

SECTION 6. (a) The Mortgagor will at all times maintain and preserve the Mortgaged Property and each and every part and parcel thereof in good repair, working order and condition and in compliance with all applicable laws, regulations and orders, and will from time to time make all needful and proper repairs, renewals, and replacements and useful and proper alterations, additions, betterments and improvements, and will, subject to contingencies beyond its reasonable control, at all times keep its plant and properties in continuous operation and use all reasonable diligence to furnish the consumers served by it through the Mortgaged Property, or any part thereof, with an adequate supply of electric energy and other services furnished by the Mortgagor.

(b) The Mortgagor will cause the sum (the "Sum") of the amount used during each period of three consecutive calendar years during the term of this Mortgage for maintenance, renewals and replacements of the Mortgaged Property and any available Maintenance Credit (as hereinbelow defined), to be at least equal to 10% of the result (the "Result") obtained by subtracting the Power Cost (as hereinbelow defined) of the Mortgagor for such three-year period from the Gross Operating Revenues (as hereinbelow defined) of the Mortgagor for such three-year period; or, if in any three calendar year period, the Sum does not equal 10% of the Result, apply the amount of the deficiency as hereinafter provided.

The term "Maintenance Credit" shall mean the sum of (1) the excess of the amount used in each period of three consecutive calendar years for maintenance, renewals and replacements over 10% of the Result during such three-year period and (2) the amount of such excesses from prior years, less amounts thereof previously utilized as permitted by this section.

The term "Maintenance Deficit" shall mean the amount by which 10% of the Result in each period of three consecutive calendar years exceeds the sum of (1) the amount applied during such three-year period for maintenance, renewals and replacements and (2) the amount of any available Maintenance Credit.

The amount used for maintenance in each year shall be the amount shown by the Mortgagor for such year under Account Number 402 of the Uniform System of Accounts, and the amounts used for renewals and replacements shall be based upon improvements and replacements of Utility Plant associated with retirements thereof, less net salvage value.

The term "Power Cost" shall mean the amount which would be shown as "COST OF PURCHASED POWER" on line 39 of REA Bulletin 1-1, as now in effect, with respect to the calendar year.

The term "Gross Operating Revenues" shall mean the amount which would be shown as "TOTAL OPERATING REVENUE" on line 79 of REA Bulletin 1-1, as now in effect, with respect to the calendar year.

In furtherance of the covenant contained in this subsection (b), the Mortgagor will, within five months after the close of the third complete calendar year after the year in which this Mortgage is being executed, and within five months after the end of each three-year period following said third calendar year, furnish to the Mortgagees an Officer's Certificate, setting forth separately and in reasonable detail:

- (1) The amount of Gross Operating Revenues derived by the Mortgagor from the Mortgaged Property during the three preceding calendar years and the Mortgagor's Power Cost for such three-year period;
- (2) The amounts used during such three preceding calendar years for maintenance, renewals and replacements of the Mortgaged Property;
- (3) Any Maintenance Credit not theretofore utilized as permitted by this Section and the computation thereof; and
- (4) The resulting Maintenance Credit or Maintenance Deficit.

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