

Form 98015 (Rev. 06-24)

MEMPHIS LIGHT, GAS AND WATER DIVISION

CITY OF MEMPHIS

**AGREEMENT FOR ELECTRIC SERVICE
FOR DEMANDS OF 5000 KILOWATTS OR GREATER**

THIS AGREEMENT "Agreement", made this the **27** day of **March, 2025**, between Memphis Light, Gas and Water Division of the City of Memphis, Tennessee, hereinafter called the "Division," and
CTC Property, LLC
3231 Riverport Rd
Memphis, TN 38109
(hereinafter called the "Customer")

WITNESSETH:

That in consideration of the premises, and of the conditions and covenants hereof, the parties have agreed as follows:

The Division will sell and deliver to the Customer, and the Customer will purchase from the Division electric energy to be used for the operation of **data center** by Customer at **3183 Paul R. Lowry** and at the rate applicable for this class of service, as the same may be lawfully fixed from time to time.

The present rate schedule for the quantity and rate of use of electric energy sold under this Agreement is Schedule **TMSDX**, which is attached hereto and made a part hereof.

The term of this Agreement shall be for **ten (10) years** from **May 1, 2025 or the first day of the month that the meter is set, whichever comes first**. This Agreement cannot be cancelled by Customer during its initial term, and shall thereafter be renewed automatically for five-year terms unless notice of cancellation is given by either party to the other in writing not less than **five (5) years** prior to the expiration date of the initial or any renewed term.

It is expressly understood and agreed that Customer shall pay at least the minimum monthly bill during each month of the term hereof, except as provided in Paragraph (12) of the Terms and Conditions attached hereto and Customer's obligation to pay same shall not be affected by bankruptcy, assignment for benefit of creditors, or other creditors' proceedings, abandonment or sale of its plant, or for any other reason without the written consent of the Division.

Customer shall be a compliant participant of the Power Interruption Provision ("PIP") Agreement with the Tennessee Valley Authority ("TVA"). The executed PIP Agreement attached as Exhibit A is made part of this Agreement. Customer understands and agrees that a breach of the PIP may result in a reduction or disconnection of load. If the TVA, or any subsequent power provider, does not require Customer's participation in an interruptible power program, the Division retains the right to require Customer to enroll and adhere to the Division's interruptible power program. All costs associated with participation and compliance with the PIP shall be paid by Customer. The Division shall invoice Customer for any and all equipment, maintenance, services and/or labor required for Customer to be compliant with the PIP that is provided by Division.

This Agreement, including the Terms and Conditions attached hereto, supersedes any previous agreement or contract between the parties hereto and represents the sole and only agreement between the parties with reference to the service contracted for herein, and shall be binding upon and inure to the benefit of the parties hereto, their heirs, successors, and assigns; provided that no assignment of any of the rights hereunder shall be made by the Customer without the written consent of the Division.

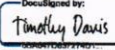
Account # [REDACTED] Meter # [REDACTED] SIC Code

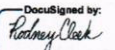
IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their duly authorized officers on the day and date first above written.

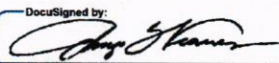
CUSTOMER: **CTC Property, LLC**

MEMPHIS LIGHT, GAS AND WATER DIVISION

BY: _____
Signature
Title: CFO_____
Date: 3/27/2025_____
 

BY: _____
Timothy Davis
VP, Chief Customer Officer
Date: 3/28/2025_____

BY: _____
Rod Cleek
VP, Chief Financial Officer
Secretary-Treasurer
Date: 3/28/2025_____

BY: _____
Alonzo Weaver
SVP, Chief Operating Officer
Date: 3/28/2025_____

PREPARED BY: **Kyle Atkins**

TERMS AND CONDITIONS FOR DEMANDS OF 5000 KILOWATTS OR GREATER

- 1) Electric energy sold under this Agreement shall be in the form of alternating current at approximately **161,000** volts, **60** cycles, **3** phase and **4** wire, and shall be metered at approximately **161,000** volts. It shall be the duty of the Customer to protect all its appliances and fixtures against low voltage and single phase operations on a three phase circuit, and the Division shall not be liable for high voltage, except as a result of the Division's negligence.
- 2) The maximum thirty-minute rate of use (demand) under this Agreement shall be **142,000** kilowatts.
- 3) Minimum monthly bills shall be determined in accordance with "Minimum Monthly Bill and Contract Requirements" clauses of Rate Schedule TMSDX (or as said schedule may be lawfully changed). However, in determining the minimum bill for any Customer, the maximum thirty-minute rate of use (demand) under the Agreement shall be the figure in Paragraph (2) above, or the highest thirty-minute rate of use (demand) occurring during the preceding twelve (12) months, whichever is higher.
- 4) The point of delivery for electric energy sold under this Agreement shall be **customer side of primary meter** and maintenance by the Division of approximately the above stated voltage and frequency at said point of delivery shall constitute delivery of service for the purpose of this Agreement.
- 5) The Division shall endeavor to furnish continuous electric service, but neither the Division nor the City of Memphis shall be liable in damages or otherwise for any interruptions of service whatsoever. Such interruptions of service shall include but not be limited to a reduction of the Division's electric energy by (a) its supplier thereof, or (b) by rules and regulations promulgated by duly authorized federal, state, or local governmental agency.
- 6) Bills shall be rendered monthly by the Division and shall be due and payable on or before the delinquent date shown on the bill. If any bill is not paid by Customer and becomes delinquent, Division may, after giving Customer a notice in writing of ten (10) days, suspend delivering electric energy to Customer until such bill shall have been paid, but the exercise of such right shall be in addition to any and all other remedies otherwise available to Division.
- 7) The parties recognize that in the electric utility industry it is necessary for power suppliers to project load requirements years in advance in order to assure the ability to serve such loads to make large fixed investments in generating, transmission and substation facilities, and to undertake heavy contract commitments with respect thereto; that such investments and commitments cannot feasibly be allocated to individual Customers; and that the damage resulting from breach, or discontinuance of service, on the part of individual customers, are substantial but cannot be determined with accuracy. Accordingly it is agreed that in the event that (a) the Division shall cancel this Agreement for any breach or default on the part of Customer which has not been cured by the Customer within thirty (30) days of receiving from Division a notice in writing calling upon Customer to cure such breach or default, or (b) Customer should discontinue or abandon the operation of the plant or facility to be served hereunder, there shall immediately become due and payable to the Division as liquidated damages, and not as a penalty, an amount equal to \$20.3 Million annually or \$1,691,666.67 monthly for the entire period of the unexpired term hereunder. Such amount shall be in addition to any amounts then due for service under the provisions of this Agreement. Temporary shutdowns, breakage of machinery, adverse business conditions, or other circumstances, shall not be deemed to constitute a discontinuance or abandonment of Customer's operations so long as Customer continues to pay its bills, including minimum bills, when due. If, after signing this Agreement for Electric Service, the Customer does not take the service by reason of not occupying the premises or for any reason, the Customer shall reimburse the Division for such expense as the Division may have incurred.
- 8) Transformers, if required, and the motors and appliances necessary to register the electric energy for this service shall be furnished and installed by the Division and shall be and remain the property of the Division; provided, however, that when primary metering is installed, no transformers will be furnished by the Division on Customer's side of such primary metering. Customer shall provide suitable space and enclosure, if required, for Division's transformers, motors and appliances installed on Customer's premises and shall use reasonable care to protect them from damage or injury and shall permit no person other than an agent of the Division, or a person otherwise

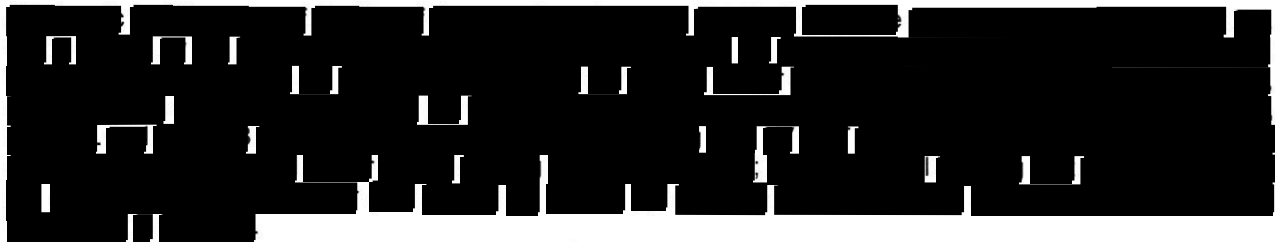
lawfully authorized, to tamper with, inspect or remove the same; and the Division representatives are hereby expressly authorized to enter said premises at all reasonable hours for the purpose of inspecting Customer's wiring and appliances using electric energy for the protection of Division's equipment and proper metering, and for reading, inspecting, and repairing or removing its meters and other property.

As required by the TVA, any initial load at or above 5000 KW that will be interconnected to the Division's electric system shall be contingent on a transmission system study performed by the Division and/or the Tennessee Valley Authority.

All increased existing loads that will be interconnected to the Division's electric system shall be contingent on a transmission system study performed by the Division and/or the Tennessee Valley Authority.

All subsequent projects at this facility and/or for Customer shall be subject to all requirements set forth by the terms and conditions of this Agreement and will be required to undergo a transmission system study performed by the Division and/or the Tennessee Valley Authority.

As required by the TVA, any load at or above 100,000 KW that will be interconnected to the Division's electric system shall be contingent upon the approval of the Board of Directors of the Tennessee Valley Authority Board.



- 9) The cost of all wiring, transformers and/or other equipment on Customer's side of said point of delivery for the distribution or utilization of electric energy shall be paid for by the Customer. A Customer whose billing requires and/or who requests time-based metering equipment shall provide, maintain and pay the initial and monthly cost of a telephone circuit at the metering point(s). The telephone circuit shall be compatible with MLGW's metering equipment and have 24-hour accessibility. The Customer's metering that requires data communication capabilities shall include but not be limited to
- (a) Loads greater than 1000 KW
 - (b) Multiple delivery points that require coincidental aggregation
 - (c) Delivery points requiring coincidental reactive power determination
 - (d) Time-sensitive rates
 - (e) A need for time-based data used in the analysis of customer operation

The Customer (occupant) shall comply with this requirement when or before the electric service account is established in Customer's name. Existing customers shall comply with this requirement as their contracts are modified or renewed.

- 10) The Division reserves the right, in the event Customer's load for a continuous period of more than ninety (90) days, does not require the use of transformers and other facilities furnished by the Division of the capacity installed for this Agreement, to substitute equipment necessary only to carry the load actually used by the Customer. The foregoing provision of this Paragraph (10) shall not apply to shutdowns on account of strikes, adverse business conditions or other circumstances if Customer can show the Division to its satisfaction that the existing circumstances are temporary. Customer agrees not to increase the use of electricity beyond the maximum provided in Paragraph (2) hereof, without ample written notice to the Division, to permit installation of equipment to carry the actual load; and in the event of damage to Division's equipment by reason of such overload, Customer agrees to pay for such damage.
- 11) Customer shall install and maintain at all times all wiring, equipment and other appurtenances, owned by Customer, located on Customer's premises for use of electric energy contracted for herein:

- (a) If located outside the corporate limits of the City of Memphis, in a condition conforming to the requirements and standards of the National Electric Code, the National Electric Safety Code, the Shelby County Tennessee Electrical Code and all ordinances of Shelby County thereto appertaining; and, in any event, in compliance with the Divisions reasonable rules and regulations.
 - (b) If located within the corporate limits of the City of Memphis, in a condition conforming to the requirements and standards of the National Electric Code, the National Electric Safety Code, the Memphis Tennessee Electrical Code and all ordinances of the City of Memphis thereto appertaining; and, in any event, in compliance with the Division's reasonable rules and regulations.
- 12) Division will not be responsible for any failure, shortage, or interruption of electrical energy due to Force Majeure. Force Majeure shall mean act of God, strikes lockouts, or other industrial disturbances, acts of public enemy, wars, blockades insurrections, riots, epidemics, landslides, lightning, earthquakes fires, storms, floods, washouts, arrests and restraint of rulers and peoples, civil disturbances, explosions, breakage or accidents to electric transmission or distribution lines, the necessity for making repairs or alterations in machinery or transmission or distribution lines or any other cause, whether of the kind herein enumerated or not, not within the control of the Division, and which, by the exercise of reasonable care, the Division is unable to prevent or overcome, and whether occurring on Division's distributing system or on the transmission lines by which electrical energy is delivered to the Division. When Force Majeure occurs on Division's system and the shortage or interruption of delivery of electrical energy due to the Force Majeure is for a period of seventy-two (72) hours or longer, the Division will prorate the demand charge and/or minimum bill for that part of the billing period in which delivery of electrical energy was not affected by Force Majeure, but in no case shall the demand charge be less than the unprorated demand charge that the Customer would pay for the demand occurring at the time of Division's simultaneous monthly system peak demand.

Customer will not be responsible as a result of the application of Force Majeure, which shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, lightning, earthquakes, fires, storms, floods, arrests and restraint of rulers and peoples, civil disturbances, explosions, or any other cause, whether of the kind herein enumerated or not, not within the control of the Customer and which, by the exercise of reasonable care, the Customer is unable to prevent or overcome, provided further nothing contained herein shall release Customer from any minimum bill requirement other than those occasioned by the inability of the Division to deliver; provided further, that when the causes or contingencies cease to be operative, the Division shall resume delivery and Customer shall resume taking electrical energy. When Force Majeure occurs on Customer's system and the shortage or interruption of delivery of electrical energy due to the Force Majeure is for a period of seventy-two (72) hours or longer, the Division will prorate the demand charge for that part of the billing period in which delivery of electrical energy was not affected by Force Majeure, but in no case shall the demand charge be less than the unprorated demand charge that the Customer would pay for the demand occurring at the time of Division's simultaneous monthly system peak demand.
- 13) All system improvements, substation enhancements, and modifications required to the Division's system to serve and support any new load for the contracted address other than said load referenced in paragraph 2 of the terms and conditions of this Agreement shall be Customer's full financial responsibility.
- 14) Customers will be required to sign an agreement for a TVA interruptible program separate from this agreement. In the event of an overload event on the Division's electric system, Customer agrees to reduce their load at the Division's request to preserve the integrity of the Division's electric system. Failure to reduce load may result in the Division manually reducing or disconnecting Customer's load.
- 15) This Agreement is subject to such reasonable rules and regulations as may be prescribed by Division from time to time. Rules and regulations are made a part hereof, the same being on file in the office of the Secretary of the Division and subject to inspection during business hours.

Exhibit A

See associated 142,000 KW Power Interruption Provision.

Exhibit B

