

Working Copy  
**DO NOT EXECUTE**

---

NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1  
AMENDED AND RESTATED SUPPLEMENTAL POWER SALES AGREEMENT

---

## TABLE OF CONTENTS

<u>SECTION</u>		<u>PAGE</u>
1	Definitions	2
2	Term of Agreement	5
3	Sale and Purchase of All Requirements Bulk Power Supply and Supplemental Bulk Power Supply	6
4	Rates and Charges	9
5	Total Annual Budget and Monthly Bills; Payments By the Participant	9
6	Rate Review; Payment Sources	12
7	Obligations in the Event of Default	13
8	Rights of Duke and Others Hereunder	14
9	Dispatch; Deliveries; Distribution Delivery Station Costs; Load Forecasts; System Reliability	15
10	Consulting Engineer	17
11	Participant Planning and Operations	18
12	Miscellaneous General Provisions	20
13	Future Projects Undertaken by Power Agency	24
14	Records; Accounts; Reports; Audits	24
15	Modification and Uniformity of Agreements	25
16	Assignment of Agreement	26
17	Severability	26
18	Applicable Law; Construction	26
19	Survivorship of Obligations	27
20	No Delay	27
21	Further Documentation	27

22	Incorporation of Exhibits	27
23	Continuance and Enforcement of Agreement	28
24	Relationship to Other Instruments	28
25	Entire Agreement	28
26	Preaudit Certification	29
27	Attorney's Approval	29

NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1  
AMENDED AND RESTATED SUPPLEMENTAL POWER SALES AGREEMENT

THIS AGREEMENT is dated as of January 23, 2026, by North Carolina Municipal Power Agency Number 1, a joint agency of the State of North Carolina (“Power Agency”), and the Town of Pineville, a municipality of the State of North Carolina which has executed this Agreement (the “Participant”). Capitalized terms not defined in Section 1 or otherwise herein shall have the meanings assigned thereto in the Project Power Sales Agreements and the Project Agreements (each as hereinafter defined).

WHEREAS, Power Agency has heretofore been duly organized as a public body and a body corporate and politic under the laws of the State of North Carolina (G.S. Chapter 159B) and, among other things, is authorized to sell for resale electric power and energy; and

WHEREAS, the Participant is a city or town created under the laws of the State of North Carolina, owning a system or facilities for the generation, transmission, or distribution of electric power and energy for public and private use, and is authorized by said laws to contract to buy from Power Agency the power and energy required for its present and future requirements; and

WHEREAS, the Participant has need of an economical and reliable source of electric power and energy to meet the growing demands of its customers and has determined to purchase such electric power and energy from resources owned, controlled, or purchased by Power Agency; and

WHEREAS, Power Agency owns and manages the maintenance and operations of a 75% undivided ownership interest in Unit 2 and a 37.5% undivided ownership interest in the Support Facilities of the Catawba Nuclear Station for the supply of power and energy to the Participant and all other Participants contracting with Power Agency therefor pursuant to Project Power Sales

Agreements dated May 1, 1978, and subsequently amended October 31, 1984, April 15, 2005, and July 28, 2023, (“Project Power Sales Agreements”); and

WHEREAS, Power Agency has entered into Project Agreements with Duke with respect to the purchase, construction, operation, and fueling of the Project, and interconnection of the Project with Duke’s transmission system, including backstand and reliability exchange provisions, copies of which agreements have been furnished to the Participant; and

WHEREAS, Power Agency and Duke are parties to the Network Integration Transmission Service Agreement (“NITSA”) that is on file with the Federal Energy Regulatory Commission as Service Agreement No. 212 of Duke’s Open Access Transmission Tariff (“OATT”) and that incorporates as Exhibit E thereto a Network Operating Agreement (“NOA”) between Duke and Power Agency, as both the NITSA and NOA are amended from time to time; and

WHEREAS, Power Agency and the Participant are parties to that certain Supplemental Power Sales Agreement, dated May 1, 1978, as amended on October 31, 1984, that provides for the Power Agency to sell, and the Participant to purchase, the balance of its All Requirements Bulk Power Supply, through April 30, 2028, after taking into account the provision of Project Output by Power Agency pursuant to the Project Power Sales Agreement; and

WHEREAS, this Agreement amends and restates that certain Supplemental Power Sales Agreement, by and between the Power Agency and Participant to effect sales beginning on May 1, 2028 and to amend and restate the obligations therein as of May 1, 2028.

NOW, THEREFORE, the parties hereto mutually agree as follows:

SECTION 1. Definitions. The singular of any term defined in this Agreement shall encompass the plural, and the plural the singular, unless the context indicates otherwise.

(a) “All Requirements Bulk Power Supply” shall mean, with respect to the Participant, all electric power and energy required by the Participant at its Delivery Point(s), exclusive of any purchases of power and energy by the Participant from the Southeastern Power Administration (“SEPA”), and shall include Project Output and Supplemental Bulk Power Supply.

(b) “Contract Year” means the 12-month period commencing 12:01 a. m. local time on January 1 of each year during the term of this Agreement and ending midnight local time on the December 31 next following (or such other 12-month period as Power Agency shall determine); provided, however, that the first Contract Year shall commence at 12:01 a.m. local time on May 1, 2028; and provided further, however, that the last Contract Year shall end at midnight local time on the date of termination of this Agreement as provided in Section 2 hereof;

(c) “Monthly Bill” means the written statement prepared monthly by Power Agency and delivered to the Participant pursuant to Section 5 herein.

(d) “Participants” means the entities that have entered into Project Power Sales Agreements.

(e) “Power Agency” has the meaning set forth in the Preamble.

(f) “Project” means Power Agency’s 75% undivided ownership interest in Unit 2 of the Catawba Nuclear Station and 37.5% undivided ownership interest in the Support Facilities of the Catawba Nuclear Station.

(g) “Project Agreements” shall mean the agreements defined in the Project Power Sales Agreements as follows:

- (i) Sales Agreement
- (ii) Operating Agreement
- (iii) Interconnection Agreement.

(h) “Project Power Sales Agreements” means the North Carolina Municipal Power Agency Number 1, Project Power Sales Agreements, Catawba Nuclear Project, dated as of May 1, 1978 between the Power Agency and each of the Participants individually with respect to the purchase and sale of Project Output, as the same may be amended from time to time.

(i) “Supplemental Bulk Power Supply” shall mean, with respect to a Participant, that portion of All Requirements Bulk Power Supply required by such Participant in excess of that supplied from Project Output and, unless otherwise provided, from power and energy purchases made by Power Agency and from any future projects owned or controlled by Power Agency from which the Participant contracts with Power Agency to purchase electric power and energy. Since Project Output is sold to the Participants at the point of electrical connection of the Project with the Duke transmission system required to deliver Project Output to the Participants pursuant to the Project Power Sales Agreements, Supplemental Bulk Power Supply shall include all transmission service to deliver All Requirements Bulk Power Supply to the Participant’s Delivery Point(s) and provision of all reserves and other backstand services, supplemental capacity and energy, and all other types of purchases and interchange service necessary to integrate Project Output into Power Agency’s overall bulk power supply arrangement and deliver the All Requirements Bulk Power Supply to the Participants.

(j) “Supplemental Power Sales Agreement” or “Agreement” shall mean this Agreement and all other agreements substantially identical to this Agreement entered into by Power Agency and the Participants individually with respect to the purchase and sale of Supplemental Bulk Power Supply.

(k) “Supplemental Power Costs” for any period shall mean all costs associated with or incidental to All Requirements Bulk Power Supply for such period less Monthly Project Power

Costs. Supplemental Power Costs shall include without limitation (i) working capital deemed necessary by Power Agency, (ii) costs and expenses related to the acquisition, construction, maintenance and operation of an administrative building or office, including land therefor, together with any administrative equipment and facilities, which may be owned alone or together with any other joint agency or agencies, joint municipal assistance agencies, municipalities, corporations, associations or persons under such terms and provisions for sharing costs and otherwise as may be determined by Power Agency, (iii) amounts necessary for the payment of the principal of and premium, if any, and interest on any bonds, notes (including notes issued in anticipation of the issuance of bonds), certificates, warrants or other evidences of indebtedness, including commercial paper, issued for Supplemental Power Costs (collectively, "Supplemental Power Debt"), which Supplemental Power Debt shall be made payable from all or any amounts received under the Supplemental Power Sales Agreements, as determined by Power Agency, after giving effect to the provision of Section 5(d) thereof, as payments from the Participants of Supplemental Power Costs, and (iv) all costs and expenses relating to the issuance, security and payment of Supplemental Power Debt, including without limitation costs and expenses associated with insurance contracts, agreements for lines of credit, letters of credit, commitments to purchase Supplemental Power Debt, depositaries for safekeeping and agents for delivery and payment.

(l) "Total Annual Budget" means the budget adopted by Power Agency pursuant to Section 5 herein.

SECTION 2. Term of Agreement. This Agreement shall become effective on May 1, 2028. The term of this Agreement shall expire on December 5, 2043. This Agreement may be terminated by Power Agency: (i) upon the termination or expiration of the Participant's Project Power Sales Agreement as provided therein or (ii) as provided in Section 7(b) of this Agreement.

This Agreement shall not be subject to termination by any party under any circumstances, whether based upon the default of any other party under this Agreement or any other instrument or otherwise, except as specifically provided in this Agreement.

Termination or expiration of this Agreement shall not affect any accrued liability or obligation hereunder.

SECTION 3. Sale and Purchase of All Requirements Bulk Power Supply and Supplemental Bulk Power Supply.

(a) Commencing with the first day of the first Contract Year, Power Agency shall provide or cause to be provided and sell, and the Participant shall purchase, the All Requirements Bulk Power Supply requirements of the Participant from Power Agency. Power Agency will be responsible for planning, negotiating, designing, financing, acquiring or constructing, contracting for, administering, operating, and maintaining all generation and transmission arrangements and facilities and power purchases necessary to effect the delivery and sale of All Requirements Bulk Power Supply to the Participant during the term of this Agreement. In furtherance of Power Agency's obligations to sell and the Participant's obligations to purchase All Requirements Bulk Power Supply, Project Output shall be sold and purchased pursuant to the provisions of Section 5(d) of the Project Power Sales Agreement (which provisions may be characterized as an obligation to pay Monthly Project Power Costs on a take or pay basis, whether or not Project Output is delivered or provided) and Supplemental Bulk Power Supply shall be sold and purchased pursuant to the provisions of this Agreement (which provisions may be characterized as an obligation to pay for power and energy and other services on a take and pay basis to the extent delivered or provided).

(b) Supplemental Bulk Power Supply shall be obtained or furnished and delivered or caused to be delivered by Power Agency in the manner it determines to be most economical, reliable, and otherwise feasible, including but not limited to, in its discretion, (1) in accordance with one or more agreements between Power Agency and Duke (2) purchase by Power Agency of power and/or transmission provided by others, including Duke; (3) acquisition or constructed by Power Agency of generation or transmission facilities in addition to the Project; (4) acquisitions or construction by Power Agency of such additional generation facilities and transmission over the facilities of one or more other power suppliers, either solely or in combination with Power Agency's transmission facilities, if any; or (5) generation, transmission, and delivery by one or more other power suppliers, pursuant to a contract arrangement therefor obtained or approved by, or assigned to, Power Agency for and on behalf of Participant as its agent for that purpose. In the event that any such method or any combination of such methods is such that Participant makes payment for any part of such power supply service directly to one or more other power suppliers, such payments shall nevertheless be accounted for as though the same were paid by Power Agency, and Participant shall be credited therewith as an offset to Power Agency's rates and charges to Participant with respect to the same billing period, accordingly.

(c) The Participant shall (1) enter into such supplemental contract or contracts with Power Agency or any other bulk power supplier the terms and provisions of which shall not be inconsistent with this Agreement, as may be necessary or desirable to enable Power Agency and Participant fairly, reasonably, and equitably to exercise and perform their respective rights and obligations under this Agreement; and (2) not enter into any new contract, or modification or amendment of a contract, with any other bulk power supplier, except SEPA, without the prior written consent and approval of Power Agency, which consent and approval shall not be withheld

by Power Agency if such new contract, or modification or amendment of a contract, is consistent with the provisions of this Agreement.

(d) Except for any actions required to comply with applicable laws, regulations, or court orders, neither Power Agency nor Participant shall take any action which shall preclude or impair the ability of Power Agency or Participant to exercise and perform its rights and obligations under this Agreement.

(e) Power Agency, for the purpose of carrying out its rights and obligations under this Agreement, shall be, and Participant hereby designates and appoints Power Agency as, Participant's sole agent to the fullest legal extent that such agency may be established for such purposes.

(f) From and after the effective date of any expiration or termination of this Agreement pursuant to Section 2, the Participant shall be solely responsible for providing its supplemental bulk power supply, including the delivery of its Participant's Share of Project Output to the Participant's Delivery Point(s); provided, however, that such Participant shall be obligated to Power Agency under this Agreement for any costs incurred by Power Agency pursuant to the Project Agreements or otherwise associated with the backstand or delivery to the Participant's Delivery Point(s) of the Participant's Share of Project Output or supplemental bulk power supply or delivery facilities, or any other cost not included in Monthly Project Power Costs under the Project Power Sales Agreement; costs of administration, operation, maintenance, renewals, replacements, or capital additions required for the Participant's Delivery Points; costs associated with Distribution Delivery Stations, Protection Stations, metering, transmission extensions, capacitors, reactive charges, changes in Duke-owned equipment, or loss due to early retirement of Duke-owned equipment. The Participant shall subsequently be entitled to purchase its

Supplemental Bulk Power Supply requirements from Power Agency only if Power Agency so agrees in writing, and upon such additional terms and conditions, if any, as Power Agency may reasonably require.

SECTION 4. Rates and Charges. Power Agency shall establish appropriate rates and charges for All Requirements Bulk Power Supply sufficient at all times to pay all Monthly Project Power Costs and all Supplemental Power Costs of Power Agency. Amounts shown on the Monthly Bill as Monthly Project Power Costs, calculated as provided for in the Project Power Sales Agreements, shall be deducted from the monthly payments required under such schedule of rates and charges for All Requirements Bulk Power Supply, and the balance shall be the amount due and payable in such month for Supplemental Bulk Power Supply to the Participants.

Power Agency shall furnish to the Participants the basis for changes in rates and charges for All Requirements Bulk Power Supply. Power Agency will provide as much reasonable notice as possible for such changes in light of the circumstances requiring the revisions and will respond to inquiries of the Participants concerning such revisions. Power Agency may from time to time establish different rates and charges for all requirements, supplemental power, or other types of service to entities other than the Participants or for service to Participants that enter into project power sales agreements with Power Agency for future projects.

SECTION 5. Total Annual Budget and Monthly Bills; Payments by the Participant.

(a) Prior to each Contract Year, Power Agency shall send to the Participant via electronic means to such email address or other electronic means as the Participant shall specify in writing to Power Agency (as such email address or other electronic means may be changed in writing from time to time) a proposed annual budget for the Contract Year and shall adopt and send to the Participant, in the same manner that it sent the proposed Annual Budget for the Contract

Year, a Total Annual Budget for the Contract Year. During each Contract Year, Power Agency shall review at least quarterly, and at such other times as Power Agency deems desirable, the Total Annual Budget for the Contract Year. In the event such review indicates that the Total Annual Budget does not or will not substantially correspond with actual receipts and expenditures, or if at any time during such Contract Year there are or are expected to be extraordinary receipts, credits, or costs substantially affecting the Monthly Project Power Costs and the Supplemental Power Costs, Power Agency shall adopt and send to the Participant, in the same manner that it sent the proposed Annual Budget for the Contract Year, an amended Total Annual Budget which shall supersede the Total Annual Budget or amended Total Annual Budget theretofore provided as the basis for the determination of Monthly Project Power Costs and Supplemental Power Costs for the remainder of such Contract Year. The Total Annual Budget shall include and separately state the Annual Budget pursuant to the Project Power Sales Agreements.

(b) Beginning with the first full month of the first Contract Year and every month of a Contract Year thereafter, not later than the tenth day of such month, Power Agency shall prepare, date, and on such date send to the Participant, via electronic means to such email address or other electronic means as the Participant shall specify in writing to Power Agency (as such email address or other electronic means may be changed in writing from time to time), a Monthly Bill showing (i) the amount of kilowatts and kilowatt-hours of All Requirements Bulk Power Supply delivered to the Participant in the preceding month at the Participant's Delivery Point(s) and the total amount payable by the Participant therefor at Power Agency's All Requirements Bulk Power Supply rates and charges; (ii) the amount payable by the Participant under the Billing Statement pursuant to the Project Power Sales Agreement for the preceding month; (iii) the amount payable by the Participant for Supplemental Power Costs for the preceding month, which shall be the amount

billed in (i) above less the amount billed in (ii) above; and (iv) any amounts payable by the Participant to Power Agency for Leased Facilities Fees, Distribution Delivery Station costs, or any charges for service other than for the provision of All Requirements Bulk Power Supply for the preceding month.

(c) The amounts shown in the Monthly Bill are to be paid by electronic means to Power Agency by the Participant and shall be due and payable ten (10) days after the date of the Monthly Bill, and any amounts due and not paid by the Participant within fifteen (15) days after the date of the Monthly Bill shall bear interest from the due date until paid at the rate of one percent (1%) per month.

(d) All monies received by Power Agency as payment from the Participant of any Monthly Bill (whether in full or partial payment thereof) shall be applied by Power Agency pro rata to the separate monthly charges shown on the Monthly Bill in the ratio that each separate charge bears to the total Monthly Bill rendered, and the resulting amounts shall be credited to the appropriate accounts on the books of Power Agency. The resulting amounts shall be applied solely to the separate obligations under the Project Power Sales Agreement and under this Agreement which were the basis for the separate charges on the Monthly Bill; provided, however, that if and to the extent any amounts owed to Duke included in Monthly Project Power Costs are less than amounts due from Duke and credited by Power Agency in the computation of Monthly Project Power Costs and the difference is retained by Duke as an offset to payments due to Duke under the Interconnection Agreement, the amount of such difference shall be added to the prorated payments received from the Participants for Monthly Project Power Costs and deducted from the prorated payments received from Participants for Supplemental Bulk Power Supply in making

transfers to the Revenue Fund established pursuant to the Bond Resolution and in making payments to Duke under the Interconnection Agreement.

(e) In the event of any dispute as to any portion of any Monthly Bill, the Participant shall nevertheless pay the full amount of the disputed charges when due and shall give written notice of the dispute to Power Agency not later than sixty (60) days after payment is due. Such notice shall identify the disputed bill, state the amount in dispute, and set forth a full statement of the grounds on which such dispute is based. No adjustment shall be considered or made for disputed charges unless notice is given as aforesaid. Power Agency shall give consideration to such dispute and shall advise the Participant with regard to its position relative thereto within thirty (30) days following receipt of such written notice. Upon final determination (whether by agreement, arbitration, adjudication, or otherwise) of the correct amount, an appropriate adjustment shall be made on the Monthly Bill next submitted to the Participant after such determination.

#### SECTION 6. Rate Review and Payment Sources.

(a) Power Agency, at such intervals as it shall deem appropriate, but in any event not less frequently than once each Contract Year, shall review its rates and charges and, if necessary, shall revise such rates and charges so that the revenues collected thereunder shall be at least sufficient to comply with the provisions of Section 4. Power Agency shall cause a notice in writing to be given to the Participant which shall set out all the proposed revisions of the rates with the effective date beyond which bills thereunder would change. The effective date shall not be less than forty (40) days after the date of the notice except when required to ensure compliance with the provisions of Section 4 hereof, and shall set forth the basis upon which the rates are proposed to be adjusted and established. Monthly changes in amounts billed pursuant to the fuel or other

automatic adjustment clauses included in the rates and charges shall not require notice, but changes in such clauses shall be subject to the foregoing notice provisions.

(b) The obligations of the Participant to make payments under Section 5 for its Supplemental Bulk Power Supply shall be an operating expense of its Electric System.

(c) The Participant shall not be required to make any payments to Power Agency under this Agreement except from its Revenues (as defined in the Project Power Sales Agreement). The Participant covenants and agrees that it will fix, charge, and collect rents, rates, fees, and charges for electric power and energy and other services, facilities, and commodities sold, furnished, or supplied through the facilities of its Electric System sufficient to provide Revenues adequate to meet its obligations under this Agreement, and to pay any and all other amounts payable from or constituting a charge and lien upon such Revenues, including amounts sufficient to pay the principal of and interest on all general obligation bonds heretofore or hereafter issued by the Participant to finance its Electric System.

(d) The Participant shall take no action the effect of which would be to prevent, hinder, or delay Power Agency from the timely fulfillment of its obligations under this Agreement, the Project Agreements, any Supplemental Power Debt, the Bond Resolution, and the Bonds or other securities or evidences of indebtedness issued to provide the amounts due and payable by Power Agency under the Sales Agreement or any agreements between Power Agency and Duke or between Power Agency and the Participant relating to Distribution Delivery Stations, or any other agreement entered into between Power Agency and the Participant.

#### SECTION 7. Obligations in the Event of Default.

(a) Upon failure of the Participant to make any payment in full when due under this Agreement or to perform any obligation herein, Power Agency shall make demand upon the

Participant; and if said failure is not remedied within fifteen (15) days from the date of such demand, it shall constitute a default at the expiration of such period. Notice of such demand shall be provided to the other Participants by Power Agency.

(b) If the Participant shall fail to pay any amounts due to Power Agency under this Agreement, or to perform any other obligation hereunder which failure constitutes a default under this Agreement, Power Agency may and, if such default shall have caused an “Event of Default” (as defined in the Interconnection Agreement) with respect to Power Agency to have occurred and be continuing for a period of one (1) year, at the request of Duke, shall terminate this Agreement. Any such termination pursuant to this Section 7(b) will not relieve Participant from its obligations under this Agreement, and such obligations shall continue in full force and effect.

(c) In the event of any default by Power Agency under any covenant, agreement, or obligation of this Agreement, the Participant may, upon fifteen (15) days’ prior written notice, bring any suit, action, or proceeding in law or in equity, including mandamus, injunction, and action for specific performance as may be necessary or appropriate to enforce any covenant, agreement, or obligation of this Agreement against Power Agency.

(d) No remedy conferred upon or reserved to the parties hereto is intended to be exclusive of any other remedy or remedies available hereunder or now or hereafter existing at law, in equity, or by statute or otherwise, but each and every such remedy shall be cumulative and shall be in addition to every other such remedy. The pursuit by either party of any specific remedy shall not be deemed to be an election of that remedy to the exclusion of any other or others, whether provided hereunder or by law, equity, or statute.

**SECTION 8. Rights of Duke and Others Hereunder.** In addition to Duke’s rights under Section 7(b) herein, Duke shall have the right, as a third party beneficiary, to maintain suit to

enforce this Agreement whenever any “Event of Default” by Power Agency as defined in the Interconnection Agreement shall have occurred and shall not have been fully cured and in such enforcement Duke shall have the same rights as Power Agency to enforce this Agreement. Power Agency may permit any other entity which may become a third party beneficiary of this Agreement to join with Power Agency in enforcing this Agreement. It is recognized that the exercise of any such rights by Duke shall not affect any rights of Duke against Power Agency whether arising under the Project Agreements, at law, in equity, provided by statute, or otherwise.

SECTION 9. Dispatch; Deliveries; Distribution Delivery Station Costs; Load Forecasts; System Reliability.

(a) All Requirements Bulk Power Supply shall be delivered to the high voltage side of the Participant’s Delivery Point(s).

(b) In addition to the rates and charges for All Requirements Bulk Power Supply pursuant to this Agreement, the Participant shall be responsible to Power Agency for all costs of delivery facilities, Distribution Delivery Stations, and any additions or modifications thereto (including but not limited to payments made by Power Agency to Duke for Protection Station costs, Leased Facilities charges, and Early Retirement charges, all pursuant to the NITSA, NOA, and Interconnection Agreement) by payment of charges adopted by the Power Agency and developed pursuant to the Policy Guidelines, Cost Responsibility for Delivery Facilities (the “Guidelines”), adopted by the Power Agency on December 16, 1983, as the Guidelines may be modified from time to time by the Power Agency. In addition, the Participant shall bear all other responsibilities and obligations and shall have all rights, in each case with respect to existing Distribution Delivery Stations or new Distribution Delivery Stations or modifications or additions

thereto or other related matters, as specified in the Guidelines as the same may be modified from time to time.

(c) Delivery Point Data Sheets in the form attached to the NITSA, shall be completed for Delivery Point(s) of the Participant. No revisions or modifications (other than necessary maintenance) of the facilities at the Delivery Point(s) shall be undertaken for the purpose of modifying the characteristics of delivery from transmission facilities of Duke and/or Power Agency set out on the Delivery Point Data Sheets unless prior agreement is obtained from Power Agency and Duke and revised Delivery Point Data Sheet(s) are first executed. Power Agency and the Participant shall agree, subject to the provisions of the NITSA and NOA, on the amount of firm capacity required at each such Delivery Point, taking into account the continuous load expected to be served at such Delivery Point(s). A reasonable allowance will be included if growth is anticipated. The Participant shall not place loads on Delivery Point(s) in excess of the firm capacity amount(s) so agreed and recorded on the Delivery Point Data Sheet(s) without Power Agency and Participant first negotiating a new Delivery Point Data Sheet. Pursuant to the NITSA and NOA, Duke has agreed it shall not unreasonably withhold its agreement for an increase in the firm capacity amount.

(d) Should the Participant want more capacity at a Delivery Point than is reasonably necessary to serve the continuous load at that point for the purpose of switching load between Delivery Points, Participant must request such capacity and such capability will be provided by Power Agency pursuant to the NITSA and NOA.

(e) Prior to September 15 of each Contract Year, or such other date communicated by Power Agency, the Participant shall provide Power Agency with information on matters relating to the Participant's power supply planning, including but not limited to, load forecasts, proposed

transmission additions, and new Delivery Points, and the Participant shall assist Power Agency with development of projected capacity requirements at each Delivery Point of the Participant for the next five calendar years. The projected capacity requirement shall be for the load reasonably expected to exist in the area served by each such Delivery Point. The proposed location, delivery voltage, and estimated capacity requirements of any new delivery point desired by the Participant for the next five calendar years shall also be delineated. Power Agency reserves the right to require Participant to assist Power Agency with development of any other projections of capacity requirements that Power Agency may request to meet Power Agency's contractual obligations or otherwise provide All Requirements Bulk Supply.

(f) The Participant shall avoid and refrain from any acts or transactions or the use of any equipment, appliance, or device that would have a significant adverse effect upon the reliability or operating characteristics of the Duke system or of the interconnected facilities of Power Agency or of its other Participants.

(g) It is expressly understood and agreed that Power Agency does not hereby contract to furnish Participant electric power for pumping water for extinguishing fires.

(h) The Participant shall at its own cost install, maintain, and operate protective equipment and switching, voltage control, load shedding, and emergency facilities as shall be required in order to assure continuity of service, adequacy of service, and the stability of the interconnected facilities of Duke and Power Agency and the other Participants.

#### SECTION 10. Consulting Engineer.

(a) Power Agency will retain as Consulting Engineer an independent consulting engineer or engineering firm or corporation having a national and favorable reputation for special skill, knowledge, and experience in analyzing the operations of electric utility systems, preparing

rate analyses, forecasting the loads and revenues of electric utility systems, and advising on the operation of electric generating facilities and the marketing of power and energy therefrom (which Consulting Engineer shall be the consulting engineer appointed and retained by Power Agency under the Bond Resolution) to advise and render opinions to Power Agency on matters relating to electric power generation, transmission, power supply, electric utility operations, rates and charges, electric utility economics and financing, and budgets. Power Agency shall cause the Consulting Engineer to prepare within one hundred sixty (160) days following the close of each Contract Year, an annual engineering report with respect to the Project for the immediately preceding Contact Year, which report shall contain a copy of the annual audit and shall include:

- (1) a report on the operations of Power Agency;
- (2) a report on the management of the Project;
- (3) a report on the sufficiency of rates and charges for services;
- (4) a report on requirements for future bulk power supply;
- (5) conclusions as to changes in operation and the making of repairs, renewals, replacements, extensions, betterments, and improvements; and
- (6) a projection of Power Agency's costs of providing All Requirements Bulk Power Supply to all Participants for a reasonable period in the future.

(b) Power Agency shall cause a copy of said engineering report to be delivered to the Participant.

#### SECTION 11. Participant Planning and Operations.

(a) Diligence.

The Participant will exercise diligence in the operation of its Electric System with the view of securing efficiency in keeping with Usual Utility Practice, will construct its facilities in

accordance with specifications at least equal to those prescribed by the National Electric Safety Code, will maintain its lines at all times in a safe operating condition, and will operate said lines in conformance with Section 9(f) and Section 9(h) of this Agreement.

(b) Capacitors.

If the Participant owns or operates conductors that connect with those of Duke (either directly or through Power Agency's facilities), it shall install capacitors and operate switched capacitors in accordance with the terms and conditions of the NITSA and NOA.

(c) Access.

Participant will give necessary permission to enable Power Agency to carry out this Agreement and will otherwise be subject to applicable terms and conditions set forth in those tariffs, rate schedules, and contracts which affect Power Agency and the Participant. Power Agency and the Participant each will give the other the right to enter the premises of the other at all reasonable times for the purpose of repairing or removing facilities, reading meters, or performing work incidental to delivery and receipt of All Requirements Bulk Power Supply.

(d) Compliance.

The Participant will be subject to and will comply with all applicable terms and conditions set forth in tariffs; rate schedules; guidelines; including, but not limited to, the Guidelines Concerning Distributed Generation adopted by Power Agency, as may be modified from time to time by Power Agency; and contracts that affect Power Agency and the Participant.

SECTION 12. Miscellaneous General Provisions.

(a) Character and Continuity of Service.

Power Agency shall use its reasonable best efforts to enforce the terms and conditions of the Interconnection Agreement with Duke and the terms and conditions of any other similar agreement(s) with other parties for Supplemental Bulk Power Supply.

Power Agency may temporarily interrupt or reduce deliveries of electric energy to the Participant if Power Agency determines that such interruption or reduction is necessary in case of emergencies or in order to install equipment in or make repairs to or replacements, investigations, and inspections of or to perform other maintenance work on its generation or transmission facilities and related apparatuses. When conditions permit, Power Agency shall inform the Participant regarding any such planned interruption or reduction, give the reason therefore, state the probable duration thereof, and make reasonable efforts consistent with Usual Utility Practice to schedule such interruption or reduction at a time that will cause the least interference with the operations of the Participants.

Power Agency shall not be required to provide, or be liable for failure to provide, service under this Agreement when such failure or the cessation or curtailment of or interference with the service is caused by Force Majeure or, with respect to the services to be provided for Supplemental Bulk Power Supply, is caused by the failure or refusal of any other bulk power supplier to enter into reasonable contracts with Power Agency or by the inability of Power Agency to obtain any required governmental approvals to enable Power Agency to acquire or construct any facilities.

(b) Metering.

Power Agency reserves the right to provide for installation of meters and will provide or cause to be provided all necessary metering equipment for determining the quantity and conditions

of the supply of electric power and energy delivered by Power Agency under this Agreement. The installation, operation, maintenance, repair, and replacement of all metering equipment located at Delivery Points connected to the Duke transmission system will be performed by Duke pursuant to the NITSA and NOA.

(c) Power Deliveries.

Power and energy furnished to the Participant under this Agreement shall be in the form of three phase current, alternating at a frequency of approximately 60 Hertz.

(d) Liability of Parties.

Power Agency shall not be responsible for the transmission, control, use, or application of electric power provided under this Agreement on the Participant's side of the Delivery Point therefore and shall not, in any event, be liable for damage or injury to any person or property whatsoever arising, accruing, or resulting from, in any manner, the receiving, transmission, control, use, application, or distribution by the Participant of said electric power.

To the extent permitted by applicable law, Power Agency and the Participant shall defend, indemnify, save, and hold harmless each other from any and all claims, liabilities, losses, damages, injuries, judgments, penalties, fines, attorneys' fees, court costs and other legal expenses, insurance deductibles, and all other expenses incurred by the other (the indemnified party) by reason of any negligence or any intentionally wrongful act on the part of the other (indemnifying party) or its officers, directors, agents, contractors, or employees, in constructing, maintaining, or operating the indemnifying party's apparatus, appliances, or other property, or in the transmission, control, or application, redistribution, delivery, or sale of power and energy on the indemnifying party's side of said Delivery Point. Such indemnification shall hold harmless the one indemnified, its officers, directors, agents, contractors, and employees, from and against any and all liability and any and

all claims, liabilities, losses, damages, injuries, judgments, penalties, fines, attorneys' fees, court costs and other legal expenses, insurance deductibles, and all other expenses, including expenses incurred by the one indemnified, its officers, directors, agents, contractors, or employees, in connection with investigating any claim or defending any action, and including reasonable attorneys' fees incurred or suffered by the one indemnified, its agents, contractors, or employees, by reason of the assertion of any such claim against the one indemnified, its officers, directors, agents, contractors, or employees.

Whenever any claim is made against either party, the party against whom the claim is made shall give notice to the other party within a reasonable time after the party against whom the claim is made becomes aware of any facts which could reasonably cause it to conclude that the claim is covered by this indemnification. Power Agency and the Participant may assume on behalf of the other, its officers, directors, agents, contractors, and employees, at their option after written notification by the other, the defense of any action at law or in equity which may be brought against the other, its officers, directors, agents, contractors, or employees, upon any such claim. Power Agency and the Participant, regardless of whether one assumes the defense of any action or the other defends such action, will pay on behalf of the other, its officers, directors, agents, contractors, or employees, the amount of any judgment that may be entered against the other, its officers, directors, agents, contractors, or employees, in any such action.

The indemnification provided for in this Section 12(d) shall not cover the following expenses: (1) the expense of investigating any claim prior to the time that notice is given to the other party that said claim is covered by this indemnification; (2) compensation for time of employees of the indemnified party spent in defending any action; and (3) attorneys' fees incurred by an indemnified party after an indemnifying party has assumed the defense of an action.

The obligations of each party described in this Section 12(d) shall survive termination or expiration of this Agreement.

(e) No Adverse Distinction.

Power Agency shall not unduly discriminate amongst Participants executing Supplemental Power Sales Agreements in carrying out its obligations under this Agreement.

(f) Other Terms and Conditions.

Service hereunder shall be in accordance with such other terms and conditions as are established as part of Power Agency's processes and procedures, which shall not be inconsistent with the provisions of this Agreement.

(g) Notices and Computation of Time.

Any notice or demand given by the Participant to Power Agency under this Agreement shall be deemed properly given if mailed postage pre-paid and addressed to the Chief Executive Officer of Power Agency at its principal office designated in writing filed with the Participant by Power Agency. Any notice or demand given or rendered by Power Agency to the Participant under this Agreement shall be deemed properly given or rendered if mailed postage prepaid and addressed to the person and at the address designated in writing filed with Power Agency by the Participant. Any other communication, including any budget or statement, given or rendered by Power Agency to the Participant under this Agreement shall be deemed properly given if provided electronically at the e-mail address designated in writing to Power Agency by the Participant. The designations of the name, address, and e-mail address to which any communication is directed may be changed at any time and from time to time by either party giving notice electronically by email to the Chief Executive Officer of Power Agency or as above provided.

In computing any period of time prescribed or allowed under this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, a Sunday, or a legal holiday in North Carolina, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday in North Carolina.

SECTION 13. Future Projects Undertaken by Power Agency.

(a) Future Projects.

Power Agency may from time to time conduct studies and negotiations with respect to planning, designing, financing, constructing, administering, operating, and maintaining or otherwise acquiring future generation and transmission facilities or rights to the output thereof in addition to those contemplated for the Project, and it may make recommendations to the Participant that such future facilities be undertaken by Power Agency, and such costs thereof shall be Supplemental Power Costs.

(b) Future Participants.

It is expressly understood that nothing herein shall preclude other future participants from contracting with Power Agency for planning, procuring, and providing such other future participants' bulk power supply, including participation in other projects undertaken by Power Agency.

SECTION 14. Records; Accounts; Reports; Audits.

Power Agency shall keep accurate records and accounts for the Project and for Supplemental Bulk Power Supply, separate and distinct from its other records and accounts. Such records and accounts shall contain information supporting the allocation of Power Agency's indirect costs associated with the Project and with Supplemental Bulk Power Supply. Such records

and accounts shall be audited annually by a firm of certified public accountants, experienced in electric utility accounting and of national reputation, to be employed by Power Agency. Such records and accounts and such annual audit, including all written comments and recommendations of such accountants, shall be made available for inspection at any reasonable time by the Participant at the principal office of Power Agency.

The Participant shall keep accurate records and accounts for its Electric System, separate and distinct from its other records and accounts. Such records and accounts shall be audited annually by a firm of certified public accountants or by an accountant approved by the Local Government Commission of the State of North Carolina as qualified to audit local government accounts, which audit may be part of the annual audit of the accounts of the Participant. Such records and accounts shall be made available for inspection by Power Agency at any reasonable time, and a copy of such annual audit, including all written comments and recommendations of such accounts, shall be furnished to Power Agency not later than one hundred twenty (120) days after the close of the Participant's fiscal year.

Power Agency shall, following the close of each fiscal year, submit an annual report of its activities for the preceding year to the Participant summarizing the Power Agency's activities and financial statement.

#### SECTION 15. Modification and Uniformity of Agreements.

(a) This Agreement shall not be subject to termination by any party under any circumstances, whether based upon the default of any other party under this Agreement, or any other instrument, or otherwise, except as specifically provided in this Agreement.

(b) This Agreement shall not be amended, modified, or otherwise changed, or rescinded, by agreement of the parties with respect to the following provisions of this Agreement

without the prior written consent of Duke when required by the Interconnection Agreement: paragraph (d) of Section 5, paragraphs (c) and (d) of Section 6, paragraph (b) of Section 7, Section 8, paragraph (b) of Section 15, paragraph (a) of Section 23, and Section 24.

(c) If any other Supplemental Power Sales Agreement is amended or replaced so that it contains terms and conditions different from those contained in this Agreement, Power Agency shall notify the Participant and upon timely request by the Participant shall amend this Agreement to include similar terms and conditions.

SECTION 16. Assignment of Agreement. This Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and assigns of the parties to this Agreement; provided, however, that neither this Agreement nor any interest herein shall be assigned or transferred by the Participant without the written consent of Power Agency, which shall not be unreasonably withheld. No assignment, transfer, or sale shall relieve the Participant of any obligation hereunder that accrued prior to such assignment, transfer, or sale.

SECTION 17. Severability. If any section, paragraph, clause, or provision of this Agreement shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall be unaffected by such adjudication and all of the remaining provisions of this Agreement shall remain in full force and effect as though such section, paragraph, clause, or provision or any part thereof so adjudicated to be invalid had not been included herein. In the event of any such invalidity, the parties hereto shall promptly negotiate in good faith valid new provisions to restore the Agreement to its original intent and effect.

SECTION 18. Applicable Law; Construction. This Agreement is made under and shall be governed by the law of the State of North Carolina. Headings herein are for convenience only and shall not influence the construction hereof.

SECTION 19. Survivorship of Obligations. The termination of this Agreement shall not discharge any party hereto from any obligation it owes to the other party under this Agreement by reason of any transaction, loss, cost, damage, expense, or liability which shall occur or arise (or the circumstances, events, or basis of which shall occur or arise) prior to such termination. It is the intent of the parties hereby that any such obligation owed (whether the same shall be known or unknown at the termination of this Agreement or whether the circumstances, events, or basis of the same shall be known or unknown at the termination of this Agreement) shall survive the termination of this Agreement.

SECTION 20. No Delay. No disagreement or dispute of any kind between the parties to this Agreement, or between any party and any other entity, concerning any matter including without limitation, the amount of any payment due for said party or the correctness of any billing made to the party, shall permit the said party or either of them to delay or withhold any payment or the performance by any party of any other obligation pursuant to this Agreement. Each party shall promptly and diligently undertake to resolve such disagreement and dispute without undue delay.

SECTION 21. Further Documentation. From time to time after the execution of this Agreement, the parties hereto shall within their legal authority execute other documents as may be necessary, helpful, or appropriate to carry out the terms of this Agreement.

SECTION 22. Incorporation of Exhibits. All Exhibits attached to this Agreement shall be incorporated into and be a part of this Agreement.

SECTION 23. Continuance and Enforcement of Agreement.

(a) Except as provided in paragraph (b) of Section 7, Power Agency shall continue this Agreement in full force and effect and shall enforce this Agreement in accordance with its terms to the extent permitted by law.

(b) Any waiver at any time by either party to this Agreement of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with such Agreement, shall not be considered a waiver with respect to any subsequent default, right, or matter. Further, the failure of a party to enforce at any time any of the provisions of this Agreement or to require at any time performance by the other party of any of the provisions hereof shall not be considered a waiver of such provisions, nor in any way affect the validity of the Agreement or any part thereof, or the right of such party thereafter to enforce each and every such provision.

SECTION 24. Relationship to Other Instruments. It is recognized by the parties hereto that Power Agency in the ownership, construction, acquisition and operation of the Project must comply with the requirements of the Project Agreements, the Bond Resolution, and all licenses, permits, and regulatory approvals necessary for such ownership, construction, acquisition, and operation, and it is therefore agreed that this Agreement is made subject to the terms and provisions of the Project Agreements, the Bond Resolution, and all such licenses, permits, and regulatory approvals.

SECTION 25. Entire Agreement. This Agreement shall constitute the entire understanding among the parties hereto, superseding any and all previous understandings, oral or written, pertaining to the subject matter contained herein. No party hereto has relied, or will rely, upon any

oral or written representation or oral or written information made or given to such party by any representative of the other party or anyone on its behalf.

SECTION 26. Preaudit Certification. Execution of this Agreement by the finance officer of the Participant shall constitute a certification of such finance officer that, to the extent this Agreement requires the Participant to satisfy a financial obligation during the Participant's fiscal year in which the Effective Date occurs, this Agreement has been preaudited in the manner required by the North Carolina Local Government Budget and Fiscal Control Act.

SECTION 27. Attorney's Approval. Execution of this Agreement by the Town Attorney of the Participant shall constitute compliance with the provisions of Section 19 of the Participant's Charter that requires the Town Attorney to approve the form and correctness of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement all by authority of their respective governing bodies duly given.

Executed this \_\_\_\_ day of \_\_\_\_\_, 2026.

**TOWN OF PINEVILLE**

By: \_\_\_\_\_  
Rev. Amelia Stinson-Wesley, Mayor

Attest:

This instrument has been preaudited in the manner required by the North Carolina Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Lisa Snyder, Town Clerk

\_\_\_\_\_  
Christopher Tucker, Town Finance Officer

(SEAL)

For purposes of Section 27 only:

\_\_\_\_\_  
Janelle Lyons, Town Attorney

Executed this \_\_\_\_ day of \_\_\_\_\_, 2026.

**NORTH CAROLINA MUNICIPAL  
POWER AGENCY NUMBER 1**

By: \_\_\_\_\_  
Chief Executive Officer

Attest:

\_\_\_\_\_  
Secretary-Treasurer

(SEAL)

[Signature Page of Amended and Restated Supplemental Power Sales Agreement]