalized Fixed Loss

Each boiler-as-a-calorimeter test HHV is normalized to the average normalized fixed loss by the following equation:

$$HHV_{fixed25} = \frac{SSO \times 1000}{(Boiler\ efficiency + L_{fixed} - Avg\ L_{fixed25})} - Heat\ Credits$$

hhvfix25.wpd

Plant	Test Name	Date	SSOc4	HHV fix25
Babylon	HHV 1	21-Feb-89	3.27	4720.8
Babylon	HHV 2	22-Feb-89	3.16	4620.1
Babylon	HHV 3	23-Feb-89	3.47	4776.5
Babylon	HHV 4	27-Feb-89	3.97	5534.4
Bristol	Energy 1	03-Feb-88	3.28	4657.9
Bristol	Energy 2	11-Feb-88	3.45	4774.6
Bristol	ASME1	01-Oct-91	3.04	4513.9
Bristol	ASME2	02-Oct-91	2.97	4376.7
Bristol	ASME3	03-Oct-91	3.29	4854.5
Bristol	ASME4	04-Oct-91	3.18	4565.0
Bristol	ASME5	21-Jan-92	3.21	4614.7
Bristol	ASME6	22-Jan-92	3.25	4659.9
Bristol	ASME7	23-Jan-92	3.24	4665.9
Bristol	ASME8	30-Mar-92	3.40	4887.7
Bristol	ASME9	31-Mar-92	3.17	4555.7
Bristol	ASME10	01-Apr-92	3.36	4886.0
Bristol	ASME11	23-Jan-92	3.18	4713.3
Bristol	ASME12	23-Jan-92	3.16	4432.6
Fairfax	Energy 1	21-May-90	3.00	4375.7
Fairfax	Energy 2	23-May-90	3.46	4783.4
Fairfax	Energy 3	24-May-90	3.25	4504.7
Haverhill	Energy	25-May-89	3.68	5114.1
Haverhill	HHV 1	26-May-89	3.43	4812.3
Haverhill	HHV 2	27-May-89	3.59	5009.9
Huntington	HHV1U1	18-Nov-91	3.59	5090.3
Huntington	HHV2U2	19-Nov-91	3.89	5398.8
Huntington	HHV3U3	20-Nov-91	4.01	5523.4
Huntington	HHV4U1	21-Nov-91	3.80	5416.5
Huntington	HHV5U2	22-Nov-91	3.54	5084.7
Huntsville	HHV 1	25-Jun-90	3.50	5033.1
Huntsville	HHV 2	26-Jun-90	4.06	5746.5
Huntsville	HHV 3	09-Jul-90	2.91	4119.6
Huntsville	HHV 4	10-Jul-90	3.27	4550.7
Huntsville	HHV 5	14-Jul-90	3.63	5323.9
Indy	Energy	10-Nov-88	2.91	4084.3
Kent	HHV 1	04-Jan-90	3.85	5489.4
Kent	HHV 2	05-Jan-90	4.32	6016.8
Kent	HHV 3	08-Jan-90	3.73	5255.7
Kent	HHV 5	10-Jan-90	3.96	5599.9
Lake	HHV 1/ENER	15-Jan-91	3.46	4991.4
Lake	HHV 2	16-Jan-91	3.18	4647.4
Lake	HHV 3	17-Jan-91	3.29	4788.3
Lancaster	Energy 1	26-Mar-91	3.60	5245.0
Lancaster	Blr Cal 1	28-Mar-91	3.52	5099.2

Plant	Test Name	Date	SSOc4	HHV fix25
Lancaster	Energy 2	02-Apr-91	3.49	5207.7
Lancaster	Blr Cal 2	04-Apr-91	3.69	5384.0
Lancaster	Blr Cal 3	05-Apr-91	3.62	5273.3
Lee	HHV1	17-Oct-94	3.69	5193.0
Lee	HHV2	18-Oct-94	3.79	5313.3
Lee	HHV3	20-Oct-94	3.79	5312.5
Lee	HHV4	21-Oct-94	3.74	5297.5
Lee	HHV5	24-Oct-94	3.86	5424.3
Montgomery	HHV 1/B1	24-Jul-95	3.59	5164.7
Montgomery	HHV 2/B2	25-Jul-95	3.53	5150.0
Montgomery	HHV 3/B3	26-Jul-95	3.50	4954.3
Montgomery	HHV 4/B3	27-Jul-95	3.61	5107.1
Onondaga	HHV 1/E1	31-Jan-95	4.10	5780.9
Onondaga	HHV 2/E2	01-Feb-95	4.45	6341.3
Onondaga	HHV 3/E3	03-Feb-95	4.11	5851.9
Onondaga	HHV 4/E4	04-Feb-95	3.93	5485.8
Pasco	HHV 1/E1	15-Apr-91	3.23	4573.2
Pasco	HHV 2	17-Apr-91	3.33	4770.8
Pasco	HHV 3	19-Apr-91	3.27	4623.4
Pasco	HHV 4/E2	22-Apr-91	3.00	4329.1
Stanislaus	Energy 1	13-Dec-88	3.32	4599.5
Stanislaus	Energy 2	16-Dec-88	3.53	4902.5
Stanislaus	Energy 3	06-Jan-89	3.12	4373.5
Union	Energy 1	26-Apr-94	3.66	5318.4
Union	Energy 2	26-Apr-94	3.69	5288.5
Union	Energy 3	26-Apr-94	3.55	5081.0

3SO70PAS.WK4

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DATABASE EQUATION USED:

On a SSO (Heat Output base): $HHV = 1.321 \times \text{Specific Steam Output} + 364.4$

On a SSR (Steam @ 830F/880P Output base): $HHV = 1508.955 \times \text{Specific Steam Ratio} + 364.4$

Specific Steam Output (SSO) is Energy Increase from Feedwater to Steam in Btu's per lb of refuse fired
SSO is necessary in the development of the correlation due to various plants having different design and operation steam conditions

Specific Steam Ratio (SSR) is lbs of Steam per lb of refuse fired

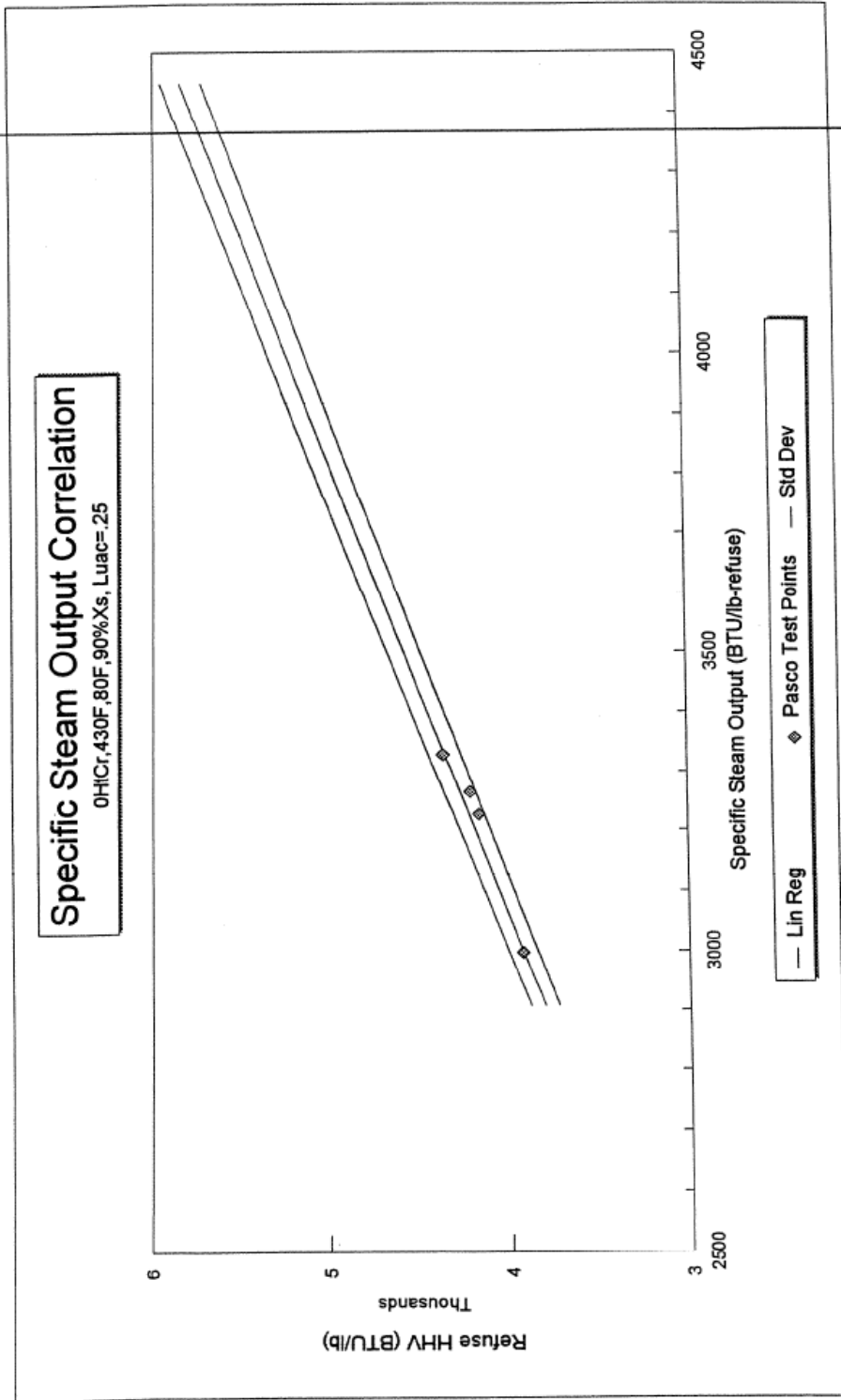
SSO Regression Output:

Constant	364.4
Std Err of Y Est	93.77
R Squared	0.96
No. of Observations	70
Degrees of Freedom	68

X Coefficient(s)	1.321
Std Err of Coef.	0.034

OPI

NTV Database



SSO70PAS.WK4

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ATTACHMENT 4

DATE - 06/16/2011

ULTIMATE ANALYSIS		MOLS	MOLS O2 REQ'D	MOLS H2O PRODUCED
C	28.51	2.374		
H	4.04	2.004		2.004
N	0.87	0.024		
O	28.99	0.906		
S	0.03	0.001		
Ash	20.26			
Moisture	17.50	0.971		0.971
Total:	100.00			2.975 Total Mols
Total O2 Req'd		3.377 Mols		
O2 from Fuel		0.906 Mols		
O2 Req'd from Air		2.471 Mols		
Dry Air Req'd		3.414 lb/lb fuel		
Specific Humidity		0.0131 Lb H2O/lb Dry Air		
Excess Air (%)		0	90	90
AIR & GAS WEIGHTS (Lb/Lb Fuel)				
Dry Air Req'd	3.414	6.487	6.487	6.487
Moist from Air	0.045	0.085	0.085	0.085
Wet Gas Weight	4.256	7.369	7.369	7.369
Dry Gas Weight	3.676	6.748	6.748	6.748

	Ref	ECON GAS		AMBIENT AIR		UNDERFIRE AIR		EXCESS AIR		Delta
		Ref	Delta	Ref	Delta	Ref	Delta	Ref	Delta	
BOILER DATA										
Ambient Air Temp	F	80	80	80	70	80	80	80	80	80
Underfire Air Temp	F	250	250	250	240	250	240	250	250	250
Econ Exit Gas Temp	F	430	440	430	430	430	430	430	430	430

REFUSE/RESIDUE DATA	BTU/LB	HHV
	5000	5000

ENTHALPIES	BTU/lb	HHV
Hpp @ 1 Psia & Tg15	1255.8	1255.8
Hrw sat stm @ Ta8	1096.4	1096.4
Hrw sat liq @ Ta8	48	48

BOILER HEAT LOSSES	BTU/lb	HHV
Dry Gas	566.872	566.872
Moist in Air	13.545	13.545
H2 & H2O in Fuel	647.398	647.398
Total	1227.815	1227.815

BOILER HEAT CREDITS	BTU/lb	HHV
Underfire Air Ht Credit	198.5	198.5

DIFFERENCES AFFECTING BOILER EFFICIENCY	%
Economizer Exit Gas Temperature	-19.05 BTU/lb per 10 F
Ambient Air Temperature	-21.92 BTU/lb per 10 F
Excess Air	-29.39 BTU/lb per 10 %
DIFFERENCES AFFECTING HHV	
Underfire Air Temperature	11.7 BTU/LB per 10 F

ASSUMING 70% BOILER EFFICIENCY	EFFECT ON HHV
	-0.5 %
	-0.6 %
	-0.8 %
	12. BTU/LB per 10 F

SCHEDULE 16

FACILITY STAFFING PLAN/ EXPANDED FACILITY STAFFING PLAN

POSITION	Facility - 2023	Expansion	TOTAL - Expanded Facility
Facility Manager	1		1
Operations Manager	1		1
Maintenance Supr	1		1
Operations Supervisor	1		1
Environmental Engineer	0.5		0.5
Shift Supervisor	4		4
Safety Manager	1		1
Total Managerial Staff	9.5	0	9.5
Admin	1		1
Purchasing Agent	1		1
Total Admin Staff	2	0	2
Control Room Operator	4		4
Assistant Control Room Operator	4		4
Auxilliary Operator	4	4	8
Equipment Operator	2	2	4
Crane Operator	4	1	5
Utility Operator	5	0	5
Total Operations Staff	23	7	30
Lead Mechanic	1		1
Welder Mechanic	4	2	6
Mechanic	0		0
Lead ICE	1		1
I&E Technician	3	1	4
Maintenance Planner	0	1	1
Painter	1		1
Total Maintenance Staff	10	4	14
Total Plant Staff	44.5	11	55.5
Add'l Staff not on Pasco's Books			
Facility Controller	1		
Sourcing Specialist	1		
Asset Manager	1		

SCHEDULE 17

ADDITIONAL SOLID WASTE PROGRAM PROCEDURES

PURPOSE

The procedures identified in this Schedule 17 shall be followed whenever any Additional Solid Waste is contemplated to be accepted at the Facility Site.

These procedures have been designed to ensure:

- a) no Hazardous Waste is accepted or processed
- b) no material likely to cause permit or regulatory violations is accepted or processed
- c) no material likely to adversely affect worker safety, human health or the environment is accepted or processed
- d) each business opportunity is promptly addressed
- e) proper internal controls are maintained
- f) compliance with this Service Agreement

1. CONTRACTS

An Additional Solid Waste contract must be executed before any delivery of Additional Solid Waste is accepted at the Facility Site. While these contracts may seem excessive (for example, a one-time delivery or an infrequent waste stream) they are a crucial tool in Contractor's risk management/ allocation for this business area. Test burn materials may be accepted before a final contract is executed, but only after interim approval of the waste stream solely for the purpose of the test burn.

1.1 The Manager of Administration reviews the form contract language and the standardized pricing established for the Facility Site with the supplier.

1.2 Any deviation from the standardized pricing must be approved, in writing, by the Business Development or Program Manager.

1.3 The Administrator is to mark-up the form contract to include any acceptable language changes requested by the supplier, fill-in the necessary information on the first page and complete Schedules and the contract request form and attach to the marked-up contract, forwarding the package to the Program Manager.

1.4 The contract will be reviewed by the Program Manager, processed by legal, executed by the Senior Vice President and forwarded to the supplier for execution.

1.5 An original, executed contract is returned to operations center for filing. A copy shall be retained at the Facility Site for information and invoicing purposes.

2. WASTE STREAM APPROVAL

Each new waste stream entering the Facility Site must receive prior approval in the manner described below and have a completed approval package kept on file at the Facility Site before shipment.

2.1 The following materials are examples of waste streams that cannot be accepted at the Facility Site:

- Hazardous Waste
- Paint enamels
- Compounds which would liberate excessive acid gases upon incineration that cannot be controlled with the facility's air pollution control devices
- Waste oils in quantity
- Automobile fluff
- Biohazardous material
- Medical waste

Most other materials are acceptable at the Facility Site subject to specific packaging or handling conditions that must be observed as a condition of their acceptance.

2.2 Intermediates or by-products from a chemical or manufacturing process will be considered on a case-by-case basis. Due to the potential need for further analytical testing and research, the review process for these waste streams will be longer than for routine waste requests.

2.3 For each new material a supplier requests to be disposed of a complete request package must be provided to supply sufficient data for meaningful review and analysis. The following is a description of each component of the request package required from the supplier.

2.3.1 Summary Letter - Each request is to be summarized in a letter detailing the facility (of those in the program) is to be utilized, origin of the waste and a descriptive narrative to further characterize the waste stream.

2.3.2 Itemized List - If the request contains more than one item, a list of all requested items must also be attached. For items to be delivered in consumer packaging, a list of material names is sufficient. For deliveries not in consumer packaging, each material should be listed along with a sensory (visual and olfactory) description.

2.3.3 Material Characterization Form (MCF) - An MCF must be completely filled out for each item in a request. Each MCF must be signed by the supplier.

2.3.4 Material Support Documents - A supporting document for each item, dependent upon the type of waste stream, must be provided. Some examples of acceptable types of support documents are as follows:

(a) Material Safety Data Sheet (MSDS) - A MSDS must be supplied for bulk raw materials and whenever else available.

(b) Product Inserts - When the waste stream is a consumer product and an MSDS is not legally required, a product insert is to be provided. In some cases, package labels may be substituted for the product inserts. The list of all active and inactive ingredients must be completed in the MCF when product inserts or labels are submitted.

(c) Analytical Results - TCLP - reactivity, ignitability, corrosivity flash point, pH, asbestos and other appropriate determinations must be provided on all industrial wastes and any items for which neither an MSDS nor product insert is available.

2.4 All waste request packages described in 2.3 will be sent to the Operations Business Development Representative or Program Manager in Morristown, NJ. The Representative or Program Manager will review the submittal for completeness. Any incomplete request will be rejected and returned to the supplier.

2.5 The Representative will complete a Waste Request Form and attach it to the submitted data. The database will be reviewed and any previous experience with the requested waste stream will be noted on the form. Any cautions or special handling requirements will also be noted on the form. The Representative will reject any hazardous or previously rejected items. Approved requests are then forwarded to the Safety Manager.

2.6 The Safety Manager will review the request for employee health and safety and OSHA compliance issues. For approved requests, any relevant safety precautions or packaging requirements will be noted on the request form, the form signed and forwarded to the Environmental Engineer. For rejected requests, the reason is to be noted on the form, the form signed and returned to the Business Representative. Approved requests are then forwarded to Environmental for the next phase of review.

2.7 The Environmental Engineer will review the request for permit and regulatory compliance issues. Also, effects on air emissions and ash discharge will be reviewed. For approved requests, any relevant handling, packaging or processing requirements are to be noted on the request form and the form signed. For rejected requests, the reject reason is to be noted on the form and the form signed. The package is then returned to the Business Representative.

2.8 Requests approved on the corporate level are then forwarded to the Facility Manager. The Manager is to review the request for operational issues, such as pit management, boiler efficiency and grate maintenance. For approved requests, any relevant handling, packaging or processing requirements are to be noted on the request form and the form signed. For rejected requests, the reject reason is to be noted on the form and the form signed. The completed supplemental waste request form is to be faxed to the Business Representative.

2.9 Upon completed approval, the Business Representative will attach a cover letter to the approval package and notify the supplier, with a copy of the cover letter sent to the Facility Site, that the request has been approved and direct the supplier to contact the Facility Administrator to schedule delivery. The notification will include a listing of all acceptance parameters noted on the request form during the review process.

2.10 It is expected that some states will begin requiring review of acceptable waste streams by a state regulatory agency upon the completion of Contractor's review. As these requirements take effect, these procedures will be updated and the affected suppliers notified.

2.11 A copy of all completed paperwork will be maintained in Morristown, NJ. Also, the information of each reviewed item, both approved and rejected, will be entered into the database.

2.12 Whenever a waste stream is rejected, the Business Representative will attach a cover letter to the rejected approval package, with a copy sent to the Facility Site, that the request has been denied. The cover letter will include an explanation of why the request was denied.

2.13 During the review process, any questions regarding the submitted data or the need for additional information from the supplier, should be directed to the Business Representative.

3. TEST BURNS

3.1 Some waste streams may require a test burn to be performed before final approval can be granted.

3.2 The Environmental Engineer in Morristown, NJ will prepare a test protocol and review it with the Facility Manager.

3.3 The Business Representative will coordinate the date and time of the test burn with the supplier, Facility Site and environmental department.

3.4 The Environmental Engineer or Environmental Specialist will be responsible for managing the test burn.

3.5 A complete test report is to be forwarded to the Business Representative within five (5) days after the final test results are received. The test results will be added to the approval package.

4. SCHEDULING DELIVERIES

4.1 The supplier of the Additional Solid Waste will contact the Manager of Administration to schedule delivery. When scheduling the delivery, the supplier must provide the approval number. The Administrator is to ensure that the completed approval package is on file.

4.2 Deliveries are to be scheduled when MSW waste deliveries are off-peak and normal traffic is light.

4.3 If the pit level of MSW is so high that proper blending of the Waste is unachievable or Waste cannot be securely off-loaded directly into the pit, deliveries are not to be scheduled. Such Waste deliveries are to be scheduled and accepted only when the pit is in a manageable condition.

4.4 If the scheduling of Additional Solid Waste deliveries must be suspended for more than a week, the Business Manager is to be notified immediately so that suppliers can be notified and the deliveries temporarily rerouted to another facility.

4.5 A bill of lading, or equivalent, for each scheduled delivery must be faxed to the Facility_Site prior to the delivery date and time. The bill of lading must include the name of the Waste supplier, the approval number, a listing of each material in the delivery and the delivery date. A bill of lading supplied by the supplier is acceptable as long as it contains the required information. If the supplier does not provide a bill of lading as a routine matter of business, Contractor's Receiving Document is to be utilized.

4.6 The Manager of Administration is to compare the bill of lading to the approval package to verify that all items being shipped have been reviewed and approved. Any discrepancies of the bill of lading with the approval packaged covered in 2.9 are to be resolved by the Administrator with the supplier prior to delivery.

5. DELIVERY AND VISUAL INSPECTION

5.1 A schedule of all Additional Solid Waste deliveries is to be prepared by the Manager of Administration and given to the Environmental Specialist, Facility Manager and Shift Supervisors at the beginning of each week. This schedule must include the Waste supplier's name, the approval number, the material being delivered, estimated quantity and a description of any acceptance parameters from the approved Waste request form.

5.2 The shift Supervisors will supply a copy of the schedule to the scale attendants, if applicable, the crane operators and the control room operators. A copy of the weekly schedule must also be posted on the employee information board.

5.3 On a daily basis, scheduled Additional Solid Waste deliveries are to be reviewed during the operations meeting. The bill of lading is to be provided during the meeting. Acceptance parameters are to be reviewed and a delivery inspector designated for each delivery.

5.4 The Environmental Specialist will have primary responsibility for the quality control during deliveries. If the Specialist is unable to perform the duties of delivery inspection, a Shift Supervisor will be the inspector. However, at least one delivery a week must be inspected by the Specialist.

5.5 After being weighed, the truck is to be directed to an area on the tipping floor away from general traffic flow.

5.6 All deliveries of bulk materials are to be properly labeled. Each container must be labeled with the supplier's name, the material's name and the appropriate insignia, if applicable.

5.7 A representative sample of each delivery must be opened and visually inspected. Consumer packaged items are to be verified against the bill of lading. Bulk materials are to be compared against the item descriptions provided in the approval package. For a heterogeneous load, the representative sample should include at least one container of each product being

delivered. Approximately 5% of the delivered quantity in a homogenous load should be visually inspected.

5.8 Any discrepancies discovered during the visual inspection are to be resolved immediately. The following are the appropriate corrective action to be taken for various discrepancies that may occur:

5.8.1 The delivery was improperly loaded onto the vehicle --If the waste has shifted during transportation creating an unsafe situation in unloading (i.e. pallets are crushed, material has shifted off the pallets, or packaging containers has been crushed causing a large quantity of waste to be loose, etc.), the supplier is to be contacted immediately by telephone and the safety concerns explained. If the supplier provides labor to unload the material and it passes visual inspection, the material is to be accepted. Otherwise, the delivery is to be rejected. If the supplier cannot be reached, the load is to be rejected.

5.8.2 Differences between the bill of lading and the approval package - The Inspector is to verify if the unapproved material is on the truck. If the unapproved items can be easily segregated from acceptable items, they are to be returned to the vehicle and rejected. Acceptable material is to be offloaded and processed. If the unapproved waste cannot be easily segregated, the entire load is to be rejected.

5.8.3 Material not identified on the bill of lading is in the delivery - The Inspector is to compare the unexpected items to the approval package. If the item has been approved, the material may be accepted and processed. If the item has not been approved it is to be rejected. Again, if it can be easily segregated, the acceptable portion of the delivery is to be processed. If not, reject the entire load.

5.8.4 Bulk material does not match the visual and olfactory description of the waste - The supplier is to be contacted immediately by telephone and the discrepancy explained. If the supplier provides adequate information to resolve the discrepancy, the material is to be accepted. Otherwise, the waste is to be rejected. If the supplier cannot be reached, the item is to be rejected. Again, if it can be easily segregated, the acceptable portion of the delivery is to be processed. Otherwise, reject the entire load.

5.8.5 Delivered material cannot be identified (i.e. it is unlabeled or not clearly labeled) - The supplier is to be contacted immediately by telephone and the discrepancy explained. If the supplier provides adequate information to resolve the discrepancy, the material is to be accepted. Otherwise, the waste is to be rejected. If the supplier cannot be reached, the item is to be rejected. Again, if it can be easily segregated, the acceptable portion of the delivery is to be processed.

5.8.6 Hazardous material is identified in the delivery - No material is to be off-loaded from the vehicle. The Facility or Expanded Facility O&M procedures for hazardous deliveries are to be followed.

Whenever there is a discrepancy the Facility Manager and Environmental Specialist are to determine the disposition of the load. If they are unable to agree on the rejection or acceptance of a load, the Facility Manager will be responsible for determining whether an item is processed. If

both the Facility Manager and Environmental Specialist are available, the Manager of Administration will be notified.

5.9 Whenever there is a discrepancy, a Discrepancy Report will be completed and sent to the Operations Business Development Manager within twenty-four (24) hours.

5.10 The discrepancy will be reported to the supplier and applicable notations will be entered into-the database.

5.11 When unloading is completed, the Inspector signs a Certificate of Destruction, if applicable, and the truck is directed to the scalehouse and weighed out.

6. ANALYTICAL TESTING

NOTE: A random, occasional sample of bulk deliveries is to be tested prior to processing to verify the waste stream being delivered. When policies are developed and approved, this section of the procedures will be updated.

7. PIT DISPOSAL

7.1 When visual inspection of the load, as described in Section 6.0, has been satisfactorily completed, the truck is to be directed either to the pit by an empty bay and unloaded into the pit or transferred to the pit by a front-end loader.

7.2 All material is to be delivered and stored in the pit in a secure fashion to ensure that no material is removed from the pit. Once such Waste is placed into the pit, it cannot be removed, therefore material is not to be unloaded if it cannot be placed in the pit.

7.3 Any special handling requirements noted on the approval package are to be followed. Otherwise, normal operating procedures are to be observed.,

7.4 When Additional Solid Waste is processed, the crane operator will make appropriate entries into the log book.

8. CONVEYOR FEEDING

8.1 When visual inspection of the load, as described in Section 6.0, has been satisfactorily completed, the truck is to be directed to the conveyor unloading area.

8.2 If possible, material should be directly offloaded from the truck directly to the conveyor system. The Inspector must remain on the tipping floor until all Additional Solid Waste has been loaded onto the conveyor. No waste requiring conveyor feeding is to be unloaded if it cannot be placed onto the conveyor directly.

8.3 Any special handling requirements noted on the approval package are to be followed. Otherwise, normal operating procedures are to be observed.

8.4 When Additional Solid Waste is processed, the crane operator will make appropriate entries into the log book.

9. MANUAL FEED

9.1 When visual inspection of the load, as described in Section 6.0, has been satisfactorily completed, the truck is to be directed to the unloading area nearest the elevator or other access to the feed chutes.

9.2 Material is to be directly offloaded from the truck directly to the elevator. The Inspector must remain on the tipping floor until all Additional Solid Waste has been loaded onto the elevator.

9.3 Any special handling requirements noted on the approval package are to be followed. Otherwise, normal operating procedures are to be observed.

9.4 When Additional Solid Waste is processed, the crane operator will make appropriate entries into the log book.

10. WITNESS BURNS

10.1 Any visitors who are at the Facility Site to witness a secure burns are to follow Facility_Site safety requirements.

11. OPERATIONAL/ENVIRONMENTAL EXPERIENCES

11.1 When processing Additional Solid Waste any operational experiences or environmental excursions are to be immediately reported by the Environmental Specialist to the Operations Business Development or Program Manager. Within twenty four (24) hours after the incident, a completed Additional Solid Waste Processing Report is to be sent to the Program Manager, with a copy forwarded to the Corporate Manager of Environmental Compliance.

11.2 The database is to be updated by the Environmental Specialist to include a description of the incident.

11.3 The Business or Program Manager will review the incident with the Environmental Engineer to determine a status for future processing of the waste stream.

11.4 The Business or Program Manager will notify the supplier of the disposition of future waste stream acceptability. The Facility Site will also receive a copy of the notification.

12. MONTHLY REPORTING

12.1 A legible log of monthly Additional Solid Waste activities is to be completed by the Manager of Administration and sent to the Program Manager during the first week of each month using the Monthly Report Form. The information must include, the waste supplier's name, the delivery data, the material delivered, the quantity delivered, the invoice amount, and Contractor's revenue on the delivery.

MATERIAL CHARACTERIZATION FORM

GENERAL INFORMATION	PACKAGING DETAILS
<p>1.0 Name and Nature of Material</p> <p>1.1 (Select One and Supply Name)</p> <p>Raw Material _____</p> <p>Intermediate Product _____</p> <p>Production Waste _____</p> <p>Finished Product _____</p> <p>If Finished Product (Check One)</p> <p>____ Over The Counter</p> <p>____ Prescription</p> <p>____ Other</p> <p>Description Of Other _____</p> <p>2.0 Reason for Disposal</p> <p>2.1 (Check One)</p> <p>____ Reject</p> <p>____ Expired</p> <p>____ Defective</p> <p>Nature Of Defect _____</p> <p>____ Other</p> <p>Description Of Other _____</p> <p>3.0 Physical Form</p> <p>3.1 (Check One)</p> <p>____ Liquid</p> <p>____ Powder</p> <p>____ Slurry</p> <p>____ Granular</p> <p>____ Other</p> <p>Description of Other _____</p> <p>4.0 Material Characteristics</p> <p>4.1 Is It A Known Hazardous Material? (Circle One) Yes / No</p> <p>4.2 Is The Material Characterized As: (Check All That Apply)</p> <p>____ Toxic</p> <p>____ Explosive</p> <p>____ Corrosive</p>	<p>1.0 Product Packaging</p> <p>1.1 (Check One)</p> <p>____ Consumer Packaged</p> <p>____ Bulk Delivery</p> <p>(Check All That Apply)</p> <p>____ Plastic</p> <p>____ Paper</p> <p>____ Foil</p> <p>____ Other</p> <p>Description Of Other _____</p> <p>2.0 Shipping Packaging</p> <p>2.1 (Check One)</p> <p>____ Roll-Off Containers</p> <p>____ Fiber Drums</p> <p>____ Gaylord Boxes</p> <p>____ Plastic Buckets</p> <p>____ Other</p> <p>Description Of Other _____</p> <p>2.2 Volume Per Package</p> <p>Gallons _____</p> <p>Cubic Feet _____</p> <p>Pounds _____</p> <p>3.0 Delivery Schedule</p> <p>3.1 Frequency (Check One)</p> <p>____ One Time Shipment</p> <p>____ Monthly</p> <p>____ Quarterly</p> <p>____ Bi-Annually</p> <p>____ Annually</p> <p>____ Other</p> <p>Description Of Other _____</p> <p>3.2 Estimated Tons Per Delivery _____</p> <p>3.3 Estimated Percentage of Delivery Weight That Is Packaging _____</p>

MATERIAL CHARACTERIZATION FORM

PHYSICAL/CHEMICAL CHARACTERISTICS		CURRENT DISPOSAL PRACTICE
1.0 Type of Detail Attached		1.0 Type of Facility Currently Used
1.1 (Check All That Apply)	<input type="checkbox"/> MSDS (Required on raw materials and whenever else available) <input type="checkbox"/> Package Inserts (required on finished products if no MSDS) <input type="checkbox"/> TCLP Test Results (required on all requests except raw materials and finished products. Entire lab report with regulatory criteria for all organics and metals.) <input type="checkbox"/> Total Metals (required on all requests except raw materials and finished products. Entire lab report with range of concentrations.) <input type="checkbox"/> Sample (required on all requests except raw materials and finished products.)	1.1 (Check One) <input type="checkbox"/> Municipal Landfill <input type="checkbox"/> Hazardous Landfill <input type="checkbox"/> Nonhazardous Incinerator <input type="checkbox"/> Hazardous Incinerator <input type="checkbox"/> Other _____ Description Of Other _____
SAFETY/STORAGE ISSUES		
1.0 Worker Safety		1.0 Worker Safety
		1.1 Describe Any Safety Equipment Required During Handling

2.0 Fire Protection		2.0 Fire Protection
		1. Is Material Flammable? (Circle One) Yes / No

		1.2 Describe Recommended Fire Fighting Equipment And Techniques

3.0 Other Requirements		3.0 Other Requirements
		3.1 Describe Any Other Handling And Storage Requirements

CERTIFICATION SIGN-OFF		
I hereby certify that all information submitted in this and all attached documents contain true and accurate descriptions of this material; and all relevant information regarding known or suspected hazards in the possession of the owner has been disclosed. I further certify that the material is nonhazardous and pose no serious public safety or health threat.		
Signature	_____	Title _____
Name (print)	_____	Date _____

DELIVERY DISCREPANCY REPORT

Date of Delivery: _____

Facility: _____

Waste Supplier: _____

Approval Number(s): _____ Material Name(s): _____

TYPE OF DISCREPANCY (check appropriate box(es))

- Improperly loaded vehicle
- Bill of Lading and approval discrepancy
- Waste delivered not on bill of lading
Was waste on listed on approval package? Yes _____ No _____
- Bulk material did not match description provided
- Unidentified material in the load
- Attempted delivery of hazardous waste
- Attempted delivery of a rejected waste
- Other
Description: _____

Load Resolution (check one)

- Accepted and processed entire load
- Accepted partial load
- Reject entire load

Was the client contacted? Yes _____ No _____

If so, whom? _____

Recommendations/Comments: _____

Reported By:

(signature)

(date)

ADDITIONAL SOLID WASTE RECEIVING DOCUMENT

Facility Name: _____

Date: _____ Page _____ of _____

Waste Supplier: _____

ITEM NUMBER	MATERIAL DESCRIPTION	QUANTITY
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		

Results of Visual Inspection: _____

Delivery Approved By:

Load Inspector: _____

Truck Driver: _____

WASTE INCIDENT REPORT

Date of Incident: _____ Unit Number: _____

Facility: _____ Time: _____

Waste Supplier: _____

Approval Number(s): _____ Material Name(s): _____

TYPE OF INCIDENT (check one)

Environmental Excursion Opacity SO2 CO
 Other Specify: _____

Operating/Maintenance Difficulties

Safety Problem (attach accident report if necessary)

Explanation/Description: _____

Corrective Action Taken: _____

Recommendations/Comments: _____

Reported By:

(signature)

(date)

ADDITIONAL SOLID WASTE REQUEST FORM

FACILITY _____ REQUEST NO. _____
 DATE _____

TYPE OF WASTE: _____

QUANTITY PER SHIPMENT (TONS) _____

WASTE BROKER

Name _____
 Contact _____
 Address _____
 Telephone _____

WASTE GENERATOR

Name _____
 Contact _____
 Address _____
 Telephone _____

	CONCUR	DO NOT CONCUR	
1. Facility Manager	_____ (Signature)	_____ (Signature)	_____ (Date)
2. Safety Manager	_____ (Signature)	_____ (Signature)	_____ (Date)
3. Env. Specialist	_____ (Signature)	_____ (Signature)	_____ (Date)
4. Corporate	_____ (Signature)	_____ (Signature)	_____ (Date)

5. Please Initial Applicable Boxes:

- A. Material shall be PTT delivered.
- B. Material shall be HOPPER fed.
- C. Material shall be CONVEYOR fed.
- D. Mix 20 to 1 with MSW.
- E. Mix 10 to 1 with MSW.
- F. See below MIXING/BLENDING requirements.
- G. Require representative TCLP PRIOR to approval.
- H. Require a letter stating materials Non-Hazardous PRIOR to approval.
- I. A letter (d) shall accompany each load.
- J. Process the material equally in all units and increase the lime feed rate as necessary to reduce halogen/sulfur (circle one) levels.

APPROVED FOR: CIRCLE ONE

- K. Class A - Consumer Packaged : Partial : Complete
 - L. Class B - Bulk Raw Materials : Partial : Complete
 - M. Class C - Finished Products : Partial : Complete
- (See attached list of materials NOT APPROVED)
- N. Follow OMS Labelling and Packaging requirements.
 - O. Contact B. Hurley for pricing.
 - P. Pricing different than contract pricing: \$ ____/____
 - Q. Manage according to 40CFR, part 279, subpart G.
 - R. Acceptable at _____ pending State approval.
 - S. Not acceptable at this facility due to E.S.P..
 - T. May be acceptable at Baghouse facility.

OTHER MIXING REQUIREMENTS: _____

COMMENTS: _____

H:\DATA\TRAP\CHAUZIN\NEW\F.W.K.

form date 4/20/93

SCHEDULE 18

REPRESENTATIVE FORM OF ADDITIONAL SOLID WASTE DISPOSAL AGREEMENT

This Agreement dated _____, is between Covanta Pasco, Inc. (“Covanta”), with offices at 14230 Hays Road, Spring Hill, Florida 34610 and _____ (“Supplier”) whose address is _____. Conform through out

Covanta operates a solid waste resource recovery facility (“Facility”), licensed and permitted to accept and dispose of by incineration designated Additional Solid Waste as that is defined and described in this Agreement. Supplier wishes to have disposed designated Additional Solid Waste at the Facility on a regular basis and Covanta desires to be of service to Supplier. Therefore, in accordance with the terms hereof and in consideration of the obligations undertaken. Covanta and Supplier (“Parties”) agree as follows:

1. Additional Solid Waste shall mean any waste as may now or from time to time be acceptable to Covanta under this Agreement, excluding however in each case HAZARDOUS WASTE and UNACCEPTABLE WASTE. HAZARDOUS WASTE shall mean (i) any waste which is listed, has the characteristics of, or is otherwise regulated as a hazardous waste, toxic substance, or mixture containing such materials, or asbestos under federal, state or local law, or under rules, regulations, policies or guidelines issued in relation thereto(as they may be amended from time to time including, but not limited to: (1) the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Sections 6901 et seq., as amended from time to time and the regulations contained in 40 CFR Parts 260.281; (2) the Toxic Substances Control Act (15 U.S.C. Sections 2601 et seq.) and the regulations contained in 40 CFR Parts 761-766; (3) any state rules or regulations of similar or related import; (ii) radioactive materials which are source, special nuclear or by-product material as defined by the Atomic Energy Act of 1954 (42 U.S.C. Section 2011 et seq.) and the regulations contained in 10 CFR Part 40; or (iii) any other material that by federal, state or local law, or under rules, regulations, policies, guidelines or orders having the force of law in relation thereto, are ineligible for processing at the Facility due its characteristics. UNACCEPTABLE WASTE shall mean waste such as, but not limited to, (i) any waste type or waste volume not permitted under the Facility’s then current operating permits; (ii) any other waste not permitted to be processed at the Facility pursuant to then current applicable law; (iii) any waste not authorized to be processed at the Facility under any contract or permit of Covanta (including without limitation any waste which may cause a permit or other regulatory violation); (iv) any waste not approved in writing by Covanta in advance of delivery; or (v) any waste which Covanta, in its sole judgment at the time such waste is tendered by Supplier, deems to be dissimilar from any representations regarding such waste made to Covanta by Supplier or otherwise inappropriate for receipt or processing at the Facility.

2. SUPPLIER SHALL DELIVER ONLY ADDITIONAL SOLID WASTE AND ACKNOWLEDGES THAT DELIVERY OF UNACCEPTABLE WASTE OR HAZARDOUS WASTE WILL HAVE A MATERIAL ADVERSE EFFECT ON THE OPERATION OF THE FACILITY AND BE GROUNDS FOR REJECTION, BARRING OF FUTURE DELIVERIES, TERMINATION AND RECOVERY OF DAMAGES.

3. At or before delivery, Supplier shall present data sheets or such other suitable documentation of the source, composition, packaging and other characteristics of the Additional Solid Waste and, if requested, samples for testing. Supplier represents that the information submitted is true and correct in all material respects and acknowledges that Covanta is relying on the accuracy thereof to determine whether it is permitted to process the waste specified.

4. Covanta, in its sole discretion, shall have the right to inspect the contents of any vehicle to determine the presence of Unacceptable or Hazardous Waste, including the right to require the person operating such vehicle to unload the contents as directed by Covanta and Covanta may test samples drawn from the waste. If the results indicate it contains Unacceptable or Hazardous Waste, Covanta may reject all or part of thereof and the cost of the testing shall be charged to Supplier.

5. At Covanta's request Supplier shall promptly contain, clean-up and remove any Unacceptable or Hazardous Waste delivered to the facility, transporting and disposing of it in accordance with applicable law, directives of any governmental entity having jurisdiction and permits governing such activity. Covanta's sole obligation shall be to notify Supplier of delivery of Hazardous Waste or Unacceptable Waste. Covanta shall have the right but not the obligation to take such action at Supplier's expense as Covanta deems reasonably appropriate consistent with the permits governing the Facility and directives of any regulatory agency (including notifying any governmental entity) or applicable law. Any action Covanta takes in response to such deliveries shall be as agent for Supplier. Supplier shall reimburse Covanta for any expense or loss incurred (including attorney's fees and fines or penalties imposed by any governmental entity).

6. All deliveries must be scheduled in advance and shall be subject to available disposal capacity as determined by Covanta. Delivery arrangements shall be made and receiving hours coordinated solely with Covanta at the Facility, and Supplier shall specifically instruct its drivers or transporters accordingly. For security purposes, Supplier shall provide all persons and vehicles entering the Facility Site on behalf of Supplier with satisfactory identification. Vehicles arriving at the scalehouse without prior notice or without appropriate identification may be delayed or refused entry. Supplier and its drivers or transporters shall also comply with the following procedures, rules and regulations concerning use of the Facility.

(a) All vehicles and containers must be secured against spillage or leakage, comply with applicable law and be acceptable to Covanta.

(b) Drivers shall proceed to the scales as directed, and shall not proceed onto (or off) the scales until instructed to do so by the attendant. Drivers will be required to depart their vehicles during weighing. After leaving the scale, vehicles shall proceed to the tipping area and upon entering, proceed to the area of the floor as directed by Covanta personnel for unloading. Drivers shall assist in removing any waste from their vehicles which cannot be directly discharged from the vehicle into the pit. Drivers shall unload in a manner expedient to maintain traffic flow through the Facility.

(c) After unloading, vehicles shall return to the scale for tare weighing. The driver of each vehicle exiting the Facility will be given a weight ticket by the scalehouse attendant, indicating the Supplier's company, identification number and tons of waste delivered. The driver will sign the ticket and be given a copy.

(d) Vehicles may be directed to a specific area of the tipping floor and requested to unload for spot inspection. At the discretion of Covanta, the driver may be required to reload any waste identified as non-hazardous but Unacceptable waste for disposal at another location. If Hazardous Waste is found, the driver and vehicles shall remain at the Facility until appropriate environmental health or other enforcement officials arrive. Covanta personnel will direct reloading and removal.

(e) Vehicles shall never be left unattended on the Facility site or access roads. Vehicles with mechanical problems shall arrange for immediate towing so that roads remain clear at all times. No vehicles are to remain at the Facility overnight.

(f) Any damage to property or injury to persons shall be reported promptly to the Facility Manager or Administrator. In the event of an accident, fire, or damage which impairs the flow of traffic or the ability to dispose of waste, drivers shall follow all directions of Covanta employees. Drivers discovering fire in their vehicles (hot loads) shall be diverted to a designated area and shall assist Covanta personnel in extinguishing the fire or in alerting the fire department.

(g) All drivers must proceed with care and follow directions given by Facility staff. All traffic and safety rules will be strictly enforced.

(h) SPEED LIMIT ON ALL ROADS IS 10 MPH.

7. Supplier shall pay Covanta the current applicable rate announced by Covanta from time to time for each short ton of Additional Solid Waste plus any handling, minimum delivery or other charges. **THE CURRENT RATES AND CHARGES ARE THOSE STATED IN THE ADDITIONAL SOLID WASTE REQUEST APPROVAL LETTER FOR WASTE STREAM SPECIFIED THEREIN.** Unless a running account is arranged, payment shall be cash at time of delivery. Running accounts shall be billed on a 30-day basis. There will be a \$20.00 per man hour charge for any special handling required and a \$500.00 minimum load charge.

8. Supplier shall defend, protect and indemnify Covanta, its affiliates, the directors, officers, employees, other agents and Covanta's client community from and against any cost, expense, loss, claim or liability whatsoever, including attorney's fees, and shall defend the indemnitees in any proceeding, including appeals, arising out of (i) the negligence or wrongful misconduct of Supplier, its drivers whether employed by or otherwise retained by Supplier, transporters, its directors or partners, officers, employees, agents; (ii) the failure by Supplier, its drivers, transporters, directors or partners, officers, employees, or other agents or representatives to comply with applicable law; or (iii) any breach by Supplier of any representation or covenant made in this Agreement. Supplier shall initially defend, but is not required to hold harmless or indemnify any indemnitee, including costs of defense for any liability to the extent caused by the indemnitee's negligence or wrongful misconduct. Subrogation is waived by Supplier except in the case of the negligence or wrongful conduct of an indemnitee.

9. Supplier shall maintain the following types and minimum amounts of insurance on an occurrence basis which shall cover its transporters, drivers and other representatives or agents whether employed by or otherwise retained by Supplier. Supplier shall furnish evidence by

certificate of such insurance and coverages and immediately notify Covanta in the event that any of the policies are canceled or materially modified.

Workers Compensation	Statutory
Employer's Liability	\$1 million
Comprehensive General Liability	\$1 million
Comprehensive Automobile Liability	\$1 million
Excess Liability	\$2 million

10. This Agreement shall become effective as of the date hereof and may be terminated by Covanta upon thirty (30) days' notice. Any obligation on the part of Supplier for the payment of money, indemnity or otherwise, which shall have arisen pursuant to this Agreement shall survive termination and remain in full force and effect until satisfied or waived by Covanta.

11. This Agreement reflects an arms-length transaction, creates no fiduciary, partnership, joint venture or employment or other agency relationship, is not entered into for the benefit of (nor are any rights granted to) any third party except as provided in Paragraph 8 and shall not be deemed to waive either Covanta's right to insist on strict performance in any other instance. No provision hereof shall be deemed waived without express written agreement.

12. This Agreement shall be governed by the laws and determined in the courts (including Federal) of the state where the Facility is located. In any provision shall be determined to be invalid, illegal or unenforceable, the Parties shall make good faith efforts to modify this Agreement to implement the intent of the Parties. Supplier and Covanta shall comply with all applicable laws, rules, regulations, ordinances, permits and requirements of any governmental entity having jurisdiction over the subject matter of this Agreement.

IN WITNESS WHEREOF, the Parties have signed this Agreement as of the date above written.

COVANTA PASCO, INC.	SUPPLIER:
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SCHEDULE 19

SCALEHOUSE PROCEDURES FOR ADDITIONAL SOLID WASTE

1. Procedures to be followed by drivers making deliveries of Additional Solid Waste to the Facility Site are detailed in the contracting form attached as Schedule 18.
2. A separate material code for Additional Solid Waste will be assigned. Separate and distinct records of deliveries for Additional Solid Waste will be created and maintained.
3. For deliveries by vendors with existing accounts, a twenty-four (24) hour prior notification will be given to scalehouse for each delivery. For newly approved vendors and suppliers, accounts will be established by the scalehouse upon two business days' notice. The scalehouse shall not accept Additional Solid Waste deliveries not so authorized in advance by the Facility Site administration.
4. All vehicles will be required to weigh in at the scalehouse. Tare weights will be determined for each delivery. Each vehicle will also be required to re-weigh on the out-bound scale before receiving a signed copy of ticket and exiting Facility Site. The tonnage shall be recorded but, the per ton rate will be zero on the scalehouse ticket. The Contractor will compute and document charges associated with each delivery on monthly statement of deliveries to be sent to County.

SCHEDULE 20

Turbine/Generator Major Work Scope

Turbine/Generator and Auxiliary Equipment – Base Scope of Work

Turbine

Lagging and Insulation

- Remove/Install insulation and lagging from turbine, stop valve and steam leads.
- Remove/Install insulating blankets from valves
- Repair/Replace damaged insulating blankets, insulation, and lagging

Turbine Casing

- Disassemble main steam lead and other piping connections
- Tap out jacking bolts holes
- Install Jack Bolts
- Perform Tight feeler checks
- Remove Bolting
- Perform Loose feeler checks
- Remove and Flip Casing
- Install Temporary plugs in the steam lines
- Visual inspection

Turbine Rotor

- Measure and Record As Found rotor position and rotor thrust float
- Measure and Record As Found wheel and packing clearances
- Remove Rotor
- Visually and dimensionally inspect the turbine coupling
- Visually and dimensionally inspect all turbine rotor journals
- Blast clean turbine rotor (seal rotor ends)
- Visually inspect and NDE the turbine rotor
- Demagnetize rotor following MT test
- Perform repairs to the turbine rotor if require (Extra Work)
- Strap lap all journals
- Final clean, rig and install rotor in turbine

Alignment Turbine to Generator

- Unbolt and separate the turbine/generator coupling
- Record As Found runouts
- Perform As Found alignment checks
- Take final alignment readings during reassembly
- Make alignment moves as needed

- Make up coupling, perform runout checks

Bearings

- Remove HP (T1) bearing pedestal cover
- Disassemble the turbine thrust bearing
- Perform thrust bearing inspection
- Perform lead wire checks to measure bearing clearance
- Remove upper half of the HP (T1) journal bearing
- Remove lower half of the HP (T1) journal bearing
- Remove the LP (T2) bearing pedestal cover
- Remove upper half of the LP (T2) journal bearing
- Remove lower half of the LP (T2) journal bearing
- Visually inspect, assemble, MIC, and NOE (PT and UT) the turbine journal bearings and record findings
- Clean the turbine pedestals
- Clean and install the lower and upper halves of the turbine journal bearings
- Perform TWIST and TILT on the turbine journal bearings and PINCH
- Checks on the turbine bearing pedestals and record results
- Reassemble thrust bearing and check thrust float (BUMP CHECK). Adjust as required to obtain specified float IAW the OEM specifications
- Close the turbine bearing pedestal covers
- Remove generator bearing pedestal covers
- Remove upper halves of the generator journal bearings
- Remove lower halves of the generator journal bearings
- Visually inspect, assemble, MIC, and NOE (PT and UT) the generator journal bearings and record findings
- Clean the generator pedestals
- Clean and install the lower and upper halves of the generator journal bearings
- Perform TWIST and TILT on the generator journal bearings and PINCH CHECKS on the generator bearing pedestals and record results
- Check insulation resistance of the generator insulated bearing(s)
- Remove, clean and inspect the insulation as required to obtain the acceptable megger readings
- Close the generator bearing pedestal covers.

Grounding Device

- Remove the shaft grounding device.
- Clean, inspect, and reinstall the shaft grounding device.
- Check shaft voltage after start-up of the unit to ensure the voltage is within the acceptable range

Oil Baffles

- Remove the turbine bearing oil baffles/deflectors.

- Clean and visually inspect the turbine bearing oil baffles/deflectors
- Assemble and dimensionally check the turbine bearing oil baffles/deflectors and record findings. Compare the As Found readings with the OEM specification
- Reinstall and set the turbine bearing oil baffles/deflectors to OEM specifications
- Remove the generator bearing oil and air seal assemblies
- Clean and visually inspect the generator bearing oil and air seal assemblies
- Assemble and dimensionally check the generator bearing oil and air seal assemblies and record findings. Compare the As Found readings with the OEM specification for new seals
- Reinstall and set the generator bearing oil and air seal assemblies to OEM specifications

Setback Readings

- Take As Found rotor position reference readings (oil bore readings) at all oil bores as required on both the turbine and generator bearings and record the results
- Take As Found rotor axial position reading with the turbine rotor against the front thrust face
- Record the As Found turbine rotor axial float before removing the thrust bearing
- Take a full set of As Found wheel AXIAL and RADIAL clearances with the rotor in the OEM recommended position and record findings
- During reassembly, check the TOTAL ROTOR FLOAT with the thrust bearing removed by calculating
- Take a full set of As Left wheel and packing AXIAL and RADIAL clearances at assembly with the rotor in the OEM recommended position and record the results.
- Take As Left rotor position reference readings (oil bore readings) at all oil bores as required on the turbine and generator bearings and record the results

Steam Path Parts

- Take samples of any deposits found on the nozzle blocks, rotor, and diaphragm blading for analysis by the facility
- Perform visual and NOE inspection of nozzle blocks WITHOUT removal from the turbine casing
- Remove all upper and lower diaphragm halves and packing cases from the turbine casing
- Clean, visually, and NOE (MT) inspect all diaphragm fits in the casings (including the steam seal faces) to determine AS FOUND condition and record findings
- Remove, clean, and inspect packing rings from the removed diaphragms and record findings
- Blast clean diaphragms and packing cases
- Visually inspect and NOE (MT) diaphragms and packing cases and record findings
- Dimensionally check (MIC) diaphragm crush pins and diaphragm fits in casing and record clearances.
- Check and record diaphragm side slip clearances
- Perform repairs to the diaphragms, packing cases, and casing fits as required to correct damage, erosion, out of tolerance side slip, and axial floats

- Reinstall lower halves of the diaphragms and packing cases in the casing
- Align the UH diaphragms and packing casings using tight wire or laser alignment methods
- Make alignment moves on out of tolerance components
- Measure and record diaphragm UH step checks at the HJs
- Reinstall upper halves of the diaphragms and packing cases in the casing
- Reinstall packing rings in diaphragms and packing cases, measure butt gap clearances, check for rubs, and adjust packing accordingly

Inlet (V1) Control Valves

- Disconnect the inlet valve rack linkage
- Unbolt and remove the inlet rack
- Disassemble, clean, and inspect the inlet valve rack
- Clean, visually inspect, and NOE (PT) the inlet valves and seats and record findings
- Dimensionally inspect the inlet valve stems, lift rods, torque arm, and bushings and record findings (include run-out).
- Blue-check the inlet valve seats and lap to obtain desired contact
- Reassemble the inlet valve rack
- Reinstall the inlet valve rack in the steam chest and torque bolting
- Connect inlet valve linkage
- Disassemble the inlet valve operating cylinder
- Clean, visually, and dimensionally inspect the inlet valve operating cylinder and record findings
- Clean, visually, and dimensionally inspect the inlet valve operating piston shaft and record findings
- Reassemble the inlet valve operating cylinder
- Disassemble, clean, and inspect the inlet valve operator pilot and record all clearances
- Reassemble the inlet valve operator pilot
- Set Inlet control valve linkage to OEM specifications
- Set inlet control valve lift and crack points and record

Trip and Throttle Valve (TTV)/Main Stop Valve

- Remove the stop valve from the HP casing
- Disassemble, clean, visually, and dimensionally inspect, and NOE the stop valve and operator
- Collect and retain all debris found in stop valve
- Remove all embedded debris from stop valve inlet strainer
- Perform repairs to stop valve and operator as necessary (Extra Work)
- Perform contact checks between main disc and seat and pilot disc and seat
- Measure main and pilot valve lift and compare to design
- Reassemble the stop valve and operator.
- Reinstall stop valve and torque bolting to specification.

Non-Return Valves

- Open all non-return valve covers
- Disconnect non-return valve operator linkage
- Remove shaft, swing arm, and disc from the valve body
- Remove disc from swing arm
- Clean, visually, and dimensionally inspect the non-return valve shaft and body bushings, and record findings
- Visually inspect the shaft mechanical seals.
- Clean, visually inspect, and NOE (PT) the non-return valve disk and record findings. To include:
 - Disc to disc post perpendicularity
 - Disc post wear
 - Distortion of the disc
 - NDE disc for cracks
- Clean, visually inspect, and NOE (PT) the non-return valve seat
- Clean, visually, and dimensionally inspect swing arm
- Reassemble the non-return valve. Record the following:
 - Disc Washer to disc arm clearance
 - Disc arm to body bushing clearance
 - Verify disc does not contact the body when in the full open position
- Blue-check the non-return valve disk and seat mating surfaces and record results
- Install the non-return valve cover and torque bolting
- Remove and disassemble the non-return valve operator
- Clean, visually, and dimensionally (MIC) inspect the components of the non-return valve operator
- Reassemble and install the non-return valve operator using new soft parts
- Perform seat leakage test on the valve

Generator Stator (Air Cooled)

- Remove the inboard and outboard outer end shields
- Remove the inboard and outboard inner end shields
- Check the generator rotor air gap around the openings at both ends and record findings
- Clean all generator and exciter components, other than the stator, stator housing internal surfaces, and rotor
- Perform cursory visual inspection and clean the stator bore, end turns at both ends, and stator housing
- Perform a visual inspection
- Separate the LINE and NEUTRAL leads to isolate the three phases
- Perform electrical testing
- Final clean, prepare, and paint the stator after testing is complete
- Reinstall generator rotor and check the generator air gap and record results
- Reinstall the inboard and outboard inner end shields

- Reinstall the inboard and outboard outer end shields
- Reconnect the line and neutral leads for each phase and reinsulate

Generator Rotor

- Prepare and install the generator rotor removal equipment
- Install generator rotor skid pan, shoe, and pad(s).
- Rig and remove the generator rotor and set on blocking in the designated laydown area.
- Record location of rotor balance weights.
- Clean, visually, and dimensionally inspect the rotor journals and record findings.
- Visually and dimensionally inspect the generator coupling, coupling rabbet fit and coupling bolt holes and record findings
- Clean the generator rotor and perform a visual inspection
- Perform electrical testing
- Strap lap journals, final clean and reinstall the generator rotor
- Remove the rotor removal equipment

Generator Air Coolers

- Disconnect water lines to coolers.
- Remove the air cooler housing from the generator
- Open waterside of the generator air coolers
- Brush clean and flush the waterside of the generator coolers
- Visually inspect and vacuum (or pressure) test the generator cooler tubes and record findings
- Visually inspect the water box heads and record findings
- Clean and reinstall the water box heads and close up the waterside of the generator coolers
- Reinstall the air cooler housing to the generator
- Reconnect all water lines

Exciter

- Remove the exciter enclosure
- Remove the exciter stator assembly. Apply protective cover to exciter stator
- Clean the exciter and perform a visual inspection
- Perform electrical testing
- Remove protective cover from exciter rotor and reinstall stator onto generator
- Measure and record rotor to stator air gaps
- Reinstall the exciter enclosure

Lubrication Oil System

- Drain the main lube oil tank and store the oil until tank cleaning and system repairs are complete
- Thoroughly clean and visually inspect the lube oil tank and record findings
- Close up and reseal the main lube oil tank

- Refill the main lube oil tank, filtering the oil to 10 microns (or smaller) as it is added
- Electrically disconnect the Main, Auxiliary, and Emergency Lube Oil Pumps
- Remove the Main (MLOP), Auxiliary (ALOP), and Emergency DC (ELOP) Lube Oil Pumps
- Separate the motors from the pumps, and prepare the motors for shipping
- Disassemble the Main, Auxiliary, and Emergency DC lube oil pumps
- Clean, visually, and dimensionally inspect the lube oil pumps
- Reassemble the lube oil pumps
- Receive the Main, Auxiliary, and Emergency DC lube oil pump motors
- Reassemble the motors and pumps, final clean the assemblies and reinstall
- Electrically reconnect the Main, Auxiliary, and Emergency Lube Oil Pumps
- Electrically disconnect the vapor extractor
- Remove the vapor extractor and disassemble
- Clean and inspect the vapor extractor
- Reassemble and reinstall the vapor extractor
- Electrically reconnect the vapor extractor
- Check the operation of the vapor extractor and adjust the valve to obtain proper sump negative pressure
- Open the lube oil filters
- Clean and inspect the lube oil filter housings
- Reassemble the lube oil filters with new filter elements
- Open the waterside of the lube oil coolers
- Brush clean, flush, and inspect the tubes of the lube oil coolers
- Vacuum test the tubes of the lube oil coolers and record
- Close up the waterside of the lube oil coolers and system pressure test for gasket leakage.
- Disassemble, clean, and inspect the lube oil pressure regulator(s)
- Reassemble the lube oil pressure regulators
- Disassemble, clean, and inspect lube oil check valves
- Reassemble the lube oil check valves
- Remove Aux LO and ELO pump discharge relief valves and prepare for shipping
- Receive, inspect and install Aux LO and ELO pump discharge valves
- Inspect all LO system orifices

Lubrication Oil Flush

- Install by-pass jumpers and blanks in the lube oil system piping
- Install portable filter canisters and/or flushing filter bags in the lube oil system piping and jumpers
- Perform lube oil flush using the systems pump(s)
- Check cleanliness of filter canisters/filter bags at least every 4 hours, changing canisters/bags as required until system cleanliness is deemed acceptable

- Side stream filter the lube oil during the flushing process to reduce particle counts in oil. Side stream to continue until ISO particle counts are 17/15/12 or lower and water content <200 ppm
- Restore the lube oil system and change all affected system filters

Turning Gear

- Electrically disconnect the turning gear motor
- Remove the turning gear, separate the motor from the gearbox, and prepare the motor for shipping
- Disassemble the turning gear, clean and inspect and record findings
- Reassemble the turning gear and refill with the proper lubricant
- Receive the turning gear motor and reinstall on the gearbox
- Reinstall the turning gear assembly
- Check clash gear to turbine rotor gear backlash
- Electrically reconnect the turning gear motor

Air Ejector System

- Disassemble, clean, and inspect the ejector nozzles and tubes and record findings
- Reassemble the ejectors
- Open the inter/after condenser water boxes
- Brush clean, flush, and inspect the tubes of the condenser(s)
- Vacuum test the tubes of the condenser(s) and record findings
- Close up and reseal the condenser water boxes

Gland Steam Condenser/Feedwater Heaters

- Open the waterside of the gland steam condenser
- Brush clean, flush, and inspect the gland steam condenser tubes
- Vacuum (or pressure) test the gland steam condenser tubes and record findings
- Close up and reseal the gland steam condenser waterside
- Disassemble and clean the Gland Exhaust Blower
- Inspect the Gland Exhaust Blower
- Reassemble Gland Exhaust Blower
- Open the waterside of the feed water heaters
- Brush clean, flush, and inspect the feed water heater tubes
- Vacuum (or pressure) test the feed water heater tubes and record findings
- Close up and reseal the feed water waterside

Instrumentation

- Disconnect and remove instrumentation for access to the unit
- Perform cursory inspections and record findings
- Check of proximity probes for Bentley I Vibration system. Includes gap voltage, terminations at probes, and wiring where visible
- Investigate and repair any malfunctioning instrumentation and/or replace broken gauges

- Inspect and bench-calibrate all instrumentation as per the Calibration Sheets on record
- Reinstall and reconnect instrumentation on unit
- Calibrations as necessary unit
- Check control oil accumulator pre-charge unit

Startup Service

- Support performance checks of the lube oil system, Emergency Lube Oil Pump, trip systems, main stop and HP/LP valve operation, etc. as outlined by Covanta
- Support warm up of unit
- Support roll-up of unit to operating speed, overspeed checks, reverse power trip, main steam and control valve tightness checks, etc.

Ancillary Items

- Disassemble, clean, and inspect Trip solenoid valves
- Reassemble Trip solenoid valves
- Disassemble, clean, inspect NRV air relay
- Reassemble NRV air relay

Generator

Electrical Tests

- Winding resistance of each phase
- Insulation resistance test including polarization index at 10kV DC
- DC high potential test of each phase with other two phases grounded. All tests will be conducted in accordance with IEEE-95.
- Doble power factor test
- El Cid
- Wedge tap test and create a wedge map
- Resistance check of all RTD's
- One minute, 500-volt megger of all RTD's

Visual Inspection

After the inspection, the contractor will clean any oil film, dust, grease, or other contamination from the stator parts.

End Windings

- End Winding Blocking: Inspect all end winding blocking for evidence of movement
- Ties: Inspect for broken or loose ties
- Corona: Examine the insulation for corona deposits
- Supports: Inspect the end winding support members for evidence of looseness, such as dusting or greasing
- Support Hardware: Make sure all the mounting hardware is tight and locked properly
- Connection Leads and Blocking: Check for dusting, greasing, and looseness
- Insulation – Overheating Damage: Inspect end windings for evidence of overheating
- Distortion: Examine the spacing between the end turns

- Series/Phase Connections: Inspect for any evidence of vibration, such as dusting or greasing
- Cleanliness: Note any oil film, dust, or grease. Inspect for foreign material/objects
- RTD Wiring / Hardware: Inspect for loose bolts and cracked mounting blocks on air or gas RTD's
- Lower Leads and Blocking: Inspect for evidence of vibration
- High Voltage Bushings / CT's: Inspect for damaged porcelain, loose hardware and blocking, insulation damage or deterioration, or any other signs of distress
- Standoff Insulators: Inspect for evidence of vibration, such as greasing or fretting at the mounting flange

Core Section and Slots

- Coils / Bars Bottomed in Slots: Look at the coil or bar at the end of the slot and make sure it is seated on the bottom of the slot and that there is no clearance under the coil or bar
- Insulation at Ends of Slots: Inspect for split, cracked, or bunched up insulation at the ends of the slots
- Core Iron-Damage, Looseness: Inspect the core iron for blistered paint or any discoloration, which could indicate shorted laminations, or overfluxing
- Ventilation Ducts Clear
- Inspect the cooling passages in the core iron for obstructions
- Core Iron Migration: Inspect the core iron laminations for movement radially inward
- Wedge Condition: Inspect for cracked or otherwise damaged wedges
- Wedge Tightness: Look for red, tan, or gray dust along the sides of the wedges, which is an indication of vibration
- Cleanliness: Make note of any oil, dust, or foreign material inside the machine
- Air/Gas Baffles: Verify babbles are secure with no evidence of rubbing, cracking, or deterioration

Stator Frame & Coolers

- Cleanliness, Contamination, Rust: Inspect the inside of the stator frame for oil, water, oxidation, and foreign material
- Coolers – Leaks, Cleanliness: Inspect the area around the coolers for water or rust which could indicate a leak
- Floor (Belly) Drains – Open: Inspect the floor drains to make sure they are not plugged with foreign material
- Heaters – Hardware/Wiring: Inspect the heaters for cracked insulators, loose hardware, pinched, frayed or broken wiring
- Filters – Cleanliness: Inspect the air filters. Clean or replace if necessary
- Bearings: Bearings should be inspected for scoring, wiping, or other damage to the babbitted surfaces

Field Ground Detector

- Receiver: Inspect for physical damage

Turbine, Generator and Auxiliary Equipment – Discovery Repairs and Component Replacements

The Contactor shall be responsible to complete all such discovery repairs and component replacements for the costs of all items in this heading Turbine (a) up to \$400,000 as of September 30, 2022, for such discovery repairs and component replacements. The County shall be responsible for the costs in excess of \$400,000 as of September 30, 2022, for such discovery repairs and component replacements. After September 30, 2022, the value of \$400,000 shall be adjusted pursuant to the Service Fee Adjustment Factor.

Turbine (a)

- Turbine Casing repairs including weld build up and machining
- Repairs to Diaphragms or replacement
- Repair/Replace Rotor
- Repair/Replace Rotor Blading
- Balancing and/or alignment of Turbine/Generator associated with rotor work
- Replacement of Bearings
- Repair/Replace Inlet Control Valve including valve stems, lift rods, torque arm and bushings, valve seats, operating cylinder, linkage, steam chest, valve operating pilot and piston

Turbine (b)

- Repair/Replace damaged packing rings – Contractor will be responsible for \$48,000 of repairs
- Repair/Replace Rotor packing – Contractor will be responsible for \$130,000 of repairs
- Repair/Replace Steam supply or leak-off valves – Contractor will be responsible for \$45,000 of repairs
- Repair/Replace Stop Valve including main and pilot disc and seat - Contractor will be responsible for \$55,000 of repairs

The discovery repairs and component replacements for the items listed under this heading Turbine(b) shall be subject to the sub-limit specified therein. The County shall be responsible for the costs in excess of each such sub-limit as of September 30, 2022, for such discovery repairs and component replacements. After September 30, 2022, the sub-limit values for each such item shall be adjusted pursuant to the Service Fee Adjustment Factor.

Generator

- Repairs resulting from the Partial Discharge testing
- Repair/Replace Loose Wedges
- Repair/Replace Loose blocking on end windings
- Repair/Replace Loose or damaged Core Iron
- Repair/Replace Generator Breaker

- Repair/Replace Generator Step-up Transformer
- Repair/Replace Shorted turns in rotor/field
- Repair/Replace Rotor Wedges
- Repair/Replace Cracked retaining rings on rotor
- Repair/Replace Damaged fuses, diodes, or other components on exciter wheel
- Repair/Replace Damaged ground detector
- Repair/Replace Damaged Bus Duct
- Repair/Replace Reverse Power and Overspeed components
- Repair/Replace Generator Cooler components

The County has the right to refuse or defer the discovery work that will exceed the \$400,000 threshold. If the refused repairs impact the performance of the machine, the Contractor will get relief from the Energy Efficiency Guarantees or other impacted performance obligations until such time as the repairs can be completed.

Turbine, Generator Outage Period

Each turbine will be scheduled for maintenance as follows: The Major turbine, generator outages will be based on a 7-year cycle. A minor inspection outage will be scheduled during year 3 or 4 of this cycle. If the schedule needs to be altered due to plant needs, contractor availability or parts availability, the County and Contractor will agree on the new scheduled date.

	Minor	Major	Minor
Turbine Generator 1		2028	2032
TG2	2028	2032	

Capital Improvements

The County can propose capital improvements to the Turbine Generator with the intent of improving the energy efficiency. The County and the Contractor shall negotiate an agreement on sharing the cost of the project and likewise sharing the increase in electrical revenue resulting from the capital improvement.

SCHEDULE 21

LICENSE AGREEMENT

[ATTACHED]

[attach executed License Agreement]

LICENSE AGREEMENT

This **LICENSE AGREEMENT** (this "Agreement"), is entered into by and between Covanta Energy Corporation and its successors and assigns (hereinafter the "Licensor"), a corporation having its principal place of business at 445 South Street, Morristown NJ 07960, organized and existing under the laws of the State of Delaware, and Pasco County, Florida (hereinafter, the "Licensee"), a political subdivision of the State of Florida, acting by and through its Board of County Commissioners. The Licensor and the Licensee or both may be referred to herein as the "Party" or the "Parties", as the context of the usage of such term may require.

WHEREAS, the Licensor is the owner of the Intellectual Property (as defined herein) in and to the Covanta Technology (as defined herein);

WHEREAS, the Contractor (as defined herein), a wholly-owned subsidiary of the Licensor, is authorized by the Licensor to install and use the Covanta Technology in the Facility (as defined herein);

WHEREAS, pursuant to such authorization, the Contractor intends to install and use the Covanta Technology in the Facility;

WHEREAS, on and after the Commencement Date (as defined herein), the Licensor desires to grant the Licensee the right to access and use the Covanta Technology as part of the operation of the Facility and to obtain replacement Parts (as defined herein) therefor from the Licensor, the Licensee, or from a Third Party (as defined herein) provider or fabricator as

determined by the Licensee, in its sole discretion, all as more particularly stated in this Agreement;

WHEREAS, the Parties desire to make clear under this Agreement that during and after the Term (as defined herein), the Licensee will have title to and own all Hardware (as defined herein), and that the Licensor will continue to be the sole owner of all Intellectual Property rights in the Covanta Technology, including all Confidential Information (as defined herein); and

WHEREAS, the Licensor is willing to grant such license to the Licensee and to recognize the Licensee's ownership of the Hardware, all in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties do covenant and agree as follows:

DEFINITIONS

"Access Agreement" means a written agreement between the Licensee and a Third Party whose terms, among other things, recognizes, contemplates or otherwise provides for a Third Party's access to the Covanta Technology.

"Agreement" means this License Agreement along with all Exhibits and any amendments hereto.

“Applicable Law(s)” means all applicable statutes, laws, ordinances, regulations, rules, codes, orders, requirements or rules of law (including, without limitation, common laws) of Governmental Authorities.

“Business Day(s)” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a legal holiday in Pasco County, Florida.

“Commencement Date” means the date that the Service Agreement terminates or expires, whichever is earlier, in accordance with its terms.

“Confidential Information” means confidential and proprietary information of the Licensor relative to the Covanta Technology which is not generally known to the public, including designs, data, know-how, trade secrets, schematics, specifications, formulae, processes, techniques, equipment, methods, results, information regarding any research, development, or projects, and other similar information and materials with like characteristics. Confidential Information does not include information or materials or both which: (a) at the time of the disclosure, or thereafter, becomes a part of the public domain through no act or omission, including negligence, of the Licensee or any employee of the Licensee; (b) was in the Licensee’s possession prior to the disclosure to the Licensee by the Licensor; (c) is disclosed to the Licensee by a Third Party who did not acquire the information directly or indirectly from the Contractor or the Licensor; or (d) is required to be disclosed pursuant to Applicable Law.

The Parties acknowledge that the rights and obligations of the Parties set forth herein with respect to Confidential Information are subject to applicable provisions of State law pertaining to public records. The County shall give the Contractor prompt notice of any request for information, data or material which has previously been designated by the Contractor as

Confidential Information made pursuant to such provisions of State law pertaining to public records. The County shall, as provided in Section 10, consult with the Contractor prior to any such response to such request, and within the time provided by such applicable provisions of State law prior to compliance with such request for disclosure, fully cooperate with the Contractor in negotiations with the Person requesting such information or in any legal action by the Contractor to enjoin the release of said Confidential Information; provided, however, that unless prohibited by a court of competent jurisdiction, disclosure by the County of such Confidential Information if required pursuant to such applicable provisions of State law pertaining to public records shall not violate the terms of this Agreement.

“Contractor” means Covanta Pasco, Inc., formerly Ogden Martin Systems of Pasco, Inc.

“Covanta Technology” means that certain nitrogen oxide (NOx) emission control technology to be installed in the Facility by the Contractor.

“Daily Breach Damages” means (a) zero dollars (\$0.00) per day for the first thirty (30) days after the date that the Licensor has provided written notice to, as applicable, the Licensee or the Replacement Operator, of a breach of, as applicable, this Agreement or the Replacement Operator License Agreement, (b) if the breach specified in (a) has not been cured within such thirty (30) day period, five hundred dollars (\$500.00) per day thereafter until such breach is cured.

“Department” means the Solid Waste Management Department of Pasco County, Florida and any successor thereto.

“Direct Costs” means, in connection with any cost or expense incurred by Licensor directly related to the Licensor’s provision of assistance and know-how to the Licensee for installation and use of replacement Parts in the Facility, the sum of (a) the costs of the Licensor’s and any affiliate’s payroll directly and proportionately related to the performance of such assistance and/or the provision of such know how, consisting of compensation and fringe benefits, including vacation, sick leave, holidays, retirement, worker’s compensation insurance and employer’s liability insurance, federal and State unemployment taxes and all medical and health insurance benefits plus (b) subject to Applicable Law, the reasonable costs of travel and subsistence to and from the Site incurred by any employee of the Licensor and any affiliate rendering such performance or providing such know how.

“Documentation” means the written instructional materials delivered by Licensor to Licensee relating to the operation, installation and/or maintenance of the Covanta Technology.

“Exhibit” means an exhibit to this Agreement which is incorporated into and made a part of this Agreement.

“Facility” means the Licensee’s owned, mass burn, waste-to-energy facility located in Pasco County, Florida.

“Governmental Authority” means any (a) federal, national, state, local, or similar government or (b) any governmental, regulatory, legislative, executive or administrative court, tribunal, authority, body, agency or commission, or both having jurisdiction over the Facility or matters in the agreements pertaining thereto.

“Hardware” means all hardware that is part of or associated with the Covanta Technology, including Parts.

“Intellectual Property” means all intellectual property and proprietary rights worldwide (whether or not registered or registrable, patented or patentable), including patent rights, copyrights, trademark rights, trade secret rights, rights in ideas, inventions and innovations, rights in Confidential Information, moral rights, semiconductor chip rights, database rights, industrial design rights, and all other similar rights, along with all applications, registrations, renewals, divisionals, continuations, continuations-in-part, re-exams, extensions, reissues and foreign counterparts for the foregoing.

“License” shall have the meaning as set forth in Section 1.1.

“Licensee Indemnitees” shall have the meaning as set forth in Section 7.

“Licensor Indemnitees” shall have the meaning as set forth in Section 8.

“Losses” shall have the meaning specified in Section 7.

“Markup” means overhead and profit in a total, aggregate combined amount equal to ten percent (10%) of clause (a) only of the definition of “Direct Costs”.

“Parts” means all nozzles, valves, hoses, ducts and other hardware and equipment required to operate and maintain the Covanta Technology.

“Person” means an individual, corporation, partnership, limited liability company, trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity not specifically listed herein.

“Replacement O&M Agreement” means the agreement executed between the Licensee and any Replacement Operator that establishes terms and conditions under which a Replacement Operator agrees to manage, operate and maintain the Facility after the Commencement Date.

“Replacement Operator” means any Third Party, other than the Contractor, who has the primary responsibility to manage, operate and maintain the Facility on behalf of the Licensee after the Commencement Date pursuant to a Replacement O&M Agreement. A Replacement Operator, for purposes of this definition, does not include any contractor or subcontractor to the Licensee or any other Third Party that does not have the primary responsibility to manage, operate and maintain the Facility.

“Replacement Operator License Agreement” means the agreement attached hereto as Exhibit B.

“Section” shall mean a section of this Agreement unless the context of the usage thereof clearly indicates a different agreement or document is referenced.

“Service Agreement” means that Second Amended and Restated Service Agreement dated as of September 23, 2008 between Contractor and Licensee.

“Site” shall mean the real property located in Pasco County, Florida upon which the Facility is located.

“Term” shall have the meaning specified in Section 11.1.

“Third Party(ies)” means any Person(s) other than the Licensor and the Licensee.

1. SCOPE OF LICENSE.

1.1 **Covanta Technology.** In accordance with the terms of this Agreement and during the Term, the Licensor hereby grants to the Licensee a non-exclusive, non-transferable license (except as provided in Section 13.5) to the Covanta Technology (“License”) (a) to use the Hardware in the operation of the Facility by the Licensee and (b) to use the Documentation in connection with the operation of the Facility.

1.2 **Replacement Parts and Licensor Assistance.** During the Term, the Licensor agrees to make available to Licensee at any time upon written request by Licensee (a) any replacement Parts that the Licensor makes available, fabricates or causes to be fabricated by any Third Party and (b) the Licensor’s reasonable assistance and know how as may be needed by the Licensee from time-to-time for the fabrication, installation and use of such replacement Parts in the management, operation and/or maintenance (or any one or any combination of the foregoing) of the Facility; provided, however, in no event shall the foregoing obligation require the Licensor to deliver, provide or license any Intellectual Property beyond that reasonably needed by the Licensee to exercise and fulfill the rights granted to the Licensee pursuant to this License. Any replacement Parts or assistance or both provided or made available by Licensor pursuant to the first sentence of this Section 1.2 shall be provided or made available (1) with respect to replacement Parts, at prices and on terms no less favorable than those provided by the Licensor to any other Third Party licensee and (2) with respect to assistance and know how, at Direct Costs, inclusive of Markup; provided, however, to the extent any Replacement Operator pays any such amounts under its Replacement Operator License Agreement to the Licensor, the Licensee shall not be liable for such amounts. The Licensee may, in its sole discretion, fabricate or install or both, or cause a Third Party to provide, make available, fabricate, or install (or any

combination thereof), any replacement Parts that the Licensee deems necessary and appropriate for use in the Facility; provided however, in the event the Licensee seeks to obtain any replacement Parts from a Third Party, the Licensee shall require the providing Third Party to execute a Confidentiality Agreement in accordance with Section 1.4(4) of this Agreement and the Licensee shall comply with its obligations pertaining to such executed Confidentiality Agreement specified in Section 10.

1.3 Use of License. The Parties hereby acknowledge and agree that both the License grant under Section 1.1, and the grant relating to replacement Parts under Section 1.2, are only applicable to the Facility and are not, in any manner or for any purpose, applicable to any other portion of the Licensee's property other than the Facility.

1.4 Restrictions. The Licensee may only use the Covanta Technology in strict compliance with the terms and conditions of this Agreement. Without limiting the generality of the foregoing and without the Licensor's prior written consent, the Licensee agrees that it shall not, and shall not authorize, permit or otherwise allow any Third Party to, (a) access or make use of the Covanta Technology in any manner or for any purpose other than as expressly permitted by the terms of this Agreement, except that (1) the consulting engineer to the Department relative to the Facility, (2) any Replacement Operator of the Facility during the Term, (3) any successor owner of the Facility, (4) any Third Party (other than a Replacement Operator) providing, fabricating, installing or otherwise making available any replacement Parts pursuant to Section 1.2 of this Agreement, and (5) any other Person (including any contractor or subcontractor to any such Replacement Operator), shall, in each case, have such access or use rights or both as limited by the following: (A) with respect to subparagraphs (1), (4) or (5) above, such Person(s) shall have access rights (including with respect to subparagraphs (4) and (5) only, repair, replacement

and maintenance rights) but not use rights and such access (including repair, replacement and maintenance rights relative to subparagraphs (4) and (5) only) shall be subject to the Section 10 requirement that any such Person execute the Confidentiality Agreement attached hereto as Exhibit A; (B) with respect to subparagraphs (1), (4) and (5) above, such access rights (including repair, replacement and maintenance rights relative to subparagraphs (4) and (5) only) shall be limited solely to those rights provided in an executed Access Agreement, if any, (C) with respect to subparagraph (2) above, any Replacement Operator shall have the right to access and use the Covanta Technology and to manage, operate, repair, replace and maintain the same subject to the terms of the Replacement Operator License Agreement executed pursuant to Section 1.6, and (D) with respect to subparagraph (3) above, any successor owner of the Facility shall have the right to access and use the Covanta Technology and to manage, operate, repair, replace and maintain the same upon the assignment of this Agreement pursuant to Section 13.5; (b) remove or alter any legends, restrictions, product identification, patent, copyright, trademark or other notices from the Covanta Technology or any information or materials relating thereto; (c) claim any right, title, interest or license in, or apply to register or otherwise file to protect the Covanta Technology, in whole or part; or (d) grant a security interest in, or otherwise grant or attempt to transfer any rights, title, or interests in, or allow any attachment, levy, execution upon or against, the Covanta Technology or any related Intellectual Property, in whole or part, except for any security interest solely in the Hardware granted in connection with a financing associated with the Facility. With respect to the Licensee's obligation not to authorize, permit or otherwise allow any Third Party to proceed with or pursue paragraphs (a), (b), (c) or (d) above under this Section 1.4, the Licensee's sole enforcement obligations in such respect shall be to provide written notice to the Licensor pursuant to Section 4.2; provided, however, such sole enforcement obligation shall not be read as lessening the Licensee's obligation not to authorize, permit or

otherwise allow, affirmatively or by omission, a Third Party to proceed with or pursue paragraphs (a), (b), (c) or (d).

Section 1.5 Inspection. The Parties agree that Licensor or its designated representative or both shall have the right, during normal business hours, to conduct a reasonable inspection of the Licensee's facilities, equipment, books, records and other materials owned by the Licensee for the sole purpose of confirming compliance with the terms and conditions of this Agreement. The Licensee agrees to permit the Licensor or its designated representatives or both to enter onto its premises for such purpose during normal business hours, provided that the Licensor shall give reasonable prior notice to the Licensee of the date and time of its proposed inspection. The Licensee shall cooperate fully with Licensor and its representatives and shall render reasonable assistance or information as requested by Licensor. Notwithstanding the foregoing, the Licensee's provision of access to the Licensor of the Licensee's facilities shall be subject to (a) the Licensee's access and inspection rules and regulations applicable to all Third Parties accessing and inspecting the Licensee's facilities and (b) any Replacement Operator's safety and security provisions arising from the Replacement O&M Agreement which the Licensee agrees shall not be discriminatory to the Licensor.

Section 1.6 Replacement Operator. In the event the Licensee enters into a Replacement O&M Agreement with a Replacement Operator to manage, operate and maintain the Facility during the Term of this Agreement, the Licensee shall require that such Replacement Operator execute the Replacement Operator License Agreement attached hereto as Exhibit B as a condition precedent to the effectiveness of such Replacement O&M Agreement. The Licensee shall provide the Licensor at the address specified in Section 13.2 with such executed Replacement Operator License Agreement within twenty (20) days following such Replacement

Operator's execution of the same. The Licensee's obligation with respect to any Replacement Operator License Agreement ends when the Replacement Operator License Agreement is provided by the Licensee to the Licensor pursuant to this Section 1.6. Enforcement of any Replacement Operator License Agreement, if at all, shall be the sole responsibility of the Licensor.

The Licensor agrees and hereby waives its ability to seek any legal or equitable relief to enjoin, inhibit, limit, impair, impede or otherwise preclude the Replacement Operator from performing its duties or obligations or both under the Replacement O&M Agreement provided that the Replacement Operator License Agreement remains in effect. Notwithstanding the foregoing, the Licensor shall be entitled to seek Daily Breach Damages only for any breach by the Replacement Operator of the Replacement Operator License Agreement and any such monetary damages are not intended to and shall not be deemed to enjoin, inhibit, limit, impair, impede or otherwise preclude the Replacement Operator from performing its duties or obligations or both under the Replacement O&M Agreement.

If the Licensee is the replacement operator of the Facility at any time after the Commencement Date, the Licensor further agrees and hereby waives its ability to seek any legal or equitable relief to enjoin, inhibit, limit, impair, impede or otherwise preclude the Licensee from operating, repairing, replacing and maintaining the Facility during the Term provided this Agreement remains in effect. Notwithstanding the foregoing, the Licensor shall be entitled to seek Daily Breach Damages only for any breach by the Licensee of this License Agreement and any such monetary damages are not intended to and shall not be deemed to enjoin, inhibit, limit, impair, impede or otherwise preclude the Licensee from operating, repairing, replacing and maintaining the Facility. The Licensor further agrees and acknowledges that it shall have no

right to terminate this Agreement except as provided in Section 11 and any action taken by the Licensor to attempt to terminate or to terminate this Agreement except as provided in Section 11 shall be null and void at inception.

The Parties acknowledge and agree that Daily Breach Damages are not intended to be and shall not be deemed a penalty, but instead are compensatory in nature in view of, among other things, this Agreement not being terminable by the Licensor upon an incurred breach by the Licensee.

The Parties acknowledge and agree that the Licensor's rights and remedies set forth above in this Section 1.6 are not exclusive and that the Licensor shall be entitled to seek all of its available legal and equitable rights and remedies against the Licensee (except the specified rights and remedies that have been waived by the Licensor against the Licensee under the third paragraph of this Section 1.6), including, without limitation, the right of the Licensor to seek any legal or equitable relief involving the Licensee's unauthorized use of the Covanta Technology apart from use in connection with the Facility.

2. LICENSE FEES.

The Licensee acknowledges that the Licensor has made a significant investment in the development of the Covanta Technology and that the use of the same normally requires payment of an annual license fee. However, as consideration for extension of the Service Agreement, as amended by Amendment No. 1, both of which are entered into by and between the Contractor and the Licensee, the Licensor agrees to waive any license or other fee that would otherwise be charged to the Licensee for the rights granted by Licensor under this Agreement or for the

Licensor's enforcement of such rights (other than any fees, costs or expenses that the Licensor recover or may be awarded with respect to enforcement efforts against the Licensee).

3. OWNERSHIP OF COVANTA TECHNOLOGY.

3.1 Covanta Technology. The Licensee agrees that the Licensor retains all rights, title and ownership interests in the Covanta Technology and all Intellectual Property therein. The Licensee agrees that to the extent not required by Applicable Law, it shall not, and shall not cause a Third Party or affirmatively and actively assist a Third Party, to contest or otherwise do any act that would interfere with or negatively affect the validity of, or the Licensor's ownership of, the Covanta Technology and any Intellectual Property rights therein during and after the Term of this Agreement. Nothing contained in this Agreement shall be deemed to prohibit the Licensor from entering into agreements or similar relationships with Third Parties for the licensing, distribution or other use of the Covanta Technology.

3.2 Hardware. The Parties agree that Section 3.1 shall only be interpreted to mean that the Licensor has title to and owns the Covanta Technology and all Intellectual Property rights therein and that the Licensee, on and after the earlier to occur of (a) the delivery to the Site of the Hardware for incorporation into the Facility or (b) the Licensee's or the Replacement Operator's payment for the Hardware, shall have title to and own the Hardware. For purposes of clarity, the Licensee's ownership of any replacement Parts shall be calculated and satisfied on a per-Part delivery or payment basis as provided above in this Section 3.2.

4. PROTECTION OF COVANTA TECHNOLOGY.

4.1 Licensor Exclusive Rights. The Licensor has the sole and exclusive right, as may be exercised in the Licensor's sole discretion, to file patent, trademark, copyright and other

applications for registration, and to maintain, amend or abandon such applications or any resulting patents or registrations, for the Covanta Technology, in one or more jurisdictions worldwide.

4.2 Notice of Infringement. If the Licensee receives information clearly evidencing that a Third Party is infringing on, misappropriating, misusing or otherwise violating the Licensor's Intellectual Property rights in the Covanta Technology pursuant to subparagraphs (a), (b), (c) or (d) of Section 1.4 or otherwise, then the Licensee shall provide the Licensor written notice thereof as soon as reasonably practicable following the Licensee's receipt of such information and the Licensee shall have no further obligation, except as provided in Section 4.3 below, relative to such infringement, misappropriation, misuse or violation under this Agreement.

4.3 Licensor Action Against Infringement. The Licensor shall have the sole right to take action, if any, as determined in the Licensor's sole discretion, against any Third Party who may be infringing, misappropriating or otherwise violating the Licensor's Intellectual Property rights in the Covanta Technology, at the Licensor's sole cost and expense, and the Licensor shall have the right to retain any award or settlement resulting therefrom. The Licensee agrees to cooperate reasonably with the Licensor as reasonably requested in connection with any such action, at the Licensor's sole cost and expense, including, but not limited to, joining the action as a party, if needed, and providing requested books, records and information within its possession or control; provided, however, to the extent that any such books, records or information are confidential information to the Licensee under Applicable Law, Licensee will only provide same to Licensor pursuant to a confidentiality agreement as agreed upon between Licensee and Licensor and Licensor may only further disclose same pursuant to a protective

order or confidentiality agreement protecting the confidentiality of such information. The Licensor has the right to retain any award or settlement resulting from any such action.

5. **LICENSOR WARRANTIES.** The Licensor hereby warrants, represents, undertakes and agrees that: (a) it has the full right, power and authority to enter into and perform its obligations under this Agreement, and (b) entering into this Agreement and performing its obligations hereunder shall not conflict with or violate any (1) other agreement to which the Licensor is a party, (2) any provision of the Certificate of Incorporation or By-laws of the Licensor or (3) any Applicable Laws.

6. **LICENSEE WARRANTIES.** The Licensee hereby warrants, represents, undertakes and agrees that: (a) it has the full right, power and authority to enter into and perform its obligations under this Agreement and (b) entering into this Agreement and performing its obligations hereunder shall not conflict with or violate any (1) other agreement to which Licensee is a party or (2) any Applicable Laws.

7. **INDEMNIFICATION BY LICENSEE.** The Licensee shall, to the extent permitted by Applicable Law, indemnify and hold harmless the Licensor and its affiliates and their respective directors, officers, employees and agents, and the successors and assigns of any of the foregoing (the "Licensor Indemnitees") from and against any and all claims, demands, losses, damages, liabilities, lawsuits, judgments and awards along with all costs and expenses (including but not limited to, reasonable attorney's and expert fees and all court costs) incurred as a result of Third Party claims (collectively "Losses") arising from (a) a material breach of a representation, warranty or covenant under this Agreement by the Licensee or (b) any negligent act of omission or commission on the part of the Licensee regarding the Covanta Technology or Licensor's Intellectual Property rights in the Covanta Technology. The Licensor Indemnitees may defend

and settle any such claim or demand, provided that (1) the Licensee shall, to the extent permitted by Applicable Law, remain solely responsible for all Losses related thereto arising as a result of (a) or (b) above and (2)(A) the Licensor routinely advises the Licensee of the conduct and status of the defense and provides reasonable prior written notice and permits the Licensee's representatives to attend all meetings and participate in good faith in all settlement discussions regarding the claim or demand and (B) Licensor Indemnitees shall not settle such claim or demand without the Licensee's approval which shall not unreasonably be withheld or delayed. The Parties agree that the Licensee's approval shall not be or be deemed to be a waiver of the Licensee's rights under Applicable Law. If requested by the Licensor, the Licensee shall defend the Licensor Indemnitees against any such claim or demand arising as a result of (a) or (b) above, provided that the Licensee shall (i) engage counsel approved by the Licensor (such approval not to be unreasonably withheld or delayed), (ii) routinely advise the Licensor of the conduct and status of the defense and provides reasonable prior written notice and permits the Licensor's representatives to attend all meetings and participate in good faith in all settlement discussions regarding the claim or demand, and (iii) not enter into any compromise or any settlement without the Licensor's prior approval (such approval not to be unreasonably withheld or delayed). Notwithstanding the foregoing, the Licensee shall have no obligation under this Section to indemnify, hold harmless and defend against any claim, demand, suit, action, loss, damage, or liability to the extent that (x) the Licensor is required to indemnify, hold harmless and defend a Licensee Indemnitee from such claim, liability, damage, fine, penalty or cost under this Agreement or (y) such claim, demand, suit, action, loss, damage, or liability was caused by the negligence or misconduct of a Licensor Indemnitee.

8. **INDEMNIFICATION BY LICENSOR.** The Licensor shall indemnify, hold harmless and defend the Licensee, the members of its Board of County Commissioners and its officers, employees,

sublicensees, representatives and agents, and the successors and assigns of any of the foregoing (the "Licensee Indemnitees") from and against any and all Losses incurred as a result of Third Party claims arising from (a) a material breach of a representation, warranty or covenant under this Agreement by the Licensor or (b) allegations that the Covanta Technology, including the Intellectual Property rights of the Licensor therein as used in accordance with the terms and conditions of this Agreement, infringes a Third Party's intellectual property rights. The Licensor's obligations under this Section shall be conditioned on the Licensee (a) giving the Licensor reasonably prompt notice of any such claim, demand, suit, action, loss, damage, or liability and (b) permitting the Licensor to control the defense and settlement of any such claim, demand, suit or action; provided, however, the Licensor may not enter into any compromise or any settlement that does not include a full release of the Licensee Indemnitees without the Licensee's prior approval. Notwithstanding the foregoing, the Licensor shall have no obligation under this Section to indemnify, hold harmless and defend against any claim, demand, suit, action, loss, damage, or liability to the extent that (1) the Licensee is required to indemnify, hold harmless and defend a Licensor Indemnitee from such claim, liability, damage, fine, penalty or cost under this Agreement or (2) such claim, demand, suit, action, loss, damage, or liability was caused by the negligence or misconduct of a Licensee Indemnitee. In any event, failure of Licensee to notify the Licensor shall not relieve the Licensor from any liability, except to the extent the Licensor shall have been materially prejudiced by such failure.

9. DISCLAIMER AND LIMITATION ON LIABILITY.

9.1 **DISCLAIMER.** THE WARRANTIES PROVIDED IN SECTION 5 ARE THE ONLY WARRANTIES MADE BY THE LICENSOR, AND THE LICENSOR MAKES NO OTHER WARRANTIES, REPRESENTATIONS OR GUARANTEES, WHETHER EXPRESS OR IMPLIED, AND DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR GUARANTEES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, ACCURACY, AND NON-INFRINGEMENT, RELATING TO THE COVANTA TECHNOLOGY, AND

OTHERWISE RELATING TO THIS AGREEMENT.

9.2 LIMITATIONS ON LIABILITY. EXCEPT PURSUANT TO SECTIONS 7 AND 8, EACH OF THE PARTIES AND ITS AFFILIATES AND THEIR DIRECTORS, OFFICERS, EMPLOYEES, SUPPLIERS, AND AGENTS, AND THE SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING, SHALL HAVE NO LIABILITY FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES OR DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY PUNITIVE DAMAGES OR LOSS PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

10. CONFIDENTIALITY. The Licensee acknowledges that it may have previously acquired Confidential Information and may acquire Confidential Information during the Term and agrees, to the extent permitted by Applicable Law, to treat such Confidential Information as confidential. Except as otherwise expressly provided herein or as otherwise agreed by the Parties in writing, during the Term, the Licensee shall, to the extent permitted by Applicable Law, (a) use commercially reasonable efforts, but no less than a reasonable degree of care, to maintain such Confidential Information as confidential and to prevent disclosure thereof and access thereto, except to and by those Person(s) as permitted pursuant to the terms of Section 1.4(a)(1)-(5), (b) not disseminate such Confidential Information for use by a Third Party other than as permitted pursuant to the terms of Section 1.4(a)(1)-(5) and (c) not use the Confidential Information for any purpose other than for the purpose of performing its obligations or exercising its rights hereunder.

Should any disclosure of Confidential Information be required by Applicable Law, the Licensee shall (A) provide at least fifteen (15) days prior written notice to the Licensor before making such disclosure unless disclosure is required by Applicable Law in a shorter period of

time and in such circumstances, the Licensee shall provide notice to the Licensor promptly upon learning of the required disclosure and in advance of making such disclosure, and (B) provide reasonable assistance to the Licensor to the extent permissible in obtaining confidential treatment of information that is the subject of the disclosure.

The Licensee shall require that any Person(s) referenced in Section 1.4(a)(1), (4) or (5) to execute the Confidentiality Agreement attached hereto as Exhibit A prior to providing any such Person with access to the Covanta Technology or any Confidential Information, and shall provide the Licensor, at the address specified in Section 13.2, with the executed Confidentiality Agreement by each such Person within twenty (20) days following such Person's execution of such Confidentiality Agreement. The Licensee's obligation with respect to any Confidentiality Agreement required by this Section 10 ends when the Confidentiality Agreement, executed by such Person, is provided by the Licensee to the Licensor. Execution and enforcement of any Confidentiality Agreement, if at all, shall be the sole responsibility of the Licensor.

Notwithstanding the foregoing, the Licensee may disclose Confidential Information without the Licensor's prior written consent to legal, financial, accounting or other similar advisors for the limited purpose of providing legal, financial, accounting or other similar services to the Licensee so long as such advisors agree to keep such information confidential and to not use such information except as needed to provide services to the Licensee. The Licensee agrees that the terms and conditions of this Section 10 shall continue during the Term and for a period of five (5) years after the Term.

The Parties agree for purposes of this Agreement that information relative to the Covanta Technology will not be Confidential Information unless such information is in writing and clearly marked as "CONFIDENTIAL INFORMATION" or, if disclosed orally, summarized in writing and marked

"CONFIDENTIAL INFORMATION" prior to or written within ten (10) Business Days following such oral disclosure; provided, however, that at the time of any oral disclosure, the Party was orally advised by the Licensor that such information was Confidential Information and that the written summary of the same required hereunder shall specify in reasonable detail what orally disclosed information was and is "CONFIDENTIAL INFORMATION". The Licensee shall have no obligation to protect Confidential Information not so marked or identified

11. TERM AND TERMINATION.

11.1 Term. The term of this Agreement shall begin on the Commencement Date and shall continue, unless and until the Parties agree to sooner terminate this Agreement in writing or if this Agreement is sooner terminated in accordance with its terms (the "Term").

11.2 Termination. This Agreement may be terminated by either Party, upon prior written notice to the other Party, at any time following the cessation of operations of the Covanta Technology in the Facility on a permanent basis.

11.3 Effect of Termination. Termination shall be effective upon the date given in the notice as provided herein. Upon termination of this Agreement, the rights granted under this Agreement shall become null and void ninety (90) days following receipt of such termination notice by the receiving Party of such termination notice, and the Licensee shall on and after ninety-first (91st) day following such notice, (a) discontinue all use of the Covanta Technology and any and all Confidential Information and (b) to the extent permitted by Applicable Law, deliver to the Licensor or destroy, as reasonably instructed by the Licensor, all materials (including whole or partial copies, whether in tangible, electronic or other form) embodying the Covanta Technology, including any materials containing any Confidential Information. The termination of this Agreement shall not affect any obligation or liability incurred by either Party

prior to termination, including any payment obligations, and the following Sections shall survive termination of this Agreement: Sections 2, 3, 5-11, 11.3, 12 and 13.

12. DISPUTE RESOLUTION.

12.1 Informal Dispute Resolution. The Parties shall attempt to settle any dispute or issue between them relating to this Agreement amicably and agree to exercise all reasonable efforts to resolve the dispute or issue prior to initiating any formal proceeding in accordance with the terms and conditions of this Agreement. Either Party may give the other Party written notice of the existence of a dispute or issue, including a description of the dispute or issues and a proposed resolution thereof. Nothing herein, however, shall preclude either Party, at any time, from proceeding in accordance with Section 12.2.

12.2 Formal Dispute Resolution. In the event the Parties cannot reach an amiable resolution of a matter in controversy through informal dispute resolution pursuant to Section 12.1, either Party at any time prior to or during such informal dispute resolution, may refer the matter, exclusive of any other judicial forum that may have jurisdiction, to the United States District Court for the Middle District of Florida. The Parties agree that such referral shall be exclusive, and any other referral to any other form, judicial, administrative or otherwise, including mediation, except as referred by such United State District Court, or arbitration, will be null and void and any such referral right the Parties may have or allege to have are hereby waived by the Parties.

13. MISCELLANEOUS

13.1 Governing Law. This Agreement, the rights and obligations of the Parties, and any claims or dispute relating thereto, shall be governed by and construed in accordance with the

laws of the State of Florida without giving effect to the conflict of laws principles thereof.

13.2 Notices. All notices required to be sent hereunder shall be in writing and delivered either by hand-delivery or sent by overnight, registered or certified mail, postage prepaid, to the addresses indicated below. Each notice or communication hand-delivered, sent, or mailed in the manner described above shall be deemed provided at such time as it is delivered to the addressee (with the return receipt or the delivery receipt being deemed conclusive, but not exclusive, evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation. Either Party may designate a different address by written notice to the other Party.

If to Licensor: Covanta Energy Corporation
445 South Street
Morristown NJ 07960
Attn: General Counsel

With a Copy to: Covanta Pasco, Inc.
(that shall not 14230 Hays Road
constitute notice) Spring Hill FL 34610
Attn: Business Manager

If to Licensee: County Administrator
Pasco County
West Pasco Government Center
8731 Citizens Drive, Suite 340
New Port Richey, FL 33553

With a Copy to: County Attorney
(that shall not
constitute notice) Pasco County
West Pasco Government Center
8731 Citizens Drive, Suite 340
New Port Richey FL 33553

13.3 Entire Agreement. This Agreement (including any and all Exhibits incorporated herein) constitutes the entire agreement among the Parties with respect to the transactions contemplated herein and the subject matter hereof, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the transactions contemplated herein and the subject matter hereof. No amendment, modification or discharge of this Agreement shall be valid or binding, unless set forth in writing and duly executed and delivered by the Party against whom enforcement of the amendment, modification, or discharge is sought. Without limiting the foregoing, no act, document, usage or custom shall be deemed to amend or modify the terms and conditions of this Agreement. The section headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions of this Agreement. To facilitate execution, this Agreement may be executed in as many counterparts as may be required, and all counterparts shall collectively constitute a single Agreement. Facsimile signatures on such counterparts shall be sufficient to bind the Parties.

13.4 Severability. The Parties hereto have negotiated and prepared the terms and conditions of this Agreement in good faith with the intent that each and every one of the terms in this Agreement is binding upon and inures to the benefit of the respective Parties. Accordingly, if any term or condition, in whole or part, of this Agreement is invalid, unenforceable, void or voidable for any reason whatsoever, each and all of the remaining terms and conditions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law. To the extent a provision of this Agreement is held to be invalid, unenforceable, void or voidable, such provision shall be amended, but only to the extent

necessary to comply with Applicable Law.

13.5 Assignment. This Agreement shall not be assignable by the Licensee without the prior consent of the Licensor, except that without such consent, the Licensee may assign its interest and obligation hereunder to (a) a successor by merger or consolidation of a duly constituted authority or similar entity created by the Licensee or by State of Florida legislation to which all or substantially all of the assets of the Department (including the Facility and this Agreement) are transferred or assigned, (b) any successor public or private owner of the Facility or (c) as security for any financing relative to the Facility or other Licensee solid waste management assets, or both. Any successor must agree in writing to be bound by the terms of this Agreement.

13.6 Third Party Beneficiaries. The Parties agree that there are no intended Third Party beneficiaries to this Agreement.

13.7 Independent Contractors. The relationship between the Parties is that of independent contractors and nothing herein shall be deemed to constitute the relationship of partners, joint venturers, principal and agent or employer and employee between the Parties. Neither Party shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement, or undertaking with any Third Party.

13.8 Waiver. No delay or failure on the part of either Party hereto in exercising any right, power or privilege under this Agreement shall impair any such right, power or privilege or be construed as a waiver or any acquiescence thereto; nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof or the exercise of any

other right, power, or privilege. No waiver shall be valid against either Party, unless made in writing and signed by the Party against whom enforcement of such waiver is sought, and then only to the extent expressly specified therein.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed written and delivered in their name and on their behalf as of the last day and year written below.

ATTEST: [Signature]
CLERK AND COMPTROLLER

PASCO COUNTY
BOARD OF COUNTY COMMISSIONERS



APPROVED
IN SESSION
DEC 17 2013
PASCO COUNTY
ECC

BY: [Signature]
NAME: Jack Mariano
TITLE: Chairman
DATE: Dec 17, 2013

COVANTA ENERGY CORPORATION

BY: [Signature]
NAME: PAUL E STAUER
TITLE: SVP
DATE: 11/4/13

ATTEST:
(SEAL)
[Signature]
WITNESS
[Signature]
WITNESS

EXHIBIT A
CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this "Agreement"), dated as _____, 2__, between Covanta Energy Corporation and its successors and assigns ("Licensor"), a corporation having its principal place of business at 445 South Street, Morristown NJ 07960, organized and existing under the laws of the State of Delaware, and its successors and assigns, and _____ ("Accessing Party"). Licensor or the Accessing Party or both may be referred to herein as the "Party" or the "Parties", as the context of such usage of such term may require.

WITNESSETH:

WHEREAS, the Accessing Party will, pursuant to the Access Agreement (as defined herein), gain access to the Covanta Technology (as defined herein), Intellectual Property (as defined herein) or Confidential Information (as defined herein) or any one or more of the foregoing;

WHEREAS, Licensor has a legal and proprietary interest in protecting the non-disclosure of Confidential Information that the Accessing Party will acquire, be exposed to, or otherwise receive as part of performing its duties or obligations under the Access Agreement;

WHEREAS, the Accessing Party is entering into this Confidentiality Agreement to facilitate its repair, replacement, use or maintenance of the Covanta Technology;

NOW THEREFORE, the Parties hereto, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

DEFINITIONS

“Access Agreement” means any agreement, purchase order or similar instrument whose terms, among other things, recognizes, contemplates or otherwise provides for access to the Covanta Technology, Intellectual Property or Confidential Information or one or more of the foregoing to any Person other than the County, the Contractor or the Replacement Operator.

“Agent(s)” mean any officer, employee or other designated representative of the Accessing Party.

“Applicable Law” means any federal, state, or local statute, law, municipal charter provision, regulation, ordinance, rule, mandate, judgment, order, decree, permit, code or license or other governmental requirement or resolution, the common law arising from final, non-appealable decisions of any Governmental Authorities in the United States, and any interpretation or administration of any of the foregoing by any Governmental Authority, which applies to the services or obligations of the Parties under this Agreement, whether now or hereafter in effect.

“Business Day(s)” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a legal holiday in Pasco County, Florida.

“Confidential Information” means confidential and proprietary information of the Licensor relative to the Covanta Technology which is not generally known to the public,

including designs, data, know-how, trade secrets, schematics, specifications, formulae, processes, techniques, equipment, methods, results, information regarding any research, development, or projects, and other similar information and materials with like characteristics. Confidential Information does not include information or materials or both which: (a) at the time of the disclosure, or thereafter, becomes a part of the public domain through no act or omission, including negligence, of the Accessing Party or any employee of the Accessing Party; (b) was in the Accessing Party possession prior to the disclosure to the Accessing Party by the Licensor; or (c) is disclosed to the Accessing Party by a third Person (other than the Parties) who did not acquire the information directly or indirectly from the Contractor or the Licensor. For purposes of this definition, information relative to the Covanta Technology will not be Confidential Information unless such information is in writing and clearly marked as "CONFIDENTIAL INFORMATION" or, if disclosed orally, summarized in writing and marked "CONFIDENTIAL INFORMATION" prior to or within ten (10) Business Days following such oral disclosure; provided, however, that at the time of any oral disclosure, the Accessing Party was orally advised by the Licensor that such information was Confidential Information and that the written summary of the same required hereunder shall specify in reasonable detail what orally disclosed information was and is "CONFIDENTIAL INFORMATION". The Accessing Party shall have no obligation to protect Confidential Information not so marked and identified.

"Contractor" means Covanta Hillsborough, Inc., an affiliate of Licensor, and formerly Ogden Martin Systems of Hillsborough, Inc.

"County" means Hillsborough County, Florida acting by and through its Board of County Commissioners.

“Covanta Technology” means the certain nitrogen oxide (NOx) emission control technology installed as part of the Facility.

“Facility” means the mass burn, waste-to-energy facility owned by the County, located at 14230 Hays Road, Spring Hill, Pasco County, Florida.

“Facility Participant” means (a) the County, as the owner of the Facility, and its officials and employees, (b) any authorized consulting engineer to the County or a successor owner of the Facility, in either case, to the Facility, (c) any Replacement Operator of the Facility (including any contractor or subcontractor to any such Replacement Operator), (d) any successor owner of the Facility, (e) any third Person authorized by or through the County, a successor owner of the Facility or a Replacement Operator, to provide, fabricate, install, repair or otherwise make available any replacement Parts or related Hardware components to or of the Covanta Technology, or (f) any other Person approved in writing by the Licensor.

“Governmental Authority(ies)” means any (a) federal, national, supranational, international, state, provincial, local, regional or similar government or (b) any governmental, regulatory, legislative, executive or administrative court, tribunal, authority, body, agency or commission, or both having jurisdiction over the Facility or any matters in the agreements pertaining thereto.

“Hardware” means all hardware that is part of or associated with the Covanta Technology, including Parts.

“Intellectual Property” means all intellectual property and proprietary rights worldwide (whether or not registered or registrable, patented or patentable), including patent rights, copyrights, trademark rights, trade secret rights, rights in ideas, inventions and innovations, rights in Confidential Information, moral rights, semiconductor chip rights, database rights,

industrial design rights, and all other similar rights, along with all applications, registrations, renewals, divisionals, continuations, continuations-in-part, reexams, extensions, reissues and foreign counterparts for the foregoing.

“Parts” means all nozzles, valves, hoses, ducts and other hardware and equipment required to operate and maintain the Covanta Technology.

“Person” means an individual, corporation, partnership, limited liability company, trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity not specifically listed herein.

“Replacement Operator” means a third Person, other than the Contractor, who has the primary responsibility to manage, operate and maintain the Facility on behalf of the County or a successor owner of the Facility.

Section 1.0 Non-Disclosure on Confidential Information. The Accessing Party agrees and understands that Confidential Information is and shall remain the property of the Licensor. All Confidential Information disclosed to or received by the Accessing Party shall be deemed confidential and subject to the provisions of this Agreement; provided, however, if the Accessing Party is required as a matter of Applicable Law to disclose Confidential Information, then the Accessing Party shall (a) provide at least fifteen (15) days prior written notice to Licensor before making such disclosure, unless disclosure is required by Applicable Law in a shorter period of time and in such case, the Accessing Party shall provide notice to Licensor promptly upon learning of the required disclosure in advance of making such disclosure and to the extent permissible, exercise commercially reasonable efforts to have such information treated as

Confidential Information, (b) cooperate reasonably with Licensor in attempting to prevent such disclosure; provided such cooperation does not have adverse impact on the otherwise applicable and continuing duties and obligations of the Accessing Party and its employees, representatives, subcontractors, affiliates and advisors, or does not obligate the Accessing Party to take or defend any administrative or judicial action to compel such disclosure (any such action shall be the Licensor's responsibility and at its sole cost and expense), or both, and (c) in the event a protective order is not obtained, furnish only that portion of the Confidential Information which it reasonably believes it is legally obligated, in its reasonable determination of Applicable Law, to disclose, exercising all reasonable commercial efforts to assure that confidential non-disclosure treatment is accorded any Confirmation Information so furnished.

Section 2.0 Permissible Disclosure. The Accessing Party may only disclose Confidential Information in strict compliance with this Agreement and Applicable Law. The Accessing Party specifically agrees that:

(a) it will maintain and keep secret the Confidential Information except as necessary to disclose to its Agents and Facility Participants who have a commercially reasonable need-to-know reason for such Confidential Information in connection with the Access Agreement, if any, during the term thereof and during the Term of this Agreement. Notwithstanding the foregoing, the Accessing Party may disclose Confidential Information without the Licensor's prior written consent to legal, financial, accounting or other similar advisors for the limited purpose of providing legal, financial, accounting or other similar services to the Accessing Party so long as such advisors agree to keep such information confidential.

(b) it will take reasonable steps in accordance with its standard procedures, but no less than a reasonable degree of care, to not disclose or allow the disclosure by itself or its Agents of the Confidential Information to any third Person, except pursuant to Section 2.0(a);

(c) it will not, without the Licensor's prior express written consent, process or distribute the Confidential Information in any manner except as necessary to perform its duties, responsibilities or obligations, or any combination of the foregoing, under the Access Agreement during the term thereof and during the Term of this Agreement;

(d) it will not contact any employee, customer, supplier or competitor of Licensor or its affiliates or any other Person, other than a Facility Participant pursuant to Section 2.0(a), in connection with any aspect of the Confidential Information, without the prior written consent of the Licensor;

(e) upon expiration or termination (i) of the Access Agreement or (ii) of this Agreement pursuant to Section 9.0, the Accessing Party shall discontinue and refrain from all use of all acquired or received Confidential Information or both and promptly deliver to Licensor all originals and copies of Confidential Information in its or its Agents' possession or control and shall destroy all materials (including whole or partial copies, whether in tangible, electronic or other form) embodying any Confidential Information; provided, however, that Accessing Party may retain one (1) copy of Confidential Information for internal archival purposes as required under Applicable Law or audit requirements and only for such purposes subject to the

confidentiality obligations of this Agreement, including, without limitation, its obligations to discontinue and refrain from all use of the acquired or received Confidential Information.

Section 3.0 Restriction Limited to Facility. The Parties hereby acknowledge and agree that this Agreement is only applicable to the Facility and is not, in any manner or for any purpose, applicable to any portion of the Facility other than the Facility.

Section 4.0 Informing Agents. The Accessing Party agrees that it will inform its Agents with access to any of the Confidential Information that, as representatives of the Accessing Party, they may not use any of the Confidential Information, except as contemplated by this Agreement, and that they may not disclose any of the Confidential Information to any third Person, other than authorized Facility Participants pursuant to Section 2.0(a), without the prior written consent of the Licensor.

Section 5.0 Limitation. As between the Parties, neither the Licensor nor any of the Licensor's officers, directors, affiliates, employees or other representatives shall have any responsibility for the completeness of the Confidential Information provided from or to a third party.

Section 6.0 No Rights or Interests in Covanta Technology. The Accessing Party agrees that no Intellectual Property rights or other licenses, expressed or implied, are granted under any patents, copyrights or trade secrets of Licensor related to the Covanta Technology by this Agreement. The Accessing Party agrees that it shall not permit or otherwise allow any third

Person to remove or alter any legends, restrictions, product identification, patent, copyright, trademark or other notices from the Covanta Technology, apply to register or otherwise file to protect the Covanta Technology, in whole or part, or grant a security interest in, or otherwise grant or attempt to transfer any rights, title, or interests in, or allow any attachment, levy, execution upon or against, the Covanta Technology, in whole or part.

Section 7.0 Indemnification by Accessing Party. The Accessing Party shall, to the extent permitted by Applicable Law, indemnify and hold harmless Licensor and its affiliates and their respective directors, officers, employees and agents, and the successors and assigns of any of the foregoing (the "Licensor Indemnitees") from and against any and all claims, demands, losses, damages, liabilities, lawsuits, judgments and awards along with all costs and expenses (including but not limited to, reasonable attorney's and expert fees and all court costs) incurred as a result of third Person claims (collectively "Losses") arising from the unauthorized use or disclosure by the Accessing Party or its Agents of Confidential Information. The Licensor Indemnitees may defend and settle any such claim or demand, provided that the Covanta Indemnitees may not settle any such claim or demand that does not include a full release of the Accessing Party without the Accessing Party's prior written approval, which shall not unreasonably be withheld or delayed. If requested by the Licensor, the Accessing Party shall defend the Licensor Indemnitees against any such claim or demand arising from the unauthorized use or disclosure by the Accessing Party of Confidential Information, provided that the Accessing Party shall (i) engage counsel approved by the Licensor (such approval not to be unreasonably withheld), (ii) routinely advise Licensor of the conduct and status of the defense and (iii) not enter into any compromise or any settlement that does not include a full release of

the Licensor Indemnitees, without the Licensor's prior written approval (such approval not to be unreasonably withheld). Notwithstanding the foregoing, the Accessing Party shall have no obligation under this Section to indemnify, hold harmless and defend against any claim, demand, suit, action, loss, damage, or liability to the extent that (x) Licensor is required to indemnify, hold harmless and defend any third Person (including any Facility Participant) from such claim, liability, damage, fine, penalty or cost; or (y) such claim, demand, suit, action, loss, damage, or liability was caused by the negligence or misconduct of a Licensor Indemnity.

Section 8.0 Term. The term of this Agreement ("Term") shall begin on the date on which this Agreement is executed by the Parties and shall continue, unless the Parties agree to sooner terminate this Agreement in writing, until the earlier of the date (a) five (5) years following the date that the Accessing Party's Access Agreement terminates, expires or is otherwise cancelled or (b) Covanta Technology is no longer used in the Facility.

Section 9.0 Remedies. In the event of a breach or threatened breach of the terms of this Agreement by the Accessing Party, Licensor shall be entitled to seek any legal and equitable relief available, including, without limitation, injunctive relief and damages, to enjoin, prohibit, limit, or otherwise seek compensation for, any such breach or threatened breach of this Agreement; provided, however, Licensor agrees and hereby waives its ability to seek any legal or equitable relief to enjoin, inhibit, limit, impair, impede or otherwise preclude the Accessing Party from performing its duties or obligations or both under the Access Agreement. Notwithstanding the foregoing, the Licensor shall be entitled to seek any other legal and equitable relief whatsoever against the Accessing Party and any action on the part of Licensor seeking any type of monetary damages award is not intended to and shall not be deemed to be an action to enjoin,

inhibit, limit, impair, impede or otherwise preclude the Accessing Party from performing its duties or obligations or both under the Access Agreement. Licensor further agrees and acknowledges that it shall have no right to terminate this Agreement except as provided in Section 8.0 and any action taken by Licensor to attempt to terminate or to terminate this Agreement except as provided in Section 8.0 shall be null and void at inception.

Section 10.0 Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

Section 11.0 Assignment. This Agreement shall be binding on the Parties hereto and their respective personal Agents, representatives, heirs, successors and assigns, but this Agreement shall not be assignable by the Accessing Party without the prior written consent of the Licensor.

Section 12.0 Warranty. The Accessing Party hereby warrants, represents, undertakes and agrees that: (a) it has the full right, power and authority to enter into and perform its obligations under this Agreement, and (b) that entering into this Agreement and performing its obligations hereunder shall not conflict with or violate (i) any other agreement to which it is a party or (ii) Applicable Law as applicable to the Accessing Party.

Section 13.0 Third Person Beneficiaries. The Parties agree that there are no intended third Person beneficiaries to this Agreement.

Section 14.0 Informal Dispute Resolution. The Parties shall attempt to settle any dispute or issue between them relating to this Agreement amicably and agree to exercise all reasonable efforts to resolve the dispute or issue prior to initiating any formal proceeding in accordance with the terms and conditions of this Agreement. Either Party may give the other Party written notice of the existence of a dispute or issue, including a description of the dispute or issues and a proposed resolution thereof.

Section 15.0 Formal Dispute Resolution. In the event the Parties cannot reach an amiable resolution of a matter in controversy through informal dispute resolution pursuant to Section 14.0 of this Agreement, either Party at any time prior to or during such informed dispute resolution, may refer the matter, exclusive of any other judicial forum that may have jurisdiction, to the United States District Court for the Middle District of Florida. The Parties agree that such referral shall be exclusive, and any other referral to any other form, judicial, administrative or otherwise, including mediation, except as referred by such United State District Court, or arbitration, will be null and void and any such referral right the Parties may have or allege to have are hereby waived by the Parties.

Section 16.0 Entire Agreement. This Agreement embodies the entire understanding and agreement of the parties hereto with respect to the subject matter hereof. No amendment or modification of this Agreement shall be valid or binding upon the parties unless made in writing and signed on behalf of each of the parties.

[SIGNATURES APPEAR ON FOLLOWING PAGE]



IN WITNESS WHEREOF, each of the parties hereto has executed or caused this Agreement to be executed by its duly authorized officers or representatives as of the date first above written.

[Accessing Party]

Covanta Energy Corporation

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____



EXHIBIT B

REPLACEMENT OPERATOR LICENSE AGREEMENT

This **REPLACEMENT OPERATOR LICENSE AGREEMENT** (this "Agreement"), is entered into this __ day of ____, ____, by and between Covanta Energy Corporation and its successors and assigns (hereinafter the "Licensor"), a corporation having its principal place of business at 445 South Street, Morristown NJ 07960, organized and existing under the laws of the State of Delaware, and _____ (hereinafter, the "Licensee"). The Licensor and the Licensee or both may be referred to herein as the "Party" or the "Parties", as the context of the usage of such term may require.

WHEREAS, the Licensor is the owner of the Intellectual Property (as defined herein) in and to the Covanta Technology (as defined herein);

WHEREAS, the Covanta Technology was installed in the Facility by a subsidiary of Licensor with the Licensor's authorization;

WHEREAS, the County (as defined herein) desires to engage the services of the Licensee for the management, operation and maintenance of the Facility (as defined herein) in accordance with the terms and conditions of a Replacement O&M Agreement (as defined herein) and the Licensee desires to perform such services under the terms and conditions provided under such Replacement O&M Agreement;

WHEREAS, on and after the Commencement Date (as defined herein), the Licensor desires to grant the Licensee the right to access and use the Covanta Technology as part

of the Licensee's management, operation and maintenance of the facility pursuant to the Replacement O&M Agreement, and to obtain replacement Parts (as defined herein) therefor from the Licensor, the County or from any other Third Party (as defined herein) provider or fabricator as determined by the Licensee or the County, in its sole discretion, pursuant to the terms and conditions of the Replacement O&M Agreement, all as more particularly stated in this Agreement;

WHEREAS, the Parties desire to make clear under this Agreement that during and after the Term (as defined herein), the County will have title to and own all Hardware (as defined herein); the Licensee, during the Term only, will have the right to access and use the Covanta Technology and the Hardware; and the Licensor, during and after the Term, will continue to be the sole owner of all Intellectual Property rights in the Covanta Technology, including all Confidential Information (as defined herein); and

WHEREAS, the Licensor is willing to grant such license to the Licensee and to recognize the Licensee's right to access and use the Covanta Technology and the Hardware, all in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties do covenant and agree as follows:

DEFINITIONS

"Agreement" means this license agreement along with all Exhibits and any amendments hereto.

"Applicable Law(s)" means all statutes, laws, ordinances, regulations, rules, codes, orders, requirements or rules of law (including, without limitation, common laws) of Governmental Authorities.

"Business Day(s)" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a legal holiday in Pasco County, Florida.

"Commencement Date" means the date that the Licensee commences its management, operations and maintenance obligations of the Facility under the Replacement O&M Agreement.

"Confidential Information" means confidential and proprietary information of the Licensor relative to the Covanta Technology which is not generally known to the public, including designs, data, know-how, trade secrets, schematics, specifications, formulae, processes, techniques, equipment, methods, results, information regarding any research, development, or projects, and other similar information and materials with like characteristics. Confidential Information does not include information or materials or both which: (a) at the time of the disclosure, or thereafter, becomes a part of the public domain through no act or omission, including negligence, of the Licensee or any employee of the Licensee; (b) was in the Licensee's possession prior to the disclosure to the Licensee by the Licensor; or (c) is disclosed to the Licensee by a Third Party who did not acquire the information directly or indirectly from the Licensor.

“Covanta Technology” means that certain nitrogen oxide (NOx) emission control technology installed in the Facility by the Licensor’s subsidiary.

“County” means Pasco County, Florida, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, or any legal successor owner of the Facility.

“Daily Breach Damages” means (a) zero dollars (\$0.00) per day for the first fifteen (15) days after the date that the Licensor has provided written notice to the Licensee of a breach of this Agreement, (b) if the breach specified in (a) has not been cured within such fifteen (15) day period, one thousand dollars (\$1,000.00) per day for the next fifteen (15) days that such breach has not been cured and (c) if the breach specified in (a) has not been cured within the cumulative thirty (30) day period ((a) plus (b) time periods) after the Licensor has provided the written notice of the breach pursuant to (a), the daily operation and maintenance fee thereafter relative to the Facility until such breach is cured.

“Department” means the Solid Waste Management department of Pasco County, Florida and any successor thereto.

“Direct Costs” means, in connection with any cost or expense incurred by Licensor directly related to the Licensor’s provision of assistance and know-how to the Licensee for installation and use of replacement Parts in the Facility, the sum of (a) the costs of the Licensor’s and any affiliate’s payroll directly and proportionately related to the performance of such assistance and/or the provision of such know how, consisting of compensation and fringe benefits, including vacation, sick leave, holidays, retirement, worker’s compensation insurance and employer’s liability insurance, federal and State unemployment taxes and all medical and

health insurance benefits plus (b) subject to Applicable Law, the reasonable costs of travel and subsistence to and from the Site incurred by any employee of the Licensor and any affiliate rendering such performance or providing such know how.

“Documentation” means the written instructional materials delivered by Licensor to Licensee or the County relating to the operation, installation and/or maintenance of the Covanta Technology.

“Exhibit” means an exhibit to this Agreement which is incorporated into and made a part of this Agreement. .

“Facility” means the mass burn, waste-to-energy facility, owned by the County and located at 14230 Hays Road, Spring Hill in Pasco County, Florida.

“Governmental Authority” means any (a) federal, national, supranational, international, state, provincial, local, or similar government or (b) any governmental, regulatory, legislative, executive or administrative court, tribunal, authority, body, agency or commission, or both having jurisdiction over the Facility or matters in the agreements pertaining thereto.

“Hardware” means all hardware that is part of or associated with the Covanta Technology, including Parts.

“Intellectual Property” means all intellectual property and proprietary rights worldwide (whether or not registered or registrable, patented or patentable), including patent rights, copyrights, trademark rights, trade secret rights, rights in ideas, inventions and innovations, rights in Confidential Information, moral rights, semiconductor chip rights, database rights, industrial design rights, and all other similar rights, along with all applications, registrations,

renewals, divisionals, continuations, continuations-in-part, reexams, extensions, reissues and foreign counterparts for the foregoing.

“**License**” shall have the meaning as set forth in Section 1.1.

““**License Agreement**” means that License Agreement between the County and Licensor dated _____.

“**Licensee Indemnitees**” shall have the meaning as set forth in Section 0.

“**Licensor Indemnitees**” shall have the meaning as set forth in Section 0.

“**Losses**” shall have the meaning specified in Section 7.

“**Markup**” means overhead and profit in a total, combined amount equal to ten percent (10%) of clause (a) only of the definition of “Direct Costs”.

“**Parts**” means all nozzles, valves, hoses, ducts and other hardware and equipment required to operate and maintain the Covanta Technology.

“**Person**” means an individual, corporation, partnership, limited liability company, trust, association, joint stock company, joint venture, pool, syndicate, sole proprietorship, unincorporated organization, Governmental Authority or any other form of entity not specifically listed herein.

“**Replacement O&M Agreement**” means the agreement executed between the Licensee and the County that establishes terms and conditions binding upon the Licensee under which

Licensee agrees to manage, operate and maintain the Facility for any period of time after the Commencement Date.

“Section” shall mean a section of this Agreement unless the context of the usage thereof clearly indicates a different agreement or document is referenced.

“Site” shall mean the real property located in Pasco County, Florida upon which the Facility is located.

“Term” shall have the meaning specified in Section 11.1.

“Third Party(ies)” means any Person(s) other than the Licensor and the Licensee.

1. SCOPE OF LICENSE.

1.1 Covanta Technology. In accordance with the terms of this Agreement and during the Term, the Licensor hereby grants to the Licensee a non-exclusive, non-transferable license to the Covanta Technology (“License”) (a) to use the Hardware in the operation of the Facility on behalf of the Licensee and (b) to use the Documentation in connection with the operation of the Facility.

1.2 Replacement Parts. During the Term, the Licensor agrees to make available to Licensee at any time upon written request by Licensee (a) any replacement Parts that the Licensor makes available, fabricates or causes to be fabricated by any Third Party, and (b) the Licensor’s reasonable assistance and know how as may be needed by the Licensee from time-to-time for the fabrication, installation and use of such replacement Parts in the management, operation and/or maintenance (or any one or any combination of the foregoing) of the Facility; provided, however, in no event shall the foregoing obligation require the Licensor to deliver,

provide or license any Intellectual Property beyond that reasonably needed by the Licensee to exercise and fulfill the rights granted to the Licensee pursuant to this License. Any replacement Parts or assistance or both provided or made available by Licensor pursuant to the first sentence of this Section 1.2 shall be provided or made available (1) with respect to replacement Parts, at prices and on terms no less favorable than those provided by the Licensor to any other Third Party licensee, and (2) with respect to assistance and know how, at Direct Costs, inclusive of Markup; provided, however, to the extent the County pays any such amounts under the License Agreement, the Licensor, the Licensee herein shall not be liable for such amounts. The Licensee may, in its sole discretion, fabricate or install or both, or cause or request a Third Party (including the County) to provide, make available, fabricate, or install (or any combination thereof), any replacement Parts that the Licensee deems necessary and appropriate for purposes of performing its duties and obligations under the Replacement O&M Agreement; provided however, in the event the Licensee seeks to obtain any replacement Parts from a Third Party (other than the County), the Licensee shall require the providing Third Party to execute a Confidentiality Agreement in accordance with Section 1.4(a) of this Agreement.

1.3 Use of License. The Parties hereby acknowledge and agree that both the License grant under Section 1.1, and the grant relating to replacement Parts under Section 1.2, are only applicable to the Licensee's management, operation or maintenance (or any combination of the foregoing) of the Facility, and are not, in any manner or for any purpose, applicable to any portion of the Facility other than the Facility.

1.4 Restrictions. The Licensee may only use the Covanta Technology in strict compliance with the terms and conditions of this Agreement. Without limiting the generality of the foregoing and without the Licensor's prior written consent, the Licensee agrees that it shall

not, and shall not authorize, permit or otherwise allow any Third Party to, (a) access or make use of the Covanta Technology in any manner or for any purpose other than as expressly permitted by the terms of this Agreement, except that (1) the County pursuant to any existing license agreement between the Licensor and the County relative to the access or use or both of the Covanta Technology in the Facility, (2) any contractor or subcontractor to the Licensee, (3) any Third Party (other than the County) providing, fabricating, installing or otherwise making available any replacement Parts for the Licensee pursuant to Section 1.2 of this Agreement, (4) the consulting engineer to the Department relative to the Facility, and (5) any other Person requested by the Licensee, shall, in each case, have such access or use rights or both as limited by the following: (A) with respect to subparagraphs (2), (3), (4) or (5) above, such Person(s) shall have access rights (including with respect to subparagraphs (2) and (3) only, repair, replacement and maintenance rights) but not use rights and such access (including repair, replacement and maintenance rights relative to subparagraphs (2) and (3) only) shall be subject to the Section 10 requirement that any such Person execute the Confidentiality Agreement attached hereto as Exhibit A if such Person has not previously executed a Confidentiality Agreement; (B) with respect to subparagraph (1), the County's access and use of the Covanta Technology shall be limited to the terms of the License Agreement between the Licensor and the County; and (C) any successor owner of the Facility shall have the right to access and use the Covanta Technology and to manage, operate, repair, replace and maintain the same upon any assignment of the License Agreement between the Licensor and the County relative to the access or use or both of the Covanta Technology in the Facility; (b) remove or alter any legends, restrictions, product identification, patent, copyright, trademark or other notices from the Covanta Technology or any information or materials relating thereto; (c) claim any right, title, interest or license in, or apply to register or otherwise file to protect the Covanta Technology, in

whole or part; or (d) grant a security interest in, or otherwise grant or attempt to transfer any rights, title, or interests in, or allow any attachment, levy, execution upon or against, the Covanta Technology or any related Intellectual Property, in whole or part. With respect to the Licensee's obligation not to authorize, permit or otherwise allow any Third Party to proceed with or pursue paragraphs (a), (b), (c) or (d) above under this Section 1.4, the Licensee's sole enforcement obligation in such respect shall be to provide written notice to the Licensor pursuant to Section 4.2; provided, however, such sole enforcement obligation shall not be read as lessening the Licensee's obligation not to authorize, permit or otherwise allow, affirmatively or by omission, a Third Party to proceed with or pursue paragraphs (a), (b), (c) or (d).

1.5 Remedies. The Licensor agrees and hereby waives its ability to seek any legal or equitable relief to enjoin, inhibit, limit, impair, impede or otherwise preclude the Licensee from performing its duties or obligations or both under the Replacement O&M Agreement provided that this Agreement remains in effect. Notwithstanding the foregoing, the Licensor shall be entitled to seek Daily Breach Damages only for any breach by the Licensee of this Agreement and any such monetary damages are not intended to and shall not be deemed to enjoin, inhibit, limit, impair, impede or otherwise preclude the Licensee from performing its duties or obligations or both under the Replacement O&M Agreement. The Licensor further agrees and acknowledges that it shall have no right to terminate this Agreement except as provided in Section 11 and any action taken by the Licensor to attempt to terminate or to terminate this Agreement except as provided in Section 11 shall be null and void at inception. The Parties acknowledge and agree that Daily Breach Damages are not intended to be and shall not be deemed a penalty, but instead are compensatory in nature in view of, among other things, this Agreement not being terminable by the Licensor upon an incurred breach by the Licensee.

The Parties acknowledge and agree that the Licensor's rights and remedies set forth above in this Section 1.5 are not exclusive and that the Licensor shall be entitled to seek all of its available legal and equitable rights and remedies against the Licensee (except the specific rights and remedies that have been waived by the Licensor against the Licensee under the first paragraph of this Section 1.5), including, without limitation, the right of the Licensor to seek any legal or equitable relief involving the Licensee's unauthorized use of the Covanta Technology apart from use in connection with the Facility.

1.6 Inspection. The Parties agree that Licensor or its designated representative or both shall have the right, during normal business hours, to conduct a reasonable inspection of the Licensee's facilities, equipment, books, records and other materials owned by the Licensee for the sole purpose of confirming compliance with the terms and conditions of this Agreement. The Licensee agrees to permit the Licensor or its designated representatives or both to enter its premises for such purpose during normal business hours, provided that Licensor shall give reasonable prior notice to Licensee of the date and time of its proposed inspection. The Licensee shall cooperate fully with Licensor and its representatives and shall render reasonable assistance or information, as requested by Licensor. Notwithstanding the foregoing, the Licensee's provision of access to the Licensor of the Licensee's facilities shall be subject to (a) the Licensee's access and inspection rules and regulations applicable to all Third Parties accessing and inspecting the Licensee's facilities and (b) the safety and security requirements of the Licensee which the Licensee agrees shall not be discriminatory to the Licensor.

2. LICENSE FEES.

The Licensee acknowledges that the Licensor has made a significant investment in the development of the Covanta Technology and that the use of the same normally requires payment of an annual license fee. However, certain consideration for such license has previously been provided by the County, and therefore the Licensee agrees to pay Licensor one (1) dollar (US) on

the date of the execution of this Agreement in satisfaction of the license granted to Licensee under this Agreement. The Licensor agrees to waive any other license or other fee that would otherwise be charged to the Licensee for the rights granted by Licensor under this Agreement or for the Licensor's enforcement of such rights (other than any fees, costs or expenses that the Licensor may recover or may be awarded with respect to enforcement efforts against the Licensee).

3. OWNERSHIP OF COVANTA TECHNOLOGY.

3.1 Covanta Technology. The Licensee agrees that the Licensor retains all rights, title and ownership interests in the Covanta Technology and all Intellectual Property therein. The Licensee agrees that to the extent not required by Applicable Law, it shall not, and shall not cause a Third Party or affirmatively and actively assist a Third Party, to contest or otherwise do any act that would interfere with or negatively affect the validity of, or the Licensor's ownership of, the Covanta Technology and any Intellectual Property rights therein during and after the Term of this Agreement. Nothing contained in this Agreement shall be deemed to prohibit the Licensor from entering into agreements or similar relationships with Third Parties for the licensing, distribution or other use of the Covanta Technology.

3.2 Hardware. The Parties agree that Section 3.1 shall only be interpreted to mean that the Licensor has title to and owns the Covanta Technology and all Intellectual Property rights therein and that the County, on and after the earlier to occur of (a) the delivery to the Site of the Hardware for incorporation into the Facility or (b) the Licensee's or the Replacement Operator's payment for the Hardware, shall have title to and own the Hardware. For purposes of clarity, the County's ownership of any replacement Parts shall be calculated and satisfied on a per-Part delivery or payment basis as provided above in this Section 3.2.

4. PROTECTION OF COVANTA TECHNOLOGY.

4.1 Licensor Exclusive Rights. The Licensor has the sole and exclusive right, as may be exercised in the Licensor's sole discretion, to file patent, trademark, copyright and other applications for registration, and to maintain, amend or abandon such applications or any resulting patents or registrations, for the Covanta Technology, in one or more jurisdictions worldwide.

4.2 Notice of Infringement. If the Licensee receives information clearly evidencing that a Third Party is infringing on, misappropriating, misusing or otherwise violating the Licensor's Intellectual Property rights in the Covanta Technology pursuant to subparagraphs (a), (b), (c) or (d) of Section 1.4 or otherwise, then the Licensee shall provide the Licensor written notice thereof as soon as reasonably practicable following the Licensee's receipt of such information and the Licensee shall have no further obligation, except as provided in Section 4.3 below, relative to such infringement, misappropriation, misuse or violation under this Agreement.

4.3 Licensor Action Against Infringement. The Licensor shall have the sole right to take action, if any, as determined in the Licensor's sole discretion, against any Third Party who may be infringing, misappropriating or otherwise violating the Licensor's Intellectual Property rights in the Covanta Technology, at the Licensor's sole cost and expense, and the Licensor shall have the right to retain any award or settlement resulting therefrom. The Licensee agrees to cooperate reasonably with the Licensor as reasonably requested in connection with any such action, at the Licensor's sole cost and expense, including, but not limited to, joining the action as a party, if needed, and providing requested books, records and information within its

possession or control that are not confidential information to the Licensee under Applicable Law. The Licensor has the right to retain any award or settlement resulting from any such action.

5. **LICENSOR WARRANTIES.** The Licensor hereby warrants, represents, undertakes and agrees that: (a) it has the full right, power and authority to enter into and perform its obligations under this Agreement, and (b) entering into this Agreement and performing its obligations hereunder shall not conflict with or violate any (1) other agreement to which the Licensor is a party, (2) any provision of the Certificate of Incorporation or By-laws of the Licensor or (3) any Applicable Laws.

6. **LICENSEE WARRANTIES.** The Licensee hereby warrants, represents, undertakes and agrees that (a) it has the full right, power and authority to enter into and perform its obligations under this Agreement and (b) entering into this Agreement and performing its obligations hereunder shall not conflict with or violate any (1) other agreement to which Licensee is a party or (2) any Applicable Laws.

7. **INDEMNIFICATION BY LICENSEE.** The Licensee shall indemnify and hold harmless the Licensor and its affiliates and their respective directors, officers, employees and agents, and the successors and assigns of any of the foregoing (the "**Licensor Indemnitees**") from and against any and all claims, demands, losses, damages, liabilities, lawsuits, judgments and awards along with all costs and expenses (including but not limited to, reasonable attorney's and expert fees and all court costs) incurred as a result of Third Party claims (collectively "**Losses**") arising from (a) a material breach of a representation, warranty or covenant under this Agreement by the Licensee or (b) any negligent act of omission or commission on the part of the Licensee regarding the Covanta Technology or the Licensor's Intellectual Property rights in the Covanta Technology. The Licensor Indemnitees may defend and settle any such claim or demand,

provided that (1) the Licensee shall remain solely responsible for all Losses related thereto arising as a result of (a) or (b) above and (2)(A) the Licensor routinely advises the Licensee of the conduct and status of the defense and provides reasonable prior written notice and permits the Licensee's representatives to attend all meetings and participate in good faith in all settlement discussions regarding the claim or demand and (B) Licensor Indemnitees shall not settle such claim or demand without the Licensee's approval which shall not unreasonably be withheld or delayed. The Parties agree that the Licensee's approval shall not be or be deemed to be a waiver of the Licensee's rights under Applicable Law. If requested by the Licensor, the Licensee shall defend the Licensor Indemnitees against any such claim or demand arising as a result of (a) or (b) above, provided that the Licensee shall (i) engage counsel approved by the Licensor (such approval not to be unreasonably withheld or delayed), (ii) routinely advise the Licensor of the conduct and status of the defense and provides reasonable prior written notice and permits Licensor's representatives to attend all meetings and participates in good faith in all settlement discussions regarding the claim or demand, and (iii) not enter into any compromise or any settlement without the Licensor's prior approval (such approval not to be unreasonably withheld or delayed). Notwithstanding the foregoing, the Licensee shall have no obligation under this Section to indemnify, hold harmless and defend against any claim, demand, suit, action, loss, damage, or liability to the extent that (x) the Licensor is required to indemnify, hold harmless and defend a Licensee Indemnitee from such claim, liability, damage, fine, penalty or cost under this Agreement or (y) such claim, demand, suit, action, loss, damage, or liability was caused by the negligence or misconduct of a Licensor Indemnitee.

8. INDEMNIFICATION BY LICENSOR. The Licensor shall indemnify, hold harmless and defend the Licensee, its officers, employees, sublicensees, representatives and agents, and the successors and assigns of any of the foregoing (the "Licensee Indemnitees") from and against any and all Losses

incurred as a result of Third Party claims alleging that the Covanta Technology, including the Intellectual Property rights of the Licensor therein, as used in accordance with the terms and conditions of this Agreement infringes a Third Party's intellectual property rights. The Licensor's obligations under this Section shall be conditioned on the Licensee (a) giving the Licensor reasonably prompt notice of any such claim, demand, suit, action, loss, damage, or liability and (b) permitting the Licensor to control the defense and settlement of any such claim, demand, suit or action; provided, however, the Licensor may not enter into any compromise or any settlement that does not include a full release of the Licensee Indemnitees without the Licensee's prior approval. Notwithstanding the foregoing, the Licensor shall have no obligation under this Section to indemnify, hold harmless and defend against any claim, demand, suit, action, loss, damage, or liability to the extent that (1) the Licensee is required to indemnify, hold harmless and defend a Licensor Indemnitee from such claim, liability, damage, fine, penalty or cost under this Agreement or (2) such claim, demand, suit, action, loss, damage, or liability was caused by the negligence or misconduct of a Licensee Indemnitee. In any event, failure of Licensee to notify the Licensor shall not relieve the Licensor from any liability, except to the extent the Licensor shall have been materially prejudiced by such failure.

9. DISCLAIMER AND LIMITATION ON LIABILITY.

9.1 DISCLAIMER. THE WARRANTIES PROVIDED IN SECTION 0 ARE THE ONLY WARRANTIES MADE BY THE LICENSOR, AND THE LICENSOR MAKES NO OTHER WARRANTIES, REPRESENTATIONS OR GUARANTEES, WHETHER EXPRESS OR IMPLIED, AND DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR GUARANTEES, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, ACCURACY, AND NON-INFRINGEMENT, RELATING TO THE COVANTA TECHNOLOGY, AND OTHERWISE RELATING TO THIS AGREEMENT.

9.2 LIMITATIONS ON LIABILITY. EXCEPT PURSUANT TO SECTIONS 7 AND 8, EACH OF THE PARTIES AND ITS AFFILIATES AND THEIR DIRECTORS, OFFICERS, EMPLOYEES, SUPPLIERS, AND AGENTS, AND THE SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING, SHALL HAVE NO LIABILITY FOR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES OR DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY PUNITIVE DAMAGES OR LOSS PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.

10. CONFIDENTIALITY. The Licensee acknowledges that it may have previously acquired Confidential Information and may acquire Confidential Information during the Term and agrees, to the extent permitted by Applicable Law, to treat such Confidential Information as confidential. Except as otherwise expressly provided herein or as otherwise agreed by the Parties in writing, during the Term, the Licensee shall, to the extent permitted by Applicable Law, (a) use commercially reasonable efforts, but no less than a reasonable degree of care, to maintain such Confidential Information as confidential and to prevent disclosure thereof and access thereto, except to and by those Person(s) as permitted pursuant to the terms of Section 1.4(a)(1)-(5), (b) not disseminate such Confidential Information for use by a Third Party other than as permitted pursuant to Section 1.4(a)(1)-(5) and (c) not use the Confidential Information for any purpose other than for the purpose of performing its obligations or exercising its rights hereunder.

Should any disclosure of Confidential Information be required by Applicable Law, the Licensee shall (A) provide at least fifteen (15) days prior written notice to the Licensor before making such disclosure unless disclosure is required by Applicable Law in a shorter period of time and in such circumstances, the Licensee shall provide notice to the Licensor promptly upon learning of the required disclosure and in advance of making such disclosure, and (B) provide

reasonable assistance to the Licensor to the extent permissible in obtaining confidential treatment of information that is the subject of the disclosure.

The Licensee shall require that any Person(s) referenced in Section 1.4(a)(2), (3), (4) or (5) to execute the Confidentiality Agreement attached hereto as Exhibit B (if such Person has not already executed an existing Confidentiality Agreement) prior to providing any such Person with access to or use of the Covanta Technology or any Confidential Information and shall provide the Licensor at the address specified in Section 13.2 with the executed Confidentiality Agreement by each such Person within twenty (20) days following such Person's execution of such Confidentiality Agreement. The Licensee's obligation with respect to any Confidentiality Agreement required by this Section 10 ends when the Confidentiality Agreement, executed by such Person, is provided by the Licensee to the Licensor. Execution and enforcement of any Confidentiality Agreement, if at all, shall be the sole responsibility of the Licensor.

Notwithstanding the foregoing, the Licensee may disclose Confidential Information without the Licensor's prior written consent to legal, financial, accounting or other similar advisors for the limited purpose of providing legal, financial, accounting or other similar services to the Licensee so long as such advisors agree to keep such information confidential and to not use such information except as needed to provide services to the Licensee. The Licensee agrees that the terms and conditions of this Section 10 shall continue during the Term and for a period of five (5) years after the Term.

The Parties agree for purposes of this Agreement that information relative to the Covanta Technology will not be Confidential Information unless such information is in writing and clearly marked as "CONFIDENTIAL INFORMATION" or, if disclosed orally, summarized in writing and marked as "CONFIDENTIAL INFORMATION" prior to or within ten (10) Business

Days following such oral disclosure; provided, however, that at the time of any oral disclosure, the Licensee was orally advised by the Licensor that such information was Confidential Information and that the written summary of the same required hereunder shall specify in reasonable detail what orally disclosed information was and is "CONFIDENTIAL INFORMATION". The Licensee shall have no obligation to protect Confidential Information not so marked or identified.

11. TERM AND TERMINATION.

11.1 Term. The term of this Agreement ("Term") shall begin on the Commencement Date and shall continue unless and until the earlier to occur of (a) the expiration or termination of the Replacement O&M Agreement, (b) the Parties agree to sooner terminate this Agreement in writing or (c) if this Agreement is sooner terminated in accordance with its terms.

11.2 Termination. This Agreement may be terminated by either Party upon prior written notice to the other Party, at any time following the County's cessation of operations of the Covanta Technology in the Facility on a permanent basis.

11.3 Effect of Termination. Termination shall be effective upon the date given in the notice as provided herein. Upon termination of this Agreement, the rights granted under this Agreement shall become null and void ninety (90) days following receipt of such termination notice by the receiving Party of such termination notice, and the Licensee shall on and after ninety-first (91st) day following such notice, (a) discontinue all use of the Covanta Technology and any and all Confidential Information and (b) to the extent permitted by Applicable Law, deliver to the Licensor or destroy, as reasonably instructed by the Licensor, all materials (including whole or partial copies, whether in tangible, electronic or other form) possessed by the

Licensee embodying the Covanta Technology, including any materials containing any Confidential Information. The termination of this Agreement shall not affect any obligation or liability incurred by either Party prior to termination, and the following sections shall survive termination of this Agreement: Sections 2, 3, 5-11, 11.3, 12 and 13.

12. DISPUTE RESOLUTION.

12.1 Informal Dispute Resolution. The Parties shall attempt to settle any dispute or issue between them relating to this Agreement amicably and agree to exercise all reasonable efforts to resolve the dispute or issue prior to initiating any formal proceeding in accordance with the terms and conditions of this Agreement. Either Party may give the other Party written notice of the existence of a dispute or issue, including a description of the dispute or issues and a proposed resolution thereof. Nothing herein, however, shall preclude either Party, at any time, from proceeding in accordance with Section 12.2.

12.2 Formal Dispute Resolution. In the event the Parties cannot reach an amiable resolution of a matter in controversy through informal dispute resolution pursuant to Section 12.1, either Party at any time prior to or during such informed dispute resolution, may refer the matter, exclusive of any other judicial forum that may have jurisdiction, to the United States District Court for the Middle District of Florida. The Parties agree that such referral shall be exclusive, and any other referral to any other form, judicial, administrative or otherwise, including mediation, except as referred by such United State District Court, or arbitration, will be null and void and any such referral right the Parties may have or allege to have are hereby waived by the Parties.

13. MISCELLANEOUS

13.1 Governing Law. This Agreement, the rights and obligations of the Parties, and

any claims or dispute relating thereto, shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to the conflict of laws principles thereof.

13.2 Notices. All notices required to be sent hereunder shall be in writing and delivered either by hand-delivery or sent by overnight, registered or certified mail, postage prepaid, to the addresses indicated below. Each notice or communication hand-delivered, sent, or mailed in the manner described above shall be deemed provided at such time as it is delivered to the addressee (with the return receipt or the delivery receipt being deemed conclusive, but not exclusive, evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation. Either Party may designate a different address by written notice to the other Party.

If to Licensor: Covanta Energy Corporation
445 South Street
Morristown NJ 07960

With a Copy to: Covanta Pasco, Inc.
14230 Hays Road
(that shall not Spring Hill FL 34610
constitute notice) Attn: Business Manager

If to Licensee:

With a Copy to:

(that shall not
constitute notice)

13.3 Entire Agreement. This Agreement (including any and all Exhibits incorporated

herein) constitutes the entire agreement among the Parties with respect to the transactions contemplated herein and the subject matter hereof, and it supersedes all prior oral or written agreements, commitments or understandings with respect to the transactions contemplated herein and the subject matter hereof. No amendment, modification or discharge of this Agreement shall be valid or binding, unless set forth in writing and duly executed and delivered by the Party against whom enforcement of the amendment, modification, or discharge is sought. Without limiting the foregoing, no act, document, usage or custom shall be deemed to amend or modify the terms and conditions of this Agreement. The section headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions of this Agreement. To facilitate execution, this Agreement may be executed in as many counterparts as may be required, and all counterparts shall collectively constitute a single Agreement. Facsimile signatures on such counterparts shall be sufficient to bind the Parties.

13.4 Severability. The Parties hereto have negotiated and prepared the terms and conditions of this Agreement in good faith with the intent that each and every one of the terms in this Agreement is binding upon and inures to the benefit of the respective Parties. Accordingly, if any term or condition, in whole or part, of this Agreement is invalid, unenforceable, void or voidable for any reason whatsoever, each and all of the remaining terms and conditions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law. To the extent a provision of this Agreement is held to be invalid, unenforceable, void or voidable, such provision shall be amended, but only to the extent necessary to comply with Applicable Law.

13.5 Assignment. This Agreement shall not be assignable by the Licensee. Any attempt by the Licensee to assign this Agreement shall be null and void at inception.

13.6 Third Party Beneficiaries. The Parties agree that there are no intended Third Party beneficiaries to this Agreement.

13.7 Independent Contractors. The relationship between the Parties is that of independent contractors and nothing herein shall be deemed to constitute the relationship of partners, joint venturers, principal and agent or employer and employee between the Parties. Neither Party shall have any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement, or undertaking with any Third Party.

13.8 Waiver. No delay or failure on the part of either Party hereto in exercising any right, power or privilege under this Agreement shall impair any such right, power or privilege or be construed as a waiver or any acquiescence thereto; nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. No waiver shall be valid against either Party, unless made in writing and signed by the Party against whom enforcement of such waiver is sought, and then only to the extent expressly specified therein.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed written and delivered in their name and on their behalf as of the day and year written above.

By: _____
Name: _____
Title: _____
Date: _____

COVANTA ENERGY CORPORATION

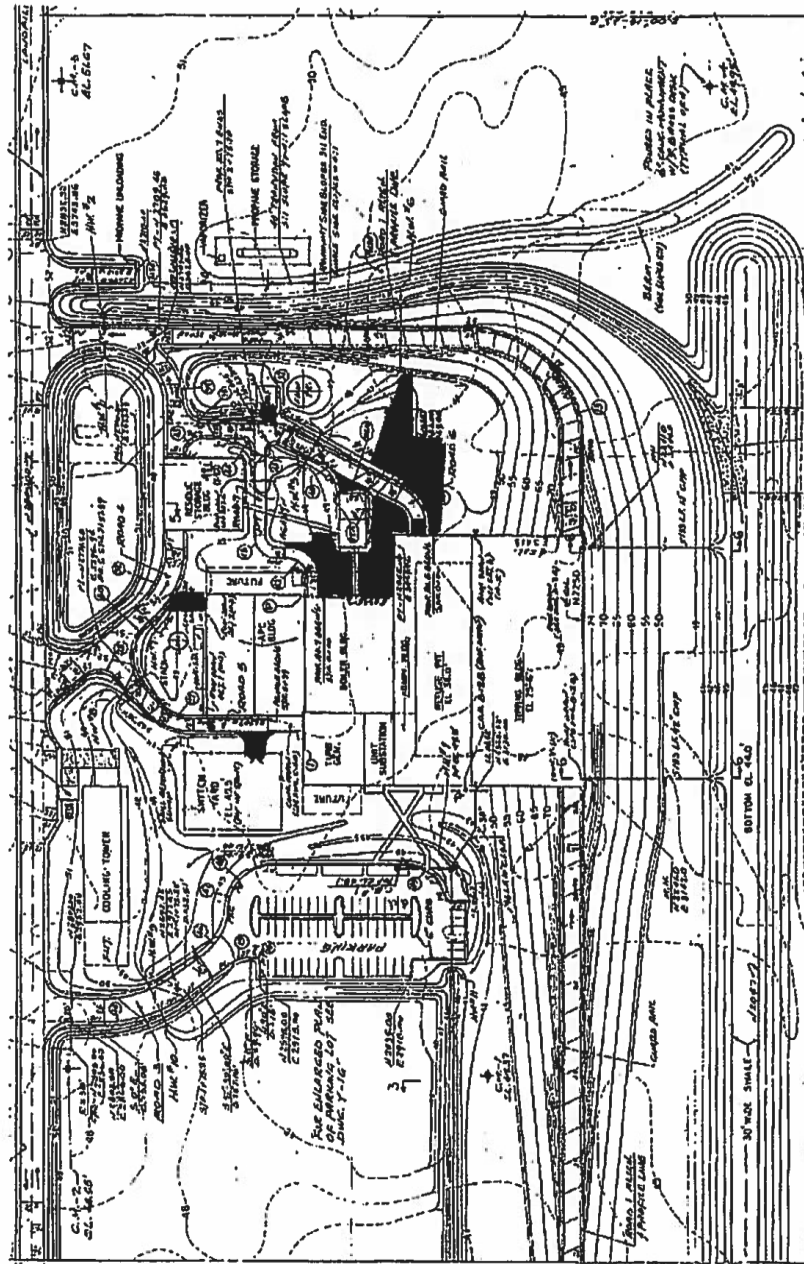
By: _____
Name: _____
Title: _____
Date: _____

SCHEDULE 22

FACILITY AND EXPANDED FACILITY SITE ROAD PAVEMENT REPAIR
RESPONSIBILITY
(Contractor Repair & Maintenance Responsibility Shaded)

[ATTACHED]

Schedule 22, Pavement Repair Responsibility



SCHEDULE 23

Stoker Major Work Scope Responsibility

Equipment and Labor		County	Contractor
Transverse Frame – main steel structure including Complete Grate Driving Mechanism (yolks, cylinders, connecting rods)		X	
Grate Surface Replacement (removal, inspections, measurements, repairs, reinstall) includes greasing lines and connections		X	
Feed Rams Replacement			X
Feed Table with castings Replacement			X
Feed Table Scrapers Replacement			X
Feedchute Replacement			X
Feedchute Curved Blocks Replacement			X
Transition piece Replacement – water cooled			X
Feed Hopper Repairs (remove if not Major OH)			X
Riddling Chutes Replacement			X

The replacement of the transverse frame requires removal of several other major components to facilitate the work. These include:

1. Grate surface complete
2. Feedtable
3. Feed Rams
4. Feed Chute
5. Feed Chute Transition Piece

The replacement of the items at the same time as the transverse frame will make efficient use of the labor to perform these jobs and will prevent the reuse of old items that will likely need replaced in a shorter time frame, thereby increase the overall labor costs.