

Attachment A

**Summary of Agreement**

<b>Purpose/Background</b>	<p>Mitsubishi Power has been providing integrated power generation design and manufacturing for over 120 years. A world leader in energy systems, Mitsubishi Power has designed, manufactured, delivered, installed, commissioned, and serviced power generating equipment (fossil and nuclear) throughout the world. Mitsubishi Power is the sole service provider for the university's 5.5MW Combined Heat and Power (CHP) equipment.</p> <p>The Budget and Finance Committee is recommending approval to the Board of Trustees of the Mitsubishi Power proposal, which provides pricing for parts and services for the next 9 years of scheduled outages at the UCF CHP site. Mitsubishi Power will include a 7% discount on all parts being considered as part of this 9-year plan, totaling nearly \$558k in savings over the duration of the plan.</p>
<b>Parties</b>	Facilities and Business Operations, Utilities and Engineering Services
<b>Term</b>	9 years
<b>Obligations of UCF</b>	Recommend approval of the 9-year term to capture the 7% savings.
<b>Obligations of other party</b>	N/A
<b>Financial terms</b>	<p><b>Year 1 (2K, 4K, 2K, 8K)</b>  <b>2025-2026 Service \$213,011 Parts \$137,711</b></p> <p><b>Year 2 (2K, 4K, 2K, 96K)</b>  <b>2026-2027 Service \$725,444 Parts \$2,545,521</b></p> <p><b>Year 3 (2K, 4K, 2K, 8)</b>  <b>2027-2028 Service \$213,011 Parts \$137,711</b></p> <p><b>Year 4 (2K, 4K, 2K, 16K)</b>  <b>2028-2029 Service \$599,534 Parts \$978,664</b></p> <p><b>Year 5 (2K, 4K, 2K, 8k)</b>  <b>2029-2030 Service \$213,011 Parts \$137,711</b></p> <p><b>Year 6 (2K, 4K, 2K, 32K)</b>  <b>2030-2031 Service \$725,444 Parts \$1,674,736</b></p> <p><b>Year 7 (2K, 4K, 2K, 8k)</b>  <b>2031-2032 Service \$213,011 Parts \$137,711</b></p> <p><b>Year 8 (2K, 4K, 2K, 16K)</b></p>

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	<p><b>2032-2033 Service</b> \$599,534 <b>Parts</b> \$1,002,031</p> <p><b>Year 9 (2K, 4K, 2K, 8k)</b> <b>2033-2034 Service</b> \$213,011 <b>Parts</b> \$137,711</p> <p><b>Electrical/Instrument Parts</b> \$43,245</p> <p><b>Resident Engineer (9 Years)</b> \$650,753</p> <p><b>7% Discount on Parts*</b> (\$557,937)</p> <p><b>Total – 9 Year Maintenance Contract \$10,740,589</b></p>
<b>Termination rights</b>	<p>UCF has the right to terminate this contract at any time after the completion of the 96,000-hour inspection, provided that Mitsubishi Power receives at least ninety (90) days' written notice.</p> <p>If UCF chooses to terminate the contract, a Termination Amount of \$558,000 will be payable to Mitsubishi Power. This amount represents a reasonable estimate of damages and is intended to replace actual damages, not serve as a penalty.</p> <p>If UCF cancels the contract before the term is completed, cancellation charges will be owed to Mitsubishi Power equal to the full price of all delivered and on-order parts, as well as any essential spare parts in inventory or on order. Note that parts are typically ordered two years in advance. Cancellation fees are based on the total contract value percentages outlined below.</p>
<b>Additional terms</b>	N/A
<b>Link to agreement</b>	<a href="#">Mitsubishi-Power-QTO-24-0273-UCF-CHP-9-Year-Maintenance-Contract-Final.pdf</a>