

Guaranty

This Guaranty (this "Guaranty"), dated effective as of January 30, 2007 (the "Effective Date"), is made and entered into by FPL GROUP CAPITAL INC, a Florida corporation ("Guarantor").

WITNESSETH:

WHEREAS, FPL ENERGY POWER MARKETING, INC., a corporation organized under the laws of the State of Florida ("PMI") and an indirect, wholly-owned subsidiary of Guarantor, is contemplating entering into an obligation to provide Standard Offer Service to commercial and industrial customers of Central Maine Power Company (hereinafter, the "T&D") effective March 1, 2007 (the "Standard Offer Obligation"); and

WHEREAS, Guarantor will directly or indirectly benefit from PMI entering into the Standard Offer Obligation;

WHEREAS, the Maine Public Utilities Commission (the "MPUC") will designate a standard offer provider to provide service to customers of the T&D and will require adequate security to fund the cost of replacement standard offer service in the event of a default by the standard offer provider;

NOW THEREFORE, in consideration of PMI being designated a standard offer provider, Guarantor hereby covenants and agrees as follows:

1. GUARANTY. Subject to the provisions hereof, Guarantor hereby irrevocably and unconditionally guarantees the timely payment when due of the obligations of PMI (the "Obligations") for the payment of the additional costs of replacement standard offer service, at the direction of the MPUC, as long as such Obligations do not exceed the total amount of this Guaranty. The guarantor waives promptness, diligence and notices with respect to any such Obligations and agrees to pay any statement under this Guaranty presented by the T&D at the direction of the MPUC, within ten (10) Business Days. This Guaranty shall constitute a guarantee of payment and not of collection. The liability of Guarantor under this Guaranty shall be subject to the following limitations:

(a) The aggregate amount covered by this Guaranty shall not exceed U.S. \$5,000,000.

(b) Guarantor's liability hereunder shall be and is specifically limited to payments expressly required to be made under the Standard Offer Obligation (even if such payments are deemed to be damages) as well as costs of collection and enforcement of this Guaranty (including attorney's fees) to the extent reasonably and actually incurred by the T&D or the MPUC (all of which such liability in the aggregate will be subject to the limitation set forth in Section 1(a) above) but in no event shall Guarantor be subject hereunder to consequential, exemplary, equitable, loss of profits, punitive or tort damages, or, except to the extent specifically provided in the Obligations, any other damages.

2. DEMANDS AND NOTICE. If PMI fails or refuses to pay any Obligations and the T&D has elected to exercise its rights under this Guaranty or in case where the T&D is owed costs of collection and enforcement, the T&D shall make a demand upon Guarantor (hereinafter referred to as a "Payment Demand"). A Payment Demand shall be in writing and shall reasonably and briefly specify in what manner and what amount PMI has failed to pay and an explanation of why such payment is due, with a specific statement that the T&D is calling upon Guarantor to pay under this Guaranty. A Payment Demand satisfying the foregoing requirements shall be required with respect to Obligations before

Guarantor is required to pay such Obligations hereunder and shall be deemed sufficient notice to Guarantor that it must pay the Obligations within ten (10) Business Days after its receipt of the Payment Demand. A single written Payment Demand shall be effective as to any specific default during the continuance of such default, until PMI or Guarantor has cured such default, and additional written demands concerning such default shall not be required until such default is cured. As used herein, the term "Business Day" shall mean a day on which commercial banks or financial institutions are open for business in the States of Florida and New York.

3. REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants that:

(a) it is a corporation duly organized and validly existing under the laws of the State of Florida and has the corporate power and authority to execute, deliver and carry out the terms and provisions of the Guaranty;

(b) no authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of this Guaranty; and

(c) this Guaranty, when executed and delivered, will constitute a valid and legally binding agreement of Guarantor, except as the enforceability of this Guaranty may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

4. SETOFFS AND COUNTERCLAIMS. Without limiting Guarantor's own defenses and rights hereunder, Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which PMI or any other affiliate of Guarantor is or may be entitled to arising from or out of the Obligations or otherwise, except for defenses arising out of the bankruptcy, insolvency, dissolution or liquidation of PMI or the lack of power or authority of PMI to enter into and/or perform the Obligations.

5. AMENDMENT OF GUARANTY. No term or provision of this Guaranty shall be amended, modified, altered, waived or supplemented except in a writing signed by Guarantor and accepted by the MPUC.

6. WAIVER; TERMINATION. Guarantor hereby waives (a) notice of acceptance of this Guaranty; (b) presentment and demand concerning the liabilities of Guarantor; (c) any right to require that any action or proceeding be brought against PMI or any other person, or to require that the T&D seek enforcement of any performance against PMI or any other person, prior to any action against Guarantor under the terms hereof; and (d) recourse to all suretyship defenses, generally.

Except as to applicable statutes of limitation, no delay of the MPUC or the T&D in the exercise of, or failure to exercise, any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from any obligations hereunder.

Guarantor consents to the renewal, compromise, extension, acceleration or other changes in the time of payment of or other changes in the terms of the Obligations, or any part thereof or any changes or modifications to the terms of the Standard Offer Obligation.

Guarantor agrees that this Guaranty shall continue to be effective or shall be reinstated, as the case may be, if all or any part of any payment made hereunder is at any time avoided or rescinded or must otherwise be restored or repaid by the T&D as a result of the bankruptcy of PMI, or otherwise, all as though such payments had not been made.

This Guaranty and the Guarantor's liability hereunder will terminate automatically and immediately on August 31, 2007 provided that termination shall not affect any Guarantor's liability hereunder arising prior to termination.

7. NOTICE. Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder by any party to another (herein collectively called "Notice") shall be in writing and delivered personally or mailed by certified mail, postage prepaid and return receipt requested, or by telegram or telecopier, as follows:

To T&D: Central Maine Power Co.
83 Edison Drive
Augusta, ME 04402-0932
Attn: VP Treasurer &
Controller
Fax No.: (207) 621-4714

To Guarantor: FPL Group Capital Inc
700 Universe Blvd.
Juno Beach, Florida 33408
Attn: Treasurer
Fax No.: (561) 694-6299

Copies of any Notice sent hereunder by any party shall also be sent to:

Maine Public Utilities Commission
242 State Street
18 State House Station
Augusta, Maine 04333-0018
Attn: Faith Huntington

Copies of Notices sent to Guarantor shall also be sent via facsimile to ATTN: Contracts Group, Legal, Fax No. (561) 625-7504 and ATTN: Credit Department, Fax No. (561) 625-7642.

Notice given by personal delivery or mail shall be effective upon actual receipt. Notice given by telegram or telecopier shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. All Notices by telegram or telecopier shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any party may change any address to which Notice is to be given to it by giving notice as provided above of such change of address.

8. MISCELLANEOUS. This Guaranty shall be binding upon Guarantor and its permitted successors and assigns and inure to the benefit of and be enforceable by the T&D and its permitted successors and assigns. The Guarantor may not assign this Guaranty in part or in whole without the prior written consent of the MPUC.

The headings in this Guaranty are for purposes of reference only, and shall not affect the meaning hereof.

Time is of the essence of this Guaranty. The remedies provided to the T&D in this Guaranty are cumulative and not exclusive of any other remedies provided by law.

Words importing the singular number hereunder shall include the plural number and vice versa and any pronouns used herein shall be deemed to cover all genders. The term "person" as used herein means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated association, or government (or any agency or political subdivision thereof).

Wherever possible, any provision in this Guaranty which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any one jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Guaranty is issued in accordance with 65-407 Code of Maine Rule Chapter 301 to ensure PMI's compliance with applicable provisions of that chapter and of applicable Maine statutes and rules. The interpretation and performance of this Guaranty shall be governed by the laws of the State of Maine, except its conflict of laws provisions to the extent that they would require the application of the laws of another jurisdiction. Proceeds from this Guaranty shall be paid or disbursed only as directed by the MPUC.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty as of the Effective Date.

FPL GROUP CAPITAL INC

By: 

Name: Robert Steven Schauer

Assistant Treasurer

Title: _____

