

**Date:** April 19, 2025

To: The City of Atoka & Mayor Brian Cathey  
From: The Broken Arrow Economic Development Authority

Subject: The Broken Arrow Economic Development Authority's Commitment to Support the Atoka Energy Park Project

Dear Mayor Cathey,

On behalf of The Broken Arrow Economic Development Authority, I am pleased to formally express our city's commitment to support the City of Atoka and the development of the Atoka Energy Park (AEP). This initiative represents a forward-thinking approach to economic growth, energy independence, and workforce development—not only for Atoka, but for our broader region and state.

### **Acknowledgment of Shared Vision**

The Broken Arrow Economic Development Authority recognizes the long-term value and strategic significance of the Atoka Energy Park. We share the vision of transforming Southeast Oklahoma into a nationally recognized hub for energy, technology, and infrastructure innovation. This project has the potential to serve as a catalyst for regional prosperity and public-private collaboration across counties.

### **Commitment to the Master Utility Service Agreement (MUSA)**

The Broken Arrow Economic Development Authority affirms its intention to work collaboratively with the City of Atoka to finalize and co-sign the Master Utility Service Agreement. We understand that our participation supports Atoka's eligibility for public benefit programs and reinforces the collective strength and scale needed to move the project forward successfully.

### **Contribution of Demographic and Financial Data**

We will provide The Broken Arrow Economic Development Authority's most up-to-date population statistics, financial data, and relevant demographics to assist in project qualification processes and planning.

### **Conditions of Support**

The Infrastructure as a Service (IaaS) framework offered through Sustainability Partners and its affiliates presents a comprehensive, no-capex solution for enabling essential infrastructure development at the Atoka Energy Park. The following benefits and participation conditions reflect our expectations as part of a strategic, risk-managed engagement:

#### **1. Zero-Capital, Off-Balance Sheet Infrastructure Delivery**

Participants will receive fully deployed infrastructure without incurring upfront capital costs or balance sheet liabilities. Ownership remains with Sustainability Partners and its affiliates, while participating agencies gain immediate use of critical assets with full operational control via long-term service agreements.

- Predictable, fixed monthly service payments tied to infrastructure usage
- No municipal debt issuance, bond underwriting, or depreciation burden

## **2. Direct Participation in Project Revenue**

A key feature of the IaaS model is its profit-sharing component, designed to ensure all participating public entities benefit directly from the project's success.

- Structured revenue-sharing mechanisms provide recurring cash flow to participating entities
- Net revenue participation

## **3. Underwriting and Project Viability Review**

To ensure integrity and transparency, all projects under this program undergo underwriting review:

- Full review and validation of contractors, equipment suppliers, and offtake customers

## **4. Risk Mitigation and Compliance Assurance**

The program embeds a comprehensive suite of risk mitigation measures, aligned with industry standard infrastructure and similar energy projects.

- Performance guarantees, uptime assurances, bonding and insurance-backed coverage are embedded within O&M and Data Center facilities service contracts
- Risk mitigation protocols, as defined in the pre-feasibility study and financial model, will be included in the final Municipal Use and Service Agreement (MUSA) by addendum
- Take-or-pay offtake contracts ensure stable revenue

## **5. Qualified Contractor and Supplier Vetting**

All project contractors, developers, and service providers must meet qualification standards:

- Independent review and approval by Sustainability Partners or qualified third party
- Minimum thresholds of prior experience, financial strength, technical capability and industry standard warranty, performance bonding, and service contract requirements

## **6. Workforce Development and Local Economic Impact**

The IaaS program is committed to ensuring that regional communities benefit directly from job creation and economic activity associated with the Energy Park:

- Inclusion of Oklahoma based contractors and service providers in all project phases
- Local hiring targets with workforce training programs developed in coordination with technical colleges and participating communities.
- Career pathway creation in high-demand sectors including energy operations, data center management, and digital infrastructure

## **7. ESG and Sustainability Integration**

Every project under the IaaS program aligns with federal and institutional ESG benchmarks:

- Lifecycle emissions reductions, water conservation, and energy efficiency are prioritized in design and operations
- Carbon credit strategies and IRA-aligned incentives provide further revenue and sustainability benefits
- Environmental stewardship and ecological offset initiatives are integrated into site development

## **Roles and Responsibilities**

The Broken Arrow Economic Development Authority acknowledges that our role is limited to supportive and participatory functions. We will not bear financial or operational responsibilities for the development or construction of the Atoka Energy Park.

The following responsibilities shall remain with the City of Atoka and its development partners:

- Regulatory compliance and permitting oversight.
- Complete management of all procurement, vendor qualification, developer agreements and RFP processes.
- Oversight of construction, commissioning, and project operations through approved highly qualified vendors, developers and contractors. As outlined within project plan and final MUSA.
- Development and execution of profit-sharing agreements.

**The Broken Arrow Economic Development Authority's focus will be on:**

- Contributing financial data and demographic support.
- Participating in economic benefits through revenue sharing.
- Advocating the project within the region and supporting stakeholder collaboration.

#### **Commitment to Strategic Collaboration**

The Broken Arrow Economic Development Authority affirms its intent to collaborate with the City of Atoka and Sustainability Partners throughout the financing and planning phases of the Atoka Energy Park project. The City acknowledges the significance of this initiative, its long-term objectives, and the anticipated benefits to The Broken Arrow Economic Development Authority. The city understands that its formal participation in the project and development process—defined as the execution of the Commitment Letter and the Master Utility Service Agreement (MUSA)—shall not constitute a binding obligation until the subsequent formal issuance of a Notice to Proceed by Sustainability Partners and written acceptance by The Broken Arrow Economic Development Authority.

The Broken Arrow Economic Development Authority remains committed to a cooperative and structured engagement with all parties involved, consistent with the responsibilities and conditions outlined in this agreement.

Sincerely,

**On Behalf of The Broken Arrow Economic Development Authority:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: Chairperson, The Broken Arrow Economic Development Authority

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: City Manager, Broken Arrow Economic Development Authority

Email: \_\_\_\_\_

Phone: \_\_\_\_\_